

Commentary

Business as usual, part two: The government short-sells America

By Jerry Mazza

Online Journal Associate Editor

Jun 6, 2006, 00:59

In "[Business as usual – 9/11 and the fall of America](#)", I wrote, "speaking of winners, include the five-year US Treasury Notes. They were bought in unusually high volume before the attack. The buyers realized sizable increases in the Notes' value after the attack. But this is business as usual again." In subsequent searching I came upon a staggering statistic on who made the largest amount on US Bonds: "[What one group was holding tens of thousands of short positions going into 911 that reaped about 250 billion dollars in the blink of an eye? Hint! Begins with a G and ends with a T.](#)" It was the United States government.

This comes from the (linked-above) article, "Who made the AA 'Put' Options The Days Prior to 911?" The title was a query from writer John Kaminski. The response was written by [Walter J. Burien, Jr., a mystery himself](#), if not a financial wizard. He also mentioned that on the "morning of 911, US Bonds moved in 3 to 4 minutes by 1.5 points back and forth three times or \$1,500 per contract in seconds three times in less than 4 minutes." If that makes your head spin, try this . . .

"Most institutional traders trade in blocks of 500 to 3,000 contracts. Daily transactions are 350,000 to 400,000 contracts traded. The bond market trading was suspended about one half hour after the attack. When it reopened it moved in several days by 5 points. Someone holding 1,000 contracts would have reaped five million dollars using one million. International and domestic stock index futures would have reaped over fifteen million using one million. Guess who made the biggest killing on short international and domestic stock index positions?" Well, you've got the answer to that one.

Shorting or short-selling is really, as Burien points out, the ability to sell the market (i.e. price of a stock or bond, etc.) "short" (for less than its value at the time) on paper, that is, even if you don't own the stock, commodity, currency, bonds, etc. By using what are called "derivatives," you can actually manipulate the market.

Now that preceding short sentence contains an enormous principle with enormous consequences. You can sell a put option (that the stock will go down) or a call option (the stock will go up) let's say for a \$100 without actually owning it. If the market goes in your favored direction, you liquidate the option at \$50 and make \$50 on your "short option."

This not only turns the market into a gambling casino, but it gives people who have the ability to control the wheel of events that could cause up or down ticks an enormous amount of power to enrich themselves, in this case the United States government. As Burien points out, "A monopoly (Such as: US Composite Government Funds) controlling the swings in the markets will reap unheard of profits on each and every dramatic swing. . . ." It's also a reason to misspend however much they desire, because they have an enormous and invisible income stream.

Burien calculates the overall government investment funds to be in the trillions of dollars, with less than 450 managers controlling 80 percent of the revenue. Yet they all, as he puts it, "subscribe to the same newsletter, and discuss strategy at the club." In fact, Burien quotes retired Fedmeister Alan Greenspan from the Wall Street Journal in 2000, who said he was "concerned about the eighty (80) trillion dollar international derivative market." Concerned? He should have asked the SEC to outlaw it. But then why would the government slaughter its own huge cash cow?

Short-Selling to Control the US and World Economy

Again Burien points out what Greenspan didn't say was that "the composite US Government investment funds were the primary user, player, manipulator, and profiteers within that 80 trillion dollar derivative market. The government investment funds are professional short players with no equal in opposition." Is that really what we want the government investment managers doing, short-selling the American economy to take in hundreds of billions every year for the last 30 years? They certainly aren't suspending taxes because of it.

In fact, since the government controls economic reports, not to mention media coverage, and wealth (your and my and everybody else's wealth), they can "fix" the economic environment to profit enormously while everyone else is going down the drain. For instance, Burien mentions that in the three months prior to 9/11, they "increase[ed] their short positions to the largest diversified short positions ever held by them."

The government, in short, is playing us, not just the economy. Our assets constitute the economy, mega biz-man or working stiff or retired senior living on Social Security. By the way, its Trust Fund [excess of income over yearly pay-outs] is invested to keep it healthy, solvent. If you're at the bottom of the work force, skating around poverty, this short-selling could land you in the middle of it.

For instance, Burien notes, "as the market dove lower and lower, in a quick yo-yo fashion, the government investment funds through the use of derivatives transfers that wealth into their management accounts and hands . . ." So, even though government investment portfolios take a dive on their actual stock holdings, their "derivative" profits, the betting sideshow, will by far offset the losses, or even yield a net profit on losses overall. But you won't see these profits. They're gone, as mentioned, via cash withdrawals and transfers to look like operating losses. What you'll see is a hole in your portfolio, in your wallet, in your economy, in your government's ability to sustain social or other programs.

So, bottom line you, the public, provide the cash, i.e., liquidity, and the substantial US government investment funds have the absolute financial control. In fact, Burien points out that "any commodity, International Stock market, or corporate complex's value can be strongly suppressed or over inflated for years by a monopoly using derivatives," that is, "controlled by paper transactions for commitments to buy or sell without physical ownership of what is bought or sold." Now, if that's not the greatest scam on the planet, I'm George W. Bush. A truly scary thought.

In fact, whether prices go up or own, these guys stand to win, because they're moving as a body,

controlling the game and raking in the winnings with their "derivatives" stick. So if we look at who held the majority of "short" derivatives on domestic and international stock index markets before 911, and then raked in more than a trillion bucks in profits in just weeks from those markets' pursuant collapse, you would find in that golden group the Shining behind 911.

How to Stop the Stealing

The hitch, Burien points out, in finding out the Shining is that the government controls the release of that info: the federal Securities and Exchange Commission and Commodities Futures Trading Commission. They've got it locked up tighter than a Chase safe. In fact, the airline shorting I wrote about originally is small change next to this rake-off.

You would need to be very connected in the financial community to produce what Burien calls "a generic report," one that did not violate brokerage and member houses' nondisclosure agreements. But in all likelihood, even if some strong-minded folk could produce it, "they would be dead," Burien suggests. So anonymity would have to be maintained as well in creating and releasing a "generic report" with findings that government funds were derivative benefactors. The resulting international public outcry would be deafening, as in a revolt!

Additionally, what Burien has the vision to see here is that government was/is preparing for an uprising in America. So they created a patsy, a diversion, a far away enemy, to distract the homegrown dissatisfaction. Since government circles run on the greed factor, that greed has eaten into the body politic and has feasted on the health and ethics of the people. And in some way, some part of the public realizes that and wants change.

To counter that vocal displeasure, the "derivatives" takeover of America's wealth has happened almost wholly on paper and through manipulating, as Burien says, the "legislature, the judiciary, and Attorney Complex over the last 60 years, and with the cooperation of the syndicated news media and education. With the conquest being done by transferring the wealth on paper, the consequences for the 'takers' was virtually nonexistent!" And quiet.

It would take a court order from a competent jurisdiction to pry open how government investment funds are handled by private managers. Management basically waves enforcement nondisclosure rules when it comes to handling government funds. An intentional cover-up on any emerging disclosure would look like the highest form of treason.

According to Burien, "The showing of derivative transactions both on the domestic and international fronts would burn the government's façade alive. Based on the fund tracker, government fund accounts were holding their largest short positions 'ever' going into 911." As always, while everybody's looking at planes, hijackers, politicians, falling buildings and the like, it comes down to "following the money." Once the trail is exposed, it's a whole new ballgame.

But the current “players” don’t want a revolt on their hands, despite the fact that they’ve been playing us for some 60 years. They would and are working towards a country absolutely controlled, tight as a drum. And they will get even more vicious as they are cornered, like the “wounded animals” they are.

Who Is Walter Burien?

As to Burien, you may be wondering who he is. According to the brief resume in his article,

Walter Burien (AKA: Bubien) was a CTA (Commodity Trading Advisor) of 14 years (1978-92).

He was National Sales Manager: US Trading Championship Money Managers Verified Ratings 10 years. (1982-1992) Tenant - 1WTC, NY, NY 1979 – 81.

He also lists a video release (not clear if it was his or one in which participated) on 12/12/03 TNT (The National Tea-Party) *Self Sufficiency in Government ‘Without’ Taxation*.

Somehow, two years later he was jailed for over a year, i.e., “held captive by forced incarceration from 11/23/05 - 01/09/06.”

The titular reason for Burien’s jailing involved a long-standing custodial case, concerning his son Walter, Jr. Perhaps it was used as an opportunity for reprisal regarding his observations on short-selling and the US government and/or the elimination of taxation in the/his video.

It also seems as if he could use a first-rate battery of lawyers to protect his civil as well as whistleblower rights. The story of his jailing is at his website <http://CAFR1.com>. His website also contains some brilliant observations on CAFRs, the Comprehensive Annual Financial Report of every state in the union for a number of years. The federal government also produces a CAFR annually.

Burien’s email is WalterBurien@CAFR1.com. Regardless of the vagaries of his custodial case, it is my contention that Walter Burien is a fearless and brilliant patriot under fire. I personally thank him for his information and insights into short-selling America. This is another terrible business as usual.

Jerry Mazza is a freelance writer residing in New York. Reach him at gvmaz@verizon.net.

[BACK TO CAFR1.com](#)