

# EIR

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Countercoup Stalks Chicken-Hawks After Iraq Failure  
Depression Deepens: Italy Moving on LaRouche's NBW?  
The Economics of The Treaty That Ended 'Endless War'

## The Synarchist Roots Of the Wolfowitz Cabal



# LA ROUCHE

## IN 2004 \*

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**EXPANDED EDITION**  
Features Appendix with 'Dick Cheney's  
French Connection—To Fascism'

## THE CHILDREN OF SATAN:

# Who are the 'Chickenhawks,' and where do they come from?

The delusions of the Chickenhawks—of Rumsfeld, Cheney, Ashcroft, and their flocks—are an outgrowth of the fusion of the Nietzschean fascism of the late Professor Leo Strauss of the University of Chicago; and the imperial—and Satanic—Wells-Crowley-Russell-Hutchins utopianism of the high-flying 'military-industrial complex.'

- Includes Lyndon LaRouche's "Insanity as Geometry: Rumsfeld as Strangelove II"

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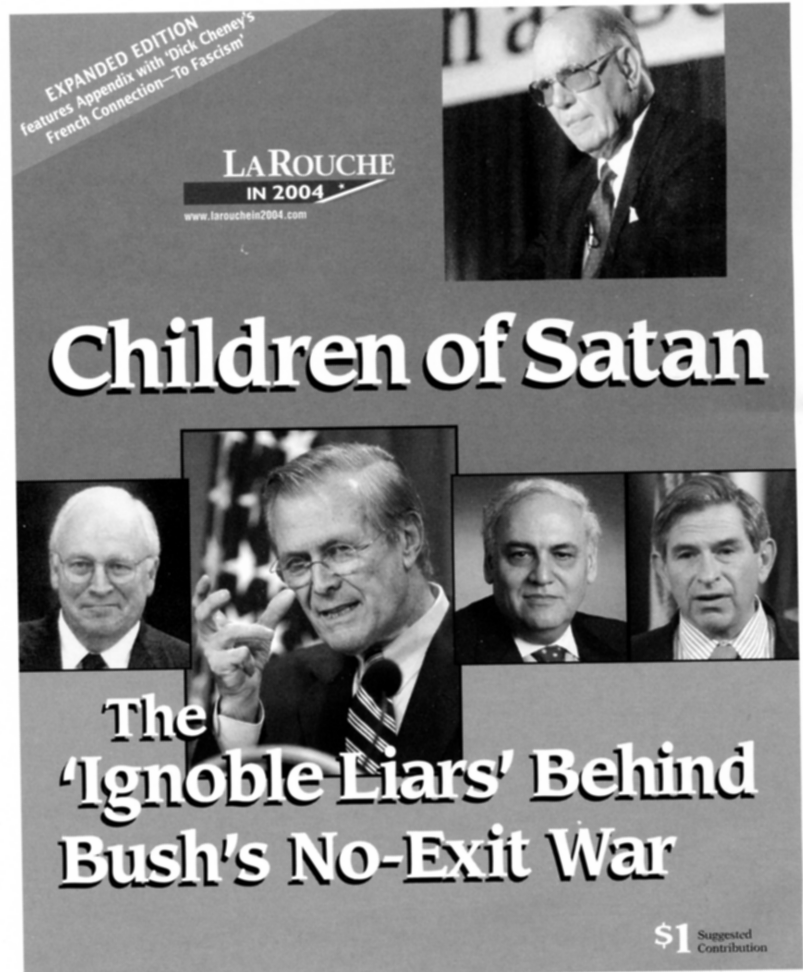
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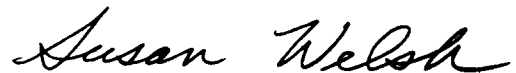
## From the Associate Editor

On April 14, as looters in Baghdad were carting away the treasures of Iraq's 5,000-year patrimony under the very eyes of the U.S. occupying forces, Lyndon LaRouche issued a call for a "countercoup" from within the United States, against the imperial war party that seized operational control over the U.S. Presidency in the aftermath of the Sept. 11, 2001 "Reichstag Fire." Now, as this issue reports, that countercoup is beginning to take shape (see *National*).

The feature package on Synarchism in *International* provides ammunition for this fight, to enable U.S. political circles already shocked into action, to understand the nature of the enemy they confront. As Jeffrey Steinberg reports, *EIR* has reviewed U.S. government documents from the FDR era, with extensive files on the international fascist plots of the Synarchists. "These files are of immediate relevance today," he writes, "given the ongoing coup d'état in Washington by the disciples of Leo Strauss, Alexandre Kojève, and Carl Schmitt inside the George W. Bush Administration. Kojève and Schmitt were leading figures in the wartime 'Synarchist' conspiracy, and they personified the perpetuation of that universal fascist plan and apparatus into the postwar period."

If we succeed in carrying out such a "countercoup" in the United States, the world is ready for the policy leadership that LaRouche offers. See, for example, the Italian Senators' resolution for a New Bretton Woods, now officially submitted to the Senate (in *Economics*); and the startling developments with respect to the Korean crisis—breakthroughs between the two Koreas, and important shifts within the U.S. policymaking community.

Our *Feature*, Pierre Beaudry's contribution on the economic basis of the Peace of Westphalia, is a beautiful counterpoint to the breaking news. He shows how Cardinal Mazarin, and his protégé Jean-Baptiste Colbert, aimed to create sovereign nation-states, on the basis of a dirigist policy of *fair trade*, as a weapon against the liberal *free-trade* policy of the central banking maritime powers of the British and Dutch oligarchies. Those banking oligarchies were precisely the powers that created Synarchism, 200 years later—the evil faction that must be defeated today.



# EIR Contents

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*Synarchism, the older “universal fascism” that linked Nazis and Mussolini fascists with French, British, and other collaborators, was a deadly enemy for WWII U.S. military intelligence; but now, it has spawned the “neo-Conservative” coup-makers. EIR’s “Straussians” exposé continues.*



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**Photo and graphics credits:** Cover, Page 39 (Murdoch), 59, EIRNS/Stuart Lewis. Pages 5, 19, 21, 30, EIRNS. Page 11, U.S. Coast Guard/Petty Officer Paul Roszkowski. Page 15, © William Sterne Randall; courtesy of U.S. Capitol Art Collection, Architect of the Capitol. Pages 19, 27 (Academy), 35, 37 (Norman) [www.arttoday.com](http://www.arttoday.com). Page 27 (map), U.S. Geological Survey commemorative. Page 31, Bonifica Corporation. Page 32, Totton Heffelfinger homepage. Page 36 (Strauss), [www.straussian.com](http://www.straussian.com). Page 36 (Kojève), [www.rusmysl.ru](http://www.rusmysl.ru). Page 37 (Hitler, Schacht), Bundesarchiv. Page 62, DoD Photo/Helene C. Stikkel. Page 63, U.S. Department of Energy. Page 64, U.S. Department of Energy. Page 66, Texas Young Republican Federation website.

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**Corrections:** In “Problems of U.S. Policy on Radiation Protection,” by Zbigniew Jaworowski and Michael Waligórski, *EIR*, May 16, p. 20, there was a misplaced decimal point in the report of cancer incidence in the Kiev region. The correct figure is 0.005%. In “LaRouche’s Youth Movement: ‘A Second American Revolution,’” *EIR*, May 9, p. 49, the name of a speaker in the discussion period was misspelled. He is Andrei Kobyakov, the editor of the Russian economic monthly *Russky Predprinimatel*.

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The 1648 Westphalia Peace only succeeded because of an economic policy of protection and directed public credit—dirigism—aimed to create sovereign nation-states, and designed by France's Cardinal Jules Mazarin and his great protégé Jean-Baptiste Colbert. Colbert's dirigist policy of *fair trade* was the most effective weapon against the liberal *free trade* policy of central banking maritime powers of the British and Dutch oligarchies.

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## Italy Moving On LaRouche's NBW? Candidate on National TV

by Paul Gallagher

Twenty-eight Italian Senators on May 13 moved a powerful resolution, even stronger than one the Chamber of Deputies has already passed, demanding the Italian government convene the “New Bretton Woods” monetary conference Lyndon LaRouche has campaigned for since 1997. The resolution (see *Documentation*) declares the International Monetary Fund (IMF) system bankrupt, and seeks a new global agreement among nations to pour credit into large-scale modern economic infrastructure and job creation to fight the worldwide depression. As the Senate move was made, Italian national TV broadcast an interview with LaRouche, strategically motivating a New Bretton Woods. Signs of worsening depression collapse were everywhere, pointing to an early disintegration of the bankrupt monetary system:

- All the formerly-industrial powers’ economies contracted from January to March, despite U.S. statistical fakery; all have lost production and employment, month after month, since last November;

- The G-7 countries, “led” by the United States, are suffering sickening plunges in government revenue. The U.S. Federal government is experiencing a staggering 20-25% fall in personal and corporate tax revenues over the past two years, will run a \$500 billion one-year deficit, and is quickly raising its Federal debt ceiling by nearly \$1 trillion;

- The U.S. dollar’s sudden 20%-plus slide is becoming a meltdown, striking down America as “the global importer” and battering economies all over the world;

- Japan on May 19 had to precipitously bail out its fifth-largest bank with \$17 billion, and Bank of Japan Governor Toshihiko Fukui warned that “without appropriate policy measures, a financial crisis could possibly happen.” The IMF held a secret finance ministers’ meeting May 17 on global “banking system fragility”;

- The leading Russian economic news agency RBC reported, also on May 19, that the Russian Central Bank “fears another default” like the GKO government bond default that shocked world markets in 1998, but this time due to exploding international debt of Russian companies.

### Focus on Italian Action in Collapse

Senator Oskar Peterlini’s May 13 initiative once again put Italy in the forefront of the fight against world economic disaster, just as it was last September, when the Italian Chamber of Deputies, on a bipartisan vote, passed a similar resolution for a New Bretton Woods. That passage occurred after a floor debate in which LaRouche’s leadership in forging an alternative to global economic collapse was explicitly cited.

The Chamber unanimously approved a modified version of the motion, which called on the Italian government to work for a *new international financial architecture* in order to avoid the disastrous effects of the speculative bubble and major financial crises. Compared to the original, the approved text did not include direct condemnation of the policies of the International Monetary Fund.

The new Senate motion—written in collaboration with Paolo Raimondi, president of the International Civil Rights Movement Solidarity, the LaRouche movement in Italy— singles out the policies of the IMF and Alan Greenspan’s U.S. Federal Reserve as responsible for prolonging and worsening the global economic and financial crisis.

In April, Senators Peterlini and Patrizia Toia organized a meeting at the Senate with LaRouche, in which the U.S. Presidential pre-candidate told a group of Senators and Deputies that the best way to combat the neo-imperial policies coming from the Bush Administration, is to work for a change in economic policy in Europe, in favor of the Eurasian Land-

Bridge perspective. LaRouche said that such a shift, which would be premised on the New Bretton Woods reorganization called for in the Senate motion, would represent a strategic shift capable of reversing the current global economic breakdown crisis. Peterlini then announced that he intended to introduce a new motion, as there had been a grave worsening in the world situation. In addition, the Senate, unlike the Chamber of Deputies, had not until now held a discussion and vote on the initiative.

The motion signals the Italian government, and other major governments of the world, that Italian institutions are not willing to sit idly by while the economic crisis continues to worsen. The policies capable of reversing the situation are on the table, and as the motion says, they must be *at the center of the debate*. At present, the Italian government has not publicly moved in this direction, although over the past year there has been an increasingly serious movement to dump the budget-cutting criteria of the European Union's Maastricht Treaty agreements, and re-establish mechanisms for long-term credit creation in order to finance major infrastructure projects.

The degree to which there is a national focus on what to do about the hopelessly bankrupt IMF system, and on LaRouche's leadership, was underscored on the morning of May 21, when Italy's first TV station, Raiuno, aired a 45-minute documentary entitled "Anatomy of a Collapse," which featured the economic analysis and reconstruction programs of LaRouche, as well as a critique of the Bush Administration war policy. Raiuno's coverage was based on an interview done in January 2003 with LaRouche, whom they identified as a world-renowned economist; a man on whom many try to stick colorful labels, but who is the author of the sharpest analysis so far, of the financial collapse.

### LaRouche on TV Calls Eurasia the Center

The Italian television coverage of LaRouche's role as a leading economist, represents a breakthrough in international press coverage of his work. The enormous credibility which LaRouche has internationally, and in the United States, has remained primarily behind the scenes, due to pressure from his enemies. This situation now seems poised to change.

In the 45-minute TV documentary, which is expected to be rebroadcast within a few weeks, LaRouche was shown speaking at length on the questions of Sept. 11, Cheney and



*Organizing across Europe on the heels of the Italian Senate resolution for a new monetary system, LaRouche Youth Movement activists in Paris announce, "The global crisis demands fast action for a New Bretton Woods."*

Rumsfeld, the origins of the financial-economic crisis, and the solution. Asked for another of his "famous economic forecasts," LaRouche answered: "There are two possibilities, and we must choose. There is nothing pre-determined; it is a choice. In Asia, Eurasia, there is a quite interesting development: China, Russia, Southeast Asia, India, Korea, and Japan are oriented towards a convergence, on a greater expansion represented by what China has done with the Three Gorges Dam or with the maglev connection between the Shanghai Airport and the city of Shanghai, and similar projects, the Mekong development projects, etc. . . . This is the largest market in the world; Europe is now bankrupt. To escape a hopeless bankruptcy of the euro system, countries such as France, Germany, and Italy need larger markets. In the long term, these larger markets can be found in India, China, Southeast Asia, etc., which are already important markets for Europe. Russia will play a role, as economic partner of Western Europe, through the reorganization of the Russian debt, which can be transformed into credit for industry and joint ventures between Russia and Europe.

"Given these circumstances, the world can come out of the depression, on the condition, however, that there is the capacity to create a new monetary system, able to manage the problems, through long-term, 25- to 50-year investments, through technology-sharing operations rather than technology export.

"If the United States," LaRouche said, "decides to reach an agreement with Europe and Asia, collaborating with Asia



and Europe, freeing Africa from genocide, reconstructing Central and South America and similar things . . . we will be able to come out of the impasse, and within one generation we could count on one of the most solid economies the world has ever seen. If we do not do that, if we try to collect debts, like the Lombard bankers did in the 14th Century, then we will sink in a new dark age. That is the situation.”

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## Documentation

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### Italian Senate's New Bretton Woods Motion

*On May 13, Senator Oskar Peterlini introduced a new motion into the Italian Senate demanding that the Italian government campaign for a New Bretton Woods conference. Senator Peterlini took a similar action last year during the explosion of the Argentinian crisis. That motion was not debated in the Senate, but a similar resolution was debated and passed by Italy's other house of Parliament, the Chamber of Deputies, on Sept. 25, 2002.*

*The new motion has been cosigned by 28 other Senators from most opposition and some government coalition parties. They include: Giulio Andreotti, former Prime Minister of Italy and main leader of the Christian Democratic party for the entire postwar period; Patrizia Toia, vice president of the Senate Human Rights Committee and former government minister for relations with Parliament; and Cesare Salvi, vice president of the Senate and former Labor Minister.*

*The text, from the Parliament's Gazzetta Ufficiale:*

*Peterlini, Andreotti, Baio Dossi, Bedin, Betta, Borea, Cambursano, Carrara, Cavallaro, Dalla Chiesa, Dato, De Paoli, Dentamaro, Dettori, Gaglione, Gubert, Liguori, Longhi, Malabarba, Marino, Michelini, Ruvolo, Salerno, Salvi, Salzano, Scalera, Togni, Toia, Zancan:*

#### **The Senate, considering that:**

The crescendo of international financial and banking crises beginning in 1997 with the crises in Asia, Russia, and Latin America, up to the more recent crash of the New Economy in the United States, to the gigantic Japanese banking crisis currently under way, the bankruptcy of Argentina and the imminent crash of the international real estate bubble, is creating a great deal of concern among populations, leadership, companies, and families with savings, since this is not a series of isolated situations but rather the manifestation of a crisis of the entire financial system which is characterized by a speculative bubble which is out of control;

This financial bubble (which includes derivatives, all types of debts and financial titles) has reached the level of \$400 trillion (\$140 trillion of which is in the U.S.A. alone), compared to a world GDP of about \$40 trillion, and this gap has been increasing particularly in recent years);

The effects of this crisis in the so-called developing countries have already been devastating, and the perspectives for the future are even worse, as demonstrated by the social-productive breakdown in Argentina, a situation which risks being repeated in many other countries on the Latin American continent, while Africa has been completely abandoned to herself and is the victim of new forms of colonialism. The International Monetary Fund (IMF) has contributed heavily to the worsening of the crisis in these countries through a policy of high interest rates and budget cuts in productive investments which has severely undermined the domestic output of the real economic production of these countries;

In the advanced industrial sector, the speculative bubble and the financial crises have undermined the structures of the real economy. . . . Society has been polarized in such a manner that wealth has been concentrated more and more in the hands of the few, leaving the rest of the people in worsening poverty. This tendency is clearly manifested in the U.S.A. (and Europe is following the same tendency) where 20% of the population has more than 50% of the income, with clearly negative effects for the remaining 80% . . . ;

The intervention of the central banks through only monetary policy—exemplified by the actions of the American Federal Reserve, which in the past months has reduced interest rates 13 times—has produced no positive effect on investment policy, but has simply served to refinance the financial bubble. . . . The consequences of the financial crisis on the real economies of the so-called advanced nations are evident and measurable in terms of reduction of employment, collapse of real production, a slowdown in leading sectors such as machine-tools, in the physical exhaustion of basic economic infrastructure, and in the dramatic reduction in fiscal revenues which then generates budget cuts which produce a further negative spiral;

The consequences of the crash, which are not only economic but also political and potentially military, are so serious that they demand that democratic political forces place this global economic crisis and the solutions to it at the center of strategic discussions, including in order to propose new policies of development and cooperation as an alternative to clashes of civilization, wars and international tensions;

#### **Commits the Government:**

To take the initiative to continue, in the competent international fora, the activity of study and proposition of a new, regulated financial architecture, capable of avoiding speculative bubbles and sustaining the real economy;

To undertake, in particular, the initiative to propose a



new international conference at the level of Heads of State, of Governments and of Parliaments, like the one organized in 1944 at Bretton Woods, with the aim of creating a new international monetary system and defining those measures necessary to eliminate the mechanisms which have led to the formation of the speculative bubble and to the systemic financial crash, and to implement programs of reconstruction of the world economy based on large infrastructure projects of continental dimensions and on investments in the real economy, to increase the effective productivity of the economic system.

## Chronology of the Fight For a New Bretton Woods

**Feb. 15, 1997:** LaRouche keynotes a Schiller Institute conference “Toward a New Bretton Woods,” in greater Washington, D.C. He calls on the audience to forge the preconditions that would enable President Clinton to convene, with other leading heads of state, a New Bretton Woods conference to create a new, stable, global monetary system to replace the bankrupt International Monetary Fund system.

**Feb. 15-17, 1997:** An “Urgent Appeal to President Clinton To Convoke a New Bretton Woods Conference” is initiated by the founder of the Schiller Institute, Helga Zepp-LaRouche, and Ukrainian economist Dr. Natalia Vitrenko, a member of the Supreme Rada (Parliament). The text is circulated worldwide for endorsement by public figures.

**April 10, 1997:** Lyndon and Helga LaRouche are the keynote speakers at a conference organized in Rome by *EIR* and LaRouche’s Italian co-thinkers, the Civil Rights-Solidarity Movement. LaRouche’s proposal for a New Bretton Woods is supported by Sen. Publio Fiori and by representatives of Italy’s state-sector industries.

**April 2, 1998:** Lyndon and Helga LaRouche address a meeting in Rome on the New Bretton Woods, attended by members of both chambers of Parliament, economists, journalists, and diplomats.

**April 7, 1998:** Italian Prime Minister Romano Prodi replies to an *EIR* question: “I personally believe that we must move toward a new Bretton Woods.”

**March 11, 1999:** Helga Zepp-LaRouche addresses a Rome conference on the need for Italy to join the “Survivors Club” and work to establish a New Bretton Woods and build the Eurasian Land-Bridge.

**Feb. 16, 2000:** Italian Sen. Riccardo Pedrizzi and 22 Senators from the opposition parties of the “Polo della Libertà” coalition introduce a first motion to the Senate, calling for a New Bretton Woods.

**March 7, 2000:** Four Italian Members of the European Parliament in Strasbourg, France introduce a resolution call-

ing for a New Bretton Woods conference, “with the purpose of creating a new international monetary system, capable of gradually eliminating the mechanisms which led to the ‘speculative bubble.’ ”

**April 7, 2000:** A call for an Ad Hoc Committee for a New Bretton Woods is issued, and circulated worldwide for endorsement. The statement includes the text of the European Parliament resolution, with the following introduction: “The governments of the G-7 nations have repeatedly demonstrated their unwillingness and inability to prevent the threatened collapse of the global financial system, through a prompt, and thorough reorganization of the system. . . . We, the signators, refer to Lyndon LaRouche, as the economist, worldwide, who has analyzed the causes of the systemic crisis in greatest depth, and over the longest time, and who, at the same time, has elaborated a comprehensive package of measures to be taken to overcome it: the anti-crisis program for a New Bretton Woods.”

Over the next year, the statement is signed by former President José López Portillo of Mexico and former President João Baptista Figueiredo of Brazil; more than 500 parliamentarians from some 40 or more countries; and several hundred civil rights leaders, trade unionists, industrialists, and representatives of social organizations.

**July 23, 2000:** Lyndon LaRouche speaks on the New Bretton Woods in the Cenacolo Hall of the Italian Chamber of Deputies in Rome. His sponsor, Dep. Giovanni Bianchi (Partito Popolare Italiano), is the promoter of the legal decree, later approved unanimously by both Chambers of the Parliament, by which Italy has granted debt moratorium for the developing countries.

**Oct. 12, 2000:** LaRouche addresses an informal hearing of the Foreign Affairs Committee of the Italian Chamber of Deputies in Rome.

**Oct. 19, 2000:** Sen. Riccardo Pedrizzi and 24 Senators of several parties, from both the opposition and the government coalition, present a second motion to the Senate, calling for a New Bretton Woods. The next day, the same motion is presented to the Interparliamentarian Group for the Jubilee 2000, the main organizer of the Assembly of the Members of the Parliaments of the World, held in Rome on Nov. 4-5.

**Feb. 26, 2002:** Nine Italian Senators introduce a motion calling for a New Bretton Woods conference, citing the crisis in Argentina in particular: “The monetarist policy of the IMF toward the so-called developing countries such as Argentina has been directly responsible for the worsening of the situation in those countries, to the point of bankruptcy.”

**July 3-5, 2002:** Lyndon LaRouche visits Italy, speaking at three events promoted by the Italy-Russia Chamber of Commerce, the Chamber of Commerce of Vicenza, and the Milan-based Association for the Development of Banking and the Stock Market Studies.

**Sept. 25, 2002:** The Italian Chamber of Deputies adopts a motion for a new international monetary system.

# WHO Warns of Post-SARS Threats, Lack of Public Health Defenses

by Marcia Merry Baker

At the annual World Health Organization meeting in Geneva on May 19-28, besides the attention to severe acute respiratory syndrome (SARS), many officials joined in warning that *new infectious disease outbreaks* lie ahead, and public health defenses are not in place to cope with them. Dr. David Heymann, head of the WHO communicable diseases unit, said on May 19, "There will be more outbreaks like SARS; there's bound to be more. . . . The big concern is influenza." Officials considered it "good news" that SARS was not influenza, because the flu has a capacity to spread much faster than the SARS infection.

In addition to the virology questions presented by the behavior of the flu virus, the obvious point is that vulnerability to sickness and death arises from the lack of in-depth health-care infrastructure, and the lack of official "will to fight disease" that has characterized recent decades of "market-based" health-care policy.

The infrastructure crisis was addressed in a medical survey report issued in March, by the Washington, D.C.-based, Institute of Medicine, titled, "Microbial Threats to Health—Emergence, Detection, and Response." This 400-page document is a ten-year follow-on to the institute's 1992 report, "Emerging Infections: Microbial Threats to Health in the United States," which already gave fair warning of the crisis just ahead. Now, even the sub-sections of the new report indicate the crisis evaluation from the medical community: "Breakdown of Public Health Measures," "Lost Windows of Opportunity," and "Lack of Political Will."

In line with the recent WHO warning, one section of the report is titled, "A Case in Point: Influenza—We Are Unprepared." Besides summarizing the scientific issues of the virus, and stressing that influenza, because of its very nature, is not an eradicable disease, the report warns: "The disturbing reality is that despite the certainty of a pandemic, even the developed countries of the world are quite unprepared for such an event. The public health structure is inadequate. Hospitals lack the capacity to accommodate a surge of patients. Vaccine manufacturers had severe problems in meeting the demand in 2001 and 2002, the mildest influenza years in two decades, and the repertoire of antiviral drugs is completely inadequate. . . . If a country cannot cope with inter-pandemic influenza, it is likely that the pandemic, when it does occur, will cause massive societal disruption."

## 'The Breakdown of Vector Control'

SARS and influenza are diseases in the category of human-to-human transmission. But the lack of preparedness to deal with these kinds of illnesses, is also dramatically evident in the way disease-bearing vectors of all kinds (rodents, mosquitoes, lice, ticks, etc.), have been allowed to re-infest vast parts of once-sanitized areas. The Institute of Medicine reports on this under the heading, "The Breakdown of Vector Control." The result is the needless resurgence of old diseases, and spread of new arrivals.

The maps in **Figure 1** give a striking and dangerous example in the case of the Western Hemisphere, which makes the point for any part of the world. The maps show the areas of infestation in the Americas, for three time periods, of the *Aedes aegypti* mosquito, a leading carrier of many diseases. Over a 70-year period, the infested area was severely beaten back—as shown in the 1970 map; but then, the mosquito was allowed to reclaim all its territory, and is now spreading even farther afield.

The original, principal motivation for targeting this species of mosquito, was to combat yellow fever. As of the 1930s, large areas in South America, Central America, the Caribbean, and the Gulf states of North America were infested. Some of the earliest mass quarantine efforts of the U.S. Public Health Service, were to try to contain epidemics of yellow fever in Louisiana, Georgia, and Florida, from the 1860s onwards.

In the 1950s and '60s, the Pan American Health Organization (part of the WHO), and cooperating nations, conducted an aggressive program to eradicate *Ae. aegypti*. DDT, developed around the time of World War II, was a leading part of the arsenal used, and the campaign was remarkably effective, as the 1970s map shows. Also part of the battle against yellow fever, was the successful development of a vaccine.

But then, with the scientifically incompetent and politically motivated banning of DDT in the 1970s, and the pull-back from mosquito eradication campaigns, not only has yellow fever needlessly persisted in the Hemisphere—even though there is a vaccine—but new mosquito-borne diseases have entered the Americas and spread, in particular, dengue fever in new forms.

The *Ae. aegypti* mosquito is a favored carrier of dengue. Moreover, a characteristic of this species of mosquito is that

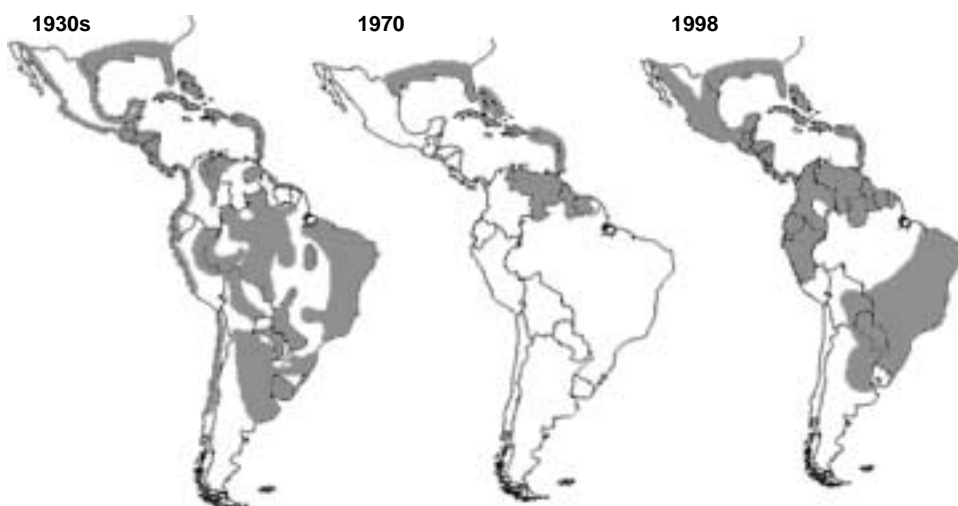
it thrives in urban settings, where it has breeding sites in pools of stagnant water in old tires, discarded cans, and other debris. These are exactly the conditions that became extensive over the past three decades, as national economies were undermined, and millions of dislocated people crowded into urban areas. Plus, *maquiladoras*, cheap-labor assembly plants, were

set up in Mexico and Central America—and with them shantytowns with little or no public health infrastructure.

The Institute of Medicine report summarizes the process shown in Figure 1: “The major impetus for this [original eradication] effort was the desire to preclude the emergence of sylvatic yellow fever into urban populations, which remains

FIGURE 1

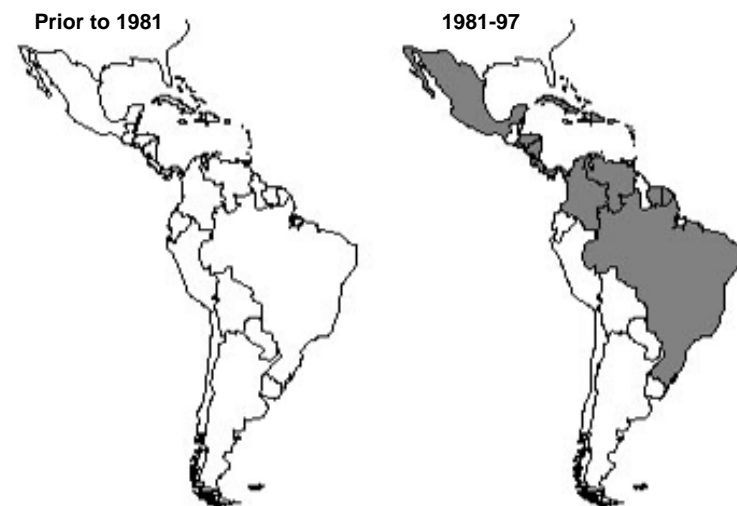
**Areas Infested With the Mosquito *Aedes Aegypti*, Showing Large Re-Infestation Since 1970**



Source: Centers for Disease Control.

FIGURE 2

**Countries With Laboratory-Confirmed Hemorrhagic Fever**



Source: Centers for Disease Control.

a major concern today. . . . Now *Ae. aegypti* is essentially hyperabundant throughout the Americas, and concomitantly, all four dengue virus serotypes (including the virulent Asian genotypes which are associated with DHF-SS—dengue hemorrhagic fever and shock syndrome) are co-circulating in the region.”

Before the 1980s, only one or two serotypes of dengue fever were known to be present in the Americas, and the deadly DHF-SS, then a problem in Asia, was absent. Though many factors of epidemiology may figure in DHF-SS taking hold outside of Asia, as the report stresses, “However, there is no doubt that one of the major factors contributing to the emergence of DHF-SS in the Americas was the resurgence of *Ae. aegypti* in

tropical and subtropical cities, concomitant with rampant and unplanned urbanization.”

**Figure 2**, from the Centers for Disease Control and Prevention (CDC), shows the location of dengue hemorrhagic fever today, as compared with its all but non-existence in 1980.

**Enter, West Nile Virus**

This is the backdrop from which to understand the rapid spread of West Nile fever in North America, now traveling southward through Mexico. Before August 1999, the West Nile virus had never been isolated in the Western Hemisphere. From the time it showed up in New York City in the late Summer of 1999, it spread to the point where by 2002, forty states had reported 4,000 human cases of West Nile encephalitis, and 254 people had died. In the transmission cycle, birds are the primary host for the virus, which is then spread to humans by mosquito. Vector control is paramount for public health, because as a CDC epidemiologist said last Winter, “West Nile never met a mosquito it doesn’t like.”

# TOPOFF 2: Public Health Gaps Are Real Disaster

by Linda Everett

The U.S. Department of Homeland Security, in conjunction with 100 Federal, state, and local agencies and the Canadian government, conducted a bioterrorism exercise over May 12-17, to simulate how the nation would respond in event of a weapons of mass-destruction attack. The exercise, dubbed TOPOFF 2 (for “top officials”), involved more than 8,500 people; it entailed the release of a pseudo-“dirty bomb” in Seattle, and the covert release of an infectious biological agent, “plague,” in Chicago.

Such drills, to assess the nation’s capabilities in a national emergency, are extremely important. A smaller simulation, TOPOFF 1, undertaken in June 2000, exposed that U.S. local health-care infrastructure (public health and hospital staff, facilities, hospital beds, etc.) was too downsized to cope. All hospitals participating in the first TOPOFF exercise were beyond capacity in less than 24 hours of the scripted “plague” epidemic. As one prestigious report found: “The capacities and responsibilities that would be demanded from the medical and public health communities in the event of a bioweapons attack are not commensurate with the resources now available.” Later, after the Sept. 11, 2001 attacks, most of Congress *appeared* to recognize that a public health infrastructure build-up was required.

But three years after TOPOFF 1, the situation is even worse. There are thousands fewer hospital beds nationwide. The one public hospital in the nation’s capital is now completely closed, eliminating decontamination capabilities and an entire infectious disease ward that allowed isolation and treatment of those with tuberculosis and other infectious diseases. There is no national survey of whether counties have epidemiologists or not.

There is a dark irony in the fact that the \$16 million, heavily scripted TOPOFF 2 simulation involved a “mystery” flu-like disease in Chicago, when a very real one, SARS (Severe Acute Respiratory Syndrome), is at our door. Specialists are warning Congress weekly, that we will see the increasing emergence of new infectious diseases like SARS and West Nile virus. Without exception, their urgent message is that of Dr. Micheal Osterholm, PhD, MPH, Director of the Center for Infectious Disease Research and Policy of the University of Minnesota, before the Senate Committee on Government Affairs Permanent Subcommittee on Investigations on May 21. “The United States remains underinvested in public health,” Dr. Osterholm said, “even though terrorism and new

diseases like SARS have raised the public health system’s profile. The underinvestment is not just a function of financial resources, but involves a shortage of qualified and trained personnel who will serve on the front lines of our ever-increasing battle.”

## Missing ‘Core’ of Public Health

Consider the need for epidemiologists, who, as the core of the public health system, detect clusters of suspicious symptoms or disease. The Council of State and Territorial Epidemiologists (CSTE) found in a March 2003 nationwide assessment of epidemiology infrastructure, that compared to 1992, when there were 1,700 full-time epidemiologists in state and territorial health departments, we now have fewer than 1,400 in those positions. The shrinkage occurred despite a significant expansion in the scope of responsibilities for epidemiology (such as bioterrorism surveillance).

Worse, approximately 42% of those practicing epidemiology in state and territorial health departments have no formal academic training in that specialty!

The U.S. Health Resources and Services Administration found that epidemiologists working specifically in the core science of public health, comprised far less than 1% of the total public health workforce in 2000. All together, epidemiologists, infections control or disease investigators, and biostatisticians are just over one-half of 1% of this workforce.

The new CSTE survey found significant deficiencies in infectious disease and all other areas of epidemiology infrastructure, including environmental health (clean water), maternal-child health, injury, and occupational epidemiology.

CSTE calls for establishing standards for states’ epidemiology capacity. Executive Director Pat McConnon told *EIR* that there do exist different estimates proposed by the Federal Centers for Disease Control and Prevention (CDC), of the need for epidemiologists based on population ratios. However, *none* of these reflect uniform standards or scientific estimates, such as those demanded in Democratic Presidential pre-candidate Lyndon LaRouche’s proposed example: the 1946 Hill-Burton Act standards that assured the health-care infrastructure necessary to provide for the well-being of the population in every county in the country.

One CDC proposal in 2000 called for one epidemiologist per 500,000 population for bioterrorism surveillance. Another epidemiologist is necessary per 500,000 people to control food-borne diseases (this standard was proposed about 1998). Yet another per 500,000 is needed to monitor infectious and communicable diseases. This last, proposed in the late 1990s, would surely be insufficient for the level of emerging and re-emerging infectious disease we see today. For child health oversight, another epidemiologist is needed per million people.

But in the 1970s, some experts considered it necessary to have one medical epidemiologist per 25,000 population!

Many of the 3,064 U.S. counties have *no* epidemiologist



*Illinois hospital staff members and patient “role player” take part in the TOPOFF 2 public health disaster exercise on May 13. Since TOPOFF 1 three years ago, the nation has fewer hospital beds and fewer public health specialized workers, and is not ready even for a major influenza epidemic.*

at all. Many others have only one to cover all the above areas. For instance, consider DuPage County, Illinois—a county of 904,000 people. It was one of five counties that participated in the TOPOFF 2 drill; yet, it does not have a medical epidemiologist. The National Association of County and City Health Officials (NACCHO) found that many of its member local governments are urgently searching for qualified professionals in epidemiology and microbiology.

The CSTE survey found that Federal dollars account for 61% of total support for epidemiology and surveillance programs; state support accounts for 36%, but this is falling fast due to state bankruptcies. Again, look at DuPage County. It lost 75 public health workers in 2002 and expects to lose another 100 this year due to state and other budget cuts. The shortage of trained public health laboratorians and epidemiologists is about to get worse: A significant portion of that workforce will be lost in the next five years to retirement.

### **A ‘Wartime’ Emergency**

The Institute of Medicine, in its 10-year report “Microbial Threats to Health: Emergence, Detection and Response” (March 2003), finds that the number of qualified individuals in the public health workforce required for microbial threat preparedness is “dangerously low.” It found, for example, that in 2001, there was a need for at least 600 new epidemiologists in public health departments across the United States because of the requirements for bioterrorism preparedness alone. Yet only 1,076 students graduated with a degree in epidemiology in the year 2000 and are potentially seeking employment in government, academia, or private industry; the largest percentage are trained in chronic disease, not infec-

tious diseases epidemiology. The Atlanta-based CDC is addressing the issue through its two-year epidemiology training program, the Epidemic Intelligence Service (EIS), which currently enrolls 70 new officers each year, who eventually take up state positions.

Still, there exists no national overview of existing public health workforce specialists per population in each U.S. county. With this intelligence, an assessment of how to expand the public health workforce is necessary, as a starting point for the major task of rebuilding the country’s HMO-“downsized” public health infrastructure.

The other prong of public health must include a simultaneous drive for replenishing the counties’ hospitals and medical professionals—especially registered nurses, pharmacists, and radiologists. As we saw in TOPOFF 2, the drill to deal with a scripted “plague” outbreak in the four counties in and around Chicago had the region’s 160 hospitals close to saturation levels. The Department of Defense would have rescued them with portable hospitals—but would this be enough to deal with a broader crisis over several areas of the country?

This is exactly what we are likely to see occur if SARS hits full force this Fall, as is likely if it is a seasonal disease, as infectious disease expert Dr. Osterholm warned Congress.

This is, as LaRouche says, a “wartime emergency”—overcoming both natural and man-made threats to our posterity. Federal funding and extra workforce directed to assess this major task—with manifold returns to the country—have to be made available to the overworked CDC, the lead Federal agency responsible for the health and safety of the American people.

## U.S. Northwest Losing Its Aluminum Industry

*In less than ten years from 1992, U.S. annual production of aluminum fell by 35% from 4.042 million metric tons (1992) down to 2.637 million (2001), and the contraction of capacity associated with this decline is continuing. The U.S. aluminum companies—already highly vertically integrated (from international bauxite mines to smelters) and consolidated in ownership—have been conducting sweeping acquisitions and downsizing. In recent years, Alcoa, the largest U.S. aluminum company, acquired Reynolds; Alcan Inc. (Canada-based) acquired Algroup. In early May, Kaiser Aluminum Corp., third in size, after the other two, and now in Chapter 11 bankruptcy, announced it will seek to sell off many operations. The downsizing has reached the point of pending phase-out of what was once one of the world's largest aluminum production centers, the Pacific Northwest.*

*Dr. Hal B.H. Cooper, Jr. reviewed this regional disaster with Marcia Merry Baker on May 6. A transportation engineer, Dr. Cooper is based in Seattle, and has consulted for many years on the LaRouche "Land-Bridge" development corridor perspective, offering ideas for key routes, and industrial and energy inputs.*

**EIR:** What do you see in terms of the last vestiges of the once-great Northwestern aluminum industry threatening to close out?

**Cooper:** All the aluminum smelters in the Pacific Northwest are expected to be shut down by the end of this year. The last two have indicated that they will probably be closed by the end of the year. The reason is the excessive electricity rates, which began during the "Enron crisis," in late 1999. These rates have basically forced all of them to shut down; and unfortunately, the Bonneville Power Administration, rather than realizing that they have an economic development mission, has only decided to raise the rates, to make sure that they shut down.

**EIR:** Where are the last two smelters?

**Cooper:** The last two are located: at the Intalco smelter, which is now owned by Alcoa at Ferndale, in northwestern Washington; and the other one is the Columbia Falls aluminum smelter, in Columbia Falls, Montana.

**EIR:** Of all inputs, electricity is the key element in aluminum smelting; it is perhaps the most energy-intensive of all

metal-working?

**Cooper:** That is correct.

**EIR:** We also want to talk about outputs. You personally are based in Seattle, for all of your transportation and other consulting, so when it comes to the use of aluminum, you see directly how that is also in crisis with the contraction of the economy—the airlines, beverage cans, everything?

**Cooper:** Of course, the problems with the airlines have led to a decline in the production of airplanes, which has led to a decline in the requirement for aluminum, although I understand it is a worldwide situation. In this case, the plants are old; the investments really were not made to modernize most of them, to the extent that it should have been, back 15 and 20 years ago, to make them more energy-effective than they are. As a result, what has happened is, that when the power prices went up, it made these plants at best marginally economic. They are, one by one—have been shutting down.

Of course, the Bonneville Power Administration decided to make them sacrificial lambs during the Enron energy crisis of 2000 and 2001, and basically had these contracts that they bought back, so they could sell electricity to the cities [instead]. Large payments were made to the aluminum companies, in lieu of them producing aluminum, and requiring electricity. Of course, that did come to an end, and they are faced with higher power prices. Now the plants, all but two of them, have been shut down—that's eight of them. The last two are expected to be shut down by the end of this year.

**EIR:** You are describing the impact of the power deregulation. The media focus attention on the particulars of the Enron executives' corruption—which is true enough—but you are saying we would not have had all these ripple effects, if we had had power regulation all along.

**Cooper:** It's even more deep than that. It goes back to Mr. LaRouche's infrastructure development policy. If the early program, in the 1970s and 80s, to complete the nuclear reactors under the Washington Public Power Supply System (WP-PSS)—if all five had been completed, instead of just one, there would never have been an electricity or an energy crisis with Enron, that took place from 1999 to 2001. It would not have existed. There would have been enough additional generating capacity that all municipalities could have been served from the nuclear plants, and the inexpensive hydro-power could have continued to be reserved for the aluminum smelters. They could have been maintained, healthy and viable, which of course, is exactly the opposite of what has happened.

And the Bonneville Power Administration, which in its charter, has a role of economic development, has decided to overlook it. They have basically kowtowed to the interests of the environmentalists in Seattle and Portland, and Eugene, because they are a large part of the votes. They are providing power to the municipal utilities and others, and they have basically left the aluminum smelters out in the cold.

**EIR:** So, since the worldwide collapse and the economic contraction are under way, we have to face—as citizens and policymakers, going back to where we wrongly left off 30 years ago, and to restore nuclear power.

**Cooper:** That is correct.

**EIR:** Instead of “adjusting” to collapse, restore the economy. You also have a view of how we should have been going—provided we had plenty of nuclear power and generating capacity—to electrified transportation corridors in the West?

**Cooper:** I just recently made a proposal to the Lignite Energy Council—which is the lignite coal industry in North Dakota—to build a transmission line, as part of a rail transportation corridor, with electrification of the railroad of the Burlington Northern-Santa Fe, from North Dakota out to the state of Washington, so we could provide enough electric power for the smelters. This would, of course, be primarily coal-based power, because that could be implemented in a relatively short period of time.

But unfortunately, I had to report back to them [in the Northwest], after I had a meeting with the representative of the United Steel Workers in Minneapolis, whose territory happened to include all these smelters, that it was basically too late, and there was probably nothing that could be done to save them. That means the loss of 10,000 jobs directly in the rural communities of eastern Washington and Oregon, and the one plant, of course, in Montana. And it affects other industries also.

**EIR:** I understand that Kaiser Aluminum, the third-largest in North America, said on May 9 that they are putting up many of their facilities for sale. They are in Chapter 11; and looking to just sell off capacity. But you are involved in all kinds of talks, in particular with Indian leaders in the Northwest?

**Cooper:** The interests I have been discussing with the Indian tribes is more in the Northern Great Plains, but we find out that the Indians all know each other.

The idea is to bring a transmission corridor out from the upper Midwest to the Pacific Northwest. It could go through the various Indian reservations, and they would become partners and investors, and potentially owners of new transmission facilities. It would tie all them together, and of course, there would be power generation and industrial development on each of the reservations.

Their American Indian Congress President, Tex Hall, has challenged the Federal government to make the investments on the Indian reservations, so they no longer have the burden of so many of the social service costs that they have. Because they would be working, and earning money, and paying taxes, rather than draining taxes from the Treasury, because of all the various social problems that they would otherwise have. You know the old story, that an idle mind is the devil’s workshop. You want to have people working. They really strongly

believe in it. Their intention is to go ahead and better themselves, and they’re not going to wait or depend on anyone else. They want to do it themselves.

You know the infrastructure-financing program LaRouche has been talking about for a long time, basically already exists with the Indian tribes, but the Federal government has done its best to try to restrict that to as little as possible, rather than trying to expand it. This is where the Federal Reserve has to be gotten out of the way, because we will not be able to have the financial regeneration taking place, as long as they are in control.

**EIR:** How did it come to be that the Pacific Northwest was going to be such a world center for aluminum smelting? The original provision for hydro-power? Bauxite imports?

**Cooper:** The raw materials all come from out of the country. Bauxite has come from Arkansas. But primarily it came from Jamaica, Brazil, and Australia, which I understand is a major supplier today. But the original aluminum industry was located there during World War II, at the time the Bonneville Dam and the Grand Coulee Dam were constructed. This was to provide inexpensive electricity to make aluminum, because the aluminum was needed by Boeing, because it was located in Seattle. So all these were close together, and you had very inexpensive hydro-electric power available for the smelters, which they continued to use for a number of years.

But for a variety of reasons, they decided in 1994, to basically void their existing contracts with the Bonneville Power Administration, because at the time there was a lot of electricity on the market—you know, one of these “free-market” manipulation deals—and for a short period of time, they saved money. But later on, it proved to be their downfall.

And again, when you get off the regulated energy economy, disaster always lurks and shows up sooner or later. And of course it did, in 2001.

**EIR:** So, with the skills and know-how still among the workforce and families, if we can get the infrastructure drive going, what is the aluminum picture, in terms of needs?

**Cooper:** Well, it is an essential industry in this country. You know, the idea that we should shift our aluminum production to Australia, or Brazil, because they make cheap wages, is completely contrary to the economic and military security of the United States.

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## Book Review

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# The Wrong Book At the Wrong Time

by Nancy Spannaus

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### **Alexander Hamilton, A Life**

by Willard Sterne Randall

New York: HarperCollins Publishers, 2003

476 pages, hardbound, \$32.50

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Never in recent American history has the world, and especially the United States, been in more need of the ideas of leading American Revolutionary, and our first Secretary of the Treasury, Alexander Hamilton. From that standpoint, it is unfortunate that Randall's biography of Hamilton is not only not what's needed, but is counterproductive to the interests of the nation.

Originally, I was excited by this book, which features a lot of detailed material on Hamilton's early life, and the networks which he connected with in order to join the American Revolution at the age of 17. The role which Hamilton played during his college years, and his important contributions to the early military engagements of the war, were highlighted, and proved to be quite fascinating. Randall also provides considerable detail about Hamilton's life on the Caribbean Islands, which is illuminating.

But, eventually, it becomes clear that Randall has a quirky psychological agenda, which not only skews the content of his biography, but destroys the usefulness of his meticulous research. Randall is seeking to make the case that Hamilton's career was, to a large degree, shaped by his relationship with his mother, who was stigmatized for her divorce, and abandoned to a cruel fate. The author keeps interrupting discussions of Hamilton's historical role and activities, in order to reflect on, and speculate about, his relationships with various women—which relationships are allegedly colored by his reactions to what happened to his mother.

What's wrong with this method, we will elaborate in this short review.

### **How To Write History**

The art of writing history appears to have gone by the wayside, much as have other Classical arts. It should be man-

datory for all historians to at least read the lecture by German Classical poet and historian, Friedrich Schiller, on "What Is, and to What End Do We Study, Universal History?"

In response to the first question, Schiller answers as follows:

"Out of the entire sum of [these] events, the universal historian selects those which have had an essential, irrefutable, and easily ascertainable influence upon the contemporary form of the world, and on the conditions of the generations now living. It is the relationship of an historical fact to the *present* constitution of the world, therefore, which must be seen in order to assemble material for world history. World history thus proceeds from a principle, which is exactly contrary to the beginning of the world. The real succession of events descends from the origin of objects down to their most recent ordering; the universal historian ascends from the most recent world situation, upwards toward the origin of things. When he ascends from the current year and century in thoughts to the next preceding, and takes note of those among the events presented to him containing the explanation of the succeeding years and centuries, when he has continued this process stepwise up to the beginning—not of the world, for to that place there is no guide—but to the beginning of the monuments, then he decides to retrace his steps on the path thus prepared, and to descend, unhindered and with light steps, with the guide of those noted facts, from the beginning of the monuments down to the most recent age. That is the world history we have. . . ."

From this standpoint, the biographer of Alexander Hamilton should begin from his influence, as a personality and through his ideas, to the present day. That reflects his place in history, and his actual lasting character. But Randall lacks such an ordering principle in his volume, and thus trivializes even those aspects of Hamilton's contribution to the nation's founding and institutions, which he acknowledges to have been Hamilton's work.

### **Who Was Alexander Hamilton?**

Alexander Hamilton was one of that generation of youth who played an indispensable role in establishing the fundamental character of our republic. To him belongs the credit for having organized the process leading to the Constitutional Convention, the process of ratification of that great document, and the bedrock principles of the American System of Political Economy which led to our emergence as the world's premier industrial republic. In addition, as Randall illuminates with seldom-discussed source materials, Hamilton had a significant hand in helping Gen. George Washington at crucial points during the Revolutionary War itself.

It is impossible to know Hamilton without understanding his connection, through ideas, to subsequent generations of great American leaders. One of the first to pick up on his economic ideas, especially the promotion of manufacturing



*President Washington (right) confers with Alexander Hamilton (standing) and Thomas Jefferson. It is impossible to grasp Hamilton's importance by scrutinizing the minutiae of his private life, as Randall does; only by studying Hamilton's connection, through ideas, to subsequent generations of great American leaders, does a real understanding emerge.*

and protection of the U.S. producer, was Mathew Carey, a young Irish revolutionary recruited by Benjamin Franklin. Carey passed on Hamilton's "American System" to his son, Henry C. Carey, and to the greatest President our nation has ever had, Abraham Lincoln. The next great leader to pick up the Hamiltonian thread—which he understood as being part of his own family tradition—was Franklin Delano Roosevelt, another President who "saved the Union," this time from the Great Depression and Fascism.

It is also necessary to know Hamilton's antecedents, which emphatically include the Colbertian, Leibnizian tradition of nation-building—a tradition Randall totally ignores.

Indeed, Hamilton's political and economic ideas were crafted as a means of defending the nascent republic, from possible dissolution—militarily, politically, or economically. He insisted that the Federal government embody full national sovereignty, on behalf of the general welfare of the population as a whole, and that it be given the ability to act energetically for the sake of the nation. He argued vigorously for promoting the productive powers of labor on which the prosperity, and survival, of the young embattled United States would depend.

These contributions define Hamilton's identity on the stage of history—not whether he was resentful over being born in illegitimacy, or whether he had poor judgment about women, and carried on several affairs. That he might have made a more positive legacy to our nation if he had not had such weaknesses, could be argued, but it is not those weaknesses that define who he was.

## **Why We Need Hamilton Today**

What is most problematic about Randall's biography, however, is not just that it belittles the institutional and conceptual contribution to our nation, which Hamilton made. The crying shame is that this current period of financial and political crisis cries out for our citizens to return to, and master, the ideas of Alexander Hamilton. We cannot afford to have people misled by the likes of Willard Randall.

The guts of any true biography of Hamilton, must deal with the coherent conception he had, behind the fundamental institutions of the United States: the conception of the American System, as opposed to the British System. Randall mentions that Hamilton was affected by the work of Emmerich Vattel, a Swiss Leibnizian who wrote a very popular book on natural law, but he otherwise pays lip-service to the standard line that Hamilton simply packaged the work of the imperial British and French economists. Anyone who can overlook the fact that Hamilton was attacking both the theory, and practice, of free-trader Adam Smith, in Hamilton's *Reports to Congress*, has a very impaired—at best—idea of Hamilton's role in founding the American Republic.

As Schiller said, one starts studying history from understanding the *principle*, not simply by aggregating the facts. The principles Alexander Hamilton fought for, and successfully embedded in our nation's institutions, must be revived today. But for that, people will have to turn to works like those of Forrest McDonald, and Hamilton's own *Reports to Congress*, not this biography.

# Business Briefs

## Brazil

### Study Mercosur Trade Without Dollar

Brazil may launch a mechanism for trade without use of the dollar in Mercosur, the Southern Cone common market, according to *Folha de São Paulo's* veteran journalist Clovis Rossi, on May 9. Brazil's National Economic and Social Development Bank (BNDES) would be the center of the operation. The plan, reportedly discussed between the Finance Ministers of Argentina and Brazil on May 7, is for the BNDES to re-establish a mechanism used for regional trade, and known as the Agreement on Reciprocal Credits (CCR), which had existed at one time in the 1990s.

The CCR functions as a clearinghouse, wherein the exporters of one country or the other pay for their imports in local currency, with differences in trading balances then settled at regular intervals between the relevant Central Banks. The drive for re-establishing the CCRs is most immediately for trade between Argentina and Brazil, which would eliminate or greatly reduce the need for dollars to pay for trade between the two countries.

According to Rossi, Carlos Lessa, the president of BNDES, views the CCR as more than this, however. He sees the mechanism as the embryo of a single currency for Mercosur.

## South Africa

### Mini-Reactor Has New Lease on Life

South Africa's inherently safe small nuclear reactor design has drawn the interest of the U.S. Congress, which may approve a \$200 million package to build a test reactor in Idaho, according to South Africa's *Business Day* on May 18. Corbin McNeill, former chairman and CEO of the U.S. electricity company Exelon, said May 17 that U.S. leg-

islators were keenly interested in South Africa's Eskom pebble-bed nuclear reactor. The proposed U.S. Energy Policy Act says the United States wants hydrogen to replace oil as a future energy source. Eskom's planned pebble-bed reactor fits the bill, having the potential to produce hydrogen at commercial levels, according to *Business Day*.

Exelon pulled its financial support out of development of the planned reactor last year, saying that it was interested instead in buying one for operation in the United States, but did not want to be in the business of constructing the reactor. Pretoria has yet to make a final decision on the project, although Minerals and Energy Minister Phumzile MlamboNgcuka said on May 17 that the research and development stage would be concluded soon.

## Real Estate

### Requests Jump for Mortgage Assistance

The Atlanta, Georgia *Constitution* reported on May 16 a large increase in mortgage assistance and other relief requests from middle-class homeowners; at the same time, non-profit donations fell in the Atlanta region. In an example of the worsening economic condition of the lower 80% of U.S. family-income brackets, charities in Atlanta are faced with dramatically rising requests for aid—even from “typically self-sufficient families”—according to a recent survey of 175 local non-profit agencies by the United Way of Metropolitan Atlanta. “What’s apparent and disturbing,” said Betty Hanacek of United Way 211, “is that more of our calls are from middle-class families who themselves never thought they would need help from others, and more callers are desperate. The resources just aren’t available to help in many cases.”

In 2002, in a survey of Atlanta non-profit service providers, 69% reported an increase in requests for assistance, compared to the level in 2001, with nearly one-third saying demand has grown by 25% or more. About

half of the agencies reported a decline in contributions from individuals as well as from corporations, foundations, and institutions. Aside from requests for emergency financial assistance (rent/mortgage, food) to make ends meet, the majority of respondents still reported a rise in calls for help.

Requests for mortgage payment assistance skyrocketed by 46% in 2002, as middle-class families were hit by job layoffs (United Airlines filed for bankruptcy) and “economic difficulties.” Rent requests rose by 16%; requests for help in paying gas bills jumped 52%. “Where we used to have maybe one request for mortgage assistance every month, we’re having 10 or maybe 15 a month,” said Dorothy Chandler, director of Midtown Assistance.

As needs were dramatically rising, 29% of non-profits said they were forced to cut back services, with one-third having to cut staff, and nearly one-third currently tapping reserve funds. Nearly three-quarters of the charities rely on government funding to operate their programs and/or services, even as state and local governments are making cuts.

## Argentina

### Capital Controls Are Under Study

Finance Minister Roberto Lavagna was reported in several Argentine newspapers on May 16 to be studying possible implementation of Malaysia-style capital controls, as a way of avoiding sharp currency fluctuations caused by the continuing collapse of the U.S. dollar. Whether this would actually be implemented, and what it would mean in the context of the next government’s overall policy, is unclear—especially since President-elect Nestor Kirchner’s program hasn’t yet been spelled out. Last year, a delegation of Malaysian officials and businessmen visited the country and met with Lavagna.

The plan would entail establishing a minimum time period, during which incom-

**CHINA** will build 13 large power plants in the next 2-3 years, its state development and reform commission announced on May 14. The plants will have a total electricity-generating capacity of 11.88 million kilowatts, and construction will cost the equivalent of \$6.2 billion. This must be done to ease power shortages in parts of China, and most will be built in electricity-short areas. Since the beginning of this year, Beijing has approved construction of more than 30 large-scale power plants, and work has already begun on 17 of these.

**CONSTRUCTION** of the reservoir of China's Three Gorges Dam project was completed more than two weeks ahead of schedule, the Three Gorges Project Development Corporation (TGPDC) announced on May 13. The sluice gate is to be closed on June 1 to begin storing water in the reservoir. Construction of the Three Gorges Project began in 1993 and should finish in 2009. At that time, 26 power-generating units with a combined capacity of 18.2 million kilowatts will be operating.

**BANKRUPTCY** filings in the United States "continue to break records," Reuters reported on May 15. American bankruptcies rose to a record-high 1.61 million in the 12-month period ended March 31, up 7.3% from the previous year, the Administrative Office for the U.S. Courts reported. The number of bankruptcies in the first quarter (January-March) climbed to 412,968, up 4.5% from the previous quarter, and the highest quarterly figure in the last nine years.

**THE BUDGET DEFICIT** for seven months of Fiscal 2003 reached an official \$201.61 billion, the U.S. Treasury reported on May 19. Individual tax revenues for the same period are down almost 8% from the previous fiscal year, and corporate tax revenues are down 28.7%. The Treasury projects that the U.S. government will run an official budget deficit of \$304.16 billion for the full FY 2003, ending September.

ing capital would be required to stay in the country, probably between 45 and 90 days.

At a Council of the Americas seminar in Washington early in May, Central Bank President Alfonso Prat-Gay said that developing-sector nations should be able to use "instruments to defend themselves from violent shocks of capital." Lavagna warned that new capital flows going into Ibero-American countries posed the risk of creating "speculative bubbles" that would be damaging to those nations' economies, including the fragile Argentine economy.

## U.S. States

### Budget Cuts Hit Children's Health

Revenue drops and spending cuts by more than 45 U.S. states are affecting the health and welfare of American children, says a Coalition on Budget Priorities report released May 14, supported by other local reports. At least 23 states, since 2001, have reduced access to affordable child care for poor and near-poor working families, a recent General Accounting Office (GAO) survey found. A couple of examples show the pattern.

- Missouri. With the stroke of a pen, the lower house of the Missouri legislature voted to halt its State Children's Health Insurance Program (SCHIP). If the State Senate adopts this too, Missouri will be the first state to abolish the five-year-old program, which insures children who come from households which are just over the poverty level. Eliminating the SCHIP program will "save" the state \$25 million, but leave 83,000 children uninsured. Nationally, SCHIP covers 5 million children. Only a few other states are considering abolishing the program, but dozens are trimming eligibility, benefits, and enrollment, affecting hundreds of thousands of children.

- Wisconsin. The state's welfare-to-work program, Wisconsin Works, pioneered by then-Gov. Tommy Thompson, is expected to cost \$276.9 million more this year

than the program it replaced (Aid to Dependent Children), even though fewer than half as many families are on cash assistance, according to a legislative report. One Wisconsin legislator had reported to *EIR* that 50,000 people "disappeared" from the old ADC program. The report says that demand for child care has grown by 160%, due in part to Wisconsin Works' requirement that adults work or get job training in exchange for a check and subsidized child care. Unemployed rolls have also grown greatly.

## Israel

### Netanyahu Threatens To Outlaw Strikes

Israeli Finance Minister Benjamin Netanyahu threatened on May 15 to outlaw strikes, as another general strike is intensified by the Histadrut labor federation. The strike is over Netanyahu's insane economic program, which not only includes brutal austerity measures, but structural changes which would cut public workers' basic rights, such as tenure, in addition to mandating layoffs. The strike began on May 13 and expanded from public sector workers to include bank workers and stock exchange workers.

Speaking about the Histadrut as if it were a Palestinian terrorist organization, Netanyahu raved, "What happened today is a scandal. A handful of workers' committees have the country by the throat and are enforcing the strike. This is intolerable." Then, in a direct threat, he said, "It is only a matter of time until these monopolistic committees cease to exist."

Israeli Prime Minister Ariel Sharon said that the government's economic program would be submitted the following week to the Knesset for its second and third reading, which means it could pass, even without an agreement with the government workers. This would be the first time that the government has used legislation to abrogate collective bargaining agreements, which is a violation of the conventions of the International Labor Organization.

## The Economic Policy That Made the Peace Of Westphalia

by Pierre Beaudry

In view of the currently collapsing world financial system, which is tearing apart the Maastricht Treaty, European governments have a last opportunity to abandon the failed Anglo-Dutch liberal system of private central banking and globalization, and organize the new Eurasian axis of peace centered on Russia, Germany, and France. To solve the collapse as sovereign nation-states with a common interest, their historical foundation is the 17th-Century Peace of Westphalia, which began the “era of sovereign nation-states” and is now attacked by all the new imperialists and utopian military strategists.

The 1648 Westphalia Peace only succeeded because of an economic policy of protection and directed public credit—dirigism—aimed to create sovereign nation-states, and designed by France’s Cardinal Jules Mazarin and his great protégé Jean-Baptiste Colbert. Colbert’s dirigist policy of *fair trade* was the most effective weapon against the liberal *free trade* policy of central banking maritime powers of the British and Dutch oligarchies.

Similarly, it is only with a return to the Peace of Westphalia’s principle of “forgiving the sins of the past,” and of mutually beneficial economic development, that the current Israeli-Palestinian conflict could be solved on the basis of two mutually-recognized sovereign states.

In the Peace of Westphalia, Mazarin’s and Colbert’s common-good principle of the “Advantage of the other” triumphed over the imperial designs of both France’s Louis XIV himself, and the Venetian-controlled Hapsburg Empire. In the 18th Century, the same principle brought the posthumous victory of Gottfried Leibniz over John Locke in shaping the American republic’s founding documents, the victory of “the pursuit of happiness” and the principle of the general welfare, over Locke’s “life, liberty, and property.”

Today, that principle has created the Eurasian Land-Bridge policy, as designed by U.S. Presidential pre-candidate Lyndon LaRouche, and as expressed in the economic development policies of China and some other Asian powers. This aims



*The unique principles of the 1648 Treaty which finally ended 140 years of religious warfare in Europe, enshrined the benefit or “Advantage of the other”—the common good—in the statecraft of sovereign nations. Two men—France’s Cardinal Jules Mazarin and Minister Jean-Baptiste Colbert (above right)—were most responsible for this opening of the principles of nation-building.*

at “transport corridors of development,” spanning Eurasia from the Straits of Gibraltar to the Bering Straits, and from the North Sea to the Korean Peninsula and Southeast Asia.

### **How Mazarin Looked Toward Westphalia**

By the early 1640s, after witnessing so much abuse by the Hapsburg Emperor’s feudal authority against the peoples of the small and war-devastated German states; and realizing that the horrors of the Thirty Years’ War were leading toward the destruction of civilization, Cardinal Jules de Mazarin acted to shift the attention of Europe away from Venetian-manipulated religious conflicts, that had become an endless cycle of vengefulness of each against all. He sought to base a peace on the economic recovery and political sovereignty of the German Electorates and States, to move them towards freedom from the tyranny of the Emperor, and from Venice’s intrigues.

In 1642, six years before the signing of the Peace of Westphalia was to end the Thirty Years’ War, Mazarin sent a negotiating team to Munster to begin working on his peace plan. The two French plenipotentiaries, Claude de Mesmes Comte d’Avaux, and Abel Servien, were his close associates. The mission was to use the power of France to intervene between the Emperor and the German Electors and princes in such a way, that the Emperor would be forced to relinquish his overpowering authority, and France would facilitate an economic program for the German states by helping them rebuild their territories. However, this result could not be achieved

unless France, as the most powerful nation outside of the Empire itself, were to be given the role of guarantor of German freedom on their own territory—a status of mediator that would give Mazarin’s French plenipotentiaries a friendly and indirect right to intervene inside the government of the Empire. This had to be done in such a way as not to give umbrage to the German princes, who would have rejected any direct form of foreign intervention. Indeed, what would be the benefit of replacing an Austrian imperial power by a French one?

Mazarin organized his plenipotentiaries to make their presence necessary, primarily along the Rhine River, by engaging in the only form of French expansion that would correspond to Mazarin’s principle of “the Advantage of the other,” and that was, engage in a productive economy of *fair trade and commerce*. Thus, Mazarin began to play an entirely new and unique role inside the Empire by increasing German freedom in trade and commerce along the main waterways of the Empire.

The Rhine River, running through very fertile provinces, had long been the target of Mazarin’s predecessor, Cardinal Richelieu, who, as prime minister of Louis XIII, had waged 14 years of war to acquire key territories along the High Rhine, with the presumption that the Rhine River was a God-given “natural border of France.” This foolish idea stemmed from the days of the Roman Empire, that is, from the same imperialist outlook that was to be Louis XIV’s *folie des grandeurs*, and was to become the pretext for Napoleon Bonaparte’s mad imperial conquests, a century later. The imperial Roman his-

torian Strabo had concocted the geopolitical delusion whereby “an ancient divinity had erected mountains and traced the course of rivers in order to define the natural borders of a people,” and whereby, consequently, the Rhine River had to be viewed as a natural border of France.

### **The Rhine: Boundary, or Corridor?**

However, that was not the view of Mazarin. He saw the Rhine River as a great economic project rather than a way to grab more territory. It was a natural communication canal within German territory, a corridor of development. But it was unfortunately being commercially misused by river princes, who were going against their own best interests by imposing such outrageously expensive tolls, that traders preferred using alternative routes, which had become more to the advantage of the Venetians, the Dutch, and the English, than to the German people themselves. This had to be changed.

According to the German historian Hermann Scherer, “The expansion of Amsterdam and of the Dutch market had given the last blow to the ancient commercial greatness of Germany. The Rhine River and later the Escaut, were closed to the German people; an arbitrary system of rights and tolls was established, and that became the end of the wealth and prosperity in the heart of Europe. The defection of many Hanseatic cities from the interior, and the diminishing foreign trade of the Hanse, destabilized the internal commerce and the relationship between the northern and southern regions of Germany. Add to this, the interminable wars, the religious fights and persecutions, and on top of all of this, the addition of custom barriers established under all sorts of pretexts, and for which the smallest princes of the empire added a cost as if it were an essential attribute to their microscopic sovereignty.”<sup>1</sup>

Each region was measuring its “sovereignty” by the power to raise Rhine customs fees. The interruptions of the trade traffic, between southern and northern Germany, were bringing the German economy to a halt. This became particularly disastrous for Braunschweig and Erfurt, while Frankfurt-am-Main and Leipzig were barely able to stay afloat thanks to their annual fairs. The very geographic situation of Germany required precisely the opposite: that it free itself of the burden of custom barriers, and open all of its internal mini-borders for anyone who wanted to trade in and out of the country, at low cost, not only north-south, but also east-west. Such were the conditions that Mazarin was attempting to address during the 1640s negotiating period of the Peace of Westphalia.

### **Fair Trade on Europe’s Rivers**

Mazarin conducted a thorough study of the entire Hapsburg Empire River system, including the region of Poland.

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1. Hermann Scherer, *Histoire du commerce de toutes les nations depuis les temps anciens jusqu’à nos jours*, Tome Second (Paris: Capelle, Libraire-Editeur, 1857), p. 548.

He established a complex intelligence network from among his German allies, to report back to the French negotiators who were involved in the preliminary negotiations for the Peace of Westphalia, in Munster, and to inform them on how many German cities would be willing to increase their freedom within the Empire by collaborating with France. Mazarin examined closely the potential for a north-south expansion of trade and commerce of goods being produced along all of the rivers of the Empire (see **Figure 1**).

Furthest east, on the northeastern border of the Hapsburg Holy Roman Empire, Mazarin studied the potential of the Vistula River going through the Polish regions of Silesia, Mazovia, and Eastern Prussia (today Poland), and discharging itself into the Baltic Sea near Gdansk. That river provided for Gdansk, all of the riches coming from all of these regions, and could make it the major port city of Poland.

Secondly, he recorded the fact that the Oder River, which also discharges itself into the Baltic Sea, if all of the production of trade and commerce from the Brandenburg, Silesia, and Pomeranian plains flowed into the city of Szczecin, could transform that city into a major international port city.

Thirdly, the Elbe River, which starts in Bohemia (today the Czech Republic) after having gone through Saxony and Brandenburg, then flows into the North Sea northwest of Hamburg. Mazarin noted that most of the goods coming from the provinces of Lower Germany also flowed northwestward past Dresden, Magdeburg, and Leipzig. Those cities could improve their economic situation by offering commerce houses for transshipments of regional goods to foreign countries.

Fourthly, Mazarin was given a report that the Weser River, which also flows through the fertile regions of Middle Germany, could be provided with a number of canals acting as import and export channels, to make the Weser city of Bremen into a significant port.

Fifth, Mazarin saw another expansion of north-south trade by way of the Ems River, which crosses Westphalia, and brings all of the trade and commerce from Munster and the North Rhine region into a north-south axis opening to the North Sea.

And furthest west, Mazarin studied the Rhine River as the most economically viable communication channel among Switzerland, Germany, France, and the Netherlands, connecting Mulhouse, Strasbourg, Mainz, Bonn, Cologne, and carrying a great amount of trade from Alsace Lorraine, the Swiss Counties, Baden Wuerttemberg, and the Rhineland Palatinate, to its exit to the sea through the cities of Rotterdam and Amsterdam.

Mazarin saw that the surest way to bring about peace was to develop the general welfare of the German people, by developing, for their greatest advantage, the cities located at the mouths of, or along, these rivers. Thus, those war-torn regions of the Empire could be rescued and rebuilt, by rebuilding all of the devastated regions. He considered this the way to counter the British-Dutch mercantilist control over key



FIGURE 1

**Three Centuries' Canal and River Development Initiated by Mazarin and Colbert**



Source: EIRNS.

*Three centuries of development, and integration by canals, of river transport in Europe, stemmed from the initiatives and public credit projects of France’s Cardinal Mazarin and Jean-Baptiste Colbert in the 17th Century. This development allowed the Peace of Westphalia, the founding treaty of the era of sovereign nation-states, to take hold and end 140 years of religious warfare. These river corridors of development featured the east-west infrastructure canal projects of the Grand Elector (1669) and of his son, Frederick the Great—known today as the Mittelland Canal.*

cities of the Baltic and North Seas.

In 1642, Mazarin summoned his negotiators at Munster to announce and circulate everywhere, that the precondition to the peace negotiations was to forbid the creation of new tolls along the Rhine River. The proposition was written as follows: “From this day forward, along the two banks of the Rhine River and from the adjacent provinces, commerce and

transport of goods shall be free of transit for all of the inhabitants, and it will no longer be permitted to impose on the Rhine any new toll, open birth right, customs, or taxation of any denomination and of any sort, whatsoever.”

The fact that the injunction included the mention “and from adjacent provinces,” proposed to bring fair trade and economic expansion deeper into the heart of Germany.

## Centuries of Canal-Building

Under the protection of the French, as the guarantor of the Peace of Westphalia, the different princes of the Empire were able to establish a whole series of Houses of Commerce in Huningue, Strasbourg, Mannheim, Frankfurt am Oder, Coblenz, and Cologne. Thus, Mazarin's plan to build the nation-state of Germany economically, began to take shape. With goods produced from France, Lower Bavaria, High Palatinate, Swabia, and so forth, the river communication system began to revive the economies of the cities of Huningue and Strasbourg, as well as give access to Switzerland and to the extended centers of Austria.

The economic development was to go further by access to the seventh and longest river, the Danube, expanding the import-export trade of goods to and from Bavaria, Austria, Hungary, Serbia, Bulgaria, Romania, Moldavia, all the way East to the mouth of the Danube in the Black Sea.

As early as 1642, Mazarin had singled out 28 primary cities along the Danube River alone. It is from this standpoint that a new understanding began to emerge from the rubble of war in Europe, capable of creating thousands of jobs and new markets along the main rivers of the Empire. It was under Mazarin and Colbert that the idea of a Rhine-Main-Danube canal began to be considered as a feasible project, a corridor of development only completed three centuries later, connecting the North Sea to the Black Sea.<sup>2</sup>

By the time a number of Electors and princes began to realize that Mazarin's project was entirely to their advantage, and decided to modify their allegiance to the Emperor, war had reduced the German people from 21 million to only 13 million as of 1648. Without peace, European civilization was going to be destroyed.

On the other hand, the Venetians saw that Mazarin was accelerating the process of negotiations in Munster, and that his economic initiatives with the German Electors were be-

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2. The Mazarin plan for developing rivers and canals inside Germany made its way across the empire, and was finally realized under the reigns of the Grand Elector, Frederick William I (1620-88), the founder of the German nation-state, and his successor, Frederick the Great (1712-86). According to Scherer, *op. cit.*, it was Frederick II who fully succeeded in creating a real internal economic system centered on a whole series of canals that connected the rivers from east to west. After Frederick William I built the great trench that connected the Oder and the Elbe rivers, in 1668, "Frederick II continued the canal works of his predecessor. In Westphalia, the Ruhr was made navigable, and an outlet was created to the saline Unna. The canal of Plauen established the most direct connection between the Elbe, the Havel, and the Spree; the Finow canal connected the Havel and the Oder; the Bromberg canal connected the Oder and the Vistula. These navigable channels soon gave a tremendous impulse to the commerce of the Steps and to the neighboring provinces with the basin of the Elbe, Silesia and Poland, and thus contributed greatly to the rise of Berlin as a commercial city." (Scherer, *op. cit.*, p. 581.)

These canal routes correspond today, to the different sections of the Mittelland Canal crossing Germany from west to east, connecting all of its main rivers from the Rhine to the Vistula and linking the main cities of Bonn, Munster, Osnabruck, Hanover, Braunschweig, Magdeburg, Berlin, and to the Polish city of Bydgoszcz (Bramberg).

ginning to gain some momentum. Venice and the Hapsburgs saw the paradox—the more you increase economic freedom within the Empire, the more you are destroying that Empire itself—and smelled their danger. The more the German leaders were won over to the principle of "the Advantage of the other" (especially since they were "the other"), the closer they were to replace the predatory Empire by nation-states. This principle had such a corroding effect on the minds of the Venetians and the Hapsburg Emperor, that they were ultimately forced to accept the conditions set by Mazarin for the Peace of Westphalia, which was signed on Oct. 24, 1648, in Osnabruck for the Protestants, and in Munster for the Catholics. (See Pierre Beaudry, "Peace of Westphalia: France's Defense of the Sovereign Nation," *EIR*, Nov. 29, 2002.)

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## Colbert and the Birth of Political Economy

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Jean-Baptiste Colbert (1619-83) was, without a shadow of a doubt, the greatest political economist and nation-builder of the 17th Century, and his ideas and influence have determined the entire course of development of all modern nation-states, including the United States of America, since the Treaty of Westphalia period. Initially promoted as Steward of the household of Cardinal Mazarin, Colbert later became Comptroller General of the Finances of France during most of the reign of Louis XIV. Colbert was the first world leader to successfully apply the new principle of Westphalia to economics, the which would later be followed successively by Gottfried Leibniz, Benjamin Franklin, Alexander Hamilton, John Quincy Adams, Henry Carey, Friedrich List, Franklin D. Roosevelt, and Lyndon H. LaRouche, Jr.

Colbert's seminal contribution to a humanist republican conception of political economy was initially reflected in France's historical fight to liberate the peoples of Europe from the predatory control of the Austrian Hapsburg Empire, and from the central banking role of the Venetian and Dutch oligarchies. Colbert applied the principle of the Peace of Westphalia—that is, the principle of "the Advantage of the other"—to a grand design of economic development of France itself.<sup>3</sup>

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3. This principle of benevolence takes its political roots in the policy of Henry IV and the Duke of Sully, in the aftermath of the Saint Bartholomew's Day religious massacre of 1572. As Sully had emphasized to the King later: "Your intention must be to truly seek all of the means to have them [potentates] live in peace and tranquility among themselves, constantly soliciting them to establish a peace or a truce, whenever there should be contention or diversity of pretensions; and always to endeavor to put forward, with whomever you are dealing, your generous resolution whereby you *wish everything for the others, and nothing for yourself*" (emphasis added). (Maximilien de Bethune, Duc de Sully, *Memoires des sages et royales oeconomies d'estat, domestiques, politiques, et militaires de Henry le Grand*, par M.M. Michaud et Poujoulat, Tome deuxième, Paris, chez l'editeur du commentaire analytique du Code Civil, 1837, p. 151.)

For Colbert, the most important asset of the common good, and the most powerful enemy of war itself, was the development of infrastructure projects. Colbert carried the principle of benevolence of Cardinal Mazarin into large-scale economic development projects. If he was the farsighted forerunner of Leibniz, of Franklin, and of LaRouche, it was because his towering figure stood on the shoulders of Jeanne d'Arc, King Louis XI's creation of the nation-state of France, King Henry IV (1597-1610), Henry's minister the Duke of Sully, and Cardinal Mazarin. All were the most powerful enemies of British-Dutch-Venetian free-trade and "central bank" liberalism. The very name of Colbertism, *dirigism*, still rings as anathema in the ears of the British-Dutch oligarchies today. In fact, any economic outlook organized by a strong centralized government that favors the *common good* through great public works, stems from Colbertism, and is anathema to British-Dutch monetarism, especially to the Dutch East India Company.<sup>4</sup>

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4. Since the discovery of America and of maritime routes to India, the control of sea-lanes, and the monopoly of world trade by global merchant companies, have been the main function of a few maritime financial oligarchies. They have centered most prominently, during successive periods of history, in the cities of Venice, Amsterdam, and London, from whence they wielded the power of their central banking interests over most of the national economies of the planet. The 17th-Century Dutch East India Company was such a commerce house. It was created on March 20, 1602, for the purpose of establishing a monopoly of trading in the Far East.

The new company was placed under the control of the Duke, William of Orange, in Amsterdam, and was composed of 60 administrators, elected by the shareholders—that is, by themselves—to form a General Estates that became the real behind-the-scenes government of Holland. It was like a parliamentary group composed of six different chambers, each of which was located in Amsterdam, Middelburg, Delft, Rotterdam, Horn, and Enkhuizen. Their control mechanisms were not unlike the European parliamentary system of today, under the Maastricht Treaty and its central banking arrangement. The general business of international trade was put into the hands of a smaller group of seven directors who would meet, several times a year, in Amsterdam, to determine the number of ships to send out, the period of their voyage, the times of their departure and return, and their specific destinations and cargoes. The directors' executive orders had to be obeyed to the letter, and with the strictest of discipline.

According to its charter, which was later copied by the British East India Company, the Dutch Company was the only one authorized to trade with the East Indies, and no one else from Holland was allowed to engage in any such trading for his own personal benefit. In fact, no other Dutch ship was allowed to take the route of the Cape of Good Hope, or Cape Horn, without the permission of the Dutch East India Company. Furthermore, it had the exclusive right to establish colonies, coin money, nominate or eliminate high functionaries of government, sign treaties with other nations, and even make war against them. This Hobbesian trading arrangement was so powerful that it had life-and-death control over all of the sea-lanes of the world, and of the colonies the Company looted for their labor and products. Holland was no longer a country with a company, but a company with a country.

In his *Histoire du Commerce de toutes les Nations*, the 19th-Century German historian Hermann Scherer described the monopolistic so-called *free trade* of the Dutch Company. In 1602, after expelling the Portuguese by force from the Molucca Islands in Indonesia, the 14 ships of Admiral Warwyk occupied the most important islands, especially Java, and made exclusive contacts with the indigenous tribes, for the complete control of spice production and trade of the entire region; that is, at the exclusion of any other country.

## The Industrial Commonwealth Policy

Jean-Baptiste Colbert did not come from a noble family, as many historians have falsely claimed. He was the son of Nicholas Colbert and Marie Pussort, a family of honest merchants, who had traded in Reims and in Lyon from 1590-1635. This period was the turning point for French economic development, with the upsurge of manufacturing under Henry IV and his great advisor, the Duke of Sully. Nicholas' brother, Odart Colbert, was a trader in Troyes, working with an Italian banker partner, located in Paris, by the name of Gio-Andrea Lumagna, with whom he had developed an excellent commerce in draperies, bolting-cloth, linen, silk, wines, and grains, which they produced in France and traded in England, the Low Countries, and Italy. Jean-Baptiste worked a few years in Lumagna's bank, until 1649, one year after the Treaty of Westphalia was signed, when Lumagna became the personal banker of Mazarin, and recommended that Colbert become the Cardinal's household manager. The meeting of such great minds foreshadowed a true French revolution.

Looking at Colbert from British and some American history books, one would be convinced that he was a mercantilist free trader. But anyone identifying Colbert as a mercantilist has to be either totally ignorant or a British agent, at best. The British hated Colbert precisely because he was not a mercantilist; he was feared because he was a humanist nation

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Scherer reported: "They [the Dutch East India Company] made war on nature itself, by letting her grow her goods exclusively where they intended to have complete control, and by destroying crops everywhere else. A company order restricted the growth of nutmeg trees on the island of Banda; another imposed a ban on cloves on the island of Ambon. In all of the other Molucca Islands, trees had to be burnt and slashed, and any new plantation was forbidden under threat of severe punishment. Treaties were agreed upon with the indigenous people, which sometimes had to be imposed by force of arms. The Islands were closed to foreign ships, and contraband was watched day and night. The whole thing was organized in order to maintain a complete monopoly, and to prevent any price fluctuation in Europe." (Scherer, *op. cit.*, p. 259.)

After a few years of success that had surpassed all of its anticipations, the Dutch East India Company was transformed into a new colonial and political empire. The Dutch Company even made war against British colonial interests in Jakarta. The British knew precisely what the Dutch were up to, and they wanted a piece of the action. In 1618, Adm. Jean Koen fought the British in Jakarta. The city was burnt to the ground and the British were forced out permanently. The city was rebuilt in 1621, under the old Dutch feudal name—Batavia—and became the center of all of the Dutch operations in the Far East. Batavia then became known as the Pearl of the Orient. Such a monopoly expanded into India, into Ceylon in 1658, into Malacca (Malaysia), the Islands of Sonde, the Celebes, Timor, Borneo, Sumatra, and then beyond, into Thailand, Taiwan, China, and Japan.

Since the shareholders of the company were the ones fixing the prices, the "little green men under the floorboards of the stock exchange," in Amsterdam, kept improving the differences between the cost of buying cheap spices and selling them dear, which brought a profit from 200-300% per annum. In his *History of Dutch Commerce*, historian M. Lueder estimated that during 137 years, from its foundation in 1602 until 1739, the Company had bought for a total of 360 million florins, and sold for a total of 1,620 million florins: a spoiling of nature, and of the general welfare of the people of Holland and of the Far East, in the amount of 1.26 billion florins.

builder. Colbert's policy was to undertake and fund, from the royal coffers of Louis XIV, all forms of industry, mining, infrastructure canal building, city building, beautification of the land through *Ponts et Chaussées* (Bridges and Roads), *Arts et Métiers* (Arts and Crafts), including the promotion of all aspects of science through the creation of the Royal Academy of Sciences. under the leadership of Christian Huygens.

Thus, clearly, Colbert's idea of "the Advantage of the other" was aimed at benefitting future generations. It precluded primarily the idea of *competition*, a politically correct term for *enmity*.

Colbert's industrial protectionist system is generally known for four major reforms that marked the beginnings of the modern industrial nation-state: 1) He organized and funded a system of industrial corporations and infrastructure projects that provided job security for all types of skilled and non-skilled labor, that is, workers of all types of *arts et métiers*; 2) He established protectionist measures for all standardized French clothing products, such that no dumping of foreign goods was allowed in France, except at very high cost. Colbertism became synonymous with protectionism; 3) He funded and supported population growth, considering that war and ignorance were the two main causes of population reduction. He believed that the "government had to take care of its poor," and that its role was to foster the increase of the population density of the nation; and 4) He accompanied industrial measures with a reform of civil justice that became the first Civil Code of France, lasting 130 years until it was destroyed by the imperialist code of Napoleon at the turn of the 18th Century.

These four points were enforced with total energy and determination, and with the full backup of the King of France. In other words, the entire Colbert system of nation-building was based on state-controlled industrial development, combined with closely selected and productive private initiatives. Colbert looked at the nation as a farmer cares for his farm: The entire territory of France was meant to become the land where the common good was to grow unimpeded. He protected it, showered it with public funds, enriched it, and let others reap its beautiful fruits. He cultivated the common good by weeding out the privileges of aristocracy; he encouraged new industries and funded population growth by creating tax incentives and special bonuses for married couples. He put protectionist barriers all around France, against British, Dutch, and Belgian dumping. In one word, Colbert became the champion of skilled labor and the sworn enemy of commercial aristocracy, which had been living off their privileges as the feudal aristocracy had done, during the past centuries.

So, Colbert re-established the priority of the "common good, the "Commonwealth" of Louis XI."

The following case suffices to make the point.

During the 1660s, there persisted a three-century-old privilege that dated back to the shameful 1358 edict of Charles V, that stated that the laws of commerce "are made to profit

and favor each craft rather than the common good."<sup>5</sup> Colbert turned this on its head, instituting his first Edict on April 8, 1666, which was made to secure *all of the manufactures and factories of the kingdom* for the benefit of the common good. From that day on, Colbert wrote hundreds of measures and regulations until the entire garden of France began to bloom again, after the devastation of the religious wars.

From 1666 on, Colbert not only had a total control over the production of all French clothing goods, but he instituted a master's degree for the work force, in order to improve the quality of all manufacturing products.

Colbert invested about 5,000,000 pounds a year from the coffers of the King in new manufacturing investments. This money went for improvements in technology, for improving skills of the workers to raise the quality of the products, and for incentives to population growth. A lot of the new technologies were imported from Italy, Holland and elsewhere, to improve the quality of tapestries, linens, silks, etc.; but most of the improvement was done on location. Historian Pierre Clement reports that Colbert "stopped at nothing in order to fortify the new establishments; each dyeing manufacturer received 1,200 pounds of encouragement; the workers who married girls of the locality where they were employed, would receive a bonus of 6 pistoles, plus 2 pistoles at the birth of their first child. All apprentices were given 30 pounds and their own tools at the end of their apprenticeship. Lastly, the tax collectors were ordered to give a tax exemption of 5 pounds for those employed in certain more privileged manufactures."<sup>6</sup>

Colbert further established that all workers who married under the age of 20 were exempt from taxes (*tailles* and other public charges) for a period of five years, and four years if they married at 21. The very same advantages were extended to older workers who had 10 children, including those who died in combat. As of July 1667, all workers who had 10 children could receive a pension of 1,000 pounds a year, and 2,000 pounds a year, if they had 12 children. After 16 years of such a regime, from 1667 to 1683, the French population had reached a level of 20,000,000, the largest national population in all of Europe. The policy was called Colbert's "revenge of the cradles" (*revanche des berceaux*). The same policy was established in the French colony of Canada.

### Colbert's Reform of Justice

The reform of the civil justice system, in 1669, was one of Colbert's greatest and most enduring achievements. It was so efficient and complete that it became accepted as the Civil Code of France for a period of 138 years, until the feudalist faction of the French oligarchy replaced it with the Code Napoleon in 1807, and turned France, one more time, back to a fascist imperial police state. The Code Napoleon rules France to this day.

5. Pierre Clement, *Lettres, instructions, memoires, de Colbert*, Tome IV (Paris: Imprimerie Imperiale, 1867), p. 216.

6. Clement, *op. cit.*, p. 235.

## Principles of Westphalia

The Treaty of Westphalia of 1648, bringing an end to the Thirty Years' War, which had drowned Europe in blood in battles over religion, defined the principles of sovereignty and equality in numerous sub-contracts, and in this way became the constitution of the new system of states in Europe. We quote the two key principles:

**Article I** begins: "A Christian general and permanent peace, and true and honest friendship, must rule between the Holy Imperial Majesty and the Holy All-Christian Majesty, as well as between all and every ally and follower of the mentioned Imperial Majesty, the House of Austria . . . and successors. . . . And this Peace must be so honest and seriously guarded and nourished that each part furthers the advantage, honor, and benefit of the other. . . . A faithful neighborliness should be renewed and flourish for peace and friendship, and flourish again."

Peace among sovereign nations requires, in other

words, according to this principle, that each nation develops itself fully, and regards it as its self-interest to develop the others fully, and vice versa—a real "family of nations."

**Article II** says: "On both sides, all should be forever forgotten and forgiven—what has from the beginning of the unrest, no matter how or where, from one side or the other, happened in terms of hostility—so that neither because of that, nor for any other reason or pretext, should anyone commit, or allow to happen, any hostility, unfriendliness, difficulty, or obstacle in respect to persons, their status, goods, or security itself, or through others, secretly or openly, directly or indirectly, under the pretense of the authority of the law, or by way of violence within the Kingdom, or anywhere outside of it, and any earlier contradictory treaties should not stand against this.

"Instead, [the fact that] each and every one, from one side and the other, both before and during the war, committed insults, violent acts, hostilities, damages, and injuries, without regard of persons or outcomes, should be completely put aside, so that everything, whatever one could demand from another under his name, will be forgotten to eternity."

In the spirit of Mazarin, Colbert was able to launch a great offensive against the very powerful aristocracy of France, and go against all odds; that is, against both public opinion and backward local prejudices, to implement his reforms. He established a most sweeping reform of justice, succeeding in accomplishing what even the great Sully before him had attempted, but was not able to do. Colbert systematically extirpated venality (venal office, the practice of buying public offices and profiting from them). He established a system of state counsellors to replace the old civil order of Roman law, and totally transformed the traditional, regional, customs law. One of his most effective administrators and collaborators was the King's Counsellor to the Parliament of Toulouse (Court of Justice), the famous mathematician Pierre de Fermat.

As early as the reign of Louis X (le Hutin) (1314-16), judicial offices had been sold to the nobility at a minimal fee paid to the King, but which brought incredible profits to the office holders. This was done as a matter of course, under the absolutely trusting axiomatic assumption that "the monarchical system was based on honor and that the nature of honor is to have for Censor, the entire universe" (Montesquieu, *The Spirit of the Law*). This being the case, why should anyone raise an eyebrow about the "honesty" of any member of the Court to whom the public good was entrusted? As Montesquieu himself argued, after all, "No one believes he is lowering himself by accepting a public function."

However, the heart of man being everywhere the same, Colbert understood very well that, under any government, at

any time, the honor of fulfilling the duties of an office of state can always be mixed with a certain amount of contrived interest, which brings justice to tilt its balance on one side rather than the other. For example, public opinion had it, in those days of the monarchy, that the rich were not only better off, but also better educated than the rest of the population, and because of that, they had more dignity and impartiality; and since paying for their public office was a way to bring in money for the King, they demonstrated themselves less venal than others, and therefore should not pay any taxes; because the investment of their capital was obviously benefitting the kingdom more than did people with less money, and whose contribution to the common good was less than their own, and should therefore be made to pay taxes more readily. And, that is the way the balance of justice tilted for centuries.

The most famous example of abuse of public trust during that period was known as the Fouquet Affair, the scandalous case of the Superintendent of the Finances of King Louis XIV. In November of 1661, Colbert forced Nicolas Fouquet to be brought before the tribunal for having stolen an immense fortune from different public offices, and from the treasury of the King.

Acting as a central banker, and borrowing for the King and Mazarin—to whom bankers were told not to lend any money—Fouquet had been playing the interest rates game in his favor; and since he had all of the controls to blur the differences between public and personal interests, he was able to hide a huge fortune, until Colbert got a whiff of it. In one instance, Fouquet had managed to reassign to his own bank

account the values of a loan that was never made, but for which the State “repaid” him 6,000,000 pounds. During the last four months before his trial, he had managed to siphon off a total of 4,000,000 pounds in amounts of between 10,000 to 140,000 pounds that he stole from the different tax-farms of the Charente, Pied-Fourche, Lyon, Bordeaux, the Dauphine, etc. Fouquet had even prepared himself a fortified refuge in Belle-Isle, in case of disgrace.

In 1661, the government brought him to trial, where he was found guilty of massive embezzlement. All of his goods were confiscated, he was condemned to exile, and then later imprisoned for life in the fortress of Pignerol.<sup>7</sup>

## A Coup d’État Against the Oligarchy

In March of 1661, the 23-year-old King Louis XIV replaced Nicolas Fouquet with Colbert as the Superintendent of the Finances. If Louis XIV was so upset by corruption, it was not because of moral indignation, but because it was taking place under his watch. Colbert recognized that fact and did not miss a moment in applying the principle which Alexander the Great used to get his (indifferent) generals to act effectively.

Never was there as effective and universal a minister as Colbert, during the entire history of France. Formed at the school of Sully and Mazarin, Colbert served during 22 years successively as the Superintendent of Finances, Superintendent of Building Trade, Comptroller General, Secretary of State, Secretary of the Navy, Minister of Trade and Commerce, and last but not least, the equivalent of a Minister of Sciences and Technology. He made profound reforms in all of these public domains, including Criminal, Commercial, Police, Fine Arts, Water and Forest, etc.

After the scandalous trial of Fouquet was over, Colbert became a popular hero, and was given the green light for the creation of a Chamber of Justice that he had already proposed to Mazarin, back in 1659. This Chamber of Justice was composed of the different presidents and top counsellors of the Parliaments of Paris, Toulouse, Grenoble, Bordeaux, Dijon, Rouen, etc. In all, 27 judges were commissioned by Colbert, to clean up the biggest financial mess the nation had ever seen.

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7. “When Mazarin died,” wrote historian Pierre Clement, “leaving France in a state of peace on the outside, freed from the factions on the inside, but tired out, without resources, and scandalously exploited by any man who had 100,000 ecus to lend to the treasury at 50% interests; Colbert, who, for a long time, was following with diligence the progress of corruption, who knew all of its ruses and weaknesses, and who was revealing them to Louis XIV; Colbert whom the King consulted first in secret, because the need he had of him was so great; necessarily had to be brought into the Council and occupy the first place. His special skills, his antecedents, his character, his hard work, the important fortune of Mazarin that he administered so wisely during 15 years, but most of all the modesty of the functions he had held under the Cardinal, everything pointed him toward Louis XIV.” (Pierre Clement, *op. cit.*, p. 94.)

In his article, “Colbert’s Bequest to the Founding Fathers,” *EIR*, Jan. 3, 1992, historian Anton Chaitkin appropriately likened Colbert’s 1661 bold intervention to a real coup d’état.

Colbert’s edict, which circulated in every city of the kingdom, stipulated that all of the financial officers of the nation who had been at their posts since 1635 were required to establish a justification for all of their legitimate goods, including their inheritances, the acquisitions they had made, the amounts given to their children for anything from weddings to acquisition of offices. If the information were not given to the attorney general within eight days, all of their goods and properties were to be confiscated.

Colbert established all sorts of means to force the truth out in the open. The edict stipulated that the King would reward an accuser with the value of 1/6 of the fine given to anyone convicted of fraud, financial abuse, or embezzlement. On Sunday, Dec. 11, 1661, as well as on the following three Sundays, Colbert had all of the curates of the Paris churches make the announcement that the parishioners, under threat of excommunication, were obliged to speak out about all known financial abuse in their parish.

The first operations of the Chamber of Justice had created total panic throughout Paris. Friends of Fouquet, such as Vatel, Braun, and Gourville, left for London; others were tried and sentenced. After a few financiers were sent to the Bastille prison, the whole nation began to realize that Colbert really meant business. Then a lot of people began to be identified to the Chamber of Justice.

After Colbert made a public showcase of this insane system, the idea of buying a public office became so unpopular that people circulated a Colbert quip that said: “Each time the King creates an office, a new idiot is created to buy it.” The reforms were so sweeping that, in only a few years, a total of 419,000,000 pounds was recovered from the income of venal offices, and no fewer than 40,000 noble families were affected by this axiomatic change.

All of those funds were then invested in Colbert’s program of development of new industries. Slowly, but surely, the balance of justice began to tilt back toward the common good.

## The Royal Academy of Sciences

The greatest achievement of Colbert was the creation of the Royal Academy of Sciences and its technological projects. This was not just another academic teaching institution, but rather, a research center for scientific and technological development that had the mission of creating innovations in specific areas of scientific activities: to improve economic development in the fields of astronomy, chemistry, optical physics, geometry, geography, industrial engineering, canal building, agriculture, and navigation. Each area was to be oriented toward technological advances through the application of new discoveries of physical principles. This Colbertian Academy of Sciences became the model institution from which Gottfried Leibniz later created his academies in Berlin and St. Petersburg.

In 1662, Colbert’s good friend and collaborator, the Toulouse Counsellor of Parliament and mathematician Pierre de Fermat, joined Blaise Pascal, Gilles de Roberval, Pierre Gas-



*Colbert's Royal Academy's study of determination of longitude caused a major advance in the geographic knowledge of Europe by improving the accuracy of maps and sailing charts through the introduction of new geodesic studies (the Cassini maps). The result of three generations of work by the Cassini family was the first truly accurate map of France and its provinces, in 1744 (right). At left, Louis XIV visits the astronomy room of the Royal Academy of Science.*

sendi, and a few others, to form the core of a society that met regularly, and in private with Colbert, in the Royal Library, until the time the Academy was to be officially located in the Louvre Museum in 1699. Scientists and mathematicians from all over Europe were invited to join the new institution—all of whom had been challenged, in 1658, by the young Pascal into discovering a geometric construction for determining the characteristics of the cycloid curve.

The offers of salaries and pensions were very attractive, and the prospects of collaborating with the best scientists of Europe were even better. Colbert sent out personal invitations to the Dutch astronomer and geometer Christian Huygens, one of the few to have solved Pascal's cycloid problem; to the Italian astronomer and civil-military engineer Gian Domenico Cassini; to the young Danish astronomer who was to prove the speed of light, Ole Römer; to the German mathematician Tschirnhauss; to the German astronomer Johann Hevelius; to the Florentine geometer Vincent Viviani; and even to the British mathematician Isaac Newton. Huygens, Cassini, and Römer immediately accepted the invitations; others accepted a little later.

On Dec. 22, 1666, Huygens was nominated as the President of the Royal Academy.

Colbert believed that the most important means of securing the future of France was to persuade the young King to fund and support great scientific and technological projects that would both increase the power of the nation internally,

and extend its contributions abroad. There were several great projects of note. One was the determination of *longitude*, a project as old as the Platonic Academy of Alexandria, following through the astronomical discoveries of Erastosthenes and Hipparchus. This caused a major advance in the geographic knowledge of Europe by improving the accuracy of maps and sailing charts through the introduction of new geodesic studies (the Cassini maps), a precursor to the revolutionary study that Carl Gauss made two centuries later. This effort resulted in the first accurate knowledge of the Earth's geography. Parallel to it, was the creation of the Paris Observatory, and the successful grinding of very powerful telescope lenses, designed and hand-polished by Huygens himself.

The second and most far-reaching scientific breakthroughs came with new discoveries in the field of optical physics, especially the revolutionary discovery of principle by Römer in the determination of the finite speed of light; by Huygens in the discovery that light propagates in spherical waves; by Fermat in demonstrating *the principle of least time* in light refraction; and by Leibniz with the revolutionary application of his *least action* principle to optical processes by means of his calculus.<sup>8</sup>

A third project, involving the special collaboration of Huygens and Leibniz, was the development of a steamboat

8. See G.W. Leibniz, *The Discoveries of Principle of the Calculus in Acta Eruditorum*, eight unpublished translations by Pierre Beaudry.





Colbert presenting Riquet's plan to build the Canal du Midi, to Louis XIV in 1668, when it was approved.

invented by Denis Papin.<sup>9</sup> In 1673, Leibniz had also built a working model of a calculating machine with the collaboration of the Royal Librarian Pierre de Carcavy, and Huygens. It became such a success that he was immediately asked to build three models, one for the new Observatory, one for the King, and one for Colbert.

After Colbert died, in 1683, a new witch-hunt began against the Protestants of France, and the Academy suffered greatly when, in 1685, under the revocation by Louis XIV of the Edict of Nantes, which had guaranteed freedom of religion for Protestants since Henry IV. Ole Römer and the other “undesirable Protestant,” Christian Huygens, were forced out of the country. The Academy survived for a hundred years under Fontenelle, Condorcet, and Lavoisier, but it was ultimately destroyed in 1793 by the Jacobin counter-revolution.

### Continental Challenge to the ‘Sea Powers’

But the most immediate and powerful industrial result of Colbert’s Academy project, was the realization of the greatest hydraulic engineering masterpiece of the era—the Languedoc Canal.

The Languedoc Canal (built 1667-81), known also as the Canal du Midi, was a typical example of how Colbert, and his engineer protégé, Pierre-Paul Riquet, realized the Mazarin principle of the Peace of Westphalia. In fact, the Languedoc Canal represented, for several hundred years, the most advanced form of hydraulic technology in the world, and the most economical route for the transport of merchandise between the northern nations—Sweden, Denmark, Poland, Northern Germany, Belgium—and the southern nations of Italy, Greece, Venice, the Balkan States, Turkey, Africa, and the Orient. The construction of the canal provided a short-cut of 240 kilometers (145 miles) across France, saving 3,000

9. Philip Valenti, “Britain Sabotaged the Steam Engine of Leibniz and Papin,” *EIR*, Feb. 16, 1996; see also *Fusion*, December 1979.

kilometers represented by the detour around Spain; and an economy of taxes, by avoiding the Hapsburg Empire tolls at the choke point of Gibraltar.

Had the British and Dutch monopolies of the time been reasonable in their trade negotiations with France, this *fair-trade* system would have also brought down their costs of goods.

As far as external commerce is concerned, Colbert always extended the same *fair trade* policy to all nations, including the liberal free-traders Holland and England. But, neither the liberal Dutch nor the English accepted Colbert’s policy of fair trade. That is why Colbert had to send his toughest ambassador to London: his own brother, Charles Colbert de Croissy, the same who had served Mazarin as ambassador to Vienna in 1660.

After a number of tough negotiating years, in which Charles Colbert was forced to make a certain number of sacrifices, an amusing point of contention came up that could serve as a precursor to the antics of Lewis Carroll in *Alice in Wonderland*. In 1669, Colbert reminded his ambassador “not to be duped” by British pretensions on the high seas; the issue related to the British Admiralty requesting the right to be *saluted first* on all of the seas of the globe.

In a letter dated July 21, 1669, Colbert wrote his brother a note in which he stated: “As far as the Ocean is concerned, even though they [the British] are the more powerful, we have not, until now, come to the view that their pretended sovereignty has been recognized; therefore it pertains to the common good of the two nations, and of the interests of the two kings, to establish this parity on all of the seas. . . . As for the treaty on commerce, the ideas of Lord Arlington are very reasonable, since they tend to establish a reciprocal treatment between the two Kingdoms.”

Colbert ended up recommending that “salutes” be considered optional; but the liberal free-trade policy of England remained on a steady course.

The control of sea-lanes by the financial oligarchies of maritime powers such as the Venetians or the British-Dutch East India company monopolies, was being challenged by Colbert’s emphasis on a dirigist continental infrastructure project, as the growth principle for economic development of sovereign nation-states. The same principle is applicable today, with the LaRouche Eurasian Land-Bridge concept, in which all European governments see the benefit of Asiatic nations as the natural outlet for their export of technologies. The soon-to-be-signed agreements for the extension of the German-Chinese magnetic-levitation Transrapid train, already commercialized in Shanghai since Jan. 1, 2003, are a prime example of this type of fair trade, technology-sharing policy.

### Economics of Generosity: The Languedoc Canal

The Languedoc Canal Project was the greatest project of the 17th Century: a triumph of engineering skills, built by a

self-made geometer-engineer, Pierre-Paul Riquet. This Herculean task, which had been deemed impossible since Roman times, was a gigantic water infrastructure work that Charlemagne himself had dreamed of building. In 1516, François I had asked Leonardo da Vinci's advice on the feasibility of a canal in that region of France. Leonardo actually spent his last years in Amboise, studying possible canal connections between the Loire and the Seine Rivers. Other studies had been made for a canal through the Languedoc region during the reigns of Charles IX, Henry III, Henry IV, and Louis XIII.

It was not until Colbert that a solution, to what had become known as the impossible Canal du Midi, was discovered.

There were four main reasons for the construction of this great canal. First of all, coming out of the Thirty Years' War, this canal project corresponded to a greatly needed change of strategy and of political economy for the entirety of Europe. As we have said, the crossing of France by canal, between the Atlantic Ocean and the Mediterranean Sea, provided French and allied ships with a strategic by-pass of Gibraltar, an area that had become very dangerous, and quite costly, during the interminable wars with Spain and the Austrian Hapsburg Empire.

Secondly, the canal set the example for joint public and private infrastructure development projects along waterways of any nation, providing improvements for land-locked areas, and opening them up to increasing exchange of cultures with other regions and other nations. Moreover, both the King and Riquet were to receive a regular income stream from low-cost tolls. The canal was going to pay for itself in a very short period of time, and provide for a small margin of profits for repairs and for the introduction of new technologies. Riquet made it explicit that he had no intention of building the canal for the purpose of financial gains.

Thus, the Peace of Westphalia trade and commerce studies, made earlier by Mazarin for the benefit of the seven river regions of the Hapsburg Empire, became a renewed focus of interest. The canal was going to create the greatest import-export capabilities ever imagined for that time.

Thirdly, the canal provided for an extraordinary increase of economic activities in the Province of Languedoc itself, where High Languedoc wheat production could be shipped easily eastward to the wheat-starved Lower Languedoc region. In exchange, the Lower Languedoc production of excellent wines could be easily shipped westward, while the linen and silk goods of Lyons could also travel the same route.

This corridor also provided the entire region from Toulouse to Béziers with the development of new olive groves, vineyards, greater expansion of granaries in the Lauragais region, new trade companies and mills, and prospects for mining. The more farsighted citizens of Castelnaudary, for example, even paid Riquet to divert the canal toward their town. Riquet had also projected the creation of new towns along the canal route.

Fourthly, and not least, the entire course of the 240-kilometer-long canal was going to be carved within one of the

most beautiful landscapes in the world, and was going to be covered with 130 arched bridges built by the "beautifying engineers" of the *Ponts et Chaussées*. Colbert and Riquet were both of the conviction that if it is beautiful, it is useful!

### Riquet's 'Parting of Waters' Paradox

However magnificent the idea was, and however great the advantages were anticipated to be, all of the proposals to link the Atlantic Ocean and Mediterranean Sea with a canal, during a period of 1,000 years, were demonstrated to be totally impracticable, and plans presented by the best engineers in the world, were rejected each time.

There were two ostensible reasons why this project was considered to be impossible. One was that the two rivers flowing respectively into the Atlantic and the Mediterranean—the Garonne and the Aude—could not be connected because of difficulties of terrain between them; and the technology to raise any great quantity of water upwards of 190 meters above sea level did not exist. The other reason was that there was no other visible source in this quasi-desert region of Provence that could provide the canal with the required amounts of water.

However, there was a third and more profound and subjective reason. All of the canal plans were rejected because none of them reflected the necessary discovery of principle that would make it work. Just as Brunelleschi had discovered the physical geometric principle of the catenary for the erection of the "impossible" Dome of the Florence cathedral, Riquet had discovered the required physical geometric principle that solved the problem of the "impossible" Languedoc Canal.

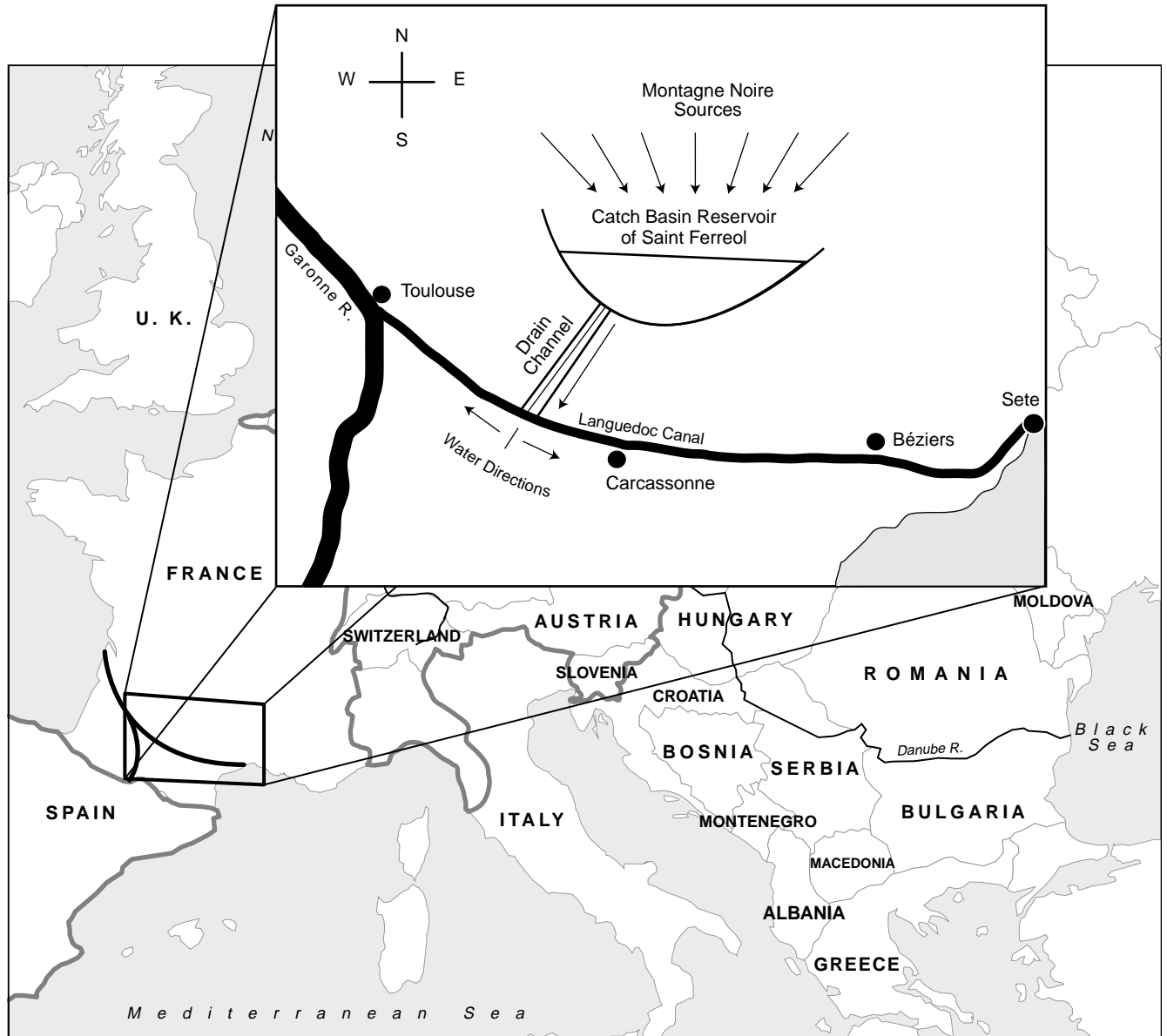
Pierre-Paul Riquet (1604-80) was a descendent of a Florentine family by the name of Arrighetti, changed to Riquetty, and then to Riquet. His father, the Count of Camaran, who was a public prosecutor for the Crown, educated his son in public management, and got him a post in the administration of Béziers in the Languedoc region. As a young man, Riquet attended the council meetings of the Counts of Languedoc with his father, at which there were several presentations of canal projects "linking the two seas." After witnessing several unsuccessful debates on the question, Pierre-Paul Riquet became passionate about finding a solution to this "impossible problem."

Since Riquet did make the discovery, and built the canal, the following description must hold some truth, with respect to the discovery which must have happened in the mind of this great man.

One day, a paradox must have struck Riquet; an anomaly in the form of a simple question must have struck him: "How can the flow of a canal go in two directions at once?" In a way, it was a very simple question; but none of the other engineers over centuries, who had looked instead for ways to connect up the river courses of Languedoc, seemed to have approached the problem quite this way.

That the question was vital to Riquet, is shown by the fact that he had a drawing made, some time after his discovery, to

FIGURE 2  
**The Languedoc Canal, Great Project of the 17th Century**



Source: EIRNS.

*The Languedoc Canal bridging the Atlantic and Mediterranean Seas across southern France, built between 1667 and 1681, had been desired for centuries before that. It required solving the problem of a water source, in order to flow in two directions, east and west. It was the greatest civil engineering project of the 17th Century, contributing to shifting commerce from “free-trade” control of sea lanes toward fair-trade development in the interior of the continent. The project became a model for much larger continental projects such as the Rhine-Main-Danube Canal built during the 20th Century.*

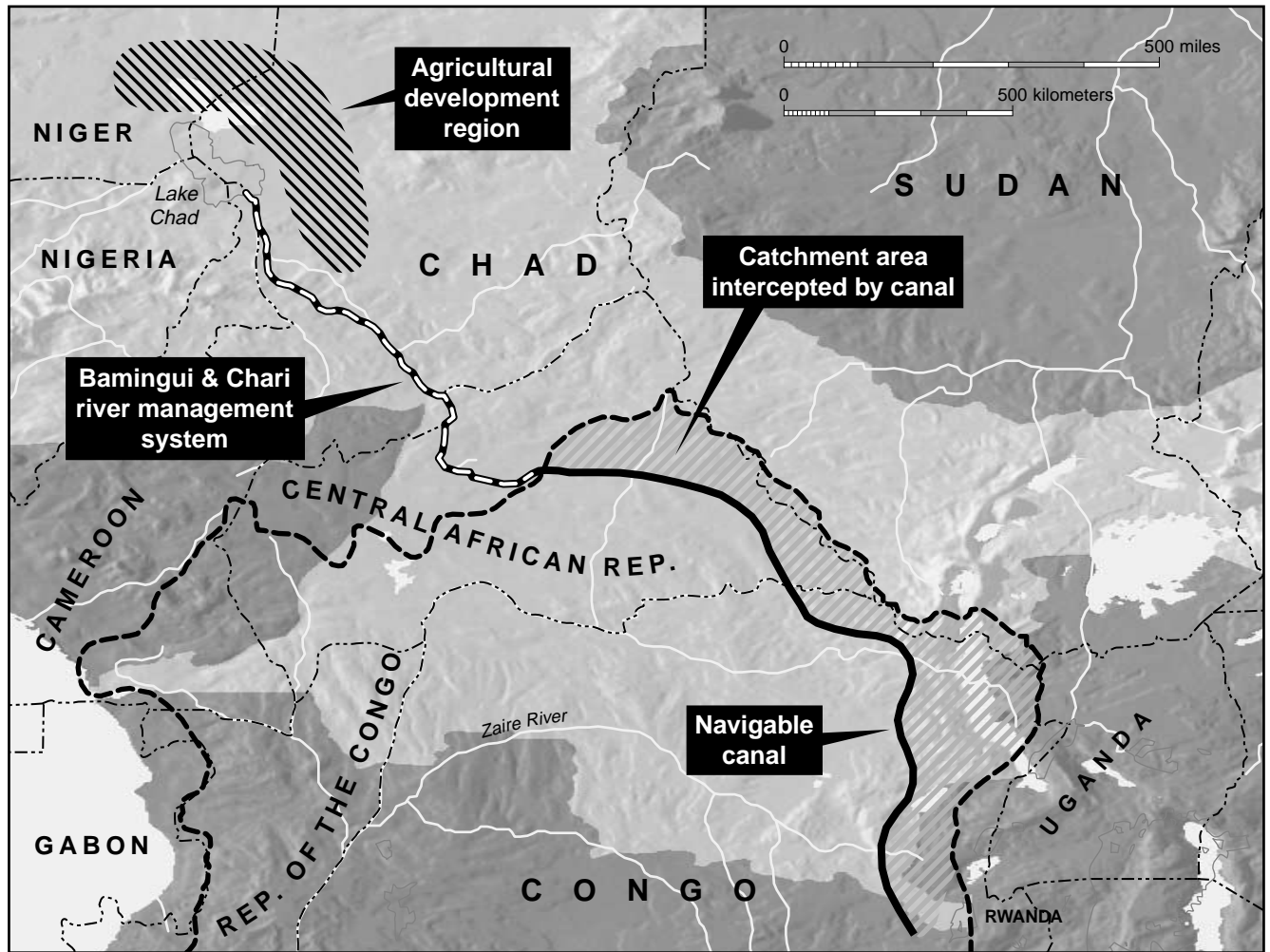
commemorate a pedagogical reconstruction of his principle. It showed himself demonstrating to the Commissioners of the King and of the States, the solution to the problem that he had called—in a reference to the Moses miracle at the Red Sea—“the parting of the waters.”

The drawing simply shows how a stone, placed before the

water rising from the Fontaine La Grave, on the Plateau de Naurouze, divided the stream of water into two opposite directions, one part flowing west, toward the Atlantic Ocean, and the other flowing east, toward the Mediterranean Sea. Riquet’s paradox had become a metaphor for what he then began to call the “canal of the two seas.” He had generated a

FIGURE 3

**The Transaqua Project**



*The same principle applied to a proposed infrastructural great project today: the plan to create a canal to recharge the disappearing Lake Chad in Africa’s Sahel, by draining part of the catchment area of the Zaire River’s great flow. The urgent project will not be done without the kind of public credit strategy pioneered by Colbert, known since then as “dirigism.”*

solution in principle to the “impossible” canal.

The “canal of the two seas” became his life’s mission. Year in and year out, Riquet made experiments, created model projects on his own land, and studied different locations around Montagne Noire, travelling the distance many times, searching for the solution to the source of water that would connect the two seas. If the illustration of the “parting of the waters” showed the principle, the fulfillment of that principle was going to be another matter altogether.

There was only one ideal spot in the entire expanse between the two seas where Riquet’s principle could be applied, and that had to be precisely at the highest point that divided the entire region between West and the East. And when Riquet found that unique spot, there was no source of water at that location.

**The Engineering Task**

It was not until the ripe age of 58, after serving the government of Colbert, as a comptroller of the Salt Tax (*gabelle*) in the region of the Languedoc for 20 years, that Riquet confirmed his hypothesis by conducting a crucial experiment. By that time, he had enough of a personal fortune to invest in his “grand design,” as he called it. Riquet asked Colbert to let him resign, and to hire him as chief engineer of the canal project. Colbert agreed, and got his Toulouse Counsellor, Pierre de Fermat, to authorize the project that was going to be built in his jurisdiction.

Riquet was able to solve his paradox by demonstrating how the result of its resolution was going to express itself in the increase of man’s mastery over nature, a definite *increase in potential relative population density*. He knew beforehand,



*The Languedoc Canal is still in regular use 330 years after its “impossible” construction (here, one of its beautiful bridges carries the canal at Béziers near the Mediterranean terminus). Its revolutionary features included even the lining of the canal with plantain trees, whose leaves Riquet determined would provide a waterproof “cover” for the canal bottom.*

that the construction of the canal would create an expansion in markets inward and outward, which would result especially in the increase of French production of wheat, wines, and fabrics being exported toward England, Sweden, Germany, Holland, Italy, Greece, and so forth.

A Languedoc teacher, Philippe Calas, living today near Béziers, shows on his website called “Le Canal du Midi en Languedoc,” how Riquet tackled the different engineering problems. He writes: “But there was one overwhelming problem facing all of these would-be canal builders: how to supply such an engineering work with water? One part of the route represented no such problem. The section from Toulouse to the Atlantic could be achieved by the canalization of the River Garonne, navigable along this stretch. But from Toulouse at one end of the canal proper, to sea level at the other (Mediterranean end), the canal would have to rise to a summit of 190 meters. How could enough water be found to keep the canal flowing at a constant rate, and at what point should this water be supplied to it in order to distribute it evenly to the western section flowing toward Toulouse and the eastern section flowing towards Béziers?”

And who would be foolish enough to think that such a fantastic source of water could ever be found in the quasi-barren mountains of the Languedoc?

As soon as he was ready to make his experiment known, Riquet wrote to Colbert, who immediately saw the solution, and was won over to the project. Colbert always appreciated the character of a man who could not be shaken from a true discovery, and he knew he could absolutely count on Riquet to bring the great work to success, if he gave him the necessary back-up. The engineering task was to assemble enough water into a catch basin—from what today would be called a “catchment area” of subsurface water—and at the highest altitude, which could supply all of the necessary water to flow with

gravity continuously into a westward slope toward the Atlantic and into an eastward slope toward the Mediterranean, each in a controlled manner.

Riquet found several hidden springs and streams in the vicinity of Montagne Noire, less than halfway between Carcassone and Toulouse, which could supply a reservoir to be built at Saint Ferriol. This reservoir of water had to hold a large enough supply of water to feed the canal all year round, including during periods of extreme drought, which occurs regularly in Provence. The reservoir was also to be supplemented by three additional sources—the Sor River, the Alzau stream, and the Fresquel River. A series of secondary basins had also to be constructed, to control the deliveries of the many flows.

## Canal and Ports du Midi

In his first testing experiment, Riquet spent 200,000 pounds to build a drainage trench demonstrating to the Council of the State of Languedoc how the whole system would work. At that occasion, on Nov. 27, 1664, Riquet wrote to Colbert saying: “But in this case [the drainage trench experiment], I am putting at risk both my fortune and my honor, and they won’t fail me. In fact, it seems more reasonable that I shall acquire a little more of one as well as of the other, when I come out of this successfully. I hope to be in Paris during the month of January next. . . . And then, Monseigneur, I shall have the honor of telling you, in person, and in a better fashion, all my sentiments on the subject. And you will find them reasonable because I will have established precise propositions that will consequently be in accordance with your wish; and in which case I shall follow my natural inclination of frankness and freedom, and without quibbling.”

On May 25, 1665, Riquet was in Paris meeting with Colbert, who gave him his patent papers, securing him in his rights of ownership. Two months after, on the last day of July, Riquet wrote Colbert, filled with the excitement of Archimedes coming out of his bathtub. His experiment was a total success! He wrote: “Many people will be surprised to see how little time I have taken, and little expense I have used. As for the success, it is infallible, but in a totally new fashion, that no one ever thought of, including myself. I can swear to you that the pathway I have now discovered had always been unknown to me, regardless of all the efforts I had made in attempting to discover it. The idea came to me in Saint-Germain, which is quite far away, and my musing proved me right about those locations.”<sup>10</sup>

By 1666, after Riquet had developed extensive feasibility studies and established the financial conditions for the construction of the entire canal, he got permission from Colbert to begin the first phase of construction. The entire project was going to be built in three phases, and be financed both through private means (Riquet’s) and by the State. Phase one, which was to be financed entirely by Riquet himself, included the

10. Pierre Clement, *Lettres, Instructions et Memoires de Colbert*, p. 305.

hydraulic work of a catch basin—the Saint Ferriol reservoir at the foot of Montagne Noire—with a capacity of 6,000,000 cubic meters of water, the largest man-made lake ever built up to that time; and the building of the Toulouse-Trebes section of the canal going west toward the Atlantic. This reservoir was going to supply the water for the entire work. The second phase, to be financed by the State, included the canal section from the reservoir to the fishing village of Cette (today called Set), on the Mediterranean. The third phase, also to be financed by the State, included the creation of a major seaport facility at Set.

Moreover, the canal presented several extremely difficult engineering feats, such as having to go through the Malpas Mountain in an excavated tunnel of 173 meters in length, and then flowing on top of a bridge for several hundred yards over the Ord River. The entire project originally contained 75 locks, took 14 years to build, and cost the royal treasury more than 7,700,000 pounds, not including the 4,000,000 pounds invested by Riquet personally. Louis XIV and Jean-Baptiste Colbert inaugurated the canal at Set, on May 24, 1681.

Although Riquet, who died eight months earlier, had not lived to see his masterpiece of engineering completed, he had lived and communicated to others the joy of immortality, and was comforted in the knowledge that he had brought a great contribution to mankind. At the turn of the 18th Century, the famous military engineer and admirer of Riquet, Marshal de Vauban, made some important improvements and a number of significant additions to the canal. Today, the canal is still in operation, for both trade and tourism.<sup>11</sup>

Riquet had also broken new grounds in fostering “the Advantage of the other” by providing exceptional benefits for his own workers. The Canal Company had a 12,000-man workforce, divided into 240 brigades of 50 men each. These represented the best-paid workers of the period for this type of construction work. Riquet had gotten from Colbert a royal order to pay, for the security of his workers. The salary of 10 pounds a month per worker included inexpensive living quarters, Sundays and religious and national holidays off, plus complete medical coverage and full disability in case of illness. The royal order also stipulated that “those who present themselves must be fit to do the work, not incapacitated in any way, and must not be younger than twenty years of age or older than fifty.” Riquet’s enemies were very upset, because

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11. Sebastien Le Prestre, Marquis de Vauban (1633-1707), was a Marshal of France and a military engineer who had studied Leonardo da Vinci and especially the great works of Pierre-Paul Riquet. A member of the Academie des Sciences, Vauban distinguished himself by establishing the most advanced form of modern fortification, and surrounding France with a defensive shield by rebuilding more than 300 fortified cities, and creating 37 new ones. (Fort McHenry, located in Baltimore, Maryland, is a typical Vauban fortification.)

Vauban was a Colbertian economist who was preoccupied mostly with improving the conditions of labor, and who considered that “work is the principle of all wealth.” Louis XIV unjustly disgraced him, but it was in honor of Vauban that Saint-Simon created the French word *patriote*.

other workers in the region of Languedoc began to demand similar working conditions.

Riquet’s royal charter for the protection of his labor force was the first of its kind in the history of Europe, guaranteeing the equivalent of good “union wages and conditions.”

## The Principle of Discovery

How was Riquet’s canal plan going to guarantee success, when all of the others had failed? How can you guarantee that the LaRouche project of the Eurasian Land-Bridge will succeed, when all free-trade proposals have miserably failed? The answer to these questions lies in the fact that both Riquet and LaRouche understand the principle of discovery. The irony of Riquet’s discovery was that, while everybody else was trying to use the waters of two rivers whose flows were contrary, and could not be made to climb up to 190 meters above sea level, Riquet solved the problem by tapping the waters of far away desert streams, up to 65 kilometers away from the canal’s path, and sent them flowing into the only spot from which “the parting of the waters” could send the flows down into two directions at once. The idea was brilliant and the fruit of a true genius.

It is amazing how apparently unsolvable problems get resolved, when they are viewed from outside of the domain of sense perception. Riquet’s project was so successful, that when Marshal de Vauban visited the site a few years after its completion, he remarked: “There is, however, something missing here: there is no statue of Riquet.”

In May of 1788, a year after visiting the South of France, Thomas Jefferson sent some notes about the construction of the Canal of Languedoc to George Washington. Jefferson wrote: “Having in the Spring of the last year taken a journey through the southern parts of France, and particularly examined the canal of Languedoc, through its whole course, I take the liberty of sending you the notes I made on the spot, as you may find in them something perhaps which may be turned to account some time or other in the prosecution of the Patowmac [Potomac] canal.” Jefferson’s acute interest in the Canal du Midi is one more example showing how the economics of the Peace of Westphalia had found its manifest destiny in America.<sup>12</sup>

Under Colbert’s policy, France once again embraced the “principle of benevolence” that Louis XI had institutionalized from the sublime courage of Jeanne d’Arc. The so-called “religious wars” which had decimated Europe for over a century and a quarter, were stopped and overcome. Never, during such a short period as the Mazarin-Colbert reforms, had so much evil been defeated by such a simple and effective principle as “the Advantage of the other,” or the common good. Without it, the Peace of Westphalia of 1648, and the era of sovereign nation-states which it launched, would not have been possible.

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12. Roy and Alma More, *Thomas Jefferson’s Journey to the South of France* (New York: Stewart, Tabori & Chang, 1999), p. 157.

## Synarchism: The Fascist Roots Of the Wolfowitz Cabal

by Jeffrey Steinberg

In 1922, Count Richard Coudenhove-Kalergi launched the Pan European Union, at a founding convention in Vienna, attended by more than 6,000 delegates. Railing against the “Bolshevist menace” in Russia, the Venetian Count called for the dissolution of all the nation-states of Western Europe and the erection of a single, European feudal state, modeled on the Roman and Napoleonic empires. “There are Europeans,” Coudenhove-Kalergi warned, who are “naïve enough to believe that the opposition between the Soviet Union and Europe can be bridged by the inclusion of the Soviet Union in the United States of Europe. These Europeans need only to glance at the map to persuade themselves that the Soviet Union in its immensity can, with the help of the [Communist] Third International, very quickly prevail over little Europe. To receive this Trojan horse into the European union would lead to perpetual civil war and the extermination of European culture. So long, therefore, as there is any will to survive subsisting in Europe, the idea of linking the Soviet Union with Pan Europe must be rejected. It would be nothing less than the suicide of Europe.”

Elsewhere, Coudenhove-Kalergi echoed the contemporaneous writings of British Fabian Roundtable devotees H.G. Wells and Lord Bertrand Russell, declaring: “This eternal war can end only with the constitution of a world republic. . . . The only way left to save the peace seems to be a politic of peaceful strength, on the model of the Roman Empire, that succeeded in having the longest period of peace in the west thanks to the supremacy of his legions.”

The launching of the Pan European Union was bankrolled by the Venetian-rooted European banking family, the Warburgs. Max Warburg, scion of the German branch of the family, gave Coudenhove-Kalergi 60,000 gold marks to hold the founding convention. Even more revealing, the first mass

rally of the Pan European Union in Berlin, at the Reichstag, was addressed by Hjalmar Schacht, later the Reichsbank head, Economics Minister and chief architect of the Hitler coup. A decade later, in October 1932, Schacht delivered a major address before another PanEuropa event, in which he assured Coudenhove-Kalergi and the others, “In three months, Hitler will be in power. . . . Hitler will create PanEuropa. Only Hitler can create PanEuropa.”

According to historical documents, Italy’s Fascist dictator Benito Mussolini was initially skeptical about the PanEuropa idea, but was “won over” to the scheme, following a meeting with Coudenhove-Kalergi, during which, in the Count’s words, “I gave him a complete harvest of Nietzsche’s quotes for the United States of Europe. . . . My visit represented a shift in the behavior of Mussolini towards PanEuropa. His opposition disappeared.”

At the founding congress of the Pan European Union in Vienna, the backdrop behind the podium was adorned with portraits of the movement’s leading intellectual icons: Immanuel Kant, Napoleon Bonaparte, Giuseppe Mazzini, and Friedrich Nietzsche.

### Bankers’ Fascism

The pivotal role of Schacht in the Hitler coup and in the Pan European Union, highlights a critical dimension of the universal fascist scheme: the top-down role of the financial “overworld” and its banking technocrats. By all historical accounts, Schacht was the architect, in 1930, of the Bank for International Settlements (BIS), along with the Bank of England’s Montagu Norman. Historian Carroll Quigley, in his epic book, *Tragedy and Hope—A History of the World in Our Time* (New York: MacMillan Company, 1966), described the BIS scheme to establish a dictatorship over





*At its core, the Synarchist international—like its front group Pan European Union—sought to create a one-world tyranny, modeled on the imperial reign of Napoleon Bonaparte, as a “counter to anarchy and terrorism.”*

world finance:

“The powers of financial capital had another far-reaching aim, nothing less than to create a world system of financial control in private hands able to dominate the political system of each country and the economy of the world as a whole. This system was to be controlled in a feudalist fashion by the central banks of the world acting in concert, by secret agreements arrived at in frequent private meetings and conferences. The apex of the system was to be the Bank for International Settlements in Basle, Switzerland, a private bank owned and controlled by the world’s central banks which were themselves private corporations. Each central bank, in the hands of men like Montagu Norman of the Bank of England, Benjamin Strong of the New York Federal Reserve Bank, Charles Rist of the Bank of France, and Hjalmar Schacht of the Reichsbank, sought to dominate its government by its ability to control Treasury loans, to manipulate foreign exchanges, to influence the level of economic activity in the country, and to influence cooperative politicians by subsequent economic rewards in the business world.”

Quigley highlighted the role of Schacht’s closest ally in the BIS scheme, Bank of England Governor Norman, who headed the privately owned British institution for an unprecedented 24 years (1920-44). “Norman was a strange man,” Quigley reported, “whose mental outlook was one of successfully suppressed hysteria or even paranoia. He had no use for governments and feared democracy. Both of these seemed to him to be threats to private banking, and thus to all that was proper and precious in human life. Strong-willed, tireless, and ruthless, he viewed his life as a kind of cloak-and-dagger

struggle with the forces of unsound money which were in league with anarchy and Communism.”

Montagu Norman and Hjalmar Schacht personified the banking overworld, that bankrolled and installed Hitler and the Nazis in power, in pursuit of their larger, universal fascist scheme.

Even more damning were the profiles of Schacht and Norman and their role in the Hitler project, in *The Hitler Book*, by a Schiller Institute research team, headed by Helga Zepp-LaRouche (New York: New Benjamin Franklin House, 1984):

“The BIS, nominally set up after the breakdown of ‘normal’ international financial relations in order to prevent a downward spiraling of international payments, in fact finished off the hapless Weimar Republic by its stern refusal to come to the help of a virtually bankrupt Germany in the crucial summer of 1931, after the Danat Bank collapse had brought the whole nation to its knees. Schacht, who had been a member of the original BIS team and

was to return to its board from 1933 through 1938, had been campaigning since his 1930 resignation as head of the Reichsbank, for Anglo-American support for a takeover by the NSDAP [Nazi Party] and its leader, Herr Hitler. He had resigned on March 7, 1930 and the BIS was formally established in June. In September, he was off to London and the United States, to ‘sell’ the Nazi option to the Anglo-American leadership, notably Bank of England governor and BIS director Montagu Norman, and the already influential Dulles brothers of Sullivan & Cromwell law firm, one of America’s most influential—and the attorneys for IG Farben, and many other large German companies and provincial governments. Schacht’s Hamburg friend and colleague, patrician Nazi Gerhard Westrick, ran the correspondent law firm to Dulles’s in Germany.”

On March 16, 1933, a grateful Hitler brought Schacht back as head of the Reichsbank, explained *The Hitler Book*. A year later, Schacht was made Economics Minister. “Now, the BIS was going to help the Third Reich—by 1939 it had no less than several hundred million Swiss gold francs invested in Germany. On the BIS board were Baron Kurt von Schröder, by now a general in the SS Death’s Head Brigade; Dr. Hermann Schmitz of IG Farben—whom Schacht had trained at the imperial economics ministry from 1915 on—and, later, Hitler’s two personal appointees, Walter Funk and Emil Puhl of the Reichsbank.”

### **File: ‘Synarchist/Nazi-Communist’**

The larger universal fascist schema, into which the Norman-Schacht “Hitler project” fit, was well known to leading



*The Wolfowitz cabal's mentor, the late German fascist philosopher Leo Strauss (left), worked in close partnership with hard-core Synarchist Alexandre Kojève (right), and sent his students to Kojève to study the value of "purgative violence."*

American intelligence, military, and diplomatic figures of the Franklin Roosevelt era, who maintained exhaustive files under such headings as "Synarchist/Nazi-Communist."

U.S. government archives from the FDR era, which were made available to *EIR* researchers, feature extensive intelligence reports on the international fascist plots, from the files of the U.S. State Department; U.S. Army Intelligence and Navy Intelligence; and the Coordinator of Information (COI), and its successor, the Office of Strategic Services (OSS). These files are of immediate relevance today, given the ongoing coup d'état in Washington by the disciples of Leo Strauss, Alexandre Kojève, and Carl Schmitt inside the George W. Bush Administration. Kojève and Schmitt were leading figures in the wartime "Synarchist" conspiracy, and they personified the perpetuation of that universal fascist plan and apparatus into the postwar period.

Already, following *EIR*'s lead, major American and European newspapers have identified such putschists as Paul Wolfowitz, Abram Shulsky, William Kristol, John Ashcroft, Steve Cambone, and Gary Schmitt as the offspring of the late University of Chicago Prof. Leo Strauss; Strauss, in turn, was the life-long collaborator and promoter of Nazi jurist Carl Schmitt, official Nazi philosopher and Nietzsche revivalist Martin Heidegger, and French Synarchist Alexandre Kojève—all unabashed advocates of tyranny as the only appropriate form of government. Although the May 4 *Sunday New York Times* feature off-handedly mentions Kojève as Strauss's colleague, without further identification, all of the major media coverage has been sanitized of any discussion of the overtly fascist/Synarchist roots of the Straussian creed.

Nevertheless, there are growing indications that some elements within the U.S. political institutions—particularly the military and intelligence communities, which comprise an important element of what Lyndon LaRouche refers to as "the

institution of the U.S. Presidency"—are waking up to the cruel reality that a small group of universal fascists has seized the reins of power and is steering an ill-equipped President George W. Bush, the United States, and the rest of the world into a maelstrom of perpetual war and chaos.

A timely review of the history of the 20th-Century Synarchists is, therefore, in order, to enable those political circles already shocked into action, to understand the nature of the enemy, and exploit the greatest weakness of these Straussian would-be putschists—their open embrace of universal fascism, otherwise known as "Synarchism."

## The Langer Study

As *EIR* reported on May 9 ("Dick Cheney Has a French Connection—To Fascism"), in 1947, OSS veteran and Harvard Prof. William L. Langer assembled the official history of the Roosevelt Administration's dealings with Vichy France. *Our Vichy Gamble* was based on an exhaustive review of wartime archives, buttressed by interviews with top American officials, including OSS head Gen. William Donovan and President Franklin Roosevelt himself.

Langer minced no words in discussing the Synarchist circles in Vichy France. Referring to Adm. Jean François Darlan, who, along with Pierre Laval, was among the most notorious of the Vichy collaborationists with the Nazis, Langer wrote: "Darlan's henchmen were not confined to the fleet. His policy of collaboration with Germany could count on more than enough eager supporters among French industrial and banking interests—in short, among those who even before the war, had turned to Nazi Germany and had looked to Hitler as the savior of Europe from Communism. . . . These people were as good fascists as any in Europe. . . . Many of them had long had extensive and intimate business relations with German interests and were still dreaming of a new system of 'synarchy,' which meant government of Europe on fascist principles by an international brotherhood of financiers and industrialists."

*EIR* is in possession of many of the documents that Langer reviewed, in preparing *Our Vichy Gamble*. They offer an in-depth study of a fascist apparatus, whose European-wide tentacles extended into France, Germany, Britain, Spain, Italy, the Netherlands—and, across the Atlantic, inside the United States. One particularly revealing document, prepared by the Coordinator of Information in November 1940, focussed on the Synarchist strategy towards England and America. The document was called, "Synarchie and the Policy of the Banque Worms Group."

The unnamed author began, "In recent reports there have been several references to the growing political power of the Banque Worms group in France, which includes amongst its members such ardent collaborationists as Pucheu, Benoist-Mechin, Leroy-Ladurie, Bouthillier, and representatives of big French industrial organizations." Under the subtitle, "Similarity of aims of 'Synarchie' and Banque Worms," the



*Hitler with Finance Minister Hjalmar Schacht, who along with Bank of England head Montague Norman (right) brought Hitler to power, and who was pivotal in pre-WWII Synarchism. A U.S. intelligence official's 1947 book said Synarchism "meant government on fascist principles by international financiers and industrialists." French military intelligence called it "organized and financed in all countries by certain elements of industrial CEO's and high banking circles."*

report continued, "The reactionary movement known as 'Synarchie' has been in existence in France for nearly a century. Its aim has always been to carry out a bloodless revolution, inspired by the upper classes, aimed at producing a form of government by 'technicians,' under which home and foreign policy would be subordinated to international economy. The aims of the Banque Worms group are the same as those of 'Synarchie,' and the leaders of the two groups are, in most cases, identical."

The "Banque Worms group" was closely allied with the Lazard banking interests in Paris, London, and New York, and with Royal Dutch Shell's Henri Deterding. Hippolyte Worms, the bank's founder, was one of 12 initial Synarchist Movement of Empire (SME) members, according to other French police and intelligence reports.

The report itemized the aims of the Synarchists, as of August 1940: "to check any new social schemes which might tend to weaken the power of the international financiers and industrialists; to work for the ultimate complete control of all industry by international finance and industry; to protect Jewish and Anglo-Saxon interests; . . . to take advantage of Franco-German collaboration to conclude a series of agreements with German industries, thereby establishing a solid community of interests between French and German industrialists, which will tend to strengthen the hands of international finance and industry; . . . to effect a fusion with Anglo-Saxon

industry after the war."

The author of the COI study reported, "There is reason to believe that both [Hermann] Göring and Dr. [Walther] Funk are in sympathy with these aspirations," and that "Some headway is claimed to have been made in securing the adhesion of big U.S. industry to the movement."

### **Beaverbrook and Hoare**

The COI study's segment regarding "Policy in regard to Great Britain," elaborated the following Synarchist plan: "To bring about the fall of the Churchill Government by creating the belief in the country that a more energetic government is needed to prosecute the war; it is recognized that

an effective means of creating suspicion of the Government's efficiency would be to induce the resignation of Lord Beaverbrook; to bring about the formation of a new Government including Sir Samuel Hoare, Lord Beaverbrook and Mr. Hore-Belisha. (Note. The source has added that in the Worms group it is believed that those circles in Great Britain who are favorably disposed to their plan, are most critical of Mr. Churchill, Lord Halifax and Captain Margesson.); through the medium of Sir Samuel Hoare to bring about an agreement between British industry and the Franco-German 'bloc'; to protect Anglo-Saxon interests on the continent; to reach an agreement for the cessation of the reciprocal bombing of industrial centers. (Note. The source has added that Göring is reputed to have signified his entire approval of this project.)"

The naming of Lord Beaverbrook and Sir Samuel Hoare, two leading figures in the British Roundtable group, as Synarchist collaborators is of great significance, indicating that American intelligence, from no later than 1940, was tracking the high-level British involvement in the scheme for a postwar universal fascist "Europe of the oligarchs," along precisely the lines spelled out in Count Coudenhove-Kalergi's "Synarchist" manifesto, founding the Pan European Union. Indeed, other U.S. intelligence wartime documents identified the PEU as a project of the European Synarchist secret brotherhood. The Synarchist Movement of Empire (SME), according to various accounts in the wartime U.S. files, was founded



*British Lord Beaverbrook (William Maxwell Aitken), World War II media and intelligence operative named by the French Synarchists as a leading collaborator of theirs. "Hitler likes you a great deal," Hess told Beaverbrook, who helped make Hitler Führer with the Reichstag Fire story.*

in 1917 or 1922, and the first two major "projects" of the Synarchists were Mussolini's March on Rome and the launching of the Pan Europa movement.

Back on the British front: Sir Samuel Hoare was a leading figure in British intelligence, having been posted to Russia during the period of the Bolshevik Revolution, where he had a personal hand in the assassination of Grigori Rasputin, after Rasputin had warned that Russian participation in World War I would surely lead to the fall of the Romanovs. Hoare was the leading British military intelligence case-officer for instigating the overthrow of the Tsar and the Russian Revolution. He personified the upper echelons of what U.S. intelligence files characterized as the "Synarchist/Nazi-Communist" group. In his capacity as Foreign Secretary in 1935, he had negotiated the Hoare-Laval agreement, by which Great Britain and France mutually accepted Mussolini's conquest by invasion of Abyssinia, a major act of appeasement. He later served as British ambassador to Francisco Franco's Spain, and, according to several biographical accounts, remained secretly on Lord Beaverbrook's payroll as a policy advisor. Hoare, later "Lord Templewood," was also a leading British promoter of Frank Buchman and the Moral Rearmament Movement, the antecedent to Rev. Sun Myung Moon's Unification Church (see *EIR*, Dec. 20, 2002).

The case of Lord Beaverbrook (Max Aitken) has even more profound and enduring implications, given that two of the leading financial-political propagandists for today's neo-conservative revolution in Washington—press magnates Lord Conrad Black and Rupert Murdoch—are Beaverbrook protégés. The Australian Murdoch, on graduating Oxford, did an apprenticeship at Beaverbrook's London *Daily Express*, which Murdoch referred affectionately to as "Beaverbrook's brothel."

For Black, the connection ran deeper—through the wartime British secret intelligence high command. Conrad Black's father, George Montagu Black, worked directly under the Beaverbrook chain of command during World War II, when Beaverbrook was Minister of Aircraft Production, and when Black and Edward Plunkett Taylor ran the Canadian front company War Supplies, Ltd. out of the Willard Hotel in Washington, coordinating all British-American-Canadian military procurement arrangements. The \$1.3 billion garnered by Taylor and Black from their wartime "private" arms deals provided the seed money for G.M. Black's postwar launching of the Argus Corp., which, today, is the Hollinger Corp. media cartel of Conrad Black.

Beaverbrook's transformation, from a leading promoter of an Anglo-German alliance following Hitler's takeover, to a leading war cabinet official, following Hitler's attack on Britain, was nothing short of miraculous. In 1935, when Hoare had conducted the secret negotiations with Laval, Beaverbrook had accompanied the Foreign Secretary on the trip and conducted his own back-channel work to assure positive media coverage of the deal in both England and France. That year, Beaverbrook traveled to Rome and Berlin for personal meetings with Mussolini and Hitler. A year later, Beaverbrook was the guest of Hitler's Foreign Minister Joachim von Ribbentrop, at the Munich Olympic Games.

But the most famous part that Beaverbrook played in the Hitler saga, had to do with the 1933 Reichstag fire—the arson attack on the Weimar Republic's parliament—which consolidated Hitler's death grip on absolute power. Beaverbrook had posted a trusted aide, Sefton Delmer, in charge of his *Daily Express* press bureau in Berlin, and Delmer had become a confidant of Hitler, traveling with him on the campaign trail during the 1933 elections. Delmer was one of the first "journalists" to arrive as the Reichstag burned, and his dispatch from the scene—complete with exclusive interviews with Hitler, Göring, and others—established the cover for the actual Nazi authors of the terror attack, which sealed Hitler's dictatorship. Delmer, in a 1939 article recounting the incident, stuck to his story, which countered the majority of the world media coverage, and blamed the fire on a communist—not on the Nazis.

Beaverbrook—even after his "Damascus road conversion" to war cabinet minister—retained his ties to the Nazi machine. When Nazi leader Rudolph Hess parachuted into

Scotland, in a final vain effort to maintain the Anglo-Nazi alliance against the Soviet Union, Beaverbrook arranged a private prison interview with Hess. Details of the session are still sketchy, but one quote to emerge from the meeting, was Hess telling Beaverbrook: "Hitler likes you a great deal."



### 'Synarchism' Defined

Among the thousands of documents that *EIR* obtained from the U.S. wartime archives was an 18-page French

military intelligence report, summarizing a 100-page dossier on the French Synarchist groups, dated July 1941. The report dealt with the Synarchist Movement of Empire (SME), the Synarchist Revolutionary Convention (SRC) and the Secret Committee of Revolutionary Action (SCRA), the military leadership arm of the SME, also known as the "*Cagouards*" (the "hooded ones").

The report provided a brief history: "The Synarchist movement is an international movement born after the Versailles Treaty, which was financed and directed by certain financial groups belonging to the top international banking community. Its aim is essentially to overthrow in every country, where they exist, the parliamentary regimes which are considered insufficiently devoted to the interests of these groups and therefore, too difficult to control because of the number of persons required to control them.

"SME proposes therefore to substitute them by authoritarian regimes more docile and more easily manueverable. Power would be concentrated in the hands of the CEOs of industry and in designated representatives of chosen banking groups for each country. In a word, the idea is to give to each country a political constitution and an appropriate national economic structure organized for the following purposes:

1. Place the political power directly into the hands of chosen people and eliminate all intermediaries.
2. Establish a maximum concentration of industries and suppress all unwarranted competition.
3. Establish an absolute control of prices of all goods (raw materials, semi-finished or finished goods).
4. Create judicial and social institutions that would prevent all extremes of action."

The dossier reported that, following failed *Cagouard* in-

*"The case of Lord Beaverbrook has even more profound and enduring implications, given that two of the leading financial-political propagandists for today's neo-conservative revolution in Washington—Lord Conrad Black (left) and Rupert Murdoch (right)—are Beaverbrook protégés."*

surrections in 1934 and 1937, the SME infiltrated all the economic and related ministries of the French government, conducted sabotage from within the regime, and set the basis for the Vichy government of 1940, which was dominated, from top to bottom, by Synarchist secret society members. The report named 40 top officials of the government of Marshal Henri Philippe Pétain, who were all SME members.

The dossier repeatedly emphasized that the French SME was but one component of an international Synarchist apparatus, "organized and financed in all countries by certain elements of industrial CEOs and high banking circles. Its objective on the international level is to subvert all of the democratic regimes in the world, and substitute them with stronger governments, more docile and whose leaders of command in each nation are centralized in the hands of a number of affiliates belonging to big business and international banking interests which coordinate their activities around the world." In France, under the Vichy regime, noted the dossier, "the main administrations of the country, have become the arms of Bank Worms whose administrative council controls all of the top administrators of the state."

The Synarchists did not concentrate all their efforts on infiltrating and controlling the Vichy regime. A U.S. military intelligence report, dated July 27, 1944, from the military attaché in Algiers, warned of Synarchist penetration of the upper echelons of the Free French government of Gen. Charles de Gaulle, headquartered in Algeria. "Some of the oldest and formerly most faithful supporters of General de Gaulle are worried by what they call a tendency to let 'Synarchism' penetrate even the highest brackets of the Algiers Administration," the report began. "It is believed that General

de Gaulle up to recently, opposed Synarchism, which is a strongly reactionary movement, financed by the Haute Banque. He has even ordered a confidential study to be made on the subject, a copy of which has been seen by American officers.” The report concluded, “If it is a fact that many individuals who are holding positions of importance in the cabinet and the immediate entourage of General de Gaulle, are also closely associated with political ideas alien to the program which de Gaulle and his government publicly endorse, then far-reaching political inferences may be drawn.” Of course, a decade later, leading wartime “Gaullist” Jacques Soustelle would launch the Secret Army Organization (OAS), which would be responsible for repeated assassination attempts against de Gaulle, and would be implicated in the Permindex assassination of President John F. Kennedy.

While it is not certain that Soustelle was a wartime member of the Synarchist plot, it is certain, from French and American government records, that one leading Synarchist operative infiltrated into the de Gaulle Free French camp was Robert Marjolin, one of Alexandre Kojève’s prize student/protégés of his 1933-39 courses on Hegel, Nietzsche, and the “end of history.” Marjolin became Minister of Economy in the first de Gaulle postwar government, and he immediately brought Kojève into the ministry.

## The Cult of Napoleon

At its core, the Synarchist international—like its front group Pan European Union—sought to create a one-world tyranny, modeled on the reign of Napoleon Bonaparte. The first “Synarchist” text was written in the 1860s by Joseph Alexandre Saint-Yves d’Alveydre (1842-1909), an occultist and follower of Napoleon Bonaparte’s own mystical advisor, Antoine Fabre d’Olivet (1767-1825). Fabre d’Olivet had started out as a leading member of the Jacobins, participating personally in the foiled assassination plot against King Louis XVI in 1789. He later served as a top official of the Interior and War Ministries under Napoleon Bonaparte. His occult writings about “purgative violence” and the “will to power”—antecedents of the works of Nietzsche—were adopted by Saint-Yves d’Alveydre, who launched the idea of Synarchism as a counter to the anarchy that had destabilized all of Europe, from 1848.

Saint-Yves’ successor, Gerard Vincent Encausse (“Papus”), founded the Saint-Yves School of Occult Sciences, and began a recruiting drive for a secret society, which he called the Synarchy Government. In his 1894 book *Anarchie, Indolence & Synarchie*, Papus spelled out an ambitious scheme to recruit all of the leaders of industry, commerce, finance, the military, and academia, to a single power scheme, aimed at destroying the “internal microbe” of society, anarchy.

Both Saint-Yves and Papus envisioned a global Synarchist empire, divided into five geographic areas: 1. the British Empire; 2. Euro-Africa; 3. Eurasia; 4. Pan-America; 5. Asia. Indeed, Alexandre Kojève is identified in Russian

sources as a leader of the so-called “Eurasians,” a group of Russian emigrés in the 1920s Berlin and Paris, led by Sir Samuel Hoare’s Guchkov and tied into the Soviet secret service project called “the Trust.” The “Eurasians” welcomed the Russian Revolution as a purgative force to wipe out corrupt Western civilization. Kojève’s own cosmology of great tyrants counted Josef Stalin and Adolf Hitler as second only to Napoleon, in achieving the “end of history” goal of a true global tyranny.

## Strauss, Kojève, Schmitt, and Schacht

While none of the American archive documents reviewed to date by *EIR* identify Nazi jurist Carl Schmitt as a Synarchist, circumstantial evidence points to that conclusion. Schmitt was an emissary to Spain, Portugal, France, and Italy, during the height of fascism, turning out a series of juridical documents, justifying the jackboot tyrannies. Schmitt was a protected asset of Göring, the leading Synarchist figure in Nazi Germany. Like the banker Hjalmar Schacht, Schmitt was cleared of war crimes by the Nuremberg Tribunals.

In effect, as documented in *The Hitler Book*, Schacht blackmailed the Tribunal, by aggressively asserting that he was only acting on behalf of the international financial establishment, represented by the Bank for International Settlements, in his incarnation as a top Nazi official. If backed against a wall, he threatened, he would provide evidence of the international financial cabal behind the “Hitler project.” Schacht was acquitted, over the strenuous objections of both the American and Soviet judges.

In effect, the perpetrators of the Nazi Holocaust were brought to justice at Nuremberg, while the architects of the larger Synarchist scheme, like Schacht and Leo Strauss’ mentor Carl Schmitt, were given a safe conduct, and, through the efforts of postwar occupation figures like John J. McCloy and Gen. William Draper, were vetted for future service.

A final note: In 1955, Schmitt was corresponding with Kojève, arranging for the Paris-based Russian emigré to address the Düsseldorf industrialists’ association—which had been a focal point of Franco-German “Synarchist” collaboration between the Nazi and Vichy governments—and meet, during that visit, with Schmitt’s close friend Schacht.

It was this Kojève who maintained the closest collaboration with Leo Strauss, and who promoted his theories of purgative violence and universal tyranny with such leading Strauss disciples as Allan Bloom (the mentor of Deputy Defense Secretary Paul Wolfowitz) and Francis Fukuyama. This Synarchist stew remains Vice President Dick Cheney’s gang’s “French Connection.”

—*Al and Rachel Douglas, Katherine Kantor, Pierre and Irene Boudry, Anton Chaitkin, Stephanie Ezrol, Helga Zepp-LaRouche, and Barbara Boyd contributed vital research to this article.*

# The Fascist Philosophy That Created Synarchism

by Dennis Small

Back in 1996, Reagan's former Defense Secretary, Sir Caspar Weinberger, co-authored a book with the Hoover Institution's Peter Schweitzer entitled *The Next War*, in which a set of scenarios were spun out about how an upcoming U.S. war might occur. The book's third script laid out a war with Mexico as follows:

The fictional pro-U.S. President Lorenzo Zapata is assassinated, and is succeeded by Eduardo Francisco Ruiz, a charismatic university professor "trained by the Jesuits" and steeped in Nietzsche and Hegel. Ruiz attempts a land reform and nationalizes banking and insurance, scaring off foreign investors and causing a severe depression, which sets off a mass exodus of 1 million refugees per month fleeing into the United States. Ruiz is also in the pay of drug gangs that are flooding the United States with narcotics. The U.S. President orders an invasion to topple Ruiz—and, of course, secure Mexico's oil fields—figuring the GIs will be welcomed as saviors.

Until recently, such a scenario would have been considered far-fetched by most readers, and waved off impatiently. Today, after the invasion of Iraq scripted by the chicken-hawk gang in Washington, it is not so easily dismissed. In fact, such a gameplan to destabilize Mexico, and other nations of Ibero-America, and impose a supranational government upon them, is in the forefront of the thinking within the neo-conservative cabal, which has seized operational control over the Bush Administration. As good protégés of Leo Strauss, and the international Synarchist networks which spawned him, they have centered their strategy on intentionally rekindling the *religious warfare* which almost destroyed Mexico in the late 1920s, during the Cristero War.

That bloody civil war pitted "right-wing" Catholic masses against the "left-wing" anti-clerical government—with *both* sides being ideologically manipulated, top-down by international banking and oil interests (including the Buckley family), and the Synarchist apparatus they had put in place over prior decades—going all the way back to the 1860s occupation of Mexico by French Napoleonic forces, and their imposition of Maximilian von Hapsburg as Emperor of Mexico. Rekindling such religious warfare is the Western Hemisphere equivalent of the Synarchist "Clash of Civilizations" strategy for the Middle East and Asia.

As explained in the book *The PAN: the Party of Treason*, published in 1985 by Lyndon LaRouche's associates in the Mexican Labor Party:

"The Cristero War was neither a product of the state's religious intolerance, nor the religious fanaticism of the population. While those elements were present, the development of the conflict followed a preconceived plan in which the actors merely played out the roles assigned them. From the ranks of the Jacobin CROM, led by Morones and Lombardo Toledano, the atheist priest-haters like Tomás Garrido Canabal and José Guadalupe Zuno, governors of Tabasco and Jalisco respectively, imposed a series of measures that were intolerable for clergy and parishioners. From the Church side, radical Jesuits groped around the archbishop of Mexico, Manuel Mora y del Río, responded to every single provocation, finally reaching the point of armed rebellion. . . .

"The final purpose of the Cristero War was not to impose Cristo Rey [Christ the King] in Mexico, nor to take power for the masses; but rather to use the Catholic militants as cannon fodder to install a government that would faithfully pay its debt to the Morgan banks and guarantee conditions favorable to foreign investment."

### Synarchist/Nazi . . .

Although hardly a major force on the Mexican political scene today, it is nonetheless crucial to look into the origin, nature, and philosophic underpinnings of Mexico's Synarchist organization, the Unión Nacional Sinarquista (National Synarchist Union, UNS). The ingrained axiomatic views about the nature of man and God, which are so glaring in the case of the Synarchists, are actually shared by the majority of the population—of Mexico and elsewhere. And it is this vulnerability which is being exploited yet again by the financial oligarchy, and which threatens the very existence of the nation-state.

Back in the 1940s, U.S. military intelligence kept extensive files under the heading "Synarchist/Nazi-Communist." That characterization was accurate back then, and it remains so today.

Synarchism was formally established in Mexico in 1937, with the founding of the Unión Nacional Sinarquista, upon the initiative of the Belgian Jesuit priest **Bernard Bergoend**, and the Mexican Catholic activist, José Antonio Urquiza, who had studied sociology at the University of Louvain in Belgium. Bergoend had gone to live in Mexico in the early part of the 20th Century, after having been steeped in the ideas of **Charles Maurras**, the French right-wing royalist and creator of group Action Française, who was officially condemned by the Vatican in 1926. Maurras was greatly admired and sought out by today's U.S. chicken-hawks' ideologue, Leo Strauss, as we shall see below.

The current national head of the UNS, Clemente Gutiérrez Pérez, in a recent interview posted on the UNS's website ([www.geocities.com/CapitolHill/Senate/9136](http://www.geocities.com/CapitolHill/Senate/9136)), half-heart-



*Charles Maurras, French right-wing royalist and creator of Action Française, was admired and sought out by today's U.S. chicken-hawks' ideologue, Leo Strauss.*

edly tried to distance his organization from Hitler and Mussolini—"both fascism and national socialism have socialist origins, and both are atheistic by nature, nihilist, Nietzschean"—but did admit: "We cannot deny that Synarchism takes some elements from those movements, such as a militarized organization, the use of uniforms, a flag and salute." He went on to explain, "Synarchism has more things in common with the Spanish Falange and with the Romanian Legionnaire movement of Corneliu Codreanu, than with Italian Fascism and German National Socialism."

In fact, the UNS website prominently features links to the Spanish Falange and to Codreanu's group—as it does to the American Falangist Party.

Who was the Romanian **Corneliu Codreanu** that Mexico's Synarchists so admire? He founded the **Legion of the Archangel Michael** in 1927, which shortly thereafter became known as Romania's **Iron Guard**. One favorable, overtly pro-Nazi biographer ([www.libreopinion.com/members/kantauri](http://www.libreopinion.com/members/kantauri)) reports that the Iron Guard "was accused of being Hitlerist . . . because it used symbols such as the swastika. . . . Besides, the Iron Guard was always virulently anti-Jewish; in some cases it could be said that they even surpassed National Socialism in their rejection of the Jews . . . [and] they took recourse, when necessary, to direct armed action against the Jews and their followers." Codreanu's own writings confirm his unabashed anti-Semitism.

Codreanu was assassinated in 1938. His successors in the Iron Guard organized an army of thousands of Romanian Legionnaires to fight alongside Hitler's troops on the Eastern Front against the Soviet Union during World War II.

On the Mexican political scene, Gutiérrez Pérez continues, the UNS today has "a relationship of solidarity and mutual support" with the **National Catholic Movement Christ the King** (MCNCR), among others. The MCNCR website, like that of the UNS, features links to Codreanu's Iron Guard, to the Spanish Falange, and also to another shared icon: **Léon Degrelle**, the founder of the pro-Nazi Belgian **Rexism** movement.

Degrelle was born in 1906. He was educated at a Jesuit

school, and went on to study at the University of Louvain. Like his fellow-Belgian, Bernard Bergoend, the founder of Mexico's UNS, Degrelle became a follower of Charles Maurras and Action Française. In 1930, he travelled to Mexico as a journalist, and linked up with right-wing Catholic networks there, including from the Cristero movement. He returned to Belgium to found a publishing company called **Christus Rex**, and thereafter the political movement of Rexism.

During World War II, Degrelle organized the Légion Wallonie to join Hitler on the eastern front, where it became the 28th Division of the Waffen SS. For heroism in battle, Hitler awarded Degrelle two Iron Crosses, and reportedly told him, "If I had had a son, I would have liked for him to be like you."

After the war, Degrelle wrote numerous works, including *Memoirs of a Fascist* and *The Russian Campaign*.

### . . . And Synarchist/Communist

Such views and allies would seem pretty much to close the case that Mexico's Synarchists are overtly pro-Nazi. But it turns out that there is a *second* Unión Nacional Sinarquista (UNS) in Mexico, with the exact same name, which disputes the above-mentioned pro-Nazi UNS over who deserves the

## Leibniz Indicted Tyrannical Conception of 'Justice'

*The following is excerpted from Gottfried Wilhelm Leibniz's 1703 essay, "Meditation on the Common Concept of Justice."*

It is agreed that whatever God wills is good and just. But there remains the question whether it is good and just because God wills it, or whether God wills it because it is good and just: in other words, whether justice and goodness are arbitrary or whether they belong to the necessary and eternal truths about the nature of things, as do numbers and proportions. The former opinion has been followed by some philosophers and by some Roman [Catholic] and Reformed theologians; but present-day Reformed usually reject this doctrine, as do all of our theologians and most of those of the Roman Church.

Indeed, it would destroy the justice of God. For why praise him because he acts according to justice, if the notion of justice, in his case, adds nothing to that of action? And to say *stat pro ratione voluntas*, my will takes the place of reason, is properly the motto of a tyrant. Moreover this opinion would not sufficiently distinguish God from the Devil. For if the Devil, that is to say an intelligent, invisible, very great and very evil power, were the master



title of real Synarchists. The second UNS is . . . pro-communist leftist! Their homepage ([www.sinarquismo.americas.tripod.com/index](http://www.sinarquismo.americas.tripod.com/index)) features:

- Praise for Mexico's Zapatista National Liberation Front (EZLN) guerrillas, because they "have taken up the task of making a People," tempered by the fraternal criticism that "Zapatism has missed some opportunities."

- Anti-International Monetary Fund (IMF) economic writings by Noam Chomsky and James Petras (the principal American apologist and promoter of Colombia's narco-terrorist FARC);

- The sociological blather of Bishop Pedro Casaldáliga, Brazil's top exponent of the Theology of Liberation;

- Existentialist essays on indigenism, mysticism, spirituality, and so forth;

- Promotion of the "humanist, social thinker" Paulo Freire, the Brazilian-born architect of "de-schooling" mentality; and

- Gratitude to the Cuban Jacobin leader of the early 20th Century, José Martí, who "gave us a key: be radical." Martí was a leading light of the Young America movement of Giuseppe Mazzini, idolized by Count Richard Coudenhove-Kal-

ergi's Pan European Union (see preceding article).

So, this second UNS is apparently Mexico's *leftist* Synarchist organization . . . or is it? On their website, they have an area for discussion with site visitors, where the first item featured is a promotional for new book published in Spain by Ediciones Nueva República, called *The Russian Campaign*—written by none other than Léon Degrelle, the pro-Nazi founder of Belgium's Rexism movement! The book is puffed as "an exceptional human and historical testament . . . by the Belgian Rexist leader who enrolled in the ranks of the armies of the German Reich."

It turns out that Ediciones Nueva República belongs to the Movimiento Social Republicano of Spain, a leftist grouping which denounces imperialism, supports Venezuela's President Hugo Chávez, and has recently announced that they were opposing the Iraq War by joining forces with . . . Spain's National Falangist Forum!

Synarchism is indeed Nazi-Communism.

### Enter Hobbes and His 'Leviathan'

The two UNSes have more in common than their name. Philosophically, both descend from the same anti-Platonic,

of the world, this Devil or this God would still be evil, even if it were necessary to honor him by force, as some peoples honor such imaginary gods in the hope of bringing them thereby to do less evil.

This is why certain persons, too devoted to the absolute right of God, who have believed that he could justly condemn innocent people and even that this might actually happen, have done wrong to the attributes which make God lovable, and, having destroyed the love of God, they have left only fear. . . .

The sacred scriptures also give us an altogether different idea of this sovereign substance, in speaking so often and so clearly of the goodness of God, and presenting him as a person who justifies himself against complaints. And in the story of the creation of the world the scripture says that God considered what he had done, and found it good. That is to say, he was content with his work, and had reason to be. This is a human way of speaking, which seems to be used explicitly to show that the goodness of the actions and productions of God do not depend on his will, but on their nature. . . .

Plato in his dialogues introduces and refutes a certain Thrasymachus, who, wishing to explain what justice is, gives a definition which would strongly recommend the position which we are combatting, if it were acceptable: for that is just, (says he,) which is agreeable or pleasant to the most powerful. . . .

A celebrated English philosopher named Hobbes, who

is noted for his paradoxes, has wished to uphold almost the same thing as Thrasymachus: for he wants God to have the right to do everything, because he is all-powerful. This is a failure to distinguish between right and fact. For what one can do is one thing, what one should do, another. It is this same Hobbes who believes (and almost for the same reason) that the true religion is that of the state and that, as a consequence, if the Emperor Claudius . . . had placed the god Crepitus among the authorized gods, he would have been a real god, and worthy of worship.

That is to say, in covert terms, that there is no true religion, and that it is nothing but an invention of men. Similarly, to say that "just" is whatever pleases the most powerful, is nothing else than saying that there is no certain and determined justice which keeps one from doing whatever he wants to do and can do with impunity, however evil it may be. . . .

[Rather, I say,] justice is nothing else than that which conforms to wisdom and goodness joined together: The end of goodness is the greatest good, but to recognize it wisdom is needed, which is nothing else than knowledge of the good. . . . One may ask what the true good is. I answer that it is nothing else than that which serves in the perfection of intelligent substances. . . .

Justice is nothing else than the charity of the wise, that is to say, goodness toward others which is conformed to wisdom. And wisdom, in my sense, is nothing else than the science of felicity.

anti-Christian view of man as essentially an evil being, devoid of creativity, incapable of knowing God or truth, and thus requiring an overbearing power or authority, a tyrant, to rule society and impose order—sometimes in the name of “the people.”

For example, the second, or “leftist” UNS hails the philosophy of Paulo Freire. The Brazilian-born Freire became famous in the middle of the 20th Century as an educator who proposed “de-schooling” and a “pedagogy of the oppressed.” He was a follower of the philosophical nihilism, or existentialism, associated with the Nazi philosopher Martin Heidegger. And he denounced Plato and the Socratic method for attempting to communicate concepts, as opposed to simply the names of things. In fact, he went so far as to argue that *pantomime* is the natural form of communication for Africans, and that they need learn nothing more. On the root issue of the Platonic method, Freire said:

“Socratic intellectualism—which mistook the definition of the concept, for knowledge of the thing defined, and this knowledge as virtue—did not constitute a true pedagogy of knowing.”

As for the first UNS, and their pro-Nazi outlook, the philosophic worldview of such circles is aptly represented by Carl Schmitt, the “Crown Jurist” of the Third Reich and ideologue of authoritarianism, who had a seminal influence on Leo Strauss (see “‘Leo-Cons’ Fascist Anti-American Roots; What the New York Times Won’t Print,” *EIR*, May 23).

Schmitt states his own starting point as follows: “One could examine all theories of state and all political ideas for their anthropology and divide them according to whether they—consciously or unconsciously—presuppose a man who is ‘by nature evil’ or one who is ‘by nature good.’”

Schmitt argues forcefully for the former view, of man’s intrinsic evil, going so far as to taunt: “If man were not evil, then my ideas would be evil.” From that premise, he draws the conclusion that man cannot know either truth or God by the path of reason, but only by “revelation,” i.e. external authority. Schmitt summarizes his own doctrine of justice in the dictum:

*“We are obliged to something, not because it is good, but because God commands it.”*

Now we have come to the philosophical hard core of the fascist, Synarchist view—a view which is, of course, not original to them. It dates back at least to Plato’s time, and is famously expounded by Thrasymachus, in Book I of Plato’s Socratic dialogue *The Republic*: “I declare justice is nothing but the advantage of the stronger.” Plato also reports it in his dialogue *Gorgias*, where Callicles tries and fails to convince Socrates that “justice consists in the superior ruling over and having more than the inferior.”

A more recent (17th Century) exponent of this worldview is Thomas Hobbes, one of the founders of so-called British philosophical radicalism and a guiding light to Leo Strauss. In fact, in the early 1930s, Strauss obtained a Rockefeller Foundation grant to study Hobbes in Paris and London, with

the help of a letter of recommendation from his friend and mentor, Carl Schmitt. Strauss, in a letter to Schmitt in July 1933, took note of another prominent Hobbesian of the time, Charles Maurras—the same Maurras who was so intellectually influential with UNS founder Bernard Bergoend and Hitler-ally Léon Degrelle of the Rexist movement. Strauss wrote to Schmitt:

“I have been somewhat occupied with Maurras. The parallels to Hobbes—one can probably not speak of dependence—are striking. I would be very glad if I could speak to him. Would you be in a position and willing to write me a few lines by way of an introduction to him?”

Let us follow Hobbes’s reasoning on the subject of law, in his most famous work, the 1651 *Leviathan*:

“To confer all their power and strength upon one man, or upon one assembly of men that may reduce all their wills, by plurality of voices, unto one will, which is as much as to say, to appoint one man or assembly of men to bear their person . . . and therein to submit their wills every one to his will, and their judgments to his judgment. . . . This is the generation of that great Leviathan (or rather, to speak more reverently, of that mortal god) to which we owe, under the immortal God, our peace and defense.”

Why does society need such a tyrant, according to Hobbes? Because the natural state of mankind is one of war of each against all:

“During the time men live without a common power to keep them all in awe, they are in that condition which is called war, and such a war as is of every man against every man.”

And why is war the natural condition of man? Because man is a creature of his appetites, not reason, and “private appetite is the measure of good and evil.” For Hobbes, creativity does not exist; man’s mind is nothing but a sense-perception apparatus:

“There is no conception in a man’s mind which has not at first, totally or by parts, been begotten upon the organs of sense. The rest are derived from that original.”

And from all this, Hobbes derives his concept of justice—a concept fully endorsed by Schmitt, Strauss, and the Synarchists:

“To this war of every man against every man, this also is consequent: that nothing can be unjust. The notions of right and wrong, justice and injustice, have there no place. Where there is no common power, there is no law; where no law, no injustice.”

## **Leibniz on Justice**

Perhaps the most incisive rebuttal of this Thrasymachus-Hobbes-Strauss-Synarchist view, comes from the great German philosopher and scientist, Gottfried Wilhelm Leibniz. In a short essay written in 1703, *Meditation on the Common Concept of Justice* (see box), Leibniz begins by posing the paradox:

“It is agreed that whatever God wills is good and just. But there remains the question whether it is good and just because

God wills it, or whether God wills it because it is good and just.”

Leibniz’s formulation is identical, conceptually, to the way Plato poses the same issue in his dialogue *Euthyphro*, where Socrates asks:

“The point which I should first wish to understand is whether the pious or holy is beloved by the gods because it is holy, or holy because it is beloved of the gods.”

Recall Schmitt’s answer: “*We are obliged to something, not because it is good, but because God commands it.*”

Leibniz disagrees, arguing that such an outlook justifies tyranny, and more fundamentally leads to the inability to distinguish between God and the Devil—a point more recently underscored by Lyndon LaRouche in his decision to refer to today’s followers of Leo Strauss as “the children of Satan.” Leibniz then launches into a polemic against Thomas Hobbes, by name:

“A celebrated English philosopher named Hobbes . . . [who has laid down truly wicked principles and adhered to them with too much fidelity] . . . has wished to uphold almost the same thing as Thrasymachus, for he wants God to have the right to do everything, because he is all-powerful.”

In other words, man can *know* what goodness and justice are. They are intelligible to human reason. God wills the Good and the Just because he is incapable of doing anything but that which is good and just. *And man is capable of knowing that that is the case.* These concepts, Leibniz insists, are accessible through human reason. Man can know justice, just as he can know truth, and come to know God.

Modern followers of Schmitt, Strauss, and the Synarchists, bridle at Leibniz’s formulation. And they reserve particular venom for the Golden Renaissance, attacking this flourishing of human creativity as an age when Man arrogantly considered himself the equal of God, and forgot his proper place in the order of things. They often call for a return to the values of the Middle Ages, and to the idea that God, and his created universe, is ultimately incomprehensible to man, but must be blindly obeyed.

No better answer to this question exists, than that supplied by Cardinal Nicolaus of Cusa, the 15th-Century German philosopher and scientist who presented the following exchange in his dialogue *The Layman: About Wisdom*, on the question of if and how man can conceive of God:

**Orator:** I want you to tell me how I am to form a concept of God, since He is greater than can be conceived.

**Layman:** You may do so just as you form a concept of concept.

**Orator:** Explain.

**Layman:** You have heard how it is that in every conceivable the Inconceivable is conceived. Therefore, the concept of concept approaches the Inconceivable.”

This striking reaffirmation of the Platonic Christian idea that man finds the image of God in his own mind’s creative powers, and consequently of man’s essential goodness, is the best of rejoinders to modern-day Synarchism of every stripe.

## Iraq Chaos Confronts The Region: What To Do?

by Muriel Mirak-Weissbach

A month and a half after American tanks rolled into Baghdad and “conquered” it, anarchy has conquered the sure-fire scenarios of Defense Secretary Rumsfeld’s “chicken-hawk intelligence agency,” which promised a quick regime change to a pro-American Iraqi government that would pressure other Arab states and flood the Organization of Petroleum Exporting Countries (OPEC) with America-Israel-earmarked oil. The fact that a new UN resolution was passed on May 22, acknowledging the occupying powers and lifting sanctions, has not made the scenarios any more real.

The country, although officially “occupied,” is not under the control of the occupiers. Borders to neighboring Iran, Turkey, Syria, and Jordan are not controlled on the Iraqi side. Major cities, beginning with the capital, are under the law of the gun; virtually every citizen is armed, criminal gangs roam the streets, robbing pedestrians and vehicles alike; looting and arson continue. Vengeance killings are taking place, wherein lynch mobs seek out and kill persons said to be Ba’ath Party officials. Up to 70-80% of the civilian population is unemployed. Among those who have jobs, salaries have not been paid since before the war.

The steps announced by the new U.S. administrator Paul Bremer to restore order, are dubious. On May 14, it was announced that a “far more muscular approach” would be adopted, including the order for troops to shoot looters. On May 21, coalition officials announced that Bremer was about to issue a proclamation, telling Iraqi citizens to turn over their automatic weapons, heavy weapons, or be arrested.

The state of lawlessness has made it impossible for humanitarian aid organizations to operate. Their personnel require military escorts to reach their destinations, and military protection for their depots in Baghdad and other cities. U.S. military forces have denied requests for this protection. As a result, even minimal medical and food supplies are lacking, while reports of cholera in Basra have been confirmed.

Oil production is not functioning either. In Kirkuk, law and order has not been restored, as Kurds continue to practice ethnic cleansing—evicting, and in many cases, killing Arabs living there. In this situation, engineers tasked to repair and upgrade oil production facilities are not able to work, since their security is not guaranteed. Again, military forces are either unwilling or unable to protect them. As a result, plans to produce 1.5 million barrels per day by June, have been

postponed. This is serious, since Iraq relies on the oil from Kirkuk for its domestic needs. In addition, the Kurds, who have been taking a percentage off all oil exported through their region, are deprived of these revenues, which can hurt their ability to maintain their communities.

## **Iraq Needs a Government**

If the occupying forces cannot or will not establish order (as is required by the Geneva Conventions), then some other governing force should do so. The new UN resolution states that the United States and Great Britain will remain in control of Iraq “until an internationally recognized, representative government is established.” But when? Hopes were dashed on May 16, when Paul Bremer, the new “proconsul” sent in to replace Gen. Jay Garner, back-pedaled on promises to form such a government. Bremer said he would oversee the creation of an “interim authority,” which, however, would not have any power.

The reaction on the part of the would-be Iraqi government members was immediate and adamant. Representatives of all the major Iraqi political and religious groups met in Baghdad on May 20, with David Manning, a foreign policy advisor to British Prime Minister Tony Blair, and delivered him a policy paper for Blair. They registered their frustration at the fact that, despite their participation in pre-war sessions, in London and the United States, during which they were told they would participate in a future government coalition, they now are being told there will not be one. The lame excuse which Manning gave them, was that, in order to gain support for the UN resolution for lifting sanctions, the occupying powers had to present an authority capable of selling oil, dealing with frozen Iraqi assets, etc. This, he said, an interim Iraqi authority “was deemed insufficient” to do, according to news reports.

At the meeting, Hoshiyar Zebari, speaking for Kurdish Democratic Party (DPK) leader Massoud Barzani, said the occupying forces need “a political partner” in Iraq, and warned that if there were no government, there would be a popular backlash, as well as possible attempts by neighbors to fill the vacuum. Jalal Talabani of the Kurdish Patriotic Union (PUK) party referred to Manning as “our former masters,” alluding to the British occupation of Iraq in 1920. He said that setting up an “interim authority” “will deprive Iraq of independence, sovereignty, and diplomatic relations, which is not good for you or for us.” Finally, Ali Bayati, the London representative of the Supreme Council for the Islamic Revolution in Iraq (SCIRI), the largest and most powerful formation, said, “If we don’t give Iraq the sovereignty they need, this will create instability in Iraq, and that instability will run through to the whole region as well.”

The meeting with Manning gave a good indication of the predicament in which the occupying forces find themselves. They cannot handle the situation in post-Saddam Iraq with the numbers and kinds of troops they currently have deployed. If they significantly increase their military presence, this will

only provoke greater resistance in the population, which is fiercely independent. In fact, Ahmed Chalabi, who heads the Iraqi National Congress (INC), and who is the leading quivering candidate, admitted during the meeting with Manning, that the occupying forces would be taking a risk in establishing an interim Iraqi government, “since no government would have complete authority in the presence of hundreds of thousands” of troops, who would be the real power needed to protect borders, secure the oil fields, and ward off neighboring meddlers. The *New York Times* reported that Chalabi “said, the allies seem afraid to take a risk on an indigenous Iraqi leadership.” Chalabi heaped praise on the American and British forces, saying he wanted them to “stay a long time”; however, he warned that failure to set up a government would backfire. “We do not want to make your presence here an issue,” he said.

Yet this is already the issue. None of the Iraqi political leaders (except Chalabi) will accept occupation. Nor will they accept a puppet government. They are demanding the establishment of an independent, sovereign Iraqi government. The forces to constitute such a coalition exist: They include the Shi’ite community, which represents 60% of the Iraqi population, whose leading political organization is the SCIRI; the two Kurdish parties, DPK and PUK; and Sunni forces, some of whom are represented in the INC. All these organizations have a real base in the population, and the religious groupings have in-depth social networks and structures, capable of establishing order.

## **No ‘Long Arm of Iran’ at Work**

This was demonstrated during the mass celebrations in Kerbala on May 4; and it was again displayed during demonstrations in Baghdad on May 19. The significance of the latter event lies in the manifest unity between Shi’ite and Sunni leaders and people. Demonstrators started off at the Sunni mosque Abu Hanifa, where Sunni leader Ahmed Kubaisi spoke, then proceeded to the other side of the city, to the Shi’a shrine at Kadimiya. Underlining the unity between Shi’ites and Sunnis, the demonstrators called for an independent government of national unity. Their basic attitude was expressed by Shi’ite Abdul Majid Hakim of the SCIRI, a few days earlier: If the United States doesn’t accept an interim government of Iraqis, then the Iraqis will call for civil disobedience.

One figure who seems to be working behind the scenes to bring together an organic coalition of Iraqi leaders, is Sunni Adnan Pachachi, an 80-year-old former foreign minister of Iraq (1957-65), who is calling for a national unity government. Pachachi, who reportedly has the backing of the United Arab Emirates and the Saudis (who also support Kubaisi), wants a government to be chosen through UN-organized elections.

This is something the United States is committed to preventing. Thus the procrastination about planning a national conference of leaders to select a government—now pushed

back at least to mid-July. The official line coming out of Washington is that if elections were held, “the Shi’ites” would take over, and the government would be nothing but the long arm of neighboring Iran, a Shi’ite nation. The scare story features the danger of an Iranian-style Islamic revolution taking over in Baghdad.

None of this corresponds to reality. In fact, none of the Shi’ite groups—not even the SCIRI—wants an Iranian-style government for Iraq. Inside Iran, virtually no one wants it either. The scare stories have been cooked up as a means of justifying the sabotage of an actually representative and independent government. As the leading Iraq expert in Germany, Aziz Alkazaz, told *EIR*, America must know it cannot eliminate Islam from the country, and should know that no one wants an Islamic republic in Iraq. The Iraqi Shi’ites cannot, and will not, function as the “long arm of Iran” inside Iraq. Furthermore, he said, one should know that the Iraqi

Shi’ites have an historical precedent—the fight against Britain, going back to 1920. That, and not the Iranian revolution of 1979, is the historical impulse now being felt.

The mess created by the U.S.-led aggression threatens to get worse, and to spread, unless order is restored. The occupying powers will try to use the new UN resolution to legitimize the war, and to make their presence permanent, although the resolution calls for a UN “review” after 12 months. The longer the foreign military remains, the greater the Iraqi resistance will be; recent incidents, including the killing of two U.S. soldiers in Baghdad, and the shooting on a military vehicle in Falluja on May 22, are signs of things to come.

The internal situation is characterized by the “Catch-22”—that the Iraqis will not accept occupation, and the occupiers will not allow an independent sovereign government.

## What Middle East Leaders Can Do Now

The author had the opportunity on May 17, to deliver a lecture at the Center for Asian Studies at the Cairo University, on the post-war situation and the perspectives for changing American foreign policy. The fear that policy-makers in the region face, was apparent. The author’s main point was that the prevailing response in the region—to seek a compromise, to make concessions to the U.S. war party, or even to capitulate to it outright—is dangerous and wrong. Unless the fascist policy pursued by the current coup faction in Washington were defeated, it would bring global destruction.

The speech stressed that one should recognize that the war party represents a minority whose economic base is crumbling. There are forces both inside the United States and internationally, associated with Lyndon LaRouche, which are mobilizing to make a Constitutional “counter-coup” against the chicken-hawks, to reorient U.S. foreign policy along the lines of the best of the American tradition. Thus, the challenge is to organize politically with this counter-coup process.

The 13-year history of the “new” pre-emptive war doctrine (including its nuclear aspect) was presented, along with the personnel involved in “Cheney’s gang,” their common Straussian fascist philosophy, and their “new Roman Empire” project. All this was elaborated in the light of LaRouche’s Presidential campaign foreign policy paper, “A World of Sovereign Nation-States” (see *EIR*, May 16), as well as recent moves toward this

perspective among Eurasian nations.

Prof. Mohammed Selim, director of the Center for Asian Studies, emphasized the factor of deception involved in the war party’s operations, beginning with the Sept. 11, 2001 coup, which has remained shrouded in lies. Professor Selim raised other questions regarding U.S. foreign policy in the context of LaRouche’s approach to it; this was followed by hours of questions and answers by the conference participants.

The central issue of the discussion boiled down to the political choices before the American people in the 2004 elections: What will a change from a Republican to a Democratic administration mean, and can it be made? What does the future hold for Bush? The gathering of intellectuals, politicians, think-tankers, journalists, and military figures was remoralized by the knowledge, that an effective opposition does exist inside the United States. LaRouche’s current activities in orchestrating the “counter-coup” and also organizing international combinations around solutions to the underlying economic crisis, generated great interest.

Such a discussion encapsulates the dynamic at work now in the Middle East/Persian Gulf region. Although the shock of the war is still great, there is a readiness to look reality in the face. This involves grasping the grave dangers posed by the continuing hegemony of the monster in Washington; but, precisely for this reason, it also involves taking up the alternatives available, and working with them to effect a fundamental shift. If Middle East political figures and organizations help effect such a fundamental shift through LaRouche’s leadership, then, ironically, it may turn out that the illegal war against Iraq will have led to the final defeat of its perpetrators, and their imperial policy.

—Muriel Mirak-Weissbach

# Some Rays of Sanity Show on Korea Policy

by Kathy Wolfe

South Korean President Roh Moo-hyun completed a May 11-16 state visit to Washington, where he met with President George Bush and other top Administration officials, but failed to win an iron-clad pledge from the U.S. government, that there would be no U.S. pre-emptive military action against North Korea. Prior to the summit, in discussions with *EIR*, Washington sources had dismissed, out of hand, any prospect of a firm pledge to write off military action at this stage of the negotiations between Washington and Pyongyang, negotiations that had just begun in April in Beijing, with Chinese participation. In a May 15 TV interview with PBS anchorman Jim Lehrer, President Roh had confirmed that he had decided not to even raise the issue with President Bush.

Instead, Bush and Roh issued a joint statement on May 14 warning that they would take “further steps” if North Korea escalated its nuclear program. North Korean Vice Economics Minister Pak Chang-ryon, in a Pyongyang speech on May 20, attacked the statement in the harshest terms, warning that with such wording, North-South relations could go “back to zero” and Seoul could face “an unspeakable disaster.” Pak’s speech deadlocked a top-level North-South economic meeting in Pyongyang for three days.

Yet, “Korea is a land of surprises,” as wise men say. Early on May 23, the North-South meeting suddenly reconvened, where it was announced that the two Koreas will reconnect their rail lines in mid-June. On the third anniversary of the June 2000 heads of state Pyongyang summit, on June 13-15, Korea’s eastern and western lines will be linked in joint ceremonies, reported the Seoul daily *Chosun Ilbo*, in breaking news from Pyongyang. In Seoul, the state-run Korea Development Bank issued a forecast that reconnecting the western Seoul-Pyongyang “Kyongui” Line, by itself, would create over \$7 billion in new economic gains.

## ‘Development First’ Policy Taken Up

Dr. Ra Jong-yil, President Roh’s National Security Advisor, had laid out the key to forging peace against the odds, in a May 13 *International Herald Tribune* column, “Engagement with the North: Step by Step to One Korea.” Seoul should promote “economic engagement” with Pyongyang now, he wrote—and worry about “grand agendas” for paper-only political pacts later, despite Pyongyang’s nuclear program. As South Korean Foreign Minister Yoon Young-Kwan noted

after a March trip to Washington, “nuclear weapons are not the beginning and the end of all foreign and economic policy.”

Ra explained in his *Tribune* article: “The principle is simple: To move unilaterally toward reconciliation with North Korea, gradually expanding the areas of common concern,” despite their nuclear program. “This approach deviates sharply from that prevalent last century. In place of pursuing a grand agenda in the name of national glory or ideology, rather the policy of engagement is aimed at addressing the basic necessities: better food, medical care, education and a wider range of choices for everyone. . . . We want to avoid the fate of great political achievements that were initially welcomed with enthusiasm but did little to improve the conditions of life and instead led to enormous suffering and misery.”

Democratic Presidential pre-candidate Lyndon LaRouche had called for just this approach, in early May: Put real physical economic and technological development first, and paper agreements second, he urged. In a memo, “Six-Power Plan for the Eurasian Land-Bridge in Korea,” LaRouche proposed to policy-makers, that the United States, Russia, China, Japan, and South Korea resolve the crisis with North Korea, by forging ahead to build the “Iron Silk Road” between South and North, and the full Eurasian Land-Bridge from “Tokyo to Pusan to Paris.” Do this, LaRouche advised, without waiting for far-flung disarmament and other paper accords, to avoid the fate of “permanent war” which has caught up the Israelis and Palestinians.

LaRouche had developed this idea in 1981, while designing what later became President Ronald Reagan’s Strategic Defense Initiative (SDI), the memo noted. At that time, he proposed a cooperative U.S.-Soviet space program, for the joint development of new generations of industrial technologies. This would have made nuclear weapons obsolete—and revolutionized the industrial base of Russia and the United States.

When the Berlin Wall fell in 1989, LaRouche then proposed to re-connect the rail lines of West and East Europe on the same model, introducing magnetic levitation trains and other leading-edge technologies. LaRouche’s 1992-94 program to extend this revolution in technology in a “Eurasian Land-Bridge” from “Paris to Pusan” or “New Silk Road,” was based on the same method.

In his new memo circulated in May, LaRouche proposed that negotiators in Korea should drop today’s approach, identical to the Israeli-Palestinian “recipe for failure. . . . For over 50 years, Israel and the PLO have failed, by putting formalities and weapons treaties first, and economic development second,” the memo says. “The Mideast needs water. Had they built de-salination plants and greened the desert as in California, everyone would have more land, and problems would be solvable.”

In Seoul, the weekly magazine *Economy 21*, published by the progressive *Hangyoreh* newspaper, publishes a 30-page

feature on the “Iron Silk Road and Eurasian Land-Bridge,” in its May 27 issue. It features a prominent photo of LaRouche, and starts with a full-page description of his “Six-Power” plan to use the New Silk Road for the economic reconstruction of the region and the continent. Also interviewed are experts from across the Korean economic scene, including officials from the Presidential Blue House.

“LaRouche is talking about creating a Eurasian Superpower for Peace,” a spokesman for *EIR* is quoted. “The reality is, you can’t have peace in Korea unless all the powers of the region cooperate with economic development. But the good news is: If Korea, Japan, China and Russia do cooperate, you create a new superpower! So hopefully, the United States would want to be friendly and cooperate, too. . . . Rebuilding the infrastructure across the Korean Peninsula is the key to unlock the development of vast areas of Western China and Russian Siberia. Once you have transport through Korea to continue on through West China and Siberia, you open those large areas to a burst of growth.”

### **Opposition to Threats in U.S.**

The Washington policy establishment has also begun to openly reject the flirtation, by neo-conservative extremists, with nuclear war on the Korean Peninsula. Former President Bill Clinton, speaking in Trenton, New Jersey on May 19, made his third call in as many months for “winning the peace” with North Korea. Unilateralism has gone too far, Clinton said to great applause, and has no place on the dangerously armed Korean Peninsula. “North Korea should be handled diplomatically, by moving now to make a final and complete deal. North Korea wants to eat and stay warm, and to be recognized,” he said, and it will give up its nuclear program, so this should be done now.

Even more surprising, the United States Institute for Peace (USIP), founded and funded by Congress and affiliated with the State Department, on May 16 issued a ground-breaking special report entitled “A Comprehensive Resolution of the Korean War.”

“Our concept here is that the fundamental cause of all the problems on the Korean Peninsula, is the lack of any resolution to the 1950-53 Korean War,” said author William Drennan, USIP Deputy Director of Research, speaking on May 16 with remarkable clarity. It is absurd, he pointed out, that after all these years, we still have nothing but the cease-fire which went into effect 50 years ago on May 16, 1953. No treaty of any kind has ever been signed all these years; and firing could, in theory, break out any moment. As long as North Korea, not to mention South Korea and all their neighbors, feel threatened with imminent war, naturally the situation will tend to deteriorate; what else can one expect?

More surprising, Drennan was addressing a conference jointly held by USIP and the Pentagon’s National Defense University on the 50th Anniversary of the Korean War. Drennan, a retired Air Force colonel, who served as Ronald

Reagan’s Air Force aide in 1981-84, noted that the United States should “re-seize the diplomatic initiative” with a positive proposal that all powers in the region can accept.

He proposed that the United States request the convening of a United Nations meeting of the 19 nations that were belligerents in the Korean War (most of them under the UN flag). The UN, in Drennan’s outline, should formally cede the right to create a peace treaty to the main four belligerents (the two Koreas, the United States, and China). The four powers, with help from Russia and Japan, should then sign a peace treaty in the normal manner, in return for the verified dismantling of North Korea’s nuclear weapons.

In particular, the plan calls for the “recognition of the sovereignty and territorial integrity of both Koreas,” which, of course, the current extremists in Washington have refused to do, and which is the nub of the entire political problem, since North Korea believes that it is therefore the “next Iraq.”

### **Administration Stays With Provocations**

This was a far cry from the Bush Administration’s public response to South Korean President Roh’s pleas for peace. Dr. Ra Jong-yil’s May 13 column and several others, including speeches by President Roh, were “trial balloons,” floated before the Roh-Bush summit May 14, to see if Bush or his officials would respond positively, a diplomat told *EIR*. “The Administration’s response, however, was highly negative,” the diplomat said. “Both Condoleezza Rice and Donald Rumsfeld made public comments rebuffing President Roh’s overtures.” Rice told a press conference on May 14, only hours before Roh met Bush, that the United States “will keep all options open” and “will not rule out pre-emptive strikes against North Korea under any circumstances.”

Therefore Roh decided not to even ask Bush to rule out military strikes, “to avoid forcing Bush to refuse,” the source said.

President Roh could not even get Bush to rule out pulling U.S. troops out of South Korea, the diplomat fumed, “which, at a time like this, would be tantamount to Dean Acheson’s 1949 speech which put all of Korea outside the U.S. defense perimeter,” and which many analysts blame for the outbreak of the Korean War. The day after the summit, on May 15, Rumsfeld told a Pentagon briefing that he is “not going to freeze the forces; the numbers could be lowered.”

Evidently this level of insanity at the top, is causing a revolt inside Washington, not to mention Seoul.

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# Philippines President Gives a War to Bush

by Mike Billington

Philippines President Gloria Macapagal-Arroyo was treated to a state dinner at the White House on May 19, only the third such honor bestowed by President George W. Bush so far in his Presidency. The reason for the high honor was obvious: President Macapagal-Arroyo had offered total support to the U.S. imperial war against Iraq, including pledging to send humanitarian troops and workers to support the effort. She also had opened the Philippines to U.S. military deployments over the past year, in combat situations in the troubled Muslim regions in the South, despite Constitutional restrictions against foreign troops fighting on Philippine soil.

One week before her visit to Washington, Macapagal-Arroyo sent her Defense Minister, Gen. Angelo Reyes (ret.), to the United States, to call on his close friend, Defense Secretary Donald Rumsfeld, a leading “chicken-hawk” in the imperial cabal which has seized power over the U.S. Presidency. A year earlier, Reyes and Rumsfeld had established a Defense Policy Board between the civilian officials in the two Defense Departments, to better coordinate military operations in the Philippines. General Reyes presented Rumsfeld with a massive military shopping list—between \$1 and \$2 billion, according to some sources. Rebuilding the decrepit Philippine Army was the hoped-for reward for such faithful service from the former U.S. colony.

Nonetheless, Reyes went home empty handed. Something more was needed.

## Military Escalation

On the eve of her departure for the United States, Macapagal-Arroyo issued up another offering to the gods of war in Washington—a full-scale military assault on the Moro Islamic Liberation Movement (MILF), ending all efforts at finding peace with the Islamic Moro people in the Province of Mindanao. Just a week earlier, the government had given the MILF a deadline of June 1 to prove that they were not responsible for the terrorist bombings and raids in the region—a charge which the MILF denies—or face being declared a “terrorist organization.”

But the timing of President Macapagal-Arroyo’s visit to Washington appears to have moved up the timetable considerably. On May 17, the Philippines military launched the first attack, involving 3,000 troops, and “selective aerial and artillery attacks to dislodge embedded terrorist cells,” as described

in the order issued by the President only hours before departing for the United States. Over 50 people were killed in the first wave.

Army Chief of Staff Rigoberto Tiglao, when asked why the assault targetted the MILF, rather than the terrorist bandits in the Abu Sayyaf gang (who were the target of earlier joint U.S.-Philippines military operations), replied, “It’s irrelevant now if it’s MILF or Abu Sayyaf. The military have been ordered to go after *any* armed groups which could be, or have been identified as having undertaken terror attacks, or planning to have these attacks” (emphasis added).

## Fawning Praise

If President Macapagal-Arroyo expected a change of heart on the billion-dollar request, she was to be disappointed. President Bush offered \$30 million in military aid, 20 UH-1H helicopters, and the declaration of the Philippines as a “non-NATO ally,” which allows for easier access to military hardware and training. He also accepted an invitation to visit the Philippines—perhaps to visit the U.S. troops who will be deployed soon to engage in another round of live combat “exercises.”

If the Macapagal-Arroyo government carries out its threat to declare the MILF a “terrorist organization,” it is more than a possibility that the United States will end up engaged in a war with the mass-based MILF, rather than the criminal Abu Sayyaf gang—providing an excuse for those in the war-party in Washington to achieve their stated goal of establishing a full-time military presence in the Philippines.

With leaders around the world now openly protesting the criminality of the pre-emptive U.S. war on Iraq, and the lies regarding “terrorist connections” and “weapons of mass destruction” which were used to justify that war, President Macapagal-Arroyo chose instead to lavish praise on President Bush—which will prove most difficult to explain when the dust settles.

In her toast to Bush at the White House dinner, Macapagal-Arroyo said: “And how do we define a man or woman of firm resolve and goodwill? It was once thought difficult to take a firm stand against tyranny, and nearly impossible to cope with terrorism. Now, the world knows better, especially after March 20 [when the Iraq War started]. Indeed, it’s not easy, but, clearly, it can be done, with fearless leadership and iron resolve, combined with a bold strategic vision, and an unflinching sense of justice. I’m describing President Bush.”

While Macapagal-Arroyo was being wined and dined in the White House, 300,000 people in Mindanao were forced to flee their homes. Sen. Aquilino Pimentel, who represents the region in the Philippines Senate, denounced the war on the MILF as “state-sponsored terrorism,” as the death toll passed 100. Lt. Gen. Roy Kyamko, who heads the assault in Mindanao, told the press, “There is no war, we cannot call bombing a war. What we are doing is dropping bombs and shelling in their selective areas.”



# Dr. Kirchner, Life Is Impossible With the IMF!

by Gerardo Terán Canal

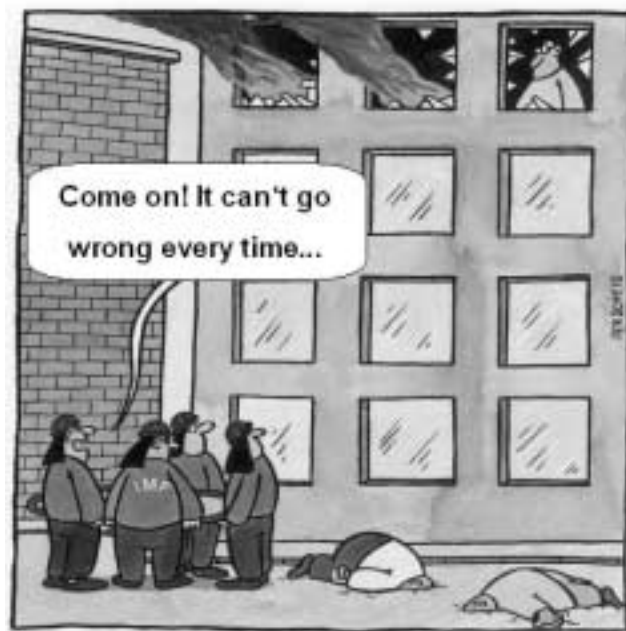
As of May 25, Argentina's Independence Day, Dr. Néstor Kirchner will be its new President. He will be its fifth since Dec. 20, 2001, when the pots-and-pans street demonstrations against the International Monetary Fund (IMF) and bankers' theft of their clients' deposits, forced the resignation of President Fernando de la Rúa, and his hated Finance Minister Domingo Cavallo.

Kirchner assumes the Presidency at a great disadvantage: He won the election by default, after former President Carlos Menem, who took first place in the April 27 primaries with 24% of the vote, suddenly withdrew from the final round of elections, scheduled for May 18. Kirchner, who won 22% of the April 27 vote with strong backing from the Peronist political machine controlled by incumbent President Eduardo Duhalde, was poised for what many predicted would be a landslide victory on May 18, with 60-70% of the vote. Menem's withdrawal denied Kirchner such a mandate to carry out the sweeping policy changes which Argentines so desperately seek.

Few shed any tears when Menem announced his withdrawal on May 14. The former President is widely despised for using his 1989-99 terms in office to impose the IMF's criminal free-market policies, in collusion with Cavallo, which plunged the country into an unparalleled crisis and wrenching poverty, from which it has yet to recover. Today, 58% of the Argentine population is officially classified as poor, in what was once the wealthiest nation of Ibero-America, with a large middle class, impressive scientific infrastructure, and highly skilled and literate labor force.

Kirchner, 54, is a member of the Justicialist, or Peronist Party. He has served for the past ten years as governor of the oil-rich Patagonian province of Santa Cruz, whose population barely exceeds 190,000 out of 37 Argentines. Thus, though reputed a good governor, his office has not necessarily given Kirchner the skill he will need to take on the problems of this ravaged nation.

Menem will make trouble, and has made clear he has no intention of disappearing from the political scene—he still greatly covets the Presidency. In his withdrawal speech, he predicted that the new President would immediately be faced with a “governability” crisis. And in a very carefully crafted article published in the May 15 establishment daily *La Nación*, the slick commentator José Claudio Escribano, who had supported the Mont Pelerin Society's preferred presidential



*The IMF system looks the same in this view from Asia: bankrupt.*

candidate Ricardo López Murphy, reported that “Washington sources” he consulted had concluded from the current situation that “Argentina has decided to give itself a government for one year.”

## Good Intentions Aren't Enough

In the weeks leading up to his inauguration, the President-elect has given a number of indications that he wants to change direction away from the path of IMF policy that Argentina has followed for several decades. Whether he can or will do this remains to be seen.

A first hopeful sign was the visit he made to Brazil in the week following the election. Brazilian President Luiz Inácio Lula da Silva had already warned that, had Menem won the election, Lula would not even have attended his inauguration. As President, Menem's foreign policy was based on what he called “carnal relations” with the United States, and on a clear determination to sabotage the four-member Common Market of the South (Mercosur) along with any positive relationship with Brazil. During his visit, Kirchner confirmed with Lula what his predecessor Eduardo Duhalde had already proposed: a strategic alliance with Brazil to strengthen Mercosur, and to negotiate the Free Trade Area of the Americas (FTAA) from a position of strength. Said Lula, Argentina can play a key role in the physical integration of South America.

During Kirchner's visit to Brazil, the two heads of state discussed plans for a common currency—although this will not occur immediately—a \$1 billion credit line from the Brazilian National Economic and Social Development Bank (BNDES) to Argentina, and the strengthening of Mercosur

through the construction of infrastructure projects. This agenda was confirmed a week later in Buenos Aires, during a joint conference held between the Argentine Finance Minister Roberto Lavagna and Brazil's Development minister.

Very interesting is the report that Brazil is preparing the launching of a mechanism for trade within Mercosur *without using the dollar*. The idea would be for BNDES to reestablish the Reciprocal Credit Convention (see *International Intelligence*, page 54). BNDES Vice President Darc Costa reported that Brazil wants to make the CCR the primary mechanism for Brazilian-Argentine trade, and identifies it as "the best instrument for economic integration we could have in South America."

Kirchner offered another such signal in response to the question of how the government intends to deal with foreign debt negotiations. In an interview with the daily *Clarín* on May 21, Kirchner said, "One mustn't forget that Argentina has already proven that it can live without an IMF agreement. It is a negotiation that shouldn't be dramatic; not everything is black or white. . . it's not 'do this, or you'll get chaos.'"

He added that he had already told Finance Minister Roberto Lavagna "to get to work on the refinancing [of the debt]. If we can achieve a writeoff of the [private] debt and interest charges and a refinancing—not like the eight-year Brady Plan, but rather one over several decades, that will allow Argentina to achieve a viable level of functioning once again—then we will have a workable refinancing internationally." Otherwise, he said, he did not want to return to the practice of accepting measures with which the country cannot comply.

Kirchner's third signal, was to announce a "neo-Keynesian" infrastructure program that will require a \$3 billion start-up investment, with a further expansion within two years. The goal is to create jobs, and resolve one of the worst legacies of the Menem era, an official unemployment rate close to 20%. Important media like *La Nación* and *Clarín*, have stressed that this plan was inspired by Franklin Delano Roosevelt's New Deal.

### **IMF Expects 'Letter' of Austerity**

However good the new President's intentions, there is no way that Argentina can coexist with the IMF. To attempt to do so, rules out the best strategic alliances, postponements of debt repayment, and infrastructure plans.

Despite his positive initiatives on South American integration, Kirchner's leading ally, Brazilian President Lula, is himself committing political suicide by continuing to submit to the IMF's domestic austerity program for Brazil. The Anglo-American financial community is hoping that Kirchner will do the same. As one Argentine financial consultant confidently told the *New York Times*, don't worry. "Kirchner will turn out to be someone like Lula, who frightens people during the campaign, but once victorious, begins to moderate his views, and ends up being more Catholic than the Pope."

There is no doubt that Brazil's drive to establish regional integration on the basis of large infrastructure projects, is the correct path to take for genuine Ibero-American integration. However, that strategy will prove successful only if the nations involved adopt the programmatic solutions that economist and U.S. Presidential candidate Lyndon LaRouche has been proposing for years. Only in the context of an international monetary reform—a New Bretton Woods agreement—and the continental Eurasian Land-Bridge, can a policy of such magnitude succeed.

To attempt such policy changes within the strictures of the IMF will doom them to failure.

In August of this year, the letter of intent that the Eduardo Duhalde government signed with the IMF will expire. In that agreement, Argentina was permitted a postponement in repayment on the public and private foreign debt. But banker pressures on Argentina are enormous, and will intensify, as they will also on neighboring Brazil. The IMF, U.S. Treasury, and various media outlets for London and Wall Street have made clear that they expect Kirchner to continue—and accelerate—the austerity-based "structural reforms" of the Duhalde government, so that the foreign debt can be paid.

Between August and December of this year, Argentina must pay more than \$3.2 billion to multilateral lenders, and by mid-2004, that figure will reach \$6 billion. The Fund has issued a list of demands it wants implemented, as conditionalities for any new agreement for financial assistance. These include raising utility rates, restructuring the public banking sector, and concluding talks on restructuring the \$60 billion in private debt on which Argentina defaulted in December 2001. The government has hired Lazard Frères, one of the most usurious financial houses in history, to help it begin negotiating with private creditors. It is worth remembering that Argentine reserves are barely \$9 billion.

If Kirchner truly wants a plan like Roosevelt's New Deal, he will have to forget "neo-Keynesianism." Roosevelt's plan was not Keynesian, but based on American System Economics, founded by the first U.S. Treasury Secretary, Alexander Hamilton: a system of national banking able to issue long-term, low-interest credits for industrial and economic development. The task of the new Argentine President will certainly not be easy. If he has the requisite courage and will, he will be able to seize upon the new opportunity now offered Argentina—and Brazil. But that only if he learns from his predecessors' sins, that there can be no life under the IMF.

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## Walking a Tightrope

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*Germany wants to keep its principled opposition to the Iraq War, but also avoid open clashes with the United States.*

**T**he talks that U.S. Secretary of State Colin Powell had in Berlin on May 16 yielded some “conciliatory” though austere gestures: Both Powell and Chancellor Gerhard Schröder conceded at a press conference that differences over the Iraq War remain, but hoped an agreement could be found in the formulation of an updated U.S. draft resolution for the United Nations Security Council that would regulate the post-war process in Iraq. The fact that no questions were taken at this press conference, indicated that neither leader wanted to risk the thin aura of “progress” being torn apart by some insistent journalists.

German Foreign Minister Joschka Fischer, who also remained rather tight-lipped at his own press conference after his meeting with Powell, was more to the point in an interview given to the weekly *Der Spiegel*—after Powell had left Berlin. In the interview, published on May 19, Fischer urged international diplomacy to proceed in close cooperation with the United Nations, urging that “everything that we do, be done with recourse to all peaceful means available. . . . We did have differences over the question of war. These still remain. But this is the past, and we are looking forward, and we have to take notice of the new realities.” Fischer said that the latest U.S. draft resolution was “not sufficient, otherwise we would not have to discuss about it.” The points addressed by French Foreign Minister Dominique de Villepin have to be clarified: “The role of the United Nations in relation to the victorious powers; the question how to transform the oil-for-food program; how to guarantee transpar-

ency for the future, until a fully sovereign, legitimized Iraqi government exists; and lastly, the problem of the weapons of mass extinction.”

Granting Anglo-American *current* control of Iraq, Fischer said the UN should give final certification of the status of the country.

By aligning himself so closely with the view of France’s Foreign Minister, Fischer sent an indirect message of dissent to the Bush Administration. Germany has adopted a “pragmatic” approach which tries to keep the anti-war opposition role in close coordination with the French and the Russians, while at the same time trying to avoid new open clashes with the U.S. war party. But the war party keeps launching new provocations against France, Germany, and Russia, speculating that they will drop their reserve and expose themselves as “anti-American.”

So far, the Schröder government has avoided being drawn into a new confrontation, but a number of nasty provocations have already occurred. The day before Schröder received Powell, President George W. Bush “spontaneously” dropped into a meeting that Vice President Richard Cheney had with Roland Koch, the Governor of the German State of Hesse and a member of Schröder’s chief opposition party, the Christian Democratic Union. The President talked with Koch for about 15 minutes, mainly about Bush’s deep concern about the close cooperation between Germany and France undermining the relationship between the United States and Germany. But the affair was rather nasty, as Bush allegedly has such a

busy schedule these days that he could not find time for even a short meeting with Schröder, neither during the St. Petersburg 300th anniversary celebrations on May 30-31, nor the G-8 Summit in Evian, France, on June 1-3. Christian Democrat Koch is considered a “coming leader of Germany,” by U.S. neo-conservatives. Schröder did not respond openly to the slap.

The other provocation was a propaganda article written by Ralph Peters, a leading mouthpiece of the neo-conservatives. In the May 15 *Frankfurter Allgemeine Zeitung*, under the provocative headline, “Hitler Was Honest, At Least,” Peters’ piece employed insulting language to make his case that by aligning with the French, the Germans had ruined their relationship with the Americans beyond any chance of repair. The Americans would pull out all their troops from Germany, Peters threatened, calling Chancellor Schröder a “charlatan” whom no American would trust, and compared to whom, Hitler was “honest, at least.”

“You had your moment in the anti-American sun,” Peters warned Schröder, “but at high noon, you proved powerless and incapable.” No matter what the Germans may think about it, Peters wrote, the Americans will “not wait” for another 9-11, but “pre-emptively strike wherever we think it is necessary, and we will do so without asking Europe for permission, ever again.”

This overdrawn propaganda piece reminded the Germans that problems will remain as long as the “chickenhawk” warriors around Cheney, Rumsfeld, and Wolfowitz stay in office. France has taken a more realistic approach: Through its ambassador in Washington, the French government confronted the Pentagon with a long list of complaints about “propaganda lies against France.”

# International Intelligence

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## ***Russia Stages Strategic Military Exercises***

Parallel to meetings of the Russia-NATO Council in Moscow on May 13, and meetings of Russian officials with visiting U.S. Secretary of State Colin Powell over the following two days, a number of Russian military exercises took place, which are said to be the largest in 12 years.

Combined naval exercises were held in the Indian Ocean, involving the largest deployment of naval units outside Russia since 1991, with units from both the Black Sea Fleet and the Pacific Fleet joining in.

*Nezavisimaya Gazeta* and *Pravda* leaked on May 14, that Russia would carry out the largest exercises in recent years, with strategic bombers and submarine missile carriers. The May 17-18 exercise reportedly was scheduled to involve nuclear strikes against targets in the United States and United Kingdom, and especially against the U.S. Navy's aircraft carrier groups.

"During the exercises, the Russian troops will work on a complex of training missions aimed at disabling of main objects of the U.S. orbital group of space satellites. This is important to break the stable functioning of the NAVSTAR global positioning system, the opto-electronic prospecting satellites Keyhole, and the radar reconnaissance satellites LaCross," according to *Pravda's* English-language website. This implies that "under conditions of war, these actions may blind the Pentagon and interfere with its usage of high-precision weapons against Russia's armed forces."

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## ***El-Baradei Warns of Iraq Nuclear Contamination***

Dr. Mohamed El-Baradei, the director general of the UN's International Atomic Energy Agency, issued a statement on May 19 warning that a nuclear contamination emergency may be developing in Iraq. He called on the United States and Britain to allow IAEA experts back into the country, to address the possible emergency. "I am deeply

concerned by the almost daily reports of looting and destruction at nuclear sites," he said, "and about the potential radiological safety and security implications of nuclear and radiological materials that may no longer be under control."

The IAEA has received reports describing uranium being emptied onto the ground from containers then taken for household use, and radioactive sources being stolen and removed from their shielding. "We have a moral responsibility to establish the facts without delay and take urgent remedial action," El-Baradei said.

The IAEA noted that on April 10, Dr. El-Baradei wrote to the U.S. government, bringing its attention to the need to secure nuclear material, and providing Washington with information about where the nuclear material and waste is found in Iraq. Verbal assurances were given that the material was secured, but following new reports of looting at nuclear sites, he wrote again on April 29. The IAEA has yet to receive a response, the May 19 statement reports.

According to press accounts, there are reports of radiation sickness among children and others who played with, or ate from, containers that held radioactive materials.

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## ***Malaysia Orients Toward France, Germany, Russia***

In a statement in Kuala Lumpur on May 19, Prime Minister Mahathir bin Mohamad hinted that Malaysia would look for allies among the major opponents to the U.S. war in Iraq. Malaysians, he said, should be prepared to be punished by the United States, for example economically, for the nation's opposition to the Iraq War. "There is a possibility that those who have helped [the U.S.] will be given special treatment, whereas those that did not will be punished, including France, Germany, Russia, and others. We are also included in this group, but I don't know what they will do. We have to watch." But whatever measures the United States might take, "we have to find ways to counter," Mahathir said.

His office announced that following the

visit of German Chancellor Gerhard Schröder the week before, Mahathir also expects French President Jacques Chirac and Russian President Vladimir Putin to visit Malaysia, in the coming months. Mahathir will meet Chirac at the Group of Eight summit in Evian, France, on June 1-3.

Meanwhile, Russian Defense Minister Sergei Ivanov arrived in Malaysia, for the first-ever such visit by a Russian Defense Minister, Agence France Presse reported. His visit was a followup to Dr. Mahathir's trip to Russia earlier this year, during which Malaysia negotiated the purchase of 18 Sukhoi Su-30MK jetfighters, in a deal estimated to be worth \$900 million, Malaysian Defense Minister Najib Razak announced at a joint press conference with Ivanov; he added that the original Su-30MK fighters would be "modified in terms of technical applications to meet Malaysia's own requirements," hence, renamed Su-30MKM.

Ivanov also spoke to the press, saying, "I believe what matters is not the value of the contract, but that it shows that Malaysia and Russia are for military cooperation in the long term. With the upcoming closure of the deal, this shows that Russia is ready for serious cooperation with Malaysia and will supply Malaysia with military technology and know-how."

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## ***Congo Seen on Verge of Rwanda-Style Genocide***

African leaders, Pope John Paul II, and some UN officials are warning that the eastern Congo could be on the verge of the kind of genocide witnessed in Rwanda in 1994. South Africa's Deputy Foreign Minister Aziz Pahad, for example, said on May 16 that the world must act to prevent a massacre in the Democratic Republic of the Congo (D.R.C.). "We are fearful that if the international community does not act quickly another massacre will happen," he warned.

The South African daily *The Star* reported on May 14 that the African Union (AU) was ready to deploy peacekeeping troops to the area centered on the town of

**HELMUT KOHL**, the former German Chancellor and an opposition Christian Democrat, said at a symposium in Moscow in mid-May, that the unipolar world pushed by the United States won't work. The world will function only if other power centers like Russia, China, and the European Union work with the United States as partners, he said, adding that Germans should not be afraid to speak frankly to the United States.

**AFRICAN DEFENSE** experts from 48 of the 53 African Union member countries met on May 12-14 in Addis Abeba, Ethiopia, to plan a continental rapid-reaction peace-keeping force. Formation of the African Standby Force was "encouraged by the international community outside Africa, which, for various reasons ranging from cost to politics, has been unable to intervene in Africa's myriad conflicts," according to a Sapa-DPA wire on May 13.

**WILLIAM PFAFF**, columnist for the *International Herald Tribune*, wrote on May 15 about "The Long Reach of Leo Strauss." Naming the many Straussians in and around the Bush Administration, he identified Strauss's view that society should be run by a secret elite, and the rest of the population fed "consoling lies." Pfaff called this "a bleak and anti-utopian philosophy that goes against practically everything Americans want to believe."

**MALAYSIAN** Prime Minister Dr. Mahathir Mohamad warned on May 17, after terror bombings in Morocco, that if the United States is trying to "out-terrorize the terrorists," this will only result in it being made the target of attacks in many other places.

**GERMAN CHANCELLOR** Gerhard Schröder laid a wreath at the tomb of Vietnamese leader Ho Chi Minh in Hanoi on May 15. This was the fourth stop on his Asian tour. In a speech at the Technical University of Hanoi, he said: "There is only one system of international law, and that is the Charter of the United Nations."

Bunia, where hundreds of people were killed in the previous week in fighting between the Lundu and Hema ethnic groups. Tens of thousands more have fled and desperately need assistance. South Africa pledged to send 1,200 troops, and France will send about 700, if they are part of an international team with the mandate to use force.

The UN is still debating a request by South African President Thabo Mbeki, the AU's chairman, to change the mandate of the UN peacekeeping force there, from monitoring to peace enforcement. There are currently only 600 UN soldiers in Bunia, who are hopelessly outnumbered by some 25,000 militiamen.

After meeting the five militia groups in Tanzania, President Joseph Kabila signed an agreement on May 17, binding all signatories to cease hostilities, demilitarize Bunia, and allow the deployment of an international intervention force. The accord also pledged not to allow any more foreign involvement in the fighting in Bunia in the Ituri region.

Congo Foreign Minister She Okitundu noted that an "invisible hand" is operating, as in the past, to aggravate the situation. "The Hema and Lundu communities are being manipulated, there is an invisible hand. It is Rwanda and Uganda who are fighting on D.R.C. territory to perpetuate the occupation and the plundering of our resources." Rwanda and Uganda have occupied parts of the Congo for many years. He added that the arms that had been found in the district did not belong to the D.R.C., but had come from Rwanda and Uganda.

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## ***Putin Calls for Doubling Russia's GDP in 10 Years***

In his State of the Union address on May 16, President Vladimir Putin called on Russians to at least double the Gross Domestic Product within a decade, as part of a complex of improvements intended to secure Russia a place among strong, economically developed, and influential countries in the very near future. Full convertibility of the ruble is an accompanying goal. He noted that the recent years' economic growth of Russia

had occurred mainly due to rising raw-materials prices for its exports, but that Russia had not properly taken advantage of those high prices for its long-term economic growth.

Part of the problem he attributed to the so-called natural monopolies' siphoning off of profits which should have been invested in other industries; part to the continuing need for shrinking of bureaucracy, legal limits on bureaucratic power, and delimitation of roles of the different levels of government.

Russia's unconditional first priority for foreign policy is relations with the Commonwealth of Independent States, he said. The second is integration with greater Europe, toward a common economic space.

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## ***European Defense Chiefs Want 'Out' of Maastricht***

Defense ministers of France, Germany, and Italy agreed at a meeting in Brussels on May 20, to call for exempting military budgets from the European Union's Maastricht Pact criteria, which disallow national budget deficits in excess of 3% of GDP. The three ministers agreed that improving military capabilities in Europe was too important to allow its being strangled by Maastricht any longer.

French Defense Minister Michel Alliot Marie stated that "budget problems" are raised every time there is an attempt to develop an autonomous European defense capability. "A certain number of ministers have said that there is a block, an impediment coming from the Pact and that they wished this impediment would be lifted," she stated at a press conference. "We must create the conditions, in which military expenses can escape, at least partially, the Pact."

Ministers from Italy, Belgium, Germany, and Britain also took that view, according to French press reports.

"At different moments, Paris has tried in the recent period, to launch that debate, reported *Libération* on May 20. Vainly until now."

## Nemesis Stalks Chicken-Hawks: Iraq Failure Fuels Countercoup

by Michele Steinberg

President Abraham Lincoln famously pointed to a principle of republican leadership in a national crisis, with his optimistic epithet, “You can’t fool all of the people all of the time.” And all signs are that time is up for the ignoble lies of the Straussian conspirators in the United States and Israel who pushed the Iraq war, and want America involved in world imperial “perpetual wars.”

As of May 22, White House spokesman Ari Fleischer was gone; Israeli Prime Minister Ariel Sharon had cancelled his trip to Washington to see President Bush; Gen. Tommy R. Franks, CENTCOM chief and the Iraq and Afghanistan wars’ commander, was gone; calls were being made on the floor of the Congress for the resignation of Deputy Secretary of Defense Paul Wolfowitz, the leading warmonger, and disciple of fascist philosopher Leo Strauss, in the Bush Administration; Sen. Robert Byrd (D-W.Va.) was denouncing the entire rationale of the Iraq war as a pack of deliberate lies coming from the Bush Administration; and the Central Intelligence Agency had assembled a panel of retired analysts to review “what went wrong” and “whodunnit” over the concocted intelligence reports that hyped a “clear and present danger” of Iraq’s weapons of mass destruction, and predicted an Iraq where milk, honey, oil revenues, liberty, and democracy would flow after Saddam Hussein was defeated and ousted.

Throw into this boil, the fact that Godric Smith, press spokesman for British Prime Minister Tony Blair, resigned just hours after Fleischer. “Goddie” was second to Blair’s chief spokesman Alistair Campbell, who pushed through the “British dossier” on Iraq’s alleged ABC weapons on the eve of the crucial Feb. 5 UN Security Council debate; the dossier turned out to be a hoax.

### The Role of Ariel Sharon

White House spokesman Fleischer did not resign, but was fired, say Washington sources. There were differences between Fleischer and the President, which likely overlap the question of why Prime Minister Sharon abruptly, on May 18, cancelled his May 20 meeting with Bush. This could be the beginning of “regime change” in Washington—and Jerusalem—what LaRouche has been calling the “countercoup” President Bush must implement to take back control of his Administration and the nation from the Cheney-Rumsfeld-Wolfowitz cabal.

LaRouche, acting as a “shadow President,” accuses the Cheney cabal of having carried out a “coup d’état” under the cover of the Sept. 11, 2001 attacks, to implement a domestic police state, and put the United States at the head of an international “Waffen SS” imperial force. Iraq, for the Cheney gang, is only the first step in a succession of wars that include Syria, Iran, and Saudi Arabia. A countercoup is the *only* way, says LaRouche, for the United States to exit from the Iraq mess, for which the neo-conservative cabal is fully responsible. This exit strategy must include a peace plan in the Middle East leading to a Palestinian state.

Various Republicans have told Bush that he will not be able to win the election in 2004, unless he can push through the “Road Map” in the Middle East. He will not be able to win if he enters another war, or does not do something about the economic crisis. This advice would put Bush at loggerheads with the neo-conservatives, especially Cheney, and with Sharon and his allies. As *EIR* reported on May 23, Powell didn’t win the “Road Map” issue in his May 11 meeting with Sharon, but once back in Washington, did establish the point that Sharon shows no respect for President

Bush, and has gone too far.

Just before the Israeli Prime Minister was due in Washington, signs emerged that Bush was *not* backing Sharon's stiff-arm of the Road Map; pro-Sharon events in the United States *flopped* entirely (see box). Without Bush's "green light," Sharon faces an existential crisis, needing U.S. backing to stay in power. That reveals the reason he stayed away from Washington.

On May 17, under intense pressure from Washington, Sharon met with Palestinian Prime Minister Abu Mazen, in Jerusalem, in the first Israeli-Palestinian summit meeting in nearly three years. Sharon had done everything possible to avoid such a meeting, but despite a Palestinian suicide bombing incident in Hebron just hours earlier, it went ahead. As expected, a deadlock resulted when Sharon refused Abu Mazen's request that he accept the Road Map. Sharon boasted that he would only discuss his reservations with George W. Bush. Then abruptly, the meeting with Bush was off, when a second suicide bombing in Jerusalem on May 18—the first Jerusalem bombing in *six months*—killed seven Israelis.

But, Sharon didn't cancel his trip because of terror incidents; rather, he used the excuse of the terrorism, so he wouldn't have to come to Washington and face a potential reproach from Bush. American and Israeli intelligence circles that know Sharon intimately, suspect that the recent terror wave in Israel bears the mark of his dirty tricks, since it was he who built up Hamas and Islamist terror networks to counter the PLO. The extremists on both sides use terror to derail peace.

It is now a problem for Sharon that he didn't go to Washington. For the first time in his 27-month tenure, he has not been able to use conveniently-timed terror to further his real desire—to cancel the Oslo Treaty, and move the Palestinians out of Israel and the Palestine National Authority completely. The five suicide bombings in 48 hours, from May 17-19, did not cause Bush to drop the Road Map. At the same time, a growing number in the American Jewish community are telling Sharon that the American Jews, like the majority of Israelis, actually support a Palestinian state, if that could bring an end to terrorism. The Sharonists are enraged that Bush phoned Prime Minister Abu Mazen on May 20, reiterating his commitment to a sovereign Palestinian state. Abu Mazen told Bush he is committed to combatting terrorism.

In Israel, the fascists in Sharon's cabinet are now calling

for Israel to assassinate Palestinian President Yasser Arafat to stop the Road Map, and in the United States, Likudnik neo-cons are attacking Bush. Sharon wants to delay visiting Washington, hoping the neo-cons regain their monopoly around the Administration. But, Bush is now pressuring him to come *before* the President leaves for the G-8 summit in Evian, France on May 30.

### **Et Tu, Tommy?**

But the biggest news was at the Pentagon, where on May 22, General Franks announced he was resigning. This left Rumsfeld twisting in the wind, reports a high-level Washington intelligence source, who agreed with LaRouche that Rumsfeld had acted like Adolf Hitler in running a purge of the traditional generals who opposed his utopian war plans for Iraq. Recall that Rummy had canned Secretary of the Army, retired Gen. Tommy White, as part of his plan to push through *Notverordnung* (emergency) laws to "transform" the military. Rumsfeld had also tried to silence Army Chief of Staff Eric Shinseki, who warned that Rummy's plan for Iraq would lead to a disaster, endangering civilians and spreading disease and chaos, because of an inadequate deployment of U.S. forces. Rumsfeld announced Shinseki's replacement *months* before his term was up. But now, the purges are back-firing—Rummy's intended replacement for Shinseki, General Keane, announced he wasn't taking the job; Shinseki stuck to his guns, and is considered "prophetic," within uniformed military ranks, because he stood up to the chicken-hawks. Rummy has no Army Chief of Staff, and Franks, his "conquering hero," has quit.

The most important thing about these developments is that a fight started in Congress against the Rumsfeld plan after LaRouche declared that it was unconstitutional, and if it were pushed through, Rumsfeld was impeachable. LaRouche called the separation of powers concept the baseline of the Constitution, starting the fight which some Democrats and others have begun to join.

On May 21, the Cheney/Rumsfeld cabal also took a direct hit in Congress. Sen. Robert Byrd, during the debate on the National Defense Authorization Act for FY 2004, said, "The American people have been lured into accepting the unprovoked invasion of a sovereign nation, in violation of long-standing international law, under false premises." He accused the Administration of manipulating the events of Sept. 11, falsely equating Osama bin Laden and Saddam Hussein. "It was the exploitation of [Americans'] fear," said Byrd. The Bush team's "extensive hype of WMD in Iraq as justification for a pre-emptive invasion has become more than embarrassing," since troops have so far found "fertilizer, vacuum cleaners, conventional weapons, and the occasional buried swimming pool." The hype has revealed, Byrd said, "the reckless use of power," with the "lucrative contracts" to rebuild Iraq's infrastructure. In the House, Rep.

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Barney Frank (D-Mass.) called for neo-con kingpin Wolfowitz to resign.

There is more to come. A Washington diplomatic source told *EIR* that there is tremendous anger in the capital against the neo-con coup, and there will likely be hearings—along the lines of Iran-Contra, or the 1970s Church Committee—to uncover how the Iraq fiasco was pushed through. Retired Marine Gen. Joseph Hoar, who opposed the utopian Iraq war plans, and remains a critic of what happened, called for full Congressional hearings, as soon as the combat ended.

On May 22, the first step of this emerged when the *New York Times* revealed that the CIA has begun a review of the reports circulated inside the government before the war—

including sworn testimony to Congress—to compare them with what has actually been found—or not found—in Iraq. CIA Director George Tenet has named a team of retired intelligence analysts to run the review.

What is really targeted is the Rumsfeld/Wolfowitz “deception” unit in the DOD Office of Intelligence, and leading Straussian Abram Shulsky, who ran a “Chicken-hawk Intelligence Agency” that cooked intelligence reports using information from convicted Iraqi crook Ahmed Chalabi, to present so-called evidence about Iraq. Shulsky, who is featured in LaRouche’s campaign pamphlet, *Children of Satan, the Ignoble Liars Behind Bush No-Exit War*, is one of the first on the line.

## Pro-Sharon Rally Flops, Discrediting Neo-Cons

The National Unity Coalition for Israel, whose Honorary Chairman was Under Secretary of Defense Douglas Feith, before he became a top member of the Cheney cabal in the Administration, is going through what could be its death throes. NUCI is taking the blame for the flop of the Interfaith Zionist Leadership Summit in Washington on May 17-18, where only a few hundred of the faithful attended most sessions at the Omni Shoreham Hotel.

Endorsed by more than 20 of the largest Christian fundamentalist and right-wing pro-Israel groups, including the Jewish Institute for National Security Affairs (JINSA), the Christian Coalition, the Christian Broadcasting Network (CBN), the Religious Roundtable, the Zionist Organization of America (ZOA), and Gary Bauer’s Coalition for American Values, the Leadership Summit was supposed to be a “show of force” that would prompt White House campaign manager Karl Rove and the Republican Party to pressure Bush to drop the Road Map for peace between Israel and the Palestinians. It was a pathetic showing. Bush hasn’t dropped the Road Map, and now the “theo-cons” and neo-cons are attacking President Bush.

On May 22, NUCI sent out thousands of e-mails with an article by nationally syndicated columnist Arlene Peck, who wrote, “Sad, isn’t it, that the next generation, George W. Bush, apparently hasn’t learned from the mistakes of his father. . . . Bush is heading towards selling Israel out and is on the verge of the greatest double-cross since the Allied nations sold the Sudetenland to Adolf Hitler.”

In Israel, Ariel Sharon’s own fascist Cabinet members, exemplified by Transportation Minister Avigdor Lieberman, are likewise turning against Bush. Lieberman told

the clandestine radio station Arutz Sheva that “Arafat should be killed . . . total war against terrorism . . . begins with killing Arafat. We don’t have to expel him or isolate him. . . .”

The Interfaith Summit cheered Sharon’s rejection of the Road Map, and opposed any idea of “rewarding murderous Palestinian terrorism with statehood.” But speakers addressed a mostly empty room. As the event was taking place, Sharon announced from Israel, that he was not coming to Washington.

The founder of the International Christian Embassy Jerusalem, Jan Willem van der Hoeven, a Dutch national with a World War II Nazi past, pounded the podium, asking why the American Israel Public Affairs Committee (AIPAC) and Anti-Defamation League of B’nai B’rith (ADL) were not there supporting the rally, and raving that soon Jews will be back on the Temple Mount (Jerusalem’s al-Haram al-Sharif, one of Islam’s holiest sites), rebuilding the Third Temple.

The final session, entitled, “A Palestinian State: U.S. National Interests and Israel’s Future,” featured the neo-cons’ Four Horsemen of the Apocalypse: Frank Gaffney of the Center for Security Policy; Thomas Neumann, Executive Director of JINSA; Daniel Pipes of the Middle East Forum, who has slandered Lyndon LaRouche; and self-described “universal fascist” Michael Ledeen. Moderator Morton Klein, President of the ZOA, said that Syria, Libya, and Iraq were all “barbarous states,” whose leadership must be crushed, as must also be done with the Palestinian Authority and the idea of a Palestinian state in “the Biblical land of the Jews.” He called it “religious war.”

Ledeen proclaimed that there can be no “peace process,” because this was a “war process” for “freedom from tyranny.” He said that there is no such thing as “peace” in world history, just brief moments after wars, during which the winner imposes a peace treaty on the vanquished.

—Scott Thompson



## McAuliffe's Menstrual Cycle

by Lyndon H. LaRouche, Jr.

*This statement was released by the Presidential candidate's political committee, LaRouche in 2004, on May 21, 2003.*

In what is clearly an expression of Democratic National Committee (DNC) Chairman Terry McAuliffe's simple lack of gentlemanly guts to face me in public debate, he proposes to gag all of the DNC's nine approved Presidential pre-candidates, by limiting their appearances in debates to once a month; that, on a controlled setting arranged by the right-wing DNC mafia.

Before I tell you what I intend to do about McAuliffe's latest tantrum, I prepare for my announcement with a quote from the *New York Times*' description of one man's spin on McAuliffe's latest antics.

"Well, these forums are a lot more complicated than they might appear to be. It is not just a matter of a candidate hopping on a plane with an aide or two and stepping out in front of the klieg lights. In South Carolina, for example, it was not unusual to see candidates show up with a dozen aides to help them prepare for, and then get through, the big night. For campaigns keeping an eye on spending, that is a lot of hotel rooms, plane tickets, meals and, of course, bar tabs.

"For a nationally televised debate, a candidate spends two days out of public sight, running through practice sessions, and resting up for the big night. These days, there is already enough for a candidate to do, from raising money to hiring staff members, to figuring out what they stand for. . . . The more debates, the fewer new things there are for the candidates to say—which means that the only things that tend to draw attention are mistakes and miscues, as one campaign advisor said today."

If I could not walk into an impromptu debate, with no more than a few words from one of my associates, and deal competently with anything to which I should respond, I would not have started this campaign for the Presidency. With no more preparations than that, I would be prepared to respond on almost any relevant question of substance, any day of any week. A person who would require the kind of pre-grooming de-

scribed by the *New York Times*' source, is not intellectually or emotionally fit for the office they seek.

Perhaps that is what really frightens the DNC's right-wing mafia—or, is it, perhaps, the mafia's DNC right wing?

If any among those candidates were fools enough to go along with McAuliffe's proposed menstrual cycle, I shall be waiting to reply to each and all as soon as I have seen the broadcast performance. I shall schedule a webcast, from anywhere in the world I happen to be, as promptly after the McAuliffe show as it is physically possible to arrange.

They are now all fairly forewarned. Think fast, fellows. It isn't McAuliffe; it is Michael Steinhardt's buddies, and perhaps, also, Vice-President Cheney's I. Lewis Libby of Marc Rich fame, who are trying to make fools of you, just as Libby helped to set up outgoing President Bill Clinton.



*In a quick and fearful response to the growing success of Lyndon LaRouche's Presidential campaign—and particularly his May 11 invitation to his Democratic rivals to participate in a webcast debate on the importance of FDR's methods for the present economic breakdown—Democratic National Committee (DNC) Chair Terry McAuliffe held a meeting on May 19 with representatives of several of the other Presidential campaigns. A decision was reportedly made to limit the number of the Presidential debates, and their format, to "media only." The leadership of the DNC and Sen. Joe Lieberman's Democratic Leadership Council (DLC) clearly fear LaRouche's campaign, and are looking for new ways to try to exclude him. He leads them all in number of campaign contributions.*

*On May 14, the DLC called a Washington meeting of 50 centrist Democrats and DLC staff "to talk about ways to resist liberal factions of the party as the Presidential primaries unfold." Lieberman made a proposal for Presidential debates. With his name recognition at only 10% of voters, and the other Democrats less, Lieberman said, "Let's agree to appear regularly before the voters on television in media-sponsored neutral debates"—i.e., with no sponsoring constituency organization or audience.*

# U.S. Admits Most Afghan Detainees Not Al-Qaeda

by Edward Spannaus

In a highly unusual action, Secretary of State Colin Powell sent what is described as “a strongly worded letter” to Defense Secretary Donald Rumsfeld on April 14, urging the Defense Department to move faster in determining which prisoners, seized in Afghanistan, and held at the U.S. base in Guantanamo Bay, Cuba, can be released. Citing complaints from eight allies whose citizens are among the prisoners, Powell’s letter said that mishandling of the detainees undermines international cooperation in the war on terror, according to *U.S. News & World Report*. He asked Rumsfeld why it is taking so long to reach “a final determination” on the prisoners’ fate, and Rumsfeld later agreed to speed up the release of about 100 detainees sought by the United Kingdom, Russia, Pakistan, and Spain, the report said.

On an earlier trip to Guantanamo, Rumsfeld described the prisoners there as “among the most dangerous, best trained, vicious killers on the face of the Earth.”

Ten days after Powell’s letter, unnamed U.S. officials were quoted in the *New York Times* making the unprecedented admission, that only a small number out of more than 600 detainees are actually members of al-Qaeda. “The rest have either been determined to be nobodies, rounded up in the chaotic aftermath of the war, or presumed to be nobodies whose state has not yet been determined,” the *Times* reported, in a lengthy article which noted that only 22 of the Afghan detainees had been released so far; the rest “remain in a legal, political, and geographic limbo.”

This admission corresponds with what *EIR* had already reported, in two interviews in its May 31, 2002 and March 28, 2003 issues with Dr. Najeeb bin Mohamed al-Nauimi, the former Justice Minister of Qatar, who founded the Committee for the Defense of the Detainees at Guantanamo. Dr. al-Nauimi told *EIR* that his estimation was that no more than 60-70 of the detainees were actually committed to al-Qaeda or the Taliban. (Dr. al-Nauimi was also interviewed by the *New York Times* for their belated story.)

## Justice Department Grilled

Two days before those dramatic admissions were published in the *Times*, an official of the Justice Department (DOJ) had been publicly raked over the coals concerning the Bush Administration’s treatment of the Guantanamo detainees. This took place at an April 22 meeting in Washington, of the American Bar Association’s Standing Committee on National Security Law, attended by perhaps 100 present and

former lawyers for U.S. intelligence and law enforcement agencies.

During a panel discussion, John Yoo, the head of the DOJ’s Office of Legal Counsel, suggested that no one goes to Guantanamo unless he is a terrorist. During the question period, *EIR* noted that the government’s actions in Guantanamo are causing enormous damage to the United States abroad, and cited the estimate from Dr. al-Nauimi, that only 60-70 of the detainees are actually hard-core al-Qaeda or Taliban, and the rest swept up in the fog of war, or handed over to the United States for pay by other Afghans.

Yoo denied this, saying that “a lot of people have their cover stories,” and declared that “we have a very good process” for sorting people out and hearing their explanations of why they were picked up. But another panelist, longtime national security specialist Morton Halperin, jumped in to say that Yoo’s claim was not true, and that in fact there is no adequate process for a prisoner to challenge his detention. Halperin pointed out that in contrast, all Iraqi prisoners in the first Gulf War, and in the recent one, were given hearings in which they could present their side of the story. “That’s what the Geneva Convention requires,” Halperin said, “and that is what you refuse to give people. . . . There is no reason not to do it, and you haven’t given any reason not to do it.” Halperin said the Administration simply states, instead, that all the prisoners are terrorists.

## Geneva Convention Procedure

The standard procedure for processing and sorting out prisoners, and determining whether they should continue to be held or released, is what is known as an “Article V hearing,” because it complies with Article V of the 1949 Geneva Convention Relative to the Treatment of Prisoners of War (GPW). This procedure is incorporated into U.S. Army Regulation 190-8, and it has been routinely used in other conflicts. For example, it was used approximately 1,200 times in the 1991 Gulf War, according to Joseph Onek, the director of the Liberty and Security Initiative of the Georgetown University-affiliated Constitution Project; Onek told *EIR* that there is absolutely no reason why it should not be used with the Guantanamo prisoners.

Under this regulation, a tribunal consists of three commissioned officers charged with determining if a captive is entitled to prisoner-of-war status, or should be classified as an unlawful combatant, or should be released. The detainee is not given a lawyer, but may call and question witnesses, and may testify on his own behalf. A written record is to be kept of the proceeding.

Onek asks, since the United States has used this procedure in both Gulf wars, “Why aren’t we doing it here?” He declares it “totally unjustifiable” that the United States doesn’t provide some kind of hearing for the Guantanamo detainees, and then issue a written report. Onek believes that the mind-set of the lawyers, primarily at the Justice Department and the White House, is: “We don’t want to bind ourselves to anything. We

want to have absolute discretion.”

At the present time, it is estimated that there are 680 prisoners at Guantanamo. Although the Pentagon has been slowly setting up the framework under which the detainees could be tried by military tribunals (or commissions), legal experts expect that only a handful will ever actually be put on trial, because interrogations have shown most to be simply too unimportant.

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## Rumsfeld's 'Notverordnung'

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# 'Transformation' Bill Hits Bumps in Congress

by Carl Osgood and Edward Spannaus

Secretary of Defense Donald Rumsfeld encountered more opposition than expected, in his effort to ram through Congress his draconian “Defense Transformation Act for the 21st Century,” which would tear up the Constitutional separation of powers, and destroy civil service protections for the Defense Department’s 800,000 civilian employees, in one stroke of a pen. This is the bill which Lyndon LaRouche called Rumsfeld’s *Notverordnung*—with reference to the emergency decree that allowed Adolf Hitler to become Germany’s dictator (see *EIR*, May 16).

By waiting until April 11 to submit his transformation plan to Congress, Rumsfeld and his allies had hoped to rush his personnel changes through the House and Senate as part of the broader \$400 billion defense authorization bill, with minimal debate. But in fact, he totally lost on one of the major personnel proposals—that which would give the Secretary of Defense broad authority over the hiring, firing, and rotations of flag and general officers—which was not passed by either House. And the other major personnel proposal—the stripping of civil service protections for civilian employees—was passed only by the House, with the Senate declining to incorporate it in the authorization bill.

Thus the general-officer provision appears dead for this session of Congress, and the civil-service provisions are unlikely to go through, unless the Senate were to cave in to the House during the Senate-House conference which will have to resolve this and many other differences between the House and Senate versions of the defense bill.

### Rumsfeld Mobilizes

During the three days of floor debate in Congress, Rumsfeld took every opportunity to push for passage of his “transformation” proposals. On May 21, he spent half the

day on Capitol Hill in meetings with the Congressional GOP leadership. The following day, he took the rather extraordinary step of personally responding to a blast at his proposals published in a *Washington Post* op-ed by Rep. Ike Skelton (D-Mo.), the senior Democrat on the House Armed Services Committee. If Rumsfeld had hoped to sneak the bill through without much Congressional and public scrutiny, this was an admission that he had failed.

Skelton’s May 21 op-ed was the most public manifestation of the fierce opposition in Congress against Rumsfeld’s bill. Calling this the “most sweeping defense reform legislation proposed since the Goldwater-Nichols Act of 1986,” Skelton declared: “The only thing that is obvious and consistent throughout the 50 provisions included in this bill is the aggregation of power sought by the Department of Defense, removing the legal restrictions and congressional oversight that should safeguard against any abuses, however unintentional. This approach is a rush to judgment that will affect vast numbers of people and, in many cases, will enshrine bad policy into law.”

Skelton noted that the Goldwater-Nichols legislation took four years for Congress to pass, with the armed services committees of both Houses holding dozens of hearings in that span, and having “spent months drafting a comprehensive and bipartisan bill.”

Skelton also zeroed in on Congress’s Constitutional responsibilities. “The Constitution establishes Congress as a counterweight to executive authority for good reasons,” he wrote, “to guard against the excessive aggregation of any administration’s power and to ask critical questions that allow better law to be made.” He warned that “without the ability to question and consider fully the implications of what we do, we abandon the planning needed to protect our nation’s security and to protect those who serve their nation.”

In addressing the Constitutional issues, Skelton reflected the tremendous impact of LaRouche’s widely circulated campaign release, denouncing the Rumsfeld “transformation” gambit as a power play modeled on Hitler’s similar assault on the German military and civil service in 1933. Thousands of copies of the LaRouche in 2004 pamphlet, *Children of Satan*, exposing the Rumsfeld/Wolfowitz/Perle *putsch*, have been circulating on Capitol Hill for the past month, as have *EIR*’s more recent coverage of the Rumsfeld bill.

In his *Washington Post* op-ed the next day, responding to Skelton, Rumsfeld based his argument on the utopian fascist notion that we are now “in the information age, when terrorists move information at the speed of an e-mail, money at the speed of a wire transfer, and people at the speed of a commercial airliner,” while the Defense Department is supposedly forced to face this threat “bogged down in the bureaucratic processes of the industrial age.” He argued that the time it took to pass Goldwater-Nichols cannot be taken today because “the new threats are here now,” and our enemies “are watching us” from their deeply buried caves and bunkers seeking ways to kill hundreds of thousands. (Rumsfeld did not



*Congressional and especially uniformed military opposition to Rumsfeld is rising, and taking the form of resistance to his unconstitutional and Hitler-like “military transformation bill.”*

explain why terrorists hiding in caves, are the characteristic feature of his modern “information age.”)

Rumsfeld’s hysteria notwithstanding, the Senate was unable to come to any agreement to include his personnel proposals in their version of the defense authorization bill. On the opening day of floor debate, Senate Governmental Affairs Committee chairman Susan Collins (R-Me.) indicated that she and members of her committee were working to draft an amendment on the civil service provisions that would be acceptable to the Senate. “I believe the Secretary’s initial proposal goes too far,” Collins said.

Armed Services Committee chairman John Warner (R-Va.) agreed that Rumsfeld’s proposals go too far, but he indicated his hope that some provision could be included in the Senate bill, since it is already in the House bill, and it will come up in conference with the House. When Collins said she hoped to reach some bipartisan agreement on this, as well as involving employee organizations, Warner urged haste. “The train is moving through,” Warner said, adding that the likelihood of a separate bill passing later on, is a “question mark.”

But the effort to craft an amendment, on which George Voinovich (R-Ohio) was working with Collins, came to naught when the Rules Committee ruled that such an amendment was “irrelevant” to the overall defense bill.

Nonetheless, Senator Collins announced on the evening of May 22 that she will introduce a compromise, free-standing bill, incorporating some, but not all, of the civil services changes sought by Rumsfeld. Collins hopes to hold a hearing on her bill in early June.

But it is likely that the House-Senate conference will pro-

ceed immediately after the Memorial Day weekend. Sen. Carl Levin (D-Mich.), the senior Democrat on the Senate Armed Services Committee, predicts a contentious conference, because of the civil service provisions which are contained in the House bill, but not in the Senate version.

### **House GOP blocks debate**

In the House, Rumsfeld is not without allies among the “Conservative Revolution” leadership, typified by Texas Republican Tom DeLay, known among colleagues as “the exterminator.” The House GOP leadership brought their version of the bill to the floor on May 21, under a rule that prohibited any Democratic amendments addressing the most egregious language in the bill, including the civil service reform provisions, and those provisions exempting the Pentagon from environmental laws.

During debate on the rule, Democrats charged that the Republicans had taken a traditionally bipartisan bill and made it ideological. Rep. Martin Frost (D-Tex.) said the civil service provisions and the environmental riders “are about supporting the Republican Party ideology, and they have no business in a bipartisan bill to provide for the men and women” of the armed forces. House Minority Whip Steny Hoyer (D-Md.) added that the Republicans showed “no compunction about turning even the most bipartisan legislation into a vehicle for divisive and unnecessary partisanship.” Furthermore, the GOP “has purposefully loaded up this bill with extraneous and controversial provisions and forced the rule to deny our side of the aisle a fair opportunity to be heard.”

Democratic anger spilled over into the general debate on the bill, after the rule was approved by a vote of 224-200. Hoyer came back to the floor and denounced the “rush to judgment” on the bill, saying the only reason for it “is because [the GOP] are unwilling to debate it fully and to have it open for amendment fully.” Rep. John Spratt (D-S.C.), the second-ranking Democrat on the Armed Services Committee, told the House that “we are going through what is basically a pro forma debate here, because this bill is off limits to serious debate. When you cannot offer an amendment, you are only shadowboxing about the provisions of the bill.”

It was not just Democratic opposition that the House Republican leadership was worried about. Notably, it was a Republican—and a freshman at that—who was responsible for knocking out the general-officer personnel provision during the House Armed Services Committee markup of the defense bill. Rep. John Kline (R-Minn.) drew upon his 25 years experience as a U.S. Marine Corps officer to persuade two other Republicans to join Democrats in supporting an amendment deleting the general-officer provision.

Kline said that “every colonel and general I know, active and retired,” all oppose the Rumsfeld plan. This doomed that section of the Rumsfeld bill in the House, and clearly reflected the deep revolt against Rumsfeld’s “transformation” scheme among uniformed military officers.

# Army War Game Shows 'Pre-emptive' Disaster

by Carl Osgood

The outcome of a war game held at the U.S. Army War College in Carlisle, Pennsylvania at the end of April is leading to the explosive conclusion that, in future wars against capable adversaries, the present U.S. policy of pre-emptive war may make the use of nuclear weapons more likely.

*DefenseNews* reported, in its May 12 issue, that that conclusion arose out of the fact that the United States is likely to retain such great military superiority, that its foes are more likely to respond to a U.S. threat of attack by the use of nuclear, chemical, and/or biological weapons, very early in a conflict. The speed at which this occurred in the game apparently caught military strategists involved off-guard. One retired Air Force four-star general told *DefenseNews*, "Nuclear thresholds may be lower than we think them to be." This is doubly ironic, given that the Bush Administration has been rushing to lower its own nuclear threshold in the form of the January 2002 Nuclear Posture Review.

The emergence of these characteristics as part of Secretary of Defense Donald Rumsfeld's "transformation" policy should not come as a surprise, given the source of that policy. Andrew Marshall, the Pentagon's Director of Net Assessment, and one of Rumsfeld's closest advisors on military transformation, spent the formative years of his career at the RAND Corporation, working with such luminaries as Albert Wohlstetter and Herman Kahn, on making nuclear wars both thinkable and winnable.

Another close advisor to Rumsfeld is former Speaker of the House and current Defense Policy Board member Newt Gingrich, a great admirer of author Alvin Toffler. Toffler, in his 1993 book *War and Anti-War*, posited a shift from industrial-age to information-age warfare, and that the source of future conflict would be between "declining industrial-age nation states" and "Third Wave" information societies. The recent war against Iraq may be seen as a paradigm for future such wars. Rumsfeld brought to the Pentagon retired Admiral Arthur Cebrowski, as his Director of Force Transformation, to implement Toffler's "vision" of information-age warfare, and directed U.S. Joint Forces Command to impose it on all four of the military services.

## 'We're Playing the Clash of Civilizations'

The war game, dubbed Unified Quest 03, and jointly sponsored by the Army's Training and Doctrine Command (Tradoc) and U.S. Joint Forces Command, was the first in



*Army war gamers discovered that the new U.S. "preventive war" policy is rapidly lowering the threshold for use of nuclear weapons—by both sides.*

a series running through early 2004, designed to develop a new set of joint operations concepts for Rumsfeld's military transformation policy. The process that Unified Quest was a part of, is designed to completely change the way that force structure is built, from an approach traditionally oriented to the individual services, to one where the services start from a common set of principles. The war games to test those principles are to be sponsored by Joint Forces Command and each of the services.

Set in 2015, the game was built around two scenarios extrapolated from present day Iran and Indonesia—called Nair and Sumesia—with a homeland security scenario running alongside. Game officials went to great lengths to explain that the game was not about what future threats might emerge from those two particular countries, but to provide a "robust" adversary in order to put maximum stress on the concepts under development. Joe Greene, Tradoc's Futures Director and one of the principal designers of the Red (opposing) force used in the game, explained to reporters during a media day on April 30, that the game "is about the future, about the right range of capabilities to challenge joint concepts and objectives, challenge joint forces requirements." Greene explained that Iran and Indonesia were picked because they each offer the full range of geographic challenges, from a maritime

environment to mountain ranges that can impede movement of forces. The Red force in the Nair scenario was played as a “major regional competitor” with the ability to challenge the U.S. joint force. “We’re playing the clash of civilizations and cultures that you’d expect to see in a number of places where we might be engaged,” Green added.

The scenario assumed that the United States would maintain the present Bush Administration’s policy of pre-emptive war, and this proved central to how the Nair scenario played out. In the scenario, Nair, based on how it sees the United States, decides that once the Blue (U.S.) force buildup in the Persian Gulf exceeds certain trigger points, Nair has to attack pre-emptively. Greene explained that “we allowed it to play out in order to test. . . . Really, it’s an experiment, if you will, to experiment with the concepts, let us look at stressing these joint concepts. It’s not about a fight today, or anyone we might go to war with tomorrow. It’s about a future time and a range of capabilities to challenge joint forces concepts.”

However, one of the lessons emerging from the war game is that there are, indeed, implications of the pre-emptive war policy that go beyond the parameters of an experiment. Richard Hart Sinnreich, a consultant and retired military officer who played the Red force commander in one of the Nair scenarios, noted that, even in 2015, Blue requires a finite amount of time to build up its forces in a given area. Therefore, “during the period between the time when the first force arrives and the time Blue is robust enough to defend itself, it’s vulnerable.” During the war against Iraq, Iraq did not have the capability to attack the U.S. force during its buildup. But what if the United States, in the future, targets an adversary that does have that capability?

### Pre-empting ‘Preventive’ War

“Red has now seen two occasions in a row where the late, unlamented Saddam Hussein chose to sit while Blue forces achieved an operational robustness that enabled them to go clobber him,” Sinnreich explained. “Needless to say, we [‘Nair’] consider ourselves smarter than that. We didn’t wait. We established a set of triggers and when Blue preparations penetrated those triggers, we didn’t wait for Blue to attack. We attacked.”

Sinnreich added, “That’s something we’re going to have to deal with. It’s a military problem, of course, but it’s a

military problem, in a sense, exacerbated by America’s strategic decision to conduct preventative operations. . . . Nations draw conclusions, and so did we. Our conclusion was, when Blue says they’re coming, they’re coming. They will not be turned off by international pressure. They will be turned off by pre-emptive surrender. We weren’t prepared to pre-emptively surrender, so the alternative was to pre-emptively fight.”

Sinnreich thus hit on the problem with the pre-emptive war doctrine: It precludes or at least severely reduces, the possibility of solving a crisis without resorting to force. This is inherent in the Bush Administration’s National Security Strategy, released last September, which declares, “We must deter and defend against a threat before it is unleashed.” It adds that “Counterproliferation must also be integrated into the doctrine, training, and equipping of our forces and those of our allies to ensure that we can prevail in any conflict with WMD-armed adversaries.” While the document insists that the United States will not use force in every case, the Nair scenario seems to indicate that the pre-emptive force doctrine will certainly complicate efforts to solve a crisis peacefully. As Sinnreich noted, “We said, in our plan, here are a series of events, when they reach this combination, that constitute unambiguous warning of Blue’s intention to invade. At that point, as far as we are concerned . . . we are at war.”

Those overseeing the game, however, tried to minimize these implications. Maj. Gen. James Dubik, the director of joint experimentation for Joint Forces Command, admitted, when *EIR* raised the question, that the policy might indeed present a problem in the future. But “the issue for us is what are the right set of capabilities that increase the options for us and our allies, while at the same time decrease the options available for our potential adversaries,” Dubik said. “Our approach to this experimentation is not to over-conclude from one game, but to build a body of knowledge from which conclusions then can be used for senior leaders to consider and make whatever investment decisions and adjustments they want to make.”

Dave Ozolek, Dubik’s deputy, added that other notions besides pre-emption are also being experimented with. “So, pre-emption is just part of what I think is emerging from what I think of as a larger set of capabilities, that will enable us to deal with this world where our enemies are acquiring these types of very dangerous weapons of mass destruction, and other types of threats.”

The policy of pre-emption did not arise out of the ashes of the World Trade Center and the Pentagon on Sept. 11, 2001, as Rumsfeld’s strategists would have us believe. Instead, it was developed by then-Secretary of Defense Dick Cheney and then-Undersecretary of Defense for Policy Paul Wolfowitz in 1990, in the aftermath of the fall of the Berlin Wall (see *EIR*, Oct. 4, 2002). The Sept. 11 terror attacks merely gave them the chance to put into place their strategy of perpetual wars of civilizations, for which they are now reorganizing the military forces of the United States.

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# Shouldn't Dick Cheney Be Impeached?

by Scott Thompson and Michele Steinberg

After dropping more than 28,000 bombs on Iraq, the United States has now begun the business of rebuilding the country. . . . The companies that land the biggest contracts to do the work will cash in big-time.

—CBS-News “60 Minutes,” April 27, 2003

“Cheney is vulnerable . . . for the same reason his henchman, Perle, is vulnerable—for doing things that are against the law. He could be out of there on impeachment,” commented Lyndon LaRouche, during an April 4 interview with Ambrose Lane, of Pacifica Radio’s Washington, D.C. affiliate, WPFW. “These guys could be broken with the support of the Congress. The generals could be free to say what the truth is about Rumsfeld, and he would be out of there. So, if our institutions were functioning, if the Democratic Party were functioning as a legitimate opposition, we wouldn’t have this problem much longer. But *if* the Democratic Party capitulates, the way the so-called democratic parties of Germany capitulated to the Hitler appointment by Chancellor Hindenburg, then we could be soon in deep trouble. It could be the end of our civilization,” stressed the Democratic Presidential pre-candidate.

There is a small, but growing, group of Congressmen, who have also been fighting Vice President Dick Cheney and the Iraq profiteers. One of them is Rep. Henry Waxman (D-Calif.), the ranking Democrat on the House Committee on Government Reform, who has been seeking investigation by various Federal agencies to follow the trail of corruption, nepotism, and cronyism involved in the Second Gulf War. Representative Waxman has particularly drawn attention to Vice President Cheney, who in his capacity as the former Chairman and CEO of Halliburton Corp., has reaped the benefits of war profiteering from Bosnia, to Afghanistan, to Iraq. Similarly, Rep. John Conyers (D-Mich.) has demanded from Defense Secretary Donald Rumsfeld that Richard Perle, who resigned as Chairman of the secretive Defense Policy Board amid charges of conflict of interest, be removed from the DPB completely. Conyers is also demanding that the Pentagon release to the House Judiciary Committee, on which Conyers is the ranking Democrat, the financial disclosure records of

all 30 or so members of the DPB, so that potential conflicts of these members—who war-gamed and promoted war with Iraq since no later than Sept. 18, 2001—could be determined.

The Rumsfeld/Cheney gang’s conflicts of interest have become so public, that even Republicans are investigating. The probes became *bipartisan* the week of May 12, when House International Affairs Committee Chairman Henry Hyde (R-Ill.), informed Rumsfeld at hearings, that he had assigned the General Accounting Office (GAO), Congress’ investigative body, to begin a full investigation of the “occupation government” of Iraq. He confronted Rumsfeld with the fact that the occupation government under Rummy’s command, had obstructed Congressional investigators from entering the country!

However, what Representative Waxman and the other members of Congress have not raised, is that Cheney is perhaps the leading advocate of a unilateral imperialist “World War IV” policy in the Bush Administration. Through his affiliation with neo-conservative citadels, such as the Jewish Institute for National Security Affairs (JINSA) and William Kristol’s Project for a New American Century (PNAC), he is linked to the campaign to extend the Iraq war to Iran, Syria, and Egypt, and to crush the vision of a Palestinian state.

## Crimes of Policy and of Greed

As *EIR* has exposed, Cheney was already firmly in the “perpetual war” faction, through his relationship with his current chief of staff, I. Lewis “Scooter” Libby, and Libby’s Yale University mentor, Paul Wolfowitz, now Deputy Secretary of Defense. For more than 18 years, Libby served as the attorney for America’s leading fugitive—the Russian and Jewish Mafia-linked Marc Rich, except for several jobs he took in-between his service to Rich, working for Wolfowitz and/or Cheney. In 1990-91, Libby and Wolfowitz (himself a protégé of the fascist Leo Strauss and former Trotskyite Albert Wohlstetter), worked together to codify the call for “perpetual war” in the 1992 Defense Guidance Policy.

After he left the position of Secretary of Defense in the Bush “41” Administration, Cheney again hooked up with the Libby/Wolfowitz circle, joining the International Advisory Board of JINSA. JINSA was founded by three of Israeli intelligence’s leading agents in America: Dr. Stephen Bryen, who was investigated for passing classified information to the Israelis from the Senate in 1978; Richard Perle; and Michael Ledeen. All three JINSA big-wigs were named as members of the circle known as the “X Committee” behind the espionage of the convicted spy for Israel, Jonathan Jay Pollard.

JINSA—which has long served as a route for Israeli intelligence to penetrate the U.S. military and recruit agents of influence for its interests—has played a significant role in pushing through the pre-emptive war policy. For example, the Iraq occupation government’s first appointed “Viceroy,” Jay Garner, is a JINSA collaborator. James Woolsey, the former Director of Central Intelligence and currently an Iraq



*Halliburton is the Bush Administration's second "Enron," and "Cheney is vulnerable . . . for the same reason his henchman, Perle, is vulnerable—for doing things that are against the law." Change in Bush Administration policies for the better requires exit of the "Cheney gang."*

war fanatic on the Defense Policy Board, who has been the attorney for the discredited Iraqi National Congress of Ahmed Chalabi, is on JINSA's board. And on May 18, JINSA's Ledeen played a major role at a neo-con/Christian fundamentalist rally to oppose the Road Map for Mideast peace, and to call for extending the Iraq war to Syria, Iran, and Saudi Arabia, after which the idea of a Palestinian state could be dropped for good.

These are the very schemes that Cheney has been whispering in the ear of President George W. Bush from whatever hole Cheney hides in. The groundwork, as *EIR* has reported, was laid by Cheney and his chicken-hawk brood in 1991-92, but the plans were shelved as too insane by President Bush "41" and his advisors at the time, including Gen. Colin Powell and Gen. Brent Scowcroft. Cheney used the Sept. 11, 2001 irregular warfare attacks to dust off his rejected plans for imperial war and a domestic police state, much the way that the Nazis used the 1933 Reichstag Fire—a phony terrorist incident staged by Nazi agent-provocateurs—to consolidate their police state.

But Cheney's impeachable offenses are not merely policy-oriented. Through his \$33 million "golden parachute" retirement plan from Halliburton—payable yearly in up to \$1 million installments—the profits that Cheney's company nets from feeding at the "government trough" are also lining his pockets.

### **The Spoils of War**

On March 26, Representative Waxman began an investigation with a letter to the Army Corps of Engineers, inquiring about the Defense Department's contract to "extinguish oil fires in Iraq." The contract had gone exclusively, and without

competitive bidding, to Kellogg Brown & Root (KBR), a subsidiary of Halliburton.

As soon as Waxman's office received a reply on April 8 from the Army Corps of Engineers, the Congressman sent a letter to David M. Walker, Comptroller General of the United States and head of the General Accounting Office, asking the GAO "to investigate allegations that Halliburton has received special treatment from the Administration over the past two years in the rewarding of Defense Department contracts." Quoting from numerous articles that name specifics about Cheney's *ongoing* highly lucrative relationship to Halliburton, Waxman also wrote, "These ties . . . have raised concerns about whether the company has received favorable treatment from the Administration. These concerns have increased . . . with the disclosure that Halliburton's subsidiary Kellogg Brown & Root . . . has been awarded lucrative Defense Department contracts despite having a record of excessive costs and other problems." Waxman noted that the GAO found in 1997, and in 2000, that KBR had to pay \$2 million in fines "to resolve fraud claims involving work at a military base." Despite this record, Waxman received letters from the Pentagon praising Halliburton for its unmatched ability to supply services throughout the world.

With the Iraq War, even more damaging evidence has emerged. First, the April 27 edition of the CBS News television magazine "60 Minutes" exposed the fact, that long before the President claimed he had made the decision to launch a "preventive war" against Iraq, the Defense Department (DOD) powers that be, including Paul Wolfowitz, were talking to Halliburton about the contract to put out Iraqi oil-well fires, and even to run the entire Iraqi oil industry. Such an imperial grab not seen since World War II, when an angry



British Prime Minister Winston Churchill defied President Franklin Roosevelt at Casablanca, after FDR had promised that the United States would put an end to such British colonial methods.

According to the “60 Minutes” exposé, “the Pentagon had secretly awarded [KBR] a two-year, no-bid contract . . . worth up to \$7 billion.” The program showed that at the same time this was going on, another company, GSM Consulting, skilled in stopping oil-well fires and rebuilding petroleum services, had been told, in a Defense Department letter dated Dec. 30, 2002, that “it is too early to speculate” about Iraq “in the event that war breaks out in the region.”

As it appears, the Cheney chicken-hawks had already secretly decided on the war, and lined up the contracts with their cronies—they just hadn’t told the President.

This scandal is only getting worse as the DOD chicken-hawks apparently is playing cat-and-mouse with Congress in evading questions about the Iraq contracts. On May 6, Representative Waxman wrote another letter to the Army Corps of Engineers’ Lt. Gen. Robert B. Flowers, saying that the contract with Halliburton’s KBR is “considerably broader in scope than previously known.” Waxman noted that the contract “can include ‘operation’ of the Iraqi oil fields and ‘distribution’ of Iraqi oil,” and said that Flowers April 8 reply to his first letter, indicated that Halliburton’s contract “is likely to remain in place until at least the end of August and could last into 2004.”

The icing on the cake for this Halliburton affair, which Charles Lewis, head of the Center for Public Integrity, called “a sweetheart deal,” is what the United States is trying to foist on the UN Security Council: a resolution that takes all the proceeds from Iraq oil sales under the Oil for Food Program supposed to pay for Iraqi civilians’ humanitarian needs, and puts them under the control of an “Iraqi Assistance Fund” which will be established “in the Central Bank of Iraq.” While the U.S. Mission to the United Nations told *EIR* that they *will not* release any drafts of the resolution, a “fact sheet” on the U.S. Mission’s website indicates that the Bush (or should it be, the Cheney) Administration wants the UN resolution to bless the unlimited U.S. occupation of the once-sovereign nation of Iraq—and for the oil money to go directly to Cheney’s Halliburton. The fact sheet states: “The Iraqi oil revenues will be deposited in the Iraqi Assistance Fund and the draft resolution specifies their use: . . . for the economic reconstruction and repair of Iraq’s infrastructure.” The only oversight of this fund will be the United States and whatever other country—if any—it might choose to include, under the old imperial doctrine, “to the victor goes the spoils.”

## Violating the Geneva Conventions

Current and former State Department and American military officials have told *EIR* that Iraq is undergoing a humanitarian crisis worse than that which followed the 1991 Persian

Gulf War, when 1.5 million people are believed to have died—most of them children—from the bombing of infrastructure, hospitals, and residences, and the inability to rebuild these facilities due to sanctions. Today, after being hit with 28,000 bombs, occupied Iraq is seeing a complete breakdown of availability of safe water, electricity, and sewage treatment; looting is rampant; hospitals are in wretched shape; and deadly cholera has broken out in U.S.- and British-occupied areas.

The 14 other member-nations of the UN Security Council have refused to roll over and hand over the Oil for Food accounts—ironically held in a French-owned bank—to the United States for the occupation. Nor has the UNSC passed the American resolution, creating a severe cash crunch for Cheney, Rumsfeld, and the neo-conservative war-mongers. Could this explain why KBR has failed to speedily start the reconstruction of Iraq’s oil fields, in order to redress the medical/humanitarian disaster in Iraq, wrought by lack of energy for purifying water, and other basic public health and hygiene measures? While waiting for sanctions to be lifted and Iraq’s oil revenues put at the disposal of the occupiers, the record shows that KBR has done little effective work. Could that be deliberate?

Deliberate or not, firms like Halliburton’s KBR and former Secretary of State George Shultz’s Bechtel could be held responsible, because this time, the occupation force is the United States. Under the Geneva Conventions, the occupying force is responsible for the well-being and survival of the population—and so are the companies it pays to carry out the services of the occupation government.

## Cheney Takes Out Contracts

The record shows that Halliburton is “Cheney’s Baby.” In 1991, after the first Gulf War, the then-Secretary of Defense gave Halliburton the first contracts to rebuild some of the destroyed facilities in Kuwait and Iraq, at a handsome profit. It was a vital infusion of funds for Halliburton, which had been close to bankruptcy just a few years earlier. The relationship went much further. Cheney, in 1991-92, also subcontracted Halliburton to do the original Pentagon-funded secret study of how to replace the U.S. military’s war-winning logistics-in-depth with the bloated, mercenary model of “privatization”—a policy that subsequently became the Pentagon’s general method of operation and a lucrative source of money for Halliburton. It is no wonder that in 1995, Cheney, having left the DOD in 1993, was hired as Chief Executive Officer of Halliburton for the next five years, until he agreed to be George W. Bush’s Vice Presidential candidate on the 2000 GOP ticket.

As described in the October 2002 edition of *Texas Monthly*, when Cheney was Secretary of Defense, overseeing reduction of the U.S. military forces by one-half million men and women, he contracted Halliburton to see if essential logistics functions could be privatized. Halliburton, for a fee of

\$8.9 million, happily responded “yes,” in two reports delivered in 1992. This was part of the process leading to Libby’s 1992 Defense Policy Guidance.

At that time, under Cheney, Paul Wolfowitz ran a “Little State Department” that worked on a scheme to orient warfare toward fighting against developing nations that might have the wherewithal to develop technologically. This plan was explained by Adm. Carlisle Trost—a current JINSA Advisory Board member—during House hearings in 1991, as intending to prepare the United States for “medium-intensity conflict” against raw materials-rich nations that might have developed weapons of mass destruction—e.g., Argentina, Brazil, Iraq, Iran, South Africa, and North Korea. It could be known as the “bomb them to smithereens, then rebuild” plan for perpetual contracts.

The sweetheart deals came in the knick of time for Halliburton, which had fallen on hard times in 1988, and was saved in part by \$3.8 billion in Federal contracts and taxpayer-insured loans, according to an Aug. 2, 2001 report by the Center for Public Integrity.

The CPI report raised other extremely sensitive issues, such as Cheney’s ties with the Russian Mafia through Halliburton’s major project with the allegedly Russian Mafia-linked Tyumen Oil Co. *EIR* sources reported that Tyumen’s owners had dealings with Marc Rich.

It is notable that in an April 30, 2003 letter to Rumsfeld, Representative Waxman raised exactly these kinds of charges of “trading with the enemy.” Citing Securities and Exchange Commission (SEC) and other government records that show Halliburton and KBR had contracts with Iran, Iraq, Syria, and Libya—all the nations that JINSA unjustly accuses of supporting terrorism—Waxman told Rumsfeld to account for “Halliburton’s ties to countries that sponsor terrorism.” Waxman even mentioned Libby’s ties to fugitive financier Marc Rich, and Libby’s defense of Rich’s deals with Iran. Waxman wrote that while Libby’s “former client’s” dealings with Iran may not be illegal, “you could consider him a traitor for trading with Iran during that period.” Halliburton’s activities “appear to raise similar concerns,” Waxman added, but the Administration “rewarded it with lucrative contracts.”

And, not to be ignored is the fact that Cheney’s daughter, Elizabeth Cheney, is Deputy Assistant Secretary of State for Near East Affairs, where she is also responsible for doling out contracts. When she was appointed in March 2002, a *Washington Post* article noted that even more nepotism was implied, since Liz Cheney’s husband, Philip Perry, left the Justice Department to become Chief Counsel for the Office of Management and Budget. Usually well-informed sources state that Liz Cheney has a significant role in contracts related to Middle East wars. And, it is believed that she will have a hand in the the Free Trade Zone for the Middle East that President Bush proposed in his address at the University of South Carolina on May 9.

There is also the question of whether Halliburton is the Administration’s “Enron.” Halliburton nearly went bankrupt in 1988. On June 9 of that year, the *New York Times* reported from two former employees of Dresser Industries, which had just merged with Halliburton, that Halliburton used “aggressive accounting practices” to report \$100 million in earnings. Halliburton’s auditor at the time was Arthur Andersen, the accounting firm that evaporated after the Enron scandal, for similar practices.

The SEC refuses to “confirm or deny” that this was the subject of a criminal investigation. But, Cheney is also under the gun for refusing to provide Congress with the documents they want from 2001, when Cheney ran the Energy Task Force, and met with Enron Chairman Kenneth Lay. Cheney has refused to release any reports on how such meetings may have affected policy, or even to say who was on the task force. The case is now before the courts.

The question is, will Cheney resign, like Spiro Agnew, before he is impeached?

### **With Mr. Clash of Civilizations**

On May 13, Cheney emerged from his various “undisclosed locations” to give an award to Secretary of Defense Donald Rumsfeld at the Hudson Institute, a bastion of the Clash of Civilizations. In his remarks, Cheney revealed that he is in regular discussion with former British military intelligence “Arabist” and Princeton University professor *emeritus*, Dr. Bernard Lewis. Madman Lewis was the architect of a plan to reduce the sovereign nation-states of the Middle East into an “arc of crisis” for a new Thirty Years’ War of religious and ethnic bloodshed. Dr. Lewis himself appeared at the Hudson Institute on May 24, 2002 to proclaim the “death sentence” against Palestinian Authority President Yasser Arafat, and promote an “alternative Palestinian” puppet leadership, a “Palestinian Ahmed Chalabi.” Lewis also called for “liberation of the Shi’ites in eastern Saudi Arabia”—in effect, to overthrow the Saudi royal family.

But Cheney’s really insidious role in the Middle East came from the mouth of his JINSA Advisory Board crony, Michael Ledeen, the self-described “universal fascist” who spoke on May 18 at the Interfaith Zionist Leadership Summit in Washington. Speaking as a cut-out for the Administration neo-cons, Ledeen denounced the Road Map, and said there can be no “peace process” because this was a “war process” for “freedom from tyranny.” In terms that would make his Straussian colleagues salivate, Ledeen said that there is no such thing as “peace” in world history, just brief moments after wars when the victor imposes a peace treaty on the vanquished.

He said that Iran, Iraq, Syria, and Saudi Arabia are terrorist-sponsoring states, which have been led by “tyrants,” who all hate the United States. Thus, the United States must carry out regime change in all four, before moving on to demand from the Palestinians, unconditional surrender.

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# National News

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## Another Pop Film Spawns Murderers

The film *Matrix Reloaded* opened to record audiences in the United States on May 19; its original version, *Matrix*, has been clearly linked to a spate of senseless killings. In February, an Oakton, Virginia 19-year-old bought a shotgun and trench coat similar to the main character in the movie, and shot and killed his father and mother. His lawyer said he thought he was living “inside the Matrix.” In the film, computers have taken over the Earth, are killing and “harvesting” people, and have created a computer-simulated world.

In mid-May, an Ohio woman was found not guilty of killing her college professor, on grounds of insanity. Prosecutors said the movie played a part in “her warped perception.” She had dreams which “turned out not to be dreams.” In San Francisco, a 27-year-old killed his landlady, and pled not guilty on grounds of insanity. He made “reference to being sucked into the Matrix.” In Washington, D.C., 18-year-old Lee Boyd Malvo, accused in last year’s sniper attacks, writes and doodles in jail about “Freeing yourself from the Matrix.”

A spokesman for the film’s producers, Warner Bros., said, “Any attempt to link these crimes with a motion picture or any other art form is disturbing and irresponsible.” The first film, released in 1999, has grossed \$460 million and won four Oscars. The film is rated “R” in Sen. Joe Lieberman’s voluntary, industry-run ratings schedule, because of its “video game-style” violence.

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## Rep. Frank Demands Wolfowitz Resign

During the Congressional session of May 19, Rep. Barney Frank (D-Mass.) called on Deputy Defense Secretary Paul Wolfowitz to resign. Frank based his argument primarily on the fact that Wolfowitz, during an interview with CNN on Turkey, had repeat-

edly criticized the Turkish military “because it allowed democracy to function in Turkey,” as Frank put it. Wolfowitz had been arguing that the military should have intervened to prevent the blocking of military assistance to the United States in Iraq.

At the conclusion of his remarks, Frank turned to Wolfowitz’s broader failures, including the “shambles” which Administration policy is creating in Iraq. “Wolfowitz can take some of the responsibility for that,” Frank said, for publicly rebuking Army Chief of Staff Gen. Eric Shinseki’s evaluation that many more troops would be needed.

Frank concluded as follows: “The justification for Iraq is the impact it will have on governments, in Iraq and in the rest of the Middle East. How does it help to have our Deputy Secretary of Defense, one of the shapers of that policy, now say—‘By the way, when we say democracy, we mean a democracy where the military intervenes strongly; not just gives its viewpoint, but intervenes strongly to make sure things come out’? Things in Iraq and our credibility are in enough trouble without Paul Wolfowitz compounding it, and he ought to resign.”

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## Clinton Gets Dems To Turn Out

Former President Bill Clinton proved that Democrats turn out for Democrats with spunk, in two speeches on Sunday, May 18, to some 9,000 people between them. Clinton’s morning commencement address at Tougaloo College in Jackson, Miss., was a virtual campaign rally. The graduating class included all of 144 students, but more than 7,000 people came, some of them walking the last couple of miles from where they had parked. Tougaloo has played a major role in the civil rights movement nationally since its hey-day, when Mississippi Freedom Summer and other campaigns were organized from there. It will be the site of one of the four Congressional Black Caucus (CBC)-sponsored Democratic Presidential debates on Aug. 13.

Mississippi Gov. Ronnie Musgrove and

Rep. Bennie Thompson were on the dais with Clinton, as he went after Bush for not looking out for America: “We can’t be forever strong abroad, if we don’t keep getting better at home,” he said. He tore into the Bush tax cuts, saying the President himself will get “a bigger tax cut than most people I know ever earned in a year in their whole life. . . . How’s it gonna be paid for? By cutting education for people like you. By cutting health care for people like your families. . . . They want to pay for the tax cut by kicking 500,000 children out of after-school programs. It is wrong. It is wrong. There is nothing right about it.”

Two LaRouche in 2004 supporters got out hundreds of flyers informing the crowd that LaRouche is number one in Democratic Presidential fundraising; and pamphlets attacking the Straussian neo-conservatives as well.

In a second speech in Trenton, New Jersey, at which he received “thunderous” standing ovations entering and leaving, Clinton urged that the United States strike a peace deal with North Korea; he also poked fun at the neo-conservatives’ campaign against France, the *Trentonian* reported.

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## Vidal Says Impeach Neo-Cons

In a radio interview and a speech before the Ethical Culture Society in New York on May 13, novelist/historian Gore Vidal said that “Bush and Cheney should be impeached,” and attributed U.S. unilateralism to followers of fascist philosopher Leo Strauss in the Administration.

Obviously taking his cues from LaRouche, he said: “Sept. 11th was never investigated. . . . Why weren’t we protected? Why has there never been a formal investigation by Congress? This was the end of the Republic.” He called the neo-cons who ran the Iraq war “a bunch of sissies who ran away from serving in the Army. . . . The doctrine of pre-emptive war is a violation of Act I Section 8 of the Constitution, which only gives the power to declare war to the Congress. In 1950 Congress gave this up and has never taken it back.”

## What Creates Jobs Debated in Senate

After only two days of debate, the Senate passed its version of the tax cut bill on May 15. Senate Finance Committee chairman Charles Grassley (R-Ia.) claimed the bill “will provide short-term stimulus and provide the building blocks for meaningful future economic growth.” Among the provisions in the bill are an increase in the child tax credit from \$500 to \$1,000, a reduction in the so-called marriage penalty, expansion of the 10% tax bracket, expansion of provisions for small business expensing, and increased relief from the alternative minimum tax. As introduced, the bill also included a provision reducing the top rate on stock dividends to 28%. It also included some tax increases, mainly in the form of provisions scaling back tax shelters and discouraging the expatriation of profits overseas. This was done to keep the cost of the bill from exceeding \$350 billion, since there are not the votes in the Senate to pass anything larger than that.

That problem did not save Grassley’s language on the tax dividend, however. Sen. Don Nickles (R-Okla.) offered an amendment to reduce the dividend tax by 50% in 2003 and eliminate it completely for 2004, 2005, and 2006. He claimed it would “dramatically” help people with various types of retirement accounts. Sen. Max Baucus (D-Mont.) called it “absurd and irresponsible,” and noted that Nickles pays for it by modifying the rate at which the marriage penalty is reduced.

Nickles’ amendment passed by a vote of 51-50, with Vice President Cheney casting the deciding vote.

Senate Minority Whip Harry Reid (D-Nev.) challenged the notion that the tax cuts would lead to any job creation. “There is no dispute,” he said, “that for every \$1 billion we spend on public works,” including highways,

roads, bridges, dams, water systems and so forth, “we create 47,000 jobs.” Instead, the GOP proposal “is an effort to devastate the ability for domestic discretionary spending and cause tremendous harm to programs such as Social Security and Medicare.”

Sen. Bob Bennet (R-Utah) responded to Reid, claiming that jobs are only produced when someone risks accumulated or borrowed capital in some entrepreneurial undertaking.

Media reports on May 21 held that President Bush, in a shift, is pushing for passage of the House version of tax-cut bill instead of the Senate’s, trying to get a bill on his desk quickly to sign, to be seen “doing something about jobs.”

## Investment Advice Bill Passes House

If pension security means giving workers more information and advice about how they can manage their pension plans, then that is what the House did when it passed, by a vote of 271-157, the Pension Security Act of 2003, on May 14. According to House Education and the Workforce Committee chairman John Boehner (R-Ohio), the bill would encourage employers to provide their workers with “high quality” investment advice. Boehner claimed that the bill includes new fiduciary and disclosure protections to ensure that workers receive quality advice that is solely in their best interests. The bill also requires companies to give their workers quarterly benefits statements about their accounts, and their rights.

Democrats disputed that the bill would provide any security at all, given that the bill did not include any prohibitions on the kinds of activities that Enron, and other corrupt companies, made famous in 2001. Rep. John Tierney (D-Mass.) argued that the bill

would “permit investment advisors to recommend their firm’s products and earn additional fees on those recommended products if they just disclose the fact” that they are in conflict of interest with their fiduciary responsibilities towards the workers whose pensions they are advising on. Tierney noted that such a provision flies in the face of the past year and a half’s scandals, and of the \$1.4 billion settlement just reached between the 10 largest Wall Street investment firms and the New York Attorney General’s office regarding their corrupt trading practices.

The Democrats used their only allowed amendment opportunity to offer a substitute that would require that the investment advice be provided by individuals who do not have an interest in the outcome of the advice they offer. The amendment, offered by Rep. Robert Andrews (D-N.J.) also included a provision allowing employees to retain, if they so choose, a defined benefit retirement plan, when a company converts to a cash balance plan. Boehner complained that the amendment “guts the serious investment advice language,” because the “so-called” independent advice already available is “very generic” and therefore not real investment advice. The Andrews amendment was defeated by a vote of 193-236.

## Snow Challenged On Capital Controls

Rep. Barney Frank (D-Mass.), at a May 13 hearing of the House Financial Services Committee, challenged Treasury Secretary John Snow on the insistence by the U.S. government that countries negotiating free trade agreements with the United States agree not to impose capital controls. Frank noted that many countries are concerned about uncontrolled floods of

capital into and out of their economies, which can do more harm than good. He demanded to know, from Snow, why it might be bad for a country to impose a tax that would tend to steer capital into longer-term investments. He noted that both Chile and Singapore, in trade negotiations with the United States, disagreed over that issue.

Snow replied that “the general proposition that I think makes the most sense, is to have the fewest restrictions on capital flows, both in and out.” Under further questioning from Frank, Snow would not get more specific, with respect to ongoing negotiations with Central American countries, forcing Frank to complain that he was asking for concrete statements, but all he was getting was “broad principles.” Snow’s answer was that “broad principles get applied in individual cases.”

A little bit later in the hearing, Rep. Judy Biggert (R-Ill.) came to Snow’s rescue by giving him an opportunity to explain the “virtues” of unrestricted capital flows. “The mobilization of capital, both domestic and international,” he said, “is really an essential component of a well-functioning economic system.” Snow added that countries that are able to use borrowed capital to attract foreign direct investment are countries that “get it” about economic development growth.

While never mentioned during the hearing, the example of Malaysia, which has successfully used capital controls since 1998 to defend its economy against unrestricted speculative flows, must have been on the minds of Frank, Snow, and Biggert.

## **Biden Blasts White House Anti-Drug Policy**

The Bush Administration’s anti-drug record came under fierce attack on May 20 from Sen. Joseph Biden (D-

Del.), during a hearing of the Senate Judiciary Committee hearing. Biden complained that the Administration has repeatedly “proposed slashing or eliminating law enforcement programs with track records that reduce crime.” He noted that the FBI has transferred hundreds of agents away from counternarcotics work to anti-terrorism, putting a much greater load on the Drug Enforcement Administration, without a proportional increase in its budget or the manpower required to do the job. “We have to be able to walk and chew gum at the same time,” Biden said. “We can’t separate fighting terrorism from fighting drug trafficking, given the considerable increasing linkage between the two.”

Biden did not stop there, however. He particularly blasted the Bush Administration’s record in Afghanistan, where warlords who depend on opium production run most of the countryside. “The fact of the matter is,” he said, “you can’t stop opium production when the warlords control the regions, and when in fact we don’t expand security in Kabul.” Biden charges that “we are back to the same situation, again,” as when the Taliban ruled Afghanistan. He also complained that even though President Bush signed the Afghan Freedom Support Act last year, which authorized \$1 billion to expand peace-keeping activities in that country, “the President has not asked for one dime of that money to be spent.”

Biden said that the Bush Administration’s record on Colombia was somewhat better “but what concerns me is, with a 40% reduction in funding for law enforcement, locally, in this next year’s proposed budget . . . we are missing real opportunities here.”

Biden’s remarks on Afghanistan were prefigured by committee chairman Orin Hatch (R-Utah), who noted at the outset that while the United States and its allies successfully re-

moved the Taliban from power, “we have not succeeded in stabilizing” that country. He warned that Afghan President Hamid Karzai’s Tajik-dominated government has succeeded in alienating the majority of the Pashtun population in the opium-growing areas, which has led to “instability in Afghanistan that has resulted in fundamentalist and al-Qaeda resistance to U.S. forces, and an increase in opium production.”

## **Congress Warned on Treasury Debt Limit**

On May 19, Treasury Secretary John Snow sent a letter to Senate Majority Leader Bill Frist (R-Tenn.) warning that the Treasury had taken all the “prudent and legal” steps it could in order to avoid reaching the statutory debt limit, and said “an immediate and permanent increase in the debt limit is crucial to preserve the confidence in the U.S. Government and to prevent uncertainty that would adversely affect our economic recovery.” Snow reported that he stopped the investment of portions of the Civil Service Retirement and Disability Fund that are above those amounts required to pay benefits, an action calculated to free up about \$20 billion; but this gimmick would only last until about May 28.

The House-passed legislation will increase the debt ceiling by \$984 billion, to \$7.384 trillion, from the present \$6.4 trillion. Frist indicated, on May 20, that he planned to bring that bill to the floor within 72 hours. However, the Democrats may have something to say about that. Minority Leader Tom Daschle (D-S.D.) noted that the debt limit increase comes at a time when the Congress is working on a very large tax cut. “So,” he said, “we’ll have a lot more to say about that.”

### *No Controlled Descent for Dollar*

Treasury Secretary John Snow's wild shows of public incompetence are setting the stage for him to join the line of exiting Bush Administration officials. His brief Treasury employment may later be known as a "Snow job" for his attempts to convince Americans that the dollar's collapse will help the U.S. economy (and punish the firms of ungrateful anti-Iraq war allies to boot). The claim that Snow, and some U.S. media and economic "experts" are advancing—that American exports will be helped—ignores the painful fact that the United States is no longer capable of exporting the sinews of economic development as it once did; it requires an FDR-style credit policy to revive the industries that were once an arsenal of democracy, and Snow would have to be fired for such a policy to be adopted.

His implied claim that the dollar's decline will be graceful and controlled, is already clear nonsense to the rest of the world, which is thinking about ways out of the dollar system. As with the U.S. airline carriers and the rest of the bankrupt economy, there is no controlled descent or soft landing available for the dollar. It has had a breathtaking slide of 25% in less than a year, and that slide is now *accelerating*. With the new, desperation interest-rate cut that Fed Chairman Alan Greenspan is promising for June, the accelerating slide will turn into an all-out plunge. The United States has become a consumer importing economy over recent decades, looting from the world what it no longer produces, with the "strong dollar." A 50%-or-more dollar collapse, combined with the new wall of money-supply pumping Greenspan has underway against the depression tide, will set off real hyperinflation. And then, as former President Bill Clinton pointed out on May 23, the Fed will turn around and start to raise rates to stop the dollar's falling—and as Clinton warned, Americans will then lose to high interest rates, every dollar they think they're getting from President Bush's tax cuts, and then some. Nor will the dollar itself cease its fall; as our Economics columnists have shown in recent weeks, the real U.S. budget deficit this year will be near \$500 billion, tax revenues are down 25% in

two years, the real trade deficit will be near \$600 billion, and no country or sane group of investors in the world really wants to stay in the dollar any longer. The major exporters of goods to the United States, desperate at the fall of their "importer of last resort," are buying dollars only in a (vain) attempt to save their exports, while seeking plans to shift their investments out of the dollar.

There is only one way back from this bankruptcy—a new international monetary system which returns to fixed currency parities, to currency and capital controls, above all to agreements among nations and regions for long-term technology-export, and infrastructure credits; LaRouche's policy of a New Bretton Woods conference. This idea, circulated by the Presidential candidate since the currency crises of 1997, cannot be put off any longer, or the dollar crash will cause monetary and currency chaos.

Thus is it extraordinarily important that at this moment, a major move is underway in Italy's Senate, to do what its Chamber of Deputies has already done, and call on its government to organize a New Bretton Woods conference now. The initiative can quickly gain momentum, because throughout Eurasia there are governments or strong opposition forces proposing to shift regional trade off the dollar; and more important, because the great public projects of transport and other infrastructure investment across Eurasia are the basis on which the new monetary system will succeed.

It is no coincidence, that LaRouche's New Bretton Woods policy is also the only *effective* response which European, Asian, and other nations which opposed the Iraq war, can make to the disastrous global imperial power grab Washington and London just made, and which their opposition could not stop. Thus, Italy is moving to take the uniquely right action, and the right time—recognizing LaRouche's leadership.

A New Bretton Woods is also the only international move that can stabilize the U.S. dollar—though at a significantly lowered rate, which will measure the United States real potential to contribute exports and technology to a recovery from the global depression.

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Tuesdays—3 pm

## ARKANSAS

- CABOT—Ch.15  
Daily—8 pm
- LITTLE ROCK  
Comcast Ch. 18  
Tue—1 am, or 6 am  
Sat—1 am, or 6 am

## CALIFORNIA

- BEVERLY HILLS  
Adelphia Ch. 37  
Thursdays—4:30 pm
- BREA—Ch. 17  
Mon-Fri: 9 am-4 pm
- BUENA PARK  
Adelphia Ch. 55  
Tuesdays—6:30 pm
- CARLSBAD\*  
Adelphia Ch.3  
CLAYTON/CONCORD  
AT&T-Comcast Ch.25  
2nd Fri.—9 pm  
Astound Ch.31  
Tuesdays—7:30 pm

## CONTRA COSTA

- AT&T Ch.26  
2nd Fri.—9 pm
- COSTAMESA Ch.61  
Wednesdays—10 pm
- CULVER CITY  
MediaOne Ch.43  
Wednesdays—7 pm

## ELOS ANGELES

- Adelphia Ch. 6  
Mondays—2:30 pm
- FULLERTON  
Adelphia Ch.65  
Tuesdays—6:30 pm
- HOLLYWOOD  
Comcast—Ch.43  
Tuesdays—4 pm

## LANC/PALM

- Adelphia Ch.16  
Sundays—9 pm
- LAVERNE—Ch.3  
2nd Mondays—8 pm
- LONG BEACH  
Charter Ch.65  
Thursdays—1:30 pm

## MARINA DEL REY

- Adelphia Ch.3  
Thursdays—4:30 pm
- MediaOne Ch.43  
Wednesdays—7 pm
- MID-WILSHIRE  
MediaOne Ch.43  
Wednesdays—7 pm
- MODESTO—Ch.2  
Thursdays—3 pm

## OXNARD

- Adelphia Ch.19  
Americast Ch.8  
Tuesdays—7 pm
- PLACENTIA  
Adelphia Ch.65  
Tuesdays—6:30 pm
- SANDIEGO Ch.19  
Wednesdays—6 pm

## SANTA ANA

- Adelphia Ch.53  
Tuesdays—6:30 pm
- STA. CLAIR VLY.  
T/W & AT&T Ch.20  
Fridays—1:30 pm
- SANTA MONICA  
Adelphia Ch. 77  
Thursdays—4:30 pm

## TUJUNGA—Ch.19

- Mondays—8 pm
- VENICE—Ch.43  
Wednesdays—7 pm
- VENTURA—Ch.6  
Adelphia/Avenue  
Mon & Fri—10 am

## WALNUT CREEK

- AT&T Ch.6  
2nd Fridays—9 pm
- Astound Ch.31  
Tuesdays—7:30 pm
- W.HOLLYWOOD  
Adelphia Ch.3  
Thursdays—4:30 pm

## W.SAN FDO.VLY.

- Time Warner Ch.34  
Wed.—5:30 pm

## COLORADO

- DENVER—Ch.57  
Saturdays—1 pm

## CONNECTICUT

- GROTON—Ch.12  
Mondays—10 pm
- MANCHESTER Ch.15  
Mondays—10 pm
- MIDDLETOWN—Ch.3  
Thursdays—5 pm
- NEW HAVEN—Ch.29  
Sundays—5 pm
- Wednesdays—7 pm
- NEWTOWN/NEW MIL.  
Cablevision Ch.21  
Mondays—9:30 pm  
Thursdays—11:30 am

## DIST. OF COLUMBIA

- WASHINGTON  
Comcast Ch.5  
Starpower Ch.10  
Alt. Sundays—9 pm  
6/1, 6/15, 6/29,  
7/13, 7/27, 8/10

## FLORIDA

- ESCAMBIA COUNTY  
Cox Ch.4  
2nd Tue: 6:30 pm
- IDAHO  
• MOSCOW—Ch. 11  
Mondays—7 pm

## ILLINOIS

- CHICAGO  
AT&T/RCN/WOW Ch.21  
Tue, 6/10: 10:30 pm  
Sat, 6/21: 11 am
- QUAD CITIES  
Mediacom Ch.19  
Thursdays—11 pm
- PEORIA COUNTY  
Insight Ch.22  
Sundays—7:30 pm
- SPRINGFIELD Ch.4  
Mon-Fri: 5-9 pm  
Sat-Sun: 1-5 pm

## INDIANA

- BLOOMINGTON  
Insight Ch.3  
Tuesdays—8 pm

## DELAWARE COUNTY

- Comcast Ch.42  
Mondays—11 pm
- GARY  
AT&T Ch.21  
Monday-Thursday  
8 am - 12 Noon

## IOWA

- QUAD CITIES  
Mediacom Ch.19  
Thursdays—11 pm
- KENTUCKY  
• BOONE/KENTON  
Millenium Ch.99  
Sat & Sun: 12:30 am
- JEFFERSON Ch.58  
Fridays—2 pm

## LOUISIANA

- ORLEANS PARISH  
Cox Ch.78  
Tuesdays & Saturdays  
4 am & 4 pm
- MARYLAND  
• ANNE ARUNDEL  
Annapolis Ch.20  
Millenium Ch.99  
Sat & Sun: 12:30 am
- MONTGOMERY Ch.19  
Fridays—7 pm
- P.G.COUNTY Ch.76  
Mondays—10:30 pm

## MASSACHUSETTS

- BRAintree  
AT&T Ch.31  
BELD Ch.16  
Tuesdays—8 pm
- CAMBRIDGE  
MediaOne Ch.10  
Mondays—4 pm
- WORCESTER—Ch.13  
Tue—8:30 pm

## MICHIGAN

- CALHOON  
ATT Ch.11  
Mondays—4 pm
- CANTON TWP.  
Comcast Ch.18  
*Zajak Presents*  
Mondays: 6-8 pm
- DEARBORN  
Comcast Ch.16  
*Zajak Presents*  
Mondays: 6-8 pm
- DEARBORN HTS.  
Comcast Ch.18  
*Zajak Presents*  
Mondays: 6-8 pm
- GRAND RAPIDS  
AT&T Ch.25  
Fridays—1:30 pm
- KALAMAZOO  
Thu: 11 pm (Ch.20)  
Sat: 10 pm (Ch.22)
- KENT COUNTY  
Charter Ch.7  
Tue—12 Noon,  
7:30 pm, 11 pm
- LAKE ORION  
Comcast Ch.65  
Mondays & Tuesdays  
2 pm & 9 pm
- LIVONIA  
Brighthouse Ch.12  
Thursdays—4:30 pm
- MT.PLEASANT  
Charter Ch. 3  
Tuesdays—5:30 pm  
Wednesdays—7 am
- PLYMOUTH  
Comcast Ch.18  
*Zajak Presents*  
Mondays: 6-8 pm
- SHELBY TWP.  
Comcast Ch.20  
WOW Ch.18  
Mon/Wed: 6:30 pm

## MINNESOTA

- ANOKA  
AT&T Ch.15  
Mon: 4 pm & 11 pm
- BURNSVILLE/EGAN  
ATT Ch.14,57,96  
Tuesdays—5:30 pm  
Saturdays—9 pm  
Sundays—10 pm
- CAMBRIDGE  
US Cable Ch.10  
Wednesdays—2 pm
- COLD SPRING  
US Cable Ch.10  
Wednesdays—5 pm
- COLUMBIA HTS.  
MediaOne Ch.15  
Wednesdays—8 pm
- DULUTH—Ch.20  
Mondays—9 pm  
Wednesdays—12 pm
- FRIDLEY—Ch.5  
Thursdays—5:30 pm  
Saturdays—8:30 pm
- MINNEAPOLIS  
PARAGON Ch.67  
Saturdays—7 pm
- NEW ULM—Ch.14  
Fridays—5 pm
- PROCTOR/  
HERMANTOWN—Ch.12  
Tue: 5 pm, 5 pm-1 am
- ST.CLOUD AREA  
Charter Ch.10  
Astound Ch.12  
Thursdays—8 pm
- ST.CROIX VLY.  
Valley Access Ch.14  
Thursdays: 4 & 10 pm  
Fridays—8 am
- ST.LOUIS PARK  
Paragon Ch.15  
Wed, Thu, Fri:  
12 am, 8 am, 4 pm
- ST.PAUL (city)  
SPNN Ch.15  
Saturdays—10 pm
- ST.PAUL (N Burbs)  
AT&T Ch.14  
Thu: -6 pm & Midnite  
Fri: -6 am & Noon
- ST.PAUL (NE burbs)\*  
Suburban Ch.15  
St.PAUL (S&W burbs)  
AT&T-Comcast Ch.15  
Tue & Fri: -8 pm  
Wednesdays—10:30 pm
- SOUTH WASHINGTON  
ATT Ch.14—1:30 pm  
Mon, Tue, Wed, Thu

## MISSISSIPPI

- MARSHALL COUNTY  
Galaxy Ch. 2  
Mondays—7 pm
- MISSOURI  
• ST.LOUIS  
AT&T Ch.22  
Wednesdays—5 pm  
Thursdays—12 Noon

## NEBRASKA

- LINCOLN  
T/W Ch.80  
*Citizen Watchdog*  
Tuesdays—7 pm  
Wednesdays—10 pm

## WASHTENAW

- AT&T Ch.17  
Thursdays—5 pm
- WAYNE COUNTY  
Comcast Ch.68  
Unscheduled pop-ins
- WYOMING  
AT&T Ch.25  
Wednesdays—10 am

## NEVADA

- CARSON—Ch.10  
Wednesdays—7 pm  
Saturdays—3 pm
- RENO/SPARKS  
Charter Ch.16  
Fridays—9 pm
- NEW JERSEY  
• MERCER COUNTY  
Comcast\*  
TRENTON Ch.81  
WINDSORS Ch.27  
• MONTVALE/MAHWAH  
Time Warner Ch.27  
Wednesdays—4 pm
- NORTHERN NJ  
Comcast Ch.57\*  
PISCATAWAY  
Cablevision Ch.71  
Wed—11:30 pm  
Wednesdays—9 pm
- PLAINSBORO  
Comcast Ch.3\*

## NEW MEXICO

- ALBUQUERQUE  
Comcast Ch.27  
Mondays—3 pm
- ANTHONY/SUNLAND  
T/W Ch.15  
Wednesdays 5:05 pm
- LOS ALAMOS  
Comcast Ch.8  
Mondays—10 pm
- SANTA FE  
Comcast—Ch.6  
Saturdays—6:30 pm
- TAOS—Ch.2  
Thursdays—7 pm

## NEW YORK

- AMSTERDAM  
T/W Ch.16  
Wednesdays—7 pm
- BRONX  
Cablevision Ch.70  
Fridays—4:30 pm
- BROOKLYN  
T/W Ch.34  
Cablevision Ch.67  
Tue: 3:30, 11:30 pm  
Charter Ch.10
- BUFFALO  
Adelphia Ch.20  
Thursdays—4 pm  
Saturdays—1 pm
- CHEMUNG/STUEBEN  
Time Warner Ch.1  
Mon & Fri: 4:30 pm
- ERIE COUNTY  
Adelphia Intl. Ch.20  
Thursdays—10:35 pm
- ILLION—Ch.10  
Mon & Wed—11 am  
Saturdays—11:30 pm
- IROQUOIS Ch.15  
Mondays—7:30 pm  
Thursdays—7 pm
- JEFFERSON/LEWIS  
Time Warner Ch.2  
Unscheduled pop-ins
- MANHATTAN—MNN  
T/W Ch.34; RCN Ch.109  
Alt. Sundays—9 am
- NIAGARA COUNTY  
Adelphia Ch.20  
Thursdays—10:35 pm
- ONEIDA—Ch.10  
Thu: 8 or 9 pm
- PENFIELD—Ch.15  
Penfield Comm. TV\*
- QUEENS OPTV\*
- QUEENSBURY Ch.71  
Thursdays—7 pm
- RIVERHEAD Ch.70  
Thu—12 Midnight
- ROCHESTER—Ch.15  
Sundays—3 pm  
Mondays—10 pm

## ROCKLAND—Ch.71

- Mondays—6 pm
- SCHENECTADY Ch.16  
Mondays—3 pm  
Wednesdays—8 am
- STATE ISL.  
Time Warner Cable  
Thu—11 pm (Ch.35)  
Sat—8 am (Ch.34)
- TOMPKINS COUNTY  
Time Warner  
Sun—9 pm (Ch.78)  
Thu—9 pm (Ch.13)  
Sat—9 pm (Ch.78)
- TRI-LAKES  
Adelphia Ch.2  
Sun: 7 am, 1 pm, 8 pm
- WEBSTER—Ch.12  
Wednesdays—9 pm

## NORTH CAROLINA

- HICKORY—Ch.3  
Tuesdays—10 pm
- OHIO  
• CUYAHOGA COUNTY  
Ch.21: Wed—3:30 pm
- FRANKLIN COUNTY  
Ch.21: Sun—6 pm
- LORAIN COUNTY  
Adelphia Ch.30  
Daily: 10 am; or  
12 Noon; or 2 pm;  
or 12 Midnight
- OBERLIN—Ch.9  
Tuesdays—7 pm
- REYNOLDSBURG  
Ch.6: Sun—6 pm

## OREGON

- LINN/BENTON  
AT&T Ch.99  
Tuesdays—1 pm
- PORTLAND  
Tue—6 pm (Ch.22)  
Thu—3 pm (Ch.23)
- SALEM—Ch.23  
Tuesdays—12 Noon  
Thursdays 8 pm
- SILVERTON  
Tue: 3:30, 11:30 pm  
Charter Ch.10
- MON, Tue, Thu, Fri:  
Betw. 5 pm - 9 am
- WASHINGTON  
Comcast Ch. 23  
Wed: 7 pm; Fri: 10 am  
Sun: 8 am; Mon: 11 pm

## RHODE ISLAND

- E.PROV.—Ch.18  
Tuesdays—6:30 pm
- STATEWIDE  
RI Interconnect\*  
Cox Ch.13  
Full Ch.49

## TEXAS

- AUSTIN Ch.16  
T/W & Grande  
Sundays—12 Noon
- DALLAS Ch.13-B  
Tuesdays—10:30 pm
- EL PASO COUNTY  
Adelphia Ch.4  
Tuesdays—8 pm
- HOUSTON  
Time Warner Ch.17  
Tuesdays—5:30 pm  
Saturdays—9 am  
Wed, 6/4: 8 pm  
Mon, 6/9: 6 pm
- KINGWOOD Ch.98  
Kingwood Cablevision  
Tuesdays—5:30 pm  
Saturdays—9 am  
Wed, 6/4: 8 pm  
Mon, 6/9: 6 pm

## RICHARDSON

- AT&T Ch.10-A  
Thursdays—6 pm
- UTAH  
• CENTRAL UTAH  
Precis Cable Ch.10  
Aurora  
Centerfield  
Gunnison  
Redmond  
Richfield  
Salina  
Sundays & Mondays  
6 pm & 10 pm

## VERMONT

- GREATER FALLS  
Adelphia Ch.8  
Tuesdays—1 pm
- VIRGINIA  
• ALBERMARLE  
Adelphia Ch.13  
Fridays—3 pm
- ARLINGTON  
ACT Ch.33  
Mondays—4 pm  
Thursdays—9 am
- BLACKSBURG  
WTOB Ch.2  
Mondays—6 pm
- CHESTERFIELD  
Comcast Ch.6  
Tuesdays—5 pm
- FAIRFAX—Ch.10  
Tuesdays—12 Noon  
Thursdays—7 pm
- LOUDOUN  
Adelphia Ch. 23/24  
Thursdays—7 pm
- ROANOKE—Ch.9  
Thursdays—2 pm

## WASHINGTON

- KING COUNTY  
AT&T Ch.29/77  
Thursdays—5 pm
- KENNEWICK  
Charter Ch.12  
Mondays—12 Noon  
Thursdays: 8:30 pm
- PASCO  
Charter Ch.12  
Mondays—12 Noon  
Thursdays: 8:30 pm
- RICHLAND  
Charter Ch.12  
Mondays—12 Noon  
Thursdays: 8:30 pm
- SPOKANE—Ch.14  
Wednesdays—6 pm
- WENATCHEE  
Charter Ch.98  
Thu: 10 am & 5 pm

## WISCONSIN

- MADISON—Ch.4  
Tuesdays—3 pm  
Wednesdays—12 Noon
- MARATHON COUNTY  
Charter Ch.10  
Thursdays—9:30 pm  
Fridays—12 Noon
- SUPERIOR  
Charter Ch.20  
Mondays—7:30 pm  
Wednesdays—11 pm  
Fridays 1 pm

## WYOMING

- GILLETTE—Ch.36  
Thursdays—5 pm

## RICHARDSON

- AT&T Ch.10-A  
Thursdays—6 pm
- UTAH  
• CENTRAL UTAH  
Precis Cable Ch.10  
Aurora  
Centerfield  
Gunnison  
Redmond  
Richfield  
Salina  
Sundays & Mondays  
6 pm & 10 pm

## VERMONT

- GREATER FALLS  
Adelphia Ch.8  
Tuesdays—1 pm
- VIRGINIA  
• ALBERMARLE  
Adelphia Ch.13  
Fridays—3 pm
- ARLINGTON  
ACT Ch.33  
Mondays—4 pm  
Thursdays—9 am
- BLACKSBURG  
WTOB Ch.2  
Mondays—6 pm
- CHESTERFIELD  
Comcast Ch.6  
Tuesdays—5 pm
- FAIRFAX—Ch.10  
Tuesdays—12 Noon  
Thursdays—7 pm
- LOUDOUN  
Adelphia Ch. 23/24  
Thursdays—7 pm
- ROANOKE—Ch.9  
Thursdays—2 pm

## WASHINGTON

- KING COUNTY  
AT&T Ch.29/77  
Thursdays—5 pm
- KENNEWICK  
Charter Ch.12  
Mondays—12 Noon  
Thursdays: 8:30 pm
- PASCO  
Charter Ch.12  
Mondays—12 Noon  
Thursdays: 8:30 pm
- RICHLAND  
Charter Ch.12  
Mondays—12 Noon  
Thursdays: 8:30 pm
- SPOKANE—Ch.14  
Wednesdays—6 pm
- WENATCHEE  
Charter Ch.98  
Thu: 10 am & 5 pm

## WISCONSIN

- MADISON—Ch.4  
Tuesdays—3 pm  
Wednesdays—12 Noon
- MARATHON COUNTY  
Charter Ch.10  
Thursdays—9:30 pm  
Fridays—12 Noon
- SUPERIOR  
Charter Ch.20  
Mondays—7:30 pm  
Wednesdays—11 pm  
Fridays 1 pm

## WYOMING

- GILLETTE—Ch.36  
Thursdays—5 pm

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