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Wal-Mart—Not a Business. It's an Economic Disease
LaRouche: 'With 10,000 Youth, I'll Become President'
Senate Investigation Has Cheney on the Hot Seat

'U.S. Is Losing the War': Lessons From Iraqi History



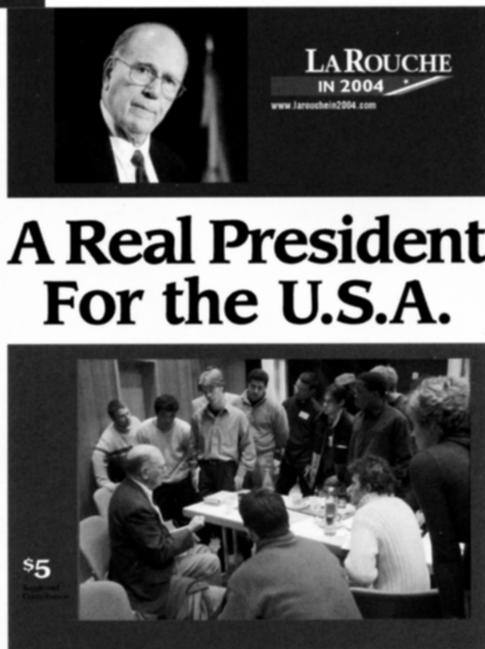
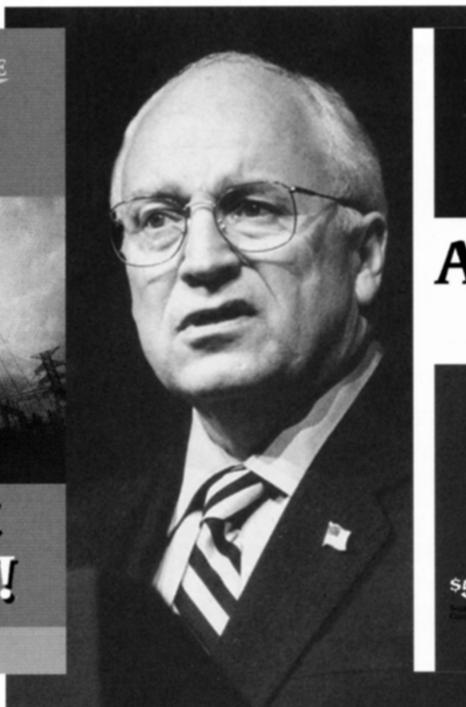
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e-mail: eirms@larouchepub.com*

European Headquarters: Executive Intelligence Review
Nachrichtenagentur GmbH, Postfach 2308,
D-65013 Wiesbaden, Bahnstrasse 9-A, D-65205,
Wiesbaden, Federal Republic of Germany
Tel: 49-611-73650.

Homepage: <http://www.eirma.com>

E-mail: eirma@eirma.com

Executive Directors: Anno Hellenbroich, Michael Liebig

In Denmark: EIR, Post Box 2613, 2100 Copenhagen ØE,
Tel. 35-43 60 40

In Mexico: EIR, Serapio Rendón No. 70 Int. 28, Col. San
Rafael, Del. Cuauhtémoc, México, DF 06470. Tels: 55-66-
0963, 55-46-2597, 55-46-0931, 55-46-0933 y 55-46-2400.

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From the Associate Editor

As the casualties among U.S. soldiers in Iraq mount day by day, the Defense Department announced that it plans to draw down the number of troops deployed there from 132,000 to 105,000 by early 2004. Probably they will say that it's because "we're winning." But Lyndon LaRouche, in his Nov. 1 speech to a Philadelphia youth cadre school (see *Feature*), had characterized the real situation with brutal frankness: "The United States is losing the war!"

Hussein Askary contributes a new dimension to our understanding of this debacle, with his report on the history of Iraq's revolt against the British Empire after World War II. Although that revolt was ultimately crushed, it created a political legacy that still lives today, he writes: "a true anti-imperialist sense in the historical mind of the Iraqi individual." This goes against sectarian and ethnic fissures, tending to unify Iraqis for the liberation of their nation.

In our *Economics* section, you will find a vivid contrast between "Wal-Mart economics" and "LaRouche economics." LaRouche called on Nov. 1 for a boycott against Wal-Mart, the largest corporation in the world, which is leading the "globalization" juggernaut that is shutting down American productive industry, while driving down wages and living standards both at home and abroad. On the other hand, at a conference in Seoul, Korea, Dr. Jonathan Tennenbaum presented LaRouche's exciting conception of high-technology-vectored development corridors, in the context of a New Bretton Woods financial and monetary system, and the Eurasian Land-Bridge.

In the United States, the 2004 Presidential election campaign has reached a turning point. On the Republican side, Dick Cheney and the neo-conservatives are coming under heavy attack for their lies that paved the way for war in Iraq—just as LaRouche charged long ago. They are highly vulnerable, and can be expected to strike out in desperation. On the Democratic side, the Philadelphia mayoral election exposed the impotence and political bankruptcy of the nine "official" Presidential candidates, and confirmed the validity of LaRouche's approach (see *Feature*). That leaves LaRouche himself as the only credible candidate for the Democratic Presidential nomination.

Susan Welsh

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GIs search after a Nov. 2 rocket-propelled grenade attack on their unit in Baghdad.



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Because of the foolish policy of Dick Cheney and his neo-conservative cronies, the situation in Iraq is moving rapidly toward an explosion. This most likely will recapitulate the 1920 Iraqi revolt against the British Empire, in which Sunnis and Shi’ites joined forces for national liberation. That revolt created a political legacy whose memories are still vivid in the minds of at least two living generations of Iraqis. It shaped a true anti-imperialist sense, which none of the British puppets and military dictators who have ruled Iraq since, could erase.

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“We Interrupt This Probe—for a Landslide,” headlined one of the Philadelphia newspapers on Nov. 5. Attorney General John Ashcroft’s targetting of the Pennsylvania Democratic Party, and his near-successful attempt to knock out Philadelphia’s Mayor John Street with a “corruption investigation,” had been turned—by a sudden mobilization of the LaRouche Youth Movement—into an overwhelming 60-40% re-election for Street; another powerful reason for Ashcroft to resign; and another victory for Presidential candidate Lyndon LaRouche’s 2004 campaign strategy.

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Wal-Mart Is Not a Business, It's an Economic Disease

by Richard Freeman and Arthur Ticknor

The Wal-Mart department store chain, which employs 1.3 million people at 4,700 stores worldwide, and in 2002 became the largest corporation in the world, is levelling economies of the U.S., industrial nations, and the Third World.

Wal-Mart is a driving force behind the decadent Imperial Roman model of the United States. Unable any longer to reproduce its own population's existence through its own physical economy, the United States has, for the past two decades, used an over-valued dollar to suck in physical goods from around the globe for its survival. Wal-Mart is both the public face and working sinews of that policy. It brings in cheap pants from Bangladesh, cheap shirts from China, cheap food from Mexico, etc. Workers who produce these things are paid next to nothing.

Not since the days of the British East India Company as the cornerstone of the British imperial system, has one single corporate entity been responsible for so much misery. At the core of its policy, Wal-Mart demands of its suppliers that they sell goods to Wal-Mart at such a low price, that they can only do so by outsourcing their work to low-wage factories overseas. This causes the exodus of millions of production jobs from the United States and the setting up of slave-labor concentration camps around the globe. Wal-Mart's policy includes crushing living standards in America, forbidding its workers from unionizing, bringing in workers illegally from abroad, and bankrupting tens of thousands of stores and outlets on Main Street, ripping apart communities and their tax bases.

On Nov. 1, 2004, Presidential candidate Lyndon LaRouche declared that Wal-Mart and its destructive policy must be stopped. LaRouche declared a boycott against Wal-Mart, to expose it and take it down. LaRouche told a cadre

school gathering of the LaRouche Youth Movement in Philadelphia, "Wal-Mart is not a company, it's an epidemic disease. Wal-Mart is one of the biggest factors in causing unemployment in the United States. . . . Wal-Mart is your enemy. . . . It's destroying our community; it represents globalization; it represents an institutionalization of the values which stink." (See full text in *Feature*.)

Wal-Mart has been primed for this role since 1962, when it was founded by Sam Walton in his hometown of Bentonville, Arkansas. It has such immense power in the United States, and leverage overseas, that it has run roughshod over all opposition—until now.

Sam's Club . . . Over Your Head

Sam Walton started in the retailing business when he bought a Ben Franklin five and dime store in Newport, Arkansas in 1945. In 1962, he opened the first store under the name "Wal-Mart." In 1970, Wal-Mart made its first public stock offering; the issue was underwritten by Stephens, Inc. of Little Rock, an investment bank which has been identified with some shady dealings.

In 1987, a turning point came for Wal-Mart, when it opened its first superstore, called Hypermarket*USA, modeled on the hypermarkets of Europe. At that time, the average clothing or grocery store in America had 15-22,000 square feet of space. By contrast, the hypermarkets, now called supercenters, had 150-200,000 feet. The supercenter was based on the idea of one-stop shopping: In the same store, one could buy groceries, merchandise and appliances, fast food, and photo development; one could also do one's banking. Wal-Mart took advantage of an advanced inventory system; its bulk purchases of goods, which led to price



The consumer economy—"It eats your jobs!" Wal-Mart's devouring the economy like the beast in Daumier's 18th-Century cartoon, spreading poverty around it on all sides.

discounts; and a ferocious anti-labor policy keeping wages very low.

The company set out to obliterate its competition. At the Bentonville headquarters, Wal-Mart still displays the pictures of the heads of its 24 major food and merchandise chain competitors, each framed like an FBI "Wanted" poster. It now builds one new store every 42 hours.

Figure 1 shows that Wal-Mart's annual sales quadrupled from \$55.5 billion in its Fiscal Year 1993, to \$244.5 billion in FY 2003 (which ended Jan. 1, 2003).

Walmart has grabbed a dominant or near-dominant position in key sectors of the retail market:

- It sells 19% of all grocery-store food in the United States, making it the largest food seller. It plans to double grocery and related sales from \$82 billion to \$165 billion during the next five years, which would give it command of 35% of the market. It plans to open 40 supercenters in California over the next five years, which is a major cause for the grocery strike in southern California. Managements at the three major grocery stores in southern California, where 70,000 United Food and Commercial Workers (UCFW) workers are striking, have said they are trying to renegotiate lower employer contributions to health-care benefits, because they fear that Wal-Mart plans to saturate southern California with stores, and they will be unable to compete.

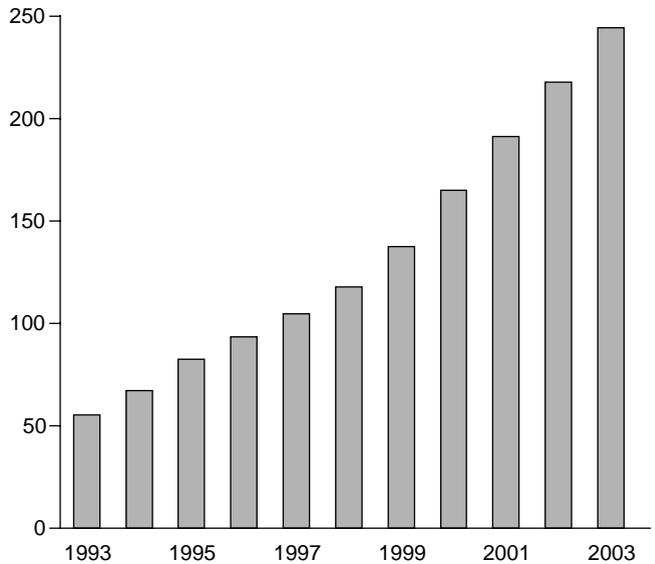
- It handles 16% of all pharmacy-drug sales in the United States, and plans to increase that share to 25% by 2008, which would make it the largest pharmacy in America.

- It controls 30% of the U.S. household staples market—paper towels, toothpaste, shampoo—and analysts predict that it will increase that share to 50% before decade's end.

- It is Hollywood's biggest outlet, selling 15-20% of all CDs, videos, and DVDs in the United States.

FIGURE 1
Wal-Mart Net Sales Quadruple

(\$ Billions)



Source: Wal-Mart Annual Reports.

- It sells 15% of all single-copy news publications.

Reciprocally, Wal-Mart controls a large and increasing share of the business done by almost every major consumer-products company: 28.3% of Dial's (soap products); 24% of Del Monte Foods'; 23% of Clorox's (bleaches and cleaners); and 23% of Revlon's (cosmetics). It controls one-fifth or more of the business done by Proctor & Gamble (household products and soaps); Levi Strauss (jeans and clothing); and Newell Rubbermaid (household consumer rubber products). That is, Wal-Mart is all of these firms' biggest outlet, by a wide margin.

This gives Wal-Mart tremendous leverage over all its producers/suppliers, even though many of them are in the Fortune 500. Twenty years ago, the supplier of products went to Wal-Mart, and told Wal-Mart the price to charge for each product. Today, Wal-Mart "co-determines" the price; it tells the supplier what type of product it wants, how to arrange its inventory, what sort of product line to develop. Because Wal-Mart determines how much shelf space each supplier receives, it has life-and-death control over that supplier. If Wal-Mart says that it wants a product's price to be lowered by 20-25%, that supplier will be forced to *outsource an increasing share of its production*.

Likewise, Wal-Mart has become a conveyor belt, either directly or through its suppliers, for imported goods, mostly from cheap-labor countries. Wal-Mart imports *10% of all America's total imports from China*. According to the Sept.

26, 2003 *Irish Independent*, “If Wal-Mart were a country, it would rank ahead of Great Britain and Russia in total imports.”

Destruction of Labor

Wal-Mart uses its power to ferociously attack and decimate labor power, and it is the leading force in the mass exodus of U.S. manufacturing capacity and jobs.

The company is militantly anti-union. Reportedly it has instructed its managers never to hire workers who once belonged to a union. It also reportedly fires workers who score too high on a “union probability index.” When a union tries to unionize a Wal-Mart cluster of stores, “labor experts” are flown in from Bentonville to counterorganize. Workers are ordered to sit in on weekly “labor relations classes,” where management tells them why they should not join a union, and gives them badges saying, “We can speak for ourselves.” At one store in Texas, where a union tried to organize, 15 surveillance cameras were installed.

The results? Wal-Mart’s grocery workers earn an average \$8.23 per hour—23% less than grocery workers at unionized stores. Many Wal-Mart workers are allowed to work a maximum of only 28 hours per week. More than two-thirds of all Wal-Mart workers who have a full-time job earn an annual wage that is below the poverty level for a family of three.

According to the AFL-CIO, 66% of unionized workers at large companies are covered by health insurance. According to one study, only 45% of Wal-Mart workers are covered, and according to another study, only 38% are covered.

When a worker works overtime, Wal-Mart will not credit it on his or her time sheet. In many reported cases, workers have been locked into stores after hours to work late into the night and early morning on special displays, but were not paid overtime. Thousands of workers have recorded that they have worked overtime unpaid, but Wal-Mart says it has no record of the cases. There are court suits against Wal-Mart in 36 states on this issue alone.

Mass Unemployment

There are hundreds of American manufacturing plants which have shut down, and shipped production overseas, either partially or entirely due to Wal-Mart. In addition, many other retail outlets have been forced to adopt Wal-Mart’s methods. We look at a few of the hundreds of cases in which Wal-Mart was directly involved:

Newell Rubbermaid is the largest producer of consumer rubber products in the United States, and Wal-Mart sells by far the largest volume of Rubbermaid products of any retail store. In January 2001, Joseph Galli was appointed the new chief executive officer of Rubbermaid, and he and his staff had an intensive series of meetings with Wal-Mart management on what products Rubbermaid should bring on line, including Wal-Mart’s not-so-subtle suggestions about the price of the products. Since January 2001, Rubbermaid has

shut down 69 out of its 400 facilities, and fired 11,000 workers. The equity research director at Associated Trust & Co., C. Mark Heaseldon, bluntly stated the reason, “To be able to meet the demands from key customers, like Wal-Mart . . . [Rubbermaid has] to become competitive in price.” He added that Galli would have to “shift about 50% of production to low-cost countries.” This could force the closure of an additional 131 Rubbermaid facilities, and the firing of an additional 20,000 workers.

General Electric is one of the five biggest companies in America and the biggest producer of appliances, such as dishwashers, refrigerators, stoves, and TVs. The biggest outlet for GE goods is Wal-Mart. During the last few years, GE has conducted a large amount of outsourcing. The IUE union, which represents GE workers, has estimated that during the last five to seven years, GE has fired more than 100,000 workers, one of the nation’s biggest outsourcing massacres. Most of this work was outsourced to Mexico, China, and Asia in general.

At **Masterlock**, 250 union workers lost their jobs in 2000 when Wal-Mart suddenly dropped the company’s products and switched to an offshore, low-wage competitor.

Levi Strauss is one of the biggest manufacturers of jeans and denim products, including the line of Docker slacks. Wal-Mart is the biggest retailer of Levi Strauss products. During the past 18 months, after meetings with Wal-Mart, Levi Strauss announced it will shut down its four remaining production plants in North America and shift the work to Ibero-America and Asia. Several hundred jobs will be lost.

Dial Soap sells 28.3% of its production to Wal-Mart. Under Wal-Mart pressure, Dial is shutting down its Compton, California plant and shifting work to Argentina.

There are hundreds of similar stories. As a result of the Wal-Mart model, combined with the depression, *more than 1 million manufacturing production jobs producing consumer goods have been lost since July 2000 alone.*

Overseas Slave-Labor

Meanwhile, Wal-Mart is operating slave-labor camps overseas. It does this through its suppliers and, increasingly, in its own name. One of the most infamous slave-labor camps is that in American Samoa—the Daewoosa Factory, where 230 workers, mostly young women from Vietnam and China, worked under conditions of indentured servitude. According to records, they were cheated of their meager wages, beaten, starved, sexually harassed, and threatened with deportation if they complained. On Feb. 21, 2003, in a court in Hawaii, the proprietor of the factory, Kil Soo Lee, was found guilty of 14 of 18 counts brought against him for indentured servitude. This factory sewed clothing for Wal-Mart, under Wal-Mart’s “Beach Cabana” label (as well as producing for other retailers).

Wal-Mart has plundered the productive functions of the U.S. economy. It’s time to shut down Wal-Mart!

A Tale of Two Nations Is Told at German-Chinese Economic Conference

by Jonathan Tennenbaum

More than 200 top representatives of German business and economics organizations attended a “German-Chinese Economic Congress” Oct. 22-24, organized in Berlin by the leading business weekly *Wirtschaftswoche* in cooperation with Berlin’s Asian-Pacific Forum, China’s *Economic Daily*, and the China-Europe Association for Technical and Economic Cooperation (CEATEC). While primarily oriented to the concerns of German companies directly involved in China, the congress not only provided insights of broad interest concerning China itself, but—by ironic juxtaposition—evoked unusual reflections on the profound economic and social crisis now gripping Germany and other Western countries.

Our report concentrates only on some of the highlights of a rather rich three-day event, leaving aside extensive sessions that dealt with legal issues, marketing, trade regulations, and other items of specific technical interest to businessmen.

China As an Economic Locomotive

The congress opened with a fanfare of optimism, and the notion that cooperation with the rapidly-growing China could provide a crucial way out of Germany’s economic mess. It was mentioned several times that German Chancellor Gerhard Schröder will visit China in December, and that major new results are expected.

Stefan Baron, chief editor of *Wirtschaftswoche*, gave the upbeat opening: “China is booming, and many hopes are projected upon her. The development in China is one of the most exciting and most important historical events in our time. Many people don’t know, that for many centuries in the past, China was the culturally and technologically most advanced nation in the world. Now, China is taking back that position.” Baron also emphasized, that the present trade surplus of China will soon be reversed, and that “in two years, China will become one of the world’s biggest importers.” Perhaps the example of China will help Germans “to rediscover the values of individual responsibility, frugality, and hard work,” he concluded.

China’s Ambassador to Germany, Ma Canrong, emphasized the sustained nature of China’s development. He noted, “In spite of the downturn in the world economy, China has maintained its growth. China’s domestic product will increase by four times by the year 2020, reaching \$4 trillion per year. The whole world economy will profit from this.” Trade with

Germany is headed for a new record in 2003. In the first six months of this year, German-Chinese trade increased by 55% over 2002.

Even more upbeat was Dr. Michael Rogowski, Chairman of the Association of German Industry (BDI). “Let’s go East, not West,” he exclaimed. China is “the most dynamic nation in the world. . . . Since the beginning of the 1980s its economy has grown by an average of 9% per year. The GDP has grown six-fold since 1982. China is the world’s largest recipient of Foreign Direct Investment. And the Chinese people are buying everything.” One million automobiles were sold there in 2002. This year it will be 2 million, and plans are being made to produce and sell 5-6 million per year. “China is a world leader in the elimination of poverty,” Rogowski added. “Deng Xiaoping had said 20 years ago, that some people should be allowed to become richer earlier than others. And all will profit from the cake becoming bigger. And now we witness the impressive prosperity of China’s coastal cities. But also the West of China has become richer.”

Rogowski also pointed to improved intra-Asian relations. “India and China have become closer,” and China’s economic relations with its Southeast Asian regional neighbors are rapidly intensifying. He emphasized that China is by no means relying only on cheap labor power. On the contrary, enormous efforts are going into education, research and development. “China is a source of hope for Germany,” which has become the world’s single biggest industrial exporter, Rogowski said. Some 1600 German companies are already working in China and Chinese companies are beginning to invest in Germany.

But, the well-known expert on China, Prof. Eberhard Sandschneider, used his speaking time very deliberately to pour cold water on the “China euphoria” some business leaders and politicians have been spreading. Yes, China is booming now, and yes, big firms especially—so-called global players—“cannot afford not to go to China.” But small and medium-sized companies (Germany’s famous *Mittelstand*) should be careful, not to be lured by the euphoria into thinking that they can have easy success and quickly make money in China. On the contrary, they must reckon with the probability of considerable difficulties and risks of the sort big companies can easily deal with, but which can be ruinous for small ones.

Worst of all, Sandschneider warned, is when *Mittelstand* companies that are in trouble at home in Germany, are



The collapse of Germany's economy, seen in mass unemployment and the desperation strikes against the SPD governments cuts in all benefits—the DBG union confederation demonstrated in the weekend of Nov. 1-2—has bred pessimism about the country's prospects. German business leaders long for salvation in China's strong growth; but they may not understand how rapidly China is changing. German policy must change, to promote Eurasian Land-Bridge infrastructure and LaRouche's New Bretton Woods.

encouraged by politicians and others to run off to China in search of a solution. Sandschneider also debunked simplistic prognoses concerning the future development of China itself. “No country of that size can develop in a linear way”; i.e., one can't just extrapolate today's statistics into the future, he cautioned.

Sandschneider pointed to major problems and risks facing China, including: hundreds of millions of people looking for jobs; the giant income and development gap between the coastal and interior regions, which threatens to “tear the country apart”; the spread of corruption; the threat of HIV-AIDS and other diseases, like SARS; the danger of a drop-off of foreign investment and export income; problems of providing adequate energy, water, and other resources; the danger of military conflicts, etc. On this basis, the expert declared that nobody can predict with any degree of confidence what the overall situation in China will be ten years from now. (The same thing, quite clearly, applies to the world economy as a whole!)

At the same time, however, Sandschneider warned against *underestimating* China's industrial and intellectual potentials, for example in the area of science and technology. And as he and several other speakers emphasized, it is only a matter of time before Chinese multinational corporations appear on the scene, able to rival those of the United States, Europe, and Japan.

There was much fanfare at the Berlin conference about China's entry into the WTO, and the relatively “good grades” China has earned, initially, in terms of compliance with its

rules. But neither Sandschneider nor others elaborated much on the potentially very severe domestic problems that could arise, were the far-reaching “free trade” concessions China made for entry into the WTO, to go into full force.

Mega-Projects

In a series of presentations, German and Chinese experts examined the perspectives for investment and economic development in China's main economic regions. Besides the booming Shanghai and Yangtse River delta area—where up to now the lion's share of German investments have been going—special attention was given to “alternative investment areas”: Beijing and Tianjin in the Northeast; the Pearl Delta region in the South (where investment has been dominated up to now by Taiwan, Hong Kong, and overseas Chinese); and the Western-Central regions now favored by the Chinese government's “Go West” policy.

The conference being mostly oriented to the business community, much attention was given to the prospects of getting a “piece of the cake” of two forthcoming “mega-projects” in China: the 2008 Olympic Games in Beijing; and the 2010 World Exposition in Shanghai; which together involve projected investment volumes of \$50-65 billion. One might wonder how a sports event and a fair could involve such gigantic sums. In fact, the Chinese authorities are using them as an occasion to drastically upgrade the entire infrastructure of the relevant regions.

Mathias Kleinert, member of the board of Daimler-Chrysler, emphasized that the projected \$35 billion invest-

ments in projects connected with the 2008 Olympiad, will include “a vast expansion of infrastructure in Beijing and Qingdao,” on the basis of “the most modern technologies available.” This emphasis on high-tech infrastructure—including transport, communications, and environmental systems—will mean “a great step forward in the modernization of China,” Kleinert said.

Meanwhile, Shanghai is already beginning to gear up for EXPO 2010, which will see an investment of between \$15 and \$30 billion in construction of exposition buildings, in transportation, and in modernization projects. An entire region of Shanghai, covering 400 hectares and now housing 25,000 inhabitants, will be completely rebuilt. Some 70 million visitors are expected for the Expo. Some 200 pavillions will be built, that are to remain as permanent structures. Shanghai is using the occasion of the Expo 2010 to modernize its entire urban infrastructure, to raise it to “world standards,” with particular emphasis on transport, parks and green areas, and modernization of schools, universities, hospitals.

Shanghai is the focus of several city-building projects in which German firms are participating. These include construction of a 68 square-kilometer “Shanghai Motor-City,” to house major facilities for international automobile concerns with emphasis on research and development; and the creation of “Luchao New Harbor City”—an entirely new satellite-city of Shanghai, with 300,000 inhabitants. This is added, of course, to the successful Chinese-German Transrapid project, a magnetic levitation train line connecting Shanghai city center with the Pudong international airport. The Transrapid is now in commercial service, operating routinely at speeds of over 430 kilometers (260 miles) per hour.

China’s ‘Go West’ Policy

Thomas Fok, member of a very prominent business family in Hong Kong, spoke about the perspectives of development in the interior regions of China—a “Go West” policy. The western and central regions, he said, are “China’s New Frontier.” They comprise 5.4 million square kilometers, or two-thirds of the land area of China, and 23% of its population—approximately 300 million people. A large part of that population is concentrated in a few dense areas, like the super-city Chongqing (31 million), and the provinces Guangxi (48 million) and Guizhou (38 million).

Some years ago, the Chinese government announced a new policy for developing western regions of the country. Many thought this was just talk, because the vast bulk of investment continued to flow into the prospering coastal areas. But now the Chinese government is getting really serious, Fok said.

Originally the strategy was to allow the coastal regions to develop at the expense of the interior, assuming the coastal development would then radiate into the western regions. “But the wealth has remained on the coast. . . . Currently the average coastal dwellers have cars, have tried sushi, travel to

international destinations, and buy digital cameras; meanwhile some of their western cousins still ride around on horse carts, eat subsistence food, live in mud houses, and have no idea what a TV is. . . . Each year, tens of millions of jobless from the western regions migrate into the coastal cities seeking employment of any kind, causing social problems, and taking back with them resentment and the desire for wealth they have seen in those coastal cities.” The “bourgeois runaway” on the coast, accelerating the gap between the “the haves and the have-nots” in the country, is now seen as threatening the very stability of China, creating “a sense of urgency never encountered before.”

With the Chinese central government now fully committed to developing the West, and the local governments “prepared to lean over backwards to provide advantageous terms for investment,” foreign companies “should take a new look” at these regions of China. Here, in the resource-rich interior, lies the potential for a “second economic boom” which could sustain the overall growth of China for a decade or more to come.

On the one side, the Chinese government is pouring investment into large-scale infrastructure projects, such as the \$25 billion Three Gorges Dam project, the \$8.9 billion Hotan gas pipeline project, large-scale power plants, rail, road, and water projects. On the other hand, the central government is offering extremely attractive conditions to private investors. These include: special concessions for infrastructural investments; transport rebates; tax breaks; granting of land use at low or zero cost; and the possibility for foreigners to obtain majority holdings in state-owned enterprises. Fok strongly recommended that potential investors first travel personally to the Western regions—to get a first-hand view of problems and prospects—and then establish close relations with relevant agencies of the central government, before contacting the local governments. The government in Beijing can remove many obstacles, and insure that development occurs in a coherent, non-redundant way.

Will China Eclipse Us All?

As a participant in a number of “China investment” events in Germany over the last six years, this author could not help but notice a striking change in tone among German business executives at this Berlin meeting. Gone was the cocky, sometimes even arrogant attitude—“We are the best, we will show the Chinese how to do things.” The reason was not only easy to guess, but was explicitly addressed by a number of leading executives themselves in speeches: the economic disaster in Germany, on the one side; and the breathtaking rate of improvement in the industrial, technological, and engineering potency of the Chinese on the other. Several speakers said it in nearly the same words: “The time has come, when it is our turn to learn from China.”

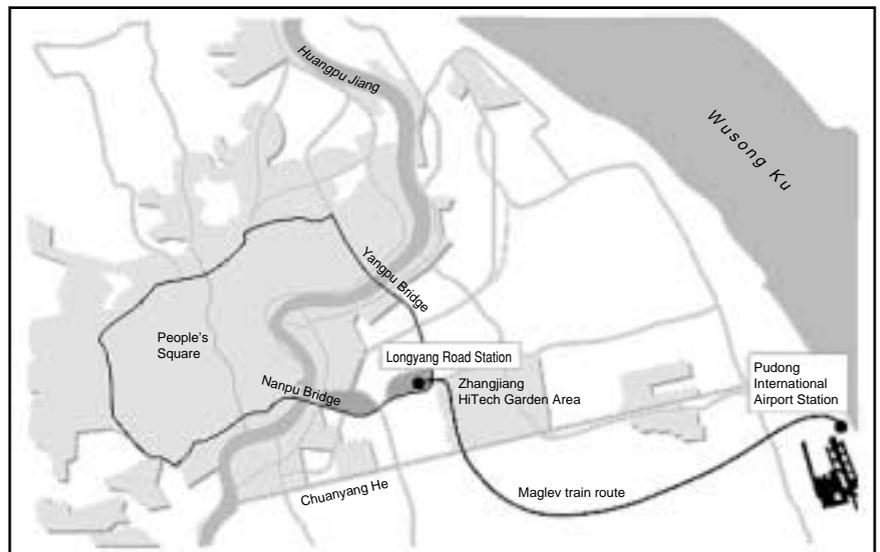
A striking case in point is the construction, in record time, of the 30 kilometer-long Transrapid maglev line from Shang-



Shanghai (above right) and other coastal areas were the foci of rapid growth in China in the 1980s and 1990s, and the landmark of Germany-China cooperation is Shanghai's operating maglev railroad, also a technology-transfer project. Above left, Prime Minister Zhu Rongji and German Chancellor Gerhard Schröder ride smoothly at 430 kilometers/hour; the map shows the train's route. But China is rapidly mastering the technology itself, and built the track to within higher tolerances than those achieved in Germany. China is also deliberately shifting its growth and development to the central and western regions, the country's interior.

hai to Pudong. An inside view into this process was provided by Dr. Jürgen Feix, of the Munich company Chronauer Beratung Planung (CBP), which carried out the transfer of crucial technology to the Chinese for the support structure of the maglev track. This included an intensive, 10-week “crash course” for Chinese engineers—who on that basis then calculated, designed, and built the track structure on the basis of their own, modified specifications, with a cost saving of 20-25% compared with the original German design! An entire production facility was built up in Shanghai for the structural elements of the track, which Feix called “currently, probably the most modern facility of its type in the world.” He gave special credit to the now-legendary “Commander Wu,” a retired Peoples Liberation Army general who directed the Transrapid project from the Chinese side. The Chinese engineers and workers not only completed the track construction in a mere two years, but “they worked with unbelievable precision,” achieving significantly better tolerances than on the Transrapid test track in Germany.

The Shanghai-Pudong Transrapid Maglev Project



Source: Transrapid.

Feix warned German companies that “establishing a long-term foothold in China is not so easy.” The Chinese have become extremely quick at absorbing technology and know-how, and then continuing on their own without any further

need for foreign assistance. There was practically no opportunity to employ ordinary German engineers in projects in China, because the Chinese engineers are as good, if not better. Most of the ones involved in the Transrapid project were top cadre having university education and training qualification abroad. "The only area where the Chinese lag behind, is in technological innovation," Feix concluded. In the future, practically "the only thing we will still be able to sell to them, is new creative innovations."

No objections were raised in the audience to Feix's characterizations on this account—to the contrary! If there had been lingering doubts about the Chinese engineering capabilities, China's first, successful manned space mission, completed a week before the congress, should have removed them. Just two days earlier, at a seminar on German-Chinese space cooperation, this author witnessed European space engineers taking their hats off to their Chinese colleagues. In modest tones, the Vice Director of China's Executive Center for Space Science, Wu Ji, indicated to his audience that China was setting its long-term sights on—the Moon! Parallel with the development of a Chinese manned space station, China will carry out extensive satellite surveying of the Moon, developing a precise "3-D map" of the entire surface. This is preparatory to later missions leading, among other things, to the possible mining of Helium-3 on the Moon as a fuel for advanced forms of controlled fusion power. Needless to say, this "Promethean" attitude toward the future has virtually disappeared not only in Germany, but in the U.S.A. and other Western countries as well.

Another "cultural shock," repeatedly referred to at the congress, is the growing trend of Chinese investors buying into, or even taking over Western corporations. A sensational early example, is the purchase of the aircraft company Fairchild-Dornier by the Chinese industrial and financial group D'Long.

The author got another taste of this culture shock at a reception during the congress, when he fell into conversation with a couple of senior German industrial managers. Listening into the discussion was a youthful Chinese, whom the author took to be a student. At a certain point one of the Germans said, "Let me introduce you to my boss," and pointed to—the "student"! The Chinese student" turned out to be one of the new breed of young investors springing up in China; he had recently purchased a controlling interest in the German manager's company.

Germany's Existential Crisis

Although the theme of the *Wirtschaftswoche* congress was business and investment opportunities in China, discussions repeatedly turned toward the miserable economic situation in Germany, which is in the grip of the worst economic crisis since the end of the war: mass unemployment; wave after wave of bankruptcies among the small and medium-sized industrial firms that once formed the heart of Germany's econ-

omy; de facto insolvency of most of Germany's municipal and state governments; and so on through other sorry stories. But what repeatedly came up in speeches and discussion was the *subjective* state of Germany—the deep demoralization of the population and the "elites." This might not be apparent to someone only living and seeing Germany from the inside; but no one who returns to Germany after having spent time in the booming, prosperous, and optimistic metropolises of China, can help being shocked by the incredible contrast to Germany's depressed atmosphere.

Since many of the participants shared this experience, it was only natural for discussions to gravitate around the reasons for it.

An interesting case in point, was a banquet speech by Edmund Stoiber, chairman of the Christian Social Union (CSU) party. Stoiber called China's development an "a breakthrough beyond all imagination," and highlighted the contrast to Germany today. While unfortunately not attacking the policy of brutal cost-cutting in social services—now favored by all the large parties in Germany, and merely accelerating the depression spiral—Stoiber repeatedly emphasized that "cutting costs will not solve Germany's problem. . . . When scientific research and development stagnate, society goes into a downward spiral." He condemned efforts to cut the budget of the Max Planck Society, and pointed to the tendency for talented young scientists to emigrate from Germany, which, he noted, is a far bigger problem than foreign emigration into Germany.

"We are investing far too little into scientific research and development," according to Stoiber. The only way to secure a future for Germany is to drastically upgrade the role of education, science, and technological innovation, and to take measures to reverse the collapse of birth rates, which has created a major demographic problem of over-aging of the population.

Then, in a point no doubt reflecting the impact of Lyndon LaRouche's youth movement—which recently made a powerful intervention into the elections in Stoiber's home state of Bavaria—the CSU chairman emphasized the plight of the younger generation, in a manner similar to that of LaRouche's many statements on the matter. Their parents' generation—the generation of the 1968 "student revolution"—had turned against science and technological progress, Stoiber said, in favor of "having a good time." Up into the early 1960s, new technologies were greeted with enthusiasm, just as in China today; but after that the attitude of the German population was reversed. Today, technological progress is regarded with suspicion, the mere mention the words "enriched uranium" evokes hysteria. This attitude, Stoiber implied, is a chief reason for the decline of Germany's economic strength, the rise of mass unemployment, and the fact that "young people today are no longer assured a productive place in society, in the way people had virtually taken for granted in the 1960s."

Korea Trade Meet Opened With LaRouche Strategy

by Kathy Wolfe

The Korea Trade Research Association's Oct. 31 conference in Seoul was opened with a presentation of U.S. Presidential candidate and *EIR* Founding Editor Lyndon LaRouche's Eurasian Land-Bridge strategy for rebuilding the depression-wracked global economy, and his New Bretton Woods monetary reform to finance it. Dr. Jonathan Tennenbaum presented the LaRouche policy (see below) to some 500 economics professors and graduate students from the KTRA's membership all over South Korea. Minister of Commerce and Industry Yoon Jin-Sik, Italy's Ambassador to South Korea Francesco Rausi, KTRA President Dr. Song Hee-Young, and Korea Institute for International Economic Policy's Dr. Ahn Choong-Yong also addressed the conference, along with the director of Beijing's Institute of World Economy Studies, Kang Xie, and experts in frontiers of transport and trade from other nations. The Ministry of Commerce (KITA) co-sponsored the event.

Participants and Korean media were particularly inter-

ested in the Eurasian Land-Bridge's strategic significance in forestalling use of the Cheney "pre-emptive strike" doctrine on the Korean peninsula.

Eurasian 'Super-Power for Peace'

The concept of the Korean Peninsula as a world trade "hub" is closely associated with the recent opening of the Korean Demilitarized Zone, and the re-connection of the Trans-Korean Railway (TKR). When the TKR is fully functional, Korea's two southern super-ports of Busan (Pusan) and Mokpo will be the eastern-most terminae of both the Trans-Siberian, and the Beijing branch of the Trans-China Railway, making Korea the locus where cargo from all over Eurasia is transshipped across the Pacific. KTRA President Song said in introduction that Korea needs to map out a strategy for achieving this goal.

Tennenbaum, chief author of *EIR*'s widely-known 1997 book *Eurasian Land-Bridge: New Silk Road—Locomotive for Worldwide Economic Development*, startled participants with a forceful opening presentation of LaRouche's warning of global systemic crisis. "The world is presently suffering a combined financial and economic breakdown crisis, more profound—and potentially more devastating on a global scale—than the so-called 'Great Depression' and the unleashing of the Second World War," he said, warning that "the financial system is hopelessly bankrupt, and cannot be maintained in its present form."

EIR v. Cheney Featured

The November 2003 issue of *Mal* magazine in Seoul, Korea has printed translations of two of *EIR*'s recent exposés attacking the Cheney neo-cons and their schemes for "regime change" in South Korea, as well as in the North. Lyndon LaRouche's mass-circulation campaign pamphlet *Children of Satan* is referenced in the articles. *Mal* magazine is politically close to President Roh Moo-hyung's youthful support base, which is being deliberately alienated by the Cheney-ac demand that South Korea send troops to Iraq.

"Did Cheney's Neo-Cons Fake Intelligence about N. Korea, Too?" (*EIR*, Aug. 8), documents the explosive but (until now) suppressed exposé by Dr. Jonathan Pollack, chairman of the Strategic Research Department of the U.S. Naval War College, that the Bush Administration hyped the evidence about North Korea's uranium program. Pollack charged that senior Administration officials created the October 2002 confrontation with Pyongyang, by charging the D.P.R.K. with enriching uranium to weapons grade, despite the fact that evidence for a uranium program

gathered by the CIA and other agencies was "far from definitive," that "North Korea had no operational enrichment facility," and that "the intelligence community believed that North Korea still confronted daunting obstacles . . . even to acquire the production capabilities that might ultimately permit such an option." It was not uranium intelligence which triggered Washington's October 2002 charges against Pyongyang; rather, "the stunning disclosure [in September 2002] of Japanese Prime Minister Junichiro Koizumi's impending visit to Pyongyang."

The second article is "South Korea: Target for Cheney 'Regime Change'?" (*EIR*, Oct. 24). It explains how Cheney and Defense Secretary Donald Rumsfeld's demand is forcing South Korea to send troops to Iraq, provoking student riots, and turning President Roh Moo-hyung's youth base against him, in what may be a deliberate attempt of "regime change" for the South Korean government. *Mal* reprints *EIR*'s prescriptions for Roh to get out of the vise: "Get an economic policy," propose a global economic New Deal, the Eurasian Land-Bridge; bring the economic program right into the Six-Power Talks on North Korea, to give the talks content; tell Washington this involves the future of billions of people."—Kathy Wolfe

New Silk Road Requires A New Monetary System

by Dr. Jonathan Tennenbaum

Presented to the conference, "Vision for Korea as a World Trade Hub" on Oct. 31 in Seoul. Some subheads have been added for publication.

Tennenbaum then described LaRouche's financial proposals as a leading U.S. Presidential candidate, and noted that while the United States is not willing now to make such changes, this is no reason for the rest of the world to "sit still." He urged that East Asia, Russia, India, Central Asia, and Europe move forward with Eurasia-wide monetary, trade, and economic agreements as described by LaRouche in his Sept. 23 Moscow speech on "China and a Community of Principle." LaRouche had said then that "a system of treaty agreements [across Eurasia] would provide much needed economic benefits, and also efficient security arrangements, throughout the Eurasian continent, forming a community of principle. The success of a treaty-driven Eurasian initiative would set a pattern for broader reform of relations among nations worldwide," to stabilize currencies, finance new projects at low interest rates, and create a "Super Power for Peace" from Tokyo to Busan to Paris.

Tennenbaum used a series of maps to develop all the transport and infrastructure corridors of the Eurasian Land-Bridge, from the Trans-Siberian in the north, to the ASEAN-India-Iran line in the south. He showed the audience the strategic significance of reconnecting the Trans-Korean Railways: "These overland rail routes between Korea and Europe not only promise large savings in transport time and cost, as compared to sea routes, but will greatly promote regional economic development. . . . Here we find a high degree of complementarity: the industrial capacities in Japan, Korea and Shanghai; the vast mineral and energy resources, as well as scientific and technological potentials in the Far East of Russia; the food production areas in northern China; the huge potential market defined by the population concentrations in and around the region."

Trade and transport specialists gave the conference a variety of presentations on global shipping; the wide variety of pending trade agreements among the Association of Southeast Asian Nations (ASEAN) and the "Plus 3" of China-Japan-Korea; recent economic developments in regional trade—notably the fact that China is about to surpass the United States for the first time, as the largest destination for South Korea's exports. *EIR* learned from many participants their view that "the Americans just do not realize that Asia is moving forward with its own arrangements, which are now rather far advanced, and not waiting for directions from Washington," as one speaker put it.

In the discussion session of the conference, each questioner brought up Tennenbaum's remarks as most notable, starting with the South Korean Deputy Minister for Commerce, who praised *EIR*'s "insightful presentation that the financial problems are caused by a crisis on a global scale, not local issues." "Dr. Tennenbaum gave an excellent presentation," said another senior expert from Korea's former Economic Planning Board, "but my question is the same one he raised: How exactly can we build the Eurasian Land-Bridge and a new monetary system, and who will take the initiative?"

I want to thank Korea Trade Research Association for the opportunity to address your learned audience on two closely connected topics of decisive importance to the world's future. The first, is the present global financial crisis and what to do about it. The second, is a grand strategy for the economic development of Eurasia over the coming 30 years. This centers on the creation of a "Eurasian Land-Bridge System" or "New Silk Road" inter-linking the population centers and major development regions of Europe and Asia by a network of transcontinental infrastructure corridors, including high-speed ground transport, modern energy, water, and communications systems.

Let me explain why there is no way to adequately address either of these two topics without addressing the other. The conceptions I present are based in large part on the work of Lyndon LaRouche, the well-known American economist and statesman, who is one of the Democratic pre-candidates for the U.S. Presidential elections in 2004. Mr. LaRouche would have liked to be here to address you in person, but unfortunately previous commitments required his presence.

The world is presently suffering a combined financial and economic breakdown crisis, more profound—and potentially more devastating on a global scale—than the so-called Great Depression and the unleashing of the Second World War. This breakdown crisis comes as the terminal stage of a more than 30-year process of structural decay of the world economic and financial system. This decay was initiated by a fundamental shift in culture and economic outlook in the United States in the mid-1960s. At that time, the United States and other industrial nations began to move away from our previous tradition of highly-regulated, industrial-oriented national economies—a system which depended on large-scale state investments into infrastructure, science, and education. Instead, there was a revival of the ideology of the British "free trade" system of Adam Smith, which was promoted by Friedrich von Hayek, the "Chicago School" of Milton Friedman, the advisors to Margaret Thatcher, and the neo-conservative movement in the United States.

This change in Western policy led to a radical deregulation of the financial system, elimination of protectionist measures, radical privatization, reduction of state investment into basic infrastructure, and a policy of "globalization" of finan-

cial markets. Investment flows shifted away from the real, productive sector, more and more towards purely artificial, speculative profits in real estate, stock markets, futures markets, and an exaggerated growth of service employment. This process, accompanied by a terrible ballooning of debt, has finally rendered today's global floating-exchange-rate financial system hopelessly bankrupt. It cannot be maintained in its present form.

Simultaneously, we have had an accelerating decline in the performance of the real physical economies of nearly all nations, as measured against levels of physical investment required for net maintenance of basic infrastructure, productive capacities, real material living standards, and the quality of labor force. The recent epidemic of breakdowns in the electric power systems of the U.S.A, Canada, and Europe, highlights the vast and growing deficit of physical investment in advanced-sector nations.

Alternatives to Collapse of Dollar System

The essence of the present global crisis is best summarized in a schematic diagram called the Triple Curve, first presented by Lyndon LaRouche in 1995 (**Figure 1**). The horizontal axis represents time, while the three curves are, from top to bottom: 1) growth of total nominal value of financial assets; 2) growth of monetary aggregates; and 3) net physical growth of the real economy, measured in production of necessary goods and services, after subtracting the physical investment required for maintenance. The hyperbolically growing gap between the growth of the first two curves, and the decrease of the third, shows the system as a whole cannot continue (**Figure 2**, empirical data from the U.S. economy 1996-2002).

The same trend is found in the United States, in Europe,

FIGURE 1
LaRouche's Typical Collapse Function

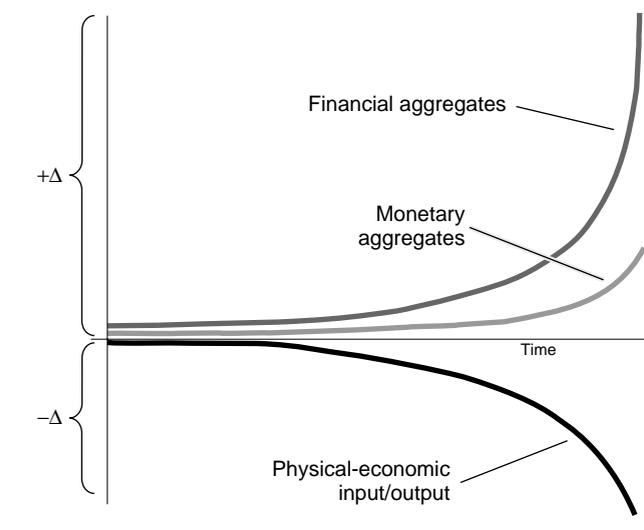
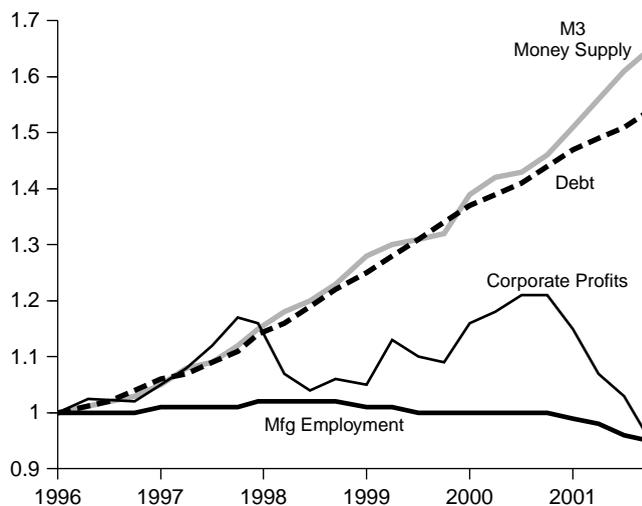


FIGURE 2
The U.S. Economy's Collapse Function Since 1996



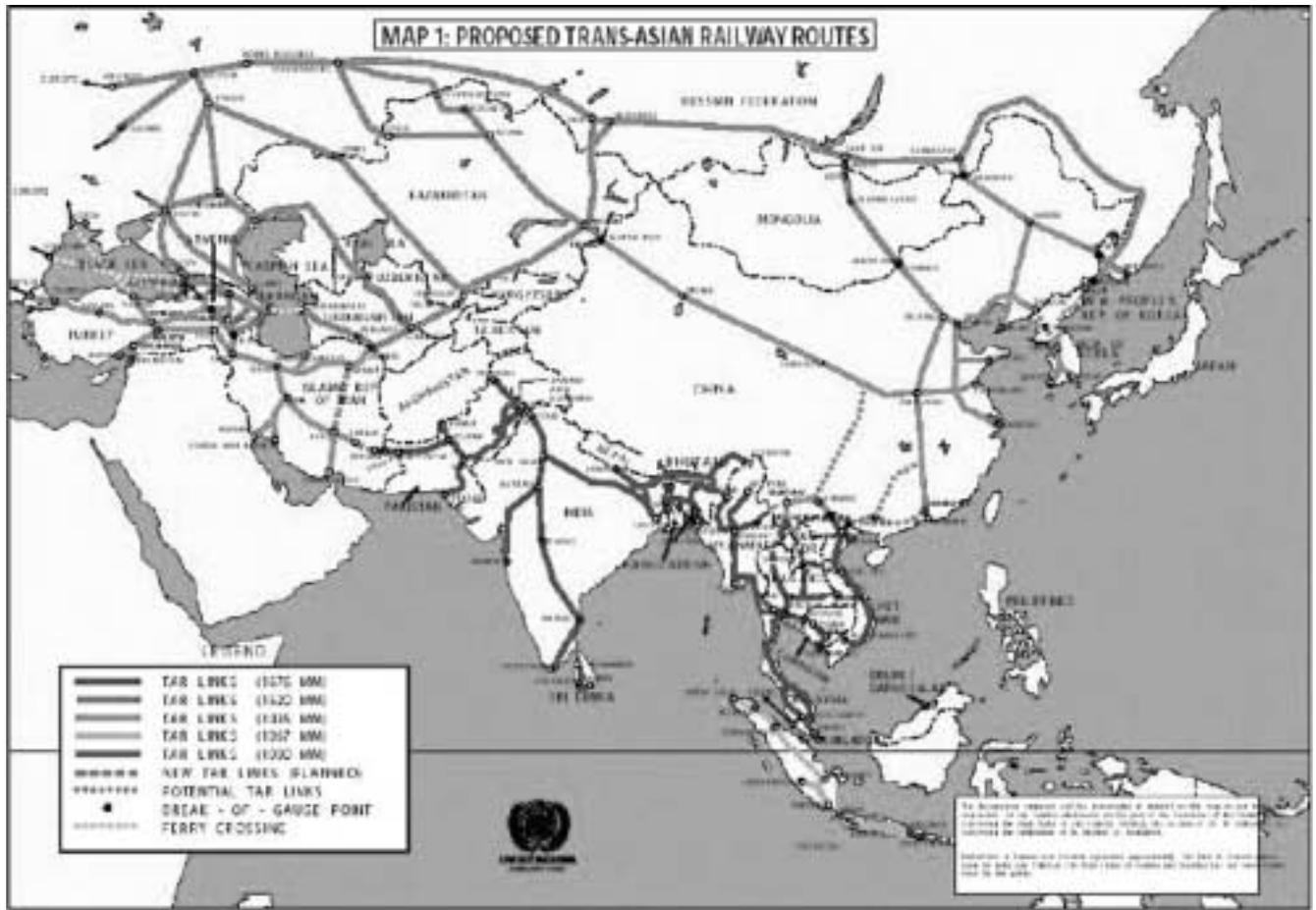
Source: EIRNS.

and in nearly every economy in the world, with the exception of China and possibly a few other countries. We now face the prospect of a dramatic fall of the dollar, likely coupled with a crash of the real estate bubble in the United States—with, also, unsustainable trade and current-account deficits, state and local budgetary crises, and unsustainable foreign and internal debts. Such a dollar crash will result in a sharp drop in U.S. imports, and other shock effects which would trigger a major crisis in Europe and Asia, especially China, Korea, and Japan.

The governments of nearly all the world's nations have refused to acknowledge the deadly, systemic nature of the crisis. At best, they have paid attention to some symptoms, while allowing the disease to continue. Attempts to accommodate to the worsening financial environment through budgetary austerity, or by stepping up deregulation and privatization, have made the crisis far worse. The exception is Malaysian Prime Minister Dr. Mahathir bin Mohamad, who has made repeated sharp criticisms of globalization and deregulation. While he lacks developed alternatives, Mahathir did urge at the UN on Sept. 25, that the global system is not working, and that "exchange rates should be fixed by an international commission [such that] no profits may be made by speculating or manipulating exchange rates." This is the first call by a head of state for a new *global* financial system, rather than a regional bloc.

Recently, other European and Asian governments have begun to wake up to the dimensions of the crisis, and to take certain actions which, although not adequate, point toward a

FIGURE 3



positive solution. In the East, there is a growing tendency toward strategic cooperation among Asian and Eurasian nations, such as ASEAN: “ASEAN+3” including Korea, Japan, and China; the “triangle” Russia-China-India; and other combinations, discussing joint action on economic and financial issues, possible new monetary institutions, and cooperation on large-scale infrastructure development. Meanwhile, a large array of infrastructure projects have been recently initiated, or are already in construction, which could form the backbone of a Eurasian-wide economic development boom. These include: the “Iron Silk Road” Trans-Korean/Trans-Siberian/Trans-China railroad links; the Greater Mekong Development plan; Trans-Asia road networks; the Kunming-Singapore rail project; the Qinghai-Tibet rail link; the opening of the Nathu-La pass between China and India; major water projects in China, and so forth (Figure 3).

In early October, the UN Economic and Social Commission for Asia and Pacific (ESCAP) at a conference in Ulaanbaatar, Mongolia, began organizing the first historic shipments across the Trans-Korean Railway to Europe,

scheduled for early to mid-2004. A “trial run” of freight containers on block trains is to travel from Busan, via Seoul and Pyongyang, to Ulaanbaatar and all the way west to Helsinki. If North Korea agrees, it will likely be the first full passage along the Iron Silk Road/Eurasian Land-Bridge to use the Trans-Korean Railway and actually bridge the Pacific and Atlantic oceans over land.

In Europe, there are important proposals to drop the anti-production austerity restrictions in the Maastricht accord, and to opt instead for a “New Deal” policy of large-scale state investments in infrastructure, to initiate an industrial recovery. When Italy assumed chairmanship of the European Union, Italian Finance Minister Tremonti proposed a new Action Plan for Growth, described by him as “a European New Deal,” for the creation of a New European Investment Facility to generate major new financing for an expanded program of infrastructure projects in Europe, including especially the accelerated development of high-speed railroad links (Figure 4).

Yet these and related initiatives from Asia and Europe,

while in the right direction, fall far short of what is needed to prevent disintegration of the world financial system and an unprecedented world depression. To be blunt, as Koreans well know, there is no way out of the present crisis without a fundamental change in policy in the United States. So far, the only leader to propose a comprehensive solution to the global financial and economic crisis, featuring action by the U.S.A

itself, is Lyndon LaRouche. This is the core of his Presidential campaign, and his policy recommendation to the Bush Administration. LaRouche's proposals involves these key elements:

- Elected governments to reorganize national financial systems;
- Create new state credits for large productive projects;
 - Focus on infrastructure and new technologies to transform industrial base.

FIGURE 4



Source: TEN Study of European Commission/V. Siarov.

The Berlin-to-Naples high-speed rail corridor is one of the key infrastructure projects in Western Europe which are being launched or sped up in the “New Deal” infrastructure approach to economic recovery, put forward by Italy and being debated by all of Europe. This policy for recovery from admitted economic depression, reflects Lyndon and Helga LaRouche’s campaigns for the Eurasian Land-Bridge and New Bretton Woods policies.

Emergency Action by U.S. and Other Governments

In concert with governments of other major nations, an American administration must assume control of the financial system, and carry out the equivalent of a bankruptcy reorganization, freezing and/or writing off a large amount of unpayable debts and speculative financial paper, and establishing a new world financial and monetary system. This must incorporate the most positive features of President Franklin Roosevelt’s original 1944 Bretton Woods agreements. They include rigorous regulation of financial markets, relatively fixed currency parities, and a gold/foreign exchange reserve or equivalent reality-based reserve unit.

LaRouche proposes we recognize, that to do this, today’s dominant influence of private financial interests, over the central banking systems of the OECD and most other nations—which is un-Constitutional—must be eliminated: “These so-called ‘independent’ central banks are only independent of elected governments, which are powerless to influence them. But they are highly dependent and controlled by self-interested financiers who have no concern for the general welfare of the population. We require a return to national banking systems, in the spirit of the American Revolution and Meiji Restoration, in which control of credit-creation and overall credit flows lies in the hands of the elected sovereign governments.”

Governments must utilize their sovereign power, via both national banking and long-term trade agreements between nations, to create virtually unlimited amounts of new, long-term, low-interest-rate credit at 1-2% *per annum*, for investments into the productive sector and related hard-commodity trade. Focus high-priority credits on a package of large-scale infrastructure projects and related high-technology investments, centering on the development of the Eurasian Land-Bridge system, with analogous Great Projects in the Americas and Africa.

This does not mean, of course, that the world should sit by and wait, until the U.S. acts properly. Sovereign nations, including the Republic of Korea, must now take sovereign action to do everything in their power, to protect their economies and populations, and to initiate cooperation as outlined above. The actions of all governments must be guided by the same essential principles, founded on *the primacy of the sovereign elected nation-state*.

In view of the importance of this, allow me to quote from LaRouche concerning the actions he would immediately take, as President, for a reorganization of the global financial system and a revival of world economic development. I quote from LaRouche's April 28, 2003 policy statement, "A World of Sovereign Nation-States":

It is my intention to call the representatives of nations together, in an emergency conference sponsored by the U.S.A., for a general reform . . . of the presently bankrupt monetary-financial system. Governments must face the challenge, that the present system is hopelessly doomed, and that the following types of measures are therefore urgently required.

1. All relevant monetary-financial institutions, including central-banking systems, would be taken in receivership by the sovereign authority of the nation-state. This would require the support and cooperative assistance of all the governments party to the agreement.

2. The first concern is to prevent a chaotic degeneration of the existing essential, public and private institutions of deposit, to protect the personal, modest financial assets of individuals and households, sustain the pensions of ordinary people, maintain the traditional institutions of supply of credit, and, to ensure the orderly continuation and improvement of essential production, trade, local government, and general welfare. Financial assets with the character of gambling, such as financial derivatives, would be largely eliminated, and many other forms of debt taken in custody for reorganization.

3. We must mobilize sufficiently increased employment in sound investments to bring the total current costs and expenses of the national systems above annual breakeven levels. The principal stimulant for this will be governmental operations in basic economic infrastructure, or government-sponsored investments in regulated public utilities which are either partly, or entirely government-owned. In cases deemed appropriate, a public utility may begin life as government-owned, and later shifted to private ownership.

4. The future of the individual national economies will depend largely on national and international mechanisms among governments, for generating low-cost, long-term credit with maturities of between a quarter

and half-century. . . . Generally, this means borrowing costs for credit created at standard rates not in excess of 1-2% annual simple interest. This requires a well-regulated, fixed-exchange-rate monetary system whose design were modeled on the best features of our experience under the pre-1971 Bretton Woods monetary system.

5. Two kinds of sources for the creation of state credit are available. The first, is a national banking system of the type implicitly specified by the U.S. Federal Constitution. The second, is credit generated by long-term treaty agreements on trade and investment, between, or among sovereign states.

The economic revival of Europe during the two decades following 1945, depended upon the unique role of the gold-reserve-backed U.S. dollar. This exceptional position of that dollar, during that interval, enabled the IMF system to shield European and certain other currencies and their credit systems, until the sterling-dollar crises of 1967-71. In today's crisis, we must accomplish a similar benefit at a time the U.S. dollar is inherently weak in real-value content.

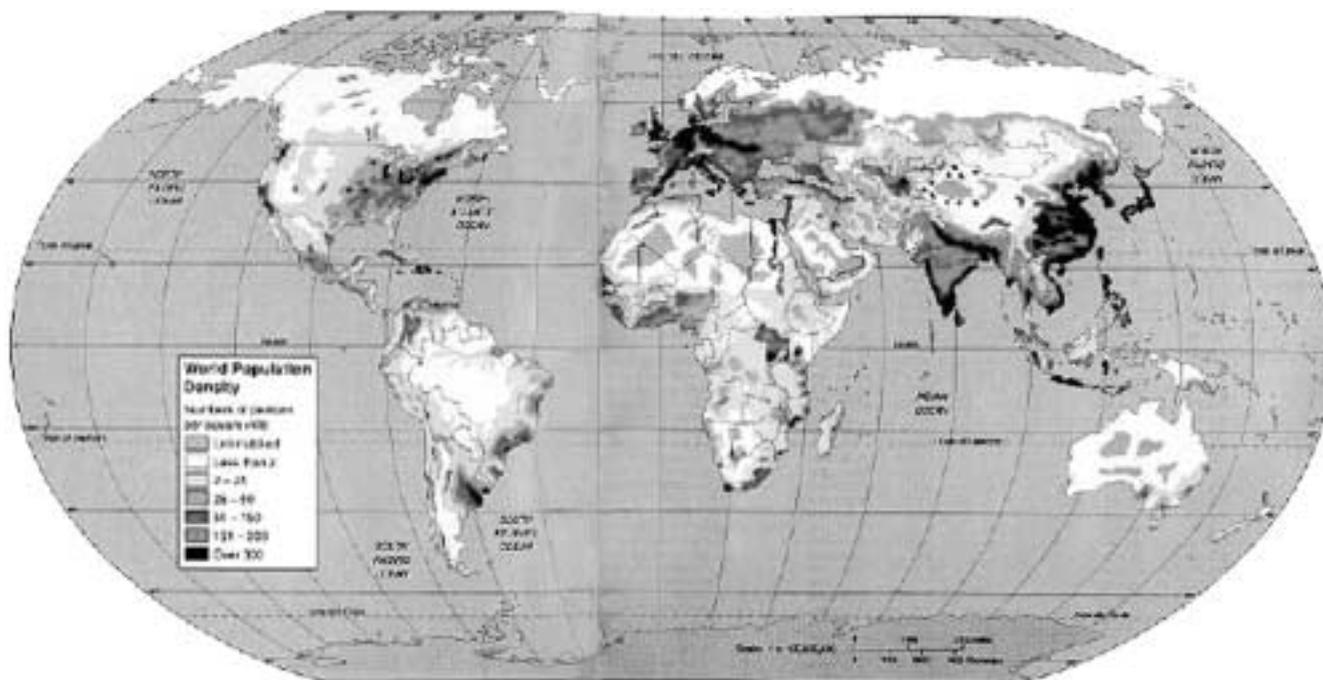
6. The principled features of the emergency reform to be made now, have the advantage of experience: a change premised on the proven success of the fixed-exchange-rate producer-society model, in contrast to the calamitous cumulative failure of the subsequent, doomed, deregulated, floating-exchange-rate model. Therefore, once it could be assumed, that the bankrupt, floating-exchange-rate form of the IMF is being replaced by an essentially global, regulated, fixed-exchange-rate version of the Bretton Woods system, it is feasible to use the intended monetary system as the context for long-term, reciprocal, bilateral and multilateral trade and tariff agreements of 25-to-50 years span.

These treaty life-spans of such duration are defined chiefly by the dominant role of component elements representing long-term programs of development of basic economic infrastructure: regulated generation and distribution of power; mass-transportation systems for freight and passengers; water resources development and management systems; forestation, and other large-scale land-management and related systems; sets of urban-industrial complexes; and health-care and educational systems. These programs, typified by the multinational Mekong development agreements, and the presently expanding array of China's infrastructure programs, define the market for stimulation and financing of expanding arrays in the entrepreneurial and related production of marketable goods.

The long-term infrastructure elements define the market which is the economic water within which the happy entrepreneurial fish swim. The life-span of the relatively longest-cycle infrastructure investments, de-

FIGURE 5

Population Density Distribution on the Eurasian Land-Mass



finances the span within which payments must be resolved by pre-agreements on financing, tariffs, pricing, and trade.¹

Thus, LaRouche links his proposal for reorganization of the world monetary system to large-scale infrastructure development world-wide. This has several missions: First: It revives the productive sectors, expanding industrial demand, expanding employment and investment, by channeling large amounts of new state credit into great projects for modern transport, energy, water, communications, and related infrastructure. The proposals echo the methods by which President Franklin Roosevelt successfully ended the U.S. Great Depression of the early 1930s—typified by the successful Tennessee Valley Authority (TVA) water and electric power program.

Second: It sharply increases the overall physical productivity of the world economy as a whole. Large-scale infrastructure improvements provide the single most efficient means available to national governments, to achieve that effect. The projected, sustained increases in the net wealth-production of participating economies, secure the process of credit expansion in a non-inflationary manner.

Third: It opens up inland “hinterlands” and other underdeveloped areas, and provides optimal conditions for urbanization, agricultural and industrial development, by using infrastructure corridors as an instrument of development policy. This policy builds upon the successes of the transcontinental railroads in the United States; the role of Count Sergei Witte’s Trans-Siberian Railroad in the industrialization of Russia; and many other historical successes.

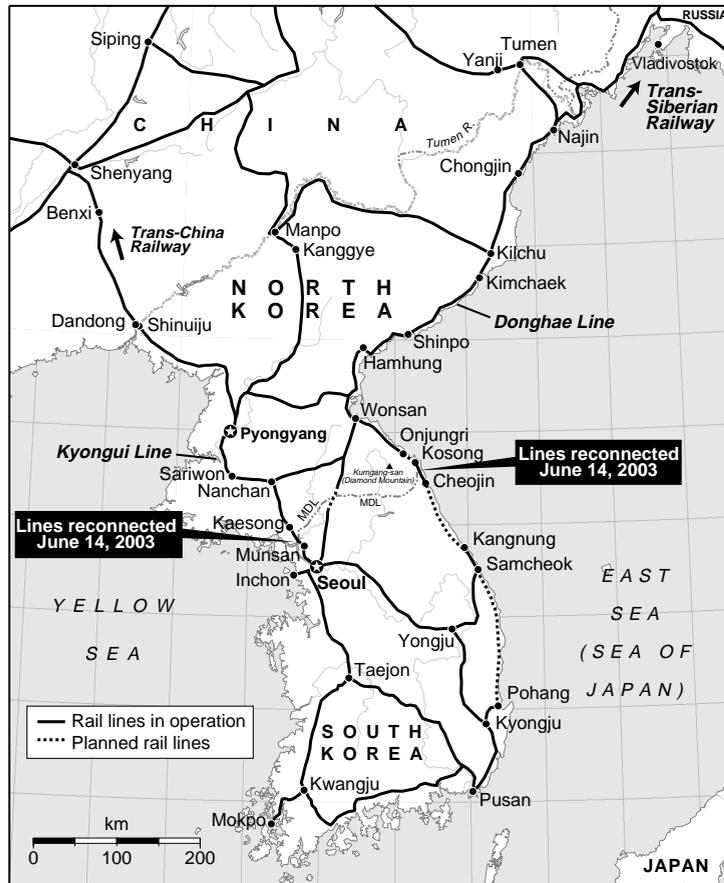
Fourth: It re-establishes a proper and healthy relationship between the financial system and the real wealth-generating processes of the economy, by preferential channeling of credit into programs of productive investment—combined with the financial reorganization measures indicated. This puts an end to recent decades’ dangerous generation of financial bubbles. With this, there should be no confusion, between LaRouche’s production-oriented policy, and the misguided “Keynesianism” which has been a major feature of the disastrous transformation of the United States and other nations from industrial into “post-industrial” or “service-sector” economies.

Let us now discuss in depth the “New Silk Road” or “Eurasian Land-Bridge” system of transcontinental development corridors, the most important package of large-scale infrastructure projects in the world. To understand the world-wide economic impact of this, look at the distribution of human population on the planet (Figure 5).

Connected by a single continuous landmass, Europe,

1. Lyndon H. LaRouche, Jr., “A World of Sovereign Nation-States,” *EIR*, May 16, 2003.

FIGURE 6
Major Railway Network Map of South and North Korea



John Sigerson / EIRNS 2003

Source: Ministry of Construction and Transportation (MOCT), Seoul, Korea.

Southern and Eastern Asia comprise the largest concentrations of human population, accounting together for about three-fourths of the total on this planet. At one pole we have Europe, a unique concentration of scientific-technological and advanced industrial potentials. At the other pole we have East and Southern Asia with their enormous population, vast natural resources, and significant, and growing, industrial capabilities. Integrating these two poles together through a network of high-efficiency infrastructure corridors, and using those corridors as instruments to promote the rapid development of the relatively backward interior areas between them, has the potential to unleash a sustained period of real economic growth over the next 30-40 years.

Figure 3 showed us the main corridors of the rapidly-emerging “Eurasian Land-Bridge” rail network. Although much of the total railroad mileage on this map already exists,

enormous investments are required to modernize and upgrade the lines, especially for higher-speed transport, to complete a number of important gaps in the network. In addition, transforming the rail lines into true “development corridors” will require countless additional transport, energy, water, and communications infrastructure.

In the north we have the existing transcontinental line, running from Berlin to Vladivostok via the Trans-Siberian railroad. Needless to say, restoration and modernization of the Trans-Korean railroad network and its connection with the Trans-Siberian railroad is one of the highest-priority projects. Of global importance are both the TKR-TCR-TMGR-TSR (Trans-Korea/Trans-China/Trans-Mongolian/Trans-Siberian) route which requires completion of the Kyongui Line connecting Seoul and Pyongyang to China, in the west of Korea; and the TKR-TSR (Trans-Korea/Trans-Siberian) route, which requires the Donghae Line, in the east of Korea (Figure 6). These overland rail routes between Korea and Europe not only promise large savings in transport time and cost, as compared to sea routes, but will greatly promote regional economic development.

The whole region adjacent to the Sea of Japan, down to the Bohai Strait, comprising the easternmost region of Russia, the Korean Peninsula, Japan, and the Northeast region of China down to Shanghai, seems predestined to become the single most powerful region of the world economy. Here we find a high degree of complementarity: the industrial capacities in Japan, Korea, and Shanghai; the vast mineral and energy resources, as well as scientific and technological potentials in the Far East of Russia; the food production areas in northern China; the huge potential market defined by the population concentrations in and around the region.

The Southern Eurasian Land-Bridges

In 1992, with the completion of a missing link across the border from China to Kazakstan, a second transcontinental rail link was created, referred to in China as the “Second Euro-Asian Land Bridge,” and running from the Pacific port city Lianyungang, to Europe’s Atlantic port at Rotterdam. This line, also known as the “Trans-China” corridor, will provide a third route from Korea to Europe, connecting with the Kyongui Railroad. Besides linking Asia to Europe, these two Land-Bridges also provide a potential new transport route between East Asia and the East Coast of the United States (see “New Eurasian Land-Bridge Infrastructure Takes Shape,” *EIR*, Nov. 2, 2001, for maps of all the major infrastructure projects discussed here).

Recently, a series of international seminars have been held to discuss a “Northern East-West (N.E.W.) Freight Corridor”

which would run from the East Coast of Asia via the Trans-Siberian and Trans-China corridors, via Finland and Sweden to Norway's all-weather port at Narvik, and from there by ship to the ports of Halifax and Boston on the East Coast of North America. Meanwhile, preparatory work is proceeding on another route from China to Europe via Central Asia: a link from Kashgar in West China to the cities Osh and Jalal Abad in Kyrgyzstan, with additional connection to Biskek. Kashgar, a famous outpost of the legendary "Silk Road," was connected into the Chinese rail system at the end of 1999, when China completed a new 1451 kilometer-long link from Kashgar to Tulopan (Turpan) on the main line of the Second Eurasian Land-Bridge. Osh and Biskek are both linked northward to the Russian rail system, all the way to Europe. The Kashgar-Kyrgyzstan link would thus open a new transcontinental line, sometimes referred to as the "Shanghai-Paris Railroad."

Conscious of the key role of Persia in the old Silk Road, Iran very early realized the implications of a new era of Eurasian-wide development, and has taken measures to secure its position as a strategic nodal point between Europe, Central, Southern and Eastern Asia. In 1996 an important, 300 kilometer rail connection was completed from Mashhad in Northern Iran, to the Tajan and Sarakhs in Turkmenistan. Thereby, a new, "middle corridor" was opened up, running from China through Central Asia down to Iran, and then via existing railroads in Iran and Turkey into Southern Europe. Earlier, Iran had completed a 700 kilometer rail line from Bafq to the strategic Persian Gulf port of Bandar Abbas, thereby providing an important potential access to the sea for a vast interior region of Eurasia, including the landlocked Central Asian republics. Moreover, in September 2000 the transport ministers of Russia, Iran, and India signed an agreement for cooperation in the creation of a new north-south multimodal transportation corridor, running from the western ports of India, via Iran, by ship over the Caspian Sea to the Russian port of Astrakhan, and from there by rail to Moscow and beyond. . . .

At present, there are no rail links at all among Vietnam, Laos, and Cambodia. Among the economically most important projects in Southeast Asia, which is now moving through the planning stage, is the 5,500-kilometer-long Kunming-Singapore rail corridor. Of far-reaching significance is the extraordinary progress in relations between India and China recently, which has led to the June 2003 agreement to open the famous Nathu-La Pass providing the most direct north-south connection between the two nations. Also of great significance is the construction of the Qinghai-Tibet railroad in China, connecting the city of Lhasa into the Chinese national rail system. Begun in June 2001 and scheduled to be completed in 2007, the 1,118-km-long line from Golmud to Lhasa will constitute one of the engineering wonders of the world. Some 960 kilometers of the line are located at altitudes of more than 4,000 meters, and 554 kilometers will be built on permafrost foundation. Passenger wagons will have pressurized cabins.

At the same time, the road connection from Lhasa to

Gangtok in India is being upgraded on both sides into an all-weather four-lane highway.

Development Corridors

Let me now add three additional points concerning the Eurasian Land-Bridge system as a whole.

Firstly it is necessary to overcome the short-sighted tendency to think of the various transcontinental routes—particularly Russia's Trans-Siberian railroad and China's Second Eurasian Land-Bridge—as competing against one another. Surely, when it comes to connecting nearly 1 billion people in Western, Central, and Eastern Europe, with 3.5 billion people in Asia, two railroad lines will not be too many! On the contrary: In the not-too-distant future, more lines will have to be built and new technologies implemented, to handle the gigantic transport volumes that will be generated by Eurasian economic development and growth. Furthermore, the *network* character of the Land-Bridge system, if properly developed, will be such that the increase in activity in any one corridor, will tend to enhance activity in all the others.

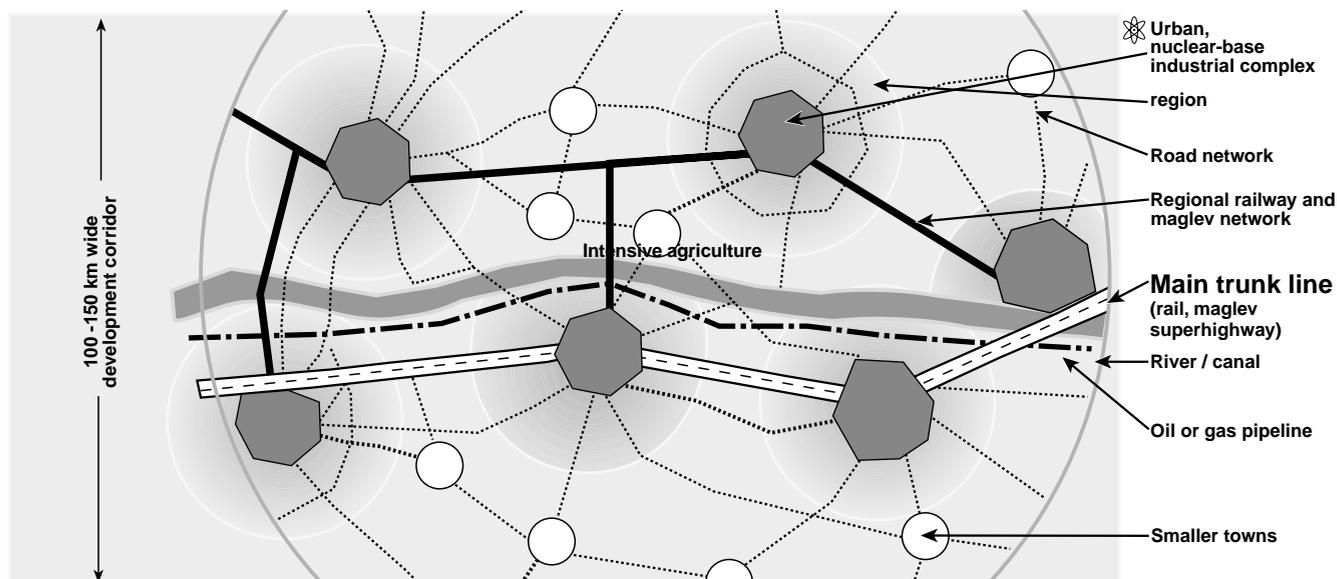
Secondly, the potential of the Land-Bridge system, as proposed by LaRouche, to generate a sustained period of economic growth throughout Eurasia, depends upon combining or "bundling" transport, energy, water, and communications infrastructure within certain band-like regions—"infrastructure development corridors" (**Figure 7**). A crucial challenge in the economics of the Eurasian landmass is how to develop the huge interior regions, which lack basic infrastructure to support economically viable investments into modern production. The long transport distances, lack of access to resources, markets, and services, and low density of population, combine to reinforce permanent under-development.

The most powerful approach to the problem, is building a network of infrastructure development corridors. This means: 1) building up a basic network of high-efficiency, high-speed transport lines reaching into the hinterland—above all rail lines, navigable rivers and waterways; and at the same time, 2) concentrating additional investment into creating a dense network of secondary "capillaries" in the form of transport, energy, water, communications, and other basic infrastructure within the band-like regions located along the main transport lines. These infrastructure corridors, typically extending 50 kilometers on both sides of the main transport lines, provide ideal conditions for rapid development of intensive agriculture and modern, high-technology industry, and for urbanization.

The economics of such development corridors is thus completely different from that of a simple transport system. Rather than simply to connect point A to point B, the concentration of industrial activity along the development corridor transforms it into the equivalent of a production-line "conveyor belt," in which value is continuously added to the flow of goods as they move through the system. At the same time, the system of corridors, with their high concentration of population and economic activity, and high efficiency in distribu-

FIGURE 7

A Land-Bridge Corridor Of Development



tion of goods and services, constitutes a vast and rapidly expanding market. . . .

Third, the Land Bridge infrastructure corridors should make use of the most modern technologies available—the technologies of the 21st Century. Not only does this guarantee the highest physical efficiency of the infrastructure itself, but it transforms the infrastructural investment into a means for injecting new technologies into the entire productive base of the economy.

Exemplary of the technologies of relatively greatest importance to the Land Bridge development are the following:

- Automated systems for management of multimodal container transport, including loading and unloading between transport systems and storage areas, and computer- and satellite-assisted tracking;
- Rail cars and locomotives capable of operating on the different rail gauges and power characteristics of the Eurasian system;
- Magnetic levitation (maglev) transport systems for passengers and freight. The German Transrapid, a first-generation maglev system now in commercial operation in China between Shanghai center and Pudong airport, is presently the most advanced ground transport system in the world. Operating routinely at speeds of 450 kilometers per hour, and able to achieve much higher acceleration rates, tighter curves, and steeper inclines than conventional high-speed rail, the Transrapid provides an optimal mode of passenger and high-value freight transport between population centers, far more efficient than short- and medium-range air travel. The same technology can be adapted for high-efficiency automated transport of container freight over long distances. Furthermore, the linear-motor technology used for propulsion of maglev

vehicles can be fitted to existing, conventional rail track, transforming it into a “conveyor belt” for automated transport of container pallets between arbitrary destinations.

- Modular high temperature reactors (HTR) for production of electric power and industrial process heat. The HTR technology, particularly in the so-called “pebble bed” form employing spherical fuel elements, provides the advantages of intrinsic safety (serious accidents are excluded by physical principles, without expensive active safety systems); low-cost, modular construction (assembly-line construction methods); high-efficiency electricity production through direct-cycle helium turbines; production of high temperature (900-1,000°C) process heat for industrial use, including production of hydrogen and other synthetic fuels; and lower-temperature process heat for processes such as nuclear desalination of sea water.

Hearing about the Eurasian Land-Bridge policy for the first time, people commonly ask, “Where will all the money come from, to finance these huge investments?” The answer lies in the first half of my presentation, where I laid out Lyndon LaRouche’s policy for a “New Bretton Woods” reform of the world financial and monetary system. There is no way, within the framework of the present world financial system, to generate the scale of long-term investments needed for the proposed, transcontinental system of infrastructure development corridors and the ensuing Eurasia-wide development boom. But the present system is hopelessly bankrupt, and will collapse onto our heads unless we put it through a bankruptcy reorganization first. On the other hand, the “New Bretton Woods” system proposed by LaRouche would not only permit such investments, but is expressly designed to rapidly make the Eurasian Land-Bridge a reality.

A Look at Eastern Europe's Secret Space Programs

The history of the Eastern European space programs under the Soviet Union, long unknown, is yielding some new and sometimes surprising revelations. Marsha Freeman gives a conference report.

Since the 1930s, the space programs of the Soviet Union were closely guarded, combining both military and civilian technology and applications together under military control. In contrast, the United States created the civilian NASA space agency in 1958, and made all of its mistakes, and showed its accomplishments, in public.

Since the end of the Soviet Union a decade ago, archive material about the secretive space program has been made public, and over the past few years, new, and sometimes astonishing, revelations have come to light.

Since the opening of the Space Age, with the launch of Sputnik in 1957, the contributions of the nations of Eastern Europe in space were simply lumped together under the "Soviet space program," with no national distinctions. In fact, most of the leaders of the "Soviet" space program were actually born in Ukraine. Not only were these nameless nations given no credit for their contributions; there was an effort by the Soviet military to stop them, when they tried to engage in even modest national space technology and applications efforts.

This year's annual meeting of the International Astronautical Federation (IAF), held between Sept. 29-Oct. 3 in Bremen, Germany, provided an opportunity for researchers and participants in the space efforts in Romania and Slovenia to reveal their accomplishments. It also provided a forum for one of the few surviving pioneers of the Soviet space program to describe the importance of the German contributions to the Soviet effort, following the end of the Second World War.

Slovenian Rockets To Suppress Hail

The western part of Slovenia, a nation of 2 million people and formerly part of Yugoslavia, is a wine-growing region, with vineyards that are vulnerable to damage from hail. In the Summer, there are frequent thunderstorms, often accompanied by hail. In a paper presented at the IAF Congress by Aleksander Kerstein, co-authored with his colleagues from Slovenia, the history of the use of rockets for hail suppression was described, with something of a surprise ending.

In 1951, the program to use rockets to suppress hail from storms was introduced into western Slovenia. The rockets were French, and the payload was about 10 grams of a chemical reagent, which was dispersed throughout the clouds. The purpose was to seed the clouds with chemicals that become condensation nuclei, changing the mechanism for the formation of hail. As a result, the size of the ice crystals is reduced, and as they travel through the warmer layers in the atmosphere, they melt into rain drops. "The rockets were discharged vertically by [the] winegrowers themselves, on the basis of their own estimation of weather conditions, usually at the start of a hail storm," Kerstein et al. reported. The rockets reached a height of about 1,000 meters, but they were in use only for a few years.

At the end of the 1960s, hail-suppression rockets were again introduced in the former Yugoslavia, this time along with meteorological radar to identify clouds that contained hail. The rockets were built in the Kamnik gunpowder plant near Ljubljana. They carried 400 grams of silver iodine re-

agent, were made with filament-wound composite materials, and used solid fuel. Parenthetically, this is the same basic design used today for the solid rocket boosters attached to the Space Shuttle for launch!

The Kamnik 1 rockets could reach a height of up to 2,800 meters, following the order to fire from the radar center. During the 1970s, between 2,000 and 5,000 Kamnik 1 rockets were fired per year; but the results they achieved, in height and reliability, were unsatisfactory. Kamnik proposed a new rocket be designed and built, with an extended vertical range.

The new effort was started at the end of the 1970s at Kamnik, in cooperation with the Ljubljana Engineering Faculty and the amateur Astronautical and Rocket Society Celije (ARSC), which had formed a small working team for research and development of a small meteorological hail-suppression rocket. The second Slovenian hail-suppression rocket program was called RCHX-Storm, and in 1986, the Yugoslav Ministry of Agriculture signed a contract with the Slovenian Research and Development Institute Celije (RDIC) to finance the development of the Storm rocket. Aleksander Kerstein was the Project Manager.

The 'Storm'

When the program began, the team members realized they needed sophisticated research facilities, factories capable of producing high-quality complex products, skilled technical manpower, and adequate test facilities. Slovenia had developed all of these crucial elements. Kerstein points out that this was the only Slovene rocket project that had an exclusively non-military purpose.

There was pressure on the Storm group to create a system with significant advantages over what already existed, because the hydro-meteorological services in each Yugoslav republic had standardized its own vague requirements, regarding the reagents used in the rocket, the range of the rocket, and requirements for safe transport, storage, and handling. The goals set for the new Storm system included the potential for 7,000-10,000 launches per year, using mass production. The rocket was to also have high safety characteristics, eliminate the need for highly trained operating personnel, eliminate any special system for storing and handling, and be low in cost. A major innovation in the design was that it was built almost entirely of light-weight composite materials, mainly epoxy resin, and reinforced glass fibers.

Most of the work carried out by the research and development team was in laboratory tests of new, hybrid propellant, and intensive static tests of the models of the motors. In less than a year, the motor had been developed to be able to be dynamically tested in flight.

The payload of the RCHX-Storm was 16 flares of silver iodide reagent each weighing 60 grams. They were arranged in a cluster, and emptied in approximately one second. The payload also included passive radar markers made out of aluminum, so for each rocket, it could be determined in which

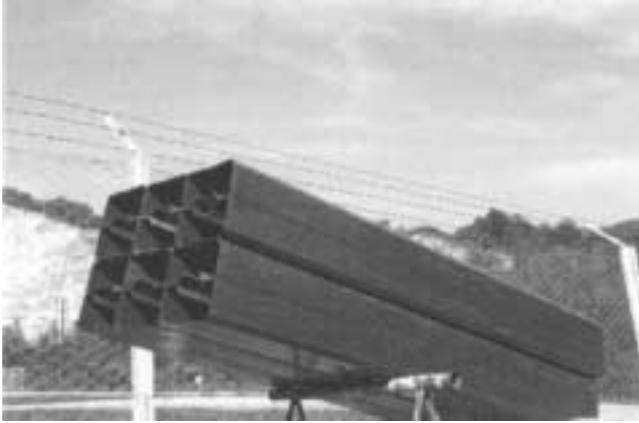


The indigenously-developed Slovenia Kamnik-1 rocket was used to seed clouds and suppress the formation of hail during thunderstorms. The program, itself, was later suppressed by the Yugoslav military.

part of the cloud the flares were dispersed, and to control and measure the efficiency of the process of sowing artificial nuclei into the cloud.

A new launch system was developed for Storm: a container that had six tubes, to launch six rockets at once. After launching, the containers were returned to the producer, and were used several times. After the rockets exhausted their reagent they would self-destruct. In the earlier programs, a high-strength explosive was used, but this caused considerable problems. For the RCHX-Storm, two systems to prevent the rockets from causing damage on the ground were developed and tested. These consisted of a self-destruct system which could use a standard and less violent explosive charge; and a parachute to break the rocket's fall to a velocity of less than 4 meters per second.

Test launches of the RCHX-Storm rockets started on May 12, 1987 and nearly 50 were conducted. A larger version of



The “Storm” hail suppression rockets were launched six at a time from containers that could be refurbished and reused.

the rocket was also developed, to be able to carry scientific instruments on sub-orbital ballistic trajectories, known as atmospheric sounding rockets. Then in 1988, the military authorities in Belgrade took an interest in the rocket project. Two visits were made by military representatives to the Institute, which then received an order to prepare a feasibility study and a program for further development. On Christmas Day, 1988, project representatives defended their study at the headquarters of the Yugoslav army in front of a special commission.

As Kerstein et al. report: “After sharp criticism and negative opinion, more than half [the] members concluded that [our] hybrid rocket motor wasn’t promising, and important for suppressing hail. Therefore, they decided to end the RCHX project.” Considering the extreme nature of what followed, it hardly seems possible that the military ended the program because they believed it would not work. If that were so, there would be no reason to remove every trace of it. The central Yugoslav government intervened in 1989 from Belgrade, and in April, the project was terminated. As requested, all of the documentation was given over to the authorities. All of the tools and rocket components were destroyed.

But Slovenia’s space and rocket specialists are anxious to use their expertise for international space projects in the future.

Home of the Father of Space Flight

Romania will always have a special place in the history of astronautics, because it was the place where the father of space flight, the German-speaking Transylvanian Hermann Oberth, was born in 1894. At a History session of the International Astronautical Federal Congress in Bremen, Romania’s first cosmonaut, Dumitru Prunariu, presented a personal and revealing picture of Oberth’s scientific activity in Romania. The material was, in large part, new to many in the English-

speaking audience, because Oberth is best known for the work he did in Germany in the late 1920s and 1930s, and the influence he had on the young space pioneers in Germany, including Wernher von Braun, since Oberth’s books were published in German. One of Prunariu’s co-authors on the paper was Dr. Hans Barth, who was a personal friend and biographer of Oberth.

They described in their paper how, while still in high school in Romania, Oberth designed his first rocket; in 1912, he had a design for a high-altitude liquid-fueled launcher. Five years later, Oberth completed the detailed design of a liquid-propelled rocket, using alcohol and liquid oxygen for propulsion, a gyroscope for stability, and regenerative cooling of the combustion chamber walls. The response Oberth received to his design from the scientific community was predictable—“You must have made an error in your calculations.” Oberth was not too discouraged, and the good-natured people of the town of Sighisoara where he lived, gave him the nickname of Herr-Moon Oberth!

In 1918, Oberth traveled to Germany to continue his college education, and in 1923, published his rejected doctoral thesis as his first book, titled, *The Rocket to Interplanetary Space*. This work started a revolution in scientific thinking in Germany, which spilled over to the United States, and elsewhere. But with no job prospect in Germany, the author was already back in Romania, teaching in a girls’ high school.

Hermann Oberth and his family moved to Medias, Romania in 1925, and he began teaching mathematics and physics at the Stephan Ludwig Roth Gymnasium—comparable to high school. He was also able to secure permission and facilities to carry out experiments at the air force school workshop. But he was not just tucked away alone in a laboratory, doing experiments. The authors report that the press in Romania circulated the professor’s ideas, with his encouragement, which had an impact on the scientific community and on young people in his native land.

Oberth also carried out a series of public lectures in many cities in Romania, including Bucharest, the capital, and spoke on Romanian radio. In 1923, he held two conferences in Bucharest—one in Romanian and the other in German—hosted by the Polytechnic Society; the same year, the Romanian magazine *Nature* published an article written by Oberth on the possibility of space flight.

There is no question that the most dramatic impact of Oberth’s ideas before World War II was in Germany, where he helped von Braun, and other young people and amateurs, carry out rocket experiments, and advised on the film *The Woman in the Moon*, which encouraged scores more young men to dedicate their lives to the challenge of space travel. But it was obvious from the affection with which cosmonaut Prunariu spoke of the old professor, that Oberth also had a palpable impact on young people in Romania. In 1984, at a



Hermann Oberth, the “Father of Space Flight,” here on the 1929 movie set for *Frau im Mond*, was the inspiration for young space enthusiasts in Germany, and also in his native Romania. (Inset) Romanian cosmonaut Dumitru Prunariu, seen here at the IAF Congress, on the right, next to Russian space agency head Yuri Koptev, reviewed Professor Oberth’s impact on astronautics in Romania at the IAF Congress.

celebration of Oberth’s 90th birthday, Prunariu was very proud to be awarded the Hermann Oberth Gold Medal, bestowed by the Oberth-von Braun German Society of Astronautics.

Romanian Rocket Research After Oberth

Hermann Oberth was the last person to conduct rocket experiments in Romania until the early 1960s, as they were essentially forbidden there after World War II, even though the country had a well-developed aircraft industry. In 1962, a group of very young students, led by Radu Rugescu at the Polytechnic University in Bucharest, began a limited program in rocket propulsion research, which was neither funded nor encouraged by the government. At the IAF Congress, Dr. Rugescu described this unusual program, which was, unfortunately, stopped by the Romanian military in 1969, just as it attained success.

Dr. Rugescu said he wanted to “raise the Iron Curtain,” to look back to 16 years after the end of World War II, when he and six friends designed and built a test stand for experiments, in what was called the MRE rocket engine program. Dr. Rugescu reported the young students were “secretly” encouraged by Oberth, who knew about their work. “This paper,” he said, “is the first international presentation of the experimental research activity in rocket propulsion developed in Bucharest.”

The goal of the program, carried out by the Association Dedicated to the Development of Astronautics, was to design and build a small, low-thrust rocket motor, and the accompa-

nying test stand for static firing of the engine. The intention was to prove the feasibility of an engine, as a scale model for a motor ten times larger that could propel a sub-orbital sounding research rocket.

The developers did extensive testing of various types of rocket propellants, studied the efficiency of various combustion chamber designs, examined the performance of different materials, and all other aspects of rocket technology. The diminutive size of the engine developed and tested is indicated by the fact that its mass flow rate of propellant to the engine was 127 grams per second, or a little over four ounces.

The test stand was a sophisticated apparatus, consisting of the propellant feed system, and measuring instruments to collect technical data on the performance of the engine during a test. The MRE rocket engine was successfully tested for 20 seconds on April 9, 1969 at the main laboratory of the Polytechnic University in Bucharest. That was the engine’s first, and only, test. The military ended the program.

Today, the MRE engine and test stand are used as a training installation for students and faculty at the University. Demonstrations are carried out in workshops for students of the Faculty of Aerospace Engineering.

This work can now, for the first time, begin to be appreciated, as the Iron Curtain has been lifted.

Did Germans Influence Soviet Rockets?

No space program in the Eastern European countries was more secretive, for more decades, than the Russian one. Much of what the West learned about what the Soviets were doing

in space was disinformation released by government sources. Only the cosmonauts were paraded in public, with the most important technical thinkers, and chief designers, kept carefully out of sight. It was not until after he died in 1966, that the world even found out that it was Sergei Korolev who was the Soviet Union's Wernher von Braun.

It is fortunate that one of the early Soviet space pioneers, and a deputy to Korolev, was able to participate at the IAF Congress in Bremen. Due to the location of the meeting, the emphasis of two history sessions was German contributions to astronautics.

This subject has been one of great controversy for many years: The Germans stress that their early groundbreaking work in rocketry laid the basis for the world's two great space programs in the United States and Russia; the Russians defensively counter that the German contributions were minor in the accomplishments of the Soviet Union after the Second World War. Few are better able to discuss the German influence on the Soviet space program than Boris Chertok.

Chertok was born into a Jewish family in the Polish city of Lodz in 1912. In the 1930s, he found a job at Plant No. 22 outside Moscow, which today is the world-famous spacecraft design center, the M.V. Khrunichev State Space Scientific Production Center. In 1944, the Soviet military put together a secret group of technical specialists including Chertok, which they designated *Raketa*—the Russian word for missile. The team's mission was to investigate the remains of German A-4 rockets that had been found, to study their design. They were astonished to find how far ahead of Soviet specialists the Germans were in rocket technology.

In June 1945, thirty-three-year-old Chertok was among a group of Soviet engineers and Army officers who went to Peenemünde to make an assessment of the German rocket program. Chertok had actually arrived in Germany in April as part of a Russian Air Force inspection team, interested in German radar and precision instrument research. He went to the Mittelwerk production plant in Nordhausen in July, to investigate how the Germans had mass produced the A-4 rocket. The Soviet military decided to try to restart production of A-4s at the plant, and the Institute Rabe was established, with Chertok as co-leader, along with a German engineer.

Chertok was one of Korolev's most senior colleagues, and became Deputy Chief Designer at OKB-1, the design bureau headed by Korolev. Over the course of his career, he worked on the development of the Soyuz spacecraft, the Soviet manned lunar program, and later was one of the principal flight controllers for manned space missions.

In his presentation on Oct. 3 in Bremen, Chertok began by explaining that there were three basic new types of weapons developed during World War II—the atomic bomb, radar, and guided missiles. “Guided missiles were developed, and were operational arms, only in Germany,” he stated.

Chertok revealed that on July 13, 1944, British Prime Minister Winston Churchill sent a personal and strictly con-



In the opinion of Soviet space pioneer Boris Chertok, (right), the early work of the German space rocket specialists laid the groundwork in the Soviet Union “for rapid development of nuclear-missile technology and cosmonautics for the next decades.”

fidential message to Marshal Joseph Stalin, reporting on German missile tests taking place at a facility in Debits, Poland. Chertok was one in a group of Soviet specialists deployed to study the equipment found in the Debits area, before it was handed over to the Allies. He reported that an engine was found in good condition, because it had hit the ground without exploding. But “its control system remained a mystery to us. We were amazed by the dimensions of the missile, and its engine's theoretical thrust of approximately 20 tons. The maximum thrust of the Russian liquid-propellant engines [at that time] was only up to 1,500 kilograms (3,300 pounds).

On March 10, Chertok reported, “the Second Belorussian Front marched into the Peenemünde area. A group of Soviet experts led by Gen. Andrey Sokolov was immediately detached there.” As is well known, the Americans had gotten to Peenemünde first. “Our experts found neither valuable engineering documentation, nor rockets, engines, or equipment. All important munition, engineering documentation, and experts had been evacuated, initially to the Nordhausen area, and [then] further West, 15 days before the Soviet forces arrived.”

While in Berlin in May 1945, Chertok reports that he “found and kept a confidential report, which had been developed by engineer Kurt Magnus [a gyroscope specialist who worked on the A-4], and approved by professor Schuler, famous in the engineering world. In October 2002, I handed over that already-declassified report to the honorary professor of Munich and Stuttgart University, Kurt Magnus, in connection with his 90th anniversary.”

Upon arrival at the Mittelwerk production facility in Nordhausen in July 1945, Chertok says that using what they found from the plant, “assembling an entire missile was reasonable to attempt.” In addition, an engine-firing test facility was found in Leetsten, as well as several dozen ready-to-fire units in railcars. “We could hardly overcome the temptation to take all our findings and send them to the Soviet Union as soon as possible,” Chertok said; “however, after the situation had been evaluated and support from the local military authorities obtained, we made a decision—unusual for those times—incompatible with the directive from Moscow, and a risk to my career. We decided to establish the first Soviet-German Institute for Rocket Technology in the occupied territory of Germany.” Chertok was the director of the Institute.

The German-Russian Team

About 150 Soviet engineers worked with the Germans, among them all of the future leaders of Soviet space science and industry. Detailed and comprehensive histories of the development of the rocket programs were written by the German engineers. In Berlin, an Institute was founded to study and restore German developments in tactical rockets and air defense missiles.

On May 13, 1946, impressed with the work done by the Soviet-German team, Stalin signed a decree setting up a committee to further infrastructure development in rocket science and industry. The top priority was to duplicate the German A-4, to be manufactured from domestic materials and engineering design. Refurbishing German laboratories and training Soviet engineers were the first tasks in this project, and, Chertok recalled, the work was considered to be so important, that the “recalling of specialists investigating the German technology, from Germany to the U.S.S.R., was prohibited.”

In October 1946, the Soviet government decided to transfer the German rocket work to Russia, and about 20% of the German staff of Chertok’s Nordhausen Institute were relocated, as were experts from the other joint Institutes. Key personnel from the German staff were assigned to the leading Soviet rocket development institutes, in “special” affiliate organizations.

In mid-1947, German specialists accompanied their Russian colleagues to the launch site in Kapustin Yar, to test the rockets that had been assembled in Germany. The German experts were key to fixing the problems that arose in these tests, and the result was, according to Chertok, that “the missiles then started to fly better than those from Peenemünde.”

The Germans next began work on the design of a long-range rocket, to lead to an intercontinental ballistic missile. As is known, the design work of the Germans was not adopted as the next-step rocket effort by the Soviet government; Chertok offers two reasons why. The first, which was given out for public consumption, was that the A-4 technology still had to be mastered, produced, and had to be able to be

launched “at least as well as the Germans.” The second, and confidential reason at that time, was that Korolev had already initiated work on the R-2 missile, which had the same 600 kilometer range as the German design, and it was beyond the capacity of Soviet industry to produce two different, but comparable, missiles.

Development work continued, and recommendations from the German specialists were taken into account in the highly-secret Soviet missile program. He notes, for example: “Doctors Hoch and Magnus designed a summing gyroscope that found its way into the automatic pilots of anti-aircraft missiles. Under the guidance of Prof. Albring, a 6-component aerodynamic balance of unique design had been developed. Also, the first simulators had been developed for integrated development tests of control systems.”

But as more tests were conducted, the Germans were not included. Finally, in 1950, a Soviet government resolution was enacted to return the German specialists to Germany, and the last train departed for East Germany in November 1953. The Soviet military had decided that they had no further need of the foreign engineers, whom they would not allow to work on their secret missile projects.

Boris Chertok’s evaluation of the German contribution to the Soviet program puts an end to the academic debate about which engineers invented what technologies, and who should be given credit for what. He states: “Although German experts did not participate in [later] tests, it would be impossible to overestimate the historical role of the A-4 and R-1 [Russian copy of the A-4] missiles. An entirely new area of technology had been ushered in.”

More important than specific missile designs, Chertok says, the long-lasting contribution from the German rocket program is that “large engineering systems, integrating many science disciplines and different technologies, had been created,” based on the experience of the German space pioneers.

While the German input into the Soviet space program ended a half-decade before the launch of Sputnik, Chertok states, “Chief designers initially had started their joint activities in Germany, and became a solid team while developing the first rocket system, the R-1. In those years, the groundwork was laid in the Soviet Union for the rapid development of nuclear-missile technology, and cosmonautics, for the next decades.”

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Youth's Victories Put LaRouche Campaign at a Turning-Point

by EIR Staff

"We Interrupt This Probe—for a Landslide," headlined one of the Philadelphia newspapers on Nov. 5. Attorney-General John Ashcroft's targetting of the Pennsylvania Democratic Party, and his near-successful attempt to knock out Philadelphia's Mayor John Street with a "corruption investigation," had been turned—by a sudden, all-out mobilization of the LaRouche Youth Movement (LYM)—into an overwhelming 60-40% re-election for Street; another powerful reason for Ashcroft to resign; and another victory for Presidential candidate Lyndon LaRouche's 2004 campaign strategy. Democratic leaders from Street's own campaign, to the State Legislature, were amazed at the response from Philadelphia voters and party activists when the LYM turned the election into an

principled fight over an urgent *national and international* issue in its final days.

While blanketing the city of 1 million people with 350,000 leaflets in one week and transforming a close "local" election into a stunning national defeat for Ashcroft and the neo-cons, more than 100 LaRouche Youth Movement activists attended a pre-Election Day weekend "cadre school" with candidate LaRouche, which is featured below. Around presentations and discussions with LaRouche and with his wife and Schiller Institute Chairman Helga Zepp-LaRouche, LYM leaders held additional classes and pedagogicals on astronomy, mathematics, art, and history. They expressed the fundamental commitment to truth of this youth movement, which is giving it the power out of all proportion to its numbers, to win such battles over political principle and to transform the 2004 Presidential campaign. "We will have thousands of youth leading this campaign," LaRouche declared on Nov. 3. "Give me 10,000 youth like this, and I'll be elected President."



The LaRouche Youth Movement successfully redefined the Philadelphia election as a referendum on the gestapo tactics of Attorney General John Ashcroft, who had targetted Mayor John Street for ouster, in a dirty-tricks campaign.

'LaRouche's To Win or Lose'

Current voter opinion surveys show that President George W. Bush, despite his falling respect among Americans, still easily outpolls any one of the nine-pack of "officially approved" Democratic candidates; but when none of those nine are named, suddenly "a Democratic candidate" is in a dead-heat with Bush for the Presidency. Three fundamental matters on which LaRouche—unlike the media-approved candidates who occupy their debates with pandering and promising what they could never deliver—is making ongoing, crucial changes in American political prospects *now*, make the Presidential election "his to win or lose," depending on how rapidly his campaign recruits young activists and support. (He continues to rank second of all Democratic candidates in total number of listed campaign contributors.)

First, after a year-long focussed campaign to force the resignation of Bush's malicious "Svengali of Sept. 11," Vice President Dick Cheney, LaRouche is seen by all—including Cheney himself—to be the critical catalyst shaping the exposés and Congressional actions closing in on the Vice President. After LaRouche's Oct. 22 webcast, "Preparing for the Post-Cheney Era," neo-conservatives enemies of LaRouche, in particular, have publicly placed him in the center of the drive against Cheney. LaRouche's influence vs. Cheney is impacting other nations' policies, from the Arab world to Russia—where a decisive break with the Cheney faction's "oligarch" allies has finally begun.

Second, LaRouche has spent much of this campaign travelling the world, because of the demand for elaboration and discussion of his ideas to reverse the global economic depression. Cheney's faction has tried drive all other nations to "obey" the United States by force, making America an international target of hatred; the other Democratic candidates are simply unknown or irrelevant abroad. LaRouche's New Bretton Woods monetary reorganization policy, and his Eurasian Land-Bridge and "Super TVA" infrastructure-building concepts are being discussed, debated, and partly adopted all over the world, making him the only President of the United States who can put together an economic recovery from the Depression. His forcing Cheney out of office will put the economic collapse center stage for solution; the coming fall

of the U.S. real estate bubble will further drive down incomes and expose the rotted-out real economy to be rebuilt.

The LaRouche Youth Movement itself, above all, by its victories and rate of growth, makes the Presidency "LaRouche's to win or lose." California Democratic leaders know, as former Congressional Black Caucus Chairman Mervyn Dymally and others have said publicly, that the LYM won its fight against the California Recall. Where the LaRouche Youth mobilization was concentrated—in particular, in Los Angeles County—apparent overwhelming support for the Recall was turned into its defeat on Oct. 7. As a result of this, the LYM was asked by Pennsylvania Democratic leaders and activists to mobilize in the Philadelphia fight—and delivered the stunning defeat to Ashcroft which is now the talk of the Party in that region. The same phenomenon is now appearing in Washington, D.C.; after LaRouche's Oct. 22 statement that he would reopen D.C. General Hospital on his first day in the White House, organizing by LaRouche Youth and other Democratic leaders has forced Mayor Tony Williams into a suddenly-announced "plan" to build a new hospital on the site.

These victories are in another world from the "promises" of other candidates who have been completely ineffective, or missing, in these same battles. The pace of recruitment of LaRouche's Youth Movement is, in fact, the potential determinant of the 2004 campaign's outcome.

Philadelphia Could Once More Change the World

This statement by Democratic Presidential candidate Lyndon LaRouche was released on Nov. 5 by his campaign committee.

Tuesday's Philadelphia election shows the way to a 2004 Democratic Presidential victory.

The relative success of the LaRouche Youth Movement deployments against the California recall in Los Angeles County and the Bay Area, and that movement's experience as part of the support for Philadelphia Mayor Street's reelection by a wide margin, has shown Democrats who were paying attention, how crucial elections can be won during the coming 2004 primary and general election campaigns.

In the final phase of his re-election campaign, Mayor Street and his campaign did about everything right, turning what seemed to have been a close call into a landslide victory. The key to the added margin of victory was that

the lessons of the California recall campaign were successfully applied by the Mayor, by the Youth Movement and others, to pull out a victory which could have been had in California, but for pressures on Governor Davis to accept what proved to be bad advice from the Democratic National leadership.

From the start of the 2004 Presidential primary campaign, until now, the Democratic National Committee has wrecked itself by its hysterical efforts to block out participation by a candidate who was the second most popular candidate of ten, as measured in breadth of popular financial support. Polls show that every one of the remaining nine rivals to LaRouche would lose the coming election to President George W. Bush, Jr. The poll's result might change in the coming weeks, but the fact remains that the shrinking roster of nine have been campaigning as losers up to now. Study of the experience of the California and Philadelphia campaigns shows why my approach to the 2004 election works, and the approach of my putative rivals does not.

Either those rivals and the Democratic National Committee change their ways, or I will soon be the only credible Presidential candidate for the Democratic nomination. We can win, if we learn that lesson.

Thousands of Youth With a Passion for Truth Will Determine 2004 Presidency

by Lyndon H. LaRouche, Jr.

Mr. LaRouche gave this speech to a cadre school of the LaRouche Youth Movement in Pennsylvania on Nov. 1.

There are going to be some very significant changes in some of the ways we do politics. Our changes will be less, in some respects, than the changes we're going to impose upon the fools who are on the other side.

Now, the key thing here, as I said last night, is the question of emotion: that people view what they call "logic," which is generally meant by them, deductive or deductive/inductive argument, as logic and as rational. It may be, but it's often insane. The problem lies in an area called emotion, or passion. For example, did anyone ever say to you, something in which you knew they were lying; you knew that what they were saying was a complete lie? And saying it very assertively, very aggressively.

And you say, "Well, that's a lie. Where do you get that misinformation from?"

"I get it from the press! Don't you believe in the news media?! I got it from a man who is very authoritative, very well informed. And I know he's sincere—therefore, *I have to believe him.*" Even if you claim you know it's false.

Did you ever have such experiences? Does that tell you something about our society and our culture? It tells you, look for where the real problem lies.

Now, take the case of the so-called Euclidean geometry. (I don't think they have the "New Math" now, which is not worth much, and probably some of you were exposed to that. Forget it—you didn't learn anything; *I hope* you didn't learn anything, because it's damaging to your mind, if you did. In the former time, before the end of the 1950s, when this "New Math" was brought in—when they thought you weren't sufficiently stupid—they took away geometry and they gave you the New Math; and they succeeded in making a lot of people stupid; they say, "I *hate* mathematics." Well, good! You didn't like it, right? Good! So forget that.) But, the problem was, in the old days, when the Euclidean geometry, or a version of it, was taught as an integral part of a mathematics education in secondary school, or what you call today, middle school; at that time, you were told that there were certain self-evident definitions, axioms, and postulates; and that everything in mathematics, or which involves the application of mathematics, can be, and must be explained in terms of deduc-

tive, or so-called inductive arguments, which never deviate from this set of arbitrary, so-called "self-evident," definitions, axioms, and postulates.

The Question of Axioms and Emotion

You get the impression, then, if you look at a mathematician, you think, "Well, you're a mathematician. Gee, how'd that happen? When did you die?" Because you get from formal mathematicians, when they're talking mathematically, or arguing mathematically about science or anything else, you have the impression that you're talking to something who's dead! Particularly in these days, when you have computers; and you say, "My computer is more sexy—it responds, but much more affectionately, than this creep does!"

So, the problem lies in this question of emotion. And you have to understand the connection between definitions, axioms, and postulates, and emotion. Now, for example: "Look, the news media run the country. We have to go by the news media. If you can not influence the news media, nobody's going to accept you!" What is that saying about our country? If, for example, you accept the news media as the standard, what does that say? You are *told* that there was a real increase in the economy. How many of you people, did you feel that? Did you experience that? Did you look at the figures? Did you see how they're faked? Anyone knows they're faked. The European press is talking about how it was faked. The figures are faked! Even the leading press says, "Well, the economy is growing! (Although the jobs are decreasing.)"

I'll give you another case of this: the case of Wal-Mart. Now, Wal-Mart is not a company, it's an epidemic disease. Wal-Mart is one of the biggest factors in causing unemployment in the United States. What Wal-Mart does: When Wal-Mart sets up an operation in an area, they go to all the prospective vendors, whose goods are manufactured, processed, and delivered to Wal-Mart to be put on the shelves—where you have this, you know, 300 lb. person standing there with a blank stare, and you ask them, "Where is this? Where is that?" "I dunno." Right? This is called part of our employment picture: You get all the people who didn't know which way to the store, and they now employ them at Wal-Mart!—But, the order was: You can not sell to Wal-Mart, unless you eliminate *all U.S. vendors*, except vendors which bring in goods which



Lyndon LaRouche addresses the cadre school in Philadelphia on Nov. 1. “The key thing here is emotion. Emotion should not be treated as some irrational thing, contrary to reason, as reason is misdefined. But rather, we must look at emotion critically, to define what are sane, and insane, forms of emotion, and then judge the rest of the policy from that standpoint.”

are produced in countries which engage in cheap labor, such as China, or other countries. So therefore, when Wal-Mart gets a bigger impact in an area today, employment in that state and region *collapses*, because firms are shut down, because Wal-Mart won't buy from them. Why? Because they're producing with U.S. labor. It's one of the big factors in unemployment.

If you look at the general pattern of unemployment in the United States, what happened to the factories and farms? The goods still come in, at least to some degree; where are they produced? What is a General Motors car? Well, don't ask General Motors—they don't know! Because General Motors assembles its cars from components from all over the world. They not only buy parts from various parts of the world; they buy *assemblies*, like a rear-end assembly or some other kind of assembly. The company that sells the assembly does not inform General Motors, or Chrysler, or so forth, what the parts are! Or who made them! So, when you have a car to be fixed, in the old days, you would go and look for the part. You would go to a parts store; and you had a part of this manufacturer, or his subcontractor. The part was listed. You would get a copy on order, within a fairly short period of time. And you would replace the part in the car, according to prescription. But, the manufacturer doesn't know what the part is any more! Because the manufacturer bid, on the basis of getting the assembly! And the specifications are designed to be attuned to the assembly, not the component parts of which the assembly is made.

You look at everything: You look at power, generation

and distribution; water management; you look at the amount of time that people spend travelling on highways, between jobs and non-jobs. How many jobs do people have, who have households? How much commuting do they do, in the course of the day, particularly when they travel in high-traffic hours? And in areas where employment exists, the density of traffic is higher than ever before. So, people are out, for an hour, hour and a half, two hours, commuting to and from work. If they have two jobs in that day, they're probably commuting, again, another commuting cycle. What chance is there to have family life under those conditions?

So, the society is being destroyed. Skilled employment is being wiped out. We are now like ancient Rome under the emperors, under the Caesars. We are a “bread and circuses” society—get your entertainment from your neighbor; find out which sex he has this week, or she, whatever. Or the third sex, the fifth sex.

So, what we are, we're like the ancient Romans: where Rome conquered the

world, or much of it, particularly from the end of the Second Punic War, before the Caesars came to power; and Rome, which used to be a productive society, based largely on agriculture and similar kinds of things, began to rely upon slavery. And the farmers were displaced. Returning veterans of the old Roman legions were thrown on the streets, with no place to go—no pensions, no nothing. So, you had a mass of Romans, who were called citizens, as in the United States, who were essentially wandering around, and living on what were called “bread and circuses,” getting a dole, a handout, to live on. And now, we have handouts—not so many handouts, but you have jobs, which are handouts. Worthless jobs, which pay almost nothing, which are handouts. They keep you quiet.

Then, they tell you to have pleasure, as in ancient Rome: entertainment, bread and circuses. Well, television is supposed to be that. Hollywood is supposed to be that. A rave dance is that—the same thing. Gladiator contests. Large sports events. There's no difference between the decadence of ancient Rome, and the decadence which has crept up on the United States in the past 40 years. *We are a decadent, dying culture. A decadent, dying economy.*

Globalized Looting

How do we live? Well, in 1971-72, we collapsed the Bretton Woods monetary system, the system in which we had reorganized and rebuilt the world somewhat in the post-war period. Then, we used that power, increasingly over the 1970s, to dictate to other countries what the value of their currency would be. It was done very simply: The London



Wal-Mart is one of the biggest factors in causing unemployment in the United States, by squeezing out competitors with cut-rate prices, banning unions, eliminating U.S. vendors, and relying on imports produced by virtual slave labor abroad. Left to right: retailer Montgomery Ward closes in Michigan; the wreckage of a factory in Buffalo, New York; and Wal-Mart—“not a company, but an epidemic disease.”

financial market, which was specialized in this kind of thing, would organize a run, like a George Soros-type game, against some country—the way George Soros went at, particularly, Malaysia. They drive down the value on the international market—the trading value—in an orchestrated money market, like a rigged casino; they drive the value of the currency down on the international money-exchange market. Then, authorities go to the country and say, “Well, bring in the IMF! Bring in the World Bank, to advise you on how to deal with this problem.” The IMF would come in, and give the “advice” (or the World Bank): “Devalue your currency! Twenty, 30, 40, 50%!” Say, “Okay, we’ll do that, if that’ll work.”

“Oh, but don’t think that you’re going to pay off your debts in your currency! We don’t let you pay off your debts in your currency any more! Now, you pay off in dollars. And since your currency is *less*, in value, than it was, you’re going to have to pay *more* of your currency, in order to match the dollar requirements.”

Now, therefore, you have to have an *additional* debt, which *you did not incur*, which is imposed upon you, through the orders of the IMF and World Bank. And the IMF and World Bank are doing this, under direction of the Anglo-American interests that dominate the world.

Therefore, we converted these countries into markets of cheap labor. We ordered them, through the IMF and World Bank, to *shut down* their industries, to shut down their infrastructure! We turned them into virtual slaves. We turned them into cheap labor. Now, we come in with a program—they would come in with “tourism”: Give your body to a foreigner—that works when it has to—and similar kinds of things.

And then, take the case of Mexico: Mexico used to have infrastructure; it used to control its own petroleum industry,

which it doesn’t any more—so forth and so on. It lost its railroads, lost its transportation system, generally. And what happened? Well, the United States lives largely on Mexicans. We steal from them’ we call it employment; we call it *maquiladoras*; we call it NAFTA, which was pushed through in the Clinton Administration, pushed through by Al Gore. Good guy, huh? We are exploiting people to the extent, that in one state in Mexico, the majority of the income of the state is remittances from Mexicans who are working *inside* the United States—particularly in the South and Southwest in the United States—and, what they’re sending home to their families, as part of the cheap wages they’re getting as income, in California, Texas, and so forth, is the majority of the income of the entire state, within Mexico. If the U.S. were to collapse further, Mexico would be a disaster area. It’s almost nothing. That was done in Mexico in 1982, before the raid on the Mexico peso had occurred, which I was involved in fighting against.

Living on China

But, this is what we’re doing throughout Argentina, Brazil, Peru, Colombia, Central America, Bolivia, and so forth. This is what we’re doing!

We are also living on the Chinese: Now, the Chinese have a large population. And the Chinese take the view, that they can use up part of that population—use it up!—as cheap labor to produce things for the United States. It’s not good, in China. I have a friend of ours, who is a European entrepreneur, who created a high-tech firm in China, which is producing things in China of significant value, applying what are called “nanotechnology” methods. He has a firm. He has an immediate group of Chinese partners, who run that firm. They have another group, under them, who are the key men and women of



Judge our “bread and circuses” society by how we treat the elderly and the sick: “There’s no difference between the decadence of ancient Rome, and the decadence which has crept up on the United States in the past 40 years.”

this firm. And the people who are the partners, treat the key people fine. But, the key people, the immediate executives and sub-executives of the place, treat the rest of the Chinese employees like shit. So, China is not really a country of great freedom: It’s a country whose culture has not overcome a long history of the destruction of the poor of China, who are used up as human cattle for the benefit of those who are more privileged, who have a better standard of life.

So, China, like Europe before the Renaissance, has a great culture, a great cultural tradition at the top; but you have to look at the bottom: There are many poor. So, the Chinese are using up part of their labor force, like burning wood in a stove, in order to earn money from the United States; justifying this, on the fact that the sacrifice being made by these Chinese, who are being thrown like cord-wood into a stove, is building a future China. In a sense, that’s true. But, if you think of the relationship of the United States to China, *that is* the relationship of the United States to China. China is a dumping ground for the United States, and China is a vast source of cheap labor, *for people like Wal-Mart.*

This is the ugly reality of the situation.

The Legacy of Truman

Now we’re in a destroyed society, and it’s worse: Look, since the end of the World War II, since that son-of-a-bitch Truman dropped two nuclear weapons—for no military, justified reason—on the civilian populations of Hiroshima and Nagasaki, the world has lived under *nuclear terror*. Now, the nuclear terror was invented by a guy who was called, by many idiots, a “pacifist”: Bertrand Russell. Bertrand Russell is the single person, most directly responsible for the creation of nuclear warfare. He did so, stating that his purpose, and that of his sidekick—“animal man” H.G. Wells—their statement, of their policy, was to use forms of warfare which are so

terrifying, that people would submit to world government—dictated by them—in order to avoid that kind of warfare. Bertrand Russell and Co. developed nuclear warfare, to create a weapon so terrible, that the world would submit to world government, by their design, in order to avoid that kind of warfare.

The United States policy under Truman, from about the time of the death of Roosevelt until the present day, but especially up until the beginning of the 1950s—the policy was, to launch *preventive nuclear warfare against the Soviet Union*, as a way of bringing the entire world under world government, as specified by Bertrand Russell. That was the policy of the Truman Administration. That is a policy *embedded* in the United States from that period. That is a policy which existed, which turned many of my friends, probably 90% of them in military service, into worms, morally. They were so afraid of the right-wing turn inaugurated by Truman, with what was done with the so-called “strategic bombing” against populations, and capped by nuclear weapons bombing, against Hiroshima and Nagasaki. That was the policy of the United States: That was considered *patriotism!* “If yer not for it, buddy, you ain’t a patriot—and maybe, yer a Commie bastard!” That was the policy.

Then, we got rid of Truman. Why did we get rid of Truman? Well, because traditionalists didn’t like Truman—including me! I despised that fellow from before he was President. And, when Roosevelt died, people asked me what was going to happen; I said, “Our fate is horrible, under this little man. This little creature, not fully human. This haberdasher!” I was right.

But then, the Soviet Union developed a thermonuclear weapon—first. At that point, the United States: “Uh-uh! This preventive nuclear warfare ain’t no good. They got a *thermonuclear weapon!*” So, we dumped Truman, and we brought in Eisenhower. And, Eisenhower was opposed to this kind of funny stuff, this fun and games. And we had about eight years of relative peace, under Eisenhower. It was not true peace, because the evil was still there. But, the evil was on the underside, and Eisenhower was on top.

Kennedy came in. Kennedy did *not* understand the story. And you see the Kennedy family *does* have problems, as you see in California, with this Schwarzenegger. And then, we have Schwarzenegger in California—a Hitlernegger in California—and we have “Katzenjammer” in Philadelphia: the kinds of evil we have to get rid of.

So, we had that situation. Then, because Kennedy did *not* understand the issue—and because of complications in the Kennedy family and so forth, and in the administration—the Democratic Party *had* tended to become the party of nuclear warfare. The Republicans were *not* the war-party, at that point. There were right-wingers in the Republican Party, who were the war-party; but the hard core of the nuclear war-party in the United States was the Democratic Party. And it’s still there. It’s still there: They call themselves “liberal.” They kill liberally—more people, that is.

So, don't have any illusions about the Democratic Party, as a party. The Democratic Party is an object we are going to *take over*, and transform. It is not a kingdom of virtue—or even good sentiment.

The Current Strategic Crisis

We are now, therefore, in the following situation: The fall of the Soviet system, was viewed by some people as the opportunity to establish an Anglo-American world government, and the fanatics in the United States, said it's going to be a U.S. empire. It's called "globalization": Globalization is imperialism. Globalization is the enemy of the United States, as you see in the case of Wal-Mart. Wal-Mart is your enemy! When you pass that store, you know, "That's my enemy." It's destroying our community, it represents globalization, it represents an institutionalization of the values which stink. Or, George Soros is your enemy. Other institutions of this type are your enemy. George Shultz, Bechtel, is your enemy. Halliburton is your enemy. Your personal enemy! Certain financial institutions and bankers are your enemy. They're destroying this country.

And, people say, "But they're powerful, therefore you have to respect them." Emotion, again. Passion, again. It's like the news media, "You gotta respect the news media." "You must respect these authorities! You must respect the Democratic Party. You must respect the Republican Party. You must respect the President." "No! You must respect the Vice President! You're going to attack the Vice President?! You're going to take our Vice away?" Anyway, so this is the kind of situation.

Now, what are we coming to? [In 1991-92], some of the wiser heads in the first Bush Administration, turned down Cheney's proposal to go to preventive nuclear warfare. And, the idea of the continuing the Iraqi war with an invasion at that time, was an attempt to go to *global, nuclear preventive warfare*. That was the intention.

Cheney has had that intention, since 1991-1992—no later. The neo-conservative faction which is controlling the Bush Administration is that. The neo-conservatives are also a major factor in the Democratic Party. Marc Rich is part of that, and Marc Rich is the guy who was pardoned by Clinton, and Clinton got a lot of money for it. It was dropped in the coffers. Gore is part of it; others are part of it; Lieberman is part of it; same thing.

All right, so, what's the situation? We're now at a point where we have thermonuclear arsenals on this planet. If thermonuclear arsenals are fully deployed, in a full-scale war, it can destroy human civilization—wipe it out. Therefore, the argument has been, since the end of the 1950s, that with thermonuclear weapons and advanced methods of delivery of those weapons, you can not have a full-scale thermonuclear war. This was called the doctrine of "Mutual and Assured Destruction." You can not go to Mutual and Assured Destruction. The policy was—while the Soviet Union was still the number-two power—the policy was, that we would manage

the superpower conflict. And therefore, the *threat* of Mutual and Assured Destruction would now be used to bring about a certain kind of one-world government, between chiefly two opposing powers: the United States and the Soviet Union. In other words, whatever they agreed to would become the fate of all the world.

So, you already had an empire, which is an empire of two opposing forces: the U.S. forces and the Soviet forces. This was brought together under Nikita Khrushchov, while he was General Secretary of the Soviet Communist Party. And, that was negotiated by: Bertrand Russell, personally! Negotiated, in implementation by Bertrand Russell's fellow running-dogs.

All right, so now, we still have that situation: We live in a world, in which thermonuclear weapons, and related things, define an environment of Mutual and Assured Destruction, really. Now, what is Cheney talking about, therefore? What's the problem we're living under? What Cheney is talking about, and others are talking about—the neo-cons—is: Let's have a *sub*-Mutual and Assured Destruction regime. Let us conduct nuclear warfare, in such a way, that we never go to *full-scale* thermonuclear war, but that we use mini-nukes, and other kinds of weapons of mass destruction, in order to find a level between what used to be called "conventional warfare"—pre-nuclear warfare—and thermonuclear warfare, generally. So therefore, to find a "middle area" to fight limited nuclear warfare, as *preventive* nuclear warfare: to establish a world empire; to eliminate all nation-states, and establish imperial control over the planet, by this method.

Now, what this means is—go back to another part of this story. Now, Truman was an idiot, and Truman was of the belief, and his administration was of the belief, that because the United States had a threat of a nuclear arsenal—we didn't have many nuclear weapons, then; but they were talking about having them, to use. That's why they didn't use them: They didn't have them, yet. We used up the last two nuclear weapons we had in Hiroshima and Nagasaki, and the production of further weapons of this type took some time. And, the development of delivery systems took some time. So, in this period, Truman believed that because of the United States' possession, or Anglo-American possession of nuclear weapons, that they could do whatever they damn pleased, with the Russians and Chinese, and other countries. And therefore, Truman, in the late 1940s, began to experiment with operations against China, and also against the Soviet Union; but specifically focused on China, but as a *threat* to the Soviet Union, and China. "We have nuclear weapons; you don't. You won't have them in the near future, we will. Therefore, you do as we tell you, or else."

So, the Truman Administration believed that the Soviets would be so terrified, and the Chinese so terrified, they would do nothing about it. They would be scared into submission. What happened is, is the Soviet Union and China made an agreement—and North Korea overran South Korea. And, the United States was pushed down into the Pusan perimeter,



“This is not a mismanagement problem: The United States is losing the war! And, it’s losing that war, in the same degree that it lost the war in Indo-China.” Here, U.S. soldiers surround and search Abu Ghurayb Market in Baghdad, after a rocket-propelled grenade attack, Nov. 2.

with no apparent chance of reconquering the territory. The South Korean army was wiped out—didn’t exist. An American force, based in the Pusan perimeter, the tip of South Korea, was holding on, based by support from Japan.

MacArthur was brought into this thing; it was made a United Nations issue. MacArthur, typical of his being a traditionalist, flanked the situation with the so-called Inchon landing, and changed the character of the process. And, things have not changed, in terms of the geography of the area, since that time, since the immediate effect of the Inchon landing by MacArthur.

Now, the point was: The Truman Administration had miscalculated. They had assumed that the threat that they were making was so powerful, that *the world would submit, to the awesome power of the United States*. And, they found, and the world found, that China and the Soviet Union *would fight warfare*, in a way beyond the belief of these planners in the United States—then.

Asymmetric Warfare

Today, countries such as India, China, and Russia, are prepared—under the kind of threat coming from the Cheney crowd in the Bush Administration—are preparing to fight the kind of warfare, which fits the kind of threat, which Cheney and Co. represent. Therefore, we’re looking in the near term—unless we get rid of Cheney, and get rid of what he represents; unless we get rid of Soros, also, and what he represents, which has taken over Bill Clinton and the Democratic Party—unless we get rid of that, *we will be, in the coming years ahead, at some point, in this kind of warfare!* It will be nuclear warfare; limited thermonuclear weapons; submarines of a type which have not existed previously; nuclear bombs stuck in the mud along the Chesapeake and up the Delaware

River and other places.

And, this will be the kind of warfare which you see in Iraq. They went into Iraq. What happened in Iraq? At a point that the U.S. killing operation—air power, use of super-weapons; destroy whole territories—became severe, the Iraqi military disappeared. It vanished! It didn’t vanish to nowhere—it still existed. What you’re now seeing—a decision was made, within part of the Iraqi population, among the military: Since they could not defeat the strategic arsenal being deployed against them by the United States, what they would do is, they would take a lesson from Korea and Vietnam. And they would say, “We can’t beat their weapons, but when we’re close up to them, next to them, walking the same streets, in the same neighborhoods, and they have to deal with us man-to-man; if we’re willing to take the brunt of doing that, we can win that war.” And, the Iraqi military is in the process, now, of winning the war, against a U.S. invading force! This is not a mismanagement problem: The United States is losing the war! And, it’s losing that war, in the same degree that it lost the war in Indo-China.

You see, warfare finally comes down to people to people. Weapons to weapons don’t mean much. What counts in warfare, is what comes out of warfare: Who wins? Now, winning is based on survivors, so mass killing is not winning warfare: It’s extermination. It’s madness. Winning in warfare, is winning it man to man, person to person. In the final analysis, when you get to this area, you think about fighting war between *total* thermonuclear destruction, and what used to be called “conventional warfare”—in this middle area, which these idiots are playing with, *that’s what the logic is*. You *force* a situation, where countries which are capable, and understand military and related problems, and populations that are willing to fight for their sovereignty, to fight for their

independence—you're up against the factor of humanity, where people say, "I would rather die, than submit to this. If dying meant that we were going to defeat these guys."

And what you're seeing is the defeat of the United States—a *military defeat of the United States*, created by the *stupidity* of an American people and leadership, which failed to recognize the lesson of even the past period, since the bomb was dropped on Hiroshima and Nagasaki. That is the logic of the situation.

So, what we're dealing with, again, is a question of passion. People are saying, "But, it's the United States. We have to defend the United States." *Against what?* How about defense of the soldiers who are not getting medical treatment, when they're injured? What about the trauma cases, the surviving trauma cases, piling up in hospitals, where they don't get care? What about the process of—they send these guys in as reservists and National Guardsmen, without body armor? They don't give them body armor! They offer to *sell* it to them! For \$800-900 a shot! So, some people get body armor, others get joke-body armor—not serious body armor, it's something that adds some weight; you get on the scale, you weigh more. Maybe that's important. But in its effectiveness against these conditions of combat, it is not serious body armor. A Hummer: It may make Arnie Schwarzenegger rich, but it's not much use in this kind of situation. What you call a "Hummer," is called a "target." And, if somebody has to say, "What target?"—"Well there's one!"

So, that's the situation we face.

A Passion for Truth

Now, overall, go back to the thing I started with, this question about passion: The problem of passion lies in these areas of so-called axiomatic assumptions: definitions, axioms, and postulates. Or, generally accepted truisms; or, generally accepted public opinion; or, believing that sincerity is truth. In other words, if a person lies, in terms of fact, but they're sincere, you can't call it a lie. "Well, he may be telling a lie, that it's not the truth, but he's sincere! Therefore, you can not call him a liar." Or, "He believes it, he heard it from somebody else, whom he sincerely believes is an authority."

"Look, he's a member of the Democratic Party. And his leadership of his party says it's true; therefore, if you're a member of the party, you have to accept that democratic decision, by that leadership of the party, and that has to be your opinion; and you have to act accordingly." "You have to believe in free trade. You have to believe in Adam Smith." You have to believe in these things—otherwise, there's something *wrong* with you.

Therefore, you find yourself living like a goldfish in a goldfish bowl, surrounded by all kinds of truisms. Some are like the truisms of definitions, and axioms, and postulates of mathematics. Others are these kinds of social shibboleths, that you have to believe. And your emotions are attached to that. So, if you are convinced—a bunch of you get together, and you discuss something. You go through it, you do an

investigation. You are convinced that a certain thing is true. You state your evidence and state why you believe it's true. And someone says, "That doesn't make any difference. Because that's not the way things are going to happen. Things will happen the way the news media believes; the way the party machine believes; the way my uncle believes—that's *how things are going to be!* I don't care what your evidence is, that's what it is!"

Therefore, *you* are now faced with a situation, where you are about to face social rejection—or lying. Because you *know* it's a lie! But you say, "Look, I've gotta go along. I've *got* to go along. I've got to go along! I've got to get along! Look, that's popular opinion! That's popular culture! You *can't* go against popular culture!" "I mean, the Nazi Party's has its culture. You gotta go along!" "Schwarzenegger has a culture." (I don't think he has any testicles any more—but he has a culture! That's why he went into politics.)

In any case, that's what you're up against. So, the problem of society, is the problem of emotion. People say, "Let's be objective. Let's *not be emotional.*" The point is, you're being *controlled* by emotion. What they mean is, "Don't defy *my* emotions! If you disagree with me—."

For example, go to a professor of mathematics or mathematical physics, and raise the question of the Gauss Fundamental Theorem of Algebra, the question of the complex domain. You want to see an emotional display of fireworks? So therefore, you have met an axiom. You've met an assumption.

This guy *assumes*—he's a radical positivist; he assumes certain things, which are not true, which are false. But he and his buddies have all sworn an oath to this kind of freemasonic code: They believe in this thing. You are questioning the authority of Lagrange and Cauchy, in particular. What your evidence is, is to them, *irrelevant*. "We have already decided" that *this* is the way mathematics will be defined, that science will be defined. And, when you cross them, the dignified professor, you cross him effectively—you're presenting the actual evidence; and the so-called dignified professor, who has enough education to recognize that you've pinned him against the wall, that you've presented evidence that he shouldn't be able to overlook, he's got to consider it, and respond to it—he's not going to respond to it at that point, except one way: *Emotionally!* He has a freakout: "Get out of here! And, don't come back! You must be a Communist!" And, things like that. And you say, "Well, weren't you a Communist, once?" "Get out of here!!!"

The problem that you are up against, and that you face, is that.

Brainwashing of the Baby-Boomer Generation

Now, let's look at another dimension of this. What are you up against? You are up against a generation called the "Baby-Boomer Generation," which was so terrified by several things, that they never came back; they went away some place, and never came back. They're still walking around; they've got bodies moving around there, but something inside



A Baby-Boomer proclaims, "There is no future," in this New York City "pot parade" in 1981. The children of the Boomers are, increasingly, unwilling to accept the fate their parents' hedonism has handed to them.

them, which had been living before, went away; became part of the counterculture. The first thing, the most immediate thing that turned adolescents or late adolescents, in the 1960s, into Baby-Boomers, was the fear of—number one: the Missiles Crisis of 1962, and the effect it had on them and their parents (they were old enough to be scared; they were not old enough to judge the situation); the assassination of Kennedy; and the beginning of the Indo-China War—a hopeless war, which they had no confidence in, no belief in.

As a result of that, they fled into what's called a "counterculture." Various kinds of counterculture. Now, the people who fled first, were university students. And, the idea was, could your university enrollment protect you from being drafted to be sent into Indo-China? It was a big deal; and the whole ideology. That was where the expression was coined, "I don't go there." Typical Baby-Boomer expression: "I don't— Don't bring it up! I don't go there!" "Don't talk about the economy; I don't go there." "Don't tell me about Adam Smith; I don't go there." "Don't tell me about Cheney; I don't go there." "Don't tell me the Democratic Party leadership is corrupt; I don't go there!" "I do not deal with those issues! I'm living in my goldfish bowl, and that's outside my goldfish bowl. That's not in my water!"

So therefore, you get this kind of situation with them. Now, what happened is, the concentration was like this problem we discussed in Sweden, where they go at castrating the minds of the boys, and they leave the girls alone. If you can make the males impotent—that was the purpose of this Gunnar Myrdal kind of operation, huh?

So, they concentrated on the college and entry layers in society, to brainwash them first. What they brought in, among the other things, very quickly, was LSD. Now, is LSD an essential part of your education? Can you understand

the universe better with LSD? No? What was the slogan—the slogan of the London Tavistock Institute: "Drop in, and drop out." Drop in and drop out. You take LSD, with marijuana, cheap wine—and you're on a trip! So, the idea was to flee from society. The other thing was: "Technology is bad. Technology created the situation: We must get rid of technology. We must have new values. We must reject our parents' values."

So therefore, you had a fear-stricken generation, which had gone into a counterculture, a no-future society, and the older they got—when they got through their sexual enthusiasms; they couldn't do it quite as fast and often as before, so they had to think about things, then. Before, when they had sex, in their youth, they didn't have to think any more; LSD and sex would get them through the day, more or less. And when they had to start to think about earning a living and raising a family, and so forth, they had to find new kinds of entertainment, new ways of amusing themselves, of keeping themselves happy; new kinds of social habits, conventions, fads, costumes, and so forth. And so, they became a no-future generation, in and of themselves, called the Baby-Boomers. They became a "pleasure society," a "post-industrial" culture. They became a dead culture: Because, under the influence which was exerted partly through them, increasingly, the United States and Europe lost its ability to produce. The United States and Britain, first; Australia, and so forth, first; then other parts of the world were destroyed. Destroyed in the ability to see a future in the society.

Today's Youth Demand a Change

And then, you guys were born. You came out of a generation, or the effects of a generation, which went through that experience; you went through a generation, which had gone through the transformation, into something like Rome under the Caesars: the "bread and circuses" culture. It's called a "sex and entertainment" culture, in which 80% of the family-income bracket population of the United States is living in desperate conditions, increasingly desperate conditions. Some people say, "The economy is prosperous. The economy is doing well." What's that, but a state of insane denial? If 80% of our population is suffering, and the lower 25% of family-income brackets is in *desperate conditions*; if we're killing off older people, because we want them dead, by our health-care policy; if we're killing off people with serious diseases, because we don't want to care for them, we want them *dead*, as soon as possible: What kind of a culture is this? But that is the culture which the Baby-Boomer generation voted! Step by step, in a state of withdrawal.

You come along—and you're not prepared to die. You're not prepared to accept no future. So, you find, again, a barrier, an emotional barrier—with the very emotions involved in the fact that *they*, during the early to middle 1960s, made a *choice*, a kind of axiomatic choice of definitions and so forth—social definitions; and they have been living out those choices, of that and subsequent times, over these periods.

Reason and the Emotions

They have supported these kinds of changes. This has destroyed the United States' economy. It has destroyed much of the world; it has destroyed the basis for a decent expectation of life. But, they are *defending it*. For example, you've got Bill Clinton, who in 1996 and so forth, was running around the country, talking about the "Golden Generation"—his generation! That is the generation, which actually *delivered the disaster* which this nation is living through now; and he's still defending it. That's his problem. He's one of the brightest Presidents we've had, but he's still living out that delusion, the delusion of the so-called "Golden Generation." It was not gold, I'm telling you. It was something you generally flushed away.

But, this is what they're clinging to. So therefore, when you say, "I demand the right to a future. I demand that this society have a future. I demand that my life be meaningful, that I have access to being part of a society which has a future," you run up against the *emotion* of people, who made a choice—"We have *chosen to believe*": passion. So, don't look for what you call "objectivity." Don't accept the idea, that by arguing within the definitions, axioms, and postulates, of assumptions, without "getting emotional," that you're going to get anywhere. You're not going to change anything. Because, as long as you accept these axiomatic assumptions, *you are going to hell*, with the rest of society. You have no choice.

So therefore, you have to go directly against emotions.

Now, then we come back to the question: What about "rational" and "emotional"? Are these opposing categories? No. They are not. Irrational is a lack of sane emotion. A person who is emotionless is insane, it's a form of schizophrenia. So therefore, to be rational, is to be rational *in your emotions*, not to be unemotional.

What is the characteristic of our speech in society, today? What is the characteristic of speech, as you see it on television, as you see it in terms of news broadcasting, for example? In terms of ordinary speech in general? People-who-talk-like-ticker-tape. Who try to talk, as either one, as *unemotionally* as possible; or, realizing that that's awfully stupid, they try to color their speech by stylized methods of speaking. Sort of like rock music, it doesn't mean anything: You can just take and beat your head against the wall, and it achieves the same effect. But, you want to make it look it pretty, or something, so you develop a *style* of beating your head against the wall. Instead of saying, "I'm beating my head against the wall," you say, "I'm doing it with style!" We can have a little discussion about humor, these days, popular humor in your generation—you know, beating your head against the wall, or urinating on something, huh? This is called "high-quality humor"!

So, the issue here is: People don't even know how to speak. We have people who try to recite poetry, or sing music. It's horrible! They try to sing it, with a *style*, to impress people that they are masters of a style. But then, you sit back, and you say, "Wait a minute. What *idea* are you communicating?"

What idea are you communicating, and what is the passion which you are imparting, for that idea?"

Look at these actors. They can't act. Why? The function of an actor is to present, not himself, but an idea. An actor who is trying to sell himself on stage—get rid of him. He's useless. An actor who's conveying *an idea*, is useful. And therefore, when an actor is performing well, you don't see the performer; you see what he's doing, you see what he's representing. He's able to disguise himself, in a sense; to such a degree, that he becomes the *instrument* of conveying an idea. And then, you see him after the performance, and you have the impression to go up to him and say, "Thank you." Not because you liked his performance, as a physical performance, but you liked what he had done *to you*, in the conveying of an idea, by his performance. He was able to subordinate his ego, as such. He did not present his ego—he presented an idea. And the idea was important, and you were glad you got the idea. And then you say, "Hey! He did it!" Go up and thank him! Because he did it. Every great performance, is the same thing, conveying an idea.

So, the question we have before us, is, how do we bring passion, and what is called rationality, together? Because without passion, rationality is insanity. Therefore, the thing to look at, is what are the assumptions which are controlling the way we choose axioms.

Let's go back a bit—one last point on this. Go back in history: Mankind, until Europe's 15th Century, as far as we know, most humanity were kept as human cattle, not as people. They were kept as slaves and serfs and so forth, in forms of subjugation where they were used as cattle. The guild system is cattle: "Learn your trade! Do as your father, and grandfather, and great-grandfather did before you. Don't try to change anything." That is being an animal. You were not using that quality in you, which distinguishes you from a beast, an animal.

The difference is, in the 15th Century, the ideas which had accumulated about the nature of man, and in European civilization from the time of ancient Greece, the Pythagoreans, Thales, Solon, Plato, and so forth: These ideas were suddenly given an expression in the form of what became known as the nation-state, first in France under Louis XI, and in England under Henry VII. The law was the law of the general welfare, the concept of a constitution, the concept of natural law. It is a natural law of man which is based on the fact that man is different than any animal. Man is a creature of reason, not of sense-perception. Man is able to see through the paradoxes of sense-perception, as Gauss implies this with the Fundamental Theorem of Algebra, to discover principles, which actually run the universe; principles you can not directly "see" with your senses, but principles which you can know, through reason, and *prove* experimentally, to control the universe. Therefore, now you become a person, who has principles; you can change the universe, because these principles, once you discover them, you're able to change nature,

because you have principles that control nature; you're now able to control it.

Now, you have knowledge. Without these principles, you have no knowledge, you're only an animal. You're just acting like a baboon, on the basis of your heredity, on your hereditary sense-perceptual powers. You play games and tricks, but they're all limited to those sense-perceptual powers, like a cat or a dog, or a monkey or a baboon. And there's no difference between that and the typical liberal. There are no ideas there. The typical reductionist, the empiricist, is not human: They deny the existence of universal physical principles, and say, "What we call principles, is limited to things that we can *deduce*, deductively, or inductively, from sense-perception." That's empiricism. That's what it is; that's what's taught. That's the dominant culture.

The function of empiricism is to deny the existence of humanity. To deny the thing that makes you different from a beast, from a baboon: this ability of the human mind to see beyond sense-perception, and to prove those discoveries, which you make through looking at the paradoxes, the ironies, the metaphors buried in sense-perception. "Look, it doesn't make sense." Discover the solution. And, as Kepler did, discover a principle, like universal gravitation. And now, the universe makes sense, because now you know a principle which causes this aberrant behavior. And now, it's no longer an aberrant universe, an insane universe—it's a principle.

So, this is what makes us human.

The Issues of the General Welfare

Now, if people become human, are they going to accept being slaves; are they going to accept being serfs? Are they going to accept that kind of condition of being human cattle, who are moved out into the field, bred and culled, used up, and thrown away? Which is what is pretty much done, today, with our society. The lower 80% of our population, is essentially reduced to the category of human cattle. That's why the Democratic Party and others go out to get, and spend, big money on mass media as a way of campaigning, rather than going out in the streets and dealing with the people. Because the people, the rightful citizens of the United States, are chiefly in the lower category of the 80% of lower family-income brackets. Now, if you're organizing the lower 80% of family-income brackets as a force, what is going to be prominent today? The issues of the general welfare: health care; a decent life, these kinds of things; the development of children. So, you don't go there. You go into the mass manipulation business: bread and circuses.

So, in this kind of society, the problem we have, is the following: We have a modern nation-state, which was created, as a form of institution, based on what humanity had discovered about mankind over thousands of years before then. The modern nation-state, based on the principle of general welfare, and commitment to posterity; that the state, the nation, as an institution, must be responsible for protecting

and promoting the general welfare; that the state, the nation, as an institution, controlled by its people, must be accountable for the future condition of our posterity. The nation-state! And, the condition of posterity is based on man, as man. And man as man, is a creative creature, who discovers universal principles, who increases the species-power in the universe, who can fix things in the universe. We are a creative species: To be man, to be human, means that these creative powers must be developed. They must be encouraged. They must be utilized. That is the general welfare. Without that, there is no future, except as for baboons—who have a questionable future, as baboons.

So therefore, that's the issue. The first time such a society came into existence, was then, in the 15th Century, with the idea of a nation-state based on natural law; ideas which were expressed ecumenically by the Council of Florence, back then in the 15th Century, and were expressed in the outgrowth of that as Louis XI's France, and Henry VII's England.

Immediately, the forces which represented feudalism, represented the Middle Ages, fought back, and sought to destroy it. One of the products of this destruction was *to destroy the idea of man as a creative being*; of the individual as a creative being; one capable of creating discoveries of knowledge, beyond the veil of sense-perception, and using that knowledge as principles to improve the condition of man.

Now therefore, if you create such a citizenry, what happens? Well, you get the inspiration of the United States. So, you had people in the 18th Century, in particular, who looked at the colonization efforts in the Americas, and looked particularly at the option in English-speaking North America, especially from the middle of the 18th Century around Benjamin Franklin—from about the 1750s. And Franklin, at that point, was supported increasingly from the greatest minds of Europe, directly, to build around Franklin a set of ideas, which became the conception of this republic. And the purpose was of that effort, was not merely to create a republic, a utopia, in the United States: The purpose was to set an example, in the emergence of an American republic, which would then inspire Europe, which had given us these ideas—would inspire Europe, to do the same for itself.

So, against that, to prevent that, the British East India Company—headed by, at that point, actually, by Lord Shelburne—in 1763 moved with two stated objectives, of that period. He was the boss. He ran Barings Bank; he was the political boss of Barings Bank. He was the political boss of the British East India Company. He also was the paymaster for the British monarchy. The British King was paid—personally paid—by the British East India Company, through Shelburne. Most of the members of the British Parliament were *paid*, bought and sold, by the British East India Company.

So, the British East India Company, with a certain model, set out to prevent, first of all to attempt to prevent what became the United States from coming into existence; and to destroy France; because, among the intelligentsia in France—typified

by Bailly, for example, and Lafayette, who were young people (Bailly was somewhat older)—these were the people who formed a constitution for a French monarchy, which was presented in the Spring of 1789, to deal with the crisis in France. This intelligentsia around Paris, which had been the leading force in supporting the struggle to create the United States from Europe; this intelligentsia was determined to move in that direction, to take the American model, which was just being established under the draft Federal Constitution. And, to use that as a model, to spread into Europe, beginning with France, a system of republics—whether under monarchs or whatnot—which would represent this new conception of man, this new kind of society: to free man from the relics of feudalism, so to speak; and from the relics of what the British East India Company represented.

They were removed, immediately. It had been prepared by Shelburne. The French Revolution was run by Shelburne. It was run by the British East India Company. Philippe Égalité: British agent; Jacques Necker: British agent; Danton: British agent; Marat: British agent. The entire Jacobin Terror leadership: British agents. Napoleon: British agent.

Synarchism Against the Nation-State

So, what was set into motion, is what has been called in recent times, in the recent century: Synarchism. It was then called Martinism. This instrument, typified by the Jacobin Terror and Napoleon's tyranny, has been the curse of Europe from that time to the present day. Every time a financial crisis or a threat to this financial order occurs, these guys go into motion. And do, as they did in the 1920s: 1922, they created Mussolini; they created Adolf Hitler; they created the fascists of France; they created Franco of Spain; they created the Synarchist movement in Mexico, the Synarchist movements throughout the Americas. These are the people who are behind, in the United States, putting Hitler into power from here. These are the people who were prepared to run a coup—Morgan, DuPont, and Mellon, in 1933-34: A *military coup* against the President of the United States was planned by these guys, as reported by Smedley Butler, who had been approached to run this coup; he was a commanding Marine general, who had a few things to say about this.

These are the guys, who went against Hitler only because the British, and their American friends, decided they didn't want to be *run*, in a world run by Hitler! They didn't fight because they were opposed to what Hitler represented. They fought because he was a continental European. And the idea of a continental European power arising to dominate the English-speaking world, was something they wouldn't accept. They would put Hitler into power to destroy Europe! But, not to conquer them.

And, the *minute* that the war was virtually won, in June-July 1944, these swine moved *immediately* with a right turn, which included Russell's plan for preventive nuclear warfare. The conflict with the Soviet Union was created by these peo-

ple, by this British-American influence, the same crowd, which had tried to assassinate President Roosevelt; which had then backed Roosevelt against Hitler. And then, as soon as Hitler was defeated, moved to destroy Roosevelt's work, destroy the tradition.

So, what we're dealing with is a long history, which goes back into the medieval period; a long history of a struggle, out of the aftermath of the Roman Empire and feudalism, to develop a form of society which is committed to the welfare and promotion of the individual human being. The United States was the first such nation created on the basis of that principle, in a modern form, the Constitutional principle. We have been the victim of subversion, corruption, and so forth, typified by the present Administration; typified by the present leadership of the Democratic Party, who are paid by bankers who get their money out of stealing, or running drugs, like Soros; who control the Democratic Party; who control the Republican Party at the top.

If you try to deal with the existing institutions at the top, you'll get no place. Do what we do: *Go to the people*. Go to two groups of people: One, the people in the lower 80% of family-income brackets. They are the ones who are aware that their interest lies in a change. Go to people of conscience, among your parents' generation, who may not be, in a sense, of the lower brackets; go to them, and, as a matter of conscience, engage them in the idea that we've got to think about what kind of future we're leaving for our people, and for the world. Go, with a clear image, to these people, those who understand some of this, of *what we are looking at*: We are now looking, in the fairly medium to short term—at this kind of warfare, which lies between thermonuclear destruction and so-called conventional warfare, which is being pushed. If this happens, within several years, there *will be* no civilization!

And, we're the only ones who represent the opposition to that. Yes, there are many people, who are sympathetic to aspects of what we're trying to do; but they're not willing to do the job. You have to *eliminate* the influence of those institutions which are responsible for getting us in this mess, and keeping us in this mess.

And, the only way you do it: You've got to go to the people. The poor, especially. As we're trying to do in Philadelphia. What's happening in Philadelphia on the [Mayor John] Street case: We're trying to mobilize the people of Philadelphia, the poor—the poor, the so-called African-American, the late trade unionists, and others—or people of conscience. To mobilize them as a people to exercise their right to select their own government, to keep their own government accountable to certain principles, which are the general principles of our society.

There's no other force in society you can trust. None. Individuals, yes. But, there's no force in this society you can trust politically, except those who sympathize, and are part of, the cause of the lower 80% of our family-income brackets. And therefore, the reason that you are effective as a youth

movement—the key point—the potential you represent lies in that direction.

The key thing here is emotion. Emotion should not be treated as some irrational thing, contrary to reason, as reason is misdefined. But rather, we must look at emotion *critically*, to define what are sane, and insane, forms of emotion, and then judge the rest of the policy from that standpoint.

Dialogue With LaRouche

Here are excerpts from the discussion following LaRouche's speech. Questions came from the audience in Pennsylvania, and by telephone from a LaRouche Youth Movement meeting in Los Angeles.

What Is Romanticism?

Q: Mr. LaRouche, I was just hoping you could enlighten us on Romanticism.

LaRouche: Okay. Let's take Romanticism as it has existed in its modern form. Romanticism essentially takes two aspects: the dichotomy between passion and deduction. That's where it lies.

So, let's take the case of Franz Liszt, or Berlioz—we call him “belliose,” sometimes, or bellicose—or Wagner. (Now, Wagner, forget—he's something else; but Liszt is a clear case.) Now, Liszt was a young man who was brought to [Beethoven] by Carl Czerny, who was his teacher, the young man's teacher. And Czerny wished to exhibit, that this fellow was a keyboard master. So, Beethoven went through the exercise with Czerny. And, so, the people said, “What do you think of the young boy, Liszt, Franz Liszt? And he said, “He's a very talented young boy. But, under that bastard, Czerny, he will come to no good.” And that was sound, absolutely sound.

If you look at some of the notes that Czerny made on Beethoven concertos, and other things, you realize that this guy was a real piece of work, a butcher.

Now, what's the difference between Liszt and Classical composers? Say, through Mozart; take Mozart, Beethoven, Schubert, Schumann, Mendelssohn, Brahms. What's the difference? Is there a difference. Yes. There is a fundamental difference. But there is also a deceptive similarity. Something that's called “passage work”—which is not diarrhea, but, it's the musical equivalent of diarrhea. You just use half-tone progressions, chromatic progressions, and you try to scintillate; make a scintillating performance. It's a parody. It's like a doll; or, it's like a dog dressed up as a person; or, a monkey dressed up as a person. It's like what happened in Britain, where they had a baboon escape from a church, and the baboon was discovered running around the neighborhood in a woman's dress. And he was being used in some kind of an obscure sexual ritual by the members of one of these cults, in Britain in the 18th Century. So, this is sort of—Liszt and Romanticism, is the baboon in a woman's dress trying to

pretend to be a person, or trying to avoid having to pretend to be a person (in the case of the baboon).

So, the way that it happened was the following. It happened through demoralization. You take the Classical humanist movement in Europe, in its modern form, developed in Germany around the influence of Abraham Kästner, who was famous as a teacher of mathematics. [Kästner] was born in 1719, which is three years after the death of Leibniz. He comes from the same city where Leibniz was born, Leipzig, and a city associated with much of the career of Johann Sebastian Bach, and the same city from which a young Efraim Lessing came, who was actually one of the most important pupils of Kästner.

This was the same Kästner who, in the 1750s, became aware of the importance of Benjamin Franklin in the United States, and—through this connection from Leipzig to Halle, to Göttingen, which became a very influential center, actually—made a direct intervention to bring some of the works of Leibniz into possession of Franklin—there were two efforts in that direction. And the concept of the American physical economy, the concept of the American Constitution, was largely a result of the influence of Leibniz, in several respects, but notably including his essays, the so-called *New Essays on Human Understanding*, which were transmitted to Franklin and circles from Germany from this circle of this Leipzig-Halle-Göttingen group. In the 1760s, Franklin was a guest in Göttingen of Kästner. Kästner had devoted his life—he was technically a teacher of mathematics—and had devoted his life, as he expressed it, to defending the ideas of Leibniz and of Johann Sebastian Bach against their opponents. So that this relationship between Leibniz and Bach was a characteristic feature of what became known as the Classical humanist revolution in Germany. With the influence of Kästner—

For example, Shakespeare, in England, had become a dirty word. That's the way it was done, on the stage. Just filth; foolish nonsense. This had started with Francis Bacon and company, who had done everything possible to crush and end the career of Shakespeare. And so, Shakespeare spent the last years of his life—the greatest dramatist in English history—in relative obscurity to which he was forced under King James I, under the influence of Sir Francis Bacon and his circle, and Hobbes and company. So, Shakespeare was performed as some of the great dramatists today in Germany or the United States: Great dramas are turned into garbage and put on the stage. And this was done to Shakespeare. Shakespeare was revived in the early 18th Century to some degree in England, but in a fragmentary form, in much the way that most great drama is destroyed in the United States on the stage today, eh?

So, as a result of Kästner's influence, and the association with Lessing, you had a rebirth of the concept of Classical drama and poetry in Germany. This revolution in Germany radiated throughout much of Europe and was associated with the rise of the pro-American circles throughout Europe from the period of about the middle of the 18th Century until 1789.

And, this was the Classical movement. It was a Classical movement in poetry, in drama, and so forth. We discussed it yesterday in Baltimore—this question of how drama works, Classical drama works. So this was the basis of the Classical humanist movement. It was a realization of what had been anticipated by the best of the Classical Greeks: the Pythagoreans, Socrates, Plato, and so forth. And it occurred there.

With the French Revolution—from 1789, July 14th on—and the Reign of Terror, and the reign of Napoleon, Romanticism emerged out of a reaction to *awe* at the *terror* of the Jacobin Revolution, the Jacobin Terror, and Napoleon Bonaparte's empire. You had the characteristic features: Hegel. Hegel was almost a sexual lover, intellectually, of Napoleon; a real degenerate. The theory of fascism actually was codified, for the first time, by Hegel, with his papers on history and philosophy, on the state of philosophy.

Kant is an example of Romanticism. Kant became extremely influential as an anti-Classical figure in the 1790s. And the birth of Romanticism, philosophical Romanticism in Germany, comes largely from Kant. Hegel is another one. In this process, even Goethe had a period of "affection" for Napoleon.

So, the Napoleonic image, the image of the great beast marching across Europe, subjugating all Europe, was the image. There was a slight change in 1812-1814, when the resistance, organized largely by Prussians who were representatives of the Classical humanist tradition, joined with Alexander I, the Tsar of Russia, to design a policy of strategic defense against Napoleon's invasion of Russia. Napoleon came out of Russia without any troops. He went in with a half-million. This created, very briefly, a period of great optimism in Europe, until the Congress of Vienna. And, with the travesty which was the Congress of Vienna, in which the Anglo-Dutch interests and the Hapsburg interests, divided power over the world, produced a great period of pessimism and a resurgence of Romanticism. So, Romanticism, in general, was to be understood historically, not as a category of a fixed definition. It's simply the idea that the acceptance of blind passion, as such, must rule. And the basis is the idea of the person of passion—. For example, we have this today in figures. You have stupid figures, incompetent figures, disgusting figures of art, who are faddish, like Hollywood stars, rock stars, and so forth—they are nothing! They are junk. They're garbage, but once they are established as having an image of something which is *emotionally appealing*, then they become figures to reckon with; against all reason—that is Romanticism.

So, Romanticism is of that form. It takes the form with Liszt, of someone who is clever, who is well trained, who knew how to fake it, and could fake Classical performance, Classical forms and composition. That is one form.

The other form is the more extreme form, of Nazism and similar kinds of things, or the rock-drug-sex counterculture. This is another form of Romanticism. Complete irrationalism,

controlled by wild emotions—"I feel, I feel, I feel, I feel." That's Romanticism. . . .

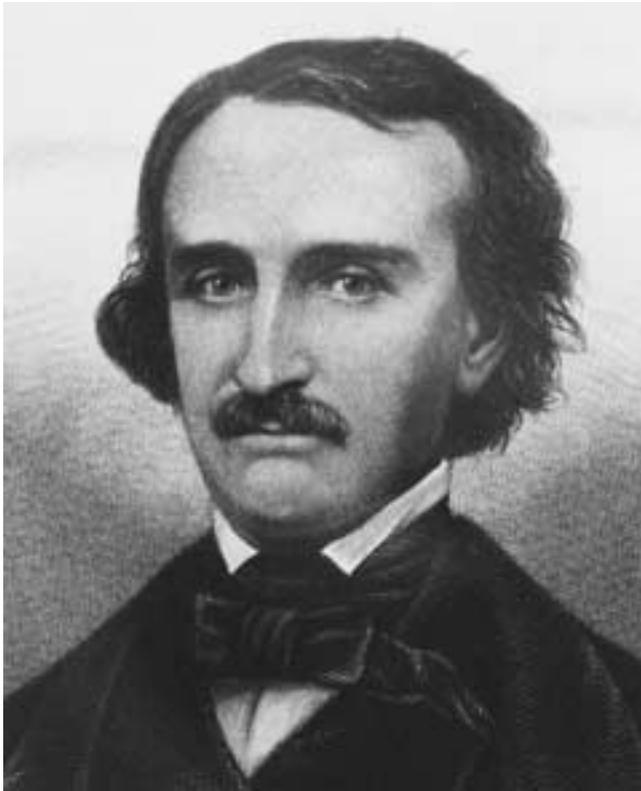
Passion and Compassion: The Case of Poe

Q: I appreciate all this discussion about the passion, number one, I've been asking you questions about this and, you know, been trying to develop ideas on this, the whole youth movement has been. But, a couple of weeks ago, I sort of dug into this. And I'm looking at something else which is very related with this passion, which is compassion. My idea of compassion is pretty much a certain understanding that one has towards an individual group of people, to sort of address the issue, because we've been looking at a lot of Poe; and it is very interesting to look at how Poe deals with the situation in "The Purloined Letter," where you have two people trying to solve a mystery, and on the one hand you have the prefect. And he is like you discussed with us—logical, deductive objectivity—who sort of imposes his view upon the situation, rather than looking at Dupin, which actually says, well, you have to understand the individual to understand how he would go about hiding the letter and so forth.

I looked at that and I said, "Well, how do we organize to that effect?" Do we organize in terms of proving people wrong, if we know a certain amount of knowledge? Or, I mean, it is a question of compassion, if you have an understanding of what this person is actually going through, like you discussed last night, when you said, these are our people. Have a sense of what these people—what we are actually doing; what it means to actually organize a population in the way that we are doing. Because, you said, a couple of conferences ago, that we're actually giving the lives back to our generation. So, this is something that you don't want to play with in terms of academia, or, you know, just sort of organizing to get a set effect. So, can you please touch on this question of compassion and touch on how we can access this better.

LaRouche: I would take the case of Poe, just because you used it in the context of Poe, and the answer can be best phrased in those terms. Poe was the grandson of the Quartermaster General of this region, for the American Revolution. And because of that, and because his parents had died, Poe was, in his youth, a member of the Society of the Cincinnati, which is a hereditary society of officers of the American Revolution. Poe, at the age of 19, rose to the rank of what we call sergeant major or master sergeant in the U.S. Army. He was then sent to West Point on recommendation of, I think it was, of Madison or Monroe, because of the Cincinnati Society. He left West Point in the first term because he had epilepsy, and therefore was not able to serve adequately as a military officer, those duties, because he was epileptic.

He then became a skilled intelligence officer, a counter-intelligence officer, in U.S. affairs. At a certain point, he was sent to Paris under James Fenimore Cooper, who was also a famous intelligence officer of the United States, and a famous



Edgar Allan Poe's deep philosophical insight shows an indispensable quality of compassion, in examining the aberrant behavior of the characters in his stories.

writer. And, in Paris, he made the acquaintance of the actual living Dupin, who was a part of the French Ecole Polytechnique. And he used this figure of Dupin, the name of Dupin, to deal with certain philosophical questions. He was also famous because he, as a young reporter, working as a reporter in New York, he actually, from the facts of the case, solved a murder mystery, as a reporter; just a literary exercise. He solved it. They went and made the investigation; they found the proof. So, he was an expert intelligence officer with very special kinds of insight.

The usual idea of the reputation of Poe, forget it! It's not true. And most of this reputation was supplied by a British intelligence agent who moved in on him at the point of his death. [Poe] was probably murdered; the evidence is, he was beaten savagely, in some way, and died of his injuries in a Baltimore hospital.

So, on this Dupin case; what the issue has been in modern society is that you had a pig, a British pig, called Arthur Conan Doyle, sometimes called Sir Arthur Conan Doyle—first time a greased pig was ever called Sir, I guess. But, anyway, he wrote the first Sherlock Holmes story, in which it was stated, to eliminate the influence of Poe's Dupin. So, all bad investigations—the FBI was practically invented by Sherlock Holmes—all incompetent investigations come from this

thing. Poe's conception was a philosophical one; that is, he had a deep philosophical insight, and his stories reflect that. For example, "The Goldbug," all of these things, these show real philosophical insight. And so the significance is that.

Now, philosophical insight always involves compassion. Because, for example, when you are looking at aberrant behavior in a person, you should be looking at it the same way you look at the question of universal physical principles. You find a *paradox*, something that makes no sense. So, you have to find: What is the principle that causes this apparently irrational behavior? So, therefore, the first thing you have to do; You have to have a compassionate insight into the subject person, whose eccentric behavior you're studying. And, if you want to find out *why* he does what he does, and what he's likely to do, you have to have insight of the same type that Kepler showed in discovering gravitation. You look into the subject matter with insight; identify in a refined way what the paradox is, what the contradiction is; solve it, in the same manner you would solve a universal physical principle, discovery of universal physical principle; then, on the basis of that knowledge, proceed in two directions. First of all, number one, what is this person likely to do? Or, what's this planet likely to do? Or, this asteroid is likely to do? Secondly, how do you change that person's behavior? How do you use the knowledge of their behavior to induce them to change the way they behave. And Poe had that kind of mind. And what you're asking, I think, is essentially that.

You have to end this fragmentation of the relationship between physical science and human behavior. You have to say that they are different in the sense that physical science pertains to our insight as individual minds into the universe around us; that social matters, human relations, pertain to the way such minds, which are capable of discovering universal principles, are dealing with the way people interact in order to accomplish, or not accomplish common ends. So, therefore if you've got a principle, you want to implement it—physical principle—you've discovered it, now you want society to cooperate in applying that principle, for some benefit for society.

Therefore, the same powers of insight that you use for discovering the principle must now be applied to a different subject matter. It's how do you implement the principle as a form of social cooperation? So that it has to be, first of all, task-oriented, always task-oriented. Secondly, insightful, into the way the mind of the person you are addressing is working, or the minds, the interaction of minds. And then, two things: See where things are likely to go, as I do with the economic forecasting; and then see what the solution is, the alternative to a catastrophe.

How Russia Looks at the United States

Q: I've been reading in the paper about the Russian oil companies being indicted. I was wondering if you could tell us about that. . . .

LaRouche: Russia has—we discussed this somewhat indirectly, the same subject area, yesterday in Baltimore, as some of you may recall. There are two nations on this planet which have a global view of the planet. China does not have a global view of the planet; Russia does, the United States does. Other nations may have a global view of the planet, but they don't have an *efficient* global view of the planet. That is, European nations, continental European nations, do not have a global view of the planet, because they are living in the Anglo-Dutch liberal parliamentary model, or its influence today, and therefore they do not have a sense of sovereignty: Because their sovereignty is contaminated, not only by the fact that there are other powers which are relatively hegemonic in respect to them in recent history; but also because, if your government is subject to veto by a private interest called an independent central banking system, you don't have any sovereignty at all.

And that's why European governments go to dictatorships under conditions of financial crisis; because when the conflict comes between the general welfare in a modern state, and the interest of the bankers, then the government must choose. And governments which are controlled by the central bankers will choose against the people. And how does the government do that? Well, it simply imposes a dictatorship. First thing it does, it overthrows the parliament, the parliamentary government, creates a crisis, with a news scandal or some kind of scandal. Overthrow the government and put in a dictatorship, or put in a de facto dictatorship, by some ministerial government, which is a dictatorial form of government. So that European nations, your continental European nations, do not have a true sense of sovereignty. And if you don't have a true sense of sovereignty, you're imperfect in your ability to try to understand the planet as a whole.

Because, the planet as a whole is a matter of different states which should be sovereign. And therefore, you have to look at one sovereign nation, in terms of how do you relate to the planet as a whole which is a mosaic of nations which should be sovereign. Therefore, you have to look at what is the common interest, the common characteristics, what is the driving force that is determining current history? And if you are in a great power, which the United States is in various respects; if Russia, which used to be a great power, which is implicitly still a great power, they look differently at the world than do the continental Europeans generally, or China, or other nations.

Now, therefore, that's key to understanding the issue of the Yukos oil question, which is what's the Khodorkovsky case. Putin is working as an institutional person. Putin is a former member of the Foreign Service of the KGB, the Rus-



As a President from a ministerial—not political—background, Vladimir Putin views Russia's relationship with the United States as a primary concern. While seeking to cooperate with the United States, he also confronts the reality that the world is heading toward war, unless the policy of the neo-conservatives in Washington is changed.

sian intelligence service, a foreign service specialist, who spent a good deal of time in the Saxony region of Germany, where he was associated with the high-tech industry, which is especially electronics, based around Dresden. . . . You are dealing with a figure, not as a political background, but as a ministerial background. In other words, his background is not as a political party person, not a political campaign. His is a ministerial background. He is interacting with various institutions. The country has been destroyed, largely, and looted—chiefly by the United States, in the post-war period. It is still Russia. It still has Russian passions, which are specifically Eurasian, rather than European. Russia is not a European nation. It is a *Eurasian* nation, with dominant European characteristics, but as a special kind.

Now, Russia was once a superpower, and thinks of itself as having been a great power and superpower. Therefore, when it looks at the world and the mess the world's in, it has a double opinion, a divided opinion. On the one side, Russia, under Putin—remember, don't look at him as a political figure in the ordinary sense. This is a ministerial figure, who is now the President of Russia. In other words, he is a bureaucrat, who is now the President of the country, with a special ministerial background. His one side is to establish at all costs, if possible, cooperation with the United States; that's his primary concern. His second concern, his other, secondary, concerns: China; Russia already has a good relationship with India, of its special type; but China is a great concern to Russia, the relationship to China. But the relationship with the United States is in a sense primary from a Russian standpoint. Its relationship with Western Europe is tertiary, but important, extremely important.

So, therefore, you're sitting in a position: On the one side, he's trying to find cooperation for Russia, with the United States, with China, maintain the relationship with India, and develop a richer relationship with continental Europe at the same time. That's the peaceful version.

On the other side, he's faced with the reality, which he has expressed an understanding of publicly, that the world is headed for a war, a world war of a type lying between conventional warfare and thermonuclear destruction. Russia, on the other side, like China, and so forth, is preparing for world war of that type in the foreseeable future. As Putin is.

Now, up to a certain point, Russia took the view, which some people would call cynical, others opportunistic, others whatever, that they had to tolerate the continued looting of Russia by the United States, by financial interests—and Israeli interests—called the oligarchs, the thieves. They had to tolerate that as a political condition of a peaceful relationship with the United States. So, therefore, the looting of Russia—we're talking about hundreds of billions of dollars of looting directly by this method; talking about mass death of Russian people, the destruction of a large part of the nation and the people, by this Anglo-American looting, which leaves some very deep feelings there.

So, there are the two sides. His policy is a balance between these two things.

At this point, I come into the picture; not because of Russia, as such, but because, as you know, as I've said, I spend about half my time outside the United States, and apart from just being a candidate in the United States, I am an important candidate of the United States internationally; probably more significant than any of the other candidates of the United States, internationally, by far. . . .

I've had a certain impact on these questions, especially in the past two, three years. And therefore, the way in which countries such as Russia, certain countries in Western Europe, China, India, elsewhere, the Arab world generally, the Islamic world, to a large degree, think about the United States, they think in terms of the equation, that is including me as a factor in U.S. policy. And the question is: To what degree do I have an influence in shaping U.S. policy: That's a part of their calculation. It's not simply something that's discussed; it's an active part of their consideration of the way they look at the United States. And Russia looks at the United States, also, in terms of me and my candidacy. Therefore, Russia's concern is to maintain its relationship with the United States, if possible—for example, I'm a factor in that—on the other hand, to go to war generally, or be forced to war in the coming period, if that doesn't work out.

Now, what's my attitude about Yukos, and these swine? As President of the United States, I'd be perfectly sympathetic to putting the whole bunch in jail and clean the whole mess up. So, therefore, to the extent that either Putin's circles think that they can rely on my having a greater influence in the United States—or they don't give a damn, that the case is

otherwise hopeless—they're going to proceed, and change their government to eliminate or reduce significantly the power of the mafia. And that's what's happening. . . .

Take on the Health-Care System

Q: . . . I have a question from the guy that introduced me to the organization. He's wondering what we're going to do about our health. Because, in his words, he says, "Knowing what we know, and doing what we do isn't enough. We have to outlive the bastards." So, what are we going to do?

LaRouche: . . . Well, you know what I said the other day, on the 22nd,¹ and I meant it: There's no fixed recipe for health. We have a health *policy*. Now health policy has two aspects. First of all sanitation, that's the first issue with health. Because in the history of mankind, the great increase and improvement in life expectancy of the population, is largely a result, not of medical practice as such, but improved sanitation. If food is not rotten, if water is not polluted, if you control the insect life around you—disease-bearing insects and so forth, keep the mosquitoes down—if you use DDT where you should, then people are going to live longer—without even going to the doctor.

But, the other side, essentially, is having a policy of developing health care. The best model we had, was the experience we had from military medicine, which various nations developed. This goes back to the medieval period, to Ambroise Paré, and so forth—surgery in warfare.

So that we developed through experience—especially in warfare, and effects of warfare—we developed a conception of a medical health-care system, which was largely based on surgery and other things. And during the recent large wars of the 19th and 20th Centuries, we developed a military system of the type—for example, we had 16-17 million people in the U.S., in military service during the Second World War. We had a very large health-care system, as part of the military, and adjuncts to it. We used to have a Veterans Hospital system, which doesn't really function any more. So, we had to care for everything.

Now, most of the casualties in warfare, are not combat casualties. They are of a nature called "frictional": jeep drivers, airplane crashes, infections, diseases. I once faced, in Burma, where there was an epidemic of what was called "tsutsugamushi," Japanese bush typhus. And, people would get it in the bushes. The Japanese had picked it up in Southeast Asia, brought it into this area in northern Burma. They deposited it among the lice, and the lice, when they got ahold of a GI or somebody else, would bite him, and that person would get this tsutsugamushi—in seven days, they're dead. Now, we can control it; we couldn't control it then.

So, these were the kinds of problems. We had amoebic dysentery; we had a whole epidemic of amoebic dysentery in northern Burma. So, these kinds of problems are typical

1. Oct. 22 webcast speech in Washington—see *EIR*, Oct. 31, 2003.



Battlefield medicine during World War II provided broad experience that allowed the United States to create an effective health-care system for the civilian population in peace-time.

problems. . . .

In military medicine, just to illustrate the point, we had a broad experience of how to treat a population, not only from wartime casualties, which applies to—the same thing as accidents, so-called trauma cases; accidents on the street, emergency cases—same thing.

So, we had a system. At the end of the war, we had an act which was put through rather quickly, the Hill-Burton Act; which was a few pages, not some kind of Hillary Clinton nightmare, but a few sensible pages, that worked. And we rebuilt our health-care system around fixed-point institutions—hospitals, clinics, and so forth—on the basis of assigning a goal for health care to each county of the United States. Now, this goal would change every year, because the Federal act said, “We’ll have this.” So, we would have private hospitals, public hospitals, public institutions, would all get together; they would decide how many beds of what type and what kind of care they would provide for that entire community, for the coming year, or for the advance year; they would then find out how much money they would have, from various sources, and then go out and raise more, so-called “special fundraising.”

So, they would operate on that basis, so if somebody fell down in the street, whether they had any money or not; someone said, “Call a cop!” They’d take him to the nearest emergency ward. They’d get immediate trauma treatment; then assigned to some permanent care, if they need it, wherever it’s needed, wherever it’s available. And then, maybe a couple of days later, somebody comes through, and says, “You got

any resources to pay for all this?” or “Who’s going to pay for it?” And if they didn’t have any money, we’d pay for it anyway. Wouldn’t even bother paying for it; we didn’t call it pay. We didn’t have to have an individual payment system. People would pay what they could, and we would have a slop factor, of people who couldn’t pay, or couldn’t pay completely, and they would be cared for, as if they had all the money in the world. That was the system.

You combine that kind of system, with what’s called a teaching hospital, where doctors and nurses are trained, and given education. Teaching hospitals are generally located in the center of population areas—usually; and they’re places where, in the process of teaching, as well as practicing medicine in these hospitals, all kinds of capabilities and problems are raised. For example, D.C. General Hospital was a public hospital, full-service capability, research capabilities. You were *lucky* to get to D.C. General; if you had a problem, you’d be treated. They had the research capabilities, some of the most advanced capabilities in the world, in this poor, run-down institution.

So therefore, what we have is, two things: We have advanced research, advanced research in medical care, in health care, should be based on these kinds of institutions, including a Public Health Service, with research institutions; defining problems as they’re arising; discovering better ways to deal with these kinds of problems; pushing for cures, in relevant cases; and more advanced forms of treatment.

So, what we need is a *system*, which is a general welfare system. We are committed to the *general health* of the population; welfare and human care. *Human* care, not just care of a piece of flesh, but *human* care. And therefore, we have to keep working at it, as improving it.

So, the only way we’re going to deal with this, because of the nature of the problem, is to have a *health-care system*, under which all the facilities required are integrated, including research universities and so forth. Each get their relationship to this process. So, you have a national system, in which problems, as they arise, you can mobilize this *system*, to respond to a problem. And, you have to have reserve capability built in for catastrophes, at the same time.

That will define where we can go with health care.

For example, you have this stem-cell research business, which is becoming actively more discussed. It’s relevant. It should be done, the research should be done. Some of the crazy things, about making clones and things, forget that. But, the research about the relationship, what the stem cell nature is, what its relationship is to rehabilitation of damaged tissue, injured tissue, this is a relevant question. How to acquire the stem cells, from the person themselves; you want the person’s

own stem cells; you want to find them in them, someplace, and use them in the culture of those stem cells; and inject them back in them, and hope that this somehow will be successful. We need that research. So, that's the frontier.

The other aspect of this, is our attitude toward the person. Not just the health care of the *physical* person, but the attitude toward the person. In most of these cases, there are sociological-emotional problems, which come up, especially with severe health problems. And therefore, the care of the person as a person, regard for the person is sometimes as important as the actual physical treatment of the disease. So, we need a system that thinks that way, and functions that way. . . .

To Really Win Elections, Build a Movement

Q: I think that over the next eight months, in the course of the Democratic primaries, we're going to organize the majority of eligible voters to cast their votes for you. Now, in the past, where we've seen large numbers of people casting their votes for you in the course of the primaries, we've run into things like, evidence where maybe not all the votes were counted at the ballot box; and also, the instance, most particularly in Arkansas, where large numbers of Americans voted for you, and based on backing from the Supreme Court, the Democratic Party simply handed the votes to some other candidate—just refused to count them.

So, I would like to know what kind of measures do you think we should be prepared to take as a movement, to make sure that this kind of funny business is not allowed to go on?

LaRouche: I would say, first of all, if you want to get 50% of the vote, try to get 70. If you get 70, you probably will get 50. In other words, you have to go at this in a certain way: You have to mobilize, not voters; you have to mobilize a movement.

See, people often ask the question, "How can we get a certain percentile of the vote? What is the way to get a certain number of individual voters, in various categories, which will add up to a certain percentile?" It doesn't work that way. That's the way it's *said* it works; it doesn't work that way: Because the factor is, people walk into the polls, and most people, on the day they're going to vote, don't know who they're going to vote for. Because they change their minds! They will change their minds; after months of reflection, they'll change their minds, certainly on the day they go into the polls. And they'll tell you that. They do! "I was going in. I decided I was going to vote for so-and-so, but I got there; I'd made a promise and so forth, but I just couldn't do it."

So, what controls the vote? Yes, obviously, the result will be a number of votes cast. But what will determine the votes cast? Well, in anything but an irrational thing, it'll be a *movement* among people to bring about that effect. So, what you're out to do, is not to try to recruit individual voters, as such. Your object is to create a *movement* for that result, and the *movement* will recruit the voters.

The problem is, most recent campaigns have involved no

significant movement. For example, we have one in Philadelphia, right now. You have a case of a movement, which our intervention intersected. You had [Mayor John] Street, and Steve [Douglas] was talking about it earlier: The last time you had a mobilization of so-called African-American voters, politically, that meant anything in Philadelphia, was against Frank Rizzo, the police chief and mayor. This is the first time—as Steve reported today—this is the first time you've had a similar movement. But, not just this—it's more: because, it's labor, and it's other sections of the population, who are now in a revolt, against John Ashcroft and what he represents. And you have, suddenly, a *movement* in Philadelphia. If this Katzenjammer is defeated, it will be the movement that causes his defeat, *not* the number of voters that turn out—the movement.

So therefore, if you have a general movement within the population, where people are interacting and saying, "We, as a movement, have to bring about this effect," it generally can happen. It's when it's other than a movement, the vote is unreliable, and manipulable; and most votes recently have been manipulated votes. They are not really movements. They were anti-Bush movements, which got Clinton into office. And also, remember, it was Ross Perot, actually, who played a big part in electing Bill Clinton, and didn't get much gratitude from Clinton for that—it was a big mistake on Clinton's part, on NAFTA.

So, the way to control this process, is create a mass movement. As I said, if you've got a mass movement, based in the core of the lower 80% of the family-income brackets, we're addressing—. What I try to do, is I have these things which I present, which are necessary; but I always think about: How do we get those concepts into the minds of people who are influential within the ranks of the lower 80% of family-income brackets? That's why I did what I did on [Oct.] 22nd, on health care. Take a very simple, clear-cut case: The first hour I'm President, in the office, I will issue a Presidential order, setting into motion the immediate reestablishment of D.C. General Hospital, under the following conditions. At the same time, I will issue to Congress a Presidential directive, requesting the Congress to repeal HMO and restore the Hill-Burton law.

Now, this is something which, in terms of its implications, most people out there, in the lower 80%, who are influentials—that is, thinking citizens among the lower 80%—understand immediately. The big problem, for most people in this country, especially people who are poor, people who are senior citizens, or affected with sickness—and that's over 50; if you're over 50, you are subject to this problem. Disease can hit you, in various sudden ways—normal part of the process. And, if you don't have adequate health care, or a health-care system, you can be dead, or several crippled. Therefore, do we have a system, which is capable of delivering a response by society to those threats to our citizens? And people in the categories in the lower 80%, or people who have serious

health-care problems, people who are over 50, especially people over 60, or 70, these people become increasingly aware of this problem.

Therefore, if you want to talk to the majority of people, you mention health care in the proper way—not just, “Well, I got a plan for health care, you know; you can buy this cheaply, I can give you a good plan.” Garbage! Are you going to deliver? You are government: Are you going to do what is necessary, to make a sudden change in the situation? Yes! What is it? Put D.C. General back into place; slap these guys in the face; put Hill-Burton back into place; cancel HMO. And take other actions of a similar nature, immediately, in the first hours I’m in office: No big plans. Very simple, broad, and sudden.

And that’s what people want to hear. And that’s the only kind of action that will solve the problem.

You have the same thing on employment. People talk: “What’re we going to do about the jo-o-bs pro-o-blem?”

All right, look: We’ve got a lot people who are not qualified to work! Like the President of the United States, for example. So, what do we do with these bums? Well, if they’re young, we’ll put them in something like the CCCs. Or, we’ll open up the military service ranks, for real training, of an engineering-oriented training; rebuild the Corps of Engineers. We’re going to get the jobs immediately into works. For what? For things that are necessary! We’ve got water problems; we’ve got power problems; we’ve got all kinds of problems. We have to fix them, right now. If we can create enough jobs of this quality, fast enough, we can bring the national income, in the states, on the state level and on the national level, up to above breakeven, immediately: Depression is over! The effects of the depression linger on, but the depression, as a process, *is ended!*

So, jobs. What kind of jobs? How is the government going to provide jobs? Well, the government has to provide jobs. How about power and distribution systems? How about large-scale water systems? How about rebuilding the railroads? How about mass transit? You’ve got all these people spending their lifetimes, wasting them on the highways, in parking lots called “superhighways.” Why not put in some more mass transit? Use monorail, other kinds of things that are mass transit, to enable people to move from the places they work, to where they live and so forth, without having to sit in a traffic jam, and spend their life in a traffic jam breathing other people’s auto fumes! And getting angry and wanting to kill the driver in front of you. Bad passions, bad passions.

So that’s the way in which you can influence the voters, is by: Stop the crap; stop the nonsense about these elaborate, algebraic schemes, “I’m going to make a compromise with this guy, and this guy, and this guy. We’re going to make this compromise, and we’re going to come up with this bill.”

And I think the American people, generally, are sick and tired of these damned bills! They don’t mean anything. They’re simply ways of saying, “Look, I did this! I gave you



The LaRouche forces built a movement to save D.C. General Hospital (here, a rally on March 8, 2001). “The first hour I’m President, in the office, I will issue a Presidential order, setting into motion the immediate re-establishment of D.C. General Hospital. . . . At the same time, I will issue to Congress a Presidential directive, requesting the Congress to repeal HMO and restore the Hill-Burton law.”

this bill! I helped you! You owe me, I helped you. I voted for this bill.” And, what’d the bill do for you? Nothing. “But it was a good intention! I was warm-hearted! You gotta give me credit for that.” So, that’s the problem.

If we organize, as a movement, the other thing, the most important thing, which *you* can do—which you do with yourselves, which you do with others—is you have to make the person you’re talking to, a better person. If you can make them a better person, or help to make them a better person, they will be part of your movement. Because that’s what people want; that’s what makes them happy, is to think of becoming a better person. That’s what the Gauss issue means: It’s a step toward becoming a better person, not wandering around in a fog, wondering about how all these numbers work! But being a master! Understanding this thing; understanding how it works. Being able to clarify other people’s minds on this. Applying the same method to understand history. I mean,

most people don't know any history! They think history is something that came out of a newspaper. They discuss current events: "How shall we interpret current events?" "Let's discuss current events, today, children. Let's take this newspaper clipping. So-and-so politician says this. And, so-and-so jerk otherwise says that. Which of these two guys do you kids think is right?"

Nonsense, isn't it? Why not take, as a great Classical dramatist, why not take actual history, as I've described some of this to you today—why not take actual history, and have young people *live through* the experience of actual history? What was life like in Europe, during the 13th Century? Do you know? What changes occurred in the 14th Century, which were considered a catastrophe, which provoked changes that were made in the 15th Century? Do you know? Do you know where the first nation-state was born? Do you know what the ideas were, that were involved? Do you know what the religious wars of 1511 to 1648 were all about, and who did it? Do you know how those wars ended? Do you know what happened in the 18th Century, how the United States came into existence? Who was involved, what the ideas were, what were the issues? Do you know why it failed in Europe? Why politics failed in Europe, after Napoleon, to the present day? Do you know why we got into these wars? Do you know where fascism came from? Not some cheap explanation, where so-and-so had this bad idea, or something.

So, to have an understanding, as a human being, of a sense of immortality, to have a sense that there's a sweep of human history; that European history, in particular, modern European history in general, is perfectly comprehensible, in general terms. And if you understand it, and you understand what the experience is of whole generations, over successive periods, you have some understanding of what hit you. As I tell people, I remind them: I'm 200 years old! Because my culture, even in my family culture, at the family dinner table, goes back 200 years to a great-great-grandfather, who was born about the same time as Abraham Lincoln. And who was a rather notable figure, in his place and time. So, that's part of your culture.

Now, you go from that, from the family culture, the family/history culture; then you go to the broader environment. Like people in the United States, for example: People, I think some still today—more, say 20, 30 years ago—would trace their ancestry back, Americans of African origin, would trace their ancestry back, consciously, to an ancestor they either knew, or knew about, who had been a slave; and knew the place, where this slavery had occurred. They knew it! They knew what the transitions were. How was it fought? What was the movement like, before then? Isn't that something worth knowing? Because that's part of your identity, is to find out *what happened!* Because, you know, in your own family; things came down, in your own family, the family circles, from one generation to the other, which have an effect on you, today! Are you able to understand those things, which have an effect upon you, today, from that experience? Can you

understand other parts of society, in the same way? So, when you're looking at the face of somebody, do you realize that what you're doing face to face, you are representing a confluence of two completely different histories, which have certain points of overlap. And that's all inside you, as transmitted from great-grandfather, to grandfather, to grandmother, to father, to son and so forth. It's all transmitted. Cultures are not things that simply repeat, according to mechanical laws: Cultures are processes of development, which go through successive generations.

And looking at it, only from the internal side of European civilization—European civilization, which was actually a product of Egypt; Egyptian influence among the people called the Greeks, or the People of the Sea—goes back, in conscious historical European civilization, to about 800 B.C. Almost 3,000 years ago. That European history, as I know it, is a continuity, a cultural continuity, in which the experience of each generation, or each group of generations, throughout the whole history, has had an effect on the subsequent generations: *Each of us*, who have experienced European civilization, are experiencing the accumulation of those effects in us, today. The way we think, the way we react, is determined by this accumulation, most of which we're not conscious of.

If you understand history, then you begin to understand yourself; because, if you understand the history that we came from, then you're able to understand *why you react the way you do*. And why other people react the way they do. You see yourself, not as an individual like a blob on a page of history; but as an individual who embodies a cultural process. You embody history.

If you know that, you have a sense of power. You have a sense of being somebody. And you can act. And you can act for society. You can say: "Look, what we did, in our history, we struggled to bring something into being, something better. We struggled to overcome bad things. We struggled to make things better. That's us! We're not going to betray that! We're going to continue the process, of *struggling to make things better for future generations*, with a sensibility of what we went through to get here, so far! And all the struggles and setbacks we experienced."

When you convey that, to a population which is confused and frightened, befogged by circumstance; you create a movement, because, when people have a sense of that kind of immortality, that they're an expression of the immortality which is conveyed by this cultural transmission, they have a sense of power; they have a sense that what *they do*, is important for future generations. And they have a sense of pride, in looking back in memory at their ancestors. "Hey! You over there! Look at what I just did." And, it's that sense of pride, that gives people a sense of power. And you have to take poor people, who think they have nothing, and give them the sense that *they are something*.

And that's the way you create a movement. That's the way you win elections—really win them.

Russia: At the End of An Oligarchical System?

by Roman Bessonov and Rachel Douglas

Yevgeni Primakov, former Russian prime minister and senior intelligence figure, does not customarily hold forth in public on internal political developments. That makes his Nov. 4 interview on radio Ekho Moskv (Moscow Echo) all the more striking. Primakov, who now heads the Russian Chamber of Commerce and Industry, assessed the departure of Alexander Voloshin from the post of chief of the Presidential Administration, as simply “good.”

Voloshin’s main function, Primakov said, had been to serve as “a link between the oligarchs and the upper echelon of the power structure.” There was a tacit understanding that “the oligarchs should pay their taxes honestly, pay wages and increase them, and contribute to necessary social programs in the regions where they operate; but refrain from wedging their way into positions of political power, and from corrupting society.” In exchange, “they obviously got some breathing room, in the form of a chance to appropriate a substantial portion of natural rent” (the term used by Academician Dmitri Lvov and other Russian economists for the proceeds of natural resource exploitation). As the intermediary, Primakov commented, Voloshin should have noticed in a timely fashion, that the oligarchs “were retreating from all these rules; and should have corrected the situation and brought them to their senses, saying that they couldn’t do this. But it turned out he was not so much a middleman as he was part of the oligarchical camp, because he allowed them to act as they did.”

In Russia the term “oligarchs” refers to a small group of enterprising, aggressive young wheeler-dealers who, as “partners” of Western mega-speculators like Marc Rich, George Soros, et al., exploited every opportunity in the course of free-market and privatization reforms, to seize the national wealth of Russia and build their own fortunes and power. Mikhail Khodorkovsky, the now incarcerated ex-CEO of

Yukos Oil and its successor YukosSibneft (after this year’s merger with Roman Abramovich’s Sibneft), is one of them. When Khodorkovsky’s arrest occasioned the resignation of Voloshin, a holdover from the regime of ex-President Boris Yeltsin—under whom the “oligarchs” made their great advances—nobody could ignore that a profound shift had occurred. (See “Russian President Backs Crackdown on Oil Magnate,” *EIR*, Nov. 7; and Lyndon LaRouche’s discussion of Russia in this week’s *Feature*.)

Finance Minister Alexei Kudrin could see it. Just before departing for Italy with Putin on Nov. 3, Kudrin told a *Kommersant* interviewer that the arrest of Khodorkovsky and resignation of Voloshin mark the end of an era in Russia. “With all due respect for Alexander Voloshin, I want to point out that his resignation marked the end of the Yeltsin period,” said Kudrin. “The Byzantine era has ended. . . . I know it will be better for Russia’s economy.”

With Dmitri Medvedev taking charge of the Presidential Administration, Primakov said that a high level of professionalism could be expected, as well as the formation of “a political center around the President, based on his advisors and aides,” not on bureaucrats. Economist Sergei Glazyev, a foe of the oligarchs since he quit Yeltsin’s Cabinet in September 1993, gave a similar evaluation. Interviewed Nov. 1 on ORT TV, Glazyev commented that it was, of course, President Putin’s prerogative to make such changes, and added, “Medvedev I know as a professional and responsible person. I believe his assuming this post will make the situation more clear and stable.”

Medvedev, who is 38 years old and holds a *kandidat* degree in law, worked with Putin in the St. Petersburg city government in the early 1990s. In his book *In the First Person*, Putin said they collaborated with a sense of comradeship. In 2000, Medvedev ran Putin’s Presidential campaign. Since

then, he has been first deputy chief of the Presidential Administration, in charge of Putin's daily schedule, coordination between the Administration and the government apparatus, and projected civil service reforms. Regarding the latter, RIA-Novosti on Oct. 31 noted Medvedev's advocacy of severe penalties for "inflicting damage on the state, giving illegal instructions, or disclosing state secrets." Novosti also quoted Medvedev as saying, soon after Putin was elected, "I know Putin's position: The oligarchs will be removed from power, all the same."

Medvedev has been the Russian state's representative on the board of the country's largest company, Gazprom (the chairman of its board), off and on since 1999.

On Oct. 31, Putin also named Dmitri Kozak as Medvedev's first deputy, and Igor Shuvalov as deputy chief of staff for relations with regional leaders. Kozak is another law graduate, who likewise worked with Putin in St. Petersburg. Since June 2000, as a deputy head of the Presidential Administration, Kozak has overseen judiciary reform, and handles liaison with the Presidential Representatives in the seven Federal Districts established by Putin. Shuvalov was recently put in charge of the Putin-mandate drive to double Russia's GDP—actually, for strategic economic planning.

A Different Election Season

In mid-October, Russian sociologists projected that 40% of the members of the new State Duma, to be elected in December, would be lobbyists for big companies. The meddling of the oligarchs in Russian political life goes far beyond Khodorkovsky's financing of various political parties and candidates. The upper house of the Russian Parliament, the Federation Council, has degenerated into a crowd of interest-pushers, who formally represent the administrative districts of Russia, but often have nothing in common with the regions they are supposed to represent.

The outcome of the tragedy of 1993, when Yeltsin disbanded the elected Parliament by force, was to hand political influence to legal, semi-legal, and "black economy" interests. The period that followed was known as the *semibankirshchina*, "the rule of seven bankers"—after the *semiboyarshchina*, or "rule of seven boyars," during Russia's infamous *Smuta*, the Time of Troubles in the early 16th Century. In modern times, it meant that practically no state program, from space flight to education, could be implemented unless some the oligarchs kindly agreed to donate a part of their immense incomes to the state. And they used their money to get Yeltsin re-elected in 1996.

Khodorkovsky's Menatep Bank, in particular, serviced the contracts of Rosvooruzhenie, the state-owned arms dealership, as well as being an investor in the reconstruction of Chechnya after the first Chechen War (1994-96). A 1998 article in the periodical *Sovershenno Sekretno* (*Top Secret*) identified Khodorkovsky as a partner of the shadowy Chechen businessman Ruslan Dakhayev, founder of TEPCO Group,

'The Terminators': a Russian View



Russian President Putin cites the case of Enron for its relevance to the indictment of Russian oligarch Mikhail Khodorkovsky and other Yukos Oil executives on fraud and tax evasion charges. The November issue of the Russian monthly *Valyutny Spekulyant* (*Currency Dealer*) carries a timely translation of Jeffrey Steinberg's article "Cheney's Energy Pirates Behind Schwarzenegger Recall Hoax" (*EIR*, Sept. 5, 2003), which is illustrated with this cartoon.

That's Warren Buffett and Dick Cheney in the basket. Headlined "The Third Coming of the Terminator," the article quotes Lyndon LaRouche's observation that "one imported Austrian head of state was enough." Lord Jacob Rothschild, a top sponsor of Schwarzenegger, also works closely with Yukos and its now-incarcerated CEO, Khodorkovsky.

known to any Moscow policeman as a cradle of organized crime.

The Background of a Petty Tycoon

One of the phoniest of the phony arguments on behalf of thievery by the Russian oligarchs and their foreign partners, is that every capitalist economy must pass through its "robber baron" phase. But at least the monied families of American and European fame were in some way involved in building

up the industries that carried their names. Not so the Russian oligarchs.

Khodorkovsky started his career in Moscow, as second secretary of Frunze District Committee of the All-Union Leninist Communist Youth Alliance (the Komsomol). In 1987 the cooperatives reform, initiated by Mikhail Gorbachov, gave the green light not so much to craftsmen, agricultural producers, scientific designers, and physicians, as to certain institutional officials, especially in the district Komsomol committees, who received privileges allowing them to rev up their commercial ventures. Like other “centers of scientific and technological youth creativity,” the Inter-Industrial Scientific and Technological Enterprise, with the acronym Menatep, was quickly transformed into a trading company, its foreign connections facilitated by traditional links between the Soviet Komsomol and its counterparts in Eastern Europe. Years later, Khodorkovsky’s partner Leonid Nevzlin (now in Israel, hiding from prosecution) confessed that Menatep made its initial fortune in the business of importing adulterated spirits from Poland, under French labels. The “scientific and technological” activity of the co-op focussed on importing cheap computers, ultimately helping to collapse domestic computer production.

With support from top figures of the Communist Party of the Soviet Union and the Soviet trade apparatus, Menatep managed to establish an independent financial entity, Menatep Bank. The opportunistic younger generation marched eastward to Siberia and westward to Switzerland, searching for the most profitable uses of their capital. None of today’s international fighters against corruption and money-laundering lifted a finger to protect the citizens of Siberian towns, such as Nefteyugansk in Tyumen Region, against this aggressive invasion by half-criminal business interests, who took over not only the oil wells in these resource-rich territories, but also the social infrastructure, appropriating it with the assistance of corrupt local officials.

Khodorkovsky began to establish more far-reaching international connections as long ago as 1990, when he represented Soviet industry in negotiations with foreign corporate giants. In May 1990, the Foreign Geology Institute, Menatep Inter-Bank Group, and British JEBSCO Co., on request from the Soviet Ministry of Geology, convened an international meeting with representatives of Texaco, ARCO, Amoco, Unocal, Occidental, Elf Aquitaine, Statoil, Royal Dutch Shell, and Kuwait Foreign Petroleum Co. While acquiring international contacts, the company also moved to exploit opportunities for privatization swindles in the mid-1990s. In 1995, Menatep took over Yukos, one of the largest oil companies

in Russia. Rival banks presented documentation that Menatep had too high a foreign debt exposure to bid, but Menatep won the suspiciously hasty tender, paying \$350 million for Yukos—a company appraised at \$15 billion just half a dozen years later.

In 1996, after the oligarchs had secured Yeltsin’s second term and their own privileges, Yukos expanded its operations in various regions, amassing great wealth, but also making enemies who have become active against the company in recent months. These include leaders of the pulp and paper industry in northwest Russia, as well as fertilizer companies. One of the seven criminal charges against Khodorkovsky and Yukos today, arose on the initiative of Novgorod Governor Mikhail Prusak and local fertilizer company executives associated with him. In the State Duma, the issue of Yukos’ swindles during the acquisition of assets in this industry was raised by Vladimir Yudin, a member of United Russia Party from St. Petersburg.

In the era of the *semibankirshchina*, the oligarchs would have paid no attention to the concerns of provincial governors. When Putin introduced measures to make regions pay 70% of their revenues to the Federal treasury, the oligarchs interpreted this move to their own advantage. They were sure that, henceforth, governors could be treated as pawns. Thus the latest actions of law enforcement, and Putin’s refusal to take the side of the “trade union of the oligarchs,” bring a new lesson to Russian small businessmen, governors, and citizens: The state will no longer tolerate the topsy-turvy system of a criminalized economy. The charges brought against Khodorkovsky—tax evasion, embezzlement, and forgery—suggest nothing short of the end of privileges to violate the law, once granted by the Yeltsin regime.

The elevation of Medvedev, Kozak, and Shuvalov tells us that Putin does not wish to base his power on a balance among commercial clans. It may be that the President did not plan to make these radical staffing changes until after the 2004 Russian Presidential elections, though he himself told the Italian daily *Corriere della Sera* that they were long-planned. The combination of circumstances at home and abroad forced his hand.

In October 1993, just hours before the Russian Supreme Soviet came under artillery fire ordered by Yeltsin, Member of Parliament Mikhail Chelnokov stood with a small group of doomed supporters, and sang the song “The Swans” about the veterans of World War II: “It seems to me that the soldiers, who did not return from the bloody fields, have not sunk in the earth, but turned into white swans. . . . I look at the flock of swans, and I see a gap in it, which might be a place for myself.” The author of those verses was Rasul Gamzatov, the legend and pride of Dagestan in the Russian Caucasus. Neglected by Yeltsin but newly decorated by Putin a few months ago in the Kremlin, Gamzatov died on Nov. 3—probably believing that the time of disgrace of the great country of which his native land is an indivisible part, is finally coming to an end.

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The United States Is Losing the Iraq War

by Muriel Mirak-Weissbach

The shooting down of an American CH-47 helicopter in Fallujah on Nov. 2 by a surface-to-air missile—one of four lethal encounters for American personnel that day—continued the steady escalation and coordination of guerrilla military operations by the Iraqi resistance. That resistance has now, on several occasions, been able to select high-value occupation targets and to hit those targets at dramatic times, as well as to coordinate its actions with anti-occupation demonstrations. Military-operations coordination—not Paul Wolfowitz’ “sporadic attacks by bitter-enders”—is also indicated by the dramatic increase in the number of daily attacks, now averaging over 30, twice the number of two months ago.

Reviewing the situation on Nov. 2, U.S. Presidential candidate Lyndon LaRouche pointed to the events around April 9, when Baghdad fell. Then, faced with the vast destructive force of American air power, “the Iraqi military ‘disappeared.’ It didn’t vanish to nowhere—it still existed. What you’re now seeing: A decision was made. Since they could not defeat the strategic arsenal being deployed against them by the United States, they would take a lesson from Korea and Vietnam. And the Iraqis would say, ‘We can’t beat their weapons, but when we’re close up to them, next to them, walking the same streets, in the same neighborhoods, and they have to deal with us man-to-man; if we’re willing to take the brunt of that, we can win that war.’ And, the Iraqi military is in the process, now, of winning the war. . . . This is not a mismanagement problem: The United States is losing the war! And, it’s losing that war in the same degree that it lost the war in Indo-China.”

LaRouche’s view has been corroborated by several regional experts. One European strategic analyst emphasized to *EIR* that the resistance, now largely focussed in Sunni-dominated central Iraq, could rapidly be extended nationally, when and if the Shi’ite leadership were to give the order. Currently, the Shi’ite majority is waiting to assume power through the political process of elections. If its majority position is not accepted—as U.S. authorities have indicated it will not be—then Shi’ite forces would be mobilized in the resistance.

Although the Shi’ite community has maintained its low profile thus far, certain developments indicate a possible, slow shift. The mayor of Najaf, one of the two holiest Shi’ite cities, called a strike on Nov. 5 to protest the utter lack of security, after the assassination of a judge investigating crimes of the Saddam Hussein regime. The occupying forces, by interna-

tional law responsible for maintaining security, are preoccupied with protecting themselves.

An Arab strategic specialist in Kuwait told *EIR* on Nov. 3, that an informed Arab view is that the Nov. 1-2 attacks, one week after the audacious missile attacks against the U.S. occupation headquarters at the Rashid Hotel on Oct. 24, while Deputy Defense Secretary Wolfowitz was there, signalled a watershed, a qualitative escalation. Iraq’s geographic size, in the heart of the Middle East, presents a situation which the Americans did not envisage; its extensive border is almost impossible to seal to prevent infiltration by pro-resistance forces. As this expert emphasized, American complaints about “foreign terrorists” ignore the fact that not only pro-Saddam Hussein elements are joining the resistance. Furthermore, given the history and character of the Iraqi people, they would never allow outside elements to dominate or lead any such struggle for liberation; foreign elements must be subordinating themselves to Iraqi leadership. And these foreigners could not function without receiving the support of the population: lodging, food, weapons.

This source reported that sentiment in favor of Saddam Hussein is being openly broadcast on Arab TV outlets, which show jubilating crowds of Iraqis after every major attack. In sum, the Arab perspective is that the Iraqi resistance will grow, and will, in the end, prevail, no matter how long it takes. The Iraqi resistance, initially, had encountered problems in its intelligence, which, according to experts, have since been solved. They have a good map of the U.S. deployments, methods, procedures, manpower, etc., and are therefore able to attack with precision, in a coordinated, deadly fashion. The general view is that about three-four months before the 2004 elections, the Bush Administration will be forced to withdraw. Although there is no indication that the Administration is *planning* such a course, the steadily-growing pressure against the Cheney faction, generated by LaRouche’s now year-long mobilization to force Cheney out of office, is now felt and discussed throughout Washington. This—given the Iraq situation on the ground as LaRouche characterized it—is what makes such a withdrawal a very strong possibility.

On Nov. 5, Gen. Peter Pace of the Marine Corps, and vice chairman of the Joint Chiefs of Staff, told the House Armed Services Committee that thousands of active duty and part-time National Guard and Reserve troops would go to Iraq early in 2004. He said the troops would be part of a rotation plan for the next year, and that the current troop strength of 132,000, could be reduced to 100,000 by May. The European strategic analyst cited above, spoke about a “conspiracy of incompetence” vis-a-vis Iraq on the side of the neo-conservatives in the Bush Administration. “And the U.S. Army on the ground has to pay the price for this arrogant incompetence.” Now, when American military and intelligence officials talk to their non-American counterparts, there is no more hiding the “growing rage within the Army and the intelligence community” against the neo-conservatives, notably Dick Cheney, for what they have done in Iraq.

Lessons To Be Learned: Iraqi Resistance To British Occupation 80 Years Ago

by Hussein Askary

In Iraq, as in many other places, history keeps repeating itself, sometimes with all the ironies and paradoxes of war and peace. In the view of this Iraqi author, the situation there, due to the foolish policy of the Bush Administration and the wicked plans of the war party of Cheney and his neo-conservative cronies, is moving rapidly towards a major confrontation all over the country. This most likely will recapitulate the 1920 Iraqi revolt against the British Empire. The resistance to the U.S. occupation in Iraq recently has been relatively limited to the so-called “Sunni triangle,” in the capital and north and northwest of Baghdad. However, there is an increasing pattern of dismay and calls for confrontation among the Shi’ites in Baghdad and southern Iraq.

The Shi’a Muslims, who make up 65% of the 24 million Iraqi population, have been passively watching developments while politically organizing their communities around religious institutions. The Shi’ites, like the Kurds, have suffered enormously under Saddam Hussein’s dictatorship. Ironically, most of the resistance to the U.S.-British invasion of Iraq in March-April this year took place in the south. Were the Shi’a defending Saddam Hussein? The answer is, of course, no.

The World War I Precedent

In World War I, the Shi’a population and their religious leadership, who were also oppressed by the Ottoman Empire, joined forces with the Turks to defeat the British invading army in 1915-16. The British India army had taken Basrah and advanced towards Baghdad. They were effectively stopped in Kut Al-Amara, besieged and crushed. The British mission had to surrender. In late 1916, a new offensive was launched. This time, the resistance was much more limited, because the Turks, in their imperial folly, had gone against the Shi’a population, arresting and executing a large number of them.

On March 19, 1917, British troops took Baghdad under the leadership of Maj. Gen. Stanley Maude. Then, as now, the invaders proclaimed that they came to Iraq to “liberate” the Iraqi people from the Ottoman imperial tyranny, and promised to give the Iraqi people independence and the right to a choose their own government as soon as the war was over. That was not the intention of the British Empire. While they had promised the Arab peoples independence if they rose in Arabia against the Turks, the British had secretly drawn the Sykes-Picot Agreement in 1916 with the French, dividing the

spoils of war in the region after the fall of the Ottoman Empire.

The idea was to put Iraq, Jordan, and Palestine under direct British occupation, while the French would get Greater Syria (Syria and Lebanon) and Mosul in northern Iraq. They had also made a secret promise to the Jewish community in Britain to “establish a homeland for the Jews in Palestine.” Today, as then, the Anglo-American neo-conservatives have drawn the “Clean Break,” a plan for redrawing the map of the Middle East.

In fact, The British Viceroy of India had openly promoted the “annexation” of southern Iraq to “British India,” making the Persian Gulf and the Arabian Sea a British lake. The original idea was to start a massive transfer of Indian serfs to southern Iraq, to set up cotton and rice plantations. The man to implement this plan was British Civil Commissioner Sir Arnold Wilson, a racist and bloodthirsty British army colonel. It was, however, discarded as soon as the British occupation first came into direct contact with the Iraqi people.

Suspicious of British intentions, Shi’a Muslim leaders in the holy city of Najaf started a process of political organizing against the occupation. This culminated in the forming of the Al-Nahdha (Renaissance) Party. On March 19, 1917, a limited uprising against the British occupation took place in Najaf. It was swiftly and brutally crushed by the British army, which surrounded the city and bombed one major quarter of it. Eleven Iraqis were executed in retaliation for the killing of one British officer. This incident had shown the Iraqis the real nature of what they had to deal with.

In Jan. 8, 1918, U.S. President Woodrow Wilson addressed a joint session of Congress: “Parleys have been in progress at Brest-Litovsk between Russian representatives and representatives of the Central Powers to which the attention of all the belligerents have been invited for the purpose of ascertaining whether it may be possible to extend these parleys into a general conference with regard to terms of peace and settlement.” His speech included a declaration of 14 points of what he called the “only possible program” to achieve world peace and justice in the post-war era. That declaration included the demand of “affording mutual guarantees of political independence and territorial integrity to great and small states alike.” An Arabic copy of Wilson’s declaration was published on Oct. 11 of that year, and widely circulated in Iraq. Point 12 received special attention: “XII. The



After a British invading army had been besieged and surrendered in 1916, the second British invasion of Iraq, in 1917, “succeeded” because the Ottoman Turkish imperial regime had meanwhile fiercely oppressed Iraq’s Shi’ites, generating great opposition to Ottoman Rule. British Maj. Gen. Stanley Maude’s troops finally captured Baghdad on March 11, 1917 (left). Maude was to be buried under the city’s wall seven months later (right).

Turkish portion of the present Ottoman Empire should be assured a secure sovereignty, but the other nationalities which are now under Turkish rule should be assured an undoubted security of life and an absolutely unmolested opportunity of autonomous development.”

This point was regarded as an explicit American endorsement of the independence of the nations occupied by the British and the French. Also on Oct. 11, General Marshall in Iraq issued a communiqué affirming Iraqi independence. The British-French allies issued a joint declaration, which stated, “The ultimate objective of the governments of France and Great Britain is the complete liberation of all the peoples which have for so long lived under the yoke of Turkish oppression, and to establish national governments and administrations that derive their authority and principles from representatives chosen by the people.”

Sykes-Picot and Woodrow Wilson

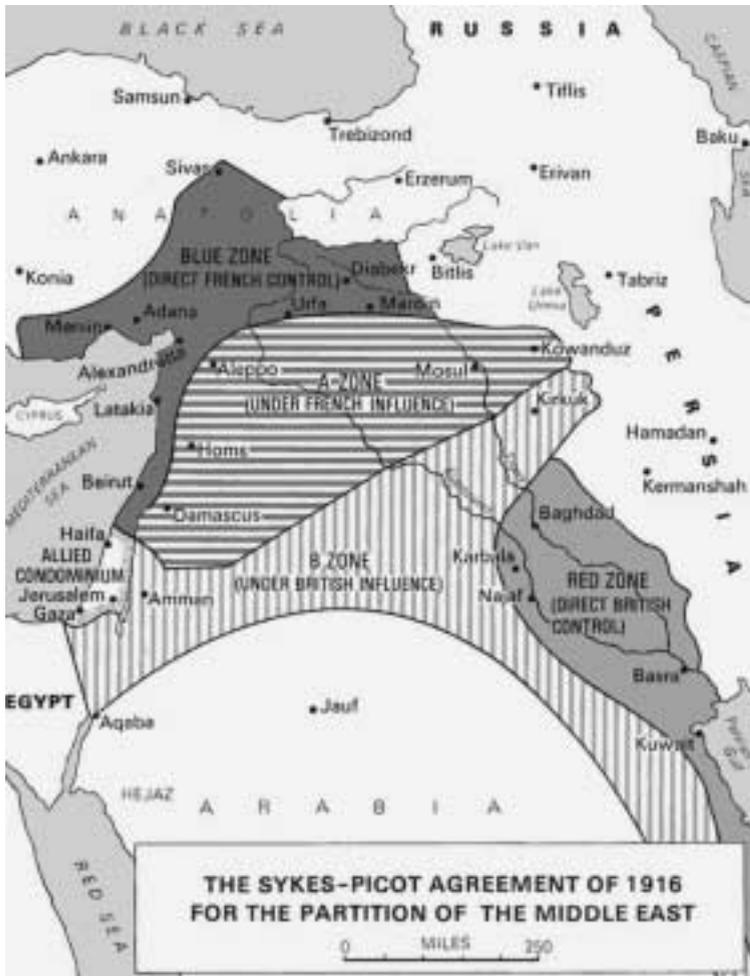
America was regarded as a great power with no imperial past and with good intentions towards weaker nations. However, the people of the region had no insight into the Anglophile affinities of Woodrow Wilson, which led him into compromising in the next months. Wilson brought the U.S. into the war to bring the American republic into the imperial club on behalf of the Wall Street financial interests. However, he needed some moral cause to justify such an involvement and to persuade the anti-imperial American public and Congress to support it.

President Wilson was fully aware of the British-French secret deals and the Sykes-Picot agreement for colonial sharing of the territories to be left by “Europe’s sick man,” the Ottoman Empire. Wilson had inquired into the details of these

agreements, and British Foreign Secretary Arthur Balfour sent copies to Washington, through Wilson’s close friend Col. Edward M. House. House advised Wilson not to mention the secret agreements in public before the war was won. Wilson tried his best to conceal them, but these agreements were made public after the Bolsheviks took power in Russia and found copies in the office of Czarist Russia’s foreign minister Sergei Sazanov. Russia was to get parts of Turkey after the war according to the Sykes-Picot-Sazanov deal, but the Bolshevik Revolution pulled Russia out of it.

Wilson’s project for giving the war a “moral meaning” was launched on the suggestion propagandist and *New Republic* editor Walter Lippmann. Lippmann wrote to President Wilson the day after his speech to Congress: “Only a statesman who will be called great could have made America’s intervention mean so much to the generous forces of the world, could have lifted the inevitable horror of war into a deed so full of meaning.” Lippmann and Colonel House led a special group in late 1917, bypassing the State Department, to draw America’s plans for the post-war era for President Wilson, in similar fashion as the Pentagon’s current neo-conservative Office of Special Plans (OSP) bypassed both the State Department and the CIA to draw its own Iraq war plans. The British Prime Minister persuaded Wilson to put parts of the Middle East—such as Armenia and parts of Turkey—under an “American mandate.”

Germany formally surrendered on Nov. 11, 1918. Negotiations on the terms of peace led to the signing of the June 28, 1919, Treaty of Versailles. It needs no confirmation that the disastrous terms of this treaty led directly to the next war. For the Middle East, this treaty led to the 1919 Paris Peace Conference, which strengthened the grip of the new colonial



Promising Iraqis "independence and liberation" from the Turks, the British secretly agreed in 1916 with France to divide the area for oil and strategic exploitation, and to divide Iran (Persia) with Czarist Russia. When, in 1920, the "international community," meeting as the League of Nations, endorsed the British imperial division of the spoils, that was the trigger for Iraqi armed revolt.

powers over Middle East nations. All promises of freedom, independence, and sovereignty were betrayed. The role of the United States, which had actually withdrawn from the League of Nations by that time, was reduced to that of lawyer for the American oil companies, Standard Oil of New York (SOCONY) and the Standard Oil Company of New Jersey—that day's Halliburton and Bechtel. These companies were in a fight with the British and French for a share in the oil concessions, like vultures gathered on the Ottoman imperial corpse.

The outcome of the phony deal-making was that the nations of the Middle East should be placed under imperial mandate to help these yet immature peoples become civilized and govern themselves. The recent UN Security Council deals, that legitimized the illegal war against Iraq and the current U.S.-British occupation, without any clear guarantees for the future of the Iraqi people, are a similar historic mistake.

On Nov. 30, 1918, the British Viceroy of India sent a telegram to Sir Arnold Wilson, stating: "Let it be known to all that it is in the [Paris] Peace Conference that the fate of the Iraqi sectors would be decided." And, anticipating the requirement of a referendum on the mandate, the Viceroy ordered Wilson to carry out a controlled plebiscite, with only "Yes" to the mandate as an acceptable answer. The referendum would consist of three questions: 1) Do the Iraqis wish to have a united Arab state, extending from north of Mosul to the Persian Gulf, under a British mandate? 2) Do they wish, in this case, to have an Arab leader by name to head this state? and 3) In this case, who is this leader? So, the choice put to the Iraqis was either to accept a puppet government under a British mandate or direct British military rule.

Referendum Leads to Confrontation

The myth peddled by almost all official British histories, and by private authors, is that the problem in Iraq was the ambitions of wild tribesmen who resisted any kind of modern central government, preferring to live in a lawless state. The truth is that the Iraqi population, in spite of horrific living conditions and poverty, was highly organized in political terms. The alliance between the clan leaders and the religious leadership based in Karbala and Al-Najaf, was the main source of political organizing. The *Hawzas*, religious seminaries in these two cities, are still, to this date, the source of much of the unofficial legislation for millions of Shi'ites. The *Hawza* is composed of religious *Ulamaa* (Men of Knowledge) who have deep knowledge of Islamic history, the Quran, the tradition of the prophet, Arabic literature, and a number of natural sciences. Although subjected to oppression through many centuries, including under the recent

Saddam Hussein dictatorship, the *Hawza* persisted in its following of the Shi'ite school whose roots stretch more than 1,000 years to the Islamic Renaissance era. Another branch of the Shi'ite school started to grow in Iran in the 16th Century. Therefore many scholars move back and forth between Iran and Iraq. Many of the Iraqi Shi'ite leaders were born in Iran. This gave an excuse to Saddam's Ba'ath party to accuse them as Iranian agents during and after the 1980-88 Iran-Iraq war.

The humbleness of the *Ulamaa* confuses the arrogant and the mighty. Gertrude Bell, British spy in Baghdad and later assistant to High Commissioner Sir Arnold Wilson, wrote to her mother, mocking the Shi'ite clergy: "It's a problem here how to get into touch with the Shi'as, not the tribal people in the country; we are on intimate terms with all of them; but the grimly devout citizens of the holy towns and more specially the leaders of religious opinion, who can loose and bind with

a word by authority which rests on an intimate acquaintance with accumulated knowledge entirely irrelevant to human affairs and worthless in any branch of human activity.”

The opposition and uprising against the British rule was not simply a Shi'ite phenomenon. Many Sunni Muslim religious leaders and clans coordinated their efforts with the Shi'ite leaders, provoking the rage of the British. The Kurds also joined in the opposition to the British occupation, making the situation more and more difficult to control. The only allies the British had in the country were the merchants, land owners, notables, and religious leaders who were actually the lackeys of the Ottoman Empire before. One example was Abdul-Rahman Al-Naqib, some sort of a mayor of Baghdad, who used to work for the Ottomans, and later became a stooge of Gertrude Bell and Arnold Wilson. He later became the first prime minister under British rule. Those “notables” aligned themselves with the imperial power in order to protect their wealth, their plantations, and their power. Most of the population was living in virtual serfdom.

The resistance to the occupation and imposition of the mandate started peacefully, and through diplomatic initiatives. While the British promised a public referendum, they first extended the period of the referendum from December 1918 to January 1919; then, solicited petitions from their friendly notables of the major cities, stating that they accepted British rule with all their hearts, and that there was no need for a referendum. One, from Mosul, read: “We offer our thanks to Great Britain for saving us from the Turks and from death, and for giving us freedom and justice. We hope that this state [Britain] would bestow its protection upon us and to run the affairs of our country. We beg you to bring this request to the Great King George.” Another, by merchants in Karbala, said: “We have agreed to come under the shadow of our merciful and compassionate government of Great Britain for a period of time.”

These petitions were then taken by British officers to other parts of Iraq to convince the population that the leaders had agreed to the mandate. Meanwhile, they cut all communication between the major cities, in order not to allow consultation among the different groups. Anyone who was seen traveling to another city to meet with political or religious leaders was arrested as an agitator.

On Nov. 13, 1919, Arnold Wilson went to Al-Najaf, together with the military administrator of the area, Major Norbury, to meet a selected group of religious scholars, merchants, and clan leaders and to ask them about the referendum. Wilson asked the group: “Do you want our government or an Arab government?” One of the invited agents, Hadi Al-Naqeeb, answered immediately that they “would accept none other than Britain.” But another participant rejected the idea and demanded a larger meeting. Wilson left the meeting without saying anything. The next day, another meeting was held in the house of Jawad Al-Jawahiri, one of the best-known political and religious leaders. The answer to Wilson's ques-

tion was, “No to British rule.” Furthermore, they demanded that the referendum should include everyone in Iraq, including the peasants and the coolies, on equal footing with the merchants and landowners.

The participants were about to write petitions in opposition to British rule to be sent to the major powers meeting in the Paris Peace Conference. The British sent in the police and stopped the meeting. The clan leaders decided they would return to their respective areas and mobilize against the mandate. Other meetings were made to sign counter-petitions. Arrests were made to prevent this development and that drove the whole situation into a direct confrontation.

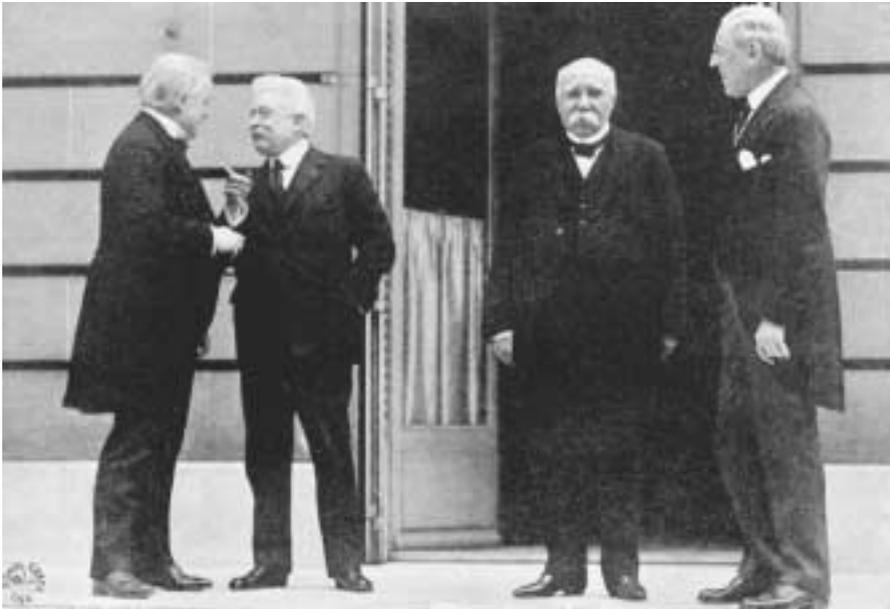
Both Sunni and Shi'a leaders in Baghdad signed a joint petition on Jan. 19, 1919 stating: “We the representatives of Muslims in Baghdad, both Sunni and Shi'a, have decided that the land of Iraq from Mosul to the Persian Gulf should be one Arab state with an Arab Muslim king as a leader, bounded by a national congress [parliament].” The proposed king would be Emir Faisal, son of Sharif Hussein of Arabia, who had been promised by the British an Arab state in all Arabia and Syria, in exchange for his help in the war against the Ottomans.

In a letter to her father, Gertrude Bell wrote, just as the revolt was breaking out: “There are 2 or 3 meetings every week in the mosques to celebrate this unexampled event. Sometimes in Shi'ah mosques and sometimes in Sunni, and all attended by both sects. It is in reality political not religious and I don't know that anyone believes the boasted union to be permanent. There's a lot of semi-religious, semi-political preaching and reciting of poems, and the underlying thought is out with the infidel. My belief is that the weightier people [friends of the British] are against it—I know some of them are bitterly disgusted—but it's very difficult to stand out against the Islamic cry and the longer it goes on the more difficult it is.”

Sheikh Al-Shirazi Assumes Leadership

Sheikh Mohammed Taqi Al-Haeri Al-Shirazi, the most prominent religious leader in the *Hawza* in Karbala, intervened forcefully after these events in order to organize the resistance. He was for a peaceful solution for the crisis, trying to force the British and the international community to make good on their promises. He was against a military escalation, as long as the British were willing to negotiate. Al-Shirazi put an end to the “referendum” by issuing a *fatwa* (a religious decree) saying that “No Muslim can choose or elect anyone to position of power and government other than a Muslim.” This *fatwa* was printed and spread across the country. Furthermore, Al-Shirazi was opposed to the idea of appointing one of the sons of Sharif Hussein as King of Iraq. He was more focussed on the question of independence and a constitution for a sovereign Iraq.

Realizing that the British were not intending to listen, Al-Shirazi raised the level of political and diplomatic efforts to



At the 1919 Paris Peace Conference (the Mideast imperial follow-up to the Versailles Conference), British Prime Minister David Lloyd-George (left) talks to Italy's Vittorio Orlando, and U.S. President Woodrow Wilson (right) chats with France's Georges Clemenceau. "All promises of freedom, independence, and sovereignty were betrayed. The role of the United States was reduced to that of lawyer for the American oil companies, Standard Oil of New York (SOCONY) and the Standard Oil Company of New Jersey—that day's Halliburton and Bechtel."

the other western powers, to expose the forgery being committed by the British. On Feb. 13, 1919, he sent three letters: one to President Woodrow Wilson, another to the U.S. Ambassador in Iran, and a third to the Prime Minister of Iran, Wathoq-ul Dawla. In the last, Al-Shirazi urged the Iranian not to sign the humiliating Anglo-Persian Agreement, which would strip Iran of its independence and put it under direct British economic and political control. If he did sign, Al-Shirazi warned that he himself would "do everything in his power to stop it," and that "Muslims would fight to liberate themselves from the chains of slavery."

Al-Shirazi reminded the U.S. ambassador to Iran of the principles of self-determination to which the U.S. Administration had committed itself, and informed him that the Iraqi people were seeking the aid of the United States to establish an independent Arab-Islamic state. He alerted the ambassador to the fact that people in Iraq were reluctant to express their views on the issue of the mandate due to the "martial laws that have put them under siege from all sides" and that "people do not trust the alleged right to free expression of opinions."

To President Wilson, Al-Shirazi wrote on Feb. 13, 1919, together with Sheikh Al-Sharia Al-Asfahani of Karbala:

All peoples rejoiced for the declared purpose of participating in the European wars; namely, the restoration to the oppressed nations their rights, and opening the way for them to enjoy independence according to the terms

you have declared. Since you were the initiator of this project, the project of happiness and general peace, it is appropriate that you be the resort for lifting the obstacles from its accomplishment. There is indeed a strong obstacle, preventing most of the Iraqi people from expressing their aspirations, in spite of the declared desire of the British government that all Iraqis should express their views. The general opinion amongst them is that since they are a Muslim nation, it should enjoy a judicial freedom and choose a new, independent Arab-Islamic state headed by a Muslim king, who is bounded by a national assembly. As for the talk about [taking up the issue after] the post-Peace Conference period, we would like to inform you that we are responsible for bringing hope to the

Iraqi people and removing all obstacles in their way to express their views and aspiration to a sufficient degree to allow the international public opinion to see the truth about the purpose of what you have outlined, in complete freedom. To you, thus, will be the eternal honor in history and in its current modern civilization.

Then, and Now

In March, the British occupation administration in Iraq compiled the petitions and results of its non-existent referendum and sent them to His Majesty's Government in London, in order to present it to the Paris Peace Conference. The person who was delegated to present the case to the government was Ms. Bell, who on March 16 wrote to her mother from Paris: "But for the moment there's nothing to be done except educate the Americans, who seem to be very willing to accept the information we have to give." Bell had written a memorandum to the British government on the subject stating: "[T]he people of Mesopotamia, having witnessed the successful termination of the war, had taken it for granted that the country would remain under British control and were as a whole content to accept the decision of arms."

The British government accepted Bell's and Arnold Wilson's "proof" that the Iraqi people favored British imperial rule instead of freedom and independence. On May 9, 1919, the government of Prime Minister David Lloyd George instructed Sir Arnold to proceed with establishing a Mesopota-

mian government under a British High Commissioner, aided by four military administrators for Baghdad, Basra, Mosul, and Middle Euphrates.

There is a great deal of confusion and fakery about the form of government the British proposed. The instructions were so vague that Sir Arnold was given greater freedom to implement his absolute military rule over the Iraqis whom he regarded as “lawless thugs.” Bell on the other hand is described in general terms as the liberal “uncrowned queen” of Iraq who was “intriguing” against Wilson and demanding a limited transfer of responsibilities to Iraqi puppets from among the rich elite. This “fight” between Wilson’s British India old imperial style of direct military rule, and Bell’s “liberal imperialist” tendency advocating the imposition of a “mandate,” was later used to scapegoat Wilson for the disaster which followed. It was the basis for launching a coup within the British establishment, putting Bell’s new “Arab Bureau of Intelligence” of the Foreign Ministry in charge of the whole Middle East, instead of the British India grouping.

When the British decision for a British government over Iraq was made known, Iraqi patriots and Al-Shirazi escalated their activities from diplomacy and dialog to “passive,” i.e., peaceful, resistance and political organizing. The danger foreseen by Al-Shirazi and others was that this new step by the British could be a prelude to giving international legitimacy to the British occupation; a swift move to organize the resistance was necessary to pre-empt such a development.

This brings to mind the current strong resistance by the Iraqi Shi’ite supreme religious leader Ayatollah Ali Al-Sistani, who strongly opposes the drafting of a new Iraqi constitution while the affairs of the country are run by the U.S.-British Provisional Coalition Authority. He insists that the group which will draft the constitution should be selected by the Iraqi people through free elections. Al-Sistani issued a *fatwa* recently, prohibiting the drafting of the constitution under the current conditions of occupation.

Between May and August 1919, political organizations were established, such as the “Guardians of Independence” in Baghdad, and the “Islamic Society” in Karbala, headed by the son of Al-Shirazi and a number of other scholars. These organizations then spread throughout the country and started organizing and informing the different tribes and clans about the strategy for resistance. Al-Shirazi and his collaborators made everyone aware of the peaceful nature of this resistance, while keeping an armed resistance as a last resort.

The same point was raised repeatedly during the course of 2003, by the Shi’ite political leader Mohammed Baqir Al-Hakeem, who was killed in a terrorist bombing in the holy city of Najaf in late August. Although his group, the Supreme Council of the Islamic Revolution in Iraq (SCIRI), is part of the Iraqi Governing Council under the occupation, he demanded a policy with a clear time-frame for the transfer of power to the Iraqi people. Otherwise, as he used to warn, peaceful—at first—resistance to the U.S.-British occupation

would be launched.

On Aug. 2, 1919 the British, becoming alarmed by the state of political organization in the country, had the army arrest six leaders of Karbala’s “Islamic Society” who were working closely with Al-Shirazi and his son. The six were sent into exile to an island in the Indian Ocean. This, the British thought, would deter the rest, especially Al-Shirazi. But Al-Shirazi sent a letter to Sir Arnold Wilson demanding the release and return of the leaders back to Iraq. Wilson, in an arrogant gesture, rejected Al-Shirazi’s letter, believing that Al-Shirazi would not risk arousing a bloody uprising and taking the blame for the loss of lives.

The Strategic Setting

Thinking strategically, Al-Shirazi made an important flanking maneuver. He announced on Aug. 10, 1919 that if the exiles were not brought back to Iraq, he would leave for Iran and declare *jihad* (holy war) against the British from there. Being the supreme religious leader for Shi’ites in Iraq and Iran, and also Shi’a minorities in India, the Iranian people would rally around him for *jihad* against the British, who were also controlling the Iranian king Shah Ahmed. The British in Iran (then called Persia) were in a desperate situation at the time. Popular rejection of the Anglo-Persian Agreement was at its peak. Shah Ahmed, although still under strong British control, was looking forward to gaining some benefits from the new, Bolshevik Russian policy, which abandoned Czarist territorial ambitions in the region, cancelled all debt and economic concessions, and offered cooperation with the Persian Shah. For many decades, Persia was an important part of the British Great Game, a buffer zone, together with Afghanistan, to prevent Russia from reaching to India and the Indian Ocean.

The British conceded to Al-Shirazi’s demands, but simultaneously rushed the Anglo-Persian treaty to be rubber-stamped by the Persian Prime Minister. The process of negotiations for the return of the exiles from India ended in December 1919, with their return to Karbala, where they were received as heroes. This confirmed to the Iraqis that their political organizing and the competent strategic thinking of their leaders were able to force the British to make concessions, peacefully. Al-Shirazi and other leaders did not sit back. He continued to work to abolish the shameful Anglo-Persian treaty, while his organizing of a pan-Iraqi resistance demanding full independence escalated.

In Persia, by the Winter of 1919-20, the political opposition and the Shi’ite *Hawza* in Qom mobilized to abolish the Anglo-Persian Treaty, as violating the Persian constitution. Pressure from within Iran and urging from Al-Shirazi in Iraq, who sent his collaborator Abul-Qasim Al-Kashani to meet with Shah Ahmed while on a visit to the holy sites in Iraq, induced Shah Ahmed to force his Prime Minister, Wathuq-ul Dawla, to resign. By the Spring of 1920, the Anglo-Persian Agreement was abolished. The British then pulled a coup d’état against Shah Ahmed, run directly by the British army

commander in northern Persia, Maj. Gen. Edmund Ironside. Ironside recruited an Iranian colonel, Reza Khan, to lead the force of 6,000 Persian Cossacks who were left behind by the collapsing Czarist Empire. Ironside led Reza Khan into Tehran in February 1921 to seize power. The British retreated that year, leaving behind this Iranian puppet as commander-in-chief to guard British oil concessions and strategic agreements in Iran.

In 1925 Reza Khan deposed Ahmed Shah, and appointed himself as Shah Reza Pahlawi. The Pahlawi dynasty lasted 54 years until its second king, Shah Mohammad Reza Pahlawi, was overthrown by the Islamic Revolution of Ayatollah Khomeini in 1979.

British troubles between 1919-20 were not confined to Iraq and Iran. The British Empire, which was close to total economic bankruptcy by the end of the war, and being stretched thin throughout Asia and the Middle East, faced revolts all the way from Afghanistan to Iran, Iraq, Turkey, and Egypt. Afghanistan had risen in an armed revolt against the British in May 1919, through a declaration of independence of Afghanistan by the young leader Amanullah Khan. This was the third Afghan-British war. It took place only two weeks after the Amritsar massacre, in which British troops opened fire and murdered 379 Sikh worshippers who were reportedly in Amritsar, India for a political meeting. This massacre caused massive riots in many parts of India. The revolt in Afghanistan was put off through the use of brutal force by the British, especially by the Royal Air Force, which bombed whole villages.

In Turkey, the young officer Mustafa Kemal, later known as Ataturk, founder of modern Turkey, succeeded between late 1919 and 1920 in reorganizing the broken Turkish army. In a matter of a few weeks, Kemal turned Turkey from the defeated and occupied Ottoman nation, into an independent and powerful military power, threatening British and allied plans to divide the country. Egypt, in its turn, witnessed strikes and riots, culminating in violent attacks on the British army in the Spring of 1919, following the arrest and deportation of the nationalist political leaders who were demanding independence through the Paris Peace Conference.

With a faltering economy and strategic-military blunders across Asia, the leaders of the British Empire resembled the current Roman Imperial wannabes of the "Cheney Administration."



British occupation military commander Sir Arnold Wilson (left) represented the "arrest and kill" strategy for ruling Iraq, similar to Defense Secretary Donald Rumsfeld's pronouncements today. Liberal imperialist and British government representative Gertrude Bell (right) was part of T.E. Lawrence's ongoing "coup" against the British India school; she cultivated pro-British Iraqi "elites." But she found RAF bombings of Iraqi villages during the 1920 revolt "fascinating."

The Explosion

Woodrow Wilson left Europe in June 1919, returning to the United States to rally support for his new policy. But, he collapsed clinically and politically. By the beginning of 1920, the U.S. Congress rejected the Treaty of Versailles, a peace treaty with the defeated Ottoman Empire, the membership in the League of Nations, and refused to accept an American Mandate over Armenia. In the absence of the United States, the April 25, 1920 meeting of the League of Nations in San Remo, Italy finally decided the fate of the conquered Ottoman Empire. Britain was to get territorial control over Palestine, Iraq, Egypt, the small emirates on the coast of the Gulf, and political control over Arabia (later known as Saudi Arabia). France was to get Syria and Lebanon; Italy to get the eastern coast of Turkish Anatolia on the Mediterranean. The French and British made some modification to the Sykes-Picot agreement; British Prime Minister David Lloyd George persuaded France's George Clemenceau to abandon Mosul in northern Iraq to the British, in return for a 25% share in all Iraqi oil concessions.

When the bad news from San Remo reached Iraq, demonstrations, protests, and petitioning campaigns were organized across the country. Al-Shirazi issued a *fatwa* prohibiting Iraqis from working with the British occupation. This paralyzed the whole country and the British administration. Destabilized by these moves, Sir Arnold Wilson tried to reconcile the Iraqis and their now very powerful leadership in Karbala.

He promised to start negotiations on their demands. Religious, political, and tribal leaders held a meeting in Karbala to discuss the option of organizing an armed revolt against the British. Al-Shirazi refused to give them permission to do so, expressing his concern that this could endanger the security of the people. However, he instructed them to remain on their guard and keep the mobilization of the population, in the hope that the British would respond to their legitimate demands.

One week after the San Remo declaration, another gathering took place in Karbala, where an agreement was made among the political and tribal leaders to launch armed resistance. They requested permission once again from Al-Shirazi, who tied the possibility of an armed uprising against the British, to a last attempt to convince the British to concede peacefully. A delegation was formed to meet with Wilson in Baghdad. This development came at the beginning of the Islamic month of fasting, Ramadan. Al-Shirazi issued a declaration on April 29, 1920, urging people in all parts of Iraq to send delegates to Baghdad for the purpose of demonstrating and negotiating with the British authorities. He called for preserving calm and security, and warned strongly against causing any harm to members of other minorities, such as the Christian and Jewish residents of Baghdad. The demands of the delegations, he argued, should be no less than total independence and the establishment of an Arab-Islamic state. There was no longer any mention of bringing one of the sons of the Sharif Hussein to become the king of Iraq.

Sunnis and Shi'ites in Baghdad joined forces. While trying to appease the demonstrators in Baghdad, the British resorted to heavy-handed treatment in southern Iraq. By the beginning of June, the British realized that this movement had gone too far, and that they had made a mistake by allowing it to grow. Mass arrests of the Iraqi leaders were carried out in most towns in southern Iraq. On June 21, the British army laid Karbala under siege, and arrested a large number of its religious leaders, including the son of Al-Shirazi. Al-Shirazi sent a polite, but strong message to the British military governor of Hilla, asking him to release the detainees and refrain from further arrests. Otherwise, he warned, his call for restraint would be automatically null and void.

Far from "lawless tribesmen," Al-Shirazi and other leaders tried their best to avoid an armed confrontation. However, the British, who never intended to give the Iraqis independence and freedom, were bargaining only to buy time, relying on the power of their arms to shove the mandate down the throats of the Iraqis.

In June 29, 1920, Al-Shirazi issued his famous declaration: "It is a duty upon all Iraqis to call for their rights. While they do that, they should make sure that security and peace are preserved. But, they can resort to defensive force, if the British refuse to comply with their demands." By that time, preparations for an armed uprising had reached their peak, and the tribes were waiting for a signal. This signal came



Today's Iraqi Shi'ite supreme religious leader, Ayatollah Ali Al-Sistani, who strongly opposes the drafting of a new Iraqi constitution while the affairs of the country are run by the U.S.-British Provisional Coalition Authority. He insists that the group which will draft the constitution should be selected by the Iraqi people through free elections. Shi'ite religious leaders' opposition to Cheney-Bremer dictat is strongly nationalist, but peaceful, as in 1917-20.

when the leader of one of the tribes, Sheikh Shaalan Abul Joon, was summoned by the British military administrator of Al-Diwaniya. The first shot was fired on June 30. On July 1, the first attack on a British convoy took place in Al-Diwaniya.

This was followed by attacks on British garrisons and guard posts in almost all parts of Iraq. The tribal forces, armed with rifles only, launched a series of successful guerilla-type attacks. They started by cutting the rail lines and bridges connecting towns that housed British garrisons. They laid a successful siege to the British army base at Al-Rumaitha, which was only broken by the massive use of air bombardment. The armed tribes also resorted to assassinations of high-ranking British officers. When the uprising started, the Kurdish rebel leader Sheikh Mahmoud Al-Hafeed started to coordinate his activities with the leaders in the South; the Kurds inflicted heavy losses upon the British army in the mountainous areas. Sunni tribes, in what is today called the "Sunni Triangle" north and northwest of Baghdad, also joined the uprising.

Massacre

In spite of the great military imbalance between the British army and the Iraqi rebels, the revolt was not brought to an end before the end of October. The British used brutal force to kill civilians in the villages which were known to have members in the rebellion. They did not spare women and children. "Wholesale slaughter," argued Col. Gerald Leachman of the British army in northern Iraq, was the only way to deal with the tribes. Leachman himself was assassinated in southern Iraq a few weeks later. These methods that were used against the Iraqi people in this revolt and later ones were described in detail by some of the British actors on the scene. Gertrude Bell wrote to her mother on July 4, 1920: "And more serious, the tribes down the Euphrates between Samawah and Diwaniyah are in open rebellion and have cut the [rail] line in three places. I don't know the details, but what I know is this: the tribes down there are some of the most lawless in Iraq. The Turks were helpless before them and for years had never got

a penny of revenue from the district. We've taken our full demand, and when the Shaikhs resisted we've bombed their villages. They're rogues I know; everyone knows it. But I doubt whether we've gone the best way to make them appreciate the benefits of settled govt."

In another letter, Bell told her father: "The most interesting thing which happened during this week was a performance by the R.A.F., a bombing demonstration. It was even more remarkable than the one we saw last year at the Air Force Show because it was much more real. They had made an imaginary village about a quarter of a mile from where we sat on the Diyala dyke and the two first bombs, dropped from 3000 ft, went straight into the middle of it and set it alight. It was wonderful and horrible. They then dropped bombs all round it, as if to catch the fugitives and finally firebombs which even in the bright sunlight, made flares of bright flame in the desert. They burn through metal, and water won't extinguish them. At the end the armoured cars went out to round up the fugitives with machine guns. . . . I was tremendously impressed. It's an amazingly relentless and terrible thing, war from the air."

But Bell added: "In conclusion I may mention that there is a gathering cloud in the north. The Turks are assembling troops in Van and have sent fresh officers and promised reinforcements at Rawanduz. . . . The RAF has done wonders bombing insurgent villages in extremely difficult country, but it takes them all their time to keep a sufficient number of machines in the air and now if we are called upon to bomb Rawanduz intensively, our resources will be strained to the utmost."

'Steady Withholding of Information'

"A Report on Mesopotamia" by T.E. Lawrence (Lawrence of Arabia) appeared in the *Sunday Times* on Aug. 22, 1920: "The people of England have been led in Mesopotamia into a trap from which it will be hard to escape with dignity and honour. They have been tricked into it by a steady withholding of information. The Baghdad communiqués are belated, insincere, incomplete. Things have been far worse than we have been told, our administration more bloody and inefficient than the public knows. It is a disgrace to our imperial record, and may soon be too inflamed for any ordinary cure. We are to-day not far from a disaster."

British historian David Omissi, author of *Air Power and Colonial Control: The Royal Air Force 1919-1939*, wrote in the *Guardian* in 1991 that "When the tribesmen of the Euphrates rose in rebellion against British military rule in the summer of 1920, the British army used gas shells—'with excellent moral effect'—in the fighting which followed."

In late 1919, like Donald Rumsfeld in 2002-03, Winston Churchill, then Minister of War and Air, devised a new, "cheaper" method for deployment of British troops in the Middle East: He argued for drastically reducing the ground force and replacing it with increased deployment of the Air

Force for "policing" Mesopotamia. Any village or town which showed any signs of armed resistance would be bombed from the air. Omissi stated in his book: "Churchill believed that the country could be cheaply policed by aircraft armed with gas bombs, supported by as few as 4,000 British and 10,000 Indian troops."

Churchill argued forcefully for using gas bombs and chemical weapons against the Kurdish villages—Saddam Hussein's notorious crime. In the event, the air force did not use gas bombs, for technical reasons; but the campaign was brutal enough. Some Iraqi villages were destroyed merely because their inhabitants had not paid their taxes.

More than 10,000 Iraqis were killed in the four months of the uprising. The British, with all their superiority in terms of arming, suffered 2,000 casualties, including 450 dead.

Politically, exactly as the U.S.-British coalition in Iraq blame international terrorists, Syria, Iran, Bin-Laden, Saddam Hussein, and everyone in sight but their failed policies for the disaster, the British in 1920 had a list of 14 "foreign" forces who were behind the Iraqi revolt. The list of suspects included Ataturk, the Young Turks, the Russians, the Hashemite King Hussein, the Jews, the American oil companies, and the American Ambassador in Baghdad, who was accused of sending money to the rebels in Karbala! The British called it a "mysterious uprising," and never realized what was really behind it!

The Iraqi revolt in 1920 derailed the British plans for Iraq. They continued to rule it, but indirectly, through the Hashemite King Faisal and his successors. The significance of this revolt was that the Iraqi people set an example in the modern history of the Middle East, in rising in defense of their basic rights. It also set a precedent which was replicated many times in the successive years and decades.

Did the revolt achieve any immediate objective? No. But it created a political legacy whose memories are still proudly reflected upon, and still vivid in the minds of at least two living generations of Iraqis. It created a true anti-imperialist sense in the historical mind of the Iraqi individual. And this was a greater achievement, which none of the successive British puppets and military dictators who have ruled Iraq since, could erase.

The role of the clergy, both Sunni and Shi'a, who are playing an increasingly great role in shaping Iraq's political environment now, is still maintained. This author, whose grandfather on the mother's side and great grandfather on the father's side participated in the revolt in 1920, does not wish the tragic events of that revolt to be repeated today. Nor does he yearn for a theocratic state. But this story is an important reminder of what could be in progress, if American policy continues to be run by the "Cheney junta" in Washington. Unless the Bush Administration shifts to a rapid and reasonable exit strategy, giving way to the United Nations and restoration of Iraq's sovereignty, the nation will remain one *fatwa* away from an explosion.

'LaRouche Brings Good Tidings' to Arab World

by Our Special Correspondent

Lyndon LaRouche's Democratic Presidential candidacy has been receiving a lot of recognition in the Arabic press, following the candidate's campaign press release of Oct. 14 that warned of Vice President Dick Cheney's backing for Israeli Prime Minister Ariel Sharon's plans for a nuclear strike against Iran.

The campaign statement warned: "We have reached a strategic danger-point where, unless 'Beast-man' Dick Cheney is dumped from the Bush Administration, and 'Beast-man' Sharon is stopped, a new Middle East war is virtually certain, between now and some point in November, with the possible new horrific feature of Israeli use of nuclear weapons against targets inside the territory of Iran." LaRouche demanded that Bush must personally and publicly rein in Sharon's madness. He referenced an article in the Oct. 12 *Los Angeles Times*, called "Israel Adds Subs to Its Atomic Ability," by Douglas Frantz, that says that Israel has deployed submarines, carrying nuclear-armed Harpoon missiles, able to strike Iran and other regional targets.

The Oct. 14 campaign statement was reprinted in Arabic in two Lebanese dailies, *Alliwa* and *Al-Kifah Al-Arabi*, in a Syrian bulletin called *All4Syria*, and in the Bahrain daily *Al-Wasat*.

The Oct. 22 webcast by LaRouche from Washington, in which he detailed his first actions as President of the United States, has gotten even more prominent coverage. The lengthy report on the webcast entitled "LaRouche Brings Good Tidings of the Imminent Fall of Cheney and the Neo-Cons," has been covered in the London-based *Al-Arab International* and in *Al-Wasat* in Bahrain. It has also been circulating on Internet news websites and discussion groups.

Then, on Oct. 31, in Lebanon, Syria, and Abu Dhabi, LaRouche was at the center of several strategic articles. Lebanon's *Al-Kifah Al-Arabi* published an article by Imad Fawzi Shuaibi, a leading Syrian strategic analyst, who is well-known in all the Arab world, and who appears daily on Arabic television channels. His article, on the "cult-like characteristics of the neo-cons," is a refutation of a desperate defense of the neo-cons by Joshua Muravchik in the Straussian magazine *Commentary*. Muravchik had tried to dismiss the exposés of the neo-conservative "cabal" as conspiracy theories. But, says Shuaibi, Muravchik is reacting to "the emerging current started by Presidential candidate Lyndon LaRouche, one of the most important Democratic candidates, who tops the list

with the largest number of un-itemized contributions. Therefore, Muravchik's reaction has the characteristic of an intervention in the elections."

"It was all thanks to LaRouche that this group [the neo-con cabal] has been exposed," stressed Shuaibi. He added that this "anti-neo-con current" is on the one side led by LaRouche as part of a Presidential election campaign, and on the other as a media and cultural campaign led by journalists and writers. The "neo-conservatives are deeply anxious about a strong Presidential rage directed against them," he added.

Shuaibi cites "the Nazi philosopher Leo Strauss," and also Albert Wohlstetter as neo-con ideologues. This article is to be followed by a second part.

In the Abu Dhabi daily *Al-Itihad*, a commentary by the Syrian Ambassador to Oman, Dr. Riyadh Naasan Agha, defended Syria's current policies against the neo-conservatives in the Bush Administration, who want a war against Syria. He also defended Syria's current policy of restraint, against fanatic Islamists and Pan-Arabists who want Syria to retaliate by attacking Israel.

Dr. Agha wrote that the Straussian neo-cons "are really in desperation, and in a hurry. They seem to be confused after they have been exposed as the 'Straussian' hawks, followers of the Nazi Jew Leo Strauss, who trained cadre who are running the Administration now. They were exposed by many studies; most important is the dossier compiled by the Presidential campaign of Lyndon LaRouche, under the title 'Children of Satan.'" Dr. Agha went through the rotten philosophy of the Straussians as exposed by the LaRouche pamphlet, point by point, and stressed how desperate they have become since their dirty plans became an issue in the 2004 Presidential elections.

'Difference Between Bush and LaRouche'

Also on Oct. 31, *All4Syria* published an article by Kuwaiti Islamist Sheikh Hamed Al-Ali under the title, "The Difference between Bush and LaRouche," reprinted from the Kuwaiti leading daily *Al-Watan*. The original article was entitled "Bush Lied and LaRouche Told the Truth," and is posted on the website of Sheikh Al-Ali. "I have never seen a man who is more truthful among all Americans than Democratic Presidential candidate for 2004, Lyndon LaRouche," wrote Al-Ali. "I really enjoy reading his views, and I will tell the readers some things about him, and some of the things which he has said to clarify the political background of what we see today taking place in our region. Lyndon LaRouche is one of the most controversial and greatest American political and economic thinkers."

Al-Ali included extensive quotes, and listed LaRouche's political achievements and economic forecasts. Promising readers he will tell them more about LaRouche in his next article, and that they should expect "some surprises," Al-Ali also recommended LaRouche's Arabic-language website, <http://www.nysol.se/arabic/sida.html>.

With Road Map Stalled, Geneva ME Pact Gains

by Muriel Mirak-Weissbach

Peace *can* be made in the Middle East. This is the message of the Geneva Initiative launched by Israeli Yossi Beilin and Palestinian Yasser Abed Rabbo, both former peace negotiators. The draft accord for comprehensive peace between Israel and the Palestinian Authority, although not a government initiative on either side, has been endorsed by significant forces inside Israel and Palestine, and is gaining international recognition. On Nov. 20, a symbolic peace treaty signing ceremony is scheduled in Geneva, under the sponsorship of the Swiss Foreign Ministry. Former U.S. President Jimmy Carter has announced his intention to attend, and Bill Clinton may follow suit. Presidential candidate Lyndon LaRouche declared his support for the initiative during an international webcast on Oct. 22 in Washington, D.C.

‘We Took Peace Into Our Hands’

Yossi Beilin, the chief Israeli negotiator for the Oslo Accords, published in the Oct. 31 issue of the American Jewish weekly *Forward*, a detailed account of his and Abed Rabbo’s efforts to revive the peace quest.

Noting that people had asked how he dared launch a peace initiative opposed by his own government, Beilin wrote, “Given the current state of affairs in my country and my region, how could I not?” No one, he said, expects President Bush to do anything about the peace effort until after the November 2004 elections in the United States—leaving the region “stuck in this horrific mud of ours.” “If we, the Israelis and the Palestinians, do not try—ourselves—then no one else is going to do it for us.” He recounted that he and Abed Rabbo believed that, with a few more weeks of effort in January 2001, the Taba Accords would have been completed and a comprehensive settlement worked out. However, Israeli Prime Minister Ariel Sharon came to power at that time, and the region plunged into a new period of violence and intransigence.

Beilin and Abed Rabbo decided that they would revive the Taba talks, as private citizens, to demonstrate that people of good will on both sides could reach a viable peace. The two men began meeting, as opportunities arose. Beilin described: “Sometimes we would meet at checkpoints, where we sat in a car, in order to go over texts. Other times we would meet abroad. Some of the talks were held by video conference.” After two and a half years, the men produced a 50-page document, with many maps.

Beilin described the agreement as centered on “the ex-

change of two virtual rights”—Israeli control over Jerusalem’s Temple Mount, and the Palestinian right of return. No Muslim would accept Israeli control over the Temple Mount, just as no Israeli would accept the unlimited right of Palestinians to return, which would end the Jewish character of the state of Israel. The Geneva Initiative proposes to give the Palestinians sovereignty over the Temple Mount, with an international administrative and dispute-resolution body; and to give Israel sovereign control over its immigration policy, setting limits on the number of Palestinians who could move to Israel per year. “We have done the maximum that citizens can do when they believe that the solution is just around the next corner,” Beilin said, “and that the current situation is totally unbearable. Now it’s up to our leaders.”

International Diplomacy

Among world governments, Switzerland is most actively promoting the initiative. Swiss Foreign Minister Micheline Calmy-Ray took the plan to various capitals, including London—where she informed British Foreign Secretary Jack Straw—and Washington. She presented the plan to Jewish organizations in New York, as well as to UN Secretary General Kofi Annan, who welcomed it. She was reportedly told in Washington that the United States “cannot and does not want to take a position on it.”

British Prime Minister Tony Blair welcomed the initiative, as did French Foreign Minister Dominique de Villepin. De Villepin, after meeting with Beilin and Abed Rabbo, explained that the plan complements rather than contradicts the Road Map, backed by America, the European Union, Russia, and the UN. De Villepin and Belgian Foreign Minister Louis Michel have decided to push the initiative inside the EU, and to give financial support to make it possible for every household in Israel and the Palestinian territories, to have a copy.

Predictably, the initiative has wrought panic in the Sharon government. Foreign Ministry Director-General Yoav Biran summoned a Swiss Embassy official in Israel, to say that “the government of Israel did not authorize anyone to deal with this issue, and the Geneva Understandings [sic] have no legal validity. Israel supports the Road Map and President Bush’s vision. That is the only plan that has gained international legitimacy and that is acceptable to the parties. There is no place for alternative initiatives, and international effort invested in promoting the Geneva Understandings, such as the current Swiss activity, is liable to come at the expense of the Road Map and cause it to fail.”

The daily *Ha’aretz* reported: “The Foreign Ministry has instructed all its representatives overseas to combat any move by foreign governments or international organizations to either formally adopt the understandings or to finance efforts to sell them to the Israeli public, on the grounds that this constitutes unacceptable interference in Israel’s domestic affairs.” It will stop short of formal protests, in order not to exaggerate the importance of the initiative, *Ha’aretz* said.

IMF Agenda Costs Uribe The Colombia Elections

by Maximiliano Londoño Penilla

We may soon see unleashed in Colombia a social explosion of the same proportions, or worse, than that experienced in Argentina and Bolivia, because of the stubborn insistence of President Alvaro Uribe Vélez on sticking with the miserable recipes of austerity and economic depression decreed by the International Monetary Fund (IMF). The Fund's sole concern is that Colombia faithfully pay its foreign debt service on time. That debt, which currently stands at \$40 billion, and represents 53% of the country's Gross Domestic Product, is consuming nearly half of the national budget. Now the economic disaffection-driven victory of Luis Eduardo Garzón as the new mayor-elect of Bogota, could mean the rise of the left in Colombia as an effective political front for the narco-terrorists of the FARC and ELN.

The Colombian people have already expressed their rejection of these IMF policies during the recent Oct. 25-26 elections, during which the Uribe government's proposals to reform the Constitution were put to the vote, as were scores of posts for governor, mayor, municipal and city councilmen. The result: Uribe's referendum did not even garner the requisite minimum 6.3 million votes necessary for approval of any of its proposals; and the candidate of the leftist Independent Democratic Pole, "Lucho" Garzón, who is favorable to the FARC narcoterrorists, won the powerful post of mayor of Bogotá. The left also won the governorships of two important provinces, Valle del Cauca and Nariño, and the mayoral offices in the cities of Pasto and Barrancabermeja. The traditional Liberal and Conservative Parties suffered significant electoral defeats, and acknowledged that they are going through their worst crisis in decades.

'We Pay Our Bills'

"Here, we don't ignore our bills, and we are going to pay them all. But we have millions of poor who are demanding investment. It is as serious for a democracy when a State does not pay its debts, as it is for its citizens to suffer hunger because of paying them," Uribe said in a national broadcast following the elections. But the measures of brutal austerity, including new and higher taxes, spending and public investment cutbacks—all of which Uribe presented to the nation as his "Plan B" alternative to the failed referendum—were intended solely to guarantee payment on the debt, reducing

even further the precarious living standards and employment levels of the population. Despite the President's expressed concern for Colombia's "millions of hungry poor," the fact is that his message was primarily directed toward calming the "international markets," which are demanding more blood, sweat and tears.

Uribe won the Presidency back in 2000 because he promised Colombians he would reverse the concessions his predecessor Andrés Pastrana had given to the narcoterrorist FARC. Uribe and his program for confronting the terrorists, despite his brutal economic measures at the close of 2002, still won a significant level of support. That is, until now.

Garzón, who took the post of Bogota's mayor by presenting himself as Robin Hood defending the poor, has made it abundantly clear that his priority is to stop Uribe's mobilization against the FARC and ELN narcoterrorists, on the pretext of mediating a new "peace process." Thus, the only viable option for preventing a "left"/"right" narcoterrorist insurgency from blowing up Colombia—as the coca-growers of Evo Morales have already done in Bolivia with the overthrow of President Gonzalo Sánchez de Lozada—is if Uribe definitively breaks with the IMF and its genocidal policies, and launches a genuine peace process founded on a vigorous program of economic recovery. The centerpiece of such a program must be the creation of stable and well-paid jobs dedicated to the construction of great infrastructure works, such as those undertaken by U.S. President Franklin D. Roosevelt during the Great Depression of the 1930s.

If they don't want to go down in history as the authors of Colombia's greatest tragedy, both President Uribe and Mayor-elect Garzón must adopt the New Bretton Woods and Eurasian Land-Bridge proposals of American Presidential pre-candidate Lyndon LaRouche. Colombia must abandon the IMF-dictated policies of "debt sustainability" at the cost of production and jobs, and replace these with "job and production sustainability," at the expense of the unpayable foreign debt.

Otherwise, it is highly possible that Uribe will not be able to finish his mandate; or if he does so, it will only be to deliver it over to the new left of Garzón and his allies. In reality, that "new left" could end up becoming the political front for the FARC and ELN narco-terrorists.

Despite the failed peace talks held in the Caguán during the Pastrana Presidency, the FARC has demanded of the Uribe government that three of Colombia's provinces be "demilitarized," supposedly to be able to re-start the "negotiating process." Is the plan to turn the capital city under Lucho Garzón into the next Caguán? The FARC and ELN must be profoundly grateful to the IMF, the World Bank, the Inter-American Development Bank, and to the World Trade Organization; because, thanks to the ravages wrought by their austerity programs, the narcoterrorists now have the perfect pretext for presenting themselves to the Colombian people as the champions of social justice.

‘Cheney-Gate’ Escalates as Probe Becomes Official

by Jeffrey Steinberg

With the announcement by Sen. Jay Rockefeller (D-W.V.) that he had obtained a pledge from Senate Intelligence Committee Chairman Pat Roberts (R-Kan.) to open a formal probe of the pre-Iraq-War intelligence process, “Cheney-gate” has moved into an intensive new phase. Based on interviews with a dozen leading U.S. military, intelligence, and Congressional sources, it can be fairly stated that the fate of Vice President Dick Cheney—and the direction of the Bush Presidency—will be determined by how this battle plays out over the weeks ahead. There are signs of fissures in the Cheney and neo-conservative camp inside the Bush Administration, and also of intense pressure by Cheney loyalists on key Republican members of Congress to stymie the Senate probe.

Under the current rules of the Senate Select Committee on Intelligence, an inquiry can be launched whenever five members of the panel formally request it. And, as Vice Chairman of the panel, Senator Rockefeller can chair meetings in Roberts’ absence.

This situation has the Cheney crew panicked, and during the week of Nov. 3, they launched a number of dirty tricks aimed at subverting the committee’s work. Their efforts have the potential to backfire, and even trigger a “Watergate cover-up”-style scandal that could hasten Cheney’s resignation or impeachment.

Formal Probe Launched—At Last

In early November, Senator Rockefeller, after months of staff investigation and behind-the-scenes wrangling, announced that he had won agreement from Chairman Roberts to launch a formal investigation of several facets of the pre-Iraq-War intelligence process. Since that agreement was struck, letters have gone out to the Pentagon, State Department, CIA, and White House, requesting specific documents and interviews with key personnel. Some of the letters were co-signed by Roberts and Rockefeller, and others went out

under Rockefeller’s signature alone. As of Oct. 31, the State Department and CIA had largely complied with a deadline for initial document submissions to the panel, but both the White House and the Pentagon were stalling.

On “Meet the Press” on Nov. 2, Senator Roberts told co-guest Rockefeller and host Tim Russert that he had received promises from the White House and the Pentagon on Oct. 31, that they would comply with the voluntary document requests. Rockefeller responded skeptically to the Roberts announcement.

An Oct. 31 Knight-Ridder wire service charged that top officials in Cheney’s office were putting tremendous pressure on Roberts to block any probe of White House abuse of the intelligence process, and focus all blame for the Iraq failures, instead, on the CIA. With Roberts being pulled in two directions, Rockefeller produced the five committee votes required to launch a further inquiry, and Roberts, at that point, signed on. The areas now known to be under investigation by the Senate panel include:

- The role of the Office of Special Plans (OSP), the Pentagon unit under Assistant Secretary of Defense for Policy Douglas Feith that was tasked with Iraq war planning and pre-war intelligence assessments. The OSP was headed by William J. Luti, who came to the Pentagon from the Office of Vice President Dick Cheney in mid-2001, where he was a Special Advisor for National Security Affairs and Mideast Policy.

The chief intelligence analyst in the unit, Abram Shulsky, assembled a team of full-time and “personal service contract” employees, drawn from the neo-conservative scene in Washington. There are widespread allegations that the OSP conducted “out of channel” intelligence gathering, drawing upon Ahmed Chalabi’s Iraqi National Congress, a group widely discredited in the eyes of the CIA, the State Department, and even the Defense Intelligence Agency; and on intelligence

flows from a parallel rogue intelligence unit created in the Office of Israeli Prime Minister Ariel Sharon, at Feith's initiative.

One key question posed by Senator Rockefeller and others on the intelligence panel is whether the raw intelligence generated by the OSP went through normal intelligence community vetting, before being passed along to Secretary of Defense Donald Rumsfeld and Vice President Cheney. According to Lt. Col. Karen Kwiatkowski (USAF, ret.), who served in the Near East and South Asia policy shop at the Pentagon that housed OSP, at staff meetings Luti had boasted that the unit was being tasked by Lewis Libby, Cheney's national security advisor and chief of staff.

According to one senior U.S. intelligence source, OSP, as well as an earlier secret intelligence unit, was established at the Pentagon so that it would function in a low profile, at arm's length from Cheney's office. The aim was to avoid a repeat of the disastrous "Iran-Contra" scandals that rocked the Reagan Administration in the 1980s, when the National Security Council was caught running unauthorized covert operations.

- The role of John Bolton, the State Department's chief arms control officer, in hyping reports of Iraqi weapons of mass destruction programs in the run-up to the war. Although an October 2002 hastily prepared National Intelligence Estimate on Iraq's weapons of mass destruction program included an extensive dissent, from the State Department's Intelligence and Research (INR) unit, expressing serious doubts about the existence of any Iraqi current nuclear weapons program, a Dec. 19, 2002 State Department fact sheet explicitly charged that Iraq was covering up its quest for large volumes of "yellowcake" uranium from Niger. This, despite the fact that the "yellowcake" allegations had been investigated by former Ambassador Joe Wilson and two others. State Department sources have told *EIR* that Bolton and his deputy at the time, David Wurmser, were responsible for that insertion in the official State Department document.

Rockefeller has stated that he wants the committee to get to the bottom of the now infamous "16 words" inserted into President Bush's January 2003 State of the Union address, alluding to British evidence of Iraq's quest for African uranium—when the same false allegations had been purged from Bush's October 2002 Cincinnati speech, at the insistence of CIA Director George Tenet.

- The role of at least one National Security Council official in the same State of the Union lie: Dr. Robert Joseph, the proliferation desk officer at the NSC and a longtime protégé of neo-conservative Richard Perle, a member of the Defense Policy Board who was a key player in the "yellowcake" caper. Sources familiar with the current functioning of the NSC say that Joseph takes his orders from Lewis Libby in Cheney's office—not National Security Advisor Condoleezza Rice. Joseph got his job at the NSC at the insistence of Perle.

- The Valerie Plame leak. FBI investigators, according to intelligence community sources, have expanded their in-

vestigation into the source of the leak of the identity of the wife of Ambassador Wilson, a CIA "non-official cover" officer. The sources say that the Bureau is now looking back as early as March 2003, and is also interested in the possible role of former House Speaker Newt Gingrich (R-Ga.), a member of the Defense Policy Board. Gingrich, along with Cheney and Libby, made several unprecedented visits to CIA headquarters in the run-up to the Iraq War, to pressure analysts to come up with "proof" that Saddam was amassing weapons of mass destruction and colluding with al-Qaeda.

Friends of Cheney Strike Back

As momentum was building for a serious probe of the "Cheney-gate" intelligence fakery, a dirty tricks campaign was launched, aimed at shutting down the Senate investigation. On Nov. 4, syndicated right-wing radio show host Sean Hannity surfaced a memorandum, purportedly written by a Democratic staffer on the Senate intelligence panel, spelling out a "partisan strategy" for using the Iraq intelligence probe in the context of the 2004 Congressional and Presidential elections.

Immediately, GOP Senate hard-liners, led by Rick Santorum (Pa.) and John Kyl (Ariz.), and including panel chairman Roberts, launched into attacks on Rockefeller, accusing all the Democrats on the intelligence panel of "politicizing" the committee's work. Rupert Murdoch's *New York Post* editorialized for Rockefeller's removal from the panel, and the Moonie *Washington Times* editorialized for the rewriting of the panel rules, to give absolute partisan control to the chairman.

Rockefeller downplayed the significance of the memo, which was only in draft form, telling CNN, "It clearly reflects staff frustration that the Senate Intelligence Committee's investigation has not tackled all of the tough issues." However, Rockefeller, and other Democrats are raising the roof over how the document got into the hands of Hannity. The offices of the Senate intelligence panel are under 24-hour security, suggesting that Republicans on staff may have stolen the document, or cyber-swiped it from staff computers.

There is good reason for panic at the Vice President's office and in other neo-con crevices in Washington. A serious probe by the Senate into any of the above-listed areas will produce evidence of serious corruption by policymakers—starting with Cheney and Libby.

The Valerie Plame leak remains a particular matter of concern for Cheney and Libby, given that the leaker and his or her accomplices face felony prosecutions and possible long prison terms. Some intelligence community officials are urging that the Senate Intelligence Committee launch its own damage assessment of the leak. As Ambassador Wilson told an audience at the Miller Center at the University of Virginia on Oct. 31, high-ranking officials of the Bush Administration, for ideological reasons, "outed" a CIA spy and gravely harmed U.S. national security. And they are still in place, and will do it again, if they are not caught.

Ashcroft Under Attack, Hides From Critics

by Edward Spannaus

Are John Ashcroft's days numbered as Attorney General in the Bush Administration? Some observers think they are—for just as Vice President Dick Cheney and his neo-conservative cronies have become a liability to the Administration, so Ashcroft is being seen in the same light, as he comes under increasing fire, while refusing to face his opponents.

Ashcroft's ducking from critics was particularly obvious on Oct. 21, at a hearing of the Senate Judiciary Committee, during which he came under attack from Edward Kennedy (D-Mass.) and other Senators, for not showing up to be questioned about the USA/Patriot Act.

Where was John that day? In Philadelphia, in one of the three visits he made to there during the week of Oct. 20. The city was in an uproar about an FBI eavesdropping device found in the office of Mayor John Street, while the Mayor was engaged in a battle for re-election.

Three Philadelphia-area Congressmen asked to meet with Ashcroft to ask him to explain the bugging of Street's office and the FBI leaks about the investigation, but, typically, Ashcroft refused. "We want to meet with the Attorney General to have him explain to us why his personnel chose to bug the office of the Mayor so [close] to the election," said Rep. Joe Hoeffel.

'An Empty Chair . . .'

At the Senate hearing, Senator Kennedy criticized Ashcroft for refusing to come before the Judiciary Committee to face questioning. "Only the Attorney General can supply adequate answers to our questions, and I, like others, regret he is not here to do so," Kennedy said. "He has not reported to the Committee since early March, yet he has the time to barnstorm the country in an exercise that's far more public relations, not a law enforcement exercise."

The reference was to Ashcroft's two-week tour around the country to promote the Patriot Act, in which he spoke only to hand-picked audiences of supporters, took no questions, and avoided any discussions with critics of the anti-terrorism law.

Kennedy said that the lower-level Department of Justice (DOJ) officials who were testifying at the hearing, just like Ashcroft, insist on defending "extreme measures, which may well threaten basic freedoms more than they prevent acts of terrorism."

Sen. Richard Durbin (D-Ill.) said that "there's an empty

chair here today . . . which should be filled by the Attorney General of the United States, who frankly has been a rare visitor to Capitol Hill when it comes to justifying his administration's process and procedure that they're using to fight terrorism."

Sen. Joseph Biden (D-Del.) warned the DOJ officials present, that "the [Patriot] Act will be repealed if you don't get your act together" and start sharing information with Congress. "And the idea that the Attorney General of the United States has to be in Philadelphia . . . or whatever the hell or heck he's doing, and not being willing to be here before this Committee, is outrageous. It's absolutely outrageous that he wouldn't be here."

The Naked Truth

The most controversial area, which Ashcroft refuses to discuss except in front of friendly, specially selected audiences, is the Department's use of the 2001 USA/Patriot Act, rammed through Congress in the wake of the September 11 attacks and in the midst of the anthrax scare.

More and more indications are emerging, as to how the Department is using the extraordinary powers that it was granted for use in counter-terrorism investigations, in ordinary criminal cases which have no relation to terrorism. A DOJ report in May reported that Patriot Act powers had been used in cases of credit card fraud, bank theft, and drug violations.

The latest example involves an investigation of a Las Vegas strip club owner, Michael Galardi, and a number of local politicians, on allegations such as bribery and racketeering. "The law was intended for activities related to terrorism and not to naked women," said Sen. Harry Reid (D-Nev.). As to Galardi and his gang, "I don't condone, appreciate, or support their nakedness," but "I haven't heard anyone say at any time he was involved in terrorism."

'Diversity' Redacted

In another effort to keep Congress and the public in the dark, Ashcroft's Justice Department suppressed, for over a year, a study critical of the Department's personnel practices with respect to minorities. And when the report was finally posted on the DOJ website, almost half of it was blacked out. The full report has now been made available to the public, through the efforts of a private "information archeologist" who was able to reconstruct the full text.

The report, prepared by KPMG Consulting (now BearingPoint), found that the Department has "significant diversity issues," and that "minorities are significantly more likely than whites to cite stereotyping, harassment, and racial tension as characteristic of the work climate" in the Department. Minorities were found to be more likely to perceive unfairness in hiring and promotion practices; they are "significantly under-represented in management ranks" and "are substantially more likely to leave the Department than whites." (All of

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Ashcroft's Department of Justice keeps the Congress informed!—typical part of a report on diversity in the DoJ workforce, submitted by the Attorney General to Congress.

these findings were redacted from the report as posted by the DOJ.)

During another Senate hearing, Senator Kennedy said that the manner in which the Department handled the report calls into question its commitment to diversity in its own workplace. Kennedy added that this “gives the distinct impression that the Department commissioned the report, then left it on the shelf, ignoring the recommendations.”

On Nov. 3, Reps. John Conyers (D-Mich.) and Jerrold Nadler (D-N.Y.) asked the Department of Justice's Inspector General to investigate the Department's conduct concerning the “diversity” report—both the delay in releasing it, and then the extensive deletions in the copy made public. They wrote that “it is outrageous that the very agency that is charged with rooting out discrimination would make it so difficult for the public to scrutinize its own civil rights record,” and asked “if the Department's purpose in withholding the information was simply to cover up its own poor record.”

Even before the existence of the KPMG Consulting report was known, the Oct. 12 *Washington Post* had noted the virtual disappearance of minorities among the Department's top management positions. After Ashcroft's bruising confirmation battle, in which his racial views and pro-Confederate sympathies were a major subject of controversy, he quickly appointed minorities to about one-third of top management

positions. Now, there is only one in the Department's top ranks.

More Internal Dissension

Internal dissension within the Justice Department has also surfaced in a number of other areas.

Legal Times reported on Oct. 13 that Ashcroft rarely meets face-to-face with top officials in the Department, preferring to filter everything through his Chief of Staff David Ayres and Deputy Chief of Staff David Israelite. A former DOJ official is quoted as saying that senior officials in the Department “would be shut down” when they would ask to speak to Ashcroft. “You can never talk to this Attorney General one-on-one,” he said.

Notably, both of the “Davids”—as they are known—are political operatives with no apparent law enforcement experience: Ayres ran Ashcroft's Senate campaign in 1984, and then his Senate office; Israelite's most recent employment was with the Republican National Committee.

Another arena in which Ashcroft has come under attack from inside the DOJ, as well as outside, is his handling of the investigation of the Administration's leaking of the identity of a CIA covert officer, the wife of former Ambassador Joseph Wilson. This was raised by a number of Senators during the Oct. 21 hearing, and Ashcroft has also come under criticism from his own colleagues within the Justice Department.

The *New York Times* reported on Oct. 16 that several senior prosecutors at the Justice Department, and some top FBI officials, have privately criticized Ashcroft for failing to recuse (disqualify) himself, or for failing to appoint a special prosecutor to conduct the investigation. According to the *Times*, these officials believe that Ashcroft cannot credibly lead a criminal investigation that centers on top officials of the White House with which he is so closely aligned.

Knowledgeable intelligence sources in Washington report that Ashcroft is keeping himself in charge of the probe, in order to be in a position to suppress any serious investigation or charges that would hit the White House.

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Byrd Denounces Senate Capitulation on Iraq

"The conference report before the Senate today is a flawed agreement that was produced by political imperative, not by reasoned policy considerations," concluded Sen. Robert Byrd (D-W.Va.), during debate on the \$87 billion Iraq War Supplemental on Nov. 3. His conclusion came near the end of a ten-minute speech in which he denounced the capitulation of the Senate on every amendment in the bill that would have held the Bush Administration accountable for its policy in Iraq. Byrd noted that Senate negotiators gave in to the Administration on a number of provisions that had been supported by both parties in the Senate. These included not only the provision turning \$10 billion of the Iraq reconstruction money into loans, but also that requiring the Government Accounting Office to conduct ongoing audits of the money the Administration is spending in Iraq. That amendment had been approved in the Senate by a vote of 97-0, yet was stripped out in conference by a party-line vote of 15-14.

Byrd framed the Senate's capitulation in terms of blind support for the policies of President Bush by members of his party. He reminded the Senate that every member "swears an oath to support and defend the Constitution of the United States," not the President or a political party. "I am here to tell you," he said, "that neither the Constitution nor the American people are well served by a process and a product that are based on blind adherence to the will of the White House and to the will of the President at the expense of Congressional checks and balances." He told the Senate that "victory implies doing what is right; doing what is right implies morality; morality implies standards of conduct"; and

warned that this victory may prove to be pyrrhic for the Bush Administration.

Byrd's warnings fell on deaf ears, however, as the Senate approved the bill on a voice vote, with only five Senators present (the others, evidently fearing that their recorded votes on the bill would come back to haunt them politically, agreed to the voice vote, which does not require that a quorum of the Senate be present). The House had acted at about 1 a.m. on Oct. 31, to pass the bill by a vote of 298-121, despite the GOP's ramming the bill through under a so-called "martial law" rule, meaning that members did not have the once-customary three days to review the conference report before voting on it. The swing issue for many members who had misgivings about the bill, was the \$1.3 billion added to it for veterans' health care, as well as the provision allowing members of the reserves and National Guard to buy into the Pentagon's Tricare health insurance program.

Push To Privatize Air Traffic Control

Republican negotiators on the conference report on a bill to reauthorize the programs of the Federal Aviation Administration, threw opponents of the privatization of air traffic control services for a loop; Republicans removed from the bill, provisions to prohibit the privatization of air traffic control towers. Both the House and Senate versions had included the prohibitions, but the negotiators replaced them with language allowing the privatization of up to 69 towers. House Democrats responded by calling for the report to be recommitted to the

conference committee to restore the original language.

Indeed, the House voted 407-0, on Oct. 28, to recommit the bill to the conference committee, with instructions to the committee to remove the privatization language. The bill reappeared on the House floor two days later, however, with only cosmetic changes and no evidence that the conference committee had actually met in the intervening time, causing Democrats to complain even more loudly. Rep. James McGovern (D-Mass.) told the House that the Republicans had invented a new trick, the invisible conference committee, and that the conference "did not hold a single public meeting, a violation of House rules, and did not give any Democratic members any opportunity for input or amendment." Rep. Steny Hoyer (D-Md.) noted that the original provision barring privatization was passed "because we were concerned about the safety of the American public." He charged that the Republican leadership had "hijacked" the bill and rejected the opinions of both the House and the Senate.

The Republicans prevailed, however, winning a vote of 220-199 on a rule waiving all points of order against the conference report, and thus insulating themselves to charges by the Democrats that the bill was on the floor in violation of House rules. The conference report, itself, narrowly passed by a vote of 211-207.

Democrats Filibuster Pickering Nomination

The fight in the Senate over judicial nominations took another nasty turn on Oct. 30, when the Republicans were unable to break a Democratic filibuster against the nomination of Judge

Charles Pickering to a seat on the Fifth Circuit Court of Appeals. The vote on the filibuster was 54-43, 6 votes short of the required 60. This was the second round for Pickering, whose nomination had been rejected by the Judiciary Committee, then Democrat-controlled, in 2002, but was resubmitted by President Bush in January 2003.

During the debate, Judiciary Committee Chairman Orin Hatch (R-Utah) charged that Senate Democrats “have pushed the notion of injecting ideology into the confirmation process and have taken unprecedented steps to oppose judicial nominees.” He said that opponents of the nominees “distort the record, make unreasonable demands for privileged information, and force multiple cloture votes. This is all part of the strategy of changing the ground rules on judicial nominations that Senate Democrats have implemented.” Patrick Leahy (D-Vt.) charged, in turn, that the Republicans had abandoned work on “very real problems” in education, health care, and national security “to turn the Senate’s attention to wheel-spinning exercises involving the most controversial judicial nominees.”

Whatever Happened To Manufacturing Jobs?

Rep. Don Manzullo (R-Ill.), the chairman of the House Small Business Committee, chaired a round table discussion on Oct. 29, on the collapse of manufacturing in the United States, featuring representatives of 18 industry associations, including the National Association of Manufacturers and the Association of Manufacturing Technology. After noting that 2.8 million manufacturing jobs have disappeared in the last 38 months, he re-

ported that in his district in northern Illinois, two factories shut down in one week recently, laying off 1,200 people. He said that the official unemployment rate was 11.7% before the layoffs, but is probably over 12% now; and the effective unemployment rate is probably 15-17%, because there are so many people who have been unemployed so long they have exhausted their unemployment benefits. Rep. John Peterson (R-Penn.) reported that in his district, he counted 17,376 manufacturing jobs lost in 2001 and 2002, with the rate continuing in 2003. He said his district, which encompasses 17 counties in northern Pennsylvania, is losing a company almost every week.

While there was a great deal of discussion on the difficulties that manufacturers are having due to skyrocketing energy and health care costs, unfair foreign competition, and lack of government support in procurement and in research and development, there were no substantial ideas of what to do about the problem. Rep. Chris Chocola (R-Ind.) said that while everybody has “stated the case very well . . . the question is what do we do about it.” Chocola then went on to tout some of the measures that the GOP has been promoting, such as tort reform, association health plans, tax reform, and reducing government regulations.

Frist: Senate Will Finish by Nov. 21

Senate Majority Leader Bill Frist (R-Tenn.) announced on Nov. 4, that he planned to shoot for Nov. 21 as the adjournment date for the first session of the 108th Congress. This would mean finishing the remaining appropriations bills, as well as legislation on

energy and Medicare. “I hope that we will not see unnecessary obstruction along the way,” he said, “because if there is unnecessary obstruction, we simply are not going to be able to fulfill this agenda.” Sen. Thad Cochran (R-Miss.) charged that the Democrats were objecting to sending the Healthy Forests legislation, which the Senate had passed a few days before, to conference with the House. He indicated that if the Democrats continued to object, he would be filing cloture on the motion to go to conference.

In contrast, a couple of hours before Frist and Cochran spoke, Senate Minority Leader Tom Daschle (D-S.D.) was complaining that it was the Republicans who seemed to be in no hurry. He suggested that they were confused by the unusually warm weather, which “has them thinking this is still Summer and that we have all kinds of time to finish our appropriations bills.” He charged that “it’s irresponsible now that we are well into the new fiscal year . . . and we have yet to accomplish the work that should have been done over a month ago.” Daschle did say, however, that Frist had indicated to him that the GOP intent was to take up the unfinished appropriations bills one at a time, rather than rolling them into an omnibus package.

On the Forest Health bill, Daschle said that the Democrats were going to ask to send it directly over to the House, to let the House accept it or amend it, rather than appointing conferees. “This is something the Senate used to do all the time,” he said.

The two sides are already in a tussle over a bill to promote charitable giving, which Democrats say they support, but are objecting to sending it to conference with the House; whereas the Republicans are objecting to sending it directly to the House—thereby leaving it in limbo.

Grossly False Domestic Product

As long as two years ago, *EIR* editorialized that it was “time to scrap the fraud of GDP,” gross domestic product, that “growth” that occurs, like that of human hair and nails after death, on the corpses of dead economies. GDP has been growing briskly all this year in Argentina’s economy, for example, which is so thoroughly devastated by the devaluations and debt looting of the past decade that well over half of all Argentines officially live in poverty—and that percentage is increasing. Exactly one year ago, economics researcher Richard Freeman wrote one of our lead stories about the U.S. economy: “U.S. Third-Quarter GDP Fraud Stands Exposed by Bad October,” in our Nov. 15, 2002 issue. It seems that then, just as this year, a sudden spurt of “growth”—at a supposed 3.5% annual rate, later “revised upwards” to 4.2%, had been found to occur in what remains of the broken-down American economy in the third quarter of 2002. Then, a national Congressional election was upon us; now, the Presidential campaign of 2004 is under way.

During the year since that third-quarter 2002 “surge of growth”—which was much-acclaimed at the time as the “recovery at last”—the United States economy as a whole has lost approximately 1 million more jobs, and the manufacturing sector has gone through 12 more consecutive months of job loss. And this month—October 2003—even as the Bureau of Labor Statistics (BLS) was trumpeting “three straight months of job gains,” U.S. corporations *announced* 172,000 job cuts, more than twice as many as in September. Shades of October 2002, when 176,000 layoffs were announced after the third quarter’s spurt of “growth.”

Would it be going too far to say that the Commerce Department and the BLS simply “make these things up” for appropriate political occasions? There were “reasons” for that third-quarter growth a year ago, as Richard Freeman broke them down in his study: 52% of all that growth was accounted for by motor vehicle sales, achieved by massive incentives and by phantom “quality adjustments” by the BLS, which put back in, the sale value which the incentives had given away!; and

another 32% of the growth came from an increase in computer equipment sales, actually very small, which was multiplied seven times over by the “hedonic indexing” fraud of the Commerce Department.

There are “reasons” for this third quarter’s supposed 7.2% rate of growth, also. All of this “growth” occurred in the service economy; the underlying real economy—the manufacturing and infrastructure sectors—continued to shrink through October. It was being driven by huge increases in Defense-led government spending—the Federal budget deficit for just the first quarter of the new fiscal year will be near \$125 billion—and by an even more vast ballooning of consumer indebtedness centered on real estate and mortgage debt, and tax cuts. When that real estate bubble pancakes, consumer “incomes” could be cut by 50% in some income categories of the American population. And then there is the continuing net flow of hundreds of billions of dollars looted into the United States, from a Europe, South America, and Asia most of which are in depression. The UN recently reported the net flow of loot *from the Third World alone* at \$200 billion a year, which drew a public protest from Secretary General Kofi Annan.

Such are the kind of “reasons” for this year’s electorally convenient third-quarter “burst of growth.” None of them are sustainable even in the short term.

The difference between the 2002 and 2003 frauds, is that this year’s third-quarter “recovery,” though pushed with much greater intensity in the media and government circle’s than last year’s, is much less credited internationally by those who see the real state of the world’s physical economy; and certainly, much less believed by the nearly 20 million Americans who can’t find the jobs they’re looking for. The only sensible step is to abandon the fraud of GDP entirely, since the “figures” on which it is based have been shown by *EIR* and others to be too blatantly imaginary even to analyze. A LaRouchian physical-economic program of recovery investments in public infrastructure and production is the only thing worth measuring, and will take a revival of honest economic accounting to do so.

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 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

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 Cox Ch.4
 2nd Tue: 4:30 pm
GEORGIA
 • ATLANTA
 Comcast Ch.24
 Wednesdays—10 am
IDAHO
 • MOSCOW—Ch. 11
 Mondays—7 pm

ILLINOIS
 • CHICAGO
 AT&T/RCN/WOW Ch.21
 Fri., 11/14: 10 pm
 Sat. 11/22: 5 pm
 • 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
 AT&T Ch.21
 Monday-Thursday
 8 am - 12 Noon

IOWA
 • QUAD CITIES
 Mediacom Ch.19
 Thursdays—11 pm

KENTUCKY
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 Mondays—10:30 pm

MASSACHUSETTS
 • BRAintree
 AT&T Ch.31
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 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

MINNESOTA
 • ANOKA
 AT&T Ch.15
 Mon: 4 pm & 11 pm
 • BURNSVILLE/EGAN
 ATT Ch.14,57,96
 Tuesdays—9:30 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
 Fridays 1 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: Btw. 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)
 SPIN 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

NEVADA
 • CARSON—Ch.10
 Wednesdays—7 pm
 Saturdays—3 pm
 • RENO/SPARKS
 Charter Ch.16
 Wednesdays—9 pm
 • GARY
 NEW JERSEY
 • MERCER COUNTY
 Comcast*
 TRENTON Ch.81
 WINDSOR/Ch.27
 MONTVALE/MAHWAH
 Time Warner Ch.27
 Wednesdays—4 pm
 • NORTHHER NJ
 Comcast Ch.57*
 PISCATAWAY
 Cablevision Ch.71
 Wed—11:30 pm
 • PLAINSBORO
 Comcast Ch.3*

NEW JERSEY
 • ALBUQUERQUE
 Comcast Ch.27
 Mondays—3 pm
 Daily: 10 am; or
 12 Noon; or 2 pm;
 or 12 Midnight
 • OBERLIN—Ch.9
 Tuesdays—7 pm
 • REYNOLDSBURG
 Ch.6: Sun—6 pm

NEW MEXICO
 • LINN/BENTON
 AT&T Ch.99
 Tuesdays—1 pm
 • TAOS—Ch.2
 Saturdays—6:30 pm
 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: 12 Noon & 8 pm
 • BUFFALO
 Adelphia Ch.20
 Thursdays—4 pm
 Saturdays—1 pm
 • CHEMUNG/STEBEN
 Time Warner Ch.1
 Mon & Fri: 4:30 pm
 • ERIE COUNTY
 Adelphia Intl. Ch.20
 Thursdays—10:35 pm
 • ILION—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 Ch.34
 Fridays—5 pm
 Thursdays—9 pm
 • QUEENSBURY Ch.71
 Thursdays—7 pm
 • RIVERHEAD Ch.70
 Thu—12 Midnight
 • ROCHESTER—Ch.15
 Sundays—3 pm
 Mondays—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
 • TAOS—Ch.2
 Saturdays—6:30 pm
 Thursdays—7 pm

RHODE ISLAND
 • E.PROV.—Ch.18
 Tuesdays—6:30 pm
 • STATEWIDE
 RI Interconnect
 Cox Ch.13
 Full Ch.49
 Thursdays—10 am

Texas
 • AUSTIN Ch.10
 T/W & Grande
 Wednesdays—7 pm
 • DALLAS Ch.13-B
 Tuesdays—10:30 pm
 • EL PASO COUNTY
 Adelphia Ch.4
 Tuesdays—8 pm
 Thursdays—11 am
 • HOUSTON
 Time Warner Ch.17
 Tuesdays—5 pm
 Saturdays—9 am
 Wed. 11/5: 7:30 pm
 Mon, 11/10: 7 pm
 Wed, 11/12: 6:30 pm
 Thu, 11/20: 5:30 pm
 • KINGWOOD Ch.98
 Kingwood Cablevision
 Tuesdays—5 pm
 Saturdays—9 am
 Wed, 11/5: 7:30 pm
 Mon, 11/10: 7 pm
 Wed, 11/12: 6:30 pm
 Thu, 11/20: 5:30 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
 Tuesdays—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
 Mondays—7 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

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.CLAR.VLY.
 T/W & AT&T Ch.20
 Fridays—1:30 pm
 • SANTA MONICA
 Adelphia Ch. 77
 Thursdays—4:30 pm

• TULUINGA—Ch.19
 Mondays—9 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
 Daily—8:30 pm

• W.HOLLYWOOD
 Adelphia Ch. 37
 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—5 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

FLORIDA
 • ESCAMBIA COUNTY
 Cox Ch.4
 2nd Tue: 4:30 pm
GEORGIA
 • ATLANTA
 Comcast Ch.24
 Wednesdays—10 am

IDAHO
 • MOSCOW—Ch. 11
 Mondays—7 pm

ILLINOIS
 • CHICAGO
 AT&T/RCN/WOW Ch.21
 Fri., 11/14: 10 pm
 Sat. 11/22: 5 pm
 • 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
 AT&T Ch.21
 Monday-Thursday
 8 am - 12 Noon

IOWA
 • QUAD CITIES
 Mediacom Ch.19
 Thursdays—11 pm

KENTUCKY
 • BOONE/KENTON
 Insight Ch.21
 Mon: 4 pm; Sat: 5 pm
 • JEFFERSON Ch.98
 Fridays—2 pm

LOUISIANA
 • ORLEANS PARISH
 Cox Ch.78
 Tuesdays & Saturdays
 4 am & 4 pm
MARYLAND
 • ANNE ARUNDEL
 Annapolis Ch.20
 Millennium 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

MINNESOTA
 • ANOKA
 AT&T Ch.15
 Mon: 4 pm & 11 pm
 • BURNSVILLE/EGAN
 ATT Ch.14,57,96
 Tuesdays—9:30 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
 Fridays 1 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: Btw. 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)
 SPIN 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

NEVADA
 • CARSON—Ch.10
 Wednesdays—7 pm
 Saturdays—3 pm
 • RENO/SPARKS
 Charter Ch.16
 Wednesdays—9 pm
 • GARY
 NEW JERSEY
 • MERCER COUNTY
 Comcast*
 TRENTON Ch.81
 WINDSOR/Ch.27
 MONTVALE/MAHWAH
 Time Warner Ch.27
 Wednesdays—4 pm
 • NORTHHER NJ
 Comcast Ch.57*
 PISCATAWAY
 Cablevision Ch.71
 Wed—11:30 pm
 • PLAINSBORO
 Comcast Ch.3*

NEW JERSEY
 • ALBUQUERQUE
 Comcast Ch.27
 Mondays—3 pm
 Daily: 10 am; or
 12 Noon; or 2 pm;
 or 12 Midnight
 • OBERLIN—Ch.9
 Tuesdays—7 pm
 • REYNOLDSBURG
 Ch.6: Sun—6 pm

NEW MEXICO
 • LINN/BENTON
 AT&T Ch.99
 Tuesdays—1 pm
 • TAOS—Ch.2
 Saturdays—6:30 pm
 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: 12 Noon & 8 pm
 • BUFFALO
 Adelphia Ch.20
 Thursdays—4 pm
 Saturdays—1 pm
 • CHEMUNG/STEBEN
 Time Warner Ch.1
 Mon & Fri: 4:30 pm
 • ERIE COUNTY
 Adelphia Intl. Ch.20
 Thursdays—10:35 pm
 • ILION—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 Ch.34
 Fridays—5 pm
 Thursdays—9 pm
 • QUEENSBURY Ch.71
 Thursdays—7 pm
 • RIVERHEAD Ch.70
 Thu—12 Midnight
 • ROCHESTER—Ch.15
 Sundays—3 pm
 Mondays—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
 • TAOS—Ch.2
 Saturdays—6:30 pm
 Thursdays—7 pm

RHODE ISLAND
 • E.PROV.—Ch.18
 Tuesdays—6:30 pm
 • STATEWIDE
 RI Interconnect
 Cox Ch.13
 Full Ch.49
 Thursdays—10 am

Texas
 • AUSTIN Ch.10
 T/W & Grande
 Wednesdays—7 pm
 • DALLAS Ch.13-B
 Tuesdays—10:30 pm
 • EL PASO COUNTY
 Adelphia Ch.4
 Tuesdays—8 pm
 Thursdays—11 am
 • HOUSTON
 Time Warner Ch.17
 Tuesdays—5 pm
 Saturdays—9 am
 Wed. 11/5: 7:30 pm
 Mon, 11/10: 7 pm
 Wed, 11/12: 6:30 pm
 Thu, 11/20: 5:30 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
 Tuesdays—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
 Mondays—7 pm
 • KENNEWICK
 Charter Ch.12
 Mondays—12 Noon
 Thursdays—8:30 pm
 • PASCO
 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

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.CLAR.VLY.
 T/W & AT&T Ch.20
 Fridays—1:30 pm
 • SANTA MONICA
 Adelphia Ch. 77
 Thursdays—4:30 pm

• TULUINGA—Ch.19
 Mondays—9 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
 Daily—8:30 pm

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