

2008 Ghostwriting Guide

From Author James Cummins

*The official guide to what it will take to invest in
the book you always knew you could write!*



The Ghostwriting Process

The format I follow in working together with a client typically works as follows. I will interview you over the telephone and accept your material by email or mail, whatever works best for you. Meeting in person is optional, it can be added to the contract and I will make myself available to see you anywhere in the world, mostly though this is more for comfort than efficiency. Most of my clients and I work over the telephone as it is just as focused a process as face to face interviews. From the material I receive, I create an outline for the book and a marketing proposal. Once we agree on the aspects of these materials and you are perfectly happy with them, I write the book. I make sure all of your ideas are incorporated and that the book is written in your own voice. If you desire to include your own self-written material within the book this is highlighted in the book and placed perfectly within the text, however it isn't necessary to write any of your own material if you don't have the time. I write the first draft within about a month, and then submit it for your approval. With books that require heavier research, often a two or three week research period before the writing period is required to gather all the appropriate sources and information required for writing.

Once the book is completed, you read the manuscript and highlight the things you like and the things you'd like to see altered. From your notes and comments, I revise the manuscript and extend it at the points you'd like to see flushed out a little more. Usually I have it pretty much right on the first try, but as an individual there will always be things that you are going to want to see differently. The goal is to write a manuscript in your voice, from your perspective and that meets all the goals you have for the book. The revision process doesn't take up too much of your time, just however long it takes you to read it through two or three times, after each revision, and make your notes.

The average time for this is maybe ten or fifteen hours over whatever time period you prefer. While this is happening, I use the marketing proposal to nail you down a literary agent. If you prefer to self-publish or to POD publish (costs no money, but there is no advance and all of the marketing of the book is up to you), I arrange that for you. Although I do recommend you allow about six months for trying to find an agent after the first draft is completed. An agent gives you access to traditional publishing houses, there is no other access for an author to go that route. It doesn't really translate into more sales unless you strike just the right nerve, which can be a craps shoot in the literary industry, but it removes most of your own personal investment of time and money from the book selling process. Yet if you are looking for your book to really make a splash then finding an agent with my process is easy and only takes a bit more time. This is actually very rare as my experience in the industry will propel you beyond the majority of authors that just don't know how to go about finding the right paths through the industry.

All told, the research and writing of the first draft takes less than two months and the revisions can take as little as a few weeks depending on your schedule. Finding an agent may take a month, may take more, it varies depending on the climate of the industry at the time. POD or self-publishing takes 30-90 days from the time you have your manuscript ready. Often the timing of the release, as concerns the goals of the

author, is a major factor in deciding which route to take - traditional publishing or self-publishing being the two main options.

Pricing Guide for Professional Ghostwriting

Welcome to the world of ghostwriting. Thousands of people out there every year are hiring ghostwriters to make their dreams come true. The sad reality however is that most people have not been provided with a real background of the industry before making their choice. So bid prices will come at you in all shapes and sizes. Depending on your advertised budget, the mean of those prices will go up and down correspondingly. Yet what is that actual price of ghostwriting? Are these prices really so random?

There is a standard industry range of pricing, but this is mostly followed by professionals. Just as in any business, there is always going to be a range of experience in terms of different work-for-hire writers. Most have no publishing experience and no connections in the industry. Writing is like any other industry, you can always find somebody cheap but this does not mean they can do anything for you. The fact is that only 1% of all books are ever accepted by literary agents, and only 5-10% of those are accepted by publishers after the agent submits them. Add this to the fact that only 5% of all books published in any given year are by new authors and that is a tough set of numbers to deal with without a professional in your corner. With a professional who already knows the agent in advance and who can lend their reputation to the book, you can add yourself to the other 95% of published books and remove the first barrier of publishing (the percentage of writers who find an agent). Thus your chances go from minute (***only 3 books in 100,000 get published according to industry statistics***) to entirely based on the merit of your work. A good writer with good connections can nearly guarantee publication, as you remove from the equation the percentage barrier of finding an agent and being only a first time writer. The chances are now one in ten, and typically only one in ten books are worth publishing. That is where your ghostwriter comes in.

While my turnover is about twice as fast as other writers, for me a project of this kind on average requires 2 months of full time work, about 50 hours a week between research, interviews and writing, and then 3-4 months part time work through revisions, additional research and marketing the proposal/book to agents and publishers. After that you still have me for any advice in moving through the publishing process, how to market, etc. Sometimes the part time phase can last up to a year or more, but I require no additional compensation for this. If each of the full time months gets a compensation of \$4000, that works out to only about \$20 an hour, and the part time phase afterwards if netting about \$7000 total typically reduces the hourly rate to about \$10-\$15 an hour. This comes out to approximately \$15,000 which can sound like a lot in lump sum, but considering the length of time that the project commitment entails, it doesn't work out to anything more than a project lead would receive in any line of work. I tend to ignore the higher quotes others follow as they up the hourly rate to between \$40 and \$100 an hour which I think can be high for low budget clients. Whatever writer you choose, they

should be both able to actually meet your needs long term and they should now be given the benefit of having a well informed client in terms of the industry.

Consider now that working full time on your book for 3-4 months (160 hours a month) for only \$2000 total would leave such a writer working for only about four dollars an hour (160 hours x 3 = 480 hours: \$2000 divided by 480 hours is about \$4), which is never a good sign. It is unlikely that anyone with the connections to get you published and the talent to bring your vision to life will be available at this rate unless they are doing it on spec. If you are looking for a successful book, then it is not helpful to hire a ghostwriter with no publishing experience. Writing small articles and e-books is not the same thing as having a major book published. Most people who hire writers with no publishing experience never get published; unless the ghostwriters have experience getting clients into the business then you should be wary. The sad thing is that so many people hire amateur ghostwriters only to never see their book in print and become soured on the whole thing or be forced into self-publishing. This when with a professional, their book would have met with much success.

You should have as much information as possible when discussing quotes. I don't follow these (below) exactly, but they are standard averages by which all ghostwriters with professional publishing experience and proven industry connections generally abide by. Writers with less experience and knowledge of the industry will charge varying fees in order to get a foothold in the industry, but this doesn't work for them or the client in almost all cases. It is unlikely that they will be able to write the book properly and even more unlikely that they will be able to get your book in the door of the very competitive publishing markets. A good guidepost is how many books they themselves have published in addition to their ghostwriting resume, I have two in the last five years and another few set for publication this summer. As I am an independent contractor you will receive much more personal attention from me than the people listed below and I commit to helping you right until the publication date, unlike the majority of the companies. The quotes are accompanied by their respective source websites (I will continue on afterwards; below):

From the Writers Union of Canada: "Contracts with ghostwriters are negotiated on an individual basis. The Writers' Union has established a minimum fee schedule of which you should be aware. For a book of 200-300 pages, the Union has set a total minimum fee of \$25,000"

- Writers Union of Canada

Professional ghostwriter William Greenleaf: "That depends on the nature of the book and how much work it will require. Over the past few years, my ghostwriting fees have ranged from \$15,000 to \$80,000. After you've told me about the book you want me to ghostwrite, I can tell you how much it will cost."

- Professional Ghostwriter William Greenleaf

From one top ghostwriting company: "Our ghostwriting fee generally ranges from \$25,000.00-\$45,000.00, which is in the middle range of the market."

- Schmidt Kaye & Company

The following is from a top ghostwriting company: "Generally speaking, these types of projects run to about 225 to 380 pages (typewritten)... Fees for these types of projects start at \$45,000 - \$65,000."

- Professional Ghostwriter Robert Woodcox

From a top LA ghostwriting company: "Ghostwriting fees are \$50-\$150 per average book page, about 300-400 words each. For a 200-page book, figure \$10,000 to \$30,000."

- Los Angeles Creative Company

As you can see, I try to hit the lower end of the spectrum as I think that some of the prices can get a little outrageous based on actual hourly calculations and given that my turnover is about twice as fast as other writers. I am traditionally able to meet most budget ranges myself, negotiation is always an option. Your best bet is to find someone with experience in the field you are writing about, very likely such as myself, as they offer you the best chance at success in terms of knowing how to handle the material. Almost every single client that uses inexperienced writers will never see their book in print because of the competitive nature of the industry whereas I have helped nearly every one of my clients sign with a good literary agent and most of them see their work in print.

James Cummins and the In Fusion Productions advantage

I specialize in taking outlines and turning them into finished products, either solo or in collaboration. My past books include the history of festival culture, the autobiography of House music inventor Jesse Saunders and an expose on modern stock manipulation. Currently I have five books published, the most recent published in September 2008 (*Ambrosia: About a Culture* published by Clark-Nova Books) and January 2009 (*The Knotted Road* published by 8th House Publishing). Through this work I have gained a lot of experience with writing about pop culture, government and their policies, the financial/investment industry, real estate, sports books, cutting edge memoirs, as well as researching controversial topics and presenting them in a very marketable form. I have worked as a fashion reporter and investigative journalist for U Magazine in Amman, Jordan for the past two years and have an undergraduate degree in

philosophy and political science from Concordia University in Montreal. In addition to this I have worked as a ghostwriter with television stars, elite business executives, platinum selling musicians, aspiring novelists, politicians in heated Federal campaigns in several countries (Canada, Haiti, etc) and many more. Every one of my clients has either been signed to a significant literary agent or seen their work published before finding an agent.

I am myself a published author and investigative journalist, with deep connections within the literary and music industries. I can take your project right to the publishing stage, and have signed many clients to high profile literary agencies in the past. I do more than just help write your book, I will help you get the right agent too - which is the first step on the way to publishing success. My process from the first interview with yourself about the book to a final draft takes 1-3 months maximum. In working together we would be able to meet via teleconference whenever you need, here are some quotes from previous clients:

"This is the best thing written about me ever... it brought me to tears"

- Jesse Saunders (client)
(Inventor of House music)

"Your work is too beautiful for words"

- Jenny Turner Smith (client)

"Your books are the most important written on this subject ever!"

- Tom Savarese
(Billboard award winning DJ on my work in Electronica)

"Congratulations on a job well done. You said it would take time, but that it would happen. And, you made it happen. *Thank you so much.*"

- Recent client after seeing their book published in 2007

"I love this... Fantastic!"

- Multi-platinum music producer on viewing the first draft of his new book

"After God, everything is in your hands, thank you so much!"

- Haitian Presidential candidate after being signed to a major New York City agent

Contact Information, Resume and Writing Samples

On the following pages you will find my resume and samples from my published books: two non-fiction samples followed by one fiction sample. For more specific samples, or for any questions you may have please do not hesitate to contact me at In_Fusion_Productions@hotmail.com or by telephone. I always love talking further with prospective clients so please contact me about your project.

James Cummins
(514) 799-8087—cellular phone
(514) 848-9191—fax
www.JamesCummins.org

Resume for James Cummins as of August 2008

Books

The Knotted Road	Philosophy/Spirituality	8 th House Publishing (2009)
Ambrosia: About a Culture	History of Electronia Culture	Clark-Nova Books (2008)
The Midas Touch	Wall Street Corruption Expose	Rep. by The Seymour Agency
House Music... The Real Story	Autobiography of Jesse Saunders	PublishAmerica Inc. (2007)
Headlocks	Children's e-book	By Parents For Kids (2007)
Waves Crash	2 novellas & 1 phil. treatise	PublishAmerica Inc. (2003)
The Phoenix Index: Never Rain	Novel and Stageplay	PublishAmerica Inc. (2001)

Speechwriting and Journalism

Campaign and Political Positions

Campaign Manager	Haiti: Jean-Michel St. Jean for President 2010 (Nov07-Dec09)
Senior Campaign Writer	Haiti: Jean-Michel St. Jean for President 2010 (Apr07-Oct07)
Speechwriter and Campaign Writer	Canada: Federal Election Campaign 2005-06 for Member of Parliament New Democrat Party candidate Eric Steedman

Contributor and Editorial Positions

Senior Fashion and Features Contributor	U Magazine – March 2007-present
Founder and Editor in Chief	In Fusion Productions – May 2004-present
Editor-in-Chief	Concordia University College student newspaper – Sept-Dec 03

Major Articles and Short Pieces Bibliography

“Montreal Fashion Week Fall/Winter 2008-09”	U Magazine – September 2008
“Miami Heat – Interview with Florida Couture designer Susan Elias”	U Magazine – September 2008
“Making Over Your Relationship”	U Magazine – August 2008
“This is how you Pick up Women”	U Magazine – July 2008
“Success – What men don't know about their bodies and how it...”	U Magazine – July 2008
“Avoiding the Purchase of Counterfeit Items on E-bay”	U Magazine – June 2008
“What Makes Women Strong?”	U Magazine – May 2008
“How to Actually Get the Body you Want”	U Magazine – March 2008
“From Deming with Love”	U Magazine – January 2008
“The Craziest Shopping Day of the Year”	U Magazine – December 2007
“Foxy Franco Di Zazzo”	U Magazine – December 2007
“Inside Fashion Week: Montreal”	U Magazine – November 2007
“Shocking and Awesome: The Trash the Dress Movement...”	U Magazine – October 2007
“A Perfect Fit: A New Fitness Craze in the Heart of the Urban Core”	U Magazine – October 2007
“Tony Ward: The Beauty and Strength of Beirut”	U Magazine – September 2007
“The World's Largest Shopping Mall: West Edmonton Mall”	U Magazine – September 2007
“Counterfeit Versace for the Rich and Famous” (business article)	U Magazine – August 2007
“Inside the Mind of Elie Saab: Twenty-five Years of Fashion”	U Magazine – August 2007
“Designers in the Streets: Montreal Festival of Fashion and Design 07”	U Magazine – July 2007
“Overlooking the Obvious: Child Labor in Awana Kancha Peru”	U Magazine – July 2007
“Breaking the Glass Ceiling” (lifestyle article)	U Magazine – June 2007

2008 Ghostwriting Guide from Author James Cummins

“The New Face of LA Fashion: Samora Olayan”	U Magazine – May 2007
“Composers of Fashion” (fashion / music article)	U Magazine – May 2007
“Fly Guide – Montreal” (travel guide)	Fly: Global Music Culture – March 29, 2007
“Tom Savarese—Dressing Disco in NYC” (fashion)	Fly: Global Music Culture – March 29, 2007
“Advertising in Universities” (marketing essay)	“Authors of Tomorrow”, Elder & Leemaur Publishers – 2006
“Some Security”	Montreal Gazette: Letter to Ed – September 7, 2006
“Even Heroes make Mistakes” (business article)	The Sanity Check – January 25, 2006
“The Fox isn’t Guarding the Hen House” (business)	Financial Wire – December 14, 2005
“Educated Thoughts”	The Walrus: Letters – December/January 2005
“Finding Jesse” (music article)	Fly: Global Music Culture – October 25, 2004
“Apology” (seven poem collection)	Snow Monkey; Ravenna Press – 2002

Some Major Ghostwriting Clients

Jean-Michel St. Jean	Politics/History	Presidential Candidate in Haiti 2009
Phil Weatherspoon	Business	Multi-platinum music producer
Toral Mehta	Business	Former “Apprentice” television contestant
Peter Richichi	Autobiography	Vice President of Wynit Inc.
Luis Almeda	Sports	Snowboarding Expert
Afro Productions	Artist Biographies	Hip Hop Production Company
Gardar Gardarson	Hip Hop lyrics	Major Music Producer in Iceland
Jenny Turner-Smith	Novel	Telephone Services Entrepreneur

Published Photographs

Photos for “Ambrosia: About a Culture”	Clark-Nova Books (2008)
Photos for “Overlooking the Obvious: Child Labor in Awana Kan...”	U Magazine (July 2007)
Cover photo for “Waves Crash”	PublishAmerica Inc. (2003)

Playwrighting and Screenwriting

The Midas Touch	Major Motion Picture	Represented by Ellen Feig
Schizophrenia	Short Screenplay	Concordia University College, AB (2003)
Splinters	One-act Stageplay	Theatre Squared, Edmonton (2005)
Cast	One-act Stageplay	Sound and Fury Theatre, Edmonton (2004)
Shed	One-act Stageplay	Sound and Fury Theatre, Edmonton (2004)
Eve	Full-length Stageplay (tech-shop)	Baldwin Wallace College, Ohio (2002)
The Poet	Full-length Stageplay	Theatre Squared, Calgary (2000)
In Response	One-act Stageplay	Fringe Festival, Edmonton (2000)
The Poet	Full-length Stageplay	Theatre Squared, Edmonton (2000)
Charon	One-act Stageplay	Theatre Squared, Edmonton (2000)
The Poet	Full-length Stageplay (workshop)	Victoria School of Performing Arts (1999)
Phoenix	Full-length Stageplay (workshop)	Victoria School of Performing Arts (1999)

Education

Honor’s BA in Economics: Concordia University 2008-10
 BA in Philosophy and Political Science minor: Concordia University in Montreal 2005-08
 Three years in Psychology, Drama and Philosophy: Concordia Univ. College, Edmonton 2000-04
 High School Diploma: Victoria School of Performing and Visual Arts in Edmonton, Alberta 1998-2000

Poetry Published in Magazines and Royalty Paying Collections

Color	Ink Thoughts Magazine – Summer 2005
Deciduous; -k	Ink Thoughts Magazine – Spring 2004
Passion; Tire	Reflections Magazine – 2003

2008 Ghostwriting Guide from Author James Cummins

Depth	Poetically Correct Volume two (BeMused Publications) – 2002
Blacklist	Joey and the Black Boots Magazine (Kitty Litter Press) – Spring 2002
Insulation	KotaPress Poetry Journal – 2002
Cigarette; Broken	Little Brown Poetry Magazine – Sept 11th tribute issue 2001
Firm Affections	Little Brown Poetry Magazine – Sept 2001
Call	Blue Fifth Review – Summer 2001

Awards

2006 Finalist in “Authors of Tomorrow” Competition	Elder & Leemaaur Publishers
2003 First Prize Monologue at the Vocal Locals Competition	Edmonton International Literary Festival
2003 President’s Awards for Literary Excellence for ‘Wish’	National Author’s Registry
2003 President’s Awards for Literary Excellence for ‘Depress’	National Author’s Registry
2002 President’s Award for Literary Excellence for ‘Outerspace’	National Author’s Registry
2000 Regional Acting Scholarship from the Studio Program	American Musical and Dramatic Academy
1999 Best Teen Playwright Award for ‘The Poet’ and ‘Charon’	Edmonton Theatre Squared

Other Professional Experiences

Calido Summer Pools, Ramada Hotels and WEM World Water Park	Lifeguard from 1999-2004
Concordia University College Theatre	Stagemanager from 2000-2003
Concordia University College Theatre	Technical Director in 2003
Concordia University College Theatre	Visual Director in 2002
Various schools and companies	Actor from 1996-2002
Miss Canada Pageant 1997	Stage escort in 1998
Chan International Model and Talent	Model from 1996-1998

Contact Address and Information

www.JamesCummins.org
In_Fusion_Productions@hotmail.com
1-514-799-8087

Non-fiction Sample One: this chapter is from a book on the financial industry of mine called *The Midas Touch: Counterfeit Stocks, Naked Short Selling and Selling America Short* (represented by the Mary Sue Seymour agency in New York), following the interviewing of hundreds of experts and powerbrokers in the American banking system. The book has been sought after for a potential major motion picture deal.

Chapter Two

Government: weighing to good of the nation against the good of the family.

The 1968 movie “The Thomas Crown Affair” portrayed a young, dapper middle-aged man named Thomas Crown as the ultimate antihero in one of the best caper movies ever made. Tommy Crown was a bank robber who masterminded a brilliant robbery without a hitch, only to be tracked down by a sexy, seductress of a private detective working for the insurance company that took a hit from the robbery. The two lovebirds end up seducing one another, and in the end she helps him pull off an even bigger heist- bigger and far more adventurous. This romantic gentleman represented a new movement in the culture, when asked what it was he had to prove, he simply stated, “It’s between me... and the system. The system!”

What is more interesting in the context of this book is how Mr. Crown was able to make his fortune before taking to robbery. Mr. Crown was involved in something called currency arbitrage; betting one currency against the other in hopes that the one will fall. The film glorifies this act as part of Crown’s fight against the ‘system’, or the ‘black box’ as the political scientists sometimes say. The film uncovered how much the culture had become enamored with the antihero type, the one that goes against corruption and fights for the common good in unorthodox ways. It made the point, though indirectly, that while the American people may admire a good heart, they worship a sexy smile. This is just the first of many films that would cast the rebel financier as a subject worthy of the utmost admiration.

That was forty years ago. Today, the rebel financier has taken on a new face, and it is one much less attractive in many ways. Through the Eighties you had manipulators such as Michael Milken charged in criminal investigations that shook the very foundation of the financial industry. Connections between the financial press, government regulators and rogue investors came to light, leaving a bad taste in everybody’s mouth. These men still hid behind the excuse that somebody needs to stick around, break some rules and take out the trash – but their true goal was to rob normal people of their money and get away with millions in ill-gotten gains. And they have used the victories of what few antiheroes there are left to glorify their own work. Men like short-seller Manuel Asenio

came under fire despite their ability to spot a weak or scam company and then make a decision to help regular investors save their money from oblivion.

Asenio is a special case, who was there at the dawn of this new era of stock trading. Asenio's eyewitness accounts were relayed in his autobiographical book 'Sold Short'. It was the start of the Electronic Age, and the Internet was still in its infancy. Manuel Asenio ran a small, fairly insignificant firm out of New York named Asenio & Co., and had taken an interest in the form of stock speculation referred to as shorting. Again, shorting is where you borrow stock from a broker in order to sell it, hoping the price will go down and you will be able to buy back the stock and keep the difference as profit. Asenio discovered about three years into the business that a company named Diana Corporation had lied about a new product which was touted as a life changing technology, never seen before. In fact, the product – an ISP switch – did not work at all, yet investors were piling in hundreds of millions of dollars and betting on the company's stock hitting the roof. (Asenio)

After very careful investigations, including speaking with people intimately familiar with the product and its short comings, Asenio decided to issue a sell advisory and begin posting its findings on the Internet – something that had never been done before. It was an uphill battle, the Diana Corporation was very well connected and able to do things like call the Stock Exchange and have its stock frozen whenever it looked like Asenio might be putting the pressure on. They were also able to answer each of Asenio's truthful reports with a biased counter-report that begged the question, planted red herrings or restated Asenio's arguments in softer, more qualified terms to make Asenio appear alarmist. It was the beginning of what Asenio labeled the 'New Wave Shorts', using the Internet as the vehicle to get information out to stock holders that otherwise simply found itself lounging on the fringe waiting for a foot in the door. (Asenio)

Asenio won, and Diana Corp is now out of business. Though Asenio did make money off this deal, he also saved many people from making the mistake of investing in a bum company (Asenio). However as the years have gone by, such methods have themselves become corrupted, even in the case of Asenio himself. Asenio in fact settled out of court in a naked shorting case in 2000 in which he admitted perpetrating the crime of naked short selling (Robert Lowry). This de-evolution would come to light in many instances, but perhaps the first major sign there was a problem came in the year 2002. America was still reeling from 9/11 and was getting over its suspicions with the marketplace, investors were placated and whistleblowers were being quietly moved to the sidelines. Everything looked all calm on the Western front, but things were not as they seemed. Beneath it all lied a treachery that few could fathom.

The first major sign there was a problem was the arrest of a man named Amr Elgindy (Tex). Elgindy was an Egyptian-born stockbroker whose brother Khaled Elgindy worked for the White House-related Arab American Institute, and Amr's indictment was reported by the Associated Press as follows, "Elgindy, one of five defendants in the case, was arrested May 22 on an indictment issued by a grand jury in New York. In exchange for money, two FBI agents used confidential databases to provide Elgindy and other co-

conspirators with information on publicly traded companies, the indictment said. Elgindy allegedly spread negative information about the companies on his Website and to subscribers of his e-mail newsletter, InsideTruth.com, while betting that the companies' stock would go down.

“In one case, a former FBI agent searched the agency’s confidential National Crime Information Center database and discovered the criminal history of a top executive for a company called Nuclear Solutions, the indictment said. The same day, Elgindy began sending e-mail calling the executive ‘a convicted felon,’ then sold the company’s stock short, the papers said. Earlier this week, FBI agents raided Elgindy’s \$2.2 million mansion. Inside, agents said, they found tens of thousands of dollars in cash and gold coins. The government is seeking to seize Elgindy’s fleet of cars, including a Rolls-Royce, a Jaguar and a Humvee” (AP 05/02). While men in the past like Asenio had used legitimate information in their Internet campaigns, this was very different. And it had levels of corrupted involvement that were unheard of before this era in time – FBI agents involved in stock market manipulation, utilizing government resources and databases.

Anthony M. DeStefano reported for Newsday that those two FBI agents were Lynn Wingate, who was given immediate administrative leave, and former agent Jeffrey Royer. “Royer, 39, who left the FBI in December 2001, faces charges that he obtained confidential agency material both while he was an agent and after he left and passed it on to Amr I. Elgindy. A self-styled Wall Street whistle-blower and noted short seller of stocks, Elgindy was charged... with being the kingpin of the conspiracy” (DeStefano 05/02). The prosecution would also announce that Royer was found to be in possession of additional materials ‘Royer had not legitimate reason for having and might lead to “something more serious”’, and tried to have him deemed a flight risk. (DeStefano 05/02)

Two years later it was Elgindy who would try to flee, according to DeStefano, “The multi-million dollar bail for a noted Wall Street short seller was revoked yesterday by a Brooklyn federal judge after federal agents charged the trader tried to fly from MacArthur Airport on Saturday with false identification papers. Amr Elgindy, 36, had been free on \$2.5 million bail since September 2002 after he was arrested along with a former FBI agent on securities fraud charges ... according to a federal criminal complaint, Elgindy tried to pass through passenger screening Saturday at MacArthur for a flight home to San Diego with a Montana identification car with his picture but in the name of ‘Herbert Manny Velasco’. Elgindy also had a boarding pass for the Southwest Airlines flight in the name of ‘Manny Velasco’, the complaint stated... X-ray scanning of Elgindy’s luggage uncovered that he had about \$25,000 in US currency and jewelry worth up to \$40,000. Elgindy repeatedly claimed he was Velasco even after security personnel and local police found a photo name tag for ‘Tony Elgindy’ in his possession, according to the complaint” (DeStefano 04/04).

What was most shocking was that it became apparent that in addition to his stock manipulation, Amr Elgindy might have been one of those mysterious ‘somebodies’ that tried to profit from a pre-knowledge of 9/11. At the time of his arrest, the lead prosecutor

– a man named Kenneth Breen, who was subsequently one of the few interviewees referenced by the 9/11 Commission Report in its brief comments on the suspected pre-9/11 shorting and once worked on New York’s Terrorist-financing task force – made the announcement much to the dismay of many around him (Byron 02/08/04). According to the Associated Press, “Amr I. ‘Tony’ Elgindy telephoned his broker on Sept. 10 (2001) and asked him to liquidate his children’s \$300,000 trust account, Assistant U.S. Attorney Ken Breen told a federal judge at Elgindy’s detention hearing. ‘He made a comment predicting the market would drop to 3,000’, at the time when the Dow Jones stock index was at 9,600, Breen said. ‘Perhaps Mr. Elgindy had pre-knowledge of the Sept. 11 attacks. Instead of trying to report it, he tried to profit from it.’ ...Breen made his accusations as prosecutors tried to convince Houston that Elgindy was a flight risk and should be denied bail” (AP 05/02).

That Breen is one of those referenced for the 9/11 Commission Report raises the suspicions that something is being hidden to an even higher degree, even more so because of how Breen. Breen’s would have his comments torn to shreds by the press. Dave Eberhart of NewsMax, for instance, would address the situation in just such a way, “So far, the only break in silence (about pre-9/11 shorts) has been the apparent impromptu courtroom outburst of assistant U.S. attorney Kenneth Breen, who recently accused Amr Ibrahim Elgindy... with knowing in advance about 9/11 and capitalizing on the insider information” (Eberhart). However it would also be exposed through anonymous sources to the authors of this book that while Elgindy was scamming the stock market, he had been filtering some of that money to the al Qaeda front Mercy International in New York City.

A second anonymously named Cobalt Tex source very close to the investigations has come forward to state that he is knowledgeable to Elgindy’s involvement in Terrorism. His parents, he understands, were major fundraisers and supporters of Sami al Arian, the head of al Qaeda in the United States – running their show out of Miami, Florida. In addition, he confirms that Elgindy funneled his profits from naked short selling to HAMAS. As yet unsubstantiated suspicion has also arisen that Elgindy was even a member of the Brooklyn al Qaeda cell himself. In addition to this allegation, suspicion has also arisen that his parents- both Egyptian doctors- fronted several charity groups in the 1970s whose real purpose was to divert money to Terrorist organizations, in addition to their confirmed involvement with the al Qaeda leadership. And remember, this man was working with the FBI to defraud the American people.

Elgindy would be found guilty, along with Royer, of securities fraud. According to a January 24, 2005 report by Eric J. Weiner of the Dow Jones Newswires, “Short-seller Anthony Elgindy was found guilty Monday of racketeering and securities fraud charges. Former Federal Bureau of Investigation special agent Jeffrey Royer was also found guilty of racketeering conspiracy and securities fraud charges... According to the indictment, Mr. Elgindy used a private investing Web site to share some of the information he gained from Mr. Royer and other law enforcement officers with site members. The government alleged that Mr. Elgindy organized site members in order to maximize the impact of the release of negative information on the price of targeted companies. Making copious use

of logs of online exchanges among some of the 300 members of Mr. Elgindy's Web site, the prosecution argued in court that Messrs. Elgindy and Royer were engaged in a corrupt relationship and that they used non-public information to push down the price of the shares of companies they sold short...

"Messrs. Elgindy and Royer were also accused of having conspired to obstruct a post-Sept 11. investigation into suspicious trading that took place shortly before the Terrorist attacks on the US. That probe soon turned into a federal investigation of the peculiar relationship between Messrs. Elgindy and Royer. Assistant U.S. Attorney Ken Breen, told jurors during the government's rebuttal that Mr. Royer shared information about the Sept. 11 investigation with Mr. Elgindy and that the short seller took steps to flee to Lebanon" (Weiner). Weiner also stated that Royer admitted in court that he had 'told a cooperating defendant in the case about the Sept. 11 investigation, but he denied that he told Mr. Elgindy about it' (Weiner). However all things pertaining to 9/11 were thrown out of court by the judge as inadmissible- although this does not mean they were not true in any way, shape or form. Elgindy was the only one to go down hard in the case though, the FBI agents were not fully indicted on all applicable charges (Elgindy), several witnesses rolled on Amr for lighter sentencing and the fines levied on all but Elgindy were mysteriously reversed by the SEC after the sentencing due to a dispute over NASD's place in the matter (Tex).

In a personal letter Elgindy would write from prison to his closest colleagues a few years after his indictment showed Amr to be a broken man, and its text allowed one a window into his heart. He was not an evil person as some would make him out to be, just of a very faulty ethic. He was still human, "Keep in mind, as you review this, I had every cent I ever had to my name seized and frozen three years ago. Since then I've spent millions and millions and millions defending this case. I've lost every dollar I've ever earned or saved in the past 17 years. I've lost my business reputation, friends, family, credibility, and most of all my liberty and my desperate need to be there for my three young boys as they face these critical years ahead. Will there be more to come? I'd like to think so. Everyone deserves to tell their side of the story. But when facing 20 years in prison, you probably have only one chance to get it right if you have any hope of getting anyone's sympathy be it personal or legal". These lonely thoughts should be a warning to anyone who would go his route, no matter the potential profit which may lie there, but unfortunately many all too many have. That is the ultimate subject of this book.

Even more mysteriously, when a private investigator tried to review the transcripts to the Amr Elgindy trial, the boxes containing them seemed to have disappeared. There was only one box in the containment center, however the docket in that box stated there should have been 50 more boxes. Labeled on the outside of the box was 'one of one', the other 50 boxes no where to be found. Somehow, about a year and a half after the trial, these missing documents seemed to be appearing one after the other on Elgindy's former website by a guy who called himself Jeff Mitchell. Additional speculation on the exact nature of Elgindy's knowledge of 9/11 came from Sukiya Han, a Congressional special agent whose background has made him a very valuable asset to Terrorism investigations

in the US. Sukiya is a name given to him by those trying to protect his identity; he has made several leads on the front of Terrorism as well as Chinese economic warfare.

“I helped groups understand the history of the Muslim Brotherhood, and got them interested and John K. Cooley released "Unholy Wars" which added more dimensions from his interview with Archie Roosevelt. I've worked closely with John Emswiler of "The Wall Street Journal" to interview Tony and flesh out his background in order to confirm that Essam Elgindy (in ventures in Russia with Joe Pittera and the Bonanno crowd) and Khaled Elgindy (D.C. lobbyist, in charge of muslims for Bush in Texas, while Sami was in charge in FL in 2000, and a whole lot more, including a key lobbyist for Holy Land Foundation) are Tony's brothers, and that Ibrahim Elgindy, a computer sciences professor at U of Chicago, and a member of the board of the shut down Global Relief and Benevolence International is their father.

“I am the one who provided a cryptic message posted for Tony's and his friends' consumption at Amazon National Treasures Sept. 10, 2001*** to SEC Chicago and they in turn to FBI Chicago, but Freeh had terminated wire taps so no one could listen in on what Elgindy and his associates may have learned in their conversation ... but it is clear that Tony learned something important, and immediately tried to liquidate the stocks in his children's trust fund (lbut instead the broker contacted the FBI about Tony's unusual comments about the DOW dropping from 9,000 to 3,000 and everything going down the tubes) but no one could do anything because of HQ. This information also went to Daniel Pipes and others who follow the Muslim Brothers. The message is the one to JH (Jimmy Hoffa) from BG (Bill Gates) posted by SalemsHex 12 at about 9:30 a.m. eastern time "Prepare to lose operatives" addressed to Paranoia Tango ... "your masks and goggles are no defense against our silver bullets as they silently do their biodome blitz" It entreats insiders to not let the heart beat, be sure to lead the Tango Paranoids to the "dam" and communicate for details using secure red phone. Robert Wright knows all this cold, is gagged, but because he is unaware of the massive scale of the Bonanno ops with the Saudis in Canada and with Al Qaeda elsewhere, is my take on this” (Han). The Robert Wright Sukiya refers to here is the FBI agent who along with Sibel Edmonds has been gagged from every disclosing their knowledge to the public.

The information regarding financial ties spoken of by Edmonds may not be linked to these quoted organizations, but they were further explained by Han in further correspondence, “[Elgindy’s] connection in Vancouver, B.C. run with very strong Bonanno connections who in turn cross-wired the Muslim Brothers and Saudis into scams with them. Again, at the time of his death at the age of 97, The New York Times wrote: ‘Joe Bonanno, at the time of his death, was boss of Arizona, California and Canada.’ Joe Bonanno had lifetime intelligence immunities provided through the graces of Donovan and Nelson Rockefeller, and operated not just a second rate ‘crime group’ but also intelligence networks for the rogues. Joe decided in 1976 to go ‘big time’ into cocaine (per testimony of numerous mobbers rounded up over the years) and literally create the Cali, which was an essential part of the rogue Safari Club and intell operations to raise money for political contributions and the financing of illegal dirty wars...” (Han).

Joe Bonanno was given lifetime immunity for serving on Nelson Rockefeller's Board of Economic Warfare during World War II. Much like Joe Kennedy's placement as head of the SEC, Bonanno's role was assumedly to help understand many of the aspects of using economics in covert and illegal ways that those outside of the underground would never dream possible. This name being tied to Elgindy, 9/11 or stock manipulation would perk anybody's head up. Not so much because of his power as a mob boss, as it was relatively minimal in the grand scheme of things – the official 'boss' of Canada or any other region is rarely the true face and power behind any operation, and Joe in fact may have been almost totally clean as an individual (a front man) – but whom Bonanno is connected to.

Sukiya very directly connected the Bonanno family to several men inside of the White House, as well as to some major California corporations like Disney, who shares the same Chicago law firm as the Bonannos. He also connected them to the Safari Club, a covert wing of the now infamous 'Team B' conservative movement. Team B emerged in the 1970s, led by such men as Vice-President of the United States Nelson Rockefeller, as an ultra-conservative pro-war movement that advocated the military build up of the 1980s and supported militarist policies by the CIA against Soviets in the Cold War. They were also one of the key forces behind military intervention in the Iran-Iraq War, as well as being major Republican fundraisers and bureaucrats (Cahn). The rise of Team coincided with the oil shocks of the early Seventies and the end of Keynesianism's dominance of thought in political economy (the welfare state).

Anne Hessing Cahn explained this Team B much further in an April 1993 paper for Bulletin of the Atomic Scientists, "Late last year (1992), the Central Intelligence Agency (CIA) released the 1976 'Team B' reports. Team B was an experiment in competitive threat assessments approved by then-Director of Central Intelligence [George Bush](#). Teams of "outside experts" were to take independent looks at the highly classified data used by the intelligence community to assess Soviet strategic forces in the yearly National Intelligence Estimates (NIEs). NIEs are authoritative and are widely circulated within the government. U.S. national [security](#) policy on various issues as well as the defense budget are based on their general conclusions. Although NIEs represent the collective judgment of the entire intelligence community, the lead agency is the CIA. There were three "B" teams. One studied Soviet low-altitude air defense capabilities, one examined Soviet intercontinental ballistic missile (ICBM) accuracy, and one investigated Soviet strategic policy and objectives. But it is the third team, chaired by Harvard professor Richard Pipes, that ultimately received considerable publicity and is commonly referred to as Team B.

"The Team B experiment was concocted by conservative cold warriors determined to bury détente and the SALT process. Panel members were all hard-liners. The experiment was leaked to the press in an unsuccessful attempt at an 'October surprise'. But most important, the Team B reports became the intellectual foundation of 'the window of vulnerability' and of the massive arms buildup that began toward the end of the Carter administration and accelerated under President Reagan. How did the Team B notion come about? In 1974, Albert Wohlstetter, a professor at the [University](#) of Chicago, accused the CIA of systematically underestimating Soviet missile deployment,

and conservatives began a concerted attack on the CIA's annual assessment of the Soviet threat. This assessment--the NIE--was an obvious target.

“In the mid-1970s, the CIA was vulnerable on three counts. First, it was still reeling from the 1975 congressional hearings about covert assassination attempts on foreign leaders and other activities. Second, it was considered "payback time" by hard-liners, [who](#) were still smarting from the CIA's realistic assessments during the Vietnam war years--assessments that failed to see light at the end of the tunnel. And finally, between 1973 and 1976, there were four different directors of central intelligence, in contrast to the more stately progression of four directors in the preceding 20 years. The vehicle chosen from within the administration to challenge the CIA was the President's Foreign Intelligence Advisory Board (PFIAB). Formed as the Board of [Consultants](#) on Foreign Intelligence Affairs by President Eisenhower in 1956, PFIAB was reconstituted by President Kennedy in 1961 after the Bay of Pigs fiasco. Members are appointed by the president but hold no other government positions (except possibly on other advisory committees or panels). By 1975, PFIAB was a home for such conservatives as William Casey, John Connally, John Foster, Clare Booth Luce, and Edward Teller.

“The PFIAB first raised the issue of competitive threat assessments in 1975, but Director of Central Intelligence William Colby was able to ward them off, partly on procedural grounds (an NIE was in progress). But Colby, a career CIA officer, also said, ‘It is hard for me to envisage how an ad hoc 'independent' group of government and non-government analysts could prepare a more thorough, comprehensive assessment of Soviet strategic capabilities--even in two specific areas--than the intelligence community can prepare.’ At a September 1975 meeting of CIA, National Security Council, and PFIAB staff, the deputy for National Intelligence Officers, George A. Carver, noted that since John Foster and Edward Teller, the principal PFIAB members pushing for the alternative assessment, disagreed with some of the judgments made by the intelligence community, ‘the PFIAB proposal could be construed as recommending the establishment of another organization which might reach conclusions more compatible with their thinking.’

“In 1976, when George Bush became the new director of central intelligence, the PFIAB lost no time in renewing its request for competitive threat assessments. Although his top analysts argued against such an undertaking, Bush checked with the White House, obtained an O.K., and by May 26 signed off on the experiment with the notation, ‘Let her fly!! O.K. G.B.’ ...Nevertheless, early in January 1976 President Ford defended the policy of détente he had inherited from Richard Nixon and said in an NBC News interview: “I think it would be very unwise for a President--me or anyone else--to abandon détente. I think détente is in the best interest of this country. It is in the best interest of world stability, world peace.”

“...In July 1976, Director of Central Intelligence George Bush let a PFIAB subcommittee suggest members of the three B teams; in August he wrote to the president that ‘morale at the CIA is improving.’ Each B team met in September and October and exchanged drafts with their CIA counterparts during October. The first press leak occurred two days after the first meeting of the CIA and Team B members who were examining Soviet strategic

policy and objectives. William Beecher's story in the October 20 Boston Globe contained leaks by at least one Team B member who conveyed to the journalist only his recommendations, not those of his fellow panelists. According to Leo Cherne, then chairman of PFIAB, Director of Central Intelligence Bush was aghast at the leak and stormed into the Old Executive Building accusing members of PFIAB of being the leakers. Cherne assured Bush that this was not the case, and that 'members of PFIAB were sufficiently smart to recognize that any publicity would invalidate what had been a serious effort.' The story was not picked up and seemed to fade from view.

Ironically, after the Democrats won the election and President-elect Jimmy Carter had ignored Bush's hint that up to now, CIA directors had not changed with an incoming administration, George Bush, the foe of leaks, agreed to meet with David Binder of the New York Times. The same director who wrote to President Ford in August 1976, 'I want to get the CIA off the front pages and at some point out of the papers altogether,' now made sure that Team B would become front-page news. On Sunday, December 26, the lead New York Times story was about Team B. Bush appeared on Meet the Press, and three separate congressional committees vowed to hold hearings on the whole exercise. Although officials within the new Carter administration paid scant attention to the Team B reports, the spadework had been done. In particular, the Pipes panel's major conclusions had been publicly and repeatedly aired... Today, the Team B reports recall the stridency and militancy of the conservatives in the 1970s. Team B accused the CIA of consistently underestimating the 'intensity, scope, and implicit threat' posed by the Soviet Union by relying on technical or 'hard' data rather than 'contemplat[ing] Soviet strategic objectives in terms of the Soviet conception of 'strategy' as well as in light of Soviet history, the structure of Soviet society, and the pronouncements of Soviet leaders'" (Cahn).

However this material is far more relevant today than Cahn insinuates, as Team B continued its heavy influence for decades after this initial push for a hard line military policy against the Soviet Union. According to an August 2004 article by Lawrence J. Korb, an abridged version of which appeared in the Los Angeles Times, "The outside experts on Team B were led by Harvard Professor Richard Pipes and included such well-known hawks as Paul Nitze, William Van Cleave, and Paul Wolfowitz... Team B was right about one thing. The CIA estimate was indeed flawed. In 1989, the agency published an internal review of the threat assessments from 1974 to 1986. The report concluded that the Soviet threat had been 'substantially overestimated' every year. In 1978, the Senate Select Committee on Intelligence found that the selection of Team B members yielded a flawed composition of political views and biases. Consequently, the Team B analysis was deemed a gross exaggeration and completely inaccurate...

"During the period from 1982 through 1992, many of the Team B members were in government as members of the Reagan and the first Bush administrations. In 1981, after the publication of Clare Sterling's *The Terror Network*, which had argued that global terrorists were actually pawns of the Soviets, leading hardliners asked the CIA to draft an NIE on the relationship between Soviets and terrorist organizations. The NIE concluded that although there was evidence that the Soviets had assisted groups such as the

Palestinian Liberation Organization with weapons and training, all of the evidence indicated that the Soviets did not encourage or approve of these groups' terrorist acts. However, hardliners like Secretary of State Alexander Haig, CIA Chief William Casey and Policy Planning Director Paul Wolfowitz rejected the draft as a naïve exculpatory brief and had the draft retooled to assert that the Soviets were heavily involved in supporting 'revolutionary violence worldwide.'

“A similar situation arose with the CIA analysis of the role of the KGB in the attempted assassination of Pope John Paul II in 1981. The CIA analysis showed that the attack had been carried out by Turkish fascist extremists and that there was reliable documentation that proved that neither the Soviet Union nor Bulgaria was involved in the plot. Nonetheless, Casey produced a study to the contrary, which reached President Reagan and other senior members of the administration. In the first Bush administration, the CIA claimed that Soviet spending on weapons started declining in 1988 and that the number of Soviet strategic launchers was staying the same or declining. Then Secretary of Defense Dick Cheney argued publicly that the Soviet Union's efforts to modernize its strategic nuclear weapons were "robust and continuous." Moreover, Cheney asserted that there was 'absolutely no evidence' that Gorbachev's ascension had altered Soviet strategic planning...

“The other concern of the hardliners was China. Here again they did not like what the agency was telling them, so they established a Commission headed by Congressman Chris Cox (R-CA) to look at China's military spending. Not surprisingly, in 1999 the Cox Commission, in a largely speculative report, declared that Chinese military spending was in fact twice what the CIA estimated. To be sure, the intelligence community has made misjudgments. That is to be expected. But given the fact that the intelligence community has been second-guessed and publicly embarrassed when it tried to present unbiased objective assessments of threats from the Soviets, China, and rogue nations, it is not surprising that it caved in on whether Iraq had weapons of mass destruction. While there was no formal Team B pressure, the hardliners were now back in power” (Korb). Christopher Cox was named head of the SEC in 2005.

Korb summarized the issue of Team B's influence on modern America by saying, “The reports of the 9/11 Commission and the Senate Select Committee on Intelligence miss the real problem facing the intelligence community. The real problem is not organization or culture, but the Team B concept which began in 1976, and the real villains are those hardliners [who](#) refuse to accept the unbiased and balanced judgments of intelligence professionals about the threats facing the country” (Korb). Balancing this view was another recent publication, that of Harvard Professor Richard Pipes himself, who wrote in 2003, “Team B did not 'second-guess' the CIA. It participated in a competitive analysis. Such a competition was a unique experiment in the annals of US intelligence... Team B members, all approved by the CIA, included Harvard political scientist Richard Pipes, General Daniel Graham, who had headed the Defense Intelligence Agency, Paul Nitze, a former Deputy Secretary of Defense, General John Vogt, the former Air Force Chief of Staff, Thomas Wolfe, a top Rand Corporation executive, General Jasper Welsh, the head

of the Air Force's system analysis and Paul Wolfowitz, who was at the Arms Control Agency.

“The lesson of this extraordinary disputation was not that the Soviet Union had a greater or lesser capacity but that intelligence estimates, no matter how objective they may seem, are an inherently uncertain enterprise, based on questionable assumptions and selective exploitation of sources. The facts of intelligence work are not like marbles that can be lined up, counted and weighed. They assume different meanings depending on who selects them and orders them into a mosaic. Intelligence estimates are at best, therefore, an incomplete product. As one perceptive member of Team B later pointed out, "To succeed in these circumstances, policymakers must become, in effect, the senior analyst on their core accounts. Above all, they must become adept at the analytic techniques for doing battle with incomplete information and contradictory assumptions." That was what was learned from Team B” (Pipes).

Tom Barry, policy director of the Interhemispheric Resource Center, gave a different analysis in 2004, “Right-wing ideologues and militarists frequently cite the example of Team B as a successful model for challenging moderate threat assessments by the foreign policy establishment, particularly the CIA and the State Department. In prevailing over the CIA, Team B demonstrated that “strategic intelligence” based on a policy-driven analysis of an adversary's perceived intentions could triumph over fact-based intelligence. Through adroit organizing by hawks inside and outside of government, the Team B effort helped re-launch the cold war.

“The end of the cold war did not bring to a close the long-running dispute between the national security alarmists on the right and the more conservative analysis of security threats by the CIA, the State Department, and the military itself. In the case of Iraq , the ideologues and militarists, following the Team B model, insisted on the primacy of strategic intelligence. Once again the U.S. government allowed a militarist policy by ideology and fear-mongering to trump facts and reason--at a tremendous cost to U.S. taxpayers as well as a mounting casualty list in the case of the Iraq invasion and occupation” (Barry).

According to Sukiya, some of Team B's assets during the 1980s have turned into fierce enemies of the United States, and those assets have in turn begun to infiltrate this ‘Team B’ quite thoroughly. As President Bush's father was CIA director at the time of the rise of the rogue Team B and Safari Club, in addition to many more deep connections between the current administration – such as Donald Rumsfeld and Dick Cheney – and Team B seems to have been a major vehicle for the future of Terrorism, linking Safari Club to a broader investigation of Elgindy could have proven disastrous. This especially proved true when it came out that an order had allegedly come down from the President to cut all wiretaps on organized crime once he had safely been installed in office. This order was directly responsible for the FBI's inability to hear everything that Elgindy may have said over the telephone about his experiences on September 10, 2001 (Han).

The Safari Club and its involvement with the evolution of Terrorism was explained by writer Alex Constantine in a 2004 article, “the establishment of the Safari Club of elite cut-throats, [was] founded with covert Agency support on Sept. 1, 1976. George Herbert Walker Bush was then director of the Agency, [and] Nelson Rockefeller was vice president under Ford. The Safari Club was a CIA cut-out: This clutch of intelligence agents, politicians and businessmen from three countries (Saudi Arabia, Egypt, and Iran) was founded with the express purpose of engaging in covert operations in Africa and the Middle East without leaving a CIA footprint...

“Terrorism was a natural by-product of this alliance. Chicago Tribune book reviewer Padam Ahlawa neatly summarized the tensions that gave rise to the Safari Club: ‘The origins of world terrorism go back to the cold war era. Moscow □ monumental blunder in invading Afghanistan in 1979 set off a sequence of intrigue-laden events in Afghanistan.... High-profile military operations were out. Carter wanted a covert CIA operation like the one it had carried out in Laos, with no US personnel directly involved. The Agency, it was decided, would co-opt specialized American military personnel with the support of the Pakistan military to train an army of Muslim zealots.’ Anwar Sadat entered into an agreement to assist in the training and equipping of recruits for the coming Anti-Communist jihad. ‘Russian weapons were flown to Afghanistan. Encouraging fundamentalism to grow in Egypt had its fallout when these Mujahadins turned hostile to Sadat for signing the peace treaty with Israel. It led to Sadat □ assassination and terrorist acts of killing 58 tourists. Zia ul Haque of Pakistan made the best of this opportunity, created the ISI to train Pakistanis and Afghans. By doing this, Pakistan □ economic and social instability increased and terrorist acts in Sindh grew.’ The Safari Club □ cover was blown when the Ayatollah Khomeini allowed an Egyptian reporter to peek into the archives of the exiled Shah of Iran □ a Club member. The CIA/Safari Club left footprints in the destabilization campaign at Mengistu in Ethiopia, the unrest in Costa Rica, and there were trademarks all over Iran-Contra, not to mention the funding of UNITA in Angola and the Afghan “freedom fighters,” including bin-Laden.

”The CIA funded the Muslim Brotherhood in 1977, and trained Mujahadin to support Hekmatyar of the Brotherhood in Afghanistan. The Koran-happy Muslim Brothers have served the CIA operationally for some 40 years, an arrangement rubber-stamped by Allen Dulles, Frank Wisner and Kermit Roosevelt. Airline hijacker Mohammed Atta was ID(ed) as a Muslim Brother in the Wall Street Journal and New York Times shortly after the jet attacks on the World Trade Center. So were Khalid Shaik Mohammed and Ramzi Yousef, reportedly guided to a sacrificial pyre in the sky by Aman Zawahiri, Al Qaeda □ second-in-command also a co-conspirator, while operating under the aegis of the CIA, in the murder of Egyptian President Anwar Sadat, and the 1993 WTC bomb plot” (A. Constantine).

Additional information about the Safari Club in general came from yet another source, “‘Safari Club’... This was an extraordinary but loose organisation which, because of its strong anti-Communist intentions, was heavily backed by the entire Western right wing. The Safari Club actually existed as an extraordinary and very exclusive Afro-French club

in Paris. It had a ground floor restaurant and bar, but there was a proper club underneath which was very exclusive. By chance in London I met a man who, when he was a student, had worked there as a bus boy. The club itself no longer exists, but then it was decked out exotically with such things as elephant feet as stools. The whole place resembled a safari tent and people met by the flickering light of kerosene lamps. My friend worked mainly in the restaurant above, but also sometimes acted as a relief in the club itself. He said: 'It was entirely eccentric in a sinister sort of way. I knew for sure that it was ultra-right wing, and it was always heavily conspiratorial. I was told never to recognise any of the patrons and they would literally huddle and talk in whispers. They always stopped talking if I was in earshot. It was an eerie place but at the time I needed the money. I didn't really know the significance of it all until much later when I read that Chirac had had it closed down. I didn't really actually recognise anyone, but some of them looked familiar and they were multi-national'...

“This clandestine but highly active international group in turn led to an offspring loosely called "Le Cercle" or the Pinay Circle, which became altogether more organised and dangerous... In the seventies, when all this was being formulated under the auspices of the Safari Club, Marwan and co. were most active. The club had originated as a consortium formed between the secret police forces of the Shah of Iran (SAVAK), Saddam Hussein of Iraq, Anwar Sadat of Egypt (The Marwan connection), and the Saudi Intelligence Service headed by Kamal Adham (later of BCCI fame). It was expressly formed to support regimes that were actively anti-Communist and to try and put down regimes that were not. In this second category it arranged coup d'etats in Central Africa, Congo, Nigeria and Mali. Because of its nature, the group was heavily into the supply of arms. When billion dollar contracts for arms are floating about, the Establishment is amazingly tolerant and it was during this time that Marwan became a very rich young man.

“Le Cercle' eventually spread its tentacles throughout the Western World, but it started in France, as a cogent force, during the Premiership of Antoine Pinay in 1951... the activities of "Le Cercle" were merely an extension of McCarthyism in a rather more intelligent and less hysterical, though none the less potent, form. They had developed a huge sense of menace which was closely guarded by some genuine authenticity and tolerated because of national paranoia. The CIA almost openly backed them, the MI6 more cautiously so. In both forces the Circle found many sympathizers... They had formed strong links with BOSS, the Gestapo-style secret police of South Africa. Their only real failures were not managing to murder Gaddafi and failing to prop up the Shah. But did the West later in the Gulf War fall short of murdering Saddam because he was an original member of the Safari Club?” (Sallywag). The connections between the Safari Club, Team B and modern Islamic Terrorism were damning, though they do not point to the corruption of modern politics, just the history of some very bad decisions by the American government.

However, in an interesting comparison between the Cold War these men were fighting and the Punic Wars of ages past, Mark Williams wrote for the Technology Review at MIT a strong warning about these men evoking historical precedent. After observing a

July 2005 event at The National Atomic Museum in Albuquerque, New Mexico, he wrote, “How is a nuclear bomb like an ancient African battle elephant? On a recent visit to the National Atomic Museum in Albuquerque, NM, I found hidden among the predictable exhibits—metal casings identical to those used in the Little Boy and Fat Man devices dropped on Hiroshima and Nagasaki, films of mushroom clouds expanding over atomic—and hydrogen-bomb test sites, photos of Robert Oppenheimer and the gang at Los Alamos, CA—a reproduction of a 16th-century Flemish tapestry with a placard beside it that tried to answer this riddle.

“The tapestry depicts elephants striding among Roman legionnaires and their foes. The placard explains, ‘One of the best-known ancient arms control agreements was negotiated between Rome and Carthage following Scipio Africanus's victory over Hannibal in the Battle of Zama in 202 B.C. This treaty required the Carthaginians to surrender all their war elephants.’ Museum visitors, then, are told that thermonuclear bombs and the battle elephants from the classical world are analogous examples of weapons systems that were regulated by the mutual agreement of warring groups... as things turned out, the strategic nuclear elite carried through the most brilliant and sustained—though also the most perilous—gamble in human history. After winning a Cold War that never came to direct military conflict, the United States became the only superpower, in 1991. Indeed, comparisons can be made with Rome's situation in 202 B.C.E., after the battle of Zama gave it supremacy in the classical world. Such a comparison would have seemed obvious to those who shaped U.S. nuclear strategy in the Cold War. Over the past 35 years, they and their proteges have shaped all aspects of U.S. policy. Some of them—like Donald Rumsfeld, Dick Cheney, and Paul Wolfowitz—the world knows well. Others are known only by Washington insiders. Having played successfully for high stakes during the Cold War, none in this elite will be timid about formulating America's strategic aims during the 21st century” (M. Williams 07/05). It is true in many ways that the United States is the greatest State to arise in nearly 2500 years, and that the unimpeachable authority of the Roman generals of yore is more than a possible reality for modern American bureaucrats, as well as those faces behind the scenes.

Yet in spite all of these stunning aspects to the case, something else lied deeper; something more sinister than Terrorism; something more frightening than corrupt law enforcement. Elgindy was more than a short seller, he was also accused of being involved in naked shorting. The difference between the two of them is this: when you short a stock, you have borrowed it and are in possession of that stock when you sell it in hopes of speculative profit, when you naked short, it means that you never borrowed the stock in the first place. Some naked shorting is legitimate, sometimes a broker can't find the stock immediately but knows they can very soon and will sell stock they haven't yet borrowed, but do have full intention of finding it to back up their transaction. Yet in the kind which Elgindy practiced, no intention of ever acquiring the stock is made. For a more basic explanation, David Hendricks of the San Antonio Express-News once suggested that one should, “Think of airlines that oversell seats on a flight. Naked short sellers are doing the same thing – selling something they don't have” (D. Hendricks).

Now how is this possible, and why is it a problem? Shorting in general is of questionable merit in the marketplace. Many people believe it helps to balance the occurrence of overvalued stocks and helps to soften the potential for a market crash by keeping stock prices reasonable. Some have questioned this. One such questioning researcher is Sean Masaki Flynn from Vassar College, who stated in the abstract of his paper entitled ‘Short Selling Behavior When Fundamentals are Known. Evidence from NYSE Closed-end Funds’, “I find that short sellers are aware of fundamentals. Shorting is non-existent for deeply discounted funds, begins to manifest itself for funds trading near fundamental valuations, and is extremely intense for funds trading at premia. Short selling appears to constrain the magnitude of closed-end fund premia, but even with intense short selling, fund premia on average only decay at a rate that generates zero risk-adjusted profits. This suggests that more intense short selling would not be profitable and that, consequently, one cannot expect short selling to equalize equity share prices with rational valuations” (S. Flynn). Essentially what he is saying is that the idea that shorting keeps stock prices rational, according to his data, is an incorrect assumption.

Additional support for this idea that shorting is not as useful as most assume, comes from Dr. Owen A. Lamont of Yale University’s School of Management who did a joint study with Dr. Jeremy C. Stein of Harvard University’s Department of Economics entitled ‘Aggregate Short Interest and Market Valuations’. In their abstract, it was stated about their paper that, “The evidence suggests that: i) arbitrageurs are reluctant to be against aggregate mispricings; and ii) short-selling does not play a particularly helpful role in stabilizing the overall stock market” (Lamont and Stein). In this research paper, the two researchers also found that shorting stocks had little effect in terms of softening the recent Dot-Com Bubble’s collapse and 2000 Market Crash as most had hoped it would. Today, more people believe heavy shorting was more of an agitator of the Crash than a set of brakes.

Supporters of shorts argue that, as *The Economist* published in February of 2003, “When markets fall, short-sellers – who try to make money by selling shares they do not own, in the hope of buying them back at a lower price – become everybody’s favorite whipping-boys. They are accused of aggravating pain by further driving down the market. Before long, people start muttering that something must be done to stop the tawdry practice. Those who call for restrictions are often trying to run companies in trouble, or entire economies that are on the ropes. David Prosser, chief executive of Legal & General, a British insurer, called last summer for more ‘grit in the system’ to work against short-selling. A little later, L&G trapped shareholders in a rights issue for \$1.2 billion... Admittedly, unflattering or even downright misleading rumors are sometimes spread about a company’s financial state, in Internet chat rooms, research notes and through leaks to the media. By shorting the shares, so-called stockbusters hope to benefit. That said, during the boom years, similar tactics were used by those who were hyping shares, mainly tech stocks, for personal gain. Did they do any less damage?” (Econ 02/03).

Well, in response, two wrongs do not make a right. Short selling has proven to detect stocks that were either corrupt or overvalued, but this does not happen often. Even so, our focus here is not on legal short selling. Sometimes when people hear that naked short

selling is coming under question, they assume it is the same as short selling and the same old 'blame the shorts game'. Now this is definitely an incorrect assumption. Talking about normal investors is also a trap, because talking about naked short sellers is not a discussion about your basic, run of the mill short selling investor. A lot of people have the misconception that the stock market is an easy thing to get your head around: 'Buy low, sell high! Make money!' This is not the case, as Paul Kruger of MIT- famed economist- wrote in his highly touted article 'The Ice Age Cometh' for Fortune Magazine in May of 1998.

"If you follow trends in psychology, you know that Freud is out and Darwin is in. The basic idea of 'evolutionary psych' is that our brains are exquisitely designed to help us cope with our environment – but unfortunately, the environment they are designed for is the one we evolved and lived in for the past two million years, not the alleged civilization we created just couple of centuries ago. We are, all of us, hunter-gatherers lost in the big city. And therein, say the theorists, lie the roots of many of our bad habits. Our craving for sweets evolved in a world without ice-cream; our interest in gossip evolved in a world without tabloids, our emotional response to music evolved in a world without Celine Dion. And we have investment instincts designed for hunting mammoths, not capital gains ...those instincts aren't appropriate at all.

"Efficient markets theory tells us that all the available information about a company is supposed to be already built into its current price, so that any future movement is inherently unpredictable – a random walk. In particular, the fact that people have made big capital gains in the past gives you absolutely no reason to think they will in the future. Rational investors, according to the theory, should treat bygones as bygones: if last year your neighbor made a lot of money in stocks while you unfortunately stayed in cash, that's no reason to get into stocks now. But suppose that, for whatever reason, the market goes up month after month; your MBA-honed intellect may say 'Gosh, those P/Es look pretty unreasonable', but your prehistoric programming is shrieking 'Me want mammoth meat!' – and those instincts are hard to deny" (Kruger 05/98).

Our focus here is on the manipulative short selling process of illegal naked short selling. According to Professor of Finance John D. Finnerty at the Fordham University Graduate School of Business, "Manipulative short selling has a long and colorful history that dates back to the origins of organized stock markets. Bernheim and Schneider describe how bear pools operated on the Amsterdam Stock Exchange during the late Seventeenth century. Stock manipulators carefully timed their aggressive 'bear raids' to exert maximum selling pressure. The price declines attracted free riders, and the combined pressure on the prices of the targeted stocks produced virtually assured profits. The manipulators found that they could defeat any opposition by employing 'tricks that only sly and astute speculators invent and introduce,' such as planting false rumors about the target firm's precarious condition in the press. When similar manipulation occurred on the London Stock Exchange in the early Eighteenth century, the British parliament passed a law prohibiting short selling in 1734. The law was not repealed until 1860, and short selling was not specifically authorized under English law until 1893. Numerous

historical documents show how these and other manipulative short selling techniques have been woven into the fabric of the stock market...

“Illegal short selling, such as naked short selling, can distort market prices by creating artificial supply-demand imbalances. Consequently, the securities laws in the United States proscribe various restrictions on short selling that are designed to constrain it so that it can not be misused to manipulate stock prices below the true asset value... Naked short selling can increase the manipulator’s profit. A short seller, who profits by buying the shares to cover her short position at lower prices than the selling prices, can drive the price of a stock lower by selling short a larger number of shares. Without enforceable restrictions requiring short sellers to borrow the shares before they can commit to sell, a short seller might destabilize the market for a particular stock through naked shorting. While some naked shorting may take place for benign reasons, for example because it lowers the cost of short-selling... restrictions on short selling had not been effective in preventing its use as a manipulative device. There is mounting evidence that manipulative short selling has seriously disrupted the market for some over-the-counter stocks” (Finnerty).

The best technical explanation of how it all works comes from Dr. Patrick Byrne, founder of Overstock.com. “The Economics of Naked Shorting: The gist of naked shorting is simply, when a (naked short seller) pretends to short a stock (I say, ‘pretends’ because it is stock that it does not really own, and which it does not really borrow). It sells those made-up shares into the marketplace, and collects the money just as though it sold real shares... If it is stock in a small company, and does not trade with much liquidity, then the (naked short seller) can keep ‘selling’ (their) made-up shares and drive the stock price down to wherever it wants it to go. In a healthy market, the check-and-balance on shorting would simply be the number of shares that are available for short sellers to borrow and sell. Since there would only be a finite number of shares to borrow and sell, there would be only a finite amount of pressure the shorts could bring upon a stock (and it would be offset by buying pressure the shorts could bring upon a stock (and it would be offset by buying pressure holding the stock up).

“But if naked shorting is allowed, then there is no limit on how many bogus shares (naked short sellers) can create. This means they can drive a stock’s price down close to \$0. At the very least, this practice destroys peoples’ savings. Some folks believe companies have been driven out of business by this, because they cannot raise new capital once those stocks have cratered badly enough. The key is this: if given the right to create an unlimited number of new shares, essentially out of thin air, not limited by the number of shares ‘in the borrow’ as legal shorting requires, these (naked short sellers) can always drive the price down and always cover for a profit. That is why it’s, ‘illegal’” (Byrne 03/05).

Byrne continued to explain how this can occur, and how it usually does. “Imagine a (naked short seller) chooses a small, illiquid company to attack. Often that company is in a poorly understood sector, or is a company with some accounting complexities so it will be possible to create ‘where there’s smoke there’s fire’ skepticism about its books. Here

is what happens: 1) The (naked short seller) gets that US firm listed on foreign exchanges, 2) That (naked short seller) then 'sells' shares it neither has nor borrows, 3) When the DTCC calls after three days and says, 'Where are those shares?' The (naked short seller) replies, 'I borrowed them on the German exchange, they will take a few weeks to show up,' or 'I am a market maker for the German exchange in that stock, and thus excluded from the no naked shorting rule', 4) With a nudge and a wink the DTCC says, 'OK, we'll loan you from our own reserves of that stock.' The DTCC collects a high fee from the (naked short seller) to do this.

"5) The (naked short seller) has relationships with a few compliant reporters, who are called and told, 'Do a hatchet job on Company XYZ.' They do so, perhaps in return for off-shore compensation, 6) The combination of bad publicity coupled with the selling of an unlimited number of shares drives the stock down to the point either that the (naked short seller) covers and moves on, making a quick \$20 - \$50 million, or the company goes bankrupt, or simply remains a penny stock (in which case the (naked short seller) never has to cover the short, and hence, never pays taxes!)" (Byrne 03/05). The DTCC is the acronym standing for the Depository Trust Clearing Company, which is the holding company for every single electronic share in the American exchange system. If you own stock, the DTCC is holding it; they act a lot like the Federal Reserve.

According to Byrne, up to 300 companies have been proven to have had severe failure-to-deliver problems between January and March of 2005- since efforts were stepped up to detect them. A failure-to-deliver problem is when those shares sold do not actually arrive in the hands of the buyer. For an example of just how wide spread these failures to deliver are, Professor Leslie Boni at the University of New Mexico wrote a paper entitled 'Strategic Delivery Failures in U.S. Equity Markets', initiated during her term as a visiting financial economist at the SEC.

"Sellers of U.S. equities who have not provided shares by the third day after the transaction are said to have 'failed-to-deliver' shares. Using a unique dataset of the entire cross-section of U.S. equities, we document the pervasiveness of delivery failures and provide evidence consistent with the hypothesis that market makers strategically fail to deliver shares when borrowing costs are high... While close to 5,000 issues have at least one fail for at least one day, less than 2,000 issues have fails that are at least 9 days old. There are a substantial number of issues (about 1,000) with fails of at least 20 days or more, however" (Boni). Boni states that though 80.3% of all stocks have had at least one failure-to-deliver for at least one day, it does not mean these stocks have significant problems. However, when there is a problem with failure-to-delivers, it is typically a big one- very significant. (Boni)

In response to these failure-to-delivers, it is possible for a broker to go forward with a buy-in to correct their position, Boni continues on this point, "Any clearing member with a failure-to-receive position has the option of notifying the NSCC that it wants to try to force delivery of ('buy in') some or all of that position. The NSCC then notifies clearing members with fail-to-deliver positions in that security by sending 're-transmittal notices'... If these clearing members do not deliver shares as requested within 2 days

after the buy-in request, the failure-to-receive party has the option to request that NSCC buy in the securities. The NSCC then executes the buy-in order to purchase the shares and passes any loss on to the parties that failed to deliver. Evans, Geczy, Musto and Reed provide evidence that buy-ins may be rarely requested” (Boni). Essentially, this means that if you fail to deliver the share you sold, as promised, you can be forced to either buy it within two days or have the clearing house that controls this area of the market buy it for you and send you the bill. This, however, very rarely ever happens.

In that paper by Richard B. Evans, Christopher C. Geczy and David K. Musto of the Wharton School at the University of Pennsylvania and Adam V. Reed at the University of Northern Carolina which explained this rarity, entitled ‘Failure *is* an Option: Impediments to Short Selling and Options Prices’, the group stated, “A regulatory advantage of options market-makers significantly weakens the link between short sales and equity loans. Their advantage is an option to fail to deliver shares, created by their ability to sell short without first identifying a lender. Two years of transactions by a major market-maker shows failed deliveries in half the hard-to-borrow situations, and not a single negative-rebate loan. Buy-ins, or forced deliveries, are rare, and their execution near the market (price). Making use of a two-year database of short-sales, borrowing and delivery failures from a large options market-making firm, we show one market participant fails to deliver in 52% of the positions requiring delivery... Profits from such a strategy can be large; we find statistically significant profits of \$70 per contract when market makers sell synthetic short positions” (Evans et al).

The reason why buy-ins occur in less than 0.12% of fails (Evans et al) was explained by Dr. James Angel, Professor of Economics at Georgetown University, “Suppose I’m broker A and you’re broker B. Most of the fails do happen for really good reasons, it just hasn’t arrived yet, or there is a glitch in the reading desk, most of these can be cleared up in a day or two. Most of these fails disappear (as is shown in Boni’s data). But lets suppose you have a slightly extended fail. I realize that I’m failing to you or you’re failing to me, if I demand a buy-in, I’m forcing you to alienate a customer. Then you do the same. So for this reason, the guys in the back of the office give each other a lot of slack. What the bad guys do is to abuse that little bit of slack.”

Naked short selling attacks are also sometimes accompanied by ‘death-spiral schemes’, though they are not the same thing. According to John Labate of The Financial Times, “‘death-spiral’ schemes are said to involve extensive short-selling and pre-arranged trading, which is carried out prior to the exercise of conversion rights under the terms of a convertible debenture. A ‘convertible’ security is usually a bond or a preferred stock that can be converted into a different security, often shares of a company’s common stock. In most cases it is the holder of a convertible who determines whether and when the conversion is to happen” (Labate 05/03). In recent years there have been several legal complaints of this occurring, most notably that filed by Sedona Corp in Pennsylvania, run by former Undersecretary of Economic Affairs for the White House, Robert Shapiro.

In order to naked short sell illegally without getting caught, investors often use shell corporations. This oft used, and even more oft misunderstood, concept was described on

the Southward Investments Lilac's website, a company geared toward aiding the creating of shell corporations and reverse mergers. "There are basically two distinctly different types of 'public' shell companies... 'Trading and Reporting' shell corporations once held an active business. For any number of reasons the business has either ceased to exist or is in a dormant state. It had filed a Form 10 with the SEC and usually completed an IPO. At its peak, the company's stock was traded on the OTCBB or the NASDAQ National Market... 'Virgin' shell corporations are created through a standard reorganization process.

"They are not 'spin off' corporations. When acquired they have no assets and no liabilities. 'Virgin' corporations are inactive and non-reporting. They qualify as widely held public corporations because they have a bona fide shareholder pool of over 300 individuals and a public float of over 500,000 shares. A properly created 'Virgin' shell corporation provides a wide variety of options that the 'Trading and Reporting' shells can't. Only non-reporting corporations can raise capital under any of the SEC Regulation D offerings. They can also be used by foreign companies to raise capital offshore under the Regulation S offering. They can be listed on the National Quotation Bureau – Pink Sheets without becoming a reporting company. This requires the services of a market maker who will file a Form 211 with the NASD OTC Compliance Unit" (SWI).

A much simpler explanation, for the less technically versed, can be found in the Wikipedia, "A shell corporation is defined in Barron's *Finance & Investment Handbook* as 'a company that is incorporated but has no significant assets or operations. Such corporations may be formed to obtain financing prior to starting operations... The term is also used for corporations set up by fraudulent operators as fronts to conceal tax evasion schemes.' They are also known as *Specified Purpose Acquisition Companies (SPACs)*. Shell corporations may be used to launder and recycle money from the hidden face of the world economy. They take advantage of the existence of 250 free zones and tax havens, 95% of which are former British, French, Spanish, Dutch or U.S. colonies or concessions that remain dependent on their former colonial powers. Shell corporations are not in themselves illegal, and they may have legitimate business purposes" (Wikipedia).

Basically what this all boils down to, is that a person takes either a company that used to be operating and files papers with the SEC for dormancy through a reverse merger. If the corporation is bought during bankruptcy, it does not have to report its earnings or operating status to the SEC until it exits shell status. If it is bought outside of bankruptcy protection, it does have to report. A person can also create a 'virgin' shell company which is a dormant, non-operating corporation, which also does not have to report to the SEC. The SEC, Securities and Exchange Commission, is the government body charged with regulating the stock and securities markets, things like the New York Stock Exchange (NYSE), NASDAQ, OTC or other stock exchanging boards and vehicles. They are also the body charged with the responsibility of investigating legal stock/corporate infractions.

Another emerging method to keep the cash flow hidden that can be used is a Digital Diaspora. In a paper published by the Nautilus Institute entitled ‘Good Capital, Bad Capital: Dangers and Development in Digital Diasporas’, Harvard professor Dr. Phineas Baxandall outlined and explained this new phenomenon. “(Diasporas) have sometimes been a major source of funding for international Terrorist operations... (My) paper examines whether states can hope to control these financial transfers in the context of new information technologies. On the one hand, it might appear that the Internet, mobile phones and advanced encryption technology make it infeasible for governments exert any control on incoming financial (or outgoing) flows. But analogies between speech and finance can be ill conceived. Unlike speech, financial exchanges require formal recognition in a well-institutionalized financial architecture. Financial transfers depend on social institutions in which they are embedded. International finance is embedded in a formal banking infrastructure that is technically amenable to far greater transparency and control. Insofar as money travels through these institutions, it is the political will of international governments rather than new technologies that are the obstacles to regulating financial flows... Diasporic communities can make use of local, ethnic, and familial ties to comprise an alternative means of anchoring financial transactions which governments can not regulate or even discern. Countries with extensive diasporas may be especially conducive to elaborate parallel financial transfer networks... These informal networks can make extensive use of new information technology networks in ways that evade government controls. But greater regulation of the formal financial infrastructure can nonetheless be instrumental in disrupting illicit activities.

“...As one legal scholar explains, ‘the multinational nature of the Internet makes it possible for users to engage in *regulatory arbitrage* – to choose to evade disliked domestic regulations by communicating/transacting under regulatory regimes with different rules.’ ...Cyber-libertarians formulate a kind of inversion of the Soviet dream, such as John Perry Barlow’s highly influential proclamation: ‘Governments of the Industrial World, you weary giants of flesh and steel, on behalf of the future, I ask you of the past to leave us alone.’ ...Former Citibank CEO Walter Wriston concurs that in a connected world, ‘Capital will go where it is wanted and stay where it is well treated. It will flee from manipulation or onerous regulation of its value or use, and no government power can restrain it for long.’ ...a diasporic community is, by definition, and independent international network. Insofar as sufficient trust and informal ties exist between the diaspora and members of the home country, these relationships can provide regulation. In wake of the events of September 11, regulatory authorities who had hoped to uncover international terrorist networks have often been frustrated by the existence of alternative remittance system.

“The fact that such systems are embedded in cultural or kinship networks outside of the state apparatus deprives the government of its standpoint for monitoring these activities. Suppose, for instance, that an individual living in a foreign diasporic community walks into a travel agency or bar that perhaps caters to this community and is a broker in the remittance network. The individual pays a few thousand dollars to the broker, who then picks up the phone or faxes their partner in the home country. The home-country partner then pays the equivalent sum of money to the person who the individual wished to send

money. The individual who eventually receives the payment may be a family member of a foreign network or they may be a separatist or Terrorist organization. No physical money actually crosses any borders. Record-keeping may entail nothing more than a piece of paper scribbled on each end, and disposed of once the transaction is complete. The sender does not have to provide his name or identify the recipient. Instead, he is given a code word, which is all the recipient needs to pick up the same amount of cash from an associate of the original trader...

“Some estimates report that half of the banking in India use (diasporas). The Finance Minister in Pakistan estimates that the volume of (diasporic) funds transferred internationally through his country exceeds that of official transfers” (Baxandall). Electronic stock transfers can be done in this way, just as cash can, in order to erase a money trail entirely. The sounds emitted from the movement are echoing an era long past, when the fight for free trade and a free market was just being born and the words of men like luminary Charles Davenant were both new and exciting, “Trade is in its nature free, finds its own channel and best directeth ‘its own course’; wisdom is most commonly in the wrong when it pretends to direct nature” (W. Ashley).

The most prevalent method of naked short selling illegally without getting caught, however, is the use of hedge funds. The situation surrounding these giant funds was evoked by journalist Mark Faulk from *The Faulking Truth*, “The Hedge funds involvement has just begun to surface, and as I get deeper into the story, I am beginning to believe that they are the driving force behind the entire scandal. Largely unregulated, with only powerful, wealthy clients who wield tremendous power in Washington, they are the one fighting reform of the stock market system every step of the way, in my opinion. Big money equals power, and power equals big money.”

Largely unexplored, the hedge funds are a shadowy monolith. The very first hedge fund was formed by a man named Alfred Jones in 1952, but no one has ever discovered what a hedge fund truly is. The best source for explanations of what these are and how they work comes from the transcript of a meeting held on the subject of ‘The Long and Short of Hedge Funds: Effects of Strategies for Managing Market Risk’ by the U.S. House of Representatives’ Subcommittee on Capital Markets, Insurance and Government Sponsored Enterprises’ Committee on Financial Services. In attendance at this May 22, 2003 meeting were several members of the House in addition to new SEC chairman at the time William Donaldson.

The meeting started out on a very wary note, with Chairman of the Committee Representative Richard Baker opening, “...To start with, there is not even a clear definition of what constitutes a hedge fund. Although hedge funds perform amazingly well, they are not necessarily linked to overall market performance. Hedge funds have demonstrated an ability to generate positive cash flow in a down or up market, which is a good thing. Hedge funds have also generated significant liquidity and helped to be a counterbalance to risk prevalent in ordinary market functions, which is a good thing... We also need to examine the current regulatory requirements for registration. Since the manager of a single hedge fund is not required under current rule to become a registered

compliant entity with the SEC, therefore the manager of up to 14 hedge funds perhaps could not be subject to SEC oversight and examination, and whether that regime is appropriate in today's environment" (House 05/03).

Representative Paul E. Kanjorski would be the next to speak, "Created more than five decades ago, hedge funds have largely operated on the periphery of our nation's capitalistic system, with limited regulatory oversight, restricted investor access, and little public disclosure. Nevertheless, hedge funds, in my view, have played an important and crucial role in the ongoing success of our capital markets... The hedge fund industry has grown substantially in recent years. According to several estimates, hedge funds managed \$50 billion in 1990, \$300 billion in 2000, and \$650 billion in 2003. Moreover, although hedge fund holdings represent about 4 percent of the value of stock market, the Wall Street Journal recently reported that hedge fund trading accounts are nearly one quarter on the daily volume" (House 05/03).

Representative Oxley added next during his statement, "In just the past five years, the number of funds had doubled, with about 3,500 new hedge funds opening for business. This explosion in growth has been fueled by good performance and a growing interest from large institutional investors, pension funds, charitable foundations and university endowments" (House 05/03). However, not all the Representatives had but positive things to say about the hedge funds, Representative Emanuel would say during his statement that, "As this committee begins to gather information on the hedge fund industry, there are some fundamental questions we need to have addressed and begin to think about. To what extent is retailization of hedge funds a real problem; should the SEC require clear disclosure that address certain basic investor protections such as conflicts of interest, valuation, performance reporting, relations with prime brokers, and other service providers; should Congress and the SEC be focused on distinctions between accredited investors and ordinary investors; is the recent spike in hedge fund fraud cases the result of a few bad apples or is this a sign of widespread abuse" (House 05/03).

This is where the Committee split, Representative Toomey would go next to take the pro-hedge fund side, "I think it is useful to think of hedge funds as an asset class unto itself; one that allows investors to diversify their portfolio, and certainly historically earn superior returns relative to the risk that they take. It is also important to note that the nature of the trading and investment strategies of many hedge funds actually adds a refinement to the pricing mechanism in the marketplace, and makes financial markets in particular more efficient. To achieve those things, they often employ confidential and proprietary trading strategies which are a necessary part of the business and entirely appropriate" (House 05/03).

Representative Scott was next given the right to speak, "Because hedge funds do not typically register with the government, the data on the industry is not entirely precise... I do think that we must move with caution. We do have to determine what measure of oversight is needed, what is the level of investment risk. I think there should be questions possibly on possible conflicts of interest. There certainly have been questions raised about questionable marketing tactics. My understanding is that the Securities and

Exchange Commission has brought 26 enforcement actions since 1998. However, 12 of those actions have been in the last year. I think there may be some question on the economics of the buyers, whether they have to have a certain amount of minimum wealth; should that be stated and regulated. I think it is an understanding that those who buy in the hedge funds should have certainly a minimum of \$1 million in assets, or certainly at least \$200,000 that have been accumulated in income each year. I think that raises a question, is this only a wealthy person's game?" (House 05/03).

Soon it was time for the guest honor, SEC Chairman to take the hot seat and begin disseminating through their concerns and questions. Chairman Donaldson stated soon into his oration, "there is no industry-wide definition of a hedge fund, in part because those that track hedge fund data rely on self-reporting by hedge funds, and in part because hedge funds generally do not register with the SEC. So we cannot independently track their data... One panelist estimated that in the next decade, assets under management in hedge funds will top \$1 trillion" (House 05/03).

Chairman Baker was first to ask a direct question, "The point upon which I have set most attention is that the management of hedge fund may count a hedge fund as a single client, and under current rule until you have more than 15 clients, you are not required to register. Therefore, you do not really have the regulatory ability today to tell us who these people are that have entered the market within the last five years, and their level of expertise in the management of these funds, which is cause for two further observations. One, with regard to the issue of retailization, which I still believe is minimal at this juncture, given the \$200,000 income rule for two years, and a net worth of \$1 million. That may need to be reviewed, and whether or not we are really seeing unsophisticated investors move into this market niche.

"But secondly, on a broader national scale, whether the significant growth in numbers and in assets under management, which you reference at this point and estimate at about \$650 billion with an eye toward \$1 trillion; the potential systemic risk, given inappropriate or sideways movement in these markets, without prior knowledge by the regulatory community. That is of significant concern to me. Another notch down the scale, but still of significant concern, are those statements where short-selling activities appear not to be under the same regulatory scrutiny in the hedge fund world as it would be in the equities market, and the potential adverse volatility consequences that may bring about to the orderly function of the markets. Do you think it now advisable based upon the work to date that we at least ought to have management get a driver's license? We may not regulate how big a truck or how much horsepower, or how fast they drive or where they go, but at least shouldn't we know who they are so if we do need to find them, we have got that information? How do we bridge not getting in the business, with having adequate information to assess the risk for public good?" (House 05/03).

Donaldson spoke, "Right. Well, let me say a couple of things. First of all, I do not want to pre-judge the vast amount of data that we are bringing to bear on the subject right now. I do not want to speak for the commission, if you will, because ultimately the responsibility will rest there. But let me try and answer your question. Whether it is

6,000 or 7,000 or whether it is \$600 million or \$600 billion, that is a lot of money... And it is too much money for us to know as little as we know now about what is going on. I mean, fundamentally I would say that. Secondly, the regulations that are currently in force are confusing, and I will not bore you by going through all of them, but the funds are operating most of them under exclusions under the Investment Company Act and other exemptions under the 1933 and 1934 Acts. It gets confusing in terms of which exemption or which exclusion they are operating under. I think it says to us that we have got to take a hard look at these exclusions... (the fundamental questions) open Pandora's box in terms of what we should do about it... The problem is that the underlying investments, the underlying hedge funds themselves, most of them are not registered. We have no access to them. We cannot get inside of them. That is bothersome" (House 05/03).

Donaldson would continue, "I am not sure we will ever come up with a definition that is broad enough or meaningful enough. As you know, the whole hedge fund concept started many years ago, and it was quite simple. They are quite simple, and the idea was that instead of just buying and going along with stocks that you liked, why not at the same time sell stocks short that you did not like. That spreads your research effort, if you will. You go down a pike and look at a company you decide you do not like, and as a matter of fact you think it is overpriced, why not short that at the same time you are buying something that you like. That was a pure hedged vehicle, and the combination of being made sort of market-neutral, if you will, where no matter where the market went, you were balanced here with a long and short position, allowed borrowing to be inserted on top of that; leverage. ...I think we need to know more about what those things are. We get at that, and this is probably a subject that you may want to get into, if there is some sort of market manipulation, if you will, associated with those techniques, we have the right now to go at market manipulation and fraud in the marketplace. If it is out there, some of it is out there inside the hedge funds. It is not a new phenomenon that people try to manipulate the market. Hopefully as our human resources increase at the SEC, we are going to be able to be much more broadly involved in uncovering that" (House 03/05).

Representative Emanuel, later on in the debate, would throw out some additional numbers, "all the recent articles and studies I have read show that close to \$2 trillion over the next five years will be involved in hedge funds. Today, a little less than a quarter of the trades are done by hedge funds. That will grow to over one-third to bordering up near 40 percent" (House 03/05). The argument seemed balanced, however, towards the end of the meeting a certain bias appeared. An additional attendee to this meeting was noted short seller, soon to be named in a suit at the very center of the naked short selling controversy, David Rocker- who arrived just in time to refute any arguments against manipulative short selling practices. "Short sellers have helped uncover many frauds and accounting abuses in recent years... Short sellers serve as unpaid, albeit self-serving, detectives who willingly share their findings with the SEC, which has acknowledged the usefulness of these input. Although there have been occasional instances in which short sellers have been accused of circulating misleading stories, these instances are dwarfed both in number and magnitude by the misleading stories circulated by long holders..." (House 05/03). All the same old arguments.

In the end, Chairman Baker would wrap up the meeting with the statement, “Since we are talking about something we cannot define that nobody seems to regulate, that nobody can explain how they performed so well, for which so many dollars are invested, we have got a lot of homework ahead of us” (House 05/03). So according to the top officials and experts in the American economy, a hedge fund is an undefined, elitist, unregulated, secret, randomly corrupt, unadvertised pot of billions of dollars that are wielded without the slightest bit of governmental control. Naked short sellers are very well connected, in most cases, as you can see with this appearance of an alleged high level naked short seller appearing in the middle of a House of Representatives meeting surrounding his bread and butter. Lobbying is a heavily utilized tool in this sector. The money is there after all, for according to an August 2005 article in *The Seattle Times* by Luke Timmerman and David Heath, “Hedge funds now manage close to \$1 trillion—doubling in size in just the past five years, according to Chicago-based Hedge Fund Research” (Timmerman and Heath).

Whatever the vehicle of transaction, the problem has spilled over international borders around the world, though this breaking of the boundaries is not an issue specific only to naked short selling. As Barney Warf and Darren Purcell of Florida State University stated a paper called ‘The Currency of Currency: Speed, Sovereignty, and Electronic Finance’, “Classical interpretations of the nation-state rested heavily upon a clear distinction between the domestic and international spheres, a world carved into mutually exclusive geographic jurisdictions. State control in this context implies control over territory... In contrast, the rise of electronic money has generated a fundamental asymmetry between the world’s economic and political systems. World-system theorists... have argued that the fundamental political geography of capitalism is not the nation-state but the interstate system, which allows capital great leverage by flowing across borders in ways that the reach of regulatory authorities cannot” (Leinbach and Brunn, Pg 229).

One significant method on the market tactics side for naked short sellers, in getting people to sell the stock or help them short it, is to bash the stock- it is perhaps the most highly utilized tool of all. Understanding bashing gives you a really clear window into the sly methods of the naked short sellers. A great reference on what stock bashing is, comes from the ‘The Basher’s Handbook’. “(Bashing is) the calculated erosion of confidence in a given stock. Erosion by means that are, in every sense, void of truth, hinged on deception and innuendo, and motivated by greed at the expense of others... Is it easier to scare people into selling than it is to scare people into buying a stock? I have asked some knowledgeable investors this question and the answer is always: ‘Yes, of course yes!’ ...Consider the elderly that are investing for retirement, they find their way to the message boards for validation only to see false posts about ‘SEC violations’ and ‘Class action suits’ ... or the head of a ‘typical growing family’, with children to put through college, who is monitoring a message board only to read posts by a ‘pack of 15 to 20 Bashers’ (probably only 5 or 6 under various aliases) posting continuous disinformation... what do you think these new investors will do? It’s safer to not buy and even sell the stock, put the money back in the bank than to deal with all this whirl of ‘unsupported’ negative chaff.

“The Internet has lured a whole new class of investors into the market. A new investor is just that- New! This new investor, while learning the basics, is particularly vulnerable to the tactics of professional Bashers. New investors tend to lurk in the background of message boards, content to form independent opinions based on what they read with their own eyes. Very often, honest, intelligent and cautious people can easily be overcome by a well orchestrated propaganda effort. Recent revelations have indicated that even Market Makers (those charged with keeping the playing field level) have been involved in stock manipulation by Bashing on a stock message board. Have no doubt that this is a real threat!” (TBH). The Handbook reveals many things about the ‘anatomy of a basher’, such as how Bashers never bash a bad stock.

“Check the boards for stocks with no potential. They never have any Bashers. Bashers only go after stocks that are moving up or have excellent potential to do so. Bashers work to bring the price down to either increase their position at the expense of others or help a Short make their bones” (TBH). The Handbook goes on, “Bashers know you can’t verify their statements. That’s why they make the vague statements they do. They rely on you being too lazy to research their droppings other than to scan the board for others opinions. This is particularly dangerous when you consider that Bashers work in packs and often validate and back up each others nonsense with what appears to be ‘innocuous and unsolicited’ verification by comrade Bashers. Let’s face it, we are all conditioned to ‘believe’ everything we see in writing. If others by virtue of their ‘posts’ also confirm this belief, then we are subconsciously doomed to swallow the hook, line and sinker...

“Bashers play on your lack of patience. You have held a stock for a while. You knew it would be a big stock someday, but the Basher can get you because you are tired of waiting for your gain. That’s when the Basher is best. You are tired. You have forgotten the goal for the stock was to hold it for one year. The Basher is bothersome, so you dump it on a bad day. Some others also dump. Then you get mad for your loss and return to let everyone know how mad you are. Then you turn into a semi-Basher as well. The Basher has won, and gained a new ally- you!” (TBH). While speaking directly to an accused stock basher, who wished to remain anonymous within the pages of this book, about naked shorting, he claimed that naked shorting was nothing but a scam- that it did not even exist. “Naked shorting does no harm to a company. It is not a cause; it is an effect. Naked shorting does not ruin companies. Ruined companies attract short selling and, if the shares become difficult or impossible to borrow, it is inevitable that some parties will try to bend the procedures to take short positions... I regard the outrage over naked short selling as a scam. I feel it is used primarily as a tool to sucker naïve investors into wasting their money on companies’ shares where managements are draining most of the capital for their own personal benefit... The cloak of mystery that shrouds the hedge fund world was put there by Congress to protect small investors... I am not a basher, bashing does not exist, nor does it do anything to dampen a stock’s price. It is impossible to affect a stock’s price in this way; therefore I am obviously not a basher.”

However, this accused basher’s eloquence turned ugly when used against the company which he had repeatedly accused of mismanagement, and once away from the eyes of the

reporters. In statements he made on that company's website (this section is graphic, if you have a problem with graphic language please skip to the next paragraph), he called the investors of the company, "Ass-raped" and "corn-holed", while referring to the company (Eagletech Communications) as "Fagz" and "Retards". He repeatedly used such phrasings, and much worse, to deride members of the site, and switched user names whenever he was removed from the site for use of derogatory language. In response, the investors and management did not condescend to reply in similar language. They simply replied, 'I hope you have gained sufficient therapeutic value that you no longer need us', and asked him to kindly leave their site alone. Needless to say, the accused basher did not do so, and though those heavily involved may have had the stamina to keep with it, you can imagine the fright such malevolence must have inspired in fresher, newer rookie investors just in for a peek or test drive.

One thing specifically that such accused 'bashers' have been known to do is overlook the fact that many modern businesses are at a disadvantage in releasing specific assets, the reason of which is quite adequate. Economists Sardar M.N. Islam and K.B. Oh explained this in their work *Applied Financial Econometrics in E-Commerce*, "A firm's market valuation reflects many aspects of its business such as its return on its assets, its market position, projected profitability and generally its overall performance. This market valuation would then reflect the firm's financial viability and could be used to raise funds. When firms assign any value to intangible assets in their financial reports they are normally reflected as goodwill... When a firm's wealth is in its intellectual rather than physical assets, as is the case with most e-commerce firms, failing to report these intellectual assets means no recognition of their business potential... The flexible nature of virtual business makes intellectual assets in an e-commerce firm difficult to value because it changes with investors' expectations, which are in turn influenced by and reflect the economic environment" (Islam and Oh, Pg 56). Bashers ignore this difficulty in valuation and simply state that because there is no simple valuation, a company must be worthless. They ignore anything but tangible assets, and have been accused of lying about a company's intellectual property which the public cannot see due to its sensitivity.

Such skepticism has reached much higher ranks than this too, although the questions have quieted since the subject at hand has begun to go public. Mark Cuban is one such a person who has repeatedly accused others who speak of naked short selling as scam artists. Cuban is owner of the Dallas Mavericks and a multi-billionaire from the dot-com era (yes, some did make it out of this era with something more than lint in their pockets) and a noted short seller. Cuban's skepticism, which he posted on his NBA team associated web blog, was that because the owner of one of the major companies claiming to have been naked shorted and one of the main Senators trying to bring naked shorting to the government's attention (Senator Bennett) are both from the State of Utah, then it had to be a scam. He himself was also known to make implying statements such as, "The good news is, that where there is scamming going on, there is money to be made on the other side. I think I will start in Utah to look for companies that let worrying about Naked Shorts take time away from running their businesses" (Cuban). Some anonymous sources have accused Mr. Cuban of being involved in naked shorting himself, pointing to his participation in offshore the hedge funds that are normally associated with naked

shorting, however direct associations between the man and a naked short selling transaction have never been made.

Because of its double meaning, the term naked shorting causes some confusion with investors, which is one of the keys to the success of illegal naked shorting as a whole. Matt Krantz of USA Today made this issue clear in an April 20, 2005 article for the paper's website, "Naked shorting has two meanings that are very different. One refers to the illegal practice that really upsets individual investors and regulators. It's when an investor illegally sells a stock without borrowing the shares first. This is extremely disruptive and illegal. But the term is also used to describe a legal holding practice... Bottom line: I'm guessing the double meaning of the term 'naked shorting' causes some readers to get confused when they read about it. Be sure you know what type of naked shorting is being discussed whenever you read about it" (Krantz). Because there are legal forms of naked short selling done by market makers, illegal naked short sellers can simply say everything they do is legal, and that some illegal transactions have existed, but that 'that's not me'. In this book each time reference is made to naked short sellers, it should be assumed that the entity being discussed is the illicit one, unless otherwise stated.

The best explanation to be found on why this is a problem however, comes from an anonymous source named Cobalt Tex –whose name has been changed for his own personal protection – who was asked by then member of the White House General Counsel, future Attorney General Albert Gonzalez, to compile a special report on the issue for the White House for Gonzalez. The report was also distributed to Alan Hubbard, head of the NEC, and Harriet Myers once she replaced Gonzalez in 2005. In that report, he started out by stating the breadth of the problem at hand, and the learning curve begins here. First, here is an excerpt from his letter to Gonzalez, which accompanied the report:

"The cases I studied have led me to the conclusion that an enormous number of domestic hedge funds and offshore entities have engaged in a systematic conspiracy to defraud US investors in equity securities of an absolutely staggering amount of money, the largest fraud ever perpetrated in world history. Depending on which expert you speak to, somewhere between \$8 and \$17 *trillion* dollars have been lost or, in many cases, stolen. I am convinced that some significant percentage of these losses went into the hands of parties perpetrating a massive and sophisticated securities fraud unprecedented in American history. Much of this occurred as a result of aggressive and inappropriate interpretation of 1993 administrative rule changes permitting exceptions to the short sale rules of the SEC and NASD, particularly by entities that did not have any duty to comply with US law...

"This scandal threatens to destroy the very fabric of fundamental investor confidence in all public markets. Worse, these manipulations have decimated the small public company arena as a legitimate sector for corporate development and funding. This segment was the source in the 1970s of little companies trading for pennies that became Intel, Microsoft, Apple and others. Much more importantly, this sector was the one responsible for ALL new job creation and technology development for the last thirty

years. That is now DEAD.” (Tex). Cobalt Tex leaned towards the estimates of C. Austin Burrell in his report.

In his report, Tex continued with a historical analogy, which brings into light just one of the many problems surrounding naked shorting. “Many people have heard the term ‘paper hangers’ as it is applied to counterfeiters, check fraud, and more. What few can remember is where one of the most graphic uses of this term comes from: In the 1920s and 1930s, criminals readily printed fraudulent stock certificates in the names of real companies without their knowledge, and sold them to buyers who never knew they weren’t getting real shares. This is an exact parallel to what happens today, when shorts get on a stock. The money coming into the market to legitimately buy stock can’t tell whether or not they actually bought stock or simply a depository certificate, which is not much more than a journal entry in the records of the Depository Trust Corporation. This fundamentally challenges levels of investor confidence in markets” (Tex). Naked shorting is the creation of counterfeit stock.

According to the United States Code of law, Title 18, Section 514 ‘Counterfeiting – Fictitious Obligations’, it states, “Whoever with intent to defraud produces, or otherwise makes, or attempts or causes the same, within the United States; presents, offers, brokers, issues, sells or attempt or causes the same, or with like intent possesses, within the United States; or utilizes interstate or foreign commerce, including the use of the mails, or wire, or radio, or other electronic communications, to transmit, transfer, or attempts, or causes the same, to, from or through the United States, any false or fictitious instrument, or other item appearing, representing, purporting, or contriving through scheme or artifice to be an actual security or other financial instrument issued under the authority of an organization shall be guilty of a class B Felony.” In a confidential report to the Secret Service, an anonymous source named Tracy Kevlin stated this as legal proof that naked shorting equated counterfeiting, by adding that, “Definitions in Section 514 refer back to 513(c) where ‘security’ means a transferable share; and an ‘organization’ means a legal entity, other than a government, established or organized for any purpose, and includes a corporation. ‘The United States Secret Service, in addition to any other agencies having such authority, shall have authority to investigate offenses under this section’” (Kevlin).

A technical explanation for this creation of counterfeit stock was offered by Dr. James Angel in his interview for this book. “Naked shorting is a short sale made by someone who never intends to borrow the stock. A short term day trader goes short at 10:15, and cover at 10:17. The bad stuff is the guys that are perfectly content to let the stock fail. They don’t really like puts, because they are in the moving business, not the storing business... How exactly is a counterfeit stock made? By failing to deliver. Lets suppose a company has 100 shares, as a manipulator, I will sell people the shares without delivering them. I go and I sell the stock at a bid of ten, someone buys it, there is now 101 shares. Economically, that person bought it from me instead of somebody else who had the stock. And my sell order pushed down the stock ever so slightly. It can also happen through legitimate sources. It is kind of like how money gets stretched by the bank. The bank takes your hundred dollars and lends \$90 to someone else, now there is

\$190- that is legitimate. Brokerage firms lend out shares to their customers, and they expand in the same way. So, a lot of oversized floats *could* be legitimate.”

Aside from Dr. Angel, Dr. James DeCosta of Dr. Jim DeCosta and Associates, Consultants to Victim Corporations weighed in on the issue. Jim is not an academic but in fact an oral surgeon who has studied all forms of shorting for nearly 25 years, he charges about \$52,000 per copy for his book of advice to naked short selling victims, “The fraudsters have learned that it is much easier to counterfeit electronic book entries than paper certificates and it has nothing to do with the price of paper and ink! They are also aware that our financial system is trying to do away with paper certificates because of their cumbersome nature. Therein lies their niche... ‘shares’ represents ‘packages of rights’ attached to a public corporation and these ‘counterfeit’ shares have no such rights” (J. DeCosta).

In addition to counterfeiting, Naked Short Selling had been associated with mail fraud. According to Mark Faulk (of The Faulking Truth), “It’s simple....forget about the SEC regulations, forget about the self-regulating NASD, and forget about the DTCC’s flawed trade settlement system. This is nothing more than good old-fashioned fraud, no different than any other type of fraud. The news is filled with the stories of con artists convicted of Internet fraud, mail fraud, or wire fraud... (such as) A man in Salt Lake City pleads guilty to defrauding Internet customers of more than \$200,000 by selling car parts that he didn’t own, and that he never delivered- he faces up to 20 years in prison. A man in California is indicted for defrauding eBay users of more than \$93,000 in auctions sports tickets and Rolex watches – that he never delivered... And just last month, a man (in) Oklahoma pleaded guilty to selling tickets to sporting events and concerts – that he never delivered. Although he ‘only’ defrauded his victims out of a total of \$21,000, he faces up to 20 years in prison and a \$250,000 fine.

“The list goes on and on. In every case, the victims pay for their tickets, merchandise, or services, and in every case, the seller fails to deliver the items. There is absolutely no difference between the thousands of people convicted of these types of fraud and the brokers, hedge funds, and everyone else who is taking money from investors in exchange for shares of stock.....That they never deliver. When a stock transaction is conducted over the Internet, and the stock is never delivered – that’s Internet fraud. The perpetrators should be arrested and sent to prison. When a brokerage firm accepts money wired into accounts and buys stock with it that is never delivered – that’s wire fraud. They should be arrested, forced to pay restitution, as sent to prison. When an investor sends a check or money order to their stockbroker, and their broker uses the money from that check or money order to buy shares of stock that are never delivered to the investor’s accounts – that’s mail fraud. They should be arrested, fined heavily, and sent to prison. It’s time we stop looking at stock market fraud as a practice that is immune to any law other than the SEC’s own worthless regulations” (Faulk 07/05).

Naked Short Selling also violates the 5th Amendment, according to court expert Mr. C. Austin Burrell, the man whose numbers were referenced in the White House report, “The 5th Amendment of the Constitution protects individuals and person from the ‘taking’ of

their assets without a proper ruling from a Court of competent jurisdiction. A stock certificate is virtually identical in many ways to a title to real property. It is a package of rights granted to someone who pays a consideration for an ownership interest in a property, whether that is the assets of a corporation or a piece of land and collateral development. The SEC would have you believe that they have the right to unilaterally usurp one of these 'property' rights by administrative ruling, particularly as it pertains to stock in a corporation." However despite all of these laws being broken and rights being thrown in the wastepaper basket along with the investor's worthless receipts, it is the counterfeiting and effect on the greater economy which will have the most damaging influence.

It should be known that the goal of any naked short selling attack is to bankrupt a company (Byrne) (Young). This is because if one can manage to bankrupt the company, there is no finalizing transaction that can take place, according to Tracey Kevlin, "under IRS rules, the proceeds don't become income until there is a closing transaction. No company, no closing transaction, no tax!" (Kevlin). According to the IRS, if no such transaction takes place, that naked short seller does not have to pay taxes on the profits they earned! The IRS is another tool of the naked short seller. There is a secret 'bounty' program set up through the IRS which has been used by stock manipulators for years. According to Burrell, "The IRS program was terrifically abused by bad guys. If someone was giving them a hard time in deal or objecting to bad acts, they would simply turn the obstacle over to the IRS as a tax cheat, knowing the resulting detailed audit would bury their opponent". The SEC has recently developed a similar program, which could be used in a similar fashion.

The numbers quoted in the White House report would be back up down the line, when a report from Nick Mathiason for The Observer, stated, "The world's richest individuals have placed \$11.5 trillion of assets in offshore havens, mainly as a tax avoidance measure. The shocking new figure – 10 times Britain's GDP – is contained in the most authoritative study of the wealth held in offshore accounts ever conducted. The study, by Tax Justice Network, a group of accountants and economists concerned at the escalating wealth held in offshore locations, shows that the world's high-net-worth individuals earn \$860 billion each year from their assets. But there is growing alarm among regulators and campaigners because exchequers worldwide are missing out on at least \$225 billion of tax each year... 'This is one of the defining crises of our times,' said John Christensen, coordinator of the Tax Justice Network and a former economic adviser to the Jersey government... The \$11.5 trillion does not include the vast amount of money stashed in tax havens by multinational corporations, which are using increasingly sophisticated techniques to run rings round the authorities" (Mathiason). Additional numbers include the following: up to 7000 companies (Young) have been affected, many of them put out of business, and thus *millions of jobs and potential jobs were lost forever, and for what?*

Non-fiction Sample Two: this is a chapter from my book on the Electronica culture and industry *Ambrosia: About a Culture* (Clark-Nova Books, 2009), research for which again took place in the form of hundreds of interviews and first hand experiences.

Section Three:
The Tracing of a Soul

“As for the city whose renown had spread as far as the Ganges, it was some nine centuries since the Immortals had razed it. With the relics of its ruins they erected, in the same place, the mad city I had traversed: a kind of parody or inversion and also temple of the irrational gods who govern the world and of whom we know nothing, save that they do not resemble man. This establishment was the last symbol to which the Immortals condescended; it marks a stage at which, judging that all undertakings are in vain, they determined to live in thought and pure speculation. They erected their structure, forgot it and went to dwell in the caves”.

—Jorge Luis Borges,
The Immortal

Chapter Nine: A History of Festival Culture

The wife of the master painter Jan Vermeer, of seventeenth-century Holland, had a fit when he took her pearl earrings and gave them to their maid. The earrings were given temporarily so that Vermeer could conceptualize one of his greatest works, *Girl with a Pearl Earring*. His wife was appalled that a servant girl should wear a lady’s pearl and that her husband should depict a commoner in finery. This example made famous by a 2004 movie named after the painting, exposes what the world considered to be radical art once upon a time, and the fury it encountered from rigid societies. Vermeer would die in poverty at the age of forty-three in the year 1675, never achieving acclaim or importance within his lifetime. It would in fact be a little under two hundred years before he was acknowledged as a master, in the 1860s when a new school of radical artistic thought began to form—Realism.

In this time, the art of painting was considered to be of proper use only for the capturing of religious and ideological morals, or to esteem persons of wealth and power. For a thousand years, dukes, madonnas, and centaurs were all that made an appearance in the work accepted by the artistic and critical community. Then one day an artist named Honore Daumier began a painting that would forever change this world. The work was called *The Third-Class Carriage*, depicting a caped woman of absolute poverty among other peasants upon a rickety railcar. The woman was painted with squalor drenched between the wrinkles of her face and without any hint of expectation on her thin lips. She was not elderly; she was old. Her eyes were tired and submissive. The basket filled with

wonderful breads and goods in her lap seemed like a Christmas bulb on a dying tree[Query:The allusion you're making isn't quite clear. Are you comparing the basket to a dying tree or are you describing the contents? If you're describing the contents, do you mean the contents looked like a Christmas *ball* on a dying tree or the bulb of a dying tree?]. Daumier, too, died in poverty and without recognition until the end of his century, but his work was accredited for inspiring not only the Realist movement, but also the Expressionist and Impressionist movements that have entered the world's consciousness so deeply since their advents.

Daumier's painting were treated much like the hip-hop group NWA of the 1980s—who rode a train of infamy to platinum albums with zero radio play—only worse. The link between rap and Realism was first highlighted by journalist Rick McConnell in a March 2005 article he wrote for the *Edmonton Journal*. It was a sacrilege to paint the plight or joy of the common people unless it was in conjunction to a noble figure. The schools inspired by Daumier, especially Realism, became fervent reformers of such preconceptions. They began to use the art of painting to describe real life and real people. It was absolutely unheard of and they were refused showing at all the major exhibitions;so instead of bowing their heads to the authorities, the Realists held their own showcases. Gustave Courbet, a primary member of the group, once summed up his inspirations by saying that he had never seen an angel before, “So why would I paint one?” Courbet was, incidentally, imprisoned at the end of his career in part for his artwork and political activism, then exiled in Switzerland for the final four years of his life. All this coincided with the newly minted theory of evolution by Charles Darwin, which at first was assumed to have knocked humanity off its long-held pedestal, changing man's self-image from that of a holy being to that of a lowly beast. The world as society knew it was crumbling.

There are many examples of artistic movements that have shaken the norms of their form and of society at large, but one of the things that makes the electronica culture unique is that it also belongs to a second lineage of great human experience. Electronica culture is not only a fusion of different world cultures and musical influences, but it is also a fusion of the radical art movement heritage and of festival culture, a lineage that goes back five thousand years. In India, circa 3000 BC, one such tradition arose that has persisted through the ages: the trance dance.

“His gestures wild and full of grace, precipitate the cosmic illusion; flying arms and legs and the swaying of his torso produce—indeed, they are—the continuous creation/destruction of the universe, death exactly balancing birth, annihilation the end of every coming forth,” is how Hindu scholar Heinrich Zimmer once described this spiritual tradition. The tradition revolves around the *devadasi*, a term which translates loosely to “sacred temple dancer”, who perform the act of trance dance. In the ceremony, there is a mesmerizing drone of devotional songs chanted over and over again, and the devadasi perform spontaneous *mudras*, symbolic gestures, that are said to be conjured up from deep memories of past lives. It is said that if the phrase “Om Nama Shivaya” is repeated 108,000 times during this performance, the Hindu god Shiva “will possess your dance and shake up your life.” The trance dance is an imitation of how the Hindu culture believes the origin of the universe came into place. Other Hindu gurus have described this state of movement and meditation throughout the centuries, including Swami

Nisargadatta Maharaj, one of the most important, who wrote, “When I see I am nothing, that is wisdom; when I see I am everything, this is love.”

The natural form of human dance is to move from one foot to another, one foot is constantly free while the other becomes grounded in equal proportion to the other’s raise. This transfer of freedom and support from limb to limb is symbolic of the eternal balance of all rise and falls, all freedom and supports, all life and death. In most depictions of Shiva, there is a symmetry which follows this line of reasoning; never are two of his limbs in the same direction, they are always in balance of one another, no matter how fast they spin. He is also adorned with, among other things, a third eye to represent the gateway between the balanced spirit and the great beyond that is free of balance through its eternal balance. This invocation of Shiva’s spirit has been a tradition over the past four hundred years, first by the Moguls and next the British, but it has survived. It has at times been considered illegal by the ruling powers because of its perceived integral anarchy just as the acts of child marriages and sati (an act that involves the widowed woman burning to death on the top of her husband’s funeral pyre). Today, however, trance dance—the invocation of Shiva—is alive and well, with many huge temples devoted to the devadasi and their practices.

These emulations took place at events of great social occasion, much the way Sunday mornings are a great social occasion for many Christians. Music played, other people danced to the beat themselves, food was served and drink was had. Even primitive forms of drugs (THC, hashish) were taken to enhance the sensory experience. It was a religious party, a celebration attended for the purpose of releasing the spirit through music, lights, sounds, and dance. Once a year there is a special two-day period called Mahashivaratri, in which Shiva is more revered than perhaps any other god in the Hindu pantheon. During this period they drink *thandai*, a drink composed of cannabis, almonds, and milk, said to have been concocted because of Shiva’s great love for the cannabis plant.

The origin of this festival comes from a tale in which ancient Hindus encountered a great pot of poison upon their shorelines, which had merged from the ocean. This terrified the gods and demons as the poison was capable of destroying the entire world, and they ran to Shiva for help. To protect the world from its evil effects, Shiva drank the deathly poison but held it in his throat instead of swallowing it. Because of this act, his throat turned blue, and he was given the name Neelakantha, the blue-throated one. In emulation of this act that saved the world, devout ascetics and Hindus stay awake for the full duration of the two-day celebration during which they consume the *thandai*. It is said that if a person remains awake throughout the whole occasion they become favoured by Shiva. If they do not manage to stay awake, then they are persecuted by him. It is interesting the note that the word *rave* itself is defined as: to be mad or delirious, to talk irrationally as in delirium, to declaim wildly, to utter in madness or frenzy. This draws additional indirect, synthetic links between electronica culture and its distant cousin, the trance dance.

The festival occasions that surround the Hindu god Shiva are some of the first on record. Two thousand miles away to the west, however, the Mediterranean also developed their own tradition of festivals. Though the Egyptians did not have a word for *art*, they did have a festival culture. Religious celebrations, on the other hand, were more private occasions, concealed within a shroud of secrecy. It went on behind high walls and

closed doors and was only known of by the elite priesthood and ruling entity. Female dance ceremonies procured by women called God's Wives, an isolated group of women said to be linked to the gods, were also prevalent. Though Eastern festival culture was very open and public, most Western festival cultures would continue to be held behind closed doors. The most historically influential of which would be the Demeter cults of the early Greeks.

These cults of worship devoted to the goddess Demeter were located in a place called Eleusis, and here an ancient religious festival called the Eleusinian Mysteries was performed in honour of that goddess. Demeter is best known for her role in the myth of Hades and Persephone, where Hades wooed Persephone, the daughter of Demeter, into the underworld and had her feed on pomegranate seeds in order to trap her there. The story goes that when Hades, lord of the underworld, did this, Demeter began mourning the loss of her daughter and would not allow any of the seeds in the world to grow, essentially causing the winter season to come upon the world. Zeus, ruler of all the gods, took pity on Demeter and decreed that Hades could only keep Persephone with him for part of the year and that Persephone must return to her mother for the rest of the year. This was the legend that the Greek people used to describe the cycle of summer and winter seasons, and one of the main reasons for their worship of her.

The reason why Eleusis was important was that it was the location of an adjoining myth. During Demeter's wanderings after the initial kidnapping, disguised as a mortal, she frantically searched the world in hopes of finding her daughter and was welcomed by Eleusis' queen. To thank the queen for her hospitality, Demeter would take the queen's son Demophon to the fire every night, and feed him the nectar and ambrosia of the gods in order to make him immortal. One of those nights the queen noticed her son was missing and went on her own search into the woods, to find him in the arms of the strange woman the queen had come to take care of and was astonished to find Demeter revealing herself to the queen and explaining the ritual. Demeter next asked for a great temple to be built in order for her to further teach these secret rituals to the people of Eleusis. It is said that it was within this temple that Demeter closed herself away from the world during the winter time, the sanctuary into which she took the fertility of the world whenever her daughter was stripped away from her for deliverance to the underworld.

The rituals that took place within the temple of Demeter were supposed to have bestowed upon mortals visions of both the beginning and end of their lives, as well as an eternal happiness. They were said to have been given a light which elevated them above the misery of a darkened existence. The initiation of a person into the cult involved the drinking from a *kykeon*, a mixture of barley, water, and aromatic mint, and some historians believe that the secret of the cult lied in hallucinogenic properties within the *kykeon*. The Eleusian Mysteries had a fixed place in the calendar, the first stage of them was this initiation, also called the Lesser Mysteries, took place in the spring month of March, although it was possible for them to take place at other points in the year. The Great Mysteries were held only for nine days each September, in which sacred symbols used in the ceremony were brought from Eleusis to Athens within a veiled basket. The members of the parade then bathed in the sea at Phaleron, made sacrifices, and then returned with the symbols to Eleusis.

The gates of the sanctuary were open only for initiates, which could be anyone—men, women, and even slaves—except for murderers and barbarians (people who did not

speak Greek). They entered a massive arena built to seat thousands, at the centre of which was a rectangular stone construction where the sacred objects would reside. The first time initiates could only sit in the arena, chant their traditional prayers and drum their feet, whereas those participating for at least a second time could attain a higher level of initiation and enter the stone construction where the sacred objects were revealed. The rituals attracted thousands of people every year, and continued on through the time of the Roman empire, until Emperor Theodosius closed the sanctuary at the end of the fourth century AD. Alaric, king of the Goths, brought Christianity to the region four years later and demolished the cult, forbidding idol worship as they indoctrinated the local people.

Tom Savarese, the first-ever professional DJ, wrote of other ancient rituals: “Since the dawn of mankind, people, nations have always gathered and moved to rhythmic sound. People may have generated these sounds in a number of ways; with rocks, drums, sticks, a mantra, a chant, whatever. Neanderthal man danced around a fire on the full moon night, the natives of the world danced in sacred rites and rituals; on every continent and island nation, people have gathered together for whatever occasion or reason to join in the One, the Universal Mind, maybe for the purpose of prayer, asking for rain, to dispel illness, for crop success or just a celebration of their gods.” These congregations were also a form of unorganized festival that was perhaps the first to become organized, as the population pockets of the world all danced and sang together at the same time every month, as they noticed the moon had become full again. These were outlets for unkempt behaviour, peeling away the shackles of early society’s molds and daily responsibilities. We play, have always played, and the festival culture has been our age-old playground.

Festivals arose in primitive Latin America too; the Mayans and their predecessors held occasions for celebration in very similar ways. Through it all, around the world, was one common element: a beat. A bass line, whether it was percussive, instrumental, or vocal, was the foundation on which the melody was built. This bassline is like the throb of the heartbeat of which we live and formulate our life. It is the rhythm onto which our imagination flew and constructed a paradise. Tom Savarese continues:

[START BQ] People dance for a reason ... it makes them feel good. Dancing can change a bad mood to a good one, and vice versa. Bodily movement and the motion of dance is therapeutic, like the feeling one gets after swimming in the ocean or soaking in a hot tub; a feeling of renewal, cleansing. It can have a beneficial, psychological effect on groups of people without it being apparent whatsoever. It’s a subtle form of esoteric exercise that is pleasant, very social and works on both the physical and spiritual plane. When a body moves in rhythm with sound, the body aura changes color, the internal chakra energies shift gear and a new central chord is reached through a type of trance induction. Some people don’t need the music to achieve this. Most people do.[END BQ]

Festival culture would of course further evolve, as the Demeter cults did not die as the Goths invaded their halls. The cults festivals are speculated to have morphed into an occasion called Mardi Gras by the early Christians, or fatty Tuesday. This is the point where people as a whole turned from celebrating for a reason to more of a celebration for

celebration's sake. Mardi Gras combined elements of many different Greek and Roman traditions, not only from the Demeter cults, but also from Bacchanalia, an ancient Roman festival in honour of Bacchus, god of wine and fertility. The modern definition for Bacchanalia, also used as a common description for modern parties, is "a wild gathering involving excessive drinking and promiscuity." Bacchanalia was originally set up much like the Eleusian Mysteries in format, but involved the consumption of large amounts of alcohol, sex with many partners, and was based on the concept of personal delivery from the daily world through physical or spiritual intoxication as well as an initiation into secret rites. Though the Demeter cults were seen as harmless enough by the Greek and Roman rulers, Bacchanalia (also known as Dionysia) was very looked down upon by the authorities throughout both empires. Perhaps the most famous vision of Bacchus and his celebrations were in the play *The Bacchae* by Euripides, who described in his work the extreme danger of falling into these Bacchanalian cults and the perceived destruction the god Bacchus brought with him. The story of Bacchus himself is of a jaded, insecure god whose divinity is often ignored by people who consider him a half-breed. He is spurned by most of the world, but finds solace in the massive celebrations held in his honour, from which the term *ecstasy* was first taken, another indirect connection to the electronica scene which will come to light in a later chapter.

Mardi Gras is important for more than its merging of different Greek traditions, excessive consumption, and secret rituals, but in that it proves to be an intersection between many of the religions of the time. It is interesting to note that Bacchus, Shiva's son Skanda, Jesus Christ, and in a great sense, Persephone, are all god figures that were "twice-born." Bacchus—known to the Greeks as Dionysus—was supposed to be born in the womb of Semele, a lover of the Greek ruler of the gods, Zeus, but Semele was struck down and killed by a thunder bolt thrown from the hand of Zeus. Bacchus was then saved and was sneakily placed in the thigh muscle of his father Zeus until he could be born a second time. The son of Shiva was born once from the third eye in the middle of Shiva's forehead and a second time in a reedy marsh upon earth, giving him the ability to exist in the physical world. The story of Jesus is very well known, he who died on the cross and then was reincarnated three days later in a second "birth," to Heaven.

Theologically there has been much speculation on these kind of associations. One example comes from the words of Christian theologian St. Augustine who wrote in his *Philosophia Perennis* of a philosophy that assumes a transcendent unity behind all religions and sees them all as attempts, each valid for its era, to point the way to the true goal of human existence. Mahatma Gandhi touched on this subject again in the twentieth century with his famous quote, "The essence of all religions is one. Only their approaches are different." However, in terms of festival culture, it is more interesting to note the similarities between the methods that followers of each god used to celebrate their works on earth and in the sky.

Much like the devadasi of Shiva's trance dance, Bacchanalian worship involved the Maenads, a name given to women under the influence of an ecstatic spell brought upon them by Bacchus. Like Mahashivaratri, Bacchanalias involved long periods of celebration based around the consumption of an intoxicating drink—wine. The Egyptian cults also come into play here, with not only their centrepiece of divinely inspired females, but also that the Egyptian god Osiris has several myths associated with him that

mirror the stories of Bacchus, such as being torn apart limb from limb by more powerful gods and being born twice.

Mardi Gras involved dancing, especially among females, mass consumption of food and wine, and a celebration of Jesus Christ. It took place immediately before Lent, the Christian tradition in which one gives up excessiveness for the forty days prior to Easter, the anniversary of Christ's death and resurrection, in honour of Christ's forty-day passage through the desert to Jerusalem. It is thought that the practice of Mardi Gras was adapted from Greek and Roman traditions of feasting and dance within their celebrations, as well as an excuse to stock up on pleasure before committing to the spiritual fasting. Again, this is the point where celebration changed from a frenzied method of worship to celebration for celebration's sake, because of Mardi Gras' evolution over the centuries since its first practices in medieval Europe. Instead of focusing on the nearing time of abstinence, Christians held lavish costume parties to which many guests came masked, perhaps to assure that people did not recognize them during shameful acts and to give them greater freedom to sin as they pleased. The celebration indeed seemed far more similar to its polytheistic past than it did to any other of the church's Christian celebrations at the time. As European colonies spread across the globe during the seventeenth and eighteenth centuries, the focus of Mardi Gras was so obviously on the party instead of the cause, that it all but lost the initial meaning as it became isolated from the source. The name of Mardi Gras was changed somewhere along the lines to one of its first aliases *carnevale*, meaning "farewell to meat" in Latin, and then in a complete separation from Christian ideas as its name again changed to *carnival*. Just as Mardi Gras had initially risen from the fusion of polytheistic celebrations and Christianity [Note: I suggest you remove this part to avoid misreading], the festival fused with the local traditions of the Native people in South America.

The date of carnival was in many cases switched to coincide with a holiday more important to the population celebrating carnival. Today the different regions of the Caribbean have their carnivals spread out so that they will not overlap, though the United States and Europe still hold their celebrations right before Lent. The celebration was thought to have officially arrived in North America through the settlement of Mobile circa 1703 via the colonial French, as an event held only for the upper classes. In 1781, the Spanish colonial authorities passed a law that forbid people of colour from masking their faces or "pretending to be white people" during the celebration to assure Mardi Gras in this area remained elitist. During the early nineteenth century, it involved a complex series of socials and masquerade balls, but would soon become overshadowed by the massive parades and celebrations held outside estate walls. These parties were held by "crewes," most notably the Mistick Krewe of Comus, which formed in 1857. Music became infused more steadily over time and by the early twentieth century had become the very centrepiece of it all. In Latin America, samba music evolved out of the Carnival celebrations of the local population, and Mardi Gras is considered by many to be the birthplace of both jazz and blues as it was played in the parades and by musicians crowding the streets during the times of celebration.

Some people doubt that there is any connection between Mardi Gras and more ancient traditions, based on a lack of concrete evidence that lead year by year from the first celebrations to the latter. They argue that the last mentions of polytheistic festivals was in 494 AD and that carnival was not mentioned until 965 AD, a period of nearly five

hundred years. That is a moot point here, as it is the fact that festival culture has persisted for so long that is of interest, and that the methods in which festivals have been celebrated have changed little since they began with an Indian tale about the world being born from a dance five thousand years ago. In addition, during those five hundred years cited, few things at all were able to be historicized or recorded, so it was more than possible that such an evolution could have been either forgotten or unknown through the Dark Ages. The ability of festival culture to allow people of different cultural backgrounds to unite and fuse their interests is perhaps one of very few examples of true amalgamation on earth. This is similar to the very origins of festival culture, such as the role that celebration filled in the life of Bacchus, allowing him to set aside his harsh reality and connect with others on at least a very basic level. Other examples exist, such as the Mexican Day of the Dead that combined the Christian observation of All Hallows' Eve and local traditions revolving around ancestor worship, to further substantiate the point that festival culture plays a key role in the integration of different peoples from different lands into the same society. While modern cultures maintain their strict differentiation from each other and national, cultural, and religious divides causes war after war, while churches of all stripes fight to indoctrinate the world under specific guidelines and political ideologies clash, festival cultures integrate and allow people of all ethnicities a chance to come together under one roof.

As is seen in the electronica culture, different belief systems are more easily understood by each other in a festival environment. When our daily pretensions are dropped, we are more likely to learn about others and accept them for who they truly are. People stop focusing on the glaring differences left behind and are able to recognize the essential similarities between all people. There have been many theorists who have approached this issue, but perhaps the most eternal is the French thinker Mikhail Bakhtin. Bakhtin's most famous work involves an evaluation of the epic poetry by French master Francois Rablais. In his evaluation, Bakhtin describes the importance of popular culture in order to maintain order in the world. He notes that the ability for a population to let loose, disregard social norms, and even make fun of their authorities, is critical to releasing the pressure that builds up when people are kept in specific molds for too long. It allows people the freedom to express themselves in whichever way they choose, and notices that they often choose a method of expression described by Bakhtin as the carnivalesque.

People choose to accentuate the fears and temptations in their life in comedic ways in order to laugh at them; they feast on their addictions and favourite items of consumption in a lustful fashion. They lose themselves by obscuring reality into a place which they control. Instead of inventing or creating a new world in which they are in a position of authority, they twist the world already there in front of them into a place they feel more comfortable, something they can command. If a person was allowed to abstract the world around them and bend it to their liking, even for a while, then they feel less that they are being controlled by society and more that they have the ability to change whatever they wish about themselves and the world around them. Popular culture allows people to freeze the world in place and then reshape aspects of it they've always wanted to, to make a beautiful surrealism out of a dark reality for their thirsting eyes. At the time it referred mostly to allowing the peasants an opportunity to mimic the aristocracy and

higher classes they could not attain, creating a satirical world in which they expressed their frustrations and dreams.

Where is the most beautiful place in the world?

“Ha ha, tough question. It depends what time of day it is. Right now Hawaii has been calling my ass.”

DJ Advent (USA)

“All places are beautiful as long as there is love in your life.”

Mark Alsop (Australia)

“Sydney for sure! When I moved there, I was going out 7 nights a week- it was insane! As well as fantastic clubbing and partying experiences, you’ve got the beaches and the beautiful weather, what more could you want? Who needs Ibiza?”

BeXta (Australia)

“Chad, that country amazes me, because it is so mystical. You never hear anything about it in the news, never seen an athlete from there and it is a huge country in Africa.”

Boj Lucki (Sweden)

“My best gig ever was playing with Paul (Oakenfold) at the Red Rocks amphitheatre in Denver, Colorado.”

Hernan Cantaneo (Argentina)

“I really love Hawaii and Barcelona, Spain- I love going places where I get in a really good mood as I step off the plane.”

Charles Feelgood (USA)

“Southeast London.”

Ravi McArthur of Impossible Beings (UK)

“I love the Maldives.”

SASH! (Germany)

“My Studio.”

Bob Sinclair (France)

[Query for Boj Lucki quote above: Should it be “never *hear* anything about it in the news,” rather than “near anything about it ...”?]

However, the counterculture that Bakhtin attempted to explain for the ages has gone through a significant level of cultivation since his day. The spirit of this atmosphere was first isolated and applied to year-round establishments in the sixteenth century (centuries before Bahktin), when the first coffee houses opened in the spiritual centre of Mecca. No place like them had ever existed before, establishments in which people openly discussed theology, philosophy, and literature, in which musicians and poets recited their new works. These houses were known as Kaveh Kanes and were a source of great controversy. The Quran forbade the use of wine or intoxicating beverages, however coffee drinkers argued that coffee was not an intoxicant, but a stimulant. The situation boiled over in 1511, when the governor of Mecca saw people drinking coffee inside of a

mosque as they prepared for an all-night vigil. Seeing this act considered by some to be sacrilegious, the governor ordered all coffee houses to be shut down immediately. A full year of political uproar and debate ensued before the sultan of Cairo overruled the governor. Coffee houses opened in Damascus in 1530 and Constantinople in 1554, spreading the joy of free expression within a relaxing environment and encountering mass riots at each new place they popped up, riots in reaction to the existence of such dens of radical political thought, theology, and art.

Coffee houses allowed for a carnivalesque atmosphere, a festival culture that provided a haven to weary intellectuals and locals frustrated with the authorities, a haven in which they could laugh and sing as well as discuss their issues. These institutions continued to spread into Europe, the first coffee house in Venice opening during the year of 1683, although the oldest surviving European coffee house is the Cafe Florian, which was established in 1720. The first European coffee house was most likely opened in 1650 by a man named Jacob at the British centre of intellectual experimentation—Oxford, England. The spread of these houses was also the spread of the free expression which accompanied even the first Arabian coffee houses, and was a definite catalyst for the rise of free thinking immortalized by Voltaire and Rousseau during the Enlightenment Period of late –eighteenth-century France. These great minds gathered in what were referred to as salons, clubs for discussion of intellectual advancements and platforms for radical oration. Like in the sixteenth century Mecca, the French government felt uneasy with these gatherings and tried to clamp down on them too, actions which, in the end, contributed to the fall of the French monarchy, as well as the rise of both Emperor Napoleon and early French democracy.

These kinds of establishments evolved further, and by the late nineteenth century there were houses opened not only as salons, but also for opium use and complete escapism. It was not until the twentieth century however, that the next peak of festival establishment history was reached. In a world calming from a century of trailblazing and ultra-urbanization, a new culture of clubs began to open in the back alleys of Europe and North America. This was the rise of the jazz culture, where the twin ancestries of electronica culture first met: a revolutionary artistic movement combined with the festival atmosphere in which people could mingle, be heard, and be seen.

**Fiction Sample: the first three chapters from my novella
“Charon”, published in my book *Waves Crash*
(PublishAmerica, 2003)**

Chapter One: Concentration

There was a bump in the static. Avenue reached over to turn on the light and caught a little white spark jumping from the switch to his fingers, with a slight ‘snap’ flying through the air, up to his ears. He yanked his hand back but, in attempting the switch again, the same thing occurred. The third shock he merely endured, and walked through his garage to the car. He put his key in the ignition, and was again struck with that little white bolt of electricity. Turning the key, he grabbed the shift and put the car into reverse, after pulling his hand back twice again from the garage door opener. Back in the house, he thought that he’d been receiving so many electrical shocks was because of the way he walked. As he past the hallway mirror before he left, his feet dragged in tune to the weight of his head. The shocks were a definite change from the last time he had sat behind the wheel, after work the other day, certain that he would be in the same place forever, parking his same old car in the same old parking stall until the day he died.

He had been sitting in the seat for quite a while his right hand loosely attached to the ignition, before he lowered his equally loose brow down to the steering wheel. Against the cold plastic, the strain down his tense neck wrinkled emptiness for just a moment, until he relaxed again and allowed the sensation of freezing to pass and his forehead to numb. He could still feel the quivering of his car, caused by his foot held firmly on the brake, and he stared down at his legs until his loosely gripped fingers turned the key two fifths of a circle clockwise. He noticed the littlest things when he was depressed, like the little dots of black missing in the letters on his computer screen, giving the illusion of a curvature. And how somehow it was really difficult to think of a vocal sound that could give reasonable desire for a twenty-seventh letter in the English alphabet, though a lot of other languages had more characters than English did. Then he’d begin to wonder which letters in the English language were the least useful, because not every language had as many letters as English did.

P, R, N and D for drive: this was all that he needed to know. He reminded himself of this after sitting in the garage a while, then looked out the back window as he began to drive. It was what he repeated to himself as his mind kept flashing back to that solemn scene in his garage, for it was all he could remember before the crunching noise that plagued his ears. P, R, N, D: over and over and over, “P, R, N, D.” Eventually Avenue’s mind began to wander away from the garage and into his workplace, visualizing the smile on that young kid’s face when he had received the job instead of Avenue. Why? The kid had had his house broken into and ended up writing an article about being robbed and how it felt. The editor had given him a column, it was pure luck. Ended up writing an article, pure luck... ended up writing and pure luck... ended and writing, pure luck... ended, pure... pure end. P, R, N, D: pure end.

Breaking from this line of thought, he noticed the music still filling his ears with the sounds of his brother Kevin’s garage band and remembered the day he had written the song which had just caught his attention. The two of them had been lounging about their

parents' living room with Jimmy, his brother's guitarist, and the young Avenue had been staring out the window at a flock of birds flying just above the house next door. He thought about how impressive it was that the flock would rise and land in perfect synchronicity, an instinct so seemingly perfect that there was no visible leader. He wondered if there was a leader, or if there was something else that guided their paths, some unified instinct that he could never understand. In the corner of his eye he could see Jimmy looking back and forth between the window and Avenue's blank stare, then shake his head as he fell back into his chair. He glanced over at Ave's brother, and began to play random chords to try and get Kevin started. Avenue soon realized what was happening, shrinking his eyebrows in slight confusion as the two musicians just kept staring at him, improvising a few songs about escape from emptiness. It was actually a little creepy, because just as he had thought about how minor each of the birds seemed, how irrelevant the individuals seemed to be, Kevin sang out the line, "Soar of a small and solitary heart, beating through the wings of thousands."

Ever since that afternoon coincidence, Avenue had always remembered the amazing affluence of those small black birds. He had listened to the song over and over and over. Through the years it had gotten to the point that he didn't really hear it anymore, the song becoming more of a comforting background for him to relax into. A blanket thrown over the outside world as he stared ahead in the apparent silence. Avenue blinked as the song changed and remembered something else about the car ride. He had thrown in his brother's tape for just that, to blanket out the traffic of the world around him. As he drove the streets, obsessing over the letters of foreign alphabets, he had begun singing along to the radio, flowing in and out of the lyrics he knew and an improvisation of random things that came into this head. Every song, one after another, seemed to remind him of his life, and he began to try and find some message within the words, some sort of direction. And that was exactly what he found, his depression seemed to hang in perfect unison with every word, his heart in a smooth fluctuation with every musical epiphany. The top forty countdown songs numbered off, a progression that seemed to symbolize the past and seeming future of his life far too well.

Avenue remembered other causes that had blanketed out the outside world throughout his life. When he was little, he would take all the mattresses and pillows he could carry from around the house and compile a small fort between the piano and piano bench in his living room. Every Easter weekend, the family would pile into the car and drive down to see their grandparents, an old house filled with elderly books and furniture from back when his parents' were small. Everyone knew where to find little Ave, playing with his brother and their imaginary friends out in the back yard, the two of them going straight to their usual lawn ornaments. As Kevin ran back and forth between the plastic birds, trying to synchronize the spinning of each wing, little Avenue would sit cross-legged amongst the family of ceramic frogs that had been rooted into the thawing soil beside the frozen pond all winter.

The weekend Ave went down for his grandmother's funeral, he ran straight to the backyard only to find five little patches of dried dirt in the grass, beside a dusty cement shallow still holding onto the lasts of the evaporating brown puddle. His brother followed him, and seeing his little brother so upset pulled out the hollow blue jay, tapping Avenue on his shoulder with the gift. But Ave just sat there staring blankly at the hardening imprints, and the little pieces of painted green speckling the spot where the

grandmommy frog used to sit. The fragments did litter each vacancy, but somehow it was the one he missed the most, and the only one he took a piece from to put in his pocket. The next day his Dad held him up to see the beautiful old woman one last time. She lay in the coffin he would later run over to, reaching high up on his tiptoes to drop in the little piece of painted green for his grandma to take on vacation.

As Avenue remaining in retrospect, he thought of the article written about the robbery and remembered someone once telling him to ‘write what you know’. The article was filled with metaphor and symbolism, and it really did come together beautifully. The kid had probably been writing like that all year, all his life. He would never admit it aloud, but Avenue admired that, just as he admired the way his brother could just up and improvise such a beautiful and powerful song out of thin air. They symbolized the difference between the mindless flock of black birds and a city full of people. Visibly leading all the people whom listened to the radio in order to stare blankly forward and think about their day, or forget about it while impulsively singing along. A mass reaction, thousands all thinking the exact same words at the exact same time, or bobbing their heads along in total unison.

The music from the tape deck stopped, as the sound of its direction reversing clicked to mark the introduction of the other set, though he couldn’t remember whether it was side A or side B he had just listened to, or which was about to begin. He tried opening his eyes to check, feeling no strain in the muscles, and realizing he no longer felt the cold of the plastic strip in the middle of the front bench seat where his hand had landed. The only things that he could see were flashed out with a lucent red, bleeding from the high beams of the arriving ambulance and police cars passing through his fallen eyelids. As the vision of flocking black birds erased into fuzzy blots of different shades, Avenue wondered who it was that did it, and when they knew that it was time, to turn off the radio after a car crash, when the driver’s right hand hung loosely to his side.

Chapter Two: First Light

Avenue strained, continued to try and raise his hand to turn off the radio. Eventually, he slowly began to clench, finding the frigid plastic of the car seat no longer to be there. The sensation of digging his fingers into a cool grain sent a fear connecting his heart directly to those finger tips, though the tensing muscles followed with the relief of a morning stretch, resetting the body for a new day. The lucent red had disappeared from his vision, the world behind those eyelids now pitch black. His feet then tensed just as his arm had, in response to the nip of a tide that had overtaken the sounds of his brother’s voice. He could feel the brittle salt dried to his feet as they relaxed into the ground, just as he had felt his arm relax. An itch probed him to raise his hand to scratch his cheek, then with a rub of the eyes his arm fell in a sleepy collapse back to his side. He went to wipe the loosened salt off on his pants, and realized why the water had had such an easy time sneaking up his leg.

Avenue sat up quickly, finding himself naked and frantically looking around to see if anyone was watching. Behind him a dark forest stood thick with random brush, which ceded in an oddly straight line, with very little transition. The sands of the beach were white; a canvas for the littering of shells and seaweed washed ashore by a tide that had

left most of the ground still damp. He lied back down, feeling that relieving stretch break through the rest of his awoken body before sinking into the moist imprint of his resting place. After lying there a few moments, he looked over again to the forest, surprised to see his clothes hanging from a crooked branch, pushing the already down-turned extension almost to the grassy floor. He walked over to the trees, taking each item and slipping them over his rough skin, then turned around to survey the rest of his environment more carefully. As he reached back to grasp the other sock, a prickly sensation prompted him to yank his hand back in response. Observing his wound, Avenue briefly watched the blood well up in a little slit, cut by the random brush. Just about where his finger had been bombarded by those shocks back home.

The sky above was absent of stars, a luminous black that gave the tiding water no visible colour. The waves led unto everlast, no far coast in sight, nor any distant mast and sail. Avenue crept back to where the waves had woken him, lying down beside the imprint to fit on his shoes. Gazing out into the air, he strained his eyes to concentrate on an eerie speck of darkness, soaring above the waves in a circle that progressively became closer and closer. Slowly its song could become faint, and he strained his ears as well, putting a hand to his temple and closing his eyes in hopes to filter out the rushing tide. His eyes squinted a little as he turned his face to the palm of that hand, catching what he momentarily thought was an audible string of words. "Open your eyes."

Another shock of surprise flooded his arm, and his eyes blinked open to find the distant bird had disappeared from the sky. Avenue took a handful of sand from the ground and threw it out in front of him, the rising sprinkle of water catching a momentary rainbow. Scanning the horizon, a small grin came to his face. The voice that had tugged at his heart strings; there was no way he could have heard what he had thought he'd heard. He was alone on this beach, stranded by the side of a lonely ocean, left to contemplate the dim glow of the sands that surrounded him, and whether or not to wash the drying blood from his finger in the water. He missed her, the way she would have taken his finger tip and kissed it better, tucking it into her hand as she stroked his wrist.

She had done it ever since they first met, with that gentle smile that always made him look away, yet always lingered as he looked right back. She'd always made him look right back with that little squeeze, squeezing a playful jolt into the paper cut, laughing. Laying on the beach, he began to long for that touch. Those late evenings on the couch, curled into each other as she fell asleep, how she would push into his hand as he ran it through her hair, staring into the night until she closed her eyes. They would lay there, her head relaxed against Avenue's heart, clutching the side of his shirt with her hand. Lay there until he could see the sunrise just begin to peek in through the corner. Her eyes still even in view of the horizon, he'd whisper in her ear, "open your eyes."

Sunrise had begun to trickle into the sea air, hanging over the vast waters: a crimson tinge that caught the wings of that circling bird, bringing it into view once more. The bird was much closer than before, and in a few minutes had fluttered to the ground just in front of him. The tide had gone out and had left several metres of open ground between him and the ocean, which the black bird hopped along to leave a path of little talon prints behind it. The bird cocked its head to the side as it stared at him, Avenue mimicked its action, chuckling to himself. The bird began hopping again, right up beside him and into the indent of Avenue's body, turning to look at him once more before flying up into the forest canopy. The bird would have left without making a single noise but for the

flapping of its wings, making Avenue momentarily wonder if it really could have been her voice he'd heard. The woods behind him started to rustle, a wind that seemed to be caged by the edge of the brushes- no movement had been in the air before his little black friend had flown into the branches. The shifting of leaves continued though, as if Avenue had thrown a sprinkle of sand into the trees just as he'd thrown into the ocean. A ripple of movement beginning with the entered bird turned into a slight breeze, as if the forest had forgotten for a moment that it was solid.

Avenue stood and walked over to the brushes he had taken his clothes from earlier. He stuck his hand into a space between the leaves, nothing happened. He pushed them to the side a little, and for a moment the wind stopped blowing. In the distance, Avenue heard another voice. Again bringing his hand up to his temple, the slight breeze resumed, this time sending a chill down his back. Reaching his hand back to warm his neck, a burning heat surprised his hand. It was as if he'd been out in the sun for hours. Behind him the sun had not yet emerged from the seascape, though its apparent rays crossed the water in an increasing intensity. If this little sunlight had done so much, Avenue decided that anymore could become a more serious problem. After he splashed some water over the nagging red, he thought it would be best to seek shelter in the forest.

By this time the tide had ceded a fair ways, and walking back over to the edge he noticed the little bird's footprints in the sand. Strangely enough. Instead of pointing towards the forest, they pointed backwards towards the sea. But as he realized this opposite path, a gleam from of the light upon the water shone into his eyes, blinding him for the moment before a small surge in the tide washed up to catch his feet, and wash away a good portion of the tracks. In disbelief, Avenue cupped some of the water in his hands and then ran it over his neck, and headed back to the trees as he thought a little more about the small bird. Where was the little bird's flock, he wondered, and how did it fly all the way out here all by itself? He had seen not one distant island it could have come from. Perhaps there were more in the woods he thought, perhaps.

As he pushed through the edge of the bushes, he was careful not to expose his finger to the brush. Turning once more to the rising sun, he knew how much Trish would have loved it. He realized why there were no stars there in the night sky, a thick cloud cover that now soaked in the deep shades of red, barely letting a touch of orange collect at the central core of the fiery blend. And as passion colours filled the sky, a similar passion ached inside his chest. It was a brand new day, and sunrise had come without her.

Chapter Three: Radiance

Struggling through the tangles of a forest, Avenue eventually came upon an animal run of some sorts, easing his travel. Overhanging vines still brushed against his body, but the path was much cleaner. The red light began to spread into the sky directly above him, giving a similar tinge to the colour of the trees around him. The ground was damp and kicked up easily, covering his shoes with a wet dust that started to glue onto the odd fallen leaf or sprig of dead grass. The only life in the forest that he could see, was that cooling breeze which shook down different coloured kindling from above him. There was definitely still more shadow than light, giving those rays which managed through to the forest floor the illusion of a softening glow, much as the soft illumination of the pre-

dawn beach had had. The true colours of each plant were beginning to come through, the sunset slowly fading into sheer sunshine.

As he walked over the road of moss and lichens, he would stop periodically to strain his vision through natural holes in the entanglement, trying to find evidence of the clearing or whatever else it was that the trail lead towards. Finding no such clue, he would again begin to skip over the cross-roots and emergent stones that had stood bald amongst the intertwined shrubs and treeclings. Though the heat had made him think it was a rain forest of sorts, the more he explored it, the more it reminded him of the woods behind his childhood home. He remembered how he and the girl next door had gone for walks through them searching for the 'magic ponds'. After rainstorms, he would climb over the fence dividing their yards and meet up with her there to disappearing into those tallest trees. The two of us would look for where the run-off had gathered, large pools of water that came out only when a rainbow circled the sun, or the coming of spring had melted away the snows of winter. They would run up to one of the huge puddles and gather its water into their hands, pretending to drink it and become invincible.

Missy had lived next door to him until they were both six years old, both households moving away from their small mountain town on that same July day. That morning, the two of them stole away into the trees to look for magic for one last time. They were gone for hours, their parents beginning to worry about where they were, until the two of them walked out hand in hand- breaking of course into their ritual chase of each other up to the houses. They hadn't found any of those giants that had entertained them all of those afternoons they'd come home with grass-stained knees. What they had done was bid each other good bye. She still stared at him as the car pulled away from the driveway still marked with yesterday's street chalk. She was the only friend that Avenue could really remember from those primary years, their friendship eternally sealed with his first kiss.

Since then, there were very few girls lucky enough to steal him away for a similar moment. Always too shy to be the brash fellow of broad introduction, Avenue had an intimate way of doing things which developed in him a conscious interest in playful seduction. In his first year of college, he auditioned for the school's annual main-stage theatre production. From the upper walkways he looked down at the mezzanines littered with chatting friends and students drifting from class to class. The day of registration, he had looked over the crowds and focused in on one girl in particular. She was standing with her books held to her chest with crossed arms in a classic schoolgirl pose, her long locks of thick black curls rolling over her shoulders. He gazed at her and uttered to himself the rule he'd labeled golden through the years, that he had learned to swear by: either make them fall in love with you, or make them wonder what it's like.

It turned out that she was in her second year, and in her second main-stage production. Avenue spent the first week or two in the higher level seats of the auditorium thinking of ideas for new plays to send out to the upcoming autumn competitions. She would sit with her friends, whispering, though occasionally looking back in curiosity. Being sure to shyly focus on her when he was on stage, in warm up and in his performances, he coaxed her to the day she walked up the ramp to peek at his laptop computer screen. Avenue looked over and then opened the file minimized at the bottom of the screen, opening up to his favourite monologue, his first and best. She looked up from it with a wondering face as Avenue scrolled her to another piece before walking over to the wing

of the stage for his entrance. Moving into the scene, he entered with a manipulative air of provocation. It wasn't how he intended to play the part, but it fit the scene he was playing at the moment perfectly. Over the course of the rehearsal schedule, he played on her attentions by positioning himself just in the corner of her eye, just close enough for her to feel the distance. Over the course of the rehearsal schedule, he began to spend more and more time pushing the weapon of reality into his cycle of illusion. As they would go outside to smoke, or sit in the greenroom to await their time on stage, the two of them would start talking.

One night, Avenue went home to sleep and awoke in the middle of the night from a dream that would stay with him the rest of the day. He and Trish had stolen away into the parking lot behind the rehearsal hall to hide from the others, fallen against her car. Her back up against him, Avenue began massaging her shoulders as her head fell to the side, he could see her eyes closed in the reflection of the glass doors of the school. She turned around to embrace him in thanks, and as he held the back of her hair up from her neck, she pushed upwards to kiss his lips and wrap her arms further around his shoulders.

His dream wasn't really that detailed, but it was what he remembered from the next weekend when she turned to hold him and looked up. The dream hadn't specified the clothes they wore, or the specific words they said. However, the environment was the same, and the thoughts in his head matched the feelings that had then flooded his night dream. He had never let it go that far before, a turning point in his life worthy of precognition. It wasn't the first time, however, that he had had a dream come true. He had dreamed of nearly every important event, whether it seemed to be so influential at the time or not, in his short lifetime. While he wouldn't know if a dream he'd dreamt was to materialize at the time, no matter how vivid it seemed, he did know when a moment came that he had seen before. And through his many experiences, he learned to take a situation seriously when such sensations arose. In essence, it had meant that Trish and he were meant to be, destined for a stolen kiss behind the mezzanine where he had first gazed upon her from afar. It was so strange how he'd just, noticed her.

Avenue stopped to peer through another break in the woods to no avail, then continued to stumble along. He remembered another scene from that magical seduction of his freshman year, during a joint break from the stage. Avenue looked into her eyes and asked her to give him something to write about. Every suggestion she gave, he buried his head into the paper and wrote her out a poem and dedication. He continued until she smiled a little from that wondering look she always gave, and said one word, "desire". An instant image of circling fireflies came to mind, candle glow around an intimate embrace between two angelic figures. He pictured the scene rising from the ground to an air of light that rose unto Heaven, the earth learning its place with a single kiss. And as he remembered the look in her eyes that he held for as long as his heart could hold its breath, Avenue looked up into the sky through the breaking canopy above. The sunrise was melting away, giving an autumn feel to the continuing breeze. The woods had fully taken on the look of that forest he'd left behind so long ago, another reminder of the girl who wasn't there to hold his hand.