



**MILLENNIUM DIGGERS  
ASSOCIATION  
Keizer, Oregon**



**Secretary: Marlea Sheridan**

**Editor: Penny Esplin**

**June 14, 2013**

**SHORT AND SWEET FROM THE PREZ:**

You all have probably noticed the silence and peacefulness before a big rain storm comes pouring down from the sky and understand the meaning of the term **calm before the storm**... we must not let the gathering storm find us flat footed. Dredge season opens in some waterways June 15<sup>th</sup> so have fun and be safe but realize there has been a deafening silence on the anti-mining action at the state capital. Don't let this fool you. There is lots of talk and negotiations going on that we are not privy to.

In your haste to get your mining gear ready and this year's mining season on the road please don't let this lull find us unresponsive. There are still several bills hibernating and waiting for the right moment to rise up, Senate Bill 838 tops the list. We need everyone to take a few moments and write a letter to all the senators and representatives on Ways & Means and let them know you want them to stop this bill from coming to committee or, if it makes it to committee you want a vote to kill it there.

I can tell you there are groups that want to put a halt to our mining season that are fiercely engaging their supporters to write letters to keep this bill alive and well.

We do have friends at the capital trying to keep this bill from resurfacing and fortunately for the miners we may have some on both sides of the isle. They need to hear from us now!!!!

Remember that the Joint Ways and Means committee is responsible for overseeing the State's spending. Point out that if SB838 is passed containing a moratorium the State will almost immediately began wasting citizen's money to fund and fight the lawsuits that surly will ensue. Addresses for members of the Joint Ways and Means Committee can be found at the end of this newsletter.

I wish you all a season full of treasures,

Claudia Wise

**Call to Order:** Claudia introduced our speaker and special guest, Tom Bohmker.

**Meeting Minutes:** April's minutes were e-mailed to members. Marlea read an update and quick review of last month's meeting minutes.

**Treasury Report:** Our club gave \$200.00 to support mining legislation business.

**Guests:** Tom Bohmker is a gold miner and author of many gold prospecting and mining guides. He gave us a wonderful fact-filled presentation, including a crash course on the geology of Oregon and geologic facts pertaining to the distribution of gold and the associated country rock, ores and sulfides. Plus, he showed us how to take a test sample of suspected gold bearing rock by crushing a small portion with a mortar and pestle and then panning out the sample to show the potential findings. He talked about finding gold, shared some of his experiences, and included information about "pocket" mining. He showed many displays and charts, including some great "hands-on" examples from his special collections of rocks and minerals. Tom is so knowledgeable that we all wished that we could have heard more! We hope he will come again in the near future!

**New Business:** Claudia and Joe gave us an updated report about all the ongoing legislation with Senate and House Bills concerning mining rights. We need to all get letters sent to the Ways & Means Committee and ask them to oppose SB 838. This bill will put a ban on in-stream motorized mining while they study cultural and social conflicts with mining on other water users such as rafters and fisherman, and bordering residential areas.

**Claims Committee:** no report

**Outings:**

**Saturday, June 22** - Ken invited us all to Hollywood Ranch near Sweet Home to collect petrified wood. An update was sent earlier with outing directions and details.

The Hollywood Ranch near Sweet Home, OR is one of the best places for finding petrified wood in Oregon.

Digging for your petrified wood at the Hollywood Ranch is relatively easy, since they have areas where they have already dug trenches.

You simply pick where you think looks good and dig out the walls of the trench to see what you can find.



This is a great place for kids to come and dig. Children and grownups alike have a natural fascination for the idea that what they are pulling out of the ground was a living tree millions of years ago, and add in the idea that they are digging for a natural treasure. Now that is a recipe for fun with the entire family.

Unlike many fee for dig mines, at the Hollywood Ranch they only charge you for the material that you want to take with you, no entry fee or other fees involved.

If you dig up some petrified wood that you don't want to take, or is just too big for you to take out, then just leave it there for the next person to discover. The current fee is \$1.50 per pound with a minimum charge of \$25.

To do your digging at the Hollywood Ranch you can rent some of the basic tools from them or you can bring your own. Here's a list of items you may want to consider. Pick, Small hand shovel, Pry Bar, Soil probe, Rock hammer (useful if you plan on just digging a little or a lot), Heavy-duty gloves, Food and Water, Good footwear, Knee Pads

**Saturday, June 29** –Panning practice on Quartzville Creek. Only if there is enough group interest. There will be more discussion about this outing at the June 27<sup>th</sup> meeting.

**May's Letter : "K"** Penny and Bill each brought nice specimens of blue Kyanite crystals, some were embedded in rock and were kind of greenish blue. Joe brought his wildly fluorescent *Periwinkle Kryptonite*. Had us all fooled, but it was quite special! Penny also shared some of the specimens she bought at the Rickreall Rock Show. One was a polished sphere of "Fuchsite" with Ruby. Under the longwave ultraviolet light, the ruby glows brilliant red. That is one for sure way to tell if your ruby is real or synthetic; synthetic rubies do not fluoresce

under UV light. Claudia shared Kampuchea Gold brought back from her adventures mining in Cambodia near Oyadau in the Ratanakiri Province.

**Next Month's Letter is: "L"** Examples are: Lucky Finds, Limb Casts, Labradorite, Lepidolite, Lapis Lazuli, Lignite (coal), Limestone (marble), Lodestone (magnetite), Lace Agate (Crazy Lace or African Lace), Lazulite. **Or**, how about anything to do with Lapidary???. Such as tumbled stones, cabs, polishing, grits and methods of achieving best results.

**June Raffle:**

We plan on having many items to raffle off at the next meeting. Everyone please support our club by bringing items to raffle and/or by participating in the raffle! This should be fun as we have been collecting some cool items!

**Next Club Meeting is on Thursday, June 27<sup>th</sup>**

Visit our website at <http://www.millenniumdiggers.com/>

The Millennium Diggers Club is a group based in Keizer, Oregon, which is near Salem, Oregon. The club is for people that share an interest in searching for things of value. The club's charter is to provide members with a club that will help promote the hobbies of metal detecting, prospecting, rock hounding, and treasure hunting. Part of our yearly dues pay for mining claims that are available for all club members to use. We use club meetings to share information about locating gold, silver, coins, jewelry, gemstones, fossils and metal detecting. We plan club outings each month where we can help each other learn all aspects of our hobbies. This is a great family activity, bring the kids! Please feel free to drop in on one of the monthly meetings or outings.

We meet the **4<sup>th</sup> Thursday of each month, 7:00 pm** at:

**CLEAR LAKE UNITED METHODIST CHURCH**

**920 Marks Drive  
Keizer, OR 97303**

We meet in the church's Fellowship Hall; a real a nice meeting place complete with tables, chairs and a kitchen. The church is located across the street from the Clear Lake Fire Station. There's plenty of parking in the church's parking lot.

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## PRECIOUS METALS

### Idaho hobbyist suction-dredge miners must obtain Clean Water permits—EPA

Author: Dorothy Kosich, 05 Apr 2013, RENO (MINEWEB)

**The long-simmering feud involving tribal groups, environmentalists and hobbyist miners is now complicating life for small suction-dredge miners in the historic mining state of Idaho.**

The Pacific Northwest Region of the U.S. Environmental Protection Agency Thursday announced that small-scale suction dredge miners must now apply for a new discharge permit to lawfully operate their dredges in Idaho's rivers, lakes and streams.

Small dredge miners (using intake nozzles of five inches in diameter or less and 15 horsepower or fewer engines) need to apply for coverage under the new Clean Water Act general permit.

The general permit places conditions on the discharge of rock and sand from each mining operation to protect water quality and aquatic resources. These conditions include best management practices and prohibited areas.

Dan Opalski, director of EPA's Water Office in Seattle, said the new general permit protects water quality and the people, fish and wildlife that depend on clean water.

"Miners can help protect water quality by applying for the permit, understanding the limits and following the best practices for small suction dredge operations," said Opalski. "Many waters in Idaho are already closed, due to existing state and other federal designations. This general permit protects additional waters, including those with threatened and endangered salmon, steelhead, white sturgeon and bull trout, as well as water within Tribal Reservations."

Last month, the U.S. Supreme Court refused to consider a 9<sup>th</sup> Circuit Court of Appeal ruling giving the Endangered Species Act precedent over mining law in regulating gold mining hobbyists using suction dredges on Forest Service lands. The Forest Service must now consult with wildlife agencies prior to granting

Notice of Intent to weekend hobbyists using suction dredges to mine for gold in northern California.

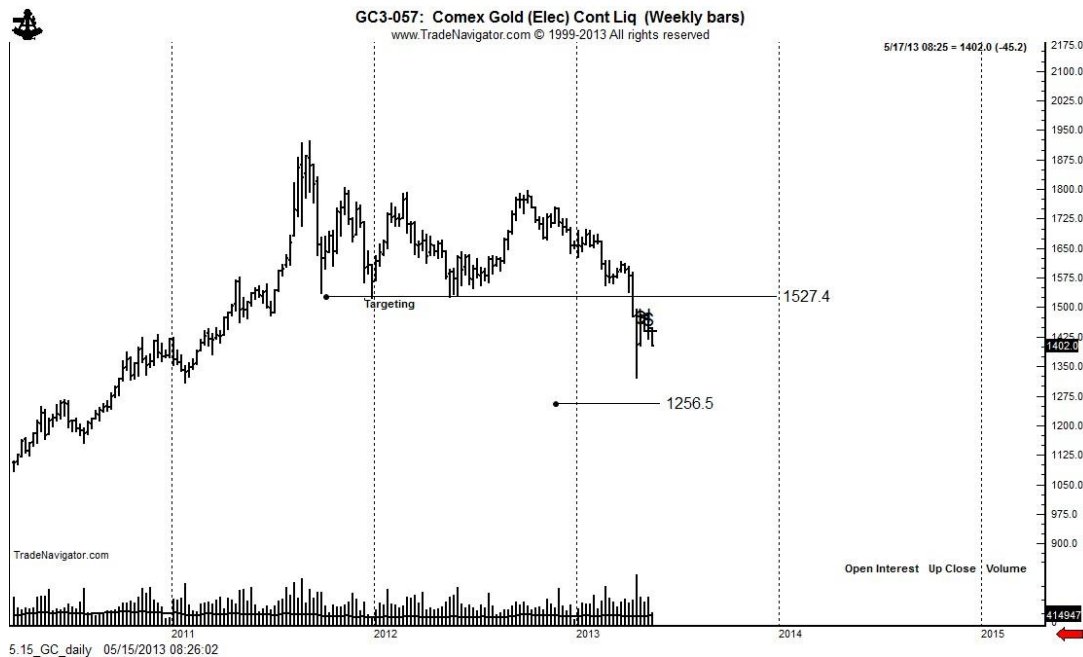
Meanwhile, environmentalists are suing the U.S. Forest Service for the agency's authorization of suction-dredge mining in streams and on the Rogue River in southwest Oregon without first consulting with and obtaining the authorization of the National Marine Fisheries Service as to the effect on wild Coho Salmon, thereby reportedly violating the Endangered Species Act.

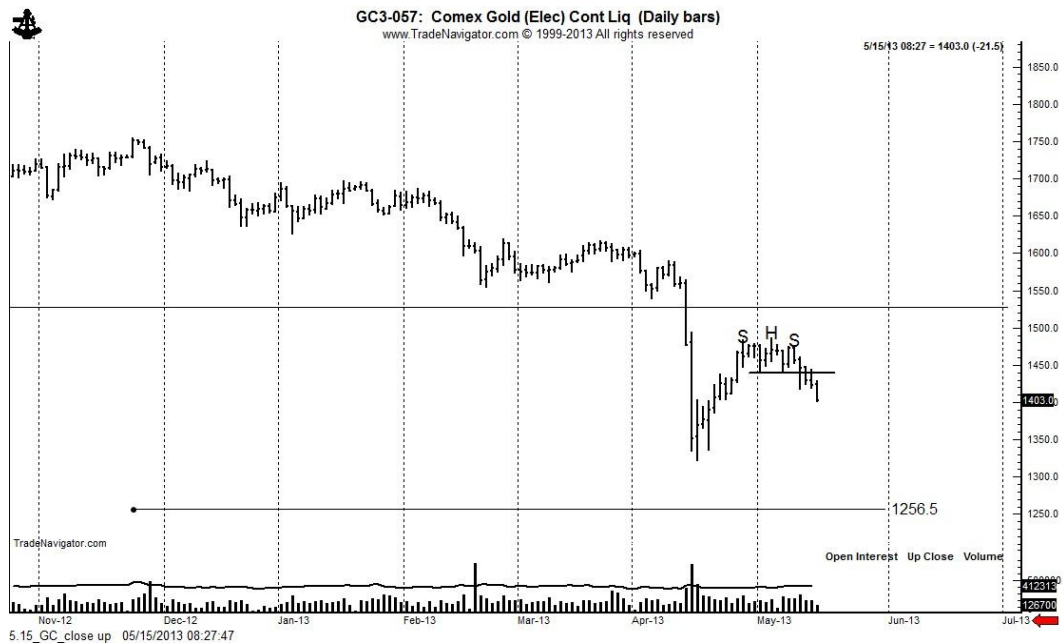
## Another leg in the bear market is in progress The charts speak for themselves

Posted by [PeterLBrandt](#), May 15th, 2013

<http://peterbrandt.com/the-latest-charts-for-gold-silver-and-platinum/>

The target in Gold based on the weekly graph is in the mid 1200s. The correction rally ended on May 13 with the completion of a small H&S top pattern on the daily chart.





The Silver has a swing target of the mid [\\$19s](#). By the way, the attainment of the targets in Gold and Silver will produce a Gold/Silver ratio of 64 to 1. The market is apparently not listening to some Spanish king from the 1500s who declared the ratio MUST be 20 to 1. So much for Spanish law! By the way, I have a challenge to all you Silver bulls who somehow make a distinction between “paper silver” (futures) and physical silver (including certain ETFs). Walk your shares of your ETF into the ETF underwriter and ask to exchange your shares for physical Silver. You will be told that all your ETF represents is “paper silver.”

## Gold's Tumble, Panic or Conspiracy? What's Next?

Source: Tony Daltorio of *The Gold Report* (4/17/13)

Since 2001, gold has risen more than seven times in value to an all-time nominal high in 2011 of \$1,920/oz. As we all know, the price suddenly fell nearly 15% in two days, and is still bouncing around \$1,375/oz. What caused the sharpest fall in the gold price since 1983? Depends on who you talk to. Reasons range from Wall Street downgrades by Goldman Sachs to fears over planned gold sales by highly indebted European countries. Other theories involve a hedge fund in trouble (a gold whale?) and conspiracies involving the Fed and others. Read on to learn experts' opinions on the cause of the fall and the opportunities the downturn presents for investors.

The selloff, though unexpected, has not shaken the faith of many in gold.

One big loser in this selloff has been hedge fund manager John Paulson. His contrary bet on gold is reminiscent of his bet against the U.S. housing market, which made him a fortune. John Reade, a partner at Paulson & Co., said the fund's long-term thesis is unchanged. Reade told the *Financial Times*, "Federal governments have been printing money at an unprecedented rate, creating demand for gold as an alternative currency. It is this expectation of global paper currency debasement that makes gold an attractive long-term investment."

[John Hathaway](#), portfolio manager and senior managing director at Tocqueville Asset Management, thinks gold has been the subject of "a cleverly orchestrated bear raid." He points out that sales of "paper gold" futures contracts on Friday, April 12, and Monday, April 15, totaled one million. This exceeds annual global gold production by 12%! Hathaway remains bullish on gold, as he too believes that the financial crisis of 2008 has never been resolved.

Read the complete article at:

[http://www.theaureport.com/pub/na/15164?utm\\_source=delivra&utm\\_medium=email&utm\\_campaign=Gold+final+streetwise-reports+04%2F17%2F2013+15%3A13%3A43](http://www.theaureport.com/pub/na/15164?utm_source=delivra&utm_medium=email&utm_campaign=Gold+final+streetwise-reports+04%2F17%2F2013+15%3A13%3A43)

## **Is the Dollar Dying? Why US Currency Is in Danger**

By: [Jeff Cox](#), CNBC.com Senior Writer, 14 Feb 2013

<http://www.cnbc.com/id/100461159>

The U.S dollar is shrinking as a percentage of the world's currency supply, raising concerns that the greenback is about to see its long run as the world's premier denomination come to an end.

When compared to its peers, the dollar has drifted to a 15-year low, according to the [International Monetary Fund](#), indicating that more countries are willing to use other currencies to do business.

While the American currency still reigns supreme -- it constitutes \$3.72 trillion, or 62 percent, of the \$6 trillion in allocated foreign exchange holdings by the world's central banks -- the Japanese yen, Swiss franc and what the IMF classifies as "other currencies" such as the Chinese yuan are gaining.

"Generally speaking, it is not believed by the vast majority that the American dollar will be overthrown," Dick Bove, vice president of equity research at Rafferty Capital Markets, said in a note. "But it will be, and this defrocking may occur in as short a period as five to 10 years."



Bove uses several metrics to make his point, focusing on the dollar as a percentage of total world money supply. That total has plunged from nearly 90 percent in 1952 to closer to 15 percent now. He also notes that the Chinese yuan, the yen and the euro each have a greater share of that total.

"To the degree that China succeeds in increasing its market share of the world's currency market, the United States is the loser," Bove said. "For years, I have been arguing that the move of the Chinese makes perfect sense from their point-of-view but no sense for the Americans."

### **Hedge Funds Make Billions Betting Against Yen**

Hedge funds are making billions betting against the Japanese yen. Greg Zuckerman, author of "The Greatest Trade Ever," offers insight.

For a country with a budget deficit in excess of \$1 trillion a year, the consequences of losing standing as the world's reserve currency would be dire.

"If the dollar loses status as the world's most reliable currency the United States will lose the right to print money to pay its debt. It will be forced to pay this debt," Bove said. "The ratings agencies are already arguing that the government's debt may be too highly rated. Plus, the United States Congress, in both its houses, as well as the president are demonstrating a total lack of fiscal credibility."

Bove is not the only one sounding the reserve currency alarm, though the issue has fallen off the front pages as hopes for a sustained U.S. recovery have taken hold and the [stock market](#) has surged to near-record highs.

But the looming battle over budget sequestration in Washington could revive long-standing fears of fiscal stability.

"If (dollars) no longer offer the safety that investors have come to expect, they will not function as the stable collateral required by bank funding markets," Barry Eichengreen, a professor at the University of California, Berkley, warned in a [Financial Times commentary](#) late last year. "They will not be regarded as an attractive form in which to hold international reserves. And they will not be seen as a convenient vehicle for merchandise transactions."

To be sure, the markets at this point are not acting like the dollar is in severe trouble. The greenback has maintained its position as a general safe haven in times of trouble.

"Longer term, of course, countries are going to diversify away from the dollar if they can. There are more favorable investment opportunities out there if you can catch yield," said Christopher Vecchio, currency analyst at DailyFX, a trading firm. "Despite the increase in risk to the U.S. dollar and Treasury, investors still feel safest at home."

But the Federal Reserve's successive [quantitative easing](#) programs, which have created \$3 trillion in new greenbacks, continue to spur worry over the dollar's status.

"The No. 1 security issue we have as a nation is the preservation of the U.S. dollar as the world's reserve currency," said Michael Pento, president of Pento Portfolio Strategies. "It's a thousand times more important than a nuclear bomb being tested by North Korea. It's a thousand times more important that we keep the dollar as the world's reserve currency, and yet we are doing everything to abuse that status."

The dollar's seemingly precarious status is why Pento remains bullish on gold and believes the dollar's demise as the premier reserve currency could end even sooner than Bove predicts -- perhaps by 2015.

"Five to 10 years -- that would be an outlier," he said. "I would say 2015, 2016, that would be the time when it becomes a particularly salient issue. When we're spending 30 to 50 percent of our revenue on debt service payments, we enter into a bond market crisis. The dollar starts to drop along with bond prices. That would set off the whole thing."

## **These Three Triggers Will Produce a Resurgence in Natural Resources Prices, Greg Dorsey Interview**

Source: Brian Sylvester of *The Gold Report* (4/17/13)

Three trends will light a fire under natural resource prices and equities in the coming years, according Greg Dorsey, editor of *Leeb's Real World Investing*. Buying small- to mid-cap equities now and holding them as a long-term option against the metal price is a winning strategy, whether you are talking about gold, silver, copper, platinum or palladium. In this interview with [The Gold Report](#), Dorsey shares the names of favorite companies that could profit from the expected surge.

**The Gold Report:** Greg, at the [MoneyShow Las Vegas](#) on May 16, you will present the report "Three Tipping Point Triggers to a Massive Surge in Natural Resource Stocks." Can you give our readers a preview?

**Greg Dorsey:** We are in a secular bull market in commodities that started in 2001. These tend to run 15 to 20 years, so we are in an interim period now. Three factors will make the next leg of this bull market spectacular: resource shortages, resource nationalization and resource inflation.

Looking at shortages, on the demand side, emerging markets—most notably China—are creating unprecedented demand. People in these countries aspire to Western consumption standards: cars, high-rise apartments, air conditioners. This situation is similar to where Japan or Korea was back in the late 1950s and early 1960s. They still have a long way to go to catch up to the Western countries.

The supply-side picture is grim, but bullish for commodity investors. We hear a lot about peak oil, but it is resources in general, not just oil. Copper and silver ore grades have been plummeting for decades. Copper is important for wind energy and for a smart grid needed to deliver solar power from the desert and offshore where wind power is generated to the urban centers where it is consumed. Silver is important for solar power.

Resource nationalism relates to the situation that the countries that host these minerals want a bigger slice of the pie. Prices are rising and governments are taking more in the form of taxes and royalties. This is most pronounced in South America in Venezuela, Argentina and Bolivia. In Argentina, for example, we've seen assets expropriated, companies can't lay off workers, and if a company wants to bring in mining equipment, it has to export an equal dollar amount of Argentinean goods.

This puts companies in a tough bind and they are more reluctant to set up operations in Latin America. This will reduce global output in the long run.

Read the full article at:

[http://www.theaureport.com/pub/na/15161?utm\\_source=delivra&utm\\_medium=email&utm\\_campaign=Gold+final+streetwise-reports+04%2F17%2F2013+15%3A13%3A43](http://www.theaureport.com/pub/na/15161?utm_source=delivra&utm_medium=email&utm_campaign=Gold+final+streetwise-reports+04%2F17%2F2013+15%3A13%3A43)

## **Five facts for worried gold stock investors**

From Casey Research, June 12, 2013

The Casey Research Metals and Mining team has received a number of worried and angry emails about gold's recent rollercoaster ride. I'd like to respond to them.

First, I understand. I'm an investor, too, and I also manage money for family

members. We have positions that are underwater, a few dramatically so. Worse, in many cases a full position had been built, seemingly leaving no room to average down and lower our cost basis. This predicament isn't fun, and there are a limited number of options.

However, instead of responding emotionally, let's look at some facts and consider their implications.

**The drop in stock prices came with no drop in the quality of the companies' assets.** This is important to recognize, because it highlights the difference between value and price, and points to opportunity. Even at lower gold and silver prices, the value of these companies is higher than they're currently priced. This will eventually correct, as all mispriced markets do.

[Read full article...](http://www.caseyresearch.com/articles/time-to-stress-test-your-resolve-in-the-gold-markets) <http://www.caseyresearch.com/articles/time-to-stress-test-your-resolve-in-the-gold-markets>

## **Mining exploration companies must mobilize to survive, new group says**

Submitted by cpowell, 2013-06-13, [Daily Dispatches](http://www.gata.org/node/12685)  
<http://www.gata.org/node/12685>

Canadian junior mining companies, which do most of the resource exploration in the world, are being strangled by financial regulation and must mobilize to survive, a new organization says.

The organization, the Venture Company Association, says regulatory costs are rising while the mining industry's ability to raise capital is collapsing. The association says that more than 700 mining exploration companies registered in Canada probably cannot survive to the end of the year if they have to meet current regulatory requirements.

A founder of the organization, Joe Martin of the resource conference company Cambridge House, writes in the organization's initial appeal:

"Markets go up and markets go down but this 'double whammy' may well bring about the death of the great historical tradition Canada has achieved in becoming the No. 1 nation in finding mineable ore bodies and bringing them into production around the world. ...

"The world will need commodities and prices will once again go up. But when they do, our mining and exploration companies will wake up to the fact that Canadian regulators have killed their ability to survive.

"Canadian public markets are controlled by banks that have lost sight of the necessity of venture capital in growing an economy. The banks now own TMX, the company that controls both the TSX and TSX Venture exchanges. They simply have no concept of the importance of having a venture market in creating jobs and growing an economy."

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## ENVIRONMENT

### The Enviro-Fix Is In Green groups and EPA get their way — and you pay.

By [Jillian Kay Melchior](#), May 23, 2013 4:00 AM  
<http://www.nationalreview.com/article/349111/enviro-fix>



Green groups are using the courts to co-opt the Environmental Protection Agency, and taxpayers are being forced to cover the activists' legal fees.

Here's how it works: Environmental groups craft lawsuits to force the EPA and other agencies to issue regulations. But because the EPA agrees with green groups' radical environmental agenda, it often chooses not to defend itself, sometimes even providing environmental-advocacy organizations with information that will help them bring the case.

The EPA then settles, negotiating the terms with the environmental groups without including those pesky states or industries sure to be affected by the new regulations. The court approves the consent agreement without analysis, as if it were a simple agreement between private parties. And once a settlement is reached, the court orders the EPA to issue rules according to the terms of its agreement.

The environmental organizations that brought the case then hold the EPA accountable for living up to its settlement, and the EPA then uses funds given to it by Congress to meet the demands of a special interest.

“It’s huge because it allows the EPA to reprioritize agency actions without going through Congress,” says Bill Kovacs, senior vice president of environmental, technology, and regulatory affairs at the U.S. Chamber of Commerce. “It’s an amazing process that allows the EPA to address the issues the environmental groups want addressed . . . while using congressional appropriations to achieve the goals of private parties.” Furthermore, Kovacs says, the EPA is “able to tell Congress, ‘The court made us do it.’”

And here’s the kicker: The environmental special-interest groups’ legal expenses are often covered by taxpayers.

The Treasury Department’s Judgment Fund covers the legal fees when a group successfully brings a case against the government, or when a settlement is reached. A 2011 report by the Government Accountability Office examined some of the costs to taxpayers from environmental groups’ suits against the EPA. It found that between 2003 and 2010, the Treasury paid at least \$14.2 million to successful plaintiffs in environmental suits against the federal agencies.

“It’s another insidious angle to this,” says William Yeatman, the assistant director of the Competitive Enterprise Institute’s Center for Energy and the Environment. “In essence, the taxpayer is subsidizing secret policy negotiations between the EPA and special interests.”

President Obama’s first term has already seen an unprecedented number of sue-and-settle cases. A study released this week by the Chamber of Commerce found that during Obama’s first term, the EPA had chosen to settle cases brought by special-interest groups at least 60 times under the Clean Air Act alone.

Environmental groups are virtually the only ones using sue-and-settle tactics to achieve their policy goals, often teaming up to craft their lawsuits. Since Obama took office, the Sierra Club has been a party in 34 such lawsuits; WildEarth Guardians, 20; and Natural Resources Defense Council, 9.

David Williams, president of the Taxpayers Protection Alliance, says, “I hate to use the word ‘collusion’ — but how about ‘communication’? — I believe there’s communication between the EPA and these [environmental] groups because they both have the same agenda.”

The Chamber of Commerce report claims that the settlements were directly responsible for more than 100 new EPA regulations, all favorable to the advocacy groups. The Utility MACT Rule, Boiler MACT rule, Chesapeake Bay Clean Water Act Rules, and Regional Haze Implementation Rules are just some of the major regulations that resulted from sue-and-settle agreements. Six of the sue-and-settle regulations alone carry annual costs of up to \$101 billion annually; four more carry compliance costs of up to \$23.66 billion. And that's by no means an exhaustive tally of the economic impact.

Those are just the cases that are on record. The Clean Air Act requires the EPA to announce all related settlement agreements. But myriad other environmental statutes require no notice whatsoever to be given to industry, state governments, or the public. And when industries or state governments affected by settlements attempt to get a hearing in court, they're often excluded, says CEI's Yeatman.

Senator David Vitter (Louisiana) and his fellow Republicans on the Environment and Public Works Committee have raised concerns about sue-and-settle agreements numerous times as Congress considers the nomination of Gina McCarthy to head the EPA.

And Senator Charles Grassley (R., Iowa) and Representative Doug Collins (R., Ga.) have sponsored legislation to limit the rules that result from settlements between private groups and federal agencies.

"Under the Obama administration, pro-regulatory environmental groups use sue-and-settle tactics to make closed-room deals under the cloak of judicial authority, costing thousands of jobs," Representative Collins tells National Review Online through a spokesperson. "My legislation brings sunlight to these agreements, and allows job creators their day in court. Any time we can increase transparency in the federal government, we should do so."

But so far, no Democrats have signed on to co-sponsor the legislation, and its chances of becoming law are slim. Through sue-and-settle, the executive branch, with the help of the courts, sidesteps both the American public and Congress.

— *Jillian Kay Melchior is a Thomas L. Rhodes Fellow of the Franklin Center for Government and Public Integrity.*

## The Keystone Pipeline is Bad Because...(Prepare to Have Your Mind Blown)...Rocks Sink

<http://pjmedia.com/tatler/2013/05/31/democrat-congressman-the-keystone-pipeline-is-bad-because-prepare-to-have-your-mind-blown-rocks-sink/>

Bryan Preston0, May 31, 2013

I don't even... I mean, I really don't. Democrat Raul Grijalva of Arizona thinks you'll be persuaded to reject the Keystone XL Pipeline because rocks frickin' sink in water.

That's the sum and total of his argument. I'm not even kidding. He even suggests that you invite your neighbors over...to watch rocks...sink. In water.

I'm pretty sure my neighbors have seen rocks sink in water. We won't be having a block party to make sure.

We all fret around here about the low-information voter. How about the low-information politician? You can't even get a reasonable argument through to someone as proudly and unashamedly dumb as Grijalva.

It can't be done.

The derp is just too deep to overcome.

The derp is our doom.

Exit question: Who wins in a debate between this guy and Rep. Hank "Guam might capsize!" Johnson?

h/t [Ace](#)

*Bryan Preston has been a leading conservative blogger and opinionator since founding his first blog in 2001. Bryan is a military veteran, worked for NASA, was a founding blogger and producer at Hot Air, was producer of the Laura Ingraham Show and, most recently before joining PJM, was Communications Director of the Republican Party of Texas.*



# Big Green, Not Big Oil, is the Enemy

Peter C. Glover and Michael J. Economides, The Commentator, June 12, 2013

[http://www.thecommentator.com/article/3768/big\\_green\\_not\\_big\\_oil\\_is\\_the\\_enemy](http://www.thecommentator.com/article/3768/big_green_not_big_oil_is_the_enemy)



**Other than food, no commodity is as important to the world as energy. Yet, because of angst-ridden theoretical speculation – not empirical science – the modern green agenda has effected an intellectual disconnect**

It has the power to ruin economies, impoverish countless millions and leave many of us, quite literally, in the dark and cold. We are not talking about alarmist theories of what the future climate may do. We are talking about what the current and ubiquitous green agenda [is doing](#).

Other than food, no commodity is as important to the world as energy. Yet, because of angst-ridden theoretical speculation – note: not empirical science – the modern green agenda has effected an intellectual disconnect. It is a disconnect that has seen eco-theories eclipse energy realities such that national leaders, industry executives and even reasonable people are not engaging in rational debate let alone action.

Pitted against each other in what can only be considered as almost war-like entrenchments are environmentalists or “greens” on one side and economically-driven pragmatists on the other.

There is no contest from an economic point of view. Solar, [wind](#) and other “alternatives” favoured by the greens are not and will never be viable. From a thermodynamic point of view they will never amount to much more than one percent of world energy demand without massive and unsustainable [government subsidies](#).

Fossil fuels, headed by the recent emergence of shale hydrocarbons -- arguably the biggest energy story in decades -- have offered an imposing argument for the world dependency on them in the foreseeable future. The future of oil and gas is not solar and wind; the future of oil and gas is oil and gas.

There is no contest between the impact on a nation's or region's economy between fossil and alternative energies. Just as an example, since just last year Texas' Eagle Ford oil and gas shale deposits, one of the largest shale discoveries in the US, have generated some \$61 billion in economic impact on the South Texas economy, more than doubling its impact from 2011.

Better yet for Texas, and indeed the entire country, it's supporting more than 116,000 new jobs, with room for more. In the UK, a recent Institute of Directors report predicts that the UK shale industry could add £4bn per year to the economy and create 74,000 new jobs.

What the other side is left with is the boogeyman of [global climate change](#) and emissions. But this is a non-starter today. First, there is an apparent and inexplicable holding to theoretical climate orthodoxy: inexplicable because, for almost two decades, there has been no warming in spite of the [increase in carbon dioxide in the atmosphere](#).

Second, and this is almost whimsical, the success of shale gas and its significant increased use in US power generation has resulted in a dramatic reduction in emissions compared to the growing use of coal-burning in Europe and other countries around the world.

As is now widely recognised, the impact of the US shale gas revolution has re-kindled interest in Europe. But the naive cultural notions of what it means to be "green" still prevail, not least at the level of leftist bureaucracy. Energy security and economic prosperity still trail in a poor second and third in Europe.

As the facts show, Europe's green agenda is the single greatest factor driving up energy bills, up 40 percent since 2005. Somewhat belatedly – in the face of huge US success – politicians perceive shale development as a possible political trade-off; a trade-off that means partially ditching anti-fossil fuel prejudices in order to stabilise, even bring down, energy costs.

For all the panic over this which we see in growing Green angst, the reality is that theoretical environmental notions are still running the political policy show in Europe and in the UK.

But Europe's energy confusion is indicative of a more deep-seated cultural malaise: an abject failure to grasp that even a "green agenda" must be subject to economic realism. Unless we re-visit our understanding of what we value, economically and morally, "green" government energy policies will remain, as they are in Europe, contradictory, incoherent and unsustainably uneconomic. Governments love green taxes and levies.

They provide a windfall of non-earmarked cash; but at a massive social cost. They render industries uncompetitive and unable to hire. They mire increasing millions in fuel poverty. They doom energy costs to remain artificially high – and all for no discernible environmental benefit.

Today, the public and media pantomime villain continues to be Big Oil. But, as energy insiders know only too well, even Big Oil has bought into the green agenda, if only for PR reasons. The reality is, however, that it's the well-funded lobby of Big Green that has the greatest influence on government and government policy – and presents the greatest threat to the economy.

As Peter Lilley MP noted in a Spectator article (May 11, 2013) powerful NGOs are actually heavily funded by government – and they waste no time in using that income for spreading climate scare stories through the media; scare stories that rarely, if ever, bear close scrutiny. Yet, the WWF receives a huge £4million in UK government support, with a further €600,000 coming from the EU. Friends of the Earth Europe receive a massive £1.2 million from the EU.

Let's get it straight, Big Green is Big Business. Next time you are moved to pitch your 'hard-earned' cash into a tin shaken before you while being regaled with a nonsense message – e.g. that carbon dioxide is a 'pollutant' – you might like to bear that in mind.

As it stands, today's prevailing cultural "green agenda" is nothing less than a case of anti-intellectualism, costing the earth, in pursuit of the illusory.

***Peter C Glover is a contributing editor to The Commentator and co-author with Professor Michael J. Economides of the bestselling [Energy and Climate Wars](#)***

***Read more on: [cost of green living](#), [greenpeace international](#), [greenwash](#), [green ideology](#), [green propaganda](#), [Greenpeace funding](#), [green energy](#), [Oil scarcity myth](#), [shale oil revolution](#), [North Sea oil and gas fields](#), [shale oil](#), [oil companies](#), [big oil](#), [Peter Glover and oil](#), [US shale gas](#), [shale gas potential](#), [shale gas revolution](#), and [shale gas](#)***

## **ENCOURAGEMENT ON THE ENVIRONMENTAL FRONT**

**MELMAN MINUTE, By Leonard Melman, May 29, 2013**

<http://www.themelmanreport.com/minutes/minute949.html>

Although this story does not deal directly with the mining industry as such, it still is an encouraging sign and we thank Peter Foster of the Financial Post for his article published this morning. The lead sentence tells us,

"...In a welcome but all-too-rare display of corporate backbone, Montreal-based *Resolute Forest Products* **has sued Greenpeace Canada...**The suite, which was filed in Thunder Bay last Thursday, names Greenpeace and its campaigners, Richard Brooks and Shane Moffatt, and claims 'damages for defamation, malicious falsehood and intense interference with economic relations...'"

The suit is in the amount of C\$5 million, plus another C\$2 million in punitive damages, plus costs and the driving force behind the suit apparently relates to Greenpeace's attacks against Boreal regarding an agreement, signed by both parties, entitled, "Canadian Boreal Forest Agreement" which came into effect three years ago. Greenpeace withdrew from the Agreement last December, claiming that Boreal Forest had broken the agreement by logging in off-limits areas. Boreal provided what it regards as solid proof that the allegations were wrong and threatened Greenpeace with a lawsuit and that organization's executives subsequently apologized and admitted their allegations might have been "in error".

However, within a short while, they renewed their written assaults against Boreal Forest with a host of new claims which Boreal stoutly denied and which, in court, they have claimed represented "express malice" aimed against their company.

Our point of view is simple. It appears to us that during the past few decades, environmental organizations appear to have been able to act with virtual impunity in their "casting of stones" against major resource developers, seemingly secure in the belief that their financial and political power would make them immune to any serious form of reprisal by the companies involved.

We hope the Boreal suit may indeed represent a statement that at least one company is willing to fight back, in court and in the public eye. We applaud Boreal for their move hope executives within the world of base and precious metals mining may take note that determined resistance is possible when they are similarly attacked in the future.

# Green agenda in meltdown

Peter C. Glover, 6 March 2013

[http://www.thecommentator.com/article/2867/green\\_agenda\\_in\\_meltdown](http://www.thecommentator.com/article/2867/green_agenda_in_meltdown)



Warmists are clinging on (never mind that polar bears like to swim)

**For the green agenda it seems a political tipping point has been reached – and it's the mass media's credibility, not the Arctic, that's in meltdown**

It's not a good time to be 'green'. In recent months the news undermining the entire green eco-alarmist agenda has been relentlessly unhelpful. Not that you'd know it if your trust is in the mainstream journalistic integrity of the BBC or *New York Times*.

We could start with the data-driven fact that there's been no global warming whatsoever for over 16 years. But this would be churlish as even the [head of the UN IPCC](#) and [Moonbat Guardianistas](#) have been forced to admit that particular game is up. But the devil is in the detail, right? Okay, so let's check out the detail on key green fronts when it comes to news that may have drifted under your personal news radar.

First up, solar activity. In 2009 a key consensus of the Solar Cycle Prediction Panel was that a “solar minimum” occurred in December 2008 with a “solar maximum intensity” predicted for May 2013. In layman’s terms, the Sun’s activity would promote global warming this year. Wrong.

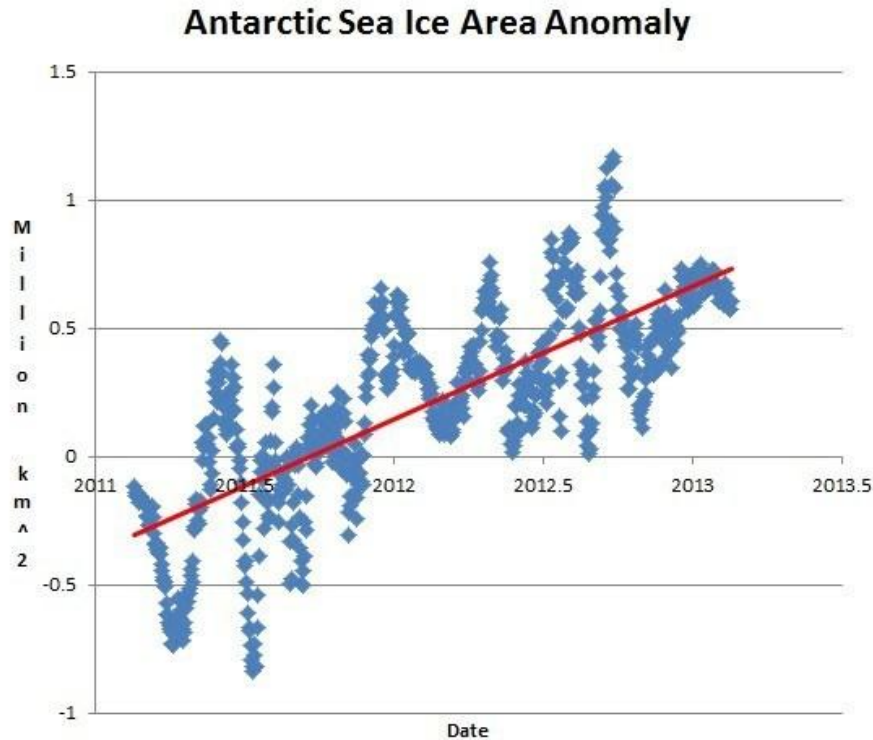
Now NASA is reporting that in 2013, the year of the predicted solar maximum, the Sun isn’t playing ball. It turns out that solar activity this year is well below the expected level. And less Sun activity equates with a cooler, not a warmer, planet. Once again, a key science consensus melts away.

As Doug L. Hoffman points out, “The botched solar forecast not only has implication for our understanding of the physical processes inside the Sun, it has possible links to future climate change here on earth”. And a cooler planet is way more of a threat to us all than a slightly warmer one.

Next up, global sea ice. Ah yes, remember the 2007 BBC news report that warned of an “ice-free Arctic by 2013” – a case the BBC has [regularly pushed](#) ever since? In the event, however, 2013 is setting new records for Arctic sea ice – being only the third winter in history where more than 10 million square kilometres of *new ice* formed as a result of temperatures sinking to minus 35 degrees.

Now, you might think BBC journos would be overjoyed that the polar bears will, unexpectedly, have way more ice to float around on. That is if they’d bothered covering the story at all. They didn’t.

But then that’s only half the story. As obsessed as the BBC et al remain with the ‘disappearing’ Arctic, the gigantic, ‘Arctic-dwarfing’ mass of sea ice in the South Atlantic, Antarctica, is rarely on the BBC/NYT radar. Which is surprising as such is the rate of advance of Antarctica’s sea ice – increasing as it currently is at the rate of half a million square meters a year – that it would entirely cover the globe within 1,000 years.



As Real Science, [reporting the growth in sea ice data](#), points out, however, that's not how the real world works. Nature works in cycles. No one expects relentless sea ice growth. Yet green alarmists alone persist in predicting a, inexorable climb resulting in any number of climate apocalypse scenarios – which the BBC and NYT are only too happy to confirm.

Then there's the whole green energy fantasy, urged on us by warmists. Take California: Already bankrupt, the state's rush to green energy has prioritized wind and solar projects. But reports now make it clear that green energy's unreliability is likely to see the lights go out in California by [as early as later this year](#).

Worse still, [new research suggests](#) scientists generally have over-estimated the generation of power by wind farms. And yet another “devastating blow for the wind industry” is presaged in an upcoming report. According to a finding made by Scottish-government-funded researchers – Scotland is another key front-runner in the wind development stakes – thousands of existing UK wind turbines [create more greenhouse gas emissions than they save](#). Then there's the increasing unacceptability – to environmentalists – of the [impact of giant wind farm footprints](#).

And just for good measure, Germany, yet another global front-runner in the green energy stakes, has been warned the country's transition to more wind and solar renewable energy will cost the nation, already reeling from the high cost of green energy subsidies, a 'cool' 1 trillion euros (\$1.34 trillion). With a record [600,000 Germans now threatened by fuel poverty](#) it is not surprising that German politicians are taking the political problems created by greater green energy-dependency [more seriously](#).

The green energy agenda is fast rising to the top of the political agenda – but, as we have seen, hardly for the reasons eco-warriors and BBC and NYT editors might like. It can only continue its inexorable rise because of two influential factors: First, facts and real science data are simply swamping the alarmist core messages; second, as [the most comprehensive study conducted recently reveals](#), futuristic climate issues rank nowhere in the average voter's list of concerns.

In February, green policies were singularly responsible for bringing down the Bulgarian Government. It was a watershed political moment. Even [the BBC](#) and the [NYT](#) reported it. Not that either managed to identify the link between the government's green subsidies policy and rocketing electricity prices that brought violent protests to the streets for the first time. Too much like real journalism.

Whether the BBC/NYT mainstream media persists in refusing to run reports undermining a green agenda to which it patently subscribes, electorates are fast-becoming all too aware of the nexus between green policies and surging energy bills and the very real threat of power cuts.

For the green agenda it seems a political tipping point has been reached – and it's the mass media's credibility, not the Arctic, that's in meltdown.

**Peter C Glover is co-author of the bestselling [Energy and Climate Wars](#) and is a contributing editor at [The Commentator](#). For more: [www.petercglover.com](http://www.petercglover.com)**

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## Chicken fight, Study backs farmer in pollution battle with EPA

By [Perry Chiaramonte](#), Published May 23, 2013, FoxNews.com

<http://www.foxnews.com/us/2013/05/21/study-backs-farmers-in-pollution-fight-with-epa/>

West Virginia poultry farmer Lois Alt didn't chicken out when the Environmental Protection Agency threatened her with fines of \$40,000 per day, and even though the federal regulators eventually backed off, she's taking them on in a legal case that could benefit thousands of small farmers.

Alt, who owns the small Eight is Enough poultry farm in the town of Old Fields, was hit with the fines after EPA officials claimed high levels of nitrogen in her chickens' waste were fouling waterways. She fought back by filing a lawsuit of her own in federal court of the Northern District of West Virginia, and although the EPA dropped the fines, a judge has kept the case on the docket. Alt's lawyers argue the EPA is wrong to deny small operations like hers the **Clean Water Act's statutory exemption for "agricultural stormwater,"** which big farms get and believe the massive agency has to change its rules - and use better science.

"[T]his Court's ultimate decision on the merits will benefit all parties, including EPA and many thousands of farmers, by clarifying the extent of federal CWA 'discharge' liability and permit requirements for ordinary precipitation runoff from a typical farmyard," the court ruled in rejecting the EPA's bid to have the case dismissed.

Alt's case could get a boost from a new University of Delaware study, which shows the EPA has been overestimating the environmental effect of runoff from feedlots and small farms like Alt's for years. The study found that the level of nitrogen found in chicken manure is 55 percent lower than the decades-old standards set by the EPA. Those findings could give Alt and her legal team powerful ammunition when they go to court on behalf of small farmers everywhere.

"Ms. Alt has courageously taken on EPA not just for her own benefit, but for the benefit of other farmers," said American Farm Bureau Federation President Bob Stallman. "She refused to back down from her principles despite the best efforts of EPA and environmental groups."

"It's a systematic application that is putting farmers in a negative light."

- Don Parrish, American Farm Bureau Federation

The Delaware study raises the possibility of many farmers having been wrongly fined for polluting the ecosystem in the past, a prospect that would only confirm the suspicions of farming advocates.

“For me, it is not surprising, because the way in which the EPA works...it does not have a whole lot of credibility,” Don Parrish, the American Farm Bureau Federation's senior director of regulatory relations, told FoxNews.com. “They do have positive goals, but there's **a real disconnect in the nature of interpreting science** in modern agriculture.

“It's a systematic application that is putting farmers in a negative light,” he added.

The EPA did not return requests for comment.

The study, which looked at farms in Delaware, Virginia and West Virginia, found that the EPA standards did not reflect genetic modifications and improved farming techniques that have had a dramatic effect on the farm industry's environmental footprint. One case study showed that poultry plants in Sussex County, Delaware, generated 261,723 tons of manure in a single year, yet the EPA models assumed they produced 1.5 million tons.

“[The] findings are significant because they represent the most current data available, based on tests of thousands of samples of actual manure, not estimates,” Dan Shortridge, spokesman for Delaware Department of Agriculture, which participated in the study, told FoxNews.com. **“When making decisions and forming policies and goals -- especially about our environment -- it is important to have the most accurate data**, and that's what this represents. What this provides policymakers is a detailed look at the actual effects of manure, and it appears to be less than everyone had thought.”

The inflated numbers could indicate small farmers have faced unjustified fines for years, if not decades. Alt was threatened with daily fines in 2011 unless she obtained a Clean Water Act discharge permit for rainwater runoff that made its way from her coops to local waterways. With the backing of the West Virginia Farm Bureau and the AFBF, she sued to challenge the permit order. The EPA backed off, but Alt's lawsuit is still pending.

“The EPA seems to have believed if it withdrew the order against Ms. Alt, the court would dismiss her lawsuit,” said Stallman. “The tactic failed because the court recognized EPA wasn't changing its underlying legal position, but just trying to avoid having to defend that position.”

The court denied a motion by the EPA to dismiss the lawsuit and scheduled a hearing for June 1.

## **House proposes 'devastating' cuts to Interior, EPA accounts in fiscal 2014**

Phil Taylor and Jason Plautz, E&E reporters

E&E Daily: Wednesday, May 22, 2013

<http://www.eenews.net/stories/1059981595>

House appropriators yesterday proposed allocating \$24.3 billion to the subcommittee that funds the Interior Department, Forest Service and U.S. EPA for next fiscal year, a level that would likely require significant cuts to a host of conservation programs, clean water grants, and climate change and habitat restoration work, environmentalists warned.

The proposed top-line figure for the Interior, Environment and Related Agencies Subcommittee's annual spending bill is about 18 percent below what Congress provided the agencies in fiscal 2013 before the sequester set in.

The allocation, known as 302(b), is also about 20 percent below President Obama's budget request and about 14 percent below current sequestered funding levels, according to Alan Rowsome, director of conservation funding at the Wilderness Society.

"It's an allocation that would have devastating impacts for our lands, water and wildlife," he said. "At these funding levels, we would see massive and devastating park and wildlife refuge closures, less and less law enforcement officers protecting the public, and almost no resources to fight wildfires across the country."

The funding for Interior and EPA would come from the House's overall \$967 billion pot of discretionary appropriations for fiscal 2014, which is down significantly from the \$1.043 trillion appropriated in fiscal 2013.

In contrast, the Senate plans to distribute \$1.053 trillion among its 12 appropriations subcommittees in fiscal 2014, though it will not decide allocations for Interior-EPA until next month, a Democratic aide said.

The House's Interior-EPA allocation could change, especially if the chamber receives a new top-line funding level as a result of a budget agreement with the Senate, a House aide said. But it is unclear whether the two chambers will be able to reach such an accord.

The current allocation would put significant pressure on subcommittee Chairman Mike Simpson (R-Idaho) over how to fund programs important to constituents including conservationists, park and wildlife advocates, clean water groups, states, and Indian tribes.

The allocation would essentially force him to cut an additional \$4 billion from the \$28 billion his subcommittee appropriated the agencies in fiscal 2013.

That 2013 budget cut EPA funding 17 percent -- dropping it to spending levels last seen in 1998 -- while significantly reducing Interior wildlife, climate change and land acquisition funding ([Greenwire](#), June 28, 2012).

"No pun intended, these funding levels would make the sequester seem like a walk in the park," said John Garder, a budget expert for the National Parks Conservation Association. "It's difficult to summarize or estimate how challenging, how alarming these funding levels would be for our national parks and the people who visit them."

Simpson will be hard-pressed to come close to meeting Obama's request for roughly \$650 million for the Land and Water Conservation Fund, the federal government's main vehicle for purchasing new lands and securing conservation easements on private lands. The fund is a top priority for groups ranging from the Wilderness Society to the National Rifle Association.

Also on the chopping block could be wetlands preservation, state and tribal wildlife grants or cooperative endangered species conservation, which helps states protect wildlife on nonfederal lands. Construction funding for agencies including the National Park Service, Bureau of Land Management, and Fish and Wildlife Service could also be deferred.

Simpson last month warned that if Congress continues to tackle the deficit through discretionary spending -- which accounts for about one-third of overall spending -- he may soon be forced to zero out funding to some Interior programs.

"Do we come to the point where we say there are just some things we're not going to do, and eliminate them and at least concentrate on the parts that we do well?" he asked at an April budget hearing for Interior. "That's a tough choice."

Cutting funding for Simpson's agencies is particularly difficult given the high fixed costs of programs like wildfire funding -- which consumes roughly half of the

Forest Service budget -- and the Indian Health Service, according to one former House appropriations aide.

"They're going to have to figure out sizable things to just stop doing," the former aide said.

Then-Interior Secretary Ken Salazar in April told Simpson his agency was "limping along" under sequestration cuts, which have resulted in fewer park police, reduced services at parks, more than \$110 million in cuts in payments to states, reduced youth hiring and furloughs.

### **At EPA, 'death by a thousand cuts'**

The allocation may also result in heavy cuts to EPA programs aimed at combating climate change and curbing emissions from sources like power plants or light-duty vehicles, areas the House has targeted in the past.

In its fiscal 2013 appropriations bill, for example, the House cut \$101 million, or nearly a third, from climate change programs. The bill -- which never took effect because Congress passed a continuing resolution keeping funding at fiscal 2012 levels -- also included language prohibiting the agency from setting air emissions standards for several pollutants, including carbon dioxide, nitrous oxide and methane, that come from the "biological processes associated with livestock production."

The cuts, said Frank O'Donnell of Clean Air Watch, are ways for the House to scale back EPA regulations that it doesn't agree with.

"Since the anti-EPA forces in the House can't actually repeal the Clean Air Act or major rules to carry it out, they'll slash away at the budget. It's called death by a thousand cuts."

It's possible the bill could further target enforcement of emissions from power plants -- a late amendment last year blocked regulation of carbon from power plants -- and other controversial regulations.

Last year's bill also made heavy cuts to popular state water revolving funds, with the clean water fund getting \$780 million less than previously enacted levels and the drinking water fund facing \$89 million in cuts. The Obama administration's proposed fiscal 2014 budget also would cut a combined \$472 million from those grants.

It's likely that the bill could also slash elsewhere from the EPA budget: Last year's bill cut 30 percent from the office of the EPA administrator and the congressional affairs office by 50 percent.

"In effect, House Republicans are attempting to overturn environmental safeguards by starving EPA of the funds essential to develop and enforce them," said Dan Weiss, a senior fellow and director of climate strategy at the Center for American Progress.

### **Another CR?**

The current Interior-EPA allocation may make it difficult for Simpson to pass his budget, given that it will be opposed by most Democrats and some fiscally conservative Republicans who argue the funding level is still too high, according to the former House appropriations aide.

Democrats have already come out strongly against the GOP allocations, urging the chamber to adopt the spending level set by the Senate.

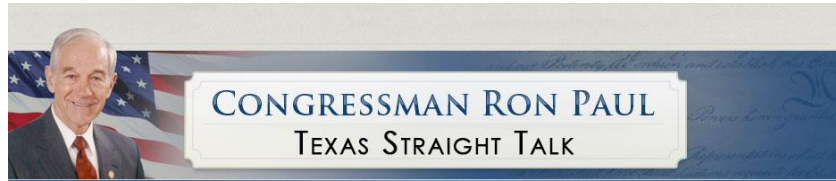
"The insufficiency of these allocations is crystal clear," said Rep. Nita Lowey (D-N.Y.), the ranking member of the House Appropriations Committee. "Many domestic priorities would be slashed to levels far below even sequestration levels. Democrats cannot and will not support Appropriations bills that continue to gut services and investments critical to middle-class American families."

But the chances of the House and Senate resolving their respective budgets this year remain dim, which raises the prospects that appropriators will once again pass a continuing resolution.

That would extend the sequestered funding levels that have significantly strained Interior, Forest Service and EPA.

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## INTERNAL REVENUE SERVICE



### The IRS's Job is to Violate Our Liberties

<http://www.the-free-foundation.org/tst5-20-2013.html>

“What do you expect when you target the President?” This is what an Internal Revenue Service (IRS) agent allegedly said to the head of a conservative organization that was being audited after calling for the impeachment of then-President Clinton. Recent revelations that IRS agents gave “special scrutiny” to organizations opposed to the current administration’s policies suggest that many in the IRS still believe harassing the President’s opponents is part of their job.

As troubling as these recent reports are, it would be a grave mistake to think that IRS harassment of opponents of the incumbent President is a modern, or a partisan, phenomenon. As scholar Burton Folsom pointed out in his book *New Deal or Raw Deal*, IRS agents in the 1930s were essentially “hit squads” against opponents of the New Deal. It is well-known that the administrations of John F. Kennedy and Lyndon Johnson used the IRS to silence their critics. One of the articles of impeachment drawn up against Richard Nixon dealt with his use of the IRS to harass his political enemies. Allegations of IRS abuses were common during the Clinton administration, and just this week some of the current administration’s defenders recalled that antiwar and progressive groups alleged harassment by the IRS during the Bush presidency.

The **bipartisan** tradition of using the IRS as a tool to harass political opponents suggests that the problem is deeper than just a few “rogue” IRS agents—or even corruption within one, two, three or many administrations. Instead, the problem lays in the extraordinary power the tax system grants the IRS.

The IRS routinely obtains information about how we earn a living, what investments we make, what we spend on ourselves and our families, and even what charitable and religious organizations we support. Starting next year, the IRS will be collecting personally identifiable health insurance information in order to ensure we are complying with Obamacare’s mandates.

The current tax laws even give the IRS power to marginalize any educational, political, or even religious organizations whose goals, beliefs, and values are not favored by the current regime by denying those organizations "tax-free" status. This is the root of the latest scandal involving the IRS.

Considering the type of power the IRS excises over the American people, and the propensity of those who hold power to violate liberty, it is surprising we do not hear about more cases of politically-motivated IRS harassment. As the first US Supreme Court Chief Justice John Marshall said, "The power to tax is the power to destroy" — and who better to destroy than one's political enemies?

The US flourished for over 120 years without an income tax, and our liberty and prosperity will only benefit from getting rid of the current tax system. The federal government will get along just fine without its immoral claim on the fruits of our labor, particularly if the elimination of federal income taxes are accompanied by serious reduction in all areas of spending, starting with the military spending beloved by so many who claim to be opponents of high taxes and big government.

While it is important for Congress to investigate the most recent scandal and ensure all involved are held accountable, we cannot pretend that the problem is a few bad actors. The very purpose of the IRS is to transfer wealth from one group to another while violating our liberties in the process, thus the only way Congress can protect our freedoms is to repeal the income tax and shutter the doors of the IRS once and for all.



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