

aysia, Singapore, and several others—are already active in our markets. Russian companies can propose mutually beneficial contracts, for example, for the purchase of machinery and raw materials for non-ferrous metallurgy. Our country has always needed to import tropical agricultural products. Mass consumer goods, produced in Asia, do well on our markets. . . .

We take globalization . . . as an opportunity to give our economy fresh air. But, it goes without saying, we are concerned not only with the benefits to us. The fate of Russia is inseparable from the fate of the world. We understand the measure of our responsibility in building a new world order, including an economic order. This process will be complex and not easy. But such forums, meetings, and discussions as this one, will help us overcome the difficulties.

Russia Looks toward Pacific Nations

Excerpts from Vladimir Putin's article, published widely in Asia on the eve of the APEC summit.

There are more than just one justified uses of Russian transportation arteries by APEC member countries. . . . Shipping containers on the Trans-Siberian Railroad reduces the route to Europe [from Asia] by half [over shipping by sea]. I know that some are concerned about the condition of our Far East terminals, or bottlenecks in St. Petersburg. We are actively working to reconstruct them, . . . [and] we are prepared to carry out these projects with the participation of foreign investors.

Our Siberian rail route may make many people remember about our country's rich natural resources. . . . We invite our APEC neighbors to cooperate in developing them. And, Russian steel producers are already thinking about new markets, while our extractive industries want to improve efficiencies. . . .

Testimony to this is the development of grand plans, like the creation of an energy bridge from Russia to Japan through Sakhalin Island, or the natural gas pipelines from Tomsk Province to Western China and from Irkutsk Province to Eastern China, and on to North and South Korea.

I must note that already today, Russia is not only a raw materials supplier in the region, but also supplies modern technologies. . . .

It is important that, in February of this year, the Indonesian satellite Garuda-1 was launched on a Russian rocket. . . . These are just isolated examples of the effective use of Russia's accumulated technological experience by APEC members. We are prepared to provide space-launch services to the nations of the region, as well as Russian space mapping capabilities, which can help solve natural resource, meteorological, ecological, and other problems.

Russia's initiative for the joint development of new reactor technologies and a naturally secure nuclear fuel cycle, made at the Millennium Summit of the United Nations, fully applies to APEC member-nations.

The Middle East: Chaos and War, or Economic Development

by Dean Andromidas

After six weeks of clashes between Israelis and Palestinians, the specter of a repeat of the horrors of the Lebanon civil war hangs over the region. As in that 15-year-long conflict, neither side is willing to make the first gesture to bring the situation back to the negotiating table. An intervention by the President of the United States is required now, before it is too late.

In a comment on the decisive role President Bill Clinton must play in the search for peace in the Middle East, U.S. statesman Lyndon LaRouche, during an international webcast on Nov. 14, said: "The United States can not act as an 'honest broker' in the Middle East. The United States, and the President of the United States, must never become an honest broker. The President must be President of the United States, and represent the fundamental interests of the United States in any negotiation in which he deals. Now, it happens that the fundamental interest of the United States in the Middle East, is peace. And the fundamental interest of the United States in peace in the Middle East, is development."

LaRouche said that Clinton must repudiate his mistakes at Camp David, where the issue of political sovereignty over the holy places of Jerusalem was put on the negotiating table, thus transforming a political-territorial conflict into a religious war. LaRouche emphasized that Clinton must bring the question of regional economic development, especially the development of water resources, to the center of the negotiations. (See full text of his remarks, in our *National* section.)

Policymakers in the region hope that Clinton will be strengthened by the current U.S. political crisis, and will begin to take the initiative required. One source close to the Israeli peace negotiations team warned *EIR*, that if Clinton does not act, the situation will "simply escalate in a linear way." This source agreed that Clinton has to repudiate the policies he embraced at Camp David. He also said that there is hope that Clinton made new, more constructive proposals during his post-election meetings with Palestinian Authority President Yasser Arafat and Israeli Prime Minister Ehud Barak. As yet, no details of these meetings have been released.

A Lebanon-Style Conflict

The current conflict is rapidly degenerating into a Lebanon-type civil war. With more than 200 Palestinians and 24

Israelis killed, casualty figures are already at a rate not seen since the horrible conflict which engulfed Lebanon for over a decade and a half, in the 1970s and '80s.

Moreover, the positions of both sides have hardened to the point where, as if in a Classical tragedy, both are marching willfully in a direction they know will end in catastrophe.

Six weeks of bitter clashes have marginalized peace factions on both sides.

The Barak government is deeply divided. Day-to-day decisions concerning the conflict are being made by Barak's security cabinet, which includes, on the one side, advocates of getting the peace process back on track as soon as possible, such as Regional Cooperation Minister Shimon Peres, Justice Minister Yossi Beilin, and Foreign Minister Shlomo Ben Ami. On the other side, those taking a hard line include Communications Minister Binyamin Ben-Eliezer, who has been demanding that Barak form a national emergency government with the chairman of the right-wing Likud party, Ariel Sharon. It was Sharon's visit to the Al Haram Al Sharif/Temple Mount in Jerusalem which ignited the current conflagration. (See "Temple Mount Fanatics Foment a New Thirty Years War," *EIR*, Nov. 3, 2000, for a profile of the international forces promoting this strategic operation.) This hard-line approach is backed by Israeli Defense Forces Chief of Staff Shaul Mofaz, who was appointed to his post by the

previous government, led by Benjamin Netanyahu.

According to Israeli sources, Barak continues to "sit on the fence."

This split came to the surface dramatically when the late Leah Rabin (see obituary below), wife of slain Prime Minister Yitzhak Rabin, from her death bed, drafted a letter to Barak imploring him to utilize the political and diplomatic skills of Shimon Peres.

That initiative momentarily won the heart of Barak, who, despite previous resistance, approved a meeting between Peres and Arafat. Peres secured a fragile cease-fire agreement, as he said, in order "to have at least two days without funerals." Peres's initiative was undertaken just days before the U.S. election, with the intent of creating an improved political-security climate where the post-election meetings scheduled between Clinton and Barak, and Clinton and Arafat, could hopefully result in a renewal of peace talks.

The Dynamic in Israel

The Peres initiative, however, was sabotaged by an Israeli rocket attack, which killed an alleged Palestinian militia leader on Nov. 9. The attack proved to have been directed at Clinton, rather than Arafat. The timing of the attack, which was authorized by Barak, occurred within minutes of Clinton's meeting with Arafat. Although the Clinton Administration did not publicly denounce the Israeli act, Administration officials were reportedly furious.

Commenting on the attack, the Israeli daily *Ha'aretz* wrote: "If President Clinton had any illusions about his meeting with Palestinian Authority Chairman Yasser Arafat calming things down, they died in Beit Sahur," the site of the attack.

The subsequent Barak-Clinton meeting ended inconclusively, with Barak reportedly telling Clinton that he would not reopen negotiations with Arafat, unless Arafat accepted his earlier Camp David proposals. It is precisely these proposals, including the question of Jerusalem, which were totally unacceptable, not only to Arafat, but to the Arab and Islamic world as a whole. Upon Barak's return to Israel, rumors began circulating that he intends to reopen negotiations with Sharon to form a government of national emergency.

Peres and his circle see clearly that it is Israel, as the stonger party, which must make the first gesture to get the peace process back on track, according to a source close to the peace team. But, Peres continues to be pushed to the side, while the old destructive psychology of distrust of the Palestinians is taking hold of the minds of the Israeli population at all levels. This sentiment has even affected Barak himself.

Developments over the past six weeks underscore the paradox that Israel finds itself in. Being either unwilling or unable to make the necessary concessions, the country is falling back on the same military-security solutions which failed in the past. Faced with a popular uprising, only a tiny element of which is armed with light weapons, it has no place to exert its massive military superiority. This was the lesson of Israel's

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by Lyndon H. LaRouche, Jr.

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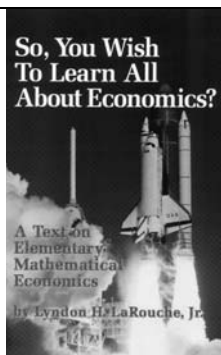
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disastrous adventure in Lebanon, an adventure designed and executed by Sharon, who earned the title, “Butcher of Lebanon.” Israel’s adventure in Lebanon ended only a few months ago, when Barak ordered the final withdrawal from all of Lebanon’s territory, without securing a peace agreement.

Israel’s largest circulation daily, *Yediot Aharonot*, commented on Nov. 13, “The crisis with the Palestinians is swiftly accumulating all the accursed characteristics of the Lebanese quagmire.”

Writing in *Ha’aretz*, military expert Reuven Pedatzur also underscored this paradox: “Apparently two decades of being stuck in the quagmire of Lebanon were not enough for Israel to draw the proper conclusions regarding fighting against guerrilla forces. . . . Israeli Defense Forces [IDF] commanders have simply not internalized the lessons of Lebanon, and that they are repeatedly finding themselves surprised and at their wits’ end when confronted with irregular rather small forces using light weapons.”

Pedatzur faulted Israeli commanders, saying, “Many of the IDF’s highest ranking officers are unaware of the limitations of military might. They firmly believe that the more might exerted, the less inclined will the Palestinians be to carry out violent operations.” He predicts that these military operations will only lead to an escalation of the violence.

The more Israel resorts to a military response, the more it will contribute to creating a full-scale guerrilla war. Unlike in past years in Lebanon, where Israel faced one well-defined local guerrilla movement, the Hezbollah, in the West Bank and Gaza, it will be faced with a guerrilla-type irregular war backed by an entire people. Military experts point out that even if Israel unilaterally withdraws to a fixed line encompassing the Jewish settlements and other territory that it wants to annex, this would only invite further attack.

Furthermore, the current Israeli siege of Palestinian towns and cities is creating tremendous hardship for the Palestinian population. The Israeli threats of cutting off electricity, oil, fuel, and even water, will, if implemented, create a humanitarian disaster which will simply reinforce the anti-Israel and anti-American rage throughout the Arab world.

The Palestinian Camp

The necessity for Clinton to repudiate his handling of the Camp David talks, especially blaming Arafat for the collapse of the talks, becomes fully clear, once one examines what he was offered.

There has been no official statement on what offer was made to Arafat, which he supposedly could not refuse. Nonetheless, even *Ha’aretz* commented that Arafat “refused to sign the peace treaty signifying the end of the Palestinian conflict that was drafted by the United States and Israel at Camp David and which would have provided the Palestinians with a string of bantustans isolated from one another.” If this is how the Israeli press describes the Camp David offerings, one can understand the Palestinian frustration that is currently

fueling the rage that has inflamed the Palestinian streets.

Under the direction of Palestinian Authority Minister for Al Quds/Jerusalem Faisal Hussein, the Palestinian Authority will release a set of maps which will show exactly what the territorial concessions were, that were being offered by the Israeli side over the past year. In an interview with *Ha’aretz*, Hussein outlined that the Palestinians are insisting on the implementation of United Nations Resolutions 242 and 338, which call on Israel to withdraw to its 1967 borders. “Israel wants to determine the permanent borders based on the settlements—we say that the fate of the settlements will be determined by the borders,” said Hussein. He said that once Israel recognizes the 1967 borders, the Palestinians will be flexible on making adjustments.

When asked about how the Palestinians can continue the *Intifada* and expect Israel to negotiate, Hussein replied, “In the end, a solution will be achieved only through negotiations. Israelis understand that they can negotiate while they expand and build settlements; I understand that I can negotiate while the *Intifada* continues, or else Israel should immediately stop all building in the settlements.”

Growth of a Criminal Element

There is no doubt that the Palestinian National Authority is committed to achieving a negotiated settlement, but as the clashes continue over these territorial claims, and as Israel continues to use more military force to hold onto the territories that it believes it needs for its security, the situation will degenerate. According to press reports, the conditions created by the Israeli siege thrown up around Palestinian population centers—such that many Palestinians are unable to go to work, and income losses are already in the millions of dollars—are giving rise to the growth of armed gangs. While these gangs may be attacking Israeli targets, they are also expanding organized criminal rackets in the Palestinian-populated regions, where conditions of impoverishment are expanding. These networks are operating more and more out of the control of the Palestinian Authority. This is precisely what occurred in Lebanon throughout the 1970s and 1980s, and was one of the primary reasons why the civil war was so hard to stop. One could anticipate a similar development on the Israeli side, as the extremist settlers begin to operate in a similar fashion.

It is feared that the current situation will radicalize more and more of the population in all of the countries in the region, as both sides dig in for a protracted struggle.

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