

IS THE SILVER LIE READY?

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If what we have are facts and truth in the letter by Michael Gorham of the CFTC (July 27, 2002), denying any problem exists in the silver market, and the rebuttals of Butler by Neal Wolkoff of NYMEX/COMEX, again, with Wolkoff denying a manipulation exists or has existed, then what the public may expect to encounter in the times ahead, regarding silver, is normal activity---no huge leaps in the price to prove a shortage and crisis, and no derivative meltdown. No rule changes should even be proposed in silver futures, and no defaults should transpire. No longs should be denied delivery. I allow for a 1 in 7 billion chance the Butler view is wrong---like finding the one man on earth who stands 20 feet tall without stilts! Furthermore, the assertions of Gorham and Wolkoff, who carried on as if the shorts are a bunch of choir boys, remain posted on the internet for future reference by a concerned public---by veterans organizations concerned about national defense (and the role silver plays in this), by their enlisted military counterparts and their relatives and friends, and by Congress, where silver hearings will once again be forced to take place. They will have to give account for what they said when events prove them wrong. These are buccaneers who can take a left hand glove and turn it inside out to make it match up with a right hand, though in a very illegitimate manner---they did that with words! It makes you wonder how insects could grow so large! We didn't see them deny we're now in the 13th consecutive year of a deficit, and for the price to never rise under such conditions defies all laws of economics! They didn't address the issue that a continuing deficit must end in shortages! It should be indisputable that Gorham and Wolkoff are in a position to absolutely know the true state of silver supply and demand. So, given this position, if a severe silver shortage manifests in the marketplace soon, with defaults, and many users unable to get metal, then Gorham and Wolkoff, it must be concluded, were falsifying in their recorded statements on silver; or they were incompetent, which is most unlikely. Either way, they would be like the bug that crashed into your hot automobile radiator, squirming as it dies. They should be assumed to have a plan to avoid being seen as liars or incompetents. Blaming junior executives at trading desks won't fly. The manipulation has gone on for many years and the board of directors of bullion banks and those they function for are responsible. Butler's request on September 10, 2002 to Wolkoff for the shorts to prove they have 330 to 350 million physical silver ounces (separate from COMEX) to back their positions was eminently reasonable. It was a put-up or shut-up challenge, but it will not be fulfilled! Like the would-be intimidator I knew at work who tried to psych me with bravado when I challenged him to arm-wrestle me (**"I'm too strong for you, remember that!"**) When it came down to locking up with me and doing it, he walked off (or should I say, he "WOLKOFFED?")

TWO HORMS AND A PITCHFORK TAIL!

So, when the silver hurricane strikes the COMEX, proving there indeed was a problem in the silver market---a problem of long years standing---what will Wolkoff and Gorham say? That they had to tell some lies earlier in the year to stall off their slide into quicksand? My intuition is at work now---consider what I'm about to suggest. This is all so appropriate since this is Halloween month---a time for spooks, ghouls, fairies, vampires, ogres, banshees, specters, goblins, demons, phantoms, monsters and evil spirits. The bad boys and those they run with are most likely to use a "derivative" of the Martin Armstrong story. Remember Armstrong (now a jailbird) of Princeton Economic Research, who charged that so much silver had been moved from the

United States to London warehouses, that silver was “coming out of the cracks in the pavement” over there? Also there was something said about so much silver being moved to London, that there wasn’t enough warehouse space to store it! Why didn’t they just end it all by saying Australia was stacked coast to coast 15 miles high with 1,000 ounce bars? Here’s what I predict the silver shorts will claim has happened when Butler’s silver hurricane strikes (or Savoie’s silver supernova)---ARAB FINANCIERS HAVE BOUGHT ALL THE SILVER IN LONDON AND MOVED IT TO SAUDI ARABIA OR TO IRAN in retaliation for a U.S. strike on Iraq, which is now viewed as an attack on Islam! Their claims will be given great credence in the media because the Hunts had various Saudi allies in the 1979-1980 silver run-up, and it will additionally be alleged that they selected an opportunity to retaliate for their exchange caused losses almost 23 years ago! As the TV news story concerning Arab sabotage of the silver market is aired, will we hear in the background the old radio tune by Ray Stevens from 1962, “Ahab, the Arab, the sheik of the burning sands?” This, then, becomes the reason for soaring silver prices---a shortage caused by another market manipulation by malevolent longs, while the choirboy naked short derivative vultures are on hand to “explain” the reason for the crisis to us. (As for these choirboys, they should be medieval Italian “castrati,” you see, so their voices wouldn’t change, or in the present case, to stop them from breeding!) They could say, we were getting ready to supply proof in response to Butler’s demand, that there indeed was much more than 300 million silver ounces to back the short sales, but just before we could do it, a consortium of Arab financiers, being religious zealots and Islamic radicals, swooped down on London and emptied all the warehouses of silver, and spirited it off (on flying carpets) to be stored in their palaces and harems. They did this as part of a financial “jihad” against the United States! They may also be faulted for the unfolding scandal of fake sterling silver jewelry being reported by magnet carriers across the country. If you could see the insides of the shorts brains, it would look like the cover of a science fiction novel, and the counterfeit disclaimers they are capable of fabricating call to mind the statements on windshield de-icer aerosol cans---“Warning! Fatal or causes blindness if swallowed! Cannot be made nonpoisonous!”

LONG STANDING ARAB RESENTMENT

Arab resentment of the “Christian west” traces back most of 1,000 years to the Crusades in the Holy Land by European knights. Richard Maybury speaks of the Thousand Year War at his website. There is truth in this concept. After the fall of Constantinople (now Istanbul) in 1453, the Islamic world, and much of the Balkans, was controlled by the Ottoman Turks until about 1829, when the Greeks overthrew them with assistance from England, Russia and America. Many Arabs viewed the establishment of Israel in 1948 with disfavor. The United States naval warship Vincennes “mistakenly” (?) shot down an Iranian airbus (flight 655) over the Persian Gulf on July 3, 1988, killing 290, and we as coalition leaders beat back Saddam Hussein’s invasion of Kuwait in 1991. Probably in retaliation for the airbus incident, a bomb in flight destroyed Pan Am flight 103 over Lockerbie, Scotland, on December 21, 1988, causing 270 fatalities. In 1998, U.S. embassies in Kenya and Tanzania were bombed, killing 224. In 2000, the U.S. warship Cole was bombed in Yemen, killing 17 sailors. While Arab states have had deadly feuds among themselves--the Iran-Iraq war of 1980-1988 had over 1 million fatalities; they are now developing a common notion that they have a greater enemy--the “Christian west,” called the “great Satan” by Iran. In this background too we find the Iran-Contra scandal, and billionaire Saudi arms dealer Adnan Kashoggi. The Salt Lake City Utah, Tribune, September 15, 2002, noted that U.S. policies might serve to unite Mideast rivals. Iranian foreign minister Kamal Kharrazi, at the United Nations on September 14, 2002, voiced concern over a looming U.S. attack on Iraq.

Dawn.com, an Arab site, quoted (September 15, 2002) Ayatollah Ali Khamenei as saying a U.S. attack on Iraq is a first step towards U.S. control of the entire region---to capture the oil resources. Word has circulated regarding Bush's requests to Congress, that Iran could be his next target! If some of the silver was sent to Iran, "recovering" it could be added to the list of reasons for attacking that country next! The unfolding scenario reads like predictions from the nonfiction book, "The Warmongers" (Howard Katz, Books In Focus, New York, 1979) which speaks of the "distressing link between the creation of paper money and major wars" and investigates the "frightening intrigue in which bankers, big business and governments create wars to increase their power and wealth" (from rear cover). We are in the hands of personalities who aren't in a state of grace and need multiple exorcisms!

WITHDRAWING \$1 TRILLION IN INVESTMENTS!

The old crusader view is still very hot among Arabs, and along with support of Israel, we are viewed as conducting an ongoing attack on these peoples, which is strongly linked to an attack on their religion. Osama Bin Laden, you recall, is native to Saudi Arabia where he had business interests, and 15 Saudis were among the terrorist hijackers who used commercial jets to attack the World Trade Towers and the Pentagon on September 11, 2001. Before that, other attacks on U.S. interests took place, including the Khobar Towers truck bombing at Dhahran, Saudi Arabia, which killed nineteen and injured hundreds. This site, attacked on June 25, 1996, housed U.S. and allied forces supporting Operation Southern Watch, the patrols over the no-fly zone in southern Iraq. After the September 11 attacks, Saudi investors withdrew \$27 billion from foreign banks through year-end 2001 (Dawn, Arab website in English, March 31, 2002). The U.S. also froze assets and investments of some Saudis on charges of being connected to the September 11 attacks, and lawsuits on behalf of twin tower victims are pending. Saudi and Arab money has been jittery ever since, with regard to being in the U.S., and reports are circulating of some \$200 billion of Saudi money so far withdrawn from our stock market, with as much as another \$800 billion at risk of being withdrawn. That would add overpowering downward pressure to the NYSE, where insiders have probably already gotten out to a large extent and gone short, so they can capture as gains, the forthcoming shocking losses of all the small investors deceived by years of "buy and hold, never sell" propaganda as the market may fall 3,000 points or more from September levels into late November. The Foreign Sovereign Immunities Act was amended so that victims can now sue foreign countries that aided or harbored terrorists, and if you're about to be sued, you will be tempted to place assets out of reach! The Saudis have indicated disinterest in allowing their territory to be used as a region from which Mr. Bush attacks Iraq. Is this proposed attack in part to distract attention from the tumbling stock market? Financial scandals aren't only recently associated with the Bush camp. Remembers his younger brother, Neil, was a director of the ill-fated Silverado Savings & Loan, whose collapse in 1988 cost the public some \$1 billion! Silverado was made of paper, not silver! With the continuing debasement of the dollar, it makes you wonder if aluminum coins are coming---aluminum quarters, nickels and dimes! This isn't farfetched, as Paul O'Neill, Treasury Secretary, came there from the chairmanship of the Mellon family's Alcoa. Then see how prostitute commentators will still try to make the public believe silver coins are "sterile assets!"

ARABS BURNED IN HUNT SILVER PLAY!

Ironically, only five days before the COMEX and CBOT rule changes which destroyed silver longs, the January 16, 1980 issue of Al Riyadh newspaper, which was later translated in the English

language weekly magazine, Saudi Business, reported that Farouk Akhdar, director of Saudi industrial development at Jubail, stated his belief of the silver scene that, “the whole operation was an attempt to defraud the Arabs of their wealth and return to the industrial economies what we earned by selling oil.” And so it turned out, though the shorts keelhauled the Hunts and their Arab partners only when they became vulnerable. No one made the Hunts and Arabs go after silver, it was their decision and they were crushed because they went head to head with the “old rich,” the establishment rich, who controlled the exchanges and the government agencies concerned. Akhdar’s prophecy about his fellow Arabs, fulfilled so swiftly after he made it, is uncannily similar to the fate of millions of small investors in the Nasdaq tech wreck and the telecom bust, and other stock frauds like Enron. Friends, all these financial subversions were planned in advance by the old rich to get their payrolls back! To appease public wrath, certain fall guys were selected, and lawsuits and settlements may recover \$100 billion of as much as \$7 trillion looted from the public. What a deal! For every \$70 you steal, you only have to give \$1 back, and someone takes the blame for you! Meantime, rigged lists of what big rich are worth continue to appear in high profile magazines, downplaying their actual wealth and omitting from the lists names which belong near the top! And associated with these names are the 4 or less, and 8 or less largest COMEX silver shorts, whose identity we strongly suspect, and will eventually be confirmed! Remember what Franklin Roosevelt did with gold and silver---well, his relative, Theodore Roosevelt IV, is a Lehman Brothers executive today---the same Lehman Brothers which supplies “advisors” to the CFTC! As for JPMorganChase and Citigroup, they are under accusations for racketeering connected to pension fund losses at Enron (\$33 billion wiped out) and elsewhere. The gold and silver meltdown will hit them like a tree crushing a lumberjack.

WHO STOLE 2 BILLION OUNCES? THE SHORTS &USERS!

To return to Stephen Fay (“Beyond Greed,” 1982) on the Hunt/Arab silver play, he spoke of Saudi society as “forbidding” and concerning Mahmoud Fustock, he said he was similar to a “character in an old B movie who is never quite to be trusted.” If we could see Fay, what would he look like? A wheezing bubble and goo monster from the “Outer Limits,” or one of the demonized, tortured grimacing faces from Rod Serlings “Night Gallery?” Fay, in his near total whitewash of the shorts, showed his bias throughout the book. Fustock was the brother in law of and representative in the silver play of Saudi Crown Prince Abdullah Ibn Abdul-Aziz Al Saud. After the exchanges ordered liquidation only in silver, the Arab assets used in the Hunt silver play turned into a barrel and suspenders as they were stung by a huge wave of margin calls. Fay said of these highly placed Arabs, “their anger was infinitely fiercer than had been supposed” (page 268). So the shorts of today can conjure up the story that, the Arabs never forgot what happened, and just now retaliated after years of patient planning, by removing a titanic stockpile of silver from London, to hurt the West! Fay referred to “Fustock and his angered coconspirators” (page 272). Interesting how the new rich are always the bad guys, and the establishment old rich are the good guys. That’s the picture you can paint when you dominate the media. In a lawsuit filed in the aftermath of the silver crash, Fustock made reference to a scheme to cheat and defraud him and others of hundreds of millions of dollars. Since then billions have been stolen in the silver market by shorts and users, with leasing stealing silver from reserves of many nations especially America, so greedy perpetrators could get silver for next to nothing! This was NOT the doing of the Hunts and Arabs---it was another ripoff staged by establishment old rich! Now that we are about to enter a period of chronic silver shortages and high prices, the shorts are set to scapegoat the Arabs, which will be politically acceptable!

As one of many examples, consider the Chuck Norris film “The Hitman” (1991) in which he said, “You camel jockeys eat this shit?”

OTHER ARABS BURNED WITH THE HUNTS!

Naji Nahas, an Arab investor in Brazil of Lebanese ancestry, and his cousin, Selim Nassif, were associated with Khalid Bin Mahfouz (oil and National Commercial Bank of Jeddah, Saudi Arabia) and Gaith Pharoan, of Redec, which owned construction companies, a stake in Hyatt Hotels, and Plaza of the Americas in Dallas, were part of the Arab consortium which joined the Hunt silver play. Pharoan’s father was a medical doctor who attended the Saudi royal family. Also parties in this situation were Ahmed and Mohammed Kaki, also of the National Commercial Bank of Jeddah. Additional participants were Sheikh Mohammed Aboud Al Amoudi, Ali Bin Massalam and Mohammed Salah Affara (representative of Khalid Bin Mahfouz), who were 50% partners with Nelson and Herbert Hunt in International Metals Investment Company based in Bermuda. Crown Prince Fahd was believed, but with perhaps inconclusive evidence, to have been a participant. There was talk of SAMA (Saudi Arabian Monetary Agency, the central bank), in which Prince Abdullah could certainly have pulled strings, using some of its then \$60 billion of reserves to buy silver, for purpose of monetizing silver and using it as a reserve asset. This didn’t happen, however, since the Saudis and some other Arab allies like Nahas were burned by the shorts controlling the U.S. exchanges, other Islamic nations have suffered by actions of western financiers. Prime Minister Mahatir Mohamed named George Soros as the principal villain of the Malaysian currency crisis during the Asian financial crisis of 1997-1998, and then Secretary of State Madeline Albright verbally castigated the Prime Minister for speaking ill of Soros! Maybe we’ll hear that some of the (phantom) London and Swiss silver stockpiles ended up in Malaysia. As currencies are set to fall and silver to rise, Soros is ready with a big interest in an important silver company!

RECOGNITION OF PRECIOUS METALS AS REAL MONEY!

Mahatir Mohamed is now an advocate of a bi-metallic based (gold and silver) currency and trading system to be used in Islamic nations representing some 1 billion Muslims. Apart from Malaysia, other formal members include Libya, Morocco, Iran and Bahrain. See what the shorts can say? Those evil Arabs took all the silver out of London to hurt western industry and use in their awful bimetallic system to return to---(AARGH) real money! Bush named Iran as part of the “Axis of Evil” with China and North Korea, so when we attack Iraq, the Chinese Reds will likely destroy the Taiwanese defense forces! And Libya has been known as a terrorist state for many years. So, why not blame Arabs for missing silver---which wasn't there to start with because it was absorbed into the deficit---they make the ideal scapegoats! The Arabs even have an Islamic Mint and e-gold.com, with some 300,000 clients already (see gulfbusiness.com news, “Banking on Bullion,” September 2002 by Ayman Dunseath). The proposed system uses gold dinars and silver “dirhams.” Do I think some Arabs have been accumulating silver as well as gold---certainly! However, since the Hunt silver hearings in Congress, a reluctance has existed on the part of silver longs—no matter how great their financial resources---to take positions in silver as large as any one of them could have taken. Bill Gates owns something like 15% of a major silver company, George Soros owns about 27% of one of its peers, and Buffett bought close to 130 million ounces of physical, though it appears he didn’t take delivery of all of it, and may have leased the rest out. The point is, large scale investors, including the Saudis and their allies, with bitter experiences on the COMEX and CBOT, are hesitant to buy as much silver and

silver equities as they could, due to the hostile media publicity they would likely encounter when the sustained silver run up takes place.

AMERICA & BRITAIN VERSUS ISLAM!

Saudi Arabia has stated it will not consent to having U.S. forces use its territory as a base from which to launch an attack on Iraq, but that if the United Nations decides to pursue military action against Iraq, they may do so with use of Saudi territory as a base. Understand, by saying this, the Saudis are expert fence-straddlers---they appear uncooperative to President Bush, yet cooperative to the global community. Except, the Saudis realize, the required consensus is not presently available within the U.N. for a near term strike on Iraq. The Saudis expect no U.N. sanctioned war against Iraq, and appear to be pressuring the U.S. in various ways to not attack Iraq. British Broadcasting Corporation News, September 10, 2002, reported a Saudi Trade Fair is scheduled to be held in Baghdad during November 1 through 11, this year. Up to 70 Saudi firms are expected to be on hand, including The Olayan Group. Olayan Group is headed by Suliman Olayan, Saudi billionaire with establishment credentials in America including---member advisory council to JP Morgan & Company, 1979-1990; director, Credit Suisse First Boston (Mellon interests) 1988-1995; member Rockefeller University council since 1978; and member, U.S./Saudi Arabian Joint Commission on Economic Cooperation, 1980-1992. Interestingly, former Treasury Secretary William Simon, who as a COMEX governor took part in the rule change, which destroyed the Hunts and their Arab allies, was deputy chairman of Olayan Investments, 1980-1982. Simon was also a director of the Gerald R. Ford Foundation, and as we saw in the September essay hosted here, Ford appointed William Bagley to head the CFTC. Simon was also a member of the public review board of the now totally disgraced accountant of Enron, Arthur Andersen & Company. Simon was a Halliburton director, and our Vice President Mr. Cheney was a Halliburton executive. It has been widely rumored that the U.S. and Britain wish to strike Iraq to get at the oil resources there, and of course, Halliburton is an oilfield service company, and would clean up!

LONG ESTABLISHED RICH CAUSING PROBLEMS!

Now you say, if Arabs were partners with the Hunts, what is an Arab doing associated with interests linked to silver shorts? This is a case of both sides of the street being worked. You see, while the Kingdom of Saudi Arabia truly doesn't want to see the U.S. strike Iraq, our main ally, Great Britain, does want Iraq under fire. In 1987 Olayan was made a Knight of the British Empire, bestowed upon influential persons regardless of ancestry, whom Britain perceives as helping to advance its interests. It is time to realize an astonishing fact, friends---the show is being run by British interests (even though Bush makes most of the noise), while America supplies most of the military might! We the stronger nation militarily, are nonetheless the junior partners in what is called globalization! Various researchers have perceived the Federal Reserve to be the understudy of the Bank of England, and JP Morgan & Company was founded by British interests to influence American finance and industry. In the unlikely event I am called to Congress to speak at silver hearings I'm going to spill my guts about this Anglo-American network and they damn sure don't want anything revealed about it since they cannot function without secrecy! I will ask which of Gorham and Wolkoff's associates are members, and if they too are members. Sir Ivor Seward Richard, British ambassador to the U.N., couldn't get away from me fast enough when he saw me coming his way with a tape recorder at a reception in 1979. His maternal grandfather was the same Seward in Lincoln's cabinet who made the Alaska

Purchase from Russia. Herein lies the source of the world's problems--a bunch of intermarried old rich absorbing the world's wealth! There is something they shrink away from like a vampire from a crucifix, and that is publicity. Pull everyone's pants down, reveal all the skeletons in the closet! Descendants of those who sucked the wealth out of the British Empire for centuries and the old North American "robber barons" are the source of our problems today. You see their representatives on the boards of the now doomed bullion banks--the hyperleveraged derivatives are about to implode. Greenspan is just back from Britain where on September 26 Queen Elizabeth II made him a Knight of the British Empire. Greenspan made remarks about British predecessors "who set up the financial structures we deal with every day." Olayan founded the Saudi-British Bank at Riyadh in 1977 and headed it until 1989. Olayan, associated with U.S. interests behind President Bush, and with British interests---both of which favor war on Iraq---is going to be in Baghdad in November! He can't want to see bombs falling on Baghdad while he's there, even though he's associated with the same interests behind Bush!

PHANTOM LONDON SILVER: AMONG 1 BILLION MUSLIMS!

The inner workings of the Saudi Arabian establishment are more complex than surface appearances indicate, and it isn't necessary to this essay to figure it all out. Olayan pertains to the class of Saudis referred to by Fay as the "Rockefeller" group. The other faction Fay spoke of was the "Maharajah" class---Saudi royalty and princes, the element who went into silver with the Hunts and lost big. Newsweek, October 1, 2001, page 34, said the Saudis support terrorism, and Time, October 15, 2001, noted Saudi links to Osama Bin Laden (he was a Saudi national, and wealthy, with a fortune of around \$300 million). National Review, May 20, 2002, said the Saudis must choose either the U.S. or terrorism. My prediction---while the Saudis love money, their religion and their roots matter more, and they are willing to trade with the rest of the world exclusive of the U.S. if necessary. They will side with other Islamic nations, including Iraq. U.S./British pressure is driving Arabs together. A coalition will become more obvious, and the silver shorts will say, that 770 million ounce silver stockpile (or other large, but contrived figure) removed from London by Arabs, is now being circulated as 1-ounce dirhams (coins) among 1 billion Muslims!

HOW THE MYTHICAL PLOT COULD BE ACHIEVED

Understand, when the silver crisis becomes visible to the public in the form of shortages and elevated prices, Gorham and Wolkoff and their allies will have to deliver an explanation as to why a market emergency is happening, yet without them having lied about anything previously, and without the shorts being to blame. A scapegoat is necessary. If Arab terrorist fanatics, including 15 Saudis, were so crazy as to destroy the World Trade towers in Manhattan, the public can easily be made to believe that Arab financiers made off with a huge hoard of silver in order to strike at the West by throwing our markets into chaos at the same time they were withdrawing most of \$1 TRILLION in other investments from America! Iran has often called America the "great Satan," so it could be made to appear that the silver was spirited off to Iran, and some to Saudi Arabia and other Islamic nations. After all, we do know that these nations are keenly interested in returning to gold and silver as means of exchange to settle transactions. It will all be so believable. In reality, this will be the ruse to cover all the silver, which vanished into the deficit caused by the shorts with stubborn maintenance of a disease-ridden low price for over 20 years! The Arabs indeed have some silver, but it is not to be compared with the silver volume, which vanished into the black hole of the deficit for 13 years running. Some other

story may be concocted, but this mythical framework of blaming the Arabs for the silver crisis, appears to be the most believable scheme possible. With whatever silver is left in London, New York and elsewhere, far less than what Wolkoff and Gorham would have us believe, a run on remaining supplies is inevitable. Will silver investors in America and Canada be accused of “being in sympathy with terrorists,” for holding on to their metal while prices are flying, refusing to sell? Our opponents all have summa cum laude status in underhandedness. If Newsome resigns under fire from the CFTC, Bush could appoint another cattleman to head the agency. Is there a foreman at Bush’s Crawford, Texas ranch named Lariat Strayhorn?

MECHANICS OF ACHIEVING THE LIE

Blaming radical Islamic financiers is the best way to divert blame from naked shorts when the silver crisis becomes visible to the public---blaming Leprechauns, space aliens, 96-year-old ex-Nazis in Brazil and Argentina, Elvis impersonators or renegade Catholic priests won’t work. Blame must be assigned to elements with a lot of clout. (Another theory about the “missing” silver that wouldn’t do the trick for them---it all turned into Mercury dimes, and flew away, you see, with the wings on the side of the head!) Let’s attempt to construct a hypothetical framework. Let’s say Arabs conspired to corrupt caretakers of the London silver warehouses with their (mythical) 770 million ounces. Let’s say these Arabs, some Saudis, some Iranians, and possibly others from Qatar and United Arab Emirates, put some people in place to be “Nick Leesons” of those silver warehouses. They will say London Bullion Merchants Association officials were lied to. Nick Leeson you recall was the renegade trader in Singapore who placed bad bets on the Japanese stock market and broke the old Barings Bank of Britain in 1995. Suppose that, starting in July 2002, 1,000 ounce silver bars began to be clandestinely removed from the warehouses, not through tunnels, but through a back door scenario, and that these bars were loaded into the bellies of oil supertankers destined for Saudi Arabia and Iran, or destined for port in Nigeria, where the largest oil refinery in Africa is located, from which point the cargo was trans-shipped and sent on to the middle east. Suppose that stacks of 1,000 ounce silver bars just two deep, but ten feet high, were left as an outer perimeter in the storage vaults of these London warehouses, leaving the constant impression that the entire hoard of silver remained in place the entire time. Then at the last moment the remaining bullion ingots, acting as a pretense to imply that all the other precious metal was still behind them, was removed, rushed to aircraft or sea going vessels, and sent to the Middle East. Then the following morning it was “discovered” that some 77,000 of the 1,000 ounce bars are suddenly GONE, and instantly, the West is thrown into a silver crisis. These Nick Leeson types could be compensated for their deceptive actions with emoluments to relatives. A similar story may emanate from Switzerland, with intentions of allowing banks a hoped for escape hatch regarding their alleged 1 billion ounce unbacked silver certificate exposure. Maybe all the Swiss silver was spirited out of the country through “secret Nazi tunnels!” Mahmoud Fustock alleged in his lawsuit that silver was supposed to have been deposited in his account at Swiss Bank Corporation, but instead was deposited to accounts of defendants, and also named Banque Populaire Suisse as a defendant.

CALL THE SAINT---SIMON TEMPLAR!

Imagine that, staging a fictitious robbery then blaming it on scapegoats because your back is against the wall and if you cannot assign blame to someone else, you’ve had it! Since this fictional crime will take place in London, will someone be so kind as to call Simon Templar to investigate it? Or Jim Phelps and his Mission Impossible Team! Will we see re-runs of Johnny

Carson in green silk turban as "Karnak" the mind reader, saying, "May the fleas of 1,000 camels infest your armpits?" Senator Hillary Clinton from New York could take the lead in investigating the "Arab silver swindle," and is she ready to "Melamed" her way through the investigation? (See her association with Melamed, who knows Michael Gorham of the CFTC, in September essay here.) In reference to the CFTC essay, my Congressman Joe Barton told me the CFTC sees nothing amiss in the silver market, and concerning my request to discover members of its advisory boards over the years, "they will investigate your claims." Barton cannot have become a Congressman by being stupid---he just thinks we are. It is appalling to realize we have so many members of Congress eager to cover for abusive interests. You cannot let an agency investigate itself! Writing to public officials like Barton becomes progressively more discouraging, like radiation poisoning. His PAC contributions are linked to the network I alluded to. Concerning the nearing silver crisis and who is to blame---I suggest the Jewelers Vigilance Committee and the Jewelers Board of Trade evaluate the silver shorts and the Arabs, then see which appears the more likely culprit! The attitude of this financial wolf pack reminds me of the bad man in "Arrowhead" (1953) who, when asked where a certain person was, replied, "Probably still at the bottom of the creek where I left him!" This is what they've done to millions of investors, which is like tricking them into slaving for minimum wage---which is what some have left after the stock busts. Perhaps they call little people their "payroll recoverees." With the crash in real estate and housing due soon, and rising unemployment, look for a monumental transfer of home ownership from the middle class to the interests who looted them in stocks, as the words of Jefferson, "Banking establishments are more dangerous than standing armies" ring out across the centuries.

EXPERT SOURCE---SILVER SUPERNOVA BY YEAR END 2002!

This is my hypothesis---silver shorts are to blame for the silver crisis, but will allege Arabs to be the guilty parties. As with the London silver warehouse-reporting requirements (lack of them), transparency is impossible. But with facts that are known, the shorts fit the description of guilty parties far better than the Arabs. The next thing will be India's refusal to dump thousands of tons of silver—at any price—to relieve western industry. Therefore, it will be "discovered" that certain wealthy Indians were parties to the "conspiracy" to loot the mythical London silver stockpile! Noises may be heard about leading unhedged silver miners having Arab shareholders, or stockholders fronting for Arabs! Since Russia has intentions of developing industrial projects with the Iraqis, and could be a source of nuclear material for Iraq, Russia may be added to the list of the accused, especially since they've been increasing their gold reserves. I am of the view that silver will break its derivative chains before year-end 2002. I believe also that the proposed war on Iraq is intended to serve more purposes than those offered for mass consumption, and that diverting blame for the silver shortage is among them. The New York Times, September 26, reported the U.S. and Britain are drafting a U.N. resolution giving Saddam Hussein of Iraq two (2) months to comply with inspection demands. Not coincidentally, this is probably how much time remains before silver prices become uncontrollable and can no longer be squashed by derivative curses! Millennium Bullion Fund, a company similar to Central Fund of Canada, says on one of its web pages--- "With silver, a situation is rapidly developing in which above ground stocks will be completely depleted in 2002." They additionally state their belief that world central bank silver holdings no longer exist! I believe, without inside information, or full objective proof, that the shorts are fully responsible for the crisis but will attempt to blame others. We do know the Silver Users Association has lobbied the price low for years, and this has eliminated our critically important strategic stockpile. It is indeed impossible to have a

commodity in deficit for 13 years without the price rising---unless a manipulation is active! We shall shortly see whether this conjecture is correct as silver---without leasing and derivatives---enters a bidding economy, and someone has to offer an explanation for shortages and high prices! It has to be an explanation that will get them off the hot seat! By placing my conclusions into essay form, I am, before the fact, attempting to anticipate their actions. If I am correct, this may serve to destabilize them. As Charles Bronson said in "The Evil That Men Do" (1985), "I'm gonna rattle his cage---then when he sticks his neck out, I'll nail him!" The satirist writes---

*Silver shortages near; watch the moving minute hand,
Dead ahead, the shorts Custer's last stand!
The media prostitute lying for them is their hired hand,
Getting set to blame Arabs is probably what they've planned!*

*Lies making Americans think with their glands,
Shorts claiming all that silver changed hands,
Blaming sheikhs riding camels across burning sands,
Innocent shorts suffering; guilty Arabs making demands!*

*Two horns and a pitchfork tail!
Blame others so we can avoid jail!
Arabs grabbed the silver we'll wail,
The phantom London silver, a holy grail!*

*Commentators editorializing on CNBC,
Silver was so cheap it was almost free!
Still lying for us on bended knee,
Silver price chart, high as a redwood tree!*

*On flying carpets, Arabs came in the dead of night,
Emptying London of 770 million ounces and taking flight,
On magic carpets, leaving America in desperate plight,
To whatever disclaimer we use, the press says we're right!*

*Congressman Barton sez the CFTC can be trusted,
CFTC's Gorham sez Butler's views are all rusted,
But someone's betting on lower prices will get busted,
For higher silver prices, they best get adjusted!*

*Big time, we were going to make Butler lose face,
By showing him, 770 million silver ounces in place,
But Arabs came and took it away, leaving no trace,
And sent the price of silver into outer space!*

*Now to Butler and his followers we sternly say,
That colossal silver stockpile is in Arab hands today,
Make us show it to you, there's just no way,
Believe us, like snow in the Arabian Desert in May!*

*Wolkoff and Gorham tell Butler, play hide-and-seek,
Who took the silver? Some Arab sheikh!
Will this be their desperation evasion technique?
Shorts are blameless & Carlsbad Caverns is in Mozambique!*

*Arabs caused the silver crisis is what we'll hear in the news,
There was lots of silver available, will be the editorial views,
The shorts will have a party with streetwalkers and booze!
Regiments of dissemblers, the shorts have cutthroat crews!*

*Diverting blame to others is the manipulators orgasm,
His head is full of printed circuits, not protoplasm,
Let him read this, he'll have a weird spasm,
Hopefully he's near the edge of a chasm!*