
International Intelligence

Italy's Prodi Calls for End To Oil Speculation

Italian Prime Minister Romano Prodi called on Jan. 5 for a curb on the world "paper oil" industry. Under pressure of public opinion because of rising gasoline prices, Prodi was quoted by the daily *La Repubblica* as saying: "We are passively bearing events coming from outside, without reacting. Doubtless, part of this price hike is due to demand from China and India, but speculation has a very strong responsibility. Every day, oil contracts are being traded which are infinitely greater in monetary terms, up to 500 times greater, than the physical quantities of oil. And this has contributed a good deal to pushing oil and gas prices beyond any limit. We must act on this also, but, I repeat, no national policy can be effective. We need a European policy, and to start to discuss a common world policy. For years we have known that we face scarcity, and there is no substantial investment. There is no economic framework for investments in the oil sector. I think that can no longer be acceptable."

Land-Bridge Train Takes Off From Beijing

With great fanfare, a large container train left Beijing on Jan. 9 on its way to Hamburg, Germany, traveling through Mongolia, Russia, Belarus, and Poland. This was the "pilot train" of the Eurasian Continental Land-Bridge. The train was highly decorated in Chinese style, and the send-off included railway officials from the six countries.

Chinese television coverage showed them at the station in front of a large railroad map of the Eurasian line, very similar to that published in the 1997 *EIR* report on the subject, with the caption "Sketch Map of Eurasian Land-Bridge Corridor." "The train will travel 9,800 kilometers through six countries," the CCTV commentator told viewers. "The train will take 18 days. The same trip would take almost 40 days by container ship."

India, Malaysia Counter British Destabilization

India and Malaysia have agreed to increase defense ties, after the meeting between visiting Indian Defense Minister A.K. Anthony and Malaysian Deputy Prime Minister and Defense Minister Mohd Najib Tun Razak. This trip counters the attempted destabilization of Malaysia, and India/Malay relations, by a British-backed dissident group in Malaysia, claiming that there is "ethnic cleansing" against the minority Indians.

The two nations discussed joint production ventures and military-related industry collaboration. Also, Najib announced that Malaysia has awarded a \$1.08 billion project to Indian Railways for a 100-km, two-track network between Seremban and Gemas in Malaysia.

India has also been invited to participate in security projects for the Strait of Malacca, one of the most strategic waterways in the world. Najib said India had accepted the offer to cooperate based on the principle that "the primary responsibility for the security and safety aspects of Malacca lie with the littoral states."

British Tactics Instigate Indigenous War in Chile

The British Empire faction is instigating indigenous warfare in Chile. These financier interests are using the Jan. 7 attack on a foreign businessman in the capital of Santiago by a gunman purportedly associated with radical Mapuche Indian activists, to set the stage for chaos, and to destabilize the government of President Michelle Bachelet.

On Jan. 7, an unidentified gunman shot at the car of Mario Marchese Mecklenbur, general manager of the Trayenko hydroelectric project in southern Chile, owned by the Norwegian firm SN Power. The company's main operations are in the Araucania region of Chile's Patagonia, which the Mapuche claim as their ancestral lands. The previous week's killing of a 22-year-old Mapuche

college student, who was shot by police in Araucania during a demonstration, sparked another round of violence.

As it is now evolving, the situation carries all the earmarks of a classic British operation which plays both sides against each other. In the Santiago shooting, media such as *El Mercurio*, associated with the late dictator Augusto Pinochet, are screaming about "violent Mapuche cells" invading Santiago, pointing out that before escaping, the gunman threw out leaflets with the name of a radical Mapuche group, the Malleco Araucan Coordinator (CAM).

The Bachelet government stated that there is no evidence that the Mapuches were involved, or that new terrorist groups were emerging, while a spokesman for the CAM denied that the group had anything to do with this incident. But the situation is ripe for manipulation. The Mapuche live in extreme poverty on reservations in the South that are virtually militarized by police, and Bachelet's promises to redress their grievances have yet to produce improvements.

Argentine Nuclear Plants To Yield Water for Libya

Hector Otheguy, the president of Argentina's premier nuclear technology company INVAP, owned by the Rio Negro provincial government, reports that the company's plans for 2008 include a contract with the Libyan government to modernize that country's Russian-built nuclear reactor.

In an interview published Jan. 7 in *Noticias & Protagonistas*, Otheguy underscored that the contract, which was bid through the International Atomic Energy Agency, could open the door for use of Argentina's small prototype CAREM reactor—soon to become commercially available—to desalinate sea water and provide potable water for Libya.

"These countries of Northern Africa have a very serious problem, which is the shortage of water," Otheguy said. The potential exists for Libya to become a "very interesting partner" for Argentina in this area, and such projects could lead to other more complex projects, possibly with other countries.