

# DID JOHN BRENNAN CONFIRM NSA'S ROLE IN TRACKING FINANCE?

In his talk at the Council on Foreign Relations, John Brennan was asked about terrorists' use of offshore bank and shell companies (just after 50:00)

I must say that the US Department of the Treasury as well as other institutions of the US government have been very very effective and successful working, again, with international partners to try to uncover and uproot this, but it's not just for terrorism purposes, it's for organized crime, narco, um, cartels and others.

It would be thoroughly unsurprising if NSA were spying on monetary flows. After all, their dominance of international telecom cables mean they dominate the infrastructure tracking that flow. Plus there's that whole SWIFT thing.

But it's nice to know from John Brennan that those "other institutions" have so thoroughly uncovered and uprooted that kind of intelligence, while presumably ignoring the crimes of Jamie Dimon.

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## BREAKING: VENEZUELA HAS WORSE HUMAN RIGHTS PROBLEMS

# THAN SAUDI ARABIA ... ?

President Obama imposed sanctions on a number of Venezuelans yesterday, including – among others – the woman prosecuting Caracas Mayor Antonio Ledezma Diaz, Katherine Nayarith Harington Padron. Apparent intelligence officers seized Ledezma on February 20, and since then, Nicolas Maduro, has been tying Ledezma's seizure to a purported coup plan launched by exiles in the US, but also using the tools of American hegemony.

President Maduro played the audio of a conversation held between Carlos Manuel Osuna Saraco, a former Venezuelan politician living in New York, and a soldier, in which Osuna dictates the statement that the rebel soldiers should read out during the coup.

The Venezuelan leader informed viewers that he would soon call upon the United States to extradite the suspect Osuna for trial in his home country.

Maduro also noted that in addition to the call from Osuna's base in New York, there was a second phone call from Miami.

Ledezma was in constant coordination with Osuna in New York via telephone.

[snip]

Maduro also showed a copy of a new "100-day Plan for Transition", designed by the coup plotters and the opposition, which stipulated a series of measures which would be implemented by the planned governing junta.

The plan would take effect immediately after the coup, calling for early elections and the privatization of all public services.

The transitional government would

request all of the current Venezuelan officials to turn themselves into the police within a period of 180 days. It also requested every Cuban worker within the government to turn themselves in unarmed to their local police station.

The plan also contemplated a role for the IMF, the World Bank and the Inter-American Development Bank to intervene in the Venezuelan economy.

In response, the US has been saying Maduro is making this whole coup thing up, even accusing him of making up some of the intelligence he was showing to make his case.

And then, even while claiming Maduro was making shit up about the US engaging in economic war and using its tools of hegemony to conduct regime change in Venezuela, President Obama used its dominant financial position to undermine Maduro's regime.

The order imposing sanctions, like all such orders, makes a convoluted explanation for why the US has to use its purported capitalistic tools against foreigners. First, because Venezuela poses a threat to US national security.

I, BARACK OBAMA, President of the United States of America, find that the situation in Venezuela, including the Government of Venezuela's erosion of human rights guarantees, persecution of political opponents, curtailment of press freedoms, use of violence and human rights violations and abuses in response to antigovernment protests, and arbitrary arrest and detention of antigovernment protestors, as well as the exacerbating presence of significant public corruption, constitutes an unusual and extraordinary threat to the national security and foreign policy of the United States, and I hereby declare

a national emergency to deal with that threat.

It then defines sanction targets as those who undermine democratic processes, engage in violence or human rights abuses (including – though purportedly not limited to those involved in anti-government protests), those that limit freedom of expression, and those involved in public corruption.

(ii) any person determined by the Secretary of the Treasury, in consultation with the Secretary of State: (A) to be responsible for or complicit in, or responsible for ordering, controlling, or otherwise directing, or to have participated in, directly or indirectly, any of the following in or in relation to Venezuela: (1) actions or policies that undermine democratic processes or institutions; (2) significant acts of violence or conduct that constitutes a serious abuse or violation of human rights, including against persons involved in antigovernment protests in Venezuela in or since February 2014; (3) actions that prohibit, limit, or penalize the exercise of freedom of expression or peaceful assembly; or (4) public corruption by senior officials within the Government of Venezuela;

The fact sheet on these sanctions also argues Venezuela is the among the most corrupt countries in the world (but doesn't mention that it ties with Yemen, and beats out Libya, Iraq, and Afghanistan, as well as allies like Uzbekistan – all of also which rank much worse for human rights abuses than Venezuela.

In other words, the Administration is claiming that Venezuela's corruption and human rights abuses present a much bigger threat to the US than a string of countries we've already

destabilized that are worse in terms of corruption and human rights, as well as (in the latter category) Egypt and Saudi Arabia's more severe human rights abuses.

All of which is receiving more scrutiny than it normally would, not least because the claim that Venezuela is a threat to US national security is so obviously bullshit.

As an official whose identity couldn't be revealed because Obama's is the Most Transparent Evah™ explained the other day, it's actually normal for the government to claim that sanction targets are a threat to this country.

So I can start off and say in terms of how unusual this is, most of our sanctions programs began with the declaration by the President of a national emergency that results – that's a threat to the national security, foreign policy, or economy of the United States. And so most of the sanctions programs that we have, from Iran to Syria, Burma, across the board, rely on these same types of national emergency declarations.

So in that sense, it's a usual part of the process. And we have somewhere between 20 and 30 sanctions programs, depending on the way you measure them, that are based on these same types of national emergency declarations.

Either the same or another SAO insisted that this is not about the US bigfooting in Venezuela.

Can I just also – let me just say that there's been a lot of commentary about interference in internal affairs of other countries by the Venezuelan government. The actions we take today are clearly sovereign actions by a country about its own financial system.

These actions we take are sovereign decisions about who comes into the United States. They're not actions taken to involve ourselves in another country.

Other countries – notably Russia and China – are both affirmatively rolling out measures to counter our dominance in the financial world, in ways that could significantly undermine our obviously selective choice for sanctions targets. Whatever else these Venezuela sanctions do, they will also likely elicit more scrutiny of just how illegitimate our use of sanctions is (and to a significant extent, has long been).

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## **34 YEARS LATER, TREASURY IS STILL OPERATING WITHOUT PROCEDURES TO PROTECT AMERICANS UNDER EO 12333**

With almost no explanation, PCLOB just released this table ODNI compiled showing the status of procedures Agencies follow to protect US person information when using data obtained under EO 12333. This is something PCLOB has been pushing for since August 2013, when it sent a letter to Attorney General Holder pointing out that some agencies weren't in compliance with the EO.

As you know, Executive Order 12333 establishes the overall framework for the conduct of intelligence activities by U.S. intelligence agencies. Under section 2.3 of the Executive Order, intelligence agencies can only collect,

retain, and disseminate information about U.S. persons if the information fits within one of the enumerated categories under the Order and if it is permitted under that agency's implementing guidelines approved by the Attorney General after consultation with the Director of National Intelligence.

The Privacy and Civil Liberties Oversight Board has learned that key procedures that form the guidelines to protect "information concerning United States person" have not comprehensively been updated, in some cases in almost three decades, despite dramatic changes in information use and technology.

So I assume the release of this table is designed to pressure the agencies that have been stalling this process.

The immediate takeaway from this table is that, 34 years after Ronald Reagan ordered agencies to have such procedures in Executive Order 12333 and 18 months after PCLOB pushed for agencies to follow the EO, several intelligence agencies still don't have Attorney General approved procedures. Those agencies and the interim procedures they're using are:

The Department of Homeland Security's notoriously shoddy Office of Intelligence and Analysis: Pending issuance of final procedures, I&A is operating pursuant to Interim Intelligence Oversight Procedures, issued jointly by the Under Secretary for Intelligence and Analysis and the Associate General Counsel for Intelligence (April 3, 2008).

United States Coast Guard (USCG)- Intelligence and counterintelligence elements: Pending issuance of final procedures, operating pursuant to Commandant Instruction – COMDINST 3820.12, Coast Guard Intelligence Activities (August 28, 2003).

Department of Treasury Office of Intelligence

and Analysis (OIA): Pending issuance of final procedures. While draft guidelines are being reviewed in the interagency approval process, the Office of Intelligence and Analysis conducts intelligence operations pursuant to E.O. 12333 and statutory responsibilities of the IC element, as advised by supporting legal counsel.

Drug Enforcement Administration, Office of National Security Intelligence (ONSI): Pending issuance of final procedures, operates pursuant to guidance of the Office of Chief Counsel, other guidance, and: Attorney General approved "Guidelines for Disclosure of Grand Jury and Electronic, Wire, and Oral Interception Information Identifying United States Persons" (September 23, 2002); Attorney General approved "Guidelines Regarding Disclosure to the Director of Central Intelligence and Homeland Security Officials of Foreign Intelligence Acquired in the Course of a Criminal Investigation" (September 23, 2002).

I'm not surprised about DHS I&A because – as I noted – most people who track it know that it has never managed to do what it claims it should be doing. And I'm not all that worried about the Coast Guard; how much US person spying are they really doing, after all?

One should always worry about the DEA, and the fact that DEA has only had procedures affecting some of its use of E.O. 12333 intelligence is par for the course. I mean, limits on what it can share with CIA, but no guidelines on what it can share with FBI? And no guidelines on what it has dragnet collected overseas, where it is very active?

But I'm most troubled by Treasury OIA. In part, that's because it doesn't have anything in place – it has just been operating on E.O. 12333, apparently, in spite of E.O. 12333's clear requirement that agencies have more detailed procedures in place. But Treasury's failure to develop and follow procedures to protect US persons is especially troubling given the more central role OIA has – which expanded in 2004 –



in researching and designating terrorists, weapons proliferators, and drug kingpins.

OIA makes intelligence actionable by supporting designations of terrorists, weapons proliferators, and drug traffickers and by providing information to support Treasury's outreach to foreign partners. OIA also serves as a unique and valuable source of information to the Intelligence Community (IC), providing economic analysis, intelligence analysis, and Treasury intelligence information reports to support the IC's needs.

As it is, such designations and the criminalization of US person actions that might violation sanctions imposed pursuant to such designations are a black box largely devoid of due process (unless you're a rich Saudi business man). But Treasury's failure to establish procedures to protect US persons is especially troubling given how central these three topics – terrorists, weapons proliferation, and drugs – are in the intelligence communities overseas collection. This is where bulk collection happens. And yet any US persons suck up in the process and shared with Treasury have only ill-defined protections?

Treasury's role in spying on Americans may be little understood. But it is significant. And apparently they've been doing that spying without the required internal controls.

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## LORETTA LYNCH: NOT

# ENOUGH EVIDENCE TO CHARGE HSBC BANKSTERS

As part of her Questions for the Record, Attorney General nominee Loretta Lynch was asked about her role in the HSBC handslap in 2012. (See Q 38, h/t Katherine Hawkins)

38. As United States Attorney for the Eastern District of New York, you helped secure nearly \$2 billion from HSBC over its failure to establish proper procedures to prevent money laundering by drug cartels and terrorists. You were quoted in a DOJ press release saying, "HSBC's blatant failure to implement proper anti-money laundering controls facilitated the laundering of at least \$881 million in drug proceeds through the U.S. financial system."

You stated that the bank's "willful flouting of U.S. sanctions laws and regulations resulted in the processing of hundreds of millions of dollars in [Office of Foreign Assets Control]-prohibited transactions." Still, no criminal penalties have been assessed for any executive who may have been involved.

a. Did you make any decision or recommendation on charging any individual with a crime?

i. If so, please describe any and all decisions or recommendations you made.

ii. Please explain why such decisions or recommendations were made.

b. If you did not make any decision or recommendation on charging any individual with a crime, who made the decision not to prosecute?

RESPONSE: On December 11, 2012, the Department filed an information charging HSBC Bank USA with violations of the Bank Secrecy Act and HSBC Holdings with violating U.S. economic sanctions (the two entities are collectively referred to as "HSBC"). Pursuant to a deferred prosecution agreement ("DPA"), HSBC admitted its wrongdoing, agreed to forfeit \$1.256 billion, and agreed to implement significant remedial measures, including, among other things, to follow the highest global anti-money laundering standards in all jurisdictions in which it operates. As the United States District Judge who approved the deferred prosecution found, "the DPA imposes upon HSBC significant, and in some respect extraordinary, measures" and the "decision to approve the DPA is easy, for it accomplishes a great deal."

*Although grand jury secrecy rules prevent me from discussing the facts involving any individual or entity against whom we decided not to bring criminal charges, as I do in all cases in which I am involved, I and the dedicated career prosecutors handling the investigation carefully considered whether there was sufficient admissible evidence to prosecute an individual and whether such a prosecution otherwise would have been consistent with the principles of federal prosecution contained in the United States Attorney's Manual.*

I want to reiterate, particularly in the context of recent media reports regarding the release of HSBC files pertaining to its tax clients, that the Deferred Prosecution Agreement reached with HSBC addresses only the charges filed in the criminal violations of the Bank Secrecy Act for failures to maintain an adequate anti-money laundering program and for sanctions

violations. The DPA explicitly does not provide any protection against prosecution for conduct beyond what was described in the Statement of Facts. Furthermore, I should note the DPA explicitly mentions that the agreement does not bind the Department's Tax Division, nor the Fraud Section of the Criminal Division. information, which are limited to violations of the Bank Secrecy Act for failures to maintain an adequate anti-money laundering program and for sanctions violations. The DPA explicitly does not provide any protection against prosecution for conduct beyond what was described in the Statement of Facts. Furthermore, I should note the DPA explicitly mentions that the agreement does not bind the Department's Tax Division, nor the Fraud Section of the Criminal Division. [my emphasis]

Lynch seems to want to have her cake and eat it too.

Sure, she and her prosecutors were unable to find the evidence in Carl Levin's gift-wrapped case. But trust her, she seems to be saying, she might one day see fit to charge some warm bodies with fraud if she's confirmed.

And note she makes no mention of material support for terrorism????

Because if you're a bank, such things are legal, apparently.

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## MAPPING TREASURE:

# LOOKING BEYOND THE YIELD OF TRADITIONAL INSIDER TRADING

A former SAC hedge fund manager, who cooperated with law enforcement, avoided a prison sentence this week after the FBI's investigation into insider trading found criminal activities. It's a rather typical story in which persons unfairly benefited from information they would not otherwise have access to outside their work as traders. Six persons were ultimately convicted in connection with this case.

A fresh spin on insider trading also made news this week, when the SEC filed a lawsuit against two Capital One fraud investigators who made 1800 percent on their investment over three years, based on their use of a Capital One credit card user database.

The two investigators, Bonan Huang and Nan Huang, grew an investment of \$147,300 to \$2.8 million based on thousands of searches across a database comprised of credit card customer transactions. Noting the volume of use of credit cards at a particular fast food company, they bought and traded the company's stock based on this data.

Over time they made similar stock trades based on transactional volume and other publicly available news about three different companies.

Had the database been one for sale by a company rather than their employer's proprietary database, the Huangs would have been lauded as investment rock stars. But because the method they used "misappropriates confidential information for securities trading purposes, in breach of a duty owed to the source of the information," the two men are being sued for insider trading.

The Huangs' trading experience gives pause when one considers the value of metadata, and of the

data breach at JP Morgan Chase this past year.

Metadata can offer a volume of transactional activity, though it will not disclose the value of a transaction. Imagine smartphones indicating they are being used at particular devices – point-of-sale devices – at any retailer, from fast food to hard lines. An uptick in overall activity at a specific retailer indicates greater volume of business, the data fresher than that reported in a 10-Q report filed publicly with the SEC. What could an investor do with this kind of data? One could imagine success not much different than the Huangs experienced, provided they also understood other publicly available information about the retailers under observation.

Imagine the data created by cashflow movements in and out of ~83 million bank and investment accounts at a corporation like JP Morgan Chase. What could investors do with this information? The kind of information obtained by the hack disclosed in 2014 may have included account activity:

On October 2, 2014, JPMorgan Chase & Co. (“JPMorgan Chase” or the “Firm”) updated information for its customers, on its Chase.com and JPMorganOnline websites and on the Chase and J.P. Morgan mobile applications, about the previously disclosed cyberattack against the Firm. The Firm disclosed that:

- User contact information – name, address, phone number and email address – and internal JPMorgan Chase information relating to such users have been compromised.
- The compromised data impacts approximately 76 million households and 7 million small businesses.
- However, there is no evidence that account information for such affected customers – account numbers, passwords, user IDs, dates of birth or Social

Security numbers – was compromised during this attack.

- As of such date, the Firm continues not to have seen any unusual customer fraud related to this incident.

JPMC stressed passwords were not leaked. The data available to the hackers, though, was not very dissimilar from that gleaned by the NSA's TREASURE MAP program – identities, locations, and "internal JPMorgan Chase information" included.

But perhaps the hacker(s) didn't intend to break into accounts; perhaps instead they merely wanted access to real-time data about financial movements, especially in and out of key accounts, or across the entire enterprise at scale. Or perhaps even early peeks into startups and IPOs underwritten by JPMC, some of them based on technology patent awards.

What's interesting, too, is the fuzziness of the government's response as to the identity of culprits responsible for the JPMC data hack. In August, "two people familiar with the probe" discussed suspicions that Russia was behind hacking of JPMC. Yet in October, subsequent reporting about the hack doesn't mention Russia at all, discussing instead the possibility of phishing attacks.

In contrast, the public was assured firmly in a relatively brief period of time after data leaked that Sony Pictures Entertainment was hacked by North Korea (though the evidence offered to date is sketchy). Is the government still looking for hackers who might have benefited from JPMC data, without actually touching any of the account holders' assets?

Perhaps they should be looking for parties with better than 1800 percent yield on investments.

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# THE 702 CRIMES INCLUDE CYBERSECURITY, INFRASTRUCTURE, AND “TRANSNATIONAL CRIMES”

Bob Litt is giving a speech. In it he described what “serious crimes” FBI can use 702-derived information to investigate and prosecute. They include:

Can use for 702: Crimes involving death, kidnapping, bodily harm, v minor, infrastructure, cybersecurity, transnational crimes.

Both cybersecurity and infrastructure are big, and potentially egregiously interpreted. They surely can include a whole slew of innocent protestors who are deemed a threat to things like fracking or city infrastructure.

But also, if FBI can use 702 to investigate “transnational crime” then why isn’t Jamie Dimon in prison?

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## LANNY BREUER’S CONFLICTS

NYT has a story based off a CREW FOIA for details of FBI’s investigations into John Ensign’s efforts to buy off his mistress’ husband. While the details show Ensign was even



more sleazy than we knew, I'm at least as interested in this passage:

The Justice Department's decision not to charge Mr. Ensign was widely seen as a sign of its skittishness about prosecuting and potentially losing public corruption cases in the wake of stinging courtroom defeats against former Senators [Ted Stevens of Alaska](#) and [John Edwards of North Carolina](#). The documents confirm that speculation: In an internal email in 2011 assessing the chances of prosecuting Mr. Ensign, a top prosecutor wrote that "the legal theory is possible with the right facts" but that the "mere response" of helping a former Senate employee to find work "is not enough." Another prosecutor wrote that "this is a really tough case to win."

The documents show that the investigation was also complicated by a legal conflict; Lanny A. Breuer, head of the Justice Department's criminal division at the time, had worked with a defense lawyer in the Ensign camp at Mr. Breuer's prior law firm, Covington & Burling. Mr. Breuer was temporarily recused from the Ensign investigation as a result of the conflict, the records show, but later got a waiver that allowed him to oversee it with certain restrictions, officials said.

In 2012, Mr. Breuer and the Justice Department decided not to bring criminal charges against Mr. Ensign.

Even the Senate (!) was willing to discipline Ensign. But DOJ chose not to. And at the center of that decision was Lanny Breuer, whose once and future firm, Covington & Burling, represented Ensign. And yet Breuer found a way to un-recuse himself from the case.

It is not at all a surprise that Breuer didn't manage his conflicts well. I argued that he didn't back in 2009, when he made the decision to bury Dick Cheney's CIA leak investigation interview (and make no mention of his quasi-grand jury appearance), even though he had represented John Kiriakou in the CIA leak case (and in helping him avoid grand jury testimony, hide that Cheney and Libby knew Plame was CIA earlier than they said they did).

Ironically, that was also for a CREW FOIA.

Maybe CREW should just skip the interim step and FOIA all the times Breuer ignored the conflicts he had on issues he presided over?

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## UNDER COVER: THE TARGETS OF STINGS

The NYT brought in Will Arkin (partnering with Eric Lichtblau) to talk about the proliferation of the use of undercover officials in government agencies. The Supreme Court, IRS, the Smithsonian, and DOD are all playing dress up to spy on Americans (and the IRS permits agents to pretend to be lawyers, doctors, clergy, and journalists).

The article makes it clear that – as might be imagined – the drug war is the most common focus of these undercover officers.

More than half of all the work they described is in pursuit of the illicit drug trade. Money laundering, gangs and organized crime investigations make up the second-largest group of operations.

But it doesn't really step back and look at who else is getting targeted, which I've tried to lay on in this stable.

<b>Agency</b>	<b>Target</b>
Supreme Court	Protestors
IRS	Tax evaders
USDA	Food stamp fraud (vendors)
ATF (presumably)	Illegal alcohol and cigarette sales, cigarette smuggling, gun traffickers (Fast & Furious)
Department of Education	Fraud in federally funded ed programs
HHS	Medicare fraudsters
SBA	
NASA	
Smithsonian	
CBP	Drug traffickers
DEA	Drug traffickers
Military investigative agencies	Service members, but increasingly joint work

There are several concerning aspects of this list. I'm hoping the Smithsonian is using undercover officers solely to police the Holocaust and similar museums; the Holocaust museum, after all, has been targeted by a right wing terrorist recently. I might see the point on the Washington Memorial. But I do hope they're not patrolling the Air and Space Museum because they might catch people who, like I did when I was in fifth grade, use the museum as a playground for stupid pre-teen drama while on a field trip.

DOD's expanded use of undercover officers to target Americans is very troubling. The 9th Circuit recently threw out a conviction because the Navy had initiated the case searching data in the guise of protecting Spokane's bases. I suspect, in response, the government will just get more assiduous at laundering such investigations. And it would be highly improper for them to do so clandestinely.

That said, this table is just as telling for what it doesn't include as what it does.

If USDA is going undercover, why not send undercover inspectors to work in food processing plants, as a great way to not only show the food safety violations, but also the labor violations? Why not go undercover to investigate CAFOs?

The big silence, however, is about bank crime. While I'm sure SEC uses some undercover officers

to investigate financial crime, you don't hear of it anymore, since the failed Goldman prosecution. And we know FBI gave up efforts to use undercover officers to investigate (penny ante) mortgage fraud crime because, well, it just forgot.

But when DOJ's Inspector General **investigated** what FBI did when it was given \$196 million between 2009 and 2011 to investigate (penny ante) mortgage fraud, FBI's focus on the issue actually *decreased* (and DOJ lied about its results). When FBI decided to try to investigate mortgage fraud proactively by using undercover operations, like it does terrorism and drugs, its agents just couldn't figure out how to do so (in many cases Agents were never told of the effort), so the effort was dropped.

So it's not just that Agencies are using undercover officers to investigate every little thing, including legitimate dissent, with too little oversight.

Its also that the government, as a whole, is using this increasingly to investigate those penny ante crimes, but not the biggest criminals, like the banksters. So long as the choice of these undercover operations reflects inherent bias (and it always has, especially in the war on drugs), then the underlying structure is illegitimate.

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## SWIFT CHANGE

I've long tracked developments in SWIFT, the system that tracks international bank transfers. The NSA got SWIFT to turn over data willingly after 9/11. But then the consortium moved its servers to Europe, making the data legally safer

– though surely not technically safer – from NSA hands. And in spite of the fact that the US negotiated, and then violated the spirit of, a permissive deal to access this information, documents leaked by Edward Snowden still show the NSA double dipping, obtaining SWIFT information via the legal front door and the technical back door.

Nevertheless, it wasn't the evidence that the US had preferential access to the records of international bank transfers is not what led someone to create a competitor. The threat of sanctions did.

Russia has just announced a plan to have some alternative to SWIFT in place by May.

Russia intends to have its own international inter-bank system up and running by May 2015. The Central of Russia says it needs to speed up preparations for its version of SWIFT in case of possible "challenges" from the West.

*"Given the challenges, Bank of Russia is creating its own system for transmitting financial messaging... It's time to hurry up, so in the next few months we will have certain work done. The entire project for transmitting financial messages will be completed in May 2015,"* said Ramilya Kanafina, deputy head of the national payment system department at the Central Bank of Russia (CBR).

Calls not to use the SWIFT (Society for Worldwide Interbank Financial Telecommunication) system in Russian banks began to grow as relations between Russia and the West deteriorated over sanctions. So far, SWIFT says despite pressure from some Western countries to join the anti-Russian sanctions, it has no intention of doing so.

I've long wondered when US reliance on sanctions – which is effectively an assertion of the authority to be able to dictate which economic players are acceptable and not – would begin to undermine the US system. And while this does not seem to be primarily motivated by an effort to undercut US hegemony, except to the degree that Russia refuses to comply with US demands it be permitted to rearrange Russia's immediate neighborhood. Rather, this is a reaction to US actions.

Nevertheless, it may establish the infrastructure that undermines US hegemony.

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## **WAS ALEX BROWN A CIA FRONT WHEN IT WAS “INNOCUOUSLY” SHORTING 9/11?**

This is going to sound very tinfoily. But here goes.

Prominent Baltimore banker Ed Hale has come forward to reveal he was a CIA NOC while Chair of the Bank of Baltimore from sometime around 1991 until 2001.

In a life that reads like a spy thriller, Hale says he was recruited into the CIA by former Alex Brown chairman Buzzy Krongard, who was with the agency.

“He came to my officer one day and said ‘Let’s go for a walk,’” Hale said.

Blue collar beginnings in Eastern Baltimore County to the world of espionage, Hale details this secret life in the CIA in a new biography called “Hale Storm.”

"I was called a NOC," Hale said,  
"N.O.C."

That stands for "non-official cover."

[snip]

During his time with the CIA, from 1991  
to 2001, Hale never told anyone.

That's all very nice. But it suggests that Buzzy Krongard was at the CIA, recruiting other banksters, years before he was known to be (he is known to have started in 1998).

There are other versions of this, with slightly different dates and a different relationship with the CIA for Buzzy, which may be key. Still, they all show Buzzy recruiting a top banker to join the CIA in the early 1990s.

Which would mean that when Alex Brown was shorting United and American stocks in the days before 9/11, it didn't just have a former employee at the CIA. It had served as a cover for that former employer while he was working for the CIA.

A single U.S.-based institutional investor with no conceivable ties to al Qaeda purchased 95 percent of the [UAL](#) puts on September 6 (2001) as part of a strategy that also included buying 115,000 shares of [American](#) on September 10. Similarly, much of the seemingly suspicious trading on September 10 was traced to a specific U.S.-based options trading newsletter faxed to its subscribers, which recommended these trades.

The 9/11 Report goes on to report the SEC found these trades to be "innocuous."

It doesn't sound all that innocuous.