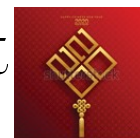




# Financial Crisis Report



## Advancing in a Time of Crisis

**Words of Wisdom " A government powerful enough to give you everything you want, is powerful enough to take away everything you have " Thomas Jefferson**

### Inside this issue:

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We are experiencing the most economically unstable and socially erratic period in the history of the modern world. This period is marked with extreme fluctuations in the stock, commodity and currency markets accompanied by severe and sometimes violent and deadly social disruptions including historic pandemics, riots and wars. As is typical of such times, many fortunes will be made and lost during this period. After talking with many business owners, executives, professionals, scholars and government officials from around the world, the writer believes that for the financially astute investor, this is a time of unprecedented opportunity given the global trade unbalances and distortions in the stock, commodity and currency markets. *The Financial Crisis Report* is a free compilation of the opinions of David Miyoshi as well as of those advisors he himself subscribes to (with appropriate credits given) on how to benefit during this historic time of crisis. The writer receives no compensation of any kind from any advisors whose articles or ideas may appear in this report. The reader is welcomed to check on all sources of information mentioned herein. Because the opinions and observations of this writer and other advisors are provided herein without charge, the reader is asked to make his/her own judgment on the contents.

### What will America be like under Kamala Harris?



**F**irst, who is Kamala Harris?

She was born on Oct. 20, 1964, in Oakland, California. Her father, Donald Harris, was a Jamaican-born professor known for his Marxist ideas. A headline from the Stanford Daily reports that Donald Harris was hired at Stanford University after a "six-month, 'round-the-world' search for the most qualified Marxist professor available." His papers include "The Black Ghetto as Colony: A Theoretical Critique" (1972) and "Capitalist Exploitation and Black Labor: Some Conceptual Issues" (1978).

Kamala Harris's mother, Shyamala Gopalan, was an Indian-born cancer researcher. She met Donald Harris while they were both students at the University of California-Berkeley. *Epoch Times* journalist Trevor Loudon reports that Donald and Shyamala often participated in civil rights and anti-Vietnam War demonstrations, taking baby Kamala to protests in a stroller.

After her parents divorced, Kamala was raised by her mother. Kamala earned a degree in political science from Howard University in 1986, and a law degree from the University of California Has-

tings College of Law in 1989. Having graduated from Hastings myself, I have fond memories of the law school. I recall it as a bastion of power in San Francisco politics. In 2016 Harris was elected to the United States Senate.

Harris is the first Asian American and the first Black woman in American history to be a general election candidate for president or vice president for either of the two major political parties. Harris is just the second Black person (after Barack Obama) and the fourth woman (after Democrats Geraldine Ferraro in 1984 and Hillary Clinton in 2016, and Republican Sarah Palin in 2008) to be on a presidential ticket for one of the two major parties. If she and Biden win the November election, she would be the first Asian American, the first woman of any race or ethnicity and the second Black person in U.S. history to be vice president or president.

Throughout her career, Kamala Harris has attempted to distance herself from the Marxist label that clings to her parents. While campaigning for the presidential nomination last year, she told reporters that unlike Sen. Bernie Sanders, she "was not a democratic socialist." Yet while she may disavow the label "democratic socialist," her voting record shows she is definitely not a "pragmatic moderate."

According to an assessment by *Voteview*, Senator Harris's voting record is farther left than 99 percent of the Senate. That indicates she is actually more liberal than Senator Sanders and every other senator except one: Elizabeth Warren.

Harris was a co-sponsor of Sanders's "Medicare for All" scheme to socialize America's health-care system. She was also a co-sponsor of the Green New Deal, a proposed program that purposes to fight global warming by totally eliminating fossil fuel-powered electricity, closing every coal and natural gas power plant in the nation, and transi-

## What will America be like under Kamala Harris?

tioning the U.S. economy to 100 percent renewable energy by 2030. In a CNN Town Hall in October 2019, Harris stated that she is in favor of banning fracking and offshore drilling (moves that would end U.S. energy dominance). And she has stated that she wouldn't hesitate to sign an executive order banning all "assault weapons" if she were president.

Such proposals would have rendered a candidate unelectable a few years ago. But today, the Democratic Party views them as the agenda of a "pragmatic moderate."

Joe Biden's appointment of Kamala Harris as his running mate is just the latest step in the Democratic Party's move to the left. This radical shift has been ongoing since supporters of the New Left movement hijacked the 1972 Democratic Convention. But recently it has intensified to the point that Democrats may start losing public support as the silent majority of Americans become fearful of how radically far left Democrats have become. If the party becomes smaller and radicals remain in control, it may begin acting even less like a mainstream political party and more like a vanguard revolutionary party.

Both Barack Obama and Kamala Harris were raised by Marxist ideologues before they became influential leaders in American politics. The far-left ideas put forward by the Democratic Party today are not based on traditional American culture but were brought to America from German, Russian and Chinese universities. The leaders of the Democratic Party are now "going beyond the Communist Party" and shifting their party even further toward economic socialism and cultural Marxism.

So, what will America be like under a Harris presidency?

Well to answer that, here is a list from David Hodges of the *Common Sense Show* on his ideas of what America could likely be if Harris were the president.

A Hillary Vice-Presidency will become a reality. Harris will undoubtedly be suffering a stiff neck from having to look over her shoulder on a constant basis. Assassination will become commonplace in the new regime true to the history of Bosheviks and Lenninists.

Free healthcare for undocumented workers at your expense.

A jumpstart to social security benefits for undocumented workers which will count their work history in their home country and credit to their new social security account.

Reintroduction of so-called quota systems which is another form of reverse racism.

After-birth abortions. All abortions will be on demand and be federally funded. Churches will be forced to offer this service as a matter of employment regardless of religious belief.

No gasoline powered cars with little transition period. '

Under the Green New Deal, private property will be a thing of the past as America enters a period of neo-feudalism. Guess who the

new serfs will be?

Higher tax on residents living in the suburbs. This is something that she joked about as the "white privilege tax".

Opportunity program taxes which will be racially exclusive.

Continued defunding of the police as America becomes as safe as 1992 Bosnia and present-day South Africa. Racially motivated crimes will skyrocket and prosecutions will become selective. Make no mistake about it, Harris is a racist of the highest order.

Laws favoring pedophiles will be passed. Ask Kamala about her sister Maya and then ask her what is her favorite type of pizza.

The adoption of Nancy Pelosi's proposed amendments to the stimulus bill with regard to CV-19 which includes federally mandated mask wearing, mandatory vaccinations which will be made legal because all other treatments will be illegal, a health certificate will be required to leave the home, contract tracers and public health employees can enter homes to ensure compliance (editor's note: Think Melbourne, Australia), taking "suspected" infections to isolation camps. These would be the FEMA Medical Martial Law camps spoken of by Hodges and Celeste Solum.

The reintroduction of sovereignty-destroying free trade agreements.

A Harris presidency will move America toward UN rule. U.S. law will become inferior to the new agreements that will be put into place by new treaties with the United Nations.

Harris promised in the primary campaign season that she would give Congress 100 days to get the guns or she would invoke executive orders.

Extreme censorship and criminal and civil sanctions for violation the new Internet etiquette.

If the Biden and Harris ticket doesn't get elected, that's ok, she has openly joked about the assassination of Donald Trump.

This is only the short list. What about the batting order in Washington DC after Biden is disposed of?

1. Harris: President

2. Clinton: Vice-President

3. Pelosi: Speaker of the House

Maybe we should change the name to the United States of Soviet Socialist Republics.

D. Miyoshi

## For Japanese-Americans, Housing Injustices Outlived Internment

The following article appeared in **THE NEW YORK TIMES MAGAZINE** on August 20, 2020

It's written by Bradford Pearson, the author of the forthcoming book *"The Eagles of Heart Mountain,"* about football and resistance in a Japanese-American internment camp.

I found the article interesting as I was not aware of some of the facts it discloses. I present it here for your reading consideration.

D. Miyoshi

## For Japanese-Americans, Housing Injustices Outlived Internment

In 1945, thousands were released from internment camps. But they couldn't return to the world they had left.



Temporary housing in the Winona trailer camp in Burbank, Calif., in 1946. A year earlier, the occupants had lived in internment camps. Credit...Los Angeles Daily News Negatives (Collection 1387). Library Special Collections, Charles E. Young Research Library, UCLA.

*In the latest article from "Beyond the World War II We Know," a series by The Times that documents lesser-known stories from World War II, we look back at how Japanese-Americans who had been interned during the war fared after the Japanese surrender.*

On the second weekend of May 1946, more than 500 Japanese-Americans arrived at a dusty, ripped-up corner of Los Angeles County adjacent to a Lockheed Corporation bomber factory. Their bags were unloaded and piled next to bulldozers still planting the dirt outside their new homes, a cobbled-together assortment of used federal housing trailers in glistening silver and bland shades of green.

As the children — who made up nearly two-thirds of the new tenants — played, their parents and grandparents inspected the homes of the new Winona trailer camp. Fewer than a fifth of the trailers had working stoves, and those that did were in such disrepair that four fires ignited in one day. Broken windows and unlockable doors were common. The only phone was protected by a guard whose stated duty was to secure only the property of the site's contractors, not its residents. There was no food, electricity or heat. Toilets were housed in a communal building, and not connected to the sewer.

"The trailers were so filthy that an animal should not have been expected to live in them," said Seldon Martin, a Social Security Board official responsible for overseeing the well-being of the occupants, after visiting the camp. "Undoubtedly it was worse than any housing the Japanese had to put up with during evacuation."

A year earlier, those same people had sat in internment camps across the American West. As they searched for their bags in the trailer camp a year later, county officials scrambled around them to arrange meals from a nearby tuberculosis sanitarium. Similar situations played out up and down the West Coast, as tens of thousands of Japanese-Americans returned after more than three years of incarceration. But they weren't returning to the world they left.



Rail cars transported Japanese-American citizens from their homes in Woodland, Calif., to the Merced Assembly Center, about 125 miles away, in May 1942. Credit...Dorothea Lange/National Archives

After President Franklin D. Roosevelt's Executive Order 9066 paved the way for their removal, Japanese-Americans sold their homes, farms and businesses, often for pennies on the dollar. While incarcerated they worked menial jobs for \$12 or \$16 or \$19 a month — hardly enough to survive on, let alone save for a new beginning. Unable to return to their farms — restrictive covenants and alien land laws often banned Japanese-Americans and their Japanese parents — many who worked on or owned strawberry or lettuce fields before the war moved to Los Angeles and became gardeners, trying to settle into an urban life for the first time in their lives.

Los Angeles, which was home to the largest ethnically Japanese community in North America before the war, was changing, too.



## For Japanese-Americans, Housing Injustices Outlived Internment

The War Relocation Authority, the federal agency tasked with operating the 10 internment camps, worked to empty those camps as quickly as possible following Roosevelt's closure order in December 1944. The W.R.A. shuttered almost all the camps in the fall of 1945. (One camp, Tule Lake, remained open until March 1946 to house "disloyal" incarcerated.) Each internee received \$25 and a train ticket to wherever they wanted to go.

Housing was strained to the seams across the United States, but the situation in Los Angeles, described by one official in October 1945 as "full of dynamite," was especially dire. More than 1.3 million people — roughly one out of every 100 Americans — moved to California between 1940 and 1944. The California State Reconstruction and Reemployment Commission estimated that 625,000 new homes would need to be built to accommodate the growth in the five years following the war, including 280,000 in Los Angeles County alone. During the war, Little Tokyo first became a ghost town, then swelled with Southern Black workers arriving for defense jobs; for three years Little Tokyo was known as Bronzeville. It was into this chaos that the W.R.A. planned to unload 1,200 incarcerated each week that fall.

By the end of 1945, a month after closing nine of the 10 W.R.A. camps, thousands of Japanese-Americans returned to the West Coast with nowhere to live. Those who couldn't find other housing took rooms in \$1-a-night hostels carved out of prewar hotels and Buddhist temples, or trailers and repurposed Army barracks.



Getting tickets before transport from the Poston Relocation Center in Arizona in September 1945. Credit...Hikaru Iwasaki/National Archives



The last residents of the Amache Relocation Center, in Granada, Colo., waited to board the train back to their West Coast homes, October 1945. Credit...Hikaru Iwasaki/National Archives



Former residents of the Gila River Relocation Center in Rivers, Ariz., were transported back to California, September 1945. Credit...Hikaru Iwasaki/National Archives

Communities with as many as 1,000 residents filled mazes of barracks and trailers in El Segundo, Hawthorne, Burbank, Inglewood and Santa Monica. Even Lomita Flight Strip, an airfield used to house and train squadrons of P-38 fighter pilots 17 miles south of downtown Los Angeles, was converted into housing. To get into Los Angeles to find work required 85 cents each way, and a four-hour round-trip by bus. Charlotte Brooks, a historian, described the camps as "isolated ghettos that perpetuated the hardships of incarceration."

## For Japanese-Americans, Housing Injustices Outlived Internment

The environment that had forced the trailers' occupants from their homes in 1942 hadn't disappeared, either. Frank Kawana was 12 when his family moved into the trailer camp in El Segundo, which sat near North American Aviation's B-25 bomber plant. One day, as the 5 o'clock whistle blew, Kawana and his father were stuck standing at an intersection while the workers drove off.

"It was probably about 10 minutes but it seemed like 10 hours," Kawana recalled in 2011 to Densho, a nonprofit preserving the history of Japanese-American incarceration. "Every other car would roll down the window" and they yelled "'Goddamn Japs! Get the hell out of here!'" His father grabbed his hand. "A little bit of him and a little bit of me died that day," Mr. Kawana said.

When it shuttered the internment camps in 1945, the W.R.A. liquidated not only the barracks but also the cots and kitchen equipment from the camps. Some items even found their way to the West Coast's makeshift housing; it's not impossible to imagine a scenario where a trailer or hostel resident pulled the sheets up at night in the same bed they where they had slept the previous three years. "Because of poverty and restrictive covenants and hostility and fear, Japanese-Americans were forced to take whatever housing they could get," said Greg Robinson, the author of "After Camp: Portraits in Midcentury Japanese American Life and Politics."

The public sentiment that had driven the decision to remove Japanese-Americans from the West Coast in 1942 hadn't miraculously disappeared. Los Angeles County refused to hire Japanese-Americans until 90 days after the end of the war, and private-sector discrimination led to former shop owners becoming domestic servants, Robinson said. The state's produce industry, the lifeblood of many Japanese-Americans before the war, shut out the returning families. The community didn't fully recover financially from incarceration until the early 1960s, Robinson said, missing out on 15 years of postwar American prosperity.

All of this led to an economic hollowing out of the community. In 1941, only 23 of Los Angeles County's 36,000 residents of Japanese descent received public assistance. By January 1946 that number had climbed to 937.

As housing and employment pressures eased, the populations of the barracks and trailer camps slowly began to shrink. In the spring of 1946 the W.R.A. closed its doors and the majority of the trailer camps it oversaw. At the Lomita Flight Strip camp, the agency cut the water lines as 160 residents were scrambling for new housing. Many of them moved into private trailers operated by plant nurseries and seafood companies, their lodging provided in exchange for their labor. Most of the rest were dumped at Winona trailer camp that second weekend in May.

Windows were fixed; gas, sewer and power lines connected. The 337 school-age children eventually found classrooms to accommodate them. Families, close to 200 in total, filled the trailers, planting petunias and small patches of grass; the men took advantage of the proximity to Hollywood, its demanding lawns requiring dedicated gardeners.

Eventually, families trickled out, skirting Los Angeles County's restrictive covenants by moving to Black communities like Watts and Crenshaw. Jim Matsuoka lived with his family and more than 100 other Japanese-American families at Los Cerritos trailer camp in Long Beach, where the trailers were "barely fit for human habitation," he recalled in a 2010 Densho interview. After first living in the camp, his sisters moved to Echo Park. There, the 12-year-old heard a familiar sound for the first time in five years.

"I heard the toilet flush," he said. "It was like: 'I'm back to civilization. I'm back among living people.'"

In the fall of 1947, the last families in Winona were evicted once again. The Federal Public Housing Authority made them a deal: we'll sell you your trailers if you leave. After paying a discounted \$75 to \$100 for their trailers, about 100 families took the offer and moved two miles up the road, to an industrial zone the Valley Times, a Burbank newspaper, later generously called a "nameless community." (A year later, the area would vote to change its name to Sun Valley, drawing the ire of the upscale Idaho ski resort of the same name.)



Meal service at the Winona trailer camp. Credit...Los Angeles Daily News Negatives (Collection 1387). Library Special Collections, Charles E. Young Research Library, UCLA.

## #BlackLivesMatter shines light on racism in Japan and across Asia



When the Winona camp opened in 1945, its only phone was protected by a guard whose stated duty was to secure only the property of the site's contractors, not its residents. Credit...Los Angeles Daily News Negatives (Collection 1387). Library Special Collections, Charles E. Young Research Library, UCLA.

Since the trailers lacked wheels, the F.P.H.A. towed the homes to their new locations for \$25, a third of the cost of some of the trailers. In current dollars, the families spent more than \$1,000 to start over yet again. For many Winona residents, the move would be the fifth they had made in less than six years.

The process of rebuilding began again: new children, more gardens, renewed hope for stability. Homeowners erected picket fences around their tiny trailers, and this time the move stuck. For the next eight years the corner of San Fernando Road and Olinda Street was a bustling Japanese-American community. On weekends children attended Buddhist Sunday school, while during the week they buoyed their regular curriculum with Japanese language lessons.

The community sprouted the Valley Japanese Community Center, teaching Japanese dance, song and cuisine. The center opened its own building outside the trailer camp in the early '50s; it still operates. By 1955 the trailer camp boasted a heated pool, shuffleboard courts, horseshoes and a playground with six swings, tetherball and a sandbox. Then, once again, it was gone.

The language of the public notification buried on page four of the June 27, 1955, Valley Times was blunt: "An application has been filed with the commission requesting that the R1 One-Family Dwelling Zone be changed to the M2 Light Industrial Zone." Within a year the land was sold out from under its residents, the trailer park bulldozed and replaced with warehouses. Families scattered, and with them the memory of the Japanese-American trailer camps: When former residents organized a reunion in 1986, they learned that no one at the Burbank Historical Society even knew the Sun Valley trailer camp had existed.

End of Article

## Black Lives Matter in Japan and Asia

This article appeared on August 11 in the *Nikkei Asian Review*. It is written by Jada Nagumo and Nana Shibata, Nikkei staff writers. I present it here for your consideration. D. Miyoshi

## #BlackLivesMatter shines light on racism in Japan and across Asia



**T**OKYO -- "One time, a man told me to 'straighten my hair like a Japanese girl' if I wanted a boyfriend," said 35-year-old Temple University student Juniper Alexander. For her, that was just the tip of the iceberg of racial discrimination she has faced while living in Japan.

Born and raised in New Orleans, Alexander had dreamed of living in Japan, fascinated by martial arts and modern, technologically advanced cities in the country. After arriving in 2014, however, she realized that discrimination against African Americans was still rife.

"People are generally nice and nonconfrontational but there is still a sense of covert discrimination and we're seen as violent or scary," she said.

The death of George Floyd in Minneapolis in May while he was being restrained by police sparked a global outcry over police brutality and systematic racism toward African Americans in the U.S. Demonstrations there have rippled out to Asia with countries like South Korea, Australia, Thailand and Taiwan embracing the Black Lives Matter movement.

Alexander and other students have helped to form "Black Lives Matter Tokyo." In June, it organized a peaceful march around Tokyo attended by over 3,000 people to show solidarity.





## #BlackLivesMatter shines light on racism in Japan and across Asia



Black Lives Matter demonstrators marching in Tokyo after the death of George Floyd. © Reuters

Public broadcaster NHK came under fire in June after it posted a cartoon on its Twitter account aimed at explaining the Black Lives Matter movement to children -- but the anime depicted black Americans in an offensive way, failed to explain complex race relations in the U.S. and, controversially, did not mention George Floyd's death.

A group of academics, including Mari Yoshihara, who is an American Studies professor at the University of Hawaii at Manoa, wrote to NHK to seek an explanation of the rationale behind the creation of the cartoon, and requested that the broadcaster did not perpetuate racial stereotypes in future programs.

"We could not overlook the contents of the program and animation," said Yoshihara.

The letter, signed by 13 scholars in June, stated that "the portrayals in the animation clip reinforce the existing stereotypes of African Americans and violate their dignity. This is simply unacceptable."

NHK has apologized and removed the clip from its Twitter account. A spokesperson told the Nikkei Asian Review that NHK had begun retraining its staff on human rights issues.

Other Japanese companies have also been blasted over racist advertisements.

Instant-noodle maker Nissin Foods Holdings was accused of whitewashing after it aired a commercial last year that featured tennis player Naomi Osaka, who is half-Haitian, as a pale-skinned anime character. The company quickly pulled the advert.

Such incidents show that Japan still has some ways to go in treating issues of race with more sensitivity. This is particularly so, as labor shortage means the country has to increasingly hire foreigners. Persol Research and Consulting forecast that Japan will face a shortage of 6.4 million workers by 2030 due to population decline.

Tokyo has introduced a new visa program in the hopes of drawing in

more foreigners. Persol also estimates that the number of foreign workers will jump 63% to reach over 2 million by 2030 from 2017.



Foreign workers at the Lawson convenience store chain undergo training in Tokyo. (Photo by Kotaro Igarashi)

African Americans are not the only ethnic minorities in Japan who face discrimination.

A 25-year-old Kurd, Rekan Omer, left his home in Iraq in 2018 to study and find employment in Japan.

He has applied for over 100 jobs and been rejected every time. "I've been rejected even though I fulfill the requirements. Those companies that reject me usually ask about my nationality," he said.

The lack of opportunity in Japan has frustrated him and is prompting him to rethink his decision to settle here. "I've started considering finding opportunities elsewhere like in Canada or New Zealand where I think there is a more open society," he said.

Anh Le Nhat, a Vietnamese student in her final year at Tokyo International University, is another young foreigner finding it hard to get a job.

"I was looking for a job with other international students from the U.S. and Italy, they've been easily accepted while I'm still struggling," she said. While she continues to search for full-time employment, she has taken up work at a factory production line, where all of her co-workers are Vietnamese.

"I've heard [such opinions that] foreigners are irresponsible and work [more] slowly than Japanese colleagues," she said.

Such discrimination is also prevalent in neighboring Asian countries.

In May, weeks before the death of George Floyd, a video surfaced in Hong Kong of a police officer kneeling on the neck of a man who was confirmed dead the next day. The nationality of the man was not confirmed but an eyewitness said he was South Asian.



## #BlackLivesMatter shines light on racism in Japan and across Asia

Local newspaper *Apple Daily* reported that the eyewitness said officers had exerted pressure on the suspect's body for five to seven minutes.

In the past year, Hong Kong has faced accusations of police brutality as pro-democracy protesters clashed violently with authorities.

Puja Kapai, an associate professor of law at the University of Hong Kong, pointed out that police brutality in the city was not new. "Police brutality experienced by young protesters is something ethnic minorities have faced for decades," she said. "It was just not known or people were just ignoring it."



There were reports of Africans in Guangzhou, China, being evicted and barred from restaurants amid unfounded rumors that they were spreading coronavirus. (Photo by Takashi Kawakami)

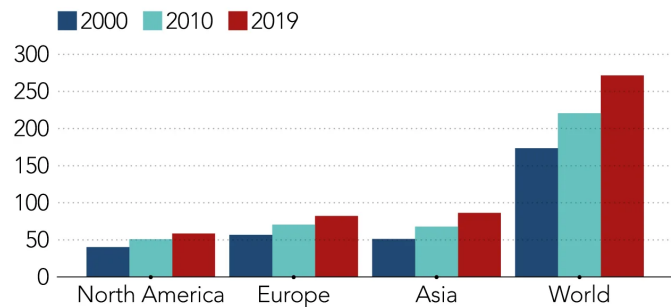
In April, China faced criticism for its treatment of Africans during the coronavirus outbreak.

After five Nigerians in Guangzhou city tested positive for coronavirus, baseless rumors blaming them for spreading the disease began to circulate. Stories about Africans being evicted from their homes and being turned away from restaurants prompted the Nigerian government and the African Union to criticize China and demand that the country address its mistreatment of Africans.

As the Asian economy develops, and aging populations force some countries to open their borders, more and more workers are arriving in the region.

In 2019, Asia was home to 84 million migrants, according to a report issued last year by the International Organization for Migration. The region is slowly shifting toward a more diverse, heterogeneous society. Europe received 82 million migrants, and the two regions together were home to 61% of the world's migrants in 2019.

Total number of migrants (In millions of people)



Source: United Nations

Meanwhile, this year has been a challenging one for migrants as the coronavirus outbreak forced countries to close their borders, essentially putting a stop to the inflow of people.

The pandemic, however, has also reinforced the importance of lower-skilled jobs in Asia that have typically been carried out by migrant workers. Jobs like "caregiving, agriculture and manufacturing, as well as food and retail, have been deemed essential services," said Viriri from IOM.

Chiho Ogaya, a professor at Ferris University in Yokohama predicted that Asian countries will continue to be destinations for migrants in the post-coronavirus era.

She raises an important condition, though: "There is a possibility for a new kind of racism where foreign workers are depicted as carrying the virus," noting that addressing and rectifying this will be important as countries ease lockdowns and aim to further increase the number of migrants.

In order for Asia to embrace diversity and inclusiveness, many are calling for a reexamination of education surrounding racial discrimination.

Bishnu Prasad Bhatt, principal at the Everest International School Japan, is one of those. The school educates Nepalese students in Japan. Bhatt said they are constantly taught about equality and diversity.





## Breaking Up the United States



Diversity and equality are concepts drummed into students at the Everest International School in Tokyo, which caters to Nepalese people. (Photo courtesy of the Everest International School)

The Nepalese community in Japan has grown substantially to over 90,000 at the end of 2019 from a little over 20,000 in 2012, based on data from the Ministry of Justice.

Bhatt, who has faced discrimination in the country, said: "It feels like Japan's immigration system welcomes young laborers to foster the economy but then there isn't much support for people to keep on living in Japan."

Tokyo-based English teacher Patrick Smith stressed the importance of educating children about such issues from a young age. One of his kindergarten students recently pointed at Smith, who is an African American, and said "[Your] face is dirty."

"I immediately stopped the lesson and calmly explained to my students how my face is not dirty, that it is the same as everyone but just a different color," he said.

"Japanese schools can benefit by using educational content that includes people of color," he said, noting that "the younger the better," so kids can get exposed to what the world looks like.

### Anti-discrimination ranking\*

(Top 5 and major countries in Asia and Oceania)

Rank	Country	Rank	Country
1	Canada	8	New Zealand
2	U.S.	13	Australia
3	Bulgaria	24	South Korea
4	Portugal	36	Turkey
5	U.K. and Sweden	37	Japan

\*Measures policy indicators in all EU member states, Australia, Canada, Iceland, Japan, South Korea, New Zealand, Norway, Switzerland, Turkey and U.S. to evaluate and compare what governments are doing to promote the integration of migrants  
Source: Migrant Integration Policy Index 2015 (MIPEX)

The United Nations' Agenda for Sustainable Development recogniz-

es migration as a key contributor to sustainable development. It calls on countries to facilitate safe, regular and responsible migration by implementing planned and well-managed policies.

However, according to U.N. data from 2019, Asia still lags behind the West in promoting the integration of those from overseas. Around 57% of governments in East and Southeast Asia reported that they provided migrants equal access to public education while the figure was 65% for Europe and North America.

For the percentage of governments that implement measures for equal payment, East and Southeast Asia was 29%, while the number in Europe and North America was 35%.

The Migrant Integration Policy Index, published by institutions such as the Barcelona Centre for International Affairs, also highlights how countries like Japan and South Korea fall behind their counterparts in anti-discrimination policies.

There is no easy path, but the struggle continues around the world.

Philonise Floyd, the younger brother of the late George Floyd, testified to the U.S. Congress on July 10: "If his death ends up changing the world for the better -- and I think it will, I think it has -- then he died as he lived."

End of Article

## Breaking Up the United States



The overthrow of the United States has been a fashionable theme for action movies in Hollywood, especially in the latter half of the 20<sup>th</sup> Century. Recently, *the Atlantic* published its list of the 13 best movies about why you shouldn't trust the government (any government). We have all seen one or more of these movies. Following is the list in chronological order. Interestingly, there is no overthrow movie listed in the 21<sup>st</sup> Century.





## Breaking Up the United States

The Manchurian Candidate (1962 Directed by John Frankenheimer)  
 Seven Days in May (1964 Directed by John Frankenheimer)  
 Z (1969 Directed by Costa-Gavras)  
 The Parallax View (1974 Directed by Alan J. Pakula)  
 The Conversation (1974 Directed by Francis Ford Coppola)  
 Three Days of the Condor (1975 Directed by Sydney Pollack)  
 Marathon Man (1976 Directed by John Schlesinger)  
 Blow Out (1981 Directed by Brian De Palma)  
 Nixon (1995 Directed by Oliver Stone)  
 Absolute Power (1997 Directed by Clint Eastwood)  
 Wag the Dog (1997 Directed by Barry Levinson)  
 The X-Files (1998 Directed by Rob Bowman)  
 Enemy of the State (1998 Directed by Tony Scott)

With that said, Dave Hodges of *the Common Sense Show* believes there are now actual plans afoot to overthrow the government of the United States. In an article Hodges published on August 21, 2020 he states there are ongoing and multiple efforts at work that are designed to break up the United States of America.

### COVID-19 Represents World War III and America Lost

Hodges asserts that the COVID-19 virus is a thinly veiled response designed to destroy the nation. He believes the globalists have succeeded to a large extent in crafting this and provoking the country to a \$36 trillion dollar debt. Half the nation is now out of work and by year's end 85% of the small restaurants will be out of business. Over half of small businesses are extinct. With the lockdown actions, the rule of law in America is now non-existent. Couple this with the defund the police movement, it is clear the globalists plan to destroy the social stability of the country.

Hodges further asserts that COVID-19 fake or inaccurate death and infection numbers have been used to destroy the economy and destabilize our nation from a social and emotion standpoint not to mention the economic destruction we have suffered. America has mistakenly fought a war against a virus and lost out to fake science.

### George Soros Plot to Declare a Trump Election Victory Null and Void

According to Hodges, if Biden loses the election in key swing states, the George Soros sponsored plan calls for Biden to declare voter suppression by Trump and have the Democrats withdraw from the Union, by force, if needed.

In support of this, here is a recent article taken from the *Atlantic*:

Earlier this summer, 67 former government officials and academic

students of government gathered over four sessions of the nonpartisan Transition Integrity Project to analyze those questions. They included Michael Steele, a former chair of the Republican National Committee; John Podesta, the former White House chief of staff who chaired Hillary Clinton's 2016 campaign; former Republican members of Congress; and a host of former elected officials, government staffers, consultants, and even journalists. The goal was not to make predictions, but rather to test scenarios and identify potential weak points in the system. The approach is common in the national-security world, but has not often before been applied to domestic politics.

In one of the scenarios, John Podesta played the role of Joe Biden. In the scenario, Trump had achieved several narrow victories in key swing states. Biden's stand-in, declared a fraudulent election based upon "voter suppression. The scenario included the Democrats withdrawing the State from the Union. This would lead instantly to a civil war and that is what the Democrats plan to do if they lose. Presently, there are movements to break up the Union. Here are some examples:

### The CALEXIT movement

The Calexit movement is about leaving the USA and becoming a United Nations protectorate. If it ever becomes a reality, it will mark the end of the United States as we know it. Over half of the nation's retail business crosses I-15 and if 49 states cannot access California's agricultural products, an instant famine would result.

Back in 2016, Hodges interviewed popular talk show host, Paul Preston and they discussed the breakup of America. At the center of the breakup remains the CALEXIT movement. It keeps being defeated, but it keeps coming back. It is like a bad cold that will not go away.



The Calexit movement has gone so far as to even open an embassy in Moscow!

Paul Preston and his insider sources have produced sufficient proof of the following:



## Breaking Up the United States

California will become a sanctuary state in opposition to any federal enforcement of our immigration laws. Some California lawmakers have gone so far as to say that they will not respect nor abide any actions by federal officials.

Preston has clearly documented that California intends on exiting the United States. Preston's inside sources, who have been in attendance at some of the Calexit meetings have boldly stated that the state will become its own country under the control of the United Nations. There is no legal precedent for California to do what they claim they will be doing. This is wholly illegal.

Former Gov. Brown has repeatedly refused comment regarding Calexit. If this was not his intention, then why not simply issue a denial statement? Often in politics, it is not what you say, but what you won't say.

Preston has evidence supporting the allegation that former Gov Brown as well as now Gov Newsom are in league with foreign officials from Mexico, China, Japan and the United Nations regarding the Calexit agenda. In addition, Preston's sources claim that La Raza and various members of the drug cartels have been in attendance. Hodges believes this could constitute criminal facilitation and treason on the part of both Brown and Gov Newsom and is a violation of the 10th Amendment for which they could be impeached.

If California is successful in carrying out Calexit, it will become a protectorate of the United Nations. This is the quintessential globalist plan.

If California is not successful in their attempt to withdraw from the U.S., they have promised a wave of terrorism that will serve to invite United Nations intervention.

Snipers on the Roof: As It was in 2015 Ukraine, It Will Be in California



Photographed by journalists from *Voice of Ukraine*, we see pro-Russian forces firing upon unarmed protesters.

The pro-Yanukovich forces are pictured above on a rooftop of a Ukrainian house on January, 22, 2014 firing upon unarmed protesters. According to Ukrainian journalists, working for the *Voice of Ukraine*, this is a very common occurrence in which untold numbers of protesters are being murdered on a daily basis.

Hodges has stated, what happened in Ukraine is coming to America. George Soros led revolutions consistently use the snipers on the roof phenomena to overthrow existing regimes. There are clear signs that the United States is about to fall victim to the same strategy.

The snipers on the roof phenomenon became the leading reason that the Russian-controlled Ukrainian government fell. This was a CIA operation but it involved mercenaries provided by George Soros and, as far-fetched as it sounds, these assassins were California based and likely under the control of former California governor Jerry Brown. The purpose of the move was to antagonize Russia because a more western-friendly regime would replace the pro-Putin government.

Undoubtedly Soros had the goal of sowing the seeds of World War III. The CIA's interest was based upon lessening the hold that the Russians had over our western allies in NATO when it came to natural gas of which Ukraine was a major supplier. Snipers on the roof was a central strategy in this successful coup attempt. However, Ukraine was not the only country to experience this strategy in recent years and the central player is always George Soros.

Coming: ANTIFA'S Snipers on the Roof

On July 19, the Aurora Colorado Mall area of I-225 was shut down by Antifa. Many will remember the video of Antifa shooting at a family trying to get home in their jeep as their tires were shot out and the entire family was in danger. Antifa actually wounded two of their own in their attempted execution of the family. The Aurora police department stood down as they have a precinct headquarters merely yards away from the incident. This area was also the site of the Aurora Batman shooting in 2012 and their behavior was the same.

Paul Martin and Hodges are both acquainted with a prominent family, who at this time, they prefer to keep anonymous. One of the members of the family was a former Aurora police officer, now an attorney. From this source and one other source that recently approached Hodges, they learned that further down I-225 near the Parker Road exchange, there were snipers spotted on the roof. They did not fire upon anyone, so it was assumed that this was a training exercise.

One week later the same thing happened in Austin Texas. Hodges was approached by one member of the Austin Police Department. He told the same story as Paul Martin and Hodges were told about Aurora, Colorado. There were snipers on the roof. Drones were dispatched and hovered above the potential snipers. No shots were fired, however. The conclusion, again, was that this was a training exercise.





## Breaking Up the United States

Post World War III: Courtesy of the UN



The above map is the UN plan to divide America in the event of a World III gone bad for the United States in which America is carved up like the proverbial Thanksgiving turkey.

### Canada Wants to Annex the Best Coast

All three states on the Pacific coast voted for Hillary Clinton. The election of Donald Trump has spurred discussion about all three states leaving the United States and being annexed by, believe it or not, Canada.

The following is taken from the *Seattle Times*:



"The #calexit movement, formed in response to Donald Trump winning the presidential election, has enveloped California's West Coast neighbors and spiritual counterparts, Washington and Oregon. The three Pacific Coast states overwhelmingly voted for Hillary Clinton. She received 55 percent of the vote in Washington, 62 percent in California and 52 percent in Oregon. This sounds far-fetched but residents of the "Best Coast" have a lot in common with its northern neighbors. The three states have long been working with British Columbia to combat climate change. All three new potential provinces have legalized cannabis, which Canada is moving toward. Also, there is Canada's universal health care..."

It appears that Calexit will take California out of this proposal and the Canadians have modified their proposal to include just Oregon and Washington. Recently, the Canadian government sent 150 maple trees to Oregon and California as an enticement to follow through.

### La Raza: Reclaiming the Southwest



Europeans go home! Whites not allowed! These are the battle cries of a movement designed to recapture lost Mexican territory as a result of the Mexican War.

MEChA's founding principles are contained in these words in "El Plan Espiritual de Aztlan" (The Spiritual Plan for Aztlan): "In the spirit of a new people that is conscious not only of its proud historical heritage but also of the brutal gringo invasion of our territories, we, the Chicano inhabitants and civilizers of the northern land of Aztlan from whence came our forefathers, reclaiming the land of their birth and consecrating the determination of our people of the sun, declare that the call of our blood is our power, our responsibility, and our inevitable destiny. ... Aztlan belongs to those who plant the seeds, water the fields, and gather the crops and not to the foreign Europeans. ... We are a bronze people with a bronze culture. Before the world, before all of North America, before all our brothers in the bronze continent, we are a nation, we are a union of free pueblos, we are Aztlan. For La Raza todo. Fuera de La Raza nada. Chicano is our identity; it defines who we are as people. It rejects the notion that we...should assimilate into the Anglo-American melting pot...Aztlan was the legendary homeland of the Aztecas ... It became synonymous with the vast territories of the Southwest, brutally stolen from a Mexican people marginalized and betrayed by the hostile custodians of the Manifest Destiny."

(Statement on University of Oregon MEChA Website, Jan. 3, 2006).

Miguel Perez of the Cal State-Northridge's MEChA chapter stated: "The ultimate ideology is the liberation of Aztlan. Communism would be closest Once Aztlan is established, ethnic cleansing would commence: Non-Chicanos would have to be expelled — opposition groups would be quashed because you have to keep power." Any questions?





## If you Own Stocks, Root for Trump

### Conclusion

This article only scratched the surface of the forces at work designed to defeat Trump and ultimately to overthrow our government. A movie about the overthrow of the United States can be exciting, engrossing and entertaining. It's fun because we don't expect it to happen anytime soon. But a plot currently in the works to overthrow the country is another matter.

Obviously, we need to be vigilant.

D. Miyoshi

## If you Own Stocks, Root for Trump



According to Scott Garliss, editor of the *Stansberry News-Wire*, regardless of their party affiliation, a lot of investors will be rooting for Trump come November.

This is because it's a cardinal rule of investing... Markets hate uncertainty.

That may sound like a tired truism, but it's "tired" for a reason. This idea is so important that it's instinctual for practically every money manager on Wall Street.

They hate it when they can't predict what a company's earnings power or revenue stream is going to look like. Even more, they hate it when larger macro worries are looming ahead.

An upcoming election does nothing to settle their nerves. And that means that as November approaches, we'll see plenty of uncertainty in the markets.

But here's the thing, if you study history, you'll find patterns in

stocks that show us what to expect from these situations. And regardless of party affiliation, it'll make a lot of investors root for President Trump in November...

Elections make investors nervous for a simple reason – a change to the party in power can mean changes in policy.

Whether it's true or not, the perception is that Republican administrations are pro-growth and anti-regulation, while Democratic administrations are seen as anti-growth and pro-regulation. So the outcome can alter the earnings ability of corporate America (or at least appear to alter it).

Now, we've got a presidential election right around the corner. And the polls are pointing to the Democrats' nominee Joe Biden winning the presidency.

We won't get into the candidates' political stances here. The question for investors is which outcome will be better for their portfolios...

With that in mind, Garliss examined the historical performance of the S&P 500 Index around presidential elections. He looked at the market's performance in the nine months following the vote.

He didn't focus on the individuals who were running, but on whether a particular party remained in power. And the results tell us that regardless of your political affiliation, investors should hope for "more of the same."

Here's what has happened when the ruling party stayed in power...

Election Year	3-Month Return	6-Month Return	9-Month Return
1928	32.5%	33.5%	48.6%
1936	15.7%	7.4%	11.4%
1940	1.1%	-5.8%	7.9%
1944	8.7%	20.4%	20.9%
1948	-0.6%	-2.9%	1.4%
1956	-7.8%	-4.8%	0.7%
1964	6.9%	9.6%	5.7%
1972	9.6%	1.8%	3.8%
1984	22.0%	23.4%	32.4%
1988	11.4%	17.0%	31.9%
1996	24.1%	27.1%	52.1%
2004	8.2%	6.4%	14.1%
2012	9.9%	17.8%	25.0%
<b>Median Return</b>	10.9%	11.6%	19.7%
<b>Success Rate</b>	84.6%	77.0%	100.0%

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## Racial Cycles

Stocks were up 100% of the time over the next nine months. And the median return over those nine months was an impressive 19.7%.

Things didn't go so well when the ruling party lost, though. Take a look...

Election Year	3-Month Return	6-Month Return	9-Month Return
1932	15.1%	29.9%	65.0%
1952	6.8%	0.7%	3.1%
1960	13.3%	20.6%	24.2%
1968	7.5%	9.1%	-3.1%
1976	0.7%	-1.8%	-0.2%
1980	9.1%	13.2%	13.0%
1992	5.0%	6.0%	8.7%
2000	-4.0%	-11.9%	-14.3%
2008	-34.5%	-30.6%	-21.0%
2016	6.0%	11.4%	16.0%
Median Return	2.5%	4.7%	9.1%
Success Rate	80.0%	70.0%	60.0%

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Stocks don't do nearly as well in these cases. The median return was less than half what we saw before. And the win rate was down significantly.

We know investors love certainty. The success in stocks after a re-election likely reflects the continuity of a policy agenda. (It also probably shows that when the economy kept humming along, voters rewarded the incumbents for it.)

But what's even more interesting is the role the market can play in predicting the election's outcome... In the three months before the incumbents prevailed, the market was up 92% of the time. That success rate was only 50% in the three months before a new party took over.

What's more, the median return before a re-election was 5.4%... versus a slight fall in the three months before power changed hands.

All of this tells us two important things...

First, the market's return over the next few months will hint at who wins in November. And second, if you're worried about your investment results, you should probably be rooting for Trump to win the upcoming election.

Like it or not... history shows that re-elections are fantastic for stocks. One final note, Fed Chairman Powell just stated a few days ago that the Fed is not concerned with inflation and will keep interest rates down. This bodes well for stocks, Wall Street and President

Trump. However, maybe the Fed's policy will change AFTER the election.

In any case, here is to your successful investing.

D. Miyoshi

The following is a report by George Friedman published on July 28, 2020. Friedman is a wise and learned author who I closely follow. I present it here for your reading consideration. D. Miyoshi

## Racial Cycles



Slavery was the law of the land when the United States was founded, and it would take nearly a century, and a civil war, for it to be undone. It wasn't until 1954 that segregation in schools was made illegal. It wasn't until 1964 that Black Americans were permitted to enter restaurants and hotels as a matter of right. It wasn't until 1965 that Blacks were given the unambiguous right to vote. And just as the end of slavery did not end oppression, the passage of these laws did not mean obedience to them.

A history like that creates pain and confusion that can't be cured by merely relenting from oppression. For Blacks, fear and anger are like an heirloom passed through generations. Some whites are sincerely committed to ending this legacy, others are profoundly indifferent, and still others want to shamelessly exploit it. When I look at those protesting in the streets of America these past few months, I wonder which is which. But it really doesn't matter. All of this has become a ritual to be acted out toward no end. Race, rage and violence are part of the Republic we founded, and there is no evidence that it will be solved.

In my book "The Storm Before the Calm," I argue that there is a 50-year cycle in American history. In the final decade of every 50-year cycle, the nation enters a period of deep unrest, self-doubt and self-loathing. It always begins with, and is thus inextricably tied to, the question of race.

The 1870s was a time of economic pain inflicted by the Civil War, which was fought over the question of race. (Like all wars, it had many causes, but 600,000 Americans didn't die over the question of tariffs.) The Reconstruction revealed the anger of the defeated South and the resentment of Northerners, who were shocked to find that





## Some Notes on Slavery

the end of the war meant the recognition of Black humanity. In short, the violence of reconstruction announced the coming of the 1870s. In the 1920s, the Ku Klux Klan roamed the country relatively unopposed until the Great Depression brought everything in America to a halt. The racial turmoil of the 1960s – the assassination of civil rights leaders, the riots in Detroit, and so on – ushered in the political and economic failures of the 1970s – Nixon's resignation, 20 percent inflation rates and double-digit unemployment.

Before the 1870s, the 1930s, the 1970s and now the 2020s, there was a sense, not fully defined, that something was wrong. The edifice of an era doesn't suddenly collapse. It slowly slides to the ground. And as the ground starts slipping – as the triumph and well-being of the prior decades begin their descent – those most exposed, Black and white, are filled with undefined dread. In their dread, they do what Americans have done since the founding: turn to race as the problem. The unrest intensifies as it spreads, as does the fear it instills. And as fear spreads, so does the willingness of the power structure to allow its instruments of protection to take action. The events we are seeing have a long history. They always begin with the illusion that they will force the white power structure not only to change some minor things but also to capitulate. But frightening the powerful has only one end. Both well-meaning and ill-intended Blacks and whites soon enough will stop protesting. Some will die in a hail of bullets. Some will go to jail. Some will become mayors and earn their MBAs. The politicians, never in the street, will calculate how they can benefit from all this. But it will end in a few years, and American history will move on with the race issue simmering beneath the surface and surging every 50 years or so.

It's interesting to think of the Black experience in America alongside the immigrant experience. Many immigrant groups came to America and mastered being American, paradoxically by enclosing themselves in their own community. The Chinese came here and built businesses serving first other Chinese and later the rest. They banded together and then took on the world, backed by a community that was doing the same. Their children or grandchildren go to college and enjoy the comfort being American offers. Social cohesion within an ethnic group was the way America worked.

Of course that would be humiliating for Black Americans because they are not immigrants. They are Americans, here for far longer than my family and most families. The idea that they should now act as if they were strangers in their own land and do that for several generations cuts against the very heart of the Black claim against America.

I don't really know what can be done. I know only that when Black power meets white power, the historical outcome has not been good.

End of Report

## Some Notes on Slavery

Here are some interesting points on slavery. A good friend shared them with me. I thought these statements are revealing and so I included them in this newsletter. You are welcome to check them for accuracy and discuss them with others. D. Miyoshi



Writer unknown, BUT this article is educational

Blacks were not enslaved because they were black, but because they were available.

Slavery has existed in the world for thousands of years.

Whites enslaved whites in Europe for centuries before the first black was brought to the Western hemisphere. Asians enslaved Europeans. Asians enslaved other Asians. Africans enslaved other Africans and even today, in North Africa blacks continue to enslave other blacks.

Slavery has existed since the Old Testament Biblical times.

A bit of history that is conveniently ignored; between 1500 and the 1860s at least 12 million Africans were brought to the 'New World' of the Americas.

Of these 12 million forced into slavery, less than 500,000 were brought to North America. The remaining went to South America and the Caribbean.

By the mid-1600s Europeans were outnumbered by Africans in cities such as Mexico City, Havana and Lima.

A few more historical facts:

1. The first legal slave owner in American history was a black tobacco farmer named Anthony Johnson; [https://en.wikipedia.org/wiki/Anthony\\_Johnson\\_\(colonist\)](https://en.wikipedia.org/wiki/Anthony_Johnson_(colonist))

2. North Carolina's largest slave holder in 1860 was a black plantation owner named William Ellison; [https://en.wikipedia.org/wiki/William\\_Ellison](https://en.wikipedia.org/wiki/William_Ellison)

3. American Indians owned thousands of black slaves; <http://www.smithsonianmag.com/history/an-ancestry-of->



## The Communists are Coming, the Communists are Coming!

[african-native-americans-7986049/](http://www.ironbarkresources.com/slaves/whiteslaves05.htm)

4. In 1830 there were 3,775 free black people who owned 12,740 black slaves;

<http://www.ironbarkresources.com/slaves/whiteslaves05.htm>

5. Many black slaves were allowed to hold jobs, own businesses and own real estate;

6. Brutal black on black slavery was common in Africa for thousands of years;

<https://townhall.com/columnists/michaelmedved/2007/09/26/six-inconvenient-truths-about-the-us-and-slavery-n876052>

7. Most slaves brought from Africa to America were purchased from black slave owners;

[http://www.digitalhistory.uh.edu/disp\\_textbook.cfm?smtid=2&psid=445](http://www.digitalhistory.uh.edu/disp_textbook.cfm?smtid=2&psid=445)

8. White people ended legal chattel slavery; This is a useless fact. Since black slaves couldn't vote and had no rights, it would have been impossible for them to end slavery.

And turning to the present:

1. Barack Obama, who has stoked the fires of racial hatred for the last eight years, is the direct paternal descendant of slave owners;

2. You certainly won't hear CNN's Anderson Cooper mentioning Obama's sordid family history, lest Obama might remind Cooper, the son of heiress Gloria Vanderbilt, that his family also was slave owners;

3. New York Gov. Andrew Cuomo, who found some Lee and Jackson statues to remove from the Empire State, seems to have forgotten New York is named for one of the most notorious slave traders in history, the Duke of York. Better tear down that Big Apple, Andy.

4. Before defacing and tearing down statues became the latest Leftist fad, Virginia's carpet-bagging Clintonista, Gov. Terry McAuliffe, characterized the Robert E Lee and Stonewall Jackson statues on Richmond's Monument Avenue as "parts of our heritage." After Charlottesville, McAuliffe re-characterized them as "flash points for hatred, division and violence."

5. "Blacks who were never slaves are fighting whites who were never Nazis over a Confederate statue erected by southern Democrats because now Democrats can't stand their own history anymore.....yet somehow, it's Trump's fault!"

6. Recently the brilliant Democrat leaders all took an eight minute knee to honor George Floyd wearing an African scarf. The idiots apparently were not aware that the scarfs that they had draped around their necks were the colors and design of the African Ashanti tribe one of the largest marketers of slavery ever.

Here's a little something to add to it: There no longer exists any black person in the United States who was ever a slave, nor any white person who ever owned a slave.

Those days are long gone in America.

So, reparations don't apply.

More than two million blacks born in Africa and the Caribbean have legally migrated to America in the last twenty years.

The question is – why would they do that if they thought the United States was a racist country.

They know what many American born people don't seem to know; that the United States is the least racist multi-racial–multi ethnic society on the planet.

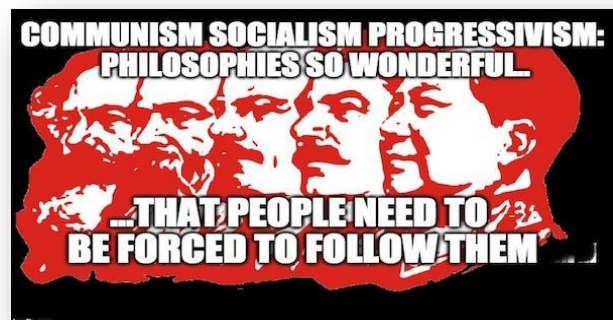
They came here for the opportunity of a better life and they do well here; better than many natural born Americans.

And they appreciate what it means to be an American living in a place full of opportunity more than even many college-educated Americans do.

The big question is not why did slavery ever exist in America at a time when slavery existed all over the world, the real question is why was slavery abolished in America at the cost of hundreds of thousands of white lives in a civil war, not to forget there were many black soldiers who perished in that war, too.

End of notes

## The Communists are Coming, the Communists are Coming!



## The Real Reason for the UAE Israel Peace Treaty

Last month, I featured an article that was taken from the publication *Quora* titled "Hitler was Right on One Thing" which argued that Hitler's main goal was not to commit genocide or even take over the world but instead was to stop communism. Fast forward 90 years, this may now be the very goal America needs to take up if it is to survive as the country we know today. The indications are that the communists are now at America's gates and its future is in our hands.

As a point of reference for this, Dave Hodges of YouTube's *the Common Sense Show* wrote of his experience visiting San Diego County's Del Mar Beach back in 2008 during the last big recession. Hodges recalls the many petition checkpoints on the boardwalks trying to get people to sign up to "close the beaches". The reasons that they listed had to do with protecting the native sea life and to limit pollution. The petition proposed the closing of all of California's beaches between the months of May-October, which would have been the height of tourist season.

Hodges made it a point to question the petitioners about the economic impact on the local economy. They said to a person, there are going to be economic casualties in order to preserve the environment. Hodges asked about the business owners and their economic welfare. He reminded them that the employees had people in their families that depended on the ability to earn a living and this is where he received his first introduction to the Soros-style Gestapo soldiers that are invading America's cities today. Out of the 4 petitioner stands that Hodges visited, to a person they stated that it was the greedy, immoral capitalistic system that was negatively impacting the eco-system and that he was obviously part of the problem for daring to question their motives for the petition.

### Hodges' Glimpse into the Future

One White-skinned petitioner asked Hodges what he did for a living and he told the person that he was a college basketball coach and educator. They stated that Hodges was exploiting the "Black youth" of America for his own personal gain and this "close the beach petition was made for people like him and that the Black youth of America had to be protected and compensated from people like him. (Hodges notes that actually all of his players were adults). This petitioner continued to lecture Hodges about the fact that his racist views would one day be his undoing and that in the future, a group of young adults would hold him criminally responsible and he would one day be paying reparations to the young African-male adults that he was exploiting on the basketball court. The person also stated that there was a movement that one day would take America away from the greedy capitalists like himself. Hodges asked the petitioner what form of government that they favored and he said "fascism is making a comeback" and "that soon there will be nowhere for a\*\*holes like him to hide when the revolution was about to begin.

Hodges subsequently asked the petitioner and future member of Antifa if they could cite for him any historical examples where fascism and ultimately socialism had ever worked in the history of the world. Obviously, unable to do so, the person asked Hodges if he was still having sex with his mother and told him to get the \_\_\_\_ out!

Although, this investigation began as an analysis of the economic destitution that has been brought about to America's coastal businesses on the east coast, west coast and the Gulf Coast, this was Hodges first real exposure to the high level of vulgarity that was emerging from America's young adults as well as their complete contempt for American culture. Hodges remembers telling his wife that one day, they would find ourselves fighting for their very survival against this new generation of communists. Hodges accidentally and prophetically stated that this was the beginning of a revolution in which misguided youth would seek to steal everything that he had earned and who would have no compunction about taking his life to do so. Hodges under estimated how quickly this threat would spring into reality.

When the George Soros Arab Spring began three years later, Hodges did not realize how quickly this whole communist revolution would sweep the planet. Now these communists, who were nothing but flunky drop outs from the 60's and 70's are running much of America's government. These quislings (eg Schiff, Pelosi, Nadler, Feinstein) have betrayed the President. However, Hodges says we have to give them credit, they have managed to get one of their own elected to President. Everyone made such a big deal that Obama was the first black President, the more important measure was that Obama was the first real communist President of the United States. And Obama has left behind quite a legacy in that his demented Vice President stands a good chance of becoming the next communist President in which his puppet masters will drive a stake through the heart of every gainfully employed American. Soon, America, you will own nothing and its denizens will have no civil liberties.

On Monday August 3, the founder and leader of the Revolutionary Communist Party USA Bob Avakian announced that they were backing presumptive Democrat presidential nominee Joe Biden for president, saying "Biden is not 'better' than Trump, in any meaningful way — except that he is not Trump and is not part of the move to consolidate and enforce fascist rule, with everything that means.,"

George Soros' Arab Spring has now come to America.

D. Miyoshi

## The Real Reason for the UAE Israel Peace Treaty







## The World is Turning to Religion

On Aug. 13, President Trump announced a historic peace treaty between Israel and the United Arab Emirates, two countries that do not share borders and have never gone to war against each other. The UAE is the third Arab country, after Egypt in 1979 and Jordan in 1994, to formally normalize its relationship with Israel. In another time president Trump likely would have gotten the Noble Peace Prize for facilitating this accord. But not in the current politically polarized world of 2020.

But in another time would he have actually “earned” it?

Well, according to Hilal Khashan of *Geopolitical Futures*, not really.

This is because Khashan believes the peace accord is neither strategic nor historic.

He argues that the principals of the deal – the U.S., Israel, Saudi Arabia and the UAE – had plenty of reasons to move forward. All of them have problems at home, and all can use a political victory, however superficial: Trump is facing a tough reelection, Netanyahu is facing substantial financial corruption charges, Mohammed bin Salman worries that Joe Biden might question him on Jamal Khashoggi’s murder and other human rights violations, and MBZ’s staunch support for Trump could complicate relations with Biden if Biden wins the election. (MBZ also has legal issues; a French court is deliberating whether the UAE should be charged with war crimes in Yemen.) Emirati officials believe that normalizing relations with Israel will give them a security blanket if Trump loses the election and Biden changes course on U.S. foreign policy. MBS and MBZ think the Jewish lobbies in the West are capable of shielding them from prosecution.

More strategically, the peace agreement is a response to the spread of Turkish influence in the region. Ankara’s ambitious regional policy and pan-Islamic disposition butts against MBZ’s interventionism – and his desire to turn his country into a leading power in the Middle East.

The timing is also notable. MBZ authorized the agreement one week after a rare virtual meeting between the foreign ministers of the UAE and Iran to exchange good wishes on one of Islam’s major festivals. It is unlikely that the Emiratis had not tipped the Iranians about their peace plans with Israel. Relations between the UAE and Iran have improved markedly in the past 18 months. Unlike many, the UAE did not accuse Iran of being behind the Fujairah oil tanker attacks in 2019. Abu Dhabi provided Iran with much needed COVID-19 testing kits and refrained from intervening in Yemen’s Houthi activities.



Ultimately, it’s all about the UAE protecting itself. Indeed, the search for security guarantors is a legacy for the Gulf Cooperation Council countries. The emirates that came together to form the UAE in 1971 all had protection agreements with Great Britain until 1971. Bahrain, Qatar, Kuwait and Oman signed similar treaties with the British during the 19th century and early 20th century. In 1915, Ibn Saud signed the Treaty of Darin that effectively rendered his nascent state a British protectorate. The Quincy Pact in 1945 made Saudi Arabia a virtual U.S. protectorate. Yet they failed to create a unifying political vision and build a capable military force to protect their independence. They engage in centuries-old rivalries and feuds. It isn’t easy to imagine that the UAE, which can’t work transparently and constructively with fellow GCC member states, can work with Israel except as a junior partner. The UAE has succeeded in carving a niche in the international economic system as a dependent country with a flourishing services sector. One should not read into the Israel-UAE peace treaty outside this context.

So, for now it looks like president Trump will have to take a pass on that peace prize.

D. Miyoshi

## The World is Turning to Religion





## The World is Turning to Religion

**T**he religious landscape of the U.S. continues to change at a rapid clip. In Pew Research Center telephone surveys conducted in 2018 and 2019, 65% of American adults describe themselves as Christians when asked about their religion, down 12 percentage points over the past decade. Meanwhile, the religiously unaffiliated share of the population, consisting of people who describe their religious identity as atheist, agnostic or “nothing in particular,” now stands at 26%, up from 17% in 2009.

Yet the rest of the world seems to be turning to religion.

From what has just happened in Turkey, this is the apparent message. In a report by Richard Palmer issued on July 21, 2020, entitled “Hagia Sophia and a Clash of Civilizations” published in the *Trumpet* magazine, he elucidates on this phenomenon.

Palmer reports that Hagia Sophia in Istanbul, reputedly Orthodox Christianity’s greatest cathedral, will be turned into a mosque.

There’s a lot of history here. When Hagia Sophia was opened by Emperor Justinian in a.d. 537, it was the largest, and possibly the most impressive, building in the world.

This one building may have impacted the lives of billions. Early Russian history records the story of Vladimir the Great, ruler of the Rus in the 10th century. Vladimir wanted to choose a religion for the Rus, and sent out envoys to neighboring civilizations. Once the envoys saw Hagia Sophia, their minds were made up. “We no longer knew whether we were in heaven or on Earth,” the envoys reported, “nor such beauty, and we know not how to tell of it.” Vladimir converted to Orthodox Christianity, and that religion has shaped Russian and Slavic history ever since.

In 1453, Constantinople and Hagia Sophia fell to the Ottoman Turks. And so they turned one of Christendom’s greatest churches into a mosque.

Hagia Sophia went through a third revolution in 1934. Mustafa Kemal Atatürk transformed Turkey from an Islamic empire into a secular state—as a powerful symbol of this, he transformed Hagia Sophia from a mosque to a museum. It is now Turkey’s top tourist destination, drawing 3.7 million visitors a year.

Which is why Turkish President Recep Tayyip Erdoğan’s decision on July 10 to turn it back into a mosque is so significant. His political allies have hailed it as a second conquest of Istanbul. It is a deliberate statement. Turkey is no longer the secular state of Atatürk. It is an Islamic nation, aiming to become an empire.

Turkish writer Orhan Pamuk said the conversion of Hagia Sophia back to a mosque “is to say to the rest of the world, ‘Unfortunately we are not secular any more.’ There are millions of secular Turks like me who are crying against this, but their voices are not heard.”

This reversal away from secularism runs against the grain of Western thought. To many, history runs in one direction: Europe used to be religious, but is becoming very secular; this is the march of progress that all nations will eventually follow.

Erdoğan’s reversal is the latest proof that the world is not on a one-way track to secularism.

Look around the world and you can see evidence of this. In 1989, Central Asia had only 160 active mosques. Four years later, there were 10,000. Moscow had 50 churches in 1988. Four years later, it had 250. Around the same time, nearly a third of Russians under age 25 said they had switched from being atheistic to believing in God.

In the still officially atheistic state of China, the World Religion Database shows the total number of followers of all religions jumping from around 300 million in 1970 to around 700 million today. Despite government attempts to stop it, religion has spread much faster than Chinese population growth.

In South Korea in 1962, 2.6 percent of the population were Buddhist and 5 percent were Christian. Now 23 percent are Buddhist and more than 29 percent are Christian.

“In the modern world, religion is a central, perhaps the central, force that motivates and mobilizes people,” wrote Samuel Huntington in his classic book *Clash of Civilizations*. “It is sheer hubris to think that because Soviet communism has collapsed, the West has won the world for all time and that Muslims, Chinese, Indians and others are going to rush to embrace Western liberalism as the only alternative.”

Time has proved Huntington dramatically correct. He wrote his book before 9/11, when radical Islam made itself a major concern to everyone in the world. He wrote it before head coverings became one of the major political issues in Europe, the bastion of liberal multiculturalism.

The big question is, could Europe be swept along by such a trend?

At the other end of Europe is what could be Hagia Sophia’s mirror image. The Grand Mosque of Córdoba in Spain was built in the eighth century a.d. To the locals at the time, “the beauty of the mosque was so dazzling that it defied any description.”

But the Grand Mosque is now the Cathedral of Our Lady of the Assumption, after the Spanish conquered it in 1236.

Palmer’s point is not to set up some kind of moral equivalency between the two. Hagia Sophia is the fifth church of that name to be





## The World is Turning to Religion

converted into a mosque in Turkey in recent years. He knows of no Western country running the process in reverse.

Instead, Palmer's point is to show that Europe and the Middle East, Christianity and Islam, are closely connected. What happens in one affects the other—and has for centuries.

Religion is already rising in Europe in reaction to Islam. When Russia voted on its new constitution at the start of the month, most attention was focused on President Vladimir Putin's attempt to extend his time in office. But the vote also added God into the constitution.

In Poland this month, incumbent President Andrzej Duda was reelected. Duda's Law and Justice party has close links with the Catholic Church. "In hardly any other EU country are the state and church as closely connected as in Poland," noted deutschlandfunk.de.

Across Europe, religion is making a comeback—not in terms of religious observance, but instead with symbols and rhetoric.

Across Eastern and Central Europe, leaders have made clear that they view their countries as Christian and that Muslims are not welcome. In May 2015, Hungarian Prime Minister Viktor Orbán said, "I think we have a right to decide that we do not want a large number of Muslim people in our country."

"Let us not forget, however, that those arriving have been raised in another religion and represent a radically different culture," he wrote in *Frankfurter Allgemeine Zeitung*. "Most of them are not Christians, but Muslims. This is an important question, because Europe and European identity is rooted in Christianity" (Sept. 3, 2015).

Slovakian Prime Minister Robert Fico said in May 2016, "I do not want to see a Muslim community in Slovakia. ... We do not want to change the traditions of this country, which are built on the Christian tradition." The president of the Czech Republic warned in January 2016 that integrating Muslims into Europe "is practically impossible."

The same trends are arriving in Western Europe. Since 2018 all government buildings in the German state of Bavaria have been obliged to display a cross.

In the West, upstart political parties like the Alternative für Deutschland in Germany and the National Rally (formerly the National Front) in France have taken up the mantle of politicized religion. National Rally leader Marine Le Pen pushes "a secularized Christianity as culture," Rogers Brubaker, a sociologist at the University of California–Los Angeles, told *Atlantic* magazine. "It's a matter of belonging rather than believing." Brubaker described it as a Christi-

anity that says, "We are Christians, precisely because they are Muslims. Otherwise, we are not Christian in any substantive sense" (May 6, 2017).

The AfD is the same way. Its election slogans, such as "Burkas? We're into bikinis," are hardly paragons of chastity and virtue. In the culture wars, they are on the side of the Christian right, and the Christian right is happy to accept them.

The AfD's stunning election success—coming from nowhere to become the third-largest party in Germany's parliament—shows the appetite in Germany for this kind of religion in politics.

In Europe it tends to be Islamist terrorist attacks or migration from Islamic countries that triggers this kind of religious fervor. Absent of that, it dies down.

"We know who we are only when we know who we are not and often only when we know whom we are against," wrote Huntington. "For people seeking identity and reinventing ethnicity, enemies are essential." Many of Europe's enemies have been Muslim. And so the Continent is adopting the language, symbols and identity of Christianity—because that is what most clearly distinguishes it from these enemies.

The *Trumpet* and, before us, the *Plain Truth* have been watching for this development since the 1930s. For decades Herbert W. Armstrong forecast that Europe would unite into a 10-nation superpower. But most of the Continent's history is of one European nation fighting another. What force is strong enough to bind Europe together?

Attacks on Europe from outside are a powerful motivating force. Europeans certainly have a common enemy: radical, extremist Islam. But there is another important factor all European nations share: their Christian heritage.

In August 1978, Mr. Armstrong wrote in his Christian-living magazine *Good News*: "Europeans want their own united military power! ... They have made a real effort toward union in the Common Market. ... But they well know there is but one possibility of union in Europe—and that is through the Vatican."

Europe will not be the one place in the world immune from this trend toward religion.

Mr. Armstrong successfully forecast the arrival of the single European currency, the euro. He forecast that the Iron Curtain would be broken up and that countries locked behind it would join a European union. He was proved correct. He made these accurate predictions because he relied on the Bible.







## Have Democrats Conceded the Election?

The Bible also forecasts that modern Europe will become more religious. Revelation 17 describes a “beast,” or empire in biblical symbolism. This empire “was and is not.” It appears on the world scene, is strong for a period of time, only to disappear into the “bottomless pit” before rising up again (verse 8). This power is led by a woman—symbolism for a church. Where has there been a power that rises and falls repeatedly, and is led by a church? This has to be describing the Holy Roman Empire in Europe.

But the Bible also tells us that this modern European power is shaped by its interactions with the Middle East. Daniel 11:40 is another prophecy for “the time of the end.” There, the Holy Roman Empire is described as “the king of the north”—the modern successor to the Roman Empire. It is facing off against a “king of the south”—radical Islam, led by Iran (for proof, read our free booklet *The King of the South*). This Islamic power pushes and provokes the king of the north.

Turkey is not the king of the south. But in the relationship between Islam and Christianity, you can see the same provocative dynamic. Islam is pushing at Christianity. As the Middle East becomes more Islamic, expect Europe to respond by becoming more Christian.

The defense of Constantinople and Hagia Sophia helped prompt the Catholic Church to launch the Crusades (though the crusaders also got sidetracked and sacked Constantinople themselves in 1204). Its fall in 1453 opened up much of Europe to Islamic conquest.

This city has often straddled the fault line between East and West. The Bible tells us a new crusade is coming. Watch for Europe to respond to the continuing Islamic push by becoming increasingly Catholic.

D. Miyoshi

## Have Democrats Conceded the Election?



On August 27, Speaker of the House, Nancy Pelosi (D-California) declared “I don’t think there should be any debates” claiming that Joe Biden debating with the President of the United States would “dignify” Donald Trump and therefore cannot be allowed to take place.

With this, the Democrats now appear to be conceding the election to Trump, realizing that their mentally deteriorating candidate Joe Biden can’t form complete sentences except in offline, heavily-edited videos.

The Democrats are apparently convinced Joe Biden’s mental faculties are so weak, he can’t handle a single conversation with someone the Democrats claim is “unfit for office.” It raises the obvious question: If Joe Biden is too mentally weak to debate Trump, how is Biden supposed to lead America?

So now what can the Democrats do?

### Operation Chaos

Mike Adams, the Natural Ranger has been saying for months that Nancy Pelosi and certain Democrats under her, plan to usurp the election by their scheme that he calls “Operation Chaos.”

This scheme envisions causing so much chaos and confusion that the election results will be thrown into doubt all the way through January 20th. At this point, Nancy Pelosi will declare herself to be President, claiming the election outcome for Trump/Pence is uncertain. The complicit media will go along with the play while an army of left-wing lawyers files legal claims as a delaying tactic.

Democrats have already explained they intend to call on the United States military to remove Trump by force if he refuses to concede the election (even if he wins). In fact, Nancy Pelosi said this herself when she recently called Trump and all Republicans “enemies of the state.” Earlier, on July 21st, Pelosi claimed Trump would be removed from the White House “whether he knows it yet or not.” (REGARDING THIS CLAIM HOWEVER, ON AUGUST 28, A TOP MILITARY OFFICIAL ANNOUNCED THAT THE U.S. MILITARY WILL HAVE NO ROLE IN CARRYING OUT THE ELECTION PROCESS OR RESOLVING A DISPUTED VOTE).

The reason the Democrats are distressed is because their plans on affecting the election appear to be falling apart. Trump now seems to have this election won, especially given the shocking lack of enthusiasm for Joe Biden, a candidate who quite literally remains locked in a basement, kept away from the public, all under the pathetic excuse of “COVID-19.”

Other pressures contributing to the Democrat’s sense of distress are the ongoing investigations by the DOJ on money laundering, treason, pedophilia, child trafficking and drug cartel kickbacks.



## From Here Things Will Really Change

Certain Democrat factions will continue to try to cause instability through their BLM/Antifa “shock troops” to cause chaos, looting, arson and shootings on American streets.

The compliant media will likely continue to say that all left-wing terrorists are “mostly peaceful” while vilifying conservatives who defend private property and innocent lives.

Big Tech will likely continue to censor conservative voices while allowing those on the left much more latitude of expression.

So, this is what we can expect for the rest of this year. It should be interesting.

D. Miyoshi

## From Here Things Will Really Change



I am world history buff. I love to try and find common patterns that emerge across cultures over time. My favorite era of study is the 1930 and 40's (the Great Depression, World War II and the conflicts thereafter). I think this was perhaps the most tumultuous, civilization altering period in all of history.

### WITH THE POSSIBLE EXCEPTION OF TODAY.

I say this because arguably the current recession/depression we are now experiencing in 2020 is unlike anything we have experienced in the history of the U.S. (at least, definitely in my lifetime).

There are no comparable events like it to be found in world history. Why is that?

The best answer was given by the renowned economist John Mauldin of *Mauldin Economics*

It's simply because we have never experienced an economic disaster—and that's the correct phrase—like we are witnessing today.

Mauldin predicts that the recovery—when it happens, and it will come—is going to be very uneven.

- Part of the economy will be in what can only be described as a depression for quite some time.
- Another part will recover, albeit a little slowly, but faster than the Great Recession.
- Other parts of the economy are going to take off like a rocket ship.

The media and politicians tend to talk about “the economy” as a general term. But Mauldin thinks that will be a misnomer. How fast you will see recovery, or how long you will see depression, depends a great deal on where you are and what part of the economy you are in.

Mauldin's friend, the renowned George Friedman of *Geopolitical Futures* suggests that our search for answers starts with this September: Friedman says:

"I have argued that unless a solution is found by September, the probability that the recession could turn into a depression would mount. A recession is a normal part of the economy, a primarily financial event that imposes disciplines on an overheated economy. A depression, from a geopolitical standpoint, involves the physical destruction of the economy, something that lays waste to businesses, dislocates labor and vaporizes capital. A recession is the economy cycling. A depression is an economy breaking.

"I chose September because two quarters of intense economic contraction is instructive. Economists' definition of a recession is two successive quarters of negative growth (also known in English as decline). This is generally enough time to understand how resilient an economy is. Uncoincidentally, it is also the point at which economies begin to recover in normal cycles. Under normal circumstances, basic economic structures remain intact during recessions so financial stimulus measures can restart the system. "

Just for the record, there have been five depressions in the history of the US: 1807–1814; 1837–1844; 1873–1879; 1893–1898; 1929–1941. Mauldin says all of them were as-



## From Here Things Will Really Change

sociated with banking crises and financial panics.

A little history is in order to understand why the current situation is different from anything we have seen...

The first four “depressions” were indeed banking panics. But they were also associated with the agricultural cycle.

Farmers would borrow money in the spring and pay it back after the fall harvest. Money would move from money-center banks in the big cities, especially New York, to smaller banks out in the country. And then back. (Think about the old piece of market wisdom here: “Sell in May and go away.” The money-center banks would have less money to lend for speculation during the summer.)

The problems this caused led governments and banks to create the Federal Reserve in 1913, to have a lender of last resort.

Things indeed changed. Not long afterward, the U.S. became less dominated by the agricultural cycle and more dominated by the manufacturing cycle.

As Mauldin’s friend Dr. Woody Brock says, when Henry Ford would lay off 10,000 workers, that also meant steelworkers, tire manufacturers in Akron, and so on were also laid off.

That percolated throughout the economy. And we got what we called the Great Depression. (Mauldin says this is a huge oversimplification: Herbert Hoover allowed Smoot-Hawley in 1930. He also raised taxes in the teeth of a depression/recession. Monetary policy was not helpful.)

After World War II, “recessions” became more frequent. (Sidebar: You won’t find the term “recession” in the historical literature prior to World War II).

Up until 2000, recessions were associated with the manufacturing cycle. But those became milder over time. That is because manufacturing had less of an impact on the economy.

Going into 2020, 85% of the U.S. economy was in the SERVICE ECONOMY. The Great Recession was caused by financial excess, but we worked through it.

And then we get to the current crisis. And something happened that never happened before...

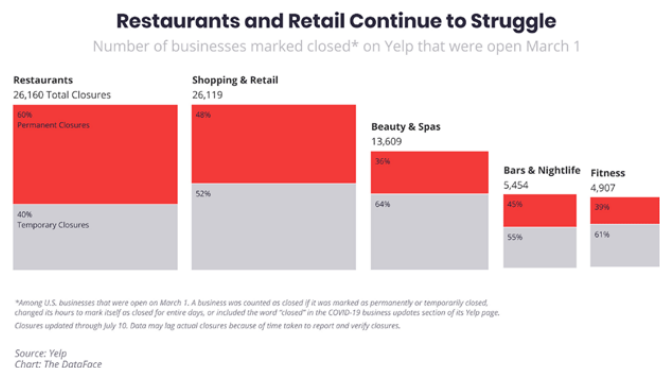
We literally shut down 30% to 40% of the service economy. Wiped it out. Restaurants, hotels, gyms, airlines, tourism, all manner of personal services. The list can go on forever.

The Independent Restaurant Coalition conducted a poll by Compass Lexecon, a Chicago-based consulting firm. The report predicts a grim future for roughly 500,000 (of 660,000) Main Street restaurants unless a more robust financial assistance program is established.

That's potentially 85% of independent food establishments, gone forever.

A representative of the National Restaurant Association stated that, as things stand, some 30% to 40% of restaurants will likely close by year-end without further aid.

Yelp is a surprisingly good source for information on business closings. Some 55% of businesses that are listed as closed on Yelp have been closed for good.



It's not just restaurants...

Half of hotel rooms in the U.S. are empty as of mid-August. They need at least 80% occupancy to break even. Some 70% of hotels in India are expected to close.

Hotels that depend on tourism? Toast. Airlines? The list goes on and on.

And it's not just the U.S...







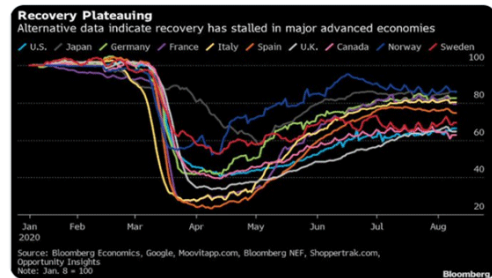
## From Here Things Will Really Change

Other countries around the world are having their own problems. Liz Ann Sonders gives us this graph:



Liz Ann Sonders @LizAnnSonders · Aug 12

As per @Economics, recovery continuing to stall in major advanced economies when looking at credit-card use, travel & location info...yet, some regions like Norway, Germany & Japan have seen far better improvement than U.K., U.S. & Canada @Google @moovit @ShopperTrak @Opplnsights



Emerging markets and frontier markets are having their own even worse crises brought on by COVID-19.

### The Eight-Body Problem

If you have three large objects that have gravitational impact on each other, you can determine where they have been in the past. However, you cannot predict where they will be in the future. At least, not without great difficulty.

In physics, this is called the three-body problem.

In economics, we are well beyond the three-body problem. Mauldin thinks it is more like an eight-body problem. Here is what he believes:

Body No. 1: The service economy has imploded. We don't know when it is coming back. I am not going to argue the correctness of whether we should lock down or open up. I am simply talking about what is. And it appears that much of the economy is going to be locked down for some time. There is simply no telling when that part of the economy will normalize.

Body No. 2: We have seen the largest central bank intervention, not just in the U.S. but in many parts of the world, ever in history. Clearly that is keeping markets up. Furthermore, governments are providing fiscal stimulus in an unprecedented manner. In essence, the government borrowed money to give people the money that they would've earned in their jobs. Interestingly, not all of it was spent. We have seen a record amount of disposable income being added to savings. The U.S. government is in a food fight over the next round of stimulus. Not that the purpose of this letter is to argue what is correct. Some amount will likely be deter-

mined. Your guess is as good as mine. But can we keep that up in 2021? How long? That is a major economic gravitational body, and we have no idea what it will look like this year, let alone next year and 2022.

Body No. 3: Federal Reserve policy and, to some extent, government policy has short-circuited both Schumpeter's creative destruction cycle and moral hazard. We literally have no idea how that's going to impact the future, but those are big deals. Companies with the lowest-rated junk bonds are refinancing their debt at lower rates. We are keeping zombie companies afloat. Is every company that accesses the market a zombie company? No, of course not. But many are.

Body No. 4: Global trade is beginning to implode. Like it or not, we truly live in a global economy. This is a global depression and it affects everyone. I was writing 20 years ago that the biggest threat to prosperity in the future would be protectionism and tariffs. I have made it clear that China is not a good actor, and we need to review our policies and our reliance upon them. But tariffs are just a bad idea, whether it's China or Europe or whatever country. Can we say Smoot-Hawley?

Body No. 5: On average, six companies with assets larger than \$50 million have filed for bankruptcy every week since April. This is going to increase and become a tsunami. Small local companies don't even bother filing because it's too expensive. Every one of them represents jobs.

This is the hard one...

Body No. 6: The working class will be last to see the recovery. Most of the jobs that are being lost are by the least-well-off in our society. They can't work from home. Those with children have to figure out how to take care of them in case schools don't open... or if they don't want to send them back. Unemployment insurance won't cover the bills when the federal money runs out.

This represents tens of millions of workers. Unemployment is not going to bounce back miraculously in the first quarter of next year. It is going to be a long, slow climb.

Now for some good news...

Body No. 7: Entrepreneurs will re-emerge, and new ones will seize this moment to shine. All those businesses going bankrupt or out of business? They are run by entrepreneurs who have the entrepreneurial bug. It is part of their DNA. Mauldin was talking to a Dallas restaurateur who is "down" to three restaurants. He is stretching his cash and





## From Here Things Will Really Change

hoping for another round of PPP. He will breathe easier when he can get his normally booming restaurants up to 50% occupancy.

Depressed? Not at all. He believes this will all eventually normalize, and he will have the greatest opportunity he has ever had. He can see 10 restaurants in his future. This is the kind of vision that accelerates recoveries. He and hundreds of thousands of other entrepreneurs throughout the country and the world look for opportunity. It's just what they do. They can't help themselves.

It will take time, and they have to figure out where the capital will come from. But I am convinced that entrepreneurs will be the ones to dig us out from this, not governments.

Body No. 8: We are in the midst of The Greatest Transformation in history. Elon Musk just launched and landed a massive rocket as a test. That is just a very visible example of tens of thousands of new technological revolutions happening all around us.

These disruptive technologies will truly change the world. I can't even begin to describe what is happening in the biotechnology and aging space. Artificial intelligence, robotics, self-driving cars, incredible advances in agriculture, shipping, quantum computers... you name it. The list is just too long. And it's growing.

We are about to witness history-making advancements... potentially in record-breaking time.

### What the Recovery Looks Like

Mauldin frankly thinks it is misleading to draw a graph and say this is what the economic recovery will look like.

Talk about a V- or U-shaped recovery is simply silly. Every one of the "bodies" he mentioned above will have a significant recovery impact. We don't know how they will interact.

Mauldin's guess is that we are going to see several different economies.

This dichotomy is evident in many facets of the economy, especially in employment. Jobs are fully back for the highest wage earners, but fewer than half the jobs lost this spring have returned for those making less than \$20 an hour, according to a new labor data analysis by John Friedman, an economics professor at Brown University and co-director of

### Opportunity Insights.

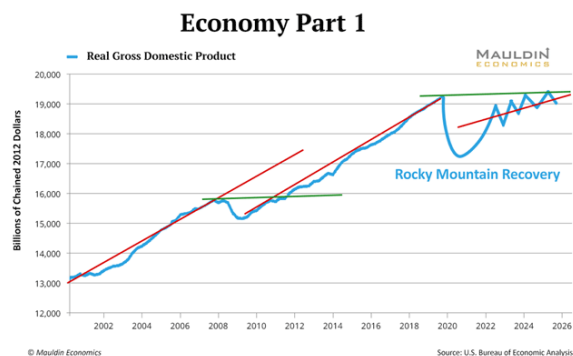
If we have to choose a letter for the economic recovery, maybe it should be a "K." Some go up and others go down.

Mauldin presents two more charts. The first is what he calls Economy Part 1. This graph goes back to 2000, and the red lines roughly show the trajectory of the recovery. The St. Louis Federal Reserve database has not updated the second quarter, but he tried to represent it.

For a large part of the economy—maybe the largest part—recovery is going to be slower than that of The Great Recession. And it is going to be lumpy. Notice that I have a recovery with a lower slope.

That is in part because of the research by Dr. Lacy Hunt and others demonstrating that growth is slower in high-debt economies. Just a fact.

Note that we do recover; it just takes longer for this portion of the economy.



Then we come to Economy Part 2. Faster recovery and the slope of the recovery is higher. More like what Mauldin calls the Stumble-Through Economy.

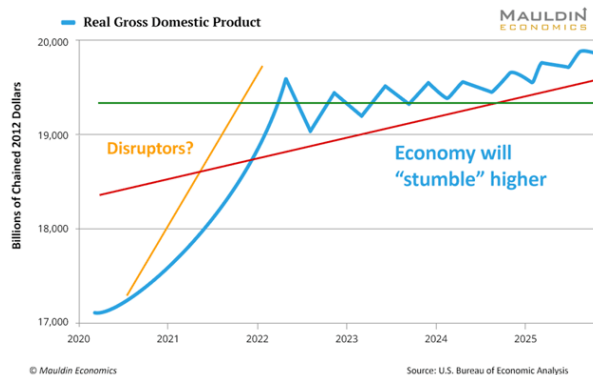
It still doesn't look like the recoveries of the past, but perfectly acceptable given the problems.





## From Here Things Will Really Change

### Economy Part 2



On this second chart, look at the yellow line Mauldin calls the Disruptors. These are the companies that are truly changing the world and their growth is, well, through the roof.

Mauldin thinks by now most investors are well aware of the FAANG or FAAMG stocks, or whatever acronym we use. He is not including them in his thought experiment version of Disruptors.

Rather, he talks about the new companies that will not replace them, but will join them in the pantheon.

#### Some of the Consequences of a Three-Part Economy

Whether it's K-shaped or some other to-be-determined letter, there are three economic takeaways:

1. This is going to change the way we live. We have already seen savings increase, not unlike our parents and grandparents during the Great Depression. It is going to change spending and saving habits. It is going to force businesses and entrepreneurs to adjust in ways that they never dreamed they would need to. Mauldin thinks it is fair to say that many of us have looked at our lives and decided we don't need quite as much "stuff" as we did before. We are not going to hunker down in caves, but we may pack them with less paraphernalia.

Each one of those choices represents a buying decision that impacts some entrepreneur who provided that product.

This crisis is simply the greatest demand destruction of our lifetimes. It will come back, but it is not going to come back to what it looked like in 2019. Our future economic buying decisions are going to be different.

Everything, is going to be repriced and thought through.

You can't take anything for granted. Inflation numbers and measures are going to be warped for at least a few years. We are using old tools to measure a new economy. We are going to have to develop new models to appropriately analyze the world we now live in.

How do we value the price of a home or apartment? It may not be unreasonable to expect 10% unemployment, or something close to it, in the middle of 2021. That is going to affect prices up and down the housing value chain.

How do you value retail and office space? If your tenants are gone, do you pay the mortgage? Hotels will come back, eventually, but who is going to own them? The old private-equity owners or the new ones? At what price? We already knew we had too many retail stores. What is the correct number in the future? How will malls and commercial space be repurposed?

Hundreds, if not thousands of planes are sitting on the tarmac. Who is going to own them?

There are thousands of scenarios playing out in thousands of industries all over the world. What they have in common is that...

Everything is going to be repriced.

This makes Mauldin very uncomfortable.

2. Inequality is not going to get better. Thought experiment: It is more than probable we will see some form of universal basic income in the future. It will not solve the inequalities of either income or wealth, but it will still be tried.

Those individuals who were part of the devastated service economy will still struggle for jobs, and they are in the lower income group already. The second part of the economy will be growing and pulling away from that first part.

And that doesn't even begin to describe what happens to the disruptors.

Just for the record, in the past Mauldin outlined a methodology for increasing taxes while actually improving the ability to create new businesses and to help those in the lower echelons of income.

He is not a priori against higher total revenue for the government. It's all about how we collect it. Social justice as







## From Here Things Will Really Change



Advancing in a Time of Crisis



Financial Crisis Report

our driving mechanism for tax policy is not going to improve the comity in our country.

3. We have two major cycles coming into play at the same time in this decade. One is explained in Mauldin's *The End of the Fourth Turning*. It is always a time of great social unrest, and we are just at the beginning of the end. Mauldin expects the period between the middle of this decade (2010-2020) and the end to be far more disruptive than where we were before.

Second, Mauldin's friend George Friedman has written a book called, *"The Storm Before the Calm: America's Discord, the Coming Crisis of the 2020s, and the Triumph Beyond."*

In it, he discusses two separate cycles in American history, an 80-year cycle and a 50-year cycle. Both are disruptive. For the first time, they coincide in the latter part of this decade.

He predicts that the 2020s will bring dramatic upheaval and reshaping of government, foreign policy, economics, and culture.

A two-part/three-part economy, where the outcomes for significant portions of the population are dramatically different, is a recipe for the types of crises both of their books outline.

Mauldin is not sure whether we will have a \$30 trillion national debt by New Year's Day. We will be at \$40 trillion by 2025. Plus massive corporate debt, multiple pension crises that will boggle the mind.

All of the debt MUST be "rationalized." We have absolutely no idea how, because we don't know who will be in charge or what the crisis will look like.

All while disruptive technologies are changing the very foundations of our society and job.

Various people will read Mauldin's ideas and have different reactions.

But he does hope most of us come away with the idea that we want to find out who the disruptors will be and how we can participate, rather than hunkering down.

Mauldin is a believer in the entrepreneurial free market society, and he believes that is what will ultimately bring us into that period that George Friedman calls "The Calm" after the upheaval of the '20s.

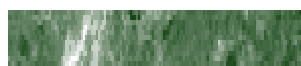
Mauldin is excited about the future. He truly thinks we are on the cusp of actually reversing aging in our lifetimes, if not this decade. And that's just one of many other wonderful things.

As Mauldin's dad would say, don't let the bastards—the crisis around you—get you down.

Look for the opportunity. There's a pony in there somewhere.

Well, here is to your success in taking on the future.

D. Miyoshi



David M. Miyoshi is a California attorney at law with a Martindale-Hubbell AV Preeminent Rating for Attorneys. He earned his Bachelor of Science degree from the University of Southern California, a Juris Doctor degree from the University of California, an MBA degree from Harvard University and an International Graduate degree from Waseda University in Tokyo.

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