



Financial Crisis Report

Written and Edited by David M. Miyoshi



Advancing in a Time of Crisis

Inside this issue:

1. Sobering Update of the Ukraine War
2. Bending our Will, Public Opinion Polls
3. China to use EMP against the U.S.
4. China's Rotten Apple
5. Is it Deliberate?
6. A New Marine Corps?
7. China Benefit from Russia/Ukraine Conflict?
8. Elon Musk and Cui Bono
9. Europe, Next Military Powerhouse?
10. Famous Quotes of Einstein
11. Hydrogen Revolution "Next Tesla"
12. Investors Lessons Barings Bank's Blunder
13. 6 REASONS NO 2022 MIDTERM ELECTION
14. Germany Secretly Supporting Russia
15. Yen Falling
16. End of "The End of History"

We are experiencing the most economically unstable period and socially erratic period in the history of the modern world. This period will be marked with extreme fluctuations in the stock, commodity and currency markets accompanied by severe and sometimes violent and deadly social disruptions including historic pandemics, conflicts, wars, riots and even regime changing coups. As is typical of such times, many fortunes will be both made and lost during this period. After talking with many business owners, executives, professionals, scholars and government officials from around the world, the writer believes that for the financially astute investor, this is a time of unprecedented opportunity given the global trade unbalances and distortions in the commodity and currency markets that exists. 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.

'Our greatness lies not so much in being able to remake the world as being able to remake ourselves.' Mahatma Gandhi

A Sobering Update of the Ukraine War



For the record, there's little doubt that individual Russian soldiers have committed human rights violations in Ukraine, a tragic byproduct of war. All civilized people condemn it. But this Ukrainian official has subsequently admitted that she lied about the whole thing. She fabricated the rape claims. Why? In order to gain more Western arms sales and financial support. She was fired.

It's not clear how long Americans will continue to be duped by Ukrainian propaganda. But this is a costly exercise in naïveté and wishful thinking.

"If you don't read the newspapers, you are uninformed. If you do read them, you are misinformed." Mark Twain

The main stream media continues to tout the victories of the Ukraine military over the Russians. The public is getting the view that with the help of the U.S. and the NATO countries, Ukraine is ahead in the conflict. Well, that is not necessarily the case.

The war in Ukraine is just as much a propaganda war as a kinetic war. It's a war of narratives. For example, a top Ukrainian official (Lyudmila Denisova, the former Ukrainian Parliamentary Commissioner for Human Rights) claimed that the Russian Army is committing mass rape in Ukraine. Western media soaked up the claims, trying to prove Russian savagery.

We need to get a grasp of what is actually happening in the war. Actually, there are two wars being waged over Ukraine, a kinetic war and a financial and economic war. The purpose of this newsletter is to give you an honest and accurate assessment of what is happening in the world today, especially as it pertains to the economy. Unfortunately, most economic occurrences throughout the world these days are not good.

With this objective I present the following report published on June 10 and written by Jim Rickards, a renowned consultant to the CIA and State Department and highly successful economic analyst. I am a subscriber to Rickard's publications. In his report, Rickards provides a very sobering account of the Ukraine war as it pertains to U.S.

A Sobering Update of the Ukraine War

and NATO interests. In the preamble to his report Rickards states it is intended as an overview of the current situation and a forecast of developments of most importance to his readers but is not intended as a history of events to date.

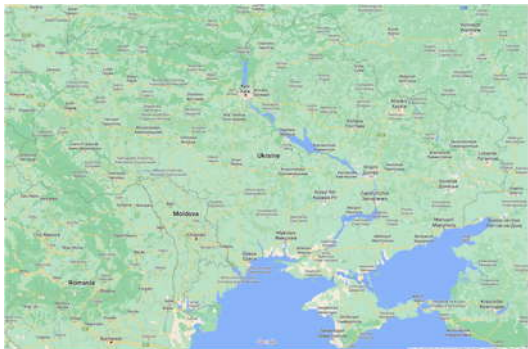
I present Rickard's report for your reading consideration. The underlined emphasis is mine. D. Miyoshi

Exclusive: An Update and Forecast for The War in Ukraine



JIM
RICKARDS

The War in Ukraine began on February 24, 2022, with an invasion of Ukrainian territory along four vectors by forces of the Russian Federation. These vectors consisted of a northern front aimed at Kyiv from Belarus, a north-eastern front aimed at Kharkiv, a southern front from Crimea, and a south-eastern front originating in Donetsk and Luhansk, two cities in the Donbass region of Ukraine where Russia was assisted by local forces loyal to Russia. These locales can be seen on the map of Ukraine below.



The antecedents of the current war go back to the end of the Cold War (1991), the George W. Bush declaration that Ukraine should join NATO (2008), The U.S./UK sponsored coup d'état in Ukraine (2014), the Russian annexation of Crimea (2014), and the Minsk Agreements (2014, 2015). These were all important steps on the way to the current war and we encourage you to explore all of them through ample available sources.

The war on the ground, in the air, and at sea has been slow and brutal and its outcome is as yet inconclusive. This kinetic war has been accompanied by a global financial and economic war waged by the U.S., UK, EU and allies such as Japan, Australia and Canada against

Russia in the form of sanctions, asset seizures and trade bans. This financial and economic war has included multiple rounds of sanctions many of which have not yet come into full effect. The sanctions are unprecedented in their scope and impact.

Both the antecedents of the war, and the full litany of sanctions are beyond the scope of this update. As noted, there are ample sources on both topics. Our purpose here is to give you a current action report and medium-term forecast to assist in asset allocations.

Kinetic War Update

Russian forces continue to make steady progress in achieving their main strategic objectives. Russia's goal is to establish a line of control running roughly from Kharkiv in the northeast to Odessa in the southwest. This would give Russia four major accomplishments:

- Russian control of the entire coastline of Ukraine including the Sea of Azov, the Black Sea, and the Crimean Peninsula.
- Russian control of the entire Dnieper River basin through its control of Kherson at the mouth of the river.
- Russia would be able to count Donetsk and Luhansk (known collectively as The Donbass) as part of Russia or as aligned republics.
- A Russian land bridge from main Russian territory including Rostov-on-Don to Crimea. This is critical in securing Crimea, which Russia annexed in 2014.

Russia is well on its way to achieving all these objectives, although difficult fighting remains and outcomes in war are always uncertain. Russia has taken Mariupol, which is the largest city and linchpin of the land bridge to Crimea. This gives Russia control of the Sea of Azov coastline.

Russia is in control of Kherson, which is the chokepoint that controls traffic on the Dnieper River. The Ukrainian capital Kyiv is far inland, but it lies on the Dnieper, so Russian control of the river gives it economic control of Kyiv even without invading the city itself.

Russia has not yet begun an assault on Odessa, but Russian Navy forces in the Black Sea allow Russia to control seagoing commerce from Odessa since there are no naval vessels from among the U.S. or its allies on the Black Sea today, and Ukraine has no significant naval forces.

Russia will eventually attack Odessa. Success on that front could lead to an extension of Russian gains further west to include a pro-Russian area called Transnistria and its capital city Tiraspol, which are recognized as part of Moldova today. Russian control of Transnistria would further isolate what remains of Ukraine when the fighting is done.

Major fighting today centers around the twin cities of Severodonetsk and Lysychans'k, divided by the Siverski Donets River about 40 miles northwest of Luhansk. These cities are a key link in the line of control and important to Russia's goal of securing the Donbass. There may be 10,000 or more Ukrainian Army troops in Lysychans'k. As Russia gains control and tightens the tactical noose, these troops will either surrender or be annihilated.

This implies the effective end of Ukrainian resistance in the Donbass region and would shift the struggle for a line of control further west to Kramatorsk. At that point, Russia would be close to linking its



A Sobering Update of the Ukraine War

Donbass forces with its existing foothold in Zaporizhzhia (site of the largest Ukrainian nuclear power plant) and ultimately Kherson. The result would be Russian control of one-third of Ukrainian territory including the industrial base, the agricultural heartland, and enormous resources of coal, copper, and other mineral resources.

In addition to Odessa, Russia has not yet secured Mykolaiv, which lies slightly inland between Kherson and Odessa. Russian forces are active in the area and have Mykolaiv in their sights as a key objective.

There has been relatively little fighting around Kyiv in the past month, although some missiles have struck; probably in retaliation for escalation by the U.S. in terms of sophisticated weapons shipments to Ukraine, including missiles that can reach Russian territory. There has also been little fighting in the western parts of Ukraine centered around Lviv, a major Ukrainian city located about 50 miles from the Polish border.

The impact of western weapons shipments to Ukraine has been greatly overstated. Many of the weapons that have been pledged to Ukraine by the U.S., UK, Germany and others are in fact highly sophisticated. But quantities are sometimes small, perhaps one or two missile launchers when Ukraine is desperate for fifty or more.

Also, there are severe logistical difficulties getting those weapons to the front lines in the east. Russia has been effective at destroying these weapons before they reach the eastern front with targeted missile strikes on transportation hubs, and weapons storage facilities. Many of the new weapons such as anti-tank rockets have already been sold on the black market in Bulgaria. From there, they are shipped to Syria, Libya and other war zones.

Even when advanced weapons reach the Ukrainian troops in the east, the troops have no training in how to use them and cannot follow operating manuals written in English. Russia has mostly neutralized western weapons shipments with direct attacks, transportation delays, and by denying Ukrainian troops access to instructors, training, and ammunition.

In summary, Russia is winning the war on the ground. It is moving toward achieving strategic control of the entire coastline, interior river system, and the pro-Russian Donbass region. Much of Ukraine's critical infrastructure will either be destroyed or put under Russian control in the process. This level of control will achieve Russia's political goals of a weakened Ukraine unable to join NATO or the EU, and leave Ukraine as an officially neutral buffer state between Russia itself and the NATO members.

That said, the war will not be over soon unless Ukraine seeks a negotiated settlement that gives Russia those political gains. Given the adamant positions of Joe Biden for the U.S., and Boris Johnson for the UK, and the fact that President Zelensky is a weak figure beholden to extreme nationalist forces inside Ukraine (the Banderist faction), it seems likely the war will drag on with continuing cries by Ukraine for more weapons and more money, but very little progress on the ground.

Financial and Economic War Update

In parallel with the kinetic war, the U.S. is leading a financial and economic war against Russia and its ally, Belarus. This involves a combination of account freezes, asset seizures, export/import bans, and efforts to redirect future energy purchases away from Russia toward alternative sources. As in the case of the kinetic war, Russia

is winning the financial and economic war. Here's a summary of recent developments:

- Biden's effort to "crush the ruble" has failed. The Russian ruble was trading around 70-to-1 to the U.S. dollar before the war. After the war broke out, the ruble briefly crashed to 140-to-1. It then quickly rallied back and is today trading around 60-to-1, which is materially stronger than when the war began.
- Biden and U.S. allies have been able to seize assets of Russian oligarchs such as yachts, townhouses, bank accounts, and ownership interests in sports clubs etc. This has benefitted Russia. Putin's base of support does not come from the oligarchs. It comes from the military, intelligence services, the Orthodox Church and everyday Russians. Putin regards the oligarchs as a rival power center. Biden is doing Putin's dirty work by destroying Putin rivals.
- The U.S./EU ban of Russian energy imports of coal, oil, and natural gas have also failed. Most of the so-called ban is not even in force yet; it is merely a case of theatrics and empty announcements. Russia is still making \$21 billion per month in hard currency earnings for its energy exports. Russia has also found willing customers in India, China and elsewhere for its energy exports. There are no feasible substitutes for Russian energy in the next several years. Western Europe will either have to continue buying Russian energy (at much higher prices) or resort to rationing with industrial shutdowns and rolling blackouts.
- Biden's export bans will result in global food shortages and an unprecedented humanitarian disaster in the form of a global famine by this fall. Russia and Ukraine account for about 25% of global grain exports. Cutting off those flows will result in starvation in places such as Egypt, Lebanon, Kenya and other populous countries that rely almost exclusively on Ukraine and Russia for food. Russia is also a major source of global fertilizer including key nitrogen-based inputs. Bans on Russian fertilizer exports will result in higher food prices around the world (at best) or food shortages in cases where farmers don't plant because they cannot afford the higher-priced fertilizer.
- Most of the impact of sanctions has not even been felt yet because of delayed effective dates or lack of political consensus on implementation. This means that as bad as the situation is today (inflation and shortages) it can be expected to get worse as further sanctions are implemented.
- The longer-term impact of the U.S.-led sanctions will be highly detrimental to confidence in the U.S. dollar and U.S. Treasury securities as the bases for global payments and global reserves respectively. Already, Russia and neutral nations such as China, Turkey, Brazil, Saudi Arabia, Iran, and others are exploring alternative payment channels, alternative payment currencies, and the use of gold as a reserve asset in place of U.S. Treasuries. Ultimately, this could result in a collapse of confidence in the U.S. dollar and much higher interest rates and inflation in the U.S.

Conclusion

The War in Ukraine and the related financial and economic war has been a slow-motion success for Russia. It is true that progress on the battlefield has been slow and costly. It is also true that the financial sanctions have increased inflation and slowed growth in the Russian economy. Russia will also lose out on direct foreign investment and some access to high-tech equipment. Still, war is never free, and



Bending our Will, the real use of Public Opinion Polls

these costs must be weighed against benefits in calculating winners and losers.

Russia is poised to gain through higher energy prices, control of agricultural and natural resources inside Ukraine, control of the manufacturing base of Ukraine, and a vastly expanded sea transportation network through its control of half the Black Sea (with Turkey controlling most of the other half). Russia will also achieve geopolitical goals of keeping Ukraine out of NATO and reducing Ukraine to a weak and neutral state.

Ukraine will be the biggest loser. It will have forfeited much of its land, agricultural output, and industrial capacity. Its army will be reduced to little more than a national guard or police force. It will have lost all access to the sea, except through Russian controlled ports. Ukraine has also suffered a population exodus of perhaps 10 percent of its population who left as refugees to Poland, Romania, and other neighboring states. These refugees include many of the richest and most talented Ukrainians, which will impede Ukraine's rebuilding when the war is over.

Among the other biggest losers will be Western Europe and the United States, (the UK, Canada, Australia and Japan are less directly affected). These developed economies will suffer higher prices for food and energy, tangled supply chains, blackouts, and shortages of critical inputs including aluminum, titanium, platinum, palladium, lithium and nickel. In time, this will negatively impact manufacturing output, technological development, and international trade.

Finally, and not least, the world will suffer mass starvation in late 2022 due to shortages of fertilizer, seed, grain, transportation and other critical inputs to a functioning food supply chain.

In our future publications and webcasts, we will consider the investment and portfolio allocations aspects of all of these developments.

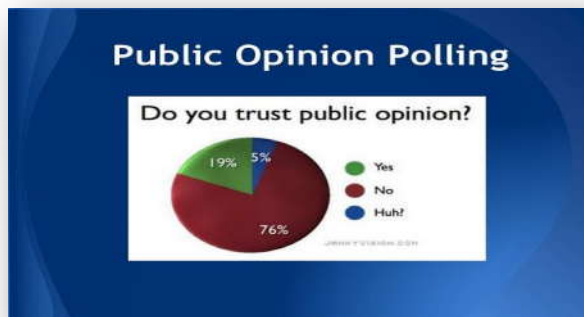
All the best,

Jim Rickards

Editor, Jim Rickards' Strategic Intelligence

End of Report

Bending our Will, the real use of Public Opinion Polls



Dave Hodges tells us that nobody should ever take seriously a public opinion poll or any publication related to COVID-19/THE NEW MONKEYPOX EXAGGERATION. He says the public opinion polls and the fake medical research is designed to produce one condition, group think. For those that are not aware about the history of public opinion polls, or fake reported findings, they are not designed to be an accurate forecasting of some defined public opinion or research finding. According to Hodges, they are solely designed to enforce compliance by using a condition called group think.

Hodges points out that the late author of *The Committee of 300*, John Coleman educated us on the history of public opinion polls and published suspect research studies and their actual intended use.

Coleman was one of the first authors to expose the true intent of the Tavistock Institute, which was created in 1913. This organization is the mother of all propaganda efforts. Manipulation of public opinion, on behalf of those at the highest levels in support of globalist goals is the sole purpose. Even today, more than a 100 years after the creation of this propaganda factory, Tavistock provides training to main stream media (MSM) outlets on how to bend the will of the people to the globalist agenda.

If there is a central theme to their propaganda, it lies in the value of using public opinion polls, or reporting fake medical data, in order to create a group think mentality. Group think is a shared sociological and psychological term which works on the premise that if everyone else believes something to be true, what is wrong with YOU for not believing the same thing? The globalists that run Tavistock have been highly successful in shaping the social, cultural, educational and economic opinions of the general public. If you do not think so, just look at the mantra that permeates our airwaves where nearly every commercial and main stream media talk show reminds us to (1) social distance; (2) wear a mask; and, (3) stay home as much as possible.

There is an experiment that was conducted in the 1950's which demonstrates why present day America is totally acquiesced to un-constitutional authority.

One of the premier and classic studies on how to develop group think among the population is best exemplified in a landmark study known as the Solomon-Asch experiment. The masses at the old Roman Coliseum and the concentration camps of Nazi Germany are shining examples of how a populace can be manipulated into not only accepting state-sponsored mass murder, but in our time to wear health-damaging face masks even when contraindicated for health reasons (e.g. running on a treadmill inside of a Planet Fitness gym). Establishing group think is key to controlling the public, by controlling their beliefs.

It took 60 days to destroy the American economy and undo all the financial gains that Trump had accomplished. Why did we go along with this madness when we knew what we were being told was BS?



China to use EMP against the U.S.

Before we actually look at a landmark study that answers this question, it is important to ask yourself a question. Do you think of yourself as a conformist or a non-conformist? If you ask most people the same question, you would find that most people consider themselves to be a non-conformist and would be able to stand up to a group when they know they are right. However, that is not the case.

Can nonconformists actually resist the peer pressure and NOT conform to beliefs and actions that are clearly wrong? This article will answer this question.

In the 1950's, Polish born psychologist, Solomon Asch, conducted a conformity study. The participants signed up to participate in a psychology experiment in which they are asked to complete a vision test. This was a deception. The real experiment attempted to answer the question, can people resist peer pressure in order to not conform to a false belief? Seated in a room with the other participants, the research participants are shown a line segment and then asked to choose the matching line from a group with three segments of different lengths.

The experimenter subsequently asked each participant individually to select the matching line segment. Early on in the experiment, everyone in the group chooses the correct line in order to establish a group think mentality. Yet, as the experiment continued, the other participants, falsely and purposely and unanimously declare that a different line is actually the correct match when it is obvious that the wrong answer was selectively been chosen by the experiment's confederates. The objective is to change the opinion of the subject always seated in seat six.

Choosing the Right or Wrong Answer

| Participants | 1st 3 Trials | Next 3 Trials |
|------------------------------|-----------------|------------------------|
| Seat 1- Confederate | Chose Correctly | Chose Incorrectly |
| Seat 2- Confederate | Chose Correctly | Chose Incorrectly |
| Seat 3- Confederate | Chose Correctly | Chose Incorrectly |
| Seat 4- Confederate | Chose Correctly | Chose Incorrectly |
| Seat 5- Confederate | Chose Correctly | Chose Incorrectly |
| Seat 6- The Subject one time | Chose Correctly | 75% choose incorrectly |

Nearly 60% will continue to choose incorrectly

Unknown to the main subject of the experiment, everyone else in the experiment is a confederate and their answers have been pre-planned for the purpose of determining whether, or not, the participant's answer can be manipulated by the people deliberately giving the wrong answer. Nearly 75 percent of the participants in the conformity experiments went along with the rest of the group at least one time. Nearly 60% of the subjects totally abdicated their free will to the planted confederates. After combining the trials, the results indicated that participants conformed to the incorrect group answer approximately one-third of the time. At the conclusion of the experi-

ments, participants were asked why they had gone along with the rest of the group. In most cases, the students stated that while they knew the rest of the group was wrong, they did not want to risk facing personal criticism. This is why people wear masks these days. They want to avoid the "Karens" and most of all, they just want to fit in.

A few of the participants were so weak-minded that they suggested that they actually believed the other members of the group were correct in their answers. This explains why that even though the CDC's website says that "masks do not prevent the spread of viruses" and in March, Fauci said it was not needed for the public to wear a mask, but people still follow orders of local politicians to do so. These results suggest that conformity can be influenced both by a need to fit in and a belief that other people are smarter or better informed. Given the level of conformity seen in Asch's experiments, conformity can be even stronger in real-life situations where stimuli are more ambiguous or more difficult to judge. For example, a soldier, in attempting to decide if they will fire upon innocent civilians, will be forced to weigh their own risk. If they fail to obey the command to fire upon American citizens, will they face disciplinary action, or even death?

Asch also found that having one of the confederates give the correct answer while the rest of the confederates gave the incorrect answer dramatically lowered conformity. This fact alone, is what motivates Hodges to continue to do his work on the *Common Sense Show*. How many people can he influence and how many people can they in turn influence? When just one other person supports the subject of the experiment, only five to ten percent of the participants conformed to the rest of the group.

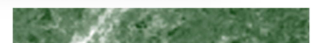
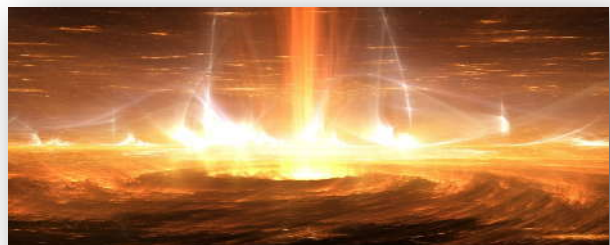
Allies, committed to a central belief, is what drives many in the alternative media to relentlessly pursue the truth and then inform as many people as will listen.

If "they" can get us to wear a mask when it is clearly contraindicated (e.g. in a gym), what else can they get us to do?

It's scary.

D. Miyoshi

China to use EMP against the U.S.



China's Rotten Apple

An EMP is a burst of electromagnetic energy that disrupts communications and damages electronic equipment. An EMP can be created by nuclear missiles, radiofrequency weapons, and natural phenomena such as geomagnetic storms.

While any nuclear weapon can create an EMP, specialized EMP weapons such as so-called super-EMP bombs generate particularly strong gamma radiation that multiplies the effect of the pulse, extending the destruction over a greater range.

If such an attack centered, for instance, over New York City, the entire northeastern United States would be impacted, according to Peter Pry, an EMP expert and executive director of the Task Force on National and Homeland Security, an advisory body, in a statement to Congress.

In a 2018 slide deck, Pry noted that an EMP explosion at high altitude would instantly destroy nearly 75 percent of all U.S. power generation capability, which would lead to a months-long loss of electrical power and have debilitating effects on the country's ability to grow and store food, water, heating and air conditioning, eventually causing tens of millions of deaths. Cities without power, for instance, would immediately lapse into untenable concrete jungles 100 times worse than even the worst post-George Floyd riots of 2020.

"EMP weapons offer Russia, China, and the ICBM-armed rogue states a fast, cheap and effective means to make most Americans feel immediately the horrors of war, making them attractive to enemies who seek to create pressure on the U.S. leadership to capitulate or negotiate," Rick Fisher, a senior fellow at the International Assessment and Strategy Center, told *The Epoch Times*.

In a 2020 report, Pry predicted that China already has super EMPs in its arsenal. He went on to suggest that Beijing could deliver them via indefensible hypersonic weapons.

"Taiwan military intelligence in open sources credits China with having a Super-EMP nuclear weapon—based on design information stolen from the U.S. nuclear weapon labs," the report states.

"China is on the verge of deploying or has already deployed hypersonic weapons that could potentially be armed with nuclear or non-nuclear EMP warheads, greatly increasing the threat of surprise attack against U.S. forces in the Pacific and against the United States," the report added.

The Epoch Times notes further: "Two congressional commissions, known as the EMP Commissions, were established to research the destructive potential of EMPs, starting in 2001. The first report from those commissions came in 2004 and found that 'China and Russia have considered limited nuclear attack options that, unlike their Cold War plans, employ EMP as the primary or sole means of attack.'"

Sam Kessler, a geopolitical adviser at North Star Support Group, a multinational risk-management firm, said recently "The risk of an

EMP attack on U.S. infrastructure is very high, particularly in this international environment."

And according to experts who are familiar with the plans, the Chinese military will employ electromagnetic pulse weapons to shut down an entire country in a flash as part of a "new blitzkrieg" strategy to quickly overwhelm opponents. That is not encouraging to U.S. defense planners.

But as they say, to be forewarned is to be forearmed. So, it's a start.

D. Miyoshi

China's Rotten Apple



Apple's problems with supply chain delays in semiconductors, strategic metal inputs, transportation logistics, and higher energy prices are well-known. Similarly, Apple is hindered by the Zero Covid policy enacted by Xi Jinping in China.

Now comes an even worse result for Apple. On May 5, Apple factory workers in Shanghai rioted at the Apple plant by storming the gates and pushing past security guards in protest against the lockdowns. In effect, the COVID insanity of the government has merged with disrupted supply chains and disgruntled workers into a potent brew of anger, frustration and stopped production.

At this point, Apple probably wishes that they had relocated from China earlier. No doubt, they are planning to do so now. In the meantime, China will be an albatross around Apple's neck resulting in stopped shipments, lower productivity and lower profits as a result.

While much of Apple's problems in China have not been covered by the media on May 6 the following article did appear in the *New York Post*. I present it here for your reading edification. D. Miyoshi

Apple workers in Shanghai riot over COVID restrictions

China's Rotten Apple



Hundreds of Apple factory workers stormed past security barriers in apparent protest of coronavirus restrictions, video shows.

Twitter/@RFA_Chinese

Factory workers at a Shanghai facility that makes Apple products rioted on Thursday, clashing with guards in hazmat suits and jumping across security barriers in an apparent mutiny against strict coronavirus restrictions, dramatic social media video shows.

The news comes more than a month into a citywide lockdown in Shanghai that has seen desperate residents confined to their apartments — some without adequate food — as police patrol the streets.

Meanwhile, many Shanghai facilities including the Apple factory have sought to keep operating during the lockdown though a “closed loop” production system. Under this system, employees are generally banned from leaving company facilities even during off hours and are forced to live and sleep in the factory or at a nearby dormitory. They are not allowed to see other people, including their own family members.

At the Apple production plant, which is run by Taiwanese company Quanta Computer and makes MacBook laptops, employees had been suddenly banned from returning to their dormitory area during off-duty hours due to coronavirus restrictions, Taiwanese newspaper UDN reported.



Workers stormed security barricades in videos shared on social media.

Twitter/@RFA_Chinese

Video shared online by US government-backed news service Radio Free Asia showed hundreds of angry workers in white shirts yelling and hopping barricades as overwhelmed guards in hazmat suits tried to stop them.

Another section of the video shows a woman hitting and screaming at a man as the man tries to choke another person. It's unclear whether any of the people involved in that confrontation were guards, but the person who was being choked appeared to be wearing a workers' uniform.

Apple and Quanta Computer did not immediately respond to requests for comment.

Anonymous plant employees confirmed to Bloomberg that the clash had occurred, adding that employees were tired and frustrated with the coronavirus restrictions.

More than 50% of Quanta's revenue comes from assembling MacBooks and other products for Apple, according to Bloomberg. The company also reportedly works for Microsoft, HP and Dell.



Quanta Computer makes MacBook laptops and other devices for Apple. AP

This is far from the first time factories making Apple products have been accused of maintaining brutal working conditions.

In December, 159 women working at an iPhone production plant in India were hospitalized for food poisoning, sparking a rare worker protest.

A subsequent Reuters investigation revealed that workers at the factory had to survive off worm-infested food while living in rat-filled dorms without running water. Workers said they were forced to sleep on the floor in dormitories, with up to 30 women sleeping in a single room. At least one of the dorms had toilets with no running water, the workers said.

Is it Deliberate?

The women making iPhones — many which retail for more than \$1,000 — were paid roughly \$4.67 per day and were forced to reimburse a contractor for housing and food while working at the plant, according to the report.

After the report was published, Apple put the Foxconn-run facility “on probation” and said it will not be reopened until it meets its “strict standards.”

End of Article

Is it Deliberate?



Jim Jordan, the House Representative from Ohio claims Joe Biden’s energy policies are designed to deliberately destroy the American economy. Is he right?

In the presidential debates between Joe Biden and Donald Trump, Biden repeatedly said that we as a country need to get away from fossil fuels because of the damage being done to the climate. That made good sense. And in the same debate Biden repeatedly said “WE WILL HAVE A TRANSITION PERIOD” in which we go from fossil to clean burning fuel. That also made good sense.

We had a transition period in the early 20th century when the Model T and the horse and buggies were traveling the same streets in New York. It was a little messy for the Model T’s running over what the horses left but there was a transition time. People did not have to give up their horse and buggy because of the car.

But now people can hardly afford to drive a car because the president broke his promise of providing a transition period. With less than one day in office after the inauguration Biden killed the Keystone Pipeline. Rather than working to first line up from the bottom clean burning energy sources and allowing people to wean off of fossil oil Biden went for the jugular and tried to destroy oil as quickly as he could. It now appears Biden lied about a having a transition period.

This abrupt change in fuel sourcing has effectively killed the transportation sector of our economy. Everything in this country is shipped and as a result we now have record inflation which the government deceptively minimizes by not including food or gas in their

inflation figures. If you add food and fuel, the actual inflation rate is around 17% and soon it will likely reach 20%. Many say Biden in time will be known as the 20/20 president (20% inflation and 20% interest rate).

Simple common sense dictates that there needs to be a transition period for every economic policy established by the government. Of course, clean energy is a good idea. But as Biden promised in the debate, there needs to be a transition period from fossil fuel to clean energy. A transition period would allow us to see what the usual problems are and provide time to fix them and allow people to gradually get off of gas. Tax incentives could be used to effectively help accomplish that. By providing a transition period, we could have avoided breaking family budgets, destroying businesses and making trucking companies go bankrupt.

If America enters an economic depression, much of the cause can be pinned on the Biden administration’s economic policies.

In the 1930’s Depression at least there was a transportation system in place. But in the near future these days, that may not be the case. The breakeven point for diesel is about \$8 for small transportation firms and \$10 for large ones. Soon we may reach the breakeven point for airlines.

So, it begs the question, was Biden’s promise to have a transition period to go from fossil fuel to clean energy a deception to get elected and then turn around and destroy the transportation system of our country?

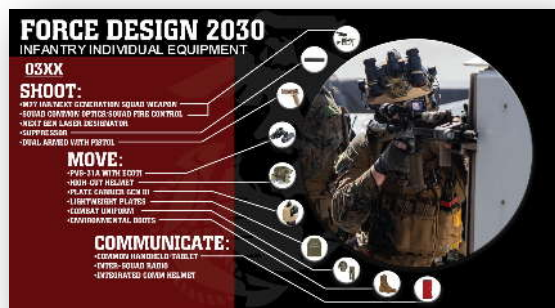
Many people are now saying it was deliberate.

We should all work toward having clean energy. But it should be carried out in a way that the country can economically survive. That’s common sense.

Anything done against common sense begs the question, what is Biden’s ulterior motive?

D. Miyoshi

A New Marine Corps?



As a former U.S. Marine, I am always interested in the latest developments occurring in the Corps. And currently there is one that involves a grand change in Missions Operations that promises to change the destiny of the U.S. Marine Corps, for good or bad.

The program is called “Force Design 2030” and is the brain child of the current Marine Corps Commandant David Berger. Interestingly, in an effort to show that the creation of Force Design 2030 reflects best business and corporate practices, in the forward to his plan Berger cited a quote from transformation expert John Kotter of Harvard Business School “Transformation is a process, not an event.” Yet, in the creation of Force Design 2030 some of Kotter’s central lessons appear not to have been followed by Berger. As a graduate of Harvard Business School, I thought Berger’s omission of these central lessons could ultimately be telling down the line. But only time and circumstances will inform the outcome.

The following treatise is a perceptive assessment of Force Design 2030. It is written by Owen West, a former Marine infantry officer and retired Goldman, Sachs partner who took two leaves of absence to serve in Iraq. He was the Assistant Secretary of Defense for Special Operations and Low-Intensity Conflict from 2017-2019.

It is a long, comprehensive and very perceptive treatise that takes some effort to adequately comprehend. With that caveat, I present it for your reading consideration. D. Miyoshi

Are The Marines Inventing the Edsel or the Mustang?

War On the Rocks

May 27, 2022

Commentary – Owen West

Ford Motor Company’s development of the Edsel 60 years ago still stands as a classic corporate case study of transformative product failure. The Marine Corps, a \$50 billion dollar enterprise, has introduced its own futuristic product — an explicitly defensive island-hopping “Stand-In Force” capable of reconnoitering and sinking warships in order to support naval campaigns. To pay for it, the Ma-

rine Corps intends to cut its main product line — infantry supported by artillery, armor, and air — by about 25 percent.

More than 70 percent of corporate transformations fail. The Marine Corps is not a corporation, but critical principles of change management still apply. In 1954, Ford devised the futuristic Edsel to enter the mid-range car market. Four years and \$250 million later, Ford ended its disastrous experiment. But Ford had not cut production of its popular cars. The Marine Corps is in a far more precarious position. It could have used incremental dollars to test its promising fusion of targeting technologies and distributed maritime operations with a minimum viable product. Instead, the commandant, Gen. David Berger, divested current crisis response and land battle capabilities in order to fund a large-scale, hyper-optimized capability that will take eight years to build. Before the new force was designed or prototyped, Berger wrote, “We will not seek to hedge or balance our investments to account for [other] contingencies.”

The capabilities gap isn’t the only risk the Marine Corps faces. Differentiating among dozens of ships hundreds of miles away, the service will be forced to grapple with an electronic targeting engineering integration that is complex and new to them. There is also fiscal risk within Congress and the Department of Defense. In 2021, the Marine Corps did not convince Congress to fully fund its top budget priority: ground-based anti-ship missiles. In 2022, a more problematic misalignment was revealed. The Navy cut a larger amphibious ship from the Marines’ “must have” list, while dragging its feet on developing the fleet of small amphibious ships required to transport marines among remote atolls. In large corporations, product innovation is budgeted before commitments are made. In contrast, the Marine Corps divested capabilities, such as tanks and cannon artillery, up front for future funding goodwill by a more powerful Navy partner with different priorities, and an always unpredictable Congress.

Last December, Berger signaled dire consequences if the Pentagon or Congress balks:

I think this is the deciding point where, in the building and in Congress, are they willing to back an organization ... that is willing to accept risk, willing to move at speed, willing to discard legacy things ... Because if they don’t, then you’re in a bad place because you’ve already gotten rid of ... the things you don’t think you need for the future.

The decision to divest before proving the concept and securing investment commitments by the Navy and Congress has tested the limits of the commandant’s organizational powers. In the Marine Corps, the office of the commandant is compared to the papacy, complete with a murky election, widespread worship, and the power of decree. In the private sector, it is perilous for executives to disagree with the chief executive officer. For all of these reasons, those on active duty inside the Marine Corps were likely fearful of openly challenging the commandant — who is a genuine change agent — on process or risk analysis.

The Marine Corps’ increasingly leveraged position did attract rare publicized criticism from its alarmed retired community. In an unprecedented act, many of the service’s luminaries objected to the scope of the divestment. This group included 22 four-star generals, including prior commandants. Although every organizational trans-



A New Marine Corps?

formation has challenges, the resistance to Berger’s plan is unprecedented in the history of the Marine Corps.

How did this happen? Marine leaders neglected key principles of change management, repeating four organizational mistakes surrounding Ford’s Edsel and Coca Cola’s New Coke: choosing secrecy over stakeholders, testing in a closed loop, leapfrogging instead of iterating, and losing control of the narrative.

Secrecy Over Stakeholders

Undue secrecy during the design phase leaves change agents vulnerable to what corporate innovation expert Roger Martin calls the heroic leadership trap. Once a direction has been set by a small, powerful cadre, it becomes extremely difficult to stress test. “Merely adding employees to a choice-making situation does not help, as the literature on ‘groupthink’ and conformity to group norms makes clear,” Martin writes.

In 1954, Ford established a stand-alone unit called the Special Products Division to develop the Edsel in secret. Regarded as a “semi-brain trust,” the small unit operated in a secure facility that included rotating locks and lookouts. Rather than consulting internal Ford design experts from other models, the secretive team added new features that seemed sure to appeal to the modern buyer. Outside the bubble, there was no sustainable market for the futuristic Edsel.

New Coke was the Edsel of the beverage industry. Immediately after being named CEO of Coca Cola in 1981, Roberto Goizueta formed a secret unit with the code name “Kansas” to design a new formula to respond to Pepsi, which was gaining market share. The team met in off-site “bunkers.” Convinced that a sweeter formula showed promise, participants who joined Project Kansas were required to sign non-disclosure agreements. This ensured secrecy but prevented internal dissent and customer input. When brought to market, New Coke failed spectacularly.

The Marine Corps followed these secretive, self-contained examples. A small group of advocates met in secret to consider a stronger focus on China as outlined in the 2018 National Defense Strategy. The military has a formal classification system and an oath of office. Yet Marines invited into this group were compelled to sign non-disclosure agreements. Communications surrounding these signatures were uneven, sometimes heavy-handed. This was a highly unusual requirement that indicated a fear of resistance and, according to three senior officers with whom I spoke, accelerated the design process at the cost of widespread input.

The chain-of-command additionally thickened the Marines’ decision-making silo. Berger led Combat Development and Integration, the “intellectual epicenter for the evolution of the Marine Corps,” before becoming commandant in 2019. In his initial planning guidance, he emphasized the need for a decentralized force designed in centralized structure:

Force design is my number one priority. I have already initiated, and am personally leading, a future force design effort. Going forward, [Combat Development and Integration] will be the only organization

authorized to publish force development guidance on my behalf.

Berger was replaced at Combat Development and Integration by Lt. Gen. Eric Smith, who was subsequently promoted to assistant commandant, the second-most senior officer in the service. It is not unusual for a hot business unit to populate the C-suite. For 20 years, Goldman Sachs was run by executives who had come up through a tiny commodities trading unit. But promoting both the commandant and the assistant commandant from Combat Development and Integration was a first for the Marine Corps, unifying the top and reducing the odds of successful dissent.

The transformation went from secrecy to scale in a few months. Signaling that it would reflect best business practices, Berger used a quote from transformation expert John Kotter of Harvard Business School as a forward to his Force Design 2030: “Transformation is a process, not an event.” Kotter, however, argued that a key part of the change process is early engagement of stakeholders. This occurs before the vision is formed, tested, and communicated. Many innovations fail because key stakeholders are bypassed in the critical formation of what Kotter calls the “guiding coalition.”

It is therefore surprising that the top experts across 50 years of Marine Corps force design and combat employment — the de facto board of advisors — report not being consulted. The force design advertising includes quotes from several retired Marine four-star generals whose expertise was in military innovation. Instead of being identified as members of the guiding coalition early in the process, they report being unnecessarily alienated, and oppose the plan.

The lack of engagement is especially puzzling because a business unit (the Marine Corps) hoping to change roles inside a larger corporation (the Defense Department) needs influencers on the management committee to join the guiding coalition. In the two years since its debut in March of 2020, Force Design 2030 has been approved by two administrations and three secretaries of the Navy. Approval, however, is not advocacy. The Navy supports the idea of Marines disrupting enemy shipping from islands, but refuses to prioritize a mixed fleet to get them there.

When the force design plan was being formulated by the small group reporting directly to Berger, the Navy should have been identified as the key enterprise stakeholder and co-leader of the guiding coalition. Force Design 2030 could have been published as a joint Navy-Marine Corps plan. Instead, it was broadly perceived on Capitol Hill and in the media as a bold initiative by the Marine Corps and an example for the other services, including the Navy, which has gradually drifted away.

Closed Loop Testing

A closed loop testing system imperils product design. The executive education school at the Massachusetts Institute of Technology teaches executives that “the biggest challenge to innovation is isolation.” Asking questions of skeptics early and often attacks the problem from multiple viewpoints.





A New Marine Corps?

When the Edsel was being designed by the Special Products Division, it had access to Ford’s marketing experts. Instead, the brain trust commissioned its own studies that confirmed the Edsel would open a new market.

The Marines’ organizational structure has the potential to be a closed loop. Combat Development and Integration not only designs new forces but also tests them in wargaming. This is the Wall Street equivalent of housing the risk officer inside the unit that conducts futures trading. The difference is that Combat Development and Integration has an elaborate, integrated force development process refined by Commandant Robert Neller in 2015 requiring input from an extensive list of stakeholders. Mass input from a variety of sources including operating forces and combatant commands is converted into a honed product at the cost of time and stakeholder bureaucracy.

Berger was critical of this process. He explained his perspective in War on the Rocks:

Within the Marine Corps, existing processes for force development have too often led to unimaginative results, as we tend to become prisoners of platform-based thinking, seeking incremental improvements in current capabilities and methods.

Berger further closed the loop by focusing on the Chinese maritime pacing threat identified by his civilian leadership. “He handed the force development enterprise a single course of action, which dominated the analysis and wargaming in a way that left little room for a consideration of alternatives,” according to the head of Marine wargaming.

The Marines did not follow Roger Martin’s principles of design testing: First, consider several independent options, because “if only one option is considered, there is no choice to be made.” Then have the “biggest skeptic design the test.” There is no account of dissent or even classic military Red Team feedback from the games.

In his book *Blink*, Malcolm Gladwell uses New Coke as a counter-argument to reactive decision-making. Coca Cola’s secretive taste tests confirmed that new ingredients, sweeter than the 99-year-old formula, were the ideal response to sugary Pepsi. The problem was that sugary drinks are superior in sips. That’s not how people usually consume soda. In 1997, Marine Commandant Charles Krulak updated the Marines’ philosophical classic Warfighting — a call for “continuous innovation” made a decade earlier by the former commandant, Gen. Al Gray — and issued a companion called Tactics “based on the probabilistic view of combat.” Krulak opposes Force Design 2030, arguing its testing did not probability-weight the opportunity costs of more likely scenarios requiring divested forces.

Leapfrogging Over Iteration

New products are even more likely to fail than organizational transformations. The former Harvard professor Clayton Christensen, a leading proponent of innovative disruption, concluded that the new product failure rate was about 80 percent. Untested distribution

channels further reduce the odds.

Ford tried to do both with the Edsel. Designed by the insulated Special Products Division, the Edsel was distributed through an entirely new dealership network. This further shrank the odds of success. The basic lesson is that during innovation, the farther a company moves from its niche — which Bain calls its “core roots” — the lower the odds of success.

This is why the world’s most innovative companies commonly choose iteration over leapfrogging. Iterative companies adapt constantly but incrementally. Leapfrogs attempt to combine the latest technologies to skip ahead of dominant players. For the last decade, Apple and Microsoft have been consistently ranked among the world’s most innovative companies. They are iterative companies, enhancing their leading products while avoiding outside risk on new ones. When they fail, they fail small.

Since World War II, the Marine Corps has followed this model, innovating via adjacencies to their top product: swiftly deployable, combined air-ground combat units built around the success of its elite infantry. Variations of this model excelled from World War II through the wars in Iraq and Afghanistan. These task units opened and closed the war in Afghanistan, were the first to topple Saddam’s statue in Baghdad, won the largest battle of the Iraq war, and provided artillery support to a special operations task force in Syria that “was the most effective fire support [we] had,” according to a Marine colonel involved in the operation with whom I spoke.

The 2018 overhaul of infantry typified Marine innovation. Secretary of Defense Jim Mattis and Neller focused investment on the core competitive advantage: “superior infantry.” Within two years, squads were more lethal. Discussing the changes he made to the squad’s size, Neller said, “Everything we want to do has to be reversible.”

Berger is following this infantry iteration today. He has increased testing of drones and loitering munitions in infantry battalions with an eye on Ukraine. This form of iteration has an embedded benefit: It is a forcing function for prototyping. Prototypes reduce the cost and speed of innovation, testing multiple independent solutions for a demand signal. The few transformative products that do survive have typically been subjected to a series of tough experiments. Bain calls this “failing fast.” Only then is the decision to scale made.

The Marine Corps flipped this sequence with its concept of stand-in forces. After limited wargames with hand-picked participants, the plan was announced, divestments were initiated to make room to scale the expensive product, and then prototyping began.

While its scope is hugely impactful across the Marine Corps, the stand-in force is rooted in maritime modernization requirements identified by Neller throughout his four-year tenure as commandant. Several exercises were conducted to spur incremental innovation at low cost.



A New Marine Corps?

Berger took a much more aggressive approach. He is simultaneously pushing several lines of effort, each of which is challenging. He is attempting to overhaul the Marine Corps talent management system (including convincing Marines to stay past their initial enlistment commitments), field three major product lines new to the Marines (sensors, anti-ship missiles, and MQ-9 Reaper), persuade the Navy to build an entirely new transportation fleet, and convince several Pacific nations to provide distribution sites on the eve of any conflict with China, forgoing neutrality. In aggregate, this is a leapfrog. “We cannot and will not get this wrong,” Berger wrote about the effort.

The Marines’ fiscal strategy also leapfrogs. In addition to funding stand-in forces by cutting successful product lines, Berger also took on critical funding risk in dropping the Marines’ longstanding 38-ship requirement just three months after Neller had re-endorsed its necessity. This gesture of goodwill, which gave the Navy flexibility to support the stand-in force design with a mix of smaller vessels, has not been reciprocated and is already proving costly for the Marine Corps. The service was forced to appeal to Congress to reinstate its minimum requirement of 31 large amphibious ships. The smaller vessels on which the stand-in force depends have been twice delayed by the Navy, which will not deliver the first vessel for seven years, and only a half-dozen by 2030. The Marine Corps is pouring money into a product that the Navy is not eager to distribute.

An alternative would have been to convince the Navy to co-invest in a prototype stand-in unit. A telling early test would have been a joint exercise with allies such as the Philippines and Indonesia which may be reluctant to grant landing rights for intermediate range missiles. Naval sponsorship would have had dual benefit. First, it would have united the Services in the future budgeting process. This would have been a “quick win” so critical in organizational change. Second, it would have been a superior first step in vetting the concept. If the Navy wasn’t willing to fund a small prototype, that would have been a red flag to scale the concept. Instead, while the Navy is thrilled to have the Marines purchase organic anti-ship systems, the services are already at odds on amphibious transportation. The enormous daylight between the two is a stand-in demand indicator.

Force Design 2030 and Talent Management 2030 are filled with good ideas. The service’s leadership chose incrementalism in the latter. For example, 360-degree evaluations, a favorite of idealist junior officers for decades, will be prototyped on a few marines in a few circumstances before wider adoption is considered. Force Design 2030, a far riskier proposal, cut personnel in high-performing Marine infantry task units by a quarter.

Losing Control of the Narrative

During the key communication phase of change management, Kotter’s first principle is to “Keep your messages simple and jargon-free.” Ford did not follow this advice in previewing the Edsel. For a year, Ford issued cluttered advertisements touting mysterious technologies and social-sexual benefits. The proclamations built to the point that the chief designer confided to a colleague, “When they find out it’s got four wheels and one engine ... they’re liable to be disappointed.”

For a century, the Marines have demonstrated excellence in simple communications. Shifts in the role of Marines were distilled to core principles, often a single phrase or sentence. These mantras are recited at boot camp, emphasized in the field, and carried throughout life. Examples of complex concepts made simple are:

- First to Fight (1929)
- The mission of the Marine Corps rifle squad is to locate, close with and destroy the enemy by fire and maneuver, or repel the enemy assault by fire and close combat (1980s)
- Improvise, Adapt, and Overcome (1980s)
- Every Marine is a Rifleman (1990)
- A 911 Force-in-Readiness (1990s)
- The Strategic Corporal (fighting a) 3 Block War (1999)
- No Better Friend, No Worse Enemy (2004)

Force Design 2030 was well-written and ambitious. But including the series of articles and speeches preceding its publication, the core concepts took on a variety of forms, making it difficult to digest. The force design overhaul attracted criticism in May of 2020 from former Senator and Secretary of the Navy James Webb. The next day, Berger responded with the cogent but multifarious “The Case for Change.” Lacking established fora, the argument escalated in public from there.

“The Case for Change” could have introduced a formalized feedback system to augment the planning teams bound by non-disclosure agreements. A Concept for Stand-In Forces, published 21 months after Force Design 2030, could have reinforced Berger’s case before announcing sweeping divestments. Instead, the Marine Corps was caught in a reactive cycle of its own making, attempting to communicate a sprawling concept that had been neither distilled nor tested.

Lacking a tight script characteristic of the Marine Corps, much of the writing seemed to target national defense Ph.D.s more than grunts. Varying, complex descriptions of the promising but unproven force have been introduced in waves in print and in person for two years. Stand-in forces were ultimately defined as “small but lethal forces, designed to operate across the competition continuum within a contested area as the leading edge of maritime defense-in-depth. The enduring function for SIF is to help the fleet and joint force win the reconnaissance and counter-reconnaissance (RXR) battle at every point on the competition continuum.” Adding complexity, core concepts have been described multiple ways, and nuanced technical-strategic capabilities have been periodically introduced, from “deterrence by detection” to preventing “fait accompli scenarios” to a force “out there sinking ships ... [and] submarines.”

When Warfighting was published in 1989, it epitomized the crawl-walk-run communications approach of the Marines. The Prussian military theorist Carl von Clausewitz is cited in its first two first pages as a philosophical underpinning for the institutional transformation. From there, the publication builds its case. Berger got the original idea for Force Design 2030 from Capt. (ret.) Wayne

Does China Benefit from the Russia/Ukraine Conflict?

Hughes, author of the classic *Fleet Tactics*. This explains its focus on sea control and naval campaigning. However, no publication takes the reader on the philosophical journey walked by the commandant.

The net result of the narrative is confusion over whether the proposed changes will change the culture of the Marine Corps. This is risky, because even in the Fortune 500, culture eats strategy for breakfast, let alone in a fanatical military service in which every marine is a rifleman whose mission is to “locate, close with, and kill the enemy.” That’s not so clear any more. To date, every marine is first trained as a rifleman, to close with the enemy. Distance and defense expressly underpin stand-in forces. Will future marines be judged by their contribution to sinking Chinese ships a hundred miles away? Potentially, but the Marine Corps has not come to terms with this. The complex strategy has not been distilled and clearly communicated.

From New Coke to Coke Classic, From Edsel to Mustang

New Coke’s failure spurred the company to re-examine the extended soft drink market. It quickly re-issued “Coke Classic,” introduced several other products, and gobbled up market share. Today Coca Cola features the blunder prominently on its website as an example of rash risk taking that resulted in re-engineering. Similarly, the spectacular failure of the Edsel forced a second transformation in Ford: the shift from a product-centric design model to customer-led model. The resulting product line, the Mustang, catapulted the company and is still popular 60 years after its debut. Both were self-inflicted wounds that triggered positive change.

The character of war has shifted drastically in the last decade. Berger should be applauded for an ambitious goal to adapt the Marine Corps among multiple fronts. Many of the ideas about distributed operations, precision fires, and the democratization of surveillance technologies raised in Force Design 2030 will meaningfully improve the Marine Corps. The questions are, which ones, after what assessment process, at what cost, and at what scale?

The Commandant has one year remaining on his four-year appointment. Two successors will make course corrections, overseen by an increasingly inquisitive but broadly supportive Congressional board of directors. The Marines — retired and active duty — have had an honest argument resembling 19th century German philosopher G.W.F. Hegel’s *Dialectics*, whereby back-and-forth debate by opposing sides leads to sophisticated evolution. This could lead to a synthesis of views of how to adapt to the Marine Corps to the modern battlefield, testing various roles where the Marine Corps has core competitive and comparative advantages. Recent Marine Corps communications have emphasized the potential of organic surveillance-strike technologies for the infantry battalion and de-emphasized the long-range missiles which were the “number one priority” in 2021. The argument is likely to have a familiar result: the most lethal air-ground team on the planet.

End of Treatise

Does China Benefit from the Russia/Ukraine Conflict?



Some people have asked how (or if) China benefits from the current Russian “invasion” of Ukraine (in the West we consider the invasion a war or conflict but in Russia they call it a “military operation”)

Here is my take on it.

I think in order to understand how China gains from the Russia/Ukraine conflict, the first thing we need to explore and understand is China’s and Russia’s relation.

They’re not really allies but they have a good business relationship. If you read many Western media news articles you see that the Western media actually portrays Russia as a country that fears China. But in reality, that’s not the case. We all know China has a lot of money and is economically very strong. But Russia is still significantly militarily superior. So, both countries share a unique relationship. They have a good business relationship and they are also heavily invested in each other. But at the same time both countries carefully observe each other’s moves. More importantly, Russia keeps watch on China because Russia is aware of the Chinese political communism mindset. That’s why you will see Russia keeps China at an arms-length on sensitive policy issues. Even the Russian security services use very little Chinese technology. Russia has often accused China of reverse engineering and copying Russian military hardware. So, although Russia and China are not natural allies, they have similar interests and more importantly they are both weakening the transatlantic partnership between the U.S. and Europe countering U.S. soft power and undermining European togetherness and challenging American hegemony.

Also, Russia and China are on the same page when it comes to countering the ideological game of Western institutions and governments. But still Russia keeps China at an arms distance and in check. One of the options that Russia has is to cut oil and coal supplies and other minerals to China so that China behaves the way Russia wants it to. Similarly, Russia’s economy depends on the sale of oil and gas, military hardware and minerals so ultimately both countries keep each other in check. They are both powerhouses and when two powerhouses collide their game is at a different level because they have to each maintain their edge. So their relationship is very tricky. They can come to an agreement on many things and they economically benefit from each other but they are not allies. They have a good



Does China Benefit from the Russia/Ukraine Conflict?

business relationship.

The next critical thing to grasp is that the Russia Ukraine conflict is actually not between Russia and Ukraine. It is actually between the U. S. and European Union against Russia and Ukraine is just the battleground that has been chosen. At this point, the question emerges how does China benefit from this conflict.

This begs a question, apart from Taiwan, what country is countering the Chinese narrative both politically and militantly? It is India. So, China knows that India has deep favorable and strategic relations with both the U. S. and Russia. And China also knows it is going to be difficult or maybe impossible for India to maintain strategic autonomy. We recall India did not participate in the UN Council voting. India chose the middle road. Because if India votes in favor of Russia, that would anger the U.S. And if India favored the U.S., then Russia would be upset.

So, India balances both the U.S. and Russia and has become very good in diplomacy. However, for China you can think of India's neutral stance as an important interest because currently America's full attention is towards Europe. And that is actually not good for India because the Ukraine conflict is distracting the U. S. from the challenges posed by China against India in the Indo-Pacific region. This is the first issue.

The second issue is if the Russia Ukraine conflict escalates into a full-fledged war, then it's going to become very difficult for India. Because India has chosen the middle ground by not taking any side. If tomorrow India is forced to take a side and assuming it chooses the U. S., then we must consider that currently Russia is India's primary defense partner. Many Russian military weapons are currently being used by India's military. Because of this dependency in the future Russia can delay replacement and servicing of this equipment and weapons, which won't be in India's interest. And anything which is not in India's interest will automatically be in China's interest.

The third issue is both Ukraine and Taiwan are relatively small powers trying to escape from the influence of greater powers like Russia and China. Looking at the scenario from both Russia's and China's perspectives Russia and China both believe that Ukraine and Taiwan are integral parts of their territory. And more interesting is that the U. S. is at the heart of both conflicts. Although the U.S. has not extended the same security guaranty to Taiwan that it has given to Ukraine, the U. S. is at the center of both these conflicts. Both Ukraine and Taiwan have bad relationships with their dominators and both have strategically oriented themselves toward the West to irritate their "parents." So, China has all the more reason to support Russia and depict the U. S. and other Western liberal democratic societies as chaotic and reckless. Suppose if the U. S. fails in Ukraine, it will be considered a loss for the West. As an example, consider what happened in Afghanistan. There the U.S. and NATO countries achieved nothing. Afghanistan has gone back to what it originally was. The U. S. was defeated by the Taliban. Such narratives have lasting prominence. Similarly, if the U. S. or NATO forces fail in Ukraine then it will give more power to the Chinese and Russian narrative which is to undermine U. S. credibility as a protec-

tor of the world and its allies.

If we look at modern Russia and China, they are actually both capitalist countries. But it is a complex question because while Russia and China are capitalist economies, if we consider their political models, they do not practice democratic governance as we know it. But they are not pure autocracies or dictatorships. Looking at Russia and China's leadership, they don't practice nepotism. The players have actually proven themselves and attained their ruling positions based on their performance. From the outside, China's one-party system or Russia's political party United Russia looks authoritative. But inside these political parties' people need to prove themselves. So, there is a semblance of meritocracy operating. But it is still different from Western democracy. There is an indivisible fight or a war of narratives as to whose governing style is the best.

So what is better, Western American-style democracy versus Russia and China's own model of governance?

It's impossible to be completely objective. The Western American-style democracy has dominated for a very long time but as can be seen in the 21st century it is also causing massive chaos and dysfunction. Too much democracy can actually destroy the foundation of almost everything in a society. One cannot make policies on important issues if one has too much democracy because no one can convince the others even with the facts. Many in our democracy have become activists. Many of the problems that we see today have been created by people who actually care more. We hear people claiming "I'm more aware of the signs, I have read the research, I care about the environment, I care about poor people more than you", etc., etc. Thus, this overabundance of democracy has led to the decline of a common identity. And that's what leads to an identity crisis. America, Canada and Europe are all facing this problem. Without a common identity, people will be picked apart one by one. and that is how many civilizations have come to an end. If we examine it closely, this is what the big technology companies are doing with artificial intelligence, targeting individual audiences, manufacturing perception for them. This is not to say democracy is bad but too much is not good. Actually, too much of any particular form of government will lead to chaos and destruction.

Essentially, the Russia Ukraine conflict can turn out to be a turning point in building a new world order. Many in positions of power are counting on it. And China's interest is to succeed at weakening the global appeal of democratic states, institutions and norms so that it can create a space for flaunting the strengths of its own governance model as an alternative.

Some may not agree on this model but it's one perspective that provides a structure to define the geo-political morass the world is now mired in.

At least that's my take on it.

D. Miyoshi



Elon Musk and Cui Bono



Lucius Cassius, was regarded by the Roman people as a very honest and wise judge. Cassius was in the habit of asking time and again in lawsuits: “Cui Bono” (to whom might it be for a benefit?). That simple question often helped the Roman authorities find the one who really committed the crime.

These days business schools advise investors considering where to invest to first ask “Cui Bono.” I first heard of this approach at my own business school years ago.

Let’s use a recent example of how to use this concept involving Elon Musk and the S&P Ratings.

There’s a feud that has erupted between Tesla CEO Elon Musk and the Environmental, Social, and Governance (ESG) community.

This quarrel underscores the critical importance of following actions (Cui Bono), not words. For investors selecting what stocks to invest in, that means investing according to actual money flows – even if those flows are at odds with some publicly stated goal or mission.

ESG is the acronym for “Environmental, Social, and Governance” (ESG).

The goal of ESG investing is to generate growth and income, but do so in a manner that has a lighter environmental footprint and a greater positive contribution to society, while accomplishing it in a more transparent way that benefits both shareholders and stakeholders.

As our society becomes increasingly focused on “justice” in its various forms, ESG is a leading form of investing justice.

To provide investors an easy way to track companies that have an ESG orientation, the S&P created an S&P 500 ESG Index. Here’s how the S&P itself describes it:

The S&P 500 ESG Index is a broad-based, market-cap-weighted index that is designed to measure the performance of securities meeting sustainability criteria, while maintaining similar overall

industry group weights as the S&P 500.

Notice that despite the “S” of social and “G” of governance being fundamental to ESG’s mission, they are not mentioned at all in the S&P’s own one-sentence definition. Instead, it focuses purely on the “E” of environmental, though the word used is “sustainable.”

We know the Biden administration and governments around the world are pushing hard for more sustainable ways of living. One of the top initiatives is a move away from combustible engines, toward electric vehicles.

Meanwhile, Tesla is the world’s largest electric-vehicle manufacturer.

It would seem obvious that Tesla would be considered a top ESG stock with a home in the S&P’s ESG Index.

But this is where it gets interesting.

. ***The S&P boots Tesla out of the ESG Index

In mid May, the S&P ESG Index performed an annual rebalance of its holdings and kicked out Tesla.

This move resulted in many eyebrows-raised because the index kept ExxonMobil and JPMorgan.

Obviously, Exxon’s business centers around fossil-fuel energy, which is cause for some ESG second-guessing. Meanwhile, environmentalists have attacked JPMorgan in the past because it’s the largest lender to oil companies.

But they’re both in and Tesla is out.

So what gives?

Interestingly, according to the University of Massachusetts’ 2021 Toxic Air Polluters Index that ranks the 100 largest corporations based on 2019 data, Tesla ranked 22, ExxonMobil ranked 26 and Marathon Petroleum ranked 28.

The vast majority of Tesla’s air pollution, according to the University of Massachusetts, is attributable to its lithium-ion battery plant outside of Reno, Nevada.

This confused many people including Elon Musk, who is now mocking exactly what ESG stands for, since social and diversity standards were cited by S&P Global for Tesla being booted from the S&P 500 ESG index.

Here’s one of Elon Musk’s tweets about it:

Elon Musk and Cui Bono



Elon Musk
@elonmusk

Exxon is rated top ten best in world for environment, social & governance (ESG) by S&P 500, while Tesla didn't make the list!

ESG is a scam. It has been weaponized by phony social justice warriors.

9:09 AM · May 18, 2022 · Twitter for iPhone

44.6K Retweets 4,888 Quote Tweets 314K Likes

***“What you do speaks so loudly that I cannot hear what you say”
– Emerson

So, what’s the S&P’s reasoning for this decision?

From Margaret Dorn, senior director and head of ESG indices, North America, at S&P Dow Jones Indices:

While Tesla may be playing its part in taking fuel-powered cars off the road, it has fallen behind its peers when examined through a wider ESG lens.

This is from MarketWatch:

Specifically, it was the “S” and “G” that soured Tesla’s “E”, S&P’s report shows.

Tesla was marked down for claims of racial discrimination and poor working conditions at its Fremont, California factory.

The carmaker was also called out for its handling of the NHTSA investigation after multiple deaths and injuries were linked to its autopilot vehicles.

But here we should point out what appears to be an inconsistency.

As stated above, Exxon remains in the index which already begs questions about its place in the index due to its oil-focused business.

But as Margaret Dorn said, we need to view Exxon through a “wider ESG lens.” The same lens that booted Tesla.

Well, when we do, it raises even more questions instead of explaining why Exxon is around.

From information sources less than a year ago:

ExxonMobil isn’t exactly known for being an environmental justice champion. According to a scorecard published recently, the oil major is dead last among the S&P 500 companies when it comes to racial equity and environmental racism...

Fossil fuel producers made up half of the scorecard’s worst 10 companies on racial justice, with ExxonMobil at the very bottom, along with other oil and gas firms like Marathon Petroleum and Valero Energy.

Beyond that, at the turn of the year, the *Seattle Times* pointed out that despite having a banner year for earnings, Exxon wasn’t raising employee salaries to be consistent with inflation.

Tesla may or may not belong in the ESG Index. But if we’re holding all companies accountable to the same standards, the question is should Exxon be there if Tesla isn’t?

***What might all of this actually be about?

Here is some Cui Bono data:

What apparently is happening is that since ESG funds and indices have severely lagged the S&P 500 this year because energy is the strongest sector, many pension funds are starting to panic and looking for any excuse to add energy stocks, otherwise they risk grossly underperforming the S&P 500 and other indices this year.

This essentially means that the energy stocks that were once shunned by Wall Street (remember that ExxonMobil was kicked out of the Dow Industrials) are now being embraced.

In fact, in the opinion of many, the institutional buying pressure in energy stocks is happening as S&P Global redefines what ESG is and pension funds re-embrace energy stocks to “catch up” and improve their respective performance.

***What matters are actions, not words

This ESG/Tesla/Exxon situation shows that lofty ESG goals might look great in a press release, but when real dollars are involved, we see where priorities actually lie...

IN RETURN ON INVESTMENTS.

Investors need to realize this is the reality. The S&P dropping Tesla while keeping Exxon means a significant shift in money flows will happen from the actions of the institutional money managers who track these indexes. This will hurt Tesla investors and help Exxon investors.

We can argue whether Tesla deserves to be in the S&P index or not, but in the final analysis, it’s irrelevant. The money is being made in Exxon stocks and that is where the fund managers want to put their money. They are benefiting and that is why Exxon stock stays in the index and Tesla stock does not.

No emotions, social goals, or gut feelings – just Cui Bono and numbers.

D. Miyoshi

Europe, the Next Military Powerhouse?

Can Europe rival the U.S. as a global military powerhouse? What will a militarized Europe look like? In the wake of the invasion of Ukraine by Russia, these are the questions that have been thrust into the forefront of geopolitical affairs. To help answer those questions, we have an article written by Josue Michels that was published in the *Trumpet* on March 2. I present this article here for your reading consideration. D. Miyoshi



Countries all over Europe are pledging to increase their military budgets. Poland even demanded that the European Union's defense budget rise to the level of the United States', currently the world's largest. Europe already has a well-trained armed corps, officer schools and a high-tech military industry. A sudden militarization could drastically change the balance of power in the world. On February 28, German arms manufacturers met with the government to discuss the new deals.

Polish Prime Minister Mateusz Morawiecki called on the EU to double its defense spending in order to build a strong army. In a February 27 interview with Berliner Morgenpost, Morawiecki said the EU should increase its total defense spending from the current \$333 billion to upward of \$668 billion. By comparison, Russia currently spends around \$69 billion on its military, and the U.S. around \$767 billion.

Germany pledged to create a new \$112 billion fund this year. Der Spiegel revealed how the government plans to use the additional money, including improvements in the defense against supersonic weapons, the development of strategic air transport capabilities, a new air-defense system and a new generation of battle tanks. Germany cooperates closely in various projects with France, Britain, the Netherlands, Norway and other European nations.

Germany has also committed to spend 2 percent of its economic output on its military by 2024. According to calculations by UBS banking group, Germany's annual defense spending is likely to rise to more than \$94 billion.

In his speech over the weekend, German Chancellor Olaf Scholz announced progress on the purchase of the armed Heron drone from

Israel and the procurement of a modern replacement for the outdated Tornado jets that can be used within NATO's nuclear-sharing agreement. The planes Germany currently has for the job are old and need to be replaced with either the F-35 or updated European fighter jets. (With the procurement of American F-35s, Germany would be able to carry the B61 nuclear bombs the U.S. has loaned it.) Scholz indicated the current strategy calls for a hybrid solution, combining elements of the modernized Eurofighter and the American Superfighter F-35.

Suddenly, Germany is preparing to use the full force of modern military technology as it prepares for a potential nuclear war. "As peaceful as Germany seems because its army has shrunk since 1990, its military potential has grown exponentially," we wrote in 2019. "The stage for sudden rearmament is set." We are about to see what Germany's "military potential" looks like in reality. Germany's arms manufacturers are ready for business—to arm all of Europe.

Sudden Militarization

Handelsblatt reported on February 28 an emergency meeting between Germany's government and its arms industry. Handelsblatt learned from representatives "that the existing military equipment should be upgraded and new material should be purchased as quickly as possible."

The German arms industry is delighted and ready to produce. Rheinmetall CEO Armin Papperger told Handelsblatt that his company offered the German government a comprehensive supply of ammunition, helicopters and armored vehicles: nearly \$47 billion worth of equipment. "In many plants we work in single-shift operations, but we can also work around the clock," Papperger said, adding that production of tank ammunition could be increased from about 40,000 shells a year to 240,000.

"Companies now want to ramp up production quickly," Handelsblatt noted. "Airbus, for example, could supply military helicopters, Hensoldt radar systems, and Thyssen-Krupp Marine Systems (TKMS) could upgrade the fleet." The ministry hopes to award a contract soon and speed up the process for acquiring new weapons.

Thomas Müller, CEO of Hensoldt AG, noted on February 23: "With this portfolio of innovative key technologies, we want to grow in the coming years in Germany and Europe, but also increasingly outside Europe. We have laid a very good foundation for this in recent years."

Germany's industry has been preparing for this moment for years. Rheinmetall, together with Krauss-Maffei Wegmann (KMW), produced the Leopard 2 main battle tank, the Puma infantry fighting vehicle and air defense systems. Papperger noted that the Leopard 2 could be upgraded and compete with the Russian T-14 Armata, the world's most powerful main battle tank, according to some experts. He also said Rheinmetall has prepared and purchased materials and semiconductors that have recently been in short supply. Papperger also noted that he received inquiries from a number of NATO member countries especially from Eastern Europe.



Europe, the Next Military Powerhouse?

For years Germany’s arms industry has sustained itself by lucrative weapons exports and has thus been prepared to serve its own government. But that’s not the only way Germany has prepared for this moment of crisis.

Germany Commands Europe’s Army

French President Emmanuel Macron has demanded a stronger European military. In a radio interview on Nov. 6, 2018, Macron called for a “true European army.” “We have to protect ourselves with respect to China, Russia and even the United States of America,” he added.

The financial backing for this army has now been approved. “In time, we will see Germany gain more influence and even exercise direct control over France’s air force, Italy’s navy and Poland’s impressive tank brigade,” we wrote in “Forging a Superpower.” “Indeed, the effort to streamline these disparate sectors is already underway. Germany is working to merge Europe’s weapons industry, its military operational headquarters, its armies and its leadership. Most of the Dutch Army is already integrated into the German Army. The Czech and Romanian armies have also agreed to join the Germans.”

The recent war in Eastern Europe has made it increasingly clear that only a united European armed force can protect it from Russia. But in 2017, EU nations launched a military pact called Permanent Structured Cooperation (PESCO) that has since helped coordinate member countries’ operations, including logistics, transportation and training missions. Our article continued:

But Europe’s army and military would be largely ineffective without capable leadership at the officer level. This is why Germany is training military officers all over Europe.

The Bundeswehr, Germany’s armed forces, currently has 24 training facilities open to soldiers from other EU member states. It also has troops in 55 training facilities of other armies across Europe. Some Bundeswehr officers are attending the elite officers’ school in Saint-Cyr, learning about the military structure, strategies, resources and mentality of France.

German officers are learning to work with and to command foreign soldiers. They are cooperating with the French on flying helicopters. German submarines could soon set off for patrol carrying joint German-Norwegian crews.

Germany’s military industry, its military officers and even its soldiers have been forming close cooperation with the rest of Europe. All this groundwork will play a dramatic role in Europe’s sudden militarization.

The Missing Link

The EU’s combined military spending is already far higher than that of Russia’s. The West has a lot of military power, but it’s distributed

across multiple armies, nations and chains of command. The one thing Europe’s armed forces don’t have is a commander in chief. Trumpet editor in chief Gerald Flurry made this plain in his article “Who Will Command Europe’s Armies?”, writing:

No European president has the executive powers to lead such an army. When crises escalate and the United States isn’t there to help, Europe is helpless.

This desperate need for leadership leaves the door wide open for a strongman to take control.

European nations want to forge ahead and prove their independence from the United States. But if Europe builds a mighty single army, who would command it? Italian political scientist Ernesto Galli della Loggia asked this crucial question in Corriere della Sera on September 22. Making war would require consensus among 27 EU member states! “Is it ever imaginable that 27 political leaders—expressions of electorates, traditions and interests enormously different among themselves—would decide to embark on a military action that could become violent and cost the lives of some of their own citizens, beyond creating unpredictably serious complications?” he asked.

No—it is unimaginable! Europe cannot govern itself unless a single powerful strongman is at its helm.

But just as suddenly as we have seen European nations pledge to remilitarize, we can see the emergence of an overarching strongman. European leaders see Putin make rapid decisions as the absolute authority; he doesn’t have to go through committees and consult with various people. Austrian paper Der Standard wrote on February 10: “The EU finally needs a leader who can deal with Putin and [Joe] Biden on an equal footing.” This would, of course, require not only a strong leader but the establishment of a new form of government that would enable this leader to act with autonomy. Are we about to see some sort of constitutional change that would give a European strongman the same freedom to act on the level of autonomy Putin currently enjoys?

America has already withdrawn as the leader of the Western world. A European strongman could easily step in the vacuum that has been left behind.

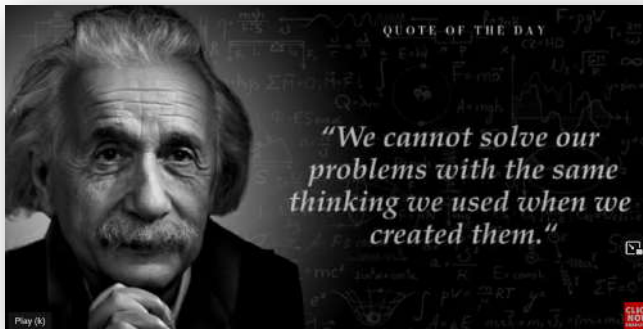
Such an overarching leader in Europe could dramatically change the course of history. Imagine what would happen if Europe increased its military spending to \$600 billion and then spent that money in a dictatorial way, bypassing the long regulatory chains. Europe could buy the most up-to-date weaponry, weapons the West has denied Russia. This would make Europe’s army much deadlier than Russia’s.

End of Article



Famous Quotes of Einstein

(They reveal why Einstein was not only intelligent but also wise)



“We cannot solve our problems with the same thinking we used when we created them.”

“Look deep into nature and then you will understand everything better.”

“Try not to become a man of success, rather become a man of value.”

“I am thankful for all of those who said no to me. It’s because of them I’m doing it myself.”

“Imagination is more important than knowledge.”

“Education is what remains after one has forgotten what one has learned in school.”

“If you can’t explain it to a six-year-old, you don’t understand it yourself.”

“A student is not a container you have to fill, but a torch you have to light up.”

“Life is like riding a bicycle, to keep your balance you must keep moving.”

“The only source of knowledge is experience.”

“The only sure way to avoid making mistakes, is to have no new ideas.”

“Three great forces rule the world: stupidity, fear, and greed.”

“Past is dead, future is uncertain; Present is all you have, so eat, drink, and live merry.”

“Intelligence is not the ability to store information, but to know where to find it.”

“Weak people revenge, strong people forgive, intelligent people ignore.”

“It’s strange to be known so universally, and yet be so lonely.”

“Never memorize something that you can look up.”

“Example isn’t another way to teach, it is the only way to teach.”

“Once we accept our limits, we go beyond them.”

“Two things are infinite: the universe and human stupidity and I’m not sure about the universe.”

“Anyone who has never made a mistake, has never tried anything new.”

“A clever person solves a problem, a wise person, avoids it.”

“Try not to become a man of success, rather become a man of value.”

“Any fool can know, the point is to understand.”

“It is not that I’m so smart. But I stay with the questions much longer.”

“Blind belief in authority, is the greatest enemy of truth.”

“We all know that light travels faster than sound. That’s why certain people appear bright until you hear them speak.”

“Genius is 1% talent and 99% hard work.”

“I’d rather be an optimist and a fool, than a pessimist and right.”

“You never fail, until you stop trying.”

“If you want to live a happy life, tie to a goal, not to people or things.”

“Only a life lived for others, is a life worthwhile.”

“Wisdom is not a product of schooling, but of the lifelong attempt to acquire it.”

“I live in that solitude which is painful in youth, but delicious in the years of maturity.”

“Only those who attempt the absurd, can achieve the impossible.”

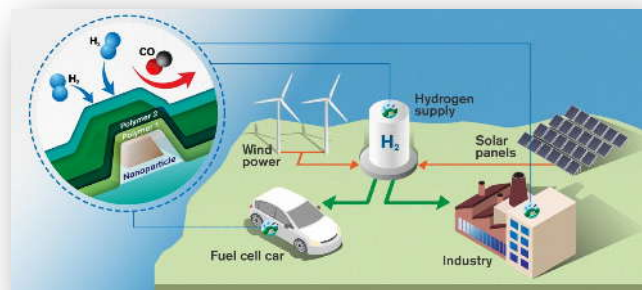
“Life is a preparation for the future. And the best preparation for the future, is to live as if there were none.”

“The only thing more dangerous than ignorance, is arrogance.”

“The true sign of intelligence, is not knowledge, but imagination.”

End of Quotes

Hydrogen Revolution The “Next Tesla



The best investment opportunities in the market – the ones that make millionaires many times over – are often found in places that most people aren’t looking.



Hydrogen Revolution The “Next Tesla

That’s why Luke Lango, Editor of *Hypergrowth Investing* thinks the next-generation of millionaire-maker stocks will be found in the Hydrogen Economy.

This is because Lango is well aware of the back story on hydrogen. It's been touted as a viable clean energy source since the 1970s. Yet, since then, it hasn't been used to do much of anything as far as powering our world goes. The past 50 years in the Hydrogen Economy have been characterized by little more than a series of false starts. A few years ago I test rode a friends Toyota Mirai car powered by hydrogen cells. My friend even had me drink the liquid from the exhaust pipe (which he said was pure water). It tasted fine. But after a few years Toyota stopped marketing the car in the U.S.

Lango knows all of that. He says hydrogen stocks don't get as much "love" as solar stocks, or wind stocks, or EV stocks.

But Lango says this is a huge mistake – because, despite its series of false starts over the past 50 years, hydrogen is on the cusp of finally coming into its own, and living up to its decades-old promise of becoming the world's most important, most reliable, and cheapest clean energy source.

That will happen in the 2020s. As it does, we will witness the emergence of an \$11 TRILLION Hydrogen Economy – and the emergence of the "Next Tesla."

So Let's Talk Science

To understand the huge opportunity in the Hydrogen Economy, Lango says we need to first rewind to our college Chemistry 101 classes.

Recall the periodic table. Hydrogen is the lightest element in the universe. As such, you can fit a LOT more hydrogen atoms into a finite space than, say, lithium atoms. The result is that any power source made with hydrogen will be infinitely more energy dense than a power source made with something else.

Periodic Table of the Elements

That has enormous implications.

In transportation markets, more energy density means hydrogen fuel cells have longer driver rangers and faster refuel times compared to batteries.

In stationary markets, it means they have more consistent and robust power output.

In all markets, it means hydrogen fuel cells are much lighter and more transportable.

Make no mistake. Hydrogen has some enormous value-ads in the clean energy world.

That's why – once hydrogen becomes cost-effective and viable – the companies producing and supplying hydrogen will be among the most important energy companies in the world. Hydrogen stocks will be some of the best-performing tech stocks of the 2020s.

But, why now? After all, the periodic table hasn't changed over the past 50 years. So, what has changed that will allow hydrogen to takeover in the 2020s?

The Hydrogen Economy Is at a "Tipping Point"

Lango believes for the first time ever, all the stars have aligned for the Hydrogen Economy to "tip" into hypergrowth mode this year.

For starters, you have favorable politics. In the 1970s, no one cared about decarbonization. Now, seemingly every country and company in the world has a net-zero emissions target by 2030, 2040, or 2050 – and the recent Russian invasion of Ukraine only underscores the need for countries to disband their reliance on Russian oil and establish energy independence via clean energy sources.

The costs of hydrogen have plummeted, too. Economies of scale and advanced technologies have led to the cost of hydrogen fuel cells dropping 60% over the past decade. Deloitte Company expects hydrogen fuel cell costs to drop below electric battery and combustion engine costs in just a few years.

The tech has dramatically improved. Technological breakthroughs and falling renewable energy costs have led to a new era of scalable "Green Hydrogen" production, wherein hydrogen is cost-effectively produced from renewable energy sources, like solar and wind – and not from natural gas, which is how most hydrogen has historically been produced.

In other words, while the periodic table hasn't changed over the past 50 years, everything else has changed – and for first time ever, all the growth drivers for hydrogen have shown up at the same time.



Investors Lessons from Barings Bank's Biggest Blunder

In the words of Matthew Blieske, Shell's global hydrogen product manager:

"[In the past] there was a policy missing, or the technology wasn't quite ready, or people were not so serious about decarbonization. We don't see those barriers anymore."

With those barriers removed, the Hydrogen Economy will tip into its long overdue renaissance in the 2020s, creating what Morgan Stanley sees as an \$11 TRILLION hydrogen market in the coming decades.

The opportunity before you today is that most investors are sleeping on hydrogen stocks, meaning that you can buy them right now while they're on sale.

The Final Word

The history of hydrogen as a viable clean energy source is riddled with empty promises and broken dreams.

But Lango says this time is different. This time, hydrogen is ready to reshape the world's energy landscape with ultra-affordable, ultra-dense, ultra-reliable, and ultra-transportable clean energy.

Investors who bet early on this revolution will win big.

There is no question I was impressed with my ride in the Mirai car and I will keep an eye out on companies that offer products incorporating H on the Periodic Table of Elements.

D. Miyoshi

Investors Lessons from Barings Bank's Biggest Blunder



Established in 1762, Barings Bank was one of England's oldest merchant banks. It helped fund the Louisiana Purchase in 1803. But after 233 years it all came crashing down due to the action of one young options and futures trader named Nick Leeson. From this fiasco investors learned some big lessons to take to heart.

What Happened

Nick Leeson was a trading floor wunderkind, reportedly single-handedly accounting for 10% of Barings' profits in 1992. Eager to give their hot talent room to run, Barings gave Leeson a lot of leeway on the bank's trading floor in Singapore to work his magic.

The problem, though, was that Barings gave Leeson too much authority. He not only made trades – he also settled them. That meant that he could manipulate the desk's trading accounts to hide his losses.

That's as if you're the top chef at a fancy restaurant where the tables are packed every night. You're also a highly respected restaurant critic for the local paper. When you say something about an eatery, people listen. Two thumbs up from you can mean there isn't a reservation available for weeks.

For a while, things are good. But then, everything you touch becomes inedible. Luckily for you, though, you can hide your attack of the gastronomical yips – for a while, at least – because you can give your restaurant a glowing review to keep customers coming through the door.

In a way, that's similar to how Nick Leeson obscured his losses.

Leeson had hit a losing streak. He was taking enormous positions on the Japanese stock market... and they were all going down.

But rather than face up to it, he cooked the trading account books so that his losses didn't show... kind of like the restaurateur giving himself good reviews.

By late 1994, Leeson was \$352 million in the hole. To try to make it back, the next month he put a big bet on futures on the Japanese stock market. But a massive earthquake in the Japanese city of Kobe crushed Japan's stock market... and Leeson's positions.

Leeson, sitting on losses of \$1.2 billion, big enough to wipe out Barings' balance sheet, threw a Hail Mary by doubling down. It didn't work. Earthquakes play for keeps.

Leeson fled town with his wife, leaving behind a note reading, "I'm sorry." Barings, its capital wiped out, declared bankruptcy.

SIX REASONS WHY THERE WILL BE NO 2022 MIDTERM ELECTION

After a global manhunt, Leeson was arrested in Germany and extradited back to Singapore, where he was sentenced to six and a half years for forgery and fraud. (His wife left him, too.)

In law-and-order Singapore, prison is no fun. As Leeson told the Guardian newspaper a few years ago...

You're locked up 23 hours a day; you sleep on a rough, uneven floor; everybody else is a Triad gang member. It's 100 degrees when you get up in the morning and gets hotter during the day.

Leeson served four years in prison after he was released for good behavior.

Today, he runs a trading service for retail investors.

The Lessons Investors Learned

Remember the Infinite Monkey Theorem. This is the difference between skill and luck. Given enough time, a roomful of monkeys randomly hitting keys on a typewriter will produce a work of Shakespeare. But a corollary to this theorem... Given enough time, some hotshot trader on a trading floor will produce outsized profits, and everyone will think him a genius. He's not. Don't confuse brains with luck – in others, or in ourselves.

Don't double down... use stop losses. Some gamblers are seduced by the Martingale strategy – when you have a loss, double your bet to get back what you lost. The best way to remove the temptation is to establish a stop loss level – that is, a price point on the way down at which you sell, no matter what. It would have helped Leeson. Waiting for the rebound is a terrible strategy.

Ponder the worst. Channel self-help guru Dale Carnegie's timeless advice and "awfulize" by imagining the worst thing that could happen with a position – and plan accordingly. No one can anticipate an earthquake, but your portfolio – and your brain – should be ready for one, just in case.

And with any luck, you'll avoid these critical mistakes when it comes to your own portfolio.

Consider hiring a woman to manage your money. Most traders and money managers are men. But studies have shown that women are actually better investors. Men tend to trade too much and are more likely to be the "dumb money" that sells low and buys high. Women are better at sticking to an investment plan. Studies have shown that female investors significantly and consistently outperform their male counterparts.

Why? One big reason is testosterone, which can lead to overconfidence and bad decision. In caveman times, overconfidence helped

the man get the woman and slay the tiger. But the primitive instincts triggered by testosterone can be downright dangerous on the trading floor, where aggression and overconfidence aren't helpful.

And if you do have someone of the male persuasion advising you on your investments, it's best if he's older. After the age of 35, testosterone levels start to decline. By the time the average man reaches age 60, he has 30% less testosterone than a 30-something male. This means that, older men's trading decisions are less influenced by testosterone.

What's more, for investors who have been around the block a few times, the thrill of a risky trade is replaced by a different objective: Living to fight another day. And older investors also have a lot more experience to draw from... and might realize that, say, doubling down after an earthquake rattles a market might be a bad idea.

It's a lesson Nick Leeson would have done well to heed.

Here is to your good investing.

D. Miyoshi

SIX REASONS WHY THERE WILL BE NO 2022 MIDTERM ELECTION



If the American people do not have secure elections, then we do not have a Republic form of democracy.

But according to commentator Dave Hodges, we actually don't have a democratic republic. We are simply ruled by men/women behind the scenes

Over 150 million Americans are shifting political allegiances and declaring that in 2022, America will rise up and vote out the corrupt left! Hodges' data analysis, combined with contemporary polling in

Is Germany Secretly Supporting Russia in the Ukraine War?

the liberal Main Stream Media shows that about 70-80% of the public will cast their vote for Trump or Desantis against whomever the Democrats put up for election in 2024.

However, the real damage could be done in 2022 in the midterms. It is possible that 65% of the House could be Republican and that almost 60% of the Senate could be controlled by GOP members. Many experts do not feel that voting machines and ballot stuffing, along with heightened surveillance could overcome such margins.

But according to Dave Hodges, he believes the ruling Democratic Party is not going to allow an election to take place, especially one in which they cannot control the outcome. He says forget the election in November, there is almost no chance that an election will take place! That's hard to believe.

A National Trend

Auditors in Georgia, Pennsylvania, and especially in Wisconsin, have uncovered massive voter fraud. It is only through the efforts of the corrupt establishment politicians in these states, do these fraudulent elections still stand. However, the people in these swing states appear ready to cast out the Democrats. This is why Hodges says an election cannot happen.

Over the coming days, Hodges said he will cover many of the ways in which the Democrats will prevent a 2022 midterm election from taking place.

Here is Hodge's preliminary list of reasons that would/will be used to derail a 2022 election:

1. Nuclear war
2. Civil war, spawning out of the Roe v Wade civil unrest. This insurrection will be led by 5th column dissidents (i.e. George Soros and Antifa).
3. Massive national starvation from which the elements of famine are already in place and the people do not have 6 months of food supply left.
4. Transportation costs, due to Biden's deliberate nation-killing energy policies will cripple the supply chain and literally nothing will be moving.
5. As if Soros activities will not be enough to spur a civil war, the starving have nots will be rioting, on their own, in every community across America. It is easy to predict that a weakened America will become an invaded America.
6. And if the first 5 reasons did not get your attention, Dr. Fauci and Bill Gates are telling you that another more deadly pandemic is coming and so are the accompanying lockdowns in which your civil liberties will be gone and the government will have unlimited power. You will swear that you are living in 1938 Germany.

All of these possibilities will be covered further in Hodges' later reports.

I hope Hodges' predictions are wrong. But as 2022 unfolds, we will see how accurate he is.

D. Miyoshi

Is Germany Secretly Supporting Russia in the Ukraine War?



On August 23, 1939, Germany and the Soviet Union signed a non-aggression pact, stunning the world, given their diametrically opposed ideologies. But the dictators were, despite appearances, both playing to their own political needs.

After Nazi Germany's invasion of Czechoslovakia, Britain had to decide to what extent it would intervene should Hitler continue German expansion. Prime Minister Neville Chamberlain, at first indifferent to Hitler's capture of the Sudetenland, the German-speaking area of Czechoslovakia, suddenly snapped to life when Poland became threatened. He made it plain that Britain would be obliged to come to the aid of Poland in the event of German invasion. But he wanted, and needed, an ally. The only power large enough to stop Hitler, and with a vested interest in doing so, was the Soviet Union. But Stalin was cool to Britain after its effort to create a political alliance with Britain and France against Germany had been rebuffed a year earlier. Plus, Poland's leaders were less than thrilled with the prospect of Russia becoming its guardian; to them, it was simply occupation by another monstrous regime.

Hitler believed that Britain would never take him on alone, so he decided to swallow his fear and loathing of communism and cozy up to the Soviet dictator, thereby pulling the rug out from the British initiative. Germany and Russia were extremely suspicious of the

Is Germany Secretly Supporting Russia in the Ukraine War?

other, trying to discern ulterior motives. But Hitler was in a hurry; he knew if he was to invade Poland it had to be done quickly, before the West could create a unified front. Agreeing basically to carve up parts of Eastern Europe—and leave each other alone in the process—Hitler's foreign minister, Joachim von Ribbentrop, flew to Moscow and signed the non-aggression pact with his Soviet counterpart, V.M. Molotov (which is why the pact is often referred to as the Ribbentrop-Molotov Pact). Supporters of bolshevism around the world had their heretofore romantic view of “international socialism” ruined; they were outraged that Stalin would enter into any kind of league with the fascist dictator. So, Realpolitik took precedence over ideology.

So, has history repeated itself?

Did Germany and Russia agree again to divide countries and assets between themselves in the beginning of the 21st century?

Russia's open invasion and military strikes against heavily populated areas in Ukraine have been horrific. The world has seen mass graves and evidence of torture and war crimes committed by Russian troops in ravaged towns like Bucha. Some 8 million people have fled their homes.

The United States, United Kingdom and much of Eastern Europe have rushed weapons to Ukraine. But Germany, despite some sympathetic rhetoric toward the Ukrainians, has stood in the way. When the West tries to impose sanctions on Russian President Vladimir Putin and those close to him, Germany weakens those sanctions.

According to writer Gerald Flurry of the *Philadelphia Trumpet* publication, it is evident that Germany is siding with Putin. But few understand why.

Clues to the Mystery

As Vladimir Putin prepared for a full-scale invasion of Ukraine, Germany thwarted all efforts to dissuade him. When Ukraine asked for weapons, Germany sent a few thousand helmets instead. When other nations wanted to send weapons to help force Putin to back down, Germany used NATO weapons-sales restrictions to stop them. When Britain found a way to send its own weapons to Ukraine, it flew them around German airspace rather than officially asking Germany to help even in this small way.

According to Flurry, if not for Germany, Putin likely wouldn't have even invaded. Germany cracked what would have otherwise been fairly united opposition from the West. This gave Putin the confidence that the consequences for attacking wouldn't be severe, and that war was worth it.

In January 2022, as Russian forces prepared to assault Ukraine, Kyiv mayor Vitali Klitschko summarized Germany's actions this way: “This is failure to provide assistance and betrayal of friends.”

Once Putin actually launched the full-scale invasion, Germany changed its rhetoric. But it changed little else.

If Germany supports Russia too openly, it risks losing the support of half of Europe. Poland, the Baltic states and many others could break with Germany permanently. Even many German citizens are demanding that their government stand up to Russia.

So, the German government talked tough. It took the opportunity to dramatically boost its own military spending. After resisting immense pressure, it finally suspended opening the Nord Stream 2 pipeline, which is designed to strengthen Germany and Russia at the expense of the rest of Europe.

Germany's promises of great help for Ukraine have little substance. Ukraine's ambassador to Germany, Andrij Melnyk, said, “We, as Ukrainians, hardly feel a thing. No help that would do justice to the level of brutality and despair in my homeland.”

Germany has expended great effort to weaken every economic sanction against Russia. Britain and America have promised to stop buying oil and gas from Russia. Germany has repeatedly prevented the European Union from making a similar pledge. Europe has continued buying more than \$600 million in Russian energy every day, more than a third of which goes to Germany. Putin's war machine could not function without this steady flow of money.

Melnyk called this “a knife in the back of Ukraine.”

Germany also blocked effective sanctions against Russia's financial sector. The U.S. wanted to cut off Russia entirely from the SWIFT interbank payment system. Led by Germany, the EU refused. It agreed to cut off 70 percent of Russia's financial system from SWIFT. Then, when the punishment was implemented, the actual figure was 30 percent.

EuroIntelligence called this “sanctions in name only” and wrote, “The EU is cheering on the Ukrainian side from a safe distance, watching from warm living rooms, heated by Russian gas.”

NATO members trying to send weapons to Ukraine have encountered Germany working, successfully, to delay and block those shipments.

“Dear Mr. Scholz, tear down this wall,” Ukrainian President Volodymyr Zelenskyy said in an impassioned plea directly to the German chancellor and government on March 17. Zelenskyy said that many German firms continue to do business in Russia, “which is simply using you and your companies to finance the war. You are again with a wall. It's not a Berlin Wall: It is a wall in Central Europe between freedom and bondage”

This speech was shown on live video inside the Bundestag chamber,



Is Germany Secretly Supporting Russia in the Ukraine War?

with hundreds of German leaders present and listening. But after he finished, they did not even debate his speech. They went on with their regular business. One member wrote, “That was the most undignified moment in the Bundestag today that I have ever experienced!”

Germany continued to act as though it supports Ukraine. It planned to send a representative to its embattled capital city, Kyiv. Zelenskyy told the German president, Frank-Walter Steinmeier, that he was not welcome. In doing so, he shined a spotlight on Germany’s cozy relationship with Russia for the world to see.

As the world scrutinized Germany’s rhetoric versus its actions, the German government further changed its approach. But it was only for show.

In April, the German government was again caught double-dealing. It had requested a list of armaments that its weapons industry could quickly provide. It passed the list on to the Ukrainians and said they could select \$1.1 billion from the list, free of charge.

But the German government had edited the list. It had removed the weapons that could really hurt Russian forces and left the weapons that Ukraine didn’t need. The Ukrainian government said there was little on the list it could use, and the German government essentially said, sorry, this is all our weapons industry says that they have available. But they got caught in their lie.

“Olaf Scholz has been caught red-handed misrepresenting facts about weapons deliveries to Ukraine,” wrote *the Spectator*. “Behind the scenes, he is busy frustrating efforts to help the country, while pretending to be outraged about Vladimir Putin’s aggression.”

Many see the truth of what is happening. Welt published an article with a condemning title: “The German Government Is Now Partly to Blame for the Massacres in Bucha and Mariupol.” “Ukraine was lied to, and behind the scenes, the closeness to Russia remained,” Klaus Geiger wrote. “This was another reason why the Bucha massacre was possible.”

After all this came out, Germany changed course further and finally promised to send heavy weapons to Ukraine. But again, it was a sham. Soon it was revealed that Germany planned to send fighting vehicles but no ammunition.

A Business Empire (Que Bono-follow the money)

[The power behind this ongoing betrayal of Ukraine and the West is not just the German government but German industry.](#)

“If you want to understand why Germany acts the way it does, listen to the best advice ever given to any journalist: Follow the money,” Wolfgang Münchau wrote. “Germany’s foreign policy is a function of its industrial-corporatist model!” (*EuroIntelligence*, May 1). He wrote that Germany’s relationship with Russia is driven by “a deep network of German and Russian industrial contacts.”

“The main driver of that relationship is not Gerhard Schröder [former German chancellor and Russian state-owned energy company executive] or any other politician, but German industry,” Münchau continued. “Its main representative is the German Eastern Business Association, one of Europe’s most influential lobbying groups. It plays a comparably important role in Germany to the National Rifle Association in the U.S. It bought off politicians and entire political parties. It is the only lobbying group I know of with the power to determine the foreign policy of an advanced Western country.”

With Germany dominated by its industrialists, this association and the executives themselves likely have far more power in German foreign policy than the National Rifle Association has in America.

Opinion polls show that the German people generally favor more sanctions on Russia and more weapons for Ukraine. But Germany’s big businesses have worked hard to thwart these.

Martin Brudermüller, CEO of the world’s largest chemical company, BASF, called boycotting Russian energy foolish and said that it would “force the German economy into its worst crisis since the end of the Second World War.” Werner Baumann, CEO of the global pharmaceutical and agricultural giant Bayer, said that “a gas supply freeze would have catastrophic consequences for industry in Germany and for the people in our country.” Aeronautics conglomerate Airbus has also lobbied against sanctions. Siemens Energy CEO Christian Bruch warned that “the repercussions will be dramatic.” Siemens has announced that it is shutting down business with Russia, but others, including Germany’s largest company, software giant SAP, continue doing business there.

Many of Germany’s top economists believe sanctions on Russia would be much less destructive than these business leaders claim. But these leaders are determined to keep Germany close to Russia. For all the conflict the Germans have had with that nation, and for as much as they fear it, their wealth and power currently depend on Russia.

Deutsche Welle asked, “Are German Companies in Russia War Collaborators?” (February 4). *The New York Times* published “For German Firms, Ties to Russia Are Personal, Not Just Financial” (March 6). In “Germans Steel Themselves to Sever Links with Russia,” *the Financial Times* stated, “Business, academic and cultural ties run deep, making the rupture deeply personal for many” (March 13).

The March *Trumpet* publication featured the article “Rising from the German Underground” that was prompted by Polish politician Donald Tusk who revealed that the outgoing German chancellor, Angela Merkel, had told him privately that she had been forced to support the Nord Stream 2 pipeline and all its ramifications because she was “helpless” against the overwhelming pressure of the German industrialists.

“If you know German history and Bible prophecy, few statements from a German leader could be more revealing—and frightening!” that article says. It explains how German empires have been empow-



Is Germany Secretly Supporting Russia in the Ukraine War?

ered by German businesses for centuries. In recent times alone, the Pan-German League powered the rise of the German Empire prior to World War I, and business leaders helped bring Adolf Hitler to power in the 1930s. Before World War II ended, it was business leaders who conspired to help the Nazis go underground and return years later.

“This is why Ms. Merkel’s disclosure should shake the world,” Flurry wrote. “The real power in Germany lies with the same people who pushed Germany to world war twice before!” Again, it is the industrialists who continue to push Germany into this close relationship with Russia, even as its war on Ukraine rages.

What is in it for them to do this?

A Dark History of Cooperation

Too few are asking that question, and even fewer understand the answer. *EuroIntellegence* speculated that Putin may be blackmailing the German chancellor with compromising propaganda. But that would not explain why German business leaders have invested years of valuable effort to build this alliance with Russia.

Many elite Germans feel that their nation has now extracted all the benefit it can from the United States, and they are now ready for a new phase in German strategy. Some want modern Germany to use its impressive industrial and economic power to multiply its political and military power. They want to establish Europe as a new superpower, a modern Holy Roman Empire!

These Germans know that NATO has protected Europe from Russia for a lifetime. After World War II, Hastings Ismay, the first NATO secretary general, summarized the purpose of the alliance this way: “Keep the Russians out, the Americans in, and the Germans down.”

That alliance has kept Germany’s military down, but it has also helped its economy become one of the best in the world and helped it reunite and exert unquestioned political power over Europe! And German elites still feel “kept down” compared to what they know their economy, politics and military could be.

This is why Germany is working with Russia. These two nations are working to empower themselves and each other at the expense of Europe and the U.S.-led world order. Both want to tear down that order and build themselves into great empires! Those empires will inevitably clash, but for now it is in both Germany’s and Russia’s interest to weaken everyone else and strengthen themselves and each other. With this in mind, Germany’s duplicitous behavior is easy to understand.

And history makes it even easier to understand. Between wars, Germany and Russia often work together. Most infamously, just before World War II, Adolf Hitler’s Germany and Joseph Stalin’s Russia basically agreed to allow each other to gobble up other nations and split them between themselves.

That infamous agreement, the Molotov-Ribbentrop Pact, set the stage for the most devastating war in history!

Stalin thought he could trust Hitler. But after Hitler realized he could not conquer Britain, he decided to break the deal and attack Russia. This shattered Stalin’s worldview. Stalin didn’t expect it. But if he had read what Hitler had written in *Mein Kampf* years before, he would have known Hitler planned to conquer Russia as well.

In 2008, Russia shocked the world by invading the former Soviet nation of Georgia and taking control of two of its regions. Germany said little about that and did nothing. That is why Flurry thought these two nations had already worked out a modern “Molotov-Ribbentrop” agreement. In 2014, Russia annexed the Crimean Peninsula from Ukraine and supported rebels in eastern Ukraine, plunging that region into an ongoing war. Germany once again said little and did nothing! Ukraine had been on track to join the European Union. You would think the Germans would have been extremely angry at Russia! But not if they had previously made an agreement with Russia about what it could do in Ukraine.

Could it be that Germany agreed to let Russia take over these areas in exchange for Russia letting Germany take over the Balkans in the 1990s?

What else might these two have agreed to that they have not yet acted on?

If and when NATO fails and the U.S. is pushed out of Europe, the countries of Eastern Europe will need a new champion. They cannot stand up to Russia alone, especially if it uses its more powerful weapons. They would rather look to the U.S., but with America gone, Germany remains the only real option.

Removing America will put Germany on top of a Europe scrambling to ensure it has the firepower to defend itself. This military force would not fight for NATO and the American-led world order, but it will fight for a European-led world order.

The Germans distrust and even fear Russia and Vladimir Putin. But they also see how his boldness can help them build and dominate a new Holy Roman Empire. That is why they are working with him, even through dire circumstances that would otherwise cause them to oppose Russia. Russia may gain control of some of Eastern Europe, like Ukraine, Belarus and possibly more. But the rest will be forced to turn to Germany!

The current Ukraine crisis could quickly result in Eastern Europe being divided between these two power blocs. What we see today is only the beginning.

A Seething Pot

Today the ruling countries of America, Britain and Israel are deeply divided. Their peoples are divided among themselves; their leaders

Yen Falling

are splintered by bitter disagreement and political warfare. It is natural that Russian and German leaders are going to exploit this division. They will do what they have almost always done throughout history when they have power over weak, divided enemies and take full advantage of the situation.

In the Book of Jeremiah God shows the prophet Jeremiah a vision of “a seething pot; and the face thereof is toward the north.” Flurry believes this symbolic language is describing modern Germany. Beneath the surface, that nation is full of simmering dissatisfaction with the current world order. Germans are angry at the U.S. The imperialistic ambition that prompted Germany to start both world wars is alive and well. It is “seething”!

Verses 14-15 in Jeremiah continue: “Then the Lord said unto me, out of the north an evil shall break forth upon all the inhabitants of the land. For, lo, I will call all the families of the kingdoms of the north, saith the Lord; and they shall come, and they shall set everyone his throne at the entering of the gates of Jerusalem, and against all the walls thereof round about, and against all the cities of Judah.”

Cooperation between Germany and Russia is setting the scene for a huge “seething pot” to spill over. This boiling cauldron will scald everybody in America and Britain. This is prophesied to be the worst suffering ever known to man. And it will occur by God’s hand because of His extreme wrath over the sins of these peoples.

Great Cause for Hope

On the surface, this news about Germany and Russia may seem depressing. But if you view it through the lens of Bible prophecy, you clearly see that it is closely tied to the Second Coming of Jesus Christ!

Christ said if He didn’t return, “there should no flesh be saved [alive]!” It’s evident that man cannot solve all of the problems we see multiplying in the world today, many of which involve nuclear-armed nations?

Russia and America possess 90 percent of the world’s nuclear weapons. France and Britain have nuclear bombs, too, and other nations of Europe have American nuclear bombs deployed on their territory. Germany could rapidly become a great nuclear power if it wanted to—practically overnight.

There is no way mankind is going to solve these problems. As the Book of Isaiah says, “The way of peace they know not”

We can all see that mankind is going to continue in their futile attempts at forging peace. They will have to suffer until, as the Bible has prophesied, the second coming of Christ when at last there will finally be peace, joy and happiness to this world forever.

D. Miyoshi

Yen Falling



In April the Japanese Yen Fell to a two-decade low... while the Bank of Japan (BoJ) redoubled its efforts to keep the 10-year Japanese bond yield at or below 0.25%, driving investors to flee the currency.

What it means— Japan is in a tough spot. One third of the population is over age 65, so inflation hurts. The current bout of inflation isn’t the result of robust demand, it stems from higher food and energy prices. The BoJ is not matching the Fed’s interest rate moves, which leaves 10-year Japanese bond investors earning one tenth of what they could earn on a 10-year U.S. Treasury bond. This encourages Japanese bond holders to sell the bonds and exchange their yen for dollars so they can buy U.S. bonds. The increased yen selling drives down the value of the Japanese currency, which makes commodities priced on the global market, like food and energy, even more expensive, driving up inflation.

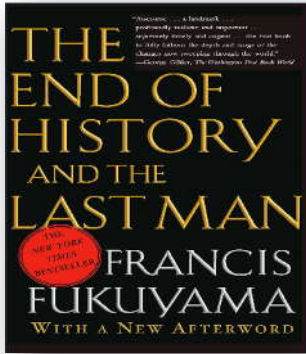
The yen/dollar pair represents how many yen are needed to buy a buck. The bigger the number, the cheaper the yen. The Japanese currency has fallen from 115 per dollar to 130 per dollar in just the last few weeks, which is a huge move in currency. If the yen continues to fall, more investors in Japan might be motivated to leave that currency, which would just make things worse. This could be the beginning of a currency crisis, which would make the U.S. dollar stronger and hold U.S. bond yields a bit lower than they otherwise would be, at least temporarily.

We will see.

D. Miyoshi



The End of “The End of History”



In his 1989 essay “*The End of History?*” United States State Department official Francis Fukuyama suggested that mankind was seeing not just the conclusion of the Cold War, but the triumph of Western liberal democracy as “the final form of human government.”

“What we may be witnessing,” Fukuyama wrote, “is not just the end of the Cold War, or the passing of a particular period of post-war history, but the end of history as such.”

History, as he defined it, was the protracted struggle between freedom and oppression. And with the decisive victory of American liberalism and freedom over the forces of Soviet totalitarianism, history had come to an end. He argued that though events would continue to happen, humanity’s political evolution had reached its pinnacle. The sun had set on authoritarianism. The era of great powers warring against each other had ended, and liberal democracy, individual freedom and popular sovereignty would continue to spread.

Francis Fukuyama was not alone in this optimistic forecast. U.S. President George H. W. Bush was among the leaders who shared in his vision. Bush’s 1990 address to Congress hailed a future “free from the threat of terror, stronger in the pursuit of justice, and more secure in the quest for peace.” Mankind was entering a “new world,” he said, “quite different from the one we have known, a world where the rule of law supplants the rule of the jungle.”

The “end of history” was an exhilarating hypothesis for Westerners. It became an instant sensation among policymakers and pundits. As the 1990s continued, the evidence supporting it mounted: The newly independent Baltic nations cast off all legacy of the Soviet Union and cleaved to the West; all of Eastern Europe’s former Communist regimes were replaced by democratically elected governments; in East and Southeast Asia, capitalist development shifted political might in favor of West-looking classes; soon, even Russia made radical reforms, adopting capitalism

and holding real elections—sure it was “gangster capitalism,” but give the Russian people time. There was even talk from Russia about possibly joining NATO.

The West was elated. We had won. It was the end of history. But then some “history” happened.

The 9/11 terrorist attacks were a bolt from the blue. The West was profoundly jolted. But the optimists remained mostly undeterred. In an Oct. 5, 2001, Wall Street Journal opinion piece, Fukuyama reminded readers of the nuance of his thesis and wrote: “I believe that in the end I remain right.”

A few years later, Russian President Vladimir Putin invaded the former Soviet nation of Georgia, bringing two chunks of its territory back under Moscow’s de facto control. His 2014 invasion of the former Soviet nation of Ukraine and de jure annexation of its Crimean Peninsula was even more dramatic.

These were alarming developments that looked disturbingly like “history” was still happening.

Yet even then, many Westerners viewed them as mostly isolated incidents. After all, the parts of Georgia and Ukraine that Putin took were peopled mainly by individuals who didn’t seem to mind being returned to Russia. Surely Putin would stop there and that would be the end of it. With enough of this sort of wishful thinking, the optimists maintained that real history—the great struggles and major wars that have epitomized mankind for millennia—was still basically over. Despite some hiccups, time is on the side of freedom. Economic interdependence of the great nations is too strong to allow war. And the spread and supremacy of liberal democracy is still inevitable.

Then came February 24, 2022.

As Putin’s tanks crossed Ukraine’s border that morning, rolling toward Kyiv, anything remaining of the dream that man had reached the end of history was flattened beneath their tracks. Any glimmer of hope that Russia and its partners would eventually integrate into the U.S.-led, liberal democratic order was crushed. The ugly reality could no longer be denied because this was not just a war between the armies of Russia and Ukraine—but a war between two worldviews.

Ukraine’s people, for the most part, lean Westward. They elected the Jewish Volodymyr Zelenskyy as their leader in 2019. And their worldview is aligned with that of the United States. They believe the will of the people should determine a nation’s path and that the Western model functions better for more people than any other. They’ve long sought to join NATO and the European Union, which would make Ukraine a treaty ally to America (and dozens of other democracies). They believe that as an independ-



The End of “The End of History”



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.

ent nation, they have the sovereign right to try to join these or any other groups they wish.

Russia, on the other hand, rejects the very idea of liberal democracy as a sustainable model. Vladimir Putin has led the nation for the last 22 years as a ruthless authoritarian, with the hearty support of the bulk of his people. And if his worldview wasn’t clear enough after the invasions of Georgia and Ukraine’s Crimea, he laid it totally bare in 2019, declaring: “Liberalism is obsolete.” Instead of leading Russia in a more democratic path, the way the “end of history” thesis forecast, Putin has steered it in the opposite direction. And tens of thousands of his soldiers are now at work in Ukraine—the flashpoint between worldviews—where they are committing unspeakable atrocities in an effort to bring about a new global order.

And Putin’s Russia is not alone. China, India, Iran, South Africa, Belarus, Cuba, Nicaragua, Venezuela and Kyrgyzstan are among the nations directly or indirectly supporting Russia’s illegal war—and thereby throwing their weight behind a return of “history.”

Meanwhile, Russia’s war has catalyzed moves by Germany and Japan to reverse decades of military hesitancy and double their defense budgets as they prepare for a return to great power war.

This all adds up to show that history—tangled, unjust, retrograde, sordid, violent and ugly history—has not ended. And analysts are being forced to acknowledge that a dramatic new chapter is just beginning, with implications far beyond Ukraine’s borders.

“We are all living in Vladimir Putin’s world now,” international politics expert Ivan Krastev wrote on February 27, describing it as a world in which brute force crushes democratic rights and rule of law. To complete the picture, he quoted the ancient Athenian military general and historian Thucydides: “The strong do what they can and

the weak suffer what they must.”

New York Times Australian bureau chief Damien Cave also acknowledged the war as a historic turning point: “[M]any foreign policy leaders already see Ukraine in dire terms, as marking an official end of the American era and the start of a more contested, multipolar moment.”

Even Francis Fukuyama himself has admitted that this year’s war may well mark the end of “the end of history.” He told the New Statesman that his “ultimate nightmare” is a world in which China and Russia work together, supporting each other’s expansionism and totalitarianism. “[T]hen you would really be living in a world that was being dominated by these nondemocratic powers,” he said. “If the United States and the rest of the West couldn’t stop that from happening, then that really is the end of the end of history.”

No one is preventing profound Russo-Chinese cooperation and expansionism today. So it turns out that history did not end in 1989.

The Bible makes clear that whether or not Russia wins the current round in its push against the liberal order, a historic new chapter is beginning that will lead into an era of unprecedented global calamity and suffering. These will be the bloodiest pages in mankind’s strife-ridden history. To many on the scene at this time, the violence and suffering will appear to be humanity’s final chapter. But the Bible makes plain that it is actually only the last page of the prologue of mankind’s exciting future.

It’s simply a matter of time.

D. Miyoshi



Miyoshi Law

Phone: +1-310-378-0615
 Fax: +1-310-378-0000
 Mobile: +1-310-920-4872

e-mail: david@miyoshilaw.com
 www.MiyoshiLaw.com
 http://about.me/dmiyoshi