HOSKINS REPORT

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A rising dollar is pushing commodity prices lower. Low commodity prices increase corporate profits. Ninety-day T-bill yields are signaling lower interest rates. Municipal and AAA bond yields are moving lower. A rising dollar is encouraging foreign buying. A drop in the Prime Lending Rate could trigger a stock market whose top can only be imagined.

NEW YORK DEMANDS DEATH PENALTY!

Everyone is in Danger!

"CHANNEL YOUR OUTRAGE: DEMAND THE DEATH PENALTY" (Headlines, *NY Post*, Apr. 26, 1989)

"Yusef Salaam, who is said to have told detectives that one member of the group had suggested that they 'get a white girl.'" (*New York Times*, Apr. 25, 1989)

"... in asking the judge to deny bail to the teen-age wolf pack accused in the brutal Central Park rape (of a 28 year old white woman stockbroker out jogging), quoted one of the gang members as explaining that he had beaten the victim on the head with a lead pipe 'because it was fun.'"(*NY Post*, Apr. 26, 1989)

"The wolf-pack attack in Central Park has provoked an extraordinary sense of outrage ... The people of NY are no longer willing to be seduced by the claim that society is somehow responsible ... It's clear things have to change if New Yorkers want to be able to reclaim their city from the murderers and the thugs ... And the place to start is at the top - with the Death Penalty. ...

"Call or write your assemblyman; state your position on the death penalty. Deluge him with letters. Gather petitions. This is no time to be inhibited - too much is at stake. Reinstatement of the death penalty would represent an important first step in an effort by honest New Yorkers to reclaim their city - a first step on the part of a society determined to protect itself from the animals who commit crimes akin to the one in Central Park ... real animals at least, kill to eat. These vermin kill for fun." (*NY Post*, Apr. 26, 1989, p. 24.)

"Israel Rosen, a 49-year old Orthodox Jew who lived in Sydney, Australia, came to NY in the summer of 1986 to visit his teen-age son ... A stranger in the city, Rosen took the subway ... He stepped out onto the platform and came face-to-face with five or six black youths carrying sticks, planks and pipes. ... they went at him with a fury ... Then they left him for dead. There was no robbery, no vengeance. No reason. ... His killers have never been apprehended. ..." (*NY Post*, Apr. 26, 1989)

Lynchburg

New York has its problems, but now, every part of the nation does, too.

Here in little Lynchburg, a white father and mother were carved up by their daughter and her boyfriend. It was so gruesome I won't describe it. She got a slap on the wrist - the usual prison sentence.

A black boy went to a white girl's house - raped and strangled her. Again - a prison sentence.

A black grabbed a doctor's wife on a main thoroughfare a few blocks from here, pulled her behind a few bushes and raped her. In Lynchburg rapes are often never reported and murder is frequent enough so that it is often commented on in the back pages of the newspaper. There's no reason to waste time talking about events if nothing is going to be done to stop the guilty.

It Has All Happened Before

In 1857, the "Dead Rabbits" gang took over Lower Manhattan and ruled it. It was a long time

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before they could be dislodged. What caused this? How could this happen? Outlaws ruled New York even in that day. Outlaw politicians did not recognize the Law. Their outlaw philosophy forbade them to punish other criminals. To condemn a crime would point a finger at themselves. Criminals multiplied and bred criminals that recognized no law at all. New York city was in their hands. The lawless recognize no restraint except force.

Reconstruction

The War Between the States ended the dispute over secession. The South could not secede. Not only could they not secede, but they had never seceded. If this was so, it followed that they were still part of the United States and had always been. Accordingly, they voted their old representatives back into office and sent them to Washington where they voted against the Republicans who had made war on them.

This upset Republican economic plans. To obtain the desired economic goals the southern whites were disfranchised and blacks were franchised and elevated to rule the South.

The South was divided into military districts. Federal occupation garrisons were installed in permanent quarters to suppress white resentment and protect the new black-Republican governments who now voted with the national Republican party. This gave the national Republicans 11 Southern states in a voting bloc - run by puppets (so they thought). The Republican Party now ruled the nation - with the help of the Southern bayonet.

In exchange for voting economic legislation to benefit the NE international bankers, the blacks were allowed to do anything they liked without fear of reprisal. Murder, rape and robbery followed. There was no appeal to the law. Black judges WERE the law in many cases. Thousands of murderers and rapists walked the streets protected by Federal soldiers. Similar tolerance of lawlessness was true in the North and the West.

This conduct was true to a lesser extent with whites, but was not as pronounced as the unleashed behavior of the blacks. The Republicans had inflicted an age of lawlessness on a large part of America in exchange for black legislation needed for them to "legally" loot the country.

After 10 years of Republican rule conditions became bad nationwide. In many places they were so bad that noone was safe outside their homes. New York had degenerated into a veritable sewer. The bankers themselves were robbed, beaten, or murdered on the way to offices. Wives were raped in their homes, and more important, millions of acres of prime Southern farms and plantations acquired at Southern tax-foreclosures were in danger of confiscation by the very blacks they had elevated to rule. Solution? Get the blacks out of Southern governments, fast!, and bring back "law and order."

In 1873-74, the national media was instructed to stop their fifty year ongoing attack on the South. The media attack stopped on a dime. Read the newspapers of that period. One week the blacks were "holy", the next week they could do nothing right. The new media policy was that the South had been "misunderstood", that things were really bad down there and that it wasn't the fault of the bankers who had financed the likes of John Brown and Horace Greeley, it was the blacks and carpetbaggers who were responsible. This was something new. It was the first time the North had heard this. You can do this sort of thing when you have a media monopoly.

Next, the international bankers started a nationwide revolt against the Republican Party. This was also led by their media. A Democrat/Republican political war was the result. The Democrats were now the good guys. The Republicans lost and their occupation troops were pulled out of the South. Without federal troops to protect them, the blacks and the few remaining carpetbaggers were ousted. The establishment land syndicates kept their southern land purchases from grasping black rulers who would confiscate it.

Then, what to do with other BIG problem? The thousands of criminals guilty of murder and rape who walked the streets in every city in the country from New York to New Orleans. They were the source of practically all crime.

It was the criminal's turn to flee and hide, but there was no place to hide. The people remembered.

Enforce the Law!

With the Republicans gone, the criminal had lost his protector. The media was instructed to stand back and let nature take its course. The media seldom found anything to criticize in the things that followed.

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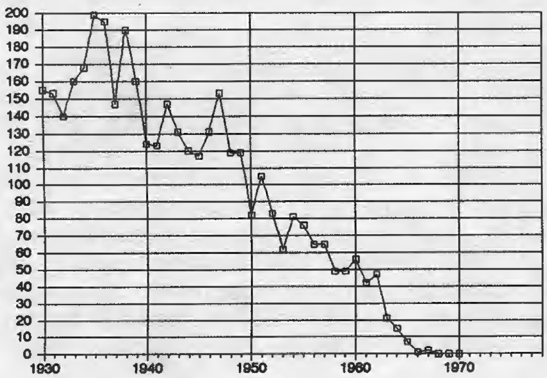
It was as if fresh air blew through the land. Where Lawful judges presided, legal executions took place. Sometimes as many as 10 on a gallows. Where lawless courts still existed and criminals were protected, extra-legal executions took place. There were thousands upon thousands of unpunished criminals who had to be eliminated to bring society back to normal. America went on a nationwide house-cleaning hunt for unpunished criminals.

Almost as many legal and extra-legal executions took place outside the South as in, even though the South was where most crimes had been permitted to occur. Murderers set free ten years before rounded a corner and found a committee quietly waiting for them. A quick trial, and the felon discovered that there was a God in heaven whose Laws were enforced.

Total Executed By Civil Auth.



Executions

The period 1930 - 1970, is the only period for which data for "legal" executions is compiled. The government's *Hist. Statistics of the US, Colonial Times to 1970*, From US Dept Commerce. US Washington, DC 1975. "Historical Data" gives that information as shown on the chart above.

Reducing the data to chart-form is interesting. It may be the first time that this information had been displayed in this manner. You can see that the largest number of legal executions for one year took place in 1935.

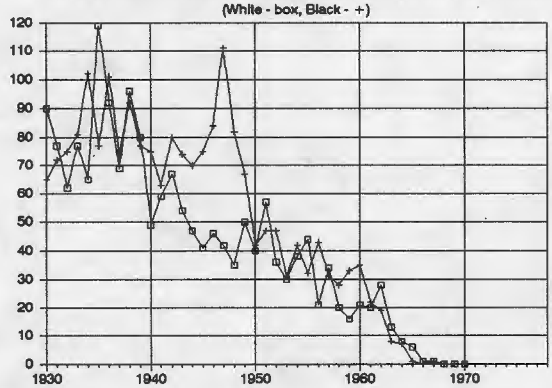
The next chart (upper right) "Whites & Blacks Executed" breaks the executions down by race. Of the 199 executions, in 1935, 119 were white, 77 black, and 3 "other".

Even more interesting is the data compiled on extra-legal executions (lower right). This data goes back 50 years earlier to 1882. This databank shows that in 1884, 211 executions took place of which 160 were white and 51 were black.

A total of 230 were executed in 1892, of whom 69 were white

Whites & Blacks Executed by Civil Auth.

(White - box, Black - +)



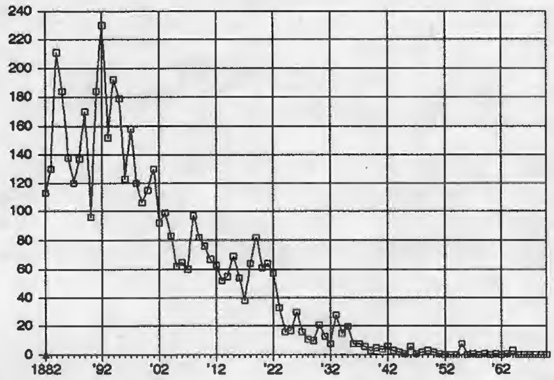
and 161 black.

Executions peaked in 1892 and declined drastically from that time on. The great mass of unpunished criminals were dead by the turn of the century, and from that time, both legal and extra-legal executions merely polished off the few remaining and kept down the new crop of murderers.

Other things of interest to be noted from this data are 1) almost as many whites were legally, and extra-legally, executed as blacks (see next page). There were more blacks executed than whites because then, as today, there were more black criminals per capita. It's a statistical fact.

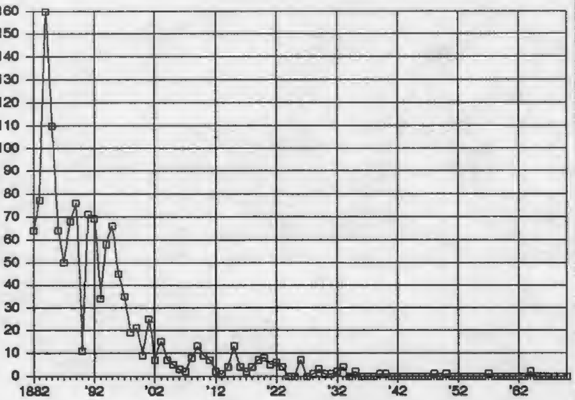
There may have been some who were victims of private

Whites & Blacks Executed Extra-legally



vengeance. Private vengeance occurs today, both in courts and out. However, those committing such crimes risk falling afoul of the Law forbidding those acts. Where murder has

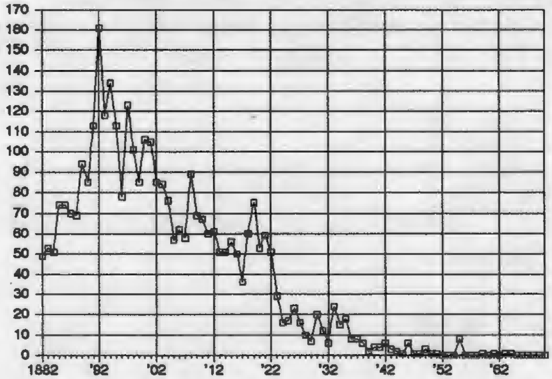
Whites Executed Extra-Legally



been committed the Law adjudges them murderers, subject to the punishment required of murderers. It only remains for the penalty to be enforced. The rules were known by all.

When I was seven I had this fact of life explained to me by Richard. We were riding down the road in a pickup truck when Richard pointed to a tree in the middle of a field and said "That's where some white men hanged a colored fellah." I replied "That's awful! Why did they do such a thing? Aren't you afraid?"

Blacks Executed Extra-legally



Richard replied "He fooled around with (raped) a white woman. I ain't done nothin' wrong, I got nothin' to worry about."* Life was simple for Richard and easily understood. He did "nothin' wrong" and he had "nothin' to worry about." And he didn't.

'* If anyone in Culpeper County touched Richard and could not prove justification, he would have had to deal with my grandfather, Richard Thomas Kelly and my Uncle Thompson. This might have been more than a great many people could handle. The Law that was obeyed had been here since before the nation was founded and was quite clear. Everyone understood. Incidentally, my grandfather Dick and his brother Alex, an attorney, had a dispute with the Texas Rangers in Tyler, Texas. I will try to tell that story when time permits.

There is another interesting thing the charts uncover:

The media crusade against KKK lynchings in the 1920s and 1930s was a hoax. The Klan had been disbanded and there had been no Klan for 50 years. It was not re-formed until the 1920s. By this late date the mass-execution of criminals had been completed (see chart).

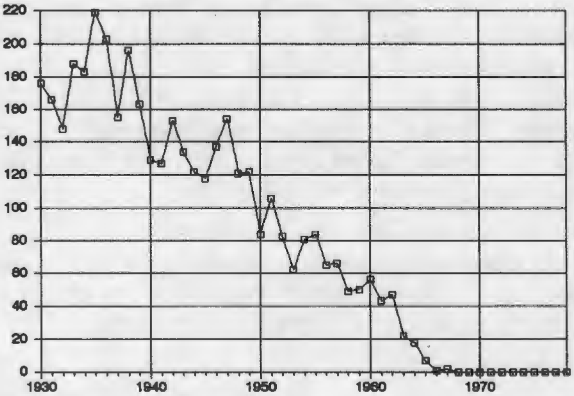
The extra-legal executions were done by vigilance committees all over the country, the "neighborhood watch" of the time. These committees had virtually exterminated known murderers and rapists by the time the government started keeping statistics in 1930. The media actively encouraged the elimination of criminals by whatever means available and found almost nothing in the process with which to find fault.

"Legal" executions apparently took over after the actual work of doing away with criminals had been completed. The "legals" only took care of the normal flow of new criminals arriving on stream.

The 1920s media anti-execution campaign caused the newly started government executions to stop. The charge was the same one used when the KKK was first formed in the 1860s - "execution for no reason" or for "private vengeance". The Media had its whipping boy since the Klan had come back into existence. From the 1920s on, all lawlessness was blamed on the Klan. From "protector", it became the "perpetuator" in the public's mind. The same thing was occurring that caused the original Klan to be disbanded in the 1860s. Look at the charts. There were very few extra-legal executions from 1912 on, and the new KKK didn't come into existence until the 1920s.

The COMBINED CHART (below) with combined legal and extra- legal executions shows the combined total dropped to

Total Legal & Extra-legal Executions



virtually zero. This situation still exists in spite of a smattering of executions. The now protected criminal still walks and rules the streets. The law enforcer is still the one persecuted.

Result? Headlines in the NY papers decrying rape, murder, and mayhem. Washington legislators even want to call out the national guard to protect them - the (ho! ho!) nation's "lawmakers". The very same thing that happened in the last century when crime was protected is happening again.

Summary

It's official! The New York papers have reversed their policy on capital punishment. They now broadcast the establishment's OK to execute criminals. Things must be bad. From now on the death penalty is IN. Both liberal and right-wing "conservative" writers must now echo their lead or feel the displeasure of the establishment.

The world has turned upside down.

A maxim to be remembered: "The only time establishment-media tells the truth is to gain credibility for their next lie."

Another: "Just because the media is on your side doesn't mean that it is your friend."

In the meantime, let's try to stay alive until the criminal is disposed of. You can bet one thing - he won't go to the gallows any more easily than he did last time, but to the gallows he will go!.

AIDS UPDATE

BRAZIL: Brazil may face a massive epidemic of AIDS. The *New England Journal of Medicine* found a variation of the AIDS virus previously found only in Africans. A second variation, thought to be confined to Japan, Africa, and Caribbean, is already established. The disease is spreading to the heterosexual community. (Copied from *Daily News Digest*, PO Box 84902, Phoenix, Arizona 85071)

GRIM FOR AFRICA: Dr. Keith Edelston, an economist of the AIDS Economic Task Group said that the picture was grim for blacks in S. Africa: 45% will be dead or dying from AIDS by 1996 as well as 12% of the whites. In a typical Western economy, if 2% of the population needs teatment for AIDS, there will be a drop of 10.6% in industrial production. Production of consumer items may fall by 16% and corporate profits down by 32%. If being tested clear of AIDS is a condition of employment, there may be few employable blacks by the end of 1994. Mine production will start dropping off during 1990 and 1991. Heavy industry and the mines may thus face serious problems. The main reason for the AIDS problem in America and Europe lies in their not screening for AIDS. Condensed from an article in *Saturday Star,* Johannesburg, South Africa. 2/18/89.

"Sedition"

The establishment's "Great Event" is now blacked out as a Non-Event. Reason? The Establishment lost to the jury system. FBI witnesses were untruthful. The charges were crazy! The defendant more than held their own. What does a "right wing" defendent have to say that is not filtered first? This VCR tape is one of the alternate media's best in the last three years. It is worth seeing.

UNFILTERED NEWS

JAPANESE: "Japanese buying of US beef-producing properties is also underway ... Ranches have been bought in Montana and California following the purchase by Japanese investors of cattle operations in Australia. To avoid hard feelings, the Japanese have formed joint ventures with American investors." *Portfolios Managers Weekly,*, p 17, 4-10-89, 140 Broadwayp, NY, NY 10005.

SEMI-AUTOMATIC: "The US Department of Immigration has released the figures of how many Vietnamese are now in the US ... 885,000 ... In June of 1988 it was noted that 'laws' were being passed in Australia regarding the personal ownership ... of 'semi-automatic rifles.' 'Australia's crime rate ... has grown ... since the importing of the 350,000 Vietnamese ... a great portion are hard-core communists. ... Flood the target country with a 'floodtide' of aliens ... disarming of that same nation, creating chaos in the streets, and the eventual collapse of the government structure.'" *Intelligence Update*, 261 Church St., Homer City, PA 15748.

"INTEREST: Sovereign debtors cannot pay interest on their loans to world banks ... Third world nations are being consumed by ... interest. ... Nothing can seem more hopeless ... The world needs money that circulates free of debt. The destruction in mid-air of a ... jetliner is immediately suspected as a terrorist act, while the chronic bleeding of debtor nations is not connected with the terrorism of bank money." Dr. E. T. Yorke, *Financial News Analysis*, 152 W. Alta Green, Port Hueneme, CA 93041, Apr. 1989

DEBT: Chile threatened to renege on its international debts. Two grapes were found laced with poison. The Chilean billion dollar fruit crop was banned. Chileans now are more reasonable. They talk about paying the debt. The ban is lifted. What else is new.

NOTICE

A memorial service was held for Gordon Kahl, the Christian tax-protestor, in Smithville, Arkansas June 2 - 6. I learned about it too late to announce it in these pages. This is one case that will not go away. The Kahl killing was frightening. I hope to cover the incident in my upcoming book.

LETTERS

"Dear Mr. Hoskins: What is wrong with taking out a no- interest loan, as long as I have 100 times more money elsewhere that I can use to repay?" O. J. - Virginia

The rule is "*The borrower is servant to the lender.*" If conditions come together to prevent you from obtaining money to repay your loan, then the foreclosure conditions of your contract come into play. Many, stumbling into this seemingly riskless condition, have lost everything.

"Dear Mr. Hoskins: Mobil is being pulled out of S. Africa and is being forced to sell its assets to European financiers for pennies on the dollar to rip off Mobil stockholders. American bank trust departments vote Mobil stock through stock held in their trust departments. American stockholders lose, European banks win dollars for pennies. European banks and American banks are owned by the same people. They end up with something for nothing. Apartheid? No! - The fast buck? Yes!" I. C. - France

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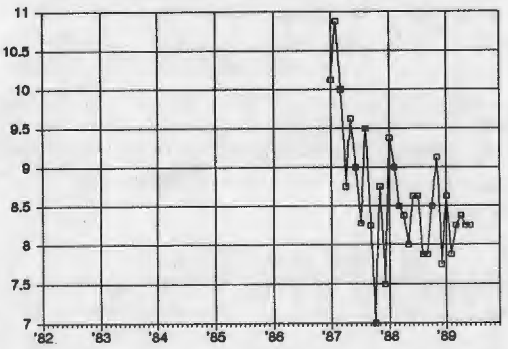
TECHNICAL STOCK COMMENTS

While the M1 continues its downtrend, the 90 day T-bill yields have dropped considerably - the usual signal for banks to prepare to lower their prime lending rates. AAA Bond yields and Municipal bond yields have also declined. It would seem that these are signals that it only a matter of time before the prime lending rate is lowered. This would signal a strong market starting from these high levels - something this writer has never seen before in 30 years in the stock market, but, with lower commodity prices and consequently increasing corporate profits, a move may be building which could be substantial.

The Utility Index has broken into new highs. Lower rates would benefit its highly leveraged charges. Raise the percentages of both fixed income and common stocks.

DUFF & PHELPS SELECTED UTIL. DNP - nyse



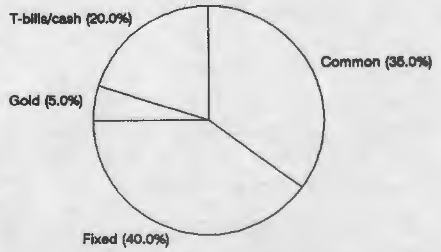
Duff & Phelps Selected Utilities - DNP -

Closed-end diversified management investment company. Invests mostly in utility shares and fixed income securities of public utility companies.

Assets $1.57 billion. Per share - appx. $8. Debt/shr appx 53¢. Debt to book 7%. About half of investments in utility common stock, one quarter in utility bonds, and rest in government and commercial paper. Investment income rose 24% in Dec. from previous year. Sort of investment that could benefit from lower interest rates and higher utility prices.

Yield 8.5%. If interest rates decline stock should appreciate.

NOTE: PORTFOLIOS Investment Advisory, sister publication to HOSKINS Report, this month includes prime '84-89, total debt of the nation '85-89, dollar '85-89, 90-day T-bill yields, AAA bonds '80-'89, Dow chart '82–'89, A/D Line chart, M1 chart. $150/yr - $75 to HR subscribers.



RECOMMENDED PORTFOLIO