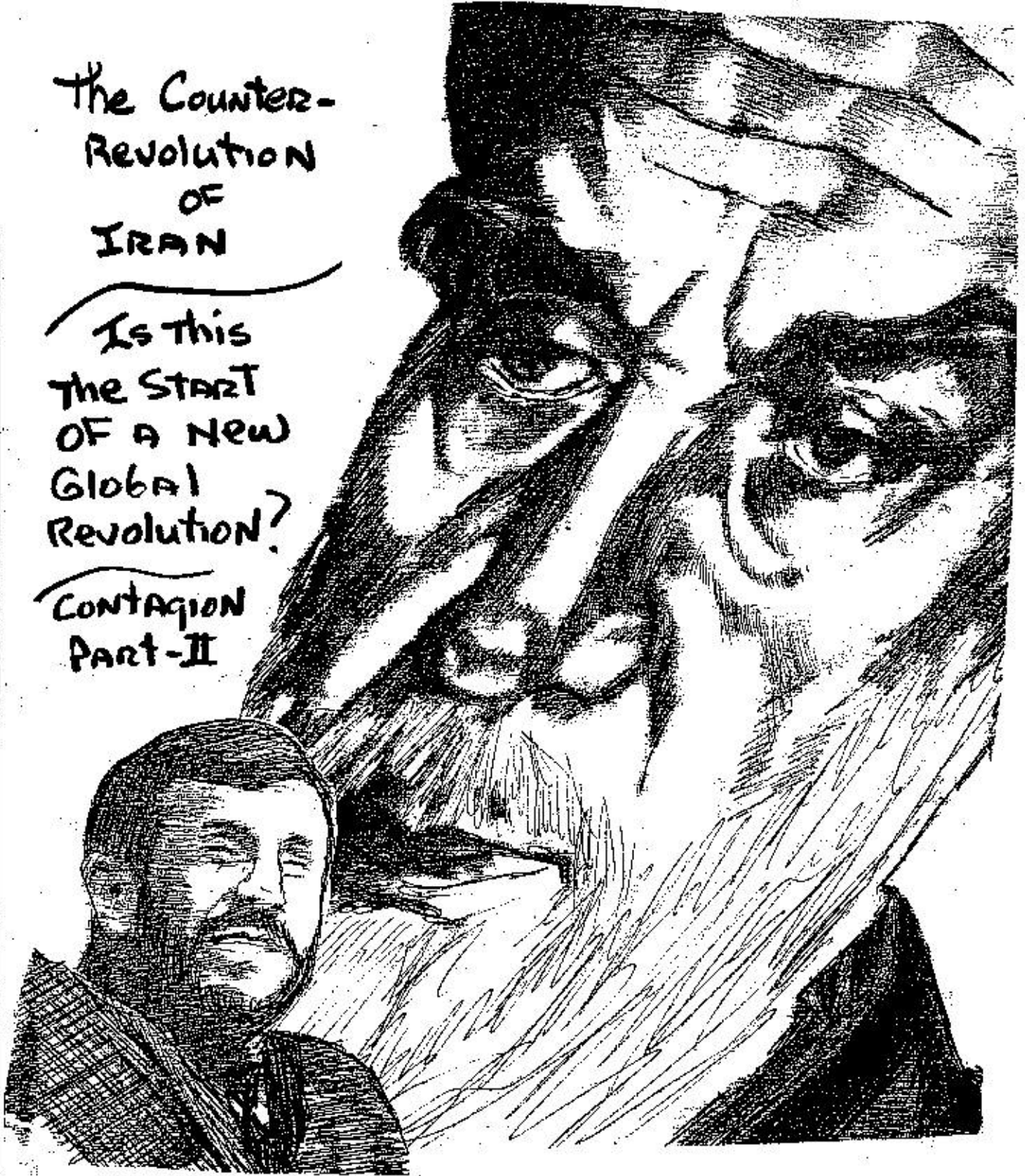


Armstrong Economics™

The Counter-
Revolution
OF
IRAN

Is this
The Start
OF A New
Global
Revolution?

CONTAGION
Part-II



Martin A. Armstrong
Former Chairman of Princeton Economics International, Ltd.

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Comments Welcome: ArmstrongEconomics@GMail.COM (Internationally)

the Counter - Revolution OF IRAN

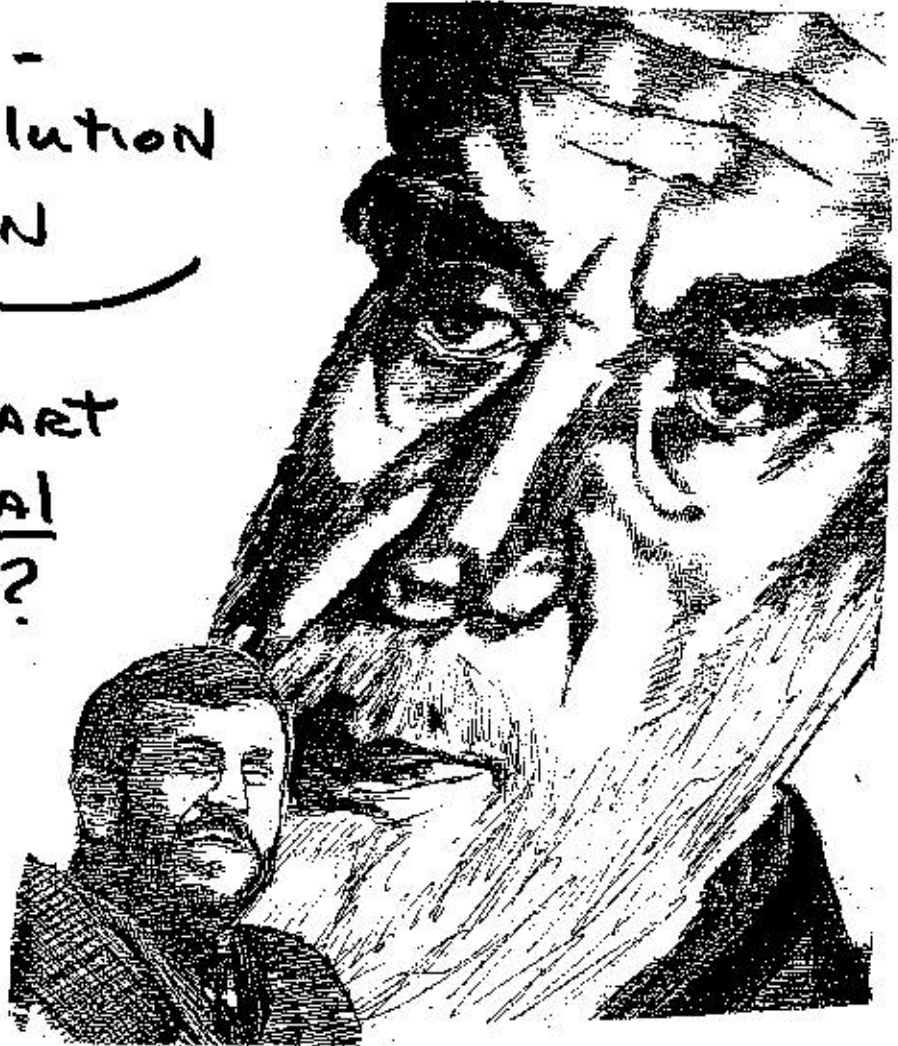
Is this the START
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Part
II?

June 26th, 2009

by: Martin A. Armstrong

Former Chairman of Princeton Economics International, Ltd.
and Foundation For The Study of Cycles



When the world watches the rioting in the streets of Iran, they see a unique and isolated event. Behind closed doors, governments start to tremble. Despite the fact that Iran is portrayed as a terrorist nation, no government enjoys a 100% support of its people. The highest support unfolds only when a nation is attacked such as Pearl Harbor. Where the United States was staying out of World War II, Japan's greatest mistake was to attack Hawaii for that is the only type of event that brings the various factions together.

Just as we are seeing a contagion in a global economic decline, the same takes place with revolution. We always see major wars take place and civil war on a global scale. For example, it was the American Revolution that gave hope to the French and thus their uprising quickly followed. We see the same trend took place concerning the English civil war spread like a contagion to Russia. Civil War in particular, is caused by human discontent.

A student of history will begin to notice that events of civil unrest are often global. However, such events are also preceded by economic stress and/or depression. In Iran, the managed economy by the Supreme Leader is a devastating model for it is inherently Marxist. High priests are incapable of managing an economy and might be even worse than politicians. Nevertheless, why the news focuses on Iran as a isolated local event, it is an Event Horizon.

A

n Event Horizon is what I define as the dawn of a new Contagion that gives birth to a new age. The Founding Fathers of the United States saw precisely this type of Event Horizon in their actions to change the way the world had functioned under the rule of monarchy. They inscribed their belief in a Latin saying on the reverse side of the Seal of the United States. That phrase was "novus ordo seclorum" meaning a new cycle of the ages. For you see, they did understand the effect of their actions because they studied history. Thomas Jefferson, who was in France during the construction of the Constitution, had sent back a trunk full of books on Rome and Greece to provide as a guide for creating such a new age - and Event Horizon. He knew well to draw upon the lessons of the past to give birth to a new future. Thus, he relied upon the models of both the Athenian Democracy, but perhaps more so on the Roman Republic.

In Poland, we find a new vibrant rising force beginning in the shipyards that began in 1980. This led to Gierak's resignation in September and by December 40 trade unions had formed all sparked by rising prices and the economic contraction, that was set in motion by the abandonment of the gold standard back in 1971. This movement finally led to the democracy being restored in Poland in 1989. This contagion swept through the entire eastern block of Russian European states. Lithuania declared independence March 11th, 1990. Latvia followed Lithuania's lead and survived January 1991 military crackdown by Gorbachev and declared independence formally after the failed military coup of August 1991.

After the uprising in Hungary of 1956 and the Russian invasion on November 4th,

eventually the timing was right in 1989 and Hungary opened its border with Austria that was thereafter followed by the withdrawal of Soviet troops from Czech Republic in 1990 known as the "Velvet Revolution" compared to the Soviet invasion and crack-down of 1968 known as the "Prague Spring."

Civil War and unrest is always a major global contagion. 1989 was an eventful year as significant in the history of man and his perpetual struggle against governments with Tiananmen Square erupting on June 3-4 that began as student demonstrations mourning the death of Hu Yaobang in April. East Germans escape through Hungary causing the Berlin Wall to come down in October. We even see that in 1861 in line with the American Civil War, Alexander II abolished serfdom in Russia. These things are always a contagion.

Religion Meets Internet Communication

The West is in shock for two primary reasons over the rising counter-revolution taking place in Iran. First, Iran is the enemy of the religious right in the United States that to me are no different than their enemies. Both seek to use political power to force religious customs upon others. Both believe that the fundamental right to Freedom of Religion, means that when they are in power, they have the "freedom" to do as they please. The extreme religious right in the good old United States are an equal threat to liberty. They are the Christian Taliban and all one needs do is look at history when Oliver Cromwell (1599-1658) led the major English religious civil war and became "Lord Protector" replacing the king's image on coinage with his own. He made kissing your wife in public a felony. Outlawed even Christmas and enlisted spies to look into your home to ensure you were not having a feast. And he outlawed all sports, because they led to cursing. These types of people portray God as vengeful, hateful, and eager to torment you. Their God is not one of compassion, love, or respect. This image serves their purpose because they want to abuse anyone who dares disagree with them. The shock of the Christian Taliban is that they have been responsible for the demise of the Republican party in a clear backlash against their designs to create a religious state, and that if Iran did fall, who will be there for them to hate and rally the people to their will?

Our religious right might not speak in labels of "Holy War" as do the extreme right in Islam, but their rhetoric is no less vitriolic. Always just look at the actions, don't bother listening to the verbage to see the truth. The extreme religious right would create world war III if they could because they believe it is God's will, so we might as well get on with it. Even Napoleon had those visions and many saw in Stalin, Hitler and Napoleon, the long awaited anti-Christ. They have portrayed off camera this same image of the leaders of the extreme right in Islam. Some in the Republican camp have become so entrenched in their vitriol that they have lost all sight of a middle ground. One listens to their very critical words of Obama trying to reach out stating he is a citizen of the world, proclaiming they are not, for they are an exclusive American citizen! Does that mean that they owe nothing to the world since they have some divine right to dictate to the world what they shall do but will not listen in return? That is not a position of liberty, but tyranny. We have no more right to dictate to the world than does any other nation to dictate domestic policy in the United States. We are all citizens of the world, and if we claim we are not, then withdraw all of our troops and adopt isolationism. We cannot have it both ways.



Former VP - Dick Cheney

**The Founding Fathers Who Wrote The Constitution
Understood the Importance of Freedom of Religion
And Secured that in the First Amendment**

Secondly, the importance of this new counter-revolution in Iran is showing the power of the new age of communication that has been created by the Internet. Iran has shut down the press, but the people are using the Internet to show the world what is going on. Additionally, it is allowing the young protestors to organize and communicate faster than the government can respond.

We are on the edge of a new and dynamic global revolution that is still waiting in the wings. About half the population in Iran are born after the 1979 Revolution. They had no voice in selecting this type of government that is controlled at the top by the hard-line religious leaders where the very appropriate title has been used - the **Supreme Leader**.

What we are watching is the dawn of a new global revolution that is beginning to emerge against the old

ideas that have trapped us for about 224 years. The American Revolution was against the old way of government headed by monarchy and that spread throughout the world. Not only did we see monarchy collapse in Europe with even the English taking all real power away from its monarch, but this revolution was eventually followed in Russia in 1917 on the back of Marxism, and then in China.

We underestimate the "contagion" effect and wrongly believe this is a modern phenomenon created by newspapers and now even the Internet. However, the Roman Republic was born when they overthrew their Tarquin king in 509BC and we find 1 year later, democracy appears in Athens, 508BC. What we are seeing live right now, is that the speed has been able to increase the "contagion" and this effects the potential for revolution to even spread around the world faster.

What we are dealing with is 30% rates of unemployment, depreciating currency values in the double digits, having extinguished the hopes of a secured economic future in Iran.

The important aspect of the key model I have discovered back in the 1970s, is that the complexity is astounding. Mankind has been unable to cross into the new world that awaits this brewing revolution on a global scale, largely because we refrain from allowing ourselves to think and see the real world in a inter-connected way of amazing dynamic relationships. Everything does matter and we are truly citizens of the world because we all do interact and have effect upon each other.

This counter-revolution in Iran is giving the military vision of sheer panic. You can bet that they will come up with ways to cut the Internet to preserve power for the government. Do not think that the United States is any exception. I personally wrote to John McCain and informed him I was being tortured and held with no

statutory authority for my arbitrary imprisonment. Guess what? American politicians make a lot of noise about the world, but do nothing to protect our own citizens. Even the American held in Italy, they pretended it was unreasonable to hold her for one year with no charges? Try 7 years Mr. McCain. Or just announce to the world and be honest that if you work for a corporation in the United States, the government position is you forfeit all personal rights because the corporation has none! Tell the truth!

The old age of Marxism is collapsing, and do not think that just because there is a change of the label to "New Progressives" that this will alter the outcome. The system of state dominance and dictatorial powers over our economic future with no link to economic sanity, is on a precipice of sheer collapse.

The Counter-Revolution in Iran Is it on time?

Like everything else, even religion beats to the drums of nature's cyclical essence. The Islamic Revolution that unfolded in Iran, took place in 1978. The rising demands for a restoration of a real separation between church and state have come to the surface in the political elections that took place in Iran. We tend to believe that nations are of one mind. We label them as corrupt or terrorist as if everyone inside were the same. What we are being reminded of, is that there are always two sides to politics no matter what country we look at, and by far Iran is no different. Princeton Economics International was asked to create a political model for Iran in 1985. The group asking for that model was the Counter Revolutionary Army of Iran. They had the backing of the West, and to my surprise, when I first met with them, they appeared to be Irish to me, with white skin and red hair. Ruth from the Bible was also supposed to have been a red head. Those who were the native Persians, were not of Arabic stock. The creation of that model was extremely interesting because its scope had to begin with Cyrus II, The Great (550-529BC) who was perhaps the first great organizer of Government whose models established our concept of government even today.

If we take the 1978 Revolution and add $\pi * 10$ in years, we arrive right on time with 31.41 years bringing us to this very moment in 2009. As the signs of revolution were rising in 1978, we are once again seeing the rise of the wind of discontent in Iran. Those in power will not allow a political loss. Just like Dick Cheney keeps running to the press revealing that in fact he was the real President, not Bush, power can be an addictive drug impossible to leave.

What our computer model showed back in the mid 1980s was that there was a inherent power characterized within Iran that suggested the only possible change was in fact by force. There is zero chance that we will see any sort of a democratic change in government. What we are likely to see, is a rising discontent and a high probability of at least a new civil war. This is also why we had a 2nd Amendment to allow citizens to own guns, to prevent government massacres.

The Two Forces in Islam

Many in the West either do not know there are two major groups of Islam, or what actually constitutes the difference. The distinction that runs deep in Islam between the Sunnis and the Shiites is historical in its nature. Just as there are fragments within Christianity that began between the East and the West with the split of the Roman Empire that was later hit in the West by the Protestant Reformation creating a cascade of variations, Islam has its variety as well, but it profoundly centers between the Sunnis and the Shiites.

Unknown to most in the West, there are actually also intermixed with these Islamic nations, Christians who if by their sheer number, exceed the total amount of Jews in the world. So you see, looking behind the scenes of headlines sometimes yields a slightly different picture.

During Sixth Century is when the prophet Muhammad emerged. He died on June 8th, 632AD. The clash that began upon his death has resulted in a major philosophical difference between the two main groups of Sunnis and Shiites. The clash concerned who shall be the new leader? At first, there were four "Right Guided" Caliphs, or successors, Abu Bakr (632-634AD); Umar (634-644AD); Uthman (644-656AD); and Ali (656-661AD).

Ali was faced with a power struggle that rose between the new powerful Syrian Government and his own people. In 661AD, Ali was assassinated by a Kharijite soldier while he was on his way to pray at a mosque. It was the followers of Ali that rose up and have become known as the Shiites who claimed a divine right of the family of Muhammad to reign. When the majority disagreed, this set in motion the struggle that continues today.

Ali was a cousin of Muhammad and married Fatima, who was the daughter of Muhammad and Khadija. The Shiites saw Ali as part of the family of Muhammad and thus was the legitimate heir.

Some believe that Ali was assassinated because he was too weak as a leader. Upon his assassination, his son claimed leadership, Husayn. The people of Iraq called on Husayn to lead, and he accepted. However, at Karbala in the year 680AD, while Husayn was on his way from Medina, he and his family were all killed by the forces of Yazid, who sought the leadership himself.

The deaths of Husayn and his family are the source of the true passion within Shiites, and they believe that their deaths have paved the way to paradise. Yazid had ordered that his family was to be killed first so he might watch. Then, the head of Husayn was sent to Yazid.

While there are subgroups even within the Shiites, the primary distinction seems to be the joining of church and state. The Sunnis are more western in nature insofar as they see a separation between the church and state.

Shiite Muslims are actually a minority and account only for about 10% of the whole Muslim world. However, their center is no doubt Iran and ironically control about half of the oil in the Middle East.

The class between Sunnis and Shiites lies in the fact that Yazid was a Sunni. He was later killed upon his capture by being torn into two parts.

This is the religious background that cannot be either pushed aside or given full expression within this brief account. What is central is that there is little philosophical difference from the extreme right Christians. Both of these religious groups believe that they have the right to use political power to force their will upon the rest of the world. This is the true enemy of all freedom for these are the people who see God as a hatefully vengeful and intolerant supreme ruler. This conflicts with the teachings of not only Christ himself, but many others around the world not the least of which was Buddha.

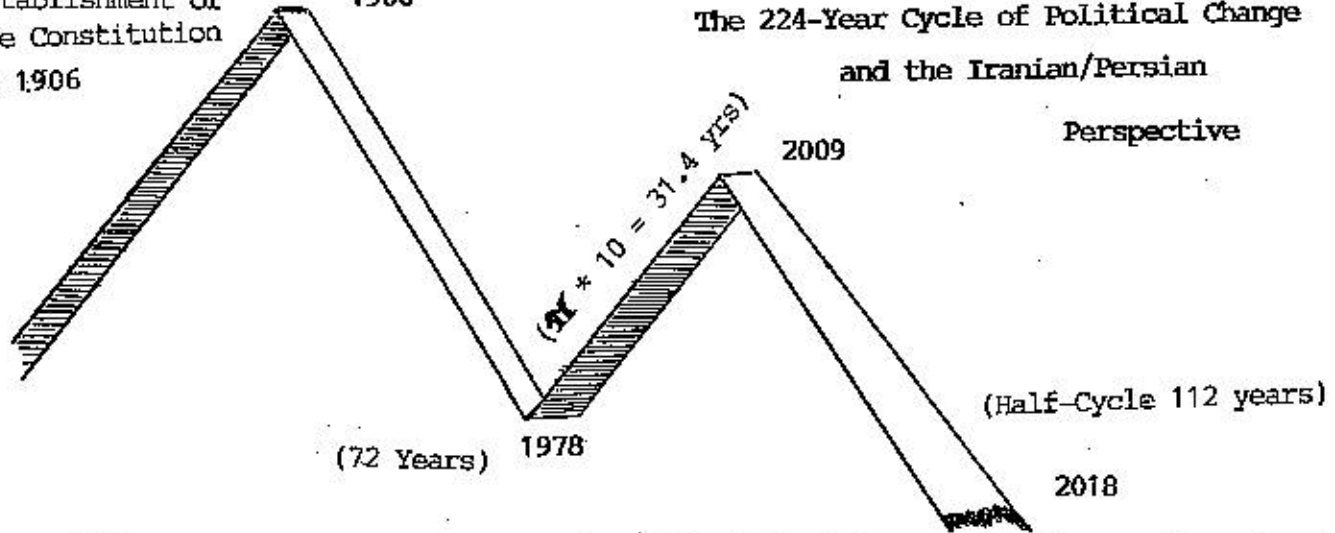
What we are facing is a repeat of history where Christianity went crazy under Cromwell and this seems to be a time rising within Islam. Minorities will eventually rise against oppression for it is only a matter of time.

Establishment of
the Constitution
in 1906

1906

The 224-Year Cycle of Political Change
and the Iranian/Persian

Perspective



The Cycle of Political Change & Iran

Iran has a rich history that has contributed much to western society. Its origins lie truly with **Cyrus II The Great** (590-529BC) whose conquests formed one of the great empires of all time that was the rival to Rome and was in reality, the first "cold war" that created a military stand-off with Rome. In fact, under the Parthian historical period, it defeated **Marcus Licinius Crassus** (115-53BC) who was one of the triumvers with **Julius Caesar**. He was defeated in 54BC during the Reign of **Orodes II** (57-36BC) who some say drank from the skull of **Crassus**. Rome did not retaliate. Under the reign of **Shapur I**, he defeated and captured the Roman Emperor **Valerian** in 260AD. Some say he had him stuffed as a trophy. Others claimed he died under a sentence of life imprisonment. So when we look at Iran, we see a vibrant history of unprecedented lineage.

I have shown in previous issues that the 72 Year cycle of extreme volatility has always followed the 224 year cycle of Political Change. If we look at 44BC and the death of **Caesar**, it took two 8.6 year cycles to kill all rivals and flush the Roman Republic clean of its corrupt Oligarchy and that brings us the birth of Imperial Rome in 27BC with the rise of **Augustus**. Then the half cycle of 112 years from the death of **Caesar**, and we come to the death of **Nero** and the beginning of the next Civil War in 68AD and the end of the Julian-Claudian blood line. Go to the next top 112 years later and we come perfectly to 180AD and peak of Roman Empire with **Marcus Aurelius**. Add 72 years and we come to the economic crisis that began in 252AD that was the whole reason why Christianity spread when people prayed to their gods, and nothing happened. The Iranian Persians were then followers of Zoroastrianism that was a belief in one God. The wisemen of the

nativity in Christianity were believed to have been from Iran of the Zoroastrian faith. However, it was not until **Ardashir I** (224-241AD) who made Zoroastrianism the state religion officially. This set the stage for **Constantine I** adopting Christianity precisely on a half-cycle from there of 112 years.

Looking to the next cycle top in 404AD, and the emergence of **Attila the Hun** (406-453 AD) who was called "The Scourge of God." He even demanded the sister of the Roman Emperor in the West in marriage, **Honorius** (395-423AD). Add 72 years again and we come precisely to 476AD and the last Roman Emperor in the West **Romulus Augustulus** (475-476AD).

I have shown the cyclical turning points for China and Russia. If we look at 72 years from those revolutions, we come precisely to the demise of Communism in 1989, after about 20 years of rising inflation in the West. The next turning point is 2010 (31 x 10). Even 72 yrs from 1789 brings you to 1861 US Civil War.

I have been asked many times at various lectures around the globe, why are these timing intervals so regular? There is truly an amazing degree of complexity that takes into account everything that moves. There are effects introduced by weather. Others are introduced by disease and population growth and of course, economic survival.

Nevertheless, make no mistake about it, there are also generational effects. This is what I believe the major Economic Confidence model wave of 51.6 years exists. This also has the tendency to mark the passage of the reigns of power from one generation to the next.

Part of what we are witnessing right now is shocking to governments around the world. The degree of communication that is taking place among the youth who are out in full force is illustrating my point. I have listened to TV newscasters who joke that they can't even remember their passwords and have ignored the Internet for the most part. We have people in the 40-50s who are computer illiterate, and they are on TV reporting things they do not even understand.

This is becoming a global revolution and you can bet the politicians are scared to death. They will cheer the youth, but behind closed doors, they also know this could happen to them just as easily. You can manipulate the economic statistics all day and remove the chronic unemployed and simply say they no longer count because they have given up looking for a job.

We can manipulate inflation numbers to hide the truth just as we pretend to issue bonds and create more than \$10 trillion in debt, yet because we say that is not "cash" then it is not inflationary because we did not print that money.

Long-term trends take place in slow motion. The debt crisis a 10 year old could figure out the economy was doomed with a pocket calculator. We bullshit our people and ourselves so much, we have lost sight of all reality. This merely means that our day is also coming for reality will come crashing down around us and politicians will also live in fear.

Even if we look at the United States, add 72 years from 1789 and we come to the Civil War in 1861. Add $\pi \times 10 = 31.4$ years, and we come to the Panic of 1892 when the US suffered under "unsound finance" of the Silver Democrats creating the Economic Panic that led to sweeping political changes.

Not merely did the 1890s mark the age of deliberate inflation, but that policy led to virtually the bankruptcy of the US and that is when J.P. Morgan became famous for he led a consortium of banks to lend the US Treasury \$100 million in gold to save the nation from the brink of bankruptcy.

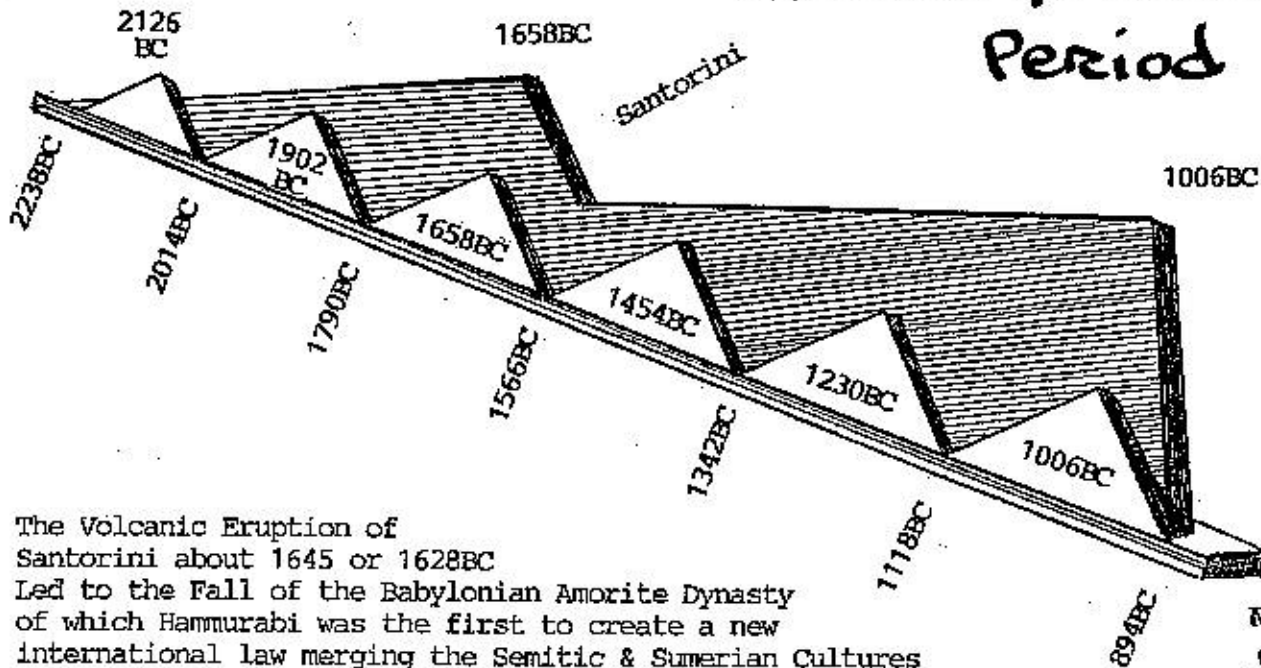
Don't forget that the half-cycle point was 1887 (112 years) and that is where we can begin to draw the line for the rise in the influence of Karl Marx. By 1917 we see Revolution in Russia. In Germany in 1918, and in America we begin with the Progressive movement that was anti-corporation creating the Sherman-Anti-Trust Act, the income tax in 1909, that was ratified in 1913.

The Marxist Revolution came 31 years after the mid-point of 1887, which was 1918. Add half that cycle again and we come to 1933, when Hitler and Roosevelt came to power.

Perhaps political events are like a cake. They just take precisely the same amount of time to cook. This may even be linked with weather and demographics.

The Islamic Revolution came 72 years after the forced Constitution of 1906 and the establishment of a National Assembly of the Mejlis. We find half a π cycle brings us to 1921 where there was a coup that brought Reza Khan to power in the face of famine (weather) and bankruptcy following World War I. His collaboration with Nazi Germany in 1941 led to his abdication and the assumption of power by his son, by the name Mohammad Reza Shah Pahlavi. This new change in government brought with it great modernization and westernization that in fact alienated the religious leaders, whose power was restricted. Violence erupted in late 1978 and the Shah declared Marshal Law on Nov. 6th, 1978. The Shah fled Jan 16th, 1979, and on Jan 31st, the religious leader in exile Ayatollah Ruhollah Khomeini returned & the US embassy was seized Nov. 4th, 1979.

The Babylonian Period



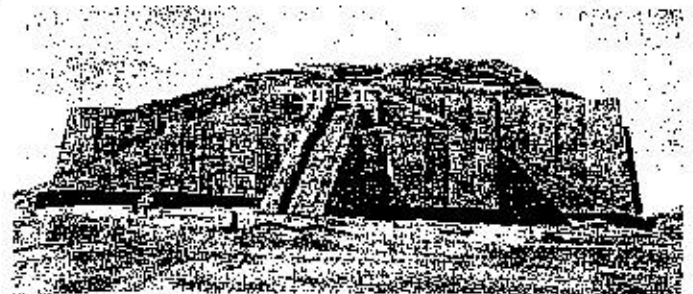
The Volcanic Eruption of Santorini about 1645 or 1628 BC led to the Fall of the Babylonian Amorite Dynasty of which Hammurabi was the first to create a new international law merging the Semitic & Sumerian Cultures

New Age of Greece begins about 750 BC

Before one can look at the history of Persia (Iran), we must also understand the context in which it came to rise as a major power in ancient times who we do remember with the Olympic Games and the running of the Marathon. That run was a messenger who ran 26 miles to let Athens know it defeated the Persians. The proceeding history is nearly as distant to the Persians at that time as no doubt they remain to our times. Nearly 3,500 years before the Persian conquest of Babylon in 539 BC by Cyrus II the Great (590-529 BC), there was a great city in Mesopotamia, the city of Ur founded during the 4th millennium BC by settlers from the north. There is even physical evidence of a great flood and this is the city that it is said Abraham lived during the 18th Century BC.

The city of Ur was Sumer the land of the Sumerian people. It was located to the SE of Babylon and became the first great city and the capital of Southern Mesopotamia. Tombs of the 1st Dynasty in the 25th century BC, show amazing wealth of gold, silver, bronze and semi precious stones. It appears that there was a belief in an after life so kings were buried with all their servants, court officials, and of course their women.

Babylon's rise actually comes late to the Mesopotamian period. It began as merely a suburb or province of Ur. There is actually no recorded mention of its existence before the 23rd century BC. It appears after the fall of the 3rd dynasty of Ur, there is a major invasion of the Semitic people that shifts the power to Babylon in 1894 BC. It is this new line of kings that bring new innovation and one of the famous kings Hammurabi.



City of Ur

The famous legal code of Hammurabi is actually the first international law code where it blends the concept of law of the Sumerian and the Semitic people. The region was previously two countries Sumer in the southeast and Akkad in the northwest. Because of the warring between the city states of Sumer, this allowed a window of opportunity for an invasion by Akkad whose city was Elam. Nevertheless, it was the Sumer culture that began the organization of government that became

possible with the invention of writing in what we call "cuneiform" today. Once writing was invented, there was a true explosion of economic innovation that led to the invention of the sailboat, potter's wheel, the seed plow, literature, history recording, music, and collectively we call this civilization.

The successors to the Sumerian and the Akkadians, was the Amorites who were a Semitic tribe that invaded Mesopotamia yet absorbed their culture including the invention of writing and recording what took place - history. This invasion about 1894BC, produces the new line of kings that begins with Sumuabum and explains the new international legal code under Hammurabi. It is the blending of the Sumerians and the Semites that prompts this first major legal reform in history.



Hammurabi

It was Hammurabi (1792-1750BC) who truly expanded the power of the city of Babylon. He expanded the new empire that also took parts of the north that became known as Assyria. We find that the new Amorite empire also lasts only one cycle. The peak came by 1670BC and then we find a 72 year decline into about 1598 BC that is marked by a new invasion of the Hittite King Mursil I who conquered Babylon deposing the last Amorite king Samsuditana around 1595BC. This allowed the mountain people east of Babylonia to now assume power known as the Kassites, who ruled for almost the next 400 years. The Kassites retained the invention of writing and published beginning the celebrated *Enuma Elish*, the Babylonian epic of creation.

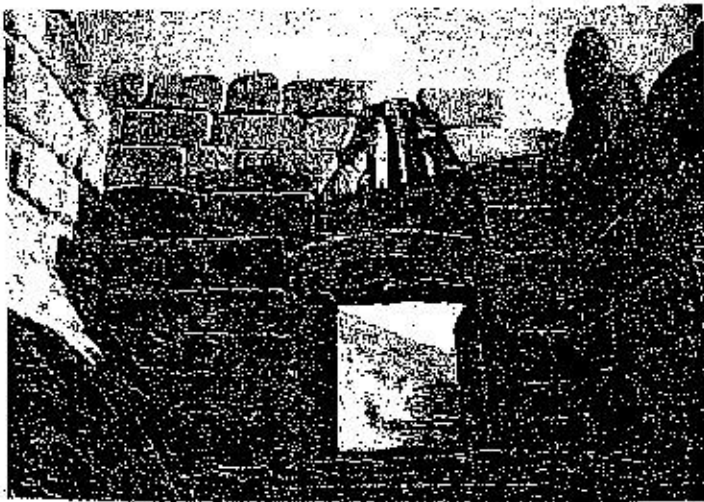
It was during the 14th century BC that Assyria had been a dependency of

Babylon and under the rule of the Kassites they now break away. This is the start of the Assyrian Empire with the appearance of their king Ashur-uballit I (1365-30BC). The Assyrians grow in power and become renown as ruthless warriors feared even by the Egyptians. However, the Assyrians were able only at first to invade Babylon and control it briefly. Their first great empire lasted but 224 years and crashed especially after the reign of Tukulti-ninurta I in 1208BC. The Assyrian had the comparative advantage insofar as they had vast resources of iron ore. They begin to recover under Tiglath-pileser I (1115-1077BC) who defeated the invasion of some 20,000 Muski.

But it was the return of the Akkadians from their city of Elam that had grown in wealth and power that conquered most of Babylonia ending the Kassite dynasty about 1157BC.

The natural forces that also played a significant role in the fall of this Babylonian empire to the mountain people known as the Kassites and the break-away of Assyria, was perhaps the greatest major volcanic explosion in the recorded history of mankind - Santorini about 1650BC. This is one of the other reasons for the complex history of man's economic adventures.

The Hittites were an Indo-European people who invaded Anatolia (modern Turkey) during the 2nd millennium BC perhaps after the Santorini explosion. By 1340BC, they had become a dominant power. After Santorini there was the old kingdom under Hattusilis I (1650-1620BC). While his successor Mursilis I invaded Babylon ending the Amorite dynasty around 1590BC, thereafter a civil war or power struggle appears and a Dark Age seems to take hold with the rise of a new kingdom generally between 1400-1200BC. It is the new kingdom that perhaps reached a very quick peak under Suppluliumas I (1380-46BC). Nevertheless, the savage warrior image is of this new kingdom post-Santorini where Muwatallia (1320-1294BC) attempted to rape and pillage Egypt. It was a great battle with Egypt defended by Seti I pharaoh of Egypt and Ramses II (1304-1237BC) the main pharaoh of Egypt of Biblical fame. Thereafter, Hattusilis III (1275-1250BC) enters a peace treaty with Egypt. However, the Hittite Empire falls to the "Sea Peoples" about 1193BC and we find the last vestiges of this culture died out by 710BC. It was this culture that created perhaps the first



Mycenae - The Lion Gate Entrance

concept that when a king dies, he becomes a god.

The **Santorini** event of about 1650BC no doubt effected agriculture that was the bulk of the economy in those distant days. Even the United States in the 1860s was still 70% agrarian, so we can see without the industrial revolution, there must have been a much higher concentration between 85-95% agrarian. It is after this event that we also see the emergence of the "Sea People" who were most likely the mainland Greeks. The famous empire of the Minoans, was surely wiped out by **Santorini**. But evidence has shown that despite popular belief, there appears to be a much wider international trade for the goods produced at Mycenae, the origin of true legend, the home of **Agamemnon**, whose goods have been found in Egypt, Syria, and Palestine. At the ruins of Knossos, we also find Greek written language known as **Linear B**. Clearly, trade helped to expand the invention of writing as well.

After the fall of the Kassites, the new Second Dynasty of Babylon brings to us another famous king. This is the **Isin Dynasty** of which its most famous king is **Nebuchadrezzar I (1124-1103BC)**. He defeats Elam and fights off the Assyrians for quite some time.

Upon the death of **Nebuchadrezzar I**, we find an all out struggle to control Babylon between now the Assyrians, the Arameans, and the Chaldeans. Between the 9th and 7th centuries, about another 224 years, we find that Babylon was controlled predominantly by the Assyrians.



Tiglath-pileser III

Under **Tiglath-pileser III (746-681 BC)**, Assyria is reorganized after a major revolt in 745BC. So what we see is the beginning of governmental structures for **Tiglath** created 80 provinces in 738BC and invented relayed communications that is eventually adopted by the Romans. It was a sort of pony-express where information travels quickly on roads - a primitive ancient concept of the internet using horses. However, despite this invention, precisely 112 years later (half-cycle), we come to the end of Assyria with the last king **Ashurbanipal (668-627/26BC)**.

The reigns of power now passed to the founder of a new dynasty known as the **Chaldean Dynasty** under **Nabopolassar** who made his seat of power Babylon in 626BC. It is his son that is of Biblical fame - **Nebuchadrezzar II (605-562BC)**, who was a great military leader expanding the scope of the Empire in 604 between June and December conquering Syria and Palestine. He even clashed with Egypt in 606-605BC, but took heavy losses. He returned to Babylon to rebuild his army and replace the many chariots. His father died on August 16th, 605BC.

Palestine took advantage of the loss to Egypt and where it had been conquered, it was merely a vassal state. Nonetheless, in 599/598 BC, **Nebuchadrezzar II** moved to regain control attacking the Arab tribes and then he turned against the Jews taking Jerusalem on March 16th, 597BC. He fought off an invasion from Elam (Iran) and put down a internal rebellion in 595/94BC. He again attacked Jerusalem 13 years later taking the city in August 586BC deporting the prominent citizens to work as slaves, and then the common people in 582BC.

Nebuchadrezzar II was clearly a key historical figure who was a brilliant tactician and a strategist. But he also furthered the concept of international diplomacy, sending an ambassador to try to mediate between the Medes of Iran and the Lydians in Asia Minor (Turkey).

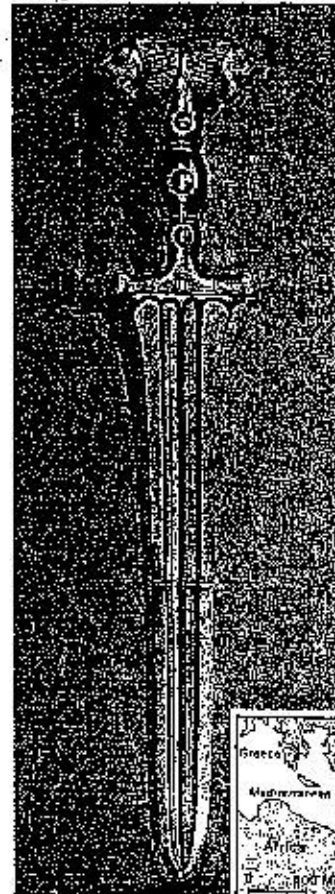
Babylon was rebuilt to its true fame under Nebuchadrezzar II. Not merely did he establish fortifications, he also made a great moat and a new outer defense wall. He created a paved ceremonial road known as the Procession Way made of white limestone, but he also created canals improving agricultural production. He viewed that Babylon was to be the greatest of all cities and disparaged predecessors who had built places other than Babylon. However, it should be noted, that the city of Ur was not a desert when built. The Euphrates river changed course and thus Ur lost its fertile lands. This may have been caused also by Santorini.

It was also Nebuchadrezzar II who built one of the Seven Wonders of the Ancient World - the hanging gardens of Babylon. Like the Taj Mahal in India, the Hanging Gardens of Babylon were also built for Nebuchadrezzar II's wife who was from Media (Iran) who missed the more diverse landscape and were intended to simulate the hills of Media. However, this could be only legend since there is no evidence either in the writings or in archaeological remains.

Nebuchadrezzar II dies in August or September of 561BC. The conflicts between Media and Lydia eventually led to the Persian conquest that would take even Babylon in 539BC just 22 years following his death. He was succeeded by his son Awil-Marduk who was succeeded in 556BC by Nabonidus (556-539BC), the last to rule before the Persian conquest. It was Nabonidus who more-or-less abandoned Babylon for Arabia and seems to have also devoted himself to the moon god Sin. He left his son Belshazzar as regent over Babylonia. Because of his abandonment of Marduk, the god of Babylon, the high priests clearly influenced the people so that when the Persians came, there was no real resistance and thus Babylon then fell to Iran and its Persians.

Achaemenian Dynasty

The Persian Conquest of Babylon



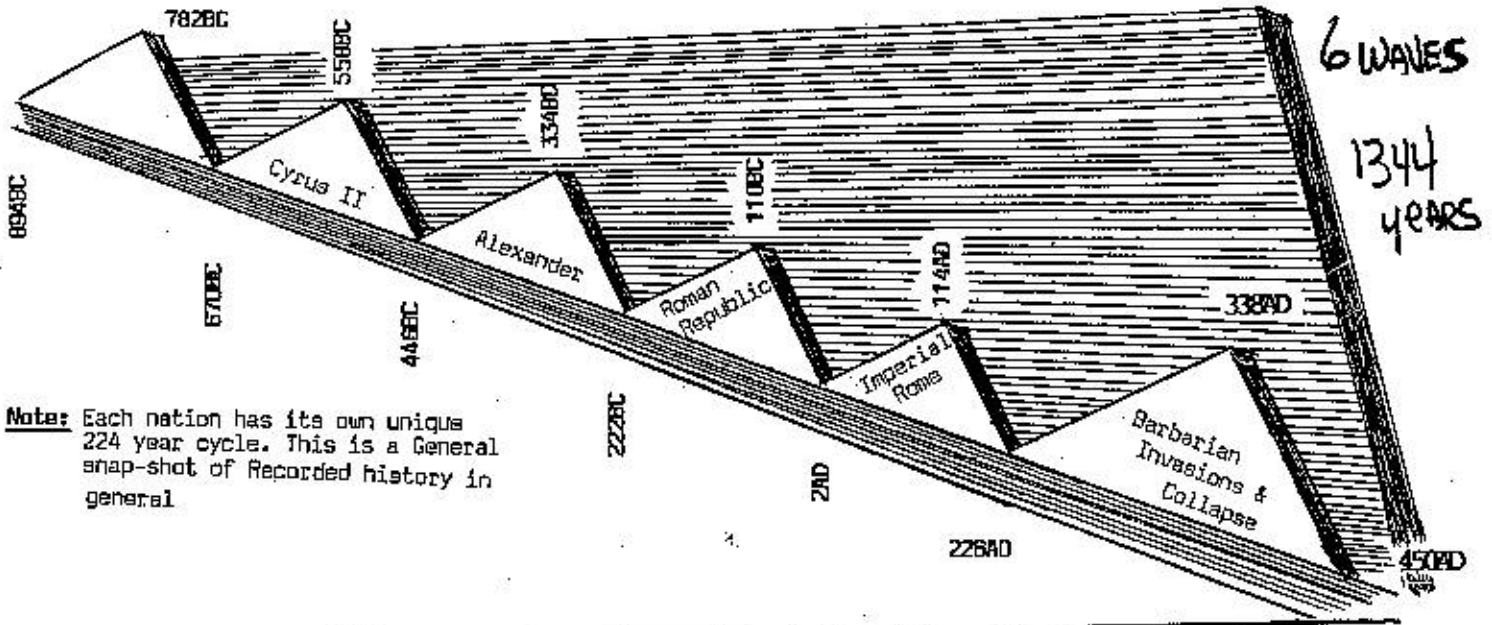
Gold Dagger
5th Century
BC
of the
Achaemenian
Dynasty

Median Empire



The Achaemenian Dynasty takes its name who founded this Iranian line or royalty - Achaemenes. Iran was primarily divided into two lands Media and Persis. Persis was most likely a vassal state of Media. It appears that Achaemenes was succeeded by his son Teispes (675-640BC). He tried to remain a neutral between the conflicts of Elam and Assyria. Upon his death, his domain was split in half and ruled by two sons Ariaramnes and Cyrus I, or provided for some sort of an alternate sharing of the throne.

Cyrus I was forced to accept Assyrian dominance in 639BC after sending aid even to Babylon in 651BC. He was forced to send his eldest son to the Assyrian capital at Nineveh. Cambyses I (600-559BC) succeeded his father but Susa in Elam was now a vassal of Media. According to Herodotus, he married the daughter of the king of Media Astyages, and thus their son Cyrus II the Great, was the joining of Persis and Media. Xenophon writes of this man as the ideal ruler.



Note: Each nation has its own unique 224 year cycle. This is a General snap-shot of Recorded history in general

This period of the Achaemenian Dynasty and its rise under **Cyrus II the Great (559-529BC)**, is what one might call the golden age of Persia for this is the period of which history is most memorable for the majority of people. But where the golden age of Athens was short-lived, here also we find but one cycle of 224 years before it falls to **Alexander the Great** in 331 BC.

Cyrus appears to have inherited the empire of the Medes. It was said that his grandfather **Astyages** had a dream that this boy would overthrow him, and gave an order to kill him. He was given to a shepherd to raise. **Astyages** discovered his identity at age 10, but let him live because he was so capable at a young age. **Cyrus** upon reaching manhood in Persis, turned against his grandfather who marched against him, but the army deserted him and surrendered to **Cyrus** in 550BC.

Cyrus consolidated his power over all of the Iranian tribes before turning West. He turned to Lydia and its famous rich king **Croesus** who invented coins by standardizing the metal planchets and stamped an image of a lion confronting a bull.

Croesus feared this new rising power that had toppled Media. He formed a coalition with Babylon, Egypt, and Sparta promising to send troops. **Croesus** invaded Cappadocia, eastern Anatolia, but the battle was inconclusive at Pteria. He retreated to Sardis to gather forces but was surprised by **Cyrus** who pursued him and stormed the city in 546BC. There was much dispute as to the fate of **Croesus** as to if he was killed or taken into captivity and treated well by **Cyrus**. Yet, **Cyrus** now held Anatolia (Turkey).

The next great prize just sitting there was Babylon, which had been basically just abandoned by **Nabonidus**. The people were very dissatisfied with **Nabonidus** and his devotion to the moon god Sin that seems to have caused him to live in Arabia. In October 539BC, the once greatest city of the ancient world, fell to **Cyrus** with no real resistance.

Cyrus is a hero to the Jews for he freed the Jews from their Babylonian Exile that may have lasted between 48 years and 72 years. **Cyrus** allowed the Jews to return to Palestine, and he allowed them to revault their temple in 516BC. This is also the period that the Jews may have began to create synagogues.

Cyrus to the Persians was as important as **Romulus & Remus** to the Romans, **Moses** to the Israelites, and **George Washington** to the Americans. He became the epitome of the great qualities expected of a ruler in antiquity. He assumed heroic features as a conqueror who was tolerant and magnanimous blending with daring and bravery and well as brilliance of mind. These qualities led even the Greeks to admire such a leader.



Gold Stater
of
Croesus
(560-546BC)

Cyrus II the Great no doubt was one of the most renowned leaders in history. He was admired both by Alexander the Great as well as Julius Caesar. He is mentioned even in the Bible as the person responsible for the freedom of the Jews from their Babylonian Exile. Cyrus seems to have kept Babylon as his winter capital, and had built a new city of Pasargadae, in Persis on the site of the battle against Astyages where it all began.

Cyrus II was the first truly great leader who listened, and adopted the best of each society, blending it all together. This was a man of great respect and was no doubt the first true leader to adopt the Freedom of Religion, allowing each people to worship as they liked. This is why he freed the Jews and allowed them to rebuild their temple.

He retained the whole idea of state money invented in Lydia. He was the true guiding genius in the creation not only of a great empire, but in the formation of the very culture furthering civilization. He retained the idea of Tiglath-pileser III of Assyria who created a great road to then enhance communications by relaying. This concept produced the famous Persian Royal Road that stretched 1,500 miles (2,400 km) running from Susa, the ancient capital of Persia, through modern Iraq, Armenia, and through Turkey to reach the Aegean Sea. The very slogan of the US Post Office is a derivative of what Herodotus (484-430/20 BC) the Greek historian wrote that messengers who travelled this road were stopped by "neither snow, nor rain, nor heat, nor gloom of night," and were able to traverse the entire road in just 9 days thanks to relays. The normal travel time was said to have been 3 months. Of course, the downside was to be revealed when Alexander the Great made use of the Royal Road for his invasion and conquest of the Persian Empire about 224 years later.

The death of Cyrus is told by Herodotus to have arisen from his conquest over the nomads called the Massagetai, who were led by a woman. He captured her son, but he is said to have committed suicide in captivity. His mother swore revenge and defeated him and killed Cyrus. This story may be fiction, but Cyrus did invade central Asia east of the Caspian sea up through Georgia.

Cambyses II (529-522BC) was the eldest son of Cyrus II the Great who conquered Egypt in 525BC. He was his son by Cassandane who was the daughter of a fellow Achaemenid. He was in charge of Babylonian affairs under his father's reign, and learned how to administer a state government. In 538BC, he performed the rituals and duties of a Babylonian king for the New Year festival, and he assumed the position of regent just before his father left on his last campaign. His conquest of Egypt during the reign of Psamtik III, was truly his greatest achievement.

Cambyses II planned invasions against both Carthage and Ethiopia. He set out for Ethiopia but ran short of supplies and had to turn back. Again Herodotus tells us that Cambyses had in fact committed many atrocities in Egypt where he attributed them to madness. However, when we consult the Egyptian text, they give no such account and that he followed in his father's footsteps and was very conciliatory to local custom and religion.

We are told by more than one source that he had killed his brother before invading Egypt, but the throne was then usurped by a pretender claiming to be his brother in March 522BC. Upon his return, he is said to have heard of a revolt in Syria, went there, and died of either an accident or by his own hand. He is said to have cut the revenue of the priests of Egypt in half.

Cyrus II the Great had also retained the organizational structure of government that was devised by Tiglath-pileser III (746-681BC) of Assyria, who had created 80 provinces in his kingdom and managed the affairs and economy. Cyrus retained this idea of governorships that was followed by the Romans and is at the core of the United States even today.

These provincial governors were called a "satrap." As time would pass, we would also find local coinage minted by some of these satraps. Nevertheless, it was the satrap of Persia Hystaspes whose son seized the throne upon the death of Cambyses II. He was a satrap both under Cyrus II and Cambyses II. He is said to have even accompanied Cyrus on his last campaign against the Massagetai in 530BC. He also suppressed a revolt in 521BC following the seizure of the throne by his son in 522BC, in the very province that he governed. He is also said to have been the protector of the prophet Zoroaster.



Darius I (522-486 BC)

Darius I was the son of Hystaspes who seized the throne in 522BC. Darius was with Cambyses II in Egypt and upon his death, Darius hastened back to Media where with the help of six Persian nobles, he killed Bardiya who claimed to have been a son of Cyrus II and usurped the throne. It was Darius who defended his action on the claim that Bardiya was really a usurper named Gaumata who was a Magian impersonating Bardiya who he claimed had been secretly murdered by Cambyses II before leaving for Egypt. Darius, however, who at best was a member of a collateral branch and both his father and grandfather were alive who, if you follow the logic, should have been heir to the throne before himself.

There were quite a few rebellions and perhaps even a civil war given that Darius fought 19 battles and defeated 9 rebel rulers. Darius expanded the empire and had sent scouts to Greece, but made no attempt to invade until 499BC, when Athens and the city state of Eretria supported a revolt of the Greek city states in Ionia against Persian rule.

He assembled a fleet, but it had sank in a storm off Mount Athos in 492BC. In 490 BC he sent another force that destroyed the city of Eretria and enslaved all inhabitants yet this was the force that was defeated by the Athenians at the battle of Marathon.

Clearly, we still today have the race that is known as the running of the Marathon. This was a 26 mile run by an Athenian messenger who announced his city-state's victory over the Persians in 490BC. Upon learning of the Persian defeat, Egypt then revolted against Persian rule showing this contagion effect that may begin to raise its head by 2018.

Despite his image painted by the Greeks, Darius followed the example of Cyrus II the Great and he respected the native religious institutions maintaining the Freedom of all Religion. He expanded the monetary system using bimetallic coinage invented by Croesus of Lydia, bringing a standardization of weights and measures essentially creating a world currency since the Greeks lacked gold and had relied upon silver mines.

Darius completed the reorganization of the empire into provincial governorships that were known as Satrapies, initiated by Cyrus II the Great. He encourages the establishment of medical schools and he too ordered that there should be a codification of the rule of law in Egypt. The Egyptians considered him one of the great law givers. In 519BC, he authorized the Jews to rebuild the temple at Jerusalem. It appears from inscriptions, that Darius believed in one God and was a follower of the teachings of Zoroaster, and had then introduced Zoroastrianism as the state religion in Persia. He made his formal capital Susa and built the city of Persepolis as a royal residence, although it does not seem to have been completed in his lifetime.

Darius I had issued a gold coin that became known as a "Doric" and the image of wealth that made Croesus a target, would one day attract others against the Persian Empire. Where this empire was built upon gold, the Greeks based their monetary system upon silver and the Romans lacked both, beginning with bronze issuing coins denominated into units of ounces being equal to a pound of bronze.

It would be his son, Xerxes I (486-465 BC) who would seek to vindicate his father's loss in Greece and launched a vast invasion force for which he is best known.



Xerxes I (486-465BC)

Perhaps Xerxes I is the best known of the Persian kings for he is the one who has been portrayed in movies involving the well known battles of Thermopylae where the 300 Spartans held off his army.

The accession to the throne was not so smooth. He moved against Egypt where a bold usurper appeared and had been ruling for 2 years. In 484BC, he ravaged the entire Nile Delta. He then turned and was faced with yet another usurper in Babylon, then his own son-in-law attempted to usurp power and he had to crush this attempt. He tore down the fortress at Babylon and pillaged the temples and destroyed their famous statue of Marduk that was a major political event since the rulers of Babylon were seen as being truly empowered by Marduk. Where his father had tried to unify the empire taking the titles of king of Babylon and of Egypt, these key rebellions ended that unification and he claimed only the title of "king of the Persians and the Medes." Xerxes thus adopted the position that he was now the adversary of the pagan gods and was a monotheist and follower of Zoroaster.

Xerxes I reestablished his authority throughout his empire from Egypt to Turkey. It is argued that his advisors urged the invasion of Greece. Certainly, this was no economic war, for Greece lacked the true wealth of gold and thus all to be gained was glory, at great expense. It appears that Xerxes I was very impressionable. This monumental effort would take 3 years alone to prepare (484-481BC).

Greece was just not economically very important in those days. From a practical standpoint, such an undertaking was placing at risk the entire Persian Empire. Indeed, the loss was profound, for it not merely was the source of disgrace, but it encouraged the Greeks that they could indeed invade Persia and capture the greatest empire man had ever known. Perhaps Xerxes I was simply lost in his idea that he was absolute ruler of the known world, and thus it was his pure destiny to take Greece as well? He was not a foolish man otherwise in how he administers his power. Nonetheless, it may be that the rebellions after his father's death profoundly led him to this position of one God and thus there should be one ruler. This was a position later taken by Constantine himself.

Herodotus claims that size of his army was beyond all imagination - 5,000,000 men. This seems highly unlikely. There was a very large force no doubt, but it is more likely to have been in the area of 350,000-400,000 strong. This army was supported by about 700 to 800 ships.

It was the terrain that was underestimated that allowed 300 Spartans to hold off his entire army at the Battle of Thermopylae in 480BC. Xerxes I did manage to occupy Athens and Attica and even burned the city, after pillaging it on September 21st, 480BC. But on September 29th, 480BC, he saw the walls of wood that the Oracle of Delphia told the Athenians to build at Salamis. It was there that he attacked and lost a naval battle that turned the tide.

Once the fleet was lost, that cut the supply chain forcing his army to retreat. He left an army to occupy Thessaly, but there they were defeated and the general slain, at the battle of Plataea on August 27, 479BC. He then depleted the treasury further by the cost of expenditure on construction projects such as Persepolis. The vast revenue he had gathered to invade Greece was through massive taxation. These construction projects made him feel some sort of victory for he laid an enameled-brick finishing his father's palace. This was all an effort at adopting a new and colossal style that was extremely pretentious. He clearly withdrew from the world following the Greek defeat. He became easily manipulated and executed the entire family of his brother. He eventually was murdered himself in 465BC with his eldest son by his own minister seeking to control the power behind the scenes.

Xerxes I was succeeded by his youngest son after he was murdered by Artabanus, his own minister hoping to put in place the person he believed he could manipulate best. Artaxerxes I (465-425BC) succeeded his father, but the plans of Artabanus were crushed for Artaxerxes I slew him in hand-to-hand combat. He too had to face a few rebellions including one led by his own brother. But again the most serious one took place in Egypt under Inaros, who was in league with the Athenians. After a prolonged struggle, the Persians won after about 6 years between 460 and 454BC. The conflict with Athens had finally come to an end for a while at least in 448BC. He remained neutral in the Greek Peloponnesian War between Sparta and Athens. that ended in Athens' defeat in 404BC.

Darius II (423-404BC) now comes to the throne who was the son of Artaxerxes I with a concubine. He seized the throne from his half brother Secydianus and had him executed. Darius II was the name he actually adopted since his real name was Ochus and he was a prior satrap himself.

He was also known as "Nothus" that at the time meant Bastard. His wife was known to have been as ruthless as him, and very cruel as well as the ambitious Parysatis. It is no surprise that when there is such a lack of honor at the top, not much can be expected below. His reign began the real downfall of the Persian court for it was submerged into corruption and intrigue.

The Greeks had migrated bringing an end to the Heroric period due to weather and the invasion of the Dorians about the year 1,000BC. Those that fled to Turkey, then known as Anatolia, became known as the Ionians and were generally from Attica where Athens was located. They founded numerous cities such as Miletus. The first written evidence of the Ionians was that of the Assyrian king Sennacherib (704-681 BC). They in turn colonized other regions such as Italy and Sicily. The city state of Miletus is said to have founded some 90 colonies itself. In fact, the classic 24-letter Greek alphabet appears to have come from Miletus and adopted by Athens in 403 BC.

In 499BC, Miletus organized a Ionian Revolt that marked the birth of the Greek-Persian conflict, and it was sacked by the Persians in 494BC. After the Persian defeat, Miletus joined the Delian League with the

Athenians, who essentially then controlled Ionia in Turkey from about 448BC. However, once the Athenians were defeated in Sicily at Syracuse in 413BC, Darius then decided to recover the Greek cities of Ionia. In 407BC, Darius joined Sparta against Athens and appointed his son Cyrus the Younger as his commander-in-chief and provided the funds to re-create the Spartan fleet. As a result, Athens fell, but Darius died shortly thereafter.

The throne went to his first son upon his death - Artaxerxes II (404-359/58BC). With the fall of Athens in 404BC, Persia also lost Egypt in 404BC. His brother, Cyrus the Younger, rebelled and was defeated and killed in 401BC. Because Cyrus also was in Asia Minor drawing upon Greeks for his rebellion, despite his loss, this exposed the fact that the Persians were vulnerable. In 400 BC, Sparta turned against the Persians and thus invaded Anatolia gaining much success. But the Spartans lost their fleet again in 394BC yielding master of the Aegean back to the Persians. Now we find Athens, Thebes, Argos, and Corinth joining the Persians against the Spartans. But in 396BC, Athens was compelled to accept the "King's Peace" of the Persians whereby Anatolia and now Cyrus were given back to Persia. But Egypt, could not be retaken.

However, Persia was able to hold the Greek cities of Anatolia not because of their strength, but because of the discord among the Greeks, giving false impressions of the power of Persia. This became apparent in 366BC when another Ionian revolt broke-out. This time, the alliance was between Athens, Sparta, and Egypt, against which the Persians could do little. However, one thing they had always said about the Greeks, it was next to impossible to get them to ever agree and to trust each other. Thanks to treacheries, the alliance failed and Persian control had been restored.

Upon his death, his ruthless son who was previously known as Ochus came to power as Artaxerxes III (359/8-338BC), who promptly put to death most of the royal family. He ordered the Satraps (governors) to dismiss all their mercenaries to secure his power and reduce rivals. His attempt to retake Egypt in 351BC failed, and this encouraged Phoenician towns and Cyprus to revolt. He then gathered a great force and returned to defeat Egypt in 343BC.

Ruthless people tend to also join with people of the same character. That type of human trait extends back into antiquity as well. Here is where Artaxerxes III seals his own fate, for he raises to the highest power, Bagoas who enjoys the power and is determined to manipulate the throne rather than occupy it. In 338BC, Bagoas poisons Artaxerxes III and his elder sons and he raised Arses, to the throne, the youngest of the lot. However, Arses (338-336BC) did not last long either, for he too was also poisoned by Bagoas.

Bagoas now raises Darius III (336-330 BC) who is the last Persian king. The young Darius III who belonged to only a collateral branch of the royal family. Once more Bagoas attempted to poison him as well but he was warned. He then forced Bagoas to drink the poison himself.



Philip II of Macedonia
Silver Tetradrachm
(359-336BC)

Philip II of Macedonia was the father of Alexander the Great. He began to invade Asia Minor, Anatolia in 340BC, and at first Artaxerxes III sent support troops to the cities of Perintus and Byzantium. In 337BC, Philip II formed the League of Corinth for the state purpose of liberating the Greek cities under Persian rule. Perhaps because of the tactics of poisoning that took place at the Persian court under Bagoas, it seems that Darius III instigated his first CIA type of plot to assassinate Philip II and hopefully avoid a war. Philip II was indeed assassinated in July of 336AD who had then gathered an invasion force. However, in the spring of 334BC, Alexander the Great then crossed the Hellespont and the end of the Persian dynasty was at hand.

Darius III had made no serious effort to prepare, perhaps relying upon his new tactics of assassination. By the autumn of 333BC, Darius III was defeated and he fled the battle field even abandoning his family.

Thereafter, Darius III twice sent letters to Alexander the Great (336-323BC) offering a friendship. The second letter offered to pay a huge ransom for his mother, wife, and his children he abandoned at Issus. He also even offered to abandon the western part of the Empire marked by the Euphrates River. He also offered his daughter in return for this kind alliance. Alexander rejected both letters and marched on Mesopotamia. Darius III again made no effort to prevent Alexander from crossing either the Euphrates or Tigris rivers. He then offered battle at Gaugamela and was soundly defeated on October 1st, 331BC. Yet he again fled leaving his army to fight. He fled to Bactria where he was killed by that satrap Bessus. This ended the Persian line of kings. Nevertheless, Alexander died at Babylon 10 days after a prolonged banquet and drinking bout. He was taken to a new city in Egypt that was named after him - Alexandria - where he was buried in a solid gold coffin. His tomb remained intact except for his sword and shield were taken by a later Roman emperor. His tomb was most likely pillaged during the collapse of the monetary system in the 3rd century AD as it is possible that he was poisoned as well in Babylon where the Persians had become very skilled at such treachery.



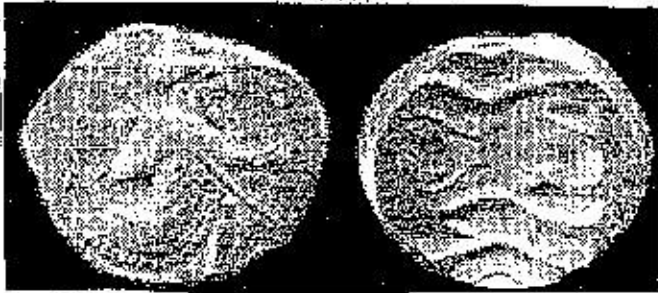
7th Century BC Electrum Stater of Lydia

When the political-history is merged with the monetary history, we can achieve a greater degree of understanding by the emerging scope of economic-history. For example, the invention of a standardized weight system began in Lydia of Asia Minor (Turkey) during the 7th Century and all we see are lines on one side and an incuse punch on the other struck on electrum, a natural alloy of a mixture of gold and silver with a weight of 14.2 grams. This gives way to a design of two lions facing struck on electrum at the same weight about 650-561BC. Under Croesus, the design changes to a lion confronting a bull still using electrum, but

is Croesus who introduces a bimetallic system refining and separating gold and silver. gold stater now drops to 10

The conflict with the Persians is very clearly reflected in the coinage. We see the economic costs of defense to a military invasion for the first evidence of any inflation is demonstrated by the monetary reform of Croesus whereby the gold stater that began at 10-10.89 grams, declines to 8.17 grams on average.

The gold coinage issued in Lydia now under the rule of the Persians with Cyrus the Great, is further reduced slightly to 8 grams. It appears that both Cyrus and Xerxes I made no effort to change the design and continued to mint coinage using the familiar lion confronting a bull.



Double Gold Daric of Stamenes (328-323BC)

It is Darius I who is the first ruler to strike his own image on a coin. He made this change about 510BC. The image is not actually a portrait. Instead, it is the image of Darius I shooting a bow with a quiver behind. It is at this time that the name of the coinage in gold is simply now called a "Daric" and becomes the symbol of wealth and power. It is Xerxes I who then modifies the design slightly with the king appearing as a bearded archer kneeling. Yet the weight remains about the same. There does not appear to be any decline in weight going into the end of the Persian rule. Under Alexander the Great, the design remains in place suggesting that it was not seen as a portrait nor yet as a political tool to show that the Persians had been conquered. We find that there is now a Double Daric issued with a weight of 16.67 grams, but the image shown above is still Persian even as minted between 328-323BC.

It is the death of Alexander the Great that sparks not merely a contest between all his generals carving up the empire, but we find widespread use of portraits of these generals and governors throughout the new coinage that appears.



Seleucus I Nicator
(312-281BC)

Following the death of Alexander the Great in 323BC Seleucus I was the son of one of his generals - Antiochus who was born in Macedonia. Seleucus was merely a satrap at Babylon. There seemed to be a general agreement to split the empire among the generals. Antigonos, however, desired to rule the entire empire and thus we find Seleucus fleeing to Ptolemy who was now ruling Egypt, and negotiated a coalition among Ptolemy, Lysimachus in Thrace, and Cassander who was claiming Macedonia. This resulted in a coalition war between 315-311BC. Antigonos' son Demetrius was defeated at the Battle of Gaza in 312BC. In August 312BC, Seleucus retook Babylon. Thus we see a new Greek dynasty begin formally on October 1st, 312BC.



Artabanus I (211-191BC)

From the Iranian perspective, this is where we see a split again with Syria & Babylon with the rise of a new dynasty known as the Arsacid Dynasty that rules Persia/Iran starting about 247BC going into 224AD. The origin of this dynasty is just east of the Caspian sea. They become known as Parthia and are the rivals to Rome itself.

The Parthians become truly a formidable force that were for the most part, simply in an ongoing cold war with Rome.

Phraates IV
(37 - 2 BC)
Silver
Coinage of
Parthia



We find that the Parthians defeated the renowned Crassus, a Triumvir with Julius Caesar during the reign of Ordes II (57-37BC). We find many various conflicts, 54-63AD, the Roman Emperor Trajan invaded 114-115AD. We do see, however, some debasement in their coinage especially during the reign of Vonones I (7-11AD).

We find that the Romans were able to make some headway during a key invasion between 162-165 AD where they burned the palace at Ctesiphon and forced the king at that time to sign a peace treaty - Vologeses IV.



Vologeses IV
(148 -- 192 AD)

We find the Roman Emperor Caracalla again attacked in 216AD. This was no doubt trying to exploit a growing weakness. The interesting lesson from Parthia, was its very structure divided into satraps. This effectively created a feudalization that if one was attacked, there were others who may survive, yet there was a central government. In many ways, this is the division of the United States as a matter of law, yet in practice the State structures mean little constitutionally in federal courts.



Ardashir I
(224 - 241AD)

This line of kings is thus overthrown by a new internal line that rose again directly from Persia known as the Sasanian Dynasty that remains in power between 224AD and 651AD falling to the Arab conquest. This true Iranian Dynasty gains power after a conquest of 208-224AD

Religiously, with the restoration of the Persian rule, we find that Zoroastrianism once again become the state religion. This is the empire that confronts Constantine I during the 4th Century AD.

Under this new Persian dynasty, the confrontation with Rome continued. We see the defeat of the Roman Emperor Valerian under Shapur I (241-272AD) (see below), who some report was imprisoned for life and yet others say he had him stuffed as a trophy. After this, we find expansion and the next ruler, Hormizd I (272-273AD) is known as "the Brave" and changes his title to "King of Kings of Iran & Non-Iran" suggesting the defeat of the Roman Emperor.



Shapur I
(241 - 272AD)

Yet, once more internal corruption in government unfolds without exception. We find civil war and a contest over the throne largely between 293 and 302 AD. This prompts a peace treaty with Rome in 296AD that last for 40 years.



Shapur II
(325 - 379AD)

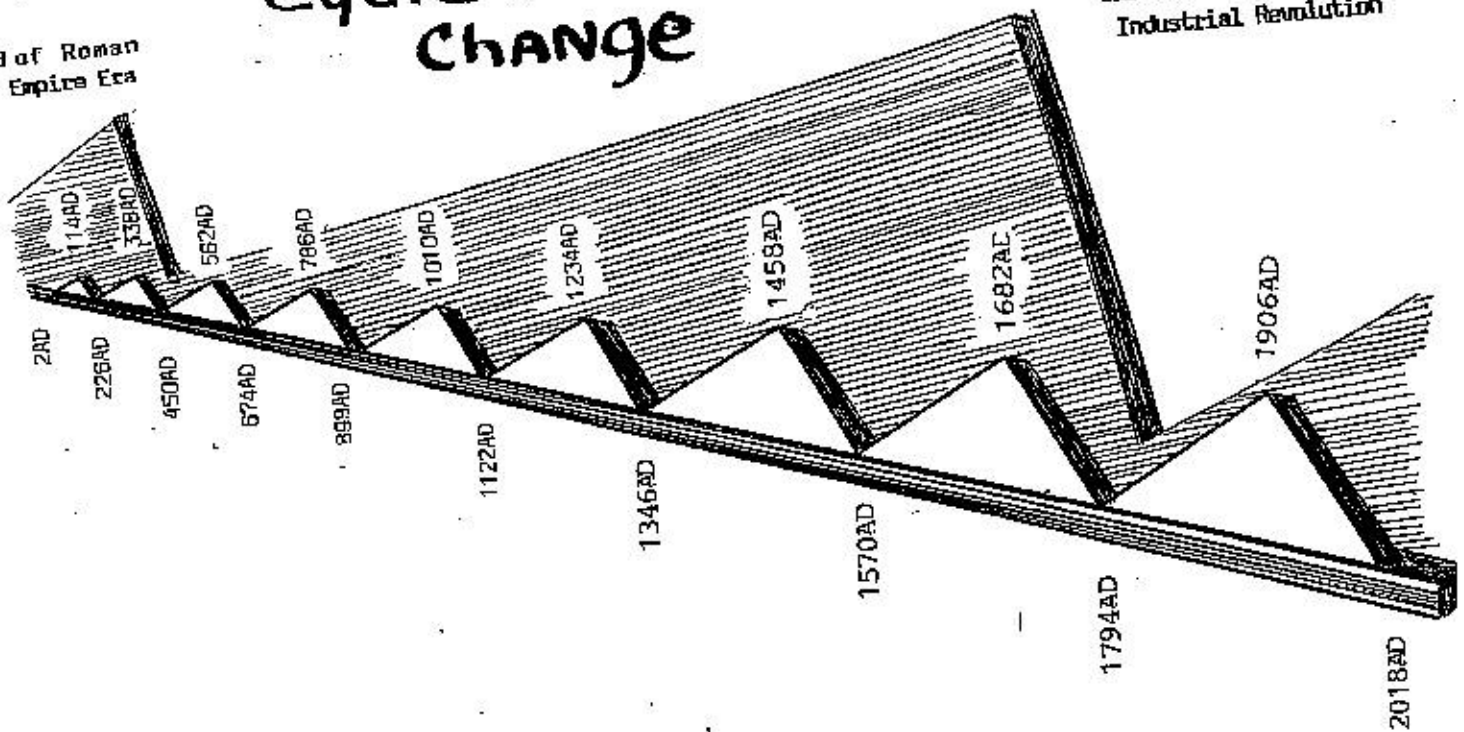
In 363AD during the reign of Shapur II again a Roman Emperor himself is slain in battle - Julian. He was killed in battle, perhaps by his own men for being against Christianity, on June 26/27th, 363AD. He had a major force of 65,000 men, ~~still~~ Persians prevailed.

It would be the Arab conquest and the Persian...

Cycle of Political Change

End of Roman Empire Era

End of Feudalism & Birth of Capitalism & Industrial Revolution



So what does this all mean?

There is an amazing level of complexity that reaches far beyond what man had even thought about. We are effected by everything, yet nothing individually. We may think that we are able to reduce reasoning to one single explanation, but we are only fooling ourselves.

I have provided a brief historical review of the first Persian kings and how they have risen to power and fame that has still captivated movies and celebrated in even our modern olympic games. When we place such events against the monetary history, we can see the rise and fall of inflation throughout political history. If we plot against this, the trends in each other nation and correlate them, we can start to see additional cause and effect. Then mapping this against natural history reveals yet another impact that has shaped the nations and migrations of the world. Add still the long-term cycles of the sun's energy output that follows about a 300 year cycle that fluctuates about 15% and was at a low 2400BC and will return to a low for 2400AD just as it was in 1800AD when the Delaware River was frozen over for George Washington's crossing.

Only by correlating everything can we see that the world we live in is so complex, the slightest intervention can disrupt things we never considered. Man had to learn the hard way by transporting animals to places they did not exist. Suddenly, man was playing God and introducing species that had no such natural enemies and then destroyed the native environment causing others to die out. This was what happened in Australia. Now laws prevent such events, but only after the evidence has been painfully reviewed.

The global economy of man is perhaps the most complex system that exists. Where we can see in the science correlations and reactions that become laws between elements, we have yet to concede such interrelationships on the economic level. Politicians do not want to listen like a child one tells don't play with matches for you might set the house on fire. They just want to play with things because in the long-run, they enjoy the power, even if they mess things up.

This 224 year cycle is extremely regular and its peak in 1906 marks the Constitution in Iran, but it also marks the San Francisco earthquake that laid the seed for capital fl
disruption that led to the creation of the Federal Reserve in 1913.

Clicking back one cycle we come to the target of 1682. This was the age of the big revolution in Britain followed by the new period of William and Mary and the English Bill of Right in 1689. This war was also a contagion and we see similar conflicts in other nations at the same time.

Moving back another cycle and we come to 1458 that was the final end of the last great Western Empire - Byzantium. The city of Constantinople falls in 1453 and the birth of the Ottoman Empire emerges that would also have profound economic impact around the globe until it fell in 1922 but had certainly peaked by 1906.

We can see at the previous cycle of 1234, the events that follow shock the world. This was the Black Death that had killed off as much as two-thirds of the European population depending upon the region, and fundamentally altered the global economy. This brings to an end the age of feudalism that took hold after the fall of Rome in the West. There were no individual wages. The population tilled the soil for the "landlord" who gave them shelter, protection, and generally about 20% of what they grew.

This cycle moves through the major political changes and goes straight back to Cyrus II the Great of Persia who gave us the enlightened concept of merging cultures and the creation of a modern state that still is followed today with governors, municipalities, and city type of rulers.

We even find the rise of Islam faith coming 72 years after the peak in 562. It was 610 when Muhammad is said to have then received his calling and began preaching in 613. He was forced to flee Mecca about 619 and the great battle against Mecca came in 624, where his military victory was seen as divine approval. A second battle took place at Uhud in 625 where he lost, but he outwitted his opponents at the siege of Medina in 627. He agreed with the Meccans reaching a treaty in 628 where his political authority was recognized. By 630, he gathered the nomad tribes and in January 630 entered Mecca with 10,000 men. He died June 8th, 632 and was born about 570AD. The political cycle reached its turning point on the 72 year in 634AD.

So What Now?

The 1906 peak in this cycle was a big event. This is where we even see the tremendous rise in Marxist theory. Within years, we see the Russian revolution in 1917, revolution in Germany, and the introduction of the new "Progressive" Marxists in the United States. The world that we live in today was set in motion at this time.

Income tax was voted on and approved by Congress in 1909, and it took until 1913 to gain state ratification to change the very core of American liberty - no direct taxation at all. From this event, we began to move to the concept of big government and the loss of liberty for to collect direct taxes, the government must know who and where you are pretty much at all times. The concept of a passport was in fact born in Rome as a means of keeping track of the population for the sole purpose of taxation since there was only one government.

The Islamic revolution in Iran came on target in 1978 72 years following the 1906 forced constitution. One Pi cycle of 31.4 years brought us to 2009. We are now turning down for a 8.6 year leg completing a 112 year turning point in 2018. This is the season for global revolutionary contagions.

The Chinese have a curse they say - "May you live in interesting times!" This is what we most certainly live in right now. The new "Progressive" Democrats are going to blow-up our economy like never before. We cannot turn to the Republicans, for they are on their own religious quest and to hell with allowing the Freedom of Religion and focus upon ending the poisonous Marxist philosophy that is eating out society from within. As long as we live under the delusion that politicians actually know what they are doing and can fix anything that they created themselves, we are doomed.

How do we survive? Understand the beast that is in control. They say the smart ones see it coming and leave. It would be nice to just believe that we can cause a change and prevent this political-economic implosion. Yet, it is not easy to convince a man pointing a gun and demanding your money, that he should not have a gun. Who will buy all the new debt they need to create to sustain this fiction? Perhaps we better get to Mars quick and hope there is life so we can say: "Hey! Want some Bonds?"

Dear Kris;

6/27/09

Hope everything is going well. Jack seems excited to get out. He really is counting even the hours.

Here is the Iran piece, I use to advise the Counter-Revolutionary Army "Against the Islamic boys. They use to trade markets to earn income. I thought it was not quite time. Now that time is here. So I hope they will see this on the web.

All the
Best Marty
