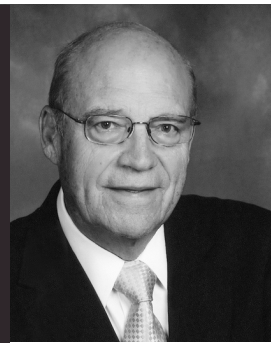




Dr. Fred Schwarz

# The Schwarz Report

64 Years Defending Our Christian Faith



Dr. David Noebel

## America's Version of Marxism by Vince Coyner

July 2024

Marxism was easily the most destructive political theory ever to be put into practice. Over the course of the 20th century, it was responsible for purposefully killing well over 100 million people. To put that evil into context, the slave trade into the United States was 400,000 people, the number of Congolese dead during the reign of King Leopold II of Belgium is estimated as high as 10 million, and the total number of deaths during WWII was 73 million. But communism beats them all combined. And most of those numbers came from governments killing their own citizens! I mention all of this because the father of Communism, Karl Marx, has been on my mind lately.

Marx was a despicable human being. It's often said that he never had a job in his life. That's not technically true. Although he had a doctorate, his radicalism kept most universities from hiring him. He was a writer and editor for several publications, most of which went bankrupt because no one was reading them or were shuttered by governments seeking to quell what they saw as sedition. He wrote for the *New York Daily Tribune* for a decade and later for the *New York Sun*. None of these jobs paid particularly well or consistently (other than the *Tribune*), and what they did pay Marx often spent on alcohol and tobacco.

Marx's family lived in poverty and debt his entire life and, often, they went hungry and were evicted several times. This was despite Marx having received substantial inheritances from his parents and taking numerous "loans" from friends. He fathered at least seven children with his wife, but only three survived to adulthood, in part due to the family's poverty and its consequent malnutrition. But Marx never once took a job that would economically support his family and give them sufficient sustenance. In reality, Marx spent most of his adult life supported by his friend, co-author and de facto vassal, Friedrich Engels, the son of a textile manufacturer.

Aside from being a hypocrite, arrogant, condescending, and violent with words and sometimes deeds, Marx was also a slovenly man. He drank to excess, smoked, and almost never bathed. A German spy, after visiting Marx, reported, "[Marx] leads the existence of a Bohemian intellectual. Washing, grooming and changing his linen are things he does rarely, and he is often drunk." He was a racist and an antisemite as well, despite his Jewish heritage (his father converted to Christianity for political and economic reasons).

Marx spent virtually his entire adult life decrying the inequality and "failures" of capitalism and proffering communism as the replacement for capitalism and democracy, a theory he and Engels outlined in *The Communist Manifesto*. But the thing is, Marx had no direct connection to actual capitalism other than taking the money it produced to support him and his family. He had no experience starting a business, building a business, managing payroll, insurance, suppliers, customers, employees, unions, or anything else. No, he learned everything he knew about business and economics from reading.

It's not impossible to learn about economics from reading. I've read Thomas Sowell's books and feel better informed for having done so. But unlike Marx, Sowell actually worked in the government and observed the real consequences of government programs. In addition, he directly ties his work to specific data from a wide variety of real-world sources. He cites specific companies, government programs, economic measures, and studies when he writes.

Marx does none of that. Most of the information Marx gathered during his career was that of various philosophers, political, economic, and otherwise. These included, among others, Adam Smith, James Mill, Robert Owen, Charles Fourier, and, of course, Friedrich Hegel. But he never visited a factory, a mill, or a mine, nor did he interact with the proletariat he championed. He did interact with one virtual slave, however—his lifelong family maid, whom he never paid and with whom he fathered a child he refused to acknowledge.

Engels, on the other hand did have experience in his family's manufacturing business. In 1842, his German father sent him to Manchester, England, to get the impressionable lad away from the radical politics infecting Prussia. It was too late, however, as Engels was already radicalized and headed on the path that would define his legacy.

Engels would visit the most downtrodden slums of England and would share his observations with Marx. He left his family company in 1844 and would not return until 1850, two years after the publication of *The Communist Manifesto*.

Much of what Engels would write however was either embellished, taken out of context or an outright lie, a characteristic he and Marx shared.

Although Engels had limited experience with the proletariat, Marx had none and wanted none. He demurred when Engels invited him to visit factories with him, nor would he query his merchant uncle about business other than on a single family matter. However, the lack of actual evidence or experience with anything outside of reading didn't stop Marx from writing about the destruction of the entirety of Western civilization.

Individual liberty and private property would be gone, while the government would control the means of communication, transportation, and production. It would simultaneously undermine the family and dictate where citizens would live. Marx proffered a communist world with no understanding of how the world actually works. In doing so, he ignored the lessons from New Harmony, Indiana, Robert Owen's failed attempt to build a socialist nirvana in America, a topic about which Marx would most certainly have known.

Marx understood that, to achieve his preferred goals, democracy wouldn't work, but violence would. In 1848, he wrote, "there is only one way in which the murderous death agonies of the old society and the bloody birth throes of the new society can be shortened, simplified and concentrated, and that way is revolutionary terror."

That commitment to violence brings me to why Marx has been on my mind. Does any of the above sound familiar? A vile, self-centered, and arrogant individual with poor hygiene, highly educated, with little or no experience doing anything resembling productive work, while spending his time railing against society and advocating for its violent overthrow?

It should, because we're seeing thousands of individuals—many highly educated (including lawyers!) and most with no experience in producing anything in the real world—violently demonstrating for the overthrow of the United States as we know it. From Portland to New York to Atlanta to Tampa every time we get the mugshots and reports from the police of the arrestees, they look exactly like you would expect: unkempt, modern-day wannabe Karl Marxes. A majority are professional agitators, going from place to place causing trouble.

While Marx had a vision (albeit an absurd and impossible one) with which he wanted to replace democracy and capitalism, today's agitators are nihilists with no plan beyond destroying America. They, like Marx, are parasites who do nothing productive for society. They don't know how the world actually works or how to build anything productive. All they know how to do is throw fists, stones, and Molotov cocktails while complaining about the society that nourishes them.

But then, that's the beauty of the left: There never needs to be a connection between ideas and reality. It's enough to criticize, theorize, and legislate, with no proof necessary, and then let the chips fall where they may.

With Marx humanity paid a terrible toll for such folly. You'd think Americans would have learned something from that history. Sadly, however, looking at the support the Democrat party maintains—and make no mistake, the Democrat party of today is a modern incarnation of Marx's theory—many apparently haven't.

—*American Thinker*, May 29, 2024

## The 2024 Blood Libel

by Dennis Prager

In medieval Europe, Christians who hated Jews spread the lie that Jews kidnap Christian children, slaughter them, and use their blood to bake matzos for Passover. This lie became known as "the Blood Libel," probably the greatest libel in history. Over the course of many centuries, Jews were tortured and murdered, often by being burned alive, because of the Blood Libel.

The Blood Libel was particularly odious in light of two facts: It was the Jews who, through their Bible, first outlawed human sacrifice; and one of the first laws in the Hebrew Bible is a ban on consuming blood.

For centuries, Jews had to confront the fact that all around them, throughout Europe, a vast number of people believed an enormous lie about them. Jews have to confront the same thing today. We are now living through the Second Blood Libel: the claim that the Jewish state is committing genocide. But, unlike the Blood Libel, this libel is not the product of Christians; it is the product of Muslims and the Left. The very people against whom the greatest genocide in recorded history—the Holocaust—was directed are now accused of that crime.

According to the Palestinian Central Bureau of Statistics, in 1948, there were 1,380,000 Palestinians in Israel and the greater Palestine area, and as of 2022, there were 7 million. In other words, there are now five times as many Palestinians in the Palestinian territories and in Israel as there were in 1948.

Now, as I have said all my life, truth is a liberal value and it is a conservative value, but it has never been a left-wing value. Yet, given these figures, even leftists would be forced to acknowledge that Israel has never had the slightest inclination to perpetrate genocide against the Palestinians. People targeted for genocide do not increase their numbers—let alone by a factor of five.

What the Left and their Muslim allies claim is that since Oct. 7, Israel has presumably changed its mind and

decided to commit genocide against Palestinians (though, apparently, only in Gaza, not in the West Bank).

Here are some facts that explain why the charge of “Israeli genocide” is as much a lie as was the Blood Libel:

First, as Israeli officials have repeatedly stated, if Hamas released the hostages and surrendered, Israel would cease its bombing of Gaza. That was precisely the condition that the United States and its allies offered Japan and Germany: Unconditionally surrender, and the bombing of Japanese and German cities will immediately cease.

Second, World War II brings us to more proof that the charge of Israeli genocide is a lie. No one ever accused America or Britain of committing genocide against Nazi Germany or Imperial Japan. Even those who now maintain that the Allied bombing of Dresden and other German cities was morally wrong do not accuse the United States or Britain of having committed genocide. So why is Israel so charged?

Third, during World War II, it was almost universally understood that every German death by the Allies was caused by the Nazi regime, and every Japanese death was caused by the Japanese fascist regime. Had there been no Nazi invasions of European countries and no Japanese bombing of the United States and invasions of myriad Asian countries, there would have been no World War II and therefore no bombing of German and Japanese cities. Likewise, if there were no Hamas and no Oct. 7, there would be no Israeli bombing of Gaza. Every dead Palestinian in Gaza is the result of Hamas’ actions.

Fourth, Hamas is responsible for every dead Gazan for another reason: Hamas uses Gazan civilians as human shields.

Fifth, despite far larger mass killings around the world, only Israel is widely charged with genocide.

Since the beginning of this century, the Islamic terror group Boko Haram has murdered more than 60,000 Christians in Nigeria. Not only have there been no left-wing protests, few people even know, let alone care, about it. The Left doesn’t care because the perpetrators have been Islamists—their allies in the fight against the West—and blacks. The Left cares about dead black people, whether in America or in Africa, only when they are killed by whites.

From 2003-2008, in Darfur, Sudan, the Arab regime and Arab paramilitary groups killed more than 300,000 civilians and created about 2.7 million refugees. Again, because blacks are being killed by Muslims, the Left has no interest in their deaths.

One more example: In just the last few years, according to the BBC, between 700,000 and 800,000 civilians have been killed in the war between the Ethiopian government and the breakaway province of

Tigray. Virtually no one knows or cares: It’s blacks killing blacks, after all.

Sixth, the United Nations Office for Coordination of Humanitarian Affairs (OCHA) has just revised its child fatality figure in the Gaza war sharply downward. On May 6, it reported more than 14,500 deaths; two days later, it reported 7,797. OCHA also revised downward its figure for women fatalities from more than 9,500 to 4,959. In other words, all the mainstream Western media have reported as truth the lies Hamas announced about the numbers of Gazan women and children killed by Israeli bombs. (However, even the original false figures don’t come close to substantiating the genocide charge.)

Even if the media give these new numbers the attention it has given the alleged “genocide,” it will not end a single anti-Israel demonstration or cause one Israel-hater to cease accusing Israel of genocide. Since the accusation was never based on truth, truth will not end it.

The only genocide in the Israel-Palestinian war is the one Hamas and Iran seek to perpetrate against the Jews of Israel.

—*FrontPageMag.com*, May 29, 2024

## The West’s War on God

by J.B. Sturk

Perhaps the most startling quality of world leaders today is that they do not believe in much beyond their own wants and needs. Many will feign a belief in God for the sake of appearances, but true believers are hard to find. In the West, where Christianity has shaped society for two thousand years, it is more common to find governments punishing Christians for their faith than to see biblical doctrine defended.

Finnish Member of Parliament Päivi Räsänen, a rare Christian politician in our overwhelmingly secular times, has spent the last several years defending herself against criminal “hate speech” charges for quoting the Bible. Prosecutors claim that her religious convictions concerning marriage and morality are “insulting” and “degrading” and violate “sexual rights.” Furthermore, her accusers insist that the State “can limit freedom of expression in the outward expression of religion.”

Such despotic statements amount to nothing less than full-throated attacks against religious freedom. Faithful Christians are not Christian for merely an hour or two during church service each week. They do not slip in and out of their Christian identity as a worker might put on overalls and gloves. Believers *walk the walk* in everything they do. For Finnish authorities to demand that Räsänen hide her faith is to demand that she no longer be a practicing Christian. Only a government that



believes in nothing beyond its own power would command a citizen to obey the State by disobeying God.

Finland is far from the only Western nation putting God on trial. During the “Reign of COVID Terror,” New Zealand, Australia, Canada, the United States, and most of Europe waged a perverse kind of spiritual war against churches and congregations. Priests, pastors, and rabbis were threatened with criminal charges for opening their doors to a suffering public, and government agents tracked mobile phones and recorded license plate numbers of faithful parishioners who attended religious services.

Amid a horrendous global effort to prevent people from praying together, Canada’s Justin Trudeau distinguished himself as a *tyrant par excellence* by sanctioning the repeated arrest of Polish-Canadian Pastor Artur Pawlowski. His “crime”? He continued to hold church services for those seeking salvation in defiance of Canadian officials’ attempts to shut him down. Video of Pastor Pawlowski throwing armed police out of his church during an Easter service back in 2021 remains one of the most inspiring examples of regular citizens rejecting State tyranny. Comparing Canada’s militant authoritarianism to what he witnessed growing up “under a communist dictatorship behind the Iron Curtain, under the boots of the Soviets,” Pawlowski repeatedly implored Westerners: “We as lions should never bow before the hyenas.” Because the good pastor possesses moral courage, Trudeau and his government of Cheka thugs have done their best to ruin him.

Abusing Christians has become an obsession for American leftists. Catholic-in-name-only Joe Biden and Attorney General Merrick Garland’s Department of Religious Persecution have spent the last three years targeting pro-life Americans who pray near abortion clinics. Heavily armed agents of the Gestapo FBI have executed pre-dawn raids against Christians with no criminal records because they offend the pro-abortion sensibilities of the State. While federal authorities do next to nothing to investigate attacks on churches and pro-life organizations, they throw grandparents in prison to serve multi-year sentences for the “crime” of having peacefully protested outside of notorious abortion businesses.

Similar arrests and prosecutions of pro-life Christians regularly take place in the United Kingdom, too, where police officers have been filmed asking citizens whether or not they are silently praying on public sidewalks. If so, it’s off to the hoosegow! Praying outside is now forbidden! The UK government has been shamefully clear that God is permitted only in certain designated areas where He may be best hidden from the public. He is unwelcome everywhere else.

Unfortunately, that is also the case in France, Germany, and much of Europe, where Christians are regularly demonized as being “fascist” or “far-right.”

The continent that is home to the Vatican and the birthplace of the Protestant Reformation has become hostile to biblical teachings and discriminatory against all those who belong to a Christian church. As Douglas Murray has pointed out in his insightful book, *The Strange Death of Europe*, European nations seem determined to destroy their shared civilization. In abandoning God and criminalizing Christians, they will surely succeed.

Nowhere are leftists more committed to burying Christianity than in the United States. Why is that? For the same reason that the Chinese Communist Party tortures, enslaves, and murders Christians living within its domain: Christians understand that God’s authority supersedes that of the State. China must prevent Christianity from growing within its borders because a population faithfully obedient to God will not remain mindlessly obedient to a communist dictatorship. Likewise, American Marxists must first dismantle American Christians’ spiritual faith before they can cultivate a widespread dependence upon and deification of D.C.’s Deep State.

Unlike every other nation in the world, the United States was founded on the principles that all people possess God-given rights and that legitimate government exists only so long as faithful citizens provide their continuing consent. The Declaration of Independence, the Preamble to the US Constitution, and the Bill of Rights explicitly encourage the American people to construct forms of government that secure their freedoms and God’s blessings. Under such a system, no president, lawmaker, or judge can dismiss another’s natural rights without violating his sworn duty to preserve, protect, and defend the Constitution. Faithfully protecting the people’s natural liberties must take precedence over any government official’s wants or needs. It is why Benjamin Franklin suggested that the motto, “Rebellion to Tyrants is obedience to God,” be used for the official Seal of the United States. It is also why Thomas Jefferson chose this same motto for his personal seal. Our Founding Fathers placed God’s will far above their own.

Consequently, Marxist saboteurs inside the United States have understood for well over a century that the only way to deprive Americans of their inalienable liberties is to first separate them from God. Without actively seeking God’s guidance, Americans cannot expect to enjoy God’s blessings. It is a sure-fire and diabolical path toward tyranny.

In pursuit of this wicked agenda, Marxists have used litigation and cultural revolution to attack Christianity and remove it from the public square. They have adopted an apocryphal understanding of the First Amendment’s prohibition against the establishment of a State religion to radically abridge Americans’ First Amendment right to exercise their own religion. Utilizing this false

imperative to “separate church from State” as a battering ram to demolish religious conviction, Marxists have steadily undermined Americans’ relationship with God. They have purged religious teachings and moral education from public schools. They have sued towns and local officials for making any gesture that recognizes the truth of a loving God. They have ostracized true believers and made it nearly impossible for them to serve as elected leaders while simultaneously adhering to the principles of their faith.

The consequences have been as monstrous as they were predictable. As Marxists have mocked virtue and glorified sin, they have promoted widespread loneliness and moral decay. They have replaced strong and supportive families with a grab bag of welfare handouts from the State. They have enfeebled young adults to such a degree that most are aimless and psychologically unmoored. They have pushed “transgender” madness and sexual promiscuity at such an early age that adolescents struggle to understand themselves or how to form healthy relationships.

Marxist globalism is an evil religion that justifies theft, violence, and the elevation of the State over God and families. Such narcissistic nihilism brings only misery and death and must be thoroughly destroyed. This Memorial Day, remember all those fighters who would eagerly do so, if only they were still here.

—*American Thinker*, May 27, 2024

## The Oxygen/Carbon Exchange

by James T. Moodey

The specific gravity of carbon dioxide is 1.52 relative to dry air—the same weight as propane. It is even heavier in relation to our humid atmosphere, ranging around 1.61. It falls through the atmosphere about like a cottonseed. Wind can blow it upward, but it falls right back down. It acts like rainwater, seeking low points. We do not need to build pipelines to inject it into the ground. It sinks into the ground all by itself.

Photosynthesis ( $\text{CO}_2 + \text{Sunlight} + \text{H}_2\text{O}$ ) cannot exist without carbon dioxide. Photosynthesis uses sunlight to transform carbon dioxide into glucose and other organic compounds that make plants, and it transforms water into oxygen, which is exuded.

We breathe in oxygen and exhale carbon dioxide. Plants absorb carbon dioxide and give us oxygen. As Patick Moore (co-founder of Greenpeace) has pointed out for over ten years, carbon dioxide is critical to the life cycle of the plant and animal kingdoms. He has referenced analysis that indicates that nearly triple the

carbon dioxide content in our atmosphere would be more ideal for plant life. He is correct.

“[An] increase in carbon dioxide directly increases plant photosynthesis. ... If photosynthesis ceased, there would soon be little food or other organic matter on Earth. Most organisms would disappear, and in time Earth’s atmosphere would become nearly devoid of gaseous oxygen” (Britannica, ref. *Plant Physiology*, Salisbury, and Ross).

Furthermore, carbon dioxide does not cause warming. It cools 20 degrees Fahrenheit in less than 4 minutes. It cannot possibly retain heat from day to day (global warming). We know this because we measured it at my gas-physics Weights and Measures facility. We also measured humid atmosphere including all the trace gases therein. That cools about 1 degree every 32 minutes, or 20 degrees in roughly 11 hours.

Carbon dioxide will therefore cool as fast as the Sun and the atmosphere allow it to cool. Even our humid atmosphere cools too quickly to retain heat from day to day. The latter test also proves that no gas—not carbon dioxide, nitrogen, methane, or even humid air—retains temperature from day to day. These experiments are detailed in the book referenced below.

The stupidity began in 1988, when James Hansen, who coined the term “global warming,” flip-flopped from “global cooling” to “global warming” being dangerous. He testified before Al Gore’s committee and Gore fed the fear with \$22 billion in annual funding for universities and professors to study the matter. Hansen’s claim is a falsehood. People move to warmer climates for their health. Consider all the species, in the plant and animal kingdoms, that thrive near the equator, and none survives at the poles.

Yet, out of desperation for the money, professors cornered themselves into attempts to prove a falsehood true. To do that, one must lie or proffer chimerical theories. This has led climate change activists to demand devastating economic rules to assuage their self-induced fears. They fear a recurrence of the 1.16-degrees-Fahrenheit global temperature rise over the past century; meanwhile, temperatures rise and fall 20 degrees each day. They fear that sea levels might rise millimeters in decades to come while tides rise and fall six feet each day.

Ever wonder why they decided to vilify  $\text{CO}_2$  rather than smog? This mental disintegration began with our first climate change bureaucracy. The Federal Clean Air Act authorized states to make their own rules. What a mistake that was.

California Assembly speaker Willie Brown formed our nation’s first clean-air district in the Los Angeles basin, the South Coast Air Quality Management District (SCAQMD). Smog is created by cars, trucks, and planes, which are regulated by the Federal Clean Air Act

and the California Air Resources Board (CARB). The new district had no jurisdiction over smog.

Our significant progress in reducing smog is not the result of CARB's taxes and regulations and certainly not from anything the SCAQMD has done. The progress is almost entirely due to the catalytic converter, which was the invention of an oil company engineer.

SCAQMD with hundreds of employees had to vilify something other than smog to justify its existence and funding. Its successful ruse was to vilify the trace molecules of nitrogen in natural gas, which are harmless, but the public did not generally know that. At the time, the district admitted publicly that carbon dioxide is harmless.

The district chose to regulate factories that use clean-burning natural gas. Residences burn far more natural gas than factories, but few complained when the SCAQMD wrote rules to regulate factories.

These bureaucrats began by writing rules that required annual fees to operate machinery. They wrote any rules they wanted, with no oversight or approval from the Legislature. They granted themselves police power to enforce the rules and commonly issued \$5,000 enforcement fines.

SCAQMD had written 1,145 rules when they wrote the most destructive regulation ever written: cap and trade. It was rule 1,146, which required natural gas measurement, layered with the RECLAIM rule, which added the cap-and-trade feature. It was nicknamed "cap and trade" some years later.

The rule required a 75-percent reduction of gas burned over five years. It was implemented on January 1, 1994. That week, eight factories announced that they would close. What would you do if a regulation landed on your desk requiring you to reduce your only heat source by 75 percent over five years? The rule applied to factories with equipment that burned 10 million BTUs per hour or more. That list was 466 of our largest factories, out of approximately 1,800 factories in the basin.

Each factory was given a target reduction of about 15 percent each year. My company was chosen for accuracy compliance with the rule. The factories had to have us test their gas physics instruments once per year. A factory might have four boilers (large water heaters) and shut down boiler number four to comply with the first-year target. As the years progressed, factories shut down more and more gas equipment until they were forced to close.

As we approached the end of the five years, in 1998, the SCAQMD decided to add a new list of smaller factories that use 5-million-BTU equipment. This, ostensibly, was to extend the careers of the nearly 800 employees at the air quality district. They did not stop. By 2001, they lowered the threshold all the way down

to 75,000 BTUs (residential size), the smallest of factories. By the time I sold the interest in my company and quit counting in 2006, just over 1,200 of roughly 1,800 factories had closed.

Old boilers, heat-treat equipment, furnaces, and ovens are brittle and a risk to move. Most factories tried to hang on while they made other plans, but in the end, almost all of them simply closed and sold their machinery to Chinese import/export representatives. The Chinese observed our factories closing and began to make offers for the manufacturing equipment. They did not care about the condition of the equipment, and they paid top dollar.

Chinese factory owners were anxious to export to the US, and what better plan was there than to buy the machinery to make what Americans were already buying?

The Los Angeles basin had been the largest manufacturing market in the country, roughly three times the size of the auto-industry Rust Belt. The 1994 cap-and-trade rule was the reason we now buy so much from China.

Progressives were so inspired by their success of regulating nitrogen at our factories that they decided maybe they could get away with regulating the other remaining molecule of natural gas exhaust that they had formerly declared to be harmless: carbon dioxide.

This is when and why progressives stopped talking about smog. They knew that the public would know that carbon dioxide is harmless, so they prevaricated that it causes global warming, and that global warming is dangerous.

—*American Thinker*, May 24, 2024

## The Cuban Blackouts

by Monica Showalter

Since the advent of Castro socialism, Cuba has always been an economic failure, but does anyone know how bad it's really gotten?

Pedro Burelli, who has sources inside Cuba, provides a useful tweet report of how bad it's gotten, describing shortages, blackouts and public riots, much of which are affecting the party's wealthy elites, which have, up until now, been shielded from the deprivations ordinary Cubans endure:

Here's a Google Translate:

AGONY CUBA All the reports coming from Cuba confirm that the island is going through its worst moment. The terrible economic and public services management has left Cubans in the dark and with sky-high prices. Blackouts and inflation. In



fact, there are blackouts in Havana, even in neighborhoods like Vedado, where the “heavies” live. The Military Hospital and the clinics attended by the nomenclature have closed due to lack of electricity. It is said that in the capital district of Alamar, in protest against the blackouts, they stoned a parking lot of official vehicles, damaging dozens of them. Inside, the situation is even more dramatic. The 13 provinces spend most of the day without electricity. A carton of eggs costs around 3,500 Cuban pesos, a price not far from the average salary. The lines for gas are once again endless. What is generating more frustration and anger is the inability of the regime.

Without any charisma @DiazCanel returned from Moscow empty-handed. Putin’s economic team refuses to lend him money without a commitment to economic reforms. Russian businessmen, who months ago were excited about the possibility of alleviating the multiple shortcomings of the Cuban population, are throwing in the towel when they see zero willingness to reform the thousand-fold failed Castro economic model. To top it all off, a few days ago, the very gray Díaz-Canel gave an extensive interview to Ignacio Ramonet, where he did not assume responsibility for anything and blamed the 'blockade' for everything. The eternal excuse that no one buys—or accepts—in Cuba anymore. An insult to a people tired of hearing it so much. He talked about things getting better...by 2030 and spent a large portion of the interview talking about what was done during the pandemic. Cubans are not interested in COVID-19. They want to eat today. They want to live today. They want to be free now. The solution for many is to think about how to flee the island, as almost 500,000 people have already done in the last 18 months. With 40°C heat without being summer, without electricity for hours a day, cornered by inflation, with zero expectations of change and without respect or fear of the political leadership, anything could light the fuse that will put an end to a ruinous revolution.

So the blackouts are hitting the elites now, even the hospitals and vaunted Castrocare for the elites, where rich Cubans don’t have to bring their own bedsheets and Band-aids, and so are the shortages, while the countryside and hinterlands are even worse off, and not even Putin wants to bail them out for the umpteenth time, not without economic reforms.

As this hellish situation goes on, that of a Cuba without a sugar-daddy and even Cuba’s elites feeling the pinch, within the cities, locals are starting to attack *nomenclatura* vehicles with stones. Any spark, Burelli says, could set off a revolution and an end to the

monstrous system that has impoverished the once-industrious and prosperous island nation.

One hopes he is correct given the many false alarms that have sounded. But if Cuba is a spoils system, which exists mainly to serve party elites, and the spoils aren't coming anymore, what possibly could happen? What happens when your party elites are as enraged about shortages as the locals on the streets?

The newspapers have reported very little of this miserable decline, however, quite possibly because the Castroites harass them if they have reporters on the ground and they do.

But the Associated Press had a report a couple weeks ago, saying that the shortages are extending to money itself now, not just goods, and it’s bad with the banks because they’re constantly running out of money. The small entrepreneurs who have been allowed by Cuban authorities require cash and bring in cash, but they mainly stand in line to take cash out and they don’t bring back their earnings from their operations because they don’t trust banks.

Here’s a good reason why, in the AP lede:

HAVANA (AP)—Alejandro Fonseca stood in line for several hours outside a bank in Havana hoping to withdraw Cuban pesos from an ATM, but when it was almost his turn, the cash ran out.

He angrily hopped on his electric tricycle and traveled several kilometers to another branch where he finally managed to withdraw some money after wasting the entire morning.

“It shouldn’t be so difficult to get the money you earn by working,” the 23-year-old Fonseca told *The Associated Press* in a recent interview.

That’s hardly the only problem with the Cuban socialist economy.

Making things worse is stubbornly high inflation, meaning more and more physical bills are needed to buy products.

According to official figures, inflation stood at 77% in 2021, then dropped to 31% in 2023. But for the average Cuban, the official figures barely reflect

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the reality of their lives, since market inflation can reach up to three digits on the informal market. For example, a carton of eggs, which sold for 300 Cuban pesos in 2019, these days sells for about 3,100 pesos.

The monthly salary for Cuban state workers ranges between 5,000 and 7,000 Cuban pesos (between \$14 and \$20 in the parallel market).

It's a miserable situation, and most intriguingly, even Putin won't put up with it, refusing to lend cash to the Castroites until they clean up their act, which they won't do. While Putin has big plans to use Cuba to harass and spy on the US, that he is telling Cuba 'no' is unprecedented. Could it be that he thinks the regime is not going to last?

Street protests are bad, and now Cuba has turned to the United Nations' World Food Program to feed them, according to [a] NBC News report a few weeks ago.

With all reform paths blocked off by Cuban authorities, what's left is a political powder keg.

One can only hope that one way or another, this regime which has failed Cuba so badly, is taken out soon. It can't happen soon enough.

—*American Thinker*, May 21, 2024

## A Few Thoughts on Money

by George Gilder

Gold succeeds as a measuring stick because its scarcity is rooted in the time to extract it, which does not significantly change, while everything else becomes more abundant.

Yet gold being history's most successful money does not affirm monetarism, which assumes money is valuable only because it is scarce. On the contrary, the validity and availability of the golden measuring stick does not reduce the supply of money. It enables a huge expansion of it.

As Nathan Lewis showed in his books *Gold: The Monetary Polaris* and *Gold: The Final Standard*, even under a gold standard there is no relationship at all between the amount of the world's gold and the amount of money. If the price of gold is fixed, money can grow

to any needed level in response to the commitments of entrepreneurs to profitable projects. During the Industrial Revolution, while the amount of the world's gold rose merely 3.4 times, the US money supply rose 163-fold. As *Forbes* firebrand thinker John Tamny puts it: "There can never be an oversupply of good money."

This is the final refutation of money as a commodity. No one believes paper money is a commodity; if it were, paper money would be worth just about the paper it's printed on. Under a gold standard, paper money-redeemable for gold holds its value because of the trusted measuring stick. If the measuring stick can be trusted, money can be multiplied as it is needed for valid projects. Just as each meter stick, not the sum of all meter sticks, is set by the SI, it is each dollar that is measured by gold, not the sum of all dollars.

It is possible to render that measurement incredible. Lenin's ruble was devalued by a million percent in part because there was almost no gold in the treasury. Yet under ordinary circumstances, with a credible government and some substantial amount of gold on hand, the measuring stick validates one dollar at a time. ...

Money is a similarly crucial metric. No less than the meter or the gram or the lumen, money needs a defined status beyond what it measures. In the global economy, currencies cannot be integrated with commerce as if money were a commodity measured by money. Currencies must be bound to an absolute grid of measurement outside the process of exchange. If prices are unco-ordinated, they will lead the business astray and it will not add value to the economy. It will not produce knowledge through testable learning.

Money as the key metric and information bearer in economics also can be reliable only to extent that its value is rooted in time. As the only irreversible reality in the universe, with directionality imparted by thermodynamic entropy, immune to efforts of duplication, counterfeit, or storage, time is the purest of reference points for all values.

In order to overcome the current economic doldrums afflicting the world, we must return to a regime of real money, anchored not in the caprices of bankers but in the physical constants of the universe.

—*Life After Capitalism* by George Gilder, p. 151, 153

Founded in 1953, the Christian Anti-Communism Crusade, under the leadership of Dr. Fred C. Schwarz (1913-2009) has been publishing a monthly newsletter since 1960. *The Schwarz Report* is edited by Dr. David A. Noebel and is offered free of charge to anyone asking for it. The Crusade's address is PO Box 129, Manitou Springs, CO 80829. Our telephone number is 719-685-9043. Our website is [www.ThunderontheRight.org](http://www.ThunderontheRight.org). All correspondence and tax-deductible gifts (CACC is a 501C3 tax-exempt organization) may be sent to this address. You may also access earlier editions of *The Schwarz Report* and make donations at [www.schwarzreport.org](http://www.schwarzreport.org). Permission to reproduce materials from this *Report* is granted provided that the article and author are given along with our name and address.