

Florian Galler
Psychonomic Newsletter, Dec 8, 2009



The self-hatred acted out by the Bush Administration caused a cleansing from unconscious traumatic feelings of rage, anxiety, shame and guilt among the population. For this reason both risk preference among the investors and stock prices rose. This changed after the midterm elections for the US congress at the end of the year 2006 forced the Bush administration in July 2007 to initiate the so-called Annapolis process which intended to foster peace between Israel and the Palestinians. The credit crisis broke out and stock prices started to decline. This decline was accentuated when it became clear that Obama (who stands for peace) would win the presidential elections. At the beginning of March 2009 this downward movement of stock prices was replaced by an upward move which erased until now for the stocks in the Dow Jones Industrial Index about half of the losses since 2007.¹

I suppose that for the Neoconservatives (and our alter egos who like to defend against traumatic feelings by identifying with powerful abusing aggressors) the behavior of the Israeli government towards the Palestinians represents something like a nostalgic political ideal reminding them and our alter ego to the times of South Africa under apartheid where the human rights were not universal. Because our explicit democratic value system does not allow the neoconservative to openly express their preferences they do so in a hidden way by pointing to Iran. So our alter egos were relieved when Secretary of State Hillary Clinton did precisely so:

YAHOO Mar 06 2009, 05:41 am ET

For Clinton, Iran is Middle East key Politico - 1 hour, 51 minutes ago

BRUSSELS, Belgium — On Wednesday, Secretary of State Hillary Clinton made some of her toughest comments to date about Iran...

¹ I described the period from 2002 until March 2009 in 2 articles in English and in German language:
 - Galler, Florian (2009): Group Process and Stock Markets - 2002 to 2009. *The Journal of Psychohistory* 37 (2) (2009), pp 92 - 111.
 - Galler, Florian (2009): Gruppenprozess und Aktienbörse 2002 bis 2009. In: Nielsen, Bernd / Kurth, Winfried / Reiß, Heinrich (Hg.): *Psychologie der Finanzkrise. Jahrbuch für Psychohistorische Forschung* 10 (2009) (Mattes, Heidelberg 2009), S. 153-173.
 Both articles can be downloaded from www.psychohistory.ch

This first impression of irrationality within the Obama administration was confirmed when a rational "candidate for a top U.S. intelligence post withdrew from the running" after being attacked by the Israel Lobby.

[U.S. choice for top intelligence analyst withdraws](#)

The candidate for a top U.S. intelligence post withdrew from the running on Tuesday after angering some in Congress with remarks on Israeli "oppression" of Palestinians, and about China.

Reuters via Yahoo! News - Mar 10 1:56 PM

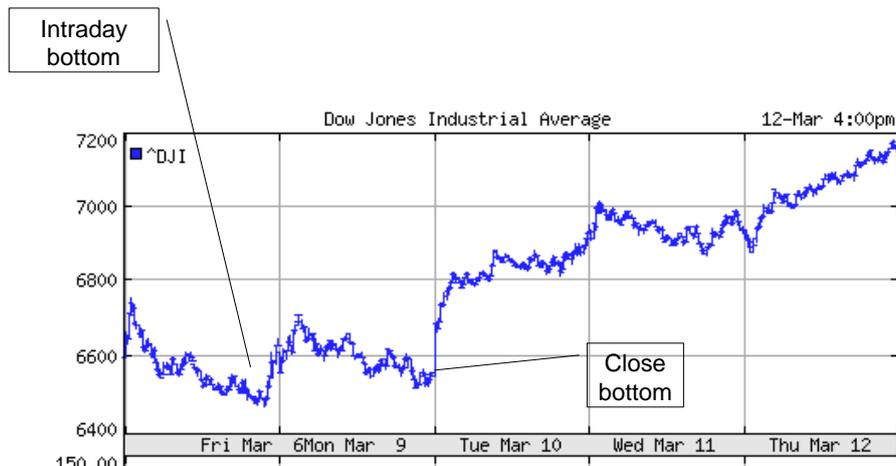
Israel Lobby Defeats Freeman Appointment

Robert Dreyfuss Tue Mar 10, 6:31 pm ET

[The Nation](#) -- The withdrawal of Chas Freeman as chairman of the National Intelligence Council, following two weeks of vituperative attacks on him by the amen chorus of the U.S. Zlonist lobby is a **black mark on the Obama administration**.

As I wrote two weeks ago, when the campaign against Freeman began, if Barack Obama can't stand up to the likes of Marty Peretz, Jonathan Chait, Steve Rosen, and other snarky critics, and if the White House can't defend a critical intelligence pick when that person is savaged by Republican sharks smelling blood in the water, then **how can we expect Obama to stand up to Bibi Netanyahu and his even more radical ally, Avigdor Lieberman, when they confront Obama over Middle East policy?**

In this situation stock prices which had fallen since 2007 could find an intraday bottom on March 6 and a close bottom on March 9:



This week later turned out to be the best since last November:

Yahoo, Fri Mar 13

Stock Markets News



Wall Street rises, ending best week since November

Reuters - 31 minutes ago

NEW YORK (Reuters) - Stocks scored their best week since November on Friday as a broker upgraded Merck & Co...

Our alter egos became even more confident when they could watch how the right-fundamentalist Netanyahu-/Lieberman-government in Israel was coming to power:

- [Nationalist rising fast in Israeli politics](#) AP - Thu Mar 12, 1:04 PM ET

JERUSALEM - An Israeli politician² who based his election campaign on baiting the country's Arab minority, drawing accusations that he is a racist demagogue, now seems likely to become the Jewish state's top diplomat

² Avigdor Lieberman

- **Israeli parliament approves Netanyahu government**

Israel's parliament has confirmed the appointment of **Benjamin Netanyahu** as prime minister and approved his Cabinet.

AP via Yahoo! News - Mar 31 1:43 PM

This government surely would not consolidate the cornerstone of Obama's politics: Peace with the Islamic world:

New Israeli foreign minister, in his own words

By The Associated Press The Associated Press Tue Mar 31, 1:19 pm ET

Excerpts from speeches and statements by new Israeli Foreign Minister Avigdor Lieberman, leader of the hawkish Yisrael Beitenu party:

"Without loyalty there is no citizenship."

"Only Lieberman understands Arabic."

- Lieberman campaign slogans for the Feb. 10 general election, widely seen as attacks on Israel's Arab citizens, who make up 20 percent of Israel's population of 7 million.

"Israel is under a dual terrorist attack, from within and from without ... and terrorism from within is always more dangerous than terrorism from without." — Address to a security conference near Tel Aviv, Feb 2.

"At the end of the Second World War, not only the criminals were executed at the Nuremberg trials, but also those who collaborated with them. I hope that this will be the fate of the collaborators in this house." — Speech to Israel's parliament, referring to Israeli Arab legislators who met political leaders of the violently anti-Israel Hamas. May 4, 2005.

"I stand at the head of the most diverse political party in the Knesset... I find it a bit rich to be called a bigot."

"I also advocate the creation of a viable Palestinian state."

- Excerpts from Feb. 25 article by Lieberman in the New York-based Jewish Week newspaper, in which he notes that his party's lawmakers include women, people with disabilities, a Druse Arab, a convert to Judaism and a religious Zionist.

"I will not be able to accept a situation in which Likud says that it will continue the political process (with the Palestinians) ... We will not give up on one millimeter of the Golan Heights. This must be said clearly. We want a right-wing government that will speak clearly and not stammer." — Lieberman on Yisrael Beitenu Web site. Jan. 28.

"If he wants to talk to us, he should come here, and if he doesn't want to come, he can go to hell." — Statement in parliament complaining that Israeli leaders frequently visit Egypt but Egyptian President Hosni Mubarak has never made a return visit to Israel. October 2008.

- [New Israeli government may be out of sync with US](#)



The new government taking power in Israel Tuesday supports expanded Jewish settlement in the West Bank and does not explicitly endorse an independent Palestinian state, a course that could put the country at odds with the Obama administration.

AP via Yahoo! News - Mar 31 7:45 AM

- [Israel not bound by Annapolis understandings: Lieberman](#)

Israel's new ultranationalist foreign minister said Prime Minister Benjamin Netanyahu's right-leaning government would not be bound by U.S.-backed understandings on a **Palestinian state** reached in 2007.

Reuters via Yahoo! News - Apr 01 7:02 AM

The White House however stood firm towards the Armageddon hopes of our Alter Egos which evangelical endtime prophets hope to happen in our days on the soil of Israel. Because the White House stood in the way of such cleansing wishes by our alter egos our traumatic wishes were projected on Obama. Therefore his reputation rapidly deteriorated and regicidal wishes emerged³.

- [US stands firm on Palestinian state](#)

The US is committed to a two-**state** solution to the Israeli-**Palestinian** conflict, the White House has said.

ITN via Yahoo! UK & Ireland News - Apr 01 10:05 AM

Beside of the Mideast hot spot another one emerged in Pakistan:

³ You find observations and discussions on regicidal wishes which are directed towards Obama in the US psychohistorical discussion list "realpsychohistory" (<http://groups.google.com/group/realpsychohistory>)

• **Pakistan MPs urge President to endorse sharia deal**



ISLAMABAD (AFP) - **Pakistan's parliament** on Monday passed a resolution urging the president to endorse a controversial deal for Islamic law in **Swat** that has sparked alarm about emboldening Taliban hardliners.

...

"We are committed to implement the system and the whole nation should support it," he added before the regulation was **unanimously approved by a voice vote among those lawmakers in the chamber.**

Karachi-based Muttahida Qaumi Movement, a member of the coalition, abstained.

"We have our apprehensions, we will not take part in the vote," said MQM leader and cabinet minister for overseas Pakistanis, Farooq Sattar.

Thousands of Taliban followers spent nearly two years waging a terrifying campaign to enforce sharia law in Swat -- beheading opponents, bombing girls' schools, outlawing entertainment and fighting government forces.

...

AFP via Yahoo! Canada News - Apr 13 10:55 AM

• **Taliban move to expand control in NW Pakistan'**



Taliban militants in Pakistan's Swat valley have moved into another district in a bid to broaden their control despite a peace deal, officials said Wednesday.

AFP via Yahoo! News - Apr 21 10:20 PM



Wed Apr 22, 5:48 AM ET

Pakistani Taliban, seen here in Tarran in the northwestern Swat valley in 2008. Taliban militants in Pakistan's Swat valley have moved into another district in a bid to broaden their control despite a deal designed to end extremist violence, officials said Wednesday. (AFP/File/Chand Khan)

- [Pak deploys troops to areas overrun by Taliban](#)



Pakistan on Thursday deployed paramilitary troops to northwestern districts infiltrated by Taliban militants, as global concern mounted over Islamabad's ability to rein in the Islamists.

AFP via Yahoo! News - Apr 23 5:09 AM



Thu Apr 23, 11:23 AM ET

Armed Pakistani Taliban gather at a hideout in the semi-autonomous tribal district of Orakzai on April 22. Pakistan on Thursday deployed paramilitary troops to northwestern districts infiltrated by Taliban militants, as global concern mounted over Islamabad's ability to rein in the Islamists. (AFP/Rehman Ali)

YAHOO 090429, 01:38 AM ET

Pakistan troops battling Taliban take key town

AP - 5 minutes ago

ISLAMABAD - Pakistan's army says troops sent to counter a Taliban push toward the capital of Islamabad have taken a key town.

Although the Pakistani military was able to push the Taliban out of the SWAT region worries concerning the security of the Pakistani nukes remained alive:

YAHOO NEWS 090504, 01:08 AM ET

US concerned about Pakistani nukes: report

20 mins ago

WASHINGTON (AFP) – Faced with a surge of Islamic militant activity in Pakistan, the US government is increasingly concerned about the potential vulnerability of the country's nuclear arsenal, [The New York Times](#) reported.

Citing unnamed officials, the newspaper said the administration of President Barack Obama is worried about the potential for militants to snatch a weapon in transport or to insert sympathizers into laboratories or fuel-production facilities.

The officials emphasized that there was no reason to believe that the arsenal, most of which is deployed south of Islamabad, was facing an imminent threat, the report said.

But the United States does not know where exactly all of Pakistan's nuclear sites are located, and its concerns have intensified in the last two weeks, after Taliban fighters entered Buner, a district just 60 miles from the capital, the paper said...

The Mideast and the Pakistani hot spots were the 2 main factors responsible for the first upswing of stock prices since Mar 6, 2009 which lasted until Jun 5. Followed a temporary downswing of stock prices until Jul 8. The interruption of the upswing was caused by the consequences of Obama's Cairo speech on June 4. I regard these consequences as Obama's biggest success until then.

In his Cairo speech Obama was able to convince many Arabs in many nations that he would respect justified Arab interests. This had the effect that the irrational Ahmadinejad regime of Iran and terroristic organisations like the Taliban, Al-Qaeda, Hezbollah and Hamas immediately lost legitimation among the Arab people of their country or among the whole Arab world. We could see this first in Lebanon: On June 9 the "parliamentary election results were an unexpected defeat for Hezbollah and its allies, Iran and Syria."⁴ Shortly afterwards our alter egos were frightened because legitimation for the fight against the Taliban among the Pakistani people was on the rise:

- **Pakistan public opinion turning against Taliban**

at AP – Thu Jun 11, 7:24 pm ET



ISLAMABAD - The footage was chilling — a woman crying out in pain, held face-down on the ground, as a man with a long beard flogged her in front of a crowd...

Even more important was the presidential election in Iran on June 13. Soon it became obvious that the irrational Mullah regime had been defeated and was trying to turn an electoral defeat into a victory by voting fraud. So the Ahmadinejad government which before had been popular among the broad population in virtually all Arab nations had lost its influence on the hearts of the Arab masses:

YAHOO Jun 23

Iran's Crisis Posing a Problem for Its Mideast Allies

For years, opinion polls have found Mahmoud Ahmadinejad to be the most popular leader among ordinary Arabs who decry their own rulers' authoritarianism and impotence. Iran's election debacle could dim his appeal

The following quotations give an impression of the importance of this:

Arabs largely silent on Iran election and unrest

at AP – Wed Jun 17, 4:23 pm ET

CAIRO - Key Arab nations have kept silent about Iran's political upheaval, possibly reluctant to antagonize the powerful nation that sponsors such militant groups as Hezbollah and Hamas.

The effects of the Cairo speech did not have the same sweeping effect in Afghanistan and in tribal Pakistani areas as in Iran and in modern Pakistani areas. So the social basis of the Taliban remained intact in some places. The Taliban and the rational forces started to develop a decisive confrontation battle. In the beginning the insurgents had some spectacular successes and the security of the Pakistani nuclear weapons was questioned again:

⁴ The New York Times, Jun 12 2009

- [Insurgents target NATO HQ in Kabul as vote looms](#)

AP – Sat Aug 15, 6:14 pm ET



KABUL - A suicide car bomber struck near the front gate of NATO headquarters in Kabul on Saturday, killing seven people and wounding nearly 100 in a brazen daylight attack less than a week before Afghanistan's landmark presidential election

- [17 dead as suicide blast targets Kabul's Indian embassy](#)

A massive suicide car bomb struck outside the **Indian** embassy in Kabul on Thursday, killing **17** people and injuring 63 more, most of them civilians, in an attack claimed by **Taliban** militants.

AFP via Yahoo! Singapore News - Oct 08 10:24 AM

- **Sat Oct 10**

- [Brazen gunmen attack Pakistani army HQ](#)

Reuters – 23 mins ago



RAWALPINDI, Pakistan (Reuters) - Suspected Taliban gunmen wearing army uniforms attacked the Pakistani army's headquarters on Saturday, killing six soldiers and taking up to 15 hostages after a gun battle, military officials said.

- [Security of Pakistan nuclear weapons questioned](#)

AP – Mon Oct 12, 9:52 pm ET



ISLAMABAD - An audacious weekend assault by Islamic militants on Pakistan's army headquarters is again raising fears of an insurgent attack on the country's nuclear weapons installation. Pakistan has sought to protect its nuclear weapons from attack by the Taliban or other militants by storing the warheads, detonators and missiles separately in facilities patrolled by elite troops.

Finally the Pakistani army launched an offensive in South Waziristan which is a stronghold of the Taliban and Al Qaeda.

Sat Oct 17

[Intel: Offensive starts in Pakistan tribal area](#)

AP – 45 mins ago

ISLAMABAD – Pakistan launched a much-awaited ground offensive in the al-Qaida and Taliban stronghold of South Waziristan early Saturday, officials told The Associated Press, **the toughest test yet in the nuclear-armed U.S. ally's struggle against militants aiming to topple the state.**

If the Obama administration holds the rational line towards the Arab world the rational parts of the Pakistani army might be able to prevail in the army and the inhabitants of Waziristan might dare to side with the state:

Refugees don't think Pakistan's anti-Taliban efforts are serious

By Saeed Shah, McClatchy Newspapers Saeed Shah, McClatchy Newspapers
Thu Oct 22, 6:16 pm ET

DERA ISMAIL KHAN , Pakistan -- **The Pakistani army's latest offensive against the Taliban in South Waziristan , probably the country's most significant anti-terror operation since 2001, so far has failed to convince residents of the frontier area that the state is finally determined to wipe out the Islamic extremists...**

"We cannot fight alongside the army because my people do not yet know whether the army and the Taliban are friends or enemies," said Mohammad. "When we see the army crush them (the Taliban), then we'll believe."

Three times in the past, the army has agreed to a ceasefire and peace terms with the Pakistani Taliban in South Waziristan . Each time, the Taliban took bloody revenge on those who'd sided with the state...

On Oct 9 Obama won the Nobel peace prize. This had the effect that hate mongers like Rush Limbaugh lost reputation, that the administration was able to defend against unfair journalism in Fox TV and hope may have emerged that the bullying by the Representative Joe Wilson in Congress might have been a peak of the demonization campaign against Obama.

YAHOO 091009, 05:46 AM ET



AP

In a surprise, Obama wins Nobel Peace Prize

AP – 30 mins ago

OSLO – President Barack Obama won the 2009 Nobel Peace

YAHOO 091009, 11:41 AM ET

Limbaugh: 'Greater embarrassment' than losing Olympics



Conservatives pounced on the the Nobel Prize committee's decision to award President Barack Obama the Nobel Peace Prize, with talk-radio host Rush Limbaugh calling it a "greater embarrassment" than losing the Olympics.

"This fully exposes the illusion that is Barack Obama," Limbaugh told POLITICO in an e-

Waning reputation of Limbaugh?

[Colts owner Irsay opposes Limbaugh bid](#)

Rush Limbaugh's bid to buy the St. Louis Rams ran into opposition within the NFL on Tuesday, when Colts owner Jim Irsay vowed to vote against him and commissioner Roger Goodell said the conservative commentator's "divisive" comments would not be tolerated from any NFL insider. "I, myself, couldn't even consider voting for him," Irsay said at an owners meetings.

Yahoo! Canada Sports - Oct 13 11:13 AM

[Limbaugh dropped from group bidding for St Louis Rams](#)

Controversial conservative talk show host Rush Limbaugh has been dropped from a group trying to buy the St. Louis Rams after several black NFL players objected and the league commissioner weighed in against Limbaugh's "divisive comments."

Reuters via Yahoo! News - Oct 14 8:37 PM

Gocomics.com, Lisa Benson, Oct. 19, 2009



Peak of demonization in congress?

'You Lie!' worth \$2.7M for Wilson

By: [Jonathan Allen](#)

October 15, 2009 10:11 PM EST



The words "you lie!" earned Joe Wilson a resolution of disapproval on the House floor last month. *Photo: AP*

The words "you lie!" earned Joe Wilson a resolution of disapproval on the House floor last month.

But the **outburst** has certainly had its upside, **netting him \$2.7 million in third quarter political donations -- with most of the money raised after his Sept. 9 outburst**, according to **Federal Election Commission reports filed Thursday evening.**

On Oct 29 a political success for the demonized president appeared on the horizon:

YAHOO Oct 29 09:11:55 am ET



Pelosi: New health care bill is 'historic moment'

AP - 26 mins ago

WASHINGTON - After months of struggle, House Democrats unveiled sweeping legislation Thursday to extend health care coverage to millions who lack it and create a new option of government-run insurance. A vote is likely next week on the **plan patterned closely on President Barack Obama's own.**



AP Associated Press Wed Oct 28, 12:13 PM ET

President Barack Obama, accompanied by House Speaker Nancy Pelosi of Calif., waves as he leaves the Rotunda on Capitol Hill in Washington, Wednesday, Oct. 28, 2009, following a ceremony where former Massachusetts Sen. Edward Brooke received the Congressional Gold Medal.

All these rational advances were endangered or annihilated when on Oct 31 Hillary Clinton appeared together with Netanyahu and called Israeli concessions "unprecedented".

Clinton calls Israeli concessions 'unprecedented'

AP - Sun Nov 1, 12:40 am ET



- JERUSALEM - U.S. Secretary of State Hillary Rodham Clinton said Saturday that Israel is making "unprecedented" concessions on West Bank settlement construction — a position clearly at odds with the prevailing Palestinian view



AP Associated Press Sat Oct 31, 5:48 PM ET

U.S. Secretary of State Hillary Rodham Clinton, right, and Israeli Prime Minister Benjamin Netanyahu react during a press conference in Jerusalem, Saturday, Oct. 31, 2009. U.S. Secretary of State Hillary Rodham Clinton says Israel is making 'unprecedented' concessions on West Bank settlement construction. The U.S. administration had previously demanded Israel halt all settlement building before negotiations could resume. But speaking at a joint press conference with Israeli Prime Minister Benjamin Netanyahu on Saturday, Clinton said **there has never been a precondition. It has always been an issue with negotiations.**

This probably strengthened the position of Arab extremists like Ahmadinejad and weakened rational Arab forces. It also should have weakened the position of Obama:

Gocomics.com, Ken Catalino, Nov 12, 2009



Lloyd DeMause on Nov 30 made the following posting in the psychohistorical discussion list "realpsychohistory":⁵

President Barack Obama has been getting 30 death threats per day.

(CNBC 11/30/09)

The White House so far has not confirmed the policy change of Hillary Clinton. So Obama did not make a public appearance with Netanyahu when the two politicians met on Nov 9:

Obama, Netanyahu meet on Mideast crisis

AFP via Yahoo! News - Nov 09

WASHINGTON (AFP) - US efforts to revive the Middle East process floundered Tuesday with no progress reported after closed door talks between President Barack Obama and Israeli Prime Minister Benjamin Netanyahu.

Netanyahu left the White House after spending an hour and forty minutes inside, without making the customary public appearance with the US president.

The struggle between the rational White House and irrational forces of the Democratic Party seems to go on however:

⁵ <http://groups.google.com/group/realpsychohistory>



AP Associated Press Sun Nov 15, 3:56 PM ET

Israeli Prime Minister Benjamin **Netanyahu**, left, California Governor Arnold Schwarzenegger, center, And Former U.S. President **Bill Clinton**, sit during the Saban Forum in Jerusalem, Sunday, Nov. 15, 2009

English Proofreading by Rudy Weiler (www.rweiler.ch).