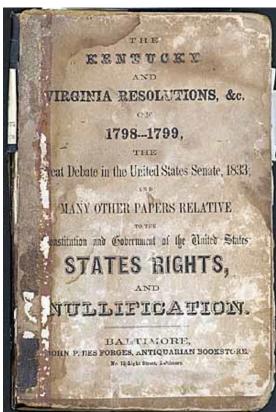
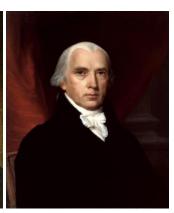


DK Analytics, Post #4: State level "nullification" of unconstitutional federal edicts only ASAP recourse

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Peter Schiff had an interview on July 17th, 2015 with Alex Jones titled "We are all slaves." The link: www.youtube.com/watch?v=IylRpunqENI. The video is less than 10 minutes long.

Let's look at the first two definitions of slavery (www.thefreedictionary.com/slavery):

- 1. The state or condition of being a slave; a civil relationship whereby one person has absolute power over another and controls his life, liberty, and fortune.
- 2. The subjection of a person to another person, especially in being forced into work.

I vociferously agree with what Peter Schiff said as pertains to the above definitions, especially his remarks that shine light on the video's apt title from a "maker's" (contributor's) perspective. It is no accident that liberty and property rights -- the ability to keep the fruits of you labor -- are tied at the hip. If you have to forgo or disgorge the vast majority of your earnings, you have forfeited not only your ability to feed your family, but you have lost your freedom, your independence, and your ability to devote your time to the pursuit of happiness! The toils of your labor have been hijacked. You have been disenfranchised of your unalienable rights. This is tyranny. This is nothing other than economic slavery. (It goes without saying that I also completely concur that slavery as practiced in America during the 18th and 19th centuries is not only bad economic policy, but it is revolting as well as being the ultimate violation of the very inalienable rights that the Declaration of Independence was based on and the Constitution offers "codified" protection for.)

Economic slavery is unfortunately the direction in which today's free market participants, i.e., the vast majority of the working population ("we the people") that is unable to avail itself of cronyism, are being pushed at an accelerating

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rate. The manifestation: sustained and cancerous growth in property rights pummeling tax and regulatory policies that typically become the law of the land devoid of any adherence to constitutionalism or representative government by the very government officials that are supposed to uphold and protect the rights of the sovereigns, the people. Founder and Framer Benjamin Franklin put it thusly: "In free governments, the rulers are the servants and the people their superiors and sovereigns."

For an overview of growing US and global rule of law/property rights marginalization, please consider these links: http://dkanalytics.com/pdfreports/wp-content/uploads/2015/07/A-decade-later-June-2015a.pdf http://dkanalytics.com/pdfreports/wp-content/uploads/2015/05/Global-ag-assets-January-2014.pdf, p.1

For piercing insight into current liberty and property right denuding developments, consider the headlines below. Needless to say, clicking on the links gives you "where's the beef" detail as to these deeply disturbing despotic efforts to further codify *unconstitutional* property rights and liberty disenfranchisement:

http://www.kereport.com/2015/06/26/rule-law-representative-government-remain-attack, my comments at bottom of web page http://www.nationalreview.com/corner/420896/massive-government-overreach-obamas-affh-rule-out-stanley-kurtz

http://nypost.com/2015/07/18/obama-has-been-collecting-personal-data-for-a-secret-race-database

http://nypost.com/2015/07/07/the-irs-scandal-just-got-even-worse

http://thefederalist.com/2015/07/06/the-new-totalitarians-are-here/#.VZ2PcyOZo8w.email

Let me revert back to the Jones - Schiff video (www.youtube.com/watch?v=IylRpunqENI) and the need to address the ongoing emasculation of property rights and liberty emanating from Washington, D.C. When Interviewer Alex Jones asked Peter Schiff if he has a solution to our enslavement to the despotic federal government, Peter was stumped. Thomas Jefferson, which Peter also referenced in his remarks, albeit in a different matter, had a great states' level solution to central government overreach, otherwise known as unconstitutional behavior. He called it nullification. Nullification means that states have the right, whenever the federal government assumes powers that are contrary to constitutional authority, to unilaterally declare such decrees unauthoritative, void, or of no force (http://tenthamendmentcenter.com/2009/03/06/jeffersons-arguments-for-nullification-and-limited-government). Speaking personally, I am convinced that state-level nullification it is the only way to address our political situation in 2015, given how out-of-control/tyrannical/unconstitutional the federal government, at all levels, has become.

In this regard, let me point to Thomas Jefferson's Kentucky Resolutions solutions. Readers may be aware of the seminal Kentucky Resolutions of 1798 (http://www.constitution.org/cons/kent1798.htm). Jefferson penned these resolutions because of what he perceived to be a threat to the 1st Amendment's protection of the freedom of speech and the freedom of the press as a result of the Alien and Sedition Acts passed by Congress in 1798. Said acts were prompted by escalating military skirmishes with France at that time (http://www.loc.gov/rr/program/bib/ourdocs/Alien.html). Jefferson's Kentucky Resolutions authorship went "unclaimed" for a long time for political reasons: he was President John Adam's VP at the time. (James Madison, whose picture on page one is to the right of Jefferson's and who is known as the Father of the Constitution, wrote in a similar manner and for similar reasons as Jefferson in the Virginia Resolutions of 1798 – 1799.)

Allow me a brief "perspective" detour. Anyone with a sense of American history knows that the states created the federal government and the US Constitution. It was the state parents of the central government that insisted on what ultimately resulted in the first 10 Amendments, which became famously known as the Bill of Rights. These Amendments were added to the US Constitution at the states' behest to definitively "ring fence" central government power and to protect states' and individual Americans' rights.

While the 1st Amendment protects the freedom of speech and the freedom of the press, which Jefferson and Madison thought the Alien and Sedition Act directly threatened, the 9th and 10th Amendments are very important as regards broadly safeguarding federalism and individual rights/liberties. If any or all branches of the federal government violate the 9th and/or 10th Amendments, which collectively assure that rights are retained by the states and their citizens that are not specifically enumerated in the US Constitution under Article 1, then it is incumbent upon the states to refuse enforcement ("nullification") of unconstitutional federal government laws, regulations, or judicial decisions. Jefferson said it as beautifully as succinctly in his first Kentucky Resolutions point (italics mine):

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1. Resolved, That the several States composing, the United States of America, are not united on the principle of unlimited submission to their general government; but that, by a compact under the style and title of a Constitution for the United States, and of amendments thereto, they constituted a general government for special purposes — delegated to that government certain definite powers, reserving, each State to itself, the residuary mass of right to their own self-government; and that whensoever the general government assumes undelegated powers, its acts are unauthoritative, void, and of no force: that to this compact each State acceded as a State, and is an integral part, its co-States forming, as to itself, the other party: that the government created by this compact was not made the exclusive or final judge of the extent of the powers delegated to itself; since that would have made its discretion, and not the Constitution, the measure of its powers; but that, as in all other cases of compact among powers having no common judge, each party has an equal right to judge for itself, as well of infractions as of the mode and measure of redress. (http://tenthamendmentcenter.com/kentucky-resolutions-of-1798)

Our Declaration of Independence was also crystal clear on this point; we just need to substitute the "King of Great Britain" with "Washington, DC" and "colonies" with "states" below:

That whenever any Form of Government becomes destructive of these ends, it is the Right of the People to alter or to abolish it, and to institute new Government, laying its foundation on such principles and organizing its powers in such form, as to them shall seem most likely to effect their Safety and Happiness. Prudence, indeed, will dictate that Governments long established should not be changed for light and transient causes; and accordingly all experience hath shewn, that mankind are more disposed to suffer, while evils are sufferable, than to right themselves by abolishing the forms to which they are accustomed. But when a long train of abuses and usurpations, pursuing invariably the same Object evinces a design to reduce them under absolute Despotism, it is their right, it is their duty, to throw off such Government, and to provide new Guards for their future security.—Such has been the patient sufferance of these Colonies; and such is now the necessity which constrains them to alter their former Systems of Government. The history of the present King of Great Britain is a history of repeated injuries and usurpations, all having in direct object the establishment of an absolute Tyranny over these States. (http://www.archives.gov/exhibits/charters/declaration transcript.html)

I thought I'd take the liberty of sharing this topic with you while it is still possible. Other than implementing the Article V Amendment Process at the state level (https://books.simonandschuster.com/Liberty-Amendments/Mark-R-Levin/9781442367630), which will surely prove to be a very lengthy and arduous process, I'm convinced that if we don't act soon on the state-level nullification front (only when the feds behave unconstitutionally, which is with ever greater frequency and egregiousness), there won't be anything left at all of either our erstwhile federalist republic or our Constitution to rescue or restore! The "whole nine yards" are at stake, in my view.

We know, dear readers, that that US Constitution, and the Declaration from which it sprang, long protected individual liberty and property rights with much more than a modicum of success, else America would never have become the richest and freest nation in the world over 100 years ago.

But the "regressives" (they erroneously and deceptively call themselves "progressives") or statists (big government advocates) have been chipping away at American exceptionalism and liberty for a long, long time. The year 1913 was a "triple whammy" year as regards attacking federalism, republicanism, unalienable rights, incentives, and sound finances. I'm referring to the 16th Amendment, which instituted the federal income tax and eventually financed a pellmell expansion of central government statism and income redistribution; I'm also referring to the 17th Amendment, whereby direct elections of federal senators by citizens instead of by state legislatures was instituted, terminating the senators' erstwhile fidelity to doing the collective will of state legislators at the federal level; and, last but not least, I'm also referencing the 1913 birth of a private cabal, the Federal Reserve (there is nothing federal about it), which solidified a state-sanctified monopoly over money and set the stage to chip away at solid money, i.e., at a precious metals' backed currency. Over time, this resulted in politically expedient currency debasement, as it always has throughout history. This stealth wealth misappropriation, or inflationary misallocations for the benefit of the few (Wall Street and K-Street cronies as well as corporate bailouts), has also fueled increasingly reckless expansion of government spending well beyond tax receipts, thereby severely encumbering America's financial solvency, not to mention free market capitalism.

In a nutshell, since 1913 the "regressives" have been "doubling-down" on disembowelment of our erstwhile republic while ramping up both tyranny of the majority (e.g., over 50% of all Americans receive government welfare and some 50% of adult Americans pay no federal income taxes) and tyranny of the minority (including all branches of the federal This commentary is not intended as investment advice or an investment recommendation. Past performance is not a guarantee of future results. Price and yield are subject to daily change and as of the specified date. Information provided is solely the opinion of the author at the time of writing. Nothing in the commentary should be construed as a solicitation to buy or sell securities. Information provided has been prepared from sources deemed to be reliable, but is not a complete summary or statement of all available data necessary for making an investment decision. Liquid securities can fall in value.



government; the unelected, unaccountable federal bureaucracies; the Fed; codified amnesty and welfare for illegal aliens to create a "one-party state" a la California from coast to coast; tenured leftist teachers/professors, too many of whom have long majored in "indoctrination" instead of education; the Pravda propaganda mainstream media; despotic extremists using social media to intimidate and eviscerate constitutional conservatives and their careers# without any effective DOJ intervention; and de facto DOJ-stoked race riots: http://pjmedia.com/jchristianadams/2015/05/19/doj-official-slavery-to-blame-for-riots-in-ferguson-and-baltimore).

As such, isn't it high time for Constitution loving red states that finance the spendthrift US government and blue state boondoggles to "just say no" to lawless federal edicts as the first step toward unwinding our totalitarian national trajectory?

If you, dear readers, think highly of the merits of this ("nullification") after giving it due review, perhaps you would consider getting the word out for the good of liberty-loving, productive Americans and for future generations? The bird of time is dangerously on the wing.

And in the interim, in an age of fiat money and fiat government, you should consider protecting your family's investable savings with satellite positions in scarce, vital real assets (liquid dense energy and ag investments) and in real money (physical gold and physical silver). Said assets tend to be negatively correlated to generic stocks and bonds, making them constructive strategic portfolio diversifiers and, in the case of precious metals, time-proven portfolio insurance. These assets also can't be "printed" into existence, which means they should expand in fiat currency value terms over time (inflation hedge) and also due to secular scarcity (real capital gains potential). This is all the more true given the substantial bear market the above mentioned assets are in, which has resulted in attractive strategic valuations. The report section of our site features numerous, hopefully clearly labeled links describing such opportunities. Cases in point: http://dkanalytics.com/pdfreports/wp-content/uploads/2015/06/Real-asset-diversification-July-2014.pdf.

Greetings, Dan, blogger Dan_34135@yahoo.com

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