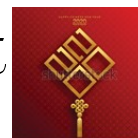




Financial Crisis Report



Advancing in a Time of Crisis

Words of Wisdom “The stock market can remain irrational longer than you can remain solvent.” John Maynard Keynes

Inside this issue:

1. Will the Stock Market Crash
2. A China War or Civil War
3. Tragedy of Small Businesses
4. California's Financial Crisis
5. Defunding the Police is Wrong
6. Sayonara New York
7. On The Rising Black Crime
8. Hitler Was Right On One Thing
9. The Hypocrisy in American Politics
10. The Fall of America
11. Things I Don't Understand
12. Ghislaine Maxwell May Bring Down the American Republic
13. No Screaming on Jet Coasters
14. You Magnificent Bastard

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 imbalances 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.

Will the Stock Market Crash on July 31 or After?



There is a big chance the stock market will begin to precipitously drop beginning July 31, the day this article is published. If on this date or at least within a few weeks, the stock market begins to rapidly decline, then it would indicate the stock market is not entirely disconnected with the state of the economy. But if the stock market continues its upward climb, it would indicate there is very little connection between it and the state of the economy, which does not bode well for the vast majority of retail stock investors who are usually late to the party.

The stock market has risen sharply in the past three months, in large part because of the Fed, with the Standard & Poor's 500 index erasing most of the terrifying 34 percent, five-week drop that it suffered from its mid-February all-time high to its March 23 low.

And even though retail sales are still well below where they were before the pandemic struck and the unemployment rate is much higher, they are a lot better than they were not long ago, in large part because of the stimulus created by ultralow interest rates and various pieces of bailout legislation.

But despite the benefits that our economy and stock market have gotten from the Fed, I am con-

cerned about the problem with the "We're not even thinking about thinking about raising rates (for the next few years)" policy of Fed Chair Jerome H. Powell, and with the fact that ultralow rates have made it much cheaper to finance our country's multi-trillion-dollar budget.

But what's the problem? The problem is millions of individual investors are being forced into the stock market to get any meaningful income from their savings, because they can no longer count on traditional havens such as savings accounts, certificates of deposit, Treasury securities or money market mutual funds.

It's bizarre but the dividend yield on an S&P 500 or total stock market index fund, about 1.8 percent, is almost triple the yield on a 10-year Treasury note and considerably higher than the 1.37 percent yield on a 30-year Treasury bond.

But that dividend yield comes with serious risks - especially these days, given the market's big run-up since March 23 and the uncertainties hovering over the economy.

In late June, for example, the S&P fell by 2.4 percent and 2.6 percent, respectively. That means more than a year's worth of dividend income from your index fund vanished on two separate occasions. In one week.

Those days notwithstanding, parts of the stock market are now showing signs of excess. Just before, the Nasdaq market was setting new all-time highs, influenced heavily by five companies that compose about 40 percent of its value: Microsoft, Apple, Amazon, Facebook and Alphabet (which owns Google).

These companies compose about 20 percent of the value of the S&P 500, which is a risk that I suspect many S&P index fund owners don't realize they're taking.

I'm using the S&P as my market indicator because

Will the Stock Market Crash on July 31 or After?

trillions of dollars of mutual funds and exchange traded funds are indexed to the S&P, but only a small number are indexed to the most popular market indicator, the Dow Jones industrial average.

In addition to the surge of coronavirus cases, which finally seems to be affecting stock prices, there are some other problems awaiting those of us who've got serious money in stocks.

A major problem is that even though much of the economic stimulus that Congress put into the economy with the Cares Act, the PPP payouts and other legislation is now running out.

At the time of this writing, the House has already passed a \$3.5 trillion stimulus package. Now the Senate is proposing its own plan, which will be negotiated soon. This will mean there will be more spending, but when and how much are very much still in the air. On July 27, Treasury Secretary Steven Mnuchin announced that Americans will see fresh a new round of \$1,200 stimulus checks in August. President Trump even announced that the new round of stimulus checks will be more than \$1,200. If that's the case, there will be even more problems down the line. But so far congress has made no firm decision.

The House measure includes a lot of money for everyone. The Senate proposal won't be so generous. The House wants to keep up the unemployment bonus checks and give \$1.5 trillion to cities and states. The Senate wants to pay people more for going back to work and doesn't provide for local governments. But the \$600/week unemployment bonus checks expire on the date of this article and the two sides have little time to get something done before people run out of money.

In any case, I think the bottom line is we're about to see large workforce reductions by states and cities and other local governments that have had their tax revenue ravaged by the coronavirus fallout and their expenses increased.

Unfortunately, the question of how - or whether - to help local governments cope with the epidemic is turning into a political war. Republicans, who were happy to cooperate with Democrats to provide some assistance to the needy with the Cares Act, as well as a lot of assistance to the non-needy don't seem inclined to do anything anytime soon.

No one knows where stocks go from here. But I do believe we're likely to have a bumpy ride for the next few months that could rival the 34 percent, five-week drop in February and March, and the subsequent 40 percent, three-month rise that started March 23.

The other thing I believe is that if you've got serious money in the U.S. stock market, you had better have both financial and psychological staying power. And you'd better not bet on the Fed being able to bail you out, because it's already done more than anyone ever thought it could do.

The big question I have is on the date this newsletter is issued (Friday July 31) or on the next business day Monday August 3, will the stock market begin to crash? It's highly possible. And why is this?

It's only my guess based on my relatively light research but here is my surmise.

We have discovered that the U.S. economy suffered a historic collapse in the second quarter of this year, with Commerce Department figures showing gross domestic product plummeting by 32.9 percent in annualized terms as business activity ground to a halt due to the pandemic.

Furthermore, many of the emergency economic measures that were put into place to support the American people financially throughout this pandemic are for practical purposes now about to disappear. Right now, we are in the midst of the deepest economic downturn since the Great Depression of the 1930's. Economic activity has fallen dramatically, with more than 100,000 businesses having permanently closed, and more than 44 million Americans having lost a job so far in 2020. But on this point most Americans are not feeling that much economic pain thanks to unprecedented intervention by the Federal government. But unfortunately, that short-term boost of artificial relief is about to wear off which is going to cause some major problems as we approach the end of this calendar year.

Which emergency measures are going to be cut off and when? In most states, evictions have been temporarily banned, preventing a huge homelessness crisis. Most federal student loan payments have been put on hold, removing one of the largest recurring monthly expenses that millions of people face. Banks were ordered to give their customers a six-month break on mortgage payments, if requested.

Evictions on hold, Student loan payments on hold, Mortgage payments on hold

On top of this, the government sent out more than 159 million stimulus payments of up to \$1,200 per adult (more if you have kids) and more than 20 million unemployed people became eligible for an extra \$600 a week in Federal unemployment benefits.

In other words, evictions, student loans and mortgage payments were put on hold at the same time the government began sending everyone money and increasing money for unemployed people. Thus, unsurprisingly, April 2020 was the single largest monthly increase in household income ever.

Here is a chart showing month to month change in personal income



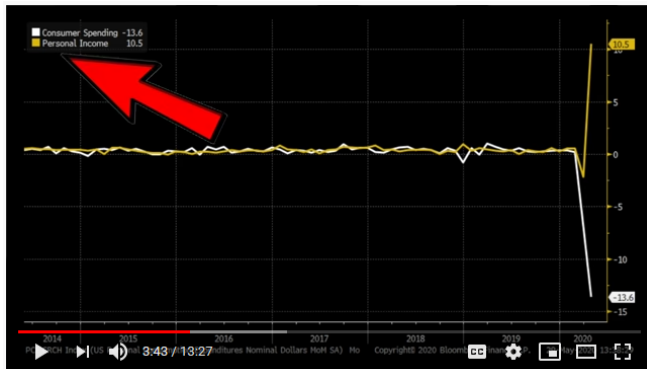
January saw a modest increase of 0.6%. February was a 0.5% rise and March was loss of 2.2% as fear set into the economy. Then came April with a huge 10.5% gain in income, the single largest monthly gain ever recorded.

And this was met by another record in April. Consumer spending

Will the Stock Market Crash on July 31 or After?

plunged even as income rose by a factor of 13.6% from the previous month, the sharpest drop on record within the 60 years data has been collected.

Here is a chart showing this. The yellow line represents the income and the white line represent the spending.



As can be seen the two lines match each other for the previous 6 years until April 2020 when we saw a huge divergence. Income shot up and yet spending fell through the floor.

So, as we know the economy does not work if people are not spending their money. The more we spend our money, the faster the economy grows. The less we spend the more the economy shrinks. So, to have a strong economy the government needs to get people spending. But here is the thing. Income increased sharply in April and yet spending decreased. This is a confusing dynamic, one that you usually do not see play out.

And here is where it makes things worse, because on July 31, it is all going to change.

The \$600 unemployment bonuses are scheduled to end on that date.

This means no income for unemployed people. In addition, there is the possibility there will be no more direct checks from the government for ordinary Americans even if another “stimulus bill” is passed. So, tens of millions of Americans will soon be facing a future in which they are bringing in very little income. In addition, the various bans on evictions around the country will soon be coming to an end, as will the grace periods for mortgage payments.

Of course, there is still that possibility that a bill can be passed which would affect this prognosis. But if there is a second stimulus bill approved, it is extremely unlikely any stimulus checks will be sent out during the times we are discussing of July 31 and August 1.

Evictions will be returning at this time because a federal law that bans evictions in any property financed by a federally backed mortgages (more than a quarter of all households, according to one estimate), expired on July 25, just a week before millions of people’s main economic lifeline is pulled away. Unless they are extended, state wide orders banning all evictions in places that have been hardest hit by the unemployment crisis will also expire (Florida on July 1, California on July 28 and New York on Aug 20).

So as millions of people experience a sudden collapse of their income at the very moment their landlords are allowed to start kicking them out, other bills will also come due. Payments on millions of

paused student loans will begin again in the beginning of October: the more than 4 million homeowners who received a six-month pause on their mortgage after April’s mass layoffs will need to start making payments again at the end of October.

In other words, Federal government help is due to run out for the unemployed on July 31. A second stimulus check, even if approved is extremely unlikely to happen by that date. While evictions can begin again on July 25, and just 3 months after that, student loan payments and mortgage payments will resume.

We recall that in April spending dropped drastically in spite of incomes dramatically rising. Well, guess what will happen when people are earning less and paying higher bills?

So this does not look good.

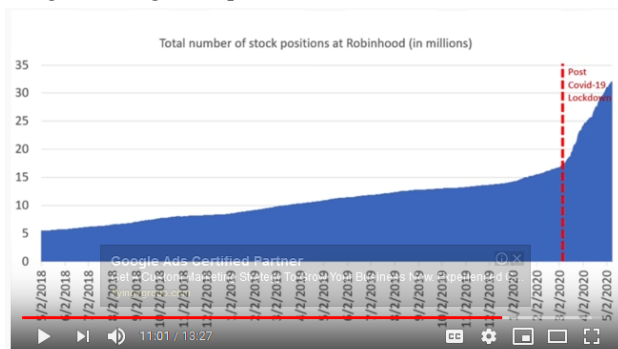
Jobs such as in restaurants which even if they survive the lockdown and resume operations, because of the social spacing requirements and the reduction in demand, this will very likely mean less helpers will be needed resulting in less job openings.

So, here are the 5 factors that will matter:

- The federal unemployment benefits ending on July 31
- No second stimulus checks likely by July 31
- Evictions returning on July 25
- Student loans payments resuming in early October
- Mortgage payments returning in late October.

These are going to hit the average person hard and when they do it is unlikely regular people will be turning to the stock market to risk their hard-earned money. So, if you are invested in the stock market this could seriously impact you.

As you may know, lately there has been a recent “retail” investor frenzy in the stock market. Here is chart on the Robinhood exchange showing stock positions from 2018 to now.



Why The Stock Market Could CRASH Around JULY 31st

It took five years to grow from 5 million to 14 million. Then it shot up from 17 million at lockdown to over 30 million in just two months. And this is not just an isolated incidence. Retail investors have been piling into bankrupt companies like Hertz and JC Penny in droves hoping to make money on the “dip”. And a big part of why people have been investing more comes from the stimulus checks they have been receiving.



A China War or a Civil War

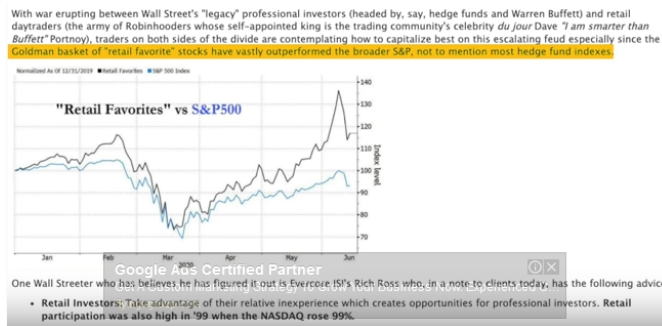
Top 7 Overall Categories which saw highest week over week changes by households which received stimulus vs those that did not (yet receive)

Income segment						
Rank	<\$35K	\$35K-\$50K	\$50K-\$75K	\$75K-\$100K	\$100K-\$150K	\$150K+
1	Savings(+20%)	Savings(+19%)	Savings(+18%)	Savings(+214%)	Savings(+221%)	Loans(+8%)
2	ATM/Cash Withdrawal(+100%)	ATM/Cash Withdrawal(+117%)	ATM/Cash Withdrawal(+101%)	ATM/Cash Withdrawal(+111%)	Securities Trades(+82%)	Insurance(+49%)
3	Home Improvement(+120%)	Securities Trades(+93%)	Securities Trades(+90%)	Home Improvement(+90%)	ATM/Cash Withdrawal(+70%)	Savings(+57%)
4	Transfer(+126%)	Home Improvement(+93%)	Home Improvement(+80%)	Education(+86%)	Loans(+70%)	Travel(+52%)
5	Utilities(+117%)	Transfer(+85%)	Utilities(+68%)	Loans(+70%)	Home Improvement(+69%)	Home Improvement(+52%)
6	Electronics/General Merchandise(+100%)	Utilities(+75%)	Travel(+13%)	Utilities(+66%)	Insurance(+66%)	Entertainment/Recreation(+48%)
7	Education(+99%)	Electronics/General Merchandise(+99%)	Electronics/General Merchandise(+62%)	Home(+64%)	Education(+42%)	Securities Trades(+40%)

The categories above refer to spend, transfer, or withdrawal from bank accounts after receipt of stimulus. The rank ordering is based on the difference in WoW % change between the two user groups that were studied.

Here is a chart showing the use of stimulus checks by people in the different income categories. For those earning \$35K-\$50K and those earning \$50K-\$75K it was the third most popular use. For those earning \$100K-\$150K it was the second most popular use. And for those earning \$150K and greater it was the 7th most popular use.

But aren't retail investors only a small portion of the investor market?



Here is a chart showing the Goldman Sachs basket of "retail favorites" stocks that have vastly outperformed the broader S&P, not to mention most hedge fund indexes.

It shows stocks that are usually invested into by retail investors, such as Tesla and Amazon have risen the most because of retail investors. In fact, the investor guru Rich Ross went so far as to recommend that investors take advantage of the retail investors relative inexperience which creates opportunities for professional investors. So, the retail investors have pushed the stock prices around so much that it now creates opportunities for the professional investors which does not bode well for the retail investors when things go south.

So I believe when the above 5 factors all hit the retail stock investors within a three-month window, it seems very unlikely people will be trading or investing as they have over the past five months AND HENCE COULD RESULT IN AN ECONOMIC AND STOCK MARKET CRASH.

At this time the best maxim to heed is CAVEAT EMPTOR.

D. Miyoshi

A China War or a Civil War



This is not the best of alternatives to choose from but it may be all that president Trump has now remaining.

It is now being reported that the pressures are so high at the Pentagon that President Trump will be forced to enter into one of these wars to remain in control and get re-elected.

On July 3, Dave Hodges of the *Common Sense Show* reported that he spoke with two officers serving at the Pentagon who both informed him that if Trump wanted to remain in control and get re-elected, he would have to deliver a war to the Joint Chiefs that they are so desperately seeking. As it was explained to Hodges, the Joint Chiefs are owned by various aspects of the so-called military industrial complex who are clamoring for war with China. Because division and tensions are running so high in the Pentagon, Hodges is now convinced that if we do not go to war with China, we will be in a Civil War in the U.S. pitting General against General.

If we recall in the news, at first the generals wanted a war with Syria and they were turned back. Then they wanted a war with Venezuela and they were blocked by Trump. Now apparently, they are going after the big prize, war with China. Hodges was told twice by his Pentagon sources, that if Trump wants to remain in control, there will be World War III with China. Hodges says, the confirmation seems to have come from a recent reshuffling of U.S. forces based in Europe and that two events have jumped quickly into the limelight:

China has now launched a "soft" invasion of India. The tensions brought to bear in China have recently increased in terms of threat and potency of the weaponry involved. Not coincidentally, Trump announced that he was removing 10,000 troops from Germany. Originally Hodges wrongly speculated that these troops would be used to stop the insurrection of Democratic mayors and governors in the U.S. But instead, these 10,000 troops are now being re-assigned to, of all places, India. This is a provocative move that surely will draw the negative attention of China and their ally Pakistan, a staunch enemy of India. Given this recent happening of events, Hodges begs the ultimate question, "Is Trump preparing to give the Military Industrial Complex what they want?" If Trump does, he may remain President. If not, there will likely be a coup.

It's no secret, a war with China will make the weapons manufacturers billions of dollars. It follows that the bankers will back any venture that will put much needed capital into their failing banks. A war



The Tragedy of Small Businesses

with China would force the military industrial complex to mend the bridges between them as they engage in a war for survival. Otherwise, as America degenerates under the COVID-19 pandemic and BLM/Antifa protests, so will the military and it will become a domestic struggle of General vs General.

Hodges' same Pentagon contacts have indicated that China is now facing a civil war of their own. Reports show that CHICOM Defense Minister, Wei Fenghe, has attracted the loyalty of some of the Chinese military as well many local governments. There is a separatist movement forming in China and it is presently manifesting in Hong Kong as the CHICOM suppression of dissent and disobedience is being beta tested in Hong Kong. This has become a direct threat to President Xi and he now appears to be in hiding.

Last year Minister Wei Fenghe made a speech that caught the attention of many as he called for the use of race-specific weapons to wipe out the United States so that the Chinese can gain control of the natural resources in Taiwan and the South China Sea. Paul Preston who is president of the New California movement to create a separate state which is supported by President Trump and receives much information from the Feds, tells the story that President Xi is aligning to wage war against the Chinese version of the Deep State that is headed by Minister Wei Fenghe. President Xi must resist this Chinese Deep State just as President Trump must resist his own U.S. Deep State. According to Preston, both men are on a parallel path.

Therefore, President Trump's sending of 10,000 troops to India is telling. Hodge speculates about the distinct possibility of a false flag event in the South China Sea that frames China and leads to war between it and the U.S. If Trump and Xi are both desperate enough, will this be their way out?

There are only three months left to the election. Perhaps we will find out before then.

D. Miyoshi

The Tragedy of Small Businesses



As the fallout from the coronavirus pandemic comes into sharper focus, the position of the nation's small businesses appears, overall, to be particularly bleak. By mid-April, according to a report from the Facebook & Small Business Roundtable, about a third had temporarily stopped operating, and by mid-May more than half had laid off or furloughed employees. An analysis of small businesses by McKinsey and Co. suggests that before accounting for intervention, 1.4 million to 2.1 million of them (25 to 36 percent) could close permanently as a result of the disruption from just the first four months of the COVID-19 pandemic. This is devastating to our economy.

John Mauldin of Mauldin Economics explains it is because the Corona virus pandemic hit particularly hard the small businesses that are both critical to growth and vulnerable to disaster that our economy has been especially ravaged.

Mauldin recognizes that some large businesses have been eviscerated (e.g., airlines) but he stresses that small business have been hit harder. Furthermore, the policy responses haven't been especially helpful or equal, either, and possibly harmful. This will have wide-reaching, long-term effects.

Closed for Good

The New York Times has many issues but its writers excel at finding personal examples to illustrate broader stories. Though this time, they didn't have to look hard. Here are some personal stories to illustrate the struggles.

On the last Friday of June, after Gov. Greg Abbott of Texas said that bars across the state would have to shut down a second time because coronavirus cases were skyrocketing, Mick Larkin decided he had had enough.

No matter that Mr. Larkin, an owner of a karaoke club in Wichita Falls, Texas, had just paid \$1,000 for perishable goods and protective equipment in anticipation of the weekend rush. No matter that the frozen margarita machine was full, that 175 plastic syringes with booze-infused Jell-O were in place, or that there were masks for staff members and hand sanitizer for guests.

That day, June 26, Mr. Larkin and his partner dumped what they had just bought into the trash and decided to close their club, Krank It Karaoke, for good.

"We did everything we were supposed to do," Mr. Larkin said. "When he shut us down again, and after I put out all that money to meet their rules, I just said, 'I can't keep doing this.'"

Mick Larkin's only mistake was owning a business that combines crowds, drinking, and singing, all of which help spread respiratory viruses. Now, he's done. And he's not the only one.

For nearly two decades, Rich Tokheim and his wife sold sports memorabilia—hats, T-shirts, coffee mugs, and other trinkets—to fans in Omaha at their store, The Dugout. Since 2011, The Dugout has occupied prime real estate across the street from the city's 24,000-seat baseball stadium, which usually hosts the College World Series each spring.

The 2020 World Series was canceled in March. In the weeks that



The Tragedy of Small Businesses

came after, other sporting events were scrapped—starting with college sports and extending to professional leagues that have struggled to relaunch their activities.

Mr. Tokheim, 58, watched his business fall off with growing unease, but it was only after a friendly chat with a retired college athletic director in May that the gravity of his situation hit home. He was already worried about the state of the virus in Nebraska, and whether there was enough tracking. Then the athletic director predicted that if college football was canceled for the year, it would be the end of Division I sports as a whole.

“That really put me in overdrive,” Mr. Tokheim said. He negotiated an early exit on his store lease and announced a clearance sale at the store. The Dugout closed for good on June 30.

And another one:

Many small businesses are also finding it onerous to keep up with constantly changing local guidelines, while others are deciding that no matter what their local officials say, it just is not safe to keep going. Gabriel Gordon, the owner of a tiny but popular barbecue restaurant in Seal Beach, Calif., decided to close permanently after studying the restaurant’s layout. He had determined that the kitchen would never be safe for multiple staff members to occupy at once while the virus was still active in the area.

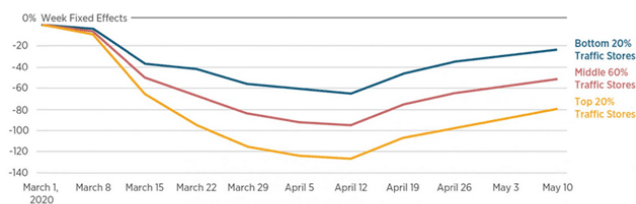
“It’s essentially two hallways that are 11 feet wide,” Mr. Gordon said, describing the shape of the restaurant, Beachwood BBQ. “There are food trucks that are larger than my kitchen.”

Those are just three of many tens of thousands. The owners did everything right. In any other circumstances, they would be providing jobs and helping their local economies grow. Now they’re out.

The NYT article mentions Yelp estimates that 66,000 small businesses will never reopen, and then cites a Harvard study which estimates 110,000 small businesses have shut down permanently.

What is causing this? It’s not entirely government orders. A study from the University of Chicago’s Becker Friedman Institute used mobility data to measure foot traffic at 2.25 million US businesses. Traffic fell significantly weeks before shutdown orders took effect.

Consumer Visits Over Time by Store Size/Traffic



Notes: Regression of log (weekly visits/day) on week-by-traffic size dummies and firm dummies. Traffic size category is computed based upon number of visits per day in January 2020, in each state-industry category.



The mobility data was not only granular enough to compare similar businesses in the same area, it compared businesses across county lines or city limits at which the legal restrictions changed. The businesses in places without shelter-in-place orders had only slightly higher traffic.

In other words, consumer choices are driving this, not governments. And that’s something every business owner understands. I don’t know any bar owner who wants people to risk their safety or health.

The problem is when your entire business model is suddenly perceived as hazardous.

False Start

Small business owners succeed by laser-focusing on their strategies. They aren’t, and shouldn’t have to be, public health experts. They just need to know what is required to operate safely. And, after the initial March/April closures, most were allowed to reopen with various modifications. So, acting in good faith, many did (but not all, as we’ll see in a minute).

The National Federation of Independent Business does a monthly “optimism” survey. Its members’ moods perked up considerably in June. Owners reported improved sales outlooks and said they anticipated better business conditions in the coming months.

But NFIB collected that data in June, when we now know virus cases were just beginning to resurge in some states. Texas Governor Greg Abbott ordered bars to close on June 26. Other restrictions returned as July unfolded. So the optimism NFIB found is disappearing fast, at least in parts of the US.

We talk of a second virus wave, but it’s an economic second wave, too. New orders are hitting businesses still trying to rebuild from the first one. But again, it hit businesses indirectly. The real problem is consumers choosing to stay home and buy only essentials, often ordering online. Small businesses feel it when even a small percentage change their behavior.

In theory, this shouldn’t have been a problem. Washington responded quickly (and at near-lightspeed, by government standards) with Congress passing the CARES Act in late March. It included, among other things, a “Paycheck Protection Program” to help small businesses avoid layoffs and survive the shutdown period.

Unfortunately, PPP didn’t work as envisioned for many businesses. The application process seemed simple enough but even simple things are hard when you’re struggling just to stay afloat. Then the initial funding tranche ran out quickly. And then the well-intentioned restrictions on how businesses could use the money kept it from helping some, particularly those in high-rent areas.

By the time all that started to get sorted out (and it’s ongoing even now), many small business owners had given up, or had already laid off the workers whose paychecks the program was supposed to protect. Worse, the number is still growing.

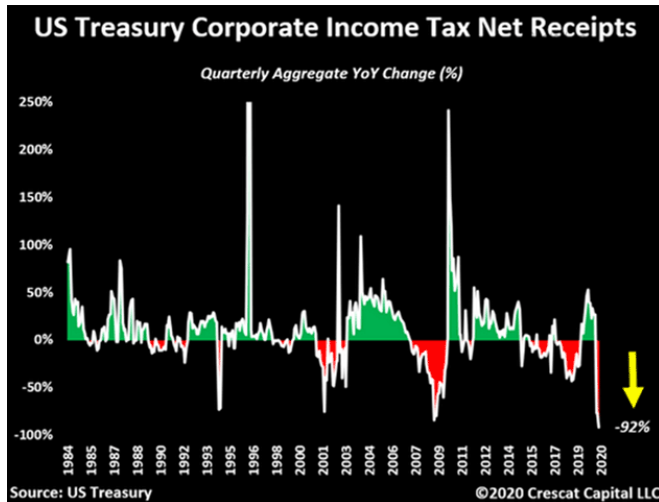
Small Businesses Need Customers

Many small businesses serve individual consumers but just as many provide services to large corporations. It’s no secret that large corporations are struggling. You can see it from corporate tax receipts which are down 92% in the last year. Corporations cutting back every possible cost means less money spent at small businesses.





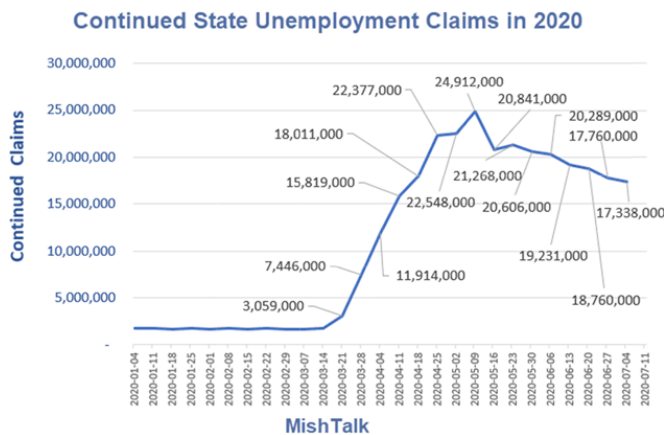
The Tragedy of Small Businesses



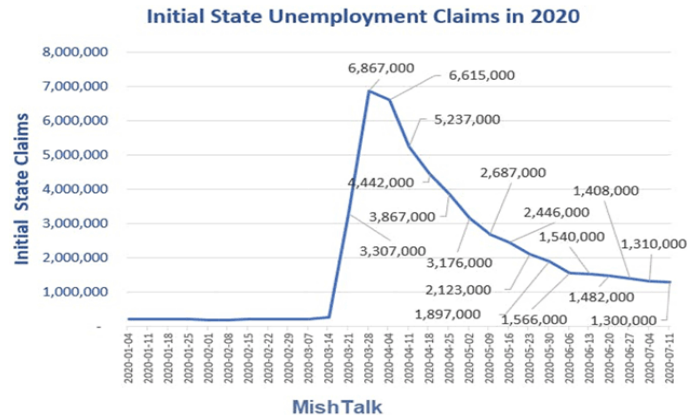
Further, Mike Shedlock at Mish Talk gives us the most recent data as of July 16 on unemployment. This needs a little technical setup.

States pay unemployment insurance. That's what you see in the data on new applications for unemployment and continuing claims. But that's not the whole picture. The CARES Act complicated the jumble of federal and state unemployment programs.

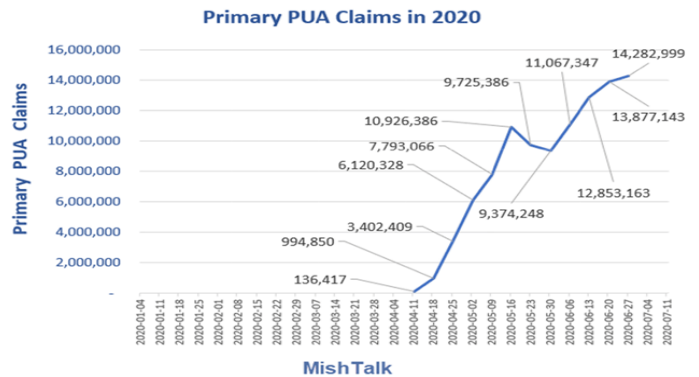
Here is Continued State Unemployment Claims. It's like it's beginning to trend down.



It looks even better if you are looking at Initial State Employment Claims for 2020. Clearly the trend is down, although it flattened in the last few weeks.

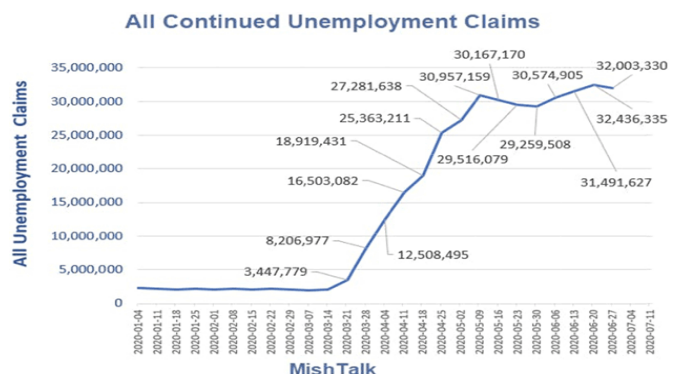


That's all well and good until you add in the federal numbers. Then the picture becomes markedly uglier. As Mish says, any improvement at the state level looks like a mirage. Here are the claims for federal unemployment:



On a phone call by Mauldin to Mish, asking for clarification, Mish pointed out that the data above has a reporting time lag of two weeks. As you can see, the trend has clearly been accelerating since early April or the initiation of the program. It is probably not unreasonable to assume that we will find out in two weeks there are an additional 1.4 million unemployed workers.

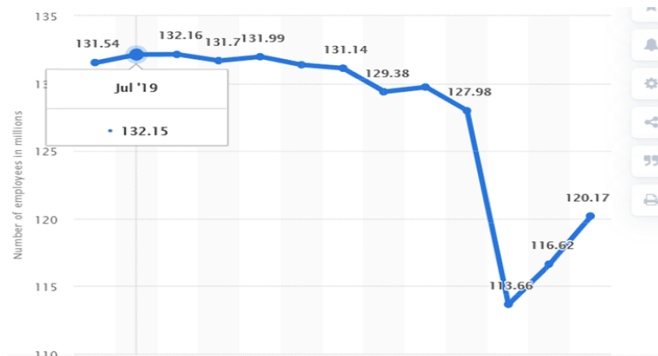
So what happens when you add all these unemployed numbers together? You get a chart labeled All Continued Unemployment Claims:





The Tragedy of Small Businesses

Let's see what that 32 million unemployed workers means to the employment picture. The US had 132 million full-time workers at last year's peak.

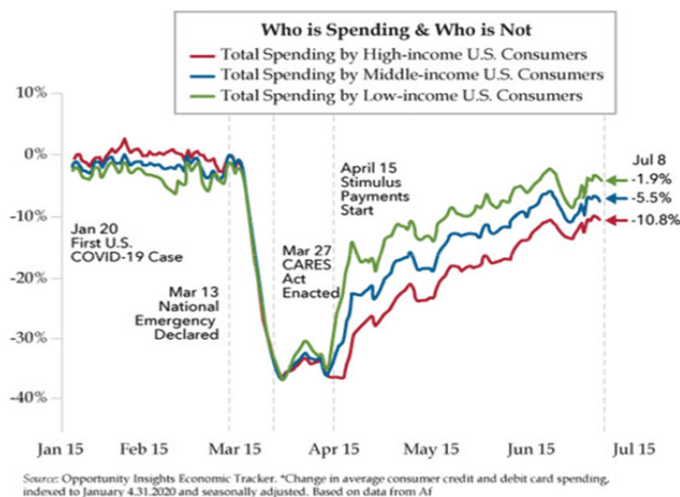


Pew Research tells us that “more than 157 million Americans are part of the U.S. workforce,” which would include those who are working part-time.

Some part-time workers do not qualify for unemployment insurance either at the state or federal level. That would mean a best-case unemployment rate of almost 20%, but if unemployment claims are skewed to full-time workers, which they likely are, unemployment is closer to 23% including lost part-time jobs.

These workers are generally spending less money, but wait, it may/will eventually get worse.

Mauldin cites Danielle DiMartino Booth's Quill Intelligence newsletter showing that those in the highest income ZIP Codes are spending less.



That spending by the lowest income brackets will disappear if the \$600 per week federal unemployment benefit is not extended after July 31. Quoting Danielle:

As we've written in the past, the top two quintiles of income earners in America account for 61% of spending, or 42% of GDP. If they don't spend, the economy comes to a screeching halt. As you see, as

of July 8, spending among high-income earners was off by 10.8% compared to -1.9% for the lowest income earners.

J.P. Morgan's findings not only square this circle but stand as a stark reminder for lawmakers duking it out on Capitol Hill: “While aggregate spending of the employed was down by 10%, the spending of unemployment benefit recipients increased by 10%, a pattern which is likely explained by the \$600 federal weekly supplement. At the same time, our second finding is that among the unemployed who experience a substantial delay in receiving benefits, spending falls by 20%.” We'll translate—if the unemployment insurance supplement is not extended full board, the hit to spending will be immediate.

If you are in the restaurant business, that brief ray of hope has disappeared. After seeing a high point of -49.8% nationwide year over year on July 2, OpenTable reservations are back down to -64%. With the closures in Texas and other states, that will not improve in the next few weeks.

I think it is highly likely the extra unemployment benefits will be extended, at least until the election. But at some point, the country simply cannot afford to pay people \$30,000 a year. Democratic candidate Andrew Yang's \$1,000 per month idea seems like small potatoes now.

The national debt is \$26.5 trillion and will be \$30 trillion sometime in 2021.

It's a Global Depression

Four economic considerations suggest that years will pass before the economy returns to its prior cyclical 2019 peak performance. These four influences on future economic growth will mean that an extended period of low inflation or deflation will be concurrent with high unemployment rates and sub-par economic performance.

First, with over 90% of the world's economies contracting, the present global recession has no precedent in terms of synchronization. Therefore, no region or country is available to support or offset contracting economies, nor lead a powerful sustained expansion.

Second, a major slump in world trade volume is taking place. This means that one of the historical contributions to advancing global economic performance will be in the highly atypical position of detracting from economic advance as continued disagreements arise over trade barriers and competitive advantages.

Third, additional debt incurred by all countries, and many private entities, to mitigate the worst consequences of the pandemic, while humane, politically popular and in many cases essential, has moved debt to GDP ratios to uncharted territory. This insures that a persistent misallocation of resources will be reinforced, constraining growth as productive resources needed for sustained growth will be unavailable.

Fourth, 2020 global per capita GDP is in the process of registering one of the largest yearly declines in the last century and a half and the largest decline since 1945. The lasting destruction of wealth and income will take time to repair.

Noncreative Protection

The same legislation that created PPP authorized the Federal Reserve to lend to larger companies. The Fed has been buying corporate bonds in the secondary market, which basically means many public companies can get low-cost capital just by making a bond issue. Such loans aren't forgivable like PPP, but they have fewer strings attached.



California's Financial Crisis

That's one reason large businesses are generally enduring this period better than small ones. They tend to have deeper pockets, more access to financing, and are better able to implement safety requirements. Their scale lets them demand better terms from suppliers and landlords. A small restaurant owner might go to their landlord and ask for lower rent. The national chain simply says, "We will pay this much" (which might be zero) and dares the property owner to sue.

The likely outcome, once we get to the other side, will be more consolidation, less innovation, and the continued presence of zombie companies that in other circumstances wouldn't survive. The dynamism and staggering variety of our small businesses is a prime reason the U.S. has led the world. Millions of people implement millions of ideas every year. Most don't work, but some do and they make our lives better. We will feel this loss for generations.

Mauldin explains this is the opposite of Schumpeter's creative destruction. Mauldin calls it noncreative protection. The whole concept behind Schumpeter's thesis was that smaller companies, or new technologies, and so forth would come along and provide better services, thereby taking away the business of large companies and in some cases simply killing them. But the economy and consumers would win.

Now we are trying to save those large companies. Some deserve it, for sure. But which ones and how many? You may remember Global Crossing. In the 1990s investment mania, it spent billions of dollars on undersea data cables, connecting the world. The data didn't materialize fast enough, and Global Crossing went bankrupt. The new owners used the now-cheap assets to sell lower-cost connectivity. Huge losses for those investors, for which we should all be grateful, helped fund the era of cheap international communications.

The same happened with railroads in the 1870s. There was a mania by states and local governments to fund railroads connecting their cities and states. Every one of them went bankrupt, with the exception of one privately funded company (another story for another day about government programs). The bankrupt railroads with new owners offered cheaper travel which opened up the West.

The point is, keeping companies from going bankrupt is not always best for consumers and the economy. Now we are in different times. This is a crisis of unbelievably different and epic proportions. But the current "mania" to save all large businesses because they represent jobs should not become a habit. Fighting Mother Nature—or creative destruction—is not a good practice.

To all of this Mauldin has a suggestion. Especially if you are retired, think about small, independent businesses where you spend money. Maybe a favorite bar or restaurant, a retail store, barber shop, or anything else. The owner is probably having a rough time right now. Find a chance to speak privately and see if you can help. Maybe you have capital, expertise, or other resources the business owner can use. Just offer whatever help you can, on whatever terms make sense for you.

Small business owners have their hands full even in normal times. Right now, they need all the help they can get. And we as a country will all win by helping them pull through. God be with us.

D. Miyoshi

California's Financial Crisis



California, the state I live in, is now undergoing a severe financial crisis. So severe that it presents existential ramifications to its citizens. Much of the data herein is taken from the publication *Natural News*, a publication by Mike Adams, a noted economic and political consultant. Some of this data is chilling and honestly hard to believe. But *Natural News* stands behind all of its assertions.

According to *Natural News*, the bottom line is California is now less than 90 days away from a financial collapse that can only be averted by acquiring new sources of loans or dramatically slashing government-funded services in health care, pensions, welfare and education. The cracks of financial insolvency are starting to show, and Governor Newsom has no plan that doesn't lead California into anarchy and destitution.

In a desperate effort to delay the financial collapse, Adam's sources have informed him that Newsom has ordered the state's EDD to delay unemployment checks for as many months as it takes to preserve the state's rapidly-dwindling funds. The *Mercury News* reports that nearly 2 million Californians have yet to receive unemployment checks covering the first three months of the coronavirus lockdowns, which began in mid-March.

The brutal backlog is further evidence of the troubles plaguing the embattled state Employment Development Department, prompting the newly jobless to complain of an overwhelmed phone system and antiquated technology. The first-time claims have gone unfilled even as Gov. Newsom has promised reforms and increased staffing for the EDD.

"I have done just about everything I know how to do as a public official to make things work, but my colleagues, my staff, my constituents and I are at our wits' end," Assembly member David Chiu, D-San Francisco, said in a tweet.

Sources tell *Natural News* that Gov. Newsom has been skimming



California's Financial Crisis

billions of dollars from California taxpayers, laundering it through communist China under the false pretense of purchasing coronavirus masks (NewsomWatch.com). Chinese companies launder the money and then wire funds back to shell companies controlled by Newsom, who is using the funds to pay out hundreds of millions of dollars in straight-up bribes to California officials in order to suppress any investigations into honest financial accounting. This is why the recent \$1 billion mask deal with China has been shrouded in secrecy, as Fox News reports:

California Gov. Gavin Newsom is facing pushback as state lawmakers have begun demanding details of his nearly \$1 billion deal to receive 200 million masks per month from a Chinese manufacturer.

"It would be great to get a heads-up directly from the governor's office rather than watching it on national TV," Assembly Budget Committee Phil Ting (D-San Francisco) said in an interview July 8 with the Chronicle.

"We don't have any information as to how many masks we're buying, who we're buying them from, at what price ... What are we obligated? For how long are we obligated?"

As a result of the skimming, bribery and fraud taking place right in the middle of a coronavirus lockdown collapse, California has now run out of money. And since the state can't print its own fiat currency (like the Federal Reserve can), it can only survive by either slashing expenses or acquiring new funds through loans, bonds or raising taxes.

The delays in California's unemployment checks, we're told, have nothing to do with a lack of personnel to process the payments. Rather, the checks are being deliberately delayed because the state has no money left to fund the unemployment program.

Similarly, recent cuts that have been announced for police departments are really about slashing cash outflows in order to try to keep the state afloat. Many police departments are funded by a combination of city and state funds, and the Los Angeles City Council recently voted to slash \$150 from the LAPD budget, bringing the number of police officers down below 10,000, which will unleash a wave of violent crime across L.A. (Read Collapsifornia.com for more news about California's demise.)

California's state budget is around \$208 billion for 2019 – 2020. About \$80 billion is spent on left-leaning public schools.

Over \$100 billion in revenues are generated by the California state income tax. Another \$27 billion comes from sales taxes, and \$13 billion comes from corporate taxes. California's general fund took in \$143.8 billion last year and spent \$147.8 billion in 2019 – 2020, showing that the state had been eating into its safety net of funds even before the coronavirus hit. In all, the state had about \$19 – \$21 billion in reserves before the coronavirus hit.

Now, thanks to Gov. Newsom's coronavirus lockdowns, California's revenue sources are getting hammered:

Lower property taxes at the local level due to businesses and retailers going bankrupt.

Reduced state income taxes due to fewer people working.

Lower sales taxes due to reduced consumer sales.

Lower corporate income taxes due to corporations losing revenues.

Severe losses in energy-related revenues (taxes) due to the collapse in energy markets.

In addition, the vastly increased payments the state is making for unemployment benefits and other programs is adding to California's financial woes.

It's all summed up by the CNBC headline of May 7th, 2020: "California faces a staggering \$54 billion budget deficit due to economic devastation from coronavirus." As the story reports:

California will have a budget shortfall of \$54.3 billion because of the economic devastation wrought by the coronavirus, Gov. Gavin Newsom's administration announced Thursday, a stunning reversal for a state that had a \$21 billion surplus a year ago.

The Newsom administration estimates state general fund revenues will decline by \$41.2 billion compared to the \$222.2 billion spending proposal Newsom revealed in January. Plus, California must pay for an extra \$7.1 billion for increased enrollment in some social safety net programs, including Medicaid, the joint state and federal health insurance program for the poor and disabled.

Another \$6 billion in anticipated emergency spending on the coronavirus for things like protective gear, hotel rooms for the homeless and cash payments for low-income adults living in the country illegally pushes the projected deficit past \$50 billion.

Meanwhile, lawmakers are already being asked to bail out the state's essential industries. California hospitals say they have lost up to \$14 billion by postponing elective surgeries and other procedures to make room for an anticipated surge of coronavirus cases that never happened. On Monday, the California Hospital Association asked lawmakers for more than \$1 billion in aid.

California is broke

In other words, California is broke. The state blew through its "rainy day fund" in just a few weeks of the coronavirus lockdowns, and now California is reeling from the financial costs associated with the coronavirus lockdowns that Gov. Newsom seems determined to continue indefinitely. In other words, the Governor of California won't let California get back to work, which means the \$54 billion in losses is just the beginning of the financial carnage yet to come.

By the time 2020 is over, it's no exaggeration to say that California may be \$100 billion in the hole due to coronavirus lockdowns and bailout costs. On top of that, with the news now reporting that upwards of 28 million Americans may be homeless over the next few months because they can no longer make mortgage or rent payments, California is about to experience a homelessness problem that has never been witnessed before in the history of the nation. Imagine millions of new homeless flooding the streets of San Francisco, Los Angeles and San Diego, adding to the homelessness problems that already exist in those cities.

It's becoming abundantly clear that the only way California can remain economically viable is to start raising taxes on its productive citizens, more of whom are fleeing the state due to insane left-wing policies, outrageous authoritarian regulations and punitive taxes on those who produce. As Newsom hikes state income taxes, fees and sales taxes, those who earn money (rather than collecting free money) will increasingly leave the state, leaving behind the non-producers who never contribute any funds to state revenues.

The vicious cycle repeats year after year, until California is reduced to a collection of crime-ridden tent cities inhabited by obedient left-wing homeless people whose primary role in society is to fill out multiple mail-in ballots and keep corrupt politicians in power. Fiscal sanity is gone in California, and the exploitation of Newsom and other politicians and power brokers throughout the state is so out-



Defunding the Police is Wrong

geous that there's few senators, mayors or governor who should not face serious prosecution and more.

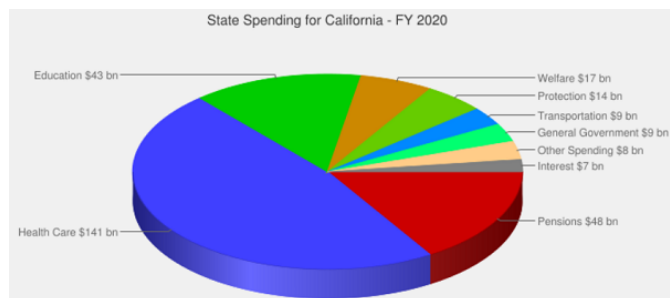
What will happen, exactly, when California runs out of funds in the months ahead? The state can continue to delay payments to entitlement recipients and pensioners, kicking the can farther and farther down the road in the hopes that an economic recovery might bring a new surge of tax revenues into state coffers. Or the state can try to borrow money by selling bonds or winning loans from foreign nations.

Agenda21Radio.com reported in March that California had sought a \$1 trillion loan from communist China, but sources tell *Natural News* that President Trump nixed that loan arrangement, as allowing an enemy nation like China to loan money to an entire state would obviously compromise national security. But the timing of the request from Newsom — March of this year — shows that Gov. Newsom was fully aware his state would run out of funds very quickly as the coronavirus devastated the California economy (and therefore government tax revenues as well).

Unfortunately, the people of California need to be prepared for the possible financial collapse of their state government

The financial collapse of the California state government now seems imminent. By "collapse," we mean a dramatic slashing of government programs, payrolls, entitlements, pensions and entire departments. The State of California, it now seems, is going to have to slash spending by 50 percent, or roughly \$100 billion.

Imagine 50% of the government-funded operations of the State of California ceasing to function. This state expenditures pie chart shows which programs are most likely to be impacted:



According to this chart, the four largest areas of state expenditures are:

- Health care
- Pensions
- Education
- Welfare

Unless dramatic cuts are made in these four areas, the State of California cannot meet its financial obligations. This means huge cuts are coming for all these areas.

This also means, financially speaking, California will soon be able to afford only half the expenditures it once made. That spells huge, drastic cuts of state government offices, personnel and services, even as state income taxes and sales taxes are skyrocketing on a percentage basis.

At some point, the remaining rational citizens of California will realize they are paying almost double the amount in taxes while receiving only half as much in government "benefits." The equation exposes debt-based governments for exactly what they are: Money-confiscating frauds that are unsustainable and disastrous to free market economies.

The only thing holding California together right now is a massive conspiracy of bribery, money laundering, payment delays and accounting smoke and mirrors. Such tactics can only work for a short amount of time, after which California will be forced to slash government expenditures from top to bottom.

And with the collapse of government services such as health care, schools, law enforcement, welfare and pensions, we are likely to see California cities fall into desperation, lawlessness and homelessness.

Natural News predicts that now there could be as little as 90 days remaining before property values in California begin to fall, especially in areas closest to the inner cities.

One final upshot that's worth remembering for the rest of the country is that an enormous amount of food production takes place in California, covering everything from nuts to fruits and vegetables. What will happen to the U.S. food supply if California suffers a cataclysmic financial collapse and the government of California largely ceases to function?

It's a question we now need to seriously consider because it looks like that day draws near.

We hope it never comes but we must prepare ourselves if it does.

D. Miyoshi

Defunding the Police is Wrong



By Jacqueline B. Helfgott, professor Seattle University Dept of Criminal Justice

In the days following the brutal killing of George Floyd by Minneapolis police and the subsequent protests across the country, activists are calling for defunding the police as a solution to systematic institutionalized racism in America. Here is why we

Sayonara - New York, New York

should not defund the police.

Major reforms are underway. In Seattle and Washington state, we already are doing what defunding proponents and police abolitionists are calling for within the existing system: restorative justice, alternatives to incarceration, demilitarizing the police, crisis intervention and de-escalation training, community engagement and holistic collaborative services. Reforms in Seattle and Washington state offer a model that law enforcement agencies in every city and state should implement.

Sue Rahr, executive director of the Washington State Criminal Justice Training Commission, who was a member of President Barack Obama's Task Force on 21st Century Policing, has replaced warrior-oriented training with guardian-oriented training in the Basic Law Enforcement Academy training for all police and corrections officers to create an empathetic police academy. The Seattle Police Department has made changes over almost a decade in response to the 2012 Department of Justice consent decree, including creation of the Community Police Commission, Crisis Intervention Training, and the police department's mental health Crisis Response Teams. Seattle's Law Enforcement Assisted Diversion (LEAD) program has become a model for the nation.

Police culture is changing. Yes, this change is painfully slow and incremental, and many argue we have no time to wait. However, starting over is not realistic or reasonable. Police reform in Seattle and Washington state has not been successful in changing police culture entirely or in other jurisdictions across the country and does not change the hard, heartbreaking fact that police killed Floyd. The Major Cities Chiefs Association and the International Association of Chiefs of Police condemned Floyd's death, noting that Floyd's arrest was horrific and blatantly inconsistent with good police procedure on use of force. Police culture has been slowly changing for many years through the implementation of guardian-oriented policing, policy and oversight, crisis intervention training, community policing, and police-community engagement efforts, collaborative partnerships with mental-health and social-service agencies, and the increase in women and minorities in law enforcement.

The clashes between protesters and police in Seattle over the use of tear gas and crowd-control tactics, and Mayor Jenny Durkan and Seattle Police Chief Carmen Best's willingness to listen to the protesters and modify SPD's approach by "meeting peace with peace" reflects this change in police culture and willingness to work with the community for change.

We need the police. The police are the first responders to a broad range of public-safety issues and serious crime. Crime will not end if we abolish or defund the police. If the police are defunded, there will be delayed response when people who are in need call 911, fewer police on the street in neighborhoods and communities, and lack of police capacity to respond to serious crimes that present significant threats to public safety. If we defund the police, those most affected will be the poor and the marginalized. Wealthy neighborhoods will hire private security as they are already doing, and poorer neighbor-

hoods will have to fend for themselves even more than they already have to. Delays in police response and lack of police capacity will increase fear of crime, render victims of crime helpless and wreak havoc on communities, especially communities of color, even more so than is already the case.

Are we there yet? No. We all owe Floyd's family and every Black American and person of color who has to fear the police an apology and a promise that law enforcement in the United States will never again be the same as it was the day Floyd was killed. Justice for Floyd means prosecuting officers and those who stand by and do nothing, policing that is inclusive of the community, crisis intervention and de-escalation training in all police agencies, empathetic police training in police academies, and commitment from law enforcement personnel and every community member to speak out against racism and police power that violates civil liberty.

Now is the time to test the accountability mechanisms implemented through years of police reform in Seattle. These reforms have made a difference and offer a framework for moving forward. Now is not the time to defund the police but to do the opposite — to invest in our police agencies to build on local and national police reforms. Every law enforcement officer who wears a badge, who takes their oath of service to uphold the law, who is trusted with extraordinary authoritative power to protect public safety, has the personal and professional responsibility to do their jobs in a way that values every single human life to ensure that there will not be another wrongful death at the hands of police.

End of article

Sayonara - New York, New York



"I want to wake up in a city that doesn't sleep"

lyrics from New York, New York

Perhaps, these days people are looking forward to getting a little more sleep because they are now moving in droves out of New York, not to mention Seattle and San Francisco and heading for places like Montana, Colorado, Maine and upstate New York.



Sayonara - New York, New York

Big cities have always offered a trade-off between higher taxes and urban stress in exchange for entertainment, great restaurants, museums and intellectual buzz. Due to a combination of COVID-19, business failures and urban riots, the venues and buzz of the big cities are gone while the crime rates are soaring and all that is left is the stress and taxes. So, people are getting out. Changes like this are not temporary. Once people move out, they don't return.

That's devastating for the economics of major cities and devastating for the U.S. economy as a whole. Forget about a quick recovery.

Kristan Tate, author of "*The Liberal Invasion of Red State America*" describes this move to American suburbia as follows:

A combination of the coronavirus pandemic, economic uncertainty, and social unrest is prompting waves of Americans to move from large cities and permanently relocate to more sparsely populated areas. The trend has been accelerated by technology and shifting attitudes that make it easier than ever to work remotely. Residents of all ages and incomes are moving in record numbers to suburban areas and small towns.

A perfect storm of factors makes the decision to leave major cities like New York very obvious. The dense nature of urban living and the lack of proper local government planning led to the coronavirus spreading five times faster in New York than the rest of the country. The city that never sleeps now resembles a ghost town in many areas after thousands of its wealthy and middle-class residents fled early in the pandemic.

Many are moving to small towns north of the five boroughs. Four upstate counties have seen an incredible surge in real estate demand, while the rest of the New York market is cratering. In Ulster County, the number of homes now under contract nearly doubles the 2016 figures. It saw steady sales in March and April while the overall New York market fell by nearly 30 percent. Some people are staying at their vacation homes, but the data suggest there are many permanent moves in the works.

An estimated quarter of a million New York residents will move upstate for good, while another 2 million could permanently move out of the state. More than 16,000 New York residents have already relocated to suburban Connecticut. The preliminary figures show New York is also losing citizens to rural New England and Florida in significant numbers. Similar trends are happening in other large urban areas. There is a political element within the domestic migration at play across the nation, but what is more telling is the level of movement to suburban areas and rural towns.

Over 40 percent of urbanites have browsed online for real estate, more than twice the level of people who live in the country. Redfin reports that more than a quarter of searches on its website are by urbanites in Seattle, San Francisco, and the District of Columbia searching for homes across less populated places. While real estate sales are down in San Francisco, where prices are falling by more than 50 percent, demand in its suburbs has been soaring, where prices

are rising by almost 10 percent.

There has been a sharp uptick in interest in moving out to Montana, with the majority of new inquiries coming from California. Real estate sales in Montana are 10 percent higher than at this time last year. Rural Colorado, Oregon, and Maine have seen similar upticks in property sales. Vermont is going through a renaissance in real estate, with an agent there remarking that "people are buying houses without even seeing them."

Some of the biggest changes are less obvious, yet even the hidden trends support the idea that cities are emptying out. In March and April, over 2 million young people moved back in with their parents or grandparents. If the allure of cities declines further due to the risk of disease, a sputtering economy, and a future of telework, the flight to suburban and rural safety will continue well after a coronavirus vaccine hits the market.

Social unrest and urban crime rate spikes also raise the possibility of a sharp increase of exits from large cities. A breakdown in order, especially if police are defunded, could further downsize cities rebuilt with law and order approaches. Urban trends of the last 50 years are being reversed. Instead of smaller towns and rural areas facing the steep declines, large metropolitan areas may soon be the places bleeding citizens.

The moves and the circumstances that precipitated them will likely cause profound changes in the places receiving the most coronavirus refugees. It is still too early to forecast the political impacts of these demographic trends, but they could be significant. Floods of former urbanites could bring more taxes, restrictions, and regulations to these areas.

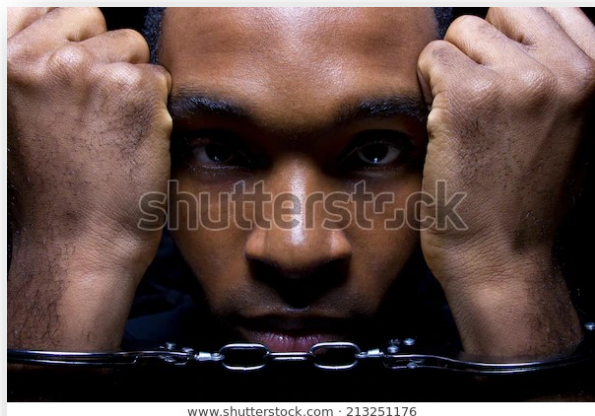
On the other hand, an influx of money could reinvigorate former industrial towns. A curious question is whether the waves of new residents will see these smaller areas as their real homes or as places of convenience that need to be reshaped in the image of the cities they fled from.

In time we will see.

D. Miyoshi



On the Rising Black Crime by Heather MacDonald



Heather Mac Donald is the Thomas W. Smith Fellow at the Manhattan Institute, a contributing editor of *City Journal*, and the author of the bestseller *The Diversity Delusion: How Race and Gender Pandering Corrupt the University and Undermine Our Culture*.

It took several months for the first iteration of the Ferguson Effect to become obvious. Michael Brown was fatally shot by a Ferguson, Missouri, police officer in August 2014, triggering local riots and a national narrative about lethally racist police. Officers backed off proactive policing in minority neighborhoods, having been told that such discretionary enforcement was racially oppressive. By early 2015, the resulting spike in shootings and homicides had become patent and would lead to an additional 2,000 black homicide victims in 2015 and 2016, compared with 2014 numbers.

Today's violent-crime increase—call it Ferguson Effect 2.0 or the Minneapolis Effect—has come on with a speed and magnitude that make Ferguson 1.0 seem tranquil. George Floyd's death at the hands of Minneapolis police in late May was justly condemned—but the event has now spurred an outpouring of contempt against the pillars of law and order that has no precedent in American history. Every day, another mainstream institution—from McDonald's to Harvard—denounces the police, claiming without evidence that law enforcement is a threat to black lives.

To be sure, the first manifestation of the Black Lives Matter movement had a mouthpiece in the Oval Office, lacking now. It doesn't matter. Presidential imprimatur or no, the reborn Black Lives Matter has gained billions of dollars in corporate support, more billions in free round-the-clock media promotion, and a ruthless power to crush dissent from the now-universal narrative about murderous police bigots. During the two weeks of national anarchy that followed the death of George Floyd, cops were shot, slashed, and assaulted; their vehicles and station houses were firebombed and destroyed. American elites stayed silent. Since then, police have continued to be shot at and attacked; the elites remain silent. Monuments to America's greatest leaders are being defaced with impunity; anarchists took

over a significant swathe of a major American city, including a police precinct, without resistance from the authorities. And a push to defund the police gains traction by the day.

The rising carnage in the inner city is the consequence of this official repudiation of the criminal-justice system. The current tolerance and justification for vandalism and violence; the silencing of police supporters; and police unwillingness to intervene, even when their own precincts are assaulted—all send a clear message to criminals that society has lost the will to prevent lawlessness. In Minneapolis, shootings have more than doubled this year compared to last. Nearly half of all those shootings have occurred since George Floyd's death, according to a Minneapolis Star Tribune analysis. On Father's Day, a mass shooting on a crowded street uptown struck 11 people. The next day saw a chain of retaliatory shootings—the first next to a park filled with children, the next, 90 minutes later, on a notorious gang-dominated street intersection. In nearby St. Paul, reported firearms discharges have more than doubled. The same gangbangers are getting shot repeatedly. One 17-year-old boy has been shot in four different events over the last month and a half.

In Chicago, 18 people were killed and 47 wounded in drive- and walk-by shootings last weekend. The fatalities included a one-year-old boy riding in a car with his mother (the gunman drove up alongside and emptied his gun into the vehicle) and a 10-year-old girl struck in the head inside her home; a group of youth on the street outside her house had started shooting at another group of youth nearby. The previous weekend in Chicago, 104 people were shot, 15 fatally. The deceased included a three-year-old boy riding in a car with his father on Father's Day—his gangbanger father was the intended victim—and a 13-year-old girl shot in her head in her home.

New York City's homicide rate is at a five-year high; the number of shooting victims was up over 42 percent through June 21 compared with the same period in 2019. The number of shootings in the first three weeks of June was over twice that of the same period in 2019, making this June the city's bloodiest in nearly a quarter century, according to the *New York Times*. At 4 a.m. last Sunday (June 28), a 30-year-old woman was shot in the head in East Williamsburg, Brooklyn, at a house party. On Saturday afternoon (June 27), a man and a woman were shot to death outside a Brooklyn home. Early Friday morning (June 26), a 19-year-old girl was shot to death in the heart of Manhattan, near Madison Square Park, on East 26th Street.

Milwaukee's homicides have increased 132 percent. "In 25 years, I've never seen it like this," a Milwaukee police inspector told the Police Executive Research Forum, referring to the violence and the low officer morale. Shootings are spiking in Indianapolis. Other cities will show similar increases once their crime data are published.

By now, these dreadfully mindless gang shootings echo one another. Another three-year-old boy was shot in Chicago with his gangbanger father on another Father's Day, this one in 2016; the boy is paralyzed for life. The young children recently shot inside their homes also recall Ferguson 1.0 incidents. In August 2016, a nine-year-old



On the Rising Black Crime

girl was shot to death in Ferguson on her mother's bed while doing homework. The gunman was a 21-year-old felon on probation from a robbery conviction who deliberately shot at least six bullets into the home, located near a memorial for Michael Brown. But the pedigree of these domestic drive-bys is longer and more ominous. In New York, children used to sleep in bathtubs before Mayor Rudolph Giuliani and Police Commissioner William Bratton began restoring lawfulness to the city in 1994; we are fast returning to that pre-Giuliani era.

So far this year, more people have been killed in Baltimore than at this point in 2019, which ended with the highest homicide rate on record for that city. June's killings, which eclipse those of June 2019, include a 23-year-old woman who was eight months pregnant and her three-year-old daughter. They were gunned down in their car by the father of the woman's unborn child, according to the police.

The victims in these shootings are overwhelmingly black. So far this year, 78 percent of all homicide victims in Chicago are black, though blacks are less than a third of the population. But the defund-the-police advocates and the Democratic establishment have said nothing about the growing loss of black lives.

Instead, the Black Lives Matter movement is tweeting about police defunding, last weekend's gay pride marches, and NASCAR's Bubba Wallace, the subject of yet another hate-crime hoax. DeRay Mckesson, an early BLM organizer in Ferguson, is retweeting about whether homophobes are secretly gay. Activist Shaun King, who recently called for vandals to destroy stained-glass windows portraying the Baby Jesus and Mary, is retweeting that Mount Rushmore is an act of vandalism. Ja'Mal Green, a Black Lives Matter organizer in Chicago who was arrested in 2016 for assaulting and attempting to disarm an officer, offered a \$5,000 reward on Saturday for information on the killing of the one-year-old boy in Chicago, but coupled that offer with another call to defund the police. Since then, Green has been tweeting about abortion rights and the extradition of President Trump to Iran. House Speaker Nancy Pelosi is tweeting about abortion rights, gay pride, and Trump's culpability for the coronavirus epidemic. The Vera Institute for Justice, a liberal criminal-justice think tank, announced on Monday that "now is the time to spend less on policing" in order to "create safer communities for Black people."

Actually, now would seem not to be the time to spend less on policing, with gunslingers retaking control of urban streets. The timing of the defund movement was always a puzzle, coming as it did after weeks of destructive riots during which law enforcement was wildly overmatched. Such a demonstration of the violence that lies just beneath the surface of civilization would not, one might think, be the best opening pitch for an argument to shrink police manpower and resources further. Yet the defund idea took off, with the media making sure that the looting and arson became a hazy memory (at least for those whose life's work did not go up in flames) while alleged police racism remained in the headlines. The establishment, in further proof of the elite betrayal of the principle of law, was happy to forgive and forget the riots as an understandable release of black rage. And now, the self-described champions of black lives are

pressing ahead with their anti-cop campaign, with a breezy indifference to countervailing evidence.

While 307 people have been murdered this year in Chicago, the Chicago police have killed three suspects, all armed and dangerous. In 2018, the New York Police Department recorded its lowest number of fatal civilian shootings—five—since records were first kept in 1971. (Data from 2019 have not been published.) All five victims were threatening or appeared to be threatening officers with guns or knives.

The Minneapolis Effect will not be confined to intra-racial gang violence. Sadistic and gratuitous attacks on elderly citizens have been accelerating in recent weeks—a 78-year-old woman punched casually on the head in Brooklyn; an 80-year-old man knocked to the ground, dragged, and robbed in the Bronx; and a 92-year-old woman slammed into a fire hydrant in Manhattan's Gramercy Park. The high-volume delegitimization of American justice and the incessant drumbeat about white supremacy will likely result in an increase in black-on-white violence, which already accounts for 85 percent of all interracial attacks between blacks and whites.

Meanwhile, criminal-justice leaders themselves are surrendering. The New York Police Commissioner has disbanded the department's most effective tool for getting illegal guns off the street, the plainclothes Anti-Crime Unit. Officers across the country are being told to ignore low-level offenses, and urban D.A.s are refusing to prosecute public-order arrests, on the ground that Broken Windows policing is racist—until, that is, an outbreak of particularly irksome disorder becomes too widespread, as is the case with the current fireworks discharges. The head of the Lieutenants Benevolent Association in New York has advised its members to use their "utmost discretion" in responding to fireworks complaints unless New York mayor Bill de Blasio "unequivocally commits to having our officers enforce fireworks infractions AND the District Attorneys verbally commit to processing fireworks offenses" (emphasis in original). Otherwise, warns the LBA president, officers are merely being set up for a new slew of phony civilian complaints.

Ambushes await officers who respond to gunfire alerts, illegal house parties, and other crimes. This weekend, New York officers were assaulted with bottles and garbage by a group of about 500 people at 3:45 a.m. in Harlem as they tried to find the source of a shooting picked up by ShotSpotter technology. A Baltimore officer was shot in the stomach earlier this month while trying to break up a large party in West Baltimore. Such parties are the seedbed of gun violence; the day before, a gunman had shot into a crowd at another large Baltimore party. One of Baltimore's defunding groups, "Organizing Black," was unmoved. "ABOLISH THE POLICE is the goal," it wrote on Twitter, "FUCK THE POLICE is the Attitude." Two car thieves in Chicago struck an officer with their stolen car and dragged him a short distance this June. In late May, crowds threw glass bottles at Chicago officers as they tried to arrest gun suspects; in one case, the crowd tried to free the suspect from a patrol car.





Hitler Was Right on One Thing

These are no longer the warning signs of a possible breakdown of civilized life. That breakdown is upon us. If local and national leaders are unable to summon the will to defend our most basic institutions from false and inflammatory charges of racism, they have forfeited their right to govern. Unless new leaders come forth who understand their duty to maintain the rule of law, the country will not pull back from disaster.

End of article

Hitler Was Right on One Thing

This article appeared in Quora on July 13. It was written by Luke Harrison, a self-proclaimed WWII Enthusiast. He makes a point which I would like to share with you. D. Miyoshi

What didn't we know about Hitler?

That he was right...

NOTE: He was NOT right about the genocide of Jews and other people he deemed to be "inferior." I will gather information I know, and of course, from his words, he wrote in Mein Kampf.

What was Hitler's main goal?



Genocide? No.



Invading the rest of Czechoslovakia? No.



Taking over the world? No.

It was Communism...

We didn't really realize this until after WWII.

You see, Hitler saw communism as a threat to his Reich and his German people.

I won't go into details of how communism killed more people, and how stupid the idea is. But Hitler's main goal was to destroy communism...

(And perhaps take half of Russia)

BUT THAT'S NOT THE POINT.



The Hypocrisy in American Politics

In 1935, Hitler was a big fan of Józef Piłsudski (I might've butchered that name, but I'm sure someone will correct me). Jozef fought off communists which earned Hitler's respect. Unfortunately, Jozef died in 1935. Hitler brought some of his henchmen (Senior SS staff), and attended Jozef's Memorial service.

Because of that, Hitler thought highly of the Polish. Poland was anti-communism as well so Hitler did have respect for them.

In 1938, Hitler wanted to establish an alliance with Poland and offered them protection against the Soviet Union. However; he also demanded that they'd allow him to build a connection across the Polish Corridor to East Prussia to reunite his German people. As well as get the Free City of Danzig. Hitler wanted to move his troops through Poland to invade the Soviets.

Polish Minister of Foreign Affairs, Jozef Beck rejected this offer. So history went as it went...

Hitler had a quote, and it went a little something like this...

"One day my spirit will rise from its grave, and the world will realize I was right."

Hitler was right. Communism was the bigger threat. But Nazism wasn't a saint either...

In 1945, General Patton said "We fought on the wrong side."

Winston Churchill said "We slaughtered the wrong pigs."

Had the US and Britain accepted Himmler's offer of helping them to fight off the Soviet Union, history would've played out differently.

But this was in 1945. And by then, millions of innocent people were already murdered because they were deemed inferior...

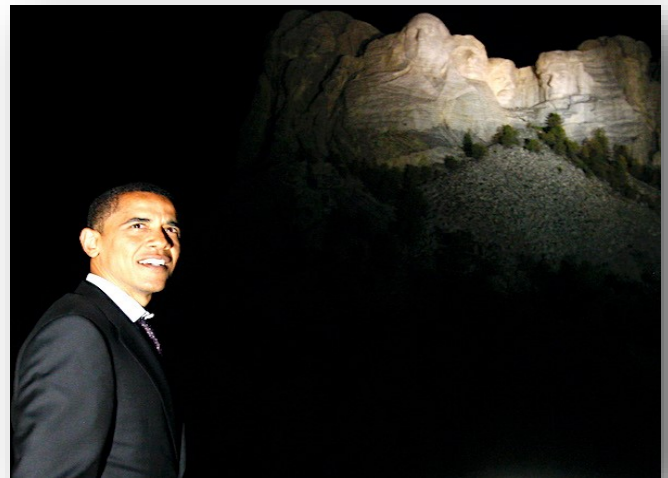
I visited the Auschwitz museums in May:



The whole place was the saddest place I ever visited. Millions were exterminated here...

Our main adversary today is China which is communist to the core. Let's keep this in mind. D. Miyoshi

The Hypocrisy in American Politics



On July 3, President Trump held an Independence Day rally at Mt Rushmore National Park. By most Republican accounts it was a successful event. But one would never have known that listening to CNN who reported earlier in the day "President Trump will be at Mount Rushmore, where he'll be standing in front of a monument of two slave owners and on land wrestled away from Native Americans."



The Hypocrisy in American Politics

Yet in 2008, CNN broadcasted "Barack Obama is in South Dakota today. He arrived there last night. Take a look at this. He got a good glimpse of the majestic Mount Rushmore. Obama arrived there late last night and got a good look around Mt. Rushmore – it's quite a sight if you haven't seen it."

This is just the latest incidence of the blatant hypocrisy that is being practiced by the media not to mention the political parties (both Democrat and Republican) themselves.

Just before the Independence Day rally, Zach Parkinson, a Trump campaign researcher, tweeted:

"Fascinating how CNN called Mount Rushmore 'majestic' and 'quite a sight' in 2008 when Obama visited, but now it's a symbol of slavery and stolen land"

In the face of that content, many conservatives went on Twitter on July 3 to vent outrage. They said Trump's visit Friday night, timed to the Independence Day weekend and accompanied by a planned fireworks display, was ridiculed and Mount Rushmore denounced as a symbol of hate.

Murtaugh also offered more evidence of pre-Trump administration praise for Mount Rushmore from CNN and the Obamas, offering these retweets:

"2013: First Lady Michelle Obama called Mount Rushmore one of the 'great American sites.'

2020: NYT decries Mount Rushmore and liberals call for it to be taken down."

Parkinson and Murtaugh even found that CNN's Jim Acosta, seen as a staunch critic of the current administration, had previously praised Mount Rushmore, calling it a "fitting campaign stop for a presidential contender."

Murtaugh tweeted:

"Jim Acosta's network would never alter its opinion of Mount Rushmore based on who was visiting, would it?"

Parkinson, in a similar vein, referenced a 2016 visit by Democratic socialist and two-time presidential candidate Sen. Bernie Sanders, I-Vt., where the landmark was again praised by CNN:

"In 2016, CNN's Jeff Zeleny called Mount Rushmore a 'monument to four great American Presidents'

Bernie Sanders said 'this is our country at its very best,' called it an 'incredible achievement,' and said it 'really does make one very

proud to be an American.'"

So, why the blatant hypocrisy?

According to Linda Feldmann, of *The Christian Science Monitor*, hypocrisy in politics is a time-honored tradition. Republicans slam Democrats for doing and saying the very things they once did and said, and vice versa.

Years before he became president, Donald Trump railed against President Barack Obama's aggressive use of executive power. Today, President Trump faces criticism for doing the same. President Obama ramped up drone attacks against militants and terrorists, but when Mr. Trump ordered the killing by drone of Iraqi Maj. Gen. Qassem Soleimani, who had much American blood on his hands, Democrats cried foul.

In 1998, Democratic Rep. Jerry Nadler of New York declared the impeachment of President Bill Clinton "an undoing of a national election." Today, Republicans say the same of Democrats over the Trump impeachment, which Congressman Nadler – now Judiciary Committee chairman – calls "imperative."

The list is endless. And the rise of the internet, which captures every tweet and video clip in perpetuity, makes it easier than ever to catch hypocrites in the act. Which is pretty much every politician, and plenty of voters too.

But today, it seems, hypocrisy is particularly rampant – and there's a reason. "It's a function of our extreme partisan polarization, and really, it justifies anything," says Larry Sabato, director of the University of Virginia Center for Politics. "Hypocrisy is the lifeblood of politics."

In behaving hypocritically, each political "tribe" can argue it is serving a greater good: the furthering of its political goals. During his impeachment, liberal feminists stood by President Bill Clinton, despite his predatory history toward women. His support for women's rights won him a pass from them.

For Senate Majority Leader Mitch McConnell, it meant blocking an Obama Supreme Court pick in 2016, saying voters should have input in an election year. Yet when asked more recently if the Senate would consider a high court nominee if there's a vacancy in 2020, Senator McConnell didn't hesitate: "Oh, we'd fill it," he said, to the surprise of no one.

"It is pragmatic for politicians to act like hypocrites during periods of hyper-partisanship, since they otherwise might be harassed or expelled from their group for disloyalty," writes Jay Van Bavel, an associate professor of psychology at New York University, in an email.





The Hypocrisy in American Politics

Indeed, the only House Republican to call for impeachment proceedings against Mr. Trump, Rep. Justin Amash of Michigan, was so ostracized by fellow Republicans that he quit the party and became an independent.

All the hypocrisy may seem enough to make one cynical. And some may wonder if the level of hypocrisy, on both sides, has reached the point where voters will just disengage.

That's hardly likely, political analysts say, given the strong views about Mr. Trump, for and against. Witness the big turnout during the 2018 midterm elections – 49.2% of eligible voters, the highest recorded rate for a midterm since 1914.

Turnout in November could shatter modern records. But no matter the winner, expectations are low that today's hyper-partisanship will end anytime soon. A recent Battleground Poll, sponsored by Georgetown University, found that the average American voter believes the nation is two-thirds of the way to the edge of civil war.

The poll also showed that voters hold contradictory views on what they're looking for: More than 80% agree that political leaders should strive for "compromise and common ground" – but they're also "tired of leaders compromising their values and ideals and want leaders who will stand up to the other side."

The current standoff over impeachment presents a singular test of America's ability to self-govern, as established norms – such as co-operating with subpoenas – fall by the wayside, says Kathleen Hall Jamieson, director of the Annenberg Public Policy Center at the University of Pennsylvania.

"We're seeing a point at which we're calling into question whether our institutions can function the way they were intended to function in a polarized age," Professor Jamieson says.

But in other ways, commonly cited examples of hypocrisy may in fact represent a misunderstanding of the people who hold seemingly contradictory views. Strong support for Mr. Trump by white Evangelicals is one case, Ms. Jamieson says.

Mr. Trump's morally dubious past, including marital infidelity and vulgar talk about women, may seem to disqualify him from support by religious conservatives. But that ignores the edict to "hate the sin, love the sinner" and the biblical tradition of forgiveness.

Furthermore, Ms. Jamieson notes, Mr. Trump is delivering for this key constituency – foremost, nominating anti-abortion judges. "He's running on promises kept," she says. "That's the opposite of hypocrisy."

The forgiveness argument plays down the recent mini-revolt within the evangelical world, as seen in the recent editorial in Christianity Today supporting Trump's impeachment and removal from office, citing "gross immorality and ethical incompetence." The editor-in-

chief, Mark Galli, argued for consistency; the publication had supported impeachment for both President Richard Nixon and Mr. Clinton, also on moral grounds. But the Trump editorial was met with vocal opposition from white Evangelicals and only quiet praise – though the magazine did net 3,000 new subscriptions.

To Republican elites who oppose Mr. Trump, and are working for his defeat in November, evangelical supporters are a prime target.

The first video produced by the so-called Lincoln Project sews together clips of Mr. Trump speaking of faith – including his Jan. 3 address to Evangelicals in Miami – with clips of him crudely attacking opponents.

But such activism may be counterproductive. When presented with contradictory information, people are motivated to reduce feelings of discomfort, and "may therefore double down on their beliefs or ignore evidence that their behavior is inconsistent with the past," says Professor Van Bavel, an expert on the "partisan brain."

"Under conditions of polarization there is a strong pressure to follow the leader," Mr. Van Bavel says. "This is especially true for people who have authoritarian tendencies. They loyally follow the leader and pressure others to follow the leader as well."

Positions on issues – except for abortion – almost become secondary. "Everything is seen through the lens of how you view Trump," says Republican pollster David Winston.

That explains how the president has been able to bend Republicans to new positions on tariffs, foreign policy, rising debt and deficits, and immigration. Amid polarization, there's little room for dissent.

"Trump is partly a cause and partly a consequence of polarization," says Mr. Van Bavel. "He was voted into office by the overwhelming support of Republicans, in part because many of them did not want to support a Democrat."

"Once in office, Trump has been aggressively partisan in many of his actions," he continues. "This has ensured that he maintains the fierce support of Republicans, even as it undercuts any potential support he might obtain from Democrats or independents. We are in a vicious cycle of hyper-partisanship that is self-reinforcing."

So, hold onto your hats, this ride is soon to get a lot bumpier.

D. Miyoshi





The Fall of America



What Futuristic Globalist Historians Will Say About the Fall of America

By Dave Hodges, July 4, 2020

For years, many have written that this is the last election, the last Christmas or the last 4th of July. Too many times, it is a case of the boy who cried "wolf" too many times. Only this time, the people that are proclaiming that the sky is falling, and this is the last 4th of July in the context that we celebrate, are probably correct.

Since March 13, 2020, we have witnessed the total dismantling of our economy. We have witnessed the capture of American cities by terrorists that has gone unchecked. We are preparing to unleash all prisoners, except for people like Roger Stone. We dismantling our police departments and have neutered them in the face of massive riots that have gone unchecked. The 4th of July has been cancelled by "woke" Democrats and accepted by spineless Republicans. The country has no leadership. We are in the middle of a Marxist-Communist-Bolshevik style revolution! Short of divine intervention, I see no turning back from the cliff that America is falling off of!

One day an enlightened globalist-approved historian will write a history text book which will answer the question: "What happened to America"?

From a list that is growing in contemporary America, let me add to this ever-expanding list as this is what the historian will report as written in the first person of those who stole America:

Why You Lost Your Country

The problem for you silly Americans, is that you believed every word we said, because we saw it on TV. This is how you lost your country:

It's just a mask.

It's just two weeks.

It's just non-essential businesses.

It's just to keep from overwhelming the hospitals.

It's just until cases go down more or we can find more ways to illegitimately inflate the numbers.

It's just to keep others from being scared. It's just for a few more weeks.

It's just communion or singing in church. You can still meet. You must be out of the church in 60 minutes.

It's just until we get a vaccine.

It's just a few side effects from the trusted Bill Gates vaccine.

It's just a bracelet. It's just to let people know you're safe to be around.

It's just an app. It's just to let others know who you've been in contact with.

It's just a few more months.

We don't censor: It's just a video. It's just an email account. It's just for protecting others from hate speech. We cannot tell you what hate speech is, but we know it is something we don't like.

It's just a credit card company. You can use cash. It's just a few places that don't take cash.

This won't hurt and it absolutely will not impinge upon your freedom. It's just a little chip. Jesus won't care! It's just for medical information and paying for things. It's just so you can travel. It's just so you can get your driver's license. It's just so you can vote. It's so you can have a child, but only one! It's just for a few more years.

Again, we don't censor! It's just a statue. It's just a building. It's just a song. It's just a few words. It's just a piece of paper. It's just a book. It's just a movie.

On this 4th of July, you still have all your freedoms. It was only fireworks. It's just for a year. It's just a flag. It's just a piece of cloth. It's just a blood test. It's just a scan. It's just a chip. It's just a dog.

We love all children, but it's just a clump of cells. It doesn't hurt. They don't matter. They are just God's creation.

We need you to give up your freedom so we can protect you. It's just the bad people. It's just the undesirables. It's just the deplorables! It's just the Jews. It's just the men. It's just for a little while. It's just the Christians. It's just the people that don't think like we do.

It's just... wait... It's not just a mask. It is the symbol of compliance to tyranny!

Just be honest about what is happening. It's just a revolution. It's just the loss of a piece of paper we call the Constitution. It's a few meaningless rights that you do not need because the state will take care of you. It's just that the planet would be better off without about 90% of you.





Things I Don't Understand

IT'S JUST THAT YOU WERE TOO LAZY TO FIGHT FOR WHAT WAS ORDAINED BY GOD FOR YOU! IT'S JUST THAT YOU DID NOT PAY ATTENTION. IT'S NOT OUR FAULT YOU BELIEVED EVERYTHING SAID IN THE MSM WAS A LIE. IT WAS YOUR FAULT THAT YOU ROLLED OVER AND PLAYED DEAD AS WE STOLE YOUR COUNTRY FROM YOU! YOU MAY WANT TO READ THE DEAGEL REPORT!

HAPPY 4TH OF JULY WHERE THE ONLY FIREWORKS THAT YOU WILL SEE WILL BE THE MASS CASUALTY EVENTS THAT IS ABOUT TO HAPPEN IN A CITY NEAR YOU!!!

End of article

I thought this article sent by a friend was so insightful, that I wanted to share it with you. It is written by Joseph M. Valenzano and published by Henry P. McIntosh IV. I hope you enjoy it. D. Miyoshi



Rip M'Intosh

Things I Don't Understand

by Joseph M. Valenzano

June 24, 2020

1. Rioters and protesters tore down the monuments to Francis Scott Key, author of the Star-Spangled Banner, our National Anthem, and the statue of Father Junipero Serra, founder of the Spanish Missions in California. The monument to Christopher Columbus in NYC was defaced as was St. Patrick's Cathedral. The New York Museum of Natural History just decided to remove the statue of Teddy Roosevelt, which has stood at the entrance of the museum since 1940.

It seems that young revolutionaries want to rewrite our history, but how is that possible? You cannot erase history; you can only learn from it. George Santayana once wrote, "those who ignore the lessons of history are condemned to repeat it." So, I am wondering, if we consciously try to erase history and rewrite it as we believe it should have been, how will we ever learn of the mistakes we made in the past so that they will not be made again? But here's a thought: Why not get back to teaching history instead of advocacy in schools?

2. So, if a police officer shoots a criminal after being assaulted by that criminal, it is the cop's fault, but if a criminal shoots someone, it's the gun's fault? Help me understand that, please.

3. I have lived in America for all my 75 years. I am probably old-fashioned, but it has been my experience that police typically leave you alone if you are not doing illegal stuff. So here is another thought: How about teaching our kids to be responsible for their actions and respect police, adults, and senior citizens? This is a process that begins in the home.

4. Does Black Lives Matter (BLM) include aborted black babies, murdered black police officers, black on black killings, or does BLM respond only when a white police officer kills a black man or woman?

5. So, now the classic movie *Gone with the Wind* has been removed, and high school students no longer are asked to read the *Adventures of Huckleberry Finn* by Mark Twain or *To Kill a Mockingbird* by Harper Lee. They are banished from school curricula. That is sad and a significant loss from an educational perspective.

Does anyone remember Hattie McDaniel? She was the first black American actress to win an Oscar for her performance in - wait for it - *Gone with the Wind*. Is her name and performance now cast aside and gone forever because of the new revolutionaries telling us what we can and cannot read or see?

6. Rest in Peace Aunt Jemimah (1893-2020) and Uncle Ben (1943-2020). Cause of death: Liberal Stupidity. Whatever happened to Common Sense?

7. Why would President Barack Hussein Obama have a Presidential Library? What the hell would it contain?

8. In the last four years, can you name any piece of legislation, any program that benefited America and Americans coming from the Democrats? What exactly have they done over the last four years? Come to think of it, Joe Biden, the Democratic candidate for President and former VP under Barack Hussein Obama, is an enigma. He has been in government 51 years! What exactly has he done for America and Americans in all those years? What is his platform?

9. The Prophet Mohammed was a pedophile, murderer, and slave trader. Why are there no riots to burn down mosques? How about the Pyramids of Egypt? Slaves built them. Why are there no riots and efforts to destroy these? Ditto for The Great Wall of China.

10. Maybe it's just me, but if I have a problem with my faucets, drains, or showers, I call a plumber to help. If I have a question about taxes, I call my accountant. If I have a fever or upset stomach, I call my doctor. But if I want advice on politics or economics or international relations, I would not be inclined to call LeBron James or any other athlete. How about you?





Things I Don't Understand

11. I read where Alexandria Ocasio Cortez was laughing, and high-fiving people for scamming the Trump Rally in Oklahoma and having teens and others register for advance tickets to it and not show up. Fascinating! But here's a question: If these liberal democrats can do this, what will they do with mail-in voting?

12. I find it ironic and a bit humorous that the very first thing the insurrectionist wanna-be tough guys who took over a six square block segment of Seattle did was - wait for it - build a wall! Why did they do that? (Don't answer, I think I figured it out)

13. I read earlier today that rioters in California tore down the statue of Ulysses S. Grant, former President and General, who defeated the Confederacy and wreaked havoc on the KKK in South Carolina. He was vehemently opposed to slavery.

Wonder what he did so wrong as to elicit the ire of the mob? Could it be that the mob was not so concerned about Blacks but more concerned about simply tearing down everything to do with America?

Makes you really wonder about just what BLM and Antifa stand for, doesn't it? And who the hell oversees these well-orchestrated riots?

You see, a mob has a leader, so who is the leader? George Soros? Barack Hussein Obama and OFA? Someone is calling the shots to undermine our way of life. I'd really like to know. Wouldn't you?

14. Sometimes I find myself wondering why we are so obsessed with trying to find intelligent life on other planets when we can't seem to find intelligent life right here on Mother Earth?

15. Someone needs to explain to me why the Centers for Disease Control (CDC) reports 57,000 COVID-19 deaths, and the media reports over 120,000 deaths. Why the disparity?

Equally, I would like to know the distinction between those who died from COVID-19 and those who died with COVID-19.

Am I just not smart enough to understand these things?

But here is what I do understand and for which I need no explanation:

Americans live in the greatest country on planet earth, and I have been all over this world so I can make that statement.

We the People have the most excellent medical care in the world.

We the People earned more Nobel Prizes than any nation earth by a factor of ten.

We the People have pioneered the exploration of space and are innovators in technology.

We the People have accumulated more wealth and prosperity than any other country on the globe and have the highest standard of living known to man.

We the People have abolished slavery, prevailed in two World Wars, and saved Europe twice in the 20th century. Instead of reaping the spoils of war, we invested in rebuilding Europe and Japan in the aftermath of the devastation of WWII. And we did all of this in 244 years as compared to other nations whose histories go back millennia!

America is a free country and, if you don't like it here, you don't need to destroy other people's property and businesses to satisfy your primal, uncontrolled emotions, nor do you have to tear down our historical monuments. You can pack up and leave.

I'm just guessing about this, but I bet if I looked carefully, I would not see any anchors on your ass keeping you here.

In a few days, we will be celebrating Independence Day, the Birthday of our Nation. It is a golden opportunity to put aside personal differences and salute the fact that we all wake up every day as free men and women thanks to those who paid the ultimate price for that privilege.

Happy Birthday, America!

Kindest regards,

Henry P. McIntosh IV

ripmcintosh@msn.com

"The evil, that one endures patiently because it seems inevitable, becomes unbearable the moment its elimination becomes conceivable."

Alexis De Tocqueville



Ghislaine Maxwell May Bring Down the American Republic



Early in July 2020, Dave Hodges, operator of the *Common Sense Show* was asked if he thought Ghislaine Maxwell would testify. Hodges replied that he believed Maxwell will not be allowed to testify. He thought she has to be silenced, at least in the eyes of people who are high profile and who have much to lose in the matter. Once Maxwell exchanges her information, it is there in perpetuity and the powers that be can use it at their discretion. All they have to do is get her to validate it through an affidavit. Maxwell does not have to live to go to trial. But time is short to take care of her and protect the reputations of some very powerful individuals. However, realistically people are not going to buy another fake suicide or fake murder or let her escape or relocate or whatever that will ostensibly appear as though she was relieved of testifying.

So how are they going to handle Maxwell? Will they let guards fall asleep or go off duty? Hodges believes not. He believed Maxwell is in for the duration.

But Hodges believes there is one distinct possibility of how she can be handled. Recently, Hodges had a discussion with a senior federal level law enforcement agent who told him in the case of president Trump an assassination would be too obvious because it would cause a situation they did not want by getting everybody up in arms including people on the left. However, a mass casualty event where the president was just simply in the wrong place at the wrong time would be the way to go.

Hodges believed that same approach could be used in the Maxwell case. There could be a terrorist event in the area that overwhelms tens of thousands of people and in the chaos Maxwell could be taken care of. Perhaps they would go so far as to set off a large bomb or use a viral bio agent. But Hodges believes the people involved will do anything and everything to achieve their plans.

In the end Hodges believed Maxwell will not be allowed to testify although the information she has will survive. He believes there are minds fast at work right now thinking about how they

get Maxwell not to testify and a mass casualty event is right there at the top of possibilities.

After that on July 17, 2020 Hodges issued the following report entitled *Mad Madame Maxwell Will Be the Centerpiece to Bring Down the American Republic*.

This report is highly controversial yet, if true, is very revealing about the troubled state of our government. I offer it here for your thoughtful consideration. D. Miyoshi



I am 100% certain that Epstein is not dead. How can I be so certain? Because I have been down this road before, both with Ken Lay, have and later I had my own situation with something called a dead man switch. I have previously written how I know that Enron's Ken Lay did not commit suicide, because my associates at the time were involved with him and I personally heard him say, "when we develop this technology, we better have our dead man switches in order\". Ken Lay did not commit suicide and neither did Jeffrey Epstein. Both men are alive and sipping wine on some remote island. However, Mad Madame Maxwell will not be so lucky. This article will explain why.

If one really wants to understand and be certain about the fact the Jeffrey Epstein was not murder, and he did not commit suicide, then one needs to be willing process a lot of materials that sets the foundation that Jeffrey Epstein is alive and well. First, what is a dead man switch?

Dead Man Switches

Loosely defined, a dead man switch is an insurance policy against being assassinated for what one and the accompanying threat of the release of incriminating evidence. Any who deals in highly sensitive and possibly incriminating material would be a fool not to a number of dead man switches. In this process, the valued information is shared with sources that will release the information upon the death of a potential whistle blower. The mechanics of this practice are simple and loosely consists of the following variables:



Ghislaine Maxwell May Bring Down the American Republic

Never give dead man switch material to a known associate. It is too easy to trace. Keep in mind that JFK assassination researchers believe that over 300 people were killed to keep some incriminating evidence from coming to light. These people included Lee Harvey Oswald to Jack Ruby, to Bobby Kennedy, and to media figure Dorothy Killgallin.

It is recommended that only people with at least 3 degrees of association distance be used.

No electronic or other communication between anyone in this chain can exceed one degree of association.

Individuals are used as drop points on a rotating basis and there are time limitations. The more sensitive the information, the shorter the time frame. It is not safe to remain the holder of information. Attorneys are a favorite source because of their confidentiality provisions. Losing one's career is a powerful incentive for silence.

All materials must be hand delivered and frequently there is a chain of delivery protocols involving multiple source and the information is labeled as something benign.

The potential whistleblower cannot be allowed to know the final identities of the recipients for obvious reasons. The triggering process is automatic.

There is more to the process, but this overview makes it clear that this a highly compartmentalized operation. And the failure to adhere to other strict protocols endangers anyone in the chain.

Applications of the Dead Man Switch

Breitbart failed to follow these protocols and he paid for it with his life, plus he made a major mistake in announcing the future release of information regarding President Obama. Breitbart received some very bad advice, or a lack of advice.

The typical way that dead man switches work is that the information empire stays alive, but the person is allowed to disappear. From the research that myself and people like Paul Preston have done on Hitler's fate, he was allowed to disappear to Malaysia where he died in 1970. Why would he have been allowed passage to safety at the end of WW II? Because Hitler's death would have exposed many of the so-called "allies" who were a part of the building of the Nazi war machine and political structure (eg IBM and Coke).

In many previous article by many authors it is clear that Epstein was Mossad. He was their blackmail agent and his interests overlapped with CIA interests as well. He could be easily disappeared. In fact the autopsy of Epstein's so-called death ties together the fact that he is still alive.

Pathologist Michael Baden served as chairman of the House Select Committee on Assassinations' Forensic Pathology Panel that investigated the assassination of John F. Kennedy. This should immediately disqualify him to ever do an autopsy again. But against all truth and honesty, Baden is set to conduct the autopsy on Jeffrey Epstein. I am going briefly review, meaning because of limitations of space I am going to have to leave some things out. However, there is enough here to give every truth-loving American pause for concern.

As chairman of the investigation into the JFK assassination, Baden bolstered the official story that Kennedy was killed by a single bullet, also known as the "magic bullet" theory. This is the theory that states that one bullet passed through JFK changed directions 4 times, changed angles 5 times, shattered 4 inches of Gov Connelly's fifth rib, exited the rib cage and shattered the Governor's radius bone and embedded in his thigh. Then the bullet fell out of Connelly's leg on a stretcher at Parkland Hospital and it appeared as a pristine, never fired bullet. Never before in the history of gun shots has such a bullet ever existed. Yet, Baden endorses every word of this fiction and more. There are so many parallels between the coverups of the JFK assassination and so-called (fake) suicide of Epstein, that it is frightening. Here is an analysis of this old cover story resurrected to sell the fake narrative that Epstein committed suicide while on suicide watch.

The man charged with the collecting, organizing and preserving of the photographic evidence, Lt. William Pitzer, was assassinated. He had privately told colleagues a few weeks before his assassination, that he would be going on the Tonight Show to tell about the evidence that was suppressed, and that JFK was not shot in the head from behind as the autopsy falsely stated by BADEN AND THE WARREN COMMISSION. Pitzer was left-handed. Yet, he shot himself with his right hand. His wedding ring finger was mangled in his "suicide" that the forensic pathologists had to cut his ring finger off. Baden never questioned this.

There is more that cast a serious shadow over the JFK assassination from the Baden perspective, the two appointed physicians that conducted the autopsy had never done a gunshot autopsy before, but Baden was OK with this. And when the autopsy (i.e. the fix was in) was complete, the original notes were burned. And as I pointed out, photographs went missing. Baden was OK with this. You get the idea, Baden is the globalist's fixer.

Epstein

Maxwell





No screaming on Jet Coasters

Maxwell may think she has some dead-woman switches in play. However, she is what they call in intelligence, a "loose end". However, she is also a useful idiot. Her value to the globalists who want to bring this country down extends beyond the exposure of potential political enemies who flew on the Lolita Express and participated in the party favors.

Maxwell is leverage. The number goal of the globalists is get Donald Trump out of office. Maxwell is obviously in possession of tapes that compromise many in Congress as well in our Supreme Court (e.g. Justice Roberts-stay tuned on this one). Maxwell's useful idiocy will be expressed in the following three step process. However, there is a preliminary development which will lend credence to the following. Maxwell is not set to have her judicial proceedings go forward until July of 2021. I have talked attorneys and former prosecutors and they are ALL shocked that such a high-profile case will be left twisting in the wind for a year. This is being called the height of judicial impropriety. Justice delayed is justice denied! However, when one considers Maxwell's knowledge as leverage against Republicans on the Epstein list, this delay makes perfect sense.

1. Mad Madame Maxwell will be used as leverage against key Republicans in battleground states. Look for key Republicans either not support Trump's re-election, or will outright break with supporting the "racist" President. This will sink the Trump campaign.

2. After the Democrats gain control of both Houses of Congress and the White House, some Republican support will be needed to vote away key segments of the Constitution, namely the 1st, 2nd, 4th, 5th, 10th and 14 Amendments to the Constitution. Republican participation the takedown of the Constitution is needed because many of the votes will require a 2/3rd's majority.

3. After our rights are voted away, I predict that the criminal takedown of Epstein-compromised Republicans will take place in order to convince America that justice will be served under the "new Constitution".

4. At the end of the day, the Maxwell loose end will be eliminated and Baden will do her autopsy.

I see no turning back from this progress of the coup that is taking down our country. America is in a coma. Adaptation is the order of the day.



End of report

No screaming on Jet Coasters



Tokyo Disney Land re-opened for business on July 1. In the wake of the COVID-19 lockdown, some new guidelines were imposed at the park. One of the more bizarre ones is the banning of screaming on thrill rides. The idea is that, even with masks in place while whipping along at roller coaster speeds, anything that would cause the COVID 19 virus to be spread more easily (such as talking and singing, much less yelling) should be prohibited.

A video posted by the Japanese Fuji-Q company shows bemasked executives riding in complete silence and ends with the admonishment to "please scream inside your heart." The rule seems in effect at the Fuji-Q facilities, but may just be a company policy so far.

This could also be considered an appropriate response to the events of 2020 in general.

D. Miyoshi





Fight on, Trump - "You magnificent bastard"



A description of politics in the U.S since the mid-sixties. By Evan Douglas Sayet, comedian and conservative speaker. Sayet is the author of "*The Kinder Garden of Eden: How the Modern Liberal Thinks and Why He's Convinced That Ignorance Is Bliss*".

HE FIGHTS

by Evan Sayet

My Leftist friends (as well as many ardent #Never Trumpers) constantly ask me if I'm not bothered by Donald Trump's lack of decorum.

They ask if I don't think his tweets are "beneath the dignity of the office." Here's my answer: We Right-thinking people have tried dignity. There could not have been a man of more quiet dignity than George W. Bush as he suffered the outrageous lies and politically motivated hatreds that undermined his presidency. We tried statesmanship.

Could there be another human being on this earth who so desperately prized "collegiality" as John McCain? We tried propriety: has there been a nicer human being ever than Mitt Romney? And the results were always the same.

This is because, while we were playing by the rules of dignity, collegiality and propriety, the Left has been, for the past 60 years, engaged in a knife fight where the only rules are those of Saul Alinsky and the Chicago mob.

I don't find anything "dignified," "collegial" or "proper" about Barack Obama's lying about what went down on the streets of Ferguson in order to ramp up racial hatreds simply because racial hatreds serve the Democratic Party.

I don't see anything "dignified" in lying about the deaths of four Americans in Benghazi and imprisoning an innocent filmmaker to cover your tracks. I don't see anything "statesman-like" in weaponizing the IRS to be used to destroy your political opponents and any dissent. Yes, Obama was "articulate" and "polished" but in no way was he in the least bit "dignified," "collegial" or "proper."

The Left has been engaged in a war against America since the rise of the Children of the '60s. To them, it has been an all-out war where nothing is held sacred and nothing is seen as beyond the pale. It has been a war they've fought with violence, the threat of violence, demagoguery and lies from day one of the violent take-over of the universities till today.

The problem is that, through these years, the Left has been the only side fighting this war. While the Left has been taking a knife to anyone who stands in their way, the Right has continued to act with dignity, collegiality and propriety. With Donald Trump, this all has come to an end. Donald Trump is America's first wartime president in the Culture War.

During wartime, things like "dignity" and "collegiality" simply aren't the most essential qualities one looks for in warriors. Ulysses Grant was a drunk whose behavior in peacetime might well have seen him drummed out of the Army for conduct unbecoming.

Had Abraham Lincoln applied the peacetime rules of propriety and booted Grant, the Democrats might well still be holding their slaves today. Lincoln rightly recognized that, "I cannot spare this man. He fights..."

General George Patton was a vulgar-talking son-of-a-bitch. In peacetime, this might have seen him stripped of rank. But, had Franklin Roosevelt applied the normal rules of decorum then, Hitler and the Socialists would be five decades into their thousand-year Reich.

Trump is fighting. And what's particularly delicious is that, like Patton standing over the battlefield as his tanks obliterated Rommel's, he's shouting, "You magnificent bastard, I read your book!" That is just the icing on the cake, but it's wonder-





Fight on, Trump - "You magnificent bastard"



Advancing in a Time of Crisis



Financial Crisis Report



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.

He is Managing Attorney of Miyoshi Law, an International Law Firm where he approaches legal issues through a commercial lens and is a trusted legal and business advisor to his corporate and estate clients. In military service in Vietnam, he led a Combined Action Platoon as an officer in the U.S. Marine Corps and received the Naval Commendation Medal with "Combat V".

He appears in 14 Who's Who publications throughout the world and is listed as a specialist in international business, real estate and estate planning.

ful to see that not only is Trump fighting, he's defeating the Left using their own tactics.

That book is Saul Alinsky's Rules for Radicals, a book so essential to the Liberals' war against America that it is and was the playbook for the entire Obama administration and the subject of Hillary Clinton's senior thesis. It is a book of such pure evil, just as the rest of us would dedicate our book to those we most love or those to whom we are most indebted.

Trump's tweets may seem rash and unconsidered but, in reality, he is doing exactly what Alinsky suggested his followers do. First, instead of going after "the fake media" (and they are so fake that they have literally gotten every single significant story of the past 60 years not just wrong, but diametrically opposed to the truth, from the Tet Offensive to Benghazi, to what really happened on the streets of Ferguson, Missouri) Trump isolated CNN. He made it personal.

Then, just as Alinsky suggests, he employs ridicule which Alinsky described as "the most powerful weapon of all." ... Most importantly, Trump's tweets have put CNN in an untenable and unwinnable position. ... They need to respond. This leaves them with only two choices. They can either "go high" (as Hillary would disingenuously declare of herself and the fake news would disingenuously report as the truth) and begin to honestly and accurately report the news or they can double-down on their usual tactics and hope to defeat Trump with twice their usual hysteria and demagoguery. The problem for CNN (et al.) with the former is that if they were to start honestly reporting the news, that would be the end of the Democratic Party they serve.

It is nothing but the incessant use of fake news (read: propaganda) that keeps the Left alive.. Imagine, for example, if CNN had honestly and accurately reported then-candidate Barack Obama's close ties to foreign terrorists (Rashid Khalidi), domestic terrorists (William Ayers), the mafia (Tony Rezko) or the true evils of his spiritual mentor, Jeremiah Wright's church. Imagine if they had honestly and accurately conveyed the evils of the Obama administration's weaponizing of the IRS to be used against their political opponents or his running of guns to the Mexican cartels or the truth about the murder of Ambassador Christopher Stevens and the Obama administration's cover-up.

So, to my friends on the Left and the #Never Trumpers as well: do I wish we lived in a time when our president could be "collegial" and "dignified" and "proper"? Of course I do. These aren't those times. This is war. And it's a war that the Left has been fighting without opposition for the past 50 years.

So, say anything you want about this president - I get it - he can be vulgar, he can be crude, he can be undignified at times. I don't care. I can't spare this warrior. He fights for America! Fight on you magnificent bastard

End of article



1055 Wilshire Blvd.
Suite 1890
Los Angeles, California 90017
U.S.A.

Phone: +1-310-378-0615
Fax: +1-310-378-0000
E-mail: david-miyoshi@us.mcmillanwoods.com
www.mcmillanwoods.com

If you would like to unsubscribe to this newsletter please email to info@mcmillanwoods.com

