



Dr. Fred Schwarz

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Fidel Castro, Lee Harvey Oswald, and John F. Kennedy

by David A. Noebel

“The facts are that President Kennedy was a martyr in the Cold War struggle against communism. The assassin was a communist and not a bigot or a right-winger.” James Piereson, *The Wall Street Journal*, November 11, 2013, p. A 13

“A Soviet spokesman said that, ‘Senator [Barry] Goldwater and other extremists on the right could not escape moral responsibility for the president’s death.’” Ibid

“A new book, *Dallas 1963*, put out by a respected publishing house, traces the assassination to ‘a climate of hatred’ created by rightwing businessmen, religious leaders, and media moguls.” Ibid

“The assassin’s motives for shooting Kennedy were undoubtedly linked to a wish to interfere with the president’s campaign to overthrow Castro’s government. . . . Castro, however, was probably aware of these plots against him, thanks to information thought to have been provided by a Cuban double agent. In early September, Castro declared in an interview with an American reporter that US officials wouldn’t be safe if they continue efforts to assassinate Cuban leaders.” Ibid

“In June 1963, Lee Harvey Oswald established a local chapter of Fair Play for Cuba, a national organization dedicated to gaining diplomatic recognition for Castro’s regime. Oswald was filmed by a local television station in New Orleans circulating leaflets on behalf of the Castro government and was jailed briefly following a street altercation with anti-Castro Cubans. Soon thereafter he appeared on a local television program to debate [with Carlos Bringuier, etc.] US policy toward Cuba.” Ibid

“In November 1963, Cuban intelligence officer Florentino Aspillaga was posted in a little hut near a Cuban beach where he operated listening equipment trained on Miami and CIA headquarters in Virginia. On the morning of Nov. 22, Mr. Aspillaga—who would defect to the US in 1987—said that he was ordered ‘to stop all your CIA work, *all* your CIA work.’ He was instructed to ‘put all of my equipment to listen to any small detail from Texas. They told me Texas.’ Did Castro know that Lee Harvey Oswald was about to assassinate President Kennedy? Brian Latell, a veteran CIA Cuba analyst who spent 15 hours interviewing Mr. Aspillaga for his newly revised *Castro’s Secrets*, (Palgrave MacMillan), makes a strong case that he did.” Mary Anastasia O’Grady, *The Wall Street Journal*, November 18, 2013, p. A 15



In spite of the obvious connections between Fidel Castro, Lee Harvey Oswald, and John F. Kennedy the following Americans and American institutions continue to portray Fidel Castro, a Stalinist communist, and his chief executioner Che Guevara, as heroes worthy of adulation and sainthood.

The following is from one of the most important books of 2013—Humberto Fontova, *The Longest Romance: The Mainstream Media and Fidel Castro*.

“*Newsweek* hailed Cuba as among ‘the best countries in the world to live’” (p. vii).

“*Newsweek*: ‘Castro is honest, and an honest government is something unique in Cuba. Castro is not himself even remotely a Communist’ (p. 2).

“He [Fidel Castro] is one of the most amazing human beings I’ve ever met” (Emanuel Cleaver, Congressional Black Caucus, p. 3).

“We greeted each other as old friends” (Jimmy Carter, p. 4).

“To my knowledge, that’s never been proven [that Castro murdered people]. . . . I admire certain things about him. He’s trained a lot of doctors” (Ted Turner, p. 7).

“Judicial evidence is an archaic bourgeois detail. We execute from revolutionary conviction” (Che Guevara, p. 9).

“According to the Cuba Archive Project, headed by scholars Maria Werlau and the late Armando Lago, the Castro regime—with firing squads, prison tortures, forced-labor camps and drowning at sea—has caused an estimated 100,000 Cuban deaths” (p. 9).

“Today the US State Department still lists Cuba as a State Sponsor of Terrorism” (p. 11).

“OK, let’s try the names of some women political prisoners who were jailed and tortured for years and even decades by Fidel Castro’s regime: Ana Rodriguez, Miriam Ortega, Isabel Tejera, Nelly Rojas, Olga Morgan, Maritza Lugo, Georgina Cid, Caridad Roque, Sara Del Toro, Mercedes Pena, Aida Diaz Morejon, Agata Villarquide, Alicia Del Busto, and Albertina O’Farrill” (p. 11).

“Again the names are all unfamiliar, right? Yet these ladies all live in the US today, mostly minutes from mainstream media studios. But no producer for Oprah or Joy Behar or Katie Couric, none from the Lifetime or Oxygen TV, much less the History Channel, has ever called them” (p. 12).

“‘The national media have never shown the slightest interest in any of our stories,’ shrugs Caridad Roque from Miami today. Ms. Roque was arrested by Castro’s KGB-trained police at the age of 19 and suffered 16 years of prison and torture in Cuba” (p. 12).

“The Discovery Channel, on the other hand, seems to have a perpetual red carpet into Castro’s fiefdom” (p. 43).

“*National Geographic’s* partnerships with Castro’s propaganda ministry started with a January 1977 article—really an infomercial for Castroism—called ‘Inside Cuba Today’” (p. 51).

“In March 2012 *National Geographic* finally dropped any pretense of objectivity and ran an unabashed tourist infomercial entitled ‘Falling for Cuba’” (p. 51).

“The *Washington Post’s* Tom Miller, whose services to the [Castro] regime began with his book *Trading With the Enemy: A Yankee Travels Through Castro’s Cuba*, published in 1996” (p. 51).

“*The New York Times’s* Herbert Matthews . . . ‘invented’ Fidel Castro, according to fellow *Times* reporter Anthony DePalma” (p. 53).

“Herbert Matthews, Ed Murrow, Dan Rather, Barbara Walters, Ted Turner, Andrea Mitchell, etc. on the other hand, visit Castro’s fiefdom, bask in the Stalinist regime’s red-carpet treatment in appreciation for their ongoing sponsorship, then scoot back to Georgetown or the Upper West side of Manhattan while sipping mojitos on the flight” (p. 60).

“The very week Castro took power—with everyone from Herbert Matthews to Ed Murrow and Ed Sullivan

singing his praises as a ‘Christian humanist’—Castro’s hit teams went after Marques-Sterling’s partner in drafting Cuba’s social-democratic 1940 constitution” (p. 69).

“Castro’s revolution is very pure and beautiful. I’m encouraged by it. The Cuban people now have a decent change for the first time” (Ernest Hemingway, 77).

“As for the famous novelist—according to KGB defector Alexander Vassiliev, ‘the 42-year old Hemingway was recruited by the KGB under the cover name ‘Argo’ in 1941, and cooperated with Soviet agents whom he met in Havana and London’” (p. 77).

“Fidel Castro is one of the most extraordinary men of our age” (I.F. Stone, p. 81).

“Declassified Soviet documents expose I.F. Stone as a full-fledged KGB agent from 1936 to 1939 and a desultory ‘agent of influence’ for the rest of his life” (p. 81).

“You’ll find the identical ‘incongruity’ in Castro fans from Charles Rangel to Maxine Waters, from Danny Glover to Jack Nicholson, from Sidney Pollack to Steven Spielberg, from Francis Ford Coppola to Norman Jewison, from Ry Cooder to Bonnie Raitt” (p. 92).

“Former ‘Pretender’ singer Chrissie Hynde’s latest album is entitled ‘Fidelity!’ in honor of Fidel Castro” (p. 92).

“‘In Cuba, freedom is nonexistent,’ the rock guitarist told Mexico’s *Proceso* magazine. ‘The regime demands submission. It persecutes all hippies, homosexuals, poets, and free thinkers. It employs total repression against them.’ The Cuban rocker quoted above divulged the truth only because he’d managed to escape the nation-prison that Bonnie Raitt, Chrissie Hynde, Jimmy Buffett, Andy Summers, etc. all herald. That escapee’s name is Canek Sanchez Guevara—Ernesto ‘Che’ Guevara’s very grandson” (p. 93).

“Penalver, Zapata, Biscet, and thousands upon thousands of other Cubans were convicted in secret, by the regime’s hack judges, in a court system copied from Stalin. They suffered their sentences 90 miles from the US, with press bureaus including CNN, NPR, ABC, CBS, NBC, AP and Reuters within walking distance or a short cab-ride of their cells. Chances are you’re familiar with the injustices against Nelson Mandela but have never heard the names of the Cuban political prisoners, much less the details of their suffering” (p. 107).

“Learn some history! The movie is *Che*. Go! Learn!” (Stephen Colbert, p. 135).

“A great piece of work. This movie is based on history. It went to the source. If you own the poster and t-shirt you owe it to yourself to go learn about the man” (MSNBC’s Willie Geist, p. 135).

“I still have my Che Guevara poster. Che Guevara

was a freedom fighter” (Bob Beckel, Fox News, p. 135).

“While accepting the ‘best actor’ award at the Cannes Film Festival for his role as Che Guevara in Steven Soderbergh’s movie *Che*, Benicio Del Toro gushed: ‘I’d like to dedicate this to the man himself, Che Guevara!’” (p. 135).

“It wasn’t enough that Stephen Soderbergh and Benicio Del Toro produced what even *The New York Times* recognized as an ‘epic hagiography’ of the Stalinist who co-founded a regime that jailed political prisoners at a higher rate than Stalin during the Great Terror; murdered more Cubans than Hitler murdered Germans during the Night of the Long Knives; craved to incite a worldwide nuclear war; and in the process converted a nation with a higher per-capita income than half of Europe into a pesthole that repels Haitians” (p. 136).

“‘The US is the great enemy of mankind,’ raved the terrorist [Che Guevara] whom Soderbergh and Del Toro glorified and who got a standing ovation in Hollywood with both Robert Redford’s *The Motorcycle Diaries* and Soderbergh’s *Che*. ‘Against those hyenas [Americans] there is no option but extermination!’” (p. 137).

“‘In all essentials, Castro’s battle for Cuba was a public relations campaign, fought in New York and Washington.’ That’s no right-wing Miami Cuban; it’s British historian Paul Johnson, who initially sympathized with the Castro-Che regime” (p. 141).

“Let’s see—both Felix Rodriguez and Dariel Alarcon are intimately tied to the Che Guevara story; both were alternately cat-and-mouse with each other as part of this narrative; both have fascinating first-person accounts of war and international intrigue; and both live in free countries. So both could be easily located and both could speak at length without fear of censorship about Che Guevara’s military exploits” (p. 146).

“But don’t look for their fascinating story anywhere. It doesn’t fit the Hollywood narrative, nor that of PBS, NPR, ABC, CBS, NBC, the History Channel, A&E, and so on” (p. 146).

“Che Guevara often cheekily signed his early correspondence as ‘Stalin II’” (p. 153).

“Frankly, to be a poor child in Cuba may in many instances be better than being a poor child in Miami, and I’m not going to condemn their lifestyle so gratuitously” (Eleanor Clift, The McLaughlin Group, p. 159).

“Cuba could serve as a model for health-care reform in the United States” (Morgan Neill, CNN, p. 159).

“For more than a quarter-century, we have struggled unsuccessfully to guarantee the basic right of universal health care for our people . . . but Cuba has superb systems

of health-care and universal education” (Jimmy Carter, p. 160).

“Enter Fox News and Sean Hannity in particular [because ABC refused to broadcast the videos]. . . . On October 10, 2007, they ran huge segments of the smuggled videos. Fox viewers saw naked patients covered with flies while lying on hospital beds consisting of a bare mattress. They saw hospital buildings that would be condemn by the health board of any US municipality. They saw and heard Dr. Darsi Ferrer along with other Cubans who describe their inability to obtain something as basic as aspirins” (p. 165).

“An April 2005 story from *Agence France-Presse* entitled ‘96 Cuban Doctors Expelled from Brazil’ reported: ‘Federal Judge Marcelo Bernal ruled in favor of a demand by the Brazilian state of Tocantins’ Regional Council on Medicine that Cuban doctors be prohibited from practicing in their state.’ Based on the results they’d achieved with Tocantins’s residents, the judge referred to the Cuban doctors as ‘witch-doctors and shamans. We cannot accept doctors who have not proven that they are doctors’” (p. 168).

“Though two more epidemics have been reported by the Cuban samizdat press since 1997, CNN (along with NBC, CBS, and ABC) has never seen fit to mention outbreaks of Dengue fever in Cuba. . . . The reason is not far to seek: most of those media possess Castro-issued Cuban visas, or full-fledged Cuban bureaus” (p. 171, 175).

“On September 20, 2001, the FBI arrested the enemy spy that had managed the deepest penetration of the US Department of Defense in history. The spy’s name is Ana Montes and during her 15 years in the Defense Intelligence Agency she operated as an agent for Fidel Castro. At the time of her arrest she had moled her way to the head of the DIA’s [Defense Intelligence Agency] Latin America division. From here, she greatly influenced (if not actually directed) the Clinton administration’s Cuba policy. Today she serves a 25-year sentence in federal prison. She was convicted of ‘conspiracy to commit espionage’” (p. 195).

“‘Ana Montes compromised our entire program against Cuba, electronic as well as human,’ admitted Joel F. Brenner, a national counterintelligence executive. She ‘passed some of our most sensitive information about Cuba back to Havana,’ disclosed then undersecretary for international security, John Bolton” (p. 195).

“Retired from the DIA, Lieut. Col. Christopher Simmons is now an active reserve officer and a national security consultant who specializes in outing Castro’s ‘agents of influence’ in the US. . . . Among the agents of influence

identified: ‘Julie Sweig, senior fellow at the Council on Foreign Relations and director of its Latin America studies division; Retired professor Gillian Gunn-Clissold, who headed Georgetown University’s Cuba Study Group and served as assistant director of Caribbean programs at Trinity College; Professor Alberto Coll, ex-deputy assistant secretary of Defense (1990-93), former professor at the Naval War College, series host of the History Channel and now professor at DePaul University; Professor Marifeli Perez-Stable, currently teaching at Florida International University, on the editorial staff of *The Miami Herald* and Vice president of the Washington, DC-based think-tank Inter-American Dialogue, a frequent source on Cuba issues for the mainstream media’” (p. 196, 197).

“The media blackout on Chris Simmon’s bombshell has been total and understandable. For decades some of those he describes as Castro’s agents of influence have been the mainstream media’s favorite go-to Cuba experts for interviews, insights, prognostications, and sound-bites on Cuba” (p. 197).

For those readers who find this type of information important, I would recommend a reading of Diana West’s *American Betrayal: The Secret Assault on Our Nation’s Character* (St. Martin’s Press, 2013). Permit me to quote from one paragraph of her book in bringing this article to a close.

“In *Hollywood Party: How Communism Seduced the American Film Industry in the 1930s and 1940s*, Kenneth Lloyd Billingsley plumbs the movie faults to rattle around these gaping holes in celluloid memory. Thousands of Germans alone risked their lives to break out from behind the barbarically inhuman Berlin Wall and find freedom in the West, he writes, but only a single Hollywood offering (*Night Crossing from Disney*, 1982) ever dramatized this inhuman scenario. Similarly, the screen goes dark on perilous escapes closer to home—from Fidel Castro’s Cuba, a Marxist regime that executed political rivals, imprisoned poets, and persecuted homosexuals. For serious depictions of the Soviet Union as a giant jail, there is *Never Let Me Go* (1953), starring Clark Gable and Gene Tierney, about an American journalist fighting the Soviet state for a visa for his Russian wife, but what else? While screen heroes inspired by Marxist sensibilities or Nazi villainy still abound, who can name one anti-Communist good guy from the movies? Meanwhile, Billingsley writes, ‘not a single Hollywood film has ever shown Communists committing atrocities.’ Given the toll—an estimated one hundred million dead of Communism in the twentieth century according to *The Black Book of Communism* [published by Harvard University press]—that’s a mind-boggling

omission. So far, I’ve only found one exception: *Knight Without Armor*, a gem of a 1937 movie starring Robert Donat as a British agent and Marlene Dietrich as a Russian aristocrat. In a raw scene of terror, Red Army forces mow down White Russian prisoners. Instead, when it came to the Terror Famine in the Ukraine or the Moscow show trials, Hollywood spewed out pro-Soviet propaganda with *North Star* (1943) and *Mission to Moscow* (1943)” (p. 82).

The JFK Assassination—A Different Possibility

by James C. Bowers

In the Conclusions of my book, *The Naked Truth*, I discuss four times the USA was very near the edge of the cliff, without most people even realizing it. With the 50th anniversary of the Kennedy assassination this year, I thought I would publish the section of my book that deals with that dreadful episode in our nation’s history.

The third “close call” came in 1963, when President Kennedy was assassinated. This one is going to take a little background to understand, and chances are you would not have previously heard this explanation. In 1963, I was the Director of the Greater St. Louis Goldwater for President Organization. Unknown to most people, Senator Goldwater was gaining traction against Kennedy (we were taking polls and the media was hiding this startling turn of events). Goldwater’s book, *The Conscience of a Conservative*, had become a national best seller. In addition, JFK was a close friend of Goldwater and they had agreed that if Goldwater became the Republican nominee, they would travel the country together and hold “Lincoln-Douglas” type debates. Informed conservatives believe this would have catapulted Goldwater to victory. Not because Kennedy was a weak debater, but because in that time period, most people had never heard anyone articulate the true conservative point of view. When they heard it, a vast majority of Americans responded with, “That’s the way I believe, but have never heard anyone state it.”—much like when Rush Limbaugh first burst on the talk radio scene. Almost every early caller expressed that they had never heard anyone before who, “believed like they did.”

At the time, the USSR was on a roll and would do anything to prevent the knowledgeable anti-Communist Goldwater from becoming an American president. While

Kennedy was far more anti-Communist than any modern day Democrat, his State Department was filled with leftists. As detailed in Chapter One, the Soviets had for years counted on our State Department to aid and abet their every move. Being aware of Goldwater's writings and stands in the Senate, the Soviets were terrified at the possibility of his election. They no doubt feared that Goldwater would come in and "clean out" the State Department that had been their "friend" for decades (Eisenhower had been far too easy going to really shake up the system. In fact he resisted Senator McCarthy's efforts). With this in mind, at a meeting of our St. Louis Goldwater group, the question came up wondering if the Soviets would try to assassinate Goldwater. We concluded that if they made Goldwater a martyr and if they were found to be involved, it would insure the election of a hard-nose, Republican anti-Communist and would shut up the leftist press and State Department for years. Later that evening, after I returned home, I thought about it and I realized that if the Reds wanted to make such a risky and drastic move, it would be Kennedy they would assassinate, not Goldwater. This would assure a landslide victory for the Democrats (sympathy for JFK) and no interruption in their worldwide goals. I actually wrote this horrid scenario in a memo that I sent out to the Board members later that week.

Why do I feel that this assassination was a "close call?" That again requires some background not familiar to most Americans. The stage had been set for the government to use this type of crisis to take control and to pick up or shut up all of the outspoken conservatives. Farfetched? Hardly! Look what the government did to the American-born Japanese after Pearl Harbor and what Woodrow Wilson had done during WWI to those speaking out against his policies. They were jailed! In the early 60s, much like in today's Tea Party movement, people were waking up and they were upset. Anti-Communism study groups were forming all over the country. Experts such as Dr. Fred Schwarz, Cleon Skousen, Herb Philbrick, Robert Morris, and others were speaking to huge crowds and holding week-long seminars. Excellent new books were being widely purchased [*None Dare Call It Treason*, a self published book by John Stormer, sold more than seven million copies. Phyllis Schlafly's, *A Choice not an Echo*, sold millions. Dr. Fred Schwarz's, *You Can Trust the Communists* was a best seller]. People were becoming informed. When conservatives become active, that is when the leftists becomes alarmed. They understand that an informed people are the only danger to their long term socialist dreams. Concerned conservatives were being labeled as hate mongers (sound familiar?).

With that as background, it was only natural that when President Kennedy was assassinated in Dallas (a hot bed of conservative rallies), the media instantly labeled the rightwing as being responsible for his death. That line took hold because of all of the slander the media poured out in the days prior. The average citizen who had not been actively involved politically (a large majority) accepted that the conservatives were responsible. (Remember, there was no talk radio, Fox News, Tea Party, or the Internet to counter any of these charges.) I personally had to leave work early that day. People who I had known for years were suddenly circling my office with hate in their eyes, as I was known to be a leader in the conservative movement in St. Louis. Ironically, many of those with the threatening looks were not only friends, but had readily accepted Goldwater brochures from me from time to time. No more! In their minds, they had been preconditioned by the media to believe that people like me had murdered the President. I had a neighbor lady who was an active conservative. She got a call from her lifelong friend who screamed to her on the phone through tears that she was responsible for killing Kennedy! While I was known locally by the political crowd as a "Goldwater for President" spokesman, the average person would have never heard of me. Yet, even someone as far down the list as I was had my mail intercepted and held for four days. Apparently, all vocal conservatives throughout the country were on a "watch list." Incredibly, even the Chief Justice of the US Supreme Court Earl Warren went on national radio to blame, "the climate of hate" as the cause of the President's murder. He said this without any evidence.

When the Japanese had been rounded up to be put in camps after Pearl Harbor, there was little outcry. Often people act and make decisions based upon emotions. It is obvious that at the time of the JFK murder, all of the outspoken conservatives could have been "picked up" without a whimper of protest. When a country loses all of the opposition voices, it is a very quick slide into a leftwing totalitarian state.

When a police officer ran into Lee Harvey Oswald, he panicked and shot him, assuming the officer knew what he had done. Soon thereafter, he was apprehended. Then the news that all progressives dreaded to hear came out: Not only was Oswald NOT a conservative activist, he had spent time in Russia and was a Communist sympathizer. He had married a Russian girl. It came out that he had earlier tried to murder Major General Edwin Walker. Gen. Walker was a well known and articulate anti-Communist. So the media had to face the horrifying truth that the President, philosophically speaking, had been murdered

by one of their own. In my opinion, had Oswald not been caught, all of the leading “hate mongers” would have been rounded up, if not put in prison, effectively silenced for life. Surprisingly, years later President Nixon summed up what I have just written when he said (in a recently released recorded interview) that at first the media had tried to, “. . . pin the assassination of Kennedy on the right wing and the Birchers. (Yet) it was done by a Communist and it was the greatest hoax that has ever been perpetuated.”

My main point is that if Oswald had not been apprehended, I am positive that the stage had been set for the conservative leaders to be silenced. A very important related issue always comes up when I relate this story to informed people. They acknowledge, as even President Nixon did, that Oswald was a Communist (or a sympathizer at the least). But a key question is, did the Soviets really train Oswald while he was in Russia to do this, or was he just a leftist nut that got “carried away?” Since nothing could have advanced their goals more, than assuring that Goldwater was defeated, it was certainly feasible.

While I had predicted this possibility for nearly twenty years, I felt that it was highly unlikely that the Russian KGB (the Soviet secret police) had actually trained Oswald for this mission. I just felt they would never have taken a chance to plan such an outlandish act against such a prominent figure as the President of the United States. While it all “fit,” it just seemed too farfetched. That was until May of 1981. On the 18th of May, Pope John Paul II was shot four times in an assassination attempt. The Pope, who was from Poland, had been outspoken in his support of the solidarity labor movement in Poland that was trying to gain some freedom for the Polish workers who were under total Soviet control. Later the world was stunned to find out that the assassin had been trained by the Russian KGB. I then realized that they were, in fact, capable and willing to go even that far! Planning an assassination of a President of a country is definitely feasible, if they are prepared to murder even the Pope. Incredible! The Soviets apparently realized that our media would always cover for them, even if they killed our President. That fact alone is very frightening and should be a wakeup call to all.

Obama’s Massive Fraud

by Andrew C. McCarthy

If you like your healthcare plan, you will be able to keep your healthcare plan. Period.” How serious was this lie, repeated by Barack Obama with such beguiling regularity? Well, how would the Justice Department be dealing with it if it had been uttered by, say, the president of an insurance company rather than the president of the United States?

Fraud is a serious federal felony, usually punishable by up to 20 years’ imprisonment—with every repetition of a fraudulent communication chargeable as a separate crime. In computing sentences, federal sentencing guidelines factor in such considerations as the dollar value of the fraud, the number of victims, and the degree to which the offender’s treachery breaches any special fiduciary duties he owes. Cases of multi-million-dollar corporate frauds—to say nothing of multi-billion-dollar, Bernie Madoff-level scams that nevertheless pale beside Obamacare’s dimensions—often result in terms amounting to decades in the slammer.

Justice Department guidelines, set forth in the US Attorneys Manual, recommend prosecution for fraud in situations involving “any scheme which in its nature is directed to defrauding a class of persons, or the general public, with a substantial pattern of conduct.” So, for example, if a schemer were intentionally to deceive all Americans, or a class of Americans (e.g., people who had health insurance purchased on the individual market), by repeating numerous times—over the airwaves, in mailings, and in electronic announcements—an assertion the schemer knew to be false and misleading, that would constitute an actionable fraud—particularly if the statements induced the victims to take action to their detriment, or lulled the victims into a false sense of security.

For a fraud prosecution to be valid, the fraudulent scheme need not have been successful. Nor is there any requirement that the schemer enrich himself personally. The prosecution must simply prove that some harm to the victim was contemplated by the schemer. If the victim actually was harmed, that is usually the best evidence that harm was what the schemer intended.

To be more illustrative, let’s say our schemer is the president of a health-insurance company, and that it was

Founded in 1953, the Christian Anti-Communism Crusade, under the leadership of Dr. Fred C. Schwarz (1913-2009) has been publishing a monthly newsletter since 1960. *The Schwarz Report* is edited by Dr. David A. Noebel and Dr. Michael Bauman and is offered free of charge to anyone asking for it. The Crusade’s address is PO Box 129, Manitou Springs, CO 80829. Our telephone number is 719-685-9043. All correspondence and tax-deductible gifts (CACC is a 501C3 tax-exempt organization) may be sent to this address. You may also access earlier editions of *The Schwarz Report* and make donations at www.schwarzreport.org. Permission to reproduce materials from this Report is granted provided that the article and author are given along with our name and address. Our daily blog address is www.thunderontheright.wordpress.com.

clearly foreseeable to him that his company's clients would lose their current insurance plans if the company adopted his proposal of a complex new health-insurance framework. In fact, let's assume that the schemer not only had analyses showing that clients would lose their plans but that he also had a history of openly favoring a "single-payer" insurance system—i.e., an unconcealed desire to move everyone from private to government-managed insurance arrangements.

Now, suppose the schemer nevertheless vowed to the company's clients, to whom he bore fiduciary obligations, that they needn't fear his proposed new insurance framework; under it, he promised time after time after time, if they liked their current plans, they would be able to keep those plans. And let's say that, on the basis of that repeated vow, the clients supported the schemer's reappointment as president and his proposed new framework. On these facts, the clients' subsequent loss of their current insurance plans helps prove the schemer's fraudulent intent. The schemer has committed not just a fraud but a carefully thought-out, fully successful fraud, replete with suffering victims.

The concept of fraudulent deception, like the concept of perjury and other forms of actionable false statement, often entails not only affirmative lies—e.g., the general manager who tells a baseball player, "I will not trade you if you sign the contract," and then proceeds to trade the player after he signs; the concept also commonly involves the omission of material facts (what's called "material omission")—e.g., the general manager who tells the player, "I will not trade you if you sign the contract," under circumstances where, unbeknownst to the player, the general manager has already made arrangements to trade him.

A material omission is the intentional failure to state any fact the communication of which would be necessary to ensure that statements already made are not misleading. The concept of material omission is a staple of fraud prosecutions. A good example is the Obama Justice Department's ongoing and transparently political effort to portray financial institutions—as opposed to government policies—as the proximate cause of the mortgage-industry collapse that resulted in our national economic meltdown.

Attorney General Eric Holder's minions have recently sued Bank of America and UBS. The complaints filed in court by prosecutors allege that these financial institutions defrauded investors in the sale of mortgage-backed securities by failing to disclose important facts about the underlying mortgages. Indeed, prosecutors asserted that financial institutions' statements about these securities were both lies and, even where arguably true, material omissions. That's because the statements withheld from

investors the fact that the institutions well knew, based on internal analyses, that many of the mortgages backing the securities would go into default.

Recall that President Obama knew three years ago, based on internal analyses, that because of his administration's own regulation-writing, millions of Americans would lose the health plans he nonetheless continued to promise they could keep. The president hid the data . . . just as did those financial institutions that his trusty attorney general has sued. Comparatively speaking, though, the financial institutions defrauded significantly fewer victims. Thus it is noteworthy that Holder is now demanding that the institutions pay hundreds of millions of dollars for their fraudulent misrepresentations.

Even that is not good enough for some prominent Democrats. Senator Carl Levin, for example, blasted the Justice Department for not pursuing a criminal fraud case against Goldman Sachs. Goldman had not made false statements in marketing the securities in dispute; but it did fail to disclose that it had shorted the same securities—i.e., it was quietly betting against the same securities it was selling. Senator Levin railed at Holder's decision not to file criminal charges, portraying it as an abdication in the face of behavior that was "deceptive and immoral." Of course, if you want to talk about "deceptive and immoral," Obama was snowing ordinary Americans, not savvy investors; and he was not just betting against the insurance plans he was promising to preserve; he was personally working to wipe them out.

The Justice Department is notoriously aggressive when it comes to material omissions by public corporations. Any public statement—not just in a required SEC filing, but in any public context—may be deemed actionable if its purpose is to deceive the general public about a company's condition. For example, as I've noted before, the Justice Department indicted Martha Stewart for fraud over press statements that did not disclose damaging information about her company.

Ms. Stewart, naturally, was fearful that truthful statements would send the stock price plummeting. Obama, by comparison, was not lying merely to prevent a company from losing value. His fraud was, first, to induce passage of a plan designed gradually to destroy the private health-insurance market—a plan that barely passed and never would have been enacted if he'd been honest. And later, his fraud was to procure his reelection and the guaranteed implementation of Obamacare; had he been honest, he would have been defeated and Obamacare forestalled.

Barack Obama is guilty of fraud—serial fraud—that is orders of magnitude more serious than frauds the Justice

Department routinely prosecutes, and that courts punish harshly. The victims will be out billions of dollars, quite apart from other anxiety and disruption that will befall them.

The president will not be prosecuted, of course, but that is immaterial. As discussed here before, the remedy for profound presidential corruption is political, not legal. It is impeachment and removal. “High crimes and misdemeanors”—the Constitution’s predicate for impeachment—need not be indictable offenses under the criminal code. “They relate chiefly,” Hamilton explained in Federalist No. 65, “to injuries done immediately to the society itself.” They involve scandalous breaches of the public trust by officials in whom solemn fiduciary duties are reposed—like a president who looks Americans in the eye and declares, repeatedly, that they can keep their health insurance plans . . . even as he studiously orchestrates the regulatory termination of those plans; even as he shifts blame to the insurance companies for his malfeasance—just as he shifted blame to a hapless video producer for his shocking dereliction of duty during the Benghazi massacre.

It is highly unlikely that Barack Obama will ever be impeached. It is certain that he will never again be trusted. Republicans and sensible Democrats take heed: The nation may not have the stomach to remove a charlatan, but the nation knows he is a charlatan. The American people will not think twice about taking out their frustration and mounting anger on those who collaborate in his schemes.

— *NationalReview.com*, Nov. 18, 2013

Venezuela: Loot the Stores

by David Paulin

Hugo Chávez must be rolling over in his grave—convulsed with laughter. Bread-and-circuses socialism has hit new heights in Venezuela as Chávez’s hand-picked successor Nicolás Maduro ordered the military occupation of electronic chain stores—and forced them to offer “fair prices.” Prices had been rising, but not anymore.

Under President Chávez, bread-and-circuses populism was also the rage: nationwide stores were set up to sell food at below-market prices—an effort that, ironically, led to food shortages. Now, Maduro is taking Venezuela’s entitlement culture a step further—putting government-set prices on things like plasma television sets, refrigerators, and washing machines. Venezuelans are overjoyed.

Since Saturday, thousands have been mobbing electronic stores to get a bargain. Prices are so low that even anti-government opponents have joined the mob that’s

enjoying the temporary fruits of Chávez so-called “21st Century socialism.” A number of store managers and owners have been arrested, accused by Maduro of illegal price gouging, speculating, and unfair lending. “We’re doing this for the good of the nation,” said Maduro. “Let nothing remain in stock. . . . We’re going to comb the whole nation in the next few days. This robbery of the people has to stop.”

Critics called it “state sponsored looting.” Store shelves were cleaned out. But Maduro, who faces make-or-break municipal elections in a month amid a deteriorating economy, vented his fury at Venezuela’s allegedly unscrupulous retailers—the “parasitic bourgeoisie” as he called them, and lumped them together with Yankee imperialists and his political opposition.

It was right out of Chávez playbook, but taken to new heights—or lows. Bread-and-circuses populism, to be sure, has existed in Venezuela long before Hugo Chávez, along with ample amounts of authoritarianism, statism, and corruption.

The chaos among bargain hunters continued through Monday; and so the government sent out thousands of members of its security forces and civilian militia to ensure crowd control at electronics shops—those not already cleaned out or, in some cases, looted by shoppers who didn’t want to pay even the government’s dirt-cheap prices. Next on Maduro’s hit list are clothing stores and automobile dealerships.

Venezuela is an oil-rich yet impoverished country. But it wasn’t always poor. During the 1970s, it was dubbed “Saudi Venezuela” as oil prices soared and petro-dollars trickled down to most everybody. Those days are long gone—yet many Venezuelans persist in their belief that oil wealth ought to make them rich; and so they’re quick to accept Maduro’s conspiracy theories about why consumer goods are unaffordable. To them, dirt-cheap electronics and appliances are part of their birthright by virtue of their oil wealth.

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