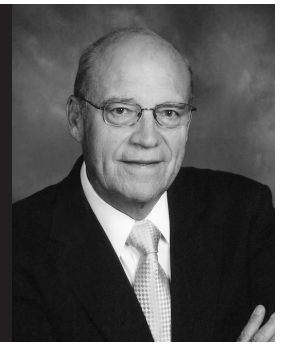




Dr. Fred Schwarz

The Schwarz Report



Dr. David Noebel

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America's Form of Communism

by Matthew Vadum

Though many have declared the Occupy Wall Street movement a failure, it won a major propaganda victory when it forced the phony political issue of “income inequality” into the national political debate, according to one of its leaders in a new article.

The article, titled “The Triumph of Occupy Wall Street,” appears at *The Atlantic*, the home of radical leftists, market participants in the racial grievance industry, and mushy moderates.

It was written by radical left-winger Michael Levitin, a co-founder of *The Occupied Wall Street Journal*, an OWS “affinity group.” (Its website had not been updated in 1,000 days at the time of writing.) The article is a mixture of truth and baldfaced lies that slavishly defends a philosophy of failure and a movement that is based on Marxist lies, as David Horowitz and John Perazzo demonstrated in their pamphlet “Occupy Wall Street: The Communist Movement Reborn.” Despite the various problems with Levitin’s article, he points to an unfortunate side-effect of the short-lived movement: the left has become more bold in its open promotion of communist themes and ideology and is pushing them into mainstream politics like never before.

The fairly recent sharpening of rhetoric in which the mythical “one percent” are depicted as the class enemies of everyone else is new in the American experience. Not everyone accepts the frame, but few challenge it, even among conservatives.

This national brainwashing through the power of repetition has boosted left-wing causes such as organized labor’s destructive push for a \$15 an hour minimum wage. It has helped greens advance their antisocial causes such as opposition to fracking, opposition to the Keystone XL pipeline, and a divestment movement on college campuses that claims to have forced universities and institutional investment funds to unload \$50 billion in fossil fuel investments. It has also emboldened left-wingers to push for student loan forgiveness and step up their attacks on the First Amendment by pushing a constitutional amendment that would reverse the Citizens United ruling and overturn the ancient legal principle that corporations are “persons” capable of raising funds and suing and being sued. In other words, the Left is waging a full-scale war on both the Bill of Rights and the legal concept of limited liability, the beating heart of free enterprise.

The protests and rampant criminality on display with Occupy Wall Street distracted from the endless scandals and policy failures of the Obama administration. This helped to get President Obama reelected in 2012 in an election that he should have lost big time. By nominating Mitt Romney whose net worth was said to be at least \$250 million, Republican primary voters unwittingly helped to advance the false leftist narrative that the GOP was the party of out-of-touch rich people.

This allowed the media to run all sorts of hit pieces disguised as human interest stories. For example, the media focused on the fact that Romney’s wife, Ann, owns several champion dressage horses and competes in tournaments in what most people would consider to be a rich person’s sport. Always deemphasized was the fact that she suffers from multiple sclerosis, a terribly debilitating disease that among other things robs its victims of muscle control, and that riding has been so therapeutic for her that it, in her words, “saved my life.”

Occupy Wall Street has had a discernible impact, Levitin writes.

“Nearly four years after the precipitous rise of Occupy Wall Street, the movement so many thought had disappeared has instead splintered and regrown into a variety of focused causes. Income inequality is the crisis du jour—a problem that all 2016 presidential candidates must grapple with because they can no longer afford not to. And, in fact, it’s just one of a long list of legislative and political successes for which the Occupy movement can take credit.”

He is correct when he writes about the words Americans now use when discussing politics. “Until recently, Occupy’s

chief accomplishment was changing the national conversation by giving Americans a new language—the 99 percent and the 1 percent—to frame the dual crises of income inequality and the corrupting influence of money in politics.”

As this writer observed three years ago, the Occupy movement that began in lower Manhattan, complete with “rape tents” and rampant crime, has reframed the political debate—for the worse.

It is now impossible to turn on the radio or television without hearing public affairs and political issues framed in Marxist terms, as matters of so-called economic equality pitting the “1 percent” against the “99 percent.”

In an act of self-congratulation, Levitin took credit on behalf of Occupy for Hillary Clinton telling Iowans in April that “the deck is still stacked in favor of those at the top.” Clinton’s rhetoric has gotten even sharper in recent weeks as she sharpens the blade on her class-warfare guillotine.

“[T]he debate over inequality sparked by Occupy has radically remade the Democratic Party,” he contends in one of his more dubious assertions. Levitin ignores the fact that the far Left captured that party in 1972 in Miami when it nominated George McGovern to take on President Nixon. “There won’t be any riots in Miami because the people who rioted in Chicago [at the 1968 Democratic convention] are on the Platform Committee,” then-Democratic delegate Ben Wattenberg wrote of the 1972 convention.

Occupy has merely cleared the way for Democratic lawmakers in Congress to become more in-your-face about their beliefs without causing much of a backlash.

Occupy Wall Street has shifted perceptions. That admitted socialist Bernie Sanders, whose career is devoted to regurgitating tedious Marxist clichés, is even being taken seriously as a Clinton challenger is more proof of how Occupy has changed the nation’s political culture. Levitin implies that Occupy somehow moved Sanders to the left, as if such a thing were possible.

Sanders *is* Occupy Wall Street. Not surprisingly, Sanders was the first US senator in 2011 to declare his support for Occupy Wall Street, praising its activists for focusing a “spotlight” on the need for “real Wall Street reform.”

Bernie has long believed in the doctrinaire drivel he has been spouting since he was mayor of Burlington, Vermont. He displayed a Soviet flag in his mayoral office and in 1985 visited Nicaragua to celebrate the sixth anniversary of Daniel Ortega and his Marxist-Leninist Sandinista government’s rise to power. According to AIM’s Cliff Kincaid, in the 1980s Sanders “collaborated with Soviet and East German ‘peace committees’” whose aim was “to stop President Reagan’s deployment of nuclear missiles in Europe.” He also “openly joined the Soviets’ ‘nuclear freeze’ campaign to undercut Reagan’s military build-up.”

But now, courtesy of the Occupy movement which has de-stigmatized certain aspects of the Marxist faith, people no longer laugh at Sanders when he waxes ignorant on his worldview.

Republican candidates for the White House, too, have swallowed the Bolshevik bait, Levitin writes gleefully:

“Even leading Republican contenders have jumped on the inequality bandwagon: Jeb Bush, through his Right to Rise PAC, asserted that “the income gap is real,” while Ted Cruz admitted that “the top 1 percent earn a higher share of our income nationally than any year since 1928,” and Marco Rubio proposed reversing inequality by turning the earned-income tax credit into a subsidy for low-wage earners.”

Levitin’s article is yet more proof that left-wingers struggle with economics and basic math and that facts are never an obstacle when trying to advance the narrative.

Rubio doesn’t want to convert the Earned Income Tax Credit (EITC) into a subsidy for low-wage earners because it already is one. EITC is a welfare program that provides a taxpayer subsidy for low-wage earners. The IRS acknowledges that last year it paid out more than \$66 billion in EITC benefits to nearly 28 million eligible individuals and families. Because it is a “refundable tax credit,” many recipients got benefits even if they had no tax withheld.

Rubio has offered an as yet vague proposal under which EITC would continue to function as a subsidy for low-wage earners. The Florida senator proposes changing some of the details of the program such as sending benefits monthly instead of once a year at tax-filing time.

Although Ted Cruz, a Republican senator from Texas,

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did say what Levitin attributes to him (on Fox News Channel on Jan. 20 of this year), Cruz wasn't necessarily buying into the idea that income inequality is a problem. He was pointing out that Obama's policies have worsened this so-called problem about which the Left incessantly whines. Unfortunately, he refrained from attacking the premises on which the leftist complaint about "income equality" rests.

Still, the fact that Cruz felt the need to discuss the income inequality boogeyman at all is a testament to the effectiveness of Occupy Wall Street.

Few could have imagined just a few years ago that Marxist class-consciousness would nowadays be taken seriously even by Republican presidential candidates. The GOPers don't seem to realize that they should not grant this communistic claptrap even a smidgen of legitimacy by helping it enter standard political discourse. It won't appeal to good, patriotic Americans, or to that much sought-after creature, the Independent voter.

This so-called issue should not be addressed by Republicans at all, unless they seek to discredit it as a concept. Economic inequality, as the Left calls this non-problem, is not a glitch; it is an essential feature of capitalism.

It is a virtue, not an evil. The fact of economic inequality is proof that freedom exists; in fact the two ideas are inextricably bound together. A recognition that people are different and that forcing them to behave a certain way is generally a bad idea, are what made this country great and prosperous. Americans should never, ever apologize for these foundational ideas.

At risk of sounding pedantic, it needs to be said that sometimes people have to be reminded of the obvious fact that human beings have different abilities and characteristics. This is as it should be. Some are tall; some are short. Some are physically attractive; some are plain or unattractive. Some are smart; some are simple-minded. Some have marketable skills; others less so.

This is simply the way it is. This is reality and in a sane America this would be where all political discussions begin. The Framers of the Constitution knew this and they designed the Constitution with human nature in mind. Many Americans seem to have forgotten this basic point. They don't understand that only those at war with reality want to perfect humanity or redistribute wealth. From V.I. Lenin to Kim Jong-un, the utopian schemes of those who refuse to accept human beings as they are have generated oceans of blood.

There is no upside for Republicans to pander to the media or the mobs in the streets on economic inequality because those who consider it to be a legitimate issue are

so far gone that they won't vote for Republicans anyway.

On the positive side, apart from Obama's reelection, not too many Democrats, the natural beneficiaries of populist, class-warfare politics, have benefitted from what OWS did. Democrats were crushed by Republicans in the congressional elections last year. Voters flipped control of the US Senate to the GOP and strengthened the Republican majority in the House of Representatives. Republicans' majority control of state legislatures and governors' mansions only increased as a result of an election that was, depending on the psephological metrics used, the Democratic Party's worst showing of all time.

George Soros, the Chinese Communism-loving anti-American hedge fund manager, certainly got his money's worth. The international pariah dubbed the uncrowned king of Eastern Europe by one critic, helped to overthrow the governments of Serbia and Georgia. He has cut checks to generate unrest in Turkey and Egypt, and strongly supported Barack Obama's candidacy. Supporting Obama makes sense because Soros believes that "the main obstacle to a stable and just world order is the United States." It is no coincidence that Obama holds the same belief.

Naturally, Soros is an ardent supporter of Occupy Wall Street which he has praised as "an inchoate, leaderless manifestation of protest." According to Soros, the movement has "put on the agenda issues that the institutional left has failed to put on the agenda for a quarter of a century."

Levitin agrees, acknowledging that short-term electoral conquest was never the goal of the community organizers, dirty hippies, and rapists of Occupy Wall Street.

The objective was to infect the national political conversation with Marxist tropes and ideology, which is unfortunately a new reality in America.

—*FrontPageMagazine.com*, June 15, 2015

Progressive, Socialist, Communist Agenda

by Aaron Klein

Last week, New York City Mayor Bill de Blasio unveiled a 13-point national "Progressive Agenda" that is being touted as the liberal "Contract with America."

The aim is for the "Progressive Agenda" to become the basis for the Democratic Party's main economic policies, including those of its 2016 presidential candidate.

De Blasio has compared his plan to the “Contract with America,” a document released by the Republican Party during the 1994 congressional election and drawn up by future House Speaker Newt Gingrich to serve as the GOP policy agenda.

Now WND documents that most of the 13 points in de Blasio’s “Progressive Agenda” can also be found in the manifestos and literature of the Communist Party USA and the Socialist Party USA.

The full progressive plan, entitled, “The Progressive Agenda to Combat Income Inequality,” can be found on the agenda’s new website.

Here is a comparison of the Agenda’s plan with literature from the manifestos and writings of the Community Party USA, or CPUSA, and the Socialist Party USA, or SPUSA.

- Progressive Agenda: “Raise the federal minimum wage, so that it reaches \$15/hour, while indexing it to inflation.”

SPUSA: “We call for a minimum wage of \$15 per hour, indexed to the cost of living.”

CPUSA: Calls for “struggles for peace, equality for the racially and nationally oppressed, equality for women job creation programs, increased minimum wage. . . .

Even with ultra-right control of the Federal government, peoples legislative victories, such as increasing the minimum wage, can be won on an issue-by-issue basis locally, statewide, and even nationally.”

- Progressive Agenda: “Reform the National Labor Relations Act, to enhance workers’ right to organize and rebuild the middle class.”

SPUSA: “The Socialist Party stands for the right of all workers to organize, for worker control of industry through the democratic organization of the workplace.”

CPUSA: “One of the most crucial ways of increasing the strength and unity of the working class as a whole is organizing the unorganized. Working-class unity depends on uniting all the diverse sectors of the multiracial, multinational working class in the US. . . . Speeding up the organization of unorganized workers is one of the most important challenges to labor and all progressive forces.”

- Progressive Agenda: “Pass comprehensive immigration reform to grow the economy and protect against exploitation of low-wage workers.”

SPUSA: “We defend the rights of all immigrants to education, health care, and full civil and legal rights, and call for an unconditional amnesty program for all undocumented people. We oppose the imposition of any fees on those receiving amnesty. We call for full citizenship rights upon demonstrating residency for six months.”

CPUSA: Declares the “struggle for immigrant rights is a key component of the struggle for working class unity in our country today.”

- Progressive Agenda: Pass national paid sick leave. Pass national paid family leave.

CPUSA: In October 2014, hails that “women are fighting back to defend their jobs and their families against candidates who want to destroy women’s reproductive rights, health care, family leave, and paid sick days. Women’s voices and votes can make the difference in this election in the US Senate and House, for Governors and State Legislatures, and in the movement going forward for full equality.”

- Progressive Agenda: “Make Pre-K, after-school programs and childcare universal.”

SPUSA: “We support public child care starting from infancy, and public education starting at age three, with caregivers and teachers of young children receiving training, wages, and benefits comparable to that of teachers at every other level of the educational system.”

- Progressive Agenda: “Earned Income Tax Credit.” “Implement the ‘Buffett Rule’ so millionaires pay their fair share.”

SPUSA: “We call for a steeply graduated income tax and a steeply graduated estate tax. . . .”

CPUSA: “No taxes for workers and low and middle income people; progressive taxation of the wealthy and private corporations. . . .”

De Blasio criticized Obama as “too conservative” to assert a progressive economic vision and “too afraid to take the bold kind of action that President Roosevelt took” during the Great Depression, reported the liberal news network.

Speaking at the “Progressive Agenda” launch event outside the Capitol building last Tuesday, de Blasio said “something is changing in America.”

“It’s time to take that energy and crystallize it into an agenda that will make a difference,” he said. “We’ll be calling on leaders and candidates to address these issues, to stiffen their backbones, to be clear and to champion these progressive policies.”

The Hill quoted Rep. Charles Rangel, D-N.Y., saying de Blasio’s plan “could be the beginning of a revolution.”

Rep. Mark Pocan, D-Wis., commented the mayor’s plan represents “the meat on the bones of a progressive agenda.”

Rep. Yvette Clarke, D-N.Y., said, “The cavalry has arrived.”

The Hill reported that at the event, some Democrats pushed back against rumors de Blasio was attempting

to use the plan to nudge presidential candidate Hillary Clinton further to the left.

“There’s gossip in Washington that this is about trying to move a certain candidate in a certain direction,” said former Democratic Vermont Gov. Howard Dean. “If you look at that candidate’s record, you’ll find that she’s embraced a lot of this already.”

Last week’s de Blasio event was reportedly attended not only by politicians but also by union leaders and MSNBC host Al Sharpton.

The Atlantic reported the coalition supporting de Blasio’s plan includes Dan Cantor, executive director of the Working Families Party. Cantor also was a founder of the socialist-oriented New Party.

De Blasio once served as executive director of the New York branch of the New Party.

WND previously exposed that President Obama himself was listed in New Party literature as a member.

Soros economist behind Dem’s new ‘Contract with America’

As *WND* reported last week, a plan drawn up by a George Soros-funded professor seeking to “rewrite” the rules of the US economy forms the foundation of de Blasio’s new progressive agenda.

De Blasio’s “Progressive Agenda” was informed by a 112-page policy report at the liberal Roosevelt Institute titled “Rewriting the Rules of the American Economy,” reported MSNBC’s Alex Seitz-Wald.

That 112-page plan was crafted by Nobel prize-winning Columbia University economist Joseph Stiglitz, who previously conducted teach-ins at Occupy Wall Street.

Indeed, prior to last Tuesday’s launch of the “Progressive Agenda,” de Blasio attended an economic forum at the Roosevelt Institute co-hosted by Stiglitz, where he heaped praised on the economist’s “rewriting” plan.

Besides accepting funding from Soros, Stiglitz has engaged in numerous projects with the controversial billionaire and sits on the boards of Soros’ organizations, including one openly seeking to remake the world’s economy.

Stiglitz is a leading proponent of more government regulation of the economy.

He previously chaired the Commission on Global Financial Issues of Socialists International, the world’s largest socialist organization.

Stiglitz, the brains behind de Blasio’s new plan, has been an economic adviser to Obama, but he also criticized the president’s bank-rescue plan. Stiglitz said whoever designed that plan is “either in the pocket of the banks or they’re incompetent.”

Stiglitz won his Nobel for research on what became the theory of information asymmetry, which argues for more government intervention in failing economies than the traditional “market failure” school had previously advocated.

He has stated that “the real debate today is about finding the right balance between the market and government.”

“Both are needed. They can each complement each other. This balance will differ from time to time and place to place,” he has said.

Gavin Wright, chairman of Stanford’s economics department, summarized Stiglitz’s work.

“Broadly speaking, Joe’s theoretical work has had to do with the shortcomings and imperfections of market economy, not from the standpoint of a thorough-going rejection of the market economy but from the perspective that holds out hope for improvement through government regulation or use of the tax system,” Wright said.

Stiglitz was a member of President Bill Clinton’s administration, serving both in Clinton’s cabinet and as chairman of the White House Council of Economic Advisers.

Stiglitz’s most important contribution during his time in the Clinton administration was helping to define a new economic philosophy called a “third way,” which called for business and government to join hands as “partners,” while recognizing government intervention could not always correct the limitations of markets.

“Third Way” is an ideology first promoted as an alternative to free markets by Mikhail Gorbachev after the collapse of the Soviet Union. The “Third Way” of governing would be neither capitalist nor communist, but something in between.

In his 1998 “State of the Union” address, President Clinton outlined the “Third Way”: “We have moved past the sterile debate between those who say government is the enemy and those who say government is the answer. My fellow Americans, we have found a Third Way.”

The “Third Way” calls for business and government to join hands as “partners.”

Discover the Networks criticized the theory: “In short, Big Business would own the economy (as under capitalism), while Big Government would run it (as under socialism). Corporations would be persuaded to comply with government directives through subsidies, tax breaks, customized legislation, and other special privileges.”

Soros himself has been a vocal proponent of the “Third Way” economic policy.

Stiglitz, meanwhile, also became involved in “global warming” issues, including serving on the Intergovern-

mental Panel on Climate Change, helping to draft a new law for toxic wastes and serving on the boards of numerous environmental groups, such as the Alliance for Climate Protection.

Stiglitz is a prolific speaker. On Sept. 17, 2010, he gave a speech to the Swiss and Global Asset Management group in which his Power Point presentation, available online, stated the US is mired in Japanese-style malaise because of “greater inequality” and “weaker social protection.”

Stiglitz said the US was failing to come to “terms with its standing in the New Global Order.”

His presentation called for a “New Global Economic Order” in which the world is “no longer dominated by one ‘superpower,’” although he predicted China’s income per capita will remain much below that of the US.

Stiglitz is deeply tied to Soros. Stiglitz serves on the international advisory board of Soros’ Open Society Foundation.

The economist is the co-founder and president of the Initiative for Policy Dialogue, a globalist group which is funded by Soros’ Open Society Institute.

Along with numerous other Open Society Institute leaders, Stiglitz is a member of the Collegium International, a globalist group that proclaims in its official declaration “the Earth, home of humanity, constitutes a whole denoted by interdependence.”

Perhaps most significantly, Stiglitz sits on the board of the Institute for New Economic Thinking, or INET, an organization literally seeking to reorganize the entire global economic system.

George Soros is INET’s founding sponsor, with the billionaire having provided a reported \$25 million over five years to support INET activities.

In April 2011, Stiglitz spoke at INET’s annual meeting, which took place in the mountains of Bretton Woods, New Hampshire.

The gathering was held at Mount Washington Hotel, famous for hosting the original Bretton Woods economic agreements drafted in 1944. The initial conference’s goal was to rebuild a post-World War II international monetary system. The April gathering had a similar stated goal—a global economic restructuring.

A Business Insider report on the event related, “George Soros has brought together a crack team of the world’s top economists and financial thinkers.”

“Its aim,” continued the business newspaper, “is to remake the world’s economy as they see fit.”

More than two-thirds of the speakers at the 2011 conference had direct ties to Soros.

The keynote speaker at the Bretton Woods conference

was Columbia University economist Jeffrey Sachs, a board member of INET who is tied to both Soros and Stiglitz.

Sachs is engineer of a “shock treatment” economic doctrine that he has applied to other countries, most notably Bolivia and Poland. In both countries, critics charge, Sach’s doctrine led to economic failure.

In 2009, Sachs narrated an audio book titled “George Soros and Joseph Stiglitz—America: How They See Us.”

Stiglitz, meanwhile, has other ties to Soros. When he chaired the U.N.’s Commission of Experts on Reforms of the International Monetary and Financial System, the commission included Soros-tied economists, such as Robert Johnson, former chief economist of the US Senate Banking Committee who previously was the managing director at Soros Fund Management. Johnson also is on the board of the Soros-funded Economic Policy Institute and the Institute for America’s Future.

—*WorldNetDaily.com*, May 17, 2015

Bankrolling the Castros

by Mauricio Claver-Carone

Three bills full of lofty but disingenuous rhetoric about “supporting the Cuban people” were recently filed in the US Senate to ease sanctions. To have an honest debate about sanctions on Cuba, it’s important to understand how that totalitarian regime conducts business. The bills primarily benefit three monopolies in Cuba, all owned and operated by the Cuban government: Etecsa, Alimport and Gaesa.

Let’s look at each piece of legislation:

- *The Cuba Digital and Telecommunications Advancement Act*. This bill’s purpose is to provide millions of US dollars to develop telecom infrastructure for the Empresa de Telecomunicaciones de Cuba, S.A. (Etecsa), owned by the Cuban government. The company works with the secret police of Cuba’s President Raúl Castro, tapping phone lines, monitoring conversations, censoring the Internet, and persecuting Cubans discovered with homemade satellite dishes.

Etecsa is very good at what it does, according to a recent report by Freedom House, a nongovernmental organization based in Washington, D.C., that ranks Cuba, China, Iran, and Syria as the world’s most Internet-repressive governments.

The cosponsors of the Cuba Digital and Telecommunications Advancement Act, including New Mexico

Democratic Sen. Tom Udall and Arizona Republican Sen. Jeff Flake, argue that foreign investment in Etecsa will lead to greater Internet connectivity for the Cuban people. Apparently they are unaware that Telecom Italia owned a 27% stake in Etecsa from 1995-2011. Or that America's Sprint Corporation provided Etecsa with its first Internet connection in 1996, and that France's Alcatel-Lucent laid new fiber optic cable for Etecsa in 2012.

None of those "foreign investments" improved connectivity for the Cuban people. What the investments did was improve the Cuban government's ability to control its people.

Etecsa already provides Internet service in Cuba. The problem is that the Cuban government only allows foreigners and its own apparatchiks to access the Internet. So this Senate bill purports to solve a problem that doesn't exist and offers nothing to change the real problem.

• *The Agricultural Export Expansion Act*. This bill seeks to provide lines of credit to the Empresa Cubana Importadora de Alimentos, S.A. (Alimport), the Castro brothers' import monopoly. This government organ is already well supplied by US taxpayers. Since Congress passed the 2000 Trade Sanctions Reform and Export Enhancement Act, nearly \$4 billion in US agricultural products have been sold to Cuba. The only buyer was Alimport. As the US Agriculture Department reports: "The key difference in exporting to Cuba, compared with other countries in the region, is that all US agricultural exports must be channeled through one Cuban government agency, ALIMPORT."

One result is that little of the food and medicine that Cuba imports from the US ever makes it to stores where Cubans shop. It isn't available on ration cards either. Instead, agricultural imports from the US end up on the tables of Cuban government-owned tourist resorts and in government-owned stores that accept only "hard currencies," such as dollars or euros.

Experience demonstrates that exporting to Cuba is not about assisting small and midsize farmers on the island, as the bill's cosponsors, including Sens. Heidi Heitkamp, a North Dakota Democrat, and John Boozman, an Arizona Republican, would like their legislative colleagues to believe. It's about financing the monopoly run by the Castros.

• *The Freedom to Travel to Cuba Act* is a billion-dollar windfall for Grupo de Administracion Empresarial, S.A.—the most notorious and vile of the Cuban-government monopolies.

Gaesa is the holding company of Cuba's Ministry of the Revolutionary Armed Forces, Cuba's military. It is the dominant driving force of the island's economy.

Established in the 1990s by Raúl Castro, who succeeded his brother Fidel as Cuba's leader, it controls tourism companies, ranging from the very profitable Gaviota S.A., which runs Cuba's hotels, restaurants, car rentals, and nightclubs, to TRD Caribe S.A., which runs the island's retail stores. Gaesa controls virtually all economic transactions in Cuba and is run by Raúl Castro's son-in-law, Gen. Luis Alberto Rodríguez López-Callejas.

Arizona Sen. Jeff Flake, one of the cosponsors of the Gaesa bill along with Vermont Sen. Patrick Leahy and others, says that it allows Americans to travel to Cuba. But that is misleading. Any American today can travel to Cuba under one of the 12 broad categories of purposeful travel. What Mr. Flake proposes to lift are restrictions imposed in 2000—Trade Sanctions Reform and Export Enhancement Act—on tourism-related transactions with Gaesa. Those restrictions are there because tourism is to Cuba's military and security forces what oil is to Iran's military.

Spending by Canadian, European, and Latin American tourists enjoying Cuba's all-inclusive beach resorts sustains the government's military and security services. It finances the government's operations to share intelligence with terrorist groups and rogue regimes and promote violence to subvert democracy in Venezuela—and finances a government that has been caught twice in the past two years smuggling heavy weaponry to the world's worst violators, including North Korea. Nonetheless, Mr. Flake's bill effectually earmarks millions in US tourist dollars for Gaesa.

US support for Cuba's government monopolies can only strengthen that brutal regime's totalitarian grip. The Cuban people know it, and US senators ought to be able to figure it out.

—*The Wall Street Journal*, June 24, 2015, p. A13

The Mafia Nation

by Humberto Fontova

Today President Obama further opened the financial floodgates from the US to the world's most notorious deadbeat nation—who is also a "State Sponsor of Terrorism."

Quotation marks are now required around the term "State-Sponsor of Terrorism" when referring to Cuba because just this morning, as the 45 day notification period to Congress expired, President Obama officially removed

Cuba from the State Department's list of State Sponsors of Terrorism, where President Reagan had placed it in 1982.

"Laughing all the way to the bank," hardly does justice to what the multi-billionaire Castro family must be doing this week. The \$7 billion they stole at Soviet gunpoint from US businessmen in 1960 hasn't even been mentioned by Obama's "negotiators" as a "discussion topic" for US "normalization."

And why should they mention it? Have any of them ever run a business? Tacky notions like settling up past debts before incurring new ones doesn't figure into the mind-set of these ultra-educated Beltway bureaucrats. That yahoo Sam Drucker mentality just isn't for them.

Today's further diplomatic benediction of Cuba by Obama means that the estimated \$4.2 billion already flowing from the US to Cuba annually will crank up nicely. This windfall resulted from Obama's flurry of executive orders abolishing Presidents Reagan and Bush's travel and remittance restrictions to Castro's fiefdom. In brief, almost every year since Obama took office more cash has been flowing from the US to Cuba than used to flow there from the Soviets at the height of their Cuba-sponsorship. Liberals and (libertarians) insist on calling such a state of financial affairs an "embargo."

Now this removal from the terror list will allow the Castro family to further loot international financial institutions like the World Bank and International Monetary Fund. You're aware, I'm sure, who ultimately foots most of the bill for these international welfare agencies, badly disguised as lending institutions?

Right. The US taxpayer.

On John Stossel's show recently your humble and hard-working servant tried explaining this peril to the US taxpayer of Obama's Cuba policy. Alas, libertarians (and thus presumably champions of the US taxpayer?), Stossell, and his CATO colleague blindly support Obama's Cuba policy. So my effort was vain.

As usual with libertarians, you present a real-world fact, they counter with a chant from the sacred texts of one of their economic gurus. You present another fully-documented historical event, they repeat their holy mantra. You're better off reasoning with a Hare-Krishna.

And speaking of terror-sponsorship. Just last week Cuba (practically) got caught red-handed supplying Chinese-made arms to the Western hemisphere's oldest, biggest, and most murderous terror-group, Colombia's FARC. The terror-death toll from these Fuerzas Armadas Revolucionarias de Colombia (FARC) exceeds 200,000, and includes more US citizens than have been murdered by ISIS.

So maybe it was a mere coincidence that the very week Obama planned to remove Cuba as a terror-sponsor the mainstream media blacked-out any mention of this blatant terror-sponsorship by Cuba in our own backyard.

Back in February, you see, Colombian authorities found 99 missile heads, 100 tons of gunpowder, 2.6 million detonators, and over 3,000 artillery shells hidden under rice sacks in a ship bound from Red China to Cuba that docked in the port of Cartagena, Colombia.

Most Cuba-watchers immediately guessed what was up. And just last week Colombian reporters (actually worthy of the name, unlike so many of ours) exposed the scheme. In brief:

*The arms were from a Chinese manufacturer named Norinco and the recipient was a Cuban company named Tecnoimport.

*But the ship stopped in the Colombian ports of Cartagena and Baranquilla (where the FARC is based, remember.)

*Colombia's crackerjack newspaper *El Espectador* also reports that many Norinco-manufactured arms have already been captured from FARC guerrillas over the past ten years. This proliferation of Cuba-smuggled Chinese arms to the terrorist FARC got so bad that in 2007-08 the Colombian authorities even send a diplomatic protest note to the Chinese.

This awkward information at this awkward time, needless to say, might have hampered Obama's plan to cleanse Castro from any taint of terror-sponsorship—assuming, that many people would have switched off the Kardashians to learn of it. Hence you're only reading about it here at *Townhall*.

Colombia's FARC goes so far as to thank the Cuban regime for their immense success at terror. "Thanks to Fidel Castro" boasted late FARC commander Tiro-Fijo in a 2002 interview, "we are now a powerful army, not a hit and run band."

A few years ago a report from Colombia's military intelligence DAS (Departamento Administrativo de Seguridad) obtained again by the crackerjack Colombian paper, *El Espectador* revealed that the FARC maintains a major office in Havana.

And oh . . . almost forgot. What about the Cuban people, the folks whose felicity Obama claims as the goal of his Cuban "opening?"

Well with their new Obama-issued economic lifeline gushing nicely, the Castro regime has unleashed a wave of terror on their subjects surpassing most of the terror of the past ten years, which is really saying something.

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