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Sharon, The 'Breakaway Ally,' Must Be Stopped
U.S. Economy Plunges: Recovery Act Needed
Israeli Spy Exposé: A Crack In Sept. 11 Coverup

**LaRouche Presents Strategic
Overview To Indian Audience**



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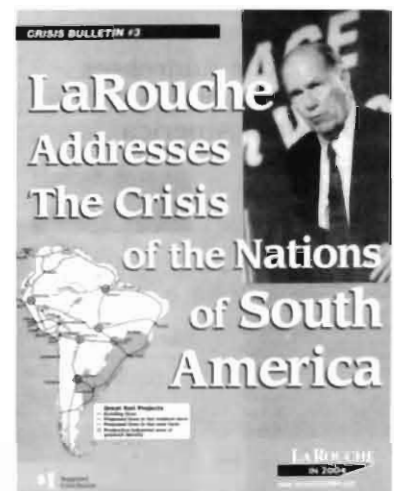
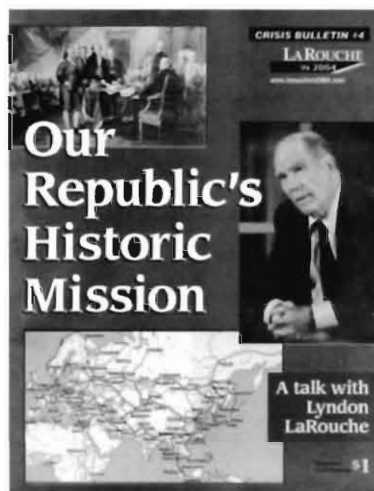
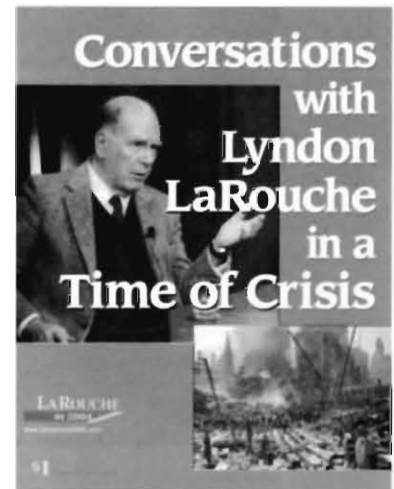
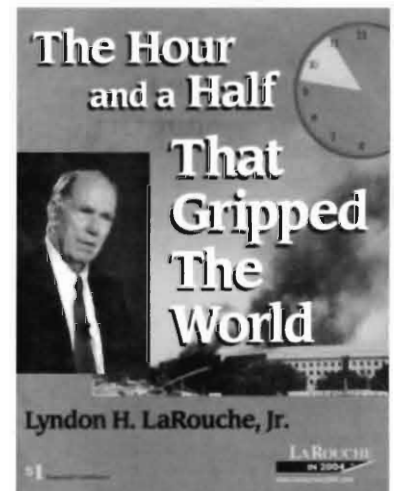
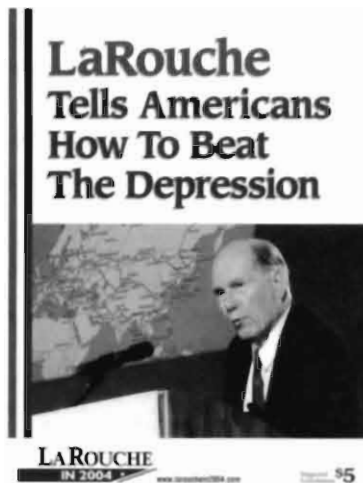
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From the Associate Editor

The photo on our cover poses a real paradox, for any reader who thinks Lyndon LaRouche is “not influential enough” to change the course of world history—because he’s not being covered in the American media. LaRouche and his wife Helga are shown meeting with the President of India, Shri K.R. Narayanan, during a recent visit to New Delhi, which is the subject of our *Feature*.

Let that picture underline for you, the fact that Americans are living under a press dictatorship, run by the media cartel of the Anglo-American financier oligarchy. The same people who are blacking out LaRouche’s world-historic role, are drumming up support for a “clash of civilizations” against Islam, and created the environment in which the U.S. Congress could give a nearly unanimous endorsement to Ariel Sharon’s repudiation of any attempt at peace with the Palestinian Authority.

But, because of what LaRouche has said and done since the attacks of Sept. 11, cracks are appearing in the edifice of lies. As our *National* lead reports, Fox TV News “leaked” the story of Israeli spy teams in the United States, and their alleged foreknowledge of the Sept. 11 attacks. This explosive story was quickly buried by the other media. A highly placed Washington source told *EIR* that it is “highly unlikely” that anyone besides *EIR* will run with it. And run with it, we shall.

At the same time, LaRouche’s analysis of the world economic and strategic crisis is being picked up by media all around the world. LaRouche’s campaign statement on the “insane fascism” of Sharon (see *Editorial*) is circulating widely in the Arab world, where nobody believes the story that Osama bin Laden “masterminded” the terrorist attacks. While he may have been involved, it is widely understood—because of the circulation of LaRouche’s analysis—that the operation could never have occurred without sponsorship at very high levels *domestically* in the United States. In Russia and Ibero-America, too, LaRouche’s ideas are widely covered.

LaRouche’s voice is more important than ever, at this time of accelerating crisis. So, too, is that of Pope John Paul II, whose eloquent appeal to a world at war is reported in this issue: “No peace without justice, no justice without forgiveness.”

Susan Welsh

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Lyndon and Helga LaRouche meet India's President in New Delhi on Dec. 5. Left to right: EIR's Ramitanu Maitra, Indian President Shri Kocheril Raman Narayanan, Lyndon H. LaRouche, Jr., and Helga Zepp-LaRouche.



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U.S. Economic Slide Gathered Shock Force Since August

by Richard Freeman

On Dec. 7, the Bureau of Labor Statistics (BLS) of the U.S. Department of Labor released unemployment statistics, showing that U.S. unemployment, far from moderating according to the desperate “recovery” visions of financial press and analysts, had shot upward in November. Further, the BLS showed that the official number of unemployed had surged

in the United States, during the period between August and November of this year, by a staggering 1.77 million. The unemployment explosion is one of several pieces of evidence that offer striking confirmation that something fundamental happened during that four-month period: The United States economy underwent a sharp *phase-shift* downward.

The additional evidence of this August-November phase-shift, includes the collapse of key categories of U.S. industrial production by double-digit percentages. During this period, there were also dramatic developments in the auto industry, and in the steel industry, which portend severe consequences.

The term “phase-shift” has a very precise meaning. In the case of physics, a phase-shift, such as the freezing of water into ice, means that a different set of laws governs and measures the behavior of water in its liquid state than governs and measures the behavior of water in the frozen, solid state, even though, superficially, water in both states has the same chemical composition.

In the 1960s, the London-Wall Street financier oligarchy imposed a post-industrial society policy upon the United States. This built up a cancerous speculative bubble which sucked the life-blood out of the underlying physical economy and the population. It lowered the economy’s functioning so far below producing the required energy of the

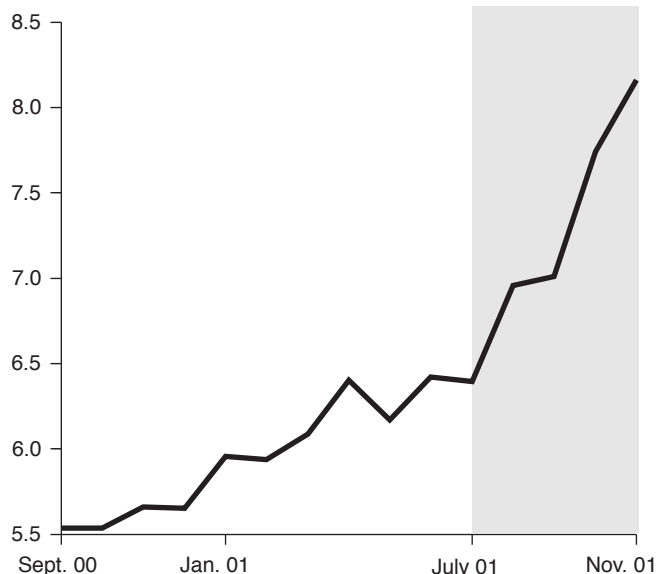


Some believe that, sooner or later, he will rebound.

FIGURE 10

Number of Official U.S. Unemployed Explodes

(Millions)

Source: Department of Labor, Bureau of Labor Statistics; *EIR*.

economic system, that the system is now depleted and dysfunctional. After more than three decades of underlying real economic shrinkage, the post-August, 2001 phase-shift has suddenly hastened this devolutionary process.

All attempts to restore the economy, by traditional fiscal measures, which would have operated under previous orderings of the economy, such as lowering interest rates, do not work. On Dec. 11, Federal Reserve Board chairman Alan Greenspan lowered the federal funds rate to 1.75%; this eleventh cut of the year can have no positive effect on the economy, despite its continuing buildup of hyperinflationary pressures through asset prices.

Reviewing the latest events in the dramatic industrial collapse under way, particularly the sharp rise in unemployment, the crisis in steel, and the sudden auto slowdown, Presidential candidate Lyndon LaRouche declared on Dec. 9, “We need a National Recovery Planning Act.” LaRouche would implement bankruptcy reorganization of the financial system, and emission of directed credit in the manner of President Franklin Roosevelt’s war mobilization and Alexander Hamilton’s national banking, but linked now to Eurasian Land-Bridge development as the focus of American trade.

The news media have been attempting to deny that a phase-shift has occurred, characterizing it daily and hourly as a minor recession, with a recovery sure to begin at any time. But the huge scope of this August-November phase-shift, can be readily seen by examining the explosion in unemployment,

then the breakdown in industrial production, and the transformations of the automotive and steel industries. Each process reinforces the totality of the devastating effect.

Unemployment Silences The ‘Experts’

On Dec. 7, the BLS announced that the official number of U.S. unemployed rose from 7.741 million in October to 8.160 million in November, an immense increase of 419,000. This is the highest unemployment level since August 1995. The official unemployment rate rose to 5.7% in November, up from 5.4% in October.

The rise in unemployment cut through all the jabbering of so-called experts: One day before the BLS released its figures, the “consensus” of experts had predicted that the number of unemployed would rise by “only” 189,000 in November. Afterwards, David Wyss, chief economist of Standard & Poor’s, said, “Rumors of [an economic] recovery seem to be premature.”

Two noteworthy features of the unemployment figures stand out. First, as **Figure 1** shows, between the start of August 2001 and the end of November 2001, the official number of unemployed rose from 6.395 million to 8.160 million, an increase in unemployment of 1.765 million in only four months.¹ This is equivalent to throwing onto unemployment the entire population of Houston, Texas, America’s fourth largest city. Second, just between September and November, the official number of unemployed exploded by 1.151 million. This is the largest two-month increase in the number of unemployed in at least two decades.

The unemployment has struck hardest one of the most crucial sectors of the economy: manufacturing. *November marks the 15th consecutive month in which the manufacturing sector has lost jobs.*

Figure 2 shows that since July 2000, 1.393 million manufacturing payroll jobs have been eliminated from the U.S. economy. It gets worse: Of those who work in the manufacturing sector, there are two types of workers: those working in manufacturing who do not alter nature, and who are employed in sales, as clerks, as engineers, etc.; and those workers who do alter nature, and who are termed manufacturing production workers. Since July of 2000, the economy has eliminated 1.187 million *manufacturing production workers’* jobs—which represents 85% of total manufacturing jobs—meaning it has axed those workers who change nature for man’s advancement.

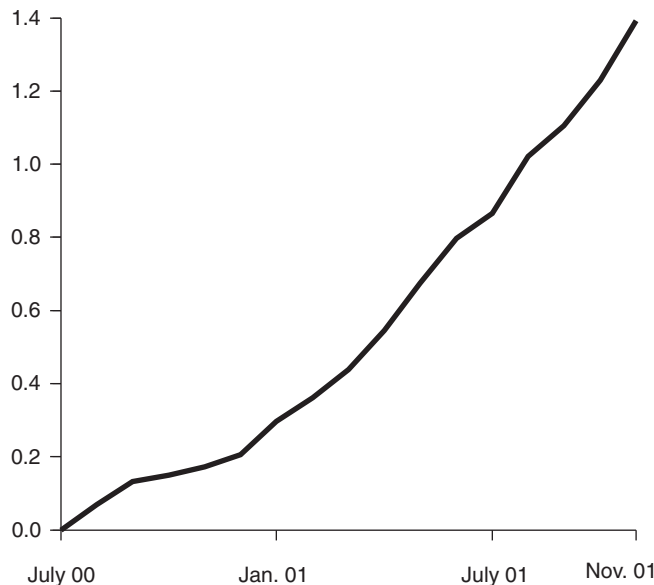
To put this into perspective, America’s production manufacturing employment has fallen to the level it reached in 1950! Think of the expansion of the labor force in the United States since that time—it has more than doubled—and you get an idea of the sheer physical deficit and disaster this re-

1. The shading of Figure 1 starts from the marking for July, because that represents the number of unemployed on the *last day of July*, which is also the number of unemployed on the morning of the *first day of August*.

FIGURE 2

Cumulative Elimination Of U.S. Manufacturing Workers' Jobs Since July 2001

(Millions)



Source: Department of Labor, Bureau of Labor.

presents.

But even as ruinous as the official BLS unemployment rate is, the real unemployment rate, measured by *EIR*, proves that the situation is far worse, because the BLS does not count all who are unemployed. *EIR* calculates its rate by counting those workers in the category "Official Unemployment," plus those workers in two categories that the BLS does not count: those in the category "Want a Job Now, But Not In the Labor Force," and those in the category "Part-time for Economic Reasons." On that basis, total real unemployment in November was 16.721 million workers, and the unemployment rate was 11.4%—double the official rate.

Industrial Production Plunges

While the explosion of unemployment is the main red dye, three other areas of economic activity give critical signs of the downward August–November phase-shift. The first is the plunge in industrial production. **Table 1** shows the production output for key sectors of the economy, as measured by the Federal Reserve Board's industrial production indices. It compares the third-quarter performance to second-quarter performance for the year 2001.² The table shows a high rate

2. The Federal Reserve's industrial production indices involve certain methodological frauds; remove the frauds, and the level of fall would be even greater than what is reported in the table.

TABLE 1

Fall In U.S. Industrial Production

(Third Quarter 2001, On Annualized Basis)

Communications equipment	–24.8%
Semiconductors and related electronics equipment	–24.2
Industrial machinery and equipment	–15.5
Electrical machinery	–17.7
Furniture and fixtures	–11.1
Textile mill products	–14.2
Apparel	–16.6

Source: Federal Reserve Board of Governors.

of collapse: During the third quarter, production of semiconductors plunged by 24.8%; production of industrial machinery by 15.9%; and that of textile mill products by 16.6%.

Most of the fall during the third quarter occurred during the months of August and September—the first two months of the August–November economic downward phase-shift under consideration. Thus, the unemployment explosion both reflected, and was accompanied by, the production collapse.

Though the press claims that it was the effects of the covert strategic attacks of Sept. 11 which reduced industrial output, it should be stressed that aside from airlines, this had no significant effect on industrial production (see *EIR*, Nov. 2, 2001).

Ford Motor Company Planned Closings

The second process to be considered, is that of the policy of America's big three auto companies—Ford, General Motors, and Daimler-Chrysler.

Beginning within days after Sept. 11, the "big three" auto companies announced that they would extend zero-percent financing for auto loans on most makes and models. They said the financing deal was related to the Sept. 11 events, but the truth is that motor vehicle sales and production had been down the entire year 2001 relative to the year 2000; the auto companies were interested in getting sales back up. In addition to zero financing, some auto companies offered zero down payment.

The zero-percent financing had two purposes. First, to increase current sales at the expense of future sales. During October, U.S. consumer purchases for all goods increased by a scant \$18 billion, but of that amount, \$16 billion was accounted for by increased auto purchases, so the auto industry's zero-percent financing scheme was pivotal to the hoax of consumer purchasing going on in the U.S. economy. That this was a scheme born of desperation, can be seen in the fact that the cost of the auto incentives is as much as 16.5% of auto sales revenues, and therefore, on the whole, the auto companies are losing money on the incentives program. The companies simply brought in car buyers during October and

TABLE 2

Material In A Typical Family Vehicle, 2001

(Pounds)

Regular steel sheet, tube, bar, and rod	1,349.0
High- and medium-strength steel	351.5
Stainless steel	54.5
Other steel	25.5
Iron	345.0
Plastic and plastic composites	253.0
Aluminum	256.5
Copper and brass	46.0
Powder metal parts	37.5
Zinc die castings	11.0
Magnesium castings	8.5
Fluids and lubricants	196.0
Rubber	143.5
Glass	98.5
Other materials	131.0
Total	3,309.0

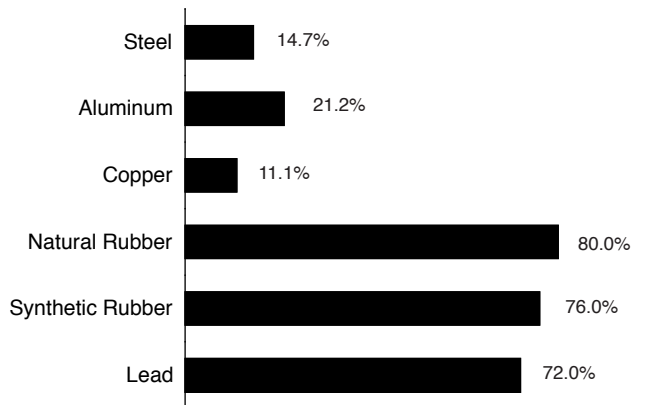
Source: American Metal Market and Industry Reports; Ward's Automotive.

November, who might have waited until 2002 to make a purchase.

Lyndon LaRouche, in his Dec. 9 analysis and call for the National Recovery Planning Act, identified a second purpose for the zero-percent financing scheme. By keeping auto sales temporarily going, the auto makers could keep auto production temporarily going, and therefore consume resources. To understand this point, consider **Table 2**, which shows, by weight, the materials that go into a typical family vehicle. A wide variety of materials go into a car. The same point is made, but from the industrial sectors' perspective, in **Figure 3**. The graph shows that annually, the U.S. automotive industry consumes 14.7% of steel production, 21.2% of aluminum production, 76% of synthetic rubber production, and so on. And—though this is not displayed on the graph—the auto industry consumes a significant percentage of zinc, glass and platinum, as well as machine tool production. The motor vehicle industry is America's largest manufacturing industry, and its physical resource and goods consumption is a critical margin that maintains many industrial sectors.

Through the zero-percent financing scheme, the motor vehicle industry was deployed to hold up a portion of the U.S. economy, and to moderate the steep rate of collapse of the August-November phase-shift downward. This tells us that without the financing scheme, the phase-shift would have been more pulverizing. The motor vehicle industry will be the exception that proves the rule. On Dec. 3, Moody's credit rating agency downgraded Ford's credit rating to "BBB+," the lowest level since 1984. On Dec. 5, Ford's chief financial officer Martin Inglis told a conference call of analysts that

FIGURE 3

Automotive Percentage Of U.S. Material Consumption

Source: American Iron and Steel Institute; Rubber Manufacturer's Association; International Institute for Synthetic Rubber; Aluminum Association of America; U.S. Geological Survey; EIR.

“We have a very serious situation,” and reported that Ford expects to have a \$2.4 billion loss for the year. He announced that Ford would implement an unspecified restructuring plan.

Analyst Saul Rubin, of UBS Warburg, said that Ford would have to mothball five or six of its 21 North American assembly plants, and lay off 30,000 workers. None of the expected Ford layoffs are among the sharply increased unemployment of 2001; they will hit in 2002. In parallel, a shutdown of a portion of Ford production in 2002 will, through the multiplier effect, spill over into all the industries whose goods Ford consumes. Daimler-Chrysler is also discussing plant shutdowns and worker layoffs in 2002.

Thus, the auto industry's zero-percent financing, which was deployed, in part, to blunt the biggest tendency of the August-November downward phase-shift, will now make the next phase of that phase-shift even more violent.

Steel's Coordinated Shrinkage

The third process in the phase-shift downward is in the steel industry.

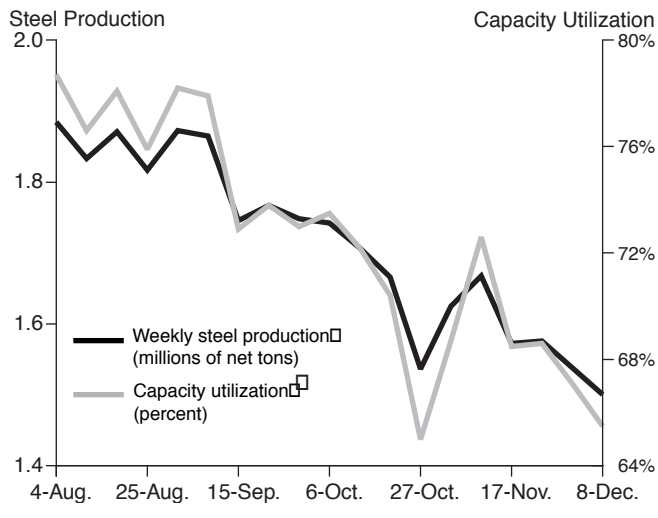
Figure 4 shows that in roughly the specified interval of August through November, weekly raw steel production plummeted from 1.89 million net tons to 1.50 million net tons, and the weekly steel capacity utilization rate nosedived from 78.7% to 65.5%.

For the steel industry, the August-November interval represents the deepest collapse of the year: **Figure 5** shows that year-to-date steel production is 11.9% below that of the year 2000.

However, the Wall Street-dominated American steel in-

FIGURE 4□
U.S. Steel Production And Capacity Utilization Plummet□

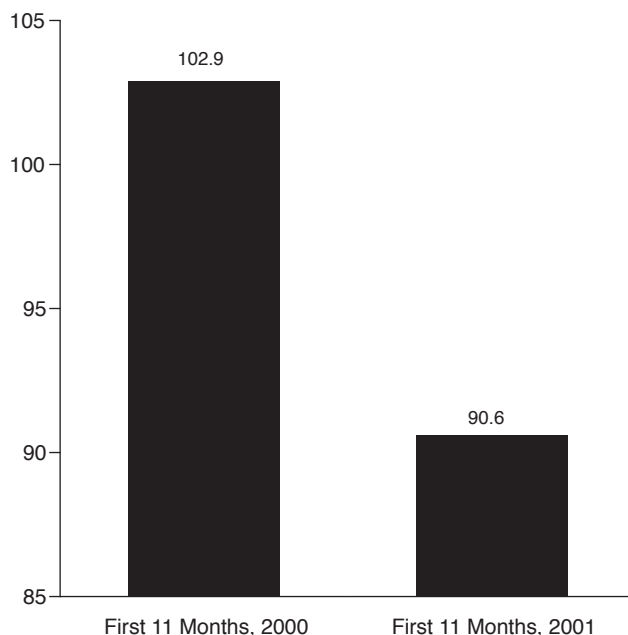
(August–November 2001)



Source: American Iron and Steel Institute.

FIGURE 5□
U.S. Raw Steel Production Falls By 11.9%, Year-To-Year□

(Millions Of Net Tons)



Source: American Iron and Steel Institute.

dustry has come forward with a proposed remedy that is worse than the illness. The U.S. Steel division of USX Corporation, America’s biggest steelmaker, issued a three-point program on Dec. 4, demanding a coordinated “consolidation” of the domestic steel industry, which could halve America’s steel production within a few years. The three elements of the plan are:

1. The use by the United States of Section 201 of the 1974 Trade Act to impose duties and tariffs on steel producers of other countries;
2. “A government-sponsored program” that would assume and pay the steel industry’s “pensions and . . . health-care costs” with taxpayers’ dollars;
3. “A new labor agreement” that would force steel worker layoffs and wage reductions.

Further, USX calls for “near-term elimination of inefficient, excess [sic] steel production capacity throughout the world.” Not incidentally, this would shut down the steel production capacity needed to build the Eurasian Land-Bridges, and their associated rail-based development corridors. The large-scale rail, road, communications, ports, energy, and water-management projects associated with the Land-Bridges would put an end to the global depression.

The last element which brings to light the August–November phase-shift downward, is seen in the machine tool industry.

On Dec. 10, the Association for Manufacturing Technology announced that for October 2001, the level of machine tool consumption by U.S. industry fell by 36.3% compared to

October 2000. As is true with most of the industries discussed here, the current downfall is embedded in a long-term process of decline. **Figure 6** shows that the year 2001’s machine-tool consumption will be only 49.5% of what it was in 1997. Machine tools incorporate and transmit advanced scientific discoveries to the economy as a whole. Machine-tool consumption represents what U.S. industry consumes as part of the production process; such a sharp fall in consumption emphatically shows the full depth of the U.S. industrial sector’s collapse.

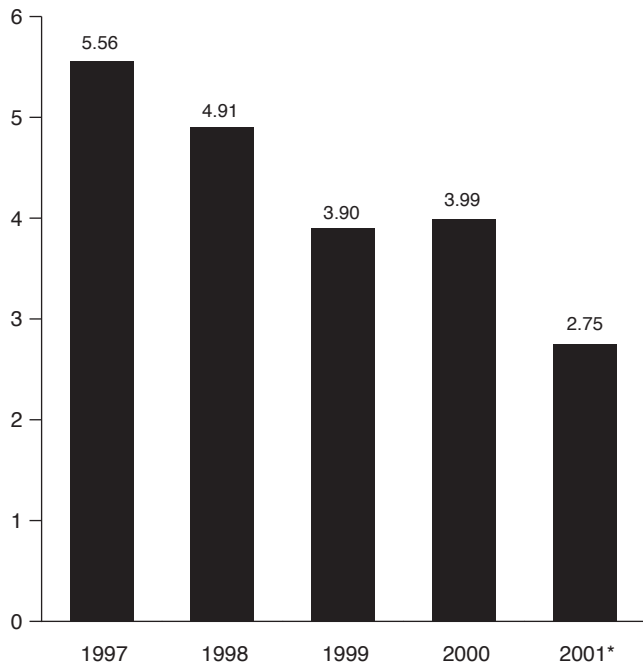
A Real Remedy

It is long since past the time of band-aids. Lyndon LaRouche has proposed putting the bankrupt global financial system through bankruptcy reorganization, and issuing directed Hamiltonian credit. From the standpoint of constructing the Eurasian Land-Bridge, and its corridors of economic development, this would energize the explosive growth of the world economy. On Dec. 9, LaRouche proposed, “We need to build the international infrastructure projects [the development of the Eurasian Land-Bridge, and so forth], and that is what will keep these steel companies alive. You see, if the U.S. government extends a bail-out to the steel industry, the steel industry will just suck the money — Wall Street will

FIGURE 6

U.S. Machine-Tool Consumption

(Billions \$)



*Projected, based on first 10 months of 2001.

Source: Association for Manufacturing Technology.

just suck up the money. These companies need to be put through bankruptcy reorganization. We need to keep the steel industry capacity going, but through these projects.”

Within this international orientation, Lyndon LaRouche addressed the phase-shift downward in the U.S. economy. “We need a National Recovery Planning Act. Our farms, manufacturing facilities, and essential security we can keep in business. We need international loans and development. We won’t bail out the steel industry or other industries. We can issue credit for development. Down the line, this brings benefits, and we get long-term development.”

Greenspan Lunacy

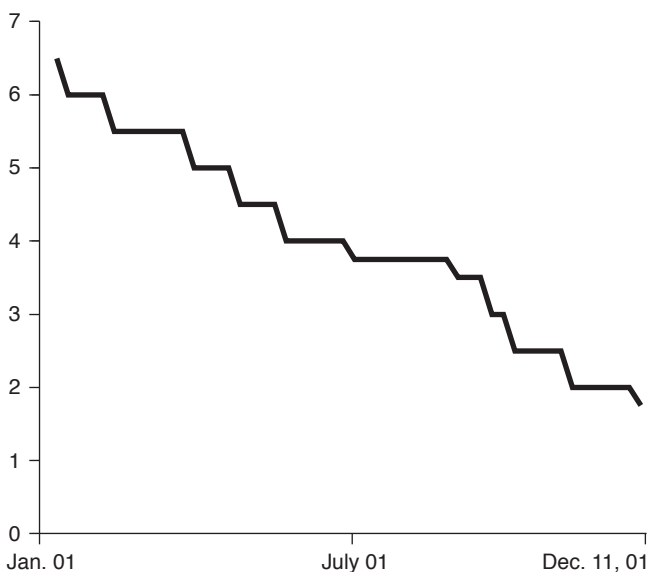
On Dec 10, the Federal Reserve Board’s Federal Open Market Committee (FOMC), and chairman Alan Greenspan, lowered the federal funds rate by one-quarter of a percent, to 1.75%, the eleventh cut this year, as shown in **Figure 7**. Now the federal funds rate is at its lowest level in 40 years. The FOMC also lowered the discount rate by one-quarter of a percent, to 1.5%.

The FOMC justified its action with an explanation that “Economic activity remains soft, with underlying inflation likely to edge lower from relatively modest levels.” Such is

FIGURE 7

U.S. Federal Funds Rate

(Percent)



Source: Federal Reserve Board of Governors.

its comment about an economy that is collapsing, and in which physical goods price deflation is spreading.

Greenspan’s action will intensify a Weimar Republic-style hyperinflationary explosion, but cannot bring economic recovery. Unless Greenspan’s policy is replaced, the August-November downward phase-shift will amplify its own devastating effect.

\$50 Billion Is Missing From States’ Budgets

by Carl Osgood

On Dec. 10 in Washington, the National Governors Association and the National Association of State Budget Officers released their annual fiscal survey of the states. The states’ budget picture is grim, with the amounts of disappearing revenue nation-wide exceeding even what *EIR* has previously reported in its tracking of this side of the ongoing economic collapse. The budget shortfalls of the 50 states are likely to total \$50 billion this fiscal year, indicating the shock-impact of depression-collapse on tax revenues. All but a small handful of states now have acknowledged budget shortfalls, as

layoffs, disappearing profits and vanished capital gains shrinking the states' income.

In the words of NGA executive director Raymond Scheppach, "states' current fiscal condition is already worse than the recession of the early 1990s. As unemployment and state revenues lag changes in the overall economy, states' fiscal situation will likely deteriorate further."

Scheppach said that a combination of "dramatic" fall in revenues, soaring health care costs, and the costs imposed by the terror attacks of Sept. 11 have resulted in state budget shortfalls of \$40 billion so far for fiscal year 2002 (which in most states ends on June 30, 2002), and could reach \$50 billion by the end of the fiscal year. *This clearly conservative estimate is equal to a loss of 10% of the total of all state spending.* It compares with a total peak shortfall during the early 1990s recession of \$19.2 billion. So far, 16 states have had to cut their fiscal 2002 budgets in the midst of spending them, pointing to worse, for all the states, in the fiscal 2003 budgets which are being planned.

The NGA offered no remedy, simply calling on the Federal government to take a larger share of Medicaid spending. This, they argue, would make \$5.5 billion immediately available for stimulating the economy and help the states cover 3 to 4 million people who are expected to become Medicaid eligible this year.

Steel Industry Must Build Out Of Collapse

by Patricia Salisbury

Democratic Party Presidential pre-candidate Lyndon LaRouche stated on Dec. 9 that we need a National Recovery Planning Act, centered around the infrastructure requirements of the United States and world economies. This policy, LaRouche stressed, is in sharp contrast to the current clamor for bailouts by representatives of various disintegrating sectors of the U.S. economy.

No sector of the economy needs to heed the candidate's advice more urgently than the American steel industry and its trade union leadership.

Between Dec. 9 and Dec. 12, five percent of the remaining steel-making capacity in the United States was shut down. Short of the adoption of LaRouche policy recommendation and leadership, it is unlikely that it will ever be restarted. The wipeout occurred when LTV Steel Company placed its mills employing 7,500 workers in Cleveland, Ohio; East Chicago, Indiana; and Hennepin, Illinois on "hot idle" status, pending a final determination by a Federal bankruptcy court on Dec 19. This means that while the plant is being maintained in a way that production could be restarted, no steel is actually being produced, and the workforce is being laid off in waves, until only a small maintenance crew remains.

LTV had filed for Chapter 11 bankruptcy in December 2000, and requires a \$250 million Federal loan guarantee to remain in existence. Various industry analysts are freely expressing the hope that LTV's plant will be sold piecemeal, and its blast furnaces dynamited.

The shutdown of LTV is occurring despite a seemingly fierce mobilization of the United Steel Workers of America (USWA), community leaders—including the Bishop of the Roman Catholic Church in Cleveland, who filed an *amicus* ("friend of the court") brief in bankruptcy court—and the office of U.S. Rep. Dennis Kucinich (D-Ohio), who got a restraining order against an irreversible "cold shutdown." The closure is proceeding despite the resignation under fire of LTV president William Bricker, who was presiding over the dismantling of the company.

USWA members held marches, rallies, and candlelight vigils at their plant gates, and travelled on Dec. 12 to Washington to establish a "tent city," which they vowed to maintain as long as Congress is in session. They plan to lobby

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Shades of the Great Depression: Steel workers from LTV plants closing in the Midwest, pitch a “tent city” outside Washington on Dec. 13, to beg Congress for relief. Their Achilles’ heel is their “patriotic” insistence on blaming the American steel collapse on “foreign steel.”

Congress and the Bush Administration to bail out LTV with a Federal loan guarantee, raising the slogan “Let’s Make Steel.”

Despite this dramatic gesture—clearly intended to echo the tent city encampments of the Depression of the 1930s—union and industry leaders continue to blame the problems of the industry on the alleged “overproduction” of steel by other countries on the world markets, and to ignore the leadership offered by the LaRouche Presidential campaign. This myth of overproduction was the oft-stated premise of the action brought by the Bush Administration at the behest of the USWA and powerful Congressional delegations from the steel-producing areas, seeking a finding from the International Trade Commission that steel is being illegally dumped on U.S. markets. On Dec. 8, the commission made its long-awaited recommendations for a remedy, and while badly split, did recommend a 20% tariff on the categories of steel product it found to be harmed by dumping practices. This tariff level, while falling far short of what had been sought by the union, was welcomed by the USWA, and an immediate mobilization was announced to assure that the Bush Administration would adopt this aspect of the bailout.

Making Steel Or Making Deals

Meanwhile, yet another round of wheeling and dealing is under way, which can only result in a further ratchet down in capacity and production. On Dec. 4, as the union and community groups were launching the militant phase of the fight to save LTV, U.S. Steel announced that it is developing

a comprehensive plan for “consolidation” of the domestic steel industry, and specifically that it is carrying on merger talks with bankrupt Bethlehem Steel, and other major steel companies.

The consolidation scenario was clearly intended as a response to the administration’s repeated announcements that there will be no bailout of the steel industry, unless a consolidation plan which addressed the alleged problem of “world overproduction” was part of the deal. U.S. Steel’s President Thomas Usher, who is masterminding the scheme, made it clear that one condition of consolidation was that the administration—which is currently mulling over various schemes to turn the Social Security Fund over to financier looting—pick up the “legacy” costs of the steel industry. These are

billions of dollars in health-care costs guaranteed to steel industry retirees, as a sop to sweeten the endless rounds of production cutbacks and layoffs that the union had conceded over the years.

Usher also made it clear, that a new labor agreement which lowers employment and operating costs would be a condition of any merger.

Speaking at the tent city, USWA President Leo Gerard revealed the shocking state of steel in the United States. Only 40 blast furnaces remain in the entire country. If something were to happen to the Golden Gate Bridge, no American steel firm could produce the wire grade needed for its reconstruction. And even more telling: No American steel plant can produce the steel grade needed for high-speed rail track, even as high-speed rail corridors are a necessity with the shrinkage of air travel.

Gerard, while leading the way in applauding the various bailout aspects of the merger, weakly demurred on the implied layoffs and wage cuts. “There may be too many steel companies, but there are not too many steel workers,” said Gerard illogically, while welcoming the U.S. Steel consolidation proposal in general terms.

Behind the unconvincing window dressing of militant marches and tent city expressions of union solidarity, it is clear there is a dog-eat-dog scramble in the steel sector to be included in some aspect of the consolidation. This includes the not-so-secret hope that the shutdown of LTV will be a sacrificial lamb, sufficient to keep the financier wolves at bay for awhile.

South Korea's President, In Europe, Promotes Eurasian 'Iron Silk Road'

by Kathy Wolfe

South Korean President Kim Dae-jung, speaking to the European Parliament in Strasbourg, France on Dec. 11, made a strong call for development of the Eurasian Land-Bridge: "the construction of the 'Iron Silk Road,' directly linking Korea with Europe by land." Kim called it "a project that would greatly promote exchanges between Europe and Asia." He stressed, "For this project, one task has to be carried out without fail; the linking of the railway between South and North Korea. This railway has been cut off for 50 years at the Demilitarized Zone. On the occasion of the historic inter-Korean summit last year, the South and North agreed to re-link the railway and a highway. South Korea and Europe could be connected if we link only 14 kilometers of rail."

President Kim's extraordinary speech summed up his Dec. 2-12 European tour of Britain, Norway, Hungary and France. Aides said the trip would generate \$6.5 billion in Korean export orders in construction, industrial plants, shipping and information technology (IT), and \$3.5 billion in European investment in Korea. Kim and Hungarian Prime Minister Viktor Orban agreed Dec. 10 on a \$12 billion plan for "redevelopment of the Balkans."

Korea could become the gateway to the Pacific for Europe, via this Eurasian Land-Bridge, Kim said. "When the Trans-Korean railway is linked with the Trans-China or Trans-Siberian railway, a train leaving London could reach Seoul and Pusan via Paris, Eastern Europe, Central Asia and Siberia or China. Then, the goods could be shipped to all Pacific regions from Pusan, the third largest container port in the world. Transportation costs would be cut by 30% and time shortened by two-thirds."

War Of Ideas

President Kim, his aides, and Seoul officials involved have all been personally presented with *EIR*'s 300-page 1997 report, *The Eurasian Land-Bridge: 'New Silk Road' – Locomotive for Worldwide Economic Development*, which includes an important article by Founding Editor Lyndon H. LaRouche, Jr. "We are well aware of Mr. LaRouche's warning that the U.S. import market of 'last resort' is not bouncing back," one Seoul official told *EIR*. "However, it is taking us time to shift our marketing to Asia. Korea has such a large trade with Europe that the concept of 'Eurasia' is very useful."

Other officials report a "war of ideas" in Seoul over implications of the Eurasian Land-Bridge, which LaRouche em-

phasizes as a means to achieve "full-set" industrialization for all countries along the route. Each sovereign nation is to develop *modern technological and physical means of production*: This has been posed by LaRouche in opposition to the International Monetary Fund (IMF) policy of "globalization," in which one or two imperial centers dominate production.

Korea, a major exporter of heavy construction and transport equipment, has suffered under a brutal IMF "shock therapy" program since 1998. This badly damaged the banking system, making it dependent on foreign investment. Officials say the Seoul IMF team, some of President Kim's advisers—including speculator George Soros, bankers from Morgan and Goldman Sachs, and British Prime Minister Tony Blair—are lobbying hard for globalization, and for phasing out industry in favor of "information technology." President Kim has announced many "IT initiatives."

President Kim's Strasbourg speech also prominently featured this "IT globalization" view, in a doomed effort to satisfy both sides of the debate. "The 21st Century is witnessing a great revolution in knowledge, information, and globalization," he said. "Two hundred years after the industrial revolution, the final curtain has come down on the age of industrialization. Even poor nations and poor individuals will now be able to create wealth if they can make the best use of a computer." Kim praised the "Cyber Silk Road" high-speed data lines now being built linking Asia and Europe.

Eurasia And Korean Unification

President Kim is also well aware that only by promoting the "greater good" of Eurasian development, can he keep North and South Korea on the road to unification. This concept is spreading in Seoul. "Perhaps the creation of a direct railroad connection between the two Koreas and Russia, the Iron Silk Road, offers the greatest promise for future inter-Korean relations," wrote one professor in a recent article on "Current Inter-Korean Relations and the Iron Silk Road." To move North-South relations out of deadlock, Prof. Kim Young-jeh of Konkuk University wrote in *U.S.-Korea Tomorrow* magazine, Russian President Vladimir Putin will soon host a meeting with the two Koreas. The agenda will be rebuilding the rail link from Seoul to Wonsan in the North, to Vladivostok and on to Moscow. "The Russian Ministry of Railway Transport estimated the Trans-Siberian Trans-Korean route would generate over \$100 million in revenue for



South Korea's President Kim Dae-jung on Dec. 11 called for the building of the Eurasia-spanning rail corridors, the "Iron Silk Road," and for continuous high-speed rail connection bridging the 7,000 miles from Seoul to Paris. South-North Korean railroads must be linked to do this.

North Korea and \$400 million for Russia.”

President Kim ended his Strasbourg speech with a call to develop the entire Eurasian land-mass as an economic unit. “On the day when the construction of the ‘Cyber Silk Road’ and the ‘Iron Silk Road’ are both completed, Asia and Europe will practically become one land-mass,” Kim said. “From the 5th and 6th Centuries on, a large number of people and goods have travelled by land over the Silk Road. . . . The cultures of the two regions have contributed considerably to each other’s development.

“In modern times, the West’s democratic system, the industrial revolution and cultural achievements have exerted great influence on the politics, economy and culture of Asia. . . . Asia, as the source of the Tigris-Euphrates, Indus, and Yellow River civilizations as well as the spiritual cultures of Confucianism and Buddhism, greatly influenced the entire world, including Europe. Asia taught Europe how to make gunpowder and paper. . . .

“Three-fourths of the world’s populations live in these two regions. Economically, they produce half the world’s products. It is very important for Asia and Europe to deepen mutual understanding and cooperate further, not only for the development and prosperity of the two regions, but also for the peace and prosperity of the world. . . .

“The room for expansion of trade and investment between Korea and the EU is boundless. Korea is located in the middle of the huge markets of the United States, Japan, China and Russia. . . . I hope that the EU and Korea will continue to expand their cooperative partnership in the huge markets of East Asia, including Japan and China.”

East Asian Economic Cooperation

EIR was provided on Dec. 7 with official Korean comments on President Kim’s proposal for an East Asian Community. They cohere with his Strasbourg speech on the necessity to develop Eurasia as a whole. (see *EIR*, Dec. 14, 2001 on the East Asia Vision Group). “From its inception the ASEAN+3 process has taken up measures for expanding and deepening East Asian cooperation that transcends the distinction be-

tween Northeast Asia and Southeast Asia,” the statement says, speaking of the Association of Southeast Asian Nations plus China, Japan, and Korea. “Korea has taken the leading role in the efforts for East Asian Cooperation. In 1998, at the initiative of President Kim Dae-jung, an East Asia Vision Group (EAVG), of 26 eminent persons in the region, was set up to prepare a comprehensive report on the future prospect for East Asian cooperation.”

This EAVG report by 26 private scholars, the comments note, has now gone to an “inter-governmental” group of ruling officials, for the governments’ implementation:

At the ASEAN+3 Singapore Summit last year, “13 leaders of East Asia, again at the initiative of President Kim, also agreed to establish an inter-governmental East Asia Study Group (EASG) as a Track I approach to East Asian cooperation. . . . It will not only assess the recommendations in the final report of the EAVG, and prepare a comprehensive list of concrete measures for East Asian cooperation, but also explore the idea and implications of an East Asia Summit,” as a permanent organization of the 13 countries.

“The main topic among ASEAN+3 leaders at [their Nov. 5-6, 2001] Brunei Summit meeting was the final report of the EAVG, which was officially introduced by President Kim. The report put forward ‘an East Asian community of peace, prosperity and progress’ as the ultimate vision. . . . By zeroing in on open, gradual and durable regional integration, the vision in the report will bring about formidable change not only to East Asia, but also to the future of mankind. . . .

“In order to accelerate the process . . . President Kim proposed to focus on the following three areas . . . of the report:

“First, . . . transforming the current ASEAN+3 Summit into an East Asia Summit. He emphasized that the launching of an East Asia Summit will play a catalytic role in breeding a regional identity and ultimately achieving establishment of an East Asian Community.

“Second, with a view to providing intellectual as well as practical assistance . . . in regional integration, and . . . a wide range of exchange and cooperation among East Asian peoples, President Kim proposed the establishment of an East Asia Forum, which will consist of both government and non-government representatives from each country.

“Lastly, President Kim proposed . . . the study of an East Asian Free Trade Area. . . .

“The leaders at the Brunei Summit thanked President Kim for the EAVG initiative in 1998 and the follow-up proposals. They urged the EASG to assess the proposals and produce its final report to the Cambodia [ASEAN+3] Summit next year. . . .

“We believe that the Brunei Summit marks an important milestone in the efforts for East Asian cooperation, by advancing the discussion toward a clearer goal for the future of East Asia, and the means to achieve it.

Prime Minister Mahathir of Malaysia proposed to establish an ASEAN+3 Secretariat to reinforce efforts for cooperation in the East Asian region. . . .”

Thailand's Thaksin Draws Wall Street Fire

by Michael Billington

The Dec. 13 issue of the *Far Eastern Economic Review* (*FEER*) attacked with unusual force, the policies being pursued by Thailand's Prime Minister, Thaksin Shinawatra. *FEER* is the Dow Jones-owned sister publication of the *Wall Street Journal* in Asia. Its coverage, "The Risk Of Directed Credit," by Shawn W. Crispin, posed the core question facing every nation on Earth today: How can a sovereign nation defend its national sovereignty and protect the general welfare of its citizens in the face of the onrushing global depression? Dow Jones, of course, insists that such "old-fashioned" concepts as sovereignty and general welfare should be dispensed with altogether, and that Thailand, like all developing nations, should submit to the austerity dictates and conditionalities of the International Monetary Fund (IMF)—in *FEER*'s words: "heaps of non-performing assets need to be liquidated, over-supplies consolidated, and, in many places, managements purged."

However, the new Thaksin government in Thailand has increasingly been resisting the mantras of globalization and free trade, and, to the discomfort of *FEER* and its Wall Street sponsors, is searching elsewhere for ideas to preserve sovereignty and rebuild the economy. Furthermore, with the economies of the two economic superpowers, the United States and Japan, now sliding into economic free-fall, Thailand recognizes that it can not depend on the false hope of a return of the recently collapsed Western import markets.

It is revealing that Dow Jones chose the week of Dec. 13 to unload both barrels at Thaksin's leadership, since the Thai Prime Minister was travelling to the United States Dec. 13-19 to meet President George W. Bush and others. Bush is currently under assault himself, from those (including the Dow Jones *Wall Street Journal*!) pushing him to launch a religious war in the Middle East—its real purpose being to break up the potential international alliance forming across Eurasia.

The Dow Jones/*Wall St. Journal* message to Bush: no concessions to countries that won't play by "our" rules, either on war, on terrorism, or on the economy. President Bush, and his Secretary of State Colin Powell, have thus far resisted these fanatics, both those in the press and those within his own administration. The Thaksin trip will thus be an important indication of the direction of this fight within the United States.

Thaksin's Nationalist Turn

Dow Jones particularly targets Thaksin's creation of the Thai Asset Management Corporation (TAMC), and related policies in regard to the leading state bank, Krung Thai Bank. The TAMC, which was created by decree by Thaksin, fulfilling part of his electoral campaign package, is taking over the non-performing loans (NPLs) of the nation's banking system, with the intention that the banks will be enabled to begin lending to the industrial and business sectors again. To facilitate that process, Thaksin also instructed Krung Thai Bank to set a goal of approximately \$5 billion in new lending to the real economy, with perhaps three times that amount to be lent by all the state financial institutions altogether.

FEER complains that these institutions are not following the magical rules of the free market, but are "reverting to a state-led economic-development model." What *FEER* fears is the idea of "directed credit," or "policy lending," whereby the government makes sovereign decisions as to how the nation's sovereign credit is best allocated, in order to assure economic development and the well-being of the population. These ideas—identified historically with America's Founding Fathers George Washington and Alexander Hamilton, and formerly known as the American System of political-economy—are the cause of what *FEER* describes as the IMF's "concerns about Thaksin's move towards policy-directed lending, fretting that credits will be disbursed on less-than-prudential guidelines."

It is now self-evident to all but the blind that the only use of credit that has been considered "prudential" by the IMF or Wall Street over the past four years—since the financial crisis of 1997—has been to pay off the foreign debt, and let the economy and the population be damned. Chulalongkorn University Prof. Pasuk Phongpaichit told a seminar in Washington in November, that the drastic devaluation of the baht during the speculative raid on the nation's currency in 1997-98, had approximately doubled the effective foreign debt (when measured in baht rather than dollars). Meeting that debt payment has come at the expense of essential maintenance of the economy, and the growing poverty of the population. Meanwhile, said Pasuk, foreign capital flooded the Thai economy, buying up the wreckage. "More foreign direct investment came into Thailand in the two and a half years after the crash," said Professor Pasuk, "than in all the 12 years of the 1986-97 boom. Almost all this inflow went into buying up distressed companies."

A calculation of the underlying reality of that debt payment over the past years is most revealing (see **Table 1**). Between 1997 and 2000, Thailand paid over \$53 billion in foreign debt service, all paid in highly devalued baht. But the real value of the Thai commodities, such as rice and textiles, did not change, just because they became cheaper to foreigners, nor did the real value of Thai labor somehow change due to devaluation of the currency. If we measure that \$53 billion debt service in baht, at the devalued rates,

TABLE 1

Thailand's Inflated Debt Payments

(Millions)

Year	Debt Service In \$	Exchange Rate In Baht Per \$	Debt Service In Baht	\$ Value of Debt Service In 1996 Baht
1996	—	24.9		
1997	11,778	31.4	369,829	14,853
1998	13,261	41.4	549,005	22,048
1999	16,380	37.8	619,164	24,866
2000	11,948	40.1	479,115	19,242
Total	\$53,367		B2,017,113	\$81,009

it comes to over 2 trillion baht. But it can be calculated how much that 2 trillion baht would have been worth, in dollars, before the currency was destroyed by George Soros and his fellow hedge-fund bandits. This is done by calculating its value in dollars at the 1996 exchange rate, before the speculative assault.

It is clear that the equivalent of \$81 billion has actually been paid in foreign debt! Because of devaluation, the nation was credited with only \$53 billion paid. Some \$27 billion more in real value was extracted from the Thai economy, but hidden from accountants' books.

Nor is this all; the collapse of the terms of trade make this reality even worse for Thailand. Two of the primary agricultural commodities it depends upon for export income—rice and rubber—have been subjected to speculative manipulation, having nothing to do with “supply and demand,” and totally out of the control of the government of Thailand (even though Thailand is by far the largest exporter of rice in the world). The resulting world market prices of both have literally been cut in half since 1997. Factor this into the equation, and it becomes even more apparent that Thailand is being told to sacrifice its wealth in *multiples* of the originally contracted quantities of international lending, in order to meet the debt demands of the IMF-centered institutions.

New Agreements Spreading In Asia

The Thai Prime Minister has also initiated nationalist measures to deal with the collapse of the rice and rubber prices. Thailand is participating in new cartel agreements (although avoiding the politically incorrect term) to protect national economies, working with other leading producers in the developing sector. The rice agreement between Thailand, Vietnam, China, Pakistan, India and Myanmar, represents 70% of the world rice trade. Among leading exporters of rice, only the United States is not involved. But a leading Thai official involved in trade issues confirmed to *EIR* that the purpose is not to undermine U.S. exports, but to revive

world rice prices against the speculators.

Similarly with rubber. Thailand, Malaysia, and Indonesia have formed the International Tripartite Rubber Organization to combat speculation—although in this case, they also plan a coordinated reduction in production, due to declining demand in the global depression.

Thailand's actions must be seen in the context of the rapidly developing cooperation across Eurasia, coordinating defense against the global financial collapse, while orienting toward internal and regional development. Neither these regional policies, nor Thailand's national policies, are detrimental to the real interests of the United States.

'Chapter 11' Idea Used

Those aspects of the Thai Asset Management Corporation (TAMC) which *FEER* finds so objectionable are actually derived from the American System idea expressed in the U.S. “Chapter 11” bankruptcy code. The concept is that a company which is suffering from debt problems should not be allowed to collapse, as *FEER* demands, if the productive capacity of that company is important to the economy and general welfare of the nation as a whole. Instead, the debt should be put aside temporarily (and, when appropriate, portions written off), while using the sovereign powers of the nation-state to generate new credits—not to retire debt, but to renew production and to make technological improvements. Thus, the general welfare takes precedent over the “bottom line” of the accountants' books. That portion of the debt which represents legitimate investment can be retired over time through production, rather than through stripping down production, or selling off national interests to foreign speculators.

Prime Minister Thaksin worked closely with the Malaysian government of Dr. Mahathir bin Mohamad in setting up the TAMC, based on the Malaysian AMC, called Danaharta, set up in 1998. Prime Minister Mahathir insisted that the underlying industries and businesses in Malaysia were sound, despite the debt crisis brought on by the speculative attack, and that the national government was the only power capable of defending the real economy. That structure has proven itself effective, while Malaysia's neighbors were subjected to economic and social disruption by the IMF-run “free-market” approach. The TAMC went into effect in October, and will absorb up to \$25 billion in NPLs from the banking system, nearly all left over from the 1997-98 crisis.

Unlike Malaysia in 1998, however, Asia now faces a global crash. While these measures are indispensable as a defense against further speculative raids on the economy, the ability to salvage the underlying productive capacities of these loans will depend on the success of the effort to create a new world financial system.

President Bush would do well to ignore his critics at Dow Jones, and work with Prime Minister Thaksin, and other world leaders, in reviving the physical economy, rather than defending the collapsing debt bubble.

LaRouche Presents Strategic Overview To Indian Audiences

by EIR Staff

Amidst meetings with high-ranking Indian leaders during his Nov. 30 to Dec. 6 visit to India, U.S. economist and Democratic Presidential pre-candidate Lyndon H. LaRouche, Jr. keyed an *EIR* seminar at the India International Center on Dec. 3. The invitation-only session was attended by 35 persons, among them former national cabinet ministers, high-level economic advisers, key intellectuals, and selected journalists.

LaRouche's presentation was entitled "Growing Global Crisis: The World Needs a New Monetary System;" the presentation and discussion at that seminar—one of a number of important public and private meetings—is published below. Among the other important events was a seminar with the faculty of the School For International Studies of India's leading Jawaharlal Nehru University in New Delhi.

Lyndon and Helga Zepp-LaRouche met two former Prime Ministers of India, Chandra Shekhar and I.K. Gujral, and leading officials of the present government of Prime Minister Atal Behari Vajpayee. On Dec. 5, they were officially received by India's President, K.R. Narayanan. *EIR*'s Ramtanu Maitra organized their visit.

New Bretton Woods And 'Strategic Triangle'

For the LaRouches, it was a return visit after 18 years (Helga Zepp-LaRouche had visited China and India in 1999) to a country where they have many friends going back to the governments of Prime Minister Indira Gandhi. In the late 1970s and up until her assassination in 1984, Lyndon LaRouche's economic program-outline, written for her government, was very widely studied in India. It was *India In The Year 2020: A 40-Year Program To Make India An Industrial Giant*. LaRouche made an extensive visit to India in 1982 around this policy of combined heavy investment in economic-technological infrastructure, and universal education.

The current, urgent context for the discussions was twofold. First, the immediate need for LaRouche's New Bretton Woods monetary reorganization of the collapsing international financial system. And second, the embattled potential that a "strategic triangle" relationship may emerge among Russia, India, and China,



Lyndon and Helga LaRouche's lecture and discussion with faculty at the School for International Studies of India's leading university, Jawaharlal Nehru University, on Nov. 30.

focussed on the development of high-technology economic infrastructure for all of Eurasia—the Eurasian Land-Bridge. Seminar participants discussed the recent sabotage of that perspective by the Cato Institute and other Anglo-American Mont Pelerinite think-tanks, which intensively threatened the Clinton Administration against the “strategic triangle” idea.

The *EIR* seminar was opened by Prof. Devendra Kaushik, former chairman of the Center for Russian, East European, and Central Asian Studies, Jawaharlal Nehru University, New Delhi, and present chairman of Maulana Azad Institute of Asian Studies, Calcutta. He called LaRouche “one of the most powerful thinkers of our time, for whom economics is not a subject of money and finances, but a commitment to the General Welfare and the Common Good.” Professor Kaushik also welcomed Helga Zepp-LaRouche and her “tireless campaign for the idea of the Eurasian Land-Bridge.”

In his presentation, LaRouche stressed the importance of learning real history, in particular learning from the fight to create the sovereign nation-state, the key achievement of the European Renaissance in the 15th Century. He then discussed the “American System of political-economy,” and its impact in Europe, Japan, China and Russia during the 19th Century. The key achievement was the building of railway systems, such as the Trans-Siberian, as the basis for inland economic development. It was to counter this that British geopolitics was founded, he said.

This approach to economics demands a new approach to education, LaRouche said, based on re-creating the crucial discoveries made in history—a vital issue for India, with its

huge population and problem of underdevelopment and poverty. India must emphasize infrastructure, water management and power supply, with the nuclear high-temperature reactor as the appropriate technology for power generation there. Public credit is required for investment in new industrial technologies, and machine tool investments. All this requires long-term thinking: “No government is thinking, unless it thinks 25 years ahead. We must choose the road for the future. Think like a parent, who fosters the development of a child for the future.”

In his closing remarks, LaRouche emphasized once again, that “the present global financial system is finished,” and must be superseded by a “New Bretton Woods” reorganization. The Eurasian Land-Bridge is the right development perspective. The nations of East and Southeast Asia need a rapid infusion of technology, based on long-term credit at low interest rates for great infrastructure projects, and with Russia serving as transmission belt. We can bring the nations into the new system—“if not, we are headed for a new dark age.”

Helga Zepp-LaRouche delivered a report on the Eurasian Land-Bridge. This idea was developed in 1989-92, after the fall of the Berlin Wall. Now, with Chinese infrastructure planning, and with Vladimir Putin as President of Russia, the Land-Bridge is no longer an idea, but concrete steps are under way to realize it. “We have come to India, this time, to help the Indian elite to recognize that a renewed effort is necessary. The present crisis can be used to put the Eurasian Land-Bridge on the agenda,” she said.

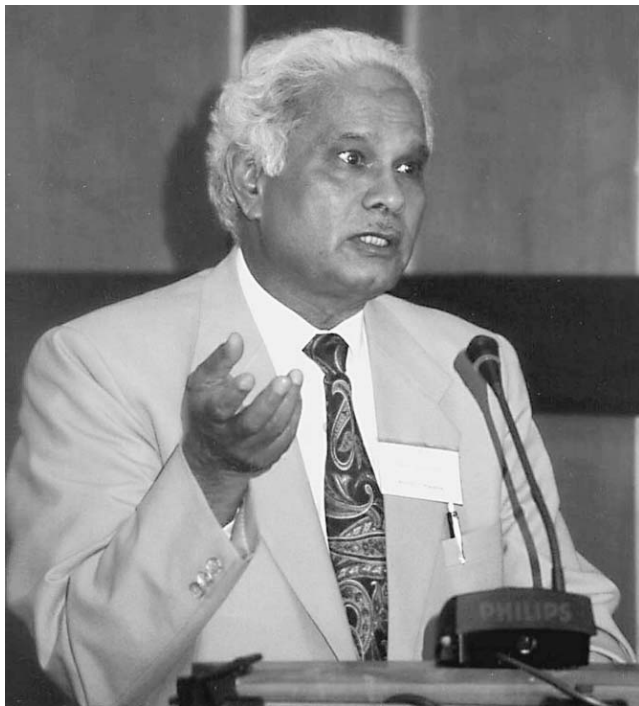
World In Crisis Needs A New Monetary System

The following is the transcript of the seminar at the India International Center, on Dec. 3, in New Delhi. Subheads have been added. The moderator, Professor Kaushik, is former chairman of the Center for Russian, East European, and Central Asian Studies, Jawaharlal Nehru University, New Delhi, and present chairman of Maulana Azad Institute of Asian Studies, Calcutta.

Prof. Devendra Kaushik

At the very outset, allow me to extend, on behalf of Maulana Azad Institute of Asian Studies, Calcutta, on my personal behalf, on behalf of many friends and admirers of Mr. LaRouche here, to extend a most cordial welcome to Mr. Lyndon H. LaRouche, Jr., and Mrs. Helga Zepp-LaRouche. It is really a matter of great pleasure that they are in our midst.

I think, and most of you here will agree with me, that we have with us, one of the most powerful thinkers of our times. A physical economist, an economist with a difference, for



Prof. Devendra Kaushik, who chaired the seminar, welcomed LaRouche as “one of the most powerful thinkers of our times.”

whom economics is not just a matter of money, but a commitment to the general welfare, and common good. I’m glad that I have this opportunity to greet and welcome Mr. LaRouche, because I’m associated with an institute which is located in Calcutta, and Calcutta is the first city with which Mr. LaRouche’s association with India had begun. If I’m right, in 1946, he had come there, in the wake of the conclusion of the Second World War. He had been south, in Southeast Asia, while in the U.S. Army. And since then, Mr. LaRouche has been committed to India. He is an admirer, a great admirer of India, and I’m proud that my association with him has enriched my understanding of the ongoing processes in the world.

He is a wise man, of the Renaissance tradition. An economist, who enriched further the ideas of Leibniz, and invented the Leibniz-LaRouche method of quantifying the relationship between technical advances and growth of the physical economy. It’s a pity that in India, LaRouche—though India is very centrally situated in the scheme of things—is not so much known, as we would have liked him to be known; his ideas, I mean. But in many important areas of the world—Ibero-America (Latin America), Africa, Europe, Italy, France, Poland, and in Russia—his ideas are acquiring a great influence.

I’m a student of Russian affairs, and I know how powerful is the impact of his ideas on contemporary Russia: Read Academician Lvov, or Academician Abalkin, or Glazyev, who is chairman of an important Duma committee. His views are expressed, prominently displayed, in the Russian journals, and Russian newspapers, such as *Ekonomicheskaya Gazeta*, *Pravda*, *Izvestia*, and *Russki Predprinimatel*—I happened to read, it’s a very decent publication, a very important interview given by him. He has appeared several times before the Duma, the State Duma [lower house of parliament] of Russia, for hearings, and I think in Russia, and China also, his ideas, and the ideas, you know, of this couple, here present in our midst—Eurasian Land-Bridge. Mrs. Helga LaRouche is a tireless campaigner for this idea of the Eurasian Land-Bridge, which offers the only hope to redeem this world, which is now besieged by the impending doom of the international financial and monetary system.

I would not like to anticipate what he is going to say here. Once again, I welcome both of you, sir, Mr. LaRouche, and Mrs. Helga, into our midst, and request you to enlighten us with your presentation. Mr. LaRouche.

Lyndon H. LaRouche, Jr.

Thank you. I’m very glad to be here, of course, and of course, I know, or have met, many of you attending, personally, and I’m glad to see you again, always.

What I’ll do is, there are three points I shall make. The idea here is not to present so much a report, in the ordinary sense, but to give an outline of the structure of thinking, which



The LaRouches' Dec. 3 seminar at New Delhi International Center on "Growing Global Crisis: World Needs A New Monetary System," was attended by former national cabinet ministers, economists, intellectuals, and journalists. LaRouche speaks next to moderator Prof. Devendra Kaushik.

must be used to understand both the present situation, and the probable solutions for the present world crisis.

First of all, we have to redefine history, modern history, because what is usually accepted as modern history, is *not* modern history; it's fiction, invented to apologize for the policies of one or another group, and make up, like family histories—you pick invented ancestors, instead of the real ones, and much of history has that character.

We Must Redefine History: The Modern Nation-State

The beginning of modern history goes back, of course, in Europe, to the 15th Century, to a Renaissance. And the significance of that for today, is principally, that a new kind of institution, the modern nation-state, was conceived in Italy in the 15th Century, in the Renaissance. The difference between that, and all preceding forms of civilization, even though there were intimations of that in earlier developments—the essence of this revolution, was that, for the first time, the idea that one group of people could rule over other people as virtual human cattle, was denied to be a principle of law. This was the imperial principle of law, on which, from ancient Mesopotamia, Sparta, the Roman Empire, the Byzantine Empire, and European feudalism had been based, on the idea of a majority of the population being treated by a limited minority, as if they were wild, or tamed, human cattle. And hunted down, bred, utilized, and culled, according to the pleasure of the masters, as the Malthusians today argue: "If the population is excessive, regrettably, we'll have to cut the herd." The same kind of idea.

So, under the modern nation-state, it was established that there is no moral authority for government, except as that

government is efficiently committed to promote the general welfare, the common good, of *all* of the people over whom it rules, and their posterity. That's the basis, that principle of the general welfare, or common good, is the foundation. This idea was first brought to successful expression in France, under Louis XI, who made a revolution in creating the foundations of modern France, out of rubbish. This French revolution was echoed in England, by the overthrow of Richard III, and the installation of the government of Henry VII, who was sane, unlike his son, Henry VIII.

So, at that point, the forces of oligarchy, led by Venice, sought to overthrow the nation-state. And the nation-state, as a result, was thrown into a period of civil war, religious war, from 1511, till 1648, until the Treaty of Westphalia. Under these conditions, the possibility of restoring the kind of nation-state which Louis XI of France, or Henry VII of England, or Henri IV of France, had attempted to bring into being, was in jeopardy. And therefore, Europeans looked to the Americas, where colonies, European colonies, had been developed, in the hope that republics of the desired form, could emerge in this area.

This did not succeed in the Spanish area, principally because of the Hapsburg influence internationally, and British influence. But it did succeed in the United States—in what became the United States.

The Ideas Of Leibniz Shaped The American Constitutional System

Now, the United States was created with the backing of all the leading intellectual circles of Europe, the good ones. In France, but throughout Europe as a whole. The major intellectual influence in shaping the United States, and its Consti-

tution, was Gottfried Leibniz, the great scientist of the 17th and early 18th Century. The ideas of Leibniz, as opposed to those of Locke, or opposed to those of Hobbes, were the foundation of the American Constitutional system.

The problem we had in creating our republic, is, we had a rotten element inside it. We have the same problem in India, of course, in the freedom of India. You had to take what you had, and make a government of all of the elements, including some which might not have been too agreeable, at the time. We had that too.

We had a financier interest, closely tied to the British East India Company, principally, in New York and Boston, the Boston area. We had also Southern slaveholders, centered in the Carolinas and Georgia. These were elements which polluted the founding of our nation.

In the wake of the Napoleonic Wars — the French Revolution and Napoleonic Wars, the United States, which had just been created, became isolated. And thus, the wars of Europe became the determinant of the fate of the United States, which was a small nation, floating like a cockboat on the seas of the world as a whole, and always in jeopardy. We became corrupted. The power of a New York-centered financier group, the power of the slaveholders, increased, until Lincoln led a revolution, which overthrew a British puppet-government, the Confederacy, and established, between 1861 and 1876, the United States as the most powerful single nation-state economy, the most advanced technologically, on this planet.

Growing American Influence

This occurrence, as viewed in 1876, by leading Europeans, led to a revolution in Europe, and Asia. It led to the so-called Meiji reforms, of the 1870s, in Japan. Modern industrial Japan was actually a personal creation of Henry Carey, the leading economist of the world at that time, deploying his student, E. Peshine Smith, into Japan, to guide the Japanese in creating the foundations of a modern economy. At a later point, you had in China, the influence of Sun Yat-sen, who was educated and developed in Honolulu, who became the leader of a struggle for the foundation of modern China.

In Russia, Mendeleyev, the great scientist of Russia, was, in 1876, at the Philadelphia Centennial Exposition. He returned to Russia, delivered his report to Alexander II, and with the later support of Graf Witte, established the American model as the direction in which the Russian economy was being developed. It was Mendeleyev who developed not only the Trans-Siberian Railroad, with the cooperation of Witte in the completion, but also, created most of the industries of Russia, based on the American model. The letters of Mendeleyev to the Tsar, on the subject of industrial projects in regions in which the rail system was being constructed, are a model for reference still today.

In France, there were positive influences after the ouster of Napoleon III. This went on until about the 1890s, in which

the American influence was an increasing influence throughout the world, in shaping the direction of reforms in the Old World. In none of these cases, was a true republic developed in Eurasia. You had czarism in Russia. You had the Hirohito system, essentially as we referred to it in the World War II period, in Japan. You had oligarchy-run Europe. You had the Hapsburg tyranny, which was still squatting like a succubus in Vienna. You had all kinds of relics of the past.

And what Europe did, was essentially make certain reforms. The reforms were reforms in *feudal* institutions. The parliamentary system is a feudal relic. It was created by imposing reforms upon monarchies, in which the forms of parliament, which had been created originally to represent the oligarchy, and advise the monarch, were compelled to make concession on lawmaking, to various levels of popular opinion. And this gave us the parliamentary forms, which people in Europe prize as being a gain. They're vulnerable forms of government, as you know, because a parliamentary government is inherently subject to destabilization. You can have a parliamentary crisis: The government's out. So therefore, the problem in parliamentary systems is to maintain a long-term continuity of policy, sufficiently long-term — and I'll come to that — in order to make the project successful.

So, Presidents are elected, and governments composed, of certain durability, which have democratic features within them, but are durable. Which means that people can make commitments to terms of five to ten years, and longer, in terms of *policy*. And virtually no reform can be carried out, in almost any country, effectively, and brought to success, in less than a five- to ten-year period — which I'll get to.

But, despite those shortcomings, we had around the world in the late 19th Century, what looked like an American Century. That is, the influence of the success of the American Revolution, as attested by the developments of 1861-1876, as a model for reform of the world as a whole, and of relations among states.

This changed during the course of the 1890s. The British monarchy recognized, that the development of trans-Eurasian rail systems, and economic development, meant an end to the ability of a maritime power, an imperial maritime power, to dominate the world as a whole.

Remember, historically — as you know from the history, or sometimes prehistoric history of India, in which the Dravidian-speaking language group dominated the entire Indian Ocean region, and its adjoining littoral, as a great maritime power. Sumer was created by Dravidian-speaking peoples. Yemen, Abyssinia, were developed by Dravidian-speaking peoples. The culture which radiated from the subcontinent, radiated all over the oceans, the Indian Ocean, and Asia.

And the British had inherited that idea of maritime power. Economic power was largely based on the littoral areas, adjoining the oceans, or up the riparian rivers, and riparian systems of the rivers. The inland areas of the continents were not adequately developed — as in China today. The great problem



The LaRouches were welcomed in their visit to India by former Prime Minister Chandra Shekhar (upper right); by former Prime Minister I.K. Gujral (above), talking to Lyndon LaRouche); and by India's current President, K.R. Narayanan (right).

in China today, is the coastal region, and the great riparian channels, tend to be developed economically; the inland regions, beyond the reach of the coast, beyond the great riparian conduits of trade, are not developed. And that's the great problem there.

However, if you develop systems of transport and power, across the continent, as we did in the United States, with the transcontinental railway system, then you can unite a continent, and it becomes cheaper to move freight across the land-mass, and much quicker, than by sea. And this results in a great revolution.

The British React With 'Geopolitics'

So, therefore, under the conditions typified by the Mendeleyev work, in developing the Trans-Siberian Railroad, the threat was that Eurasia would unite, in cooperative ventures of this sort, linking the Atlantic Ocean to the Pacific Ocean across the land-mass, and this would make a great revolution in the human condition, under which the interior of Eurasia would become a development area. This, London recognized as a grave threat to the power of the British Empire.

And therefore, the British developed two plans, one typified by Admiral Fischer, the head of the British Navy, who invented the Dreadnought, the so-called Dreadnought policy, to dominate the seas absolutely. And also, to create Kuwait, which was originally owned entirely—stolen by the British monarchy, and owned by it, and created as a source of oil for an oil-fired British Navy, intended for what became known

as World War I.

But, the idea was: How do you overthrow and disrupt the tendency for cooperation among France, Germany, Italy (which emerged as a nation during this period), Russia, Japan, China, down to India? How do you do that?

And they came up with the idea called "geopolitics": Set the nations which you wanted to have cooperating, against one another's throats. This was called World War I.

World War I began in France in about 1892 with the Dreyfus Affair, which was actually a plan for the overthrow of the existing government of France, making the way for the horror-show which came in later—1898: The power of France was destroyed by Kitchener, above Khartoum, and broke the attempt of the French to create a railroad system which would link Dakar to Djibouti across the Sub-Saharan region. This led to the formation of the Entente Cordiale between France and Edward VII. This led to the Balkan wars, to the increasing alliance with Russia against the Ottomans, with France. This led to the folly of Germany, in allying itself with Austro-Hungary, which lured Germany into the trap of what was called World War I.

The Crucial Feature Of Modern History: McKinley's Assassination

Now, the crucial feature here, which defines modern history, is the 1901 assassination of the President of the United States, McKinley. McKinley was the last President in that period, until Roosevelt, who represented the American Sys-

tem tradition, exemplified by Lincoln. This brought into power a man who was a total British asset, Theodore Roosevelt, who was the nephew of the man who had been leader of the Confederate intelligence service, and trained by him. So, you had a British agent, Teddy Roosevelt—took over the United States, and with his friends in Wall Street, and among the former slave-owners of the Confederacy, established their power over Wall Street. This was done directly by Edward VII through Jacob Schiff, who was Edward VII's chief agent on Wall Street, who created the Federal Reserve System, and some other things.

Wilson, who's the important successor of Teddy Roosevelt, after Taft, and was put into power by Roosevelt's intervention, was a man of a Southern tradition, a Confederacy tradition—not only pro-slavery, but an admirer of the Ku Klux Klan. And the man who, from the White House itself, launched the mass revival of the Ku Klux Klan in the United States, leading to the Ku Klux Klan horrors of the middle-1916 period, through into the 1930s. So, American racism today, is essentially a consequence of the revival of pro-Confederacy views, by a Democratic President, Grover Cleveland, who introduced Jim Crow; by Teddy Roosevelt and Woodrow Wilson, who were advocates of the Southern cause against the Lincoln tradition. And all of whom were allies, and essentially Governor-Generals, for the British monarchy, of the British monarchy.

This began the phenomenon which defines the 20th Century: 1901 on, the Anglo-American Imperial Century.

FDR Interrupts The Anglo-American Imperial Century

The interruption and disturbance of this came with one President, especially: Franklin Roosevelt. Franklin Roosevelt was the great-grandson of one of Hamilton's collaborators, Isaac Roosevelt, an ally of Hamilton's. And Franklin Roosevelt represented that family tradition—the patriotic tradition—against what was called the “English tradition,” or the “British tradition.” So, he attempted to use the occasion of a crisis, to attempt to reverse the trend, back to the Lincoln legacy.

This was the cause of the Roosevelt era, its characteristic. And this was the impulse behind Roosevelt's commitment, up until the time of his death, and just slightly beyond, for decolonizing the entire world. As he warned Churchill, in a famous meeting at Casablanca, Roosevelt's intention was, that the power of the United States, which would be established by the close of the Second World War, would mean that the United States would have the power to bring about the instant freedom from colonial rule, of all colonial subjects of Portuguese, British, French, and so forth, and Dutch, imperialism.

And Roosevelt's body was not cold, before the Truman Administration accepted Churchill's proposal, and Indochina, Indonesia, and other parts of the world, were colonized,

or recolonized, again. Which led, of course, to the emergence of the Non-Aligned Movement in the immediate postwar period, in reaction to this kind of recolonization process, and its implications.

So, therefore, we can understand the entire history of this period, in those terms, leading up to the present.

Here are some of the breaking points, which have to be kept in mind. Therefore, you have the 1861-1901 period of U.S. history, and world history, which might be called the period of the ascendancy of the American Revolution's influence in changing the world as a whole, and threatening to bring about what John Quincy Adams, who had been the actual mentor of Lincoln, had intended: a community of principle, shared among perfectly sovereign nation-states. The intent of Roosevelt was exactly that: that the world should become, in the postwar period, a community of shared principle, among sovereign nation-states, each perfectly sovereign.

This was disrupted, of course, by the 1901 development, the assassination of McKinley, which was done by a British-linked influence, run by a terrorist mob, steered from London. It was broken in 1945, but there were some features to this, complications.

Roosevelt's impact on the world, and the United States' impact on the world under Roosevelt, could not be denied. So, although the decolonization policy of Roosevelt was cancelled, within the week he died, nonetheless the Bretton Woods system, created in 1945, essentially, launched after the war, until 1963-1964, functioned very well for the countries which participated in it. You would find in most of the Americas—as in the United States, Canada—Australia, New Zealand, and so forth, and in Japan, and in Western Europe, that the Bretton Woods system functioned to the net benefit of the populations, in terms of an improvement in the standards of living, and similar kinds of benefits. That the world as a whole was better because of that system, despite the injustices, and despite the disparities which were included within it.

With the assassination of Kennedy, this came to an end.

A Paradigm Shift

Now, take the characteristics of this. You had the period from 1962 to 1965—was a period of great crisis. Crisis for India, for example. The India crisis, the war with China. The things that broke Nehru's heart, were all a reflection of this change. The attempted assassination of President Charles de Gaulle, in 1962. The ouster of Macmillan with the Profumo scandal, orchestrated in that same period, 1963. The assassination of Kennedy, these and other things, were all reflections of a fundamental change, in policy, from the Bretton Woods system.

And with the launching of the Vietnam War and some other things, the policies of the United States and other nations began to be pushed away from a policy of expanding economic progress, economic development, into a policy of Mal-

thusianism, of so-called “neo-Malthusianism.” Under this policy, the world economy has decayed as a whole, consistently, over the entire period, from 1965-1966 to the present time.

The crucial point was 1971. You had the Wilson government in Great Britain, which first inaugurated the destruction of economy. The destruction of the British economy, United Kingdom economy, under Wilson, the first Wilson government, was unbelievable; it was terrific. This was imitated in the United States, beginning 1966-1967. The force initiating this was the Nixon campaign for the Presidency, in 1966-1968. During this period, 1966, Nixon went down to Mississippi, and other places, to negotiate with leaders of the Ku Klux Klan, and allied racists, such as the Trent Lott who is presently the leader of the Republican faction in the U.S. Senate. Therefore, Nixon embraced racism, as an integral policy.

Following Nixon’s introduction of the 1971 destruction of the Bretton Woods system, which led to all of the world financial chaos which is now hitting us, the Democratic Party decided it, too, had to join the racist cause, and therefore Zbigniew Brzezinski picked a fool, Jimmy Carter, to become President. And hand-steered him, and controlled him, with the New York crowd, from the beginning to the end. Jimmy did more to destroy the U.S. economy than any President since the death of Roosevelt. By himself: deregulation; radical introduction of free trade; the introduction of the destruction of the world economy, which was done by Paul Volcker, with his Volcker measures introduced in 1979, which was the policy of the Brzezinski crowd; which has now been continued by Greenspan, the successor of Volcker. So, that system has been the problem.

So, this is a crucial part of the whole process.

During this entire period, from 1945 to 1989, the world was dominated, strategically, by a peculiar kind of alliance, and a hostility, between the Soviet Union and the Anglo-American powers. A hostility which became a kind of partnership, based on hate. Nuclear weapons had been introduced from London by the faction of H.G. Wells and Bertrand Russell, with the explicit proposal, that by introducing nuclear weapons, you would create a situation in which nations would surrender their sovereignty rather than risk war, and therefore would give up sovereignty for world government.

So, this was the arrangement. The way they started it, they started a conflict between the Soviet Union, the United States, and Britain, which was launched from London, which began the entire period. This evolved, from 1961-1962 on, into a peculiar kind of partnership between the two opposing powers, called *détente*. So, the world was now managed by whatever the United States and Britain, on the one side, and the Soviet government, on the other side, could agree to, in terms of world policy. This was an integral part of the process of disintegration, and marked the significance of the 1962-1965 period. This was the period in which the postwar develop-

ments had been brought to the point, through the missile crisis of 1962, where the world was now ruled by a peculiar kind of *détente* arrangement between two superpower blocs, and the rest of the world was subject to that. This meant *doom* for all of the aspirations of the Non-Aligned Movement, and similar kinds of things in the developing sector generally.

Look at the pattern. India and China are powerful nations, in their own right. They’re not world powers, and therefore, have been able, in various ways, to resist this, as was the characteristic of the Indira Gandhi government, in particular—her governments in particular, to resist this particular entrapment, in this cage, this captivity, of the agreement between two superpower blocs, which was the problem of India, during the entire period of her prime ministership.

How do you negotiate the survival of India, and India’s interest, when the world is dominated by a pair of superpower blocs? That was the problem.

Malthusianism And The Destruction Of The Nation-State

So, this led to 1989, and the inevitable collapse of the Soviet system. The collapse of the Soviet system was then seen by the Anglo-American powers, as the occasion for destroying the institution of the nation-state, which had been first introduced to European civilization in the 15th Century, with Louis XI, and with Henry VII. Malthusianism, globalization, free trade, and so forth: These were measures intended *to destroy, to eradicate, the roots of the nation-state, and its culture, from the world*. This was a policy based largely on destruction. People have been looking for stealing—well, stealing goes on, because that’s the instinct of these creatures, but the essential strategic purpose is *destruction*, not conquest. Because if you can destroy the institutions which defy you, then you have conquered by default.

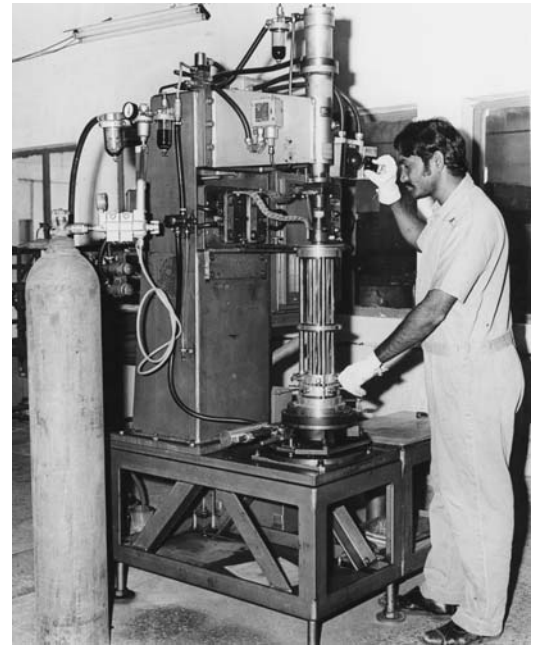
This means Malthusianism, which I’ll come to now. It means Malthusianism because, as long as you have to educate a population to master modern technology, the education of that population in science and technology creates a population which is *not* going to consider itself, would not accept the idea of being human cattle. If you can think, if you understand the laws of the universe, at least in some degree, if you understand the principle that man can improve his condition by willfully mastering nature, then you are not going to accept being cattle. And therefore, if you wish to reduce the human race to a mass of human cattle, ruled over by a minority and oligarchy, like an Anglo-American globalized oligarchy, you have to destroy the ability of people to maintain technological progress. You have to eradicate much of the roots of existing technological progress.

So, now you come along; you say, “We have to defend nature against man.” When you go to defend nature against man, what does that mean? You’re wrong.

So, what you’re doing is, you’re demanding the greatest collapse in the level of the human population, in a rapid pe-



“India and China are powerful nations, in their own right. They’re not world powers, and therefore, have been able, in various ways, to resist this [superpower entrapment], as was the characteristic of the Indira Gandhi government.” Nuclear fuel assembly at Hyderabad; Mrs. Gandhi campaigning for re-election in 1979.



riod, ever imagined. You’re demanding global genocide. You’re demanding the destruction of those institutions upon which the modern society is based. That is the intent. If you read the literature, if you get into the conferences, you get into the fights with these creatures, who are the advisers and think-tank associates of these kinds of policies, that’s what they say. They say it in one way or another. The best way to smoke it out, is to propose the contrary policy, and they’ll run screaming around like banshees, around the room, around the ceiling. And that is the problem we face.

You have a group of people who have been determined to *destroy*—and they’ve said it; *neo-Malthusiansim, ecologism, globalism: These are the means, the policies, by which the destruction of the human race over several successive generations has been intended.*

And it’s working.

Look at Africa: There are virtually no African nations left. Africa has become a no-man’s-land, which Anglo-American and Israeli mercenaries deploy to kill, to organize killing, and to loot raw materials. Look at South Africa: South Africa has virtually no sovereignty over its own raw materials resources. Anglo-American interests control the thing entirely. Look in Central Africa, the Great Lakes region. Look at it today: You have a genocide going on, beyond belief. *This is the image of the world, the future world, if we let it go that way.* The image for India. It’s the way to understand what’s going on in Southeast Asia.

Economics: Mankind Can Change Its Population-Density

Now, let’s look at economics, from that standpoint. The issue then becomes that of economics, *in that sense.*

The crucial thing is that mankind is the only species which has the willful capability of increasing its population-density. No other species can do that, willfully. No other species can change its own apparent nature. Species can *adapt* to their conditions, but they can not *change* their nature. And that’s the essence of economics, and that’s the essence of the *issue* in economics today.

We have one kind of economics which is essentially Malthusian by implication: That’s called “accounting.” It’s called “contemporary accepted science.” Because an accounting is essentially linear. It does not allow for any radical change in fundamental principles of science. It does not allow for that kind of society. You teach people how to manage existing technologies, not how to introduce new ones.

For example, let’s take the case of India, as I saw it when Mrs. Gandhi was still Prime Minister. I looked at the IITs [Indian Institutes of Technology]; I looked at the problem in India. India was producing some of the world’s leading academically qualified people, who were being exported to the United States and Europe, and elsewhere. You took the top 10% of the graduates of IITs, and they were being shipped around the world, to find employment outside of India, not in India.

Then you look at the other problem which is imposed by India’s defense of itself, against the IMF and similar predatory institutions, which meant that you maintained a tight budget, which was intended to protect this precious independence of India, which depended upon the farmer. Therefore, you could not open up the Indian market for free trade. Because once you did so, then the farmer would no longer be free, as a farmer, and then India would be torn apart, as other countries have been torn apart, which do not have agricultural indepen-

dence.

So, Mrs. Gandhi, in a sense, was right, in her tight-money policies, her tight policies against conceding to free-trade demands, and her tight administration of the policy. But the effect was horrible. The effect was in the universities itself. What did we see in the IITs, the ones I visited? You saw a lack of pedagogical experimental apparatus. You saw a lack of access to research experimental development, which meant that you were doing something terrible to anyone who's studying physical sciences in particular. You're denying them the ability to understand physical science, which means you're producing a nation of great mathematicians, in one sense, but who are not necessarily good physical scientists; who do not have the impulse to go out and do what India needs: which is, develop science, and apply it to the Indian production, the Indian population itself, to raise the level of productivity of the land and people of India.

So, there was a *trap*: Where, in order to defend India as it was, India was being denied the ability to develop India as it must become. The same problem, is the problem we see in China. You have an agricultural population, which is precious. The independence of the country depends upon *that* food supply, by *that* population, to be the *independence* of the country. It's also a source of export income. You see in China a similar characteristic; a different kind of situation, but a similar problem. Here are two countries, the countries with the largest population of any country on this planet, neither of which has had the freedom to fully develop scientifically, the productive forces of its own nation. And this has resulted in a stagnation, in certain respects, within the national economy.

We see the same thing in other parts of the world. But, this is the Indian situation, and I refer to it in particular, because it's concrete.

Science: 'Plausibility' vs. Solving A Paradox

Now, the problem is this: When you teach science at the blackboard, you are creating a problem. Because the fraud that is created, is that the teacher attempts to make the scientific discovery *plausible*, without giving the student the experience of the paradox, which provokes the discovery of the principle. The attempt is made to make the scientific principle *plausible*, by a mathematical exposition at the blackboard. When, in point of fact—. Let's take two great discoveries, as points in fact. Modern, comprehensive mathematical physics was begun essentially by Nicolaus of Cusa, who was the founder of modern mathematical physical science, and followers of Cusa—Luca Pacioli of Italy, and his promising student, Leonardo da Vinci.

The great, explicit follower of Cusa, Pacioli, and da Vinci, was Johannes Kepler. Johannes Kepler was the founder of modern, comprehensive mathematic physics. He was the discoverer of universal gravitation, and no one else. This discovery is recorded, and the originality of his discovery is recorded, in his famous 1609 publication, *The New Astronomy*.

The completion of these discoveries by him, was essentially summed up in his *World Harmony*, where he went to the planetary system as a whole.

Now, the discovery in this case was based on, what? All previous European systems—that of the hoaxster, Claudius Ptolemy, that of Copernicus, and that of Tycho Brahe—were all intrinsically failures. Because they assumed that the universe functioned in terms of perfectly circular motion, as defined by the blackboard; by drawing circles on a blackboard, or on paper, or similar kinds of things. And it doesn't. Kepler pointed out—that is, in the orbit of Mars—that you had an apparent eccentricity: that the orbit was elliptical, rather than circular. And, through his experimental work on this question, showed that there was a principle operating, which could not be explained at the blackboard; but that there was a principle existing *outside* the blackboard, and similar minds—an intention, which was governing the regularity of these astronomical cycles. This was the principle of gravitation.

You had a similar discovery, by Pierre Fermat, the French scientist, who showed that, in reflection, as opposed to refraction, it might appear—as the fellow at the blackboard would argue—that the light is propagated in terms of shortest distance. But, he also discovered, that, in terms of refraction, light is refracted in terms of quickest time.

Therefore, geometry, as taught at the blackboard, does not correspond—and mathematics, as taught at the blackboard, does not correspond to reality.

What is at stake here? It's a very elementary principle, which Vernadsky struck upon from a different standpoint; which is the difference between economics as taught today, and economics as a physical science. Economics, as taught today, is linear. Linear mathematics, which has no correspondence to physical reality. It is at the blackboard; it is on the computer; it is linear.

It's wrong.

The collapse of the so-called "New Economy." The great bubble—the so-called Information Theory bubble, which has just collapsed catastrophically around the planet, is a demonstration that von Neumann was a hoaxster and an idiot, and Wiener, too. But, people believed in it, because they wished to believe that you could explain science and economics at the blackboard. Not by work. Not by actual production.

Improving The Power Of Man Over The Universe

It also denies the nature of man, which is the crucial issue. Man is the only creature, who can make discoveries, in the way in which Kepler and Fermat did. The human mind is capable of a capacity, which sees the world *outside* the limits of so-called "sense certainty." Sense-certainty is what? Sense-certainty, or the senses, do not show us the real world. The senses report to us, the experience of a part of our biological apparatus, and try to interpret the experience on the periphery of our system, and try to find out what is going on, *outside* our skins, to cause the things that we feel *inside* our skins.

This process of discovery is what is properly called “science.”

How do we discover? We discover a paradox. We discover, that experience shows us, that some things don’t work the way our senses tend to suggest they do. Microphysics, for example, is a perfect expression of this: All of microphysics is based on things which are efficient, which determine our power to exist, especially today, but which exist *beyond* the power of our senses to detect. How do we know these things? We know these things, because we solve paradoxes, with a power of the mind, of *insight* into the significance of certain paradoxes in our experience. Like physical paradoxes. Like the paradox that Kepler used, to discover gravitation. The paradox which Fermat introduced, which caused modern European science to develop a so-called relativity of physical space-time conception.

The same thing is true in economics. *The basis of man’s increased power over the universe, the power to exist, the power to increase the life-span of populations*, and by increasing the life-span of populations, increase the possibility of the development of populations. Because if you have a life-expectancy of 30 to 40 years, how can you have a developed population? Who is going to support the children, for 20 to 25 years in development, if the parents are dying between the ages of 30 and 40? You can’t do it. Impossible. Therefore, the important thing is: How can we increase man’s *power to act, in and over the universe*, to improve the life-span of our people? To increase the amount of development we allow for our children, who are really children from the ages, essentially, of zero to 25, today, in terms of professional development? How can we provide 25 years of life, of a child, to the full development of that child’s cognitive capabilities as a future adult? How can we do that? We must improve the productive powers of labor, to the included effect, of increasing life-span, increasing the possibility of health-care to [deal with any condition] which threatens life-span. And, by these means, we make it possible *to improve the quality of man*.

We educate people: How, properly? Not how to learn how to repeat what someone said before us, but how to re-experience the great discoveries from the past. For example: Why is Vedic and Sanskrit so important for study in India? Because, we know that that aspect of the language, as Panini reflected, came from a long time before. I saw in one of the recent science magazines, a recent discovery, of an argument among three different views on the significance of river systems, which obviously existed, in part to the west of here, some ancient times ago. This is important! Also, as Tilak emphasized; we know these things today, we know scientifically, that Tilak was right: That some of the ancient calendars, which are transmitted to India, come from ocean cultures, which are *Arctic Ocean cultures!* We also know, from the work of Barry Fell and others, who traced some of these linguistic patterns throughout the waters of the Pacific and Southeast Asia, that there were great maritime cultures, which existed, which have had impact upon people.

And, if we’re going to understand the roots of language,

if we’re going to understand where our people came from, if we’re going to understand the various influences which *shaped the culture*, which a cultivated person can have today in any of these countries, they must, in a sense, be allowed to *experience* what their remote ancestors experienced, in the way of important discoveries. Ancient poetry, for example, is extremely important for this, especially the Classical forms of ancient poetry, which reveal to us certain characteristics of language. And, enable us to criticize the language we’re using today, by insight into how language is developed.

So, the key thing, is to develop a person, who is — what? Who is *an effective reflection of the great contributions of past mankind to the present*, especially of the immediate population, of which he’s a part, the immediate culture of which the person is a part. And, to be qualified to address not only the current problems, but to foresee the requirements, which the future must have, from the present.

And, this is economics: That the idea of accounting for things, of course, is obviously necessary. But we should never try to develop an economy based on accounting. We should rather look at the past, the present, and the future, and say: “How can we foster the development and utilization, of those discoveries of principle, which represent man’s discovery of increased power over nature? And, how do we organize those discoveries, and create the conditions of work, under which *we can bring forth the future?*”

Therefore, man is, in a sense, mortal, but immortal: Man is mortal in the sense that our lives have a beginning and an end. We are immortal, as no animal is immortal, because we are capable of re-experiencing cognitive discoveries of principle, which no animal can make. We benefit from these discoveries from our predecessors, from whom those discoveries *are transmitted to us*. Our children should *know* those discoveries. We should not die, without transmitting those discoveries to our children. Our children should learn from that process of re-experiencing discoveries, how to make their own discoveries; how to judge the present and the future. We must have a sense of *mission*, of what mankind must accomplish, 40, 50, 100 years from now — a vision of what that must be. We must make our policies, today, on that basis.

Infrastructure: The Essence Of Economy

For example, just in conclusion, on this point: *Infrastructure*, basic economic infrastructure — transportation, power, water management, education; health care is a part of the same thing. *These are the essence of economy!* Well, the science of economy, is not what someone does, sitting on a pile of dirt, with a certain technology. The ability of that technology to work, depends upon the infrastructure: If you want an efficient economy, you must have an efficient mass-transit system, especially for freight, as well as people. If you wish an efficient economy, you must have a health-care system: You can’t have essential people *dying* on you, for reason of diseases, which you could cure. Therefore, you must have a universal health-care system: Because you can’t protect *one*



Investment in infrastructure is what the nation's progress depends on, and it requires thinking in 25-year, or one-generation, cycles—not in terms of "shareholder value." Here, India's Bhakra Dam.

person against conditions that threaten life *if you don't protect all*. Therefore, you have to have a universal health-care approach. No matter whether it's private, or public—it must, in net effect, be a universal health-care system.

The investments in infrastructure, improvements of land—for example: Let's take the question of the water management of India. How do we get sufficient water into the Deccan, for an extended period, in order to transform the potential of the population of the Deccan? What kind of investment is that? That's an investment, which involves approximately a 25-year, or one-generation cycle, to get that thing fully in operation and self-sustaining, before the benefits are fully realized.

What about the question of power development, in India? Well, a nuclear plant: The optimum nuclear plant, today, is a high-temperature gas-cooled reactor, which runs between about 120 to 200 megawatt output. This kind of plant, which is the safest kind of plant we now have—which is being used in South Africa, it's being developed, also, in China, which they got from Germany—would be optimal for India, because it's very readily adapted to the so-called "thorium cycle." And, the thorium cycle is very valuable, in the sense that it is not a weapons-oriented cycle of fission. Therefore, since India has a good thorium potential, the idea of using a high-temperature gas-cooled reactor in the thorium cycle, is optimal for India, as a peculiarly Indian development. Which would also fit the needs of countries which would desire such reactors, in the vicinity of India's market. If you have these kinds of things, placed around India, at the right locations, you have, for the present time, the optimal source of energy, for development in any part of the country you choose.

But, these kinds of things, like an educational system, are essentially a quarter-century investment. And, therefore, how do we do this? How do we get this? We create public credit.

That is, we go into debt; the government goes into debt, to create the cheap credit, to make these long-term investments possible. And so, these come out as 25-year-span investments—some longer, some shorter. You invest in an industry: What does it take to invest in a technology in an industry—a new technology? This means: Is it a five-year investment, a ten-year investment? Just to design a new product! A 10- to 15-years' investment to cycle out the investment in a machine tool, of a new type, a new technology. You must have credit for this.

And, therefore, we must organize the economy, around *long-term thinking*. What are good *long-term* prospects for humanity? For 5, 10, 15, 20, 25 years? No government is thinking, unless it's thinking 25 years ahead! Because the effects you desire, the roads you're going to take, will affect the nation for 25 years to come. It will also affect relations among nations, for a quarter-century, or longer, to come.

So, we must choose the road we're going to walk into the future. We must create the impetus, for walking in the future. We must think of ourselves, not in terms of the satisfaction we get, from what we eat, or enjoy as pleasure, or entertainment today. We must derive our pleasure from the joy, as a poor parent does, in fostering the development of a child for the future. We must think of ourselves in the present, as creating the future, and doing nothing shameful in the eyes of the past. And find our identity, which is a kind of *spiritual* identity—as distinct from the sense-certainty identity—in that process.

The Current System Can Not Be Saved

Today, we have, with the breakdown of the present corrupt system—and this system can not be saved: The present monetary and financial system can not be saved. Anybody who is trying to save it, by internal reforms, is a fool! *It can not be saved*. You have to *cancel* it! Don't treat that as the mother of economy. The mother of economy, a modern economy, is the *sovereign nation-state*. You have to say, Marx was an idiot, when he invented the term "capital," as he used it: There is no such thing as capitalism, except as a form of disease: It's called "the British disease"! The ideal form of modern economy, is the American System, which was created by all of Europe, and which was admired greatly in other parts of the world, for many years, until recent times.

The American System of political-economy, as set forth by various Americans, including the first Treasury Secretary, Alexander Hamilton, is elementary: The state is responsible for infrastructure. It must control all credit. It must direct banking. It must ensure the flow of credit to those things, which are useful to the nation. The things that are required, are: One, basic economic infrastructure. Second, you must foster inventions—art, improvements; and foster the entrepreneurs who are willing to invest, and risk, in making those improvements. You must protect the markets, which give these entrepreneurs the opportunity *to bring their inventions to fruition*, not subject to the ravages of free trade. That is the American System. That is the system of economy which is



“Indira Gandhi was right, in her instinct for protectionism. Her father, and others, were right, in the Non-Aligned Movement, in saying, ‘You can not function, merely on national protectionism. You must find a new, more just, world economic order.’ ” Indian founding father Jawaharlal Nehru, Indira Gandhi’s father, tours a steel plant at Roukela in 1961.

derived, in principle, not from the United States by itself, but from all of Europe’s knowledge, in bringing together the idea of the modern nation-state. It’s a form of government, whose existence and motive must be the promotion of the improvement of the general welfare, of *all* of the existing people, and their posterity.

And that must be government.

We’ve come to a time, when the alternative has failed. Free trade, globalization, and so forth, have become horror-shows, which destroy us. The floating-exchange-rate system has destroyed the world. It must end.

We look back to the period, 1945-1963, ’64, and we find that the old Bretton Woods system, the fixed-exchange-rate system, with a lot of regulation, a lot of protectionism, worked. India’s survival, for example, has been based on the limit imposed by India’s instinct for protectionism. Otherwise, India would have been crushed, as many other countries were crushed. Indira Gandhi was right, in her instinct for protectionism. Her father, and others, were right, in the Non-Aligned Movement, in saying, “You can not function, merely on national protectionism. You must find a new, more just, world economic order, in which the possibility of utilizing these principles, can work, can succeed.” Not in the constraints under which Mrs. Gandhi, for example, had to operate, in her managing the system.

And, then, we simply say: “We do it that way. We learned

from the lessons of experience. We take the models of the past which *did* work. We apply those models, because they will be most acceptable, because we can prove experimentally, they were right. We *do* that.” Now, how do we do that? Well, we have to do what the Non-Aligned nations really wished to do. What we have to do is, we have to take the crisis, in which it is easily demonstrated, that everybody who wants to continue the present system, is some kind of an idiot! And, a dangerous one, at that. We have to say, “We have to go back to the modern nation-state as a matter of principle. And, nation-states which wish to survive, must accept the fact, that the present monetary system, the present financial system, is a hopeless piece of rubbish. And, don’t try to kill your children, to save the system.

“We don’t need it. If we, as governments, or a number of governments, agree—as sovereign governments, representing sovereign nations and sovereign peoples, if we agree, to put this stinking, rotten system into bankruptcy reorganization; and to say, we’re going to continue the economy, but not the monetary and financial system, then we use the authority of sovereign nation-states, and agreements among sovereign nation-states, to put this stinking hulk into bankruptcy reorganization!

“We, as a group of nations, make agreements among ourselves, on credit, which we will create, by agreement among states—and this credit among states, will be used through banking channels, which we control, including private banking channels; we will put the money through banking channels, for the required purpose, in order to make long-term credit agreements, under which long-term transmission of technology can occur, in order to save the world economy.”

And, that is exactly what we proposed in terms of the Eurasian Land-Bridge. The present situation is: That, if we can agree, and understand that the nations of East and South Asia require an early, and rapid infusion of technology, to develop these economies so that they can survive; and if this can be done through credit arrangements, extended by governments for periods—of within a 25-year period, at interest rates of 1 to 2% simple interest, on long term; and if we take the great infrastructure projects and so forth, as the driver force; and if we unite the need of Western Europe for markets, for this type of technology, and the role of Russia, as the transmission belt between East and South Asia, and Western Europe; and if we think of this as the center of the world, and bring nations in Africa, in the Americas, into the same arrangement, then we have the basis for creating a new monetary system, under which this world can come out of this mess.

If we *do not* make such agreements—which is the other side of the thing; if we *do not*, then we’re headed for a new dark age.

Thank you.

Professor Kaushik: I think we just had a highly stimulating, thought-provoking lecture. It looked as if we are attend-

ing lectures at various faculties — history, economics, science, education, culture. But, the fact is, that all these lectures are delivered by a single person in, a very, very integrated manner, in a single auditorium, and we don't have to rush from one faculty to another, in order to learn lessons.

I thank Mr. LaRouche for his brilliant exposition. And, before we throw open his presentation for discussion, I think Mrs. Helga LaRouche would like to say something, just to supplement it, with her ideas on the Eurasian Land-Bridge. And, then we can have a discussion.

Helga Zepp-LaRouche: The Urgency Of The Eurasian Land-Bridge

Very briefly. Mr. LaRouche gave you the historical evolution of the idea of Eurasian infrastructural integration. Now, with the collapse of the Soviet Union, the idea of uniting Europe and Asia, through such infrastructure corridors, and, in that way, elevating the populations of the frequently land-locked areas, to the same level which before, only maritime cultures enjoyed, was an acute item on the agenda. So, in 1989, Mr. LaRouche had the brilliant idea, immediately after the fall of the Wall, to extend these corridors eastward, into Eurasia. After the disintegration of the Soviet Union, around 1991, we developed the first comprehensive proposal of such a Eurasian integration. And, for several years, we were like lone voices crying out in the desert, propagandizing such a policy.

And, a good thing is that, now, especially in the last year or so, after Putin became President of Russia, this is no longer just an idea and a program, but many, many projects are under way, to integrate Eurasia in this way: For example, between Japan and Russia, the idea of building a tunnel to Sakhalin Island; the integration of the South-North Korean railway, with the Siberian railway; to have the Siberian railway open up the northern regions of Russia, which are a tremendous wealth of raw materials, and could be a tremendous source of development for the entire continent. The Chinese government, with its westward orientation, recognizing that the U.S. market as an export market for Chinese products is disappearing, is now moving very fast in the direction of connecting the Old Silk Road with the European and Middle Eastern regions. Egypt is playing a very important role, by recognizing that it is both an Asian and an African country. And especially given the extremely proud historical tradition, Egypt, being one of the cradles of mankind, is recognizing that, if it goes back to its ancient tradition, in being a promoter of universal development, that the modern function of Egypt is to connect the Eurasian Land-Bridge, through infrastructure, into Africa, and in that way, creating the real possibility to save Africa, from an otherwise certain death.

So, one of the concerns which brought us to India, at this point, is to try to get the Indian elite, in particular, to recognize that a renewed effort has to be made by the planners of this country, because the moment of crisis will come very, very soon. And, as a matter of fact, it's not one second too late, because we're in the middle of this financial collapse. And, if people have the right conception, then this crisis can be used to put the new world economic order, based upon the Eurasian



Helga LaRouche pays a visit to Raj Ghat, the shrine of the ashes of the great spiritual leader of India's unity and independence from Great Britain, Mohandas K. Gandhi.

Land-Bridge, back on the agenda; and, not only on the agenda, but to realize it.

So, I'm actually optimistic, because, while there is a great danger to civilization right now, the positive thing is that many forces in the world *are* moving to save mankind from collapse.

I just wanted to add these short remarks.

Dialogue With LaRouche

Professor Kaushik: Thank you, Mrs. LaRouche, for brilliantly supplementing Mr. LaRouche's ideas. I think we have some time at our disposal for discussion. So I throw it open for discussion and comments.

Dr. V.K. Chopra: I've listened to your fascinating address with great admiration and respect. In spite of my incredibly good formal education, and nearly 60 years of working experience, your address made me feel how ignorant and uneducated I am about world history. I would very much like to have your address in print, to be able to study intimately and educate myself. Regarding your prescriptions for the future, first of all, I fervently wish that we see you in the White House in 2004. [LaRouche: Thank you.] That in that high position, you will help implement the idea that you mentioned about the nation-state in your concluding part of the address.

LaRouche: Thank you very much.

The 40-Year Development Of India

Q: I'm Dr. Nirupa Sen, correspondent for *Current Science*. This is a question about what is your plan for the development of India, which you had sponsored. Are the plans, whatever is in the plan document, is it still relevant at this point of time? And, during your visit to India, what has been the response by the elites, regarding planning for the future of India? What has been the response to this generally?

LaRouche: Well, I would say the 40-year plan we did before, is an old plan. Now, 20 years later, the world has changed. It was done specifically with the idea Mrs. Gandhi was then Prime Minister, and our intent was to provide to her—we'd had discussion with her before, in earlier times—and it seemed that the most useful thing we could do for India, since she was disposed to know about such things, was to provide something that she and her associates could use in India, to devise a plan for India. Because we thought that the long-term view was needed, and we thought that about two generations would be required to realize anything that India would accept as a long-term view. And she, of course, was sympathetic, because she would always look at the poor of India, as her reference point: If it doesn't benefit the poor, there's something wrong. And that's my view. If it doesn't benefit the poor of India, to elevate their station, we've failed. If you've benefitted the poor, and uplifted them, why, then



Dr. Nirupa Sen, editor of the Indian journal Current Science, questions Lyndon and Helga LaRouche at the New Delhi seminar.

you're moving the whole country in the right direction.

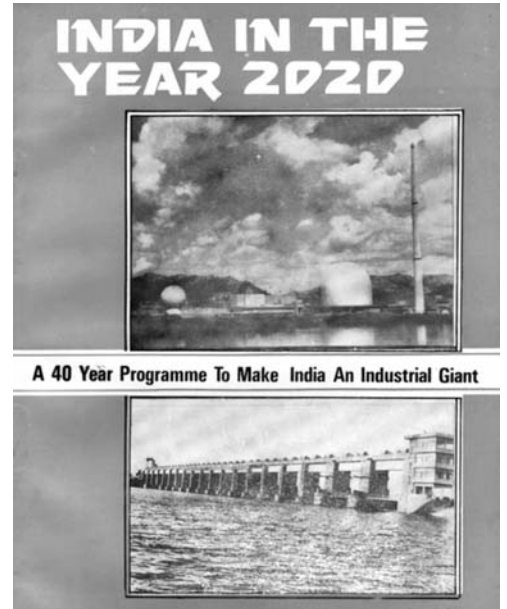
Because we've seen things, as Mrs. Y— pointed out to us, at one of the villages we visited, you can see the problem of the teachers in trying to get the parents to accept, bringing the children to the schools, the teachers who are devoted to trying to help these students, these young fellows. So that in order to make the revolution in India that was required, you would have to actually motivate the process in which education would really take off, and people would understand the importance of supporting it.

So, we said 40 years. And we looked at some of the things that are required—there were two or three generations required. So, it's still relevant. I would simply situate the same way of thinking, with some of the same objectives, today.

Q: The second part of my question: What response has there been by the policy planners of today, in the country, to your—?

LaRouche: Basically, it's been more of a spiritual and factual character, than anything else. Coming back to India—. You see, my view of relations is largely a spiritual one, in my sense of the term "spiritual." That is, the cognitive powers of mind must be engaged; you must engage in transmitting concepts back and forth, not just words, not information. And my concern has been to establish relations, or re-establish relations, with people who think, who are the thinkers, people who are typical of the thinkers in India, knowing that the radiation of thinking, among thinking people, is the way in which science works, and in which politics really works. And therefore, I was more concerned to have the opportunity to report on certain things, which I thought Indians ought to hear from *me*, personally, because I'm prepared to tell the truth, whereas some other people from my country are not. And that India should have the advantage of hearing some of the truth of the matter, so that they could judge for themselves, how to look at some of these problems.

But, mainly that. It was spiritual. What do we think? To



Lyndon LaRouche during an earlier visit to India, speaking at the Indian World Affairs Council in 1982; at that time, his 40-year development proposal, *India In The Year 2020*, was published in India and internationally. Many of the New Delhi seminar participants knew this LaRouche program well.

engage, to set forth channels for the future, where we're more efficiently engaged in communicating ideas, which might lead to useful results.

The U.S. Role In The Eurasian Land-Bridge Project

Vinod Sehgal: [former Indian military attaché to France] Two short questions, Mr. LaRouche. First thing, I do read publications worldwide, so at this point in time, which group or grouping would be the prime mover for pushing the Eurasian corridors, giving them effect?

Second question: Should it come about, what you are propagating, will it to some extent, diminish the power of the U.S.A.? And should that be the case, would they not oppose it? Thank you.

LaRouche: I think your question—let's take the second one first, because it's more straightforward.

No, it does not diminish the power of the United States; it increases the power it should have, while diminishing the power it shouldn't have.

For example, I live in a country where, for the past period, from 1977, the beginning of the Carter Administration to the present, 80% of the population, of family-income brackets, used to represent the overwhelming majority of the national income. Today, the 80% of family-income brackets, the lower 80%, represent the actual *abyss* in share of national income. Which means that we've been doing something terribly wrong since Carter, especially since Carter, economically.

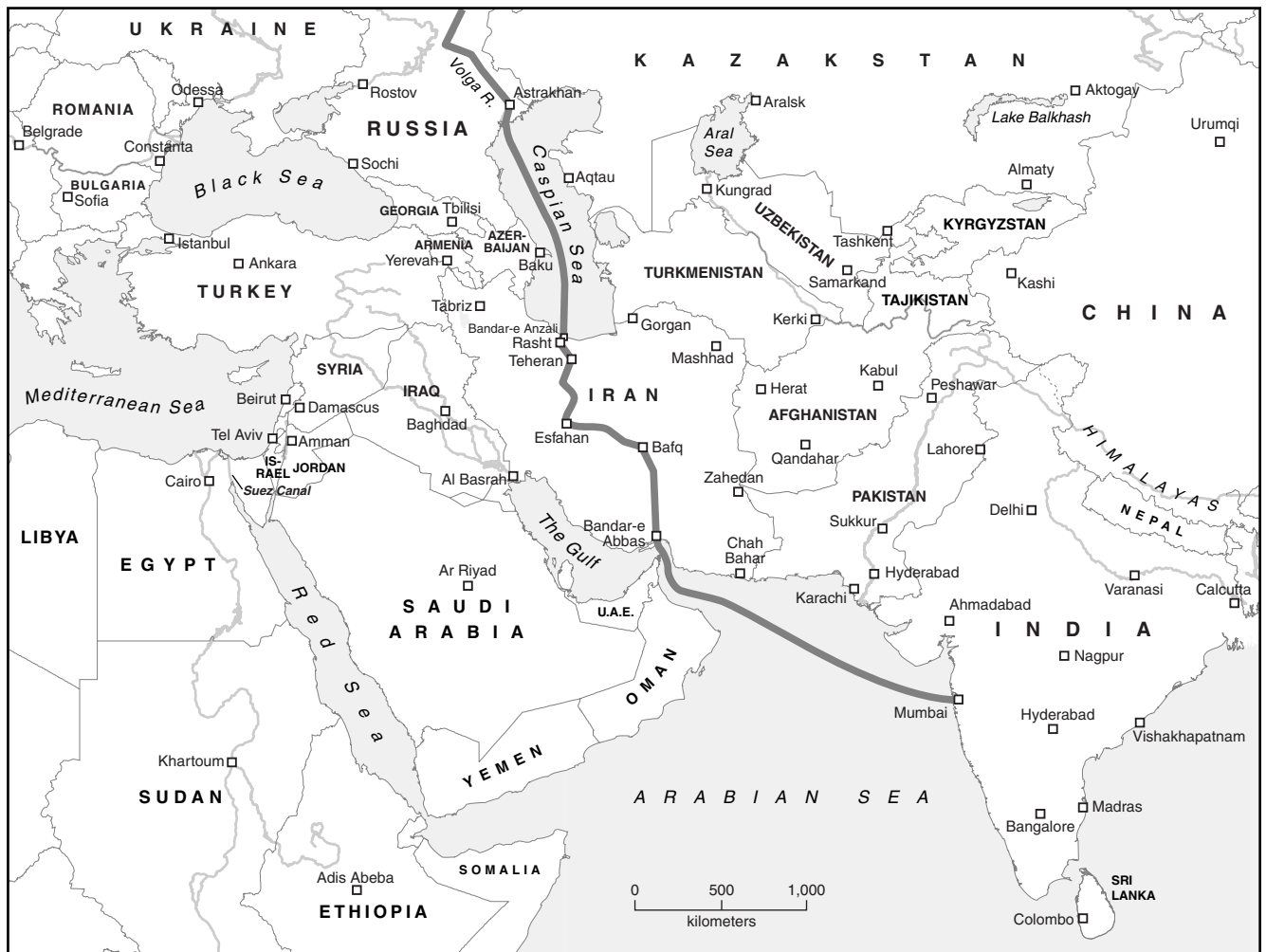
Now, I want a nation—I'm an older man, I won't live forever (I don't think—nobody's offered me that). And there-

fore, I see this condition of my country, I say, "The country is not going to survive, unless we reverse this tendency." The power of the United States *should lie* in the quality of its people, and the quality of the development of its people, and its historic mission, which, in my view, the historic mission of the United States is: Bring forth on this planet, a community of principle among perfectly sovereign nation-states, to end the last vestige of colonialism and empire, in any form, or guise. The point is, that there's a complication: is that any people has a certain cultural distinction, which tends to make that people a suitable subject of a national identity. And even though we may have exactly the same ideas, our cultural antecedents are different. And therefore, we approach the discussion of these ideas, in a somewhat different way, on consideration of our own respective national antecedents.

Therefore, when a nation wants to deliberate, it has the advantage, as a nation, of deliberating in terms of shared cultural antecedents, for its present ideas, even though the *resulting* ideas may be exactly the same as by another nation. Therefore, I think that the nation-state, the perfectly sovereign nation-state, is the form of society which must exist into the infinite future. We must not aspire to change that. Therefore, we must strengthen the right of every nation to *be* a sovereign nation-state, in the true sense. On that basis, we must now come to *agreement* on those things which are truly in the common interest of all mankind, and therefore, the relations—. That is my purpose.

The United States, because of the superiority of its *Constitution*—not the implementation of its Constitution, which may be another story, recently, right?—but the Constitution,

FIGURE 1
The New Russia-Iran-India Transport Corridor



John Sigerson / EIRNS 2001

Russia has a unique and vital role to play in promoting the development of India and the rest of Asia, due to its historical tradition as a Eurasian nation with a sense of sovereignty in respect to the world as a whole.

which is based on the idea of a sovereign nation-state republic, a Presidential republic, which I think has proven to be the best form of republic you can have. That is, you must have an institution of some degree of relative permanence, which has authority, but which also has the consent of the people. And it must be based on a Constitutional—not a set of laws, but a Constitutional set of *principles*, by which the people cooperate and develop their laws. And that is the mission of the United States, to play that role, bestowed upon it by European civilization, in enabling us to come into being.

And therefore, that's the power I desire.

The United States, as part of an Anglo-American financier interest, to dominate the world as an imperial maritime power, which is the present aspiration of some in my country, *I abhor*. And the sooner that's gone, the happier I'll be.

Russia's Eurasian Character

Now, on the influence: Curiously, but not accidentally, the most important influence I think I have outside my own country, is in Russia. This has a long history to it—not an unturbulent history, as some here know—but it's a long history.

First of all, the importance of Russia is, that there are only three national cultures on this planet, which have a true sense of sovereignty in respect to the world as a whole. India has a sense of sovereignty in respect to Asia. China has a sense of sovereignty in respect to Asia. But when it comes to managing world affairs, the only three cultures which will assay to manage world affairs, are the British monarchy, the culture of the United States, and the culture of Russia. None of which have been colonized, none of which—at least not in modern

times — none of which have been occupied by foreign powers, at least not in modern times. And therefore, we have deep in our culture, an imbedded sense of authority. So, when it comes to saying, “Overturn this piece of junk called the present monetary system,” an American or Russian can say that readily. And the British monarchy would say, “Well, if we chose to do it, we might do it.” That sort of thing.

But the problem is, that countries of continental Europe, the countries of Asia, do not think that way. They think of: How do we learn to *reform* the existing system, to live within it? Don’t destroy the house, but find better quarters within it.

And thus, Russia, which was a power, and which is a power in its instinct, responds differently than other nations. Under Yeltsin, no. Under Putin, yes. I can’t—I’m not going to underwrite Putin. But I say: The difference is that Putin represents a Russian President who represents Russia, where Yeltsin didn’t. And therefore, whatever he does, he’s Russian. He proceeds from the sense of Russia’s role on a world scale. His negotiations with India are exemplary. His negotiations with Japan; especially with China; the intervention in trying to bring the two Koreas together, despite the U.S. effort to separate them again — these kinds of things. The negotiations with, going to Kazakstan, the trip of the Pope to Kazakstan, and the instant welcoming of that by Putin. Other things of this sort. And the dealing with the United States.

So therefore, what’s happened is, the transformation of Russia, which has gone through three phases in this century — more than three, but three principal phases: from czarism, and its breakdown; from Lenin and what followed, to the breakdown in 1989-1991; and now the breakdown of the world globalization system. Globalization is now effectively dead, or else we are dead — one of the two.

So therefore we come to a point, at which you need people who are willing to think in terms of: “What are we going to do about the condition of this world? Not the condition of our nation, but the condition of this world?”

In Russia, there’s a current, which is largely centered in the intelligentsia of Russia, many of whom were intelligentsia as part of the old Soviet system, many were dissenters within that system. But they’re different from the old Communists, the old Marxian Communists. They’re different in the sense, that, as I do, they see the individual as the maker of history; we do not believe in “objective forces of history.” We do not sit back and say, “We have to follow world public opinion, the objective forces of history.” World public opinion today stinks. I don’t follow it. I propose to change it. We know we have to change it. We know we have to change the ideas *within* countries.

Therefore, the responsibility is like that of the scientist. No scientist has learned anything if he doesn’t make a revolution. No political leader is worth much, unless he makes a revolution. Because there always are challenges, which require leaders who can pull the institutions of society away

from their habituated ideas, into the new ideas which the society must adopt. And I’ve expressed this with this effort.

We had two conferences in Russia: One, which my representatives were at, where my paper was submitted; a recent one, on the spirit of science in Russia. Another one, which will occur soon. Both involve a recently deceased friend of mine, Pobisk Kuznetsov, a Russian scientist of some significance, and which represents the core of the Russian scientific community, which were all his friends, including all of the scientific institutions. And I proposed that we have a discussion of the continuity of the work of Mendeleev and of Vernadsky. Now, I don’t completely agree with Vernadsky’s picture, but Vernadsky was a great scientist, and a great discoverer—very valuable for all of Asia. Because, what we’re engaged in now, is a great transformation of the noösphere. That’s the way to look at it. We’ve got to transform the biosphere, and the noösphere, into forms which are both sound, scientifically, and also in the interest of mankind, of the nations.

Therefore, as we look at the Central Asia and North Asia aspect of Eurasian cooperation, the question of the ecological development, the biospheric development, the noösphere development of Central Asia, and into the tundra regions of North Asia, is the key part of the development of the Eurasian continent. My view is that Russia is a *Eurasian* nation. It is not simply in Europe and Asia, but it is Eurasian in character. It has Eurasian instincts as a nation, as a national body. It has ties to China, to India, to other countries, which are crucial, which are unique. That doesn’t mean that India and China always agree with Russia, but it means it’s a bridge country, between Western Europe and the countries of East and South Asia. And therefore, my concern is to get Russians to adopt *that* view, and thus, to help to bring together—.

For example: Let’s take the question of bilateral relations between China and India, which are much discussed here, and I suppose are much discussed in China as well. How do you deal with the fact that, especially since 1962, there has been a continuing sense of a potential military conflict between China and India, which affects all of us? How do you bring these nations together? How do you define a common interest, over and above this continuing issue of conflict?

I’ve suggested, as also every Asian nation, East Asia and so forth, is inherently in conflict. Korea with Japan. Japan with China, and so forth. Southeast Asia, the same. Within Southeast Asia, within Indonesia, there’s conflict. So the problem of Asia, is these conflicts, these traditional and other conflicts, which make it difficult to set up any long-term, durable agreement, especially on a bilateral basis. My view is that on a *multilateral* basis, if we can create a platform of common interest, which is more compelling than any bilateral conflict, that nations will find the impulse to overcome the causes of bilateral conflict, and come to a

durable sense of common interest. And I think that Russia is the nation, which has come through czarism, Communism, and, worst of all, liberalism, and now hates the stuff, in a world which has to abandon economic liberalism as the price of its survival. You can not be an economic liberal, and actually expect to contribute much to the survival of your nation in any part of the world today.

So, therefore, we need to create a platform of perceived common interest, in a new order of relations among sovereign states. And Russia, I think, is prepared to play that role, whereas nations such as Italy, Germany, France, are not. And therefore, Russia is one of the best defenders, as being *in Eurasia*, of the idea of a *specifically Eurasian interest* of cooperation. And it becomes, therefore, one of the best catalysts for bringing the United States into that picture. Even though the present President of the United States does not please me, in any particular respect, nonetheless, the relationship which has developed between Putin and Bush, since their meeting in the Balkans, and the more recent developments of Sept. 11, can become, and should become, the basis for a sense of a commonality, a mutuality of interest, between the United States and the Americas in general, and Eurasia. If that commonality of interest can be established, then the fate of Africa is also ensured.

The Preservation Of The Nation-State

J.C. Kapur: [publisher of the magazine *World Affairs* and owner of the Kapur Solar Farm] I would just like to make a small comment, that I think one of the most significant things, which you have said in your speech here, and which we are confronted with in India, in the process of our development toward the future, would be the destruction of the nation-state. You said, destruction of the nation-state to a considerable extent, has been realized in Africa, has been largely realized through genocide, or whatever arguments you may have.

Now, to destroy a nation-state like India, which is 6-7,000 years of history, and if you did still not destroy it, after 500 invasions and 300 years of colonialism—we are still around. Why are we around? Why is this nation not destroyed?

So, I would say that behind that, is the cultural situation in India. There is a hidden, psychic link which connects people all the way from the lowest corner of India to the north: that hidden psychic link. So somehow, whenever an endeavor has been made to destroy the nation-state, they have rushed to destroy the culture. Because it's obvious that without the destruction of the culture, the destruction of the nation-state can not take place.

So that is why, amongst the things which you have seen today happening in this country, is an attempt on the culture. Whether you are meeting differences between Muslims and Hindus, which in a pluralistic country which accepted everything, which allowed everybody to come in—that break is taking place. They are trying to create rifts between the Christians and the Hindus, who protected the Christians in the



J.C. Kapur: "Whenever an endeavor has been made to destroy the nation-state, they have rushed to destroy the culture."

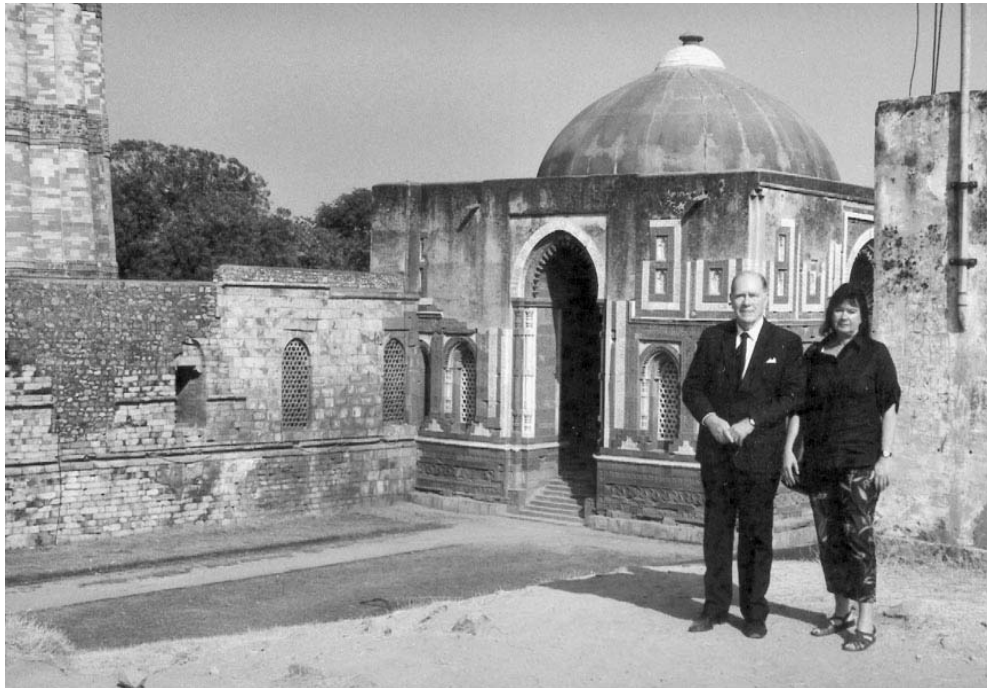
other areas, to come to India. Seeing the whole process. So, therefore, I think it is the *most significant thing*, globalization can not function without the destruction of the nation-state. And the nation-state can not be destroyed, unless one would destroy the culture.

So, the process which is going on today, is the process of destruction of cultures, such as the tribal cultures of Africa, tribal cultures of Latin America, tribal cultures of many of the other countries of the world. This is what is happening.

Now, therefore, in fact, anything which India, and other countries in part, can do, I feel will only be possible, if we can protect that *pluralistic culture* of this country, which allowed the germination of all kinds of things which happened in India. So, under these circumstances, I feel the most important element today is, how to protect our culture.

Secondly, the most important thing is that: How to bring about that, during the periods of transition, which you have said that the financial system is breaking down: How do we see that, before the system really breaks down, there is something very positive visible, which can become acceptable to a large mass of the people around the world? Otherwise, attempts will be made, as from colonialism, you went to Bretton Woods; from Bretton Woods you moved to the next stage, to bring in disparity, having the different currencies; and now something else is being done. The same thing will happen again. We have to see that that doesn't happen. This is the key in my view.

LaRouche: I'll just say one thing quickly on this, on



The LaRouches visit Qutab Minar in New Delhi, Nov. 30, 2001. This was the first monument to Muslim rule in India. The centerpiece of the complex is the minar, a tower with beautiful intricate carvings of Koranic verses, which took several centuries to build, beginning in the 12th Century. It is an architectural/ artistic “dialogue of cultures,” called the “Indo-Islamic style.”

your remarks. Since you raised the question, we should have discussion about the Cato Institute [report] and others, which had been published subsequently, on the attempt to influence Clinton and his circles on India and other countries. I think it’s extremely important that that publication be widely circulated among relevant Indian circles, to know—and this should be circulated worldwide—to understand one of the problems. What you reported to me in this respect, explained something to me, which had mystified me recently, on an encounter I had on just this issue, and I couldn’t understand why the Clinton circles would be so enraged, and so upset, about this question. You explained it to me, by pointing to that Cato Institute, et al., business. And I think it’s extremely important that that be publicized widely, and that it be publicized widely among relevant Indian circles, so they know *exactly* what the problems were in the Clinton policy toward India and Asia, generally, and understand some of the problems which spill over, through State Department circles, in dealing with India now.

Kapur: The only problem there is, which my friend here said something about: The Cato report was on the front page of almost every newspaper in India, in small print. A number of things were said from their report. But only the print area. People largely, even highly sophisticated people, can not connect the entire Cato report, and the contents of the report, and the significance of the report, to the total picture as it is in Washington. So the issue is, of the understanding of the implications, not the publication of the report.

LaRouche: Yes, I know. We agree.

Eradicate Global Poverty

Chandrajit Yadav: LaRouche, Mrs. LaRouche, your visit to India is a very welcome visit. I must introduce myself. I am a former Union minister and former Member of Parliament, as my friend K.R. Ganesh, sitting by my side. I think that you’re visiting India after 20 years? [LaRouche: Seventeen years.] Seventeen years. Even that is a very long period.

I wish you could visit more often, to this part of the world: not only India, Russia, Southeast Asia, China, because as you rightly said that, this part of the world will play a very important role in shaping the new, just economic order. And I think that one lesson which is good in itself of 11 September, although it was a very tragic event, but I think that the whole world must try to learn the lesson from that tragic event, why this thing had happened. Why terrorism was not taken note of earlier, and why all of a sudden, terrorism has become the main target for the international community.

I think that there are several injustices going on. As you said wisely, that economics must be for the poor. The mission of economics is not only to create wealth, and to create more wealth and go for greater development and create a different kind of monetary system. But its humanist mission should be: To, for the welfare of the human being, to create, to diminish hard labor, eliminate poverty on a very large scale, in the whole world today; and growing unemployment, at the same time growing disparities. And therefore, social tension is also increasing very much.

One objective of the present world system does not seem only to dominate—certain capitalists of the world want only



The Indian nation encompasses a great diversity of ethnic and religious groups, such as those voters shown here: a Muslim woman on the left, and a Hindu Brahmin on the right. India's enemies seek to create fissures along ethnic and religious fault lines, to promote the geopolitical strategy of a clash of civilizations.

to dominate the whole world—but also they are making the entire humanity as the victims of materialism. The one major problem in my opinion is, the growing sense of materialism, and also consumerism. Because today the whole effort of the capitalist world is, to create a system or a society of consumerism, make individuals and human beings totally materialistic, and as you very rightly said, that you have a sense of a spiritualism. But one target seems to be, destroy spiritualism! And that is another major danger. So, the entire developing countries are being subjected to a new kind of economic imperialism. As you made the very significant remark, that Africa has become a no-man's-land. It's a major continent! But now, the first target was Africa, to destroy that continent, nations totally subjugated, and dependent on others. And now they're making a force, really, to make the entire developing countries as dependent on them.

I very highly appreciate your concern for the developing countries, especially for Asia, and also for India. Otherwise, in 1981, you'd not have taken care to produce the "Forty-Year Plan For The Development Of India." That shows your concern also. And your friendly feeling for Indian people, which I very much appreciate.

I will say that you seem to be speaking with a strong sense of conviction, that the present monetary system, international monetary system, is finished, has no future. But there has to be some kind of alternative system. I would like you to finally throw more light—that when this present international monetary system is finished, then what kind of alternative system will emerge? At the world level, as well at the regional levels?

And especially for the developing countries? Because the basic problem today, are that two-thirds of the population lives in these countries, and they are not making progress, they do not seem to have any future. Even in our country—I would just like to bring to your notice—I'm sure that seeing your interest in the area, you must be doing so. But, just to remind you, that after 52 and 53 years of our independence, almost one-third of our population—and when I say one-third, it means almost 30 to 40 gross of people, 300 to 400 million people—it's not a small population. They are still living below the poverty line, and that poverty line is an inhuman poverty line. Even safe drinking water is not available to them. Another one-third of our population, is living with very sub-standard living. Thus, two-thirds of India. It means 600 to 700 to 800 million people in India are living a really sub-standard life.

What future is for them, if we become only the victim of the present exploiting system? And as you very rightly said—I am very glad that you have a very original idea, that we aren't speaking of making some reforms within this existing system—that won't work. There has to be some alternate view—part, of development. There has to be some alternate view—part, of ideas, and thinking, and a vision! After all, human beings are not only just to live from one day to another day. We must build a prosperous, a cultured, thinking society.

So, I think that these ideas have to be discussed at length, as Professor Kaushik said: very unfortunately, because you, obviously, after a long time, to sum up your ideas through



Former Union minister Chandrajit Yadav: “When this present international monetary system is finished, then what kind of alternative system will emerge?”

your magazines, are known to people, but you are known only to the intellectual people. You should be more known to the common people, more thinking people. And if you visit more, I’m sure that there will be people to organize the larger-scale discussion with you. You have some very original ideas, and those ideas have to be discussed.

So, I’m saying, that in India, we have, as I said, two-thirds of the population living a substandard life. We have in India, between the age group of 6 and 14—our children—60% are not going to school. And if they are going, then within two or three years there are large-scale dropouts.

Our women, 36% of our women, are illiterate. They have not been able to go to school, because of the poverty, because of the social system. We do not want that—I’m not using that word “Taliban,” people may misunderstand, and I don’t want to use that—but what unfortunately happened in Afghanistan the last few years, closing schools for girls, destroying schools, making them live a life of animals. So I’m saying that these are the problems, problems of Asia, problems of Africa, problems of even Latin America, and I say, in a sense, the problems of two-thirds of the people in the whole world.

So, I’m glad that you visited, and I’m glad for Mr. Maitra, who provided us some opportunity, informing us that you’re visiting Delhi, and therefore we were able to come and understand your ideas, your vision, and also have some kind of dialogue. I wish to thank you again, and I wish you visit India soon again. Thank you.

LaRouche: Thank you very much.

Ecologism Means Genocide

Dr. Padma Seth: [member, National Women’s Commission] I have a little question. You have clubbed Malthusianism, globalism, ecologism. I’d like you to explain about

the ecology part: Globalization we suffer, Malthusianism we—

LaRouche: The ecology idea was developed by the group of Bertrand Russell and H.G. Wells, and their associates, and was foisted upon the world under the infamous book, published in 1928 by Wells, called *The Open Conspiracy*. And you find the essentials of the program are there.

This idea, of course, came from the progenitor of H.G. Wells, Thomas Huxley, who created Wells out of mud. So, this comes from the ideology of the Haileybury school; this comes from Benthamism, and so forth. And they’re spread around the world with the idea that if you accept the idea that man should not alter nature—that there’s a balance in nature which is predetermined, and you must not alter it—that what you will do, by simply making that demand, you will ensure genocide.

Now, Wells made it clear, as did Russell, that genocide was desirable, and technological and scientific progress had to be stopped, in order to promote genocide, to keep the world’s population within dimensions which they found agreeable, and to keep people as stupid as possible, by denying them, by making them hate technology, making them hate science and technology. Which is what you get in most of these crazy terrorist movements which are created; they are generally anti-scientific, anti-humanistic movements.

This came into vogue, on a popular basis, with the Indo-China War period. It was established as international policy by the British government, by British intelligence, through people like Dr. Alexander King, and others. It was spread into the Soviet Union, through the International Institute for Applied Systems Analysis. It was an operation which was run by Cambridge University, the Cambridge systems analysis group. It was spread throughout the world. It was spread in India widely by the associates and followers, the networks, of Bertrand Russell, who—to me—presented this argument.

So, this is a form of insanity.

You know, the way to approach this problem is as I have done. And, on this account, the ideas of Vernadsky are extremely important. Vernadsky defined the biosphere in a rigorous way, from the standpoint of geology.

Oh, by the way, I’ve seen the latest *Current Science* magazine, for example—had some interesting business on the question of geology, in this last week’s issue. It’s really quite fascinating, and important to consider. Particularly when it refers to the condition of parts of India. Fascinating.

In this point, the question of human existence, is, man has cognition. Not, man is an animal, but, man has cognition, has the same right and obligation to transform the biosphere, as life has the right to transform the abiotic domain. Man has the obligation to do that. It is man’s nature to do that. Man does that by fundamental scientific discovery, and applying those discoveries, to increase the potential population density, and power, of the individual members of society. And therefore, any intervention against that, is anti-spiritual; it’s a violation

of the rights of nature of man.

But this is what's being done. The biggest source, the biggest argument, for the destruction of civilization, which has occurred in the past 31 years, has been based on the spread of the doctrine of ecology. If we eliminated that doctrine of ecology, as taught by these circles—. It was spread already in the early 1940s, or mid-1940s, from the Bertrand Russell circles, such as the Unification of the Sciences Project in the United States and elsewhere; spread through Margaret Mead, the Wiener crowd, and the John von Neumann crowd—these kinds of ideas were spread. And they were spread around the world.

They were spread into Russia. They were one of the most crucial factors in bringing about the internal self-destruction of the Soviet Union. With the spread of the ideas of ecology, through the International Institute for Applied Systems Analysis channel, which was actually a British intelligence channel, and created in parallel, because Moscow was suspicious about bringing the Club of Rome into Moscow directly, so the same group that created the Club of Rome—Dr. Alexander King, and so forth—created the IIASA, together with people like McGeorge Bundy in the United States, as a channel for corrupting the Soviet Union. And one of the most successful influences in causing the Soviet Union to destroy itself, was ecology.

From Audience: The Pugwash Conferences, also.

LaRouche: Right.

Increase The Power Of The Biosphere

Dr. Seth: May I have one more? Excuse me. My question was more on the environmental aspect. And soil erosion and similar problems; and congregation in the cities. That's my problem. And environmental pollution. This also includes population . . . the growth and density of population. So I think the quality of the culture should also interest you, because it's not merely nature, but human culture.

LaRouche: Well, human culture—. The point is, the job, is the question of national governmental and world policy. Our job is to improve the biosphere for man's existence, not to destroy it. That's why you have to have a scientific approach, you can't have an arbitrary approach of any kind.

For example: We need to increase the power of the biosphere as a whole, which means you have to increase high-grade biomass.

For example, forestation in the Deccan: You need to change. You need to change the water transport systems, to transform deserts into places. You have to manage the oceans. You have to manage the land, for mankind. You have to take the same approach to the planet Earth that you would attempt to take, in Earth-forming the Moon . . . or Mars, for example. For example, if we're going to put scientific stations on Mars—and we have reasons to do so—we're going to have to create a synthetic environment, beneath the surface of



Geological debate is occurring in India over its ancient Vedic history, which demonstrates a maritime civilization which came to inhabit the ancient rivers systems to India's west—the Indus, and the (now buried) river valley called here Sarasvati. LaRouche discussed the crucial Indian scientific work of Panini and Tilak.

Mars, and we're going to have to know how to do it.

When you put people in space, well, you've changed a lot of things about human life, as going into space. These are not the same conditions in which human life was designed on Earth. Therefore, you have to know how to deal with these policies.

So therefore, you have to have a science. That's why I push this—I push this question. You must have a scientific approach to this question, and use Vernadsky, and his concept of biosphere and noosphere, and use that as science; and say, we must look at how we manage our planet, and beyond, from the standpoint of science. And therefore, national policy, and national law, must be based on science, not the kind of pseudo-science which present-day ecology represents.

The Coup d'État Against The Bush Administration

Q: I would like you to explain your analysis of the Sept. 11 events.

LaRouche: The Sept. 11 events were an attempted military coup d'état inside the United States, against the Presi-



“Our job,” said LaRouche, “is to improve the biosphere for man’s existence, not to destroy it. That’s why you have to have a scientific approach, you can’t have an arbitrary approach of any kind.” Here, scientists and engineers at India’s Institute for Petroleum Exploration.

gency of George Bush. There was earlier reference to this question about terrorism. We use the term “terrorism,” but I do not define terrorism as an independent category. That is a big mistake. It’s a mistake in discussion of the situation in Afghanistan now. That is not the issue.

We have things that are called terrorism, but what we have really is, under the conditions of nuclear supremacy, nuclear weapons supremacy, major powers resorted to use of what is called irregular warfare, as a substitute for regular warfare. See, from the period of the various things that developed in the 16th Century, around Leonard da Vinci, and Machiavelli, the concept of warfare, suited for modern civilization, was defined. And during the 18th Century—as a result of the American Revolution, as the result of the reforms particularly by Carnot in France and by Scharnhorst in Germany—you have reforms in military art, which gave to the modern regular army, and the idea of the rule of law.

The Treaty of Westphalia was a key part in European history, of defining a rule of law concerning warfare. And unfortunately, that’s been abandoned today. The reason we had that law, we realized the danger inhering in religious warfare, and ethnic warfare. That is, people must not kill one another because of ethnic issues. They must not kill one another over religious issues. This is the essence of the progress of modern European civilization, is presumably to recognize that.

So what we did, having reached, with World War II, the highest rate of development of modern warfare, we immediately retreated from modern warfare, to sub-modern warfare—a decadent form, which is called irregular warfare.

Now, irregular warfare are means other than uniformed, acknowledged military means, to accomplish political aims, like those of warfare, within one’s own country, or in foreign countries.

For example, there is no such thing as international terrorism. International terrorism is only what we call irregular warfare, which is organized by governments. Now, I’ve done a number of studies of a number of terrorist organizations. None of them are independent. Independent terrorist organizations either do not exist, or they don’t survive very long. An independent terrorist organization goes out on the street, and it’s going to be wiped out very quickly, by any government. The only way in which a terrorist organization can flourish, under the pretext of being independent, is because some government, or similar authority which controls governments, is protecting it.

Now, in this case, you had the development of this in an extreme form, in the 1970s especially. It started in the 1960s, late 1960s, with the development of terrorism to promote a post-industrial society—that was the original purpose. That continued into the 1970s. In the 1970s, we had, with Kissinger and Brzezinski as National Security Advisers, a new form of—particularly after the SALT agreements of 1972—you had now the use of irregular warfare as a surrogate for warfare between the United States and the Soviet Union—an extension of what happened in Vietnam.

Every form of terrorism of any importance since that time, is that.

Let’s take the case here, of the Sept. 11 event. The problems in Afghanistan really started with Kissinger’s operation

to overthrow the Shah of Iran, which is a British intelligence operation, planned by Bernard Lewis, who is the number-two of the British Arab Bureau. And all Kissinger's policies against Iran, were planned by Bernard Lewis. All of the important policies on the "Arc of Crisis," and "Clash of Civilizations," were planned by Bernard Lewis, the policies of Brzezinski, then and now.

So, in the middle of the 1970s, Brzezinski and his friends went to the Islamic Jihad organization in Egypt, and began to recruit people from Islamic Jihad into this operation, which became known as the Afghansi. They went to a Wahhabi tendency in Saudi Arabia, and got money from some of these—you know, you have all these princes there, they pass out money. So they got some money from these various princes, to finance an army called Islamic Jihad, or became known as the Afghansis.

For example, you had the case of Goldsmith, Jimmy Goldsmith, who was a key operative in the Pakistan area, for British intelligence, in partnership with the United States in running the Afghanistan operations of the late 1970s. In 1982, the operation was taken over by George Bush, in partnership with Jimmy Goldsmith. So the warfare in Afghanistan, and terrorism in that area, was run—it was run through certain interests in Pakistan, which were bought. Most of this was done with weapons trafficking and drug trafficking, which financed it. So we had to create large armies of irregular forces, of volunteers, as a troop of mercenaries, just like the British East India Company did in India, in which the troops that were brought in, were not British regulars, they were not British forces, they were British East India Company private armies, and mercenary armies. So, mercenary armies were again on the scene, under various guises, conducting irregular warfare.

What is happening, for example, on the borders of Northern India now, in Nepal, and Sikkim, and so forth, the Naxalite operations, these are operations by powers. These are not independent movements. This is irregular warfare against India, on what is considered the most vulnerable part of India.

On Sept. 11, you had this faction inside the British, the U.S., and other interests—had been operating with these objectives. However, if you're going to run a coup d'état, a modern coup d'état—. One must not believe the newspapers; one must understand how a military institution functions. If you're going to run a military coup d'état, you don't go out and recruit people to it. You don't ask them to join the coup d'état. You get them involved, because of their involvement in other things you're doing. That's the way the Kennedy assassination was set up. People who were involved in the Kennedy assassination were recruited around a screen of organizing an invasion of Cuba. That's how the Kennedy assassination was set up. The people who were in the Kennedy assassination, the masses of them who helped set it up, all thought they were going for an invasion of Cuba. And a continuation of the Lansdale attack plan for the war against Cuba. A U.S. military attack on Cuba.

So, the way it works is, you have a tight circle of top-ranking people on the *inside* of the military. These people on the inside orchestrate the mobilization of forces for undisclosed, or misdisclosed, purposes. They then deploy these elements, like military units, to their assigned functions. And if they survive, it's after the accident has occurred, that they know what they did. And even then they don't know what they did.

That's how you do a military coup.

The way we define the Sept. 11 events is very serious, very simple. Every government has security arrangements—particularly every major power—which are intended to apply to the potentiality that a section of its own military, or police, might be corrupted, and therefore, might be used to arrange a coup d'état. That is, any sensible government. Some of you have been near the PM [Prime Minister] position, you know this stuff; that you have to anticipate the danger of a coup d'état. This has happened a number of times in India. So therefore, you have precautions, security precautions, in the military and in the police forces, which are intended to detect, and prevent, the success of any enterprise of that sort.

In the United States, as a nuclear power, we have very special kinds of protection arrangements, detection arrangements, intervention arrangements, stay-back, sleep arrangements, deep-penetration of agents, and all kinds of things, to be on the inside of whatever might be planned. The only way you could run something like what happened on Sept. 11: You had to be on the inside, and you had to have control over shutting off certain security arrangements. Which is why you ask yourself: Why, after the first plane went up, and then the second soon afterward, and then the Pentagon attack, why were there no F-14s stationed—as they're supposed to be—waiting for the order to shoot down the plane which is on the course of doing that? How were these things done? Some Arab pilot trained in some flying school is going to fly a modern jet, at speeds of up to 500 kilometers per hour, do a J-turn, and go into an object at the 86th story of a 110-story building, which looks almost like a pebble, or a golf ball, to a pilot approaching at that speed, when he makes that decision? No, you don't do that.

Nor is this done by some Arab coming in and taking over the pilot's seat. Maybe somebody took over the pilot's seat, but it wasn't some Arab who took over the pilot seat; it was a highly trained pilot, who knew exactly what he was going to do, and was trained for it many times before. It was done from *inside* the U.S. military.

Now, then you look at it afterward.

You say, why did it happen? Well, when this thing happens, you know what was done. For example, if you get a tiger that goes into a village, and kills people, you know it was a tiger. You then have to find out which was the tiger, and you go out and find it. But you know a tiger did it. You don't wait until you get the name, rank, and serial number of that tiger, before saying a tiger killed these villagers.

The same thing with the cobra. You don't know which cobra did it, if he got away, but some cobra did it.

So, the same thing. We don't know to this day, which of these uglies did it. But we know why it was done. . . .

From Audience: Why?

LaRouche: It was done for the obvious reason: clash of civilizations. Now, you look at the subsequent events. If you had any doubt about what the purpose was, the subsequent events tell you. You have a major fight, factional fight, within the U.S. government, within the Bush Administration, in which the President and Powell and others, like General Zinni, are out to prevent a continuation of the Israeli slaughter against the Palestinians. To bring about an enforced peace, aimed at an independent Palestinian state. That's the policy of the President of the United States. That was the policy of the President of the United States *before* Sept. 11. It's the policy of the President *after* Sept. 11.

Now, he's a poor President, but nonetheless that's his policy, and that's his intention. He has many people in his government who are on the opposite side. Well, we know who they are. You can see it in India, on CNN, if you get the CNN broadcast. You can see it on the Murdoch chain. You can see it from the *Washington Post*. You can see it in other press which express a different view. There's a major fight inside the United States of: "Should we have a clash of civilizations war?" Clash of civilizations war means, that Sharon does what he tried to do once, and will do again, and the Israeli Defense Forces will do it: is to climb up, tear down al-Haram al-Sharif, and put the Third Temple of Israel on top, in place of the mosque. You do that at the same time you're killing Arabs and Islamic people all over the world, what have you got? You have incited a worldwide religious war.

Which is what their purpose is. Brzezinski has said so. Kissinger has said so. So what you have, is the devolution of the development of irregular warfare, in the post-1972 period, in which military commands are polluted by the use of mercenary tactics, but under regular military command, to conduct surrogate wars. Such as those you're seeing in Nepal, Sikkim, and right in India today, which is the problem here.

So that the problem is, therefore, you have an inadequate President, who's trying to defend the world and his government, against the destruction of civilization, by a generalized religious war, and once you start an Islamic religious war, in and outside Islam, you're not going to stop it that easily. All the ethnic pots will boil.

And that's the intention, to destroy civilization. That's coming from London; it's coming from people inside the United States—the supporters of Al Gore, the supporters of the Attorney General of the United States, and others, and crazy military people. It's coming from inside Britain, similar faction there. And it's coming from those inside the United States, and British, who control the IDF command—which, if you want to talk about modern Nazis, the IDF command is

your modern Nazis. . . .

So, that's the essence of the matter. And it should be a lesson to us all, as to the nature of the world in which we're living.

What Kind Of New World Economic Order?

Prof. Arjun Sengupta: [School of Economics, Jawaharlal Nehru University; former economic adviser to Prime Minister Indira Gandhi; former adviser to International Monetary Fund Managing Director Michel Camdessus] I wanted to intervene for a very simple reason. After I heard your speech at Jawaharlal Nehru University, you probably remember, you gave me a book to read. This is your book on recovery [*The Road To Recovery*]. And having read that, I was quite excited, and I thought that probably this would be a good way of starting a major movement around the world, where every country, or at least leaders of every country which are thinking in terms of a new vision, could unite.

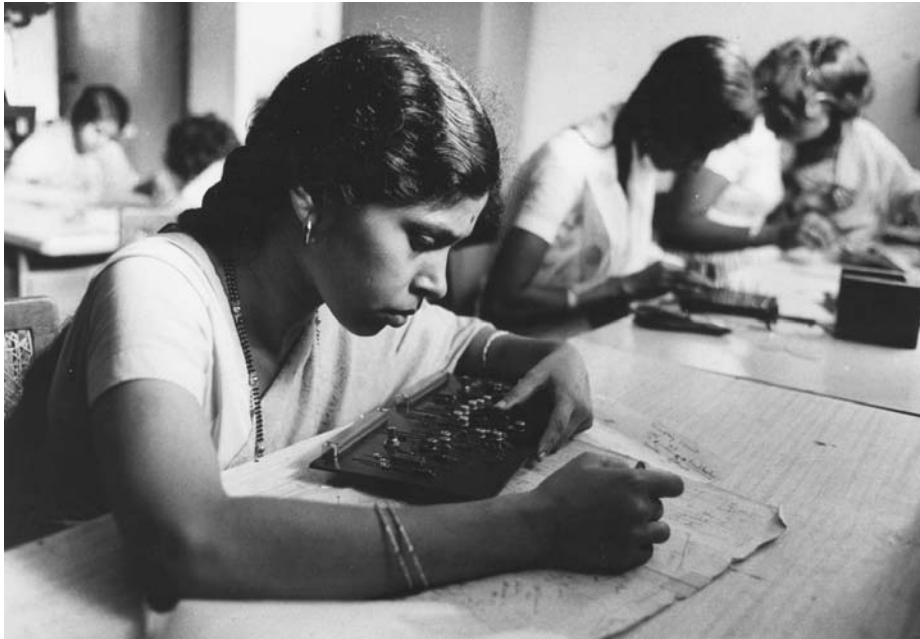
Now, I wanted to explain what I understood from your book, and your discussion, and whether that is something which you'd like to own, and then we can all join.

Frankly, in that kind of a vision, your very interesting discussions about the Sept. 11 events, and the conspiracy and all that, are interesting. They can be challenged. As you know, you are a good academic, so you know that any of these statements requires empirical justification. They can take us to a different kind of a debate. But they are not germane to the main point, or the main theoretical framework, that you are building up. And that is why I would concentrate on that particular theoretical framework that you are building up.

It is also not necessary for you to attack consumerism. My esteemed friend, Mr. Chandrajit Yadav, talked about it. People may or may not like consumerism, but it is not neces-



Prof. Arjun Sengupta: "What is important, is not globalization, but our failure to channel, control, regulate, globalization."



Addressing the need for a protectionist policy, LaRouche underlines, "You must have a wages policy which protects the wage-income of the worker in the household. You must think of wages not in terms of individual workers; you must think of wages in terms of household income, as units. And that's an area of protectionism which must intervene in the entrepreneurial area; as well as in other areas." Here, a worker assembles electronic equipment for the Bhabha Atomic Research Centre in Trombay, India.

sary for you to attack that. In fact, all of us who are old, say that we are against consumerism, but the younger people don't, and you have to carry the younger people. So I would say that that is not germane to our discussion either.

I think attacking globalization is also not germane. What is important is, and I think in your book you put it very well, it is not globalization, but our failure to channel, control, regulate, globalization. Like a market economy. A market economy can exist, and can do quite a lot of good things to many people, and in terms of efficiency, technology; but it requires guidance. It requires governance. I want to put it in this way, because it might give you some kind of popular support if you attack globalization, but this would deflect your main line of your thesis, which is not attacking globalization as such; but ways to regulate globalization.

And similarly, I think that Mr. Kapur has raised a very major point about cultural identity. In your framework, national states will exist, and should exist, as cultural units. But will not exist as isolated economic units, or isolated political power centers. In fact, the most important message that you give, is that in this new world, the old power-balance game is no longer going to work. So nation-states, focal points, or power centers, will no longer exist.

Similarly, nation-states as economic entities going against each other, will not be able to function. The only way nation-states can exist is as the cultural units, because cultural identities remain; and they remain because people like to share their identity.

If this is the case, as I understand, you have three elements in your whole structure. You would like to build up an infrastructural system, which will enable private entrepreneurs and private individuals to function, to have innovative activities; because you believe entrepreneurs are still the basis of techno-

logical progress. And they should be able to function. But there is a function of an enabling environment of which infrastructure is very important, which can not be built up by private market interests; which will require an international understanding of providing resources, at a cheap cost—2% or so—and it is because the [desired private] rate of return is much higher than that, so we can not marketize that rate of return.

So, your first point is to build up that global infrastructure. In fact, I don't think it is even necessary for you to limit yourself to Eurasia. This can be done for the world order.

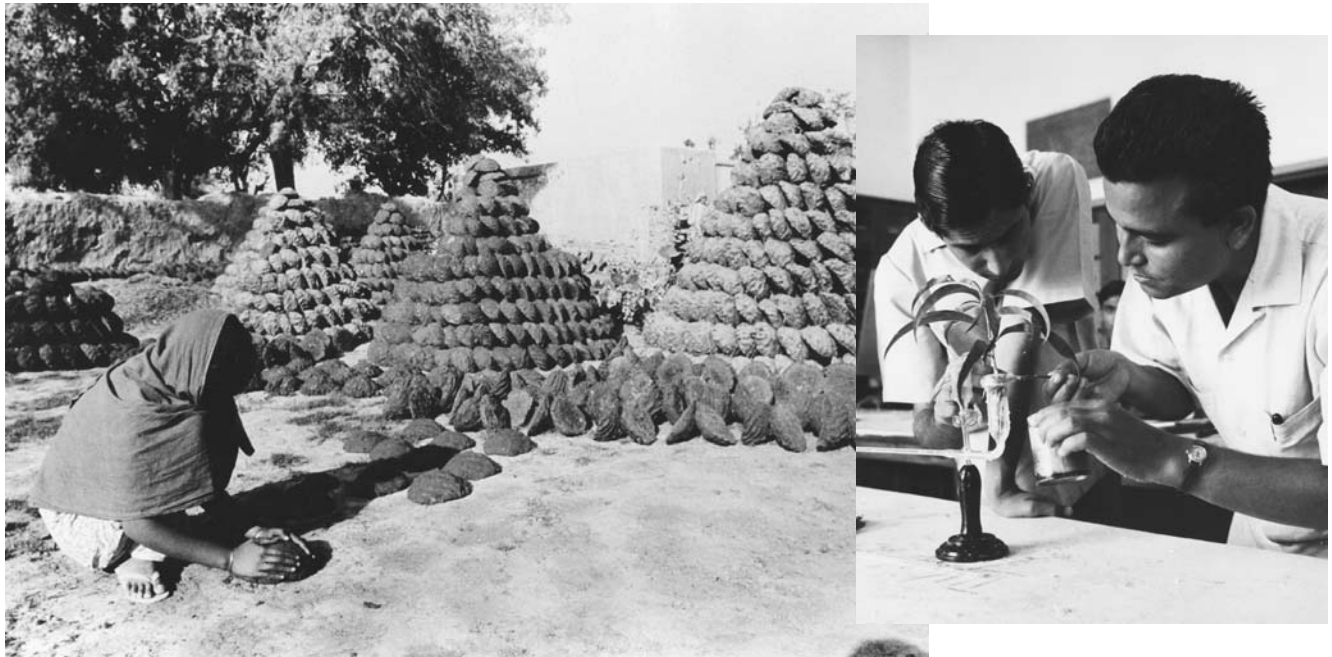
And if that is done, then you allow the private entrepreneurs to function, compete with each other, be vectors of technological progress, use this infrastructure.

And thirdly, social arrangements based on equity and democracy.

These are the main points—and empowerment, which follows from there.

And talking about the new international system—but these three would be the basic elements—in which the United States itself should be very much interested. Because as I mentioned, the United States could now cease to be a military-industrial complex, and move toward helping build up that infrastructure system all over the world. It will give it kind of a push. It will also be a system in which the Russians, the Indians, the Chinese, all of them would be interested, because they could benefit from that.

Now, I am putting it in this way—if my understanding is correct—then you probably could unleash a new movement that all of us could join. It is not a question of just populist pressures here and there. The people want to be happy; they want to be rich; they want to have more goods, more opportunities, more freedoms. Your system will provide that, and will



In India the most backward agriculture and use of resources—due to lack of infrastructural investment and universal education—co-exists with the most advanced plant-genetic research, as in the study of the effects of nuclear radiation on plant physiology at India's Agricultural Research Institute.

move to a different international order, which would be a humane world order, based on a universal fulfillment of all human rights—this is also another point which comes out from your presentation.

Thank you very much.

Protectionism And Wages

LaRouche: I say, generally, yes, I'm in concurrence with the general thrust of your remarks, on all points.

The entrepreneurial thing contains one little problematic feature: The importance of protectionism. For example: the importance of protectionism in wages. You must have a wages policy which protects the wage-income of the worker in the household. You must think of wages not in terms of individual workers; you must think of wages in terms of household income, as units. And that's an area of protectionism which must intervene in the entrepreneurial area; as well as in other areas.

You must also protect the capital investment of the entrepreneur, by regulating prices at such a level—you might call it fair prices, as opposed to fixed prices, but fair prices—which guarantee the entrepreneur the right to a price, and a protected price, in the market, which is equitable for his long-term investment and so forth, and recovery on that. So therefore, you are fostering the entrepreneurial; you are not actually an entrepreneur, but you're doing for the individual entrepreneur what he can not do for himself. It's to create the environment in which he can function.

Similarly with other things among nations. Protectionism:

You must provide protectionism for those things which are important, but for which they can not protect themselves. Such as international trade, and so forth. And once you include that, then I would say, "Fine, yes."

Professor Sengupta: This is the main area where we can have a long debate. Your wages protection—if, by protectionism, you mean sacrifices protection—this wages protectionism is not feasible to maintain, except for what is for the future. Only if there is productivity backing higher wages—

LaRouche: Exactly.

Professor Sengupta: Now, your capital protection is very well-taken, provided we have no alternative way of subsidizing capital; and this is what you were saying, that you are trying to provide it in terms of prices; the alternative may be subsidizing—

LaRouche: The key thing is the family unit, and the education of the member of the household.

Q: That is the most important. That is reflected in your basic human rights that you speak of—

LaRouche: Exactly.

We Must Free States Of Oligarchism

Q: I hope you are going to be the well-informed President of America—about India; because one of your Presidents did not know about the Indian Prime Minister. [Laughter.] Senior

Bush, not Junior Bush. Junior Bush knows Vajpayee very well.

What I am going to ask you—because in the new economic world order, in the past years, sir, we had lots of contradictions. The contradiction is Israel. The contradiction is Palestine. And the contradiction is India and Pakistan itself; the two countries that nuclearized. And our past experience with America is very bad.

And so my point is, America knows how to create things, but doesn't know how to use them. They created Osama bin Laden; but then they didn't really rehabilitate Osama bin Laden. And the outcome was the 11th September. Similarly, the U.S. destroyed—helped in collapsing—the Soviet Union. And what happened? The scientists left the Soviet Union, and they settled in different countries; and they produced anthrax.

So, are you going to take care of all these things in the new economic order? Please tell me, because we are also fighting with terrorism, very heavily, like you are right now fighting. For you, it's a new experience; for us, it's long term. Thank you.

LaRouche: First of all, Osama bin Laden was, in a sense, an Anglo-American creation, not an American creation. You have to say "Anglo-American," or you miss the target. He was essentially a unit deployed by Anglo-American interests to subvert Central Asia and Russia; to spread something else

in the Sufi areas, like Afghanistan and Chechnya, which no Sufi would tolerate—

Q: I need one intervention. I'm quoting you only. You said that all the militant groups need state protection, or protection from similar institutions. Osama bin Laden studied in the Massachusetts Institute of Technology, the best institute of America. And secondly, he was protected—his ideas and everything were protected, when the Cold War was going on.

LaRouche: Well, it was the British government and the United States government. And he was nothing but a drunk and a woman-chaser in his youth, who later became a different kind of degenerate—

Q: [From audience]: And he did not study at MIT.

LaRouche: The problem is the control of states by a phenomenon called oligarchism, the Venetian tradition. And to the extent that certain financier interests are able to subvert governments, control governments, and use the instruments of governments to their advantage, these kinds of problems arise.

What we have to do, essentially, is to have an economic system which does not allow the encroachment of oligarchism of that type, into our systems. If you set up the right kind of economic system, these things can not survive. These things are intended to promote that [oligarchical] kind of economic system. Therefore, if we tear down that kind of economic system, it will have no power base on which to operate.

The Issue Of Cultural Identity

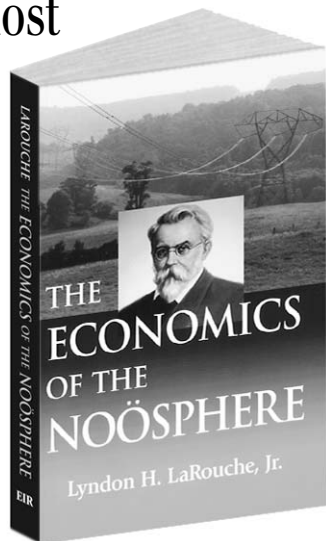
Professor Kaushik: Thank you. Now, I think, Mrs. LaRouche, you may have the floor.

Helga LaRouche: I just wanted to address what several people mentioned: this question of cultural identity as being crucial.

I disagree a little bit with what you [Professor Sengupta] said—that one should not attack consumerism and materialism. I think one has to make, especially, young people conscious about it, because if you look—I did—at the TV here, at some of the "Bollywood" [Calcutta's film industry] productions, you have almost an Indian version of Britney Spears. And the problem is, that you have a lot of young people, of 10, 12, 15 years old, who all try to imitate these pop videos. And they walk around like this. . . . And in a certain sense, this is mental slavery. Because the stupidity and the banality of this is so big, it stupefies people and makes them, again, a new version of game for the international oligarchy.

Now, we have right now the danger of a real clash of civilizations. You have the danger, that if this present situation in Afghanistan, and everything that hangs around it, is not stopped—if, for example, the hawk faction in the United States and Great Britain is victorious, and they are able to spread the war beyond Afghanistan, maybe to Iraq; or, who knows, Iran was mentioned, Somalia—then the danger could be of a real war of civilizations; of Christianity against Islam,

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India's youth, like youth the world over, are being bombarded with images of sensuality and materialism. Here, a website promotes the "styles" of Calcutta's film industry, known as "Bollywood."

against Hinduism, against Confucianism. And you can really see all of these cultures clashing in a perpetual war.

Now I believe that Leibniz was right, that we indeed, do live in the best of all possible worlds; that in front of a very big danger, something is called forward in people, to outdo a big evil with something even more good. I think this is part of human nature, that if challenged in this way, you can produce something beyond what is presently the threat.

In that sense, I think that the Renaissance of each culture — of Indian culture; of European culture, which right now is almost lost among many people, especially the young, they don't know anything about it any more — I think that if we look at it this way, that each culture is now called upon to revive its best traditions; the best traditions and not the bad traditions, you can have a dialogue among these cultures, where each culture focusses on the best aspects of the other one. And to do that, obviously, you have to have a concept of your own culture first, because, otherwise, you have no basis from which to talk.

Now, Nicolaus of Cusa, who is one of my favorite philosophers from the 15th Century, had the idea that the only reason different cultures can even talk to each other, and understand

each other, is because each one produces scientists, wise men — and women, for that matter — poets, composers, people who have a universal language with which they can communicate. Therefore, I think if you start to look: What are the universal principles in each culture — in Indian culture, how is this reflected? in Confucianism, in Islam, in other cultures: That way we can start the dialogue. And I think that out of a terrible crisis and danger to mankind right now, if we start to approach it this way, we will overcome what I call the childhood of mankind, which is oligarchism. Because I don't think oligarchism is something that will be with us forever. And once we start to do that, and start to know the other culture, from the standpoint of knowing our own culture and cherishing what it was contributing to universal progress, I believe that people will eventually — when all children will have the chance to learn about the other cultures in this way — we will start to love them. Because once you start to recognize the beauty of all of these different cultures in the world, it will be like the crown of pearls; where you will be strengthened in what you do, in what your identity is, but you will also be enriched by the contributions of the others.

And since we are for the first time sitting in one boat — I mean, we have reached a point in history where either we all make it, or none of us will make it — then I believe, that through such an exchange of different cultures, we will be able to make a new Renaissance like nothing in the world before.

So I'm actually optimistic that we can turn this crisis into something brilliantly new.

Professor Kaushik: Thank you. Well, I think we have had a very fruitful brainstorming session, for which our thanks go to the couple here, LaRouche and Mrs. LaRouche, and to all the participants who made illuminating observations. So far as I am concerned; well, I am an incorrigible Marxist-Leninist adherent of Mr. LaRouche. [Laughter.] I did my post-graduate degree at Lucknow University.

For me, with the collapse of the Soviet Union, since 1991, my contacts with Mr. LaRouche have been like a refresher course in Renaissance, in European history; European history from a different perspective. And I must say, with due deference to what he believes in and what he says, that I find a lot of common ground between Marxism-Leninism *creatively interpreted* — creatively, not in the *nomenklatura* way — and, at least in the present situation, what he has been saying. I want to tell him that had Lenin been alive, he would have come out with the same conclusion, after the analysis of rentier-speculative capitalism. Well, what else do we call it?

I know your Alexander Hamilton, and Benjamin Franklin, and Roosevelt, and Friedrich List — but then in the reality, we wind up with rentier-financial capitalism. It must not be called anything else but capitalism.

But let us not go and fight about it. I thank my guru, profusely, and I thank you all for your participation. We look forward . . . [applause]. So please, come again.

Sharon Now ‘Breakaway Ally’ Of U.S., And Must Be Stopped

by Dean Andromidas

Lyndon H. LaRouche, Jr. warned on Oct. 12 that the “breakaway ally” scenario for Israel, envisaged by U.S. Secretary of State Henry Kissinger in 1974-75, has now become an urgent danger. According to this scenario, Israel would launch a “preemptive” war against its Arab neighbors, and then say to the United States, in effect, “We have started the war; now you are going to have to fight it!”

That is now occurring under conditions which threaten a general religious war throughout the region and beyond. Israeli Prime Minister Ariel Sharon, in his direct and intentional attacks on Bush Administration peace initiatives, is being supported by circles in Washington and London who want such a wider war for purposes of “controlling” Eurasia. This included the group around the Administration itself, led by Deputy Defense Secretary Paul Wolfowitz, Richard Perle, and others. And it features a massive corruption of the U.S. Congress. In an unholy alliance led by Republican Senator Trent Lott and Democrat Joe Lieberman, Congress passed almost unanimously on Dec. 5 a resolution so rabidly pro-war, that at least 25% of the Israeli Knesset would have voted against it.

On Dec. 13, Israeli Prime Minister Ariel Sharon declared that Palestinian Chairman Yasser Arafat “no longer exists,” and that the Israeli government will not negotiate with him. He announced that he has the support of the United States and the European Union to “defend” Israel from the “terrorist entity,” i.e., the Palestinian Authority. Meanwhile, the United States and Europe are exerting unprecedented pressure on Arafat to arrest and crush Hamas and Islamic Jihad. And Sharon has continued to drop his bombs on the Palestinian Authority, including on the police headquarters of those who would have to carry out such a crackdown on the extremist groups—even while the Hamas-affiliated imams in the

mosques of the Gaza Strip deliver sermons denouncing Arafat.

Who will stop Sharon from dragging the entire region into a new war and setting the stage for the clash of civilizations that his masters in London and Washington are demanding?

Statesman and U.S. Presidential candidate Lyndon LaRouche has been playing a crucial, galvanizing role in rallying opposition to the insane Sharon. On Dec. 9, LaRouche issued a statement denouncing the policies of Sharon and his generals as those of a “fascist regime” which will lead to the “obliteration of Israel” itself (see *Editorial*). The LaRouche statement was published on Dec. 12 by the Qatari national daily *Al-Sharq*, and on Dec. 13 by the London-based *Al-Arab International*. Under the headline “LaRouche Warns The Dictatorial Regime Of Israel,” and with the kicker “Leads A Campaign Against The Zionist Lobby In The Congress,” *Al-Sharq*’s coverage is extremely significant, since Qatar is the current headquarters of the Organization of Islamic Conference. LaRouche’s statement came as the foreign ministers of the OIC were concluding their emergency meeting on Palestine and the crimes being committed by Sharon.

Despite the rampages of the Israeli Defense Forces (IDF) throughout the West Bank and Gaza Strip, make no mistake: The last thing Sharon wants Arafat to do, is to crush Hamas. This was best summed up by Palestinian negotiator Yasser Abed Rabbo, in an interview with commentator Akiva Eldar in the daily *Ha’aretz*. Pointing to a picture of Sharon at a Hanukkah candle-lighting ceremony, Rabbo told Elder, “Look at how he smiles with happiness. Hamas gave him the attacks in Jerusalem and Haifa as a gift. Instead of Bush telling him what to do, Sharon dictated Bush’s actions. Your prime minister isn’t interested in destroying Hamas, but rather in using it to destroy Arafat and the Palestinian Authority. You



Al-Arab International in its Dec. 13 edition published LaRouche's "Blunt warning on the fascism of Ariel Sharon," as did numerous other Mideast media.

are all making a big mistake if you think that in place of Arafat you will get a more moderate leader. There is no leader in the territories who is more moderate than Arafat."

Even in Israel, this one-sided pressure on Arafat is seen by some as dangerous. Commentator Gideon Samet, writing in *Ha'aretz* on Dec. 12, says that "Sharon has won a diplomatic bingo," now that all the pressure is being put on Arafat. But once Palestinian quiet is achieved, he asks, "who's guaranteeing that Sharon, carried away by his American adrenalin, will ever feel any pressure to advance towards a peace agreement?" Samet warns that Sharon will exploit every incident to ensure "more postponements of the negotiations." He warns that pressure must be put on Sharon "the sooner the better, before Sharon's euphoric trance with the Americans goes to his head."

Mevon Benvenisti, also writing in *Ha'aretz*, denounced Sharon's attacks on Arafat. "How can one explain the series of military actions whose only purpose was to humiliate the Palestinian collective, deny its legitimacy, and destroy its infrastructure?" Echoing LaRouche's warning that Sharon's policy will destroy Israel, Benvenisti said that "anger, hatred, and desire for revenge could lead to Sharon's ideology coming true, bringing down disaster on everyone here."

Green Light From U.S. Congress

Within hours of Sharon's declaration that Arafat "no longer exists," U.S. Secretary of State Colin Powell, speaking at a press conference, not only reaffirmed Arafat's "existence," but stressed, "Yasser Arafat is the elected head of the Palestinian Authority and reflects the leadership that the Palestinians wish to have. So he still has that authority, that mantle of leadership given to him by the Palestinian people, and we will continue to work with him." Powell reiterated the demand that Arafat crack down on Hamas.

The European Union's foreign policy Czar Javier Solana, after consultations with Powell, told Reuters, "For us in the EU, the chairman of the Palestinian Authority continues to be the representative of the Palestinian people, and therefore we will continue dealing with him."

Powell's statement reflected the "red lines" the Bush Administration had already dictated to Sharon, when the latter was in Washington early in December. Yet Sharon's rampages against the Palestinian Authority continue, just short of all-out war.

Why does it appear as if Sharon is able to thumb his nose to everyone? The answer to that lies in the massive support Sharon is getting from the alliance between the so-called Israeli Lobby and the loud circles of warmongers inside and outside the U.S. administration who are pushing for a clash of civilizations, beyond Afghanistan.

In the Administration, this group is led by U.S. Deputy Secretary of State Paul Wolfowitz, and is pushing for war on Iraq, Syria, and Lebanon. This group has declared war on Secretary Powell. Wolfowitz is supported by the right-wing Israeli Lobby, which is funded under control of the "Mega" group of billionaires.

The Wolfowitz crowd, which includes a gaggle of influential ex-government officials, is also conspiring, in secret, and outside the policy framework of the administration, with the Israel right wing, in order to eliminate Arafat from the scene. According to *Ha'aretz* on Dec. 12, a "closed" meeting took place in Herzliya, Israel, several weeks ago, involving senior Israeli and American experts and officials, to discuss how to deal with "Palestinian terrorism." An Israeli participant said that in deterring terrorism, "the punishment should be much worse than the terror attack." His American colleagues not only agreed, but said the terrorists should be assassinated. As for Arafat, one American said, "Israel should ask itself whether it wants Arafat in power. If it doesn't, it should take steps to topple him. But if it does, it should establish a system of punishments and incentives that will show him that his key to survival lies in Israel's hands."

Although the list of participants has been kept secret, it was sponsored by the Herzliya Institute of Policy and Strategy, which is headed by Uzi Arad, former Mossad agent and adviser to former Israeli Prime Minister Benjamin Netanyahu. The Institute is financed by right-wing American money-bags Ronald Lauder. The Institute is holding a security conference on the week of Dec. 16 which will have as a featured speaker former CIA director James Woolsey, who works closely with Wolfowitz.

Sharon Wants To Destroy Zinni's Mission

The week of Dec. 9, U.S. special envoy Anthony Zinni met with both Israel and Palestinian security chiefs, and called

for both sides to work for 48 hours of calm, as a prelude to a cease-fire. Within hours of that meeting, the Israelis launched an assassination attempt against Islamic Jihad leader Mohamed Sidr. Missing their target, the Israeli helicopters killed two Palestinian children.

Obviously hoping for success of the Zinni Initiative, Bas-sam Abu Sharif, adviser to Arafat, on Dec. 11 issued a proposal for peace negotiations. Sharif called for both sides to draft a "vision" of a peace agreement that "provides real answers to real Israeli and Palestinian security fears and needs." In a major shift on the question of the so-called "right of return" of Palestinian refugees to their former homes inside what is now Israel, Abu Sharif said that this issue could be deferred to after the formation of a Palestinian state, and in the context of state-to-state negotiations. This proposal would have eliminated the huge stumbling block that Israel claims has prevented Israel from coming to a settlement with the Palestinians. The rest of the proposal is in line with the Mitchell Commission Report and the peace proposal that former President William Clinton made just prior to leaving office.

By contrast, Israeli Security Minister Uzi Landau told Israeli Army radio shortly after Zinni's announcement, "They can talk about security all they want, in order to acquaint themselves with the situation. However, it must be absolutely forbidden, that these talks bring us to a point where we do not take more action, with greater forcefulness against the targets that create the infrastructure of terror." Landau incited against Arafat: "Israel's operations facing the terrorism of Arafat must only increase and grow more intensive from day to day. They must be systematic, they must cause them much greater damage. The struggle must be constant, not a response to their attacks, not waiting for them to hit us, rather striking at them all the time." Landow continued, "Now we are standing before a golden opportunity—a window of opportunity that must not be missed—to strike at their infrastructure of terrorism, at its very foundations."

Sharon harvested his bitter fruit: Hamas attacked a bus near the West Bank Jewish settlement Emanuel, killing ten Jewish settlers. The attack was another "Hannukah gift" to Sharon, enabling him to commit further war crimes. IDF tanks, F-16 jets, and helicopter gunships were ordered to destroy Palestinian police stations, airports, the Palestinian radio and TV station, and other infrastructure. They even destroyed the European-financed Palestinian Central Bureau of Statistics, claiming to have found "links to terrorist organizations," and deployed tanks within 100 meters of Arafat's office.

None of these war crimes have been attacked by the United States, beyond raising "concerns."

More criminal than these attacks, is the escalation of the closures and sieges against Palestinian cities. These are the real war crimes, including dividing up the the West Bank into a series of "Warsaw ghettos," with high embankments, deep trenches cut in access roads, and the banning of Palestinians

from using most of the roads. Uncounted by the media are the number of old and sick people, as well as babies, who have died because of having to wait for hours at the hundreds of checkpoints. Schools are forced to close, and towns go without food and water because of the roadblocks.

Sharon's policy is reaching extremes that even Foreign Minister Shimon Peres can no longer bear. Peres, who is under pressure from the pro-peace faction in his Labor Party to quit the Sharon coalition government, told a group of Labor Party ministers that Sharon's policy was simply playing into the hands of Hamas and Islamic Jihad. "On the one hand, they [Hamas and Islamic Jihad] are killing Israelis, and on the other hand are emerging victorious when the IDF hits hard, not at them, but at their enemy, the Palestinian Authority." This meeting, held on Dec. 13, was the first time that Peres has publicly mooted leaving the government.

Warnings To Sharon Not To Kill Arafat

The greatest concern among those seeking a peaceful solution, is that Sharon will kill Arafat, thus throwing the entire region into a conflagration. French Foreign Minister Hubert Vedrine said, "It is clear that, in his government, in the majority and in the heart of the Army, there are people who are tempted by this delirium." He added, "The Israelis need peace, and they need an interlocutor for peace. It would be an error to want to be rid of the Palestinian Authority."

While agreeing that Arafat should do more to eliminate terrorism, Vedrine said he needs to be helped, not hindered: "One must not systematically destroy his security forces, his police commissioners. . . . If he had a Palestinian state in view, clearly that would allow him to again take the political initiative vis-à-vis Hamas, which is gaining ground, feeding on despair and repression."

On Dec. 10, speaking at the foreign ministers meeting of the the OIC, Qatar's Emir Sheik Hamad bin Khalifa al-Thani, chairman of the conference, declared, "We urge the United States and the International community to work for an immediate end to Israel's policies, which only lead to the destruction of the last chance for peace in our region."

Arafat was unable to attend the OIC meeting, for fear that Sharon would not allow his return to the West Bank, a fact underscored at the conference by Egyptian Foreign Minister Ahmed Maher, who called it an example of "Israeli aggression against not only the Palestinian people, but also international legitimacy."

King Abdullah of Jordan also sounded the alarm, closing Jordan's border with the West Bank for fear of Palestinian refugees flooding into his kingdom. Abdullah told the London-based Arabic daily *Asharq Al Awsat*, "I am worried about the future. Israel has to understand that it cannot solve its problems by force. The Israelis have always said they are not interested in negotiating with Arafat. We have always argued that he is the only one with whom they can negotiate, and he cannot be replaced."

What Rabin Knew: Peace Takes The Courage To Change Axioms

by Harley Schlanger

The dangerous policies of Prime Minister Ariel Sharon and the Israeli Defense Forces (IDF) leadership, which have devolved into a “scorched-earth” policy against Yasser Arafat and the Palestinian Authority (PA), were contrasted by London LaRouche on Dec. 9 against the effective approach taken by Yitzhak Rabin. Rabin, during his second stint as Prime Minister of Israel (from July 1992, until his assassination on Nov. 4, 1995) was relentless in his efforts to achieve a just, lasting peace with the Palestinian leader. He knew, as LaRouche has recently insisted, that Israel would be destroyed, eventually, by the policy that Sharon represents.

Rabin learned this lesson the hard way, by changing his fundamental axioms of thinking in response to the responsibilities of command leadership. Breaking with the assumption of the “Zionist fascist,” Vladimir Jabotinsky, Rabin gave Israel a quality of leadership, in search of her security, which Sharon rejects outright.

Sharon says that his murderous brutality is Israel’s only option for national security. He argues that Arafat is a terrorist, and the PA and its police and security apparatus aid and abet the Hamas terrorists who strike against Israel (though Sharon helped create Hamas to counter Arafat’s Palestine Liberation Organization). Since Arafat, according to Sharon and the IDF, uses terrorism as part of a broad strategy to destroy Israel, Israel has no choice but to launch violent attacks against the PA, “to protect Israeli lives.”

Sharon’s actions are leading not to security, but to an ongoing cycle of bloody retribution. The only end of this cycle is either the complete capitulation by a defeated Palestinian population to Israeli military domination, or the expulsion of the majority of them from “Greater Israel.” Sharon’s preference is to push them into Jordan, which he would proclaim the “Palestinian state,” thus plunging Jordan into unremitting destabilization.

The actual outcome of his policy, if it is not stopped, will be a horrific religious war, which will count many, many Israeli Jews among its victims.

Jabotinsky And The ‘Iron Wall’

For years, Sharon has been a devoted follower of the fascist doctrine of Vladimir Jabotinsky, who was a self-proclaimed admirer of Mussolini. Jabotinsky, called “Vlad Hitler” by Israeli founding father David Ben-Gurion, set out a doc-

trine for relations between Israeli Jews and Palestinian Arabs in a 1923 document, “On the Iron Wall.” He wrote that the prospect for peace between the Palestinian Arabs and the Jews depended on Arab acceptance of Zionism.

“A voluntary agreement between us and the Arabs of Palestine is inconceivable now or in the foreseeable future,” he asserted. Therefore, Jewish settlement could develop only “under the protection of a force that is not dependent on the local population, behind an iron wall which they [the Arabs] will be powerless to break down.” By “iron wall,” Jabotinsky meant a Jewish military force strong enough to break Arab resistance to the Zionist presence in Palestine. Once the opposition was broken and acquiescence to Zionism was attained, it would be possible to negotiate with the Arab population.

While Ben-Gurion opposed this view, and had hopes that the Palestinian Arabs would accept the terms of the United Nations partition plan of November 1947, and form a state alongside Israel, the Arab rejection of partition led to a war in 1948, followed by an uneasy and unsatisfactory stalemate, which lasted until 1967.

Israel’s decisive victory in the June 1967 war, and its seizure of the West Bank and Jerusalem, precipitated unhealthy developments reflecting Jabotinsky’s “Iron Wall,” which are at the heart of the problems today. It unleashed a triumphalism with strong messianic overtones, spawned the settlers’ movement and the ultra-religious movement, both of which proclaim that the territories seized in that war constitute the “holy soil” of “Greater Israel,” which must never be relinquished.

Two miscalculations arose from the victory in that war, both of which come directly from the “Iron Wall” theory. These became the axioms that have guided Israel’s policies toward the Palestinians since 1967.

The first is a political axiom: that the Palestinians in the occupied territories have no choice but to acquiesce to Israeli rule, and to give up any hope of ever achieving statehood, accepting dependence on Israel for their economic well-being. The second is a military axiom: Any Palestinian upsurge must be crushed with an iron fist, and Israeli security forces should impose “collective punishment” to discourage rebellion. This includes destroying, or sealing off the homes of those suspected of engaging in anti-Israeli activity, shutting off electricity and phone service, firing people, etc.



The late Israeli Prime Minister Yitzhak Rabin in 1993. As Israeli Defense Forces commander against the 1987 Intifada, Rabin learned the hard way, that his “iron fist” policy toward the Palestinians was doomed to failure: a lesson that Ariel Sharon appears incapable of learning. Here, a family seen amid the desperate poverty of Gaza, in 1993.

Rabin And The Intifada

The first serious challenge to these axioms emerged in December 1987, with the uprising known as the “Intifada.” The explosive intensity of the Intifada grew out of the poverty and misery which characterized the lives of most Palestinians, combined with the effects of 20 years of humiliation as an occupied, powerless people. In response, Prime Minister Yitzhak Shamir declared that Israel’s existence was at stake, and authorized harsh measures to suppress it, including assassination, deportation, mass arrests, curfews, and punitive economic measures.

The job of crushing the Intifada was entrusted to his Defense Minister, Yitzhak Rabin. Though Rabin was from the opposition Labor Party, which was in a coalition government with Shamir’s Likud at the time, Rabin agreed with Shamir, that suppressing the Intifada required the iron fist.

At first, IDF troops used live ammunition against the demonstrators, who were mostly youths armed only with stones, inflicting many fatal wounds. Conscious of the public-relations black eye for Israel which resulted, Rabin ordered his troops to “break their bones” with clubs, instead of shooting them. He expressed surprise when he discovered that soldiers beating young men with clubs in front of cameras did not improve Israel’s image. Still, he issued stern warnings, telling the Knesset (parliament), “They won’t obtain a single thing via the threat of war, terrorism, or violent disturbances. . . . The main problem at present is to enforce order, with all the sorrow and pain over loss of life on the Arab side. Whoever goes to violent demonstrations is placing himself in danger.”

But the Intifada continued unabated. Rabin realized that the “iron fist” axiom would not work. Historian Avi Shlaim writes in *The Iron Wall*, that Rabin and the IDF were soon

confronted with a devastating paradox: “It was precisely this kind of arrogant and aggressive attitude that had provoked the uprising in the first place. In the end, it was the [Palestinian] residents of the territories themselves who demonstrated to Rabin that military force was part of the problem rather than a solution.”

Rabin received the same message from troops deployed to crush the rebellion. A senior officer under Rabin told Israeli journalists Ze’ev Schiff and Ehud Ya’ari, “I console myself with the thought that this punishment may lessen the violence, but deep in my heart I know that what we are doing will prompt others to react against us violently in revenge” (Schiff and Ya’ari, *Intifada: The Palestinian Uprising—Israel’s Third Front*).

It was soon evident to Rabin that the idea that Israel could sustain a “benevolent occupation” was a delusion. Further, the suppression of the uprising was having profoundly negative effects on IDF personnel, as they were becoming desensitized by the experience. An IDF officer told Schiff, “At first, I was shaken by every Arab death, especially if a child had been killed. But the more time passed and the more people died, the more I noticed that I wasn’t reacting anymore, that I just didn’t care. . . . I had become calloused, just like everyone else. We all underwent a change to one degree or another during our duty in the territories.”

Rabin’s widow Leah wrote in her memoir, *Rabin: Our Life, His Legacy*, that the inability to put down the rebellion without resorting to unacceptable tactics changed her husband. “The Intifada made it wholly clear to Yitzhak that Israel could not govern another people.” By 1989, she continues, he “was gradually moving toward advocating Palestinian autonomy and self-determination.”

Rabin And Oslo

With a strong mandate making him Prime Minister in the June 1992 elections, Rabin made it clear immediately, that peace with the Palestinians required overturning previously held beliefs. On July 13, 1992, when presenting his cabinet to the Knesset, Rabin attacked the axiom that Israel is a weak, vulnerable state surrounded by a hostile world. "Their answer to this sense of permanent threat" he said, referring to Shamir and the Likud leaders, "was to build up Greater Israel as a citadel for the entire Jewish people." He said he would not support the expansion of "political settlements," (i.e., those built by extremists trying to hold onto the occupied territories by expanding Israel's borders).

He continued, hitting other entrenched views of Israel's political and military elite: "We shall change the national order of priorities. Israel is no longer necessarily an isolated nation, nor is it correct that the entire world is against us. We must rid ourselves of the isolation that has gripped us almost for half a century."

With this speech, Rabin returned to the concept of Zionism put forward by Jabotinsky's opponent Ben-Gurion, who argued that Israel must offer European Jews the opportunity to escape the isolation of the European ghettos. For Ben-Gurion, this goal was as important as establishing Israel as a safe haven for Jews to escape the misery that anti-Semitism had inflicted upon them.

Rabin, in that same speech, said that he no longer believed that security for Israel was dependent primarily on military power. "Security is not a tank, an aircraft, a missile ship. Security is also a man's education, housing, schools, the street and neighborhood, the society in which he grew up. And security is also that man's hope."

Together with his former rival in the Labor Party, Shimon Peres, whom he appointed Foreign Minister, Rabin continued to reject the axioms of the past. Though he remained suspicious of Arafat and the PLO, in December 1992, his government repealed a six-year-old law which prohibited contact between Israeli citizens and the PLO. This cleared the way for the secret meetings between aides of Shimon Peres and Arafat, beginning February 1993 in Oslo, which led to the Oslo Accords.

Peres convinced Rabin that peace was not possible as a "political" policy, but required an economic component to cement an agreement. By including joint economic ventures in the agreement, there would be added incentive for both sides to maintain peace. Peres stated, "To construct a political staircase without economic banisters is to take the risk that people will begin to climb, only to fall off before they reach the top." Here Peres reflected the ideas of Lyndon LaRouche, whose "Oasis Plan"—presented to Peres by LaRouche in the early 1980s—was just such an economic development approach.

Oslo included detailed plans for Israeli-Palestinian water—including desalination—energy, industry, and agricul-

tural infrastructure. These Economic Protocols were never carried out, sabotaged by the World Bank and International Monetary Fund, which evidently preferred war to the investments required by peace.

Rabin waged a relentless fight against those who would derail the peace process. Between December 1992 and the signing of the Declaration at the White House in September 1993, Hamas launched several waves of terror. In a televised address on Dec. 15, Peres answered his critics, who demanded that negotiations be stopped due to the terrorism. "Why has there been an increase in shooting incidents in recent months?" he asked. "I have no doubt that those who propose this action are . . . the ones who want to kill Israelis, and also the peace and the chance to achieve peace." He would not allow them to do so.

In response to critics who said he should not have shaken Arafat's hand at the White House ceremony, nor proclaimed Arafat a "partner in peace," as he has been an enemy of Israel, Rabin scoffed, saying "You make peace with your enemies, not with your friends." It was this side of Rabin which was in evidence at the Sept. 13, 1993 White House ceremony. He surprised nearly everyone when he addressed Arafat and the Palestinian people directly: "We who have come from a land where parents bury their children, we who have fought against you, the Palestinians, we say to you today in a loud and clear voice: Enough of blood and tears, enough!"

Later that evening, Rabin proposed a toast to all who participated in the Oslo negotiations, asking that they tip their glasses to "those with the courage to change axioms."

Rabin's Legacy Vs. Sharon's Fascism

Rabin was murdered by a fanatic who had been nurtured in the noxious swamp populated by extremist rabbis and crazy settlers who still cling to the fascist beliefs propagated by Jabotinsky. At his funeral, U.S. President Bill Clinton delivered a moving tribute to his friend: "Your Prime Minister," he told the people of Israel, "was a martyr for peace, but he was a victim of hate. Surely, we must learn from his martyrdom that if people cannot let go of the hatred for their enemies, they risk sowing the seeds of hatred among themselves."

Sharon's actions of late demonstrate that he has learned nothing from Rabin's example, and that he is more than willing to plunge the region into war, with the possibility of millions of Palestinian, Arab, and Israeli casualties, rather than give up the discredited axioms of the pre-Oslo period.

The potential for peace between Israel and the Palestinians, which resulted from Rabin's break from those axioms, has been nearly obliterated by the assault against the peace process, first by former Prime Minister Benjamin Netanyahu, and now by Sharon. Given the sorry state of internal politics in Israel, it will require a strong intervention from outside the region, to prevent a new Holocaust from occurring.

‘No Peace Without Justice, No Justice Without Forgiveness’

by Nina Ogden

Pope John Paul II’s notable message for World Peace Day, Jan. 1, 2002, was presented on Dec. 11 by Cardinal Francois-Xavier Van Thuan, president of the Pontifical Council for Justice and Peace. International media coverage distorted the message’s content, suggesting that the Pope’s condemnation of terrorism as “a true crime against humanity,” means his support for the Afghanistan war, and for anti-terrorist war-fighting in general.

The principles and issues stressed by Lyndon LaRouche—a dialogue of civilizations based entirely on the conception of the human being as God’s creative image, and the policy of peace uniquely through economic development—point to a clearer understanding of the Pope’s message. The Pope is implicitly calling for the principles of the Peace of Westphalia, which ended the disastrous religious wars of the 17th Century, to be urgently applied to the current global crisis, “a world in which the power of evil seems once again to have taken the upper hand.” The Peace of Westphalia of 1648 was a unique treaty, based entirely on the agreement to “complete forgiveness” from all the warring states and religious parties, for the violence committed against them in the Thirty Years War; and on the full recognition by each of the sovereignty of the others within their territory.

The press has distorted the passionate intent for peace of Pope John Paul’s message, by putting only a few phrases into media circulation. The first sentence beginning section 5, for example, on self-defense against terrorism, has been widely quoted; but the sentence that follows it has been ignored: “The guilty must be correctly identified since criminal culpability is always personal *and cannot be extended to the nation, ethnic group or religion to which the terrorists may belong*” (emphasis added).

For that reason, we publish here extensive excerpts of the Papal message on “Forgiveness, The High Road,” which can be read in full at www.vatican.va/latest_en.html.

Excerpts of the message of His Holiness John Paul II, for the Jan. 1, 2002 World Day of Peace; issued from the Vatican, Dec. 8, 2001.

1. The World Day of Peace this year is being celebrated in the shadow of the dramatic events of 11 September last. On that day, a terrible crime was committed: in a few brief hours thousands of innocent people of many ethnic backgrounds were slaughtered. . . .

2. Recent events, including the terrible killings just mentioned, move me to return to a theme which often stirs in the depths of my heart when I remember the events of history which have marked my life, especially my youth.

The enormous suffering of peoples and individuals, even among my own friends and acquaintances, caused by Nazi and Communist totalitarianism, has never been far from my thoughts and prayers. I have often paused to reflect on the persistent question: how do we restore the moral and social order subjected to such horrific violence? My reasoned conviction, confirmed in turn by biblical revelation, is that the shattered order cannot be fully restored except by a response that combines justice with forgiveness. The pillars of true peace are justice and that form of love which is forgiveness.

3. But in the present circumstances, how can we speak of justice and forgiveness as the source and condition of peace? We can and we must, no matter how difficult this may be; a difficulty which often comes from thinking that justice and forgiveness are irreconcilable. But forgiveness is the opposite of resentment and revenge, not of justice. . . . For more than 1,500 years, the Catholic Church has repeated the teaching of Saint Augustine of Hippo on this point. He reminds us that the peace which can and must be built in this world is the peace of right order—*tranquillitas ordinis*, the tranquillity of order (cf. *De Civitate Dei*, 19,13).

True peace therefore is the fruit of justice, that moral virtue and legal guarantee which ensures full respect for rights and responsibilities, and the just distribution of benefits and burdens. But because human justice is always fragile and imperfect, subject as it is to the limitations and egoism of individuals and groups, it must include and, as it were, be completed by the forgiveness which heals and rebuilds troubled human relations from their foundations. . . . Justice and forgiveness are both essential to such healing. . . .

The Reality Of Terrorism

4. It is precisely peace born of justice and forgiveness that is under assault today by international terrorism. In recent years, especially since the end of the Cold War, terrorism has developed into a sophisticated network of political, economic and technical collusion which goes beyond national borders to embrace the whole world. Well-organized terrorist groups can count on huge financial resources and develop wide-rang-

ing strategies, striking innocent people who have nothing to do with the aims pursued by the terrorists.

When terrorist organizations use their own followers as weapons to be launched against defenceless and unsuspecting people, they show clearly the death-wish that feeds them. . . . Terrorism is built on contempt for human life. For this reason, not only does it commit intolerable crimes, but because it resorts to terror as a political and military means it is itself a true crime against humanity.

5. There exists therefore a right to defend oneself against terrorism, a right which, as always, must be exercised with respect for moral and legal limits in the choice of ends and means. The guilty must be correctly identified, since criminal culpability is always personal and cannot be extended to the nation, ethnic group or religion to which the terrorists may belong. International cooperation in the fight against terrorist activities must also include a courageous and resolute political, diplomatic and economic commitment to relieving situations of oppression and marginalization which facilitate the designs of terrorists. . . .

Still, it must be firmly stated that the injustices existing in the world can never be used to excuse acts of terrorism. . . . The terrorist claim to be acting on behalf of the poor is a patent falsehood. . . .

You Shall Not Kill In God's Name!

6. . . . Respect for a person's conscience, where the image of God himself is reflected (cf. *Genesis* 1:26-27), means that we can only propose the truth to others, who are then responsible for accepting it. To try to impose on others by violent means what we consider to be the truth is an offence against human dignity, and ultimately an offense against God whose image that person bears. For this reason, what is usually referred to as fundamentalism is an attitude radically opposed to belief in God. Terrorism exploits not just people, it exploits God: it ends by making him an idol to be used for one's own purposes. . . .

The Need For Forgiveness

8. I would reaffirm that forgiveness inhabits people's hearts before it becomes a social reality. Only to the degree that an ethics and a culture of forgiveness prevail can we hope for a "politics" of forgiveness, expressed in society's attitudes and laws, so that through them justice takes on a more human character. . . .

9. Forgiveness therefore, as a fully human act, is above all a personal initiative. But individuals are essentially social beings, situated within a pattern of relationships through which they express themselves in ways both good and bad. Consequently, society too is absolutely in need of forgiveness. Families, groups, societies, States and the international community itself need forgiveness in order to renew ties that have been sundered, go beyond sterile situations of mutual condemnation and overcome the temptation to discriminate against others without appeal. The ability to forgive lies at the

very basis of the idea of a future society marked by justice and solidarity.

By contrast, the failure to forgive, especially when it serves to prolong conflict, is extremely costly in terms of human development. Resources are used for weapons rather than for development, peace and justice. What sufferings are inflicted on humanity because of the failure to reconcile! What delays in progress because of the failure to forgive! Peace is essential for development, but true peace is made possible only through forgiveness. . . .

10. . . . My ministry at the service of the Gospel obliges me, and at the same time gives me the strength, to insist upon the necessity of forgiveness. I do so again today in the hope of stirring serious and mature thinking on this theme, with a view to a far-reaching resurgence of the human spirit in individual hearts and in relations between the peoples of the world. . . .

The present troubled international situation prompts a more intense call to resolve the Arab-Israeli conflict, which has now been going on for more than fifty years, with alternate phases of greater or lesser tension. The continuous recourse to acts of terror and war, which aggravate the situation and diminish hope on all sides, must finally give way to a negotiated solution. The rights and demands of each party can be taken into proper account and balanced in an equitable way, if and when there is a will to let justice and reconciliation prevail. Once more I urge the beloved peoples of the Holy Land to work for a new era of mutual respect and constructive accord. . . .

Prayer For Peace

15. No peace without justice, no justice without forgiveness: this is what in this Message I wish to say to believers and unbelievers alike, to all men and women of good will who are concerned for the good of the human family and for its future.

No peace without justice, no justice without forgiveness: this is what I wish to say to those responsible for the future of the human community, entreating them to be guided in their weighty and difficult decisions by the light of man's true good, always with a view to the common good.

No peace without justice, no justice without forgiveness: I shall not tire of repeating this warning to those who, for one reason or another, nourish feelings of hatred, a desire for revenge or the will to destroy.

On this World Day of Peace, may a more intense prayer rise from the hearts of all believers for the victims of terrorism, for their families so tragically stricken, for all the peoples who continue to be hurt and convulsed by terrorism and war. May the light of our prayer extend even to those who gravely offend God and man by these pitiless acts, that they may look into their hearts, see the evil of what they do, abandon all violent intentions, and seek forgiveness. In these troubled times, may the whole human family find true and lasting peace, born of the marriage of justice and mercy!

War's 'Serious Impact' On Pakistan, All Asia

General Beg is a senior figure in the Pakistani military establishment. He took over as the Chief of Army Staff, after President Gen. Mohammed Zia ul-Haq fell victim to an air crash in 1988. Beg opted for democracy, and within 90 days, elections were held; power was transferred to the new Prime Minister, Benazir Bhutto, who remained in office until 1990. Beg is chairman of Foundation for Research on International Environmental, National Development and Security (FRIENDS), which promotes peace and economic cooperation in the region and beyond; he is a strong supporter of the Eurasian Land-Bridge policy. He gave an interview Dec. 8—excerpted here—to Muriel Mirak-Weissbach.

EIR: At the UN-sponsored conference in Bonn, an agreement was reached among four of Afghanistan's parties, to set up an interim government, with a Pashtun political figure (Hamid Karzai) at its head. Current President Burhanuddin Rabbani has reportedly agreed to hand over power to the new government on Dec. 22. However, events on the ground seem to challenge the feasibility of this arrangement.

General Beg: The UN-sponsored Bonn agreement shall not work because it denies to the Pashtuns their right to have due representation in the government, on the basis of population, which is over 60% of the total. This was the main issue, in the past, as well as now in the Bonn agreement, which recognizes only 40% representation by the Pashtuns, which is unjust. This issue can be solved only through a census, which the interim government can hold, supervised by the UN. Once the population distribution of various ethnic groups is clearly determined, power sharing will be possible on that basis, and a stable government can be formed.

EIR: Regarding security, what do you think of peacekeeping forces in Afghanistan?

General Beg: Peacekeeping forces have a definite role in Afghanistan, otherwise the whole structure will collapse. They will be needed till such time as a broad-based government is formed on the basis of population of all ethnic groups.

EIR: Although the war is moving into its third month, there is still a great deal of controversy regarding the legitimacy of the claims, that Osama bin Laden was responsible for the events of Sept. 11. As you know, Mr. LaRouche said from the outset, that the attacks in New York and Washington represented the work of a highly sophisticated organization. He

characterized it as a covert, strategic attack against the U.S. government, involving "rogue" structures of the military and intelligence community. What is your view?

General Beg: Many of us in this region believe that Osama or his al-Qaeda were not responsible for 11 September attacks in New York and Washington, yet the Coalition led by the United States is busy on "Afghan bashing," chasing objectives which go much beyond Osama bin Laden. The information which is now coming up, goes to prove that involvement by the "rogue elements" of the U.S. military and intelligence organization is getting more obvious. Osama bin Laden and al-Qaeda definitely do not have the know-how and the capability to launch such operations involving such high precision coordination, based on information and expertise.

EIR: How will the current and future developments impact Pakistan?

General Beg: The war against Afghanistan and its impact on the region as a whole, would have serious repercussions on Pakistan. Pakistan may be facing a "two-front" hostility because of a volatile Pashtun population of our own and that of Afghanistan, bolstered by over 40,000 armed Taliban who feel badly let-down by Pakistan. The Pashtun population across our borders, is also being pushed and compressed by the Coalition air strikes and denial of political representation in the interim government of Afghanistan, which is considered a grave tribal degradation at the hands of the minorities supported by the Coalition. The situation has created a deep impact on the Pashtun population as a whole, forcing it to assert itself as a separate entity at the cost of both Afghanistan and Pakistan.

EIR: On the regional level, what do you think is most important to re-establish security and stability?

General Beg: The establishment of the "parameters of representation of the ethnic groups" in Afghanistan would be the most important step for peace and stability in Afghanistan; otherwise the dangers of civil war exist, which would seriously impact the security of the region, particularly Pakistan, Iran and the Central Asian countries. An unstable Afghanistan with no administrative infrastructure and instrument of security would keep Euro-Asia destabilized, and restrained in breaking the centuries' old "land-lock" which has denied regional integration and prosperity of a people which constitutes almost 60% of the population of the world.

EIR: What, in your opinion, is the end result of the intervention by the Coalition forces and the defeat of the Taliban?

General Beg: There is no single authority which can regain control over Afghanistan, which stands divided between the various ethnic groups, particularly the east-west divide—Kandahar/Jalalabad—which is also the major divide between the secular North and the non-secular South, primarily the Pashtuns. This is also a political and tribal divide, restricting the Pashtun majority, which has ruled Kabul over 250 years.

What Americans And Saudis Should Know About Each Other And The British Empire

by Hussein al-Nadeem

The following report may seem to be an anecdote from a time that has long passed. But, to miss the intellectual and historic lessons of this episode, as most Americans and Arabs have done, would have major strategic and political consequences for the present and the future. It has been extremely difficult for Americans and for Arabs, especially Saudis and Egyptians, to understand the reasons behind the recent slander and destabilization attacks launched by the leading American and British mass media against, specifically, the closest allies of the United States in the Arab world: Saudi Arabia and Egypt. Without understanding the background to the “empire vs. republic” faction fight in the United States and Western Europe, as *EIR* has been reporting (see for example Lyndon H. LaRouche, Jr., “Are You Willing To Make The Change?” *EIR*, Nov. 30), citizens from both sides would resort to simplistic explanations for the Anglo-American slander campaign. This is partially done to avoid looking deeper into the nightmare engulfing the world today, because the implications of knowing that truth would ruin many fixed axioms and beliefs regarding who are one’s friends or enemies. However, we have to provide a historical precedent to our argument, to explain how this factional fight has determined the shape of politics in the Middle East in particular, and the world in general, since at least the end of World War II.

How Roosevelt Dealt With The British In The Middle East

What becomes obvious from reading the book written by Franklin Delano Roosevelt’s son and personal aide, Elliott Roosevelt (*As He Saw It* [(New York: Duell, Sloan and Pearce, 1946)], is that FDR was engaged in a war on two fronts: against the Nazi Hitler on the one hand, and Winston Churchill, representative of the British Empire, on the other. Elliott Roosevelt’s book is must reading for any world citizen who is interested in understanding how history was made or abused since World War II. Although this book does not deal much with the story we are reporting here, it is a powerful indicator of the “life and death fight” which was going on between FDR and Churchill around the form of the post-World War II world order.

Since the beginning of the 20th Century, U.S. leaders, especially those of an Anglophile leaning, such as Teddy Roosevelt and Woodrow Wilson, considered the Middle East as the British Empire’s sphere of interest. There, the British

had divided the region, which the defeated Ottomans left behind during World War I, into smaller entities, each fighting against the other with British weapons and mainly under the command of officers of the British Government of India. These political entities were created by the 1917 Sykes-Picot agreement, which divided the region between the British and the French, tearing up the promises of independence that had inspired the Arab Revolt against the Ottomans. Although these were nominally independent states, nonetheless all of them were considered as part of the “dominions” of His Majesty’s government.

This is one of the reasons why the founder of the Saudi kingdom, Abdul Aziz ibn Abdul Rahman ibn Saud, in his capacity as a head of state, never met any foreign head of state after the country’s creation in 1926 and its declared independence in 1936. This changed, when in February 1945, he met for the first time a Western head of state, who was also the greatest of the 20th Century, Franklin Delano Roosevelt.

Oil And The U.S. ‘National Interest’

There is no doubt that Saudi Arabia’s role as the world’s leading oil exporter has always been the focus of Western diplomacy toward the country. However, there are two different attitudes toward this “interest”: one is *colonial* and the other is *a partnership* between sovereign nation-states. U.S. interest in Saudi affairs had been minimal; but, with the discovery of large oil reserves in the Persian Gulf after World War I, American oil companies started to explore the chances for having a share in discovering and operating these oil reserves. The British and their oil company, the Iraq Petroleum Company, previously known as Anglo-Persian Oil Company and now as British Petroleum, had done their best to keep the Americans out of the Gulf. But by 1932, and after a fierce diplomatic fight with their British rivals, the California Arabian Standard Oil Co. (CASOC) managed to snatch a concession from Abdul Aziz with a lucrative contract.

The British, who were not interested in the production of more oil in the already stagnant oil market which they controlled, told Abdul Aziz that there was no oil beneath the desert. With the wisdom of an old Arab clan leader, he chose to deal with the Americans instead, who were willing to pay many times more than the British, and did not interfere in the internal affairs of the kingdom, as the British had always done.

CASOC prospectors did strike oil in well no. 7 in the



Under British “wraps,” Saudi Arabia’s King ibn Saud never met a Western head of state until he met the greatest of them, Franklin Delano Roosevelt, at Great Bitter Lake in Egypt in 1945. FDR’s policy was opposed to that of Churchill, and to that followed since his death.

Dammam Dome (a geological term used to describe the large oil basin under the surface in eastern Saudi Arabia), in March 1938, after five years of exploration. The first oil shipment was exported in May 1939, as World War II had just started. The oil discovered there, changed the nature of politics in the region and the world, to date. And relations between the Saudi kingdom and the United States were shaped by the activities of American oil companies there.

Little-Known Lend-Lease

When the United States joined the war, securing oil supplies took an important position in FDR’s diplomacy in the Middle East. Roosevelt’s Secretary of the Interior Harold Ickes, Petroleum Coordinator for National Defense since May 1941, played a key role. The State Department noted in a December 1942 memorandum, that “the development of Saudi Arabian petroleum resources should be viewed in the light of a broad national interest.” And in February 1943, Roosevelt issued an Executive Order declaring Saudi Arabia eligible for Lend-Lease assistance. This resulted in an unprecedented flow of cash and goods to the kingdom: three times more than the annual £3 million the Saudi King was getting from Britain.

Many historians consider this an opportunistic move by the United States to use British imperial methods to control world affairs after the war. This might not have been the case, if Roosevelt had survived World War II. A closer look at his views on what the nature of international relations should be

after the war, proves the fallacy of this cynical, Hobbesian evaluation of human affairs.

Roosevelt’s generosity toward the Saudi kingdom enraged the British government, and they started putting demands on the financial policies of the government of Abdul Aziz. He acted in deference to the British. According to historian Robert Lacey, when the American chargé d’affaires in Jeddah, James Moose, heard of this, he was outraged. “It seemed to him to confirm two of Washington’s darkest suspicions about their British allies in Arabia: that Britain had been stealing all the credit for providing the Saudis with aid, which would never have been possible without America’s generous Lend-Lease assistance to London; and, worse still, that the British were planning to use the leverage this aid gave them to demand a quid pro quo from the Saudis and to ‘horn in,’ as Roosevelt put it, ‘on Saudi Arabian oil reserves,’ ” says Lacey.

Moose was, reportedly, a faithful interpreter of Roosevelt’s policy that Britain should not exploit American war aid to re-establish her empire once hostilities had ended. Moose and the Near East division in the State Department became convinced that the British and their ambassador to Saudi Arabia, Stanley Jordan, were “working to undermine the American position in Saudi Arabia, and in 1944 Washington lodged a formal protest with Whitehall [the British government] at the behavior of His Majesty’s Minister in Jeddah.”

Roosevelt’s vision for the post-War world, expressed in his various clashes with Winston Churchill, included a huge \$57 million postwar Saudi aid package for infrastructure development projects. Contrary to Lacey and many other modern historians, this was not “neo-colonialism” replacing old-fashioned imperialism.

To understand this, one has to listen carefully to what Roosevelt told Churchill in March 1941, even before the United States had entered the war. We quote here from a conversation reported by Elliott Roosevelt:

Father started it.

“Of course, after the war, one of the preconditions of any lasting peace will have to be the greatest possible freedom of trade. . . . No artificial barriers. As few favored economic agreements as possible, opportunities for expansion. . . .”

Churchill shifted in his armchair. “The British Empire trade agreements,” he began heavily, “are —”

Father broke in. "Yes. Those Empire trade agreements are a case in point. It's because of them that the people of India and Africa, of all the colonial Near East and Far East, are still as backward as they are."

Churchill's neck reddened and he crouched forward. "Mr. President, England does not propose for a moment to lose its favored positioning among the British Dominions. The trade that has made England great shall continue, and under conditions prescribed by England's ministers."

"You see," said Father slowly, "it is along in here somewhere that there is likely to be some disagreement between you, Winston, and me. I am firmly of the belief that if we are to arrive at a stable peace it must involve the development of backward countries. How can this be done? It can't be done by eighteenth-century methods. Now—"

"Who is talking eighteenth-century methods?"

"Whichever of your ministers recommends a policy which takes wealth in raw materials out of a colonial country, but which returns nothing to the people of that country in consideration. *Twentieth-century* methods involve bringing industry to these colonies. *Twentieth-century* methods include increasing the wealth of a people by increasing their standard of living, by educating them, by bringing them sanitation—by making sure that they get a return for the raw wealth of their community."

. . . The P.M. was beginning to look apoplectic.

"You mentioned India," he growled.

"Yes, I can't believe that we can fight a war against fascist slavery, and at the same time not work to free people all over the world from backward colonial policy. . . . The peace cannot include any continued despotism. The structure of the peace demands and will get equality of peoples."

In 1945, Roosevelt discreetly laid plans to meet with Abdul Aziz after the Yalta Conference of February 1945. The President had William Eddy, U.S. Ambassador to Jeddah, make the arrangement secretly with Abdul Aziz, so that no one, especially not the British, should find out. Only on the last night of the Yalta Conference, did Roosevelt casually let Churchill know that he was meeting "the King of Arabia" in a few days' time. According to Eddy, the British Prime Minister was thunderstruck and "burned up the wires to all his diplomats, trying to arrange a meeting of his own with Abdul Aziz." But he could meet Abdul Aziz only after the latter's meeting with FDR. Abdul Aziz and his entourage left Jeddah Port on Feb. 12 on the American warship *Murphy*, and immediately felt at home in the company of the Western "infidels." The meeting between Roosevelt and Abdul Aziz was set to take place in the Great Bitter Lake in the Suez Canal in Egypt on Feb. 14.

Roosevelt's Plans To Solve The Palestinian-Jewish Conflict

As soon as the two leaders met, Roosevelt embarked on a discussion of the conflict going on in Palestine, not oil concessions. Jewish settlers were fighting against Arab locals over land, and both of them were waging guerrilla warfare against the British. Roosevelt deeply believed that the British, as in almost every other case, were mishandling the question, and Jewish lobbies in the United States were mobilizing for a Jewish state in Palestine, turning it into a major domestic political issue. Roosevelt wanted to take personal responsibility for solving the issue.

Since 1917, when the British occupied Palestine, they had played a double game. While promising the Jews of Europe a homeland in Palestine through the Balfour Declaration, they also promised the Arabs an independent Pan-Arab state in the Middle East through the al-Sherif Hussein-McMahon correspondence. Throughout the 1930s and 1940s, British officers were training and arming Jewish terrorist gangs who were terrorizing Arab villagers to leave their homes. They also allowed the illegal immigration of tens of thousands of Jews from Europe. During World War II, the situation reached a deadlock, and war of all against all was waged in the British-mandated Palestine. King Abdul Aziz was involved in financing and arming some of the Palestinians who were fighting the Jewish groups and the British colonial army.

President Roosevelt, welcoming King Abdul Aziz on board the *USS Quincy*, wanted to enlist the Saudi King's help with the problem of Palestine, according to Lacey. The Jews of Europe had suffered terribly at Hitler's hands, the President said, and Roosevelt had committed himself to find a solution to their suffering. Abdul Aziz recognized the suffering of the Jews in Europe, but could not understand why their suffering should be relieved at the expense of the Arabs, and why Arabs should pay for the barbarity of the Europeans.

This is the key point of difference in understanding between Arabs and Westerners on the question of Arab-Israeli conflict to this day. For 14 centuries, Arabs and Muslims were not hostile to Jews settling in the Muslim world. The hostility started with the British occupation of Palestine. Since the 1930s—but never before that—the word "Jew" in the eyes of Palestinians and neighboring Arab nations became associated with armed terrorist gangs. Therefore, most Palestinians today would say "Jews" instead of "Israelis," and this is manipulated in the Western mass media to describe Arabs as "anti-Semites," when the Arabs themselves are the Semitic cousins of the Jews, according to the Islamic and Abrahamite tradition. On the contrary, the Jews of Spain sought refuge in Muslim North Africa, to be protected from the anti-Semitism of the Europeans.

With the spontaneous logic of an old Arab Bedouin leader, King Abdul Aziz told Roosevelt: "Give them [the Jews] and their descendants the choicest lands and homes of the Germans who oppressed them." This was not what the President

had in mind at all. The Jewish survivors of the Holocaust, Roosevelt explained, had an understandable dread of remaining in Germany where they might suffer again, and they also had “a sentimental desire” to settle in Palestine. King Abdul Aziz had a difficult time understanding what the Americans and the British had to fear from the Nazis whom they were planning to defeat totally. He later proposed that the Jews should be divided and be given sanctuary among the victorious nations, as the Arab tribes would do with the victims of a defeated enemy.

Roosevelt was impressed by the King’s firmness, and realized that the question was more complex than was generally believed in the United States and England. Therefore, he promised Abdul Aziz that he would not take any drastic steps before consulting with the Arab leaders (see box). He also encouraged a plan which Abdul Aziz had suggested, to send a mission to the West to explain the Arab viewpoint. The President stated that this was a very good idea, because he thought many people in America and England were “misinformed.” He even proposed to hold an international conference on the question, gathering Arab and Jewish leaders.

Speaking to Congress on his return, Roosevelt declared that “from [Abdul Aziz] ibn Saud, of Arabia, I learned more of the whole problem of the Muslims and more about the Jewish problem in five minutes than I could have learned by exchange of dozen letters.” Abdul Aziz said his farewell

to the American President, well pleased. The next week, he was going to meet Churchill on Lake Karoun in Egypt. Abdul Aziz asked Roosevelt, as he was greeting him on the *Quincy*, whether the President minded his meeting with the British Prime Minister. FDR replied ironically: “Why not? I always enjoy seeing Mr. Churchill and I am sure you’ll like him too.”

This was not true, and Abdul Aziz did not like Winston Churchill very much, as it turned out. The contrast in warmth and generosity between Roosevelt and Churchill was enormous, as he discovered. FDR had gone to considerable pains not to offend the King’s Islamic sensibilities. As the two men were descending to luncheon in separate lifts on board the *Quincy*, Roosevelt, who used to smoke heavily, had reached out and pressed the emergency button. Suspended in the lift, he had smoked two cigarettes rapidly before joining Abdul Aziz at the luncheon table, where no alcohol or tobacco was being served. Churchill, on the other hand, made a little speech to the effect that, while he realized “it was the religion of His Majesty to deprive himself of smoking and alcohol, I must point out that my rule of life prescribes as an absolutely sacred rite smoking cigars and also the drinking of alcohol before, after, and, if need be, during all meals, and in the intervals between them,” and proceeded to sip whisky and puff his cigars through much of his three-hour meeting with the Saudi King.

Letter From FDR To King Ibn Saud, April 5, 1945

His Majesty Abdul Aziz Ibn Abdur Rahman al-Faisal al-Saud, King of Saudi Arabia, Riyadh

Great and Good Friend:

I have received the communication which Your Majesty sent me under date of March 10, 1945, in which you refer to the question of Palestine and to the continuing interest of the Arabs in current developments affecting that country.

I am gratified that Your Majesty took this occasion to bring your views on this question to my attention, and I have given the most careful attention to the statements which you make in your letter. I am also mindful of the memorable conversation which we had not so long ago, and in the course of which I had an opportunity to obtain so vivid an impression of Your Majesty’s sentiments on this question.

Your Majesty will recall that on previous occasions I

communicated to you the attitude of the American Government toward Palestine, and made clear our desire that no decision be taken with respect to the basic situation in that country without full consultation with both Arabs and Jews. Your Majesty will also doubtless recall that during our recent conversation I assured you that I would take no action, in my capacity as Chief of the Executive Branch of this Government, which might prove hostile to the Arab people.

It gives me pleasure to renew to Your Majesty the assurances which you have previously received regarding the attitude of my Government and my own, as Chief Executive, with regard to the question of Palestine, and to inform you that the policy of this Government in this respect is unchanged.

I desire also at this time to send you my best wishes for Your Majesty’s continued good health and for the welfare of your people.

Your Good Friend,
Franklin D. Roosevelt

Source: Department of State Bulletin of Oct. 21, 1945, p. 623, printed in *A Decade of American Foreign Policy: Basic Documents, 1941-49*.

Sabotage Of FDR's Peace Initiative

Adding injury to insult, Churchill opposed everything Abdul Aziz had discussed with FDR on the question of Palestine. Churchill, who had turned the Middle East into the mess it has been, largely because of his plans presented in the Cairo Conference in 1921, had no intention of solving this question. Rather, he provoked the Saudi King to take a more hard-line position against a peaceful settlement with the Jews. This is a typical British *modus operandi* for provoking Arabs into taking positions, which are against their own interest. In 1973, Henry Kissinger used the same methods to force Saudi Arabia's King Faisal to turn his warnings of an oil embargo into actions—all due to the provocation and manipulations of Kissinger.

As Abdul Aziz later told U.S. Ambassador Eddy, "Mr. Churchill opened the subject confidently wielding the big stick." He added that Churchill had told him that "since Britain had seen me through difficult days, she is entitled now to request my assistance in the problem of Palestine, where a strong Arab leader can restrain fanatical Arab elements and effect a realistic compromise with Zionism." A realistic compromise would have been possible, if the "big stick" methods were not used, and if FDR had not been betrayed by his successors.

FDR died on April 12, 1945, one week after writing his last letter to Abdul Aziz, on April 5. Before his body was buried, the new chief executive of the U.S. government, Harry Truman, reneged on every promise Roosevelt had made to world leaders concerning reshaping the world after the war. Truman threw the Middle East and the Palestinian question back into the court of the British, supporting immigration of a hundred thousand European Jews to Palestine, in cooperation with the British, and without any prior arrangement with Arabs. In the Autumn of 1945, shortly after Roosevelt's death, Truman reportedly summoned to Washington the U.S. Chiefs of Mission to Saudi Arabia and the other Arab countries, to hear their report on the fear and anger being aroused in the Arab world by the favor that the new President was showing to Zionist ambitions. What moved Truman was probably not any deep understanding of Zionism, but an opportunistic electioneering tactic, a stupid method of buying votes at the expense of world peace. Truman told his diplomats at the end of the meeting, "I am sorry, gentlemen, but I have to answer to hundreds of thousands who are anxious for the success of Zionism; I do not have hundreds of thousands of Arabs among my constituents."

King Abdul Aziz realized that the promise Roosevelt made had died with him. And the relationship between Arabs and the United States has ever since become a mixture of love and hatred, where the British intervene every now and then in the guise of the "honest broker."

In 1947, the British decided to evacuate Palestine, leaving



Churchill insisted on drinking and smoking cigars "before, after, and, if necessary, during meals" with King Ibn Saud; the intentional insult was the epitome of British policy.

behind a well-ordered chaos. The British threw the issue into the lap of the United Nations, which issued the Partition Resolution for the creation of two states in Palestine, one Jewish, and the other for Arabs. The Arab governments, still largely controlled by the British, rejected the Partition plan. When the last British troops withdrew, the state of Israel was declared on May 14, 1948. It was immediately recognized by the Truman Administration, and the first Arab-Israeli war became a fact.

The conflict, which continues to this day, was possible to solve peacefully already 50 years ago, by 20th-Century methods of the American republican political tradition. Unfortunately, Roosevelt died, and the Anglo-American alliance, based on the power of the financial institutions and the alliance of major British and American oil companies, ran most of the affairs of this planet after World War II. Arab-American relations, especially those of Saudi Arabia with the United States, have been shaped by the oil and financial interests of the Anglo-American oligarchy.

The real tragedy is not what has been done in the past, but rather that it should be perpetuated, as long as American and Arab citizens continue to be ignorant about the real American intellectual tradition, as American statesman Lyndon LaRouche has so often defined it in this publication. It was this tradition which Roosevelt represented, and so enthusiastically fought for, in order to eliminate the centuries-long bestial colonial system of the British and other empires. In order to know their enemies and their friends, nations have to proceed from what defines human relations and interests, in order to promote the common good of all nations. They also have to find what political traditions represent them, and they have to fight for them. And there is no better time than this moment in history to do that.

Israeli Spying In U.S. Exposé Cracks Coverup Of Sept. 11

by Edward Spannaus and Jeffrey Steinberg

Just about the same time that the world was being treated to the Osama bin Laden “home video” which was supposed to provide conclusive proof that cave-man bin Laden and he alone was responsible for the Sept. 11 attacks, a story broke in the U.S. media, starting on Dec. 11, pointing in a very different direction.

A week earlier, on Dec. 4, *EIR*'s Executive Alert Service had provided the first public exposure of the presence of hostile Israeli intelligence teams on U.S. soil prior to the Sept. 11 attacks, which raised the question of Israeli foreknowledge of the attacks.

Then on Dec. 11, Fox News provided a more detailed account of the ongoing U.S. government probe of Israeli operations directed against the United States—linking the current investigation and detention of more than 60 Israelis, to Sept. 11. The Fox story, by its national correspondent Carl Cameron, reported on the 60 Israelis who are being detained as part of the Justice Department's post-Sept. 11 sweep, and reported that “investigators suspect that they may have gathered intelligence about the attacks in advance and not shared it.”

The Fox story continues:

“A highly placed investigator told Fox News there are ‘tie-ins,’ but when asked for details flatly refused to describe them. ‘Evidence linking these Israelis to 9-11 is classified, I cannot tell you about evidence that has been gathered. It is classified information,’ the source said.”

In subsequent stories, described below, Fox correspondent Cameron disclosed much additional information about a super-secret Israeli spy network operation in the United States which has access to records of most phone calls made in the U.S., and access to wiretap information from the FBI and other law-enforcement investigations. Some elements of the story are new, and some have been reported in bits and pieces over the past few years.

Upon being informed of the breaking story about the Israeli spy teams and their alleged foreknowledge of the Sept. 11 attacks, Lyndon LaRouche commented from abroad that the story makes sense, and he urged that it be pursued and vigorously investigated. *EIR* views this as a matter of the highest priority, given the disaster now unfolding in the Middle East.

The truth about Israeli spying on at least two U.S. Presidential Administrations may shed much light on the reluctance of both the Clinton and Bush Administrations to rein in the Israeli madmen around Prime Minister Ariel Sharon, and in the Israeli Defense Forces, which are on the verge of plunging that region—and the world—into a new Thirty Years' War.

A cautionary note: As to Sept. 11, we are not saying that “Israel did it”—as some might wish to conclude. Since the morning of Sept. 11, LaRouche has defined what took place that day as a coup attempt, run by an Anglo-American-Israeli cabal, including rogue elements of the U.S. military-security establishment, for the purpose of dragging the United States into a “clash of civilizations” conflict centering in the Middle East. What has come to light so far—indicating a high-level Israeli spy operation in the United States which, among other things, has had the capacity to thwart U.S. law-enforcement and intelligence investigations—is totally consistent with LaRouche's analysis.

Israeli Intelligence Network

EIR's Executive Alert Service reported the following on Dec. 4:

“A well-placed Washington source has alerted *EIR* that there is growing suspicion among U.S. government law enforcement and intelligence agencies that Israeli Prime Minister Ariel Sharon has dispatched special operations teams into

North America. The warning came in the context of a discussion about the recent deportation of five Israelis who were detained on Sept. 11 for suspicious behavior. The five men were on a rooftop in Hoboken, N.J., looking across the Hudson River at the World Trade Center as it was going up in flames, and police were alerted.”

The *Alert* story went on to describe the case of the five Israelis in New Jersey, noting that a *New York Times* story on Nov. 21 had noted, “The five were asked to take polygraph tests before being allowed to leave. But Paul Kurtzberg refused on principle to divulge much about his role in the Israeli Army or subsequent work for people who may have had ties to Israeli intelligence.” The *Alert* story also reported on the detentions of two Israelis in Cleveland, both of whom had just completed their service in the Israeli Defense Forces, and that at least 50 Israelis were being detained around the country.

The came the Fox News story on Dec. 11, reporting that some 60 Israelis, “who Federal investigators have said are part of a long-running effort to spy on American government officials, are among the hundreds of foreigners detained since the Sept. 11 terror attacks.” Fox also reported that Federal investigators had said that some of the Israelis had failed polygraph questions inquiring about alleged surveillance activities against and in the United States.

Fox News also reported that it had obtained classified documents showing that, “even prior to Sept. 11, as many as 140 other Israelis had been detained or arrested in a secretive and sprawling investigation into suspected espionage by Israelis in the United States.” And it reported on the existence of a multi-agency working group that has been compiling evidence in this matter since the mid-1990s, pointed to “an organized intelligence-gathering activity.”

Amdocs: Espionage And Organized Crime

Fox ran followup stories over the next two days. The Dec. 12 segment focussed on the role of the Israeli-based private telecommunications firm, Amdocs. Amdocs has the contracts with the 25 largest telephone companies in the United States to handle all of their directory assistance, calling-record, and billing work, which gives Amdocs real-time access to nearly every telephone in the country, including records of phone calls.

According to the story, Amdocs has been investigated on several occasions by the FBI and other law enforcement agencies, for suspected ties to the Israeli mafia, as well as to espionage. In 1999, the National Security Agency issued a TOP SECRET/Sensitive Compartmentalized Information (TS/SCI) report, warning that all American phone records were getting into the hands of foreign governments—particularly the Israeli government.

“What worries some U.S. investigators is the possibility Amdocs data may be obtained by Israeli organized crime,” Fox reported. “It would not be the first time. In 1997 there was a huge problem that was hushed up when FBI, Secret Service, Drug Enforcement Administration (DEA), and Los

Angeles Police Department telecommunications were ‘completely compromised by Israeli organized crime,’ using the very data that Amdocs tracks.”

The Dec. 13 segment again linked the Israeli spy operation to Sept. 11, opening by saying that “U.S. investigators digging into the 9-11 terrorist attacks fear that suspects may have been tipped off to what they were doing by information leaking out of Amdocs.” This segment dealt with yet another Israeli high-tech company penetrated into the heart of American security. The company cited was Comverse Infosys, a subsidiary of an Israeli firm with offices all over the United States, which provides wiretapping equipment for U.S. law enforcement. Under the 1994 Communications Assistance for Law Enforcement Act (CALEA), wiretapping was transformed. Using Comverse software, law enforcement agencies use computers and software that tap into the elaborate nationwide system of telephone switchers and routers, and grab the targeted phone conversations into computers and transmit them to investigators authorized to do the wiretaps. Comverse manages and maintains the computers and the software, giving them potential access to all of the data.

According to the Fox report, “Attorney General John Ashcroft and FBI Director Robert Mueller were both warned October 18th in a hand-delivered letter from 15 local, state, and Federal law enforcement officials, who complained that ‘law enforcement’s current electronic surveillance capabilities are less effective today than they were at the time CALEA was enacted.’ ”

What troubles investigators most, Fox reported, is that in some cases in New York, “certain suspects have altered their behavior dramatically, right after supposedly secret wire taps have begun . . . and it has many gravely concerned that they were tipped in advance.”

In Israel, Fox reported, Comverse works so closely with the government that the Ministry of Industry and Trade (formerly headed by Ariel Sharon) pays 50% of the firm’s R&D costs. “But investigators within the DEA, INS, and FBI,” Fox noted, “have all told Fox News that to pursue, or even suggest Israeli spying through Comverse is considered career suicide.”

The May 2000 Flurry

This is not the first time the Amdocs story has surfaced—as readers of *EIR* know. (See “What is the Israeli Blackmail on Clinton? *EIR*, June 23, 2000; “Israeli Spies: Mega Was Not An Agent—Mega Was The Boss,” *EIR*, Aug. 31, 2001.)

In the first week of May 2000, there was a brief flurry of stories around Amdocs and Israeli penetration of the U.S. government telephone system, but the story disappeared as suddenly as it had surfaced. The first publication was in the *Washington Times*-linked *Insight* magazine, in an article entitled “FBI Probes Espionage At Clinton White House,” reporting that FBI counterintelligence investigators were probing an Israeli operation to spy on top U.S. officials by hacking into secure telephone networks. “More than two dozen U.S.

intelligence, counterintelligence, law-enforcement and other officials have told *Insight* that the FBI believes Israel has intercepted telephone and modem communications on some of the most sensitive lines of the U.S. government on an ongoing basis,” the story said, adding that the investigation involved eavesdropping on calls to and from the White House, the National Security Council, the Pentagon, and the State Department.

Insight reported that for a year, the FBI was tracking an Israeli businessman working for a local phone company, whose wife was thought to be a Mossad officer working out of the Israeli Embassy in Washington. Federal agents searched the businessman’s work area, and found a list of the FBI’s most sensitive phone numbers, including “black” lines used for wiretapping. “Some of the listed numbers were lines that the FBI used to keep track of the suspected Israeli spy operation,” the article reported.

The tip-off about these operation apparently came from a phone manager who became suspicious about a subcontractor

working on phone-billing software and hardware designs for the CIA; the subcontractor was employed by an Israeli-based company. The article reported that the means of spying involved a private company which provides record-keeping software and support services for major phone companies in the United States.

Insight did not name the company, but a story by Fox News’ Carl Cameron the same day did so: Amdocs. Cameron reported that, for the previous 18 months, the FBI had been investigating Bell Atlantic and the telecommunications billing company Amdocs of Chesterfield, Missouri. Cameron reported that sources said that a senior-level employee of Amdocs had a separate T1 data phone line from his St. Louis offices running directly to Tel Aviv.

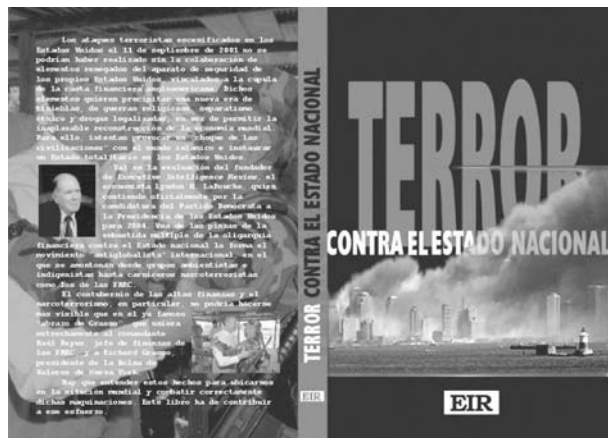
Within 24 hours of the *Insight* and Fox stories, the stories were spiked. On May 6, the *New York Times*, the *Washington Post*, even the Fox-linked *New York Post*, all ran stories denying that the FBI had found any evidence of Israeli spying in the United States. But, as an unnamed senior government

EIR Book On Terrorism Printed In Ibero-America

Terror Against The Nation-State, in Spanish and Portuguese editions, came off the press in Argentina, Colombia, and Brazil on Dec. 11. The 275-page book is available from *EIR* offices in Buenos Aires, Bogotá, and Rio de Janeiro. It centers around U.S. Presidential pre-candidate Lyndon LaRouche’s major analyses “before, during and after the Sept. 11 attack.” LaRouche warned at the very first reports of the Sept. 11 attack on the United States, that this was a covert strategic operation aimed at the Bush Administration itself: an internally generated coup attempt designed to drive the administration into “clash of civilizations” war.

LaRouche’s interviews and writings on this theme are accompanied by two key studies by *EIR* exposing who terrorism really works in the modern age: “A Plot Made In London” and “The New Terrorism.” Included is a new profile of the Brazil-headquartered World Social Forum movement, exposing the common imperial agenda—even common personnel—between the “anti-globalizers” and their supposed globalist opponents.

As the book’s preface warns, the Sept. 11 attacks and the wave of anthrax attacks which followed, “produced a phase-change in the world order, which has not yet completely taken shape.” The Ibero-American nations stand at the same crossroads as the United States, and other nations around the world, the preface states. “This war on terrorism



can serve to strengthen the institutions of the nation-state, or could simply be the pretext to destroy them forever.”

In a Dec. 9 memo to his staff, LaRouche noted that his reaction to the events, which were breaking as he was being interviewed on Utah’s Jack Stockwell radio program on the morning of Sept. 11, “has, in and of itself, changed the physical geometry of the world situation. . . . Every development of importance, on a world scale, during the weeks ahead, will be affected increasingly by the publication of my assessment of the implications of the events of Sept. 11.”

A thousand prepaid copies of *Terror Against The Nation-State* were sold in Brazil, before even one rolled off the press—bought by networks of LaRouche supporters in every part of the country.

official had told *Insight*: “It is a politically sensitive matter. I can’t comment on it beyond telling you that anything involving Israel on this particular matter is off-limits. It’s that hot.”

Now, in the wake of Sept. 11 and the arrests and detentions that followed, the story is back. And hopefully this time, with the stakes much higher, it will be pursued to a just conclusion.

Skunks Wanted Mideast War From Day One

by Edward Spannaus

While the general line was emerging on Sept. 11, that Osama bin Laden was responsible for the attacks on the World Trade Center and the Pentagon, a well-known group of U.S. “neo-conservative” skunks was already blaming Saddam Hussein and calling for U.S. retaliation against Iraq. While there were many calls for retaliation against the bin Laden and al-Qaeda networks, there was a particular group which was reflexively calling for a wider war against Iraq and other countries, and even against the Palestinian Authority—in a quest to set the Middle East on fire, and give us a clash of civilizations.

The following grid shows a number of these kinds of statements, which were *all made on Sept. 11* and reported either in the electronic news media that day, or in newspaper reports the morning of Sept. 12:

Blaming Arab governments and the Palestinians for Sept. 11:

- Alexander Haig: We’re at war. “We know who the obvious culprits are—Osama bin Laden, Iraq, the Palestinians.” Haig added that Iran and Libya should not be excluded from the suspects list.

- Former Israeli Prime Minister Benjamin Netanyahu called for the “formation of an international front against terrorism,” and said the time has come to “destroy terrorist regimes starting with the Palestinian Authority.”

- WorldTribune.com reported that Israeli officials and intelligence analysts said the attacks were financed by Iraq; intelligence sources briefed Israeli Prime Minister Ariel Sharon’s cabinet on Sept. 11 that a Middle East government was probably the sponsor of the attack. The cabinet was informed that the United States might launch a massive assault on Iraq and Afghanistan over the coming days.

- Arnaud de Borchgrave (UPI Editor at Large): called for “massive retaliation. The possible targets stretch all the way from terrorist training facilities in Afghanistan to Hezbollah bases in southern Lebanon to Hamas hideouts in Gaza and the West Bank. Israel may get a wink and a nod from the U.S. to drive the Palestinian Authority into exile. . . . Osama bin Laden . . . does not have the sophistication and U.S.-based organization to synchronize [this complex operation]. . . . A

more plausible suspect is a state player, like Saddam Hussein’s Iraqi intelligence service. . . . Massive U.S. and Israeli retaliation against terrorist suspects could conceivably trigger a much wider conflict. . . . A regional war in the Middle East appears closer than ever tonight. . . .”

- *Wall Street Journal* editorial: “Just as Munich led to World War II, so attempts to buy peace in the Middle East are surely behind this attack. . . . We are entitled to assume that this is the work of the usual suspects—Saddam Hussein, the Taliban, the Iranian mullahs. . . .”

- *Wall Street Journal* contributing editor Mark Helprin: “Today’s enemy . . . is neither faceless nor without a place in which we can address him. . . . If he is Osama bin Laden, he lives in Afghanistan; . . . if he is Saddam Hussein, he lives in Baghdad; if he is Yasser Arafat, he lives in Gaza,” and so on.

- Charles Krauthammer in the *Washington Post*: This enemy is not nameless or faceless. “Our delicate sensibilities have prevented us from pronouncing its name. Its name is radical Islam. . . . And the enemy has many branches: Hezbollah in Lebanon, Hamas and Islamic Jihad in Israel, the Osama bin Laden organization headquartered in Afghanistan, and various Arab ‘liberation fronts’ based in Damascus. And then there are the governments: Iran, Iraq, Syria and Libya among them. . . .”

- Former CIA director James Woolsey: An amalgam of terrorists and governments may be behind the attack, such as Iran or Iraq.

- Jim Hoagland in the *Washington Post*, traced the attacks back to the 1993 World Trade Center bombing, and cites “expert” Laurie Mylroie as blaming Saddam Hussein for being behind the 1993 bombing.

Calling for war:

- Henry Kissinger: We don’t know yet if bin Laden did it, but any government that shelters groups capable of this type of attack must pay an exorbitant price; we must destroy the networks behind this attack.

- Richard Perle: This will cause a change in our policy, so that we hold governments responsible, not just individuals. This could not have been done without the assistance of large governments.

- Robert Kagan: “We must go to war against those who have launched this awful war against us.” Only a few terrorist organizations are capable of this, and they cannot operate without the assistance of some governments. Congress should immediately declare war.

- *New York Post* editorial: “Radical Islam’s War On The West”—“Who’s responsible? Radical Islamic fundamentalism, which breeds and festers in place like Afghanistan, Yemen, Sudan, Saudi Arabia. . . . Now American understands better what Israel . . . had been suffering for so long now. . . . the United States and Israel are in this together. . . .”

- Richard Cohen (*Washington Post* columnist): “We are at war, the kind of war that Samuel Huntington would call a Clash of Civilizations.”

Harry Potter As 'Pokémon II'

by Lyndon H. LaRouche, Jr.

December 9, 2001

This past week, Germany's tabloid *Bildzeitung* printed some actual news. It reported a Vatican official's warning, that the British cult of "Harry Potter" is a specifically Satanic form of contemporary occultism. The reported argument to that effect stands on its own feet; to be specific, it identifies the current cult of "Harry Potter" devotees as in the same general class of pro-Satanic cults as the "Pokémon" cult.

That, however, is too narrow a view of the threat which "Harry Potter" represents to both those victims who are children, and also adults who regress toward infantile states of mind on account of their own susceptibility to such expressions of the wildly irrationalist occult.

Both "Pokémon" and "Harry Potter" are fresh examples of epidemic forms of mental disease akin to the "Flagellant" cult which rampaged during Europe's Fourteenth Century "New Dark Age," and to the "witchcraft cults" which spread during Europe's Seventeenth Century, as a by-product of the Venice-directed, Habsburg-led horror of religious warfare over the 1511-1648 interval. The recurring spread of such pro-Satanic forms of "New Romanticism" existentialist cults, is typified currently by the impact of the "family values" irrationalism echoed in the alliance between the lunatic "Christian Coalition" and the Gnosticism-riddled "Christian Alliance" in such U.S. states as Virginia today.

The spread of the influence of such forms of deranged occultism, as the existentialism of Nazi Party Nietzschean philosopher Martin Heidegger, Karl Jaspers, Theodor Adorno, Hannah Arendt, Jean-Paul Sartre, Martin Buber, et al., typifies the continuity between the New Romanticism of Immanuel Kant, G.W.F. Hegel, and their followers; the archetypical cultural pessimist Schopenhauer; the rise of the fascist parties of Hitler, Mussolini, and Jabotinsky, and the "New Age" lunacies of "information theory," "artificial intelligence," "Pokémon," and "Harry Potter" today. The assault on Pope John Paul II, from within certain nominal Christian churches, such as "fundamentalist" forms of "family value" cults in Virginia today, typifies the recurring patterns of moral degeneracy which accompany the onset of a period of an onrushing "new dark age" in the history of a culture.

The earlier "Lord of the Rings," and the current mass-mania of "Pokémon," "Harry Potter," and mass-murder by adolescents against fellow-students, are each and all merely

typical of the impact of cults fostered by aid of the rise of "family values" cults. Such are the explicit claims made by the promoters of the "Harry Potter" cult today.

Look at such clinically crucial evidence, as the widespread support for the Nazi-like fascist rampages of Ariel Sharon's Israel, as met within the U.S. today.

The Case Of 'Vladimir Hitler'

Israel under the current Sharon dictatorship, is a Nazi-like, fascist regime in the footsteps of Napoleon I, Napoleon III, the Carlists of Spain, Benito Mussolini, and Adolf Hitler. In the pre-history of modern Israel, the most notable roots of fascism are traced from the Odessa of the days of the Okhrana's Colonel Zubatov, the Odessa of the common associates of Alexander Helphand ("Parvus") and Vladimir Jabotinsky. Joseph Brewda, among others, has documented crucial elements of this history.

The principal immediate antecedent of political fascism in Israel is the influence of Jabotinsky. Jabotinsky's organization of his fascist movement is situated principally in the Italy of Jabotinsky's Venice associate Volpe di Misurata, Benito Mussolini, Ezra Pound, and Jay Lovestone's crony, James Jesus Angleton, et al.

Fascism, as fascists such as Napoleon Bonaparte defined his fascism, and Mussolini and Hitler theirs, is a form of murderous tyranny created in explicit imitation of the Romantic tradition of the ancient Caesars. It was created out of the rubble of Immanuel Kant's empiricist "Enlightenment," as a counterforce to the impact of the American Revolution of 1776-1789, first in France. It was launched under the conditions that the world of the Habsburg tyranny was crumbling. The intent was always a rebirth of Roman Caesarism.

Within Judaism's ranks, fascism found its most immediate enemy in the Judaism of Moses Mendelssohn and the Yiddish Renaissance. In Israel today, a Nazi-like form of fascist tyranny is centered in the currently ruling, Bonapartist consulate of the ruling circles of the IDF (Israeli Defense Forces). In the background, we find that the corrupting influence of existentialism, as spread back into Israel by the arguments of Martin Buber, has been the corrosive, anti-Mendelssohn sickness, which made possible a widespread abandonment of everything precious which the Mendelssohn-led reform and the Yiddish Renaissance had contributed to European civilization at large.

Today, any American Jew who wishes to know what Nazism was, and who supports the present rampage of Sharon and the IDF directorate, need but stand before the mirror, and look into his own hate-filled, enraged eyes. Take the case of wild-eyed Congressman Tom Lantos, for example.

All among those of us who understand the strategic implications of the role currently assigned to those Israeli Caesars, know with certainty, as martyred Prime Minister Rabin knew, that the end result of what Sharon and his IDF masters are doing, will be the obliteration of Israel, with the construction

of the Third Temple on the site of al-Haram al-Sharif as its crematorium, its "Masada." Is the *Washington Post*, for example, supporting Israel? Does one describe a man who throws a hand grenade as a supporter of that hand grenade? If Israel's Nazis did not exist, the haters of Judaism would probably have had to have created them.

The easiest way to destroy a selected victim, is to induce him to destroy himself. Send an assassin to kill, and remove all traces back to the man who sent him. Such is the role assigned to the self-doomed victims of "Pokémon" and "Harry Potter." Some say the fault lies with the legendary lemmings.

Greenspan's Soul Now Sold To 'Harry Potter'?

by Don Phau

Federal Reserve Board Chairman Alan Greenspan and Wall Street count on Americans to turn their kids over to Satan this Christmas, to keep them in business. They expect that revenues generated and projected by sales of "Harry Potter" books, toys, games, and movie tickets will "stimulate an economic recovery." Other countries are counting on "Harry" too. The Treasurer of Australia, Peter Costello, said in the first week of December, "We hope we can have a Harry Potter-led recovery around the world this Christmas."

An Associated Press release on Dec. 2, said that for its first three weeks the movie *Harry Potter And The Sorcerer's Stone* was the number-one grossing film, earning by its third week \$241.1 million. AP adds that record ticket sales are expected this Christmas and New Years, when the holidays fall on Tuesdays: "Five-day weekends bring the family out moviegoing."

According to a U.S. Consumers Survey published in *Newsweek*, over half of all American children have read at least one Harry Potter book. So far the four books written by J.K. Rowling have appeared in print in 116 million copies, in 200 countries, translated into 47 languages. The *Washington Post* raved "The first four volumes, in Rowling's promised seven-book series have become the greatest success in publishing history." Sales of books, related toys, and games are expected to be over \$1 billion.

The U.S. toy company Hasbro has bought the rights to market Harry Potter "trading cards and

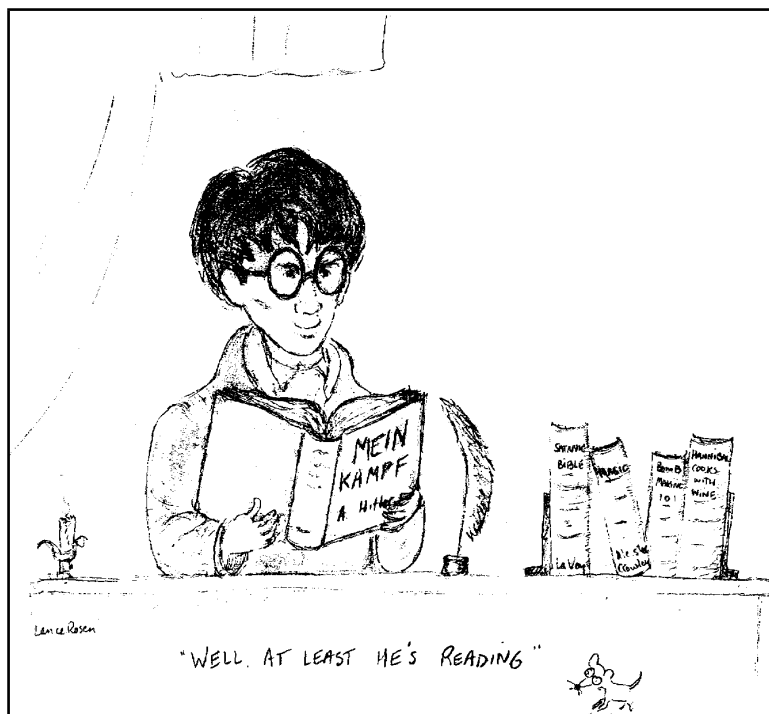
In a certain sense, they are right. Any adult who joins a cult, such as the ranks of the Mont Pelerin Society's admirers, has no one as much as himself to blame for what follows. With children and adolescents, it is different; their parents, their schools, and, in relevant cases, the doctrine of "family values" are to be blamed for the murder of the mind of that dependent.

If you think you admire "Harry Potter," please stand before a mirror, while saying to yourself, "I must be nuts, like Ariel Sharon, or like the presently disintegrating personality of that modern 'Humpty-Dumpty' known as Henry A. Kissinger."

games, role-playing games, candy and 'youth' electronics." Hasbro's plans substantiate Lyndon LaRouche's charge that the Potter cult is designed to be "Pokémon II." Hasbro, according to the London *Financial Times*, "is responsible for the Pokémon boom. . . . The hope is to re-create the craze with the magical Potter gang." Movie theatres, toy and game makers are also gearing up for the dollars to be had from the just released film version of J.R. Tolkien's New-Dark-Ages sorcery trilogy, *Lord of the Rings*.

AOL/Time-Warner

The Harry Potter movie was produced by AOL/Time-Warner, which on Dec. 19 will also premiere *Lord of the Rings*. AOL has spent \$300 million making the *Rings* movies, which will be released at Christmas time, one each for the



next three years. The target audience will be the next generation after Potter followers. Since its publication 50 years ago, Tolkien's story of wizards, elves, and dwarfs has sold more than 100 million copies.

AOL has embarked on a saturation advertising campaign to promote the *Lord of the Rings* movies. All showings and advertising of *Harry Potter* intensively advertise the *Rings*. A visitor to any of AOL's many internet providers, including Netscape and CompuServe, will be invited to join an "interactive sweepstakes" called "Search for the Magic Ring." For the first time, the *New York Times* Company will "integrate" an advertising package for the movies on its websites, indicating the degree to which this advertising permeates the Internet.

AOL/Time-Warner has also been in the lead of promoting the spread of the international trade in cocaine and heroin. Behind AOL's fantasy one-two punch are executives who have been open advocates and negotiators with the FARC, South America's and perhaps the world's largest narco-terrorist cartel. On Jan. 22, 2000 the founder of AOL, Jim Kimsey, Chairman of the New York Stock Exchange Richard Grasso, and other top businessmen met with Colombian President Andrés Pastrana. Acting as the spokesman, Kimsey announced that they were there to help organize international support for a "peace plan" with the FARC. This followed Kimsey's and Grasso's June 1999 visit to the jungles of Colombia to embrace and "legalize" the FARC.

The Potter Cult

Many parents believe that anything that gets their children to read is good, even if it is about magic, sorcery and witchcraft. "They're just nice fairy tales," the claim is made of *Harry Potter*. But what are they really reading? In *Harry Potter*'s world, love of one's fellow human being is non-existent. Helga Zepp-LaRouche, in a public speech given last year described the cartoon video game of Pokémon, the precursor to the *Harry Potter* cult: "Now as everybody knows, the minds of children are completely impressionable, because children learn primarily through imitation and through play. But what is there to imitate? Aggression. And what is completely lacking? Love, compassion, joy, beauty."

In *Harry Potter*, the characters substitute magic spells and tricks for the physical violence that is central to Pokémon. The effect on the child, however, is the same susceptibility to what Lyndon LaRouche has called the "New Violence."

Last July 8, thousands of children, led by their parents, lined up at midnight in front of 2,000 bookstores to grab the first-day release of the latest *Harry Potter* book for \$25.96. This year, with Christmas spending being intensively hyped as a virtual second "war against evil," Alan Greenspan and his friends hope to continue to have a good laugh as people rush out to spend millions on the latest *Harry Potter* books and paraphernalia.

U.S. Congress Votes For Clash Of Civilizations

by Suzanne Rose

On Dec. 5, two resolutions were moved on Capitol Hill by which the U.S. Congress brought the Middle East closer to war. The House passed H. Con. Res. 280 "Expressing Solidarity with Israel in the Fight Against Terrorism," by a wide margin of 384-11. Twenty-one answered "present." Seventeen were not present for the vote. The Senate passed a similar resolution on the same day by unanimous consent. The resolutions would set the United States virtually at war with the Palestinian Authority and its supporters in the Arab world, abandoning any American search for Middle East peace.

Democratic Presidential pre-candidate Lyndon LaRouche said on Dec. 8 that these mindless votes showed the Congress to be massively corrupt. He warned that this is the major problem President Bush faces in dealing with Israel, because it demonstrates that the vast majority of members of Congress are supporting Israeli Prime Minister Ariel Sharon's insane war drive. This means, noted LaRouche, that they back the Zbigniew Brzezinski-Samuel Huntington-Bernard Lewis "clash of civilizations" policy.

This includes not just the worst of the war-mongers typified by California Rep. Tom Lantos (D), and on the Senate side, by Sen. Joseph Lieberman (D-Conn.); but the entire leadership of the Democratic Party. Are they so corrupt, LaRouche asked, that they cannot support the President when he is right? He demanded that constituents hold their Congressmen accountable for the spreading Mideast war.

The Target: Bush-Putin Collaboration

The reckless and one-sided resolutions, beginning with the House version brought by Reps. Henry Hyde (R-Ill.) and Lantos (respectively chairman and ranking Democrat of the House International Relations Committee) reflect the growing desperation of the war-mongers in the Congress and Administration, over their failure so far to convince the Bush White House to go all-out for war against the Arab and Muslim populations of the Mideast. The actions continue the drumbeat of the Zionist Lobby since Sept. 11, claiming that Palestinian Authority President Yasser Arafat alone is responsible for the impasse in the Middle East peace negotiations; that he and the Palestinian Authority are equivalent to Osama bin Laden, and that Israel should be unleashed against the Palestinians to take "preventive action against terrorism."

Lantos, Gary Ackerman (D-N.Y.), and others kept up the demagoguery of previous hearings, insisting that, by their vote,

members demonstrate whether they are “for” or “against” terrorism. They intend to set the stage for consent to the premise that if Arafat doesn’t act to end terrorism, Israel will have to strike out throughout the region. This will unleash the “breakaway ally” syndrome warned against by LaRouche, and detonate an unstoppable conflagration.

In the climate thus created, more responsible members of Congress were cowed, while the majority danced to the tune and the funding of outside organizations.

Dingell’s Denunciation

H. Con. Res. 280 is an attempt to roadblock the resumption of Israeli-Palestinian negotiations, which was being sought by the Bush Administration, backed by Russian President Vladimir Putin.

The resolution is viciously one-sided in its support for Israel. It demands that the Palestinian Authority take action immediately to destroy the infrastructure of the Palestinian terrorist groups, pursue and arrest terrorists whose incarceration has been called for by Israel, prosecute and punish them or turn them over to Israel. The Congress demanded that the President ensure that the Palestinian Authority do this, or else suspend relations. The President must insist that all countries supporting Palestinian groups end such support, dismantle infrastructure, etc. It finally expresses “the solidarity of the United States with Israel in our common struggle against the scourge of terrorism.”

The fact that the resolution is one-sided and undermines rather than promotes peace was forcefully protested by Rep. John Dingell (D-Mich.). “What this resolution does is to essentially set up a situation where the United States appears, and in fact does, and will be viewed by people in the area as having taken sides. The interests of the United States here are to bring to a halt terrorism, and to create a lasting, viable, negotiated peace. That is best done by attacking the root causes of terrorism, not the least of which are the thousands or hundreds of thousands of Palestinians and others who feel themselves to be unfairly, badly, and improperly treated. Their homes are destroyed. Their orchards are destroyed. Their lands are settled in defiance of their wishes. Their people are driven to poverty and killed. International agreements which they have made in their names are not being honored.”

He reminded his colleagues, that it is the duty of the United States is to work for peace, which is not achieved by acts of retaliation, but by the “strongest possible leadership by the United States, functioning as an impartial honest broker between people who find little reason not to hate each other.” Dingell insisted that the resolution does not move the parties toward peace and undercuts efforts to do so, Our own national security is at stake, he said, because this is an area which has the potential for being the cockpit of the next world war.

Echoing LaRouche and serious Israeli observers, Dingell added that the results for Israel will be calamitous, because 5 million Israelis, in the midst of hundreds of millions of Arabs,

are facing a terrible danger in the event of general war. He reminded the body that he had sponsored a resolution which expresses support for the Mitchell Commission Report—White House policy—and that that resolution has not yet been taken up by the International Relations Committee.

“Why is it that we are failing to discuss peace and a really meaningful way of achieving peace?” Dingell asked.

No Mention Of ‘Peace’

The irony in the war party’s position was pointed out by Rep. Darrell Issa (R-Calif.)—a Lebanese-American and himself the target of a Jewish Defense League terrorist bomb-plot, exposed only days later—who asked how Arafat could carry out policing the terrorists, as the resolution demands, when the Israeli government has withheld \$900 million from the Palestinian Authority, which was to be used for policing purposes. “Those dollars were designed to allow them to enforce their laws, and yet that has been unlawfully, and in violation of the agreement that they have made, withheld.” Issa asked that the President do some positive things to undo the damage done by Israel to the very Palestinian Authority that they now insist take these steps.

Another strong voice against the resolution came from Rep. Joe Rahall (D-W.V.). He warned against outside groups that demonize Congressmen, who either oppose or vote “present” on the resolution. He warned also against those demanding that “we have to get Arafat.” “Some statements today have alluded very strongly to the fact that we have got to get Arafat. But such action, indeed such action as this resolution today and those that call for Arafat’s demise, will do zero, will do nothing to reach that just peace, and may even exacerbate and take us backward from achieving that just peace.”

Rahall denounced the methods of bullying the Palestinians. “The military option will not work.” He noted that the word “peace” is not mentioned in the resolution. “If every demand were met in this resolution, would there be peace? Would that end terrorism?”

Concurring that the resolution was ill-timed and undermined the negotiating process, Carolyn Kilpatrick (D-Mich.) noted that the Mitchell-Tenet Commission opposed just such Congressional resolutions. “I regret that Congress is ignoring that recommendation,” said Kirkpatrick. “By doing so, the action of this chamber only serves to prolong the hostilities in that region and discourages both sides from engaging in the negotiation process.”

Following remarks on the Senate floor on Dec. 5 by Majority Leader Thomas Daschle (D-S.D.), placing responsibility solely on Arafat for failing to prevent the suicide bombings in Jerusalem, and ending with an ultimatum to Arafat to stop the violence, the Senate passed, without debate, Senate Concurrent Resolution 88. This resolution is almost identical to the House resolution. It was co-sponsored by the chairman and the ranking Republican of the Senate Foreign Relations Committee, Joseph Biden (D-Del.) and Jesse Helms (R-S.C.).

Protests Mount Over U.S. Space Station Cuts

by Marsha Freeman

The Bush Administration's proposal to eliminate the U.S. contributions to the International Space Station (ISS), made initially last February—which would make it impossible to complete the project as designed—has angered America's international partners, and many in the U.S. Congress.

Europe, Japan, Russia, and Canada have already spent billions of dollars to design and produce their hardware for the station, and have trained their astronauts, in the expectation that they will be able to share in the scientific research resources of the station, as stated in international agreements. The Congress knows it faces the bleak prospect of having spent tens of billions to orbit the station, only to have it lack the capability to carry out the science research, which is its purpose.

The President has apparently delegated responsibility for America's space program, not to his Science Advisor, nor to the National Aeronautic and Space Administration, but to the Office of Management and Budget (OMB). The nominee to be the new NASA Administrator, Sean O'Keefe, comes to the space agency from OMB, and stated months before his nomination that the administration will accept no increases in NASA's budget to cover cost overruns in the space station. Instead, says O'Keefe, it will have to be "downsized."

By and large, America's international partners have no manned space program, other than their cooperation on the ISS. Therefore, the Bush Administration's policy for NASA will also determine whether or not 16 other nations will have explorers in space.

Breaking International Treaties

On Dec. 6, NASA's Advisory Council held a meeting, at which representatives of the international partners were invited to present remarks. Tomiji Sugawa, representing Japan's space program, told the Council that because the United States had unilaterally decided that the space station could only accommodate three crew members, rather than the full complement of seven, Japan's \$2.6 billion Kibo science laboratory module will be virtually useless. This new "U.S. core complete" configuration, protested Japan, leads to a "decrease in flight opportunities for Japanese astronauts" to use the laboratory, which "is not acceptable to Japan." Three Japanese astronauts are already participating in advanced training at the Johnson Space Center.

European Space Agency (ESA) director of manned spaceflight, Jorg Feustel-Buechl, was even more direct, reporting that at ESA's November Ministerial meeting to make programmatic and budgetary decisions, he had trouble persuading European leaders to stay in the station program. In response to the proposed NASA cut-backs, ESA decided to withhold 60% of the \$800 million projected for its space station utilization, pending a change in policy in Washington. A three-man crew would allow ESA only 100 minutes per week for its science experiments.

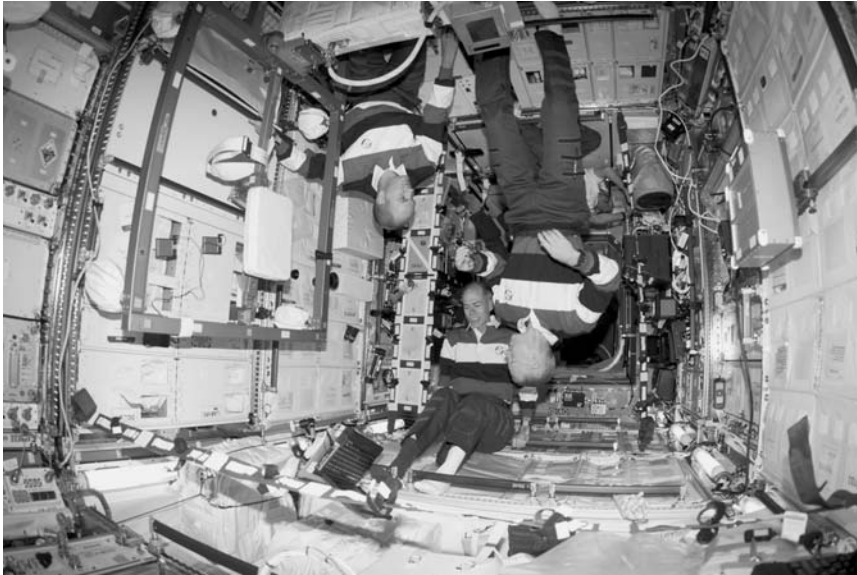
Feustel-Buechl reported that ESA itself had a cost overrun of \$300 million last year in its ISS budget, but did not try to scale back its commitment. He called the configuration the United States is presenting, "totally unacceptable, even as a threat," and said ESA would make "more dramatic decisions" if it did not know, by next October, that the United States will meet its commitment to accommodate a full crew.

The Canadian Space Agency has already contacted the State Department on U.S. violation of what is considered by Canadian law to be a treaty. Canada pointed out that its crew time for experiments will be "reduced to less than 30 minutes per week. Astronaut ISS flight opportunities are reduced to one Canadian every 11 years."

No Russian Space Agency representative could attend the Council meeting, but on Nov. 22, M. Sinelshikov, head of the manned space department of the Russian Aviation and Space Agency, forwarded its comments to the Advisory Council. Russia reminded the United States that, according to the 1996 agreement on the station, Russia's commitments to the ISS assembly phase "are limited . . . to the end of 2004." After 2004, a seven-person Crew Return Vehicle was supposed to be deployed—this is eliminated under the new U.S. plan. Therefore, from 2005 on, the Russians would not be obliged to provide transportation or logistics for more than their own cosmonauts, commensurate with their substantial contributions to the station.

"The Russian party would like to state unequivocally that extending the ISS assembly time with a respective extension of the Russian commitments for the ISS assembly period until 2007, is unacceptable," the statement reads. "The Russian side intends to do its best to implement its effective ISS obligations. In this matter, we are guided by the fact that starting from 2005, it will allow us to have a permanent crew consisting of three Russian nationals aboard the station." If there is no solution found to accommodate a larger crew, the Russians will then have the International Space Station all to themselves!

After years of attacks on Russian delays in deployment of space station hardware, and on any NASA dependence upon the Russians for critical capabilities, now it is suggested to buy Soyuz vehicles, so a second one can be parked at the station to evacuate up to six crew members in an emergency. It would seem inconceivable that Congress would approve a plan that would make station operations totally dependent



The United States' NASA budget cuts have turned the international space station program on its head, threatening the station's completion and drawing protests from America's international space partners. Here, astronauts Sturckow, Barry and Forrester in the station.

upon the Russians. It is highly unlikely that Congress, or the international partners, will accept the rank stupidity of placing funding constraints on the space station, and downgrading its capability.

Where's The Vision?

The day following the Advisory Council meeting, OMB bean-counter O'Keefe, had his confirmation hearing before the Senate Committee on Commerce, Science, and Transportation. Some of the most vocal opposition to his policies came from President Bush's home state of Texas. The Johnson Space Center in Houston is the home of NASA's manned space program. "The leader of NASA cannot just be a budget cutter," warned Sen. Kay Bailey Hutchison (R-Tex.) in her opening statement. She questioned OMB's actions, so far, in putting a budgetary straitjacket on NASA, and in insisting on projecting how much something like a space station will cost. "I don't think you can precisely budget a war, and I don't think you can precisely budget innovative research. When you are pushing the envelope, you're going to have mistakes, miscalculations. . . . I want you to show me more than an OMB mentality," she said.

Hutchison's concern was echoed by fellow Republican Conrad Burns (R-Mt.), who dramatically warned O'Keefe, that if we do not "continue to reach and explore the unknown," we will be a "shrinking society that will fade from the face of the Earth."

Sen. Bill Nelson (D-Fla.), who flew on the Space Shuttle in 1985, read aloud a hard-hitting open letter from former mission control flight director and Johnson Space Center head Chris Kraft, who charged: "The overruns, or more poignantly,

the [increase in the] total cost of the ISS, resulted from a continuous change of direction of the program, which was beyond the control of those who were required to build the space station." With each space station program design change—usually made to try to *lower* the annual budget outlay—the schedule was stretched out, *increasing* the total cost. Now, under the OMB control, cost—not needed space capability—will determine how much of a space station we have.

In his responses to the largely hostile questions by the senators, O'Keefe could only repeat the refrain, that before any decision could be made on "expanding" the station, (i.e., meeting U.S. stated objectives and international obligations), NASA would have to bite the bullet. "The immediate challenges confronting NASA today," O'Keefe stated, "are not scientific, technological, or en-

gineering in origin. They are more aptly described in management terms—financial, contractual, and personnel focused." What NASA needs, he claimed, is a "firm management framework." NASA must "focus on performance." This seemed to imply to the senators that launching the Shuttle safely, and building and supporting a crew living on the station, were somehow not a measure of NASA's performance.

O'Keefe was repeatedly asked when he will consider putting the funding back into NASA to build the crew habitation module and return vehicle, allowing seven crew members on the station. He said only that NASA first had to "get its house in order." But he was finally forced to agree with Senator Hutchison, that "to maintain what we have right now is an absolute bare minimum, and calls into question what the point [of the station] is."

Although O'Keefe tried to convince the senators that he is qualified, because his father came out of Adm. Hyman Rickover's nuclear Navy, Senator Hutchison summed up the feeling of many stating, "NASA is the premier success story for America. And if you are successful, you will be my hero. And if not, I will be all over you."

Each senator asked the nominee what his vision was for the space program. Sound financial management was always O'Keefe's answer. As was pointed out in an article about the hearing in the *Washington Post*, in three hours of testimony, Sean O'Keefe never once mentioned the word, "space."

If enough political pressure is applied, the President may drop this bean-counting approach to mankind's great exploration initiative: It would produce a true "economic stimulus," and restore international confidence and technological credibility for the United States.

Fall Of The House Of Fundamentalism

by Art Ticknor

“Whom the gods would destroy, they first make mad.” That about sums up the story, for now, on the meteoric fall from grace of three of America’s most best-known evangelical preachers, Jerry Falwell, Pat Robertson, and Franklin Graham (son, and designated heir of Rev. Billy Graham). While the trio’s demise has been most closely associated with their psychotic pronouncements following the assaults on the World Trade Center and the Pentagon, an earlier incident, exclusively reported in *EIR*, brought about the more recent course of events.

On July 30, 2001, aides of Falwell and Robertson joined two of America’s leading right-wing Zionists, Herb Zweibon of Americans for a Safe Israel and Morton Klein of Zionist Organization of America, in a crude effort to blackmail the President of the United States into giving his unambiguous “green light” to Ariel Sharon’s butchery of the Palestinians. The White House blackmail session involved direct threats that a significant part of the 70 million evangelical Christian voters would abandon G.W. Bush, as they had abandoned his father and caused the elder Bush’s 1992 reelection defeat (see *EIR* Aug. 24, 2001, “Temple Mount Fanatics Seek To Blackmail Bush,” by Anton Chaitkin).

What made the Bush-bashing effort all the more nasty was the fact, also revealed by *EIR*, that the delegation of Christian Zionists and Zionist Lobby rightists had met, just hours before the White House meeting, with Israeli Ambassador David Ivrey at the Israeli Embassy.

Backfire

Falwell and Robertson have long been associated with the campaign to blow up the Islamic holy sites on the Temple Mount/Al-Haram al-Sharif in Jerusalem, and rebuild the Third Temple of Solomon, an event they claim would bring on the final battle of Armageddon, the extermination of the Jews, and the second coming of Christ. Each year, U.S.-based Christian Zionists, associated with Falwell, Robertson, and the Dallas Theological Seminary, send millions of dollars to Jewish Temple Mount cultists inside Israel, who stage frequent provocations at the Islamic holy sites. Prime Minister Ariel Sharon has been Israel’s most widely recognized patron of the Temple Mount Faithful.

Sources familiar with the July 30 White House session

have told *EIR*, that President Bush and his top aides were furious at the blackmail tactics. Subsequently, White House political director Karl Rove, according to these sources, concluded that the blackmail ploy was not credible. Rove concluded that President Bush’s support within the conservative Christian community was far more substantial than that of his father—even before the President’s handling of the Sept. 11 attacks.

Thus, Falwell and Robertson—along with their Zionist Lobby rightwing compatriots—had already alienated the President from them, long before their forked tongues took over on Sept. 11.

Two days after the attacks on the World Trade Center and Pentagon, Rev. Jerry Falwell and “Diamond Pat” Robertson placed the blame for the disaster on the immorality of a society that accepts abortionists, feminists, and homosexuals, provoking a firestorm of criticism—even among their Christian fundamentalist base—for their crude hate-mongering and hypocrisy.

Robertson’s corrupt relationship in a joint gold-mining venture with the murderous Liberian dictator Charles Taylor—himself involved in the illicit sale of diamonds, with alleged ties to Osama bin Laden’s al-Qaeda—has recently exposed Robertson’s willingness to “deal with the devil,” if there is a buck to be made. Robertson’s petty corruption and hypocrisy became such a matter of public exposure that on Dec. 5, he resigned as president of the Christian Coalition, the political group he founded in 1989. With his resignation, the group is expected to shut down altogether, soon.

Foul Pronouncements

In the new political geometry created by the Sept. 11 attacks, it were possible to completely destroy the credibility of these fundamentalist barkers, thereby helping to derail the scheme for a clash of civilizations (or, Armageddon) that they promote.

“What we saw on Tuesday, as terrible as it is, could be minuscule if, in fact, God continues to lift the curtain and allow the enemies of America to give us probably what we deserve,” said Falwell to “700 Club” host Robertson on Sept. 13 on the Christian Broadcasting Network.

“Jerry, that’s my feeling,” Robertson responded.

“The ACLU [American Civil Liberties Union] has got to take a lot of blame for this,” Falwell said.

“Well, yes,” Robertson agreed.

Falwell continued: “The abortionists have got to bear some burden for this, because God will not be mocked. And when we destroy 40 million little innocent babies, we make God mad. I really believe that the pagans, and the abortionists, and the feminists, and the gays and the lesbians who are actively trying to make that an alternative lifestyle, the ACLU, People for the American Way—all of them who have tried to

secularize America—I point the finger in their face and say, ‘You helped this happen.’”

“Well, I totally concur,” Robertson replied.

A few hours later, Falwell repeated his remarks, telling the *New York Times* that “the collective efforts of many secularists . . . has left us vulnerable.”

The next day, President Bush called the remarks “inappropriate,” prompting Falwell to claim, in a statement posted on his website, that his comments “were taken out of context.” Robertson issued his own statement: “It is happening because God Almighty is lifting His protection from us,” due to our “pursuit of financial gain.” The irony of this pronouncement’s easy application to Robertson himself, was not lost on those who know of his dirty diamond-mining operations in war-torn Congo.

Falwell “apologized” on Sept. 17, saying his comments were “insensitive,” “uncalled for,” and “unnecessary.” This followed Robertson’s strange statement that they were “severe and harsh in tone and, frankly, not fully understood.”

The *Washington Post* ran “Mr. Falwell’s Message of Hatred” on Sept. 18, while the London *Guardian* noted the next day, that “the cruelest, sickest response to the calamity” came from “two self-styled American super-patriots.” Falwell went on Geraldo Rivera’s cable TV show to “repudiate” his remarks on Sept. 19, and told ABC News on Sept. 20 that he “misspoke totally and entirely.”

A barrage of criticism flooded the media. “Perhaps now, Robertson and Falwell will be seen by all Americans for what they are: not pillars of morality or comforters in faith, but cynical, intolerant money-grubbers who use God to milk the vulnerable and to spread hate,” wrote Judy Mann in the *Washington Post* on Sept. 21. She added, “with any luck the nation will send them into the obscurity they so richly merit.” They were denounced by Timothy George, the editor of *Christianity Today*, in the *Wall Street Journal*, the dean of conservative radio hot-air balloons Rush Limbaugh, and *Boston Globe* columnist Ellen Goodman.

Two weeks later, the Jerry Falwell Ministries sent out a fund-raising letter written by Falwell’s son, charging, “Satan has launched a hail of fiery darts at dad.”

‘Robertson’s Gold Fever’

Robertson’s problems were just beginning, as *Washington Post* columnist Colbert King began a series of articles on Sept. 22, detailing Robertson’s business deal with Liberian dictator Charles Taylor. The two men are engaged in a joint gold-mining venture in Liberia, Freedom Gold Ltd. (registered in the Cayman Islands, a renowned offshore tax haven). King uncovered a May 18, 1999 mining contract, signed by Robertson, Taylor, and several Liberian ministers, giving Robertson mining rights to mineral deposits estimated at more than \$2 billion, and assuring that Taylor got a cut of the action, including \$500,000 annually in investment

and rental fees.

Taylor was in the putschist regime of Sgt. Sam Doe, which overthrew the elected President, William Tolbert, in 1980, but he had a falling out with Doe, when it was discovered that Taylor had pilfered \$900,000 in government funds and fled to the United States. Taylor was jailed in the United States on an extradition warrant, and escaped, finding his way to Libya. In Libya, he allied with Sierra Leone rebel Foday Sankoh, whose Revolutionary United Front (RUF) is engaged in black market diamond mining and smuggling, with alleged ties to Osama bin Laden’s al-Qaeda. Taylor reportedly facilitates the illicit sale of diamonds mined by the RUF, to al-Qaeda.

“Pat Robertson’s Gold Fever,” an article in the December 2001 issue of *Gentleman’s Quarterly*, cites a UN report issued in December 2000, charging that Taylor supported RUF atrocities (amputating the limbs of opponents in Sierra Leone) by supplying RUF units with arms, in exchange for smuggled blood diamonds, a trade said to be worth as much as \$125 million per year.

“What is Pat Robertson, self-professed Christian leader and American patriot, doing in bed with a dictator who may soon face an international war-crimes tribunal?” asks *GQ*.

In short, the unsavory activities of “Diamond Pat,” which were exposed by this news service frequently, have suddenly, since Sept. 11, taken on a damning tarnish in the eyes of millions.

In his most extreme lunacy since the terror attacks, Robertson on Sept. 18 repeated his call on the people of the United States to repent, but then demanded they prepare to carry out “Deputy Defense Secretary Paul Wolfowitz’s proposal” to eliminate seven Islamic states, and prepare for war against the world’s 1 billion Muslims who consider these states “brothers.” This particular “700 Club” diatribe undoubtedly did Wolfowitz no good within the administration.

Most recently, on Dec. 11, even as he was exiting the Christian Coalition, Robertson interviewed Israeli fascist and former Prime Minister Benjamin Netanyahu on the “700 Club,” and proclaimed Netanyahu’s call to remove the “terrorist regime” of Palestinian Authority President Yasser Arafat, a “clear insight of what needs to be done.” Netanyahu said that “as long as this regime governs the Palestinians, we will not have the peace we pray for,” and thanked Robertson for his consistent support.

Rev. Franklin Graham (whose father Rev. Billy Graham is soon to be knighted by the Queen Elizabeth II) joined Robertson in trying to trigger Armageddon, by calling Islam a “very evil and wicked religion,” in an October interview. Responding to criticism, he told the *Wall Street Journal* on Dec. 3 that “the persecution or elimination of non-Muslims has been a cornerstone of Islamic conquests and rule for centuries.”

LaRouche Issues A Blunt Warning

The two most urgent American responses to the attacks on the country on Sept. 11, have not yet been carried out. Those required responses are to push through a peaceful solution to the Middle East conflict, which otherwise is headed toward the general religious war conflagration the conspirators of Sept. 11 wanted; and to take measures to stop the collapse of the U.S. and world economy.

To stop the apparently irreversible descent of the Mideast into war requires that the peace initiatives of Presidents Bush and Putin be backed by a worldwide understanding of just what the insanity of the policy of the Sharon government in Israel is. That means heeding the "blunt warning" of *EIR* Founding Editor and Presidential pre-candidate Lyndon LaRouche, against "the insane fascism of Ariel Sharon," which will lead to the self-destruction of Israel and its future vilification as guilty of hideous crimes against the Palestinian and Arab people. That warning has been circulating around the world since Dec. 9.

"Israel under the current Sharon dictatorship," LaRouche said, "is a Nazi-like, fascist regime in the footsteps of Napoleon I, Napoleon III, the Carlists of Spain, Benito Mussolini, and Adolf Hitler. In the pre-history of modern Israel, the most notable roots of fascism are traced from the Odessa of the days of the Okhrana's Colonel Zubatov, the Odessa of the common associates of Alexander Helphand ('Parvus') and Vladimir Jabotinsky. The principal immediate antecedent of political fascism in Israel is the influence of Jabotinsky. Jabotinsky's organization of his fascist movement was situated principally in the Italy of Jabotinsky's Venice associate Volpe di Misurata, Benito Mussolini, Ezra Pound, and Jay Lovestone's crony, James Jesus Angleton, et al.

"Fascism," LaRouche clarifies, "as fascists such as Napoleon Bonaparte defined his fascism, and Mussolini and Hitler theirs, is a form of murderous tyranny created in explicit imitation of the Romantic tradition of the ancient Caesars. It was created out of the rubble

of Immanuel Kant's empiricist 'Enlightenment,' as a counterforce to the impact of the American Revolution of 1776-1789, first in France. It was launched under the conditions that the world of the Habsburg tyranny was crumbling. The intent was always a rebirth of Roman Caesarism.

"Within Judaism's ranks, fascism found its most immediate enemy in the Judaism of Moses Mendelssohn and the Yiddish Renaissance. In Israel today, a Nazi-like form of fascist tyranny is centered in the currently ruling, Bonapartist consulate of the ruling circles of the IDF. In the background, we find that the corrupting influence of existentialism, as spread back into Israel by the arguments of Martin Buber, has been the corrosive, anti-Mendelssohn sickness, which made possible a widespread abandonment of everything precious which the Mendelssohn-led reform and the Yiddish Renaissance had contributed to European civilization at large. Today, any American Jew who wishes to know what Nazism was, and who supports the present rampage of Sharon and the IDF directorate, need but stand before the mirror, and look into his own hate-filled, enraged eyes. Take the case of wild-eyed Congressman Tom Lantos, for example."

LaRouche concluded with a warning that Israel faces doom, if the policies of Sharon are not abandoned:

"All among those of us who understand the strategic implications of the role currently assigned to those Israeli Caesars, know with certainty, as martyred Prime Minister Rabin knew, that the end result of what Sharon and his IDF masters are doing, will be the obliteration of Israel, with the construction of the Third Temple on the site of al-Haram al-Sharif as its crematorium, its 'Masada.' Is the *Washington Post*, for example, supporting Israel? Does one describe a man who throws a hand grenade as a supporter of that hand grenade? If Israel's Nazis did not exist, the haters of Judaism would have probably had to have created them."

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