

# EIR

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U.S. Lurches for Exit in Iraq—'Fall of Saigon II'?  
UN, Israeli Institutions Tell Sharon: Make Peace  
'Plumbers' Are Under Investigation in Cheney-Gate

## Campaign 'Hot Phase' Turns Heat on Nation's Capital





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## From the Associate Editor

**L**istening to Lyndon LaRouche's webcast in Detroit over a poor Internet connection on Nov. 20, with the sound of his voice fading in and out, sometimes disappearing altogether, I felt for a moment as though I were hearing President Franklin D. Roosevelt, in one of his radio "fireside chats" during World War II. LaRouche was talking about what the American people of his generation went through during the Depression and the war, and the calamities that followed, with the onset of Trumanism and the Cold War. In this speech, as in the others of his recent tour (see *Feature*), LaRouche was reaching out to each generation of Americans, individually, to strike the chords in them that will bring about a transformation in the way they see their role in the world today.

We are now at a critical moment in our history, he told them.

The response is highly encouraging, as Marla Minnicino reports (and we'll have more next week on LaRouche's Midwest tour). Over 200 people showed up at the Detroit meeting, for example, thanks in large part to the initiative of Democratic Party activists there, including state legislators. This time last year, the LaRouche movement didn't even have an office in Detroit! The meeting there was characterized by the demographic diversity that many people notice in gatherings of the LaRouche movement all over the world: old and young, black and white, rich and poor. One organizer reported, "There were elderly ladies in mink stoles sitting next to a youth in a t-shirt on one side, and a retired UAW worker on the other."

*International* highlights the global ramifications of the Iraq debacle, as nations take stock of what is going on there as a result of the insane policy of the Cheney-Bush Administration. Counterposed to that are some strikingly sane initiatives coming out of Israel; and from Eurasia, diplomatic efforts to consolidate economic and strategic ties, toward what they like to call a "multipolar" world.

All this has Cheney and company striking out in desperation, as Jeffrey Steinberg reports. But their dirty tricks are backfiring, to the extent that the Pentagon itself repudiated a classified memo from Undersecretary of Defense Douglas Feith—a Cheney man—which was leaked to the press, allegedly "proving" ties between Saddam Hussein and al-Qaeda. Expect more fireworks in the coming week.

*Susan Welsh*

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**Corrections:** In last week's issue, *EIR* misspelled the name of former Michigan State Rep. LaMar Lemmons, in our interview with him on p. 56. Mr. Lemmons hosted Lyndon LaRouche's Presidential campaign meeting in Detroit on Nov. 20, as we report in this week's *Feature*.

In "The Pagan Worship of Isaac Newton," an editorial error in the picture caption on p. 17 characterized Paolo Sarpi as having promoted the cult of Newton. Mr. LaRouche's article refers to the followers of the Venetian Antonio Conti as having played this role; Sarpi's dirty work was done in the previous century.

## Economic Nationalism Has Re-Emerged in Mexico

by Alberto Vizcarra and Jesús Martínez

The desperate and brutal offensive to seize Mexico's energy sector and its national oil company—an offensive being run by the Wall Street bankers, represented by U.S. Vice President Dick Cheney within the Bush Administration—has involved spurring a new effort by the Vicente Fox government somehow to amend those aspects of the Mexican Constitution which give the state exclusive management and control over its strategic natural resources. If those amendments are made, the national electricity sector will be laid open to foreign “investment,” and the surrender of Mexico's oil to the same supranational interests would follow in short order.

This renewed “privatization” offensive by Fox, actually first launched by then-President and New York bankers' agent Ernesto Zedillo in the mid-1990s, has awakened a strong—and for some, surprising—nationalist reaction by diverse political forces, labor organizations, and within Mexico's population in general. These sectors reject Fox's drive to deregulate the national electricity market, which would open the door to the looting of the country by multinational energy “merchant companies”—pirates—who would quickly monopolize electricity generation.

The Fox government's position, as represented by “negotiator” Felipe Calderón Hinojosa—a leader of the ruling National Action Party (PAN) recently named Fox's Energy Secretary—is shameless. On Nov. 10, 2002 Calderón defined the parameters of government negotiations with the Congress and Senate, in take-it-or-leave-it terms: “Constitutional reform, or nothing.” This hard-line approach to the negotiations, coming from the man who is supposedly a flexible negotiator, simply underscores the fact that international energy pirates such as Cheney's Halliburton, Repsol, Enron, etc., are bringing massive pressure to bear.

The awakening of Mexican nationalism has become the unexpected factor in the Fox government's and the Wall Street bankers' calculations, especially since the resistance to privatization has brought together important layers of the opposition Institutional Revolutionary (PRI) and Democratic Revolutionary (PRD) parties, as well as the telephone workers', electrical workers', and social security workers' trade unions.

This resistance has already succeeded in dealing some important blows to the privatization strategy, including the formal legislative closing of several loopholes that had allowed international corporations illegally to enter Mexico's energy sector, under the rubric of the so-called “Multiple Service Contracts.” These Contracts had allowed constitutionally-banned foreign investment in the exploration and exploitation of natural resources, especially of oil and natural gas. Through these same contracts, the country was being loaded down with a growing debt, since Mexican government payments for projects were being made through the so-called *Pidiregas* (“deferred impact payments”) program, which are a euphemism for more public debt.

On Nov. 4, on the initiative of PRI Senator Manuel Bartlett, president of the Senate's Constitutional Commission, an ad hoc commission passed a rider to the Laws on Public Works and Acquisitions, which strictly delimited third-party bidding for public works. This legislative action, in one stroke, eliminated the basis for the attempted legalization of the Multiple Service Contracts. As a result, on Nov. 5, the state oil company Pemex reported that *all* the foreign companies that had intended to bid for juicy contracts in the exploitation of one of the richest natural gas basins in the world—spanning the Northern Mexican states of Tamaulipas, Nuevo

León and Coahuila, known as the “Burgos Basin”—had withdrawn their bids. This was a big setback for Cheney and Co.’s privatization scheme.

### **The Cárdenas-Bartlett Alliance**

The national coalescence to defend the national energy sector gained greater cohesion with the Nov. 7 announcement that PRD leader Cuauhtémoc Cárdenas, son of the former President Lázaro Cárdenas who nationalized Mexico’s oil in 1938, had formed a political alliance with Senator Bartlett to stop the energy privatization. This alliance is of particular importance, given the strong past political differences between the two leaders. The various promoters of energy privatization have tried to inflame those differences. Cárdenas responded: “When it is a question of defending the interests of the nation, when it is a question of defending the exercise of sovereignty, you will then see us join forces with others, active in different political parties, with whom we have had confrontations in the past, and with whom we currently share a commitment to defend the national interests.”

The fact that these two political personalities have publicly allied is testimony that there still exists in Mexico a powerful cultural element of national identity, which the Nazi Synarchists who currently control the government of the United States through Vice-President Cheney, have feared for generations. This fear has now expressed itself again, through a series of hysterical attacks, within Mexico, by right-wing groups like the COPARMEX business association, the PAN, and the pro-Fox PRI faction gathered under the skirts of PRI congressional leader Elba Esther Gordillo.

The strategic battle Mexico is waging to preserve sovereignty over its natural resources and the management of its electrical energy infrastructure, is occurring in the midst of a dramatic collapse of the country’s national economy, which has been subjected to systematic looting since the 1982 imposition of the International Monetary Fund’s criminal austerity policies. Those policies were enforced to assure that government budgetary policy would always be determined by the foreign demands for prompt payment of Mexico’s foreign debt. This economic decline has been accentuated in the past three years by the growing economic depression in the United States, whose own market collapse has caused a fall in Mexican exports—90% of which go to America.

Bartlett and Cardenas have formed a Defense Front Against the Privatization of the Energy Sector, which is attracting political and trade union forces nationally. But there is no way to save any sector of the economy within the confines of an economic model whose practices have led the international financial system to the generation of a huge and unpayable debt, which is leading to the disintegration of that system itself. Thus, defense of the country’s energy sector is prompting long-overdue discussion about who Mexico’s allies for change are. The past advances Mex-

ico has made have been historically defined by alliances of Mexican patriots, with the intellectual tradition that made possible America’s victory over British colonialism in the 18th Century.

This was true of the alliance between Abraham Lincoln and Mexican President Benito Juárez in the mid-19th Century, which allowed for the defeat of the Hapsburg tyrant Maximilian, and the restoration of the republic. The alliance between Mexican President Lázaro Cárdenas and U.S. President Franklin D. Roosevelt in the 20th Century, made possible the expropriation of Mexico’s oil from British colonial clutches.

The Mexican allies of Presidential candidate Lyndon LaRouche, who represents the tradition of Lincoln and Roosevelt, have intervened in the anti-privatization fight with a nationally-circulating leaflet. “What Mexico needs,” it declares, “is a policy of national reconstruction, on the basis of great infrastructure projects that only the State can undertake. The country needs a true railway system of high-speed and magnetic levitation trains, and vast water projects, like the Northwest Hydraulic Plan (PLHINO) and the Northern Gulf Hydraulic Plan (PLHIGON), which would carry water from the South to the fertile lands of the North. Mexico also needs the Great American Desert program of joint U.S.-Mexican development, as proposed by . . . LaRouche. To sustain these projects, the country will need abundant electricity, which the foreign energy pirates have no intention of generating for Mexico. In particular, we need to build dozens of nuclear energy plants, including for desalination of the water the nation so urgently needs.

“Further, the country needs a mission-oriented policy, a mission that stems from its own history of battling to forge a true Republic premised on the national welfare, on the national independence aspirations of Hidalgo, Morelos and the others; on the fight by Benito Juárez for sovereignty, development, and against Synarchist imperial intervention; on the fight for the social rights of the Mexican Revolution and the 1917 Constituent Assembly; on the fight of Gen. Lázaro Cárdenas to affirm that national independence and sovereignty, and on his alliance with U.S. President Franklin Delano Roosevelt.

“That mission is the banner under which today’s youth are fighting for their future. The political ‘leaders’—from Carlos Salinas de Gortari, his cohorts like Jorge Castañeda, Elba Esther Gordillo, Roberto Madrazo and the other collaborationists, and the PAN loyalists of the ‘party of treason’ like Fox, the Creels, the Calderóns and the other greasy pedants—have already failed. And they failed because the system itself prompted them to ensure that its destructive policies would prevail. Any political force that tries to mend the system, will fail in the same dramatic way. The financial system is irremediably bankrupt, and cannot be saved in its current form. It must be declared in bankruptcy, and replaced by a New Bretton Woods.”

# Wal-Mart 'Eats' More U.S. Manufacturers

by Richard Freeman

In mid-November, Wal-Mart, the world's largest corporation and leader of the "globalization" drive, forced the closing of a national children's clothing store, Kids 'R' Us, and pushed the famous Hoover vacuum cleaner manufacturer to the brink; by the end of November, it is expected that Hoover may announce the shift of a substantial portion of its production facilities to Mexico, laying off hundreds of American workers.

Forcing the closure of competing retail stores is a Wal-Mart specialty, as is its destruction of many of America's leading textile and apparel manufacturers and food companies.

As *EIR* has shown in a series of articles (Nov. 14, Nov. 21), Wal-Mart is a driving force for America's implementation of the Imperial Rome model: Unable to reproduce its own population's existence, the United States has, for the past two decades, used an over-valued dollar to import goods from abroad. Wal-Mart markets an immense volume of these goods, many of which are produced under slave-labor conditions. It pays below-subsistence wages to its American workers, and drives down the wages of competing retail stores.

On Nov. 1, Democratic Presidential pre-candidate Lyndon LaRouche put a spotlight on the matter, with a call for a national and international boycott of Wal-Mart. On Nov. 18, he told a campaign meeting in St. Louis, Missouri: "The most important subversive enemy against the United States people and economy today, is Wal-Mart!" He denounced Wal-Mart's forcing companies to outsource, causing the exodus of millions of manufacturing jobs. The reason households shopped at Wal-Mart, he said, is that their collapsed incomes make them unable to purchase goods at higher prices.

## Gutting Companies

On Nov. 17, the national retail chain Toys 'R' Us, announced that it would close 146 of the stores of its Kids 'R' Us subdivision, which sells clothing, as well as 36 of its Imaginarium stores (which sell "educational" toys and games). The shutdowns will be completed by Jan. 31, 2004, eliminating up to 3,800 jobs. Kids 'R' Us was unable to slash the prices of its children's clothing deeply enough to compete with Wal-Mart.

Moreover, Wal-Mart has launched an aggressive campaign, through cut-throat pricing, to destroy the parent company, Toys 'R' Us, the second-largest toy seller (after Wal-Mart) in America. As an example of how this strategy oper-

ates: The popular Hot Wheels T-Wreck Play Set toy sells for \$42 *wholesale*. However, according to the Nov. 19 *Wall Street Journal*, Wal-Mart is now selling that very toy at \$29.74, a loss of more than \$10 per unit. Wal-Mart sells 21% of all toys sold in America, and if it knocks out its leading competitor, its share could reach 30%.

Hoover has been a leading name in vacuum cleaners for nearly 100 years. During the third quarter of this year, Hoover's vacuum-cleaner sales declined by 20%, which the company blamed on competitors' models priced at \$79—made in Asia to meet Wal-Mart's price demands—outselling Hoover's \$100-plus vacuums produced in the United States. Hoover cannot withstand such drops in sales volumes. Hoover's parent company, Maytag, is demanding cuts in health insurance and other benefits, plus changes in job-security rules for production workers at its Hoover vacuum manufacturing plant in North Canton, Ohio. If the workers don't cave in, Maytag has stated that it will move Hoover vacuum production to cheap-wage sites in Texas, and to *maquiladoras* in Ciudad Juárez, Mexico.

## Textile and Apparel, and Food Sectors

No company is safe from Wal-Mart's unswerving assault, but particularly at risk are manufacturing concerns in the textile and apparel sector, and in the food sector.

Wal-Mart has ravaged companies by leveraging its enormous sales power, and its access to products produced by slave-labor, to make suppliers follow its pricing decisions. If the supplier company doesn't sell its goods at the price Wal-Mart sets, Wal-Mart denies them shelf space at its stores, which destroys that company. However, even when a supplier meets Wal-Mart's prices, the prices are so low, and the supplier loses so much money, that the supplier is forced into bankruptcy. Wal-Mart's 2002 sales of \$244.5 billion were larger than the sales of Sears, Target, J.C. Penny, K-Mart, Safeway, and Kroger combined.

### Textiles and Apparel:

- Carolina Mills is a 75-year-old company that supplies thread, yarn, and textile finishing to apparel-makers—half of which supply Wal-Mart. But since 2000, Carolina Mills' customers have begun to find imported clothing sold so cheaply at Wal-Mart, that Carolina Mills could not compete even if they paid their workers nothing! Since 2000, Carolina Mills has shrunk from 17 factories to 7, and from 2,600 employees to 1,200. Steve Dobbins, the CEO of Carolina Mills, told the December issue of *Fast-Company* magazine: "People ask, 'How can it be bad for things to come into the U.S. cheaply? How can it be bad to have a bargain at Wal-Mart?' *But you can't buy anything if you're not employed. We are shopping ourselves out of jobs*" (emphasis added).

- Lovable Garments, which was founded in 1926, had, by the 1990s, become the sixth-largest producer of women's lingerie in the United States, employing 700 workers. Wal-Mart became the biggest purchaser of Lovable's goods; in 1995, Wal-Mart demanded that Lovable slash its prices to



*The LaRouche Youth Movement joins with a Wal-Mart employee in Long Beach, California, to draw attention to the company's voracious policies of driving down wages, both here and abroad.*

compete with cheap imports. When Lovable indicated it could not do that, Wal-Mart illegally reneged on its contract, and outsourced the lingerie production to Ibero-America, Asia, and China. Without the Wal-Mart market, in 1998 Lovable had to close its American manufacturing facilities and fire the workers. Stated Frank Garson, who was then Lovable's president, "Their actions to pulverize people are unnecessary. Wal-Mart chewed us up and spit us out."

#### **Food:**

- Vlastic Pickles was roped into a contract with Wal-Mart, in which Wal-Mart sold a 3 gallon jar of whole pickles for \$2.97. Wal-Mart sold 240,000 gallons of pickles per week. But the price of the 3 gallon jar was so low, that it vastly undercut Vlastic's sales of 8 ounce and 16 ounce jars of cut pickles; further, Vlastic only made a few pennies per 3 gallon jar. With its profits tumbling, Vlastic asked Wal-Mart for the right to raise the price per 3 gallon jar to \$3.49, and according to a Vlastic executive, Wal-Mart threatened that if Vlastic tried to back out of this feature of the contract, Wal-Mart would cease carrying any Vlastic product. Eventually, a Wal-Mart executive said, "Well, we've done to pickles what we did to orange juice. We've killed it"—meaning it had wiped out competitor products. Finally, it allowed Vlastic to raise prices; but in January 2001, Vlastic filed for bankruptcy.

### **Destroying Labor Overseas**

Wal-Mart buys a lot of its goods from China, where in some sections of the country, very low wages are paid. One case that has come to light concerns the Ching Hai Electric Works Co. in Shajing, which produces electric fans. The factory makes several million fans per year, and sells them under many of the world's leading brand names, and also under two of the company's own names. The workers' starting salary has

been as low as \$32 per month, 40% below China's minimum wage of \$56 per month. In the late 1990s, Wal-Mart started making demands that the price of the fans be lowered, and they have fallen from approximately \$7, to \$4 per fan. But to lower the price, the manager of the plant had to cut its workforce in half, to 1,500 workers, while maintaining the same level of orders. This has led to many workers working 14 hours per day, for a pittance.

Meanwhile, American factories that produce fans are shutting down.

### **International Spotlight**

The situation has become so outrageous, that it is drawing international attention. On Nov. 19, the *Observer* of London carried an article on the destruction of the City of Buffalo, New York, mentioning the role of Wal-Mart. The article tells the story of Buffalo Color, a manufacturing plant where indigo dye for denim was produced. Once employing 3,000 workers, Buffalo Color lost business to plants established in China, which produce the indigo dye at half the cost that Buffalo Color does. The indigo dye is used to color the denim, most of which is used in clothing, and Wal-Mart has driven down the price it will pay for clothing, and thus all its constituent ingredients must be cheaper. Buffalo Color now employs 12 people, and functions strictly as a resale operation. The article also reports on the Made in the USA group, which consists of many small- and medium-sized manufacturers, whose chairman states that its primary enemy is Wal-Mart.

On Nov. 18-19, the City of London's mouthpiece, the *Financial Times*, ran four articles on Wal-Mart, centered on Wal-Mart's practices of hiring and directing cleaning companies that employed foreign illegal workers who cleaned Wal-Mart stores, seven nights a week, under hideous conditions.



# The Kyoto Protocol Is In Shambles

by Prof. Kirill Kondratyev

*Professor Kondratyev is a Counsellor of the Russian Academy of Sciences, Research Centre for Environmental Safety, Petersburg, Russia. He is one of the world's leading scientists in the field of atmospheric research and environmental science. In a research career spanning more than 50 years, he has received numerous international honors and awards, and is the author of more than 1,000 scientific papers and 100 research texts. He is a member of the editorial boards of several international scientific journals, and editor-in-chief of the journal Earth Observation and Remote Sensing.*

*This article appeared in the Polish-language weekly Polityka, Nov. 22, 2003, and is adapted and reprinted here with permission.*

Two years ago, the G-8 Group of governments decided to organize a World Climate Change Conference, to discuss climate changes and the possibility that these changes are caused by human beings. The conference was held in Moscow from Sept. 29 through Oct. 3, 2003, and was attended by more than 2,000 participants from 100 countries, including scientists and representatives of governments, the private sector, and non-governmental organizations.

The official goal of the Conference was a “discussion of the natural and anthropogenic factors driving the climate; approaches to reducing anthropogenic emissions; impacts and adaptation measures to ongoing climate changes; and hence, to achieve a maximum mutual understanding among scientists, governments, business circles and the public.”

It is interesting that before the conference it drew rather eager interest among the media and numerous environmental organizations, but not at its end, when the final conclusions were announced. This was perhaps because the expected unanimous support for and understanding of the Kyoto Protocol were not achieved. Even the basic questions posed by the chairman of the organizing committee, Prof. Yuri Izrael, were not answered: “What is really going on this planet—warming or cooling?” and “Will ratifying of the Kyoto Protocol improve the climate, stabilize it, or make it worse?”

It also became clear that without ratification by Russia, the Kyoto Protocol will crumble.

Climate has always been changing, ever since the Earth was formed; it is changing now, and will be changing in the

future. The alternating warm and cold climatic cycles extend from tens, to many thousands, and even millions of years, and depend on variations in the radiative and magnetic activity of the Sun, the position of Earth in its orbit, and the migration of the Solar System across the arms of our galaxy.

Since the formation of the oxygen atmosphere hundreds of millions of years ago, the changes in its chemical composition have had rather minor influence on climate. Water is a dominant component of the atmosphere, responsible for about 98% of the “greenhouse effect.” There were periods in the past when concentrations of carbon dioxide, a trace “greenhouse gas” (which is not a pollutant, but a gas of life, building all living organisms) were about 10-20 times higher than now. No catastrophic “runaway” greenhouse effect occurred on the Earth then, and glaciers were covering parts of continents and islands.

As stated at the Climate Conference by Andrei Illarionov, the chief economic advisor of Russia's President, “According to scientific data, in the past 400,000 years, a dramatic rise of temperature on Earth occurred every 100,000 years, and this was not in the least linked with man's activity. In the past millennium, considerable changes of temperature were observed, also in the 11th, 14th, and 17th centuries.”

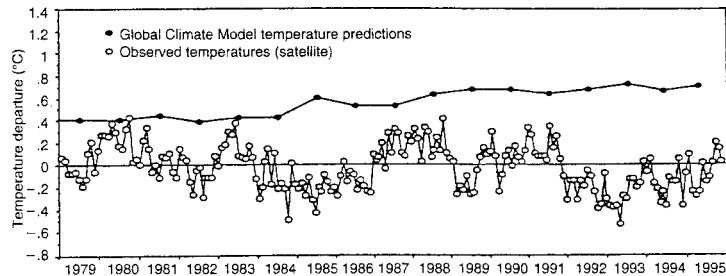
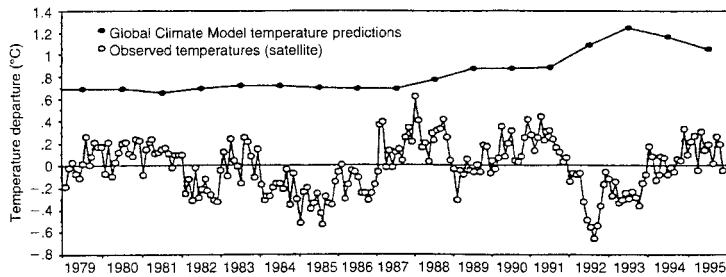
In the 11th Century, the air temperature around the North Atlantic Ocean, in Europe, Asia, South America, Australia, and Antarctica, was about 1.5° Celsius warmer than now. Still earlier, for a long time, between 3,500 to 6,000 years ago, the period of the “Holocene Warming” enjoyed temperatures about 2°C higher than now.

Illarionov raised ten important questions shattering the shaky edifice of the man-made global warming hypothesis. His litany was followed by presentations by numerous Russian and foreign critics of this hypothesis. They did not receive satisfying answers from the global warming proponents.

If there is nothing unusual in the current climate changes, why is such enormous attention being paid to climate problems in scientific literature, mass media, and public opinion? Why are such great resources, and the very future of our civilization put in jeopardy? The answer to this question is not at all simple. In addition to science, it involves politics, business, industry, a lot of misanthropic ideology, enormous money, and special interest groups.

## Putin's Surprise

The conference was opened by the President of Russia, Vladimir Putin, who stated that “Even 100% compliance with the Kyoto Protocol won't reverse climate change.” In response to those calling for quick ratification of the Kyoto Protocol, Putin mentioned, half jokingly: “They often say, either as a joke or seriously, that Russia is a northern country and if temperature gets warmer by 2 or 3° Celsius, it's not such a bad thing. We could spend less on warm coats, and agricultural experts say grain harvests would increase further.”



*Dr. Konratieff shows that “global warming” is less than past natural temperature fluctuations in man’s post-Ice Age history, and the climate models being used to predict it are intrinsically useless; here, these predictions are compared to actual results for the Northern (top) and Southern Hemispheres. The Kyoto Treaty can’t go into effect without Russian ratification, and that looks less likely after comments by President Putin and Economic Advisor Andrei Illarionov (inset) at the Moscow conference.*

Source: Patrick J. Michaels, testimony Nov. 16, 1995, before the House Committee on Science Subcommittee on Energy and Environment

The President of Russia also said that Moscow would “be reluctant to make decisions simply based on financial considerations. Our first concern should be the lofty idea and goals we set ourselves and not short-term economic benefits. . . . The government is thoroughly considering and studying this issue, studying the entire complex of difficult problems linked with it. The decision will be made after this work has been completed. And, of course, it will take into account the national interests of the Russian Federation.”

U.S. President George Bush rejected the Kyoto Protocol in March 2001, as “fatally flawed,” because: 1) the Protocol does not have an adequate scientific substantiation, and 2) because the use of fossil fuels dominates energy production, so that following the Protocol would result in serious negative economic consequences, without any real environmental improvement. (Estimates are that it would decrease the expected temperature increase by 0.2°C in the year 2100, a postponement of the expected increase by six years.)

What President Putin will finally decide is still unknown, but from what he said at the Moscow conference, it seems that he is thinking along the same lines as the American President, and that probably he will not succumb either to the short-term, seemingly lucrative proposal of selling surplus Russian carbon dioxide emission quotas for about \$8 billion per year,\*

\**Editor’s Note:* Countries that produce fewer greenhouse gases than they did in 1990, can sell the difference as emissions “credits” to countries that are now overproducing. Because Russian greenhouse emissions have decreased by 32% since 1990—a direct result of the collapse of the Russian economy as it was looted—if it signs the Protocol, Russia could make a bundle in the new international emissions market.

or to the saber-rattling during the conference by European Union Environmental Commissioner Margot Wallström, who warned Russia that it “would lose politically and economically by not ratifying the Kyoto Protocol.”

The decision-makers must recognize that limiting CO<sub>2</sub> emissions will cause a reduction of the world domestic product, which, added up across the whole [coming] century, represents \$1,800 trillion. In Eastern Europe and Russia, by the year 2050, this reduction would reach 3-3.5%, and certainly would bring a dramatic rise of joblessness. Andrei Illarionov warned: “The Kyoto Protocol will stymie economic growth. It will doom Russia to poverty, weakness and backwardness.”

Illarionov’s words echoed the statement in 1998 by the great British astronomer Sir Fred Hoyle, that implementing restrictions in CO<sub>2</sub> emissions would be “ruining the world’s industries and returning us all to the Dark Ages.” It is my opinion, that the only people who would be affected by the abandonment of the Kyoto Protocol would be those several thousand people who make a living attending conferences on global warming in attractive places.

### Climate Change Myths vs. Truth

The most important problems concerning the climate change myths include the following:

1. The observational data do not confirm the presence of unusual uniform “global warming,” caused by the human contribution to the CO<sub>2</sub> content in the atmosphere. (This is especially true for the surface temperature in rural regions, which are not influenced by the so-called urban “heat islands” effect, and in the American, Canadian, Russian, Norwegian, and Danish Arctic, the satellite remote-sensing results, and

## Protocol Bound To Fail

The Kyoto Protocol was proposed in December 1997, at the fourth world meeting on climate change organized by the United Nations after the famous Rio de Janeiro “Earth Summit” environmental conference in 1992. The Protocol was ratified by 119 countries, but not by the United States, Australia, China, and Russia.

The Protocol is focussed, contrary to scientific substantiation, on the anthropogenic origin of the current climate warming and, recommends that the industrially developed countries reduce by 2008-12 the emission of greenhouse gases (mainly CO<sub>2</sub>) to 5% below the 1990 emission levels.

All this was concluded despite the well-known fact that such reductions will have a trifling effect on climate change, but will cause a disastrous decline of the global economy, the loss of jobs, and mass pauperization. Until now there is has been absence of any noticeable progress

in the reduction of CO<sub>2</sub> emissions. Global carbon dioxide emissions continue and will continue growing, not only in the developing world, but also in industrially developed countries, including the United States, Russia, and China.

The position of the developing states is naturally based on their striving for the increase of the standard of living as the first priority; thus, they are not prepared to curtail their industry for the sake of carbon dioxide emission reduction. However, this is the requirement proposed by the rich countries as a condition for their participation in a treaty limiting CO<sub>2</sub> emissions.

According to the Kyoto Protocol, if a country exceeds its emission limit, it could be *forced* to cut industrial production. However, to be implemented, the Protocol must be ratified by no fewer than 55 countries that account for at least 55% of the global emissions in 1990. That minimum can be reached only with the inclusion of Russia in the Protocol. The United States, China, and Australia, which did not sign the Protocol, account for nearly 70% of global emissions, so the Kyoto Protocol will fail anyway.

balloon measurements.)

2. The increase of the atmospheric greenhouse effect assumed for the supposed doubling of the CO<sub>2</sub> concentration in the atmosphere, is about 4 watts per square meter. But the uncertainties caused by the unreliable accounting for the effects of atmospheric aerosols, clouds, and numerous other factors, reach several tens, or more than a hundred watts per square meter.

3. The results of numerical climate models that substantiate the “greenhouse global warming” hypothesis, are nothing else but mathematically expressed opinions of their creators on how the climate works.

4. Recommendations concerning levels of reduction of emission of greenhouse gases are senseless; from the standpoint of their impact on climate change, they would be utterly ineffectual.

At the Moscow conference, the views from the “Third Assessment Report of the Intergovernmental Panel on Climate Change” (IPCC), an official United Nations body strongly supporting the “man-made global warming hypothesis,” were presented by Prof. B. Bolin (Sweden), the former chairman of the IPCC. He also discussed the questions posed by Andrei Illarionov.

To illustrate the nature of disagreement in assessing climate change, I will give just one example: According to the Third Assessment Report, there is a good agreement between observed long-term variations of global surface air temperature and those calculated with computer models. Calculations

accounted for the “greenhouse warming” caused by increasing CO<sub>2</sub> concentration, and for the cooling caused by aerosols (tiny particles). The Third Assessment Report calculated the cooling for sulfate aerosols, but neglected the other ones.

I pointed out at the conference that if the Third Assessment Report would take into account also other types of aerosols, many of which lead to warming, there would be a clear disagreement between the modelling results and the temperature observations. The agreement claimed by the Third Assessment Report is just a result of unidirectional adjustment, through arbitrary selection of the input parameters used in the computer calculations. Therefore, the main conclusion of the Report is wrong.

The Moscow conference demonstrated that the often repeated IPCC statement that there is “a consensus” among the scientists as to the man-made global warming hypothesis, is also wrong. The obsessive concentration on “greenhouse gases,” as an allegedly dominant factor among the multitude of other powerful climatic phenomena, is a false track, and not only compromises science but also may hamper the socio-economic progress of the developing and industrially developed countries. That numerous scientists expressed such views, and the realistic approach to the problem presented by the Russian government, is why the recent discussions at the World Climate Change Conference in Moscow were so important.

The principal conclusion to be made is that we badly need further studies and more discussions.

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# Business Briefs

## **New Economy**

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### **Info-Tech Sector Lost Half-Million Jobs in 2002**

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According to a report by the American Electronics Association (AEA) made public on Nov. 19, the information technology sector of the American economy lost 540,000 jobs during 2002. Its employment dropped 8% to 6.0 million in 2002, from 6.5 million workers in 2001. In addition, the AEA warned that more than 200,000 jobs will be lost during 2003 in electronics manufacturing, communications services, software, and engineering and tech services. All but three states lost IT jobs in 2002, led by California and Texas.

The largest decrease in jobs was in electronics manufacturing, which fell by 233,000 jobs (or 13%), more than half of all tech jobs lost between 2001 and 2002. This reflected the general, ongoing breakdown of U.S. industry and the industrial labor force.

In its report, the AEA denounced budget-cutting in education and in research and development. AEA's president and CEO William Archey lamented the "decline in basic research, particularly in technology, by the Federal government. We worry that we have eaten the seed corn of Federal research of 20 and 30 years ago; that is not being replenished."

## **Electricity**

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### **Declining Power Prices Are Closing Plants**

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Megawatt-hour prices falling from their hyperinflated, Enron-ized 2000-02 levels are causing deregulated American power companies' plants that are not making a profit, to be shut down. Just as an unseasonal series of hail storms in California and wind storms in the Midwest and Atlantic Coast left more than 1 million people without power in early November, unregulated independent power producers were shutting down "unprofitable" generating plants. Due to "low wholesale prices," older power plants are "too expensive" to run, compared with newer gas-burning plants. Producers also complain that there is excess capacity.

Examples: American Electric Power has mothballed nine plants, and expects to close another one this month. Houston-based CenterPoint Energy's subsidiary Texas Genco Holdings will mothball almost 3,000 megawatts of gas-fired plants, due to low wholesale prices. International Power PLC, located in London, is considering mothballing some of its seven U.S. power plants, in Massachusetts, Texas, and Georgia, which generate 4,700 megawatts of power.

Deregulation has taken the responsibility for ensuring reserve margins for power out of the hands of state regulators, and left such decisions to "the market."

## **Maastricht Treaty**

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### **Showdown at Meeting of EU Finance Ministers**

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A showdown loomed at the Nov. 25 meeting of European Union finance ministers, after German Finance Minister Hans Eichel, backed by Economics Minister Wolfgang Clement, repudiated the latest request by EU Finance Commissioner Pedro Solbes for another deep Federal budget cut in Germany. Solbes had demanded in Brussels, on Nov. 18, a further budget cut of 4 billion euros, in FY 2004, under Maastricht Stability Pact rules, and had threatened Maastricht sanctions against Germany otherwise. Germany's resistance is backed by France, Belgium, Luxembourg, and maybe also Italy. Former European Central Bank Governor Wim Duisenberg warned the deadlock could "make the Stability Pact fail." Numerous European dailies echoed Germany's *Die Welt*, Nov. 19: "The Stability Pact is dead, even if everyone is insisting that it is still alive."

## **Infrastructure**

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### **S. Africa Approves Massive Public Works**

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In an address to the National Council of Provinces Nov. 12, South African President Thabo Mbeki announced that his cabinet had approved a business plan for the promised

public works program that is to create 1 million jobs. He said the plan would be implemented in phases.

Mbeki said the program "will draw significant numbers of the unemployed into productive employment, so that workers gain skills while they are gainfully employed and increase their capacity to earn an income once they leave the program."

Workers will "upgrade rural and municipal roads, municipal pipelines, storm water drains and paving, fencing of roads, community water supply and sanitation, the maintenance of government buildings, housing, schools and clinics, rail and port infrastructure and electrification infrastructure," according to *Business Day* Nov. 12.

The government first announced the program at the Growth and Development Summit in Johannesburg on June 7, responding to the pressure of the Congress of South African Trade Unions.

## **Derivatives**

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### **BIS Reports a \$41 Trillion Jump**

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The Basel-based Bank for International Settlements reported on Nov. 12 that outstanding financial derivatives contracts, worldwide, jumped by \$41 trillion, or one-third, in the 12-month period through June 30, hitting a level of \$170 trillion officially. The huge rise was "driven strongly" by increased use of derivatives by financial institutions with mortgage holdings (i.e., the giant U.S. mortgage companies known as Fannie Mae and Freddie Mac).

The notional value of the global over-the-counter (OTC) derivatives market surged from \$127.5 trillion at the end of June 2002, to \$169.7 trillion at the end of June, rising in all categories except gold. In particular, there was "vigorous growth" in interest-rate swap contracts, the largest single group of derivatives, the BIS said. Foreign exchange derivatives, "an area which had not seen double-digit growth since the BIS began collecting these statistics," shot up by 20% in the first half of 2003. Precious metals derivatives, a "normally quiet" category, jumped by 31% in notional value in the first six months of 2003.

## LaRouche Campaign 'Hot Phase' Turns Heat on Nation's Capital

by Marla Minnicino

Three extraordinary presentations Nov. 15-20 by Democratic Presidential candidate Lyndon LaRouche, speaking to hundreds of supporters in Boston, St. Louis, and Detroit, launched the "hot phase" of his 2004 Presidential campaign. It moves now into the streets of Washington, D.C. in preparation for the Jan. 13 primary there and LaRouche's next—and possibly most crucial—international webcast, scheduled for the nation's capital on Dec. 12.

At each event, LaRouche reached directly into the souls of Americans young and old, students, Baby Boomers, elected officials, World War II veterans, and others, as he laid out in stark detail the dire crisis facing the world today, how it came about and how it can be reversed once people understand how they were duped into accepting the cultural paradigm shift which permitted not only wrong, but evil policies to be implemented by successive U.S. Presidents beginning with Truman.

LaRouche also laid out a mission for the U.S. population: to regain its sense of immortality, its contribution to future generations. As he put it at the Nov. 15 Boston campaign meeting: "An older generation, now in their fifties, generally, has gone through a long cycle of corruption. They've become accomplices in the destruction of themselves and their society. They see no future. They don't have any sense of immortality. . . . Let's make our lives meaningful, by giving something to future generations, and by honoring the best contributions from past generations, and seeing to it that they go on, and live on, and benefit future generations to come'."

To do that, LaRouche repeated in both Boston and St. Louis, the best way to save the Baby-Boomer generation is to have them "meet young people" who form the core of his campaign, who represent their future, who represent the generation of people who would be their children and grandchildren.

It was the role of the youth movement which LaRouche

emphasized would have a decisive impact on his campaign. He told the St. Louis audience, which was largely made up of the over-30 and Baby-Boomer generations of working people, World War II veterans, serving state legislators and other elected officials: We have hundreds now in the LaRouche Youth Movement, soon we will have thousands, then 10,000 youth by Spring; and this will transform the country and win the Presidential race.

### 'Dump Cheney Now'

Speaking to an audience of college students and other youth at Plymouth State College in New Hampshire, LaRouche made this point about the LaRouche Youth Movement: "The youth movement is independent. I don't run it. I inspire it. I provoke it. I try to protect it. But they're on their own. They are essentially a university on wheels. They spend a good deal of their time on these subjects of study; they spend the rest of their time intervening in the political process, and therefore, there's their course in sociology. And they're doing a very good job. They're the most effective political force we have in the United States, per capita, when it comes to mass organizing." In St. Louis, he reiterated the fact that these young people are "the most effective organizing force ever invented. When they get you, they got you. When they go to work on you, they got you. Because, they have a sense of mission. . . . They have a sense, that they have to save society. They have to achieve a certain kind of immortality. They have a sense that they have to go to the older generations, and say, 'Come join us. Let us save humanity. Let us save the immortality of the people of this nation.'"

Even as LaRouche was addressing audiences in St. Louis and Detroit, scores of LaRouche movement youth from the East Coast were descending on Washington, D.C., where the first primary will be held in six weeks. Both in the halls of Congress and on the streets, with motorcades, sound trucks





*Missouri State Senator Maida Coleman's speech was one of the introductions to Lyndon LaRouche's campaign presentation at the University of Missouri in St. Louis Nov. 18. The candidate attended a legislators' reception, was interviewed by NPR and the leading black radio station, and then went on to Detroit for a meeting of nearly 250 supporters.*

and one-to-one organizing of ordinary citizens, especially those in the poorer neighborhoods, they were telling people that Vice President Cheney must go, for using bogus intelligence to foist the Iraq War on the President, the Congress, and the American people. Simultaneously, a million-run "LaRouche in 2004" leaflet, titled "LaRouche: Dump Cheney Now!" was being distributed in Washington and throughout the country.

In his presentations to the Midwest and New England campaign meetings, LaRouche said that Vice President Cheney is "on the ropes," and the policies which he promoted are losing credibility. But, LaRouche said, it is up to the American population to build a movement to take the country back, to restore a sense of political morality. He emphasized the necessity to "take the country back to the sense of mission we had during the early years of World War II. The sense of hope of mission, that we had with the Civil Rights Movement's rise, in the 1950s, and the achievements into the middle of the 1960s. Go back, to capture these great moments, of our past, and give rebirth to them."

And how to do that? This was the subject of a very intensive St. Louis meeting Nov. 18, whose themes were followed up in the Detroit campaign meeting Nov. 20. Using his penetrating insight into the psychological and cultural shifts which have shaped the changes from one generation to the next in the 20th Century, LaRouche asked the audience, particularly the older generation, to re-experience the nodal points of the 20th Century. The bombing of Hiroshima and Nagasaki, V-J

Day, the post-war outbreak of "Trumanism" and McCarthyism, the Bay of Pigs invasion, the Cuban Missile Crisis, the assassination of John F. Kennedy: Through these shocks, people like themselves had lost hope, courage, and faith in the principles of morality, and became a silent majority as the culture began to degenerate. He told the Detroit audience that he knew what they had gone through and could tell, based on what generation they belonged to, precisely the "sense of who you are," what experiences had shaped them and how they could change in order to help the nation survive and cope with the greatest financial-monetary crisis in world history.

### **Economic Collapse Driving His Audiences**

Although the audiences at the three events were very different, LaRouche made the same point in emphasizing the fundamental change which must occur in the way Americans see themselves, and their mission, in order to save the nation. In Boston, on Nov. 15, the 80 people present were largely long-time supporters of LaRouche's Presidential campaigns. In St. Louis, where LaRouche had been invited to

the city by African-American State Representatives Esther Haywood, Juanita Head Walton, and Charles Quincy Troupe, the audience of 80-90 people contained many local elected officials, legislators, a state senator who spoke from the podium, mayors and former mayors from surrounding cities, grassroots organizations concerned with the economic crisis, as well as a small, but loyal core of long-time Missouri supporters. In Detroit, the more than 200 at the meeting included a large number of Democratic Party activists, from the precinct level on up to state legislator.

One former State Representative, LaMar Lemmons, noted in a Nov. 14 *EIR* interview that the country needs LaRouche's approach to the economic crisis, and thus he was hosting LaRouche, "much to the dismay of the Michigan Democratic Party and the DNC." Introducing LaRouche in Detroit, former Michigan State Rep. Ed Vaughn called LaRouche "America's premier economist," and recalled that LaRouche had won the 2000 Michigan Democratic primary. Introducing LaRouche in St. Louis, State Rep. Esther Haywood remarked that the candidate ranks sixth among Democrats nationally in total money raised, and second in the total number of individual contributors—yet he has been excluded from the Democratic debates, and she could not understand why. To remedy this, Haywood and others had organized a well-attended press conference to bring LaRouche's ideas before the public.

The Detroit and St. Louis audiences, both keenly aware of the economic collapse of their cities and states, were heart-

ened to hear LaRouche describe the process leading to this decline and how to reverse it. In Detroit, LaRouche went through a sweeping historical overview of how the United States had been transformed from the greatest producer nation on the face of the Earth, into a degenerate, pleasure-seeking post-industrial society. In Michigan, where you once had productive farms and factories, you now have casinos, he said. St. Louis, once a major transportation and trans-shipment hub between east and west, north and south, now has abandoned plants of McDonnell Douglas, Boeing, and Rockwell. In answer to a question at the St. Louis event on what he would do to change this, if elected President, LaRouche proposed that St. Louis could be the place to build a maglev (magnetically levitated train) connecting the Midwest to the West Coast, with the Federal government committing long-term credit to such an enterprise, which would then create jobs and revitalize the whole area.

Throughout the tour, LaRouche returned again and again to the theme of cultural degeneration and how historical events were manipulated, much like today, to foster in the population a sense that they are powerless to change anything, but must “go along to get along.” From this standpoint, he described the so-called Synarchist phenomenon, whose origin goes back to the 18th Century, but which precisely describes the bankers and corporate financiers who put Cheney’s neo-con faction in control.

“Don’t look for conspiracies of any importance from other

sources, or any other conspiracy,” he told the Boston audience. “They are all of this type. It is not a group of this; it is not a group of that. It’s a group of private, financier interests, who, when a crisis comes, say, ‘We are going to collect on our debts—even if it means killing the people.’ That’s when government has to make a choice. . . . This group has one determination: They’re going to maintain the system under which they *create* debts, by which they enslave the population, and they’re going to make sure that the debts are collected, for their benefit—promptly—even if it means killing the people.

“And that’s the fundamental issue that defines these kinds of things. That is why, every time, in the 20th Century and since, that you have a major, systemic financial crisis, or monetary crisis, the danger of something like Nazism comes up again! Because of some group of bankers, hiring thugs, like this thug Cheney.”

### Change Yourself To Change History

LaRouche repeatedly discussed how Cheney and his crowd, after Sept. 11, 2001, began pushing the same doctrine of global preventive nuclear warfare popularized by Bertrand Russell in the last century. This policy will fail, as it has before. Dick Cheney, doing the bankers’ bidding as occurred with Hitler and Mussolini, is a “criminal,” and President Bush is a “usable puppet—controlled by Cheney. That’s what we’re up against,” the candidate said.

Returning to the theme that people must change themselves in order to change history, LaRouche told the Detroit audience, which included many in his own generation: We corrupted ourselves as a people, but people can see what is wrong with their own minds. People can change themselves, they have a higher power to reflect on these things. My generation has another advantage, he said. We are going to die soon, so we think not of what we can get, but what we can give; that is our strength. We can use our lives to give something to humanity. When you say, I want to achieve that kind of immortality, then you have the power to change yourself.

But look at the experience of successive generations to come, and how the young generation coming into the field now is so important, he concluded. If we can enable them to help their parents come back into the human race, if those two generations start coming together to change society, we have the power to influence the course of world history. We have the power to bring the nations together and say: Here we are, we are all afraid of a nuclear war being organized by Cheney, and some of the Democrats. We can avoid this, we can lead in creating a recovery; we can say we will all be sovereign republics, create a community of perfectly sovereign republics. We can actually create a durable peace on this planet, which can survive.


I could do that today if I were President, said LaRouche. All the resources and potential are there. We have to decide we are not going to continue to play the game. We can do it.

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# Reviving the Sense of Mission For American Citizens Today

by Lyndon H. LaRouche, Jr.

*Here are Mr. LaRouche's opening remarks to his campaign webcast in Boston, on Nov. 15.*

I should just do a few preliminary remarks. I'll address three subjects today. I was going to do something similar up there in Vermont yesterday, at the university at Middlebury, but they wanted me to shorten the presentation from three-quarters of an hour to a half an hour, which I did. So, I left some things out. So, I shall give you, today, a somewhat amplified version of what I said, to you—as a different audience, though I said it to a university campus audience—yesterday. And, as you will see, there is a significant difference, in the way that two points have to be presented.

All right. The three points are, which I will touch upon, to present here: First of all, the issue of war. And the question is, what is the nature of the policy—when did it start, and what is the policy, which has gotten us into a spreading process of war, in Asia and probably elsewhere?

Secondly, the economic crisis. This economy, in its present form, is now disintegrating. Nothing can prevent the present IMF system and the present Federal Reserve System, from disintegrating—nothing. But, it can go in one of two ways: It can go, either through intervention, as Franklin Roosevelt-style intervention back in 1933, to reorganize the system before total chaos erupts; or, we can wait, until it simply blows up, all by itself. There's a massive effort to postpone that blowup, now, by printing money in various ways. The best estimate is, that the blowup will occur, probably, by March or April of next year, at the latest. The ability to continue to print money, to postpone the program, will be blown out by then. It can blow out earlier. It could blow out next week; it's ready to blow now. The fundamentals are all *rotten*. There are no good fundamentals. The United States is the victim of the biggest "Snow job" in history, on economics, and we've got Treasury Secretary Snow to prove it. (The official liar of Washington, D.C.)

The third thing, is the question of the generation gap, and what the significance is, of the difference in the attitudes and roles of, principally, two generations: one, the generation which came into maturity, or semi-adult immaturity during the middle of the 1960s; the ones who are now in their fifties, who are generally running the institutions, and running gov-

ernment, businesses, and so forth. And the other, is the generation which is now coming largely into college age, including those between 18 and 25, university-eligible age. And, it's the conflict between these two generations, which I shall turn to in the conclusion: what the nature of it is; what we do about it.

## War and the 'Reichstag Fire'

All right, now, first on the war, itself: As I said in the beginning of January of 2001, before George Bush was inaugurated—George W. Bush—as the acting President of the United States. Whether he was elected or not, is irrelevant; we know that Gore lost, in any case. But Gore was always lost, and he hasn't improved since.

But I said, on the basis of his stupidity—the President's stupidity, and his commitments—it was inevitable that the depression, which was already in progress in 2001, fully in progress, would not be stopped—it would become worse. And, the danger that this posed, apart from the economic collapse, was that, as in Germany, in the events of 1928 and '33, when the collapse of the economy struck Europe, as it struck the United States openly in 1929-33—in that period, some international bankers, led from London, but including prominent bankers such as Brown Brothers Harriman in the United States, Morgan, and so forth—the Morgan-du Pont-Mellon crowd. They did two things: First of all, at the end of 1932, they organized a fund to bail out Adolf Hitler. The Nazi Party was bankrupt at that point, at the end of '32. And so, the decision was made from London, to bail out Hitler. The bailout came from New York City; it came from the firm of Harriman. The check, or the order to bail out the Hitler campaign, was signed by Prescott Bush, the grandfather of the present President of the United States.

Now, at a later point, the British and American pro-Hitlerites changed their mind. They were perfectly content to have Hitler be a nuisance, for destroying continental Europe. But they were not willing to accept his becoming a threat to the English-speaking world.

And therefore, as you know, we prepared for war, when Winston Churchill, as Defense Secretary appealed to President Roosevelt, we accelerated our efforts to prepare for war. We prevented Britain from joining France in going into the



Lyndon LaRouche on the campaign trail in New England: Left, students at Middlebury College listen to his presentation on Nov. 14; right, LaRouche at Plymouth State University, in his native state of New Hampshire, on Nov. 13. He also spoke in Boston, before heading for the Midwest.

Nazi camp. If Britain had gone into the Nazi camp at that time, then you would have had an immediate unity of fascist forces on the continent of Europe, which would immediately attack the Soviet Union, and expect to destroy the Soviet Union in a short time. Once they had destroyed the Soviet Union, they planned to take the combined naval forces of Japan, Britain, Germany, and France, and attack the United States, in an attack which was planned to include an attack on Pearl Harbor by the Japanese Navy.

This did not happen. The agreement between Roosevelt and Churchill prevented the British from surrendering to Hitler, and started the process which doomed Hitler's prospect for establishing world empire, including the destruction of the United States. Under those conditions, the English-speaking part of the British Commonwealth (as it's called today), and the United States, joined fully in supporting the war effort against Hitler. This included Brown Brothers Harriman—reluctantly; it included Morgan; it included Mellon; it included the British banks. It included Lord Halifax—a pro-Hitler man, who served as British ambassador to Washington, during the war years. It included Lord Beaverbrook, who was also a pro-Hitler man, who functioned as British propaganda minister, in effect, during the wartime years. And Beaverbrook, whose progeny today include Conrad Black and the Fox TV crowd—Rupert Murdoch—as his scions.

So, what you have is, you have this continuity of a process which led into this war.

Now, I said, in January of 2001, the danger is this: They put Hitler into power, through these bankers—U.S. and British bankers—put Hitler into power as the Chancellor of Ger-

many, on the 30th of January, 1933. In the third week of February, Hermann Göring, who was head of the Nazi Party in Brandenburg, organized the burning of the Reichstag, the national parliament of Germany. And the burning of the national parliament was used for a law devised by the guy who taught Leo Strauss of Chicago University: Carl Schmitt. Hitler was made dictator, and at that point *World War II* was inevitable.

And we fought it.

The danger is, that under these kinds of conditions—as I said in January [2001]—we have to aware of the danger of a Reichstag Fire, or something like it in the United States. That Reichstag Fire occurred on Sept. 11, 2001. Since that time, the United States has been sliding toward dictatorship and war. Now, we're the United States; we are not Germany of 1933. And therefore, the ability of the chief proponent of the Reichstag Fire approach, Vice President Dick Cheney, has not been able to become full dictator; he does not have full, total control over the puppet-President George W. Bush, Jr. But he has close to it. And therefore, since 2002, I've been engaged actively in trying to have Dick Cheney removed from office.

### **Synarchists Against the American Republic**

Because Dick Cheney and the neo-conservatives associated with him, are not only an imitation of the Adolf Hitler movement, they are a continuation of it! As I've identified it, it's a movement, that was called in the 20th Century, the Synarchists. The Synarchist organization was created, actually, under another name, called the Martinists, in France,



*The Reichstag Fire of Feb. 27, 1933 (left), organized by Nazi leader Hermann Göring, set the stage for Hitler's seizure of dictatorial powers. Above: the Pentagon on Sept. 11, 2001. LaRouche had forecast in January 2001 that, under conditions of deepening economic crisis, the Synarchist bankers would organize something like a Reichstag Fire, to push the United States toward dictatorship and war.*

back in the 1780s. It was created by the British leadership at that time, Lord Shelburne, who was the political boss of the British East India Company, and the paymaster of the British Parliament, and of George III, himself.

He planned this operation, beginning 1763, to frustrate what he saw as a forthcoming struggle for independence in the North American English-speaking colonies. The other thing was to destroy France, which was the chief rival of British power in Europe. The purpose of Lord Shelburne's operation, was to ensure that the emerging British Empire—that is, the British maritime power, representing financier-oligarchical private interests—would not only control the British Isles, India, and other things they'd stolen by that time, but that it would dominate Europe, and dominate the world, like ancient Venice, like a kind of Roman Empire, or a new form of Roman Empire.

And therefore, what he did is, he planned two things, especially once the American Revolution had occurred: To prevent the continued influence of the American Revolution in continental Europe—to wipe it out; to destroy the influence of the American Revolution and the Constitutional republic.

Secondly, to destroy France—a continuation of the operation. It was he, through his agents, who created the French Revolution. The French Revolution was an operation of the British East India Company, under Lord Shelburne. They not only created the Bastille event, through agents of Shelburne—one was called Philippe Égalité, and the other was Jacques Necker. It was done as a stunt to get Necker as the Prime Minister of France, which worked at that time. Then, they disappeared from the stage. They were followed by Danton and Marat, who were British agents, trained under Shelburne's influence, in London; dispatched to France; and acted,

and even all of their speeches were written in London, under Jeremy Bentham's direction. All their orders, were British orders. Then, they succeeded these fellows, by the Jacobin Terror, which was eliminated in 1794. Then, they moved, in the middle of the decade, toward Napoleon Bonaparte.

All of these things were done by a group called the Martinists, a cult which was created around this. And Napoleon Bonaparte was a reflection of that.

Since that time, to the present, you had the continuation of this kind of operation, trying to destroy the United States—the War of 1812 involvement against us, was an attempt to destroy the United States. Other things were done: The war with Mexico was an attempt to destroy the United States. The Civil War was organized by these people, to destroy the United States. The occupation of Mexico, in 1863, was done from there, as part of an effort to destroy the United States. And, the thing was, it was not just our country they wanted to destroy: They wanted to destroy the tradition of the American Revolution, of the American republic, because we represented the alternative model to this Anglo-Dutch Liberal parliamentary form of government, which the British ruled.

But, in this period, the British game was, generally, to cause trouble on the continent of Europe, in such a way, that never on the continent of Europe would a combination of power arise, which would be able to challenge British power. After 1865, when the United States had won the Civil War, against Britain—and France, and Napoleon III, and so forth—at that point, the British recognized that the United States could never be conquered from outside. Therefore, they gave up on these attempts to overthrow our government by military force, or from the outside.

Instead, they went to another road: corruption. They got



us under the control of the London gold exchange standard system. That was step number one. The King of England, Edward VII, at the beginning of the century, used one of his agents in New York City, Jacob Schiff, who designed the Federal Reserve System of the United States, as a way of subverting our Constitution, and bringing us under control of international bankers. Which has more or less succeeded, off and on. Roosevelt fought against this, but was not entirely successful.

So, we have been corrupted, and that comes to the economic question, as I shall show.

So, the problem is, we face an enemy within and without, which are called, in the United States today, “neo-conservatives,” or similar types. They’re determined to bring about a world order, of a certain type. They have certain military objectives in mind, to do this; these are already operational. If this succeeds, if Cheney remains in office—if Cheney remains in office through the coming election, next year, you must not expect the United States to survive: It will not.

So therefore, we are dealing with something in the continuation of the Hitler phenomenon, the so-called Synarchist phenomenon, whose origin goes back to the 18th Century. This has undergone changes over the period, but this phenomenon is continuing. Don’t look for conspiracies of any importance from other sources; they are all of this type. It is not a group of this; it is not a group of that; it’s a group of private, financier interests, who, when a crisis comes, say, “We are going to collect on our debts—even if it means killing the people.” That when government has to make a choice between collecting debts for bankers and protecting the people, this group has one determination: They’re going to maintain the system under which they *create* debts, by which they enslave the population. And they’re going to make sure that the debts are collected, for their benefit—promptly—even if it means killing the people.

And that’s the fundamental issue that defines these kinds of things. That is why, every time, in the 20th Century and since, that you have a major, systemic financial crisis, or monetary crisis, the danger of something like Nazism comes up again! Because some group of bankers, hiring thugs—like this thug Cheney, who’s nothing but a thrown-away jock from a football field; but, he’s a killer. He’s been involved in secret intelligence operations, at a high level, since he served under Nixon, and since he served as Chief of Staff for Gerald Ford. He is a killer. He is not smart, but he represents killers. And, he is the kind of guy that will order you killed. And he has the people working with him, who will do the job. That’s why so many politicians are afraid of him, and afraid to mention his name in public, today: because he’s a killer. He’s very bad tempered, among his other amiable qualities.

### ‘The Open Conspiracy’

Now, let’s go through these three issues, with that said. The beginning of the present form of military crisis, starts in

about 1928, with the publication of a book by H.G. Wells, called *The Open Conspiracy*. This book was immediately adopted as a policy by Bertrand Russell, probably the most evil man living, during the 20th Century. These fellows developed—it started with Wells, who was the first one to get the idea of using nuclear weapons, as creating a weapon so terrible, that people would give up sovereignty of their national governments, for world government. This is a general outline of the objective of the group, in this *Open Conspiracy* book, published in 1928, by H.G. Wells.

Russell himself was instrumental in the development of nuclear weapons. It was Russell, for example, who wrote the letter, which was signed by Einstein, but never delivered to Roosevelt, even though it was addressed to him; but, it was this operation, which started the development of nuclear weapons. People had ideas of the capability of nuclear weapons before then, but nobody had actually started, until Russell wrote the letter. Russell directed all the key people involved in developing the nuclear weapons—that is, the controlling people. And Princeton Institute became a nest of the control for this.

So, then, the war proceeded—World War II. It started with the idea of strategic bombing of civilian populations. That did not go on from the U.S. side, immediately; the British started it. A British scientist by the name of Lindemann was the key author of the policy. This was called the strategic bombing policy, of bombing harmless cities. Then, they added to that, of course, the idea of using nuclear weapons, rather than fire-bombing of civilian populations, as a way of dealing with this.

Then, President Roosevelt died. At that point, the Meltons, the Morgans, the du Ponts, decided to get rid of the Roosevelt legacy. Roosevelt was in bad condition, because of his illness. He’d worked himself almost to death. He was expected to die soon. They did not want Henry Wallace to be the living Vice President, when Roosevelt died. So, in the Democratic Party Convention of the Summer of 1944, Wallace was replaced by a stupid thug: a right-wing, racist thug, Harry Truman. And Harry Truman’s onset into power, even as Vice President, signalled the unleashing of terror bombing—unnecessary terror bombing against civilian populations, such as the bombing of Tokyo; the planned bombing of Hamburg; the bombing of Dresden; the bombing of Magdeburg. And so forth, and so on, in Germany—other cities.

The American policy was precision bombing. Bomb meaningful [military] targets. But, the British policy was mass bombing of civilian populations, a thing which prolonged the war, because the Germans, who were about to surrender, were not willing to surrender because of this terror bombing. They were not disposed to surrender, at that point.

Then came the time Japan was ready to surrender: By the Spring of 1945, the Emperor of Japan had negotiated—through the Office of Extraordinary Affairs of the Vatican, through then Monsignor Montini (later the Pope Paul VI)—



*Japan's Emperor Hirohito in 1926. By the Spring of 1945, Japan was ready to surrender, on the sole condition that the dignity of the Emperor be maintained, as the representative of the institutional unity of the nation. But President Truman refused, and dropped the nuclear bombs on Hiroshima and Nagasaki instead.*

had negotiated the terms of peace which he wanted. The only condition attached to this, was that the dignity of the Emperor would be maintained: That is, that the institutions of government would concede to almost anything, but they had to maintain the unity of the nation of Japan, which could only be done by keeping the Emperor in place. That was the only condition. Once that condition had been accepted, Japan would have surrendered.

But, the United States *refused* to make that condition—though after the surrender, they honored all those conditions! Japan was rebuilt. The Emperor was kept in place. Just exactly as it had been promised through the Vatican channel. Then, why did we drop nuclear weapons—the only two we had—on the civilian populations of Hiroshima and Nagasaki?

[Question from the audience, arguing that Germany already had the atomic bomb.]

No, no, no, not true. Not true. That's a myth, it's not true. . . . Listen, be patient. That's wrong. But, your information is

false. Okay? I'm an expert, your information is false. I know the area. I know the facts.

Okay, so we bombed it. So, what did this do?

The objective here—remember, we had defeated Japan. Japan is an island-nation, with a very small part of its territory that's habitable. A mountain island-nation. MacArthur's policy had been to totally blockade it, by air and by sea. This meant naval blockades. It meant submarine warfare blockades, and aerial blockades. Japan reached the point it could no longer get materials it required for the existence of the economy of the islands of Japan, from the continent of Asia. It could not survive; its only opportunity was to surrender. It had no military significance: It was a defeated nation, in fact. The question was, how to get the surrender through.

Well, some people didn't want the surrender; they had another idea. And, the idea was dropping those two bombs—which they had intended to drop on Berlin. But, the war in Europe was finished too soon. They couldn't get the bombs ready in time to drop them on Berlin, which was their original intention. So they said, "We'll do something else. We'll drop them on Japan." And they picked two civilian target cities of no military significance, or very much significance: Hiroshima and Nagasaki.

This was done as part of a policy, devised by Bertrand Russell. It was called "preventive nuclear warfare." The policy, as Russell explained it, in September of 1946, in his magazine, published in Washington: The purpose of this was to use a weapon so terrible—nuclear weapons—that nations would submit to world government, give up their sovereignty, rather than face the terror of nuclear weapons. That was the purpose of this operation.

Now, from that point on, from 1945 until the beginning of the 1950s, the United States' policy, was to bring the Soviet Union to surrender, by building up an arsenal of nuclear weapons, and planes to deliver these bombs, upon the Soviet Union. That a pre-emptive nuclear attack on the Soviet Union, could cause the submission of the Soviet Union, to U.S. domination *and* world government. And, that would be the end of it, for the rest of the world.

Now, what happened was, that Truman was an idiot, among other things, his other excellent qualifications. And, he tried to bluff both the Soviet Union and China, with operations aimed at various points in Asia. He operated on the assumption, as the records of the time show, that the Soviet Union and China *would do nothing about it*. They didn't have nuclear weapons, and therefore, they would have to accept it, and they would not react.

They continued the operation. And then, as a result of that, North Korea, under Soviet direction, with Chinese Communist sympathy, invaded South Korea. The United States was stuck, with a few American troops—a Korean army which had been destroyed and a few American troops—in a small perimeter around the southern tip of Korea, around Pusan. This changed, of course, when MacArthur did the obvi-

ous, when he assumed command: He outflanked the situation, outflanked the North Korean army, by an assault with the Inchon landing. That changed the situation. But then, it went on. We decided that maybe that wasn't such a good idea, that war.

Then, it was known that the Soviet Union had developed the first *thermonuclear* weapon, the first deployable thermonuclear weapon. Now, how can you have nuclear fission-weapon warfare against a nation which has thermonuclear weapons?

So, this resulted in the dumping of Truman. They told him, "You're not going to run for re-election." And he didn't. It also brought Eisenhower into the Presidency, because Eisenhower was opposed to this, and represented those military officers, and others, who were opposed to this so-called kind of preventive nuclear warfare. So, we had eight years of relative stability, under Eisenhower. And the Democratic Party was not allowed to have the Presidency, at that time, because the Democratic Party had been contaminated by the Truman preventive-nuclear-warfare doctrine.

Then, Eisenhower retired. And people who represented the Russell conception of preventive nuclear warfare, the so-called "utopians," typified by Allen Dulles, and his brother John Foster Dulles, began to act. Kennedy had been elected; Kennedy was a very intelligent man—very capable—and showed his promise as he went along, in the few years he survived after that point. But, at the start, he did not know, really, what the game was! And, he was not a man respected in the military, in the way that Eisenhower was. Therefore, he could not have the influence on the professional military, that Eisenhower could, in dealing with these utopian warriors—the Air Force crowd, who want to bomb everything: Develop missiles and bomb everything, with nuclear weapons.

So then, we had the 1962 Missile Crisis. We had events, including the assassination of President Kennedy himself; we had then, the launching of the first official war in Indo-China—that is, U.S. official war in Indo-China. Now, again, the same mistake was made—by the United States, by these warriors—that had been made by Truman, on the question that led to the Korean War! They assumed, at that point, in going into Vietnam, they assumed that the Chinese would not actually intervene against an American attack on North Vietnam. Therefore, they went ahead, assuming they had an "easy job"! And it wasn't an easy job, because the Soviet Union, knowing that *it was under attack, too*—even though the Chinese *did not* support North Vietnam, or Vietnam in general; as a matter of fact, they didn't like the Vietnamese. The *Russians* intervened, and assisted to devise a strategy, under which Indo-China could defend itself, against U.S. occupation.

## Asymmetric Warfare

Now, this is what's called "asymmetric warfare." And it's asymmetric warfare, in the age of nuclear weapons.

The classic case of asymmetric warfare of this type, occurred in 1812-1813: Napoleon Bonaparte, with his Grande Armée, was about to invade Russia, occupy it, and thus subject all of continental Europe to Napoleon's own, personal domination. At this point, a section of the Prussians, headed by Scharnhorst, decided to assist the Russians in defending themselves against Napoleon's planned invasion. Incidentally Lazare Carnot, who was the greatest French military man of that period, told Napoleon, "Don't be stupid. Don't try it." He had a general understanding of what the problem was.

The Prussian military, which advised the Tsar and helped him, proposed a policy, which was developed in the works of Friedrich Schiller. The point was: Do not try to engage the enemy at the border. He's got superior forces; he's got a half-million-man army, dragged up from all over Europe. If you try to have a decisive battle against him at the Russian border, you will be destroyed, and he *will* overrun Russia. So, what they said is, "Don't. Do a rearguard, withdrawal action. Trap him into Russia. And prepare to destroy two cities—Petersburg and Moscow—if Napoleon goes to either." So, Napoleon was put through a rearguard defense, by the Russians, which kept him coming on, and he decided to advance toward Moscow. He occupied Moscow; he was declaring and celebrating victory. Then the city blew up! It had been mined.

At that point, the Russian people, and the military forces which had been conserved, fell upon Napoleon, such that when Napoleon was sitting, later, in Poland, waiting for the last of his army to come across from Russia, one man came across the border: Marshal Ney. And Napoleon said to Marshal Ney, "Where's your troops?" He said, "Emperor, *I am your troops.*" All the rest of them were captured, or dead.

That was the end of the Grande Armée.

Now, in modern warfare, in a major nuclear war, when you engage countries at a distance and you can throw large weapons and weaponry against them, that's one kind of warfare. But there's another kind of warfare: Let the enemy invade; let him try to occupy the country. And, when he tries to occupy the country, *our people are going to be next to him*: At short-range, thermonuclear weapons don't work. And, that's what the Vietnamese did, against the American invasion in Indo-China.

That is what, in effect, is happening now; that's what's happening in Iraq.

The Iraqi people are a nationalist people. All this double-talk about Saddam Hussein being the big problem; this and that, and so forth; al-Qaeda, so forth—it's all junk! The Iraqi people have gone through occupation before. They were occupied—as Iraq as a nation—under the Ottoman Empire; they were occupied by the British, during the end of the Ottoman Empire. They were occupied by the British after the First World War. They were occupied more recently. And the occupation of Iraq has strengthened the sense of nationalism.

Do not try to assume, that differences in religion define the way you can split up Iraq: It's not that simple. Iraqis include everything: You have Christians, of various varie-

ties—Armenians, others, and so forth: Christians. You used to have some Jews—they got kicked out, in a way. You used to have all kinds of Arab religions, Muslim religions; they had Druze—everything there. But, they all lived together. They had a certain degree of amity among them. They all thought of themselves as Iraqis; they spoke with quite similar accents, and quite similar thoughts. And, they were concerned with Iraq, as a nation. Any fights they had, among these groups, were fights within the nation! They did not define a separate nation; they defined a fight within the nation. We have these things within the United States—as you may know, as well.

So, the Iraqi people are now reacting to the punishing, cruel, unjust war dumped upon them. They don't care who did it, in a sense. They are going to defend their nation.

Now, they are also, in a sense, an Asian culture. In Asia, the ideas of life and death are somewhat different than they are in European civilization, and they are prepared *to die* for the future of their culture, for the future of their nation. That's where you get this suicide-bombing process, from that kind of culture.

So, now you have the American Army, vastly outnumbered by the population of the country it occupies, in a country which has over 2 million trained military fighters, who are trained as part of the Iraqi military capability. We have a couple hundred thousand-odd American troops—who are totally incompetent, most of the troops, for the job. These are point-and-shoot people, who can go out in the streets and shoot off a weapon, rapidly, at even a suspected target, like the Columbine killers. They're trained on video point-and-shoot methods. They don't know how to think; they haven't been trained; they're not qualified. They're not an engineering troop—they're not qualified for anything, for occupation work. And, they're sitting there, hopelessly. What are they? Are they occupiers, or targets? Increasingly, they shift from being an occupying force, to a targetted bunch of people—frightened, targetted, so forth—has occurred.

### **Cheney's 'Preventive War' Drive**

So, what we're dealing with now: When Cheney brought this policy back in, after Sept. 11, 2001, and had it sold officially to the U.S. government, as reflected in the State of the Union speech in January 2002, we've now entered a new phase in a certain kind of conception of strategic conflict. You have on the one side, what we used to call "conventional warfare"—pre-nuclear methods of warfare. You had, at the other extreme, what used to be called "Mutual and Assured Destruction"—the idea, if you go to thermonuclear warfare, full-scale, you probably will destroy most of the population of the planet, and most culture; so therefore, you can't go there. You can't conduct conventional warfare any more. It doesn't work, because you'll go to a threshold, at which some other kind of warfare, including the use of nuclear weapons, will break out.

So, the effort has been, to find a way to conduct wars,

*between* the level of conventional warfare and general thermonuclear warfare. That's what Cheney is talking about: preventive nuclear warfare, in that dimension.

We do not, in the United States, have the ability to deal with the kind of reaction, that we are provoking, with our present forces and our present policy. The United States can not win the kind of war that Cheney is trying to launch. We'll lose it. Why? Because the reaction, especially in Asia, will be strategic defense, which they will call "asymmetric warfare." You're dealing with civilian populations, which are prepared to resist, in every way. Some of these people represent superior weapons capabilities: Russian weapons, technologically, are very interesting. Some Chinese weapons are interesting. Indian weapons are interesting.

But, the basic principle is population warfare: If the people of an occupied or threatened territory decide to engulf an occupying military force, at close quarters, *the United States is not capable of winning such a war.*

Therefore, you're stuck in a period, you either go to thermonuclear war, in which case the planet is generally destroyed; or, you don't, and you go into a process of attrition, through popular wars, in which *most of the world falls into a Dark Age.*

So therefore, on this kind of policy, by Cheney and Company, the military policies of Cheney and the Bush Administration, and the military policies supported by many Democrats—including Democrats who won't fight it—are bringing the whole planet toward an early Dark Age. If Cheney continues in his position, with his policies—where the people around him are called neo-conservatives, with their policies—if this goes on, if there's an attack on Syria; if there's an attack on Iran; if there's an attack on North Korea; you will see the world is committed—with Cheney still having control over a puppet-President—the world is committed to a Dark Age for all humanity. Even on military grounds, alone.

And that's what we're up against.

We're in a situation, in which I know there are ways to bring about a general peace on this planet. It's available. It's available to the United States, with the right President. I can do the job. I know how to do it.

### **Cultural Roots of the Economic Crisis**

All right: Let's go to the second question, the economic question. As some of you recall, we came out of the Depression and war, and the post-war period, under Roosevelt's initiative, and even with the bungling we did after the war, we emerged as the most powerful, productive nation on this planet. And the most powerful nation on this planet. This continued up until after the Kennedy assassination.

What happened?

The shock of living under a threat of thermonuclear warfare, general nuclear warfare, which had gone on in one degree or another, since 1945, up until 1962-63, had produced a tension in the population. In the U.S. population, this tension had been increased by a right-wing turn under Truman. (It

was not Joe McCarthy who gave us McCarthyism—it was Harry Truman. And it started in 1945-46. It didn't start in 1947-48.) So, the typical American, who had returned from war, was terrified. He was terrified of going into a new depression. He was terrified of a new war. And they adopted the policy, "Keep your mouth shut. Say what's expected of you. Be careful what our children say. Be careful who you talk to." We lived under right-wing terror in this United States, and we came to call it McCarthyism. To a certain degree, Eisenhower liberated the nation from McCarthyism. To a certain degree.

But, the people who had been subjected to this immoral thing, this capitulation to terror, to Nazi-like terror—it wasn't like Hitler, yet, but in that direction—they lost their souls; they sold their souls. They wanted to get a job. They wanted to be secure. They didn't want to lose their job, because of security clearance problems. They went into suburbia, if they could. They told their children, "Be careful what you say; be careful what you say. What you believe is not important—it's what you're overheard saying, that's important. Saying the right thing, that's important. There is no truth—it's saying the right thing, that doesn't get you into trouble. Maybe get you a promotion. That's the right thing."

So, the parents, the veterans' generation, told their children, especially in suburbia: "Be careful." So, the children, born as what became known as the Baby-Boomers, were permeated with a great deal of immorality *worse* than in their parents' generation! Because they had been conditioned, that there is no truth. They had been conditioned in Dr. Spock; they had been conditioned in "touchy-feely."

When we were hit by the Missile Crisis—and some of you here were old enough to experience that—when we were hit with the Missile Crisis, for several days, people in this country were wandering around in barrooms looking for the church. Expecting the thing was going to strike, and we were going to be obliterated any morning, or any evening. Pure terror! This affected strongly, most effectively, the younger people, who were then in late adolescence, going on toward young adulthood. The result was a phenomenon, called, from 1964 on—from the time that the Beatles appeared on the Ed Sullivan stage, on CBS—this was called the cultural paradigm-shift. "Don't accept reality. Go into un-reality. We are leaving producer society! We don't want blue shirts any more. We want white shirts—or maybe multi-colored shirts. Or, maybe no shirts at all! Or, maybe no clothes at all!" Maybe, "We want pleasure! Wherever you can get it (from whomever you can take it)!" The Woodstock phenomenon, right?

So, we said, "Technology is bad! Production is bad! You've got to have the simple life. Get away from technology. Science is dangerous!" So, we began to shift, from a producer society, to a consumer society, and a pleasure society.

Then, Nixon, in 1971, sank the dollar, sank the international monetary system. The Azores Conference which followed, put us into a floating-exchange-rate system. And then we really got nasty: With our control over a floating-ex-

change-rate monetary system, under American and British control, we went to various nations, using the London market, we would run a currency down in value—say Mexico's currency, other currencies. We would then send a team into the country, having collapsed the value of that currency on the world market by speculation, the way Soros did to Malaysia, in 1997. Now, we would have the IMF and World Bank come in, and "give you some advice, on how to solve this problem. And whatever they recommend, we'll support."

So, the IMF and World Bank would come in—both are the same, one or the other—and they would say, "Drop the value of your currency. Devalue your currency."

They'd say, "Okay. We might accept that. But, that means we pay our debts in our currency, right?"

"Oh, no, no, no! You don't pay your foreign debts in *your* currency! You pay your foreign debts in dollars!"

And, now, your currency just got devalued. So now, you have to accept *a larger debt, based on the difference between the old value and the new value*. Such that, for example, in Central and South America, if you look at what these countries owed, as of 1971-72, *they have more than paid every foreign debt obligation they ever incurred*. But they have a bigger debt, than ever before. A gigantic swindle.

So, on the basis of this, we go into a country—we say, to China and other countries, "Drop the value of your currency!" What does that mean? That means, you're going to collapse the internal economy of that country. You're going to collapse the infrastructure, you're going to collapse the general infrastructure. "But, you're going to work for us! You are going to be our market. You are going to be our market, for our industries! We are going to ship our factories, and our farms, from the United States, into your countries—and you're going to work for us, almost for free. And, we are going to get all this stuff from you—cheap!"

So, we say, "We can no longer 'compete' with China. We can no longer 'complete' with South America. They can produce too cheaply."

Why do they produce so cheaply? Because we stuck a gun to their head, and forced them to work cheaply, and give up their industries.

What happened to the jobs here? What happened to our industries? They're gone! Mostly gone. And what remains, is going fast.

So, we went, over this period of the past 40 years, we underwent a cultural paradigm-shift, a change in the character of our nation, from being the world's leading producer society, which was the characteristic of us, traditionally—the characteristic of our economy, from the time that Roosevelt assumed office, to the end of the war; which continued to be our characteristic of social values, into the time of the Kennedy Administration.

Then, we went through a change from a producer society to a consumer society, a pleasure society. We became like ancient Rome after the Second Punic War, where Rome was



so powerful, and instituted *slavery* at home—and we’ve got conditions like slavery here, at home today. What about our homeless, and people like that? People who actually earn a living, but are homeless! They can’t afford a home, at today’s rent prices. So, Rome degenerated, because it ceased to produce for itself, and controlled its population through what were called “bread and circuses.” What do we have in the United States? Very little bread, and a lot of circuses—television circuses; mass-entertainment circuses; sexual-fad circuses; anti-sexual fad pleasure-seeking; all kinds of things.

So, we have been destroyed as a nation: We no longer have the productive ability we had. We have vast nominal wealth, but it’s basically what we can extract from other countries, which are now going bankrupt. Germany, right now, for example, the leading economy in Western Europe, is disintegrating—at a rapid rate. (I could go into details, but I won’t here.) But, that’s the situation.

So therefore, we’ve come to a point, where we have this vast accumulation of debt. We have vast inflation in financial values. Financial aggregates are up, per capita. Monetary circulation—up, fast! We’re printing money like crazy. We’re printing it, not by the printing press: We’re printing it, even electronically. Overnight! Vast amounts.

The physical output of the United States, per capita and per square kilometer, has dropped. That is, if you look at what the physical values are, of consumption: Look, for example, at the case of power generation and distribution. The power generation and distribution is collapsing! These industries are being collapsed! To maintain the standard of living and production we used to have, say in New England—you can’t do it any more. The industry is collapsing. We now have a deficit in the United States, in terms of capital investment, in power generation, which goes into *trillions of dollars*. That is, to put things back, to the point that we can, today, assure communities and assure households and industries the access to power they once expected, we would have to invest trillions of dollars of capital investment, to rebuild the industry, and other things.

Our transportation system is collapsed. We would have to put in vast amounts of investment, to rebuild the transportation industry. Water management, pollution, things of that sort.

So, we have a ruined country. We no longer have the productive ability that we once had. We can no longer support ourselves by our own effort. We’ve become dependent, like the Romans, on stealing from their foreign victims. That’s where we are.

So, eventually, that has to come to an end.

## The Tyranny of Popular Opinion

Now, what this produces, is the following: We’ve come to a point, where over the past 40 years—don’t blame the government, alone. Blame the people: Because, who voted for some of these idiots? Who voted for persons who propose

these kinds of policies? Who adopted the idea of post-industrial society? Who promoted it? Who promoted antipathy to technology? Who called for deregulation? Who supported deregulation? Who voted for guys who pushed it? Who voted and tolerated—or, didn’t vote for anything at all? Just gave up? For all the bad things, that have happened to us, to destroy this economy, to lead it to the brink of a collapse: Who did it?

The American people!

How did it express itself? It expressed itself, as so-called “popular opinion”! How did it reflect itself? It reflected itself in voting patterns, and in *non-voting patterns!*

Over the past period, since 1977, the physical standard of living of the lower 80% of family-income brackets has collapsed at an accelerating rate. The homelessness, the vast homelessness, is only a part of it. The collapse of health care. The collapse of education. The collapse of essential services. The collapse in transportation systems. You can’t afford to live in this society any more!

But who did it? Popular opinion!

Now, this is not unusual in history. See, mankind is generally ruled, or self-ruled, by popular opinion. People behave, generally, as was described by some sociologists, as “other-directed”: They borrow their opinions from their neighbors, like cups of sugar. They say, “Well, what do you believe?” “Well, wha—, uh, whatever you say!” “Whatever the news media says. I gotta go along with the news media. I gotta go along with the party.” Huh? Other-directed.

Now, we have destroyed ourselves, not because some people have introduced bad policies, but *because we tolerated them*. Worse, we became *supporters* of bad policies, in the name of supporting public opinion. “I gotta go by what the newspapers report. I’ve got to go by what the neighbors tell me.” And that’s how we do it. That’s called “public opinion.” We’re destroyed.

All right, so, what does this mean? This means, that in history, there are cycles, which occur over a period of generations—one generation, two, three generations. Cycles in which wrong opinions will build up, take more and more control, more intensely over a population and its behavior, and its leading institutions. The society then appears, like ancient Rome, to be in the process of destroying itself, as we are today. Then, what happens? Do we survive? Well, in 1933, we survived. In the 1932 election, we elected Franklin Roosevelt, who told the world pretty much what direction his policies were going to take. And, we had enough gumption left in us, after the shock of the Depression, to support him; at least, the majority of us did. He made a change, in our culture. He made a shift from the culture of the 1920s—the Flapper era—to the culture of the 1930s and the 1940s.

So, we abandoned a *bad* kind of public opinion, came back to our senses, to a large degree; decided we had to have a healthy producer society—and it worked! It worked just fine, with all the flaws in it. We emerged, again, as the leading producer society, and the greatest power in the world, the

greatest planetary power.

Now, we've come again to the point: We, out of stupidity, have destroyed ourselves; this has gone on for about 40 years, in particular. There were other things, earlier, but 40 years of this culture, the prevailing culture. That means that you are presented today, with politicians, in general, who, reading public opinion, *will always have the wrong response*. This means that the lawmaking process will usually give you the wrong law. The election will usually give you the wrong candidate elected. And that's more and more the case. Why? Because, public opinion.

But, what is this public opinion? It is the public opinion, which has developed and accumulated like an avalanche over the past years. And now, if the nation's going to survive, it has to change its public opinion. You have to introduce values, which are contrary to what is generally accepted. If you don't, the nation is not going to survive. If you don't, the same thing could happen here, as happened in Germany in 1933. That's the process.

## The Housing Crisis

This produces an interesting problem. The so-called Baby-Boomer generation, which has accepted this change, are now in their fifties. They are looking forward to comfort. Most of these comforts are illusions. I mean, you take a guy, say in Northern Virginia. A lot of areas of the country have been despoiled; it's not possible to live in these parts of the country. I was just looking at some of the parts of New Hampshire and Vermont, that I passed through in the past days. I mean, to call some of these things that people are living in "hovels," is like calling them "palaces." You have people who are living in conditions of life which are unbelievable, in the United States! You can see that, in those who occupy hovels off the road, in the backwoods of Vermont and New Hampshire, and elsewhere. That's the typical situation, throughout the country, one way or the other.

But then, there's a worse level: the homelessness. We're getting people—a quarter of the population is moving toward the direction of homelessness, or already there, now. Extreme poverty.

But, you have a population of the Baby-Boomers, the ones who are in the upper 20% of income brackets, or in that ideology, saying, "Oh, no, no! No, no. That could never happen! That could never happen." What is typical of this thing? You see somebody go out of these poor areas, where there are no longer any jobs, and they move into an area where jobs are available. This means, that in certain parts of the United States, we have housing booms.

Now, what is the housing? Look at it closely—some of you, who know something about construction. You put up something, which qualifies as a potential tarpaper shack, probably a little larger than a usual tarpaper shack. How do you hold the thing together? You wrap it, with shrink-wrap; it's called "insulation." How do you make this piece of shrink-

wrap garbage look like a house? Well, you take some plastic exterior, about a one-sixteenth-of-an-inch-thick slab; paint it; paste it on plastic. Make it look like brick. Make it look like something else. When you get through with this process (maybe putting a couple of gold-plated faucets in the "luxury" version of this house, huh?), it goes up for a mortgage value of, say, \$400,000 to \$600,000.

And, some poor guy, who has moved in from a poor area of the United States, to get a job in these areas, probably in the IT industry, or something like that; and two members of the family, at least, are working—the house is very seldom occupied: They're all usually working on two or three jobs most of the time, when they're not just plain commuting, on these parking lots, called our superhighways, huh? And this is what's going on! In this country.

Now, the values of these houses, recently, became ridiculous, because people are not really getting by. Despite their high salaries, so-called, from IT and so forth; and despite two members of the family working all kinds of hours, and commuting all kinds of hours, they really can't make ends meet. So, along come some real estate dealers, and along comes this man who should never be allowed out of his bathtub—that is, Alan Greenspan (he'd never come clean, otherwise)—come along, and they start pumping money into the Fannie Mae/Freddie Mac mortgage operation.

Then, you have real estate dealers, who are in on the racket. These real estate dealers then say, "No, the values of housing in this area have really gone up." Suddenly, the bankers call up the mortgagees, the people with mortgages, and say, "Hey! Your house has just increased in value. Why don't you re-mortgage it? You can get some cash." So, people in various parts of the country, *have been buying their groceries, from these areas, by "cashing out,"* based on an appreciation in the nominal value of the mortgages! Nothing actually happened. Someone said, in the real estate community, "These properties, here, are now increased in value in this area." So, the banker in the area, who is in on it, calls up the people bearing the mortgages, and tells them, "Well! You can get some money. If you just refinance your mortgage, you'll get an increase of several thousand dollars," or whatever, "and you can put that in your pocket!" And they use that to buy groceries, and things like that.

Now, what happens when it goes the other way? You're turning homeowners into squatters, if they're lucky. What happens if you have a vast collapse of employment in these areas, which has been oncoming, since about March, or so, or April of the year 2002, in the IT industry?

So, we're in the process of a general collapse of the financial system, in which, suddenly everything hits, more or less at once.

We can survive. I know how to make it survive. Anybody who understands Franklin Roosevelt, knows what approach to take. We can intervene in a collapsed economy; we can keep it functioning. We can make it grow again, as Roosevelt



*“You have people who are living in conditions of life which are unbelievable, in the United States! You can see that, in those who occupy hovels off the road, in the backwoods of Vermont and New Hampshire, and elsewhere.” Left, construction for the speculation-driven “housing boom” in Northern Virginia; right, homeless in New York City.*

did. It’ll be tough going, but we can do it.

All right. But, the Baby-Boomer says, “No.” The Baby-Boomer says, “I have things I have come to believe in, values I’ve come to accept, lifestyles that are important to me. I’m not going to give them up. And, it’s not going to change—you’re going to see! It’s not going to change! Look, things have been going this way for a long time now—it’s not going to change! People aren’t going to change. You’re wrong! You’re wrong! It’s not going to change.” You think they’re slightly hysterical? I do.

All right. So do their children. See, children in the university-age eligibility—18 to 25—never really talk to their parents much any more. They consider it a waste of effort. They won’t listen. Because, the young people of that age—and they have a lot of problems—but, the young people in that age, recognize that they have been given, by their parents and others, been given a society with no future to it.

All you have to do is talk to young people. Talk about the drug problem in society—not the way the Baby-Boomers talk about drug problems, but the way these young people talk about drug problems. It’s not somebody passing out drugs in their neighborhood. That’s not the problem! That is a problem, but it’s not *the* problem: The problem is, the country is saturated, and affecting these young people, with a drug-culture. Who did it? Well, what about the schoolteachers, who pushed Ritalin, in schools? Told parents they would have a penalty, if their “attention-deficit” child, didn’t get Ritalin, in a compulsory way. Or, how about some Prozac, which can turn you into a vegetable, in a couple of years? How about

other drugs? How about all the people, who are taking psychotropics, of one kind or another, “to manage their emotions”?

“I don’t like my wife.”

“Take the drug, you’ll feel good.”

This is the kind of story!

But, so, the young people are afflicted, not only themselves, but among the people they have concern for, of their own generation: younger siblings, friends, so forth. The drug problem is a threat to their lives, in ways that the Baby-Boomer generation, say from the ’60s—the Woodstock generation—would *never* understand!

But, they see in other ways: They see a no-education system, called education. They see a no-future society. Therefore, these young people are ready to make a change.

### **Emergence of the LaRouche Youth Movement**

Now, as you know, I built up the organizing of a youth movement. It started in California, and it grew. I was very careful about it; I kept the youth movement largely away from my older associates—not people older than I am, but people who are younger than I am—because I knew they’d make a mess of it, because they would try to impose *their* values upon these young people. And, the point was, to find a context in which these young people would think for themselves, and work through problems for themselves, as if in a “university on wheels.”

So, it worked. It started in California. We’d have these sessions, often by telephone, long cadre sessions, other arrangements. And we began to develop a movement. Then, a



*The LaRouche Youth Movement in action in Philadelphia on Election Day, Nov. 4. "The combination of the youth movement in the context of the other forces, meant we had a relative landslide victory, in something that was a cliff-hanger, at that point."*

couple of years ago, in the sorting out process, we had a movement. It worked in California, and so I said, "Fine. We'll replicate it, and build it in the East Coast, too." And we started to do that.

Now, in the case of California, for example: As you know, there was a Recall election out there, organized by bunch of thugs. And it featured a certifiable thug, a monster called Arnie Schwarzenegger. He's a monster by profession. If you've seen his movies, you know that. We were determined to defend the state of California against the effects of this Recall election. Because Arnie was among the people who stole the money in California, and he was going to come in to fix things, after having stolen it. His friends were the big thieves, who raped the place.

But, the Democratic National Committee was of a different persuasion. They told Gov. Gray Davis not to really fight. He could have fought. He's the kind of candidate, the kind of politician who can win a fight like that. But, they told him, don't take my advice—and he backed off it, from that, though he was happy to have my support.

So we, with our youth movement especially, we concentrated on two areas—Los Angeles County and in the Bay Area. Now, in Los Angeles County, at the time we started the fight, the polls showed the vote going 60% for Schwarzenegger and Company, and 40% for Davis. By the time the election happened, we carried Los Angeles County—not just us, but our role in there was crucial—we carried Los Angeles County, 51% against 49%. We did better in the Bay Area. In

every other part of California, generally, the whole thing was a disaster. And Schwarzenegger became elected Governor.

But, nonetheless, we had demonstrated, that where our youth movement was deployed, and engaged with other political forces, that the addition of the youth movement to the combination of the political fight, meant you had a winning combination, as opposed to what you had otherwise, which was a disaster.

On the basis of what we did in California, Mayor Street's organization in Philadelphia, coming under attack from John Ashcroft, invited us to help them. So, I said, "yes," immediately. We put the forces in there. And, as a result of this combination, again—of our people, working with their people, to make a combination: The combination of the youth movement in the context of the other forces, meant we had a relative landslide victory, in something that was a cliff-hanger, at that point.

What I'm illustrating by that is, today, the young people, of the type represented by my youth movement, are the most powerful political force, per capita, in the United States. Why? It has to do with what I just told you: An older generation, now in their fifties, generally, has gone through a long cycle of corruption. They've become accomplices in the destruction of themselves and their society. They see no future. They don't have any sense of immortality. Their sense is, that when they go, they go. And, "If Grandma is costing too much money, because of her health-care problems, she should quietly go away—because it might take our money away, if we

had to support her, in her sickness.” That’s the society! That’s the Baby-Boomer society! The culture! The characteristic of the upper 20% of the Baby-Boomer population! Its indifference to life: This lack of sense of immortality—of the sense that, “Yeah, we’re all going to die. But, let’s be decent about it. Let’s die decently. Let’s make our lives meaningful, by giving something to future generations, and by honoring the best contributions from past generations, and seeing to it that they go on, and live on, and benefit future generations to come.”

The Baby-Boomer generation, especially those in this upper 20% bracket, *do not have those values*. They lost them somewhere, between the Missile Crisis and some other things, and what’s happened up to date. They are dominating government. However—they are still human. They are still worth saving. We’re trying to do the best we can in that direction.

The best way to save them, is to have them meet young people, who represent the generation of people who would be their children. These young people typify, for anyone, the future. We’re all going to die. So, what becomes of us? What becomes of our having lived, when we die? Can we hope that we have contributed something, which will live on, of benefit to future generations? Can we believe that?

Well, how can we believe it? Have we done something worth continuing? Number one.

Number two: Who is going to carry on? What do you do then? You’re looking at these young people, with all their problems, their drug problems, all these afflictions—you look at them: This is your immortality! These young people are going to have children. Those grandchildren of yours: That’s your immortality! It may not be your personal immortality, in one sense, but it’s an expression of the fact, that you can commit your life, presently—even under great difficulties—to the sense that you’re doing something, which will not be *wasted*, because there’s someone coming after you, a couple of visible generations, which can carry on, and make the meaning of your life, something for the future of humanity; that you know something, that you can help transmit to these young people, something from the past, which is a treasure from the past, a cultural treasure. You pass it on—and they will see to it, that it’s preserved for the future. And thus, you have a sense of immortality. You are openly in connection with the past of humanity; you’re in connection with the future of humanity.

This gives you, not a sense of doing something, because you get a reward; because you get paid; because you get a benefit. This gives you a sense of a *mission* in life. We’re all going to die. We’re all born, we’re all going to die, eventually. And therefore, *what is important to us, in our life, considered from that standpoint?* What is important, is adopting a *mission*, and using this life we have, as a talent, an asset, we spend. For what, do we spend a life, that we’re using up? What future purpose is served by our living? What is so important, that we can die with smile on our face, saying, we’ve

defeated death? Because we have contributed something, that will live on, after us! And that the whole of our life *means something*.

See, we’ve become a society, a corrupt society, a pleasure-seeking society, which is looking for rewards; looking for gratification. “Well, you know, that was years ago. This is years down the line. I gotta think about *now*—y’know what I mean, buddy? I gotta think *now*. My community, *now*! Huh? I gotta think about what I feel, *now*?” “Look, this woman just left me! That’s my problem!” (Maybe she was right!)

This is the problem—we have gone from a society from looking at what we get, what we desire in the short term; and what pain we’re trying to avoid in the short term—that’s been the way we’ve gone, the way this culture’s gone.

What you need is a sense of mission, which understands the essence of human life: We’re not animals. We’re not beasts. We can develop ideas, we can make discoveries. No beast can do that. So therefore, we have the sense of having a *mission in life*: That we are going to use our life, and *spend it wisely*, for some purpose which is presented to us, as an opportunity. We’re going to recognize that opportunity; we’re going to devote our life, to that opportunity, to fulfilling that opportunity. And we’re going to have a sense of *mission*, about what we contribute to the future of humanity.

These young people, by representing that, particularly when they represent that in the way they approach life, become, in that way, an inspiration to the older generation, by giving back to the older generation, access to a sense of this kind of personal immortality in society. This may not deal with the religious sense of the matter, but it does complement it. And, it does define the meaning of citizenship.

Think of the three principles of the Preamble of the Constitution: the sovereignty of our nation, the sovereignty of our republic; the general welfare of all of our living; and the security of our posterity. When we, in our own lives, are meeting the requirements of that Preamble, and understand political society, as something which should be ordered accordingly, and read the intent of the Constitution that way, you understand why this republic, until now, is the only republic whose Constitution has survived over the period from 1789 to the present, in the world: *No other nation, in the world, has a Constitution, which has lived as long as ours*. The vitality of our system of government lies in the principle and purpose of that Constitution: that we are committed to the sovereignty of peoples; that each nation should be sovereign. We are committed to the general welfare, of *all* people—treating none like human cattle; all are human, and their welfare is a concern of all of us. We are also concerned, about what we leave to posterity, not just to our present gratification.

This is the underlying moral strength of the United States. My mission, among all the other things I must do, is to revive that sense of mission of the United States, in as many people as possible.

Thank you.

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## Dialogue With LaRouche

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*Dennis Speed, East Coast coordinator for the LaRouche campaign, moderated the discussion period, which is excerpted here.*

**Moderator:** What I want to do at this point, is I want to have Abdul come up, Abdul Mohammed. What he will do: He will tell you a little bit about what has been happening in the last few days on the campaign trail with LaRouche. And then, we're going to go right into questions. We'll take the first four questions from young people, and then we'll open up the floor in general. So, Abdul?

**Abdul Mohammed:** . . . I am, of course, a member of the LaRouche Youth Movement. And, the past few days have been pretty interesting. We've been organizing different events in Vermont, New Hampshire, for LaRouche's Presidential campaign. And basically telling the youth that the victory in Philadelphia, the victory in California, was due to actually taking the ideas of Mr. LaRouche and giving people the sense that we can change the U.S. And of course the youth movement on the East Coast completely bashed Ashcroft in the Philadelphia election. And that's one proof of principle which LaRouche just discussed. So, what I would like to do at this moment is to take a few questions from the youth in this audience who have something to ask Mr. LaRouche.

[Voice from the hall: Why don't you talk about Middlebury?]

Middlebury? Well it was interesting. The youth Democratic Club and the Republican Club invited Mr. LaRouche to Middlebury College, in Vermont. And I believe about a hundred people showed up. They were only expecting 50. Mr. LaRouche gave a wonderful speech and, you know, despite the questions, I thought it was an actually good event. A lot of people walked out who were serious and they wanted to find out more about LaRouche and the youth movement.

### Truth vs. Perception

**Q:** . . . I had a question about this idea of what you were saying before: the idea of truth as being lost. You find that most people tend to be obsessed with ideas, interpretations; and that what was meaningful 500 years ago, based on those circumstances, it's different today. This idea of perception is the idea of what makes something what it is. So I just want you to talk about how do you reach people, to say that there's more than just arbitrary perceptions; there's actually the idea of truth.

**LaRouche:** What I've done with the youth movement is to address, explicitly, that problem among youth. The quality of education in the universities and secondary schools today is abysmal. I've had some exposure to it. They have no conception of truth, whatsoever. As a matter of fact, you are in a

society which is increasingly existentialist. And, the existentialist does not believe in truth; the existentialist believes in personal experience and the emotional reaction to the personal experience. So, how someone feels about something, as opposed to what's true, is more important to the existentialist than what the truth is.

Now, so therefore, there's no sense of truth in the prevalent popular culture of the United States today, as practiced. What you get then is this: The problem is that people think of sense perceptions as truth. "Did you see it? Did you smell it? Did you lick it?" And, of course, obviously, any animal would, if they could respond, would respond in that way. But human beings are not animals. And the idea of truth does not exist among animals; or some politicians I fear; but, anyway.

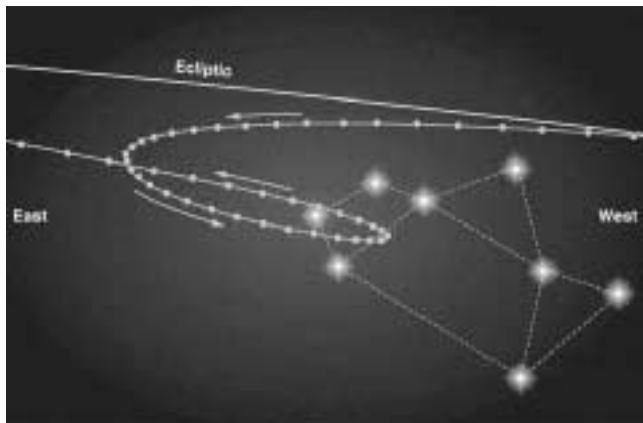
The question of truth is the question of the difference between man and the beast. We as human beings, we have our sense perceptions, but we know, as Plato emphasized, that our senses are simply part of our living organism. And, therefore, they only show us the shadow of what happens, that is the impact of the world on us, on our senses, our sense perceptual apparatus, gives us an image of the reaction of those sense perceptions to the stimulation.

Now we find things like this, as Kepler did, this Mars orbit, you know. From the simple standpoint, with precise measure, it seems that Mars is going along quite nicely in a kind of elliptical orbit. But then, at a certain point, it loops, goes backwards, for a short period of time; and that occurs regularly. And that is one of the great phenomena that you delight in showing students, when you take them out to introduce them to astronomy; to get them on a time when that occurs. Or, the best thing that you could do is at least to get a replication of how that looks, what that looks like when it did occur.

These paradoxes show you, that the way in which sense perception suggests that the world operates, is not true. And therefore, you come up with these paradoxes, like the looping of the Mars orbit. You have to discover the principle. Kepler, from that basis, discovered the principle of universal gravitation. When you discover a universal physical principle and are able to verify its efficiency physically—now man's will, by utilizing and applying that principle in a willful way, actually can change the universe. Because you can introduce a condition into the universe which did not exist except for man's intervention. When man discovers a principle in the universe which, admittedly, existed before man existed, and man comes to know that principle and is able to use it to change the universe in a way, especially one which is beneficial to mankind—you have changed the universe!

That is why mankind, if he were an ape, would never have exceeded several million individuals on this planet at any time. We have, reported now, 6 billion living individuals, or more, on this planet. How did that happen? How do we have three decimal orders of magnitude greater population of mankind than would have been possible for any kind of ape?

## Mars in Its Retrograde Orbit



*The puzzle of the “retrograde,” or looping, orbit of Mars puzzled astronomers for centuries, and was finally solved by Johannes Kepler. “That is one of the great phenomena that you delight in showing students,” said LaRouche, “when you take them out to introduce them to astronomy.”*

The difference is, man has the ability to make discoveries of universal physical principles. Man has the ability to apply these principles in order to change the universe in a way which is beneficial to mankind, or beneficial to some other purpose. Therefore, *that* is the definition of truth: the ability to discover validatable universal principle, and to know how to apply that principle, once discovered, in a way which is beneficial to man; that is which improves the conditions on the planet for man; that is our standard of truth; a physical standpoint.

There are two levels of truth, however. One is looking at the physical universe from the standpoint of ourselves, as an individual, as an individual observer, or intervener, in the universe. There's another way. Many things that we accomplish, most of what we accomplish as people, can not be done by individuals as individuals; it requires cooperation. It requires setting up structures in society which enable this to happen, like long-term capital investment, it's not something done by individuals in isolation; physical investment. So, therefore, you have to study the way that human behavior is able to organize around physical discoveries, in order to bring a result which is beneficial to mankind.

So now, we discover social principles, including principles of Classical artistic composition. And this is the second class of principles. And these things we also call truth—the function of the Classical drama. For example, take Hamlet. Everyone has recognized, since Ancient Greece, that the principle of Classical drama is not to present fantasy, but to present reality; but, in a special way. You find that, for example, Shakespeare's plays were all either based on actual history, like the English histories from Henry II to Richard III, which pertains to the emergence of modern England as under Henry VII. Then there are legends like Hamlet, Macbeth, Lear, so

forth, which were popular legends, but which are imbedded in the culture of some people.

So, you put these things on the stage as history. You always pick a legend or history which deals with the leaders of the society, as well as others in the society.

So, now, you are a person, walking into a theater; you get up in the balcony, say, of the theater, and you watch this drama. Now, if it's well done, when the drama opens, you no longer are looking at the actors as such; visually you are looking at the actors, but actually, in your mind, you're seeing the action on stage in the imagination. You're seeing it on a different stage as reality—as Shakespeare describes this in the Chorus at the beginning of *Henry V*, in the Chorus part—in the imagination.

So what happens is, the person who is watching this becomes engaged in this drama, and sees the society as in a tragedy, for example, destroying itself; and how various people in the society are acting to destroy themselves and to destroy the society. And now, this individual came from the street, probably just an ordinary person, who has no sense of power over society; he doesn't think, doesn't know, what government is; he's thinking about himself and his neighborhood and his friends. But he's up there, say in the balcony, looking at this in the imagination; he is seeing *Hamlet* enacted. And he sees something, as in the Third Act soliloquy. Hamlet says this and that, and then he says, however, I dared do nothing about it. I'm afraid. “When we shuffle off this mortal coil,” when we die, what happens then? And that makes us tremble and lose courage. So, therefore, he sees in the unfolding of this drama, a leader of a nation, Hamlet, faced with a crisis of the nation, who is unable to stop the crisis, even unable to stop his own behavior contributing to the crisis, because of his fear, on the question of immortality.

But, the fellow, the citizen, sitting in the balcony looking upon this, is now looking at a society from the top. His concern is, “How could we prevent this? How could we prevent this society from making this stupid decision?” And through presenting history, actual history, and presenting other things in a dramatic way, through great Classical art, we are able to elevate people from little people into becoming people who have an overview of society, and see themselves as people who should be doing something about what happens to society; saying, “I'm not going to be a little person down here watching my society destroying itself. I, as a citizen, am going to try to do something, and find a way to *intervene* to cause those who lead society to stop leading us to destruction.” And that, also, becomes the most important kind of truth, the type we deal with, say in political processes. “How can we intervene?”

Here I am, look. I know that if any of these characters who are running for President, say, on the Democratic ticket, my rivals, if any of them were to become President, the United States, at present, is doomed, because they are committed to values which will fail. And therefore, your question is, “How

do we *intervene* in this situation?” A nation which is about doomed—how do we intervene in this process, seeing this stupidity, this self-destructiveness going on. What do we do, to try to save this nation, and its people, from the destruction we see *onrushing* in the period ahead? That’s truth.

## A Commonwealth of Sovereign Nation-States

**Q:** . . . I’d like to ask Mr. LaRouche, if he had an opportunity to restructure the United Nations system, what are those changes that he could offer?

**LaRouche:** Well, in the history of the United States we had the work of John Quincy Adams, who summed up a lot of the basics of this problem. As Secretary of State under James Monroe he took a larger view of his previous experience as a thinker and as a diplomat; because he was Secretary of State and had the responsibility for the foreign relations of the United States. So, he wrote this draft that President Monroe read out loud. It became known as the Monroe Doctrine; it was his work.

Now, Quincy Adams’ conception, in this period and later on, was that the states of the Americas were all under threat from Europe: on one side, from the British side; the other side, from the Hapsburg side. What was our policy? And Adams said, at that point, we do not have presently the strength, the military strength, to intervene to kick the Hapsburgs, or the British, out of the Western Hemisphere, but we are committed to the establishment of sovereign republics in this hemisphere. And we are for the exclusion of any intervening foreign power from Europe to come in and try to take over, or re-colonize, or re-control this area. So, therefore, he defined a doctrine which he called “A Community of Principle Among Sovereign Nation States.”

Now, that’s my doctrine. It has two features to it. One, simply on the top: The situation now exists, as I know directly from my dealing with people in Asia and elsewhere—Russia, Europe—the situation is such: Today we are prepared under the right President of the United States, to secure the negotiation of what some people try to call a “multipolar world” (which I think is a bad term, though I understand the intention). What we need and what we can establish is a system of sovereign nation-states which are individually sovereign, no super-government, no world government, no super-agencies—but which are united by certain common principles which we are in the process of working out. So, that’s my policy.

The other level of this thing is the question of why do we use this concept, rather than the concept, say, of a United Nations, or super-government, or some agency to arbitrate nations? I’m not opposed, at all, to the functions of the Security Council. I think it’s very useful to arbitrate certain threatened near-wars, or similar kinds of conditions. But that does not solve the problem. The problem is to understand culture.

Why should we have nation-states in the first place? What do we lose if we don’t have it? Well, the answer lies in lan-

guage, or is explained to us in language. You can not understand a culture, of a language culture, from a dictionary, from a book on grammar, because the essence of ideas expressed in language is in the form of irony and metaphor. Now, irony and metaphor is the double meanings, and triple meanings, which languages convey, because of the background of usage of that language by a people. So, therefore, the stories, the favorite stories, the legends, the history of the people, are transmitted; so that when something is said, the language is interpreted from the standpoint of the culture. If I want to communicate actual ideas among people in a culture, I must utilize that *in that culture*. Not use broken language, but in that culture, in order to convey ideas. If we don’t convey ideas to one another, we reduce ourselves to something like animals in a cage.

So, therefore, the important thing is, even though people, they come up with the same ideas, if they have a different culture, they have to know the idea, not simply copy it. They have to know it in terms of the experience of their own culture. Therefore, each people must be sovereign in the process of deliberating on its ideas and principles.

But, there are certain principles, which are known commonly to us among governments. Therefore, these principles should form the basis for a community of principles which we all agree to support. For example, principles: the idea of sovereignty, the Preamble of the Constitution. The idea of general welfare, again, the Preamble of the Constitution. The idea of our commitment to posterity, again, in the Constitution. These are typical principles of the type, around which a community of principles can be built among nations, as well as within a nation, among the people within a nation, a system of government.

And that’s what is needed. My view of the possibility is optimistic. One of my leading personal purposes has been for many decades now, to bring that state of affairs about. It’s what I did when I was trying to work with the Non-Aligned Nations Movement to bring about a resolution on a just, new economic order of that type, same thing. You want to protect and strengthen the sovereignty of nations, not dilute or weaken them. But you want to bring those sovereign nations together around a process of accepting certain principles on which we can negotiate, we agree, these are natural law principles, and we all ought to respect these things in our dealings with each other. . . .

## Education and Cognition

**Q:** You talk about education in the United States of America right now. How do you straighten the education of this country? I mean, we have something called the MCAS test. What do you think of the MCAS test?

**Moderator:** Why don’t you elaborate on what you’re referring to.

**Q:** The MCAS [Massachusetts Comprehensive Assessment System] test, that people have to pass the MCAS to





*A welder-trainee during World War II, working on the construction of the USS George Washington Carver. "We put people into jobs they'd never seen before. We challenged them to adopt skills they never had before, for which they had never been trained."*

know how much, like how to do good in math, history, and so forth. And you have to pass a certain point average to graduate from high school. How would he improve people who can not pass an MCAS test, because they're not being taught well? How would LaRouche make a better education for the people of this country?

**LaRouche:** Okay, very good; good question. Well, first of all I don't believe in multiple-choice questionnaires. They're incompetent by nature. Anybody who would issue one, or use one as a testing standard doesn't understand education. So, I would ban multiple-choice questionnaires from the school system, absolutely. Now, what would I do instead?

What I would do instead, is what I do. If I'm teaching a course, let's say at the end of a semester, what am I going to do for an examination of the people who have been sitting through, working through, that semester's program? I'm going to be very, very tricky. I give a three-hour examination, in which you go into a room for three hours. We don't go out: Sit there for three hours. I present you with five questions about subjects you should be able to answer, but we had no education in beforehand. And, you can choose any three of the five, you choose to answer. Then, we will study your answers later. What I'll be looking for is your ability to solve problems which you have not been rehearsed in solving. What I'm testing is—I'm not testing *you*, as much as I'm testing the teachers. Me, included.

In other words, have you been given the background to be able to solve an unfamiliar problem, which, in my knowledge,

you are really pre-prepared to undertake. And that's what any good examination is, in any university, or any secondary school. Now the point is, the essential thing in education, is not what you think, but how you are able to think. Because, you are going to deal with most of your problems in life, you will have no education in what to do.

Look, people go out for a job. I want a job, okay? You go into a plant which produces a product you've never seen before; a production process you've never seen before. *Can you do that job?* That's the test. All right, can you? If you have been developed as a person, to a certain level of knowledge in a certain way, you can go into a place with an unfamiliar kind of work and say, "Yes, I think I can do that." Why? You've never done it before. Why do you think you can do that? Because you have been educated and developed in a way, otherwise, in such a way that you know how to deal with certain kinds of unfamiliar problems that you've never faced before. You know, you study it, you work it, you sweat it through.

And that's how we got through World War II. We put people into jobs they'd never seen before. We challenged them to adopt skills they never had before, for which they had never been trained. But, because they were intelligent people and because they had a certain background, those who were skilled in this thing would recognize, "This person can probably do this job. Let's give him a chance. Let's give him a try. If that doesn't work out there, we'll try him over here on this job." And that's how we got through; that's

how we got the job done.

So, the base of the problem of education today, and you're giving the right answers to approve some mass testing program, mass education program, is actually a form of destroying your education. So, I agree totally. We should ban this kind of education. It is more costly, yes: to have smaller classrooms, to have better trained teachers, and have the kind of educational classroom in which that kind of thing, I described as a testing, works.

All right, but it's worth it. Because these, the people we are educating, are the people on which the future of our society depends. It's worth everything to get the job done right. So, what we need essentially, is a new educational policy, which means more teachers. It means a much higher standard of teacher education. It means smaller classrooms. It means more preparation time for each of the teachers. Go back to more preparation time. Where you know, a teacher has, say, eight hours a day, the teacher has actually four hours or five hours, at most, classroom time; three hours in terms of other work. The teachers are sent and given sabbaticals to go off and get additional education, or go into new places and try a new country, eh, for a short period of time, to get a broader experience.

We used to do things like that. And the best schools all did that kind of thing. So I simply say, let's go back to what I described. Now, what I said is not unfamiliar to older generations: the idea in an advanced, a good high school education, or a good university education, to give a student, at the end of a semester, a three-hour examination, with let's say, five questions of which the student can choose three. And these would all involve things the student was not actually trained in, in that course, but which the student should be able to take on. And you don't grade the student for the right answer. You grade the student on the basis of the student's ability to come up with a credible approach to solving the problem. If he's on the right track, he won.

### 'Borking' or the Rule of Law?

**Q:** . . . I'd like to ask Mr. LaRouche to consider a question that was proposed by a judge, Robert Borke, in his book, *Coercing Virtue*, where he says that there is no rule of law or Constitution in America; there's only the rule of judges. And that they rule by their own opinions without constraint by the law.

**LaRouche:** [laughing] You know, you had a fellow in Scotland—it's a famous story written by Robert Louis Stephenson; it's a story based on a true account. It was called the *Resurrection Man, or, The Body Snatchers*. And these two guys were robbing graves to get bodies to sell to medical schools for education. And in real life the one was called Burke, and the other was called Hare. And, being short of bodies, they manufactured a few from living people. They had a special method of killing people so as to leave few marks. One was, they'd cover the victim's mouth, sit on his

chest to make it difficult to breathe, and actually cause suffocation or heart attack by that method. And the method was called "burking." And what you have described is called "borking." Two things; one is done intellectually and the other is done otherwise.

No, this guy—there is a principle of law. This is one of my big gripes about the selection of Federal judges, particularly when it comes up, in the Congress, in the Senate. It's just that: They check them on what their sex life is like, or some other foolish thing, and they come up with a list of things, that we saw with this process. They don't go at the question: do they understand what the principle of law is? There is a principle of law and the danger is these guys actually are fascists, by Borke. . . .

Look, you can get this in Thrasymachus in Plato's *Republic*: the idea, it's the *power* to make law, is autonomous. It's exerting *power*. Our conception of law is truth. That conception of law is natural law. We are not—I mean some people try to sell British common law in the United States. The United States is not based on common law. It's not our tradition. We sometimes took into account common law. But, starting in Massachusetts, in particular, where the jury system sort of started it, in Massachusetts, the grand jury system, was the idea that the jurors could define what was presented to them, what they considered to be the law of the land, the fact of the matter.

So, yes, there is a process of law, of judgment, a process by juries, a process by judges, but they have to be constrained to some principle that they are serving. The principle in our law is supposed to be the sovereignty of the nation; the general welfare of all the people, a principle of equity in respect of general welfare; and the notion of posterity and the principle of equity in respect to posterity. We have to consider the society as a whole. We also have to consider the individual *in* the society: Is the individual getting equitable treatment, in service of the benefits to the society as a whole?

**Q:** [inaudible]

**LaRouche:** Oh! Our courts are monstrously corrupt! We have a number of honest judges, well-meaning judges. But we also have five characters, right-wing characters, on the Supreme Court whose conceptions of law are very close—like Scalia's the worst of them—very close to the conceptions of the Nazi judges. There's no real difference between them in principle of law. These guys are virtual Nazis. You have four weak, well-meaning, fellows on the Supreme Court. I would propose to change the Supreme Court composition as soon as possible.

### Getting People To Care About Truth

**Q:** . . . I have a question on truth. I talk a lot with my family, my friends about truth. To help them see this, I read St. Nicholas of Cusa, you, you know, many of these other things. It's hard to get them to see, to *care* about this, truth; and how to get them to see the importance of it. I was wondering if

you could help me on it?

**LaRouche:** Sure. I think you do know something about it already from just what you said just now. For example, when you're organizing, what do you do? An optimal organizing is not just one-on-one. An optimal organizing involves a group of people. And what happens is you create a dialogue. And I've recommended, for example, the idea of having 15 to 25 people in discussion groups on dialogue. Then when you're going out on the street and organizing, it's to carry forth this idea of dialogue on the street. Because somebody says something; the guy passing by reacts, stops and reacts. Then another one with you, realizes what the second guy has said. And he has an insight into what's wrong with his thinking, what's wrong with his argument. Or may often see, the guy didn't really mean what he said. He didn't believe, himself, what he said. So, then you get into a process of dialogue and you're trying to get down to the point where you sort of begin to trust each other, the people in the dialogue. And you start to bat it back and forth, in a critical way, like a Socratic dialogue. And you get into an approximation of truth. Then you can come back, and you get back to the hard question of truth, which is typified by this Gauss Fundamental Theorem proposition. At some point you have to get a very clear idea—you say, "All right, now we know that some things are more truthful than others. We've had a discussion, the 5 of us, the 6 of us, the 12 of us, we've had a discussion. We now have a sense of what is relatively truthful." But, what is the truth, as opposed to, what is more truthful or less untruthful than what we started with.

And, then you have to have a sort of an absolute criterion. And the absolute criterion is simply that the difference between man, between the imagination—the real imagination, that is, as Kepler's imagination, to recognize a principle of gravitation you can't see or touch as such, but you can control it. You can use it. Therefore, that is an absolute. So, therefore you have these ideas, the idea of the absolute truth—that is the nature of man, is the absolute truth. That we have the power, despite our ignorance, to discover principles of the universe which are true. And we can use these in useful ways to help mankind. That's the principle of truth.

Therefore, when you look at the other guy, on the street, you say, "Do you admit the country has a problem?" He says, "No, the country's fine. It's going great." "Oh, so you must love the unemployment then, that is spreading around here. You must love the fact that the factory down the street just closed down. You must like the fact that the health care is being cut, that people are dying because of the cuts in health care."

So, you can get a relative truth, in a sense that truth is important. But, it always comes back to the social principle. What is good for society? Or, what is justice for some individual? It's a relative truth, which should spark or whet your appetite for a more absolute definition of truth, which is why I introduce this idea of using the Gauss 1799 paper, to get

a sense of what do we mean by truth. What do we mean, "absolutely true"? In the sense that there is any absolute quality of truth.

And that's the only way to approach it. It's a social process. And, people should become happy, as in the sense of working through a Socratic dialogue. Happy in the sense that all the mish-mash and uncertainty and corruption that you deal with, all the meaningless babble that goes on among people, that you read in the press and so forth, to sit down and be comfortable because you are discussing with people, one another, *honestly*, in the search for what is meaningful. And then, out of this sense of what is meaningful, then you say, "What do we really mean by truth?" And so, it's a relationship between a social process of dealing with social situations, and then coming back: "Now *what* is the scientific truth?" And, that's the difference that distinguishes the true scientist. People who have made great discoveries in physical science, often spend much of their life working out one discovery of great importance. They did that because they had a sense of a search for an absolute notion of truth, at least relatively absolute, to that question.

And, we approximate that in life with a lot of people who try simply to sort things out, shall we say, and be honest with one another, looking at things from a human standpoint. What is man? What's important about human beings, people? How shall we care about society? Why should we care about this guy over here? Why should we care about this question?

So, it's a process. It's not a simple thing. To me, it's very clear. Well, I'm an older geezer. I've been around and doing this, practicing this for a long time; it's relatively easy for me. But for you younger guys, the experience of getting there—for older guys, the experience of having nearly gotten there, is good—but for you younger guys, the process of getting there is the excitement.

## The Prison Industry

**Q:** . . .What do you propose to do with the American prison industry, that is continuously growing, unfortunately, every year?

**LaRouche:** Doesn't it make you think we're creating a slave society? Let's take the case—of course, you've got discrimination. The most acute discrimination I know of, is against so-called African-American males under 35. Then you have something similar, among people who are so-called Hispanic-American males; who are also getting the same kind of treatment. So, what we are doing is, we are in a sense, grinding up an essential part of our labor force. Do people realize, how many people, of the so-called category African-American, have lost everything? Their voting rights, and so forth, as a result of this process? Do you know what the rates of conviction and incarceration are, which are based on these kinds of discriminations, of so-called African-Americans, Hispanic-Americans, the highest rates of discrimination? Do you realize what percentile of the community and their family



*Prison labor assembles office furniture in Virginia. "The criminal justice system has become a crime. Look, the prisons no longer believe in rehabilitation."*

members are hit by this crap?

Now, the criminal justice system has become a crime. Look, the prisons no longer believe in rehabilitation. Now, when you get young offenders, so called. First of all the guidelines should be repealed—the Federal guidelines on sentencing—should be totally repealed. It's a straight, crazy, idea. Throw it back to the judges, as imperfect as the judges may be. We have a legal process and with good lawyers and a legal process we can fight it from court to court and fight for some kind of justice. But the guidelines are wrong.

A guy is a young guy, 16, 17, 18. He is classified as an offender; sent into some kind of an institution. He's sent in for a long time. He's worked over. The conditions in these prisons are evil. It's evil! Dumb guards brutalizing prisoners they're afraid of, and trying to control by various methods. No process of development. What about the family? Many of these young guys are married, they have children. We're creating a situation of reproducing criminality, because of the effect of incarceration of a male on the child of that family. We are breaking up the families. We are denying people access to

decent employment, because of these conditions.

You know, when somebody commits a crime, which is not, shall we say, a major felony; they get slapped once, that should be a lesson to them. And, no more than that should happen. They should be able to progress toward a recognized form of rehabilitation as rapidly as possible. They should be able to put their lives together again while they are still young. And, keeping them in prison constantly is not worth anything, and it's destructive. It must stop!

You want to find criminals? We can find them among the upper reaches of the Democratic and Republican Party, if you really look.

### **Flaws of the American Revolutionaries**

**Q:** . . . I have a few comments upon your views of the American Revolution. You tend to have a more Gordon Wood-type of view of the American Revolution and the pre-revolutionary utopia. I was wondering, you tend to comment a lot about John Quincy Adams; a lot about Thomas Jefferson, Benjamin Franklin; but you don't take into consideration what they didn't do for themselves, for the American Revolution. For instance, the principle, the perspective principle of the American Constitution and the Declaration of Independence, was to free people. Yet, people were still enslaved, afterward. For instance, slaves, indentured servants, Indians were being pushed off their land, etc. Women were still under—they were still kept in their homes, kept from voting rights and stuff like that.

I'm wondering why you don't take that into consideration?

**LaRouche:** Okay. Well, this is a question of history. What was the condition of life, of mankind, throughout the known history of this planet, prior to the American Revolution? Or prior to the 15th Century? Human society has been, historically, in all cultures, in *all* cultures, in all ancient, medieval cultures, similar types, has been a few people treating other people as human cattle. This has been two kinds of cattle: cattle you hunt down and kill, or cattle you enslave in some way or another. For example, a typical case of what is a typical person in society, even today, under these present conditions; the present neo-liberal, free trade, image. The average person is treated *kindly*, as a *cow* is treated kindly by a farmer. The cow is allowed to go into the field where it can enjoy munching on grain or grass. It's allowed to go into the barn, where it is milked. It is allowed to enjoy the services of a bull. And, if it is found that the progeny of the bull have weak feet, that bull is sent to the slaughter house, quickly. And his pleasure comes to an end, eh. The cow gets a little bit old, doesn't give as much milk; well, you know what you do.

All right, so therefore, this is a philosophy of, shall we say, Quesnay, François Quesnay. This is the philosophy of Adam Smith. So what happened: The American Revolution was a breakthrough, as before that the 15th-Century Renaissance was a breakthrough. The condition of humanity in so-



*An Alabama slave plantation before the Civil War. Asked about the fact that, after the Declaration of Independence and the Constitution promised freedom and equality to all Americans, such injustices persisted, LaRouche replied, "The United States is not a utopia. It never was a utopia. I would never present it as a utopia. To me, the United States is a process; a process of uplifting humanity."*

called traditional society was unspeakable. People were treated as cattle.

In the United States, from the beginning, from the inception of the United States, we were engaged in a fight. The fight was the process of trying to get the people of the United States, and others, to elevate themselves in their appreciation of humanity. And this process worked here. It's our strength; our commitment to the idea of sovereignty, general welfare, and posterity.

Now we were under European influence, under the influence of the British. They tried to destroy us, until 1863; they began to give up after Gettysburg, and saw they weren't going to destroy us. Other nations of the planet tried to destroy us: the Hapsburgs, the Austrians, the Spanish, the others, tried to destroy us; we survived. They corrupted us; we survived.

So, the United States is not a utopia. It never was a utopia. I would never present it as a utopia. To me, the United States is a *process*; a process of uplifting humanity. A process whose intention was, as Lafayette expressed it, to found in this nation a republic which would be a beacon of hope and temple of liberty for all mankind. The purpose of the existence of this republic, which was created largely by leading Europeans, who committed themselves to support Franklin, particularly, in this process, was to establish in North America a republic which would be a model and an inspiration for other parts of the world; to achieve the same thing. And, to build a community of nations which would take humanity finally, *at last*, toward the objectives which are specified implicitly in Plato's dialogues; toward a system of sovereign nation-states in which the rights of the individual are *generated*, not arbi-

trated, but generated by a process of human development.

And that's what we are. We are not a utopia. Look, today: Look at any part of our history. But, look at the history of any country. Look at the virtual slavery practiced by China, in order to maintain an income from the United States, for the future of China. But, a certain section of the Chinese population lives under horrible conditions, with very poor wages. They are exploited, as almost like cattle. The Chinese will rationalize it and say, "Yes, this person is suffering. That's their destiny." But, it's not wasted. Because their sacrifice, their *sacrifice*, as in war, is considered a contribution toward a nation's development and its people, which will lead to great benefit in the future.

For example, the morality of the Chinese government today, or the best leaders in it, as I've discussed this with some of them, and they agree: China thinks in two generations, not one. Generation number one, is to develop the infrastructure of the interior of China, to free China from slavery to the coast, and from poverty; to develop new cities, transportation cities, vast water projects, power projects and so forth, and transform the poor land of the inland area and even the desert areas of Turkestan area and so forth, to transform this into a living space for a more advanced condition of life of the Chinese people in general. They see correctly, that it would take a generation of capital improvements to make this kind of a state of affairs possible. And that it would be a second generation before it's realized.

So overall, the policy of China today, in this term, is positive. They are thinking about sovereignty, culture. They're thinking about general welfare in relative terms. They're

thinking about posterity, above all. We look at the cheap labor that China is using to get income from the United States, by producing what we used to produce for ourselves—we don't produce it anymore. The Chinese went to an American firm, market firm, which opened up in China, and the Chinese were very angry. All they could buy in that firm was American goods, which were made of cheap labor production in China. And, they were very unhappy with the place. They wanted some better goods, which we weren't supplying them.

So, that's the process. You have to look at this as a process to define a nation, a process of development: where we come from, where are we going? And this has been a great nation. And my objective is, if I am President, it *will be* a great nation. I can assure you: I'm a very gentle person, but I am a very resolute one.

**Q:** [followup] I'm a Native Americans major, so I think you have some good points, but I think the prospect for authentic democracy already had survived so long; and especially, during the Native Americans, the Iroquois tribes—the Iroquois Confederacy, which survived so long—Benjamin Franklin actually stole the ideas; didn't get them right. Karl Marx stole the ideas. John Geoffrey Sothe [phonetic] stole the ideas, but they didn't get them right. And I think there's a reason why they didn't get them right. And the reason, is that, the intention was not to free these people. That the intention was to keep people exploited, for the profit and benefit of others, and I guess, the prospect for authentic democracy did survive for so long, I suppose that there is an alternative reason, then.

## The Case of the Soviet Union

**LaRouche:** I got you. I got you.

Well, see the Soviet system is a good one, but not a good one. The problem is, the Soviets, because of the influence on Karl Marx, of various things—and Engels in particular—the Soviets never understood, nor the Marxists ever understood, the nature of man.

Now, the point was—look at it: How did the Soviet Union come into existence? See, questions like this, you really require historical examples to understand them. How did the Soviet Union come into existence? Well, it started with the King of England. The King of England, Edward VII, made a plan for a war, for the purpose of mutual destruction of the nations of continental Europe. He died before the war started, but the war started, and became World War I. And, in this, he managed to orchestrate a war among France, among Austro-Hungary, Germany, Russia, so forth and so on; and the British were involved.

In this process, you had this fellow called Lenin, who was sitting off there in Switzerland, and saying that if the war occurs, then the result will be: The Tsar will be overthrown, but no existing political party in Russia, which tried to replace the Tsarist regime would do anything but fail. Why? His argument was, essentially, that these governments would, first of

all, refuse to get out of the war; they would stay in the war. Secondly, they would not deal with the internal crisis of the people of Russia. Therefore, all the other parties did fail, very quickly—including the Bolshevik Party. And he took an institution, which had not existed prior to the overthrow of the Tsar—the so-called *soviets*, it was a voluntary organization of soldiers and others—and he made that the government. So, you had the *soviet*, which was operating largely under the influence of these Marxist ideas about the nature of man, and so forth.

And therefore, you would have, in looking back at the Soviet Union today, as I've seen it: You would find Soviet science, the military science, was *excellent*. The achievements of science were excellent, because this was the work of intellectuals. But, the problem of the Soviet state: It was anti-intellectual. And therefore, when it came to the ordinary production, which was not military and did not have a military objective, you had the old same-same thing going on, all along. So, you had corruption and decadence.

The point is, that humanity functions, human relations function, not on the basis of treating man and fellow man as an animal, but, treating man as a person of ideas, of developing ideas. The conception of society, is to produce *an intelligentia*. Under Marxist law, or Marxist principles, the *intelligentia* were bad. Therefore, you needed them, like cows to milk. The average working person in Russia was more highly paid, than top scientists, with very few exceptions. They put scientists in prisons, called *gulags*, explicitly for the purpose of *squeezing science out of them*, by oppressive methods. It worked, to some degree!

So, the problem in Russia was—look at the question: What was wrong? What was wrong in the dynamic, even though certain aspects of the criticism of society, by the Marxists was correct; Lenin's criticism was correct, of the Tsarist regime, and the various liberal parties. But: They didn't have a *positive* conception of man, because they defined man, as Engels defined man, as being merely an ape that had learned to use its thumb. That's the problem.

So, when a society proceeds from the wrong conception of man, and tries to say, "Let's order things equitably and justly among people," that doesn't work. What's your definition of man? What is the requirement of the individual human being, as an individual human being? What is the function of a human being, that distinguishes him, from an ape? And, that's where most societies have failed. They back off, from the fact that the human being *has a mind*, essentially. And, it's the development of that mind, and the use and promotion of that development of that mind, that individual's immortal contribution to society, that is the true definition of life of that person. And a society which is not dedicated *to the mission of life*, of the individual members of that society, will fail. And will lead to abuses of the type you describe.

So, the problem does not lie in the formalities of it. The problem lies in the content.



*American soldiers in Iraq: tired of bleeding and dying for Dick Cheney's war. Said LaRouche, "We could solve it. Not nicely; it's going to be a mess. But, we can solve it. We're going to get the United States out, because the United States has lost credibility with the Iraqi people. Therefore, you can not stay in there, without being shot. They're getting out. Now. Not next Summer: Now!"*

## Catastrophe in Iraq

**Q:** How are you doing Lyn? I heard you say, you're an "old geezer." I asked you a question, one time, probably it's almost 20 years ago, when you were on the "Larry King Live," and I asked you how you were doing, and you said, "Pretty good, for an old geezer." You're doing pretty good for a much older geezer, now, too! I'm happy to see you still so mentally and physically well.

But, at any rate, I'd like to ask some specific questions, concerning how do we extract ourselves, and solve immediately, the problem of Iraq? And I know that's probably going to touch upon Palestine, as well, but—specifically: What advice are you giving immediately, for the Bush Administration, or the future LaRouche Administration?

**LaRouche:** Well, first of all, I wouldn't have much of a problem at all, because people in the Arab world and elsewhere know me pretty well. And I can deal with many of these countries, where no other candidate in the United States could, because I have a personal standing, in these countries, where they respect my honor.

All right. Now, first of all—we gotta get out! Period. Out!

How do we do that? Simply: If the United States would have sense, right now—if I could go to Bush, and stand beside him, and say, "Here's what you're going to do, Mr. President," I could do it. We could solve it. Not nicely; it's going to be a mess. But, we can solve it. We're going to get the United States *out*, because the United States has lost credibility with the Iraqi people. Therefore, you can not stay in there, without being shot. They're getting out. Now. Not next Summer: Now!

And secondly, we're going to go to our friends in Europe,

whom we slapped in the face earlier this year in the United Nations Security Council, and others. And we're going to say, "Okay. We want you to take your part in this. We're going to discuss with you, how we're going to manage the reconstruction of Iraq, with the Iraqi people." And the first thing I would say: Rehire the Iraqi army. Not just to be an army, but, to rebuild their own country. And we have to mobilize the resources to rebuild the country.

You know, go back to the principle, which used to be the principle of European civilization: the Treaty of Westphalia. The so-called "Advantage of the Other." The way to win, not war, but to win peace, is to think about, not what we could get out of the other fellow, in the negotiation, but what we can give to them that will be valuable to them. And that works both ways: If we decide—. If I were President, it would be easy. They would accept it. A lot of people would accept it. A lot of *neighbors* of Iraq would accept it. Most countries would accept it. China would accept it; Russia would accept it; India would accept it; the Arab world would accept it, in general; most nations in Europe would accept it. If I were President right now, I could give the orders *right now!*—and we could have the conference, and we could be *out of there*—in quick order. The war would be over, and the rebuilding would begin.

It's that simple. The problem is, the philosophy is wrong. "We've got to prove ourselves. We've got to stick to it."

And, the problem is also Cheney! The problem, here, it's a practical matter, one step beyond what you're saying: Go behind that. Why isn't that being done? Why isn't Bush saying to me—Bush knows it (or, he doesn't know it, but his advisors know it)—they know what my influence is in the world, on

these issues. You can read it in the press from all over the world. You can get it from leading diplomats, leading political figures, all over the world, what their attitude is toward me! So, somebody simply reports that to the relevant people in Washington, and, if they had any brains, they'd be coming to me, and saying, "We want you standing beside the President, in a White House press conference, which is making certain announcements, about a discussion. This is a private discussion, recommending the following." And the President would say, "I think that's interesting. I think we ought to look at that."

And, it would happen! The problem is, why isn't it happening? As you posed the hypothetical question. How can we make it real? The problem is, we have an impediment. What's the name of the impediment? Cheney! Because Cheney and the neo-cons *don't want the peace!* They *want* the hell! They want to spread the hell! They want the Iraq situation to become worse! Paul Bremer, who's no good, but he's stuck in there, with the responsibility for the thing, is now signing on to CIA director Tenet's report on the area. He's pleading, "Get me outta here! Get us outta here! Let's change the policy!" Because he doesn't want to be stuck with the blame for the operation that he's been put on.

But Cheney and the neo-cons *are for the extension of war to other countries, now!* As I said earlier today: Preventive nuclear war. If we can eliminate *that* factor, then the door would open up for the kind of things, which are no longer hypothetical. And, that's what my problem is.

The problem is largely in the Democratic Party, because if the Democratic Party would not act like a bunch of jackasses—or bad jackasses—we would have put enough pressure, as Democrats, on the process: We could turn the situation around. . . .

## Breaking Through the Media Blackout

**Q:** . . . I want to commend you, Mr. LaRouche, in bringing into your campaign the CCC camps, that Franklin Roosevelt introduced during the 1930s. I personally knew a fellow who dropped out of school, who was in those CCC camps. He travelled to over 40 states, cleaning up the environment, building bridges; became a World War II veteran hero. He was one of my mentors in a bowling league. And, he was *always thinking*. Always asking questions. "Are you mechanically inclined?" "Are you thinking about the future?" Where others were just saying, "I'm just here at the bowling league, just having a good time," and get drunk afterwards.

But, that's what you do for us: You allow us to think. And as a Baby-Boomer, I was against the Baby-Boomers, growing up, because my dad was born in 1909. At age 50, he was playing ball with us. He was able to articulate—always encouraging us, not to be discouraged. I *must* commend you. Over all these years, with all the degradation, all the embarrassment of the youth we had to endure, from the corruption; from the mass media; from the liberal establishment, on the

left, and the liberal establishment on the right, who doesn't care about any of us: You have stood the weather of time.

**LaRouche:** Thank you.

**Q:** And, number two, is how can we do—? You know, in my imagination is—I would like to have an intervention, on the networks [in stentorian broadcaster voice], "We are now here, to give you an emergency broadcast report: The Lyndon LaRouche movement is now about to make an announcement *to save your soul, this nation, and the future of this country.*" How can we intervene, somehow, for 30 minutes, from networks dominating the blah-blah that we continue to hear? Thank you.

**LaRouche:** Well, there's really one question there, but it is pertinent to the whole event here, today. And that is, the way I'm doing this policy of travelling for the campaign, what I'm doing is, conducting events. . . . The way I'm doing this, is, as much as possible, I'm trying to get a series of video events, with the following thought. There was some problem—it may be resolved, I don't know—some problem up there in Vermont, at Middlebury; the president was under pressure from the alumni, who did not wish to have the video of [LaRouche's speech there] released without his permission.

But, otherwise, what we're doing is, in going in each of these events: My view is, an event location such as this one, is a pinpoint. It's a pinpoint on the geometry and geography of history. By capturing these on video, and putting these videos on the website, where they can be drawn, you have the following effect:

First of all, the younger generation, which is the driving force of any effective campaign, now, especially people in the youth movement generation, or slightly older, they're very much oriented to the large-scale use of the Internet. You find that the mass media, the mass television media, and other media, are less. People's social behavior has changed, in terms of meetings, and so forth. So, they rely more and more on this convenience of the electronic mass media—that is, the Internet part of it.

So therefore, I consider that my responsibility is to improve and build up the website of the campaign, so that people can draw upon the full video of the event in each case; not to tell you what the audience is doing, and so forth, but to actually show what my policies are, in different places in the country, to different kinds of audiences. Because, the message is essentially the same; the audiences are different; the circumstances are different; new developments have occurred and have to be reported on.

But thus, when you play back—say, do an event in Boston: you play it back on video, through the Internet, through the website. Now, what you've done is, you've done two things: You've made a presentation to an audience in Boston, an action in Boston. Now, you are now playing back the national and international circulation, of the report of that event,





*Middlebury College alumnus Felix Rohatyn typifies the Anglo-Dutch liberal banking establishment—the enemies of the American system, and the personal enemies of LaRouche. Right: LaRouche during his visit to Middlebury on Nov. 14.*

back to the location where it occurred—as well as to other locations. You're also giving the population in general, a sense of the reality of the issues: to judge the consistency and differences and problems that arise, in the course of the campaign.

We have a very large population in the United States, which has to be reached. Physically, you can not, in a process of one year or so, you can not reach, directly, most of the people of the United States—who are the people who any President of the United States must represent. So therefore, there's a technical problem, of how do you get to these people. Now, I invented, the so-called "infomercial," as you know, especially back in the 1980s: I had more half-hour television broadcasts, on national TV, than all other candidates put together. And, that did shake up, and shake the operations, so they decided to kill me, as the best way of stopping those television broadcasts!

But, today, since then, there's been a cultural change: The mass media no longer has the influence over the population—the electronic mass media—that it had 20 years ago. It's gone! This is not CBS in the 1950s. Or the 1960s, or the 1970s. That's gone. Most of the stuff is junk. People are relying more upon local media, local newspapers, talk shows, things like that. Local radio. Or, on the Internet: The younger people are relying largely on the Internet.

So therefore, my point is, is to put the material, of the actuality of what we're doing in the campaign, on the Internet, on the website, to reach probably the broadest audience, of the most important section of the national audience, which is young people. People under 35, under 30, especially under 25. This is the most important section of the population, for reasons I stated here, today, and, as I've stated before. It is young people, like those in the youth movement, who have demonstrated—as in California, as in the case in Philadelphia,

and so forth—they are the most effective people, per capita, in the political process in the United States today.

If the young people, those young people, get the message, follow the campaign, see themselves reflected in what I do in various areas: They are ones who will do the mass organizing, among the majority of the population, and that's my best chance on reaching the largest possible part of our population.

And that's what I'm doing!

So, we're going for a change of technology. This is it.

### **The Disease of Anglo-Dutch Liberalism**

**Q:** I have more of a brief statement, and you can comment on it: I see that we're in a state of war in this country. We're under siege. We've been the victims of unrelenting assault, which has been going on for the last 25 years or so. And the people who are waging this war against us, are the corporations, the politicians, the bankers, and Wall Street. I see a massive divestment, that's been going on, and it's been accomplished by a number of means, and a number of methods, and began during the Reagan Administration, that's been the exportation of jobs, continuous defense spending, deficit spending, where the last ten years we've averaged \$300-plus billion a year in interest—which is not purchasing anything, but it's just enriching the pockets of the debt-holders. I've seen the savings and loans scandal. I've seen the recent tax cuts, that are enriching the corporations and the rich. They're not paying their fair share. I see the recent scandals on Wall Street, and the corporate scandals, which is another method of divesting and extracting a massive amount of wealth in this country.

Now, I see our jobs going off to China. The majority of the clothes that I'm wearing here—and I'd venture to say that the majority of other people in this room—are products that are made in China. But, these are not Chinese brand-name

products; these are American brand-name products; but they're being made in China, for pennies on the dollar—25 cents an hour—and they're being sold for exorbitant prices back here.

Can you comment on any of that? I think a war is being waged against us, and we need to fight back more aggressively, to do something about it.

**LaRouche:** First of all, yes, that's all true. The question is, how do we approach it?

Well, the issue is, what? The issue is the spread of the Anglo-Dutch Liberal parliamentary system, and its effects internationally. What is the system? During a long period of time, from about the time prior to the Norman Conquest of England, up until late in the 17th Century, Europe was dominated by an alliance between the Venetian financier oligarchy, and the Norman chivalry, and its outgrowth. This was a tyranny.

Now, what happened was, because of the defeat of the attempt to have a reform in France, as proposed by Bailly and Lafayette—a constitutional reform of the monarchy; and because of the French Revolution, Europe never did what we did in the United States. They never formed a true republic. Never! They weren't able to. So, what happened as a result of all these wars and so forth: A system developed to supersede the Venetian model of control of society, by a financier oligarchy, like the Venetian oligarchy.

The result was, that this move from Venice, as Venice declined in influence, to the Dutch and English shores, especially through the Dutch East India Company and the British East India Company. During the 18th Century, this system became the dominant force in Europe: the Anglo-Dutch Liberal system of parliamentary democracy, which is based on three elements. Two are reforms of feudalism, in a sense: One, a state apparatus—the queen or the king are in the apparatus. They may substitute a president for the king—it's the same thing. It's a king by any other name, is a king. Second, you had the parliamentary system, as a reform of a feudal parliament. It's something which is dismissed, at the minute a crisis occurs, because it can not really govern. And then, the third force, is what is called, today, “an independent central banking system.”

The independent central banking system—or what the Federal Reserve System is in large, in effect—is nothing but a collective representative of private financier interests, largely

through private banking functions. These banks, collectively, exert veto power over government! Especially over parliamentary government. This is a form of society, which is largely a predator faction in society. They suck the blood, of society!

Now, this is what came out of the British intervention in France, by Lord Shelburne, in creating the French Revolution; in creating what we called “fascism” in the 20th Century. Bankers faced with the threat that reforms in government would put the power back into the hands of the people, and away from the hands of the bankers, bring us to a point at which the financial system tends to collapse as a result of its own follies. At that point, the question is: Who is going to pay the debts? Are the debts going to be paid, by those who caused the debts, with a bad system? Or, are the people going to be compelled to pay the debts out of their own hides?

If government threatens to defend the general welfare of the people, then the bankers require an instrument to crush the people. That's what fascism is. And what you're looking at is a form, an expression of that process, which has been called, in the 20th Century: *Synarchism*. The evils we're talking about are the Synarchists. The Synarchists are—yes, Cheney is a Synarchist. The neo-cons are Synarchists. But *behind* them, are the financial interests, for which these thugs work!

Therefore, the problem is: Yes, it's correct. That is exactly it. But, we have to recognize the actual, historically determined, nature of the enemy! To describe the enemy's evil does not necessarily define his vital organs, which we have to get at. The vital organ is: We have to establish a national banking system, as the Constitution implicitly prescribes: under which the control of the finances of the nation, is the responsibility of the government, in the sense of the responsibility for the currency. And to regulate taxation, and to regulate other affairs, such that the value of money, in terms of product delivered, per capita, is kept, so that it does not inflate. What we have now, is a vast inflation.

Look at the price of the cost of living, back in the 1950s, as a price of cost of living today. Compare that with the wages that people get, the income people get, back then and today. What is the physical content? What about housing? What percentile of the wage-income of a family went for housing in the 1950s, and goes for housing today? The occupation of a place of residence: What does it cost, in terms of the annual income of *one* wage-earner? It used to be 20%. What is it today? Isn't it closer to 50%, or higher? Isn't that why people, who have jobs, are *homeless*, because they can't afford a place in which to live?

So therefore, the function of government, is to make sure that the predatory element of finance is not able to establish institutionalized power, over the state, to the extent that this kind of thing can happen. The problem in Europe, is they have never freed themselves from that; they have never formed a system of government, which gives the protection that our Constitution prescribes. Our Constitution's main limitation

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*LaRouche with New Hampshire Secretary of State William M. Gardner, in Concord on Nov. 12. Two tendencies have been at war in New England since the founding of this country, LaRouche said: that represented by Benjamin Franklin, and that of the treasonous Essex Junto. Today, "it's the same fight all over again. This time, we should win!"*

has been *corrupted*, but we *have* the original Constitutional intent, on this matter. Therefore, the thing is to restore the idea of national banking: that is, not to nationalize the banks, as such. But to have control of the currency on behalf of the government, done by a national banking process, which will then take the credit we're able to generate, move it through the banks to make sure it gets delivered to the place it must go, in the way it must go.

And that's the only way to go at it. We have to take responsibility for our society, in everything—including the management of money. If you leave the management of money, and the management of credit, to an institution which is *outside* government, and places itself *above* government, then *you are not governing yourself*. You are somebody who is working for that financial interest. And that's what the problem is.

And, that why I get so much trouble: Because the bankers, like the Felix Rohatyns and so forth (who attended Middlebury school; he's an alumnus of Middlebury school), that these guys know what I am, and know what I represent. They know two things, also: They know that I intend to do this, and that I am capable of doing it. Therefore, they don't want me anywhere near the Presidency. 'Cause I'll do it!

### **New England's Place in History**

**Moderator:** . . . Is there anything else you'd like to say, Lyn?

**LaRouche:** Well, I was going to say, on this occasion,

as a native-born New Hampshire man: I've just revisited the place again. I had a grand time in Concord, a nice reception with the Secretary of State, who's an old acquaintance, and a well-informed gentleman. We had a nice time with the press conference there. It was quite good; it was recorded. You can have access to it. And, I lived for a number of years in the state of Massachusetts, the Commonwealth of Massachusetts, and became acquainted with what were then its afflictions and its advantages—and I found that the afflictions have increased greatly since that time! And, it makes me a little bit upset.

You know, of course, there are two things in Massachusetts, as in New England: We have the tradition of the Mathers and the Winthrops, from the 17th Century and the early 18th Century. We have the great tradition of a Massachusetts-born man, Benjamin Franklin, who is the true father of this nation, who made possible the paternity supplied by George Washington. And, we also have in Massachusetts, and New England, we had the Essex Junto: a creation of the Lowells, and the similar types, who were beholden to the British East India Company, and they became known as the treasonous Essex Junto.

And, the political conflicts I run into today, in New Hampshire, or Vermont, or Massachusetts, or elsewhere, I find are echoes of the old quarrels of Franklin and his friends, against the Essex Junto: It's the same fight all over again.

This time, we should win!

## U.S. Lurches for the Exit In Iraq: ‘Fall of Saigon II’?

by Muriel Mirak-Weissbach

Being “a little bit sovereign” is like being “a little bit pregnant”: not workable. This sums up the paradoxical dilemma the United States has now found in Iraq. Following the accelerating escalation of attacks by the Iraqi resistance, which peaked, for the moment, in the killing of 16 Italian *Carabinieri* in Nassiriya on Nov. 12, urgent talks were held in Washington by American pro-consul Paul Bremer, on how to deal with what has turned into a “Vietnam in the desert,” in the words of Presidential candidate Lyndon LaRouche.

The upshot of Bremer’s consultations was that the United States would seek to speed up the “transfer of power” from Bremer’s Provisional Coalition Authority (CPA), to “the Iraqis.” According to Nov. 15 reports from the Bush Administration, the plan foresees the creation of a “provisional” government by June 2004, to be selected by a transitional assembly, formed in turn of delegates elected through town meetings in Iraq. The provisional government is to be recognized; sovereignty is to be transferred to it; and by the end of 2005, a constitution is to be drafted and elections held. At the same time, Bremer and Defense Secretary Donald Rumsfeld have made clear that U.S. military forces intend to remain. As one regional expert put it, they are telling the Iraqis, “Yes, you have sovereignty, but we will rule. . . . You are a little bit sovereign.”

The only real significance of this American “policy shift,” is that it denotes the level of panic that has gripped the White House over the escalating resistance in Iraq. In no way does it represent a viable solution, or a serious attempt to define one. It resembles more the U.S. “Vietnamization” policy in the early 1970s in Indochina. As the *New York Times* editorialized on Nov. 16, the current “new” plan will only lead to civil war. The only solution, as LaRouche has stressed from the outset, is to turn over the entire matter to the United Nations.

Even the UN may not succeed, but what is certain, the

*Times* says, is “that the Bush administration, which has made all the wrong bets so far, does not have any better options.”

### An International Pole of Resistance?

Indeed, whether or not even a full handover of responsibility to the UN—the only option coherent with international law—would lead to a peaceful solution, is in grave doubt. The resistance will expand in intensity and scope. According to reports from the region, “The train has left the station”; that is, the crisis has deteriorated so far that it is impossible to re-establish control. The resistance is becoming the rallying point for a global struggle against “American imperialism.” The head of the German intelligence agency BND stated on Nov. 19, that there are clear indications that even Islamists in Germany have been leaving the country seeking to join the conflict in Iraq.

The strategy of the resistance is to attack U.S. targets and allies, in order to make it impossible for non-U.S./U.K. forces (Italians, Spaniards, Poles, etc.) to operate in Iraq, thus boiling the conflict down to a war against the Americans and British. The attacks against the Jordanian Embassy, the Red Cross, and the UN, have carried this message. Among the allies targetted are Iraqis involved in any way with the Iraqi Governing Council (IGC), or local administrations. Thus, following the killing of the Italian *Carabinieri*, resistance fighters also placed bombs in Kirkuk, targetting the offices of the Patriotic Union of Kurds (PUK) of Jalal Talebani, currently rotating chairman of the IGC.

Many imponderables still exist. The Shi’ite factor has not yet come into play, as this group is waiting to take majority power through political means. If this is denied, a force of perhaps 2 million Shi’ites could be mobilized, according to informed sources. Even without this factor, the guerrilla forces are growing in numbers. Estimates issued by Gen. John



*What now? Occupation authority chief Paul Bremer meets with Defense Secretary Rumsfeld to discuss Iraq. Bremer's hurried consultations Nov. 14-16 in Washington led to a hasty "new" policy which is still unworkable. He reportedly agreed with recent grim CIA estimates of the potential of the Iraqi resistance.*

Abizaid, commander of the U.S. Central Command, that the resistance numbers around 5-6,000, are absurd. Regional experts place the total force of former Ba'ath Party, military, intelligence, and security forces under Saddam Hussein, on which the resistance can draw, in the range of 2-4 million people. The active resistance fighters have at their disposal the entire intelligence and military apparatus; they know the terrain, have training, and literally limitless munitions. Their intelligence is precise, as demonstrated in their selection of targets.

In a CIA report recently leaked to the press—a report Bremer reportedly embraced during his Washington huddle—it was said that about 2 million Iraqis passively support the resistance. In the overall civilian population, there is obviously extensive active support as well, consisting in provision of living quarters, food, and munitions for foreigners arriving in Iraq to join the resistance. Regional diplomats point out the readiness of the Iraqi population to fight; the country has gone through three wars in 20 years, which means every family has lost someone.

The American military response to the escalating guerrilla war has only fuelled its flames. As in Vietnam, or as Ariel Sharon's Israel in Palestine, American military are displaying brutal force, dropping 500- and 2,000-pound bombs on "suspected insurgent hide-outs," destroying civilian homes, and killing civilians. Regional experts fear that, if the Americans realize that they have lost control, they will raze entire cities to the ground, beginning with Tikrit, Fallujah, even Baghdad if necessary. This would recruit thousands more to the resistance.

Thus, there is no end in sight to the military conflict against the occupying forces.

## **Is There a Viable Approach?**

Were America and Britain serious about establishing stability, and transferring sovereignty, they would proceed in an utterly different manner. First—as the Russian government, among others, is insisting—they would hand over all responsibility to the UN, in accordance with international law. This means withdrawing militarily as well. Dr. Hans Köchler, President of the International Progress Organization, issued a memorandum on Aug. 12, on the requirements for establishing a legitimate constitutional system in Iraq. In it, the international law expert writes: "The basis for *legitimate* authority on the territory of Iraq can only be created through a general referendum on the future constitution of Iraq and through general elections to be held on the basis of such new constitution. The process must not be undertaken under the control, either direct or indirect, of the occupation 'Authority'; and can, therefore, not be coordinated by the 'Governing Council' that, in reality, acts as proxy of the 'Coalition Provisional Authority.' The constitutional process . . . must be organized under the auspices of the United Nations Organization. This will require a new Security Council resolution to be adopted on the basis of Chapter VII, formulating the authority for: a) the setting up of an advisory committee, representative of all sectors of Iraqi society, for the drafting of a constitution; b) the organization of a general referendum on the proposed new constitution for Iraq; and c) the organization of general, free and fair elections." This, and not the ass-backwards short-cut now proposed, is the only acceptable formula.

This is not a legal formalism; it goes to the heart of an effective exit strategy, which requires the participation of new, credible figures who are politically representative of the Iraqi nation, to replace the Quisling IGC. This could

be accomplished only through truly democratic means, not cosmetic elections. What the United States is seeking to impose, de facto, is the creation now of a *second* Quisling government; this time with a pretense to legitimacy, due to the planned constitution—after the formation of the government! This cannot be acceptable to the Iraqi people. Iraq, unlike Afghanistan, is a country with a long tradition as an independent nation, with a thousand-year cultural identity, a continuous history, and national institutions which must be revived.

However, the open question which no one has dared to address thus far is: Will the United Nations assume responsi-

bility; and will it be able to do so? Following the bombings of the UN headquarters in Baghdad, which killed special envoy Sergio Vieira de Mello, Secretary General Kofi Annan pulled most staff out. He has recently pledged to appoint a new special envoy. But this does not mean that a full-fledged UN presence, as the mediating institution, would survive. For the resistance, as for a large part of the Iraqi population, the UN has been identified with the sanctions policy imposed on the country since 1990.

That said, there are no other institutions which could be asked to play the same role.

If the U.S. and U.K. were serious, they would not only

## Voices Against 'Desert Vietnam'

A growing chorus of American national security and defense experts has targeted the Bush Administration's "Vietnam in the desert" fiasco in Iraq, providing a welcome and widening domestic flank against the Dick Cheney-led neo-conservative "war party" in official Washington.

Center for Strategic and International Studies (CSIS) fellow Anthony Cordesman spent nearly two weeks in Iraq from Nov. 1-12. Cordesman filed an unclassified report on his interviews—with CIA weapons of mass destruction analyst David Kay; "viceroy" Paul Bremer; and all the major U.S. military commanders in the country, on Nov. 14. The report concluded, in very carefully worded, understated terms, that there were so many uncertainties in the situation that no forecast was possible about the future of Iraq.

The report, however, constituted a stinging denunciation of the neo-cons who drove the war policy, and who failed miserably to anticipate any of the consequences.

Cordesman wrote, "Some of the uncertainties in Iraq are the fault of major strategic and tactical mistakes made by the United States. U.S. officials relied on ideology instead of planning for effective nation building, internal security, and the risk of asymmetric warfare. They failed to either make realistic assessments of the country's divisions and problems, or properly prepare for the fall of the regime. . . . Part of these failures came from the Administration's inability to appreciate the level of political chaos that was certain to follow Saddam's fall, in spite of clear and repeated warnings from State, intelligence officers, and area experts, and from an ideological faith in a largely ineffective outside opposition. This failure occurred at the civilian policy level, and combined with a failure to understand

the weaknesses in the Iraqi economy, and be ready with suitable short- and long-term aid plans."

### 'Iraq Will Not Be a Model'

Cordesman spelled out a dozen different factors that could lead to an American defeat in Iraq, including any continuation of the Administration's efforts to cover up the dangers of the Iraq operation, and likely escalation of asymmetric warfare and higher American casualties.

"The U.S. can lose the 'peace' because of a failure to deal effectively with any one of these factors," he reported, "and any U.S. victory is almost certain to be relative. Iraq will not suddenly emerge as a model to the Arab world, and its regional impact on change and modernization will at best be far more limited than many American neo-conservatives hoped."

Cordesman's critique was echoed in a Nov. 17 interview by Gen. Brent Scowcroft, published in the German-language edition of the *Financial Times*. Scowcroft is not only a long-time close aide to ex-President George H.W. Bush and the co-author of the former President's memoirs. He is the current head of George W. Bush's President's Foreign Intelligence Advisory Board (PFIAB). He was in Germany, attending a series of national security conferences, when he gave his high-profile interview. Scowcroft debunked the idea that the Iraq war was fought to promote democracy in the Middle East. He bluntly stated that if the United States were serious about promoting democracy in the Arab world, it would start in Palestine, where the conditions are ripe for the emergence of a secular democratic state. He ironically added that Iran would be a better place to start than Iraq, since Iran had gone through several successive free elections, in which reformers won.

Scowcroft, who had opposed the Iraq war adventure from the outset, declared that the United States should get out of Iraq while the getting was good, and turn over authority to the United Nations, perhaps with a NATO force presence.—*Jeffrey Steinberg*

hand over complete responsibility to the UN, but at the same time, contact all Iraq's neighbors (nations which met in Damascus recently, the most important of which are Syria, Turkey, and Iran), seeking their cooperation. Due to political, ethnic, and religious factors that they share with Iraq, particularly Iran and Syria could be crucial assets in reestablishing stability. But the United States adamantly refuses to do this; on the contrary, it is targeting Syria (witness the passage in the Senate of the Syria Accountability Act), and is raising its polemical tone vis-à-vis Iran. Turkey is being targeted for massive destabilization, as the bombings of Nov. 15 and Nov. 20 demonstrate.

### **Becoming Desperate on the Ground**

There is another vital consideration in mapping a way out of the Iraq mess. Diplomatic sources in the region have stressed to *EIR*, that the only workable approach, sketched above, must emphatically include a solution to the Palestinian-Israeli conflict. Not only has Iraq supported the Palestinians' liberation struggle since the 1970s; but now that struggle is becoming identified with the Iraqi resistance. With continuing injustice to the Palestinians, whatever stability might be introduced into Iraq, would be fragile, to say the least.

A just peace is the precondition for stability in the entire region, politically as well as economically. This means that the lip service paid in the White House to a two-state solution, must be replaced by an actual peace and economic development policy like the "Oasis Plan" proposed by LaRouche. This, in turn, requires that the Washington war party led by Vice President Cheney, opposed to such an approach and intimately tied to the genocidal policies of Ariel Sharon, must be removed from power.

Two points must be emphasized. First, that the situation in Iraq (and increasingly in the region, since the bombings in Saudi Arabia and Turkey), is worse than desperate. The United States is losing the war against the resistance, and has lost credibility internationally. Even if a UN-led transition were to be initiated, there is no reason to believe that those forces engaged in armed resistance would be approachable in any way.

Second, the entire mess could have been prevented had the words of wiser men, like LaRouche, been heeded, and this utterly unnecessary, illegal war not been launched.

Diplomats from the affected region have not concealed their support for LaRouche, in private discussions with *EIR*. One told this author: "The U.S. needs a man of wisdom to guide it out of this disaster. Mr. LaRouche is that man. Not only does he understand the mentality, the culture, the history, and the strategic process, but he has solutions." Another "sincerely hoped Mr. LaRouche will win, as he is the only hope for saving America, and this region." A third pointed to the need for the Arab-Americans and the Muslim-Americans to join LaRouche's campaign, as "they have nowhere else to go."

# Italy Wakes Up to Iraq 'Post-War' War Reality

by Claudio Celani

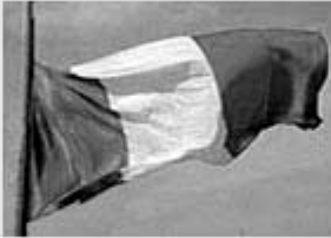
The Nov. 12 suicide attack against the Italian *Carabinieri* police force headquarters in Nassiriya, southern Iraq, which killed 33 (19 Italians and 14 Iraqis) and destroyed part of the compound, not only resulted in destruction of innocent lives, but blew up the fundamental ambiguity behind the Italian military deployment in Iraq. Italy had sent a contingent of 2,700 to Iraq, under U.S. request, after President Bush had announced, "Major combat is over." Italians knew that this was a fiction, but everyone hoped that, by deploying the Italian contingent in southern Iraq, among traditionally anti-Saddam Shi'ite populations, it would be immune from guerrilla or terrorist attacks.

The Italian troops settled in Nassiriya, built a hospital, started to rebuild roads, electricity, water supplies, etc. The *Carabinieri*, a professional police force, had established its headquarters in the center of the city, started to train a local police force, and established relationships with local clan leaders, hoping to replay a successful model of "peace-keeping" operations already applied in countless missions. The illusion was that Italians would be spared the guerrilla and terrorist attacks which the Americans were suffering in the North. This fiction is now broken, with the consequence that behind the resolute public declarations, the Berlusconi government has already started to study the possibility of a face-saving exit from the Iraqi quagmire.

### **After the Moment of National Unity**

The popular reaction in Italy to the Nassiriya bombing has so far been "patriotic," also thanks to a sapient propaganda machine; opposition forces have avoided open fire on the government in the name of "national unity" in the moment of sorrow. But when the dust has settled, the issue will be: We were told the war was over, and it goes on; get our soldiers out of there quickly, or the government will be the next victim. Italian Premier Silvio Berlusconi knows this, especially as he faces a government crisis in January whose outcome, in his plans, could be early elections. A scenario of repeated, bloody attacks against the Italian contingent in Iraq will evaporate his hopes of winning the domestic showdown.

For the American government this means that Washington is losing allies in the occupation of Iraq. Immediately after the Nassiriya suicide attack, the Japanese government postponed its decision to send a military contingent to Iraq. On Nov. 13, Italian State President Carlo Azeglio Ciampi



Presentazione

**Il testo del messaggio del  
Presidente del Consiglio**  
(12 novembre 2003)

*The half-staff flag on the Italian government's website announced Prime Minister Berlusconi's message to the nation on the loss of 19 Italian Carabinieri, with 14 Iraqis, in the Nov. 12 Nassiriyah bombing. The solemn moment of national unity hides unrest.*

arrived in the United States for a scheduled visit, including meetings with George W. Bush, Vice President Dick Cheney, Secretary of State Powell, and UN Secretary General Kofi Annan. Ciampi met Bush immediately after the meeting of the National Security Council with U.S. occupation chief Paul Bremer, which had just decided the "change of strategy" on Iraq. Ciampi delivered a clear message: "Unilateral ways are an unsatisfactory answer to the big questions of the 21st Century," he said, adding that "a multilateral system is indispensable to successfully deal with challenges and crises."

Meanwhile in Italy, the government, through Defense Minister Martino, was facing Parliament with a report on the Nassiriyah attack. Most members applauded his report, but several interventions from the opposition Deputies and Senators indicated that soon, a political storm would break out on the reasons for the Italian presence in Iraq. Former Premier Massimo D'Alema, speaking for the largest opposition party, the Social Democrats, recalled that the government had made a mistake in supporting the war on Iraq. Another former prime minister, Giulio Andreotti, a moderate and a long-time friend of the United States, declared polemically: "I do not know whether it is right to define it as 'post-war' and I do not know whether the war has ever ended. Let aside, then, whether it should have been started or not." Andreotti proposed to form a parliamentary delegation for a mission to Iraq, to "try to understand" the situation there. "I also believe that it is unjust to speak, from a general standpoint, of liberation of Iraq. Sure, nobody wants Saddam Hussein back; but the country is deeply divided."

Later, the government chose to ride the tide of "patriotism" with a parody of the Bush phrase, "Whoever is not with us, is against us," after 9/11. "This is our Sept. 11," Martino

said in Nassiriyah, announcing that "We will not leave Iraq," and swearing that "Italy will not cease playing its part in the war on terrorism." Martino and others in the government praised the Italian population's impressive mass demonstrations of support to the *Carabinieri*, while popular TV talk-shows announced that "Italy has gotten back its national identity."

In reality, the apparent unity around the government "looks very much similar to those lulls preceding sea storms," in the words of a commentator from the daily *Corriere della Sera*. Circles in the Italian establishment which have been traditionally pro-American have started to raise questions. Sergio Romano, a former ambassador and a columnist in *Corriere*, wrote that America's allies in Iraq "cannot leave because it would be an undecorous gesture and it would be interpreted as a betrayal. But they start to ask the question whether their ally does have, what in American political jargon is called an 'exit strategy'."

### 'We Should Have Expected All This'

Inevitably, Italian military leaders are angry at the consequences of bad political choices, for which they are paying with their lives. Despite the climate of national sorrow, they have complained that, outside of their zone in Iraq, they receive scarce or non-existent intelligence. There is no direct intelligence flow between the American and the Italian headquarters in Iraq, as reports go first from Baghdad to Washington, then to Rome, then eventually back to southern Iraq. Since the four suicide bombers in Nassiriyah came from outside, such intelligence is vital to prevent similar attacks.

Franco Angioni is a veteran Army officer who commanded several peace-keeping missions, including the UN mission in Beirut 1982-84. He is today a member of Parliament and still a prestigious military figure. He speaks also for active duty officers who, for obvious reasons, cannot speak out. A suicide attack, Angioni said, "cannot be stopped other than with a prevention policy. And here, in my opinion, intelligence is failing completely. In Beirut, we had two levels of intelligence: a strategic and a tactical one. Sure, we had more time to organize our information network, but when we learned that somebody had stolen some M13s from the Lebanese army and had painted them white, with our flags, then we understood we were target of a suicide attack. Then, when we learned that a load of exogenous explosive had left Czechoslovakia, we put the puzzle together. We calculated the range of the explosive and we built our defenses. In Iraq, instead . . . those who collaborate are considered to be traitors."

Angioni concluded: "Today we pay the price of a wrong policy, because we lined up passively with the occupation troops. We should have expected all this."

In Nassiriyah, while the Italian militaries were moving their headquarters out of the city to the desert in fear of future suicide bombers, an Italian official in the U.S.-led Coalition



Provisional authority, special counselor Marco Calamai in the southern province of Dhi Qar, resigned, accusing Paul Bremer's administration of inefficiency and failing to understand Iraq.

Speaking to Italian reporters, Calamai complained that the British and Americans had marginalized the Italians: "They don't consult us, they don't involve us." Calamai said only an interim authority headed by the United Nations could turn things around. Calamai told Italian reporters in Nassiriya that the failure of the coalition to understand Iraqi society had created "delusion, social discontent and anger" among Iraqis and allowed terrorism to "easily take root." He said about \$400,000 a month was supposed to be made available for projects in Dhi Qar province alone, but "because of the muddled organization of [the coalition], only a fraction has been spent. The provisional authority simply doesn't work," Calamai said, adding that only a UN administration could turn the tide.

Some political forces, especially those to the left, are starting to call on the government to immediately withdraw Italian troops from Nassiriya. A more articulated proposal came from moderate opposition leaders, who call on the government to convene a meeting of the European Union Council of Ministers to discuss a general European initiative for Iraq. The Italian government, as interim chairman of the EU Council, could launch such an initiative, whose elements should be: immediate formation of a real Iraqi government including representatives of all political and social forces; replacement of Anglo-American occupation troops with an international coalition under UN flag; involvement of neighboring countries in the peace process; and reconstruction aid.

Such a policy offers no guarantee for success, but the current one does not have a chance. The Vatican Nuncio in Baghdad, Msgr. Fernando Filoni, expressed the dilemma in an interview Nov. 20: "There are now two dangers," Filoni said. "One danger is to say: Let us all get out of here and leave them alone. This would produce a terrible crisis, impossible to face, because all state powers have been cancelled and nothing more would be left, only chaos. The second danger would be to impose perspectives and solutions which Iraqis do not feel as their own. . . . The Iraqis need to feel an authority of theirs which is present, somebody who speaks and indicates a road, some perspectives. We need a leadership, a leader who speak as an Iraqi to the Iraqis."

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# China's Nation-Building, America's 'Must-ifying'

by Mike Billington

An extraordinary meeting sponsored by the U.S.-Indonesia Society (USINDO) in Washington in November put in sharp relief the failure of American economic foreign policy in Asia, and the role of China in replacing the United States as the primary source of support for "nation-building" in Asia. American and Asian diplomats and business leaders who attended "China-Indonesian Relations and Implications for the United States," at George Washington University Nov. 17, were confronting the impact of U.S. unilateralist blustering around the world, which is turning America into an object of hatred in Asia. A phrase which caught on among Americans attending, was "China is eating our lunch."

This was not a criticism of China—in fact, even the geopolitical thinkers amongst the Asia hands in attendance had to admit, like the National Defense University's Marvin Ott, that Chinese diplomacy in Southeast Asia over the recent years has been "a work of art," especially compared to the American. A recent report released by USINDO, written primarily by former Ambassador Edward Masters, said that the United States, to revive its crumbling image in Indonesia, has to "de-mustify" its relations with Indonesia (and by implication, other nations): no more "You must do this, you must do that."

Ask any U.S. Agency for International Development or Department of State official why America no longer sponsors public infrastructure development in the developing sector, and you will simply be told that "We don't *do* infrastructure any more." Similarly, when it comes to investment in power plants and other utilities, the U.S. private sector, lacking significant government support or guarantees, refuses to invest in major projects without the host nation accepting the entire risk. In Indonesia, in particular, this brings up a distinct and painful memory. Before the 1997-98 speculative assault on the Southeast Asian currencies by George Soros and his fellow hedge-fund vultures, Western corporations such as Enron had signed sweetheart contracts for power plants and other infrastructure development with the Suharto regime in Indonesia (and similarly around the world), which contracted repayment of debt, and the sale of the electricity output to the government, in dollar-denominated terms. When the Indonesian currency, the rupiah, was devalued more than three-fold by the 1997-98 assault, the nation's debts and dollar-denominated costs were tripled, overnight. Indonesia, over the following three years, paid off its entire foreign debt, when calculated at the pre-1997 currency exchange rate, but due to the



*“China is willing to accept our terms” for foreign investment in infrastructure projects, Indonesia’s Industry and Trade Minister Rini Soewandi told EIR. Recent conferences have made clear that “China is doing the things the United States used to do: cooperating, pushing trade, offering help,” as a former Thai minister put it.*

forced devaluation by the manipulated “free market,” it ended up owing more than it had before the crisis! (see “Looting Indonesia,” *EIR*, March 30, 2001).

And yet, as reported by the Indonesia-based American business consultant Jim Castle and others at the “China-Indonesia” conference, U.S. business interests are demanding that Indonesia eat the same poison again, by insisting on similarly unfair contracts for the huge infrastructure needs of the nation. The Chinese, on the other hand, according to Castle, are opening their own huge market to the nations of Southeast Asia, while applying a “relationship investing” approach to Indonesia and elsewhere: They are more interested in building the host nation’s economy, and building lasting political and economic relationships, than in short-term profits and guaranteed results at the expense of the hosts.

Although such policies as China’s are slighted as “politically motivated” and “interference in the markets” by too many Americans today, such preferential nation-building among sovereign nations, rather than *laissez faire*, was once known as “American System” economics.

### ‘China Is Willing’

The growing divergence between U.S. and Chinese policies in Asia was also addressed by H.E. Rini Soewandi, the Indonesian Minister of Industry and Trade, who visited Washington the week of Nov. 10. Asked by *EIR* about the issues raised at the “China-Indonesia” conference, Ms. Soewandi responded that Indonesia is far more cautious now about accepting such contracts, even in its starving energy sector. Nonetheless, she said, “We are willing to accept such foreign currency-denominated contracts, *if* they are long term—15 years or longer—and at low interest rates—2% or less. China

is willing to accept these terms.”

Soewandi described several major Chinese infrastructure investments in Indonesia, including a bridge linking Java with the island of Madura, a rail project in Central Java, and a power plant in North Sumatra, noting that the Chinese are also extremely flexible in using locally made products in their investment projects, and make contract negotiations quick and simple. The unstated implications in regard to U.S. investments were abundantly clear. Asked if she had any expectations of a U.S. return to such a friendly and constructive approach, Soewandi laughed and said, “I *hope* so. I hope I can convince them that they should take advantage of the foothold they have in Indonesia, the huge investments already there, and optimize them now, while we are coming back up from the crisis of 1997-98.”

A similar sentiment was expressed by the former Deputy Secretary of the Thai Ministry of Foreign Affairs, Dr. Sarasin Viraphol, who is now the Vice President of the CP Group. “More and more, China is doing the things the United States used to do: cooperating, pushing trade, offering help,” Dr. Sarasin told the *Washington Post*. “If Washington cares about its influence in the region, if it wants to win hearts and minds, it needs to do more than just talk about terrorism.”

### Neo-Con Agenda

To the neo-conservative ideologues now dominating the Bush Administration, China’s adoption of such an “American System” approach is no compliment, but a dire threat to the United States. *EIR* has shown (“Chicken-Hawks Are China-Hawks,” May 23, 2003) that the same individuals and institutions behind the strategy of pre-emptive war against the Islamic Arab nations, also want to treat China as the new “enemy image” after the fall of the Soviet Union, in keeping with the Samuel Huntington “Clash of Civilizations” thesis that Islam and the Confucian world would gang up to confront the Anglo-Saxon race. Although they are not totally in charge of U.S. Asia policy at this point, the neo-cons’ agenda of confrontation with China is never far from the surface.

A recent example is the coverage of the same “China-Indonesian Relations” conference reported above, by the Nov. 20 issue of *The Far Eastern Economic Review*, owned by Dow Jones (the neo-con *Wall Street Journal*’s parent company). Called “How China Is Building an Empire,” the theme is expressed in the subhead: “With its booming economic power as its overseas spearhead, China is now moving stealthily toward establishing a common Southeast Asian security community, possibly at the expense of U.S. power and influence in the region.”

Nonetheless, as demonstrated by most of the speakers at the USINDO conference, a growing number of Americans are finally demanding a change in the new imperial policy pursued by the Cheney-Bush neo-cons, even if they are not yet demanding a return to the historic nation-building policies of the American System. Asia may not be willing to wait.

# India Is Widening Its Relations in Asia

by Ramtanu Maitra

In recent years, Indian policy towards Asia as a whole has gone through a sea-change. A number of factors brought about this policy shift. Perhaps the most important one is the massive growth of China's economic power, which forced the Indian political leadership to realize that unless they find a way to broaden India's economic sphere in the region, and become less dependent on the western economies to increase trade, the country will be left far behind. The second factor was the change of attitude of the Southeast Asian nations' leaders vis-à-vis India. It is evident that the Southeast Asian countries, hit by the 1997 currency turmoil, have come to realize that their economies would be more stable if they were integrated through physical infrastructure with the two Asian giants, India and China.

The Indian economy during the Cold War days was a slow-growing economy, concentrating almost entirely on its domestic market. India's foreign policy was virtually delinked from its economic policy, although its foreign policy alignment with the erstwhile Soviet Union in many areas had brought India some heavy basic industry technologies and military technologies. All that helped India to a certain extent, but not very much.

During that period, India, though one of the leaders of the Non-Aligned Movement, considered most of Southeast Asia as an American stronghold and stayed away. The Southeast Asian nations, buoyed by American links, considered the Indian economy too public sector-dependent and, therefore, a negative model.

## 'Look East' Policy

It took India a while—almost ten years after the Soviet Union had collapsed—to make forays to build new bridges with the the Association of South East Asian Nations (ASEAN) and the newly-formed Central Asian nations. During that decade, India was slowly taking off the shackles of controls and regulations which not only prevented faster economic growth, but acted as an impediment to modernizing technologies. This was the period Indian analysts consider as the period of economic reform. These reforms, though considered inadequate by most economists, were welcomed widely in the region and beyond, bringing in promises of new investments and faster growth.

The Indian Ministry of External Affairs had announced in 1991 the adoption of a "Look East" policy. India became a

sectoral partner of ASEAN in late-1991 in the core sectors of trade, investment, and tourism. The concept, however, was given flesh by the present Bharatiya Janata Party (BJP)-led government in 1999. Following a number of visits by both sides, India was eventually upgraded from sectoral partner to full dialogue partner in the fifth ASEAN summit in Bangkok in December 1995. In July 1996 India was invited to join the Asian Regional Forum (ARF). India's inclusion in ARF was hailed as a major diplomatic achievement and a welcome and logical extension of its Look East policy. The ARF comprises Australia, China, Canada, the European Union, Japan, New Zealand, Papua New Guinea, Russia, South Korea, and the United States; the ten ASEAN countries; and India.

In 1997, under Indian initiative, Bangladesh, India, Myanmar, Sri Lanka, and Thailand came together to form an economic association called BIMSTEC linking the littoral states of the Bay of Bengal. It was identified as an economic grouping whose objective was to promote rapid economic cooperation between members in key areas like trade, investment, tourism, fisheries, agriculture, transportation, and human resources development. India and Sri Lanka have already concluded a bilateral Free Trade Agreement that is showing the potential to rapidly expand trade and economic cooperation.

The Mekong Ganga Cooperation (MGC) project was announced by the foreign ministers of the six nations involved at the ASEAN Ministerial Meeting (AMM) at Bangkok in July 2000. The Mekong-Ganga Cooperation was formally launched on Nov. 10, 2000 in Vientiane, the capital of Laos, to increase cooperation in tourism, culture, and education. The signatories to the initiative are India and five Southeast Asian Nations, namely Thailand, Vietnam, Laos, Cambodia, and Myanmar. The initiative was designed to define regions in the new global economy, while keeping their native identity and character intact. The six countries also undertook to develop transportation networks including the East-West Corridor project and the Trans-Asian Highway.

The Trans-Asian Highway (an old proposal of the UN's Economic and Social Commission for Asia and Pacific, or ESCAP) may become a reality. The MGC ministerial level meetings are scheduled to be held every year in July along with the ASEAN ministerial meetings and Post Ministerial Conferences.

## The Myanmar Factor

The key ingredient to make the Look East policy a success was the inter-linking of India with Southeast Asia and Indochina. By the early 1990s, it became evident that India and Myanmar would have to start a dialogue to stem drug-trafficking and gun-running across the border with India's north-eastern states. For India, Myanmar was an important land bridge to Southeast Asia. It also had to consider China's growing trade and military assistance to Myanmar.

In November 2000, India's External Affairs Minister



## Summit Forges Mekong Links

Despite rising demands that Myanmar's Southeast Asian neighbors join in isolating and confronting its military regime in Yangon, the Prime Ministers of Myanmar, Thailand, Laos, and Cambodia instead held a Nov. 11-12 summit in Pagan, the historic capital of Myanmar (Burma). It was the first-ever summit of these countries, which comprise four of the six members of the Greater Mekong Subregion (with Vietnam and Yunnan Province, China). It was initiated by Thai Prime Minister Thaksin Shinawatra, to announce a joint economic road map to accelerate growth among these countries. Laos, Myanmar, and Cambodia remain among the poorest nations in Southeast Asia.

Thaksin called the concept behind the summit, "four countries, one economy." The Pagan Declaration, issued on the occasion, calls for transforming the border areas of these countries into "a zone of durable peace, stability, and economic growth" for some 138 million people. Thaksin summed up the leaders' intent: "We shall pool our strengths, pool our sincere hearts. We will put all our conflicts, misunderstandings away. In four or five years, we will see no border conflicts nor illegal migrants."

Thailand alone accounts for 91% of the combined four

economies, and hosts over 1 million illegal foreign workers. Among the elements of the cooperation, Thailand pledged \$250 million annually for regional projects, announcing that a public organization under the Thai Finance Ministry would be set up within a year to open export credit lines for the three neighboring states. Modeled on the Japanese Overseas Economic Cooperation Fund, the credits aim to encourage financial support from western donor nations. The Asian Development Bank will contribute 30% of the total. Among the projects are a concessionary loans of \$300 million for a proposed 200-kilometer road linking Thailand's Tak province to the Myanmar town of Thaton. This road is also part of a planned east-west corridor linking India and Vietnam. Thailand also plans to make available some 100 scholarships annually for students from its neighboring states.

Thailand is also expected to offer Myanmar about \$50 million in the form of aid, and a low-interest loan to support construction of transportation links between the two, including an 18-kilometer stretch linking the Thai border town of Mae Sot and the Myanmar town of Myawaddy. A further low-interest loan of \$445 million will be granted for joint Myanmar-Thai development of plantations for corn, potatoes, beans, and bamboo shoots. Thailand has also agreed to support a study into feasibility and construction of a deep seaport at Myanmar's Tavoy.

—Gail Billington

summit at New Delhi: "Work has started on a trilateral highway project linking Thailand, Myanmar, and India. Under the Mekong-Ganga cooperation, we are also looking at a New Delhi to Hanoi rail link." India's plan to build a rail link to Hanoi, the capital of Vietnam, has been designed for two reasons. First, it will boost trade between India and ASEAN substantially. Second, Cambodia, Laos, Vietnam, and Myanmar—the four newer members of ASEAN, all of which will be on the rail route—have been the most vocal in pushing India's case for closer ties with ASEAN. Furthermore, there is no rail connection now among Vietnam, Laos, and Cambodia. A single line connects Malaysia with Thailand and Singapore, and southern China with Vietnam. In the eastern direction, the railroads in Myanmar stop several hundred kilometers away from its borders with Bangladesh and India. "Bilateral trade with ASEAN now exceeds \$10 billion," Vajpayee said, "but it has barely scratched the surface of its potential. We must target a turnover of \$15 billion over the next two years and \$30 billion by 2007."

When Vajpayee visited Phnom Penh last November for the India-ASEAN summit, Cambodian Prime Minister Hun Sen suggested that India could help Cambodia build a railway network that would eventually form part of the direct "land-

bridge" rail corridor from Singapore up to Kunming in southern China.

In addition to the four newly-admitted members of ASEAN, India is getting strong cooperation from Thailand. During his October visit to Southeast Asia, Vajpayee in Bangkok pointed out that there was a "happy confluence of India's 'Look East' posture and Thailand's 'Look West' strategy. Thailand's acclaimed competence in infrastructure building—which includes ports, airports, highways, and urban amenities—matches our growing requirements in these fields." In the knowledge economy, the Prime Minister said, India's software skills could usefully support the rapidly developing hardware capabilities of Thailand. "Our growing skills in biotechnology can be combined to utilize the range of biodiversity in our two countries," he told the Thai media. Observing that India is among six countries with the ability to provide "end-to-end" capabilities in space, from design and fabrication to tracking and control and launching satellites, Vajpayee stressed, "We have a special expertise in the area of harnessing space technologies to developmental applications" on Earth.

There are two other major developments in the Indian initiative in Southeast Asia and beyond. Heralding a new era

in their relationship, China, Japan, and India have agreed to create a free trade zone with member countries of ASEAN, the Indonesian newspaper *Tempo Interactive* reported on Sept. 5. This agreement was reached during a consultation held in Phnom Penh, Cambodia on Sept. 3-4, between ASEAN economic ministers and those of China, Japan, and India.

“We have even settled some framework agreement concepts with particular dialogue partners,” Pos Marodjahan Hutabarat, the Indonesian Ministry of Trade and Industry’s Director-General of International Trade and Industry Cooperation, told reporters in Jakarta on Sept. 5. The agreement will lead to the forming of a potential market for the products of Indonesia and other ASEAN countries. More than 2.5 billion people—including 520 million people in ASEAN, 1.2 billion in China, 1 billion in India, and 100 million in Japan—will be at the very least a potential market exceeding the number of consumers in European countries.

On Nov. 5, the Indian External Affairs Minister, Yashwant Sinha, said that India’s “Look East” policy was not restricted to the ten countries of ASEAN, but extended to Northeast Asia as well—Japan, China, and the Koreans. “I have said that we have entered Phase II of our Look East policy, which is more comprehensive in its coverage, territorially and materially,” Sinha said in New Delhi. According to him, if India wanted to pursue its national and international goals, it was imperative that peace prevailed in the region. Any threat to peace from state or non-state actors was a threat to the goal of prosperity “for our people.”

### **Central Asia ‘New Silk Road’**

India is getting very active politically in the Central Asian nations as well. Following the ouster of the Taliban by the United States and the Northern Alliance, New Delhi has provided the Afghan interim President Hamid Karzai with buses, built hospitals and girls’ schools, and in essence, has a very visible presence in Kabul. India had been a long-time ally of the Northern Alliance.

On Jan. 30 of this year, Minister Sinha, while in Bishkek, Kyrgyzstan, announced that India, Iran, and Afghanistan have agreed to develop a “new silk road” to enhance trade with Central Asia. “The route will utilize Chah Bahar Port of Iran to send goods through Afghanistan and to Central Asian countries. It is being estimated that this new route will cut distances by 1,500 kilometers,” Sinha said in his address to the Kyrgyz National State University.

India is going to construct 200 kilometers of this new road, which might usher in an entirely new era of trade relations and people-to-people contacts between India and Central Asia, he said. “This new silk route of prosperity is India’s wish for its relations with Central Asia.” Sinha recalled how the old silk route had provided a meeting point for China and India two millennia ago, carrying out a high volume of trade then.

Observing that energy and hydro-electricity were two other areas where a lot could be achieved, Sinha said that

India, with its high demand for energy, could import oil and gas from the region, which has huge reserves.

On Nov. 14, after a three-day trip to Moscow, Prime Minister Vajpayee was in Dushanbe for 22 hours. He became the first-ever Indian prime minister to visit Tajikistan. Underlining its strategic interests in Central Asia, India set up a Joint Working Group with Tajikistan to combat international terrorism. Vajpayee agreed on this with Tajik President Emomali Rakhmanov. Eight treaties were signed at the conclusion of the summit, which include the agreement to intensify their defense cooperation, and to build a highway linking them through Afghanistan and Iran’s Chah Bahar port, with the sea link completing the transport corridor to India.

Before Vajpayee landed at Dushanbe, a contingent of the Indian Defense Ministry’s military engineering services workers were packing up after a grueling day of building a runway at an air base that lies 10 kilometers northeast of the Tajikistan capital. The place is called Ayni, and the base is India’s first ever in a foreign country. An Indian Defense Ministry spokesman confirmed that New Delhi was involved in upgrading infrastructure at the Ayni air base and “has plans to station its troops” and air platforms in the near future, to support its energy security interests in Central Asia.

This is just another signal that India has placed great importance on Central Asia, which is rich in oil and natural gas. Indian oil major ONGC Videsh Limited (OVL) has tied up with Kazakstan’s government for oil exploration in the fields at Alibekilometerola and Kurmangazi. OVL currently has a 15% stake in Alibekilometerola and 10% in Kurmangazi; both oil fields straddle the Kazak-Russian border. Significantly, Indian and Tajik Special Forces held joint exercises in February 2003.

After successful diplomacy in Southeast Asia, India is now primed to replay its historical role in Central Asia, after a gap. Apart from Vajpayee’s current visit to Dushanbe, Indian Defense Minister George Fernandes headed for Kazakstan and Kyrgyzstan, and External Affairs Minister Sinha visited Uzbekistan—both in the first week of November. In Uzbekistan on Nov. 6, Sinha underlined the importance of Central Asia from the Indian perspective, saying that New Delhi was looking at greater economic engagement with the region.

Attending the India-Central Asia Conference at Tashkent, capital of Uzbekistan, Sinha outlined the plan for a 200-kilometer road between Zaranj and Delaran in Afghanistan. “Once this road is complete, it will reduce by 1,500 kilometers the distance between India and Central Asia,” he said. Sinha pointed out that India was one of the first countries to have missions in all Central Asian countries. “Our desire for multiple transport links with Central Asia is in tune with our economic progress. . . . India has become a major center for outsourcing. Our cooperation with Central Asia includes cultural, economic, defense, and security relations. For us, Central Asia is our ‘immediate and strategic neighborhood,’ ” the India minister emphasized.

## Summit Builds 'Strategic Triangle' Potential

by Mary Burdman

India and Russia enjoyed decades of very close political and economic ties during the last half-century. The Nov. 11-13 summit of Indian Prime Minister Atal Bihari Vajpayee and Russian President Vladimir Putin in Moscow showed the two governments committed to transforming their relationship to deal with a crisis-ridden world. War and terrorism are grave threats to the stability of these two nations' "common neighborhood"—a vast region which includes Afghanistan, Iraq, Pakistan, and Chechnya. In their joint Declaration on "Global Challenges and Threats to World Security and Stability" of Nov. 12, they opposed "any type of extremist ideology and intolerance," and pledged that they will "resist with their full might all forms of extremism."

The statement certainly aims at the religious and other extremists who generated such havoc in Afghanistan and other nations of Central and West Asia. But it could also apply to ideologies growing in other, very different, nations, which also threaten world peace.

In New Delhi on the eve of Vajpayee's departure, Indian Foreign Secretary Kanwal Sibal had forecast the strategic context of the summit: "Russia especially is focussing a great deal on global challenges and threats to world security and stability. . . . We intend to issue a declaration on this."

The Declaration made the important primary assertion that the United Nations has to be the forum for dealing with global security issues; Russia and India are "Determined to cooperate in countering global challenges and threats, which emanate from international terrorism in all its forms and manifestations." But they also demand a "consistent and uncompromising approach to terrorism," and the abandonment of "double standards" in defining terrorism and dealing with it. Connecting this to a realistic assessment of how terrorism operates, the Declaration also expresses determination to counter the grave threat posed by ever-expanding illegal drug trafficking, "narcobusiness," and illegal arms trafficking, as key sources of financial and logistical support to international terrorist operations.

In their Declaration, and, much more extensively in the two leaders' "India-Russia Joint Statement" of Nov. 13, Putin and Vajpayee affirmed that they are "convinced that their strategic partnership has served as a factor in global peace and security." India and Russia will cooperate, bilaterally and

multilaterally, "towards the establishment of a multipolar and just world order based on sovereign equality of all States, their territorial integrity and non-interference in their internal affairs. Threats to global security and strategic stability should be dealt with taking into account the legitimate security considerations of all States."

They also propose a dialogue of civilizations: "India and the Russian Federation are convinced that greater interaction and mutual respect among diverse societies and cultures will lead both to enrichment of these cultures as well as to enhanced harmony and security in the world. . . . There is no place . . . for any type of extremist ideology and intolerance."

Both nations have internal as well as international reasons for this strategic approach. They are "two large and influential democracies," multi-national and multi-cultural, with many languages, religions, and peoples in one large nation. The Indian Prime Minister told *Rossiskaya Gazeta* that at the time of its independence, many had thought that India, with all its peoples, religions, and languages, and burdened by poverty, could not survive as a democratic nation for long. "We have proved the skeptics wrong," he said. "The magnitude of this achievement is sometimes not fully appreciated." This lesson from history shapes Indian—and Russian—policymaking today.

Of the four international "crisis spots" discussed by Putin and Vajpayee, the first, discussed in greatest detail, was the urgent need to stabilize Afghanistan, where extremism and drug production are both rising dangerously. They also called for the "earliest restoration of Iraq's sovereignty"; for ending the Israeli-Palestinian conflict; and supported the Six-Power Talks to peacefully settle the nuclear issue on the Korean Peninsula. They offered each other mutual support in dealing with separatism and terrorism in Jammu and Kashmir, and in Chechnya; and Moscow supported India's initiatives, in April and October, to break the deadlock in its relations with Pakistan.

### Economic, Energy Ties Key

The friendly atmosphere of the Vajpayee's Moscow visit began with a quiet, private dinner with Putin at his dacha, and they held formal talks the next day. Since 2000, when their Declaration on Strategic Partnership was signed, the two nations have held regular annual summits. The growth of relations is shown by the President and Prime Minister's four meetings in the past 12 months: Putin visited India in December 2002, completing his remarkable "triangle diplomacy" from Moscow to Beijing and then directly to New Delhi; Vajpayee was an honored guest at the 300-year celebrations in St. Petersburg in May; they held meetings in France at the G-8 summit in June, and at the UN General Assembly in September. At this summit, Putin accepted an invitation to visit India again, and Vajpayee also met with Russian Deputy Prime Minister Boris Alyoshin, Foreign Minister Igor Ivanov, and Defense Minister Sergei Ivanov. The latter was invited



*Indian Prime Minister Vajpayee (left) and Russian President Putin signed a “Declaration on Global Challenges and Threats to World Security and Stability” at the Kremlin on Nov. 13. Vajpayee’s visit centered also on energy and economic cooperation, and was seen as opportune for Putin’s domestic showdown with Russia’s “oligarchs.”*

to India immediately to return the visit last January of Indian Defence Minister George Fernandes.

The two leaders signed 10 economic and other agreements, including a Memorandum of Understanding on Cooperation in the Exploration and Use of Outer Space for Peaceful Purposes. Most important was that Vajpayee brought with him almost 100 leading Indian industrialists and businessmen, and addressed a Joint Meeting of Indian and Russian businessmen on Nov. 13, which he called a “landmark event” in their commercial relations. The Joint Statement after the talks said the two leaders want to “devise a long-term strategic approach taking into account the mutually complementary strengths of the two countries, the changes anticipated in the nature of bilateral economic ties, and the emerging trends at the global level. . . . They must explore each other’s existing potential and emerging capabilities.”

As Indian analysts point out, this big economic delegation was particularly important amidst President Putin’s conflicts with the Russian financial oligarchy and its international supporters. “Russia can now say, ‘We have friends all over the world’ who want to work with us economically. The oligarchy has been told that they must behave. There was a lot of discussion of expansion of trade, and joint investment in strategic areas, including in oil,” one analyst told *EIR*.

Vajpayee emphasized complementarity of the two economies: India’s large market, excellent human resources, and favorable demographics; Russia’s enormous natural resources, “as well as acknowledged scientific and technological excellence.” Even “during a period of major economic slowdown around most of the globe, India and Russia have continued to grow,” he said, and have “both achieved expertise and even dominance in certain areas of technology.”

In many of India’s technological and scientific achievements—in founding its heavy industry, in space, in nuclear

energy—there has been a “strong Russian connection,” which Vajpayee said must be invigorated. Trade between them has in fact fallen to an annual level of less than \$1.5 billion, from \$3.5 billion annually in Soviet days; now the two sides are ending their special, Soviet-era “rupee-ruble” trade agreements, and switching to “hard currency” trade. Some \$2.7 billion worth of rupee debt under this arrangement is still to be settled, and Vajpayee said that a task force is being set up to use these funds “for investment in both countries.” Putin had proposed this in New Delhi last December.

### **Nuclear Cooperation**

“We are focussing on diversification from the traditional items of trade to high-tech areas of cooperation, including joint design and development of equipment, information technology and bio-technology,” Vajpayee said. Better banking arrangements are also being made to expand trade.

Strategic areas of cooperation are the well-established military ties, and energy. Russia is a big energy exporter, and India an ever-larger importer. Russia is helping India build a light-water nuclear power plant at Kudankulam in Tamil Nadu, and India is investing in the oil field at Sakhalin 1.

The whole field of peaceful uses of nuclear energy has great potential. On Nov. 3, Russian Atomic Energy Minister Alexander Rumyantsev, on the eve of a visit to the United States, told *The Hindu* that he is pushing to have the international bans on nuclear deals with India lifted. “I always raise the problem of India whenever I meet my colleagues from other countries,” he said. “There is a pressing need to review the guidelines of the Nuclear Suppliers Group (NSG) and work out a special arrangement for India to allow it to cooperate with other countries in the nuclear field.” India had developed its nuclear weapons technologies indigenously, Rumyantsev said, rather than receiving them from a third country,



and has a flawless record on nuclear non-proliferation. It has no alternative to nuclear power to meet its growing energy needs.

The Russian Ministry repeated this call on Nov. 11, after discussions with Indian National Security Advisor Brajesh Mishra. "It is high time to review bans on nuclear co-operation with India imposed in 1992 by the Nuclear Suppliers Group (NSG)," the Ministry announced. Indian Foreign Secretary Kanwal Sibal had just told reporters in New Delhi that India is interested in buying more nuclear energy reactors from Russia.

Military cooperation is now at the advanced level of joint research, development, and training, and military exchanges. As Vajpayee said in an interview with *Trud* published on Nov. 11, joint military cooperation has "outgrown the framework of 'buyer and seller' relations. Interaction between India and Russia has reached the level of joint design of projects and creation of prototype models and production." This includes advanced military airplanes, missiles, frigates, and tanks. Future sales of jointly produced military equipment to third countries are now on the agenda.

### **Building a Eurasian Land-Bridge**

Russia and India are also actively building the Eurasian Land-Bridge. At the center of this is the "North-South Transport Corridor" from India's Indian Ocean ports via those of Iran, through Central Asia, across the Caspian Sea, to Russia. This was launched in 2000, at first, as a group of trade agreements to make it easier to ship goods on existing infrastructure. Now, badly needed new infrastructure is being built. India is already shipping to Russia through the Corridor, and Vajpayee encouraged Russian exporters to use it much more.

This year, Russia has built several large container terminals at the Russian Caspian seaports of Olya, near the large port of Astrakhan, and Makhackala. By 2005, Russia will complete construction of a 50-kilometer railway to link Olya with Russia's national rail network. The government has cut port tariffs by 45% to encourage use of the new terminals. Just before Vajpayee's visit, Russian Deputy Transportation Minister Chinghiz Izmailov told *The Hindu* that "it would obviously make sense if Indian and Russian companies give thought to establishing an international consortium for container shipment along the North-South Transport Corridor."

Of perhaps greater historic importance, discussion of building the first-ever railroad into Afghanistan, with cooperation of India, Iran, Uzbekistan, and Tajikistan, is also on the agenda. This matter was to be discussed at the Moscow summit as of strategic importance. In Tashkent on Nov. 8, Indian External Affairs Minister Yashwant Sinha announced that India would participate in building trans-Afghanistan roads between Termez, Uzbekistan, and the Iranian port of Chah Bahar on the Sea of Oman. "We have decided to add a rail link too," he said.

### **The Strategic Triangle**

The Russian-Indian discussions were rounded with the idea of the "Strategic Triangle" of Russia, China and India. Vajpayee, who has played a key role in making Indian relations with China much warmer, discussed the "Triangle" in an interview with *Rossiskaya Gazeta*. "There are several issues on which the three countries share views and can consult each other," Vajpayee said. "The creation of a just, multipolar world order is one such issue. There are a large number of areas of potential in economic cooperation among the three countries."

Relations between India and China have long been the weak link among the three. Now, Vajpayee said, "relations with China have been improving steadily over the years," with many high-level visits, bilateral interaction, and substantially better economic ties. "During my visit to China in June, we agreed to raise our bilateral political and economic cooperation to qualitatively higher levels," Vajpayee said. "As our relationship expands and diversifies, it will increase mutual goodwill and trust, which should facilitate resolution of our differences between us," including the still-unresolved border. "We will proceed along this course, in the conviction that as we intensify and diversify our economic cooperation and people-to-people links, we can develop a climate of understanding and trust in which differences can be resolved from a larger political perspective."

Two recent events show how this larger perspective is being created. On Nov. 14, the Indian and Chinese navies conducted their first-ever joint naval exercise off Shanghai, hailed by both sides as a "complete success." This was a "search and rescue exercise" aimed at securing maritime trade. The exercise had been proposed during Vajpayee's June visit to China.

Of even greater interest, India and Nepal have agreed to build their first-ever railroad link. Nepal, a landlocked nation in the Himalayas, and India have signed an agreement to open a rail link from Raxaul in India, over the border to Birgunj in Nepal. India has built a 5.4 kilometer-long railway line, and Nepal is building rail infrastructure in the town of Birgunj. This is particularly important in the greater picture, because China is steadily constructing the first-ever railroad into Tibet. When that is completed, and more rail links are built from the Indian and Nepalese side, the two most populous nations in the world can be linked to each other in the southern tier of the Eurasian Land-Bridge.

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# UN, Israeli Institutions Tell Sharon: Make Peace

by Michele Steinberg and  
Dean Andromidas

In an unprecedented move, on Nov. 13, four former heads of the Shin Bet, the Israeli national security service, blasted the hardline policies of Israel Prime Minister Ariel Sharon towards the Palestinians. They declared, in a joint interview to Israel's largest-circulation daily, *Yedioth Aharanot*, that Israel faces "catastrophe" unless it makes peace with the Palestinians. The move by these senior officials follows the intervention, no less stunning, by the *current* Chief of Staff of the Israeli Defense Forces, Gen. Moshe Ya'alon, who briefed reporters that Sharon's policies were responsible for the collapse of the government of former Palestinian Prime Minister Mahmoud Abbas (Abu Mazen).

Reporting on General Ya'alon's remarks, *Ha'aretz* reporter Uzi Benziman wrote on Oct. 29, "The high command of the Israel Defense Forces believes that Israel contributed to the collapse of former Palestinian premier Mahmoud Abbas' (Abu Mazen's) government by making only stingy demonstrations of support." Benziman added that unnamed senior military sources said, "It is the dominant feeling in the IDF General Staff . . . that Israel should have treated Abbas differently, by giving him control of every Palestinian city he asked for." Abu Mazen was also undercut, these sources told *Ha'aretz*, by Sharon's threats about the "fate of Yasser Arafat."

These anti-Sharon statements by military and intelligence chiefs are not individual, but *institutional*, say intelligence sources in Israel and Washington, and they have rocked Israel—and perhaps, to an even greater extent, the United States.

## UN Vote Makes Sharon Unhappy

Reflecting this reality, on Nov. 19, was the UN Security Council's *unanimous* vote to pass a Russian-sponsored resolution that made the Road Map peace plan an official UN Security Council policy; the United States voted in favor of the resolution, despite the hysterical opposition of Israeli Prime Minister Ariel Sharon's government.

Nasser al-Kidwa, Palestinian envoy to the UN, said the resolution "could be a watershed in the history of the Middle East peace process," as it is "the first that focusses entirely on the two-state solution." On behalf of the Russian government, Deputy Foreign Minister Yuri Fedotov said, "The purpose of this resolution is to give an additional impetus to international

efforts, including efforts made by the four international co-sponsors [the United States, European Union, United Nations, and Russia] to promote the fulfillment of the parties' obligations under the Road Map." It was exactly this international pressure—especially the possibility of international monitors—that Sharon wanted to avoid.

There is still more to the story. Commenting on the resolution, Lyndon LaRouche, the Presidential candidate who is second in popular support among the Democrats running for the 2004 nomination, said that the passing of the UNSC resolution will make Cheney and Sharon very unhappy. Indeed, Cheney's forces have been behind every U.S. veto of a Security Council resolution that attempted to curtail Sharon's violence.

LaRouche had in fact set the stage for the passing of the UNSC resolution, when he supported the "Geneva Accord" peace initiative of Palestinians and Israelis, at his Oct. 22 international webcast, called "The Post-Cheney Era." LaRouche is the *only* Presidential candidate to support the Geneva Accord, which has taken the world by fire, and is due to be signed by the Palestinian and Israeli leaders who initiated it in a special ceremony on Dec. 1 in Switzerland.

LaRouche has also led the movement in the United States to oust Cheney from government, exposing how the Vice President runs a parallel government from a war room in his offices, staffed by the neo-conservative followers of Nietzschean Leo Strauss. In a campaign pamphlet, LaRouche dubbed this Cheney network, the "Children of Satan: The Ignoble Liars Behind Bush's No Exit War"; and the label has stuck. Cheney's operatives, including his aide, David Wurmser, Pentagon advisor Richard Perle, and Undersecretary of Defense for Policy Douglas Feith were all co-authors of the 1996 document, "A Clean Break," which calls for abolishing the Palestinian Authority and for the Nazi-style mass exile of Palestinians, as well as regime change in Iraq, Syria, and Iran. Cheney's neo-cons want to wipe out the Palestinian leadership under the rubric of the "war against terrorism." But with the revolt of the Israeli institutions, the Sharon/Cheney plans are threatened.

Washington sources report that secret polls available to the White House show Bush does not even command the support of Jewish Americans—despite his 1,000% support for Sharon's every deadly move. Jewish citizens in America and Israel realize that there is no military solution, and are turning away from Cheney's buddy Sharon, who promised "peace and security" and brought neither to Israel.

## Expanding Peace Process

"These statements by the Shin Bet Chiefs have to be seen as part of a growing movement" for peace, one Israeli intelligence source told *EIR*. He pointed to developments over the past several weeks including the letter of refusal to serve in the occupied territories by reserve Air Force pilots—considered the elite of the elite—including a brigadier general. This

was followed by General Ya'alon's powerful statements against Sharon's policies. In addition, young IDF soldiers, including some who recently emigrated from America, have been coming forward, in regional U.S. newspapers, with stories of how they are ordered to brutalize and humiliate Palestinian civilians.

But the intervention by the former Shin Bet chiefs was the most dramatic, covered in four full pages of *Yedioth Aharanot*. "We are heading downhill towards near catastrophe," said Yaakov Perry, Shin Bet chief from 1987-93. "If . . . we go on living by the sword, we will continue to wallow in the mud and destroy ourselves." Israel must "dismantle the illegal settlements." Perry even specifically referenced the violent West Bank settlers saying, "We will have to clash with them."

Ami Ayalon, Shin Bet head from 1996-2000, called for unilateral withdrawal of troops and settlers from Gaza and the West Bank, saying that if the occupation continues, "We are taking sure, steady steps to a place where the State of Israel will no longer be a democracy and a home for the Jewish people." Ayalon is also an initiator of a peace initiative called the People's Voice, with Sari Nusseibeh, a Palestinian intellectual and President of Al Quds University in East Jerusalem. That statement of principles for a peace agreement has been turned into a petition which over 100,000 Palestinians and Israelis have signed, and Ayalon and Nusseibeh jointly toured the U.S. promoting it.

Carmi Gillon, Shin Bet head from just after the Rabin assassination until 1996, called the government incapable of "getting out of this mess." Avraham Shalom, chief from 1980-86, said Sharon's policies were "contrary to the desire for peace. We must once and for all admit there is another side, that . . . that it is suffering and that we are behaving disgracefully. . . . This entire behavior is the result of the occupation."

These courageous outcries have in turn triggered forceful action from international leaders, most notably, Russian President Vladimir Putin and Pope John Paul II. On Nov. 16 in St. Peter's Square, the Pope, for the first time, denounced Israel's apartheid wall, pointedly, on the eve of Sharon's arrival in Italy, saying, "The Holy Land does not need walls, but bridges. . . . [T]he wall . . . is seen by many as a new obstacle" to peace. Just two weeks before, Putin had told Sharon point-blank that Russia would neither withdraw nor alter its UN Security Council resolution on the Road Map and a Palestinian state, which was to be adopted on Nov. 19. "Unfortunately, the momentum for peace seems to have stopped," said the Pope, but his intervention helped turn the tide.

The wide American audience for the voices of peace was reflected in the highly successful Nov. 1-4 tour by Gen. Amram Mitzna, former Labor Party chairman, appealing to America to support the Geneva Accord (see box).

## Mitzna: 'We Are Back' For Peace

*Gen. Amram Mitzna (IDF-ret.) former chairman of the Israeli Labor Party and current member of the Knesset (parliament), gave this Nov. 1 keynote speech in Boston, Mass., to a conference of Brit Tzedek v'Shalom, the U.S.-based Alliance for Justice and Peace. Mitzna also spoke to capacity crowds in Philadelphia and New York—but not one major U.S. newspaper reported his speeches, showing thus the media bias for the pro-war Likudniks. Here is the opening and an excerpt of Mitzna's Boston speech.*

I'd like to begin with telling you that just a few hours ago, thousands of people gathered in the Square. And I'm talking about Rabin Square in Tel Aviv. I remind you that it is eight years since Rabin was assassinated by extremists for the Jewish organizations in Israel. And I think that we should do the same as the people in the Square did. Let's stand up for one minute of silence. . . .

Rabin was assassinated . . . after he was so brave to change his mind and to understand that the reality in the Middle East is not what we thought. . . .

In 1987, 20 years had passed since the war in '67, and many people in Israel thought that it is possible to continue to occupy—then 2.5 million Palestinians, now 3.5 million Palestinians—and we did it so easily, without any real problems. But the Intifada in 1987 showed that it is over. And Rabin, I think, as Begin before, realized that instead of fighting the Palestinians, and losing everything we have, we will have to reach the idea of "Two States for Two Peoples." Instead of fighting, let's negotiate. Instead of occupying . . . let's see what kind of concessions that we have to make—painful concessions—if we want to live as a Jewish and a Democratic state.

He was assassinated, and for the last eight years . . . we went "off-road." I think that the Geneva accord—the Geneva Initiative—the Geneva Agreement is a sign that we are back, talking about "Two States for Two Peoples," with a just conclusion to the conflict. . . .

Now it is very important that the Jewish communities in the United States will raise their voice. . . . and you are not alone—it is in Israel also that the right-wing . . . are much stronger. But now we have an agenda. . . . I believe we were so brave in wars and in combat, we are able to be brave in taking risks in peace attempts and peace initiatives.—*Michele Steinberg*

## Bonds With France Put Perle in a Neo-Con Rage

by Rainer Apel

A heated verbal confrontation between U.S. defense advisor Richard Perle and former French Navy commander Adm. Jacques Lanxade was among the spectacular events at the annual *Welt am Sonntag* Security Policy Forum, held in Berlin during the first days of November. In his tour of Europe, the neo-conservative point-man Perle, known in Washington as the “Prince of Darkness,” was trying to isolate France and pull other Europeans, especially Germans, back to the side of the Washington war-party.

At the surface, the dispute was over anti-French remarks which Perle had made to that forum on Nov. 2. There, he said: “We should not fool ourselves: There are members in our alliance that really believe that Europe should be positioned as counterweight to the U.S.A. Chirac, for example, Dominique de Villepin, for example. And others in Europe think alike, too, it seems. That has to be clarified in Europe. Europe has to decide whether it wants to become a counterweight or remain an ally. These two exclude each other.”

Perle went further, dictating to Germany: “If Germany supports the French concept, it is the end of NATO. If, however, Germany realizes that Europe should not be a counterweight to the U.S.A.—that the community of interests and values is so important that a European counterweight were the last thing we would want—it would be the beginning of a new NATO. Too many in Europe, too many Germans, too many French and others believe that the Franco-German relationship is crucial for peace. And that the essence of that relationship is agreements between governments, in the last instance. I think that is a misinterpretation of history. Peace on this continent is not secured by talks between Chirac and Schröder—not by agreements between these two either—but by millions of Germans electing their government in a democratic way.” This was an unmistakable neo-con “suggestion” of a new, Christian Democratic government in Germany.

Perle’s attacks against the diplomacy of Chirac and Schröder and his reference to the presumably insurgent German electorate, indicate that a new round of destabilizations of France and Germany is up. This may come through sudden “scandals” and related incidents, hitting leading figures of their political establishments.

The Perle tirades against the Franco-German alliance, re-

peated in later events elsewhere in Europe, are, as Europeans point out, aimed less against what Chirac and Schröder are doing right now, than what they may do in the near and medium-term future. A front-page story in the leading French daily *Le Monde* of Nov. 12, on the potential of a Franco-German union, hinted at some aspects of what is being discussed between Paris and Berlin already. In particular, *Le Monde* reported a recent speech by French Foreign Minister De Villepin at the exclusive policy-debating club in Paris called In Real Time, in which he spoke of a “unique historical challenge that we have no right to miss,” in making “essential” steps toward a new level of Franco-German cooperation.

### French Nuclear Umbrella Over Germany?

Two main motives were cited by *Le Monde* as being behind this intensification of talks between Paris and Berlin: “the Iraqi crisis, and the consciousness that the two countries have to face the same economic and social problems. The massive rallying of the Central European countries to the United States, against Paris and Berlin, confirmed that the [EU] enlargement [to 25 nations] would not be exactly a party.” The areas dominating the upgraded Franco-German agenda also prominently include defense, the newspaper reported. This seems to confirm what insiders have pointed to in recent weeks, namely that future defense cooperation between Paris and Berlin may include the revolutionary step of France extending its nuclear deterrence umbrella over Germany.

There have also been leaks about a recent memorandum jointly authored by young diplomats of France and Germany, said to outline the “synergetic effects” of a much-enhanced cooperation between Paris and Berlin in defense, foreign policy, economic, and research policies. Influential groups in both countries are working on the next steps, from the anti-Iraq War links towards a real, positively-defined alliance. That would have an impact on European affairs, as indicated by the decision of the EU defense ministers on Nov. 17, to establish a common agency for the coordination of military-industrial projects, including the supply of Europe’s armies with weapons and other equipment made in Europe.

Sources call attention to two strategic orientations that Paris and Berlin are pursuing. Avoiding an open conflict with the Bush Administration, contacts will be intensified to circles in the United States that maintain the claim for a sole superpower role globally, but oppose an imperialistic orientation based on pre-emptive wars. Second, a leading role for France and Germany in the ongoing European integration will be sought, centered on crucial policy areas such as economics, foreign affairs, and defense; while encouraging other European countries to contribute and join. This approach is described with the term, “Europe of the different speeds.”

This Franco-German strategy implies a reassertion of Europe against neo-con designs of the Bush Administration; exactly what keeps raising the temper of people like Perle.

# Demand German Reform In Schröder's China Trip

by EIR Staff

“Germany needs a Deng economic reform, too!” demands a mass BüSo party leaflet going out across Germany, as Chancellor Gerhard Schröder prepares for a December economic-cooperation trip to China, while hundreds of thousands of Germans have been demonstrating throughout November against layoffs and depression-cutbacks in every sphere of economic life. In the leaflet, BüSo chairman Helga Zepp-LaRouche calls for a reform in Germany like that which set off China's rapid industrial and infrastructure growth since the 1980s. It makes an ironic challenge to the German “Maoist cultural revolution” which has brought the country the green ecological cult of anti-science, anti-industry, and anti-progress beliefs; and an economic policy of free trade, globalization, and deadly austerity.

The leaflet mobilization is a drive for a dramatic shift in German and European economic policy around the opportunity of Schröder's China visit next month. At a Nov. 17 demonstration of 50,000 students and trade union members protesting education cuts and rising unemployment in the state of Hesse, BüSo activists and LaRouche Youth Movement organizers distributed 10,000 of the leaflets. Nearly 1,000 went to the Social Democratic Party's (SPD) national congress in Bochum in the Ruhr region on Nov. 10, where the party confronted the disastrous recent electoral consequences of the government's austerity-and-deregulation policy domestically, a stark contrast to its growing economic cooperation with China where the opposite policies of national economy are the trend. And the BüSo is also reaching German businessmen through meetings of *Mittelstand* entrepreneurs—small and medium-sized industrial firms—such as a gathering of 19 companies' representatives in the Ruhr on Nov. 15.

“One catastrophic report follows the other,” warns the leaflet. “The official unemployment figure is approaching the 5 million mark; pensions are no longer safe, the healthcare system is disintegrating; social security plans are turned into waste paper; the cities are bankrupt; the universities are closing down entire faculties. No halfway intelligent person could think that the problems concerning him are individual problems. What the BüSo has warned of for a long time, is now becoming obvious. The collapse of the German economy is only one symptom of the systemic crisis of the global eco-



*In one of Germans' nationwide demonstrations against depression, unemployment, and austerity in “the nation of poets and thinkers,” students' banner quotes the poet Heinrich Heine: “Money is round and rolls away; but education remains.”*

nomical and financial system.

“The Schröder government reacts to the ever-new budget gaps with the worst means: cut, cut, cut to death. The SPD is brutally destroying the social state, which has been fought for for 130 years. The trade unions are being destroyed as well. . . . We must not cut, but rather completely reorganize the world financial and economic system.

“But, there is a way out! Schröder's trip to China in December can become the beginning of a fundamental change. Because the countries of Asia—China, India, Russia, South Korea, Japan, etc.—have already begun to realize the Eurasian Land-Bridge, which the BüSo has proposed for years. Already next year, five new rail lines from East Asia to Europe will be tested, which are then to be expanded to ‘development corridors.’ The German—and European—economy can only recover, if we return to exporting 40% of our domestic product. China, India, Southeast Asia, with a population of 3.4 billion people, are the fast-growing export markets, which we need, if we want to return to productive full employment. Schröder's trip to China will be a good opportunity to learn, how to correct economic mistakes. China's stunning economic upswing occurred thanks to Deng Xiaoping's rejection of the catastrophic economic policy of the Cultural Revolution!

“If we in Germany want to recover from the consequences of ‘our cultural revolution’—i.e., the neo-liberal post-industrial paradigm of the past 35 years—we need as radical a change as was done by China under Deng! Schröder's trip provides an excellent chance, to introduce a ‘Deng reform’ in Germany as well, and demonstrate to the population that there is an optimistic alternative to cutting, to the [European Union's] Stability Pact, and to economic suicide.”

# International Intelligence

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## ***China Launches New Asian Space Group***

In a dramatic demonstration of how China has put itself forward as a regional space player, and as a challenger to the United States and Europe, an Asia-Pacific Space Cooperation Organization (APSCO) will be officially set up next year, with Beijing as its headquarters, *China Daily* reported on Nov. 11. The member countries apparently will not include either the United States or Japan.

This decision was taken by 14 nations and the United Nations, meeting in Beijing. The countries attending are: Bangladesh, Brazil, China, South Korea, Iran, Malaysia, Mongolia, Peru, the Philippines, Russia, Thailand, Pakistan, Ukraine, and Chile. The AFP wire reporting the launching describes China as “the leading player in space exploration in the Asia-Pacific.”

Chinese National Space Administration head Luan Enjie (who was denied a visa last year to attend an international space conference in Houston), said the purpose of the new group is to promote the development of space technology and applications. “Each country, whether rich or poor, is entitled to conduct the peaceful exploration and study of outer space,” stated a Foreign Ministry spokesman.

It is reported that China and the other Asian countries will develop and launch eight satellites within the next eight years, mainly for Earth remote sensing, specifically of the Asia-Pacific region.

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## ***Israeli Writer Rips Slander of LaRouche***

Journalist and commentator Israel Shamir, an Israeli citizen and defender of Palestinians, answered an attack on LaRouche which appeared in the U.S.-based magazine of the Socialist Workers Organization, called *Socialist Viewpoint*, in October. The magazine has not yet printed his reply. Journals like this one are used to perpetuate the Anti-Defamation League’s (ADL) filth both among the Arab communities in the United States,

and among Jewish “peaceniks” who parlay neo-con, ADL, and Likudnik slanders, while “opposing” their originators.

Shamir wrote: “When an author and an editor [Nat Weinstein] of a left-wing magazine repeats word-perfect the last speech of Ashcroft at ADL in New York, it can’t but cause some eyebrow twitching. . . . What is worse, Weinstein’s style and rhetoric are those of Ashcroft and Abe Foxman.” Weinstein said that criticizing Israel “is the new anti-Semitism,” and devoted his attack 2/5 to Patrick Buchanan and 3/5 to LaRouche.

“Weinstein tries to adhere the label of racist, Nazi and fascist to LaRouche,” Shamir countered, “but alas, the label does not stick. Indeed, Weinstein is visibly upset that LaRouche is not a racist. . . . Weinstein is hard to please: LaRouche ‘uses anti-capitalist and anti-imperialist’ slogans, so he’s got to be a fascist (!). LaRouche ‘does not attack Jews, communists and striking workers,’ so he’s a crypto-fascist. LaRouche ‘learned from Trotsky,’ so he is a perverted fascist.” Shamir says that Weinstein’s argument reminds him of a piece by Israeli playwright Hanoch Levine. “The Military Governor’s standing orders for soldiers in Occupied Territories: A nervous pedestrian is a suspected Arab terrorist. . . . A calm [one] . . . a suspected cold-blooded Arab terrorist. . . . A looking upwards [one] is. . . religious; a looking downwards [one] is a suspect shy Arab terrorist. . . . A pedestrian whose eyes are shut. . . a suspected sleeping Arab terrorist. A stay-at-home person is a suspected sick Arab terrorist. The above-mentioned suspects should be arrested, and after a warning shot, taken to the morgue.”

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## ***Aeschylus’ Lost Trilogy Will Be Played***

BBC News reported on Nov. 14 that a lost trilogy, written by the great Classical Greek playwright Aeschylus, will be staged in Cyprus, for the first time in more than 2,050 years, after fragments of the text were found in an Egyptian mummy. The play, a trilogy on the Trojan War, entitled *Achilles*, was

lost, scientists believe, when the famous Library of Alexandria was burned down by the Romans under Julius Caesar in 48 B.C.

But according to Andy Bargilly, director of Cyprus’s national theater company Thoc, “In the last decades, archaeologists found mummies in Egypt which were stuffed with papyrus, containing excerpts of the original plays of Aeschylus.”

Drawing on references to the trilogy from other ancient sources, and the recently discovered papyrus texts, researchers believe they have the closest possible adaptation of Aeschylus’ masterpiece. Thoc is planning the world premiere in Cyprus and Greece next Summer. A Greek author, Elias Malandris, has worked on the project for a decade.

“We do think it is a faithful adaptation to a large extent, but nobody can say 100%,” said Bargilly. “People working on ancient texts knew that the trilogy existed because it was mentioned in Aristophanes and other writers of ancient Greece.”

Described as the “Father of Tragedy,” Aeschylus is said to have written 90 plays, although only a handful survive; these include *Agamemnon*, *Eumenides*, and *Prometheus Bound*.

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## ***HIV Vaccine Fails; 2010 Cases Will Double***

VaxGen’s experimental vaccine against HIV has clearly failed in tests in Thailand, the Brisbane, Australia-based company announced Nov. 12. It had announced the failure of its North American trial in February.

Meanwhile, the number of people infected with HIV worldwide will increase from more than 42 million to more than 87 million by the end of this decade, a BBC News story asserted, also Nov. 12. The story recalled that the AIDS epidemic is taking hold in India, Russia, and China, which together make up half of the world’s population. Black Africa has most of the existing 42 million cases, with infection rates above 30% in some countries.

“Now that VaxGen’s vaccine has failed,” wrote Associated Press reporter

Paul Elias in a Nov. 13 story, “attention has turned to the two dozen other experimental vaccines now being tested on 12,000 human volunteers in experiments around the world. But none of those are as advanced as Vax-Gen’s two failed experiments, and any successful candidate is years away.”

## **Russian Prosecutor: Nationalize Central Bank**

A hint of what some of the Russian *siloviki* (men from the uniformed agencies) directly involved in the prosecution of Yukos Oil ex-CEO Mikhail Khodorkovsky and others, have in mind as necessary changes in Russian economic practice, was given in a Nov. 13 Pravda.ru commentary by Dmitri Chirkin. He reported that Russia’s Deputy Prosecutor General Vladimir Kolesnikov took the occasion of a Nov. 12 conference on combatting pirated goods, to suggest some far-reaching economic policy changes. Kolesnikov offered his view that “the [Russian] Central Bank should become a state agency, subordinate to the government or the President of the country, and the interest rate on loans should be zero. . . . What profit are we receiving in the Central Bank? The Central Bank ought to be supplying the circulatory system of the economy with money.”

As Chirkin points out, Kolesnikov’s remarks imply radical changes, insofar as the 1993 Russian Constitution and the Law on the Central Bank enshrined the principle of a legally distinct central banking institution, independent of the Federal government—the Venetian/Anglo-Dutch model of an independent central banking system, imported into Russia in the 1990s.

The previous day, during a round-table discussion held at the State Duma, Kolesnikov also spoke about “corruption in the upper echelons” as Russia’s gravest problem: “That corruption in the elite institutions of power, which involves the largest-scale thievery of state assets, simultaneously inflicts the greatest moral damage, by creating a negative image of the state authorities.” He said he was talking about people “who look

really nice—all smooth, with ties on.” Kolesnikov, notes Chirkin, is a blunt speaker, but does not speak out often or without a purpose. He was the first to announce some of the criminal cases against Boris Bezovskiy, and he warned of Khodorkovsky’s impending arrest, a few days before it occurred.

## **Pope, Int’l Red Cross Reject Israeli Violations**

In his Nov. 16 Sunday prayers, Pope John Paul II, for the first time, denounced the Sharon government’s 270-mile-long apartheid wall. This criticism came, pointedly, on the eve of Israeli Prime Minister Ariel Sharon’s arrival in Italy. The Pontiff said, “The Holy Land does not need walls, but bridges. The construction of the wall between the Israeli people and Palestinian people is seen by many as a new obstacle on the road leading to peaceful cohabitation.” He also said, “Unfortunately, the momentum for peace seems to have stopped.”

Meanwhile, the International Committee of the Red Cross (ICRC) has announced that it is cancelling the food program for the Palestinians in the occupied territories, which cost the ICRC about \$46 million in the last one and one-half years. They are doing this, even though a Red Cross official in the territories, François Bellon, told Israeli Defense Forces generals that the Palestinian Authority area is “on the verge of an ‘explosion’ . . . ‘the worst ever humanitarian crisis,’” reported the *Independent* of Nov. 16. The ICRC says that the blame for this disaster is Israel’s, according to spokesman Vincent Bernard. The relief was only “designed to assist in a humanitarian emergency, not to address the longer-term problems caused by curfews, closures and the collapse of the economy,” which are due to the Israeli policies. Bernard also warned Israel that they have responsibilities “as the occupying power.” For now, the badly-strapped World Food Program of the UN is stepping in to help the Palestinians, but if all the relief organizations leave, the food would cost Israel \$1.6 billion a year.

**KOFIANNAN:** Third World is losing massively to capital flight. Speaking at a dialogue of the UN General Assembly on financing for economic development, the Secretary General warned that developing countries made a net transfer of \$200 billion to other countries in 2002 alone, and that this was the sixth straight year of such bleeding through capital flight. Annan said, “Funds should be moving from developed countries to developing countries, but these numbers tell us the opposite is happening.”

**GULF** states’ Cooperation Council (GCC) countries have launched a project for a regional transport network, coherent with LaRouche’s Eurasian Land-Bridge idea. According to Arab sources in Dubai, the nations’ ministers made a decision in October to go ahead with linking existing, and building new rail networks across the GCC. The plan fits *EIR*’s proposals to link up the region’s railways with the Eurasian Land-Bridge. The initiative was covered in some Gulf press.

**POVERTY** is increasing in Germany, one of the richest nations in the world; its Federal Statistics Agency on Nov. 18 reported an increasing number of poor citizens that are forced to live on social welfare. Dominant in the rise of poverty, with 75% of all cases registered, is the loss of jobs, or the inability to take a job (e.g., family reasons, health, youth), the Office found. More than 3 million Germans who lack a regular job are not reported in the official jobless statistics.

**RUSSIAN PRESIDENT** Vladimir Putin brought up world monetary reforms at a meeting in Moscow, Nov. 13, between Russian government officials, economic-financial experts, and an International Monetary Fund delegation led by Fund Director Horst Köhler. Putin said that Russia wanted to “assist” with proposals by Russian experts in the IMF for “reforming” the Bretton Woods global monetary system.

## ‘Plumbers’ Are Under Investigation in Cheney-Gate

by Jeffrey Steinberg

The triumphant neo-conservative claim trumpeted throughout U.S. media on Nov. 14—that links between Saddam Hussein and Al-Qaeda had been “conclusively proven” by a memo from Undersecretary of Defense Douglas Feith to the Senate Intelligence Committee—rapidly went the way of all previous such cooked claims from Vice President Dick Cheney’s faction in Washington. But more, this claim had, by Nov. 17-18, boomeranged into its opposite: a Defense Department denial of the claim itself; an eruption of official demands to investigate who passed this classified document to the waiting neo-con press; the likely revival of the Intelligence Committee probe which had been shut down on Nov. 7 “to save Cheney’s neck”; and the escalation of “Cheney-gate” itself, by the exposure of what appear to be “plumbers’ ” operations to steal sensitive documents from the Cheney faction’s opponents.

The boomerang was part of what Democratic Presidential candidate Lyndon LaRouche called “the start of the hot phase” of his Presidential campaign—focussing on the Jan. 13 Washington, D.C. Democratic primary and other events in the nation’s capital—and of his drive to force Cheney out of office. LaRouche told National Public Radio in St. Louis in a Nov. 18 interview, “Cheney is the guy we’ve got to be rid of, because we can not be going into this policy of nuclear preventive war, which is the policy the United States will be dragged into, if we don’t get him out before the next election.”

On Nov. 17, the Central Intelligence Agency formally requested a Department of Justice (DOJ) probe into the leak to the neo-con press of the classified memo from Feith; it was expected that both the National Security Agency and the Defense Intelligence Agency would file similar requests within days. The Feith document, dated Oct. 27, had been passed on to the neo-con *Weekly Standard*, and widely pub-

lished and reported on Nov. 14, with great fanfare from Rupert Murdoch’s Fox TV and *New York Post*. The *Weekly Standard*, too, is a Murdoch-owned propaganda sheet, edited by one of Washington’s leading Leo Strauss cultists, William Kristol.

At the same time that the CIA was demanding a full probe of the leak, the leaders of the Senate Intelligence Committee, chairman Pat Roberts (R-Kan.) and vice-chairman John D. Rockefeller IV (D-W.Va.), were also calling on the DOJ to probe the Feith leak—and to investigate, as well, the theft of a Democratic staff memo from the panel’s highly secure offices. The theft and leaking of that staff memo had been used by Senate Majority Leader Bill Frist (R-Tenn.) as the pretext for his Nov. 7 order to shut down the panel’s probe of intelligence abuses by senior Bush Administration policymakers in the run-up to the Iraq war. It had been surfaced by radio host Sean Hannity and promoted by Fox TV as “proof” that the Democrats were playing “partisan politics” with a probe that has increasingly centered on Vice President Cheney, the leading war-hawk in the Bush White House.

### Cheney Has Most To Lose

Behind the Frist shutdown of the Senate intelligence panel stood Vice President Cheney, the man who stands to lose the most if the probe goes forward; and the man designated by President George W. Bush as the White House point-man for relations with the Congress. In an unprecedented show of legislative clout, Cheney maintains offices at both the House of Representatives and the Senate, and is a regular participant in the weekly Senate Republican policy caucus sessions.

Congressional sources say that Frist would never have moved to shut down the intelligence panel unless he had been given explicit orders from Cheney.

In a *Washington Post* op-ed on Nov. 18, Senator Rockefeller





*Where are all the leaks coming from? Vice President Cheney (right) and Defense Undersecretary Douglas Feith (left), central figures in yet another criminal leak of sensitive material to the press. The pattern of previous leaks continued: Feith's leaked memo, which was highly classified, purported to salvage one of Cheney's pre-Iraq war "intelligence" frauds.*

ler sharply rebutted the charges of partisan politics, and accused the Republicans of attempting to shut down a legitimate and vital probe into how the Executive Branch abused the intelligence system, by “pilfering” a confidential staff memo meant for his eyes only. Rockefeller wrote, “There is disconcerting evidence that in this administration, the policymaking is driving the intelligence, rather than the other way around. This has added to a growing doubt among the American people about why we went to war, and it is our job to conduct for them a thorough review of the underlying facts.”

Rockefeller next tackled the issue of the staff memo and the leak: “Faced with Republicans’ continuing refusal to conduct a complete investigation into these matters, my staff recently drafted an options memo on the use or potential misuse of intelligence. The memo, intended only for me, was pilfered from the usually secure Senate Intelligence Committee and distributed to the media. It has become a convenient excuse for Republicans to shut down the committee and curtail the investigation.”

### **Looks Like Watergate**

At the same time, Sen. Richard Durbin (D-Ill.), another member of the Senate intelligence panel, was ordering yet another DOJ probe—this time, focussed on the theft of a series of Democratic Party staff memos from the Senate Judiciary Committee. Those documents concerned the confirmation of several Bush judicial nominees, and they surfaced in the pages of the *Wall Street Journal* the week of Nov. 17.

In short, “plumbers” are out in force—on behalf of Dick Cheney—to stymie a series of Senate investigations that

would prove, beyond a doubt, that the Vice President deceived President Bush, the Congress, the American people, and the world community, in order to get the neo-cons the Iraq war they, and Cheney, had desired for a decade.

Many other neo-cons, radio talk-jockeys, Congressional war-hawks, and Southern fundies all played their part in drawing the United States into a no-exit war, which has now claimed more than 400 American lives. But the quarterback of the disinformation drive, the illegal covert operations, and, now, a string of White House plumber-style break-ins and thefts, is, without a doubt, Vice President Cheney.

Just as Watergate started with a bungled break-in to the Democratic National Committee headquarters in 1972, it now appears that Cheney-gate has begun with break-ins to two highly-secured Senate offices, and leaks of classified documents and the identity of at least one covert CIA operative.

Washington intelligence community sources continue to insist that the leak of the identity of Valerie Plame, the wife of Ambassador Joe Wilson and a career “non-official cover” CIA officer, came out of Cheney’s office, and was part of an effort to silence Wilson, the intelligence community, and military and diplomatic critics of the Iraq war intelligence hoaxes.

In his *Washington Post* op-ed, Senator Rockefeller made it clear that one priority focus of the panel probe was the “highly unusual role of Defense Department officials in preparing and collecting information outside the normal intelligence channels.” This was a direct reference to the Pentagon’s super-secret Office of Special Plans (OSP) and “Team B” spook units, initially established under Feith after the

attacks of Sept. 11, 2001 (OSP was formally created in August 2002).

“Team B” was a two-man analysis cell, which “cherry-picked” raw data from the entire data base of the CIA, NSA, and DIA, seeking “proof” of Saddam Hussein links to Al-Qaeda, and evidence of Saddam’s secret weapons programs. The first members of “Team B” were David Wurmser—now a top aide to Vice President Cheney—and Michael Maloof, who was later in the OSP, but is now on administrative leave with pay from the Pentagon. Intelligence community sources have reported to this news service that Maloof is being probed for his possible role in the leaking of U.S. Iraq war plans to Israel. Maloof has also been linked to Lebanese “businessman” Emad El Hage, who is being promoted by Washington neo-cons as a future “Ahmed Chalabi of Lebanon”—i.e., an American-Israeli frontman for a future “Iraq treatment” for Syria and Lebanon.

### Cheney in the Spotlight

The revived combativity by some leading Senate Democrats, in the face of the Cheney plumbers operations, intersected fresh media exposés of Cheney as “the Prime Minister of the United States,” a term used by Nightline TV host Ted Koppel in the Nov. 13 segment profiling Cheney’s actual control over the Bush Administration.

The Nightline trashing of Cheney came at the end of a solid week of exposés of the Veep—in *Newsweek*, *Time*, and the *New York Times*—revealing a new level of vulnerability that has been driven by the year-long campaign for Cheney’s ouster by Lyndon LaRouche.

Texas sources close to the Bush family have a similar view of Cheney’s growing liability to the Bush re-election. “The policy fiascos all trace to the nexus of Lewis Libby and Doug Feith,” one source commented. White House political advisor “Karl Rove knows this problem very well.”

Libby is Cheney’s chief of staff and top national security aide, who runs a shadow national security council of more than 60 people. Libby is the leading protégé of Deputy Defense Secretary Paul Wolfowitz and GOP lawyer-fixer Leonard Garment. As Garment’s law partner, Libby was the attorney for Russian/Israeli Mafiya swindler Marc Rich.

Richard Whalen, a well-known GOP strategist, warned in his Nov. 17 newsletter, *The Big Picture*, that some of President Bush’s most intimate Texas allies are fed up with Cheney and want him out.

Under the headline “Bush’s Re-Election Politics: Cheney’s Texas Opponents,” Whalen described a recent Austin, Texas encounter between “Bush 43” pal, Texas Gov. Rick Perry, and Col. J. Patrick Lang (USA-ret.), one of the most respected military intelligence Mideast specialists and a sharp critic of the neo-con-led Iraq war. Perry heaped praise on Lang.

Whalen wrote, “Now the second-term Governor, a boyish 43 and extremely popular, exemplifies the young, powerful,

and well-connected core of Texas-based allies who are leading Bush’s 2004 re-election drive. Just as important, these are the Bush intimates whose loyal personal support for him carries special weight at the White House when expressed as opposition to the war in Iraq and to Vice President Dick Cheney, the Administration’s most influential war-hawk. As the divided Bush war cabinet struggles to devise a hurry-up exit strategy, abruptly reversing its own earlier deliberate plans, a stark political choice is taking shape in the background: would Bush rather lose the election or the war—and is he taking the chance of losing both?” He concluded, “The Iraq war that is destroying Vice President Cheney’s political acceptability within the GOP, cannot rationally be escalated and made more destructive in order to ‘save’ his candidacy and the prospects for ‘democracy’ in Iraq. Bush’s Texans see the contradiction. Any Vice President, even the formidable Cheney, ultimately has a constituency of only one—or, in his case, perhaps two, Bush I and Bush II.”

### Two-Edged Sword

“Bush I,” the elder President George H.W. Bush, had on Nov. 7 demonstratively presented his namesake Public Service Award to Sen. Edward Kennedy (D-Mass.), only weeks after Kennedy had savaged Cheney’s Iraq war as “a fraud.” The upset with Cheney on the part of some key “Bush 41” people was demonstrated most graphically, by an interview in the German-language edition of the *Financial Times* on Nov. 17 with Brent Scowcroft, the former President Bush’s National Security Advisor and alter ego, and still today the head of “Bush 43’s” President’s Foreign Intelligence Advisory Board (PFIAB). Scowcroft minced no words in criticizing the present Bush Administration’s Iraq strategy, denouncing the “missionary zeal” with which some Administration ideologues promote “democracy in Iraq” as the cure-all for the region. He suggested, alternatively, that democracy would stand a better chance of taking root in Palestine, or even in Iran, which has held free elections, than in Baghdad.

This was a direct slap at Cheney and the neo-conservatives. They have blocked every effort to move the Middle East Road Map forward; they promote a military attack on the Iranian nuclear reactor; and they have been running unauthorized covert operations in league with the likes of the Mujahideen e-Khalq—a group on the State Department’s Foreign Terrorist Organizations list—and Iran-Contra swindler M. Ghorbanifar.

The “second Watergate” character of the Cheney-gate scandals was identified by LaRouche on Nov. 7, hours after Senator Frist’s shocking shut-down of the Intelligence Committee. A number of the “leak” actions involve Federal felony crimes, so the investigations are serious criminal matters. And the scandal is a two-edged sword: If it is not pursued ruthlessly to bring down Cheney, it will bring down Bush instead; just as Watergate bypassed the instigator of the Plumbers Unit, Henry Kissinger, and so destroyed President Richard Nixon.

# Neo-Con Sponsor Black May Go Down in Flames

by Scott Thompson

On Nov. 17, a thunderclap forecast by *EIR* hit Lord Conrad Black of Crossharbour's Hollinger media cartel empire, and Lord Black is rapidly losing control as, the London *Times* of Nov. 17 put it, the "predators" move in. Conrad Black is now under investigation in a case that's a perfect example of Enron-style looting—from his high-priced mansions in London's ritzy Kensington section, New York City and Chicago, to his sugar-daddy role to U.S. Defense Policy Board member Richard Perle, in which he financed a plethora of neo-conservative money-losing fronts. And, although the Securities Exchange Commission (SEC) gave *EIR* "an official no comment," the *International Herald Tribune* reported on Nov. 20, that subpoenas have been issued against Hollinger International, Inc. (HII), and against several senior executives, possibly including Black.

Black has been forced to resign one of his roles as HII Executive Chairman and CEO, but the investigation into the intricate web of the Hollinger empire set up by this hedonistic Canadian patrician, who insisted on becoming a British subject and buying himself a Lordship, continues. And angry Hollinger stockholders want to know how "Lord" Black managed to lose one-half billion dollars in the last two years.

## Imperial Illusions

Upon acquisition of the Telegraph Group—i.e., *The Daily Telegraph* and *The Sunday Telegraph*—in the early-1980s, Black turned a moderate Tory newspaper into a trumpet for then-Prime Minister Margaret Thatcher and an English-Speaking British-American-Commonwealth Empire. When Black acquired *The Jerusalem Post* in the same period, he fired the left-of-center staff, and turned this English-language daily into a voice for future fascist "Likudnut" Prime Ministers Benjamin Netanyahu and Gen. Ariel Sharon. For decades, Black added to his right-wing empire, padding his now-defunct International Advisory Board with luminaries such as Baroness Thatcher, Peter Lord Carrington, Henry Kissinger, Zbigniew Brzezinski, and his own "Prince of Darkness," Richard Perle. But now, with Lazard LLC and dealmaker Bruce Wasserstein having been called in for a cleanup—known as a "strategic process"—that may include selling off these and other subsidiaries of HII, the political face of Hollinger and the politicians that it supports may change.

As *The Wall Street Journal* opined on Nov. 18, Black "had an appetite for Empire that was greater than his ability

to pay for it." Of course, his propensity for graft did not help the balance sheets either.

In the last decade-plus, especially since the first Gulf War in 1991, Lord Conrad Black became "sugar-daddy" to the neo-conservative movement (perhaps next only to Rupert Murdoch), whose tab included not only Richard Perle, but also Gerald Hillman, fellow member of the U.S. Defense Policy Board and now a director of the Trireme company, of which Perle is the Managing Director. *The National Interest* magazine of Washington, which is a watering hole and welfare agency for Straussian and neo-con fixtures, was also bought up by Hollinger. Both the American Enterprise Institute (AEI), and the down-at-the-heels Hudson Institute were other beneficiaries of Black's largesse—apparently using "OPM," as they say in Hollywood, other people's money.

Of particular notoriety is the Hudson Institute, which now employs Laurent Murawiec, a former French Trotskyite and itinerant warmonger, whom Perle in an infamous case brought before the Defense Policy Board on July 10, 2002 to declare a "Clash of Civilizations" war against Saudi Arabia. As *EIR* reported then, Murawiec was formerly affiliated with *EIR* and Lyndon LaRouche, until he was bought off to support the Likud, and the war crimes of Ariel Sharon, whom LaRouche had opposed. Another Hudson employee is Meyrav Wurmser, an Israeli emigré to America. With Perle, Wurmser was one of the authors of the neo-con manifesto *Clean Break: A New Strategy for Securing the Realm* produced in 1996, for then-Israeli Prime Minister Netanyahu to launch war against Iraq, Iran, and Syria, in pursuit of "greater Israel."

## True Graft

Black's empire is for all practical purposes in a kind of receivership, where every transaction will be examined by a Special Committee, set up to "self-police" HII and its affiliates by the Board of Directors. The Committee, formed as a result of stockholders' complaints and suits, has fired and fined some of Lord Black's senior management, and Black himself has resigned as CEO. He remains on as a non-executive Chairman of the Board of HII, and Chairman of its subsidiary, the Telegraph Group. Lord Black still owns HII's parent company, the Toronto, Ontario, Canada-based Hollinger, Inc.

If this appears confusing, the reader has gotten a glimpse of the "smoke and mirrors" that Black created.

Black's management company, Ravelston Corporation Ltd.—through which he exerts his controlling stock over HII—will continue to exist, though Ravelston itself is suspected to be one of the sinkholes into which Black and his top people siphoned off funds in the form of "management fees." Terms of these fees to Ravelston are to be renegotiated on June 1, 2004, by which time there may be little left to manage. However, since 1995, Ravelston has charged \$300 million for its "management" advice.

*EIR* was the first to point out that "Conrad's 'Black Hole' Puts Hollinger in Red," in a June 13, 2003 article by Michele

Steinberg and Scott Thompson. It was already clear then that the complaints brought by the minority stockholders led by Tweedy, Browne—a company founded by the late Ben Graham (the mentor of Warren Buffett)—and by pension funds, were just the tip of the iceberg. And so far, the Special Committee, headed by former SEC Chairman Richard Breeden, appears to have only looked at “chump change.”

For example, the Special Committee has probed “non-competition fees,” s.o.p. in the media business, which amount to about \$32 million that went into the pockets of Black’s Hollinger, Inc., Lord Black himself, and senior management. They have now agreed to pay back this sum, plus interest, by June 1, 2004. Much more significant is \$200 million from the same deal—part of the sale of \$760 million worth of smaller dailies and weeklies in the United States, purportedly auctioned to pay down Black’s burgeoning bank debt.

However, it now appears that the sale, approved by the “Board of Directors,” was arranged when Lord Black had HII loan money to two companies, Horizon and Bradford Publishing, *in both of which he had invisible stakes*, to purchase at least some of these smaller newspapers. In other words, in a merry-go-round of transactions, Black may have bought his own smaller newspapers, at insider basement prices, using HII’s money, lent to him at companies in which he had a hidden interest.

### **From Hollinger to Cheney-Gate**

The crumbling of Lord Black’s empire is not good news for Perle and his neo-con cabal, lately at the disposal of Vice President Dick Cheney. As chairman of the Defense Policy Board, Perle played a major role in mapping out the wars for Cheney’s preventive nuclear war strategy. And like his liege-lord Cheney, Perle is under investigation for profiteering from his Defense Department connections.

Perle’s protectors were able to arrange a whitewash by the DoD’s Inspector General of Perle’s business deals with companies getting DoD contracts. The IG claimed in mid-November that Perle was exempt from the Federal conflict of interest laws, because he “only worked for eight days,” not the required 60 days in a one-year period, as Chairman of the Defense Policy Board advisory committee. Rep. John Conyers (D-Mich.), who initiated the investigation, called the whitewash “absurd,” especially since the DPB was one of the main planning centers for the Iraq war. Conyers said he was drafting legislation to close the “Perle exception” loophole.

But no sooner was the ink dry on the 20 (out of 31) pages of redactions in the IG’s whitewash, than *another* investigation opened up against Perle. *EIR* has been able to corroborate that one investigation by the Special Committee looking into Hollinger’s murky finances, includes the deals involving Perle. The Nov. 13 and 17 issues of *The Financial Times* report that the investigation of Perle, who is on HII’s Board of Directors, involves 1) how some \$2.5 million were invested in Trireme Partners, a venture capital company in which Perle

is a Managing Partner and Independent Director; and 2) how as head of Hollinger Digital, a now-defunct investment arm, Perle directed \$14 million to Hillman Capital, a venture-capital group controlled by Gerald Hillman—a member of the Defense Policy Board, and Perle’s partner in Trireme.

As first reported in a March 17 *New Yorker* article by Seymour Hersh, Perle, who was then chairman of the Defense Policy Board, held a lunch meeting in early 2002, with two Saudi businessmen—the notorious Iran-Contra middle-man Adnan Khashoggi, and Iraqi-born Harb al-Zuhair—at a restaurant in Marseilles. Perle, according to Hersh’s account, made a pitch to the men to line up a group of Saudi investors, to kick in a total of \$100 million to a security technology firm, Trireme Partners LP, which Perle had set up in November 2001, right after the Sept. 11 attacks.

Hersh wrote, that when details of the meeting reached members of the Saudi Royal Family, “they reacted with anger and astonishment—understandably so. From his power perches at the Defense Policy Board, the American Enterprise Institute, the Hudson Institute, and the media cartel of Lord Conrad Black’s Hollinger, Perle had been waging a kind of one-man war against the House of Saud, practically accusing it of being the hidden hand behind Osama bin Laden, al-Qaeda and the 9/11 attacks. Never mind what former FBI Director Louis Freeh had told *New Yorker* writer Elsa Walsh, in an interview published on March 24, concerning the Saudi Royal Family: ‘From where I sat and from what I knew, al-Qaeda was more a threat to them than to the U.S. . . . [Perle’s] whole focus was on toppling the Royal Family and getting the U.S. forces out of Saudi Arabia. The notion that the Saudis pulled their punches is not consistent with anything I knew or saw there.’ ” It has been alleged that Perle was suggesting the Saudis would get kinder treatment on the issue of terrorism, if they invested in Trireme.

Also on Lord Black’s tab has been another Perle crony, Dr. Stephen D. Bryen, who told a Congressional committee that he was employed by Perle’s Hollinger Digital, before it went defunct, as “Senior Technology Advisor.” Bryen is notorious as the subject of a years-long FBI espionage investigation into his alleged passing of classified documents to Israeli agents in the late 1970s, concerning pending sales of sophisticated aircraft to Saudi Arabia. Later Perle hired Bryen as his aide at the Pentagon during the Reagan Administration. There, both Perle and Bryen became suspects on the “X Committee” list, believed by U.S. intelligence to be part of a “molehill” that steered Israeli spy Jonathan Jay Pollard to documents that he otherwise would not have known about.

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# LaRouche Vows To Reopen D.C. General As Capital's Health Crisis Deepens

by Edward Spannaus

In preparation for his Oct. 22 campaign webcast, Democratic Presidential candidate Lyndon LaRouche issued an outline of the actions he will take within the first hour after he is inaugurated in January 2005. "First, to let the nation and world know I mean business on the issue of health care, I shall act not only to restore the D.C. General Hospital as a full-service public hospital, but set into motion steps to make that hospital a leading edge of our improved national security capabilities, and a leading national hospital-institution of its type in the world," the candidate declared.

LaRouche's announcement, subsequently broadcast in radio ads for Washington, D.C.'s Jan. 13 Presidential primary election, has given new hope to the nation's capital—where the hospital and health-care crisis is deepening weekly, and will soon reach catastrophic proportions.

## Death Toll Still Rising

Since the criminal shutdown of D.C. General Hospital and the privatization of the city's health-care system dictated by Wall Street's Financial Control Board in 2001, the city's hospitals have been in acute crisis.

The shutdown accelerated the shrinkage of the number of hospital beds in the District. Since 1994, the number of acute care beds has been cut by 27%—from 3,776 in 1994, to 2,765 today. At the same time, since the D.C. General shutdown, almost every private hospital in the city has experienced an increase in emergency room usage, some as high as 40%. Emergency room diversions ("by-pass") are commonplace, as are lines of ambulances waiting to discharge patients. A recent nationwide survey of the outcomes for patients in cardiac arrest, found the District to be near the bottom of large U.S. cities, with only 4% of lives saved by emergency services, as compared to 40-50% saved for the top-ranking cities.

In the months after the closing of D.C. General's top-flight Trauma Center, this news service documented dozens of lives lost, due to longer ambulance runs required to transport patients from Southeast D.C. cross-town to hospitals in the Northwest part of the city. That death toll is doubtless in the hundreds by now, almost two and one-half years later.

Finally, even the *Washington Post* discovered that the closing of D.C. General which it had backed in 2001, costs lives—after having denied that reality for two years. On Nov. 16, in a front-page story, the *Post* reported on the preventable

death of a 16-year old Anacostia High School student and football player, Devin Fowkes, who was shot by a bullet intended for someone else. Although the school was only four minutes away from D.C. General, the student had to be taken to Howard University Hospital, which took 15 minutes; he was in cardiac arrest by the time he arrived at Howard, and died within the hour. "He was very viable," said one of the paramedics involved. "His life probably could have been saved."

The western, wealthier half of D.C. has three adult trauma centers, and one for children, while the poorer, more densely-populated eastern half has had none, since the shutdown of D.C. General. Under the 2001 privatization scheme, Greater Southeast Community Hospital—the so-called replacement for D.C. General—was obligated to establish a trauma center, but it never did.

Mayor Anthony Williams, the fair-haired boy of the *Post* and its Lazard Frères banker backers, says it is "outrageous" to suggest that the Fowkes case showed that a trauma center is needed in the eastern half of the city. Even though Howard University has put forth a proposal to build a new hospital in 3-5 years from now on the D.C. General site, one which would supposedly include a trauma center, Williams says he isn't convinced that a trauma center is needed!

After all, Williams may think to himself: What's a few more preventable black deaths, where real estate values are concerned?

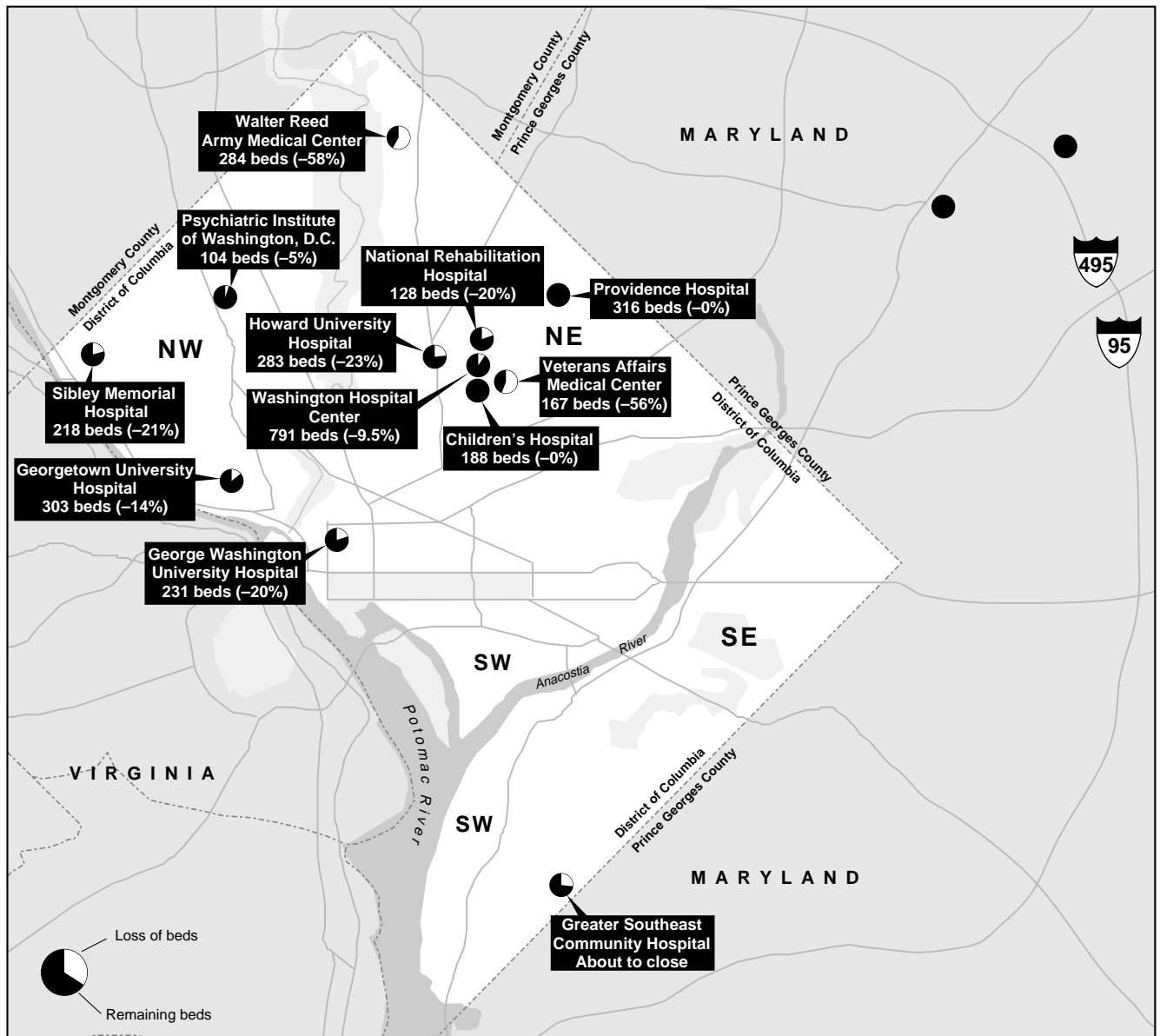
## On the Auction Block

Meanwhile, Greater Southeast Community Hospital, the only one left in the eastern half of the District of Columbia, was driven into bankruptcy by the gangster financial practices of its bankrupt owners, and could be shut down permanently in December. Even though the D.C. Health Department has restored its provisional license, the hospital is up for auction in Federal bankruptcy court on Dec. 10.

Greater Southeast lost its city license in January, and in August was given 60 days to improve conditions in a number of areas, such as the emergency room, fire safety, staffing, and record-keeping. This was after the D.C. Health Department had found that there had been at least six preventable deaths at the hospital this year. Simultaneously, Greater Southeast lost its final appeal of the loss of its national accredi-

## Remaining Hospitals in Washington, D.C.

(With Beds and Beds Lost, 1995-1999)



Map of the area within the Washington, D.C. Beltway shows the entire southeast quadrant of the area without hospitals or emergency rooms when the bankrupt and about-to-close Greater Southeast Hospital shuts down. This is the result of the disastrous May 2001 closing of D.C. General Hospital; candidate LaRouche's announcement that he will re-open the hospital has set off waves.

tation. The immediate effect was that some private insurers and HMOs, such as Aetna, will no longer pay for services there.

With the bankruptcy sale scheduled for Dec. 10, the only bid on the table is from a group comprised of the same gang of thieves from the Arizona-based Doctors Community Healthcare Corp. (DCHC) who drove Greater Southeast into bankruptcy in the first place. DCHC went into bankruptcy a

year ago, shortly after its financial partner National Century Financial Enterprises (NCFE) was raided by the FBI, and itself filed for bankruptcy. NCFE is under criminal investigation by Federal authorities, and one of its officers has already pled guilty to conspiring to defraud investors, in what Federal prosecutors describe as a "financial shell game" and a "Ponzi scheme" run by NCFE officials. DCHC was one of the related firms to which NCFE had advanced far more cash than was

justified by the collateral provided.

Greater Southeast's creditors are opposed to the DCHC bid, and they reportedly believe they would recover more, if the hospital were closed and its assets, including land, were sold, since it is losing \$2.65 million a month. If Greater Southeast is closed, that would mean that other hospitals in the District and neighboring Prince George's County would have to pick up the 100 or so patients that come to its emergency room daily, plus about 150 in-patients, and many out-patients who come there for kidney dialysis, pre-natal care, X-rays, and other treatment.

The D.C. Hospital Association, which strongly opposed the shutdown of D.C. General, has also spoken out in alarm about Greater Southeast's reduction of services and its threatened closing. In July, its chairman said: "The loss of Greater Southeast Hospital would leave one-quarter of the city without an acute care hospital for heart attacks and strokes, and that is unacceptable. . . . The loss of the hospital would be outrageous. Allowing them to continue at less than an acceptable quality level is equally outrageous."

### **Williams Faces Recall Drive**

At the end of October, Mayor Williams suddenly appeared to do an about-face, and announced that the city was willing to finance the construction of a new hospital on the D.C. General site. What had prompted such unexpected utterances from the mouth of the Mayor? It seems that he had gotten wind of the recall drive against him, being organized by Democratic National Committee member Barbara Lett Simmons, the senior member of the State Democratic Committee for the District of Columbia. The Mayor's destruction of health care and education will be the central feature of the recall drive, which will begin after the first of the year.

The Mayor's bogus, "pie-in-the-sky" promise came in response to an announcement by Howard University Hospital that, after withdrawing its bid to buy Greater Southeast, it was considering a plan to build a new hospital on the D.C. General site. After Williams said that the city could finance a new hospital, City Council member Kevin Chavous exclaimed: "We're going to build a new public hospital. This is a very big deal."

Chavous had spoken too soon. A spokesman for Mayor Williams cautioned, "We are not proposing to build a new public hospital"; and it was also reported that the proposal involved Howard relocating its existing facilities to a new site, thus resulting in no net addition of hospital beds in the city.

And, true to profile, Williams vowed that this will not be a "poor people's hospital"—even though it would be located in the poorest section of the city. Then, he came out and opposed the establishment of a Trauma Center at such a new hospital. Furthermore, there is no indication of how the city—which remains in tight budgetary straits—would finance a new hospital.

No one expects Williams to follow through on his prom-

ises. "He just said that after he heard about the recall," activist Simmons said.

### **Real Estate Boondoggle**

As we have documented (see *EIR*, March 29, 2002), the 67-acre site of D.C. General Hospital, known as Reservation 13, was set aside ("reserved") for public use in the 1790s, and was always intended to be used for public health purposes, having been designated as such by the designer of the plan for the City of Washington, Pierre L'Enfant—with which designation President George Washington explicitly concurred.

But, in violation of this original intent, the D.C. Department of Planning has come up with a "Master Plan" for Reservation 13, a travesty which provided for the site to be turned over to private developers for commercial and housing development.

The major change that the D.C. Council made, when it approved the plan a year ago, was to set aside two acres for "a new state-of-the-art, full-service hospital," which would have 200 beds, a trauma center, general pediatric care, etc. The Council, which had unanimously opposed the closing of D.C. General, also created a fund in which tax and other revenues from commercial development on the site would be set aside for a public hospital or public health purposes. With that proviso, the Master Plan was approved, and title to the land was transferred by the General Services Agency (GSA) from the Federal government to the District. The transfer was done in such a manner as to avoid the hearings on the land's historic use, which should have been part of the procedure of transferring the site.

However, *EIR* has determined that there still is a proviso in the transfer agreement, that the Federal government can take the property (or a portion of it) back, if a Federal need is identified for it.

So far, the D.C. General buildings are still intact—although they are scheduled to be razed as part of the Master Plan, and also as part of the Howard plan.

In May of 2002, Lyndon LaRouche issued a statement on "The Case for D.C. General," calling for reconstituting it as the leading edge of a national campaign to scrap the HMO system and revive the post-war Hill-Burton system. LaRouche called for reopening D.C. General as the centerpiece of a research and teaching complex dedicated to national health-care security, operating under the authority of the U.S. Surgeon-General and the U.S. Public Health Service.

The provision of health care in the nation's capital is a responsibility of the Federal government, LaRouche emphasized, and in this case, it complements the requirement for an expanded, strategically-oriented national health-care research program located in Washington, D.C. The urgency of restoring D.C. General grows greater by the day, and thus LaRouche has vowed that it will be done, no later than his first day in office.

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## George H.W. Bush Gives Award to Kennedy

President George “41” Bush sent an interesting message from Texas to President George “43” Bush on Nov. 7, by granting The George Bush Award for Excellence in Public Service, to Sen. Ted Kennedy (D-Mass.). Said George 41: “The good Senator’s prescription for what ails America may be different than mine, but it is born of patriotism and compassion.” Kennedy said: “Three generations of Bushes and Kennedys have devoted their lives to public service. The friendship between our families and our respect for each other go back for more than half a century.”

Bush Sr. also quipped: “It is a well known political fact of life, particularly here in Texas, that when you want to fire up a Republican crowd and give them a little red meat, nothing works quite like jumping on Ted Kennedy.” But despite the obvious political humor, Washington took note that it was not Bush “41’s” former Cabinet Secretaries, Dick Cheney and Donald Rumsfeld, who were granted the Bush Award in Texas, but rather the Senator who publicly called Bush, Jr.’s war in Iraq “a fraud made in Texas.”

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## More Americans Lack Health Insurance

Some 43 million Americans—15.2% of the population—were forced to go without health insurance in 2002, according to the Census Bureau of the U.S. Commerce Department. State budget cuts are making matters worse: In Texas, Gov. Rick Perry cut state subsidies for health insurance as part of a larger set of cuts, to close a \$10 billion budget gap, which will cost Texas \$500 million in Federal matching money, and is expected to further spur the rise in the number of uninsured.

A growing share of those without health coverage are middle class families whose

annual wages are insufficient to cover the cost of health insurance premiums. Of the five-member Arellano family of Dallas, Texas, only Irma, the mother, has health coverage, which is provided through her job, the *New York Times* reported on Nov. 16. Two years ago, the Arellanos paid \$269 per month for private health insurance, to cover Irma Arellano’s husband and three sons. Last year, the monthly insurance premiums rose to \$339 per month, and this year, they jumped to \$780 per month, a three-fold increase from two years ago, and which comes out to a whopping \$9,360 per year. Unable to afford this, the Arellanos dropped their private insurance, and are uncovered.

Morgan, the asthmatic nine-year-old daughter of Theresa Pardo of Houston, Texas, was dropped from the Texas state-subsidized insurance program last month. As a result, the cost of each inhaler that Morgan needs for her asthma treatment is \$80, as opposed to \$5 when she was on the state insurance program. Her mother’s job has offered health coverage at a \$275 premium per month, but she can’t squeeze out enough money to purchase the insurance.

According to the Commerce Department, one-third of all foreign-born are without health insurance coverage.

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## Fight in House Over Iraq ‘Intelligence’

A debate over pre-Iraq war “intelligence” broke out in the House Intelligence Committee session on Nov. 18. While the spotlight has been on the fight in the Senate Intelligence Committee over misinformation, lying, and leaks regarding Iraq intelligence, the House Intelligence Committee held a closed-door classified session to investigate Bush Administration pre-war claims about such intelligence. At a conference on fusion energy the afternoon of Nov. 18, Rep. Rush Holt, (D-N.J.), a former fusion scientist, arrived directly from the Committee meeting. He said he had queried “a senior intelligence analyst” who had helped develop the National Intelligence

Estimate a year ago.

Representative Holt said that since Chief U.S. Inspector Dr. David Kay “had searched and searched,” and not found any Iraqi weapons of mass destruction (WMD), he asked the intelligence analyst about it. The analyst said he was “absolutely certain” Iraq has WMD. “What evidence do you have?” Holt asked. The analyst said he had 27 years of experience in the intelligence community, and offered other obfuscations. Holt asked again for any evidence, but got none. Holt asked if the country were “well served by a senior intelligence analyst who speaks in absolutes, in the absence of evidence.” The intelligence community, Holt said, is supposed to “watch for self-deception” on the part of the Administration, and “be a safeguard against that.”

Holt also remarked that the House was passing an energy bill that was a “grab-bag of special interests that doesn’t do what the country needs.” To the fusion scientists at the meeting, Holt advised that they maintain their integrity, and continue to refuse to talk in “absolutes.”

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## Cheney Slips New Lie Into Bush London Speech

In his Whitehall speech on Nov. 19, President George W. Bush read the following, in talking about the aftermath of Sept. 11, 2001: “The attacks that followed—on Bali, Jakarta, Casablanca, Bombay, Mombasa, Najaf, Jerusalem, Riyadh, Baghdad, and Istanbul—were not dreams. They’re part of a global campaign by terrorist networks to intimidate and demoralize all who oppose them.”

On Nov. 12, *EIR* had reported on a *New York Times* article in which unnamed Bush Administration officials complained about Vice President Dick Cheney’s continuing efforts to link the recent bombings in Iraq, with the bombings in Bali, Casablanca, and Riyadh, which authorities believe were carried out by Al-Qaeda-linked groups. These Administration officials said that Cheney, by implying that Al-Qaeda is operating inside Iraq today, is attempting to reinforce his



**HOWARD DEAN** on Nov. 18 called for “re-regulation” of utilities, large media companies, and any business that offers stock options. As governor of Vermont, the Presidential candidate says he promoted *deregulation*, but now says, “California is proving it does not work. I think the reason the grid failed is because of utility deregulation.” Re-regulation is the policy of Dean’s opponent, Lyndon LaRouche.

**THE FRENCH** Caucus in the United States Congress now has 35 members. Rep. Amory Houghton, Jr. (R-N.Y.) announced the formation of a Congressional French Caucus on Oct. 22, in an effort to improve Franco-American relations in the aftermath of the Iraq war. At the time of formation, the caucus consisted of about 25 Congressmen and Senators; there are now reportedly 35 members—quite a shift from the French-bashing mood in Congress last Winter and Spring.

**TWO JUDGES** of the three hearing a *habeas corpus* petition for Jose Padilla on Nov. 17, questioned the constitutionality of holding a U.S. citizen as an “enemy combatant” without any legal rights, according to the *New York Law Journal*. Padilla has been held incommunicado since June 2002. One judge said that to give the Executive such power would be a “sea change in the constitutional life of this country and . . . unprecedented in civilized society.” Said another, “As terrible as 9-11 was, it didn’t repeal the Constitution.”

**BRITISH AMBASSADOR** to the United States Sir Christopher Meyer told *The Observer* on Nov. 16 that there was a series of meetings just before the Iraq war began, in which the British insistence on a plan for the post-Saddam era was rejected. “We were saying that’s fine, but we must be clear in our own mind what is happening afterwards. That was absolutely indispensable. The message was well taken in the State Department, but not . . . with the Defense Department and the Vice President.”

discredited claim that Saddam Hussein was linked to Al-Qaeda before the war.

“At this point, it isn’t clear who’s responsible for those bombings,” one unnamed Administration official was quoted as saying. The official said that it is “premature” for Cheney to even suggest that Al-Qaeda terrorists are responsible for the bombings within Iraq. “We just don’t know,” he said.

By inserting this point into Bush’s speech, Cheney seems to have tried to get his revenge against his factional opponents within the Administration.

## Arnie Promises Gov’t by Referendum

California’s “former” Hitler admirer and new governor, Arnold Schwarzenegger, on his first day in office Nov. 17, promised government by referendum, budget cuts, and layoffs, while conducting a charm offensive with the press.

In his first press conference, Governor Schwarzenegger presented a picture of the fascist state he hopes to create, complete with direct “democracy” instead of representative government. The reaction of the star-struck media to this horror show was typified by this headline in the *Sacramento Bee*: “He meets—and charms—the press.” Veteran reporters, obviously under the sway of their brush with glamor and celebrity, overlooked the preposterous proposals put forward, which threaten the survival of the nation’s wealthiest and most populous state.

Schwarzenegger made the following proposals:

- Place a \$15 billion bond issue on the March ballot as a referendum—Yes or No to huge borrowing, to cover the expected budget deficit. He had made no mention of such borrowing while campaigning;

- A second ballot initiative, tied to the first, to place a spending cap on the state. Schwarzenegger said he would not allow the first, without the second. The effect of the two ballot initiatives would be to take the state budget out of the hands of elected legislative representatives, and put it into the

hands of the *vox populi*.

- Cut \$11 billion from the state’s \$29 billion workman’s compensation system, to give “relief to businesses” (at the expense of injured employees);

- More lay-offs of state workers, though the passionate Austrian emigré promised, “I could guarantee you that I will not lay anyone off in December, or before Christmas.”

The end-run around the legislature has Democrats unhappy, though the charmed reporters describe Dem leaders as being “grumpy” or “disgruntled,” and Republicans as triumphant, especially over the proposed mandatory spending cap. However, LaRouche Youth Movement organizers, during a lobbying day on Nov. 18 in Sacramento, found unease among Republicans. Some privately acknowledged concern with the size of the bond offering, which will lock in interest payments for 30 years, as they do not believe the rosy revenue projections, which are touted by deluded Bush-Cheney supporters as the solution to the deficit.

## Recall Drive Against D.C. Mayor Williams

A recall drive against D.C. Mayor Anthony Williams, who shut down D.C. General Hospital in 2001 on behalf of Wall Street’s Financial Control Board, is being organized by Barbara Lett Simmons, one of Washington D.C.’s representatives on the Democratic National Committee, and the senior member of the State Democratic Committee for the District of Columbia. Simmons has spoken at a number of Lyndon LaRouche’s webcasts in Washington.

The Mayor’s attacks on health care, as well as on education, will be a central feature of the recall drive. Since a Mayor cannot be recalled during either his first or last year in office, the petition campaign will begin in January, Simmons said on Nov. 18. According to the time-table, the actual recall election will take probably take place sometime during the September-to-November period.

# *Subject Leadership; Predicate Energy*

Brief gusts of debate seemed to be sweeping Congress about Federal energy legislation in mid-November; but they blew away with the usual result. Senate Minority Leader Daschle announced the Democrats would let this Cheney-directed bill, drafted with the help of the Vice President's energy-pirate allies, and which the Democrats had not been allowed to read, go through—much like the \$87 billion “Halliburton Relief Act” on Iraq. The subject of these brief debates was not energy; it was leadership—the Democratic Party, in its elected and appointed national officials, does not have any.

This was even more sharply shown in the firefly-brief debate among the “nine dwarves” Democratic Presidential candidates over Howard Dean's apparent call for re-regulation of energy and other economic sectors. Other Democratic candidates flew to attack Dean for departing from orthodox “expert opinion” and “public opinion,” according to which only economic deregulation is allowed, despite the California and many other disasters. Dean then dropped the matter, not mentioning it even though his next scheduled speech was supposed to be an attack on “Enron-omics”!

The nine dwarves each want find “issues” with which to get elected—not to lead, not to fight for important principles of national policy no matter what the conditions of battle. This failure would tend to give the election itself to the Cheney-Bush war party, and the country to disaster.

But it is turning the best activists of the party on the state and local level, to the prospect of the leadership of Lyndon LaRouche, whose campaign—unsuccessfully obstructed and blocked by the Democratic Party leadership—is clearly now entering what the candidate has called its “hot phase.”

Contrast the quick Capitol Hill capitulation on Cheney's energy bill, to the LaRouche campaign's real leadership of the Democrats of California, where Cheney's energy pirates, through deregulation, destroyed the economy and now the governability of the state. At a recent Los Angeles County meeting, the county

Democratic Chairman called on all activists to read LaRouche's *New Federalist* on how to fight “beast-man” Schwarzenegger's regime; and LaRouche Youth Movement organizers present then led the charge to Sacramento to get the Democratic-led legislature to fight new layoffs, budget cuts, and more disastrous deregulation. California Democrats know LaRouche's principled leadership against deregulation for many years, and know his campaign alone effectively fought the Recall there.

Howard Dean, in fact, was covering his LaRouche flank when he suddenly “called for” national re-regulation, to reporters on his airplane. No national leader of either party has opposed deregulation's march of devastation through the U.S. economy for two decades—except LaRouche, whose FDR-style re-regulation policy is known to all. Dean, during most of that period up to 2000, was a promoter of deregulation. Now Dean faces a “hot phase” contest with LaRouche and only a few other candidates in the Washington, D.C. primary in six weeks.

The phenomenon of LaRouche taking leadership of the Democrats from their elected and appointed national representatives who will not fight Cheney or Cheney-ac policies, is spreading from California and Philadelphia, where his LaRouche Youth Movement has won clear recent victories. It was evident in his campaign meetings in the Midwest, reported in this issue. State and local Democratic leaders are organizing meetings for the candidate precisely because he is barred from the irrelevant nine-dwarves debates, by a national party bureaucracy which won't fight the economic depression.

These state and local leaders want to see not party-issue politics, but a *movement*, without which the nation and its economy can't survive or recover. Much more important than this or that issue, is leadership for that movement. The Democratic nomination fight is LaRouche's to win or lose, and depends on how fast that movement, especially the LaRouche Youth Movement, grows.

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 Tuesdays—7:30 pm

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 • 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  
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 Sundays—7:30 pm  
 • SPRINGFIELD Ch.4  
 Mon-Fri: 5-9 pm  
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**INDIANA**  
 • BLOOMINGTON  
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 • DELAWARE COUNTY  
 Comcast Ch.42  
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 • GARY  
 AT&T Ch.21  
 Monday-Thursdays  
 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  
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 • LAKE ORION  
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 • LIVONIA  
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 Wednesdays—7 am  
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*Zajak Presents*  
 Mondays: 6-8 pm

**MINNESOTA**  
 • ANOKA  
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 Mon: 4 pm & 11 pm  
 • BURNSVILLE/EGAN  
 ATT Ch.14,57,96  
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 Saturdays—9 pm  
 Sundays—10 pm  
 • CAMBRIDGE  
 US Cable Ch.10  
 Wednesdays—2 pm  
 • COLD SPRING  
 US Cable Ch.10  
 Wednesdays—5 pm  
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 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  
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 Charter Ch.10  
 Astound Ch.12  
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 • ST.CROIX VLY.  
 Valley Access Ch.14  
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 Fridays—8 am  
 • ST.LOUIS PARK  
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 Wed, Thu, Fri:  
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 • 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)\*  
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 • St.PAUL (S&W burbs)  
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 Wednesdays—10:30 pm  
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 ATT Ch.14—1:30 pm  
 Mon, Tue, Wed, Thu

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 Galaxy Ch. 2  
 Mondays—7 pm

**MISSOURI**  
 • ST.LOUIS  
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 Thursdays—12 Noon

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 Wednesdays—10 pm

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 Saturdays—3 pm  
 • RENO/SPARKS  
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 Wednesdays—9 pm  
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 • MERCER COUNTY  
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 MONTVALE/MAHWAH  
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 Wednesdays—4 pm  
 • NORTHHER NJ  
 Comcast Ch.57\*  
 PISCATAWAY  
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 Wed—11:30 pm  
 • PLAINSBORO  
 Comcast Ch.3\*  
**NEW JERSEY**  
 • ALBUQUERQUE  
 Comcast Ch.27  
 Mondays—3 pm  
 ANTHONY/SUNLAND  
 T/W Ch.15  
 Wednesdays 5:05 pm  
 • LOS ALAMOS  
 Comcast Ch.8  
 Saturdays—10 pm  
 • SANTA FE  
 Comcast—Ch.8  
 Saturdays—6:30 pm  
 • TAOS—Ch.2  
 Thursdays—7 pm

**NEW YORK**  
 • AMSTERDAM  
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 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  
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 • NIAGARA COUNTY  
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**OREGON**  
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 • PORTLAND  
 Tue—6 pm (Ch.22)  
 Thu—3 pm (Ch.23)  
 • SALEM—Ch.23  
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 Thursdays 8 pm  
 Saturdays 10 am  
 • SILVERTON  
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 Mon,Tue,Thu,Fri:  
 Betw. 5 pm - 9 am  
 • WASHINGTON  
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 Sun:6 am; Mon:11 pm

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 • E.PROV.—Ch.18  
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 • STATEWIDE  
 RI Interconnect  
 Cox Ch.13  
 Full Ch.49  
 Thursdays—10 am

**TEXAS**  
 • AUSTIN Ch.10  
 T/W & Grande  
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 • SUPERIOR  
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**WYOMING**  
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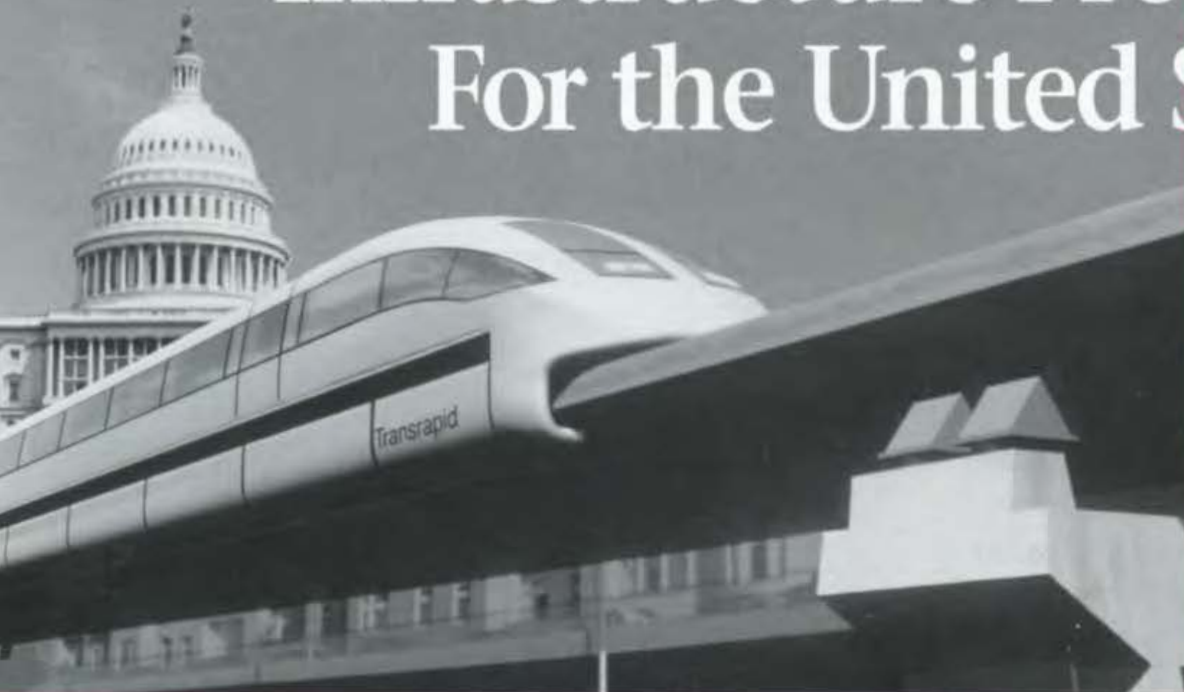
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