

Af-Pak War Racket: The Obama Illusion Comes Crashing Down

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The economic elite have escalated their attack on the U.S. public by surging military operations in Afghanistan and Pakistan.

As Obama announced plans for escalating the war effort, it has become clear that the *Obama Illusion* has taken yet another horrifying turn. Before explaining how the Af-Pak surge is a direct attack on the US public, let's *peer through the illusion* and look at the reality of the situation.

Now that the much despised George W. Bush is out of the way and a more popular figurehead is doing PR for Dick Cheney's right-hand military leader Gen. Stanley McChrystal, who is leading his second AF-Pak surge now, and with long time Bush family confidant Robert Gates still running the Defense Department, the masters of war have never had it so good.

Barack Obama, the anti-war candidate, has proven to be a perfect decoy for the military industrial complex. Consider all the opposition and bad press Bush received when he announced the surge in Iraq. Then consider this:

I: TROOP DEPLOYMENTS

The Bush surge in Iraq deployed an extra [28,000 US troops](#). Under Obama, back in March, a surge in Afghanistan, that also further escalated operations inside Pakistan, deployed an extra 21,000 troops. However, in an unannounced and underreported move, Obama added [13,000 more troops](#) to that surge to bring the total to 34,000 troops. Obama actually outdid Bush's surge by 6000 troops and brought the overall number of US troops in Afghanistan to [68,000, double the number there when Bush left office](#).

Where opposition was fierce to Bush's surge, barely any opposition was expressed during Obama's surge. Part of the reason for so little political and public backlash was the cleverly orchestrated psychological operation to announce the beginning of US troop withdrawal from Iraq. While the drawdown in Iraq has been greatly exaggerated in the US mainstream media, as of October, Obama still had [124,000 troops deployed in Iraq](#) (not counting private military contractors).

When Obama casts the illusion of a 2011 withdrawal from Afghanistan, one just needs look at the reality of the situation with the [over-hyped withdrawal in Iraq](#).

Now, with Obama's latest surge announcement he will again be adding a minimum of another 30,000 US soldiers. This means that Obama has now led a bigger surge than Bush... on two separate occasions within the past nine months of his new administration.

Obama has now escalated deployments in the Af-Pak region to 98,000 US troops. So in Af-Pak and Iraq, he will now have a total of 222,000 US troops deployed, 36,000 more than Bush ever had – [186,000 was Bush's highest total](#).

PRIVATE MILITARY AND NATO DEPLOYMENTS

The amount of private military contractors deployed in Iraq and Afghanistan is rarely reported on in the US mainstream press, but a Congressional Research Service investigation into this revealed that a [record high 69% active duty soldiers](#) are in fact private mercenaries.

Although the administration is yet to disclose how many private mercenaries will be deployed in the latest surge, it is believed that the 69% ratio will remain in tact.

The Pentagon released a report showing that Obama already had [a total of 242,657 private contractors in action](#), as of June 30th. 119,706 of them in Iraq, 73,968 in Afghanistan, with 50,061 active in "other US CENTCOM locations."

Back in June, Jeremy Scahill reported on [these findings](#): "According to new statistics released by the Pentagon, with Barack Obama as commander in chief, there has been a 23% increase in the number of 'Private Security Contractors' working for the Department of Defense in Iraq in the second quarter of 2009 and a 29% increase in Afghanistan...."

Plus, we must mention, the immense dangers of having private military contractors as 69% of our fighting force. For those of you unaware, private military contractors are hired from all over the world. Any former soldier, from any country, is welcome to come and fight for a salary – a salary that is often significantly more than what we pay our own US soldiers.

These mercenaries have a vested interest in prolonging the war, for as long as there is a war, they have a well paying job. So it is easy to infer that a significant percentage of these contractors will not have the US soldiers, or US taxpayers, best interests at heart.

Obama continues to feed this out of control private army by pouring billions of taxpayer dollars into shady and scandalous companies like Blackwater, who recently changed their name to Xe Services, because they destroyed their reputation by committing numerous war crimes in Iraq. A recent investigation by Jeremy Scahill revealed the extent to which [Blackwater is involved in covert operations inside Afghanistan and Pakistan](#). In some cases, Blackwater is not working for the US, but were hired by covert elements inside Pakistan. When it comes to private contractors, the fog of war grows ominous, exactly who is fighting for whom is unclear. The crucial factor is who paid them the most that particular day.

The US military can give them \$1000 today, and an enemy can give them \$1000 tomorrow, when you have people who fight for a payday and not for a country, you get chaos. This leads to a breakdown in the chain of command, effectively turning a military operation into a covert intelligence operation, where you're never really sure if the person you are fighting with is on your side or not.

A federal investigation by the [Commission on Wartime Contracting in Iraq and Afghanistan](#),

revealed in June: “More than 240,000 contractor employees, about 80 percent of them foreign nationals, are working in Iraq and Afghanistan to support operations and projects of the U.S. military, the Department of State, and the U.S. Agency for International Development. Contractor employees outnumber U.S. troops in the region. While contractors provide vital services, the Commission believes their use has also entailed billions of dollars lost to waste, fraud, and abuse due to inadequate planning, poor contract drafting, limited competition, understaffed oversight functions, and other problems.”

Before this latest surge, there were [over 123,000 US and NATO troops](#) in the Af-Pak region, and 200,000 Afghan security forces, supporting the US effort. According to US intelligence sources the total number of Taliban and al-Qaida fighters in the region was estimated to only be about 25,000, giving the US led forces a minimum of a [12 to 1 troop advantage](#).

When you add in estimated private soldiers, you get an approximate minimum of a 17 to 1 advantage.

Although Obama opened his war speech by mentioning al-Qaida as the main justification for this war, consider this [AP report](#): “national security adviser James Jones said last weekend that the al-Qaida presence has diminished, and he does not ‘foresee the return of the Taliban’ to power. He said that according to the maximum estimate, al-Qaida has fewer than 100 fighters operating in Afghanistan without any bases or ability to launch attacks on the West.”

Does it seriously take a surge of hundreds of thousands of troops to contain what amounts to “less than 100” al-Qaida members?

Any serious war strategist will tell you that the most effective way to combat the remains of the al-Qaida network, is through an intelligence operation, and statistics prove that escalating more troops into the region will only fuel further acts of terrorism.

DRONE DEPLOYMENTS

Speaking of fueling hatred toward the US, other than a huge troop increase, there has also been a sharp increase in the use of unmanned drones. The [New Yorker reports](#): “According to a just completed study by the New America Foundation, the number of drone strikes has risen dramatically since Obama became President. During his first nine and a half months in office, he has authorized as many C.I.A. aerial attacks in Pakistan as George W. Bush did in his final three years in office.”

The unmanned drones have caused major controversy due to the [high number of civilian casualties](#) they cause. However, as the study stated, the Obama Administration continues to increasingly rely upon them.

So summing up these statistics, we have the most fierce and technologically advanced military force in history, vastly outnumbering what amounts to be a ragtag army of peasant farmers with guns, and our best option is supposed to be an increase in troop levels?

Obviously, something doesn’t add up.

After thinking about all of this, you begin to see through the smokescreen of what this war is said to be about and get a glimpse of some of the sinister forces at play here.

OVER EXTENDED TROOPS

With the rise in deployments, the US military is stretched to a breaking point. Obama is “deploying practically [every available US Army brigade](#) to war, leaving few units in reserve.”

As this war enters its 9th year, many soldiers are forced into deploying on their [3rd or 4th combat tours](#), and morale is fading fast.

The past year has seen a dramatic increase in US soldier deaths, with the number of wounded drastically rising as well. [928 US soldiers have died](#) in Afghanistan thus far, with last month being the [deadliest month since the start](#).

[AP reports](#) that “nearly four times as many troops were injured in October as a year ago. Amputations, burns, brain injuries and shrapnel wounds proliferate in Afghanistan, due mostly to crude, increasingly potent improvised bombs targeting U.S. forces.... Since 2007, more than 70,000 service members have been diagnosed with traumatic brain injury — more than 20,000 of them this year...”

US soldier suicides are also on the rise. In 2008, 197 army soldiers committed suicide. Thus far in 2009, there have been [211 army suicides](#).

[McClatchy recently reported](#): “An Army task force has found that a growing number of soldiers serving in Afghanistan are suffering from some kind of mental stress and is urging the military to double the number of mental health professionals deployed there. The study, conducted by the Army Mental Health Advisory Team, found that soldiers’ morale in Afghanistan is ‘significantly lower’ than it was in 2005 and 2007 studies...”

As wounded soldiers return from Afghanistan and Iraq, they are finding a healthcare system that is increasingly more difficult and costly to get care from. In fact, [2,266 US veterans](#) died in 2008 due to lack of healthcare, and “researchers also found that, in 2008, [1,461,615 veterans](#) between the ages of 18 and 64 lacked insurance.”

Despite all of this, in another devastating example of how [the economy is unraveling US society](#), military enlistment levels have reached a high. In a report by the Washington Post headlined: “[A Historic Success In Military Recruiting](#)” they reveal:

“For the first time in more than 35 years, the U.S. military has met all of its annual recruiting goals, as hundreds of thousands of young people have enlisted despite the near-certainty that they will go to war.

The Pentagon... said the economic downturn and rising joblessness, as well as bonuses and other factors, had led more qualified youths to enlist. The military has not seen such across-the-board successes since the all-volunteer force was established....

‘We delivered beyond anything the framers of the all-volunteer force would have anticipated,’ Bill Carr, deputy undersecretary of defense for military personnel policy, said at a Pentagon news conference.

Overall, the Defense Department brought in 168,900 active-duty troops, or 103 percent of the goal for the fiscal year....”

What we are witnessing here with such high enlistment levels during this economic crisis

has many parallels to Germany in the 1930's. Just like the United States now, the German economy in the 1930's was devastated by an economic crisis brought on by Wall Street. With rising unemployment and poverty, German men turned to the military for income and health benefits that their family severely needed. With over 25 million US citizens unemployed and underemployed, over 50 million with no healthcare, and over 50 million living in poverty, military service is now a last resort for a growing number of desperate Americans as well. The record-breaking enlistment numbers are expected to continue to rise as the economy continues to decline.

"Such a perfect democracy constructs its own inconceivable foe, terrorism. Its wish is to be judged by its enemies rather than by its results."

- Guy DeBord, Comments On the Society of the Spectacle, 1988

II: THE MILITARIZED ECONOMY

The amount of money necessary to keep the [US military machine](#) growing has reached astonishing levels. Considering the increasing amount of troops and contractors, the White House estimates that it spends [one million dollars per soldier, per year](#) in Afghanistan, "not including the added expense of training and maintaining a security force."

According to these calculations, 30,000 troops for this latest surge will add an additional \$30 billion to the annual budget, just in troop related costs. Also consider the price of moving fuel around, [AFP reports](#): "Moving soldiers and supplies across the rugged Afghan landscape costs more than in Iraq, with the military consuming 83 liters or 22 gallons of fuel per soldier per day." [The Hill adds](#): "Pentagon officials have told the House Appropriations Defense Subcommittee a gallon of fuel costs the military about \$400 by the time it arrives in the remote locations in Afghanistan where U.S. troops operate."

Other than in Iraq and Afghanistan, you have an unprecedented number of military bases spread throughout the world. Officially there are ["900 military facilities in 46 countries](#) and territories (the unofficial figure is far greater). The US military owns or rents 795,000 acres of land, with 26,000 buildings and structures, valued at \$146bn. The bases bristle with an inventory of weapons whose worth is measured in the trillions and whose killing power could wipe out all life on earth several times over. The official figures exclude the huge build-up of troops and structures in Iraq and Afghanistan over the past decade, as well as secret or unacknowledged facilities in Israel, Kuwait, the Philippines and many other places. In just three years of the Iraq and Afghanistan wars, £2bn was spent on military construction."

There was public outcry when Bush drastically raised an already bloated military budget to record highs. But in comes the admired anti-war candidate Obama, in the middle of a severe economic crisis, and what happens? Obama drastically increased Bush's record budget to \$651 billion in 2009. Yes, during a severe economic crisis, Obama actually increased Bush's budget. US military spending is higher than the rest of the world combined. The 2010 budget, which doesn't account for war-related spending yet, is already set to [grow to \\$680 billion](#).

However, these budget numbers are deceiving because the Obama Administration has been getting better at hiding extra spending in other budget items. The actual [total 2009 budget was over \\$1 trillion](#).

And much like the staggering giveaway to the economic elite in the Wall Street banker bailout, no one is really sure where a significant percentage of this money is actually going. On September 10, 2001, Donald Rumsfeld announced that [\\$2.3 trillion in military spending was unaccounted for](#). As CBS News reported: “\$2.3 trillion – that’s \$8,000 for every man, woman and child in America.”

At that time, Pentagon auditors admitted that they couldn’t account for a staggering [25% of all military spending](#). And the budget has exploded since then, with fewer people accounting for where this money is going.

Once again, just like the [\\$23.7 trillion](#) that went into propping up the Wall Street elite – which totals [\\$80,000 for every American](#) – you have trillions more in taxpayer money vanishing and very few regulating and accounting for it.

Other than this staggering loss of taxpayer money, any serious economist will tell you “that [military spending increases unemployment and decreases economic growth](#).”

Economists Joseph E. Stiglitz and Linda J. Bilmes, in their book “The Three Trillion Dollar War,” report that military spending on the war in Iraq has created over a [trillion dollars in losses](#) to the US economy.

On top of all the looting of taxpayer money that is occurring, “several powerful House committee chairmen have proposed a [surtax on Americans to pay the future military costs](#).”

With the country already operating at a record [\\$12 trillion deficit](#), members of congress don’t know how we can afford increasing an already huge war expenditure.

WEAPONS SALES

In this struggling economy, weapon sales have become one of America’s most booming businesses. US weapon sales have hit a record level under the Obama administration. [Foreign Policy In Focus reports](#):

“In fiscal year 2008, the foreign military sales program sold \$36 billion in weapons and defense articles, an increase of more than 50% over 2007. Sales for the first half of 2009 reached \$27 billion, and could top out at \$40 billion by the end of the year. In contrast, through the early 2000s, arms sales averaged between \$8-13 billion per year....

But last year, the United States sold arms or military services to well over 100 nations....

... the majority of U.S. arms sales to the developing world went to countries that our own State Department defined as undemocratic regimes and/or major human rights abusers. And over two-thirds of the world’s active conflicts involved weapons that had been supplied by the United States.”

Selling all these weapons, especially during the biggest global financial crisis, will lead to one thing... terrorism.

Given these statistics, it shouldn’t be a surprise to hear how US taxpayer dollars are still funding the Taliban. Prior to the 9/11 attacks, the Taliban government was funded by the US taxpayer. In fact, the Taliban still receives a significant portion of their funding courtesy of

the US taxpayer. As [The Nation recently reported](#): “It is an accepted fact of the military logistics operation in Afghanistan that the US government funds the very forces American troops are fighting. And it is a deadly irony, because these funds add up to a huge amount of money for the Taliban. ‘It’s a big part of their income,’ one of the top Afghan government security officials told The Nation in an interview. In fact, US military officials in Kabul estimate that a minimum of 10 percent of the Pentagon’s logistics contracts—hundreds of millions of dollars—consists of payments to insurgents.”

As former CIA Station Chief John Stockwell explained: “Enemies are necessary for the wheels of the US military machine to turn.”

With the war in Afghanistan now entering its 9th year, [senior military commanders](#) and a growing [number of experts](#) have come to the conclusion that this war is unwinnable and [will fuel terrorism](#).

However, they all seem to be missing the point, before explaining this in more detail, let me start by referring you to a quote from a journalist who had firsthand experience operating inside a militaristic empire:

“The war is not supposed to be winnable, it is supposed to be [continuous](#)... all for the hierarchy of society... The essential act of war is destruction, not necessarily of human lives, but of the products of human labor. War is a way of shattering to pieces, or pouring into the stratosphere, or sinking in the depths of the sea, materials which might otherwise be used to make the masses too comfortable, and hence, in the long run, too intelligent... it helps to preserve the special mental atmosphere that a hierarchical society needs. War... is now a purely internal affair.” — George Orwell

III: MASTERS OF WAR

“Come you masters of war
You that build all the guns
You that build the death planes
You that hide behind walls
You that hide behind desks
I just want you to know,
I can see through your mask...”

Many of the weapons manufactures and private military contractors are seen as the primary war profiteers. For an example of grotesque war profiteering, let’s look at Dick Cheney’s former company Halliburton. In a report headlined: [“U.S. War Privatization Results in Billions Lost in Fraud, Waste and Abuse,”](#) Jeremy Scahill reports on KBR, a Halliburton subsidiary.

“KBR has been paid nearly \$32 billion since 2001. In May, April Stephenson, director of the Defense Contract Audit Agency, testified that KBR was linked to ‘the vast majority’ of war-zone fraud cases and a majority of the \$13 billion in ‘questioned’ or ‘unsupported’ costs. According to Agency, it sent the inspector general ‘a total of 32 cases of suspected overbilling, bribery and other violations since 2004.

According to the Associated Press, which obtained an early copy of the commission’s report, ‘billions of dollars’ of the total paid to KBR ‘ended up wasted due to poorly defined work orders, inadequate oversight and contractor inefficiencies.’

KBR is at the center of a lethal scandal involving the electrocution deaths of more than a dozen US soldiers, allegedly as a result of faulty electrical work done by the company. The DoD paid KBR more than \$80 million in bonuses for the very work that resulted in the electrocution deaths.”

With numerous scandals over KBR operations, Halliburton ended its relationship with the company. However, “Halliburton reported [\\$4 billion in operating profits](#) in 2008, while KBR recently said its first quarter revenues in 2009 were up 27%, for a total of [\\$3.2 billion](#). Its sales in 2008 were up 33%, and according to the Financial Times, the company had \$1 billion in cash, no debt, and was looking for acquisitions.”

Beyond these blatant examples of war profiteering, there are more insidious forces at play that most people don’t see. These war profiteering companies are funded by the same banks that have destroyed the US economy.

Consider this example concerning Alliant Techsystems and Textron, two manufacturers of cluster bombs, the controversial civilian killing WMDs. [The Guardian reported](#):

“The deadly trade in cluster bombs is funded by the world’s biggest banks who have loaned or arranged finance worth \$20bn to firms producing the controversial weapons, despite growing international efforts to ban them...”

Goldman Sachs, the US bank which made £3.19bn profit in just three months, earned \$588.82m for bank services and lent \$250m to Alliant Techsystems and Textron...

Last December 90 countries, including the UK, committed themselves to banning cluster bombs by next year. But the US was not one of them. So far 23 countries have ratified the convention.”

Before going into further detail on how these banks make a lion’s share of war profits, let’s look back at the origins of these wars.

GEO-STRATEGIC OIL OPERATIONS

With all due respect to people who have been force-fed [Pentagon propaganda by the US mainstream media](#), any serious observer of the Iraq and Af-Pak wars knows that these are geo-strategic conflicts based on controlling the world’s oil supply. Anyone in the “news” media who tells you otherwise is either unaware of what is actually going on, or is a well-paid propagandist working for the very people who profit off of them.

ORIGINS OF THE IRAQ OCCUPATION: CHENEY ENERGY TASK FORCE

As an [AlterNet report put it](#): “In January 2000, 10 days into President George W. Bush’s first term, representatives of the largest oil and energy companies joined the new administration to form the Cheney Energy Task Force.”

Secret Task Force documents that were dated March 2001, which were obtained by Judicial Watch in 2003 after a Freedom of Information Act lawsuit, contained “[a map of Iraqi oilfields](#), pipelines, refineries and terminals, as well as two charts detailing Iraqi oil and gas projects...” They also had:

“... a series of lists titled ‘[Foreign Suitors for Iraqi Oilfield Contracts](#)’ naming more than 60

companies from some 30 countries with contracts in various stages of negotiation.

None of contracts were with American nor major British companies, and none could take effect while the U.N. Security Council sanctions against Iraq remained in place. Three countries held the largest contracts: China, Russia and France — all members of the Security Council and all in a position to advocate for the end of sanctions.

Were Saddam to remain in power and the sanctions to be removed, these contracts would take effect, and the U.S. and its closest ally would be shut out of [Iraq's great oil bonanza](#)."

[Project Censored highlighted a Judicial Watch report](#) that stated: "Documented plans of occupation and exploitation predating September 11 confirm heightened suspicion that U.S. policy is driven by the dictates of the energy industry. According to Judicial Watch President, Tom Fitton, 'These documents show the importance of the Energy Task Force and why its operations should be open to the public.'"

ORIGINS OF THE AFGHANISTAN OCCUPATION: "STRATEGY OF THE SILK ROUTE"

Up until 9/11, oil companies, with the help of the Bush administration, were desperately trying to work out a deal with the Taliban to build an oil pipeline through Afghanistan. One of the world's richest oil fields is on the eastern shore of the Caspian sea just north of Afghanistan. The Caspian oil reserves are of top strategic importance in the quest to control the earth's remaining oil supply. The US government developed a policy called "[The Strategy of the Silk Route](#)."

The policy was designed to lock out Russia, China and Iran from the oil in this region. This called for U.S. corporations to construct an oil pipeline running through Afghanistan. Since the mid 1990s, a consortium of U.S. companies led by Unocal have been pursuing this goal. A feasibility study of the Central Asian pipeline project was performed by Enron. Their study concluded that as long as the country was split among fighting warlords the pipeline could not be built. Stability was necessary for the \$4.5 billion project and the U.S. believed that the Taliban would impose the necessary order. The U.S. State Department and Pakistan's ISI, impressed by the Taliban movement to cut a pipeline deal, agreed to funnel arms and funding to the Taliban in their war for control of Afghanistan.

"Until 1999 U.S. taxpayers paid the [entire annual salary](#) of every single Taliban government official."

The U.S., Saudi and Pakistan intelligence alliance that created the terrorist financing bank BCCI reunited to facilitate the rise of the Taliban. BCCI was a US intelligence bank, which served as the financing arm for the creation of the al-Qaida network. BCCI was involved in many covert operations throughout the 80's. They played a pivotal role in arming Saddam in Iraq, creating the Iran hostage crisis, even selling drugs through Manuel Noriega and other top drug dealers. BCCI gave nuclear weapons to Pakistan, which led to North Korea and Iran obtaining pivotal nuclear secrets as well. BCCI was also a driving force behind the Savings and Loan scandals that were a precursor to our current economic crisis.

Focusing on the creation of the Taliban, let's read an excerpt from a 2003 book, "[Modern Jihad: Tracing the Dollars Behind the Terror Networks](#)," by Loretta Napoleoni:

"The alliance between American capitalism and Islamist fundamentalism is not limited to the creation of the Taliban; it also produced business ventures designed to extract favours from

the new regime. To strengthen its bargaining power with the newly formed Islamist state, Unocal joined the Saudi Delta Oil Corporation to create a consortium called CentGas. Delta Oil is owned by the bin Mahfouz and al-Amoudi families [pivotal BCCI players], Saudi clans which have strong links with Osama bin Laden's family.... Mahfouz has been sponsoring charitable institutions used as fronts for bin Laden's associates through the National Commercial Bank, which his family controls....

Naturally, as soon as George W. Bush was elected president, Unocal and [UK's] BP-Amoco... started once again to lobby the administration, among whom were several of their former employees. Unocal knew that Bush was ready to back them and resumed the consortium negotiations. In January 2001, it began discussions with the Taliban, backed by members of the Bush administration among whom was Under Secretary of State Richard Armitage, who had previously worked as a lobbyist for Unocal. The Taliban, for their part, employed as their PR officer in the US Laila Helms, niece of Richard Helms, former director of the CIA and former US ambassador to Iran. In March 2001, Helms succeeded in bringing Rahmatullah Hashami, Mullah Omar's adviser, to Washington.... As late as August 2001, meetings were held in Pakistan to discuss the pipeline business....

While negotiations were underway, the US was secretly making plans to invade Afghanistan. The Bush administration and its oil sponsors were losing patience with the Taliban; they wanted to get the Central Asian gas pipeline going as soon as possible. The 'strategy of the Silk Route' had been resumed....

Paradoxically, 11 September provided Washington with a casus belli to invade Afghanistan and establish a pro American government in the country. When, a few weeks after the attack, the leaders of the two Pakistani Islamist parties negotiated with Mullah Omar and bin Laden for the latter's extradition to Pakistan to stand trial for the 11 September attacks, the US refused the offer....

In November 2001... Hamid Karzai was elected [Afghanistan's] prime minister... Yet very few people remember that during the 1990's Karzai was involved in negotiations with the Taliban regime for the construction of a Central Asian gas pipeline from Turkmenistan through western Afghanistan to Pakistan. At that time he was a top adviser and lobbyist for Unocal... during the anti-Soviet jihad, Karzai was a member of the Mujahedin. In the early 1990's, thanks to his excellent contacts with the ISI, he moved to the US where he cooperated with the CIA and the ISI in supporting the Taliban's political adventure."

So it is not all that surprising to see recent reports revealing that Hamid Karzai's drug kingpin brother, Ahmed Wali Karzai, is also [on the CIA payroll](#).

With this, a new Senate investigation just revealed evidence that Donald Rumsfeld made a *conscious strategic decision to let Bin Laden escape*. [AFP reports](#):

"Osama bin Laden was within the grasp of US forces in late 2001 and could have been caught if then-defense secretary Donald Rumsfeld hadn't rejected calls for reinforcements, a hard-hitting US Senate report says....

It points the finger directly at Rumsfeld for turning down requests for reinforcements as Bin Laden was trapped in caves and tunnels in a mountainous section of eastern Afghanistan known as Tora Bora.

‘The vast array of American military power, from sniper teams to the most mobile divisions of the marine corps and the army, was kept on the sidelines,’ the report said.”

So now that we see how these wars are driven by oil, let’s look at how the oil industry is benefiting from them. Since the invasion, the industry has experienced record profits across the board, setting new profit records quarter after quarter, year after year, as these wars rage on.

IRAQI OIL DEALS

With Exxon and Shell just signing new oil contracts in Iraq, it’s obvious why there are still over 100,000 troops in Iraq. In a Daily Mirror report headlined, “[Oil Billions and Weapons of Mass Deception In Iraq](#),” they report on the new oil deals:

“Exxon-Mobil and Royal Dutch Shell won the development rights of a massive oil field — West Qurna near Basra in Iraq’s south. The two oil giants hope to boost daily production from the current 300,000 barrels to 2.3 million barrels a day at West Qurna, which the ousted and hanged Iraqi President Saddam Hussein wanted to give to a Russian oil company.

Last month, British Petroleum (BP) and the China National Petroleum Corporation (CNPC) won a contract to develop another oil field. The invitation to China to join the plunder of Iraq is probably a payoff by the US so that this Asian economic powerhouse and rising military power would not rock the pirates’ boat.”

Let’s look back over the years since the start of the War on Terror, here’s a [2005 MSNBC report](#):

“By just about any measure, the past three years have produced one of the biggest cash gushers in the oil industry’s history. Since January of 2002, the price of crude has tripled, leaving oil producers awash in profits. During that period, the top 10 major public oil companies have sold some \$1.5 trillion worth of crude, pocketing profits of more than \$125 billion.

“This is the mother of all booms,” said Oppenheimer & Co. oil analyst Fadel Gheit. “They have so much profit, it’s almost an embarrassment of riches. They don’t know what to do with it.

So an oil field that was profitable with oil selling for \$20 a barrel is much more profitable with oil trading around \$60.... Since January 2002, stocks of major oil companies have gained 88 percent; during that period the Standard and Poor’s 500 index has gained less than half as much.

Oil producers have also given investors a raise by gradually increasing the dividends paid out to shareholders.”

Here’s a [2007 Public Citizen report](#) summing up oil company wartime profits:

“Since George Bush became President in 2001, the top five oil companies in the United States have recorded profits of \$464 billion through the first quarter of 2007:

ExxonMobil: \$158.5 billion

Shell: \$108.5 billion
BP: \$89.2 billion
ChevronTexaco: \$60.9 billion
ConocoPhillips: \$46.9 billion"

In February 2008, [CNN reported](#):

"Exxon shatters profit records

Oil giant makes corporate history by booking \$11.7 billion in quarterly profit; earns \$1,300 a second in 2007.

Exxon Mobil made history on Friday by reporting the highest quarterly and annual profits ever for a U.S. company, boosted in large part by soaring crude prices.

Exxon, the world's largest publicly traded oil company, said fourth-quarter net income rose 14% to \$11.66 billion, or \$2.13 per share. The company earned \$10.25 billion, or \$1.76 per share, in the year-ago period.

The profit topped Exxon's previous quarterly record of \$10.7 billion, set in the fourth quarter of 2005, which also was an all-time high for a U.S. corporation."

In January 2009, during a severe economic crisis, the [Washington Post reported](#):

"Exxon Mobil finished a roller-coaster year in the oil markets with an all-time record \$45.2 billion in profits...

The world's most far-flung oil giant broke its own record for corporate profits in a year that saw oil prices climb to \$147 a barrel in July... Exxon Mobil still beat analysts' expectations by registering \$7.82 billion in profits, or \$1.55 a share, for the final quarter of the year. Exxon Mobil and Chevron's revenue combined for 2008 exceeded the gross domestic product of all but 16 of the world's nations, according to Bloomberg.

Royal Dutch Shell, Europe's largest oil firm... posted a \$26.3 billion profit for the year."

Once again, beyond these blatant examples of war profiteering, there are more insidious forces at play that most people don't see. When you take a closer look at the oil profits, you see the true driver and ultimate beneficiary of these profits are none other than the same people who benefited the most from the stock market collapse and the ensuing [\\$23.7 trillion taxpayer "bailout."](#)

As the Washington Post reported, the huge oil profit margins were the result of the soaring price of a barrel of oil, reaching "\$147 a barrel in July."

The InterContinental Exchange (ICE)

In 2000, Goldman Sachs, Morgan Stanley and several oil companies "founded the [InterContinental Exchange \(ICE\)](#).... ICE is an online commodities and futures marketplace. It is outside the US and operates free from the constraints of US laws. The exchange was set up to facilitate 'dark pool' trading in the commodities markets."

A [Congressional investigation into this exchange](#) found that these companies were

fraudulently inflating the price of oil by executing “round-trip” trades where one company would sell shares in oil to another company who would then sell the shares right back. This would drive the price of oil to however high they wanted it to go to. “No commodity ever changes hands. But when done on an exchange, these transactions send a price signal to the market and they artificially boost revenue for the company. This is nothing more than a [massive fraud](#), pure and simple.”

So when oil was selling at \$147 a barrel, the actual worth was most likely closer to half that price. [Phil's Stock World](#) summed up the situation:

“How widespread are ‘round-trip’ trades? The Congressional Research Service looked at trading patterns in the energy sector and this is what they reported: This pattern of trading suggests a market environment in which a significant volume of fictitious trading could have taken place. Yet since most of the trading is unregulated by the Government, we have only a slim idea of the illusion being perpetrated in the energy sector.

DMS Energy, when investigated by Congress, admitted that 80 percent of its trades in 2001 were ‘round-trip’ trades. That means 80 percent of all of their trades that year were bogus trades where no commodity changed hands, and yet the balance sheets reflect added revenue...

...the InterContinental Exchange; that is, the online, nonregulated, nonaudited, nonoversight for manipulation and fraud entity run by banks in this country....

Under investigation, a lawyer for J.P. Morgan Chase admitted the bank engineered a series of ‘round-trip’ trades with Enron....

ICE... turned commodity trading into a speculative casino game where pricing was notional and contracts could be sold by people who never produced a thing, to people who didn’t need the things that were not produced. And in just 5 years after commencing operations, Goldman Sachs and their partners managed to TRIPLE the price of commodities.

Goldman Sachs Commodity Index funds accounted for \$60Bn out of \$100Bn of all formula-managed funds in 2007 and investors in the GSCI lost 15% in 2006 while Goldman had a record year. John Dizard, of the Financial Times calls this process ‘date rape’ by Goldman Sachs...

It is not surprising that a commodity scam would be the cornerstone of Goldman Sachs’ strategy. CEO Lloyd Blankfein, rose to the top through Goldman’s commodity trading arm J Aron, starting his career at J Aron before Goldman Sachs bought them over 25 years ago. With his colleague Gary Cohn, Blankfein oversaw the key energy trading portfolio. According to Chris Cook: ‘It appears clear that BP and Goldman Sachs have been working collaboratively – at least at a strategic level – for maybe 15 years now. Their trading strategy has evolved over time as the global market has developed and become ever more financialised. Moreover, they have been well placed to steer the development of the key global energy market trading platform, and the legal and regulatory framework within which it operates....

Before ICE, the average American family spent 7% of their income on food and fuel. Last year, that number topped 20%. That’s 13% of the incomes of every man, woman and child in the United States of America, over \$1Tn EVERY SINGLE YEAR, stolen through market

manipulation. On a global scale, that number is over \$4Tn per year – 80 Madoffs! Why is there no outrage, why are there no investigations. Well the answer is the same – \$4Tn per year buys you a lot of political clout, it pays to have politicians all over the world look the other way while GS and their merry men rob from the poor and give to the rich on such a vast scale that it's hard to grasp the damage they have done and continue to do to the global economy.”

The [congressional investigation](#) into ICE concluded that they couldn't do anything about it because the exchange was set up offshore.

How convenient!

So here we can see, that behind almost all of our societal problems and suffering, you have this small elite group profiting on destruction and misery at record highs.

When Gold Sachs CEO Llyod Blankfien says that he is doing “[God's work](#),” one has to wonder, who is the God he is praying to?

Famed two-time Congressional Medal of Honor recipient US Brigadier General Smedley D. Butler accurately [summed up the situation when he said](#): “I spent 33 years in the Marines, most of my time being a high-class muscle man for big business, for Wall Street and the bankers. In short, I was a racketeer for Capitalism.... The general public shoulders the bill. This bill renders a horrible accounting. Newly placed gravestones, Mangled bodies. Shattered minds. Broken hearts and homes. Economic instability. Back-breaking taxation for generations and generations.”

WHAT IT ALL COMES DOWN TO...

In the global economy, the economic elite don't need the US public anymore. When you see Obama taking trips to meet with the leader of China, and having his first official [White House State Dinner in honor of the Prime Minister of India](#), you should know that the elite have moved on. There are billions of people in just these two countries that they believe can do all the work we do for much less pay. It is a race to the bottom, and we are considered obsolete to technocratic leaders who think it is better to hire cheaper workers in foreign lands.

As the US continues to collapse, the technocrats have already moved on to the next country to rape and pillage. The economic elite don't have a home country, to them the entire globe is theirs, and the majority of the US can collapse into poverty for all they care, and that's exactly what they want to happen.

The US working class is the biggest threat to them and they want us eliminated.

As the IMF would say, there has been a *structural adjustment program* in place, and the US working class is obsolete.

When you understand this, you can understand how the wars in Iraq, Afghanistan and Pakistan are wars against the US public. Wars that weaken and drain the US working class of vital resources and social safety nets.

In the overall picture, the technocratic elite see everyone as a number on a spreadsheet. To them you are what your economic net worth says you are. Considering this perspective,

most in the US public have much more in common with an Afghanistan farmer than the billionaires on Wall Street. And the billionaires have put us in the same category as those in Afghanistan. To them it really doesn't matter if it's an American life ended or an Afghani life ended in the war, as long as the profits keep coming in... they can care less.

Common sense and statistics demonstrate that the more troops you send into war, the higher the causality count will be, and the more costs will rise, leading, of course, to higher profits.

So as the Obama illusion and the motives behind this war become exposed, and the massive theft by the economic elite becomes known to a critical mass, the elite are ramping up their psychological operations on the US public by turning up their mainstream media distraction machine.

PSYOPS: WAG THE DOG AND SHAKE THE MOHAMMED

With the healthcare debate losing steam, and the people starting to understand that the final bill will do little to create much needed change, and as "health care reform" is exposed as another gift to insurance company executives, and as unemployment rates remain high, the [Economic Death Squad](#) vitally needs some new *distractions*.

Never mind the criminals on Wall Street: It's time to... *Wag the Dog and Shake the Mohammed*

By *Wag the Dog*, I am of course referring to the old political trick of *distracting public consciousness* away from a crisis by starting, or in this case drastically escalating, a war.

Don't worry about the \$23.7 trillion of public wealth that was given to Wall Street as a reward for destroying the economy, we are at war and it's time for you to *support our troops*.

Ah, yes, another racket to pile up more of the economic poor.

[Barack W. Obama](#), once again, bows to... the elite... and serves up yet another gift by sending more US citizens to the Af-Pak region.

[50 million US citizens](#) are already living in dire straights, so what's the big deal if you just throw another 220,000 US lives onto the fire, not to mention the millions of Afghani, Pakistani and Iraqi lives.

But a war in a distant land just isn't enough, is it?

American public opinion has long been saturated in the *distraction of war*, and given the severity of the economic crisis, the elite policy makers figured another surge in Eurasia just wouldn't be enough of a distraction.

So the [psychological operations](#) PR department has decided to also *Shake the Muhammad*. Yes, bring the 9/11 "mastermind," Khalid Sheikh Mohammed, back to the scene of the crime and create a New York *media frenzy*. Now that's a distraction!

Not only will it cause a media frenzy, it will also reaffirm public opinion in the war effort... win, win!

I don't know about you, but as someone who grew up a New Yorker and spent the last five years of my life living three blocks from Ground Zero, I have to say, take your *psychological operations* to a different location.

You are going to have the "9/11 mastermind" in a courtroom right around the corner from the biggest terrorists of all... Wall Street.

Khalid Sheikh Mohammed, Llyod Blankfien, Jamie Dimon and John Mack are all going to be in one place, at the same time! We will have the "9/11 mastermind," Goldman Sachs, JP Morgan and Morgan Stanley all in the same zip code... HELLO!

Can you say here comes the next Timothy McVeigh?

Yes, the USA... is an insane asylum! So just *Wag the Dog and Shake the Mohammed*.

U.S. Insurgency: Violent, Strategic Dislocation Within U.S.

Will there be a violent insurgency within the US?

As a growing number of American lives are directly negatively impacted, media propaganda operations will lose their ability to confuse and distract. Studies of societal breakdowns prove that having such a large population experiencing severe and prolonged economic decline will result in violent outbrakes.

Other than the 50 million US civilians living in dire straights, what will happen as thousands of bitter soldiers and US intelligence agents — who have given their lives to these wars, only to return home to find an [economy in ruins](#) and a healthcare system that has [thrown them overboard](#) — begin to make these connections and understand that a small group of men on Wall Street are at the root of their suffering?

Well, some former military and intelligence agents, including a growing number of current serving members, have already made this connection, and they are organizing, training and strategizing tactical operations. They are factions inside a quickly growing - heavily armed - [militia movement](#) that now numbers over [200 active cells](#), within the US.

The mainstream press gives some passing attention to the fringe factions that make threats against Obama, but the more experienced soldiers understand that he is just a figurehead and they have connected all these dots and have come to the conclusion that this war is actually a war to create profits for the economic elite at the expense of the US public.

Llyod Blankfein, Jamie Dimon and John Mack can [arm themselves](#) and hire all the security they can get, but will it actually keep them safe when you have a population of millions living in dire straights as a direct result of their actions? At this point, even their own security members may be conspiring against them.

The Obama illusion is fading fast. Every time you see through it, you get a glimpse of them. The [Economic Death Squad](#) is exposed under the bright light of inspection and investigation.

Take a look at many of the major problems facing us today, as a country and as a species, and then you will understand that these problems exist because the economic elite are profiting off of them.

Obama is just their mask, an illusion to pacify the masses. The economic crisis and the wars have now shattered this illusion – it has come crashing down... upon us.

It has become clear that an opinion has emerged among a growing segment of the United States population: If the government will keep pouring money into banks and war, and won't stop the theft of US taxpayer money by holding accountable those responsible for it, WE MUST.

And the question that arises after that: Can it be done non-violently?

I certainly hope it can.

However, this growing segment of the population uses strong rhetoric and is prepared to take up arms.

With over 200 active militia cells, who are equipped with weapons, training and strategizing, the government must take swift action to rein in the economic elite. Otherwise, we are heading to war, not in a distant foreign land, within the US.

The economic elite are well aware of the threat of a violent uprising within US borders. US Army documents have revealed that strategic plans are already formed for this situation. Chris Hedges explains:

"The military must be prepared, the document warned, for a '[violent, strategic dislocation inside the United States](#),' which could be provoked by 'unforeseen economic collapse,' 'purposeful domestic resistance,' 'pervasive public health emergencies' or 'loss of functioning political and legal order.' The 'widespread civil violence,' the document said, 'would force the defense establishment to reorient priorities in extremis to defend basic domestic order and human security.'

'An American government and defense establishment lulled into complacency by a long-secure domestic order would be forced to rapidly divest some or most external security commitments in order to address rapidly expanding human insecurity at home,' it went on.

'... this might include use of military force against hostile groups inside the United States. Further, DoD [the Department of Defense] would be, by necessity, an essential enabling hub for the continuity of political authority in a multi-state or nationwide civil conflict or disturbance,' the document read.

In plain English... this translates into the imposition of martial law and a de facto government being run out of the Department of Defense. They are considering it. So should you."

We could have a situation where the government deploys private soldiers, mostly foreign nationals, on US soil to fight against US citizens. Blackwater and DynCorp already had [active duty soldiers deployed within the US](#) when Hurricane Katrina hit.

In New Orleans, they were essentially a foreign occupying force.

LOSS OF FAITH IN POLITICAL PROCESS

In response to the report, "[The Critical Unraveling of US Society](#)," readers primarily critiqued

the part in which we call on readers to [engage their representatives](#).

An irate majority of the responses have consistently stated that they have repeatedly contacted their representative through multiple forms of communication, and no action was taken. A growing segment of the US population has now lost *all faith in our government* and they are on the verge of taking violent action.

Personally, I believe that non-violent action is a much more strategic and effective move. We are 99% of the population, and the enemy is less than 1%. We are a sleeping giant; they are a small group of clueless greed-addicted people who desperately cling to the Administration, Treasury, Fed and a few other firms like Goldman Sachs and JP Morgan.

If we can take action on a mass non-violent scale, the rule of law and economic justice can be obtained. In our nation's history, the stakes have never been higher. If we cannot organize a mass movement to non-violently oppose outright theft, then violence will ultimately tear our nation apart.

The question on my mind: Can we swiftly mobilize such a heavily propagandized population to take mass non-violent action?

A growing population does not believe we can do so, and is on the verge of launching a heavily armed insurgency.

So in the months ahead, while they are *Wagging the Dog* and *Shaking the Mohammed*, the US public vitally needs to understand that the *stakes have never been higher*.

And the *clock is ticking* . . .

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