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EIR (ISSN 0273-6314) is published weekly (50 issues), by EIR News Service Inc., 217 4th Street, S.E., Washington, DC 20003. (202) 543-8002. (703) 777-9451, or toll-free, 888-EIR-3258. World Wide Web site: <http://www.larouchepub.com> e-mail: eirms@larouchepub.com

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Postmaster: Send all address changes to EIR, P.O. Box 17390, Washington, D.C. 20041-0390.

From the Editors

Our *Feature*, on the 20-year history of the Schiller Institute, founded by Helga Zepp-LaRouche in 1984, will be most especially instructive to the young people who are now joining the LaRouche movement, fascinated by the high plane of ideas upon which the LaRouches operate—by contrast with the pervasive banality of the culture around us. Most of these youth were not yet born, when the dramatic events of the early 1980s, described by Mrs. LaRouche in her article on page 6, were unfolding. Through her personal story of why she founded the organization; the excerpts we publish of her speech to the Institute's founding conference; and a timeline of the Institute's activities, the reader will be amazed at the depth and breadth, the international scope and beauty, of the work that has been done, and is still being done. Always, Mrs. LaRouche has stressed that without beauty, as Schiller understood it, there can be no solution to the political-economic crises that are now upon us.

In this context, we at *EIR* mourn the passing of Mark Burdman, our Editor for Special Projects. That designation is most appropriate, as Mark's life's work was to do the unexpected. He never fit himself into any "niche," but creatively sought new ways to intervene in world events; to smoke out the enemies of LaRouche—and Schiller; even to organize within the "heart of the oligarchical beast," the British establishment. His work, as an American living in Germany, embodied the mission of the Schiller Institute: to place trans-Atlantic relations on a Schillerian foundation, and to bring them to bear to develop Eurasia.

This week's issue brings you a rich assortment of interviews on the Iraq crisis, and the Cheneyacs who brought it on. Included are responses to Lyndon LaRouche's "LaRouche Doctrine" proposal for peace in Southwest Asia.

The shifts that are taking place in East Asia, reported in *International*, are very much along the lines that the Schiller Institute has long been working for, including the idea of the Eurasian Land-Bridge. On the other hand, events in continental Europe (see *Economics*) and the United States (see *National*), show the crisis that is unfolding there, because those nations did not heed LaRouche's warnings. The time to change history, is now.

Susan Welsh

EIR Contents

Cover This Week

*The Third Schiller
Institute conference,
in Northern
Virginia, Nov. 24,
1984.*



4 The Vital Role of the Schiller Institute in Shaping History

Without the energetic work and leadership of this unique institution, established 20 years ago by Helga Zepp-LaRouche, in spreading the concepts of the American Revolution and the Weimar Classic, the world would be a much different, and worse place today.

6 The Evolution of an Idea: The Schiller Institute Turns Twenty!

Helga Zepp-LaRouche traces the origins of the Schiller Institute, in her life-long love for the work of Friedrich Schiller, known as Germany's poet of freedom.

11 The Schiller Institute's Founding: 'Toward a New Age of Reason'

Zepp-LaRouche's speech to the first international conference of the Schiller Institute, held July 3-4, 1984 in Arlington, Virginia.

14 Declaration of the Inalienable Rights of Man

17 Principles of the Schiller Institute

18 1984-2004: Highlights of Schiller Institute's Activities

National

24 Cheney's Lawyer Addington Panned Key Torture Memo

EIR's investigations confirm *Newsweek's* exposé, and provide additional intelligence on the role of David Addington, the General Counsel to Vice President Dick Cheney.

27 Abu Ghraib MP's Lawyer Targets DoD Chiefs

An interview with Paul Bergrin.

31 Nigeria Case To Make Halliburton Next Enron?

33 Halliburton, KBR and the Nigeria Slush Fund

34 Chairmen Hunter, Goss Block Probes of Torture

36 Cheney Cat's-Paw, Porter Goss, As CIA Director?

A guest commentary by Ray McGovern, co-founder of Veteran Intelligence Professionals for Sanity.

Correction: In "Project Daniel Is Issued by Israel's Dr. Strangeloves," *EIR*, June 18, 2004, the author wrongly characterized Judah Maccabeus as "the ancient Israelite who launched a suicidal rebellion against the Hellenistic occupation." In fact, Judas Maccabeus led a revolt against the Hellenistic, Seleucid King, Antiochus Epiphanes, who tried to force the Israelites to forsake their sacred laws, and their faith in God. Far from being suicidal, they achieved considerable success.

Economics

38 Hartz IV: Failing SPD Shocks Germany with Schachtian Cuts

The Social Democratic Party-led German government and party leadership gave the go-ahead for a "reform" of labor market and social welfare legislation that represents the deepest cut since the founding of the Federal Republic in 1949.

40 Italy: Tremonti's Resignation Dooms Berlusconi

42 Against Malacca Piracy, S. Thailand Violence: It's Time for the Kra Canal

Interviews

27 Paul Bergin

Bergin is the civilian attorney for Sergeant Javal S. Davis, one of seven soldiers from the 372nd Military Police Company who have been charged by the U.S. Army with abuse of prisoners at Abu Ghraib prison in Iraq.

50 Gen. Christian Quesnot (ret.)

General Quesnot was Chief of Staff of French President François Mitterrand between April 1991 and September 1995. Today he is president of the Commission on National Defense Studies, and editor of *Revue Défense Nationale*.

53 Aziz Alkazaz

An economist and a leading expert on Iraq, working with the Deutsches Orient-Institut (German Institute for Middle East Studies) in Hamburg, Germany, Aziz Alkazaz was born in Iraq.

International

46 Eurasia Powers Losing Patience With Cheney's Korea Crisis

If the United States does not move to negotiate a compromise with the North Korean government soon, Eurasian nations "will find another method" to a separate peace, as they "have lost patience to delay negotiations until the U.S. Presidential elections," a Novosti wire from Moscow paraphrased Russian Foreign Minister Sergei Lavrov.

48 Time to Consolidate China-India Relations

These two countries, contributing almost one-third of the world's population, are moving forward jointly to work out an economic and financial system which would make them stronger internally, and help enable smaller and weaker Asian countries.

50 French General Looks At U.S. Iraq Policy

An interview with Gen. Christian Quesnot (ret.)

53 The Iraq Pre-Emptive War Is an Evil Example

An interview with Aziz Alkazaz.

58 Synarchists Declare Mexico 'Ungovernable'

Departments

59 Australia Dossier

Covering for Fascist Laws.

Synarchy

60 The Nazi-Instigated National Synarchist Union of Mexico: What It Means for Today

Part 2 in a series by William F. Wertz, Jr., takes up the shift that occurred in the National Synarchist Union (UNS) after Pearl Harbor and the Mexican declaration of war against the Axis powers: An anti-Roosevelt Anglo-American imperialist faction, acting through the Dulles-Buckley networks associated with Cardinal Spellman and Bishop Fulton Sheen of the United States, moved in to control the UNS.

Editorial

72 The New Threat of Fascism Today

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The Vital Role of the Schiller Institute In Shaping History

by Nancy Spannaus

A crucial part of the hidden history of the last 20 years is the story of the Schiller Institute, the international republican think-tank established in 1984 by Helga Zepp-LaRouche, a German political leader and wife of U.S. Democratic Party Presidential candidate Lyndon LaRouche. The shocking truth is that, without the energetic work and leadership of this institution in spreading the concepts it has championed of the American Revolution and the Weimar Classic, the world would be a much different, and worse place today.

To understand the unique international role of the Schiller Institute, one has to comprehend the fact that *ideas* shape history.

Man Is Greater Than His Fate

In her Founding Message in 1984, Helga Zepp-LaRouche described Schiller's method as the one required to get mankind out of crisis. She said: "The kernel of this method can be defined in Schiller's own words: Man is greater than his fate. Even if the objective situation looks almost hopeless and desperate, we, like Schiller, are sure that a courageous spirit and human reason will always be able to find the higher level where the problems are solvable."

It is to that "higher level" that the Institute has devoted itself, largely through sponsoring seminars, conferences, Classical artistic performances, and tours. The seminars have ranged in topics from military strategy, to economic development, to the frontiers of science, and have occurred on every continent. Through these activities, the Institute has had a palpable effect on the policy deliberations, particularly on economics and science, of the countries of the former Soviet Union, where the scientific and political elite have engaged in intensive debate over the ideas of Lyndon and Helga LaRouche.

But, at the same time, the Schiller Institute has affected large numbers of "ordinary" people in many countries, through its sponsorship of cultural events, particularly concerts. In places like Sonora, Mexico the Institute is known for its



Founder Helga Zepp-LaRouche, at the Institute's third International Conference in 1984, holds up one of its fundamental declarations, a modern Declaration of the Inalienable Rights of Man and nations, which she drafted on the model of the American Declaration of Independence.

huge Classical music concerts, largely involving children. And although not formally sponsoring it, the Institute promoted one of the most significant mass musical events ever to be held in Washington, D.C., the 1998 concert by the renowned St. Thomas Boys Choir of Leipzig, which drew thousands of people to hear the founding Classical music of Bach at its best.

While operating on a shoestring budget, the Schiller Institute sees these events as part of its commitment to create a New Renaissance of Classical culture, as the essential ingredient for preventing a descent into a New Dark Age. To supplement the events, the Institute has maintained an English-language publishing enterprise, which has produced four volumes of translations of the works of Friedrich Schiller. Among the products of the Institute's press have also been *The Science of Christian Economy* by Lyndon LaRouche, a book of translations of the works of philosopher Nicolaus of Cusa, and numerous other books, as well as a quarterly magazine in both German (*Ibykus*) and English (*Fidelio*).

Schiller and Civil Rights

In the pages below, Helga Zepp-LaRouche herself gives you a flavor of what the Schiller Institute has stood for for two decades, in its fight to revive the very best of the cultures of America and Europe. We include the founding principles and a short timeline of the Institute's activities. More on all these areas can be found on the Schiller website, at www.schillerinstitute.org. In addition, a fuller evaluation of the impact the Institute has had on history, will appear in a followup article

by Mrs. LaRouche in an upcoming issue of *EIR*.

But even the briefest review of the Schiller Institute would not be complete without introducing the role played by its American Vice-Chairman, Amelia Boynton Robinson. Amelia Robinson is a civil right heroine, who brought the Rev. Martin Luther King into her home in Selma, Alabama and played a pivotal role in winning the Voting Rights Act of 1965. She has been awarded the Martin Luther King, Jr. Foundation Medal of Freedom by the New York State Martin Luther King, Jr. Foundation, for "courage, conviction, and outstanding services to state and nation during the turbulent decade of the 1960s"—an accomplishment many would see as a culmination of a career.

But instead, Mrs. Robinson has taken up the banner of the Schiller Institute, as an ambassador for its ideals of economic and social justice, travelling to East Germany at the time of the fall of Communism; to Italy during the buildup toward the war in Iraq; and to many other nations and everywhere within the United States, to inspire especially this generation of youth to join the battle for "true political freedom."

From the fight for the Strategic Defense Initiative, to the campaign for a New just World Economic Order, to the fight for a return to Classical pitch in musical performance, and to Classical Platonic thinking in science, the Schiller Institute has put itself on the frontlines of building a hopeful future for all humanity.

Whether it is ultimately successful, will be judged by the outcome of the world history which it is bending toward a new Renaissance, amidst the threat of a new dark age.

The Schiller Institute Turns Twenty!

by Helga Zepp-LaRouche

Live in your own century, but be not its creature; serve your contemporaries according to what they need, not according to what they praise.

Over the 20 years since it was founded as an international institute on July 3-4, 1984 in Arlington, Virginia, the Schiller Institute has evolved an incredibly wide spectrum of activities in approximately 60 nations. In the eyes of many, especially of leading figures in the developing countries, it is the one institution which, from its inception, has been unwavering in promoting the establishment of a New and Just World Economic Order and a new humanist renaissance. Over these past 20 years, we have organized hundreds of international conferences; we have sponsored thousands of lectures and seminars; and we have organized countless concerts, cultural events, poetry recitations, translations of Classical works, and choruses.

What is the guiding idea which has united these activities so diverse? And why has such an institute, whose German branch is subtitled “Vereinigung für Staatskunst” (“Association for Statecraft”), ventured to name itself after the German poet Friedrich Schiller?

To answer this, I must first report to you, that the study of Friedrich Schiller’s life and work has been a red thread intertwining all phases of my conscious life. During my time at the *Gymnasium* in Trier, I had the extraordinary good fortune to have three successive German literature teachers (two men, one woman), who, under the sway of the Humboldt concept of education, familiarized me and my fellow students, in a highly polemical way, with German Classicism, and with Schiller’s works in particular. I recall that during that time, I came to cherish certain of Schiller’s ideas so absolutely, that I would rise to their defense against all challengers and counter-claims.

Among these works, was a passage in the tenth of Schiller’s “Letters on *Don Carlos*,” where he explains that his true motivation in penning this drama, had been “to take truths which, to anyone well-disposed toward humankind, must be held as *most sacred*, but which, up to now, have remained the property of the exact sciences, and to carry these over into the realm of the arts, to quicken them with light and warmth, and, thus implanted in the human heart as a vital, active motive, to reveal them in powerful struggle with the human passions.”

In his Eighth Letter, Schiller described the theme of *Don Carlos* in these terms: “Think back, dear friend, about a certain lively discussion that went on among us concerning a favorite topic of our century: the propagation of a more pure, more gentle humanity; the greatest possible freedom of the *individual*, coupled with the greatest flourishing of the State; in short, the most perfected condition of humankind that is achievable, as is implicit within its nature and its powers.” Schiller is referencing here the decade of the 1780s, the time when America fought for and gained its independence. And alongside a passage in the Tenth Letter, where Schiller expressed his hope that these “not entirely unimportant ideas” might be taken up by some future “truth-seeker,” I found pencilled in the margin of the volume I had been using back then, the single word: “me.”

In yet another passage, Schiller writes that his works will only be fully and more profoundly understood in centuries to come; and I recall that there, too, I had felt as if Schiller had been addressing me personally.

Ten years later, in 1978, when I found myself in a situation requiring that I remain more or less housebound for a good part of the year (I had, in the meantime, married my husband Lyn), I suddenly felt the need to take up Schiller again with renewed intensity. Somehow, I had the strong sense that taking up Schiller’s works as a whole, was a task for me left still undone, one to which I absolutely had to return. And so, for months, I plunged into reading the entirety of his writings, dramas, and poems. Given my circumstances, I became immersed in a kind of “inner emigration”; and it was precisely these aversive external circumstances which made me all the more open to certain of Schiller’s ideas, such as the Sublime (*das Erhabene*), the “beautiful soul,” and also Schiller’s absolute contempt for oligarchical tyranny, and his love of inner and outward freedom. An article on “The Secret Knowledge of Friedrich Schiller” was the first fruit of those studies.

The following year, as I was accompanying my husband during the Presidential campaign in New Hampshire, Michigan, and other states, my previous year’s intensive preoccupation with Schiller proved to be an internal resource upon which I could draw. Because political realities in the United States were such a brutalizing experience for me, this inner armament of mine was absolutely crucial. Mafia methods being used by Lyn’s political opponents, the absence of internal



The founding members of the Schiller Institute, from Germany and the United States, got together at a farm in Virginia in May 1984, where they established the Institute. Helga and Lyndon LaRouche are on the right.

and material freedom demonstrated by many otherwise decent elected and trade union officials, corruption among the more impoverished layers via the distribution of ridiculous hand-outs which, albeit extremely useful to the recipients, nevertheless had the effect of further enslaving them—in short, my entire experience during this campaign, of a political life bent on the ruthless wielding of power, convinced me that the conclusion which Schiller had drawn following the failure of the French Revolution, had been absolutely correct.

To Change People with Beauty

Namely, Schiller had said that a great moment in history—and by this, he meant the opportunity to repeat the American Revolution inside Europe—had found a little people. The objective possibility for that change had been present, but the subjective, moral possibility had been lacking. And thus, henceforth, Schiller said, any improvement in the political realm could be achieved only through the ennoblement of the individual person. And during those months of the campaign, I became ever more firmly convinced that the attainment of political power could only be something positive, if it were united with the idea of Beauty, as Schiller used that concept. Precisely because the great majority of the American population had strayed so far from the ideals of the American Revolution and the principles embedded in the Declaration of Independence, it seemed to me that they needed nothing more urgently than Schiller's ideas.

I used my address to the annual conference of the LaRouche movement in 1979 in Detroit, to stress the need for a *Schiller-Zeit* (Schiller era) in America: “The reason why,

from among all the great humanists of the past and among all the great geniuses, I have selected Schiller, lies in the fact that more than anyone else—and by this I am by no means belittling the contributions of others—he was the most powerful spokesman for the idea of Beauty, and said that human beings must also laugh: They must be happy. More than any other, Schiller dealt with the question of how it is possible to inspire geniuses—how you can develop a method for taking these mediocre, blockheaded, nice, good people, and make something out of them. How you can change their minds and hearts. How you can change them!” That was the gist of the first poetry readings which I began to organize.

Later on, when our research into the deliberately induced cultural paradigm shift which had transformed the U.S.A. from the world's leading society of producers, into a parasitical consumer and pleasure society, yielded a wealth of information about how such institutions as the Congress for Cultural Freedom and the Frankfurt School had consciously worked toward altering the axiomatic basis of public opinion within the population, we developed a still deeper understanding of the reasons why the American people had grown so distant from the great tradition of the American Revolution. But that did not alter the fact that the method developed by Schiller for teaching people how to be “greater than their fate,” by elevating themselves to the level of the Sublime, remains unparalleled to the present day.

But it was not only in the United States that popular culture was degenerating. Although Hans Neuenfels' “happenings” in 1968, with his calls for youth to murder their own grandmothers and to tear down the cathedral in Trier, might still

have some dubious claim to be the original, it was the *Regie-theater* (“director’s theater”) of the 1970s, with all its variants, which was ultimately merely a variation on a theme according to which actors had to appear on stage with as little clothing as possible, and had to gesticulate as obscenely as possible, or else had to reflect some arbitrary time period selected at the director’s whim. When, in 1980, this same tired model was used at the Schiller Festival in Mannheim, I proposed that throughout the German-speaking world, we seek out the best actors and Schiller experts who remained loyal to Schiller’s Classical tradition, win them over to the idea of a renaissance of Schiller’s ideas, and organize our own Schiller Festival in Mannheim.

The first person whom I sought out, was one of the indisputably best Schiller experts, Benno von Wiese. I visited him at his home in Bonn, in order to win him over to this project. Von Wiese was a man of great intellectual integrity, who placed Schiller far and high above the prevailing *Zeitgeist*, and so was eminently winnable to the idea of a cultural counteroffensive. Our conversation started off on a very positive note, but then his face darkened; he grew almost surly, and I began to wonder what could be causing him so much aggravation. But the riddle was soon solved: His wife brought him his lunch, and after consuming same, he was once again the friendly, intellectually brilliant literary pontiff, glad to be visited by this young lady so passionately committed to Schiller’s ideas. For, Von Wiese was a diabetic.

At the Mannheim symposium, he is said to have delivered a stirring speech, challenging the public that the question is not whether or not Schiller remains relevant for us today, but whether, and how, we today can live up to Schiller.

My next visit led me to Bad Gandersheim, where Will Quadflieg was performing in a festival. We first met in a cafe, where I laid out my perspective for a true reawakening of the spirit of Classicism in Germany, and for making Schiller’s work, in particular, a living experience for young people today. Quadflieg was a true artist; he has a truly lyrical mind, and in a flash, we had already mounted the winged horse Pegasus, and “disappeared into the blue above.” Well, not literally, of course; but I simply mean to say that Will Quadflieg and I had one of the most exciting discussions on poetry and the significance of Classical culture, that one could possibly have. The amazing thing about it, was that he was willing to allow himself to be absolutely inspired by another; that while speaking with him, one was able to create that poetical magic that can move mountains; and that he could experience with equal intensity the most Promethean boldness, and the most delicate stirrings of the soul. His recitations of Schiller’s works and poems in Mannheim were so powerful, that the audience sat as if bolted to their seats. Schiller was present that night.

The symposium was a total success, and other Schiller friends and experts, such as Peter Otten, Norbert Öllers, and Wolfgang Wittkowski, recited and debated about Schiller so

passionately, that one irked member of the audience finally asked: “How dare you hold this symposium without inviting Walter Jens?” At any rate, we had, for that one year at least, won intellectual hegemony in Germany on the issue of Schiller’s significance for us today.

For Mutual and Assured Survival

With the onset of the 1980s, the chasm in trans-Atlantic relations deepened. It was a time when political figures such as Helmut Schmidt began talking about the danger of a Third World War. NATO’s and the Warsaw Pact’s medium-range missiles were arrayed against each other so closely, that Hamburg, for example, could be struck in a mere six minutes in the event of a nuclear exchange. The peace movement held protest demonstrations against the installation of the Pershing II missile on West German territory.

Because of the extremely short warning interval in the event of the accidental launching of a single nuclear missile, the nuclear systems of both military alliances had shifted into a red-alert situation of so-called “launch on warning.” In response to this, my husband Lyndon LaRouche worked out a more effective way to deal with the Damocles’ sword hanging over all humankind. Already during the late 1970s, he and the associates of the scientific journal *Fusion* founded by him, had noticed that those Soviet scientists who, ever since the early 1960s, had been filing reports in scientific journals about their progress in research on so-called beam weapons and other weapons based on “new physical principles,” were suddenly no longer publishing anything on their work.

The development of these new systems had been aimed at incapacitating missile-borne nuclear weapons during their launch phase, thereby rendering them technologically obsolete. There was a growing suspicion that the Soviet Union was working full-throttle on these new-principles-based weapons systems, and it was obvious that in view of the already over-tense situation because of the permanent state of red-alert, the dangerous momentum toward general nuclear warfare would be pushed to a climax if one of the two superpowers were to suddenly install a new weapon system which would, virtually overnight, nullify the effectiveness of the other side’s nuclear arsenal.

My husband therefore worked out a strategic plan for liberating the world from this Damocles’ sword, a plan which became known later as the SDI (Strategic Defense Initiative). He proposed that NATO’s doctrine of “Mutual and Assured Destruction” be supplanted by a doctrine of “Mutual and Assured Survival.” Both superpowers would join in developing these weapons systems based on new physical principles; they would then jointly install these systems, rendering their nuclear weapons obsolete, and then they would jointly apply the benefits of this technological revolution in the military realm, toward increasing productivity in the civilian economy. During 1982, we presented this idea at conferences in Washington and in various European capitals, in the presence



The immediate focus of mass organizing by the Institute was against the “decoupling” of the United States and Western Europe, especially Germany. Here, Institute supporters are shown organizing in New York City in October 1984.

of leading active and retired military officials.

One of the most important outcomes of these conferences, was the fact that for one year, my husband was officially commissioned by the Reagan Administration to hold so-called back-channel discussions with Soviet representatives in Washington, on the question of whether Moscow would be prepared to agree to such a fundamental change in the two superpowers’ strategic relations. The proposal which my husband published as a “Protocol for the Superpowers” would have essentially meant the dissolution of the division of the world into blocs, such that the nations of the Third World would no longer be treated as zones of influence where proxy warfare could be conducted; but rather, both superpowers would jointly apply the science driver effect—i.e., the enormous growth of productivity in the military realm—to civilian production in both East and West, so that this growth could then be used for a massive transfer of capital and technology into the developing sector, in order to eliminate underdevelopment in those nations. The goal, therefore, was not merely disarmament; it was a Grand Design for how East-West relationships could be established on an entirely different basis, oriented toward solving “the problems facing all mankind.”

After one year of intensive talks, in which I participated as spouse, in February 1983 the word came back from Moscow that the proposal had been rejected as unacceptable: Such a plan would indeed be absolutely feasible militarily and technologically; yet, its application in the civilian economy would give the West too many one-sided advantages, whereas the Soviet Union, despite any assistance offered by the West for its civilian sector, would have a much more difficult time negotiating such a leap into a more efficient economy.

Nevertheless, President Reagan went ahead, and on March 23, 1983 he announced the Strategic Defense Initiative

as official U.S. policy. Again in August of that same year, he repeated his proposal that the West assist the Soviet Union in the application of new technologies in its civilian economy. But as was confirmed to us, especially following the collapse of the Soviet Union, the real reason why Moscow had rejected the SDI, was the so-called Ogarkov Plan. Already back in 1983, my husband had publicly forecast that if the Soviet Union persisted in its rejection of the SDI, its economy would collapse within five years. He was only one year off: Six years later, the Wall fell.

New Basis for U.S.-European Relations

On my travels during that time in the United States and in Germany, a certain trend perturbed me: Namely, in the United States I discerned a growing anti-German and anti-European mood in the media, in the political parties, but also in the population at large; conversely, on my political travels within Germany, I noted with growing shock, that openly expressed anti-Americanism was spreading, not only in leftist circles, but also among members of the conservative Christian Democratic Union. It was, as it were, a mild foretaste of the resentments felt today in Europe against the Bush Administration. This resentment was being fed, at least among informed conservative circles, by the fact that in the event of a war between NATO and the Warsaw Pact, the Federal Republic of Germany would not survive; a defense of Germany’s territory was simply not a part of the MAD doctrine. One witty French military figure at the time, put it this way: that for Germany, the alternative was not “red or dead,” but rather “first red, then dead”—meaning that in the event of a nuclear confrontation between the superpowers, Germany would first be struck by a Warsaw Pact first strike, followed by a second strike from NATO.

When, at that time, I considered transatlantic relations from the standpoint of Classical tragedy, in approximately the same way that Schiller judged the failure of the French Revolution—i.e., that a great historical moment had found a “little people”—it seemed to me that this applied no less to the state of mind of the populations of both Germany and America. I was convinced that after two world wars, in which the United States and Germany had stood on opposing sides, the seeds of destruction would persist, if each side confined itself to merely listing the negative points of the other.

And so, I hit upon the idea of proposing an initiative for a fundamental improvement in German-American relations. I gathered up my entire political experience to date, and decided to associate this initiative with the name Schiller. An institute was to be founded which would strive to improve foreign-policy relations between Germany and America, by drawing upon the best traditions of each, especially the American Revolutionary tradition, German Classicism, and the spirit of the German Wars of Liberation against Napoleon. This institution was to function as a kind of think-tank for constructive proposals in the domains of military strategy,

economic cooperation, scientific and technological cooperation, and research into common cultural and historical roots.

Under Point 4 of the Institute's founding principles, it says: "The Institute shall be named for Schiller, because there is no one who united the ideas of republican freedom and poetic beauty more effectively, than Friedrich Schiller. For Schiller, as for the associates of this Institute, the greatest work of art is the establishment of political freedom." The fundamental idea of the Schiller Institute, was to insert Schiller's image of humanity into political life, in such a way that it could counteract the *Zeitgeist*, and, in action, help to improve human beings.

One year before it was officially founded, I drafted a memorandum on this initiative. It was a time when my husband was working with representatives of the Reagan Administration in connection with his SDI proposals. Since President Reagan had reacted favorably to my husband's Grand Design—which, it should be noted, was completely different from the distorted versions presented in the media—I presented my initial proposal for the founding of a Schiller Institute to an associate of Reagan's National Security Advisor, Judge William Clark. At the time, there was great openness for this proposal to put U.S. relations with Germany onto a basis different from what had characterized most of the postwar period. In the course of numerous, extensive discussions, Richard Morris, who at the time was Judge Clark's assistant, assured me that my idea had struck a positive chord, and that

it would be seriously considered.

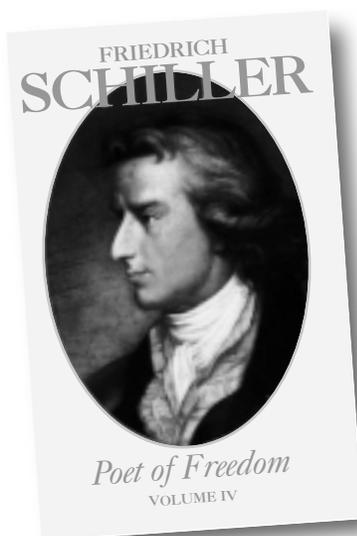
My proposal ultimately suffered the same fate as the SDI. Representatives of the utopian military faction inside and around the Reagan Administration began a full counteroffensive against both proposals. They included such people as Richard Perle, Kenneth de Graffenreid, Henry Kissinger, and William Webster. As for the SDI, President Reagan made his proposal one last time during his meeting with President Gorbachov in 1986 in Reykjavik. And as for Schiller Institute proposal, already by 1983 it had fallen victim to the counteroffensive mounted by the faction within the Reagan Administration which is more or less the predecessor of today's neo-cons.

So, I decided to organize the initiative on my own. For approximately one year, I attempted to find backers in many locations in the United States and Germany—an effort in which I had the indispensable assistance of Renate Müller, who was likewise involved in many discussions and talks promoting this idea. We sponsored dozens of smaller preparatory conferences, and then finally, in May 1984, the Schiller Institute was founded in Germany. The grand international founding conference took place on July 3-4, on American Independence Day, in Arlington, Virginia, with the participation of over 1,000 guests and representatives from over 50 nations. All present were keenly aware that they were participating in an initiative of great historical significance.

—To be continued

"There is a limit to the tyrant's power."

—Friedrich Schiller,
Wilhelm Tell.



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The Schiller Institute's Founding: 'Toward a New Age of Reason'

This was Founder and Chairman Helga Zepp-LaRouche's keynote speech to the first international conference of the Schiller Institute, held July 3-4, 1984 in Arlington, Virginia. The address is excerpted, and subheads added.

... We, today, must link up with the American Revolution, the German Classics, and the Wars of Liberation against Napoleon, because never before nor since did mankind conquer a higher degree of political freedom, and achieve a more beautiful ideal of humanity and a nobler method of thought. The coincidence of these two high-points represents the watershed of modern history, against which everything else must be measured. Precisely for this reason, this republican movement soon became the target of the most raging attacks from the oligarchical faction.

The American Revolution established for the first time a democratic republic in which every citizen's inalienable rights, based upon natural law, along with his absolute equality before the law, became integrated with his reciprocal relationship to the state. The Revolution was a joint European project, in which all of Europe's republican forces exerted a most direct and practical influence, in the persons of the Marquis de Lafayette and Baron von Steuben, among many others. But more than this, it became the proving ground for the best products of 2,500 years of European culture. The American Constitution was molded from the ideas of Plato, Nicolaus of Cusa, Leibniz, and Pufendorf; and these ideas encompassed both the citizen's republican duty to act for the best possible development of his nation, as well as the state's own obligation to provide for the flowering of every individual's latent potentials.

The American Revolution also represented the first complete victory for the republican system of economy, which Friedrich List subsequently called the "American System." As Alexander Hamilton, Friedrich List, and Henry and Matthew Carey demonstrated in their works, the increase in productivity effected by means of technological progress is the sole source of all social wealth. It is therefore the responsibility of the state, for the sake of its citizens' well-being, to promote technological and industrial progress by means of a suitable credit policy. It was this right to economic progress that England refused to grant its most important colony—a policy which finally convinced America's Founding Fathers that independence from England would have to be won by force of arms.

Schiller and the American Revolution

Benjamin Franklin was rightly called the "Prometheus of the Eighteenth Century," and the best minds Europe had to offer became associated with his political network. Contemporary literature described the young American republic as the "beacon of hope" and the "temple of liberty," and those who had supported America in the League of Armed Neutrality began to hope that the example of the American Revolution could be repeated in Germany. They enthusiastically viewed the early phases of the French Revolution as another step in this direction.

All of Europe's republicans hoped that a successful republican revolution in France would catalyze the development of sovereign, national republics in every part of Europe. William Penn, thoroughly conversant with the humanist authors of European civilization, presented a proposal entirely in the tradition of Nicolaus of Cusa and Leibniz. Relations between nations, he proposed, should be shaped on the basis of a community of principle among sovereign republics, in which such nations would enter into a relationship of mutual support, with each nation equally concerned for other nations' well-being as if it were its own.

John Quincy Adams later incorporated these foreign policy principles of the young American republic within the Monroe Doctrine, which was firmly anchored upon the principle of national sovereignty. Adams had traveled to Paris at an early age together with his father, John Adams, and became immersed in European culture. To him we owe the first translations of Schiller into American English.

No one celebrated these ideas of the American Revolution with greater dramatic tension and poetic beauty than Friedrich Schiller himself, especially in his works *Don Carlos* and *William Tell*. In his *Letters on Don Carlos* he wrote about "the favorite discussion topic of our decade—on the propagation of a purer, more tender humanity, on the highest possible freedom of the individual, coinciding with the state's greatest flourishing—in short, on the most perfect condition of mankind as is attainable with what lies implicit within its nature and its powers."

Schiller and many of his contemporaries were spurred on by this "great destiny of an entire state, the happiness of humankind for many generations to come," and he shared the conviction that mankind was on the eve of the Age of Reason. A tremendous sense of cultural optimism inspired them to greater works, in music and in poetry; never had men's minds



Prominent representatives and human rights activists of more than 40 nations attended the July 1984 founding Schiller Institute conference, which opened with a “presentation of flags” of those nations. Chairman Helga Zepp-LaRouche receives flags, above. Inset: Lyndon LaRouche greets the renowned leader of the World War II French anti-fascist Resistance, Mme. Marie-Madeleine Fourcade.

been ennobled by a higher ideal of mankind. More than anyone else, Schiller embodied within his own person and works the humanist ideal of man, and no one has more effectively united the idea of republican freedom with the principle of poetical beauty. What Beethoven was for music, Schiller was for poetry. Indeed, we can confidently say that Schiller and Beethoven were the two giants of the German Classics, infinitely like one another in their method of thought, each having established the standards against which all art must henceforth be measured.

Schiller was the great republican poet of freedom, who developed his capacity to clothe the ideals of a more noble, more beautiful mankind in such powerful language, that he indeed found that “infallible key to the most secret accesses to the human soul.” None could surpass his ability to evoke the most tender emotions within his audience, to expand its heart, and to guide it to previously unknown heights of reason. Schiller fulfilled the criterion he himself had set for all poetry: “All that he can give us is his individuality. Hence, this must be worthy of being displayed before the world and to posterity. To so ennoble his individuality, to refine and purify it into the most magnificent example of humanity—this his most important obligation he must fulfill before he can endeavor to move superior intellects.”

The Individual and the Republic

For Schiller, the most perfect of all works of art was the establishment of true political freedom. But what, to his mind,

was the content of this most pure and most magnificent humanity?

Schiller was also one of the best philosophers in all history, worthy of being taught and studied in every university philosophy department. His concept of the universe was identical to that of Cusa and Leibniz, the only difference being that he expressed their conception more poetically, and hence all the more effectively. Wilhelm von Humboldt, who forged his famous educational system according to Schiller’s philosophy, wrote about Schiller:

Confidence in mankind’s mental faculties, elevated to a poetical image, is expressed in the distich entitled “Columbus,” one of the most unique Schiller ever composed. This belief in the invisible force residing within the human mind, this exalted and so profoundly true view that there must exist a secret, internal agreement between this force and those which order and govern the entire universe—since all truth must be but a reflection of that which is eternal and primary—was a characteristic feature of Schiller’s system of ideas. This was in keeping with how tenaciously he applied himself to every intellectual task, until it was solved to his satisfaction. Already in his early letters of Raphael to Julius, published in the *Thalia*, with the bold, but beautiful expression, “When Columbus entered a doubtful contest with the untraveled sea,” we see this same thought allied with the same image.

This is the idea—already evident in Plato and pronounced in Cusa—of a correspondence between the lawfulness of human reason, the micro-cosmos; and the laws of the macro-cosmos, the philosophical universe.

In the Raphael letters, Schiller wrote:

The universe is a thought of God. Once this ideal image of the mind had entered into actuality, and the birth of the world had fulfilled the plan of its creator—permit me this human simile—it became the mission of all thinking beings, to rediscover the first design for the entirety of what exists—to seek the rule governing this mechanism, the unity of what is composed, the lawfulness of the phenomenon, and so to trace the edifice back to its first outlines.

Schiller goes on to develop an epistemological kernel idea which constituted the conceptual basis for the great advances in the natural sciences and mathematics during the 19th Century; namely, the idea that the visible world is only the reflection, the analogy of a more complex reality. It can be proven that there exists a direct coherence between Schiller's ideal of humanity, his philosophy, and the geometry of Bernhard Riemann. In his *Letters on the Aesthetic Education of Mankind*, Schiller proceeds from this agreement between human reason and the laws of the universe, taking up the question of how it might be possible to found the perfect state and to establish political freedom. In the Fourth Letter, he writes:

We can say that every individual, by his very nature, encloses within himself a pure and ideal man, for whom the concordance of his immutable unity with all his changes of state, is the great problem of his existence. This pure human being, who is more or less distinctly manifest within every individual, is expressed in the republican state, the objective and, as it were, canonical form in which the great multiplicity of individual characters strives toward unity. Now, there are only two conceivable ways by which man in time coincides with man the idea, and just as many ways by which the state can become manifest within individuals: Either the pure man represses the empirical man, so that the state annuls the individual; or the individual becomes the state, so that man in time ennobles himself into man the idea.

Now, for Schiller, who loved freedom above all else and considered freedom to be the only fitting condition of mankind, only the latter possibility was conceivable. But how is this to come about? How shall man be ennobled, and to what end?

We must begin by saying that for Schiller, the maximum perfection of a man's character is his moral beauty; it is the condition in which he has a "beautiful soul." The idea of man's beautiful soul, however, can only be understood from the standpoint of Schiller's general aesthetics. Wilhelm von

Humboldt rightly said that Schiller has set down everything essential concerning the concept of beauty of creation and of action, and hence on the foundations of all art and art itself, and that it would never be possible to go beyond what he had accomplished.

Freedom and the Truth

Schiller was moved to write his works on aesthetics, his theory of beauty, in part because of his irritation over the aesthetics of Immanuel Kant. Kant had claimed that reason can dictate no universally valid criteria for beauty, but rather beauty is a subjective judgment of arbitrary taste, having no other recognizable purpose, so that an arabesque, for example, is more beautiful than the human form. On the other hand, Kant postulated the categorical imperative, according to which man, whenever he perceives a contradiction between his inclinations and his duty, must always choose the latter.

But beauty cannot possibly come about in this manner, and Schiller, who considered Kant to be a rather monkish fellow who must have had an unhappy childhood, wrote the following:

Clearly, the dominion which practical reason exerts over our impulses as it morally determines the will, has something abusive, something distressing about it. Yet we do not wish to see compulsion anywhere, not even when exerted by reason itself. We also desire that the freedom of nature be respected, because, in aesthetic judgment, we consider each being as a purpose unto itself, and because we who hold freedom to be supreme, are repelled by the thought that something must be sacrificed for the sake of the other, serving as the means to some other end. Therefore, a moral action can never be beautiful so long as we can observe the process by which it is tormented away from the sensuous.

Only when fulfillment of duty has become part of one's nature, when reason and sensuousness, duty and inclination coincide, and man fulfills his duty with ease and on his own accord, as if he had acted on instinct alone—only then does a man have a beautiful soul.

It is important that beauty here does not become equated with perfection. Only those representations of perfection which are free, become at once transformed into beauty. This is the notion of organic self-organization, the notion of free self-determination, of freedom and autonomy of phenomena.

Something is perfect, says Schiller, if its manifold predicates come into agreement with the unity of its concept; it is beautiful when this perfection appears as nature. "Beauty increases when perfection becomes more elaborated and nature does not suffer therefrom, for as the quantity of predicates grows, the problem of freedom becomes that more difficult, and its successful resolution all the more surprising."

This is why man, in his most beautiful humanity, is always more beautiful than the most splendid beast, and this is why

a cathedral constructed according to the Golden Section is always more beautiful than a common house, and why—with your permission—a fugue of Beethoven is more beautiful than one by Bach.

Along with Schiller, I say that there do exist absolute criteria for beauty, dictated by reason. However—and Schiller is emphatic about this—purpose, order, proportion, and perfection have absolutely nothing to do with beauty itself; they are merely the material of beauty. “The only form of beauty is a free exposition of the truth, of purpose, of perfection.”

Beauty as the free exposition of truth—that is an enno-

bling thought! For the beautiful soul potentially residing within every individual, “desire shall ally with duty, and reason shall be joyously obeyed.” Beauty is therefore of vital significance for all mankind. Man’s “intellectual nature has been provided with a sensuous partner, not so as to cast it off or to shed it like a rough shell, but on the contrary, so as to unite it with its own higher self.”

But it is the senses which give human reason so much trouble, and they must be educated to the level of reason. Likewise, even though beauty itself is founded upon reason, it is through the senses that beauty is perceived. Schiller therefore arrives at the following conclusion:

Declaration of the Inalienable Rights of Man

This Declaration of the Inalienable Rights of Man was adopted on Nov. 24, 1984, by the Third International Conference of the Schiller Institute.

When in the Course of human events, it becomes necessary for the peoples in the world to dissolve the political bands which have connected them with another, and to assume among the powers of the Earth, the separate and equal station to which the Laws of Nature and of Nature’s God entitle them, a decent respect to the opinions of mankind requires that they should declare the causes which impel them to separation.

We hold these truths to be self-evident: that all men are created equal; that they are endowed by their Creator with certain inalienable Rights; that among these are Life, Liberty, and the pursuit of Happiness.

That to secure these rights, governments are instituted among Men, deriving their just powers from the consent of the governed;

That whenever any Form of Government becomes destructive to these ends, it is the Right of the People to alter or abolish it, and to institute new government, laying its foundation on such principles and organizing its powers in such form, as to them shall seem most likely to effect their Safety and Happiness. Prudence, indeed, will dictate that Governments long established should not be changed for light and transient causes; and accordingly all experience hath shown, that mankind are more disposed to suffer, while evils are sufferable, than to right themselves by abolishing the forms to which they are accustomed. But when a long train of abuses and usurpations, pursuing invariably

the same Object, evinces a design to reduce them under absolute Despotism; it is their right, it is their duty, to throw off such government, and to provide new guards for their future security.

Such has been the patient sufferance of the developing countries, and such is now the necessity which constrains them to alter their former Systems of Violation of National Sovereignty through the dictate of supranational institutions. The history of the present International Financial Institutions is a history of repeated injuries and usurpations, all having in direct object the establishment of an absolute Tyranny over these States. To prove this, let Facts be submitted to a candid world.

They have refused their Assent to our plans of development, the most wholesome and necessary for the public good.

They have forbidden their Banks to engage in business of immediate and pressing importance for us, and in equal terms.

They have dictated to us terms of trade and relations of currency, that have relinquished our Rights as Equals in the World Community, a Right inestimable to them and formidable to tyrants only.

They have burdened us with conference after conference to discuss these matters, at places unusual, uncomfortable and distant from the depository of our Public Records, for the sole purpose of fatiguing us into compliance with their measures.

They have overthrown legitimate governments repeatedly, for opposing with manly firmness their invasions on rights of the people.

They have refused for a long time and in many instances, after such topplings, to permit other republican forces to be elected in a democratic form; whereby the Legislative Powers, incapable of Annihilation, have returned to the People at large for their Exercise, the State remaining in the meantime exposed to all the dangers of invasion from without, and convulsion within.

The contemplation of beauty, of truth, of excellence, is the momentary appropriation of these qualities. Whatever condition we perceive, we ourselves enter into that condition. The moment we think it, we are already the possessor of a virtue, the author of an action, the discoverer of a truth, the harbinger of a joy. We ourselves become that object which we perceive.

The contemplation of beauty awakens within us a power which transforms the sensuous world into a free product of our reason, and governs the material world through ideas.

But there is never a final goal in this quest. We must never

cease striving for improvement, struggling for the creative fruits of genius. As Schiller warns, "General experience teaches us that the person who relapses into the criminal life is all the more maniacal, and that the relief which the renegade from virtue finds from his heavy burden of contrition, is all the sweeter when he returns to the arms of perfidy."

Or, conversely, "The person who has managed to reap all the beauty, greatness, and excellence of nature in small and large, and can find the grand unity within this multiplicity, has already come much closer to the divinity. The entirety of creation flows into, and dissolves within his personality. If each man loved all men, then each individual would

They have endeavored to prevent the necessary population increase for industrialization of these States; for that purpose imposing forced sterilization programs and refusing the necessary technology transfer under the pretext of the so-called protection of the environment.

They have obstructed justice by giving aid and comfort to undemocratic forces whom they regarded as their "assets."

They have made Judges dependent on their will alone for the Tenure of their offices, and the amount and payment of their salaries.

They have erected a multitude of New Offices, and sent swarms of Officers to harass our people, and eat out their substance.

They have used the military might of governments to pursue the continuation of a de facto condition of colonialism. They have in many instances furthered military forms of government to impose the demanded austerity.

They have combined with others to subject us to a jurisdiction foreign to our constitutions, and unacknowledged by our laws, giving their Assent to their Acts of pretended Legislation:

For using the territory of our countries for proxy and population wars;

For cutting off our trade with all parts of the World; for imposing conditionalities on us without our consent;

For depriving us in many cases of the benefits of Trial by Jury;

For taking away our Charters, abolishing our most valuable Laws, and altering fundamentally the Forms of Our Governments. They have caused conditions in our countries, which destroyed the lives of our people; they have generally caused our countries, already previously weakened and exploited by colonialism, to collapse, with methods of cruelty and perfidy scarcely paralleled in the most barbarous ages, totally unworthy of Man in civilized nations.

They have excited domestic insurrections amongst us,

and have endeavored to bring on the most backward and fanatic savages, whose known rule of Warfare is an undistinguished destruction of all ages, sexes and conditions.

In every step of these Oppressions, we have petitioned for Redress in the most humble terms: Our repeated Petitions and Resolutions have been answered only by repeated injury. Institutions, whose character is thus marked by every act which may define a Tyrant, are unfit to be the rulers of free peoples. We have appealed to them in innumerable conferences, assemblies, and conventions, and appealed to their sense of justice, without any positive response.

We, therefore, the Representatives of the Peoples of the World, appealing to the Supreme Judge of the World for the rectitude of our intentions, do, in the Name, and by the Authority of, all good people of all countries, solemnly publish and declare, that all the countries of the World are and of Right ought to be Free and independent States.

That all human beings on this planet have inalienable rights, which guarantee them life, freedom, material conditions worthy of man, and the right to develop fully all potentialities of their intellect and their souls. That therefore a change in the present monetary and economic order is necessary and urgent, to establish justice among the peoples of the world.

These were in large part the formulations of the American Declaration of Independence, and no honest witness can deny that all we wish to remedy are the same unjust conditions which the Founding Fathers wished to remove when they ended their condition as colonies to establish the first true independent republic. It is this example we wish to replicate everywhere and it is these principles we wish to uphold.

And for the support of this Declaration, with a firm reliance on the protection of Divine Providence, we mutually pledge to each other our Lives, our Fortunes, and our sacred Honor.



The third international conference of the year 1984, in November, focussed on the rights of labor. At the center, with Helga Zepp-LaRouche, are Colombian union federation leaders Pedro Rubio and Jorge Carrillo, embracing; at the right are Argentine trade union organizers Manuel Carulias and David Lujan Duarte. A Schiller Institute international labor division was formed early the following year.

inherit the world.”

Hence beauty, the free expression of the order of creation, is absolutely necessary for the ennoblement of the human species, and consequently for the development of sovereign, national republics and a just world order. And is it not precisely such beauty which our present world so sorely lacks? What has the 20th Century produced so far, that truly deserves to be called beautiful?

This is why we must go back to Schiller. The ideas I have dealt with here theoretically can all be found in his works, presented with even greater power and effectiveness. Never was the majority of Germans at a higher level than during the time when Schiller became the beloved and celebrated national poet. He understood how to raise the people “playfully and jestingly” up to his own level, and by loving him, they also loved the best of humanity within themselves. It was Schiller who scaled the highest pinnacle ever attained by the human species, and at the same time expressed this with the most power, sensitivity, and poetical beauty.

Schiller was a product of the best Leibnizian tradition. The real conditions of his time, however, were anything but ideal. He often described the despotic caprice and internal strife afflicting mankind, conditions which remind us very much of our world today. Schiller was not the happy son of his time; he had to conspire with Goethe, Wilhelm von Humboldt, and their circles to single-handedly create the program of the Weimar Classics. So it is possible to overcome dreadful situations!

Studying the biographies of Schiller’s contemporaries and other documents from the period, it becomes clear that

Schiller’s influence was not confined to his works, but that an infinity of sparks was thrown off whenever his genius directly touched another mind. His genius helped bring forth more geniuses, and numerous people have recounted how their encounter with Schiller left an indelible impression on their lives.

Almost all of the Prussian reformers felt the influence of Schiller’s mind, and even after Schiller was long dead, they sought to realize political changes designed by him in patriotic fervor. It is because of the joint influence of Schiller and the Humboldt educational system which embraced his ideas, that 19th-Century Germany produced a larger number of outstanding scientists than any other epoch or nation! . . .

The Schiller Institute’s Tasks

The great decision confronting human society today is altogether clear: The necessity for a just world order, founded upon natural law and based on the ideas of the American Revolution and German Classicism, stands in resolute opposition to the danger of an oligarchical nightmare modeled on the Holy Alliance, which will in all likelihood spawn a Third World War.

Thus we are engaged in the decisive battle, whose outcome will determine the survival of the human species. The Schiller Institute has therefore set itself the following tasks, and will publish studies on the following themes:

1. The immediate focus of our efforts shall be to prevent the decoupling of Western Europe from the United States, because upon this question hinges the survival of Western civilization.

2. It is equally urgent that the Western Alliance be given a new content, which by linking up with the ideals of the American Revolution, the German Classics and the Wars of Liberation, will enable us to formulate new tasks for the future.

3. By disseminating and stimulating the study of humanist literature and art in general, the Schiller Institute intends to contribute to creating the conditions for the flowering of a new Renaissance.

4. In order to ensure peace, we must work out concepts for eliminating the present nuclear threat, concepts comparable to those implicitly embedded within President Reagan's Strategic Defense Initiative. Lasting peace is only possible when the superpowers demonstrate mutual respect for each other's sovereignty, as well as that of other nations.

5. Solving the world economic crisis, whose effects are threatening the lives of millions of people, is a matter of the greatest urgency. It is the moral duty of the United States and Western Europe to support the Southern Hemisphere in its legitimate desire for industrialization and development, with full recognition of national sovereignty.

6. The Western Alliance must adopt the goal of making

the emerging scientific and technological revolution in the fields of plasma physics, laser technology, and biology, into an object of international cooperation, as it is already doing on a limited scale with the joint exploration of space.

It is my profound conviction that we will survive only if, at last, we fulfill Friedrich Schiller's great hope that now—in our own time—we can usher in the Age of Reason. How can this be done? Along with the great poet himself, let me tell all of you who share the ideas and goals of the Schiller Institute:

Dare to be wise. This requires the energy and the courage to overcome all the obstacles which indolence and cowardice may put in the way of our education. It is not insignificant that the ancient myth has the goddess of wisdom springing fully armed from Jupiter's head; for her very first function is warlike.

Let us therefore be the warrior-angels who will storm into the Age of Reason for all humanity. Let us never rest until, a few generations hence, all humanity, all living people, will have developed into beautiful souls; for this is the only fitting condition for mankind.

I give my thanks to Friedrich Schiller, this beautiful, great soul.

Principles of the Schiller Institute

1. The purpose of the Schiller Institute is to counterpose to the multiple tendencies toward decoupling Western Europe from the United States, a positive conception for the maintenance and revitalization of the Western alliance. Its members commit themselves to the idea of returning to the spirit of the American Revolution, the German Classics, and the Liberation Wars against Napoleon, to proceed from that basis to find solutions to the present problems.

2. The Schiller Institute sees as its task, to newly define the interest of the Western alliance; namely, in the humanist tradition of Nicolaus of Cusa, Leibniz, and William Penn; and to work for a more just world order in which national sovereign republics are united as a community of principle of mutual help and development. The members of the Schiller Institute regard themselves as world citizens and patriots alike, in the sense that Friedrich Schiller used these notions.

3. It is not without reason that the Western alliance has been afflicted with the present crisis. To elaborate those causes of the crisis, and to redesign the areas of positive

collaboration, are included tasks of the Institute. The following departments shall be created to this end:

I. Department for military cooperation. Subsumed areas: Topics of military history from Lazare Carnot, Scharnhorst, Gneisenau to MacArthur, etc. The alliance in the era of the doctrine of Mutually Assured Survival.

II. Department for economic cooperation. Subsumed areas: The economic theory of Alexander Hamilton, the "American System" of Political Economy, Friedrich List, the Careys, etc. Common future economic tasks of the alliance.

III. Department for scientific and technological cooperation. Subsumed areas: The physical principles in the work of Gauss, Riemann, Cantor. Future areas of scientific cooperation.

IV. Department for the study of the common historical and cultural roots of Western Europe and the United States. Subsumed areas: The significance of the Weimar Classics, Schiller, Beethoven, and Franklin's European networks. The influence of German culture in America. Historical developments in the 18th, 19th and 20th Centuries. Need for a new humanist renaissance.

4. The Institute shall carry the name of Schiller because no one has combined the idea of republican freedom and the idea of poetical beauty more effectively than Friedrich Schiller. For Schiller, as for the members of this Institute, the greatest work of art is building political freedom.

Highlights of Schiller Institute's Activities

1984

July 3-4: "Rescue the Western Alliance"—founding conference of the Institute in Arlington, Virginia.

Sept. 25: Board members tour West Berlin and call for the reunification of East and West Germany and the fall of the Berlin Wall.

Nov. 26: "For the Inalienable Rights of Man"—international conference endorses the Declaration of the Inalienable Rights of Man. More than 3,000 people from 50 nations bring declaration to the White House steps.

1985

Jan. 15: Ten thousand demonstrate on Martin Luther King holiday in Washington, D.C., for a just new world economic order.

June 15-16: Krafft Ehrlicke Memo-

rial Conference to promote the SDI: "The Age of Reason in a World of Mutually Assured Survival and Space Colonization."

July 15-17: "Stop the IMF's Genocide! For the Integration and Development of Ibero-America"—first Continental Conference of the Schiller Institute Trade Union Commission, held in Mexico City.

Nov. 1-3: "Saint Augustine, Father of European and African Civilization"—international conference in Rome, with 800 participants from five continents.

1986

Feb. 2: "Towards the Creation of a North-South Action Committee for a New World Economic Order against the IMF"—international conference in Paris attended by 500 Europeans and Africans.

April 22-23: "The Strategic Defense

Initiative: Its Military, Economic, and Scientific Dimensions" in Tokyo.

Sept. 16: Publication of "Ibero-American Integration: 100 Million New Jobs by the Year 2000."

1987

Feb. 13: Concert in the Mexico City Cathedral by the Schiller Institute chorus, singing music of Bach and Vivaldi.

April 3-4: Conference in Lima, Peru celebrating the 20th anniversary of the encyclical *Populorum Progressio*. Theme is "Development Is the New Name for Peace." Co-sponsored by the Schiller Institute and the College of Saint Augustine.

Dec. 12-13: Seminar in New Delhi on "The Campaign of Lyndon LaRouche for a Solution to the Worldwide Economic Collapse."

1988

Jan. 30-31: "The New Name for Peace is Development"—Bretton Woods, New Hampshire international conference to call for a new just economic order, replacing the bankrupt Bretton Woods system.

April 9-10: Milan, Italy conference on "Music and Classical Esthetics," at Casa Verdi. Musicians from all over Italy attend, launching the international fight to lower the modern so-called standard pitch (A = 440 or higher) to the "Verdi" pitch of C = 256 cycles per second (A = 432).

July 13: Press conference in Rome on Verdi pitch campaign.

Sept. 3-4: Food for Peace organization founded at Chicago conference. Delegates pledge to fight for increased food production worldwide and an end to the destructive GATT free-trade policies.



Ten thousand citizens, including many inner city youth, demonstrated for economic development, the SDI, and an end to the IMF at a Washington, D.C. march on Jan. 15, 1985, after the fourth international Schiller Conference.

1989

Jan. 16: Four thousand people from 25 states and dozens of nations march in Washington, D.C., demanding economic justice for people all over the world, against the IMF bankers' dictatorship.

Jan. 19-20: International Martin Luther King Tribunal on Crimes Against Humanity founded in Rome. Major focus is to free Lyndon LaRouche from prison. (LaRouche was unjustly sentenced and imprisoned on Jan. 27.)

May 5-6: "For a New Council of Florence"—international conference in Rome's Sala Borromini, on the 550th anniversary of the 1439 Council of Florence.

October-December: The Institute is deeply involved in support for the revolutions sweeping Eastern Europe. Sponsors Beethoven concert at the former Berlin Wall by violinist Norbert Brainin and pianist Günter Ludwig dedicated to Germany's reunification.

1990

Jan. 21: The Lubo Opera Company presents the first American performance of Beethoven's opera *Fidelio* at the "Verdi" pitch, in Alice Tully Hall, Lincoln Center, New York City.

Sept. 15-17: Helga Zepp-LaRouche leads Schiller Institute delegation to Poland. Polish Schiller Institute is launched in the room where Solidarnosc was founded in 1980.

1991

May 10-12: Helga Zepp-LaRouche releases a call to governments of the world to implement Pope John Paul II's encyclical *Centesimus Annus*.

June: Institute helps to found and propagate the activities of the Committee To Save the Children in Iraq.

June 27: The Productive Triangle is officially presented to the Institute of Economics of the Czechoslovak Acad-



Helga Zepp-LaRouche was the keynote speaker at a Schiller Institute conference commemorating the year of St. Augustine, in Rome, Nov. 1-3, 1985.



Lyndon and Helga LaRouche addressed a conference commemorating the 20th anniversary of the papal encyclical Populorum Progressio, which was held in Lima, Peru in 1987.

emy of Science in Prague.

July: *Bridge Across Jordan*, a book about the life of civil rights heroine Amelia Boynton Robinson, is released by the Schiller Institute.

Oct. 7: Demonstration at the United Nations releases policy proposal "For a True Fourth UN Development Decade: A Concrete Solution to the World Economic Breakdown Crisis."

Nov. 22-23: "The Productive Triangle: Centerpiece of an All-Eurasian Infrastructure Program, Locomotive for a New, Just World Economic Order"—international conference in Berlin.

1992

May 26: "Christopher Columbus: Science and Evangelization in the Discovery of the New World"—conference at Rome's Urbaniana Pontifical University.

July 1-6: Vice Chairman Amelia Robinson tours war-torn Croatia at invitation of "Mothers for Peace."

August: "World Appeal for Africa: Help Save 40 Million People" urges an emergency program to stop the pending mass death in Africa due to drought and famine.

Aug. 19: Helga Zepp-LaRouche ad-



On Jan. 31, 1988 the Schiller Institute sponsored a conference on a New Just World Economic Order in Bretton Woods, New Hampshire, scene of the founding of the 1944 Bretton Woods System. Above are Helga LaRouche, former Guyanese UN Ambassador Fred Wills (center), and Lyndon LaRouche.



Following the launching of its campaign for returning the concert pitch to C=256, the Verdi pitch, the Schiller Institute held a press conference in Rome, shown here. From left: organist Arturo Sacchetti, Senator Mezzopeso, Schiller Institute representative Liliana Gorini, famous base Piero Cappuccilli, and Senator Boggio.

dresses the UN Human Rights Commission, Sub-Commission on Prevention of Discrimination and Protection of Minorities, meeting in Geneva, on the case of political prisoner Lyndon LaRouche.

Oct. 30-31: Conference of the Institute in Moscow, co-sponsored by the Moscow State Humanitarian University and the Ukrainian University in Moscow, on LaRouche's Productive Triangle as alternative to IMF austerity policy.

1993

April 6-10: Helga Zepp-LaRouche in Moscow, lectures on Nicholas of Cusa

at the Russian State University for the Humanities.

April 8: "Save the Art of Bel Canto—Return to the Verdi Tuning": Forum and Master Class by Italian tenor Carlo Bergonzi at Weill Recital Hall at Carnegie Hall, New York.

April 26-30: Helga Zepp-LaRouche in Khartoum, keynotes international Conference on Religions, sponsored by the Sudanese government, "For an Ecumenical Dialogue based on an Economic Science in Cohesion with the Laws of God's Creation."

Aug. 27: Concert of Lieder, spirituals and opera in tribute to soprano Marian

Anderson in DAR Constitution Hall, Washington, D.C.

Nov. 9: Institute co-sponsors concert at Fisk Memorial Chapel in Tennessee, "Let Freedom Sing," with Robert McFerrin, Sylvia Olden Lee, the Fisk Jubilee Singers, and the Nashville Boys Choir.

1994

April 25: Institute launches global drive against the United Nations International Conference on Population and Development in Cairo.

May 24: First seminar in Ukraine on the global financial crisis and reconstruction policies.

May 27-28: "For a Marian Anderson National Conservatory of Music Movement": Gala Concert and Music Conference at Howard University in Washington, D.C.

Aug. 7-14: Lyndon and Helga LaRouche address educational-cultural seminar in Smolenice Castle, outside Bratislava, Slovakia.

Nov. 26: First Washington, D.C. performance of "Through the Years," a musical drama by Amelia Boynton Robinson, with cast and choir drawn from local children.

Dec. 17-23: The LaRouches visit Sudan to discuss ways out of the economic and strategic crisis there.

1995

June 5-9: Lyndon and Helga LaRouche in second visit to Russia; he speaks at the State Duma of the Russian Federation, the Institute of Economics of the Russian Academy of Sciences, the Methodological University, and Moscow State University.

July 11: Former Ugandan President Godfrey Binaisa, joined by a delegation of the National Constitutional Conference of Nigeria, discuss Binaisa's initiative to form an African Civil Rights Movement, at Paris conference on "Peace, Development, and the Rights of Man."

Aug. 31-Sept. 1: Independent hear-

ings in Vienna, Virginia, to investigate allegations of gross misconduct by the U.S. Department of Justice. The panel of state legislators, religious and legal figures is chaired by former Congressman James Mann (D-S.C.) and civil rights attorney JL Chestnut of Selma, Alabama.

1996

Jan. 26: “A Call to Save the Children in Bosnia-Herzegovina” urges United States and Europe to adopt Marshall Plan for economic reconstruction in Bosnia.

April 24: Lyndon LaRouche addresses round table discussion in Moscow, sponsored by the Institute for Social and Political Studies (ISPI) of the Russian Academy of Sciences, the Free Economic Society of Russia, and the Schiller Institute for Science and Culture, on “Russia, the United States, and the Global Financial Crisis.”

May 7-9: Helga Zepp-LaRouche addresses the International Symposium on Economic Development of the Regions Along the New Eurasian Continental Bridge, in Beijing, China.

Sept. 13-23: Four U.S. elected officials visit Sudan on the Institute’s initiative, to investigate allegations of government-supported slavery. After extensive meetings with government, religious leaders, local authorities and tribal chiefs, they find no evidence of slavery and report this at a Washington, D.C. press conference.

1997

June 20: Institute launches a mobilization for food relief to starving North Korea.

June 23: Institute and the African Civil Rights Movement release an Appeal to President Clinton to Stop London’s Holocaust in Africa, drafted by Helga Zepp-LaRouche and Godfrey Binaiisa, former President of Uganda.

July 17: Dr. Jozef Miklosko, president of the Slovakian branch of the Schiller Institute and former Vice Premier of post-communist Czechoslovakia, ad-



Helga Zepp-LaRouche made a presentation at a Rome conference commemorating the 500th anniversary of the Council of Florence, in May 1989. She is shown here with two other participants, Father Izydor Patrylo, OSBM, General Superior of the Basilian Order of St. Josaphat; and Cardinal Mario Luigi Ciappi. The Schiller Institute co-sponsored the conference.



Following the fall of the Berlin Wall, the Schiller Institute went East, sponsoring many conferences to discuss LaRouche’s Productive Triangle. Here the first Schiller Institute conference in Poland, held in Gdansk in September 1990, in the same room where Solidarnosc was founded. Helga Zepp-LaRouche is shown in the center.

resses the National Congress of Katapat in Manila on LaRouche’s exoneration and call for a New Bretton Woods system.

September-October: Helga Zepp-LaRouche travels to China and India to discuss the Eurasian Land-Bridge.

Nov. 19: Helga Zepp-LaRouche addresses the Fourth Nigerian Economic Summit in Abuja, on “The Success of the Chinese Economic Reform and Its Significance for Nigeria: Africa’s Secret Weapon for Peace!”

1998

Feb. 7: The Institute helps sponsor a Washington, D.C. seminar and concert

by the St. Thomas Boys Choir of Leipzig, the world’s oldest and foremost boys choir, performing at the Basilica of the National Shrine of the Immaculate Conception, Washington, D.C.

Aug. 8-14: Helga Zepp-LaRouche visits Brazil, addressing more than 500 people in Rio de Janeiro and São Paulo, calling for a New Bretton Woods system.

Oct. 27-Nov. 1: Helga Zepp-LaRouche leads Schiller Institute delegation to China, to participate in a conference on the “Second Eurasian Bridge,” sponsored by the Foreign Affairs Bureau of the Chinese Academy of Social Sciences.

Nov. 14: Helga Zepp-LaRouche ini-



This Schiller Institute conference in Berlin, which occurred in November 1991, was dedicated to discussion of uniting Eastern and Western Europe through economic development. Shown from left to right are Dr. Ryabchenko of Ukraine, Gen. Paul Albert Scherer (ret.) of Germany, Anno Hellenbroich and Helga Zepp-LaRouche of the Schiller Institute, and former State Sen. Theo Mitchell of the United States.



Lyndon and Helga LaRouche travelled to Sudan in December of 1994, for high-level discussions on economic and strategic policy. They are shown here with Lino Rol, chairman of the Supreme Council for Peace, in Khartoum.

tiates the Women's Commission for the New Silk Road, to combat America's illegal bombing of Iraq and fight for global development.

1999

Sept. 4-7: Gen. Harold Bedoya (ret.), former Commander of the Armed Forces of Colombia, addresses the Institute's Labor Day conference in Northern Virginia and a press conference at the National Press Club in Washington, D.C., on the narco-terrorist threat to Colombia and other nations.

Nov. 9: The call for a Women's Committee for the New Silk Road presented at conference of the General Federation of Iraqi Women, in Baghdad.

Dec. 1: Former Mexican President José López Portillo joins Helga Zepp-LaRouche at a forum in Mexico City, endorses Lyndon LaRouche's strategy for world recovery.

2000

Feb. 19: Helga Zepp-LaRouche reports to the Institute's Presidents Day conference that "America's children are in mortal danger"; National Commission Against the New Violence launched in July to combat the media and videogame violence which is turning America's children into killers.

June 23: Lyndon LaRouche addresses Italian Parliamentarians at a conference titled "Towards a New Bretton Woods" in Rome, at the Cenacolo Hall of the Italian Parliament.

Sept.-Dec.: Institute stages six performances of Shakespeare's *King Lear* throughout the City of Chicago.

Dec. 4-7: Lyndon and Helga LaRouche address economic policy seminar at the St. Laszlo Academy in Budapest, with official greetings from Hungarian Prime Minister Victor Orban.

Dec. 13: "Russia's Historical Mis-

sion in Light of the World Economic Crisis": A memorial seminar in Moscow dedicated to the memory of the recently deceased Russian Schiller Institute leader Taras V. Muranivsky, held at the Lebedev Institute of Physics of the Russian Academy of Sciences (FIAN), with leading academic, military, church, and political figures.

2001

May 4-6: Schiller Institute Conference in Bad Schwalbach, Germany features guests from Egypt, China, Russia, and Africa, to discuss the Eurasian Land-Bridge perspective.

May 15: Dr. Jonathan Tennenbaum represents the Schiller Institute at a seminar on the global financial crisis, held in the Diplomatic Chamber of the Kremlin Palace in Moscow.

June 5-6: Dr. Tennenbaum and Karl-Michael Vitt represent the Schiller Institute at a conference in Moscow on "Reform of Strategic Sectors of the Economy (the Natural Monopolies and the Defense-Industry Complex) and the National Security of Russia," co-sponsored by the Institute of International Economic and Political Studies of the Russian Academy of Sciences; Economists Allied for Arms Reduction; and the National Investment Council.

June 28: Lyndon LaRouche participates in a webcast press conference in Moscow on "The Economy of Russia Under Conditions of Destabilization of the World Financial System." Helga Zepp-LaRouche addresses hearings in the Russian State Duma. Lyndon LaRouche addresses the Lebedev Institute of Physics of the Russian Academy of Sciences.

Aug. 13: Lawrence Freeman, representing the Schiller Institute, addresses the Conscience International Conference in Abuja, Nigeria, and reads part of a speech of European Schiller Institute representative Uwe Friesecke, on the theme: "The Time Is Now for a New Bretton Woods."

Oct. 15: Helga Zepp-LaRouche issues call for a "Dialogue of Cultures."



The February 1998 concert of the Leipzig-based Thomanerchor, held at the Basilica of the National Shrine of the Immaculate Conception in Washington, D.C.

Oct. 16: Lyndon and Helga LaRouche address a seminar in Rome at the Italian Institute for Asia. Attendees include senators and parliamentary deputies; it is opened by the president of the Institute of Asia, Sen. Giulio Orlando, a former minister of the Italian government.

Nov. 27-28: Two-day conference at the Vernadsky State Geological Museum of the Russian Academy of Sciences, in Moscow, co-sponsored by the Schiller Institute and the Museum. A paper by Lyndon LaRouche on “The Legacy of Mendeleyev and Vernadsky; The Spirit of Russia’s Science” is presented.

Dec. 14-15: Lyndon LaRouche addresses a symposium in Moscow in honor of his friend, the late Russian scientist Pobisk Kuznetsov. The event is co-sponsored by the Schiller Institute and the Moscow Academy of Culture and Educational Development.



Lyndon LaRouche, shown here at the Lebedev Institute in Moscow in June 2001, often visited Russia for discussions on scientific, economic, and strategic issues with that nation’s intelligentsia.

2002

June 3: Helga Zepp-LaRouche addresses the Zayed Centre, in Abu Dhabi, United Arab Emirates, on the need for a dialogue of cultures, to defeat the dangerous scenario of religious wars.

June 20-26: Schiller Institute leader Amelia Boynton Robinson visits Iran, at the invitation of Islamic Republic of Iran Broadcasting, and conducts numerous television and press interviews.

2003

March 23: An emergency declaration urging an end to the war in Iraq, is signed by representatives from 45 countries at the Institute Conference in Bad Schwalbach, Germany.

May 26-27: The Centre for Social Justice, of India, and the Schiller Institute organize a conference on the “World Situation After the Iraq War.” It is addressed by Helga Zepp-LaRouche and Lyndon LaRouche, among other speakers.

Sept. 4: Helga Zepp-LaRouche addresses a four-day conference of the World Public Forum on the island of Rhodes, on the “Dialogue of Civilizations.” It is attended by 350 delegates from 36 countries.

Nov. 12: Three Institute children’s choruses from northwest Mexico, along with Italian tenor Luciano Pavarotti, participate in a concert celebrating the 100th anniversary of the founding of Mexicali, Mexico. Some 44,000 people attend in a vast open-air theater.



Most Schiller Institute conferences feature Classical musical presentations, often by leading artists such as renowned baritone William Warfield, who is shown here at a conference held in Reston, Virginia in February 2002. Warfield, now deceased, was a board member of the Schiller Institute in the United States.

2004

May 4-6: Conference of the World Public Forum-Dialogue of Civilizations in Prague, attended by 250 politicians, church representatives, scientists, intellectuals, and artists discuss the future of Europe. Helga Zepp-LaRouche addresses the Economic Workshop and the Plenary Session.

Cheney's Lawyer Addington Penned Key Torture Memo

by Jeffrey Steinberg

David Addington, the General Counsel to Vice President Dick Cheney, was the actual author of one of the now-infamous White House "torture memos" that claimed for President Bush the authority to violate the Geneva Conventions on the Treatment of Prisoners of War, in the so-called "war on terrorism." The immediate result of this Hitlerian document was the scenes of inhuman torture at the Abu Ghraib prison in Baghdad, and the as-yet untold tales of similar torture at other secret prison locations in Afghanistan, at Guantánamo Bay, Cuba, and in other countries around the world.

The revelation that Addington was the author of the Jan. 25, 2002 draft memorandum for the President, first appeared in a July 3 report in *Newsweek* online. An unnamed aide to White House General Counsel Alberto Gonzales told the magazine's Daniel Klaidman, "The memo was actually penned not by Gonzales but by Dick Cheney's top lawyer, David Addington, a hard-charging hawk."

This news service has independently confirmed the accuracy of the *Newsweek* story, through several intelligence and legal community sources, familiar with the deliberations that preceded the writing of the January 2002 document, which President Bush approved.

According to one specialist in military law, familiar with the proceedings, Addington participated in all of the meetings that led to the drafting of the memo. Another intelligence community source confirmed that *Newsweek* had obtained on-the-record statements from Bush White House officials close to General Counsel Gonzales, in anticipation of an Administration effort to spike or discredit the story. One week after the *Newsweek* release, the Bush White House has made no effort to challenge the account of Addington's role.

Prior to the *Newsweek* posting, senior U.S. military and

intelligence sources had singled out Addington as a key player in the Cheney circles, who aggressively promoted the trashing of international law in the war on terror.

The Addington-authored Jan. 25, 2002 draft was followed, six months later, by the most infamous of the "torture memos," the Justice Department Office of Legal Counsel Aug. 1, 2002 document by Jay Bybee, directed to Gonzales, which set the standards for what constituted torture, under the jaundiced interpretations of international law from the Ashcroft department. The Bybee memo sanctioned "cruel, inhuman, or degrading" acts which "still do not produce pain and suffering of the requisite intensity to fall within Section 2340A's proscription against torture."

Cheney's man Addington was also directly involved in the preparation of the Bybee memo.

Cheney's Longtime Aide

Addington's ties to Dick Cheney date back 15 years, when he first served as a special assistant and Deputy Secretary of Defense to Cheney in the Bush "41" Administration. From 1992-93, he served as the Pentagon's General Counsel, leaving government when Cheney departed as Secretary of Defense in January 1993. When Cheney chose himself as George W. Bush's Vice Presidential running mate, he brought Addington to the White House as his General Counsel.

Addington has served as Cheney's legal bodyguard, fending off efforts by Reps. Henry Waxman (D-Calif.) and John Dingell (D-Mich.) to obtain records of the Vice President's energy task force, and later efforts by the General Accounting Office to force full disclosure of the task force's activities. Intelligence community sources have reported that the Cheney-led task force was actually the first of a series of secret

planning groups for the Iraq war.

In a lawsuit by the group Judicial Watch, a scant 16-pages of task-force documents have been made public, and none from Cheney's office; these documents reveal that the Cheney task force was mapping out oil concessions in Iraq, Saudi Arabia, and the United Arab Emirates—two years before American troops invaded Iraq.

Dust Bites Cheney!

Commenting on the Addington revelations on July 8, Lyndon LaRouche said: "Every indication is, that Cheney is near to the end of his string as Vice-President. The dropping of Cheney from the Republican ticket, is very bad news for the Kerry campaign. Since the aftermath of the March primaries, Bush and Kerry have been locked into a race to see which can get to the bottom first. If a mainstream Republican is seen as probable replacement for Cheney on the Presidential ticket, the resulting slow-down in the rate of collapse of Bush's popularity, could mean a likely November defeat for the recently proposed Kerry-Edwards pair.

"In reacting to today's updated reports on the pile-up of terrible troubles for Cheney's career," LaRouche pointed out, "we must not lose sight of the fact that neither of the presently probable tickets are mentally prepared to cope with the presently accelerating threat of global collapse of the world's monetary-financial system. The date that the world's financial collapse becomes official, is uncertain; but it will be soon. We don't need a new Herbert Hoover, either Democrat or Republican, with this financial collapse now coming on fast.

"So, it will be good for the world if Cheney is out very soon. Do not forget, that even after Cheney were gone, the real dangers still lie immediately ahead."

Cheney's Dr. Feelgood

Cheney's problems hardly end with the revelations about Addington and the torture memo. A growing faction of "moderate" Republicans are demanding Cheney's removal from the GOP ticket in November. The latest voice to weigh in for Cheney's ouster is former U.S. Senator Alfonse D'Amato (R-N.Y.), who told WINS radio in New York on July 7 that Cheney should be bounced, and replaced on the ticket by either Secretary of State Colin Powell or Sen. John McCain (R-Ariz.). The same demand had also been made publicly in an open letter by *Des Moines Register* publisher James Gannon, a well-known Midwest Republican.

According to one well-placed Beltway source, a group of prominent Republicans are already in discussions with senior GOP members of the U.S. Senate, in preparation for a "heart-to-heart talk about Cheney" with top officials at the Republican National Committee, to demand a change in the ticket.

An even more blunt assessment of the "Cheney factor" was published on July 8 in the Washington insiders leak sheet, *Capitol Hill Blue*, which claimed that Dick Cheney is the subject of a White House General Counsel's Office memo,

assessing the strong likelihood of the Vice President's indictment for bribery and corruption in the period he was Chief Executive Officer of Halliburton Corporation. The memo reportedly anticipates action by a French investigative magistrate, Renaud van Ruymbeke, who is probing an alleged \$180 million Halliburton slush fund set up to bribe Nigerian officials during the 1990s, while Cheney was running the company.

While *EIR* has no independent confirmation of the existence of this reported White House memo, sources in France have confirmed part of its alleged substance: that French magistrate Ruymbeke is in hot pursuit of Cheney around the Halliburton Nigeria bribes, and his investigation includes a probe of Halliburton money being siphoned into offshore accounts, that may have bankrolled Republican Party candidates in the 2000 elections.

The *Capitol Hill Blue* article, by the publication's editor Teresa Hampton, reported: "Those who have read the analysis say it presents a 'devastating' case against the Vice President and concludes Cheney has violated both the 'spirit and intent' of Federal laws on conflict of interest."

A "health reasons" pathway for Cheney's ouster may have been opened this week, with the *Washington Post's* revelations that the Vice President's personal physician, Dr. Gary Malakoff, has been addicted to a range of drugs, including cocaine, Stadol, Fiorinal, Codeine, Xanax, and Ambien since at least the late 1990s.

Malakoff, the doctor who, in July 2000, pronounced Cheney perfectly fit to serve as Vice President (Cheney suffered a further heart attack four months later), doctored his own medical records, to conceal his continuing addiction while he was on a rehabilitation program that allowed him to continue his medical practice and teaching duties at the George Washington University Medical Center. Dr. Malakoff was placed on the rehab program in 1999, prior to Cheney's Vice Presidential run. Between 1998-2001, according to the *Post*, Dr. Malakoff had 20 automobile accidents.

A spokesman for Cheney admitted to the *Washington Post* on July 8 that the Veep knew about Dr. Malakoff's addiction, but that Malakoff was dropped as Cheney's personal physician only very recently.

Asked to comment on the Malakoff revelations, LaRouche said that "Cheney is far more likely to go down due to his moral condition than his medical condition."

The Institutions Weigh In

Further compounding Cheney's difficulties is a growing institutional revolt against the unilateral imperial policy that the Vice President and his neo-conservative faction foisted upon the Bush Administration from Day One. In recent days, the tempo of leaks and open statements assailing the White House actions has accelerated, particularly from leading U.S. intelligence community and military figures of stature. LaRouche has referred to this upsurge as a mobilization of

“the patriots in the woodwork,” and as the slow, thoroughly-contemplated activation of the “institution of the United States Presidency.”

Indicative of this effort were the statements made on July 3, in a BBC interview, by Gen. Janis Karpinski, the Army Reserve officer who headed the American occupation prison system in Iraq until earlier this year. General Karpinski revealed that she had personally encountered an Israeli interrogator operating in one of the American-run interrogation centers in Baghdad. She told BBC’s Matthew Grant that she was visiting an intelligence center in Iraq with another coalition general. “I saw an individual there that I hadn’t had the opportunity to meet before, and I asked him what did he do there, was he an interpreter?—he was clearly from the Middle East. He said, ‘Well, I do some of the interrogations here. I speak Arabic, but I’m not an Arab. I’m from Israel.’”

While there have been source reports for months about Israeli interrogators working for the American-led occupation forces in Iraq, General Karpinski’s account of the incident represents the first time that an American government official has stated, on the record, that there are Israeli interrogators operating in Iraq. General Karpinski also told BBC that she was being made a “convenient scapegoat” for abuses at Abu Ghraib and other locations, that were actually ordered by others.

One well-informed U.S. intelligence official told *EIR* that the Cheney-Rumsfeld crowd made a big mistake when they tried to scapegoat the reserve general. “The military should never have pissed off General Karpinski. She is a smart, tough, successful lady,” the official said.

The Karpinski statements were further buttressed by another story posted in the past week on the website of *Newsweek* by *Boston Globe* reporter Dan Efron. The story exposed a top-secret Israeli military interrogation center, merely known as “Facility 1391,” where Arab “terrorists” and leading Palestinian activists are subjected to the very same torture techniques exposed at Abu Ghraib.

Author Efron interviewed a former inmate of Facility 1391, a Lebanese national member of the now-defunct Shi’a militia group, Amal, who returned to Lebanon in a prisoner swap about five months ago. The former Amal member, Mustapha Dirani, brought a lawsuit against Israel and the interrogator, “George,” who tortured him, asking for damages in the amount of 6 million shekels (a little more than \$1 million). According to *Ha’aretz*, Dirani’s Israeli lawyer told the court that the treatment of Dirani was “a Nazi act.”

Dirani told *Newsweek*, “It’s the same style as Abu Ghraib.

They take advantage of the fact that Arabs and Muslims are culturally conservative.” Dirani said that in the first days that he was at Facility 1391, he was “raped by an Israeli soldier.”

The CIA Takes on Porter Goss

In another highly unusual development, three top CIA officials have come out swinging against Rep. Porter Goss (R-Fla.), the chairman of the House Select Committee on Intelligence, and a Cheney favorite to be installed as interim Director of Central Intelligence (DCI) on the departure of George Tenet. On June 23, Goss’ Republican majority on the committee inserted a caustic attack on the CIA into an intelligence authorization bill, branding the Agency a “dysfunctional organization,” and proposing to turn over major responsibilities and budget control to the Pentagon, where Straussian Stephen Cambone is Rumsfeld’s new Undersecretary of Defense for Intelligence. That post was created in March 2003, specifically to challenge the CIA Director for control over America’s intelligence assets.

The very next day, a letter from outgoing DCI George Tenet was posted on the CIA’s open-source website, blasting Goss, and defending the Agency’s high-priority focus on global terrorism, weapons proliferation, and the ongoing crisis in Iraq.

Tenet’s letter was dated June 23, the same day that his deputy, the new Acting DCI, John McLaughlin, delivered a similar attack on the Agency’s critics to a meeting of Business Executives for National Security (BENS). McLaughlin went directly at the Cambone putsch attempt, demanding that the Director of Central Intelligence remain the CIA director, with even greater authority over the military intelligence assets.

Two days earlier, James L. Pavitt, the outgoing Deputy Director of the CIA for Operations, spoke at the Foreign Policy Association, on the same themes. He warned the audience that there are some people in Washington who wish to use the occasion of the Tenet and Pavitt departures from the Agency to stage a radical reorganization. “Some have said my retirement and George Tenet’s resignation create the ‘perfect storm’ for radical restructuring in the intelligence community. Let me remind you that in the book and the movie, ‘The Perfect Storm,’ the ship sank and the crew drowned.”

Cheney’s angst over the new vacuum at the top of the CIA is straightforward: With no strong leader in place, politically loyal to the White House, there are no holds barred on Agency leaks targeting the neo-con cabal that has attempted to scapegoat the CIA for their own fantasy-driven mistakes in Iraq.

The intelligence wars that have now erupted will form a crucial backdrop to the “hot phase” of the Presidential and Congressional elections in November. The “patriots in the woodwork” factor, as LaRouche described it, may prove to be decisive, and this is very bad news for Dick Cheney, a man with so much to hide.

— FOR A —
DIALOGUE OF CULTURES
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Abu Ghraib MP's Lawyer Targets DoD Chiefs

Paul Bergrin is the civilian attorney for Sergeant Javal S. Davis, one of seven soldiers from the 372nd Military Police Company who have been charged by the U.S. Army with abuse of prisoners at Abu Ghraib prison in Iraq. Bergrin was interviewed by EIR Law Editor Edward Spannaus on June 30; a follow-up on July 6, is appended.

EIR: You had a hearing on June 21 in Baghdad. What happened?

Bergrin: Col. James Pohl, a full-bird colonel in the United States Army, was serving as military judge. We had an evidentiary hearing, where witnesses were called; in that, we tried to get the Article 32 dismissed, and request a new Article 32.

EIR: What does that mean?

Bergrin: Article 32 is an investigation, similar to a Grand Jury proceeding, wherein the government, or prosecution, presents enough evidence to show that there's probable cause to believe that an offense has occurred, and enough to go forward to a trial. In our particular case, there were 25 witnesses who we requested be called at the Article 32 investigation. And of the 25 witnesses, not one was called.

It was our point that the government made absolutely no attempts whatsoever, to have these witnesses available. Many were demobilized and sent back to the States. Many civilian contractors, or military personnel that we requested, came back with a list of "whereabouts unknown." Consequently, it was a kangaroo, rubber-stamp type of proceeding, where the government called the witnesses that they wanted to proceed with. They testified, and the investigating officer made a recommendation of a general court-martial.

EIR: So, the Article 32 hearing preceded the hearing that you had?

Bergrin: Exactly, exactly.

We made further motions. One . . . was to preserve the Abu Ghraib prison as a crime scene . . . because we believe that there's numerous pieces of physical, forensic, and scientific evidence, that we intend to use, from the prison. We want the jury to be able to visually depict the actually interrogation shack, the shower stalls where the interrogations occurred, as well as the living conditions that the military police experienced during their tenure at the prison. We also wanted them to see the proximity to Fallujah, the attacks that occurred—

because there are still actually craters in the ground from all the mortar attacks, and as you know, based upon the history and precedent of the attacks on the Abu Ghraib prison, at least six detainees and at least four military personnel had been killed, during attacks at the prison, because they failed to protect the perimeter.

EIR: How close is it to Fallujah?

Bergrin: It's right on the outskirts. Right on the border of Fallujah. It's easy access in, easy access out. There's actually a tenement building, multi-unit building, that overlooks the prison. So, that's where a lot of the mortars were coming in, and rocket-propelled attacks were coming actually from the tenement building that was right within 50 yards of the actual building.

EIR: Your motion was granted, to preserve the prison?

Bergrin: The motion was granted, even in spite of President Bush's speech to the American people, about how he's going to tear down the Abu Ghraib prison. So, we made that motion because of the President's speech. The judge granted it, and ordered that it be preserved as a crime scene.

EIR: What else did you ask for in the hearing?

Bergrin: We asked for investigative services. Right now, the government is spending an inordinate amount of money interviewing detainees. Interviewing, taking photographs, doing forensic workups. And the defense has absolutely no monetary resources to hire investigators to counter what the government's been doing. So, essentially, we asked for an investigator to be appointed from either the criminal investigation division, military intelligence, naval investigative services—a qualified, accredited investigator to work in the theater of Iraq, as well as the United States and Europe.

EIR: He would work for you?

Bergrin: To work strictly for the defense, with the defense team. And this investigator would be responsible to report to us, and to have an attorney-client privilege, so that none of the information that they ascertain, could be revealed. The judge granted that motion.

We also made a motion to change the venue. Our strategy in that, is, you had the Commander in Chief, President Bush, who went on national television, without having *one piece of evidence*, without reading *one* investigative report, without *knowing* what occurred in this particular case. And he told the American people, as well as the Arab world, that these individuals are guilty; that they're going to be punished; and essentially, that they'll never wear the military uniform again.

Those remarks were echoed by General Abizaid, the four-star General and Commander of CENTCOM. They were echoed by Lt. Gen. Ricardo Sanchez, as well as a litany of other high-ranking military officials. So, without any investigation . . . these individuals already told their command, already told all soldiers in the theater of Iraq, already told their



Attorney Bergrin, who has succeeded with a motion to call Generals Abizaid and Sanchez, also intends eventually to be able to call Defense Secretary Donald Rumsfeld (left, at Abu Ghraib) and Undersecretary Steven Cambone (right) to show the chain of command orders all the way from them, down to his military police client. “I have numerous memorandums,” says Bergrin, “almost all of them written for the Department of Justice, that I was able to get declassified. . . . The President, as well as Rumsfeld, asked for a definition of what actually constitutes torture and abuse.”

subordinates, as well as the American people, that these soldiers are guilty; that they’re going to be severely punished; and that there’s going to be a deterrent message sent throughout the world, that the United States will not tolerate this. And this is without any exploration whatsoever, as to what really occurred in this case. . . .

So, we made a change of venue motion. The judge stated that on 21 August, he’s going to take testimony in reference to that change of venue. He denied it, but denied it without prejudice, allowing us to reinstate and bring up that motion, and also bring up a motion called “unlawful command influence.” And essentially, the unlawful command influence motion will depict the fact, and our belief, that the commanders in Iraq unlawfully influenced the outcome in the Article 32 investigation, and are attempting to influence, unlawfully, the outcome of a court-martial. . . .

We also made a motion—I made a motion—to have high-level government officials questioned, under oath, with a *verbatim* transcript, based upon actions and statements that they’ve made in this case, depicting some sort of prejudice against the soldiers in this case.

EIR: Which individuals?

Bergrin: I made a motion to have Rumsfeld and Cambone from the United States Department of Defense interviewed.

EIR: On what basis?

Bergrin: Based upon memorandums that we were in possession of, that have been provided to us—actually classified and declassified memorandums—wherein the President of the United States, as well as Secretary of Defense Rumsfeld, as

well as his Undersecretary of Defense for Intelligence, Steven Cambone, specifically requested high-level individuals to write legal opinions on behalf of the Central Intelligence Agency, the United States Defense Department, the United States Department of Justice . . . to give an opinion paper in reference to whether the detainees, the Taliban, the al-Qaeda, are subject to the Third Protocol in the Third Geneva Convention.

They asked that, because obviously they didn’t want them part of the Geneva Convention, so that they could use interrogation techniques that were in contravention of the Geneva Convention.

EIR: Is that Common Article 3, or is that something different?

Bergrin: That’s Common Article 3.

EIR: That’s the one that bans cruel and inhumane or degrading punishment.

Bergrin: And torture, yes. So, there were memorandums submitted to the President, from highest-level attorney advisors in the government—including the President’s own Attorney General John Ashcroft, attorneys within his office, as well as the attorney for the President, Alberto Gonzalez—saying that al-Qaeda, Taliban, and essentially any individual involved in the war on terror, were not subject to Geneva Convention, because they were stateless individuals, not part of a known military faction, and for other reasons also.

EIR: Do you have memos in addition to those that have been leaked, or made public?

Bergrin: Yes. I have numerous memorandums, almost all of them written for the Department of Justice, that I was able to get declassified, and I'm using in my motion. Also, the President, as well as Rumsfeld, asked for a definition of what actually constitutes torture and abuse.

EIR: You have something where the President directly is asking for that?

Bergrin: Absolutely. And what essentially happens, is, the United States Department of Justice attorneys redefine what constitutes abuse, and torture; and what they do is, they state that, unless an individual, such as an interrogator, specifically, and they use the words "specifically intended"—with specific intent, not general intent—to inflict serious bodily injury on the individual, or the individual suffers serious bodily injury, then you don't have what you call torture, or abuse, under the statute.

EIR: And then, even if you did do that, but you could claim that this was a *necessity*. . . .

Bergrin: For interrogation intelligence purposes; this would not constitute torture, abuse and, neglect under the Geneva Conventions—you're not in violation of international law.

We know that the Secretary of Defense requested his Undersecretary Cambone, to have a meeting through other dignitaries, with Maj. Gen. Geoffrey Miller, who was in charge of interrogations intelligence and commanding forces in Guantánamo Bay, Cuba. We know that there were numerous types of interrogation techniques that were *approved* in Guantánamo Bay, that, we submit, are in contravention of international law. Such as hooding for substantial periods of time; stress positions; isolation; light-deprivation; food-deprivation; sleep-deprivation. The use of dogs as a means of intimidation. Heat-exposure. Exposure to cold, different climates and temperatures. Segregation cells, where individuals would be placed in cells for up to 30 days, with absolutely no light whatsoever, in very small isolated solitary cells; and that individuals that were placed in these cells, completely unclothed, stripped, and paraded in front of other prisoners, which is a mockery to the Arab community.

So, if these methods were used in Guantánamo Bay, and the Undersecretary of Defense is ordered by Rumsfeld . . . to "Gitmotize" Iraq, and permit these type of aggressive interrogation techniques which were clearly in contravention to the law—then it's our position that the young military police officers who were, according to Maj. Gen. Geoffrey Miller, "setting the conditions"—and that's in documentation, not subject to interpretation—"setting the conditions for interrogation" at Abu Ghraib; we know that they were given orders to conduct these kinds of interrogations.

EIR: Now, were any of these methods used *before* General Miller made his trip to Abu Ghraib?

Bergrin: No, they weren't. There's no documentation that they were.

EIR: What happened to your request, in which you asked to interview Bush, Rumsfeld, Cambone?

Bergrin: The military judge initially denied my request on the civilian individuals, saying that unless I could show a direct link and nexus, that he'll reserve judgment on that. We're going to renew that on the 21st of August, when I show the memorandums that we've been receiving. He did order that General Abizaid, Lt. General Sanchez—who we know changed the jurisdiction, from the military police into the intelligence community, at Abu Ghraib—as well as any individuals below them, be subject to sworn testimony, *verbatim* transcripts made, in reference to this case; command influence, as well as any other questions we have for them.

EIR: And you will be able to do that questioning?

Bergrin: I will be able to do the questioning. I will take the lead and do the questioning on that.

EIR: Very good. And then, you believe that once you've made this case, then you can go back and have a good chance of getting the top guys—Bush, Rumsfeld, Cambone, and so forth.

Bergrin: Absolutely.

EIR: How did it work on the level of your client?

Bergrin: My client has been in the theater of Iraq for 16 months right now. He was trained as a Military Police officer. They sent him over to Iraq as an MP. No training, not even five minutes, in corrections, intelligence, or on the Geneva Conventions. They place him in the Abu Ghraib prison, make him a corrections officer. During the course of his duties at the Abu Ghraib prison, he's working anywhere from 14- to 18-hour shifts, seven days a week, for a year straight, without a day off.

They're living in the *cell block* at Abu Ghraib, and their room is right next door to the crematory that Saddam Hussein used. It's 140 degrees in the prison, and in their billets during the Summer. In the Wintertime, it's below freezing, and the only showers they have are outdoor showers. On a daily basis, they're subject to rocket and mortar attacks. So, they're almost essentially living as zombies. On a daily basis, Military Intelligence, other government agencies, are coming in to the prisons, conducting extensive interviews and interrogation of these high-value intelligence detainees.

My client is seeing individuals being taken away, for significant periods of time, coming back with no clothing, placed in isolation cells. He can hear screams. He can see individuals coming back all lumped up, and subject to assault.

And then, during the week that this occurred, where the photos are taken—approximately the beginning of November—you have an extreme loss of American life, the worst in the Iraq conflict; 23 American soldiers died during that week; 16 in the Chinook helicopter that was shot down, and seven based upon insurgency.

My client is told that the commanders in Washington,

D.C. and at the Pentagon, as well as every major military soldier in Iraq—as far as commanders are concerned—are going crazy. They want more intelligence acquisition. They want intelligence out of the detainees at Iraq, and it’s his job, in order to save American lives, to “loosen up,” or “soften up,” the detainees.

EIR: So then what happened?

Bergrin: He’s also told, from individuals, that they’ve spoken to Military Intelligence, as well as other government agents; and they’re told one of the ways to “loosen up” or soften up the detainees, which will result in the saving of young American lives here and abroad, is to embarrass and humiliate them, especially sexually, and with the use of nudity. And consequently, he questions those orders, speaks to his non-commissioned officer in charge, which is Sgt. Chip Frederick; and he’s told that “your job is to follow orders. Your job is to save American lives. Your job is to defend the soldier,” as compared to the detainee. And, next thing he knows, he’s conducting interrogation techniques similar to the other individuals. But on a personal level, my client, Javal Davis, is a 26-year-old father of two. His wife is full-time in the United States Navy. This is his third tour of duty, in a hostile environment. Twelve months in Bosnia, 12 months in Egypt, and over a year and a half in Iraq. As a reservist.

EIR: You refer to the other government agents, which I assume is the name for CIA and so forth?

Bergrin: Yes.

EIR: Were they giving orders? And were the private contractors giving orders?

Bergrin: Absolutely. . . . And enlisted personnel almost have free rein in reference to interrogations, and interrogation techniques.

EIR: On Cambone. Do you expect you can actually show, more or less, a chain of command, or orders, coming down from these guys, through Military Intelligence, down to the level of the MPs and your client?

Bergrin: Oh, absolutely, absolutely.

EIR: I know you believe you *can* show it. How optimistic are you that you will be permitted to show this?

Bergrin: Well, I know we *could* show it. Whether the government tries to cover up and protect these high-level individuals, is a different story.

On July 6, EIR asked Bergrin about his earlier comments implicating Israel in the Abu Ghraib situation.

Bergrin: We know for a fact that Joe Ryan, who is employed by CACI [corporation] for in excess of ten years as a specialist

interrogator, had worked with Mossad and Shin Beth on interrogation techniques of Arab prisoners. We know for a fact, based upon his own admissions, and his sworn statements given to Major General Fay, that he was taught, trained, and educated by Israeli intelligence.

We know also for a fact, that he made admissions that other members of CACI, as well as of Titan, had similar training to him, although he refused to give their names.

When I filed my motions, and argued my motions in Baghdad on the 21st of June, the judge ordered the U.S. government to provide to me a *curriculum vitae*, a background, and the actual contracts of employment, of all CACI as well as Titan investigators, interrogators, and interpreters, at the Abu Ghraib prison. Those haven’t been turned over, yet. And the Titan and CACI corporations, which are obviously an arm of the government, since they were employed as a government agency, are refusing, and giving a very difficult time to the prosecutors and the trial counsel in this case, in turning them over. So that was ordered by the military judge, Colonel Pohl. And that was to show the Israeli connection.

Now we know for a fact that these interrogation techniques have been used by Israel on Arab prisoners, because of the Supreme Court case that came out of Israel, and the fact that the Geneva Convention wasn’t followed by Israel on interrogation techniques.

We also know, that based upon interviews with Torin Nelson, who was also employed by CACI, as well as Flynt Leverett, who’s a former CIA analyst who’s also served on the National Security Council—he also has a fellowship at the Saban Center for Middle East Studies—that the Guantánamo-based model was employed in Iraq, to put aside all rules of interrogation. We also know, based upon what I said about Torin Nelson and Naseef Bakeer, that detainees were completely stripped and walked to the interrogation booths naked, and they have given sworn statements to that effect. So it wasn’t something that came up with “six rogue soldiers.” But once we receive the intelligence reports—that are highly classified, but the judge ordered that they be declassified—on the backgrounds of the 38 interrogators that worked on the Tiger Teams, from CACI and Titan, I think that we’ll be able to prove the Israeli connection even further.

EIR: When do you expect to get those?

Bergrin: I just sent an e-mail again today, my fourth e-mail, to Colonel Pohl, letting him know that of everything that he ordered three weeks ago, nothing has been supplied. The annexes to the Taguba Report have not been declassified [as] he ordered. . . . He ordered that we be provided a copy of the Major General Fay intelligence report; zero has been provided. He ordered that we have the CV, background, and employment contracts of all CACI and Titan interrogators; that hasn’t been provided as of yet. So the next motion is a motion to dismiss for failure to comply with the judge’s order on discovery.

Nigeria Case To Make Halliburton Next Enron?

by Michele Steinberg

“Halliburton: The SEC is investigating whether the global energy-service company changed its accounting methods in 1998 to mislead investors. Vice President Dick Cheney was the firm’s CEO when it began counting as operating revenue up to \$100 million a year in overruns, even before clients agreed to make the payments,” wrote James Toedtman, *Newsday.com*’s chief economics correspondent, in the July 8, 2004 edition of his “Scandal Scorecard” column.

Toedtman recaps Halliburton’s problems, about which *EIR* has been reporting (see *EIR* July 2, 2004, “EIR’s Record in Exposing Dick Cheney’s Halliburton”). He summarizes: Halliburton’s “\$9 billion in Pentagon contracts is also being reviewed after evidence of over-charging and pay-offs. Suspect payments to officials in Nigeria, Kuwait and Brazil are under investigation. Investigators are also examining a contract between Iran and a Cayman Island-based subsidiary of Halliburton to see if it was an effort to circumvent a U.S. ban on business with Iran.”

With *Newsday*’s blunt comment that the entire edifice of Halliburton could crumble around the question of its accounting practices, and one cannot help but see the parallels to Enron—the company that worked so closely with Vice President Dick Cheney both in building up candidate George W. Bush, as well as after the inauguration in the secret “National Energy Policy Direction” group.

On July 8, the same day that *Newsday* issued its warning about Halliburton’s accounting problems, and *Capitol Hill Blue* reported the existence of a White House counsel’s “analysis” that “Vice President Dick Cheney faces criminal indictments for illegal activities while CEO of energy giant Halliburton” (see article, page 24), Kenneth Lay, former Chairman of Enron, was indicted on 11 counts of fraud-related charges stemming from the Enron bankruptcy in late 2001. “Kenny Boy” Lay, as he was nick-named by George W. Bush, had played a major role in lining up the legendary campaign war-chest of \$100 million for the Bush-Cheney campaign in 2000. During the Spring of 2001, Lay and other Enron officials held at least six still-secret meetings with Cheney as part of the still-secret “White House Energy Task Force” deliberations, where Lay is described as having played a major role in shaping U.S. energy policy with Cheney.

Attorneys for Lay claim that all the financial frauds were the fault of Enron underlings, and that “Kenny Boy” knew nothing about them. The White House in turn, says Bush and Cheney “knew nothing” about Enron’s shady dealings. Just a few months before the Energy Task Force meetings, Lay ponied up \$100,000 for the President’s inaugural festivities. Enron itself contributed \$100,000 for the same fund, and so did Jeffrey Skilling, the already indicted former President and CEO of Enron. That was just a small part of the relationship. According to the *London Observer*, Lay “contributed more than \$290,000 to Mr. Bush’s election campaign,” and that his “largesse was rewarded, when Mr. Bush named him as one of 474 people to advise his presidential transition team.”

For now, the White House has carefully insulated itself from the Enron fallout. But a new question emerges, now that Lay’s strategy of blaming those “down below” has failed. The question is, could Halliburton become the next Enron, and Dick Cheney, the next Kenneth Lay?

The Nigeria Case

On October 8th 2003, French magistrate Renaud Van Ruymbeke opened up a judiciary inquiry against Halliburton and a French company called Technip relating to the two companies’ joint venture in Nigeria—the TSJK consortium (see following article). In particular, Van Ruymbeke pursued the leads that that Halliburton’s wholly owned subsidiary KBR had paid up to \$180 million dollars of “occult commissions” to intermediaries in order to get this contract. The initiator of the contract was Nigerian Liquefied Natural Gas (NLNG) whose four main stockholders are the National oil company of Nigeria (49%), Shell (25.6%), Totalfinaelf (15%) and Agip International (10.1%).

Van Ruymbeke, who became well-known as an independent anti-corruption investigator, when he succeeded in sending a top executive of the French oil company, Elf, to a five-year jail term, is investigating in two directions. According to sources in Washington and Paris, the magistrate intends to subpoena Dick Cheney, in order to determine the full scope of the illegal operations.

The two legal tracks being pursued are: first, the corruption of foreign public officials, a law not unlike the U.S. “Foreign Corrupt Practices Act,” which was passed in 1977 following a revelation that more than 450 U.S. companies doing business offshore had paid bribes of more than \$400 million to foreign officials, especially in the area of defense contracts. The French law against the corrupting of foreign officials through bribes was adopted in the year 2000, after a resolution—supported and pushed by the U.S.—calling for such anti-corruption measures, was approved by the Organization for Economic Cooperation and Development (OECD).

The second track of Van Ruymbeke’s investigation, “abus de biens sociaux, complicité et recel,” means, in plain

language, to use the funds of a company to benefit interests other than, and in detriment of, the company. It is on this count that Dick Cheney is suspected, since the payments to the mysterious “slush fund,” concern the period between 1995 and 2000 when Cheney was president and CEO of Halliburton. As previously reported by *EIR*, it is suspected that some of the funds—said to be \$180 million—may have gone to the Republican Party, or even to the Bush-Cheney campaign in 2000. As of July 1, American prosecutors were in Paris, and were scheduled to meet with the French magistrate. A separate U.S. Securities and Exchange Commission (SEC) investigation is also under way into the Halliburton bribe charges.

The person who received the \$180 million in occult commissions is one Jeffrey Tesler, a British financial lawyer, living in London, who headed up a company called Tri Star based in Gibraltar. The money was forwarded by LNG Services, a company set up in the offshore island of Madeira by the TSKJ consortium (see following article). Sources knowledgeable about the French investigation say that Tesler has been Halliburton’s man in Nigeria, negotiating all the contracts for them for many years. Tessler “was very close to Halliburton,” with whom he had worked for about 30 years. When Dick Cheney became head of Halliburton in 1995, Tesler also developed a close relationship with him.

Judge Van Ruymbeke is now trying to investigate the bank accounts where the \$180 million transited, especially in Switzerland, and in the tiny, but wealthy, kingdom of Monaco. In Switzerland, Judge Daniel Dumarthey is trying to retrace the fund’s circuits through a series of bank accounts. French press accounts say that one Nigerian former oil minister was interrogated by Judge Van Ruymbeke in December, 2003, and provided detailed information about KBR’s operations in Nigeria, going back a number of years.

On June 1 and June 15, articles in the French newspaper, *Le Figaro*, reported that Jeffrey Tesler had transferred funds from the \$180 million “occult commissions” to bank accounts controlled by “Jack” Stanley, the CEO of KBR, the main company in the TSKJ consortium. Within days, Stanley was ousted as a “consultant” to KBR. After Tesler’s interrogation in France, two things happened: the Security and Exchange Commission (SEC) announced “a formal investigation into money paid” by Halliburton in Nigeria to affect the Liquefied Natural Gas (NLNG) contract, and Halliburton went running to the SEC and Justice Dept. to “cooperate,” or it is believed, to “control” the direction and scope of the SEC investigation.

The rapidity with which Stanley was cut loose, and Halliburton’s moves, including their hiring of two attorneys, Msr. Michel Beaussier, and Msr. Simon Ndiaye, to handle the French case, confirm reports from French sources that it is the French investigation which is really destabilizing Halliburton’s headquarters in Texas.

No wonder they are concerned. According to an investiga-

tive report in *L.A. Weekly*, quoting *Le Canard Enchaîné*, Judge Van Ruymbeke has launched a series of international search warrants, some of which cover Tesler-controlled bank accounts (some in the names of Tesler family members) in Monaco; Geneva, Switzerland; Madeira; and elsewhere. After that, Tesler was in Paris for two days of testimony, in which he admitted making payments to Halliburton/KBR executives: Albert J. “Jack” Stanley, and William Chaudan, who was fired the same day, June 17, as Stanley. Chaudan became a Halliburton employee when Halliburton acquired his employer, M.W. Kellogg company, in 1998, in the merger with Dresser Industries. Chaudan immediately retired from Kellogg, and became a Halliburton consultant on the Nigeria project. The same year, his close associate at Kellogg, and in Nigeria, Jack Stanley, was named by Dick Cheney to be CEO of KBR. Chaudan is believed to be an executive in one or more of the companies created by KBR and Halliburton in the Nigerian deal, and that role is being intensely investigated by the French magistrates.

“Other Bad Acts”

Harvard Business School professor Rafael Di Tella told the *Kansas City Star* on June 19, “It’s extremely hard, given American accounting practices, for Stanley to be paying (bribes) without Cheney knowing.”

One fraud investigator told *EIR* that merely examining “bribes” of Nigerian officials, is much too narrow a focus. The “pattern and practices” of Halliburton show long term problems, especially in Iraq war contracts—from overbilling, to non-delivery of goods and services, to bribery. Furthermore, even in the contracts that KBR got from the DoD for operations in Bosnia, during the Balkans War, the U.S. General Accounting Office found that there were excessive costs and over-billing. Halliburton’s answer has usually been—pay them off, return the money, pay a fine, but just get the investigation closed down. But such patterns may come back to haunt Halliburton and Cheney just as occurred with Enron’s Kenneth Lay.

On Nigeria, Halliburton has put into a motion a massive damage control operation. But its reported choice of a lawyer, James Doty, from the lawfirm, Baker and Botts, LLP, may prove to be *another* embarrassment.

Doty had represented George W. Bush when G.W. bought the Texas Rangers baseball team in 1989, so in 1991, when he was the SEC’s general counsel, Doty had to recuse himself when the SEC opened an insider-trading probe into Bush’s 1990 sale of Harken Energy stock. Regulators found that Bush was late in reporting four transactions, worth \$1.02 million, but at the time, the commission prosecuted only people who filed late six times or more. The SEC closed the probe in 1993, but documents released July 19, 2002 show that Bush and other board members were warned about Harken’s financial problem four months before Bush sold his stock.

Halliburton, KBR and The Nigeria Slush Fund

by Michele Steinberg

The Department of Justice is investigating the operations of Halliburton's subsidiary KBR in Nigeria, and the investigation could well require the convening of a grand jury and the appointment of a special prosecutor, just as was required in the leak of the identity of CIA covert agent, Valerie Plame.

The DoJ and the Securities and Exchange Commission (SEC)—which cannot bring criminal charges against a company or individual—both opened investigations in the wake of French magistrate Judge Renaud Van Ruymbeke's probe of \$180 million in funds believed to have gone for bribes and political payoffs, including some illegal payments to the Republican Party or the Bush-Cheney campaign. The French investigation began in October 2003.

The investigation has grown so large that on June 17, Albert J. "Jack" Stanley, the former President and Chief Executive Officer of Kellogg, Brown and Root, the lucrative Halliburton subsidiary, was sacked from Halliburton, and denounced for having violated Halliburton's "code of business conduct." When Halliburton issued its termination of Stanley, he was described as a "consultant," but it would be a big mistake to take that at face value. KBR is arguably the biggest moneymaker for Halliburton, and Stanley was its CEO and President until December 2003, holding that post for years while Dick Cheney was Halliburton's President and CEO. He and Cheney are "close friend(s)" reports Doug Ireland in the *Nation*. Stanley only stepped down as KBR's CEO *after* the French investigation of the Nigeria bribes was made public, and after several major KBR Iraq contracts with the Pentagon were referred for criminal investigation of overcharging and bribery.

The Nigeria-related money got into Stanley's Swiss bank accounts through Tristar, a Gibraltar company controlled by British attorney Jeffrey Teslar. Teslar got the money in payments from TSKJ, a KBR-led consortium which was given a monopoly over the development of a Liquefied Natural Gas facility for the state-owned NLNG company in Nigeria. Halliburton's press office has said that the funds in the Stanley account are not "company" money.

In a turn of events that could mean, according to several published sources, the indictment of U.S. Vice President Cheney, Teslar is cooperating with investigating French magistrate Renaud Van Ruymbeke—and may be cooperating with any or every other country and agency that wants to investigate: the U.S. Justice Department and Securities and Ex-

change Commission, investigators in Switzerland, the United Kingdom, and Nigeria.

Top officials in Cheney's office are poring over documents to "analyze" the issue.

Who's Who

Shareholders, investigators, and the public can expect that Halliburton, Cheney, and KBR will offer explanations to obscure any responsibility for the actions under investigation relating to the Nigeria project. The following grid of players, and dates, is provided to help navigate through the fog.

TSKJ is a four-company joint venture team that has approximately \$7 billion in contracts from Nigeria LNG Limited, to develop, operate, and expand the liquefied natural gas facility in Nigeria. The joint venture name, TSKJ is taken from the four investment partners: Technip-Coflexip of France; Snamprogetti of Italy; KBR (formerly Kellogg, which became Kellogg, Brown and Root in 1998) of Halliburton; and JGC Corporation of Japan.

While TSKJ is reported as an "equal" venture, with each company owning 25%, the size and scope of the companies shows that KBR is the "alpha dog." According to Halliburton's March 22, 2002 press release, Japan's JGC has "an annual sales turnover of approximately \$3 billion." Italy's Snamprogetti, a company of the much larger ENI group, is "staffed by 3,300 employees" with "an average turnover of over 1,500 million [\$1.5 billion] U.S. dollars in the last five years." France's Technip-Coflexip, with a workforce of about 18,000 and "annual revenues of about 5 billion euros" is larger than the others, but still doesn't even approach KBR, which in April 2003 had a workforce of 24,000 in Iraq alone, and has more than \$10 billion in U.S. Defense contracts only for Iraq.

The most difficult sorting out process may be who owned what, and who was in control when the \$180 million in alleged bribe and slush fund money began flowing out of TSKJ. Dick Cheney's defenders have been quick to point out that the Nigeria project was "inherited" by Halliburton when Halliburton and Dresser Industries merged in 1998. However, Halliburton's own records show that additional contracts between TSKJ and Nigeria were signed during Cheney's tenure as Halliburton CEO—with Stanley heading KBR at the same time. One such contract, in 1999, increased the capacity to deliver the liquified natural gas by 50% above the original contract. Then, in 2001, Halliburton and Stanley celebrated the fact that KBR had been invited by the Nigerians to draw up plans to increase the LNG yield again.

Officials of the French company, Technip-Coflexip, deny they had anything to do with misuse of TSKJ, but Halliburton admits funds were channelled improperly—trying to blame it all on Jack Stanley. So far, the Italian and Japanese companies have not commented. A national commission in Nigeria, set up to study the matter, is due to issue a report in the near future.

Chairmen Hunter, Goss Block Probes of Torture

by Scott Thompson and Carl Osgood

In early June, Democratic Presidential candidate Lyndon LaRouche called for the ouster of the Republican committee heads in the House of Representatives who are obstructing, in a manner “worse than Watergate,” investigations into the Abu Ghraib and other military prison torture and the Cheney corruption scandals. LaRouche’s vow to destroy these GOP obstructionists came after six Democratic members of the House wrote to President George W. Bush on June 3, to decry the obstructionism by Congressional Republicans, and to request his help in obtaining 35 documents, for purposes of weighing the consequences of American actions. The letter noted that “with the exception of the closed sessions of the Intelligence Committee and a single Armed Services Committee hearing, these requests [for hearings] have been rebuffed” by the Republican House leadership.

“This is a dereliction of Congress’ oversight responsibility that ill serves our nation and our troops,” the letter said. It was signed by the senior Democrats on six House committees: Henry A. Waxman (Calif.), Committee on Government Reform; John Conyers (Mich.), Jr., Committee on the Judiciary; David R. Obey (Wisc.), Committee on Appropriations; Ike Skelton (Mo.), Committee on Armed Services; Tom Lantos (Calif.), Committee on International Relations; and, Jane Harman (Calif.), Permanent Select Committee on Intelligence. A few days later, they were joined by John Dingell (Mich.) of the Energy and Commerce Committee, and Charles Rangel (N.Y.) of the Ways and Means Committee.

LaRouche immediately demanded that putative Democratic nominee John Kerry support that complaint. “He must stop being wishy-washy,” LaRouche insisted. “I challenge Kerry to have the guts to support these House Democrats.”

LaRouche warned, “If the Republicans continue to Stonewall on this investigation, the elimination of certain relevant Republicans in the coming election campaign is going to be a big issue. This is Watergate stuff.”

Obstructionist Duncan Hunter

Probably the single loudest obstructionist voice in the House of Representatives in support of the Cheneyac “Beastman” policy in Iraq has been Armed Services Committee chairman Duncan Hunter (R-Calif.). Hunter has been able to use his position to block any meaningful inquiry into the Abu Ghraib prison scandal and at every public opportunity, has railed against those who are demanding such an investigation. He even went after his GOP counterpart in the Senate, John

Warner (Va.), for holding three hearings in two weeks on the scandal, practically accusing Warner of treason.

Under great public pressure, Hunter has since held one hearing, for part of one day, and has *no intention* of having any more. During debate on the Fiscal Year 2005 Defense Authorization bill, on May 19, Hunter declared, “We have had enormous publicity the last number of days about the mess at Abu Ghraib. I estimated we have probably devoted as much media attention to that mess involving now, as identified, some seven personnel, as we did to the Normandy invasion. And that is an imbalance. It is time to refocus.” What did he want to refocus on? “The 135,000 great personnel doing their job in Iraq.”

On June 14, when the committee took up a resolution of inquiry sponsored by some 40 Democrats, demanding the Pentagon be more forthcoming with documents relating to the prison scandal, Hunter placed the 6,000 pages of the report on the abuse and torture of prisoners filed by U.S. Army General Anthony Taguba (the Taguba Report) on a table at the head of the hearing room and railed at the Democrats, “Isn’t that enough for you?”

Perhaps the real reason Hunter wants to “refocus” the discussion on Iraq is because of his own involvement with the Titan Corp., whose employees have been directly involved in the torture of prisoners in Iraq. The Taguba Report cited two Titan employees as implicated in the prisoner abuses, and one, Adel L. Nakhla, is explicitly identified as a suspect by General Taguba. Titan Corp., one of the two private contracting firms involved in military prison interrogations, is one of Hunter’s biggest political supporters. According to data compiled by the Center for Responsive Politics, top officials of the San Diego-based Titan have been Hunter’s number-one source of campaign contributions each of the last two election cycles. They gave him \$16,950 for 2002, and \$18,000 so far for 2004. Whether via individual contributions of company officials or through the company PAC, Titan and its president, Gene Ray, have given more than 80% of their contributions to the GOP.

Nor is Titan the only major defense contractor supporting Hunter’s campaign. The list includes several others with contracts in Iraq, including SAIC, which was accused in a recent Pentagon audit of mismanagement of a contract it received last year to establish an Iraqi media operation that would be friendly to the occupation.

According to his Democratic opponent, Brian Kelliher, Duncan used his campaign funds to entertain supporters, including taking them on very expensive golf outings, and hunting and fishing trips. Kelliher charges that Hunter lives a jet-setting lifestyle that is paid for by his campaign. Kelliher



would do better to focus on Rep. Hunter's treasonous obstruction of the investigation into war crimes "legalized" in cold-blooded memoranda penned by the attorneys for Dick Cheney and George W. Bush.

Ban Goss from the CIA

The biggest obstructionist, by far, is Florida's Rep. Porter Goss (R), chairman of the House Permanent Select Committee on Intelligence (HPSCI). Goss, a former CIA case officer, is not campaigning for another term in Congress, but to become Director of Central Intelligence replacing George J. Tenet. Darling of the neo-cons, Goss is "Cheney's cat's-paw," charges 27-year CIA veteran Ray McGovern, in an article published below.



For more than a year, Goss, whose committee has the mandate to investigate intelligence activities, and the policies related to them, has systematically blocked public hearings when the question emerged of who faked intelligence to drum up war with Iraq. Goss has continued this coverup, despite a near-revolt by Democratic Committee members, who had exerted pressure on Democratic ranking member Rep. Jane Harman.

Now, since early May, Goss has also tried to sweep under the rug, the evidence about the torture scandal at Abu Ghraib and elsewhere out of the front offices of the White House, the office of the Vice President, and the neo-con leadership of the civilian side of the Pentagon.

Even before he became the HPSCI chairman in 1997, Goss had a history of putting the lid on dirty intelligence community operations, especially the evidence of the Iran-Contra drug-running scandals of the 1980s. Goss declared, on CNN's "Both Sides" TV show back on Sept. 29, 1996, after the "CIA-Contra crack-cocaine" scandal had emerged, that the information was untrue. He said, "Senator John Kerry, in the mid-'80s, when this was very topical, conducted quite an expensive investigation and came up with absolutely no evidence." Actually, as panelist John Newman of the University of Maryland pointed out, the Kerry investigation had "found there had been a lot of drug smuggling; number two, that the infrastructure for the Contras was used to bring cocaine up here."

After Goss became chairman of HPSCI in 1997, the committee further covered up the Ollie North/Contra drug-trafficking, although even the CIA itself had acknowledged that some of the Contra operatives with whom it worked were involved in drug-trafficking.

On the domestic policy front, from his position as a member of the House Rules Committee and chairman of its Budget and Legislative Process subcommittee, Goss played a key role

in pushing through Newt Gingrich's and the Conservative Revolution's Contract on America after the Republicans took over the House in 1995. He was at the forefront of efforts to pass into law a line-item veto for appropriations bills (later ruled un-Constitutional by the U.S. Supreme Court); a balanced budget amendment to the Constitution; and a tax-limitation amendment which would have required a three-fifths "super-majority" to pass any law that would result in an increase in taxes.

By 2002, in the "post-9/11" world of the Dick Cheney doctrine of "pre-emptive war," Goss' willingness to mount coverups earned him a two-page *Washington Post* puff piece touting him for Director of Central Intelligence. But his latest stunt at HPSCI shows that he should never—under any circumstances, be given anything more than a "visitor's pass" to CIA headquarters: the Goss Committee's report accompanying the 2005 Intelligence Authorization Bill might have been written by an "enemy combatant." It would give total control of intelligence to the Cheney neo-con cabal that has made the United States and the world, more vulnerable to terrorism.

Under "Areas of Special Interest," the Goss report is highly critical of both the CIA's Directorate of Operations and Directorate of Intelligence. "All is not well in the world of clandestine human intelligence collection," the report states. "The committee, in the strongest possible terms, asserts that the Directorate of Operations needs fixing. For too long, the CIA has been ignoring its core mission activities. There is a dysfunctional denial of any need for corrective action."

This excoriation led to a highly unusual step: It prompted outgoing DCI George Tenet, Acting CIA Director John McLaughlin, and former Deputy Director of Operations James Pavitt to state publicly that Goss knew that they had been *fixing* the Agency after years of neglect. Tenet wrote a letter to Goss, posted on the CIA's open-access website, noting that since he expected that Goss would leak his own criticisms of the Agency, Tenet had made his own reply public as well.

Tenet blasted Goss' "dysfunctional CIA" charge, questioning how it could be possible when "without exception, the goal of the various elements of the Intelligence Community has been to protect the lives of Americans everywhere. The Committee is within its rights to suggest different priorities, but I find it hard to accept that any serious observer would believe, as the Committee apparently does, that there is an unhealthy emphasis on counterterrorism and counterproliferation efforts, or that we are placing too much effort into supporting the nation's efforts in Iraq." Tenet charged that Goss was contributing to the process of bullying intelligence professionals into bending the truth in favor of political agendas—as done at the CIA by Cheney and his henchman "Scooter" Libby, in the build-up to the Iraq war.

There is no doubt that Cheney wants Goss in the CIA director's position. The good of the nation demands that a Goss appointment to this position be blocked.

Cheney Cat's-Paw, Porter Goss, As CIA Director?

by Ray McGovern

Ray McGovern, a CIA analyst for 27 years, is co-founder of Veteran Intelligence Professionals for Sanity. He is also the author of A Compromised CIA: What Can Be Done?, and authored Chapter 4 in Patriotism, Democracy and Common Sense, to be published in September by the Eisenhower Foundation. His chapter includes a section titled "The Qualities Needed in a Director of Central Intelligence." This commentary was published in www.Truthout.org on July 3, 2004.

There is, thankfully, a remnant of CIA professionals who still put objective analysis above political correctness and career advancement. Just when they thought there were no indignities left for them to suffer, they are shuddering again at press reports that Rep. Porter Goss (R-Fla.) may soon be their new boss.

That possibility conjures up a painful flashback for those of us who served as CIA analysts when Richard Nixon was President. Chalk it up to our naïveté, but we were taken aback when swashbuckling James Schlesinger, who followed Richard Helms as CIA director, announced on arrival, "I am here to see that you guys don't screw Richard Nixon!" To underscore his point, Schlesinger told us he would be reporting directly to White House political advisor Bob Haldeman (Nixon's Karl Rove) and not to National Security Advisor Henry Kissinger.

No doubt Goss would be more discreet in showing his hand, but his appointment as director would be the ultimate in politicization. He has long shown himself to be under the spell of Vice President Dick Cheney, and would likely report primarily to him and to White House political advisor Karl Rove, rather than to National Security Advisor Condoleezza Rice.

Goss would almost certainly follow lame-duck Director George Tenet's practice of reading to the President in the morning, and become an integral part of the "White House team." The team-membership phenomenon is particularly disquieting.

If the failure-prone experience of the past few years has told us anything, it is that being a "team member" in good standing is the kiss of death for the CIA director's primary role of "telling it like it is" to the President and his senior

advisors. It was a painful moment of truth when former Speaker Newt Gingrich—like Cheney, a frequent visitor to CIA headquarters—told the press that Tenet was "so grateful to the President that he would do anything for him."

The Whore of Babylon

One need look no farther than what has become known as a latter-day Whore of Babylon—the National Intelligence Estimate (NIE) of Oct. 1, 2002, the very title of which betrayed a politically correct, but substantively wrong, conclusion: "Iraq's Continuing Programs for Weapons of Mass Destruction." And bear in mind that it was only several months after President Bush decided to attack Iraq that Tenet commissioned that estimate. Not unreasonably, Congress was wondering about the views of the intelligence community, and the White House needed congressional acquiescence.

No problem. "Slam-dunk" Tenet, following White House instructions, ensured that the estimate was cooked to the recipe of Cheney's tart speech of August 26, 2002. "We know that Saddam has resumed his efforts to acquire nuclear weapons," Cheney said, and the estimate Tenet signed gave belated endorsement—with "high confidence," no less—to that lie.

The intelligence process, of course, was not the only thing undermined. So was the Constitution. Various drafts of that NIE, reinforced with heavy doses of "mushroom-cloud" rhetoric, were used to deceive congressmen and senators into ceding to the Executive their prerogative to declare war.

What was actually happening was clear to intelligence analysts, active and retired.

But what about CIA alumnus Porter Goss, then in his sixth year as chairman of the House Intelligence Oversight Committee? Republican Party loyalist first and foremost, Goss chose to give an entirely new meaning to "oversight." Even when it became clear that the "mushroom-cloud" reporting was based mostly on a forgery, he just sat back and watched it all happen. . . .

This is what CIA would get with Porter Goss at the helm. Appointing Goss would administer the *coup de grace* to intelligence analysts trying to survive while still speaking truth without fear or favor. Goss, who has a long history of subservience to Cheney, could be counted upon to play the Cheney/Gingrich/et al. role himself.

Don't Throw Me in That Briar Patch

Last month when Tenet was let go, Administration officials indicated that a permanent replacement would not be named until after the election. They indicated they wanted to avoid washing the dirty linen of intelligence once again in public. Evidently, they had not yet checked with Karl Rove.

The Democrats warn smugly that an attempt by the Administration to confirm a new CIA director could become an embarrassing referendum on CIA's recent performance, but they miss the point entirely—and show, once again, that they can't hold a candle to Rove for political cleverness. The name

of the Administration's game is to blame Iraq on intelligence failures, and Goss already did so last week in what amounted to his first campaign speech for the job of director. Consider court historian Bob Woodward's book, *Plan of Attack*, which Condoleezza Rice and other officials have promoted. Rice has publicly confirmed Woodward's story about Tenet misleading the President by claiming the evidence on Iraqi weapons of mass destruction was a "slam dunk."

While there is ample evidence of ineptitude on Tenet's part, this now-famous vignette obscures the fact that President Bush had unleashed the dogs of war well before checking to see if there was any credible intelligence to justify doing so. As the election nears, it serves the Administration nicely to keep the focus on intelligence shortcomings and to make it appear that the President was misled—on weapons of mass destruction, for example. And Porter Goss is precisely the right person to cooperate in this effort.

The report due later this month by the Senate Intelligence Committee investigating intelligence performance regarding the long-sought-after Iraqi weapons of mass destruction, is said to be scathing in its criticism of the CIA. No problem. This too will help keep the focus where the White House wants it—the more so since committee chair and Republican stalwart Pat Roberts (R-Kan.) can be counted on to do whatever Cheney and Rove tell him to do. It was not until Roberts was instructed to give Tenet the cold shoulder that the latter began to see the handwriting on the wall.

And Republicans are also in control of the 9/11 Commission, which will be issuing its own report later this month. There are already signs that Republican commissioners have begun to water down findings critical of the Administration, while highlighting those critical of intelligence performance.

Goss was happy to let the Senate Intelligence Committee take the lead in investigating intelligence performance on key issues like weapons of mass destruction and . . . chose to keep his committee's head (and his own) down. . . . The myriad shortcomings in intelligence work appeared on his somnolent watch; by any reasonable standard, he bears some responsibility for impaired oversight—not only on Iraq, but on 9/11 as well.

Goss on 9/11

With respect to the various investigations into 9/11, Goss was thrust into the limelight by Cheney, who initially opposed any investigation at all. In February 2002, Cheney went so far as to warn that if Congress decided to go ahead with an investigation, Administration officials might not show up to testify. When folks started talking about the need for a genuinely independent commission, though, Cheney acquiesced in the establishment of the congressional joint committee as the lesser evil, and took reassurance in the fact that Goss could be counted on to keep the lid on—and, when necessary, run rings around co-chair Sen. Bob Graham, (D-Fla.).

Porter Goss performed that task brilliantly, giving clear

priority to providing political protection for the President. Goss acquiesced when the White House and CIA refused to allow the joint committee to report out any information on what President Bush had been told before 9/11—ostensibly because it was "classified."

As a result, completely absent from the committee's report was any mention of the President's Daily Brief of Aug. 6, 2001, which bore the title "Bin Laden determined to strike in U.S.," even though the press had already reported the title and the gist of that damning piece of evidence. Small wonder that the families of 9/11 victims were outraged and pressed even harder for an independent investigation.

And a First for a Congressional Committee

The most notable (and bizarre) achievement of the joint committee was inviting the FBI to investigate members of Congress. In June 2002, Cheney called Goss and Graham to chastise them for a media leak of sensitive information from intercepted communications. A CNN report had attributed the leak to "two congressional sources," and Cheney was livid.

Goss admitted to being "chagrined" over Cheney's call. He and Graham promptly bypassed normal congressional procedures and went directly to Attorney General John Ashcroft, asking him to investigate the leak. Little thought apparently was given to the separation of powers between the executive and congressional branches, or the fact that Congress has its own capability for such investigations.

Next thing you know, the FBI is crawling all over Capitol Hill, questioning members of the joint committee that is investigating the FBI, CIA, et al., and asking members of Congress to submit to lie-detector tests.

That Goss and Graham could be so easily intimidated by Cheney speaks volumes.

Bottom Line

West Virginia Sen. Jay Rockefeller, the ranking Democrat on the Senate Intelligence Committee, is right in saying, "We need a director who is not only knowledgeable and capable but unquestionably independent." And politicians need not apply. Rockefeller would rule out "any politician from either party." But who pays attention to minority members these days—ranking or non-ranking? Rockefeller might have added that another prerequisite is prior experience managing a large, complex organization. Tenet had none; neither does Goss.

There seems a better than even chance the Bush Administration will nominate Goss, and use the nomination hearings as yet another forum at which to blame the Iraq debacle on faulty intelligence. And, as a bonus for Bush, if there is time before the election, it would seem a safe bet that Goss will be able to bring to heel recalcitrant analysts who are still "fighting the problem," still staring in disbelief at the given wisdom (given, apparently, only to the Pentagon and White House) that Iraq and al-Qaeda were in bed with each other.

Hartz IV: Failing SPD Shocks Germany with Schachtian Cuts

by Rainer Apel

Everyone in his right mind should have assumed that after the election disasters of the past four weeks, Germany's Social Democrats (SPD) would think of some policy innovations aimed at winning back voters. But quite the opposite has happened: The SPD-led German government and the SPD party leadership gave the go-ahead for a "reform" of labor market and social welfare legislation that represents the deepest cut—the worst threat to existing living standards of millions of German citizens—since the founding of this republic in 1949. On July 1, government and party leadership declared their full commitment to the "Hartz IV" legislation (named after its initiator, government advisor Peter Hartz), which will replace both traditional unemployment benefits and welfare by a new standard pay that is markedly lower. The entire package is to go into effect on Jan. 1, 2005, and it will affect at least 4.5-5 million Germans that are now either long-term unemployed, or social welfare recipients. All those in these population groups who have been on the brink of poverty, will be thrown into it by the new policy, and 1.5 million children and youth under age 18 will be a prominent share of these. The number of poor children will triple from the current half million within less than 12 months, welfare and other care organizations have warned.

For those already on social welfare, the changes will, for the time being, not be as big as for those still receiving traditional unemployment pay.

Mandatory Impoverishment

Currently, if a German loses his or her job, 50-60% of the last average income earned will be paid as jobless support by the state. This may be 700, 800, or even more than 1,000 euros per month. After 12 months (for Germans under age 55) or after 18 months (for those above 55), one enters the category of long-term unemployed citizens, who receive only around 50% or less. And after another 24 months, one becomes a

social welfare recipient who will maximally receive 650 euros per month, but in most cases substantially less.

With the Hartz IV package, the new standard pay for all long-term unemployed (12 months or more out of work) and welfare recipients will be only 345 euros a month for citizens in the 10 western states and the capital Berlin, whereas citizens in the five eastern states will receive 331 euros. This will be the *maximum*, dependent on the following conditions: 1) first living on the sale of any property above a level of 26,000 euros (cars, home, other real estate, life and other insurance) and only after spending those proceeds, will a citizen receive pay under the Hartz IV system; 2) any job offered through the state and private job agencies must be accepted, irrespective of pay below standard levels, qualification, or location even if a long distance from the worker's residence; 3) in case of failing to get a new job, a citizen has to prove that the failure is not her or his fault.

In a situation where according to official data, no less than 1.7 million needed jobs do not exist in Germany; with altogether 4.3 million people (over 10% of the workforce) jobless; with an estimate by independent experts that in reality, the German economy runs 7-8 million jobs short of its needs; these Hartz IV conditions are outright cynicism, an insult to the dignity of the citizen. There is, furthermore, an obsessive ideology in the minds of the neo-liberal designers of the package, that the average jobless citizen must have hidden some 50,000 or more euros in his bank account, insurance policies, and the like. Officially, a half million of the 2.3 million long-term unemployed in Germany are believed to have enough property of their own not to be eligible for the Hartz IV pay for at least one or two years; i.e., they would be cut off entirely until they completely impoverish themselves. Independent experts warn that the allegedly "rich jobless German" does not exist, as a category worth mention.

SPD Can't Survive Schacht

Since at no time during the 55-year existence of this German postwar republic, have policies been implemented that even come close to Hartz IV, the historical reference point is not even the founding year of the republic, 1949, but rather, the period of the Great Depression of the early 1930s, when citizens were expropriated, and their living standards brutally lowered under the monetarist system of the 1920s Governor of the German Reichsbank, Hjalmar Schacht (who held that post until 1939, and again from 1933 to 1939). Schacht played a crucial role in bringing the Hitler regime to power in January 1933, and served it as cabinet minister for economics from 1934 to 1937. The name "Hjalmar Schacht" is associated among Germans with the shift from "normal *sparpolitik*"—budget cutting—towards brutal austerity, militarization of the economy, and the labor-camp system. Granted, there are no labor camps or militarization of the economy in the Germany of 2004, but there is a big step from "normal" budget cuts to brutal *Schachtian* austerity and expropriation, with Hartz IV. And Hartz V, etc. are already on the horizon.

Most citizens of Germany view the announcement of Hartz IV, by a Social Democratic government, as a disaster. The immediate result will be that more party members, more voters, will turn away from the SPD and the SPD-led government, and this will be felt in the coming elections, especially the two on Sept. 19, for the state parliaments of Saxony and Brandenburg—two eastern states with high jobless rates of 17.4% and 18.6% (the average rate in western states of Germany is 8.1%).

Saxony will decide the future of the SPD, which only got 10.7% of the vote (its lowest ever in any German election) in the last state election there in 1999: Will it remain one of two major parties nationally, will it become a small party, or will it drop into the status of a mini-party? A quarter-million Saxonians are directly affected by the Hartz IV legislation—the SPD may receive even less than that number of votes on Sept. 19.

Whereas the Saxonian SPD lost half of its 1999 vote in the June 13 elections for European Parliament, the LaRouche party, BüSo (Bürgerrechtsbewegung Solidarität, Civil Rights Movement-Solidarity), tripled its 1999 vote—and it is still running far below its real potential. That potential of the BüSo will be tested, with a campaign staff of 50 or more full-time organizers of the LaRouche Youth Movement mobilizing in Saxony during the remaining 10 weeks of election campaigning; and BüSo national party chairwoman Helga Zepp-LaRouche issued the first in a series of campaign leaflets on July 4.

"This time the change will come from Saxony," the headline of the leaflet reads, adding, "*n Sachsen muß die Wirtschaft wachsen*" (in Saxony, the economy must grow—a play with rhyme in German). "Dear Saxonians! The state elections in Saxony can and must become the strategic change of direction

in economic policies, not only for Germany, but for the whole of Europe! Why? Very simple: Because the EU policy, with its Stability Pact and Treaty of Maastricht, and the Hartz IV policies of the Berlin government, fully supported by the opposition, are economically insane and criminal in social terms.

"You, the citizens of Saxony, know that the great historic opportunity of 1989, which then was rightfully called a great moment, has been missed. Instead of modernizing Europe with modern infrastructure and so-called *development corridors* after the fall of the Iron Curtain, as I had described with the program of the Productive Triangle Paris-Berlin-Vienna, there was economic devastation."

The BüSo Alternative

"But there is a real alternative!" continues Zepp-LaRouche's statement. "We, the BüSo, have presented the concept of the *Eurasian Land-Bridge*, a program to economically integrate the entire Eurasian continent, through infrastructure development corridors. Development corridors along the old Trans-Siberian Railroad and the ancient Silk Road can connect the industrial centers of Europe with the population centers in Asia. Fast trains such as the Transrapid, railways, highways, and waterways must be integrated into an all-Eurasian transport network, and must be connected to energy production and distribution, and communication infrastructure.

"We need productive full employment again. This is only possible in Germany if we again take a leading position in production, via scientific and technological progress, and export 40% of our production. Our natural export markets lie in the East: China, India, Russia, Southeast Asia, Southwest Asia.

"Mobilize Saxony's strength!" the leaflet states, "For Saxony, as a bridge between western Europe and the East, the way out of the crisis lies exactly in this program. . . . From Saxony, the change for all of Germany and Europe can and must emerge. The election takes place at exactly a point in time, when it will be more than obvious that a continuation of the policy of the Berlin parties will lead straight into catastrophe.

"We appeal to you, citizens of Saxony, to bring about, together with the BüSo, a real change. From the Free State of Saxony, a signal can be given, that the citizens are no longer ready to be "gotten rid of," as underlings, but that they, as world-historical individuals, are taking their destiny into their own hands. One system ended in 1989, the second—that of free market economy and of globalization—is now going under in 2004. What we need now, is a real peaceful revolution, which fights for an economic program in the spirit of the Common Good."

With this direct reference to the historical "Monday rallies" of 1989 which brought down the Berlin Wall, the BüSo calls on Saxonians to join new Monday rallies, again.

Tremonti's Resignation Dooms Berlusconi

by Claudio Celani

With the resignation of Finance and Economy Minister Giulio Tremonti on July 3, the Italian government led by Silvio Berlusconi has entered a turbulent phase which could end in an early dissolution of the ruling coalition. No figure is in sight who could replace Tremonti in the role of imposing controversial budget decisions on the coalition squabbling partners. A possible candidate, outgoing European Union (EU) commissioner Mario Monti, declined to take the job after talks with Prime Minister Berlusconi. Berlusconi then declared he would himself take the economic portfolios held by Tremonti (Finance, Treasury, Budget, and Mezzogiorno—Italy's South), amidst negative reactions from the opposition and even within the coalition ranks. Berlusconi later corrected himself and announced that this would only be for an interim period of "a few days."

The crisis offered the flank to Standard & Poor's to announce, on July 7, a downgrading of Italy's sovereign debt from "AA" to "AA-," a move which could prompt international investors, who hold half of the Italian debt assets, to dump them in the near future, if the crisis is protracted. S&P justified its decision partly with Berlusconi's intent to push through his promised tax-cut program—which would jeopardize Italy's capability to contain the public deficit—but also with "uncertainties in the government coalition."

Berlusconi wants to implement his tax-cut program as the only hope for him to be re-elected in 2006. However, he could be punished by the markets for that, granted that he succeeds in convincing his coalition partners to continue to support him. The tax-cut issue was already a major bone of contention inside the coalition parties during the last election campaign, with especially the National Alliance (Alleanza Nazionale) and the Christian Democratic party UDC calling it "unpopular" and distancing themselves from the Prime Minister. Now, the UDC has announced that it could withdraw from the coalition, albeit granting outside support, if the Prime Minister does not change his mind.

The Historical Nemesis

Whereas the recent trigger of the crisis which led to Tremonti's resignation was the results of the European Parliament and local elections on June 13, the longer-term cause of Berlusconi's decline is a consequences of his support for the

neo-conservative U.S. government on the Iraq War, a decision which not only isolated the Italian government in Europe, but also polarized the country and alienated him from a significant part of his domestic support. This, combined with Berlusconi's incapability to deliver an economic upswing, despite his electoral rhetoric of creating jobs, building infrastructure, raising pensions, and modernizing Italy's bureaucracy, made him lose the "Mandate of Heaven" long before the current crisis exploded.

Berlusconi's party, Forza Italia, paid for this failure in the European elections, where it fell from 25.2% to 21%, losing six seats in the European Parliament. The result of the local elections, which were definitive after the second round on June 19, were even worse: Forza Italia lost the regional governments in Sardinia and Apulie, as well as the highly important provincial government in Milan and many other provinces. The party also lost votes in Sicily, a former stronghold, and lost the race for the mayorship in Bologna against former trade union leader Sergio Cofferati, with a remarkable 40.65% against 55.90%.

Personally, Berlusconi lost the challenge in the central Italian district for the European elections, where the opposition candidate, former TV journalist Lilli Gruber, got almost 800,000 votes against Berlusconi's 433,371. Mrs. Gruber, a South Tyrolean, had profiled herself especially through her dispatches from Baghdad on the main TV news, TG1, highly critical of the war.

Berlusconi's defeat was particularly bitter as his government allies, especially those who had raised criticism of his economic policy such as the UDC and Alleanza Nazionale, gained votes. The UDC went from 4.8% to 5.9%, whereas AN jumped from 10.3% to 11.5%. It was clear that those two partners would present the bill, in the form of more government posts and above all more money to distribute to their porkbarrels.

Tremonti's Ousting

In this context, Tremonti has played the role of a figure in a Classical tragedy. He was made the scapegoat, partly for objective reasons, partly because of an intrigue. In fact, the process which led to his ousting was put in motion the very day that he came out with his "Colbertian" plan for European infrastructural development, called the "Tremonti Plan." As *EIR* reported at that time, the plan envisioned a shock program of 50-70 billion euros per year, to be mobilized through a combination of public and private capital, to finance trans-European infrastructure. The plan was officially presented at the beginning of the Italian EU Presidency, on June 9, 2003, and immediately provoked a hostile reaction from the mouthpieces of Wall Street and the City of London, the *Wall Street Journal* and the *Financial Times*. In Germany, Otto Graf von Lambsdorf, a member of the Trilateral Commission and a convicted felon for illegal party financing, attacked the Tremonti Plan as an Italian trick to



Economy Minister Giulio Tremonti did not mobilize a popular revolt against the exposed synarchist bankers he was fighting, and now he has been forced out.

steal money from the European Union!

Despite those critics, however, the Tremonti Plan, called “European Action for Growth,” was so well conceived and presented that it found no open opposition on principle either in the European Council or the EU Commission. The latter, however, through a pragmatic approach, managed to reduce it to a “quick start” program—i.e., a list of projects which could be immediately financed, as soon as all bureaucratic and technical aspects are solved. Thus, the final project presented by the Commission on Nov. 11, 2003, envisioned a yearly investment of EU 10 billion, far from the ambitious dimensions of the original proposal.

As the Italian EU chairmanship was coming to a close, in December 2003, the Parmalat scandal broke up. At that point, Tremonti was in the position of becoming a kind of Italian Charles de Gaulle, had he followed through on his impulse to put the central banking powers under state regulation. Tremonti had been already in a clash with the central bank, an expression of the Italian private banking system, as the private banks had responded negatively to his solicitation of their active participation in the funding of national infrastructure projects. Tremonti then expressed his intention to “publicize” those banks, i.e., getting local administrations to have a power stake in the banks. This conflict, in which Tremonti had been backed by the populist Northern League (Lega Nord) party—aiming of course at getting their hands on the rich banks of Northern Italy—had brought to the surface the anomaly of the Banca d’Italia, a central bank which should oversee and control the practices of Italian banks, but which, as a result of privatizations, is itself owned and therefore controlled by those same private banks.

The Parmalat bankruptcy allowed Tremonti to escalate his quarrel with central bank head Antonio Fazio, producing documents in Parliament showing that Fazio had refused to act on the Parmalat crisis, although the government had solicited him months in advance. Tremonti then presented a bill to transfer regulatory powers from the central bank to the

government, as well as proposals to have government and Parliament appoint the bank governor (he is currently appointed by the central bank council).

Tremonti was opposed by the parliamentary opposition and by the “Fazio boys” in the government coalition, led by Deputy Prime Minister Gianfranco Fini and his party comrade Gianni Alemanno, a figure close to the synarchist circles of Princess Elvina Pallavicini. Fini, Alemanno, and other coalition members started to demand that Berlusconi reduce Tremonti’s power. Inside Berlusconi’s party, Forza Italia, Tremonti was opposed by Marcello dell’Utri, a powerful figure who had built the party in 1994 out of Berlusconi’s Publitalia corporation and who represents the tradition of the Spanish Inquisition.

The ‘Hamlet’ Problem

Had Tremonti exploited the tremendous hostility in the country against the banks, publicly exposed as responsible for billion-odd swindles in the cases of Parmalat and the Argentinian and Cirio bonds, he would have had enough popular support to push through a national banking reform, establishing sovereign credit facilities to finance his infrastructure plan.

Instead, he looked for “political consensus.” The result was that the Parliament voted for a watered-down version of his financial reform plan, which does not threaten the independence of the private central banking system; and a few months later, the power balance tilted in favor of his enemies.

Tremonti offered his enemies huge flanks to kick, as he adjusted pragmatically to those very axioms he wanted to challenge. For instance, he enforced budget cuts in order to respect the European Stability Pact, which forbids a government deficit larger than 3%. He did that with tricks (such as one-shot measures, or selling future incomes from privatizations) in order to avoid what he called “social slaughter,” but de facto he applied a budget control policy which left little margin for investments and growth policies. The crisis in Italy’s Mezzogiorno especially, with up to 50% unemployment in some regions, grew bigger.

His enemies exploited such failures and especially his decision of betting everything on the fabulous tax cuts and tax reforms which, if implemented, would bankrupt public finances and implement social injustice. During the election campaign, Tremonti, who is well informed about Lyndon LaRouche’s analysis of the ongoing systemic collapse, often went public with statements like “nobody could predict the dramatic international crises such as the stock market collapse in 2001, the 9/11 crisis, or the Parmalat bankruptcy.”

Thus Tremonti, despite his merits, has played the role of a tragic figure, a victim of his own contradictions, in a pale resemblance of Shakespeare’s Hamlet. With his departure, Denmark—sorry, the Berlusconi government—is doomed to early disintegration.

Against Malacca Piracy, S. Thailand Violence: It's Time for the Kra Canal

by Mike Billington

There has been much attention in world capitals and the world press over the past six months on two apparently distinct problems in the region surrounding the Malacca Straits—which divide Indonesia's Sumatra from Singapore, Malaysia, and Thailand on the Malay Peninsula.

Severe anti-government violence erupted in the Moslem-majority southern provinces of Thailand in January, a rebellion which has continued to frustrate both military and economic efforts to defuse, while even the source of the violence is poorly identified or understood.

Simultaneously, in the Straits themselves, the high rate of piracy (among the highest in the world) in the strategic waterway—which is the pathway for nearly one-third of world trade and half the world's oil shipments—has provoked concern over potential sea-borne terrorist acts, and discussion of the necessary countermeasures in these overcrowded shipping lanes. Statements by American military officials and Secretary of Defense Donald Rumsfeld, that the United States is interested in deploying Marines in pursuit of terrorism in the region—and possibly in the Straits themselves, which lie within the sovereign territory of Malaysia and Indonesia—have been met by angry denunciations in Kuala Lumpur and Jakarta.

Solution Posed Two Decades Ago

However, the dual crises should come as no surprise, and both could have been avoided. A little more than 20 years ago, in October 1983, *EIR* and the Fusion Energy Foundation, both founded by Lyndon H. LaRouche, held a conference in Bangkok, co-sponsored by Thailand's Ministry of Transportation, which warned about the eventual overcrowding of the Straits of Malacca, and identified an underdevelopment crisis in southern Thailand. Moreover, the Conference proposed a solution: the construction of a sea-level canal across the Isthmus of Kra in southern Thailand. The Kra Canal would relieve the crowding in the Straits, while also transforming southern Thailand into a center for growth and prosperity which would extend across Asia. A second conference on the same theme, also in Bangkok, was held a year later, in October 1984.

Although the shipping distance saved by the construction

of the Kra Canal would not compare with that of the other two great canals, the Suez and the Panama—it would shorten the length of a trip from the Indian Ocean to the South China Sea by about 900 miles—it would nonetheless carry as much traffic as either of those, due both to the shorter route, and to the crowding in the Straits. The waterway carried over 50,000 ships per year in 1983, but *EIR* projections at the time indicated, correctly, that economic growth in China and India would double the Straits traffic, necessitating an alternate route via a sea-level canal.

But the concept behind the Kra Canal goes far deeper than simply facilitating shipping time. As LaRouche told the 1983 Bangkok Conference: "The prospect of establishing a sea-level waterway through the Isthmus of Thailand, ought to be seen not only as an important development of basic economic infrastructure both for Thailand and the cooperating nations of the region; this proposed canal should also be seen as a keystone, around which might be constructed a healthy and balanced development of needed basic infrastructure in a more general way."

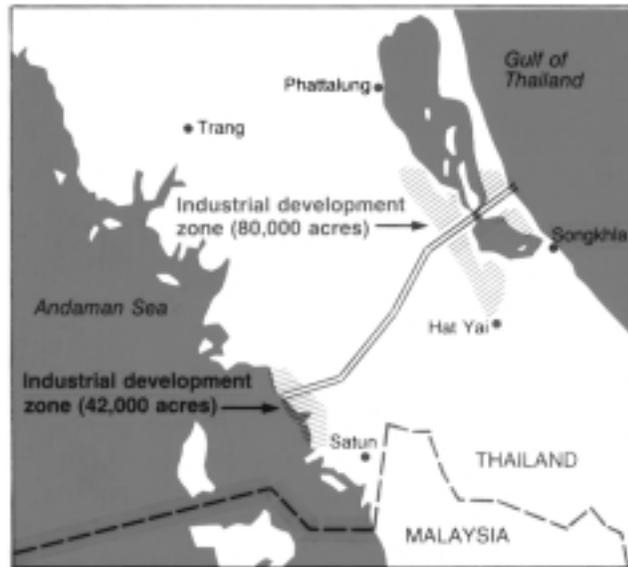
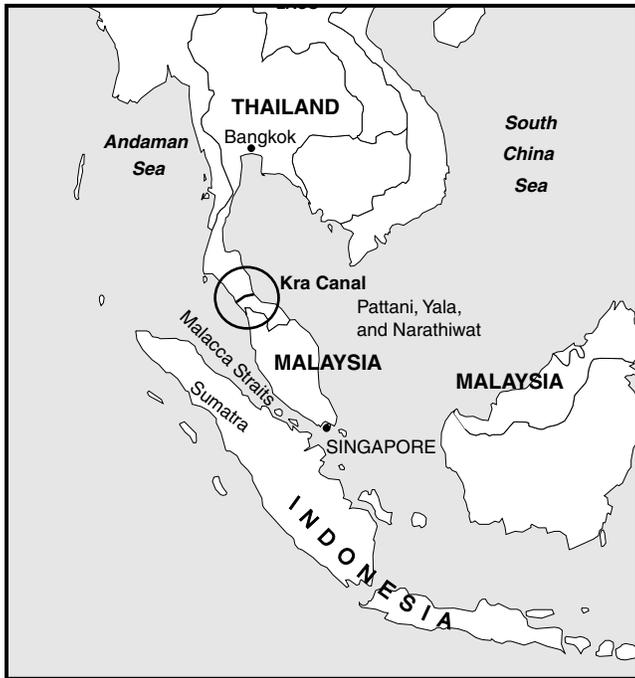
That conference, called "The Development of the Pacific and Indian Ocean Basins," presented the Kra Canal, together with construction of new deep-water ports at either end, and industrial zones in adjacent areas, as the central hub of an Asianwide development approach based on projects including the development of the Mekong River basin, major water control projects in China, and water and power projects in the Ganges-Brahmaputra region of India. This, in turn, was part of a global "Great Projects" approach promoted by LaRouche, and also by the Global Infrastructure Fund (GIF), a body sponsored by the Mitsubishi Research Institute. The intention was to counter the already well-advanced collapse of the world economy into a "post industrial" junk heap and speculative bubble. The failure of the world to act on that policy has brought about the current descent into global war and depression far worse than any in modern history.

Peace Through Development

As to the security in southern Thailand, one can still hear today the argument made 20 years ago—that the Kra Canal

FIGURE 1

The Central Location and Purpose of the Kra Canal



Source: EIRNS.

The Kra Canal, urgently needed for a generation, can be the nation-building project to integrate the three Muslim-majority provinces in the south of Thailand with the nation; and is critically needed to relieve the great congestion in the Malacca Straits, where piracy is leading to international strategic tensions. Inset: the Kra Canal route chosen by the TAMS engineering study of 1973, still a viable framework plan.

would “divide” Thailand, cutting off the heavily Moslem southern provinces of Pattani, Narathiwat, and Yala, thus encouraging the separatists to break off the region south of this man-made barrier, from the rest of Thailand. This concern exemplifies the fundamental failure of policymakers internationally, especially in the era of “post-industrial society” propaganda from the international financial institutions, to grasp the concept presented by Pope Paul VI in his 1968 encyclical “Populorum Progressio,” that “The new name for peace is development.”

A report on the 1983 Bangkok Conference, published in *Fusion* magazine (July/August 1984) addressed this issue: “A major included strategic factor also deserves the attention of Thai policy makers. Contrary to some reported opinion and concern that a canal through the southern part of the Golden Peninsula would have negative security implications, severing the ethnically and religiously ill-integrated southernmost part of the nation from the rest of the country, the opposite

consequence would be the projected outcome. The canal complex, as a major industrial growth-spot, would function as an integrating and unifying factor, joining together the southern, central, and northern provinces in a large common endeavor capable of inspiring the entire nation, uplifting the economic condition of the southern population, and thus reducing the potential for dissatisfaction and dissension.”

General Saiyud Kerdphol, a former Supreme Commander of the Thai Armed Forces, in addressing the 1984 *EIR* Bangkok Conference, said: “Development and security must go hand in hand as a coordinated effort. We must recognize that economic, political, and social development all contribute to security—but that security, in itself, is not development.”

Also speaking at the Conference was General Harn Leenanond, who, as Commander of the southern-based Thai Fourth Army, was known for bringing peace to the South through a process of cooperation with the local population and the promotion of development. He insisted that the Kra Canal was precisely what was needed to unify the population of Thailand.

The Kra Canal was certainly not a new idea at the time of the Conferences in the 1980s. Thai King Rama I in 1793 proposed a canal from Songkhla on the eastern shore, on the Gulf of Thailand, to the Indian Ocean on the western shore, just above the Malacca Straits. The concept was taken up in the 1950s, and again in the 1970s, but a combination of instability internally and in the region, due to the colonial warfare in Indochina, prevented any significant regional cooperation.

However, a feasibility study, commissioned by K.Y. Chow of the Thai Oil Refining Company, was completed in 1973 by the American engineering firms TAMS (Tippetts-Abbett-McCarthy-Stratton), and Robert R. Nathan Associ-



Gen. Saiyud Kerdphol, former Supreme Commander of the Thai Armed Forces, addressing the 1984 EIR Bangkok Conference. He is flanked by (left to right) Pakdee Tanapura of Thailand; Dr. Zainuddin Bahari of Malaysia's Institute for Strategic and Economic Studies; Dr. Norio Yamamoto of Japan; former Thai secretary general of the Office of Atomic Energy for Peace, Dr. Svasti Srisukh; former Indian Ambassador to Thailand K.L. Dalal; and Dr. H. Roeslan Abdulgam, advisor to Indonesian President Suharto.

ates, in collaboration with the Lawrence Livermore National Laboratory. This study was discussed in detail at the 1983 EIR Bangkok Conference; it still stands as a solid basis for current studies (see map).

Leading representatives of all the Southeast Asian nations—with the exception of Singapore—were in attendance at one or both of the two Bangkok Conferences of 1983 and 1984. Representatives of TAMS and Lawrence Livermore travelled to Thailand to speak, and leading political and business figures from Japan and India participated. Thai Minister of Communications Samak Sundaravej opened the Conference, saying that “If the Kra Canal is possible, then we should dedicate it to the world.” A financial plan was presented by the Vice President and chief economist at the Bangkok Bank, Dr. Nimit Nontapunthawat.

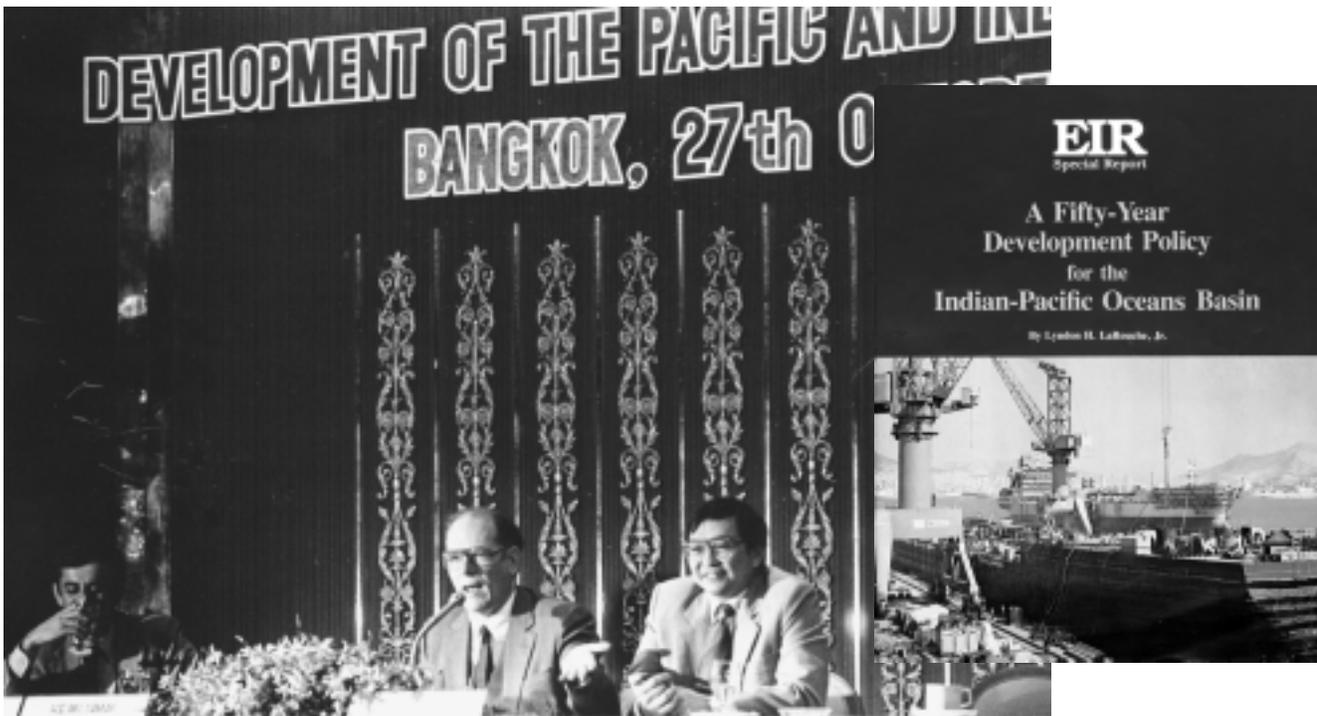
The extraordinary international response and participation in this process was brought about, to a great extent, by the personal initiative of Lyndon LaRouche. LaRouche had authored “A Fifty-Year Development Policy for the Indian-Pacific Oceans Basin” in 1983, which circulated widely across the area, while he also toured Japan, India, and Southeast Asia. His speech at the conference is seen as prescient in retrospect. One example: “The governments of the presently industrialized nations must recognize the fact, that unless the international climate is reshaped in such a way that governments of [the African and Asian] nations have access to adequate practical means for delivering the benefits of technological progress to their rural populations, the unavoidable growth of population and growth of material desires within that population creates the objective preconditions for desta-

bilizing social ferment, and frustrates most of the efforts of governments committed to development. Either such governments are committed to those kinds of changes in the present international monetary order, or those governments should not delude themselves that they are promoting economic development of developing nations generally.”

Peaceful Nuclear Explosives

A key aspect of the discussion at the conferences was the potential advantages of the use of peaceful nuclear explosives (PNE) to carry out the excavations on the most difficult terrain. Today, the use of PNE are completely left out of all discussions of the Kra Canal, due to the hysteria created by the enemies of development against anything nuclear, and the U.S.-centered attack on nuclear energy under the false guise of “anti-proliferation of weapons of mass destruction.” This particular form of anti-scientific brainwashing was not as extensive in 1983, and the discussion demonstrated the enormous advantages for Thailand and the world in using this safe, controlled form of nuclear explosive.

With PNE, both the construction time and the cost of building the canal would be nearly cut in half. In addition, the assembly of the required advanced nuclear engineering and scientific manpower would facilitate the development of nuclear-related industries, as well as nuclear energy plants. A spokesman from Lawrence Livermore suggested that a major nuclear isotope separation plant could be constructed as part of the Kra Canal Complex. One of the speakers at the Conference was Dr. Savasti Srisuk, the former Secretary General of the Thai Office of Atomic Energy for Peace—



EIR Founding Editor Lyndon LaRouche speaking to the 1984 Bangkok conference; it was a critical aspect of a global “Great Projects” approach promoted by LaRouche, and also by the Global Infrastructure Fund (GIF), a body sponsored by the Mitsubishi Research Institute. Inset: LaRouche’s internationally-circulated “Pacific Rim development” study published in August 1983.

one of the institutions still remaining from the Eisenhower and Kennedy eras, when the United States promoted Atoms for Peace.

The paradigm shift into a consumerist, post-industrial society was not successfully reversed in the 1980s, however. While some industrial progress was made across Asia in the 1980s and early 1990s, the speculative “globalization” bubble of the 1990s drew Asia in—with hot money and process industries substituting for basic infrastructure development—until the speculators pulled the plug in the 1997-98 crash. The collapse of the Thai economy, under the barrage of the hedge funds and International Monetary Fund (IMF) conditionalities, at least served to inspire some proponents of the Kra Canal, including former Prime Minister (and current Deputy Prime Minister) General Chavalit Yongchaiyudh, to renew their efforts to build the Canal.

Cooperation with the now rapidly expanding Chinese economy also opened a new light on the project, as China views infrastructure investment in any nation in the region as mutually beneficial over the long term (as the United States once did, long ago), rather than restricting investments to projects which promise immediate short-term profit to private investors, as is the dominant G-7 policy today. Japanese, Malaysians, Koreans, and some Singaporeans are also getting involved in efforts to move the project forward, according to

Thai sources who are involved.

Pakdee Tanapura, who also spoke at the 1983 and 1984 Bangkok Conferences, is now Chairman of the Subcommittee on International Affairs of the National Committee on the Kra Canal Project Feasibility Study, headed by Deputy Prime Minister General Chavalit. Despite General Chavalit’s enthusiastic support, Prime Minister Thaksin Shinawatra has not offered his backing. According to some sources, Thaksin’s business interests in Singapore’s telecommunication industry have outweighed the necessity of the project, due to Singapore’s opposition to it. Perhaps the dangerous situation in the South will convince the Prime Minister otherwise.

The hypocrisy of current American policies in Asia is also placed in sharp relief. While the United States places huge demands on Southeast Asia to follow U.S. policies in the war on terror—including the demand for U.S. basing rights across the region—Washington has entirely eliminated any government support for infrastructure investment, and insists on guaranteed profitability conditions for private U.S. investors in the region—conditions not unlike the infamous colonial “unequal treaties” of the 19th Century. If the United States were seriously committed to remove the conditions which foster terrorism, it would dedicate itself to building the Kra Canal and other Great Projects in Asia and around the world.

Eurasia Powers Losing Patience With Cheney's Korea Crisis

by Kathy Wolfe

Voices in Moscow, Beijing, Seoul, and even Tokyo are being raised against U.S. Vice President Dick Cheney's policy of permanent confrontation with North Korea at the Six-Power nuclear talks, whose third round was in Beijing June 21-26. If the United States does not move to negotiate a compromise with Pyongyang soon, Eurasian nations "will find another method" to a separate peace, as they "have lost patience to delay negotiations until the U.S. Presidential elections," a Novosti wire from Moscow paraphrased Russian Foreign Minister Sergei Lavrov on June 30. The regional powers have told the United States to deal seriously or "its partners will go their own way," the *New York Times* warned on June 28.

Lavrov visited South Korea July 3, and North Korea July 4-5, meeting both President Roh Moo-hyun and Chairman Kim Jong-il. He announced to the press in Pyongyang on July 5 that Russia is ready to bring the two Koreas together for a summit of Roh, Kim, and Russian President Vladimir Putin. Should this be possible, it would be a diplomatic coup for Russia and the Koreans, and open the option of "finding another method" for a regional agreement with or without Washington. Lavrov gave North Korean Chairman Kim a letter from Putin, and another from South Korean President Roh. Roh is scheduled to visit Putin in Moscow in September.

Former South Korean President Kim Dae-jung proposed on June 15 the rapid convening of a North-South heads of state summit, to ensure momentum for peace against any "October surprise" before this Fall's U.S. election. Kim Dae-jung traveled to Beijing July 1-3 to discuss it, and was told that North Korea was seriously considering the idea. Lavrov, in a Seoul press conference on July 3, also renewed Russia's pivotal proposal that the other powers grant North Korea a security guarantee. This means Washington would have to drop the military option, which Cheney has refused to do. In Pyongyang, Lavrov told the press that Moscow backs compensation

to North Korea for a nuclear freeze, and said he had assured North Korea of its right to peaceful nuclear power if it rejoined the Nuclear Non-Proliferation Treaty.

Energy and Rail Projects

Most important, Lavrov said Russia was ready to make peace a reality with economic projects to build the Iron Silk Road, and regional energy projects. The nuclear crisis "must not impede all the other trends of Korean policy," he told Novosti. "In particular, the Trans-Korean railway, which is almost united, and its connection to Russia's Trans-Siberian railway, which runs to Europe." North Korean Railway Ministry director Pak Jong Song, in talks with Lavrov, also endorsed Putin's plan for Russia to help rebuild North Korean railways and link both Koreas' rails with the Trans-Siberian Railway.

Russia is also preparing to supply energy to North Korea and to help rebuild its aging power plants. "Russia is moving to become a major supplier of electricity and gas to North Korea," the *New York Times* reported July 29 in an interview with Sergei Darkin, governor of Russia's Pacific Maritime region. "We are building transmission lines to the North Korean border," Darkin said, and if Putin "gives us the task of transmitting energy to North Korea next year, we will be ready." At a conference in June to discuss energy-sharing between Russia and the Korean peninsula, North Korean officials agreed to provide, by August, basic data on its electric power system to the South's Korea Electrotechnology Research Institute," the *Times* added.

Russia and South Korea are also proposing to extend a gas line 1,900 miles from Russia's Sakhalin Island to both North and South Korea. "Such a pipeline would not only mean royalty payments passing through for North Korea, but would also allow it to tap into the pipe for power stations and fertil-

izer,” former Clinton North Korea advisor Selig Harrison told the *Korea Times* June 21. Harrison is also the director of the “Project on Oil and Gas Cooperation in Northeast Asia” at the Woodrow Wilson Center in Washington. He had published a 20-page study with maps of the plan in the December 2003 *Foreign Service Journal*. Lavrov told Novosti that South Korea and Japan would probably finance the construction.

This kind of serious regional cooperation has made itself felt in Washington. The pressure to deal was apparent at the Beijing talks June 21-26; the American delegation backed off Cheney’s prior insistence that “we do not negotiate with evil; we defeat evil” (i.e., Pyongyang). U.S. negotiator Assistant Secretary of State James Kelley presented a seven-page proposal which constitutes a mini-negotiation, the Bush Administration’s first ever with Pyongyang.

Kelly continued what Lyndon LaRouche called the “idiotic” demand that North Korea—a country without a drop of oil or gas supply—give up not only nuclear weapons, but also its nuclear electricity program. And he continued to insist that Pyongyang admit to a secret uranium bomb program, which not only North Korea, but also China, Russia, and dozens of U.S. experts say does not exist. These two demands, however, may now be part of a package up for negotiation. Kelley dropped the previous Washington mantra that North Korea must demonstrate the “complete, verifiable, and irreversible dismantlement” (CVID) of all nuclear facilities before any compensation is considered, which Pyongyang has repeatedly rejected as a demand “that we come out with our hands up.” He adopted instead the South Korean idea to give the North three months to freeze (rather than fully dismantle) its nuclear program, during which its neighbors could resume oil shipments and other aid immediately.

LaRouche’s U.S. “dump Cheney” mobilization has also weakened the Vice President’s grip on the American negotiators. This was apparent June 24 when an anonymous Washington official, clearly a neo-con, told reporters that North Korea had threatened in Beijing to test a nuke, and that the talks had collapsed. This was trumpeted worldwide by the Associated Press—but then promptly denied by the U.S. delegation in Beijing, which called an emergency counter-press conference to clear up the problem. The whole affair was exposed, blow by blow, in Seoul’s leading daily, *Korea Times*, on June 25 as a “scheme by hard-liners to sabotage the talks.”

China, South Korea, and Japan

China is also playing tough. Chinese Deputy Foreign Minister Zhou Wenzhong June 8 confronted the claim that North Korea has a secret uranium bomb plan, in a Beijing interview. “The U.S. has not presented convincing evidence of this program,” Zhou said. Shockingly, Cheney was repeatedly named as the source of the problem. Zhou also said Washington must “stop using the allegations to hold up the talks.”

South and North Korea meanwhile opened a bilateral “peace offensive,” announcing major new economic agreements and dismantling Cold War structures in the DMZ. In a joint statement of June 5, they announced that a “test train” may travel across the DMZ on the Trans-Korean Railway (TKR) this Fall, a first since 1945. South and North railway officials agreed on July 2 to complete designs by September for the southernmost stations on the North’s side of the two cross-border railways. The South agreed to provide all materials such as lamp posts and road signs. South Korean Foreign Minister Ban Ki-moon met his North Korean counterpart Paek Nam-sun July 1 in Indonesia—the first North-South Foreign Ministers’ meeting in some time—and issued a joint statement stressing economic cooperation, and collaboration to seek a peaceful resolution to the nuclear issue through the Six-Power talks.

Japan, with its industrial might and the world’s largest pot of cash, but a long leash to Washington, has been the swing factor in all this. Now Tokyo, too, is moving to deal with North Korea. Prime Minister Junichiro Koizumi told Bush at the G-8 summit June 10 that he must negotiate with the North; Japan’s delegate at Beijing on June 25 made a wide offer of energy and financial aid to Pyongyang. Koizumi is reacting to polls which show increased anger at his sending Japanese troops to Iraq, and a swing from Cold War hysteria to sudden support for a peace settlement with North Korea. Such an organized shift in public opinion in Japan usually means the elite has reached a consensus to change policy.

Depending on July 11 parliamentary election results, Koizumi even faced replacement by Japan’s Democratic Party, which voters hope has more independence from Washington. So he is moving to rapidly normalize relations with Pyongyang, within a year, he announced on July 4. Partly as an election ploy, but also to remove obstacles to diplomatic ties, Koizumi arranged a dramatic reunion June 9 in Indonesia between Hitomi Soga, a Japanese woman abducted to North Korea in the 1970s, and her family still in Pyongyang. “Now that Ms. Soga can meet her family, the conditions have been met for resuming talks” between Tokyo and Pyongyang for full diplomatic relations, Deputy Cabinet Secretary Seiken Sugiura said June 6.

North Korea announced on July 5 that it will help four Japanese Red Army members who hijacked a plane to Pyongyang in 1970 to return home. The hijackers released a letter stating their wish to return for “improvement of Japan-North Korea relations.” The presence of the hijackers in Pyongyang is the most-cited reason for North Korea’s position on the U.S. State Department list of countries sponsoring terrorism, and all this is meant to allow Japan to join South and North Korea in requesting that Pyongyang be removed from the list.

If Japan does vote out Koizumi, it will likely join the countries in Northeast Asia that want the Cold War over with, and to build a “Eurasian New Deal.”

Time to Consolidate China-India Relations

by Ramtanu Maitra

The ease with which the newly-elected coalition government in New Delhi has begun to interact with Beijing, makes it evident that Sino-India bilateral relations have reached stability, and are quite capable of absorbing minor shocks such as change of leadership in either country. This is a very positive sign and an indication that these two countries, contributing almost one-third of world's population, are fully capable of moving forward jointly to work out an economic and financial system which would make them stronger internally, and help enable smaller and weaker Asian countries to find their feet.

Between China and India, the most visible cooperation is taking place in bilateral trade and in joint economic cooperation. Both areas show promise, but are lagging far behind the actual potential. Spurred by an over 30% jump in India's trade with China, combined bilateral exports and imports are expected to touch the \$10 billion mark in Fiscal Year 2004-05.

Fast Trade Growth

"Our bilateral trade has been growing at an annual rate of 30%, and now the neighbor on the north accounts for 4% of India's foreign trade," said Governor Mohammad Fazal of the India state of Maharashtra, after inaugurating the first China-Guangdong Products Exhibition in Mumbai (Bombay) on May 20. There is a good scope for both the countries to increase cooperation in various industrial sectors. For instance, in the IT sector, India's software exports to the world have reached \$10 billion, while China is the leader in computer hardware, with total turnover of \$25 billion in 2002, the Governor said.

Tata Consultancy Services (TCS), one of the world's largest software and services consulting organizations, and India's first global billion-dollar IT company, completed its first two years in China last June. TCS established itself in China in 2002 as part of a strategic plan to bolster its presence in the Asia Pacific region. Today, it has offices in Shanghai and Beijing as well as a software development center in Hangzhou. A number of Chinese companies have set up shop in Bangalore, India's one major software development center. Chinese business delegations from Shenzhen and Yunnan are

visiting Kolkata, a major port-city in India's east, to set up collaboration. Kolkata, much closer to southeastern China's growth centers, has begun to look more attractive to the Chinese, since the city is full of skilled professionals who will work for low wages.

Beyond the private companies of each country taking advantage of each other's strengths, at the governmental level concrete policy cooperation has also become visible. The Chairman and Managing Director of the Export-Import Bank of India, T.C. Venkat Subramanian, announced last May that "for the first time, the Exim Banks of India and China have had an initial exchange of views on exchange of reciprocal lines of credit to finance project exports in each other's country."

China had extended a credit line of \$100 million last year to finance export of Chinese capital goods to India. Following this, the Exim Bank of India was designated as the nodal agency in India to discuss the matter further. "The Exim Bank of India, with the approval of the Government of India, has also proposed a reciprocal credit line," Subramanian said. Also last May, India and China formally launched talks to study the feasibility of signing a bilateral Free Trade Agreement (FTA) as well as a Comprehensive Economic Cooperation Agreement (CECA) to cement their booming commercial ties, official sources said in Beijing. Both sides expressed confidence that they would work together in order to be able to submit to the two governments economic and trade cooperation proposals by December 2004.

Growing Internal Disparities

Both nations, harboring a massive number of poor, have come to realize the problems that the sheer growth-oriented economy imposes on the socio-economic system. It is necessary to address, at an early stage of agro-industrial development, the issue of poverty eradication, and to bear in mind that agriculture, food security, and economic development are inextricably linked to each other.

India and China are agro-industrial nations, but the majority of their workforces are involved in primary agriculture. To reduce the agricultural workers and bring them into industrial and skill-based service sectors requires an all-around developmental planning, based in both countries. Both have to get their heads together to work out a program which would assure such development. As of now, growth, and the trickle-down effect of the growth, are all that China and India have emphasized.

Only recently, some movements have been noticed in this crucial area. India's new premier, Manmohan Singh, on June 29 proposed to the leaders of India's village-centered administrative instrument, the Panchayati Raj, the creation of rural business hubs on the lines of the Chinese model, revamping rural development programs to make agriculture an engine of growth.

“We must examine our rural development programs afresh,” Singh told a Chief Ministers’ conference on the Panchayat Raj in New Delhi. It is not clear exactly what the Indian prime minister has in mind, but it is nonetheless refreshing to note the Indian interest to interact with China to resolve a crucial problem.

In return, China has said it will enhance consultations with India on the key issue of agriculture at the World Trade Organization talks. Agriculture subsidy is a key sticking point at the WTO talks; the United States is putting pressure on China to support its stand of setting a definite timetable for eliminating agricultural export subsidies. “China wants to enhance communication with India and other sides within the framework of the WTO,” Commerce Minister Bo Xilai had told the Indian Ambassador to Beijing in May. It is evident that both India and China would do well to expedite their collaboration in the economic and financial areas.

One of the reasons is the increasing likelihood of pressures to be exerted by Washington on both countries in the coming days. Speaking before a U.S. Senate panel on March 8, U.S. Trade Representative Robert Zoellick pointed out that America is devoting more enforcement resources to pressure China and India into rescinding their “discriminatory” technology trade policies.

India is under increasing American criticism for benefitting from offshoring of U.S. service industry jobs, while returning little in trade incentives to America. Democrats hope to make offshoring a Presidential election-year issue. Zoellick said China’s VAT policy is a violation of WTO rules prohibiting a member country from treating domestic producers and products more favorably than imported products.

Sen. Max Baucus (D-Mont.), at the same Senate hearing, pointed to India. “We all know India is benefitting enormously from the offshoring of service-sector jobs from the United States,” Baucus said. “But the United States is not getting anything in return. Why? Because India has such a closed market, and India is certainly one of the leading countries holding back greater market access in the WTO.”

Political Interaction

India-China relations in the political arena are developing, albeit slowly. On May 31, China took a significant step by recognizing Sikkim as part of India, by not showing that northeastern state as an independent country in the just-released Annual Yearbook of China’s Foreign Ministry. This is a development of great import, since China had continued to identify Sikkim as an “independent mountain kingdom,” despite the fact that it had become a part of the Republic of India in 1975.

At the celebrations on June 27 in New Delhi of 50 years of “Panchsheel”—the five principles of co-existence which are cornerstones of China’s foreign policy—Indian External Affairs Minister K. Natwar Singh, who was recently in China,

made the point that “the relevance of Panchsheel is timeless. It is rooted in the cultural traditions of the Indian and Chinese civilizations, two of the world’s most ancient.”

India and China, the joint enunciators of Panchsheel 50 years ago, have asserted once again that the five principles guiding international relations are “timeless,” and could provide a new paradigm of global interaction in the post-Cold War era. Equally important is the June 29 statement by the Chinese Assistant Foreign Minister Shen Guofang. While upbeat on finding a mutually acceptable solution to the Sino-Indian border issue, Shen said that bilateral ties in other areas will not be impeded by the delay in resolving the contentious territorial dispute. “Even if our border issues are not completely settled, we are still enjoying development in our bilateral relations,” Shen said in Beijing during a meeting with visiting Indian journalists.

During the same meeting, Shen Guofeng made clear that differences between India and China exist in some very important areas, such as nuclear weapons development. He said China was not in favor of welcoming India and Pakistan into the five-member, exclusive nuclear powers club, and hoped the international community would stick to principles of the Nuclear Non-Proliferation Treaty, as well as the spirit of UN Security Council resolution 1172, passed soon after the South Asian nuclear tests of May 1998. “In our region, we have seen many wars and conflicts, which have been either due to historical reasons or mutual non-confidence. So we believe that peace and development should be the main principles and policies for the countries in this region,” Shen said in justification of his argument.

On the other hand, Beijing gave a boost to India’s quest for a permanent seat in the UN Security Council, saying for the first time on June 26 that it supports a “greater role” for New Delhi in the international arena, including the United Nations. “The Chinese government values India’s influence and role in international and regional affairs and is willing to see a greater Indian role in the international arena, the United Nations included,” Tang Jiaxuan, who oversees China’s foreign policy as a senior Cabinet minister, told the India news agency PTI in an interview.

Military Questions, and U.S. Power

However, the area where India-China relations have not developed significantly is in the area of security. The basis of bilateral relationship established by these two states was also founded in the historical context. The notion of military power as an instrument of internal and external policy has formed a substantial part of the Chinese policy framework. This was not an entirely new element in Chinese political management. However, China’s military has remained mostly in charge of protecting its geographical boundary. Similar is the background of the Indian military in recent years.

But the present world situation, and the interdependency between the two countries for the sake of maintaining the developmental process on a day-to-day basis, requires active participation in providing security beyond one's own borders.

U.S. Secretary of Defense Donald Rumsfeld, addressing the Shangri-La Dialogue—the third Asian Security Conference in Singapore on June 17—made clear that Washington would not only retain its “forward presence” in the Asia-Pacific region, but would also seek to update its military-strategic balance. The United States has made no secret of its intent to form a regional military cooperation under its tutelage to police the Straits of Malacca, a sea-lane that facilitates enormous oil traffic to all the Southeast and East Asian nations. The United States wants to protect the oil cargo from terrorist attacks. It is interesting to note that it was neither China nor India, but rather the United States, that dominated the security talks about the Asia-Pacific region at Singapore.

It was soon noted that Rumsfeld was not indulging in idle rhetoric. It has already been announced that the U.S. Navy's first exercise of its new operational construct, the Fleet Response Plan (FRP), will take place in the Pacific, and it will be a huge one. FRP is about new ways of operating, training, manning, and maintaining the fleet that results in increased force readiness, and the ability to provide significant combat power to the American President in a national emergency or crisis. For the exercise, four aircraft carriers from the Atlantic squadron, and three from the Pacific squadron will be deployed from the 12 total aircraft carriers the U.S. military has. The exercise will last for three months from June 5 until August, with over 50,000 soldiers taking part. In the East Pacific area, all seven aircraft carriers will gather to perform a joint drill from mid-July to August, a senior U.S. Navy officer said.

There is no doubt that the U.S. Navy's exercise in the East Pacific is to establish through show of force “who is the boss.” This show of muscle was considered necessary by the “war-hawks” in Washington because some have become aware of the growing military capabilities of both China and India. For instance, James F. Hoge, editor of the Council on Foreign Relations' *Foreign Affairs* magazine, wrote recently that “the transfer of power from West to East is gathering pace and will dramatically change the context for dealing with international challenges—as well as the challenges themselves.

“Many in the West are already aware of Asia's growing strength. This awareness has not yet been translated into preparedness. And therein lies a danger: that Western countries will repeat their past mistakes,” Hoge said. Singling out India and China, he added, “Like Japan and Germany in the early 20th Century, these rising powers are nationalistic and seek redress of past grievances. Asia's growing economic power is translating into greater political and military power.”

Interview: Gen. Christian Quesnot

French General Looks At U.S. Iraq Policy

General Christian Quesnot (ret.) was Chief of Staff of French President François Mitterrand, in the crucial period between April 1991 and September 1995, during which the Rwandan genocide and the Serbian genocide against Srebrenica occurred. In testimony to the parliamentary commission investigating the failure of the international community in preventing the genocide carried out by the Serbs against the Bosnian population of Srebrenica in July 1995, Quesnot stated the West was “completely capable of preventing the capture of Srebrenica or of retaking the enclave.” He proposed a plan for military intervention which could have saved the Srebrenica population. “We had at least 30 times the armor and 100 times the artillery of the Serbs; it was completely within the capacity of the Americans, the British, or the French,” he said. He then challenged the claim of technical unfeasibility of Admiral Lanxade, former chief of staff of the French Army, during his interrogation the previous month by the parliamentary inquiry. General Quesnot denounced the prevarication of the UN in proclaiming the Muslim enclave a “safe area,” without furnishing the means to protect it. He defended the French and foreign officers who served in Bosnia, as “among the best of their generation,” but victims of the mandate imposed by the UN, which “violated not only the principles of warfare but threatened their basic security.”

After it was learned on July 11, 1995 that Srebrenica had fallen, Quesnot was asked by Prime Minister Jacques Chirac to devise possible means to retake it from the Serbs. He proposed an airborne operation, outside of UN control, for which he was asked to evaluate the risks. “I estimated them to be the loss of an airplane and of two helicopters, that is to say between 25 and 100 men,” he said. Most of the French political and military officials questioned by the parliamentary commission agreed with Quesnot's plan, but the French proposal had to be abandoned because of lack of support from the United States and Great Britain.

General Quesnot is today president of the Commission on National Defense Studies, and editor of Revue Défense Nationale. He gave this interview to Christine Bierre in Paris on June 8. It has been translated from French.

EIR: The Iraqi debacle is causing a severe crisis in Washington. As a military man, you have led several of France's foreign deployments which have given to you a good deal of experience on these questions. What are your thoughts about

the American situation in Iraq?

Quesnot: This situation provokes thoughts at different levels. The first is political and concerns the reliance on “state lies”—possession of weapons of mass destruction and affirmation of a strong link between Iraq and terrorism—to mobilize public opinion. If the United States attacks Iraq, whether you agree with that or not, is their responsibility, but the fact of giving false arguments to convince public opinion is an error which reduces the credibility of the officials.

As for the war itself, I think that the strictly military part of the conflict, that is the eviction of the Saddam Hussein regime and the battles which ensued, were carried out remarkably by American military officials in the utilization both of intense firepower and maneuvering in the field with the armored raid against Baghdad, by putting a screen in front of various cities, and taking the bridges at specific moments with special forces, and taking into account overall the whole logistical effort needed to revise the planning, after Turkey decided not to allow them to cross its territory.

On the contrary, the problem of the post-Saddam period, which, from my own standpoint, is a purely political responsibility, was not anticipated with the necessary imagination and forethought. It is obvious that the control of Iraq after a certain point, needs the presence of a much larger number of troops than those deployed for the military action as such. I don't want to give figures, but their order of magnitude, in order to reduce violence to a level where negotiations can start, it seems to me, would be closer to 300,000 men than 130,000. Experience has shown me, that stationing military forces in a foreign country, whatever country that might be, gives political leaders a lead time of approximately six months. If within those six months, there is no elaboration of a viable political solution for all parties, the foreign army which had been thought of in the beginning as a liberation army, becomes then an occupation army, and from that moment on, the people living there put up resistance, and the army which originally freed the country, becomes the target.

The aim of those resistance fighters—who are not all terrorists, even though the latter profit from the situation—is to cause enough losses among the occupation army troops to create a domestic political problem back home. I lived through all that in Beirut, in the company of American troops, as well as in other places. From the moment it becomes a domestic political problem with more and more casualties, the question for the government is raised in the following way: Either one shoots or one withdraws; or, in other terms, does one bring in reinforcements and attempt to establish total control, or does one withdraw? The present American administration is facing that dilemma. It is not up to me to judge and say what it should do, but it is clear that this question is a fundamental question for the image of the American nation and for its political weight in the world.

EIR: After this first phase of military takeover, the Ameri-

cans seemed to have done everything to set up Iraq against them: by not calling upon the local men to secure military and police activities, by not carrying out any reconstruction effort which would have shown Iraqis that the U.S. was on their side.

Quesnot: I believe that the post-Saddam period was dealt with in too ideological a manner; the American civilian officials, willingly intoxicated or not by the Iraqis who had been in exile for several years, and who had no credibility, being persuaded that they would be received as liberators. I think also that the demobilization of the Iraqi Army was a real mistake committed by the American administrator. Because when you know the country's history well, the Iraqi army has a legitimacy going back long before Saddam Hussein, because it was the instrument both of integration and promotion, in spite of the fact that the majority of its officers were Sunnis and the majority of the soldiers were Shi'ites. Saddam Hussein himself had no trust in that army; he always favored the Republican Guards, which did not live up to the high hopes that he had placed in them, any more than the 10,000 immortals of the Shah in Iran had done in their times. These praetorian guards always end up abandoning their dictators.

The fact that the Iraqi Army was dissolved pushed a certain number of officers, junior officers, and soldiers, which the American administrator could have well rehabilitated, to join the resistance. The case of Fallujah is exemplary in that sense. The American administrator should also have relied more on the Ba'ath Party. I agree that the top officials of the system had to be discarded, but they should not have gone far beyond that and rehabilitated anyone with the experience and authority necessary to re-establish security and respond to the demands of Iraqis for water, electricity, work, and housing.

EIR: How do you compare the attitude of Coalition Provisional Administrator Paul Bremer in Iraq, to Gen. Douglas MacArthur's and the way he dealt with the question of Japan after the war?

Quesnot: The context is very different: I do not want to diminish the merits of Mr. Bremer, but it is true that MacArthur had a professional experience and a background which were far superior. He had a world strategic vision and understood that you cannot take away the unifying symbol of the Japanese Empire, the Emperor, even if he had been in strong harmony with the Japanese military regime. Acting with a lot of autonomy from Washington, MacArthur played a very important role in transforming Japanese society, and in my view, it was a great success.

EIR: You earlier raised the ideological character that Pentagon civilians imprinted on the Iraq War, a fact which is confirmed by increasingly strong opposition to them from retired military officers, such as Gen. Anthony Zinni, and some active military.

Quesnot: It is true that the Rumsfeld/Wolfowitz team has a vision of that type of conflict, which is both ideological and “hyper-technological,” and that the extremely strong personality of Mr. Rumsfeld brooked no professional advice to prevail. While he was right, in my view, to accentuate the modernization of the military equipment, he committed a deep error in underestimating the number of men necessary to the secure Iraq after the fall of the regime. Gen. Eric Shinseki, the former Army Chief of Staff, who resigned shortly before the war, was right on this issue.

My general sentiment, taking into account my experience, is that the intelligence services did their job, even if they did not collect all the information. On the contrary, the interpretation of the findings and their reworking by specialized, biased cells had perverse consequences, leading Colin Powell, for instance, to compromise himself at the UN by presenting as proven facts information that didn’t correspond to reality.

EIR: How did you react to the news that there was torture in Iraq? France also faced that in other periods.

Quesnot: I was both surprised and personally shocked. I have always opposed any form of torture. Aside from any question of morality, what happened in that Baghdad prison is both awful and pathetic. Average Americans were faced with peasants from the Euphrates, and the act of humiliating them in the way it was done, couldn’t produce anything; those people held no secrets which could justify that behavior. That men like Saddam Hussein and his top collaborators, without being tortured, could be subjected to particular treatment, and strong moral or psychological pressure, can be debated, because it was a significant issue, but here, there was no issue at all. I find it regrettable and distressing.

EIR: All wars are horrible. How can that type of situation be avoided? What makes the difference between war where battle takes place with a certain elevation of character, and those where the situation degenerates to torture?

Quesnot: There are never wars without excesses on both sides. But the quality of training, determination, and personal commitment in supervision, at all levels, allows drifting to be limited. Good leaders must exert absolute control over the behavior of their subordinates. If they react firmly to any infraction of regulations, it will stop happening. The situation is extremely complex, and I don’t want to throw a stone at the American command. The presence of a large number of reservists, who lack the training of the professionals, as well as the reliance on mercenaries and contract intelligence agencies, created a situation where strict control of their actions was difficult, the more so, because, undoubtedly, it was demanded that they get results.

EIR: During the Algerian conflict, General de Gaulle was able to take the right decision to withdraw from an increasingly poisoned conflict, which had no just political solution.

Quesnot: Taking into account the present situation, I would not like to be in President Bush’s position, because no matter what he decides, the consequences will be grave. The American administration is engaged in the political, economic, and religious remodeling of the Greater Middle East, if not the Muslim world from Marrakesh to Bangladesh. However, you cannot propose that kind of reform, and at the same time give a carte blanche to Prime Minister Sharon, in the Israeli-Palestinian problem. I am not saying that educating young women in Saudi Arabia and in the Muslim world, is conditional on solving the Israeli-Palestinian problem, but the fact that the American administration has a double standard on that problem does not give credibility to its actions. Success of this ambitious project requires, aside from the means a great power has, a moral authority that the United States had in September 2001, and which it to a large extent degraded in the way it managed the the post-Saddam period.

EIR: Lyndon LaRouche has just proposed a new doctrine, a top-to-bottom reform of American policies for the entire Southwest Asia region, which corresponds to the concern you just expressed. He proposes to withdraw American troops, in the context of a new policy in which the United States, and all the countries in the region, would work together to solve the grave economic problems in this part of the world.

Quesnot: For sure, the Greater Middle East needs to change. It is obvious that in a globalized world, the behavior of regimes towards their populations cannot leave us indifferent. There is a problem in the education of women and girls, and in economic development. The obscurantist and intolerant interpretation of Islam by the fundamentalists, creates a fundamental problem in the Muslim world. But, to establish democracy in the Muslim world, you need democrats. Yet, we don’t have them in sufficient numbers that the idea of “democracy right away” would make any sense. A realistic intermediate step consists in putting the emphasis on world economic development and the creation of a middle class. That is the Chinese method. With that as a starting point, there will be a tendency towards a certain democracy. But the American and European systems are not directly transposable. In the name of what legitimacy could we impose our model on the Muslim, Indian, and Chinese worlds, which are great civilizations but different from our own?

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The Pre-Emptive War Against Iraq Is an Evil Example

Aziz Alkazaz was born in Iraq and lives in Germany. He is an economist and a leading expert on Iraq, working with the Deutsches Orient-Institut (German Institute for Middle East Studies) in Hamburg. He was interviewed on June 29, by Muriel Mirak-Weissbach.

EIR: Although the date for the “transfer of sovereignty” from the Coalition Provisional Authority was slated for June 30, it took place very discreetly two days early. What is your view of the situation now?



Aziz Alkazaz

Alkazaz: I think sovereignty is not something that is given or taken; it remains always with the people. Here, it is not a question of transfer of sovereignty—that’s a matter of terminology—but of power transfer; that is, decision-making authority. And in this phase, one can’t yet speak of transfer of power. What they have done is to place certain powers and Iraqi administration units under the interim government. However, if the foreign troops remain in the country, and if these foreign troops can even intervene, without the veto right of the interim government, then one cannot speak of a real transfer of power; that is certainly limited.

You know about the discussion between the interim government and the Bush Administration regarding the command over the troops, veto rights, etc. And this has not been clearly solved regarding the competences, the real decision-making power; although all reasonable people are telling the United States now, please do not intervene any longer as you did in Fallujah, Kerbala, or Najaf without prior agreement of the government. Whether or not they stick to this, how the political differences will be settled; that is, at the moment, unclear.

One thing can be said, and here I speak for the majority of the Iraqi people—with the exception of a very tiny minority, which will say yes and Amen to everything—for the majority of the Iraqis themselves, even things like free elections and democratic relations—right or wrong, manipulated or not, hindered or not—the whole discussion about free elections and other things, these are not in the forefront of interest, as is the restoration of independence, the real transfer of power and the independence of the country. Most Iraqis are for this.

And here they also say clearly, a change of flag is unimportant; that is, under which flag the troops should be, whether American or NATO or a UN flag, as multinational troops under American command; this is, for the Iraqis, actually unimportant. For them, it is the things on the ground that are relevant.

The United States must really show the Iraqis, that they have the firm intention to end the military occupation, to give up their military presence, and to build a completely different basis for a friendship, and an equal partnership. But that they want to continue this direct military presence without interruption, after the well-known war under its well-known boundary conditions; this I consider counterproductive.

EIR: You mean the occupation?

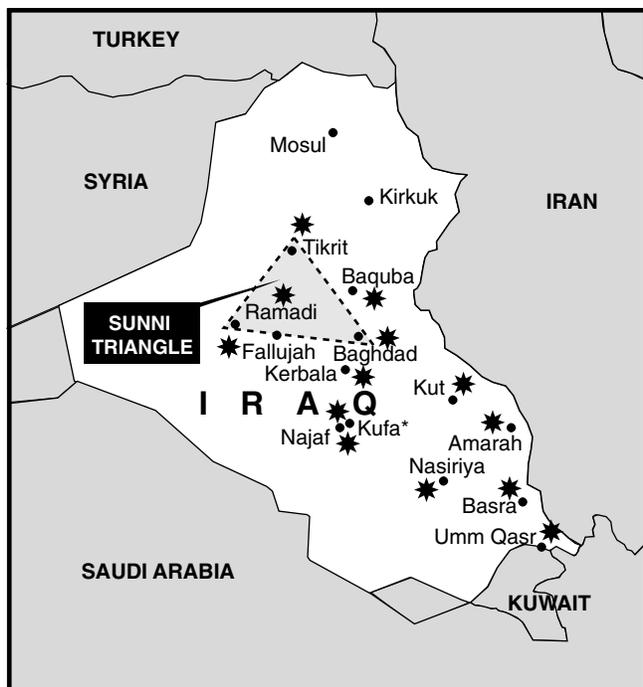
Alkazaz: The occupation is the decisive factor for all considerations. Tragically, the behavior especially of the Bush Administration in Iraq—independent of the ceremonial things—but the actual behavior was the behavior of an occupying power. And this discredited people who, from the beginning, already abroad, had worked together with them. . . .

Thereby, the people who worked with the U.S. from the beginning and earlier abroad, have been discredited and could not build up a popular base in Iraq. If the occupying powers had given them some maneuvering room, more authority, more power, more trust, more effectiveness; and if they had not *played* at showing their “national-patriotic behavior,” but, instead, really had been able to show it, then that would have been a legitimation. But it did not come to that.

In the population, there are grave doubts whether or not the situation will be really different. This is generally doubted, so long as the real power of law remains in their [the occupiers’] hands. Because the only power factor in Iraq that has any say, on the ground, is military power. The militias play a role, political factors play a role, but the actual power lies in their hands.

EIR: What are the most pressing problems now, in your view? What should the interim government do regarding the continuing resistance? Interim Prime Minister Allawi has already spoken of martial law.

Alkazaz: Declaring a state of emergency and martial law, with the reintroduction of the death penalty and executions, would be the greatest stupidity. Then the moral basis for the



The national resistance against the Iraq occupation, as it spread “suddenly” in early April of this year. The “transfer of authorities, not sovereignty,” says Dr. Alkaziz, will have little effect on the causes of this resistance; it will continue as long as U.S. and other foreign occupying forces remain.

American undertaking in Iraq would be completely destroyed. It is already largely ruined, since the whole edifice of alleged reasons for going to war has collapsed, whether it be weapons of mass destruction or the alleged links to al-Qaeda or something else. And, last of all, the prisoner abuse scandals have shattered the moral basis. No one in Iraq, no one in the entire Middle East, no one in the Islamic world and perhaps even beyond, believes, after these events, in a moral aspect of the undertaking. It has been irrevocably destroyed; such things remain indelibly burned into the memory of the people.

When one is dealing with people who are deeply anchored in culture, one cannot commit such errors, which then can hardly be corrected. The Americans must win the hearts of the Iraqis and the Arabs in the region. It doesn't work with these practices, they are unacceptable; and they know that, actually. I don't know what devil got into them, such that they followed precisely the opposite course, with humiliations, with a lack of consideration of the popular mood, with the rapid, nervous shooting left and right as soon as a danger was feared. Now the process of restoring trust has become much more difficult, if they do not manage in the short term to create a new basis for trust. Here, a clear, unambiguous shift in policy is required. One must signal to the people, there is a reversal, it is not going to continue as it was before.

Many Iraqis ask themselves: What's the difference? Bremer goes and Negroponte comes, as the new ambassador,

and the occupying troops stay in the country. There is resistance, and will be, as long as the policy has not changed its objectives. The U.S. has to pursue other objectives, if it really wants to fulfill its mission; that is, “freedom, democracy, and the market.” This is a sort of religion which is important for the Americans and some people in the world. Even for the Arabs, it could be very important, but it must not be directed against Islam, and the culture there. Islam and the culture linked to it cannot be voted out through elections, artificially stuck into a corner. They have to be included into politics.

I find a missionary spirit good; freedom, democracy, the market, are all wonderful; but one must not negate the given culture and the roots of the region. In particular, the Americans, Europeans, and others—whether they are scientific know-it-alls, or unscientific know-it-alls—they should . . . cut out interpreting Islam and saying this cannot be allowed in the Constitution, and that cannot be allowed. One should now say, with consistency and rigor: We will not interfere in religion, and your interpretation of religion. We respect your desire for independence, and a true partnership on the basis of equality.

None of the other aims of the Americans in the Middle East can be achieved without building this trust; since, as a second step after Iraq, they want to democratize the whole Middle East. But, at the same time, they support Sharon, and the one excludes the other. If one gives Sharon's policy maneuvering room, and, so to speak, forces the Palestinians to accept Israel's peace conditions, one cannot democratize the Middle East. These are two different objectives, which contradict each other. Here arises the question of credibility.

EIR: As you know, Lyndon LaRouche has presented a new proposal for peace. According to the LaRouche Doctrine, such a solution must mean a completely new strategic-political approach by the United States for Southwest Asia, such that countries like Turkey, Syria, Iran, and Egypt should play an important role. LaRouche considers a two-state solution to the Palestinian-Israeli conflict as a necessary part of this solution. LaRouche also stresses the need for a regional economic development perspective on the basis of infrastructure development. What do you think of this?

Alkazaz: The LaRouche Doctrine contains very positive approaches, and I particularly like the profundity of his strategic thinking, the long-term thinking, the independence from short-term interests, and above all, the fundamental orientation that one can develop the huge potential of the region with modern technologies, which we are so excellently blessed with.

Take Iraq, in fact, as an example: For decades it has been prevented, through its own political fault as well as through outside factors, from realizing its gigantic development potential. I am thinking not only of the biggest oil reserves in the world, in Iraq. I'm thinking of the fertile land, of the available fresh water, of the population. In Iraq, there are many qualified employees and executives, as well as develop-

ment-oriented leaders of enterprises and administration. This asset was destroyed by the power struggles inside the country. If one highlights the fundamental attitude of strategic thinking, as LaRouche does, and one demands that people for once look beyond their plate, to consider the whole region as such, then one understands the enormous opportunities which world technologies offer, and that we do live in a “global village.”

But in contrast, current policy suddenly is talking of Sunnis and Shi'ites, and of Kurds and Arabs, and conjures up dangers of civil war and partition. This policy contradicts the historical tendencies in the world, which want to develop markets, active markets; that is, precisely in the direction that LaRouche and many other reasonable people think. Whoever tries to force the Iraqis into a situation of “building a nation,” as in the 19th Century, along the model of bringing together apparently rival groups of people; whoever does this, forces the people to fight, like the Spaniards against Napoleon and his vassals. Excuse me for this historical example.

EIR: How do you see nation-building in the 19th Century as relevant to Iraq today?

Alkazaz: . . . For the U.S., a nation is a state, no matter how small it may be. There are borders, parliaments, governments, elections, flags, and national anthems. But Arabs do not understand the concept of nation in this way. For them, there is an “Arab nation”; the Arabs have grown together in the course of six to eight centuries. The national borders, which the colonial powers drew in World War I, have not been accepted and internalized by the population.

Here, a Western understanding of the building and coming into being of a nation, which stems from the 19th Century, comes to fruition. But, instead of this, one should speak of the “Umma.” The Umma is a nation beyond borders, in the direction of Jordan and Syria, the Gulf region, which through tribal affiliation, has always remained bound together. The new Iraqi President, Ghazi al-Yawer, for example, belongs to the largest tribe, that of the Shammar, which exists everywhere, in Iraq, Syria, Jordan, and earlier also in Saudi Arabia.

And now, from a certain political corner, comes the demand that, since the Arabs and the Sunnis always had power in their hands, they should now be put back. But the Shi'ites, who constitute the majority, are also mostly Arabs. With this, I merely want to say, let people think the way their history has written it in their blood. Let them build their own nations. Take up a constructive dialogue with them.

We need a shift that makes clear that American policy wants to support Iraq to become independent and to treat it as a partner with equal rights. Naturally, Iraqi society is a modern society with internal conflicts, and the conflicts must be democratically solved. But one can only help them, one can only provide support, one must not impose on them any model. That is not democratization.

EIR: At the recent NATO summit in Istanbul, it was decided

that NATO should support the training of the Iraqi army and police. Is this necessary, when one considers that Iraq actually has an army and police forces?

Alkazaz: I consider this NATO meeting rather as a result of internal discussions on the present and future of NATO. The inner Atlantic discussion plays perhaps a greater role here than the future of Iraq.

Naturally the pressure of the Americans to bring NATO into play at all costs, was very big. After the collapse of their “traditional” enemy—the Soviet Union and the Warsaw Pact—NATO needed a new *raison d'être*, a reason for its existence. And if NATO wants to contribute to solving problems of a political, economic, and social nature in the world—the concept of security has certainly been enormously expanded—then that is its legitimate right. However, I and many others doubt that a military organization, whose people are military, who think in security categories, can contribute to solving problems. There [in Iraq] it is a question of political problems, economic problems, problems of sharing the waters of the Euphrates and Tigris among Iraq, Turkey, Syria; or problems of agrarian reform in Iraq—should it be reversed or should it be further developed; or, ethnic and religious conflicts, old and newly emerged. What should NATO contribute there? That is certainly not its job.

The problem in Iraq is a political problem and must be solved politically, not militarily. One needs no military help in Iraq. The Americans could chop Iraq up into pieces and raze it to the ground—that is not the issue. They do not lack power. But it is a political problem which has to be solved politically. Neither the expansion of their military presence nor the inclusion of contingents from other countries contributes anything to this. Under certain circumstances, it might help President Bush in domestic politics, in his election campaign, if he can say to his voting base: We're not alone, the alliance is still intact, there are many countries who support us, and reduce our military and financial burden.

For internal U.S. politics, that may have meaning, but not for Iraq, not for the region, nor for the rest of the world. It is a mistake for the U.S. to want to train Iraqi police and, at the same time, fire the professional police who were there. These police enjoy the trust of the population and not all of them are criminals with blood on their hands. If there have been criminal elements, they can be excluded. But one cannot exclude an entire apparatus throughout an entire country. The same goes for the army. The country and the people have always identified with the army. There was a basis of trust, which emerged from their contact with people, and represented a kind of political capital. The army has never betrayed the people, neither under the monarchy nor under the republic. Why did they simply disband this capital? I don't know who conceived this policy, really. Where are the think-tanks, where are the thousand research institutes—where are they?

EIR: These think-tanks are part of the problem, because they have a geopolitical orientation. They're not concerned with

support and help for a country, but rather, how one country can be played against the other, in order to keep the entire region under control.

Alkazaz: The Bush Administration's Iraq strategy consists of several factors: The first involves oil policy, and the second, the reorganization of the state and the political system. Democratization of the Iraqi political structure is necessary, but how? Do they want to introduce it only to manipulate the Iraqi leadership? If so, this is a perversion of this instrument. Yet one can introduce a real democracy, with all parts of the population participating and no one excluded. Reasonable laws, a multi-party system and so on, help, but they have to come out of the lap of the society.

Even if only one party, or a coalition, whatever, were to come into being, it could perhaps rule the country more democratically than if one group were played against the other, or if different leaderships and different heads were played against each other. That only destroys, and nothing is achieved thereby; it only perverts the democratic model which one wants to export.

EIR: What are the various historical factors, and those related to Iraqi national identity, which have bearing on the future development of Iraq?

Alkazaz: I would suggest that the U.S. work first for reconciliation, and follow the experience of South Africa—the Truth and Reconciliation Commission under Mandela. The model essentially functioned well. Every country has its boundary conditions. Naturally, some racists had committed terrible crimes and should be punished for them, but not everyone was made an enemy, it was not that, in the process, deep graves were dug deeper; rather it was matter of reconciliation and truth, and everything was put on the table.

Everything should be put on the table in Iraq now, so that an understanding may be possible on the basis of the Iraqi identity. One has to work out or elaborate a viable basis which can then sustain democratic conduct. But one should not by any means use the current situation, only to represent one's own interests. That would be neither a durable solution, nor a productive one, nor anything else. And here the question for me is: Where are the American think-tanks? Where are these institutions? What have they offered as ideas?

EIR: In some of these think-tanks, there is already talk of partitioning Iraq into three small entities.

Alkazaz: What for, then? What would be gained? That is a stillborn child. Because it would only be destructive, and we have devastating destruction in Iraq.

My proposal therefore is: No more destruction. There must be a shift in the direction of construction, including in oil policy. Even crazy Saddam—call him a dictator or criminal—shortly before the war, in a television interview with a former British minister which was broadcast by BBC, offered negotiations and cooperation regarding the control of oil.

But what did they do instead? They want to control Iraqi oil, in order to manipulate the world market oil price for the economy, for Europe, for Russia, and even, under certain circumstances, to use it as an instrument of pressure against a possibly emerging future counterpole to the superpower. But doing this would provoke exactly the opposite—in the region and worldwide. And one cannot control the world market that way. Believe me, I know what I am talking about. This is my specialist field.

I think, this is more or less an obsolete policy. It's the politics of the 19th Century, the politics of the 1920s, and the politics of globalization. They are all part of it.

And here I share LaRouche's view: Open your eyes, please, to the future, to the great tendencies in world history. As far as the distant future is concerned, the constellation has fundamentally changed.

There is a growing resistance internationally to such a policy of preventive wars, because it is an evil example for state powers as a whole. Every large state can make a claim to this, and then declare it sees a future threat in this or that state, and therefore, it will attack pre-emptively. This awakens certain spirits, and it cannot be limited to one power. The same goes for the disregard of international law with this "pre-emptive" war; and at the same time, it goes for the attempt to marginalize or manipulate the United Nations Security Council. And it calls up rival powers through the whole world.

Let us take the coalitions that were formed. One can see how fast they crumble. My God, what did the strategists think? To declare the Islamic region, Islam, as the enemy? I am opposed to fundamentalism, I am totally opposed to criminals like terrorists (where various factors are at play, including secret services, one can barely make head nor tail of it)—but that has nothing to do with the fact that an entire Islamic region is experiencing a strengthening of its consciousness of its own culture.

These countries have, with time, distanced themselves from the West, because they had imported so many experiments from the West, and had tried their luck, but they all failed: socialism of the Soviet brand, before that, liberalism, capitalism; now neo-conservatism, or whatever they are all called. . . . But they did not reach their independence and did not reach their goal to become equal with the West. Then, a disappointed counter-movement set in, in the population. And we now have to see how, historically, we deal with this phenomenon.

EIR: Are you optimistic that the situation, after a real shift in U.S. policy, and with the help of neighboring countries, can be stabilized? How will the resistance develop?

Alkazaz: I think in Iraq, the key for solving problems lies for the most part in the hands of the Iraqis. . . . They will seal a "*mithaq*," a union of trust between Shi'ites and Sunnis and Kurds, in that they will pledge never to fight against one another, and to rebuild Iraq together. A civil war must

be avoided by all means. The Iraqis must independently, without foreign intervention, agree on what role religion should play.

Thus they will relieve the Americans. The Americans, with their intervention, have rekindled some ancient problems in Iraq which had been long forgotten. This refers to the Shi'ite/Sunni problem, as well as the ethnicity of the Kurds; but also the significance of tribes and their disarming. When one once gives them power, one cannot simply take it away from them again. The Americans find themselves confronted with thousand-year-old problems which they do not know, which, however, they have re-ignited. And they do not know how they should get out of this quicksand.

Let the Iraqis find the solution in themselves, and they will implement this solution. One should not let oneself get confused by terms like secularism and fundamentalism. That leads only to confusion there. Without any know-it-all attitude, let the Muslims themselves decide what to do. This will not re-ignite new terrorism, but to the contrary, it will uproot terrorism.

And as a further factor, one must seek truth selflessly; really, the truth—this means, no more tricks of the intelligence agencies, no more talking with a forked tongue. One should state clearly and openly and sincerely, what one wants. And if one makes a reversal in policy, one has to first prove that it really will be implemented. It is a question of the search for truth, and truth cannot be changed with missiles or kaloshnikovs or suicide bombers.

The Iraqi people face their greatest challenge. They must propose a solution themselves—not in order to serve the occupying powers, so that the occupiers then mercifully allow it. They have to simply implement them and without asking permission of anyone. They must unite around a few basic principles, which are just and necessary: for example, voting on their interests with each other. This is not identical to American democratic experience—those are formulas—but the Iraqis have to choose themselves, what mechanisms they want for agreements. The Iraqis must seal this union between Shi'ites and Sunnis. They must swear with a sacred oath that all the riches of Iraq belong to all the people, as LaRouche would say. Petroleum and other riches do not belong to any group of the population, Shi'ites or Sunnis or the Kurds in the North.

This oil wealth or other natural resources serve to finance modernization and development of infrastructure, material and human infrastructure. Here, the “American market” cannot come in and demand privatization of firms, or airports or ports. Private firms do not yet invest in these sectors. Thank God that Iraq has its oil revenues. With them, first the infrastructure should be modernized; so much has been destroyed in the last wars. One cannot yet depend on private investments, it would be like lying to oneself.

The Iraqis must say to one another: All groups in the population are equal before Allah and before the law. All have

the same and equal right to existence, the same duties and so on. They must swear to this. And they must also swear not to serve foreign interests instead of national interests. Then there is a foundation, and then one can freely and openly cooperate, and win over the Americans and others as partners.

This is the reasonable solution. Naturally, here we are talking of single concepts that have to be worked out in detail. Each theme would require the work of a seminar.

EIR: There are some very promising developments in the United States, too. For example, the Supreme Court has just declared that the administration does not stand above the law, particularly in questions of war and peace, or in an emergency situation.

Alkazaz: It's high time. The U.S. has lost its image and its face in the whole world. The motherland of democracy, the highest representative of western democracy, allows itself an Abu Ghraib, can you imagine that? This is not one lost battle, but a defeat in an entire war. That goes against its own morality, against its own system. It is enough to make one cry.

EIR: It also does not represent the original tradition of the American Revolution. In the United States, too, a truth-seeking process is needed.

Alkazaz: One aspect I really want to emphasize. If Americans and Iraqis want to make peace with each other, then what is required is this: Peace is won through convincing, through winning hearts, through entering into dialogue with the way people think, their culture and their self-conceptions. Not through power plays, not through bombs, not through demonstrations of power, not through war; that all produces only destruction. And the self-conception of America is certainly not counterproductive. It embodies the highest values. There is, in the Iraqi people and in all the people of the Middle East, no greater pride than to have studied in an American university.

I was in the home of our former Prime Minister Muhammad Fadhil al-Jamali, who was prime minister during the monarchy in Iraq. In the 1940s and 1950s, he was America's representative in the Middle East. In the eyes of many people in the Middle East, he was an agent of America, so to speak. But he was one of six who drafted the UN Charter. And he had internalized these American values so much, and fought for them in the Middle East. He told me, when I visited him in his home in Tunis: “I was disappointed in the first Gulf War in 1991, with how the Americans dealt with my people. I wrote a letter to George Bush, the father [saying]: ‘I have given my life for you. At the time of the overthrow of the monarchy, I was sentenced to death. But what are you doing now with my legacy?’ ”

And this understanding is alive now, as then, in Iraq. The most recent developments are not representative [of America] for people.

Synarchists Declare Mexico 'Ungovernable'

by Benjamín Castro Guzmán

If Mexican patriots do not awaken from their strategic slumber, Mexico could be transformed, rapidly, into yet another of the “failed states” which U.S. Defense Secretary Donald Rumsfeld hopes to create throughout the continent, to justify intervention by a multinational force spearheaded by the U.S. Army. In addition to guaranteeing payment of the Mexican debt, the target of such an intervention would be the oil fields in the Gulf of Mexico. Nationalist circles in Mexico seem unable to comprehend the situation, blinded by their pragmatism and lack of strategic vision. Only the LaRouche Youth Movement (LYM) and the Labor Committees, the two organizations associated with U.S. Democratic Presidential pre-candidate Lyndon H. LaRouche, have denounced this scenario for chaos and induced ungovernability, and have catalyzed the programmatic debate required to defeat it.

All the ingredients for transforming Mexico into a new “Venezuela”—a country so polarized that civil war could break out at any time—are already in place. On June 27, “right-wing” synarchist business organizations—headed by the president of the Spanish Banco Santander in Mexico, Marcos Martínez, and by Claudio X. González, the representative of various multinational companies in Mexico; and backed by national television channels such as the Salinas Pliego family’s TV Azteca and Emilio Azcárraga Jean’s Televisa—organized a “mega-march” in Mexico City. Up to a half-million people, incited by television, radio, and newspapers, came out to protest against “insecurity” in the country. Their presence helped support the typical demands of the Synarchists to impose the death penalty, create a single national police, and, above all, end the Mexican state itself.

As Claudio X. González said, “if a state no longer can provide security . . . it has no reason to exist,” brazenly calling upon the citizens to arm themselves. Other right-wing organizations, such as the secretive *Yunque* (“Anvil”), some National Action Party (PAN) circles, as well as various “civil society” and “citizen” organizations, also used the march to push their agenda of so-called “oral trials” against the accused; the jailing of allegedly corrupt judges and magistrates; and the creation of a single national police force modelled on the Nazi SS.

The idea of forming a single national police force subsuming the state and municipal police, wearing a single uniform, and under a single centralized command, was enthusiastically supported by Wall Street’s fair-haired boy, Jorge Castañeda,

who has made the discrediting of the institutions of the state and the political parties the central plank of his Presidential campaign.

As part of the chaos scenario, a new scandal was triggered July 4 by the resignation of President Vicente Fox’s personal secretary and spokesman, Alfonso Durazo. Durazo resigned, and simultaneously released a 19-page letter exposing the personal weaknesses of the President, his submission to his wife, First Lady Martha Sahagún, disorder inside the ruling cabinet, and government attacks against contenders for the Presidency who are not of Fox’s choosing.

After Durazo’s resignation, there is now insistent talk about an early resignation or “debacle” on the part of President Fox, similar to what occurred to Fernando de la Rúa in Argentina in 2000. Some business organizations, like Coparmex, speak openly of supposed “ungovernability” in Mexico, and former Government Secretary Diódoro Carrasco warned of a “weakening of the country’s institutions,” or their possible dissolution, given Fox’s lack of credibility.

The synarchist operation is not limited to the so-called right wing. For example, Andrés Manuel López Obrador, the mayor of Mexico City and probable “leftist” candidate in the 2006 Presidential elections, has opted to take advantage of attacks against him by Fox and company to turn his candidacy into a *cause célèbre*, and himself into the “people’s hero” who takes on the Federal government. But he has refused to address the real cause behind the current national crisis—the economy—and to propose real solutions. Mexico is in the midst of a serious economic paralysis, weighed down by its more than \$250 billion in real foreign debt which the country could not possibly honor without sacrificing the most basic needs of the population, as is already the case with the scandalous dismantling of the country’s health system.

López Obrador reaffirmed his commitment to faithful payment of the foreign debt, to fiscal discipline, and to the austerity ordered by Mexico’s creditors and by the International Monetary Fund (IMF), in a June 29 appearance before a forum sponsored by London’s *Economist* magazine. He also committed to handing over Mexico’s energy resources to “foreign investment”; that is, to multinationals like Halliburton, Shell, Repsol, Iberdrola, etc. In other words, like all the rest of the politicians, López Obrador has remained faithful to the same economic policies that underlie the collapse of the Fox government, along with the national institutions themselves.

Recently, the LYM has circulated a leaflet among Congressmen, government officials, political parties, and others, with the title: “Give Us a Future Worth Living—Not a Dark Age!” The leaflet calls on politicians to defend the country and its economy, and to undertake the construction of large infrastructure projects that could offer today’s youth a future. If the political class of Mexico does not do this, the LaRouche Youth Movement will have to take its place.

Covering for Fascist Laws

The “Anti-Defamation” lobby has its roots in the notorious Congress for Cultural Freedom.

Lyndon LaRouche’s associates in Australia’s fastest-growing political party, the Citizens Electoral Council (CEC), sponsored an ad in the Melbourne *Age* newspaper on June 15, which blasted the latest in a series of police-state laws proposed by the Liberal Party government of Prime Minister John Howard. Entitled “Stop the Police-State Anti-Terrorism Bill 2004!” the ad concluded: “Enough of this fascist legislation! Numerous legal experts have stated that we have too much ‘anti-terrorism’ legislation already. We do not want Australia to be turned into a carbon copy of Hitler’s Germany. Therefore, we, the undersigned, demand that the Anti-Terrorism Bill 2004 be rejected, and that no more such fascist ‘anti-terrorism’ legislation be passed.”

The statement was signed by over 90 public officials, religious and trade union leaders, artists, and others, including a former minister of the nationalist 1972-75 Labor government of Prime Minister Gough Whitlam, Ken Wriedt; Australia’s top Islamic official, Imam T.H. Al-Hilali; and the former Chief of the Australian Defence Force, Gen. Peter Gratton.

Notwithstanding the opposition spearheaded by the CEC, the Howard government rammed the legislation through, with the support of its nominal opposition, the Labor Party. As noted in the ad, the bill proposed to recognize, as an offence against Australia, “an offence triable by a military commission of the United States of America” established under a Nov. 13, 2001 order by President Bush, which set up the lawless, torture-ridden re-

gime of Guantánamo Bay, which was then exported to Iraq. However, even as Australia was passing this bill, the U.S. Supreme Court slapped down the Bush/Cheney Administration, with its June 28 ruling that the “war on terror” was not above the law.

As soon as the CEC’s ad appeared, the “Anti-Defamation” lobby started its usual bullfrogs’ chorus of attacks against the CEC. Anti-Defamation Commission (ADC) chairman Dr. Paul Gardner tried to discredit the ad by ludicrously howling that the CEC promotes “conspiracy theories, many of which have an anti-Semitic flavour,” while his associate Dr. Colin Rubenstein, executive director of the Australia/Israel & Jewish Affairs Council (AIJAC) and chairman of the editorial board of *The Review* magazine (formerly the *Australia/Israel Review*), claimed the CEC was a “political cult.” However, while Gardner and Rubenstein like to trumpet their concerns for “anti-defamation” and “human rights,” their voices have been conspicuously silent as the Howard government and its Labor Party accomplices have passed a raft of legislation that would have made Hitler proud.

Such silence on the part of AIJAC/*The Review* and the ADC, is less surprising, when one examines their roots: in the Congress for Cultural Freedom (CCF), whose post-war operations to destroy American and European positive cultural identity were exposed in the LaRouche in 2004 campaign’s June 2004 pamphlet, *Children of Satan III: The Sexual Congress for Cultural Fascism*.

The key figures behind AIJAC are Zionist leaders Mark and Isi Leibler. Isi was a prominent associate of the CCF’s Australian wing, the Australian Association for Cultural Freedom (AACF), while *The Review*’s first editor was Sam Lipski, who was for decades on the editorial board of *Quadrant*, the magazine of the CIA-funded AACF.

According to *The Review*, its co-founder and “organizational genius” was Robert Zablud, whose vision of Judaism was inspired by “his mentor Zeev Jabotinsky,” whom the magazine called “a much-misunderstood centre-right Zionist ideologue.” Jabotinsky was not misunderstood—he was a fascist, referred to as “Vladimir Hitler” by Israeli founding father David Ben Gurion. After Jabotinsky’s death, his Revisionist movement was run by his private secretary, Benzion Netanyahu, whose main ally in the U.S. Congress was Sen. Clare Booth Luce, the wife of the fascist Henry Luce, owner of *Time* magazine; both he and his wife were pillars of the CCF. AIJAC/*The Review* sponsored a visit of Benzion’s ultra-right-wing son, Benjamin Netanyahu, to Australia.

The ADC came out of the same CCF nest. Its Advisory Board chairman is Privy councillor and former Governor-General Sir Zelman Cowen. Cowen has presided over the ADC’s calls to ban the CEC from politics, and was the president of the AACF from 1968-77, even after the CCF was exposed as a CIA front. The founding president of the AACF in the 1950s, Privy Councillor John Latham, was a mentor of Cowen, and had been a key figure in backing the synarchist-funded fascist militia in Australia in the 1930s, which had planned to seize power in order to stop the Labor Party from establishing a national bank, or even directing credit to create jobs in the Depression.

WHAT IT MEANS FOR TODAY

The Nazi-Instigated National Synarchist Union of Mexico

Part 2, by William F. Wertz, Jr.

Part 1, which appeared in last week's EIR, traced the origins of Synarchism in Mexico, including the founding of the National Synarchist Union (UNS) by the Nazis and the Spanish Falangists, and its wartime role in support of the Axis cause. Here, a new chapter begins, after Pearl Harbor and the Mexican declaration of war against the Axis powers: An anti-Roosevelt Anglo-American imperialist faction, acting through the Dulles-Buckley networks associated with Cardinal Spellman and Bishop Fulton Sheen of the United States, moved in to control the UNS. These networks remain active to this day, including notably against the LaRouche forces in Ibero-America. Two former LaRouche associates, Marivilia Carrasco and Fernando Quijano, went over to the synarchist camp.

4. Faction Fights Within Synarchism

The Pearl Harbor Effect

Just as there was an extraordinary paradigm shift in the United States immediately following the Dec. 7, 1941 bombing of Pearl Harbor by the Japanese, a similar sudden shift occurred in Mexico, and affected the future direction of the UNS. This shift was accentuated by the fact that on Nov. 19, 1941, just 17 days before the attack on Pearl Harbor, the Good Neighbor Agreement was signed with the United States, and a framework set up for the settlement of the oil question.

The Good Neighbor Agreement was the concrete realization of the Good Neighbor Policy of which President Franklin

D. Roosevelt had spoken in December 1932, and then again in his Inaugural Address on March 1, 1933. The most important aspect of the agreement was that the United States officially recognized Mexico's sovereign ownership of its subsoil wealth. The agreement contained six points: 1) an evaluation of the expropriated oil properties; 2) Mexico agreed to satisfy all outstanding claims of U.S. citizens for revolutionary damage and expropriated properties, through the payment of \$40 million over 14 years; 3) negotiation of a reciprocal trade agreement; 4) the U.S. Treasury would stabilize currency through the purchase of Mexican pesos, and would buy Mexican silver at the fixed rate of 35¢ an ounce, renewing the arrangement it had prior to the oil expropriations; and 6) the U.S. Export-Import Bank would open credits to the Mexican government. The first credits were to expand the network of highways from border to border and from coast to coast.

In this connection, there were also significant moves made in the Mexican Congress to counter the UNS. On Oct. 14, 1941, Alfredo Félix Díaz Escobar, in a congressional debate on Synarchism, called the UNS a fascist fifth column in Mexico. Then on Nov. 30, 1941, after the signing of the Good Neighbor Agreement and a little more than a week before Pearl Harbor, the Mexican Congress approved the constitution of a group to resist the "regressive tendencies represented by the UNS," the National Anti-Synarchist Committee for the Defense of Democracy (Comité Nacional Antisinarquista y en Defensa de la Democracia).

When the Japanese bombed Pearl Harbor in the wake of the U.S. recognition of Mexico's rights in the oil expropriations, the entire picture changed in Mexico. On Dec. 8, 1941, Mexico broke relations with Japan and on Dec. 12 with Ger-



*In 1986, Marivilia Carrasco, then a leader of the LaRouche movement, gave a press conference in Washington, announcing the publication of the book *The PAN: Party of Treason*. Later, under the influence of Fernando Quijano (left), who founded the anti-LaRouche Ibero-American Solidarity Movement (MSIA) in 1992, she jumped into bed with her former fascist enemies, the Francoist Blas Piñar and Salvador Abascal, the chief of the National Synarchist Union (UNS).*

many and Italy, upon which Mexico had previously depended to sell its oil.

In May 1941, the UNS asserted that pan-Americanism concealed American imperialism and reasserted its intention to create an international bloc of Hispanic-American states to oppose the United States. However, after Pearl Harbor, Antonio Santacruz, the chief of the Base, which controlled the UNS, told the followers of UNS leader Salvador Abascal: “We must agree with the United States—because since Pearl Harbor it is a matter of life or death. . . .”

On Dec. 12, 1941, the Base effectively overthrew Salvador Abascal and replaced him with Manuel Torres Bueno.

On May 14, 1942, the Nazis sank the Mexican tanker, the *Potrero de Llano*, off the coast of Florida, and on May 17, a second tanker, the *Faja de Oro*. On May 28, the Chamber of Deputies approved a declaration of war. On May 30, the Senate followed. And on June 1, President Avila Camacho signed the decrees declaring that Mexico had been at war since May 22. In November 1942, all members of Congress subscribed to the formation of the National Anti-Nazi, Anti-Fascist Committee, which was an enlargement of the National Anti-Synarchist Committee for the Defense of Democracy. The president of the committee was Díaz Escobar.

One article in the constitution of this Committee read as follows:

“Given the documentary proof which we possess, we consider Sinarquismo and other organizations affiliated with it a fifth column which follows in Mexico the lead of the Falange Española and uses Nazi-Fascist tactics.”

After Pearl Harbor, although the Catholic Church was no less pro-Falange, it came under increasing pressure to at least publicly rein in the UNS, as is clear from Santacruz’s statement. The leadership of the Church could see the handwriting on the wall. Therefore, under pressure from the United States and from political forces within Mexico, it attempted to give the impression that it was breaking from the Falange, and even lied that it had nothing to do with either the UNS or the National Action Party (PAN), both of which it controlled through the secret Church-Falange Council or the Base.

A now declassified U.S. intelligence document authored on March 30, 1942 by Naval Attaché Harold Braman shows how the Mexican Catholic Church used a Spanish Monarchist later exposed as a Falangist to give Washington this impression: “The Catholic Church of Mexico which has had an important role in the building up of the Sinarquista movement in this country is about to throw aside its cooperation with the Falange in the direction of the group and will assume full control of the Sinarquistas as soon as ‘convenient,’ according to the Marqués de Castellón, representative here of the Spanish Monarchist-Catholic group.

“While this statement must be accepted with full reserve, the Marqués has excellent connections with the Church and is working here in close collaboration with the local representative of the National Catholic Welfare Conference of Washington, D.C. The Marqués states that the latter, whose name is Saavedra, is the ‘inside man’ on the matter and is waging a successful campaign to bring all Church dignitaries into line to agree on a detailed program for support of and direction of

The Fascist Ideology Of Hispanidad

On Nov. 7, 1940, Spain's Gen. Francisco Franco established the Council of Hispanidad in Madrid. The term *Hispanidad* was popularized in the 1930s by Falangist theoreticians and fine-tuned by the Ibero-American Institute of Berlin in the late '30s, for use by the Spanish Falange in Ibero-America. According to this ideology, the Middle Ages was the greatest period of man's spiritual development. Spain best represented this under the Hapsburg Holy Roman Emperor and King of Spain Charles V (r. 1519-56), who sponsored the Counter-Reformation Council of Trent (1545-63); and under King Philip II of Spain (r. 1556-98), who brutally repressed the Revolt of the Netherlands, and whom the advocates of *Hispanidad* therefore regard as the defender of the faith.

However, the ultramontane unity of Christendom was disrupted by the Golden Renaissance, which gave birth to the sovereign nation-state, and by the Protestant Reformation, which the advocates of *Hispanidad* regard as pagan. The fight for the creation and development of sovereign nation-states, in opposition to the theocratic power of the Catholic Church, led to the suppression of the Jesuits

(founded in 1534) by Spain's King Carlos III in 1767. The synarchist advocates of *Hispanidad* regard this as the beginning of the hated Revolution, the first expression of which was the successful American Revolution of 1776.

The mission of Franco's Spain was to reverse this process and to re-establish a theocratic "Christian" Empire, using the methods employed by Franco's sponsors, Nazi Germany and Fascist Italy, which originated in Spain under the Spanish Inquisition of Tomás de Torquemada (1420-1498). The advocates of *Hispanidad* thus hail the Spanish Inquisition and its methods, including the anti-Semitic expulsion from Spain of the Jews in 1492 and the Moors beginning in 1502 and completed in 1609 under King Philip III.

The synarchist advocates of *Hispanidad* oppose Spain's pro-American King Carlos III and his advisors, Conde de Aranda, Pedro Rodríguez de Campomanes, Gaspar de Jovellanos, et al. In their view, the greatest evils were introduced into Mexico by the leaders of the Mexican Independence movement, Miguel Hidalgo y Costilla and José María Morelos y Pavón, and worst of all, by Mexican President Benito Juárez. Their heroes are the Emperor Iturbide, Santa Ana, Maximilian, and Porfirio Díaz. They regard the United States of America as an Anglo-Saxon Protestant nation created by freemasons.

—William F. Wertz, Jr.

the Sinarquistas.

"The role of the Church in the Sinarquista Union has, to date, been a highly suspicious one. Local priests have long been known to supply lists of 'recommended' names for membership in the Union. The Falange, which directs the Axis propaganda work in the Union and its secret ally, the Acción Nacional, has had such a close connection with Archbishop of Mexico and various key Bishops that all Church activity in relation to the Sinarquistas has been suspected.

"It is the claim of the Spanish Monarchists, however, that the Archbishop has been 'using' the Sinarquistas for the advantage of the Church by 'playing along' with the Union and the Falange in order to ferret out the principal backers and leaders, obtain full information on the program, and gain control of the funds, to the end that full directional control of the union might be placed under the Church, either outwardly or secretly."

According to historian Alan Chase, in May 1942, this source was discredited when a dossier was presented which showed that he was not Spanish, but a Mexican named Luis Sevilla. In 1931 he sailed for Spain while out on bail pending charges of swindling a sum of money from General Limón. During the Spanish Civil War he worked in Marseilles, France as an agent of General Franco's Secret Service, posing as an

agent of the Spanish Monarchist Party. He came to Mexico in 1939 and maintained relations with Serrano, Franco's official representative. When the dossier was presented, he disappeared.

The March 30, 1942 report continues: Abascal "resigned recently after his arrest by the police on a charge of saying insulting things about the Mexican Army. Abascal denied the charge and was later released, but the incident embarrassed the Trueba Olivares brothers, who really run the Union and founded it for the Nazis, [and they] decided to send him to Lower California as Chief of the Colonization project there."

"One hundred thirty-two leftist deputies and forty senators of the National Congress have formed a 'National Anti-Sinarquista Committee for the Defense of Democracy' and have signed statements claiming the Union is against the democratic countries and liberalism. They charge that Sinarquismo is the 'real fifth Column of Mexico' and that it is working with the Spanish Falange.

"On March 3, 1942, this new Committee came out openly on the Church question by stating publicly that the Union is acting 'within' the 'Catholic Clergy,' that it is a political organization very similar to Spanish Fascism such as the Spanish Traditionalist Falangists, and that there was connection between all of these groups.

“In response, the Bishop of Guadalajara, Monsignor Garibi Rivero, issued a statement through the office of the Archbishop of Mexico, stating that the Church has nothing whatever to do with the Sinarquistas or the Acción Nacional. . . .”

UNS Taken Over by Anti-Roosevelt Anglo-American Faction

According to Mexican author Mario Gill, after the Nazi defeat at the Battle of Stalingrad on Feb. 2, 1943, it was clear that the synarchists’ future did not lie with the Axis powers, but rather with an adaptation to a pro-Franco, fascist faction in the United States. Under these conditions, the UNS was steered away from its openly anti-Yankee, pro-Axis direction, by the intervention of an anti-Roosevelt, Anglo-American imperialist faction spearheaded by Cardinal Francis J. Spellman of New York and Bishop Fulton Sheen, both of whom are mentioned favorably by Harvard’s Samuel “Clash of Civilizations” Huntington in his 2004 book *Who Are We?*

These two U.S. Church leaders, both of whom were allies of CIA director Allen Dulles and his deputy James Jesus Angleton, worked with the Base in Mexico to reorient the UNS towards a universal form of fascism under the guise of a New Christian Social Order.

Mario Gill’s thesis, which Héctor Hernández attempts to refute, was also the assessment of *El Popular*, the newspaper of the Confederation of Mexican Workers, which in its Dec. 14, 1943 issue wrote as follows:

“There is no doubt that the recent visit to Mexico of Msgr. Sheen, the pro-fascist ‘black leader’ of North American clericalism, contributed towards obtaining the conversion of the Mexican Synarchists to a new policy in tune with the demands of the situation of the new world.”

According to Gill, “Monsignor Fulton J. Sheen came to Mexico to assist at the Eucharistic Congress in Tulancingo, Hg. During his stay in the country he lodged at the house of Father Iglesias and it is known that he celebrated a series of conferences with the political leadership of the church, the mentors and confessors of the leading Synarchists. Upon his return to the U.S. in Nov. 1943 he made some declarations to the press in Washington in which he affirmed the following: ‘What Mexico needs is a revolution; no revolution has been less revolutionary than that of Mexico; the corruption in this country is scandalous and total. . . . [O]nly the religious faith of the people and their Catholic tradition can save Mexico.’ ” Sheen made this statement in the middle of World War II against the government of a wartime ally of the United States.

Gill stressed that Sheen’s views coincided exactly with those of the UNS and the PAN. Gill pointed out that Sheen,



CIA chief Allen Dulles (left) and CIA director of counterintelligence James Jesus Angleton were instrumental in fostering the synarchist networks in Mexico, as they had been in spiriting the Nazi SS leadership out of Germany after the war, to Italy and Franco’s Spain.

Cardinal Francis J. Spellman, and the Rev. Jerome P. Holland represented a faction in the U.S. Catholic Church which wanted to establish a New Christian Order in America. Spellman was known as one of those who had fought on behalf of Franco, in the United States. Holland was the chief editor of the Catholic newspaper *The Tablet* in Brooklyn, N. Y. On May 8, 1943, fresh from his trip to Mexico with Sheen, Father Holland published the Sinarquistas’ 16-point program. In the same issue, he defended the Franco regime.

This grouping in the U.S. Catholic Church is the old network of William F. Buckley, Sr. and the Morgan interests, who had been deeply involved in attacking the Mexican government and encouraging the Cristero Rebellion from the turn of the century. Since 1921, Buckley had worked with Thomas W. Lamont of J.P. Morgan to form the American Association of Mexico. In November 1921, he had been expelled from Mexico for “counterrevolutionary conspiracy” by President Alvaro Obregón. It was Buckley who had encouraged René Capistrán Garza, the military head of the National League, to meet Nicholas Brady, president of the New York Edison Company and the United Electric Light and Power Company, to obtain funding for the Cristeros.

Before Pearl Harbor, William F. Buckley, Sr. promoted Standard Oil executive Nelson Rockefeller, whose company sold oil to the Nazis, to head the Office of Coordination of Inter-American Affairs. His son, William F. Buckley, Jr. was assigned in 1952 by James Jesus Angleton, director of counterintelligence for the CIA under Allen Dulles, to set up the first CIA office in Mexico City.

Before the war, both Allen Dulles and his brother John Foster Dulles of the law firm Sullivan and Cromwell, had



Bishop Fulton Sheen (above) and Cardinal Francis J. Spellman were leaders of the anti-Roosevelt, pro-fascist faction in the United States. They worked with the Base in Mexico after Pearl Harbor, to reorient the UNS toward a “universal” form of fascism, known as the New Christian Social Order.



represented Schröder, Rockefeller and Company, an investment bank, whose partners included Avery Rockefeller, nephew of John D. Rockefeller, Baron Bruno von Schröder in London and Kurt von Schröder of the Bank for International Settlements (BIS) and the Gestapo in Cologne, Germany. Alan Dulles was himself a board member.

The Spellman-Sheen operations in Mexico are totally coherent with the fact that after World War II, Alan Dulles, who had headed the Office of Strategic Services (OSS) operations in Germany and who worked with Angleton, head of the OSS in Italy, protected his Nazi collaborators. Members of the Nazi SS leadership were spirited out of Germany via the “Rat Line,” first to Italy and then to Franco’s Spain, whence they escaped to Ibero-American countries. It is estimated that by 1950, about 16,000 Nazi immigrants were living in Spain.

Spellman and Sheen, both of whom supported Franco, were part of the corrupt elements in the Catholic Church, committed to imposing a form of “universal fascism” in the postwar period.

After ordination in 1919 and the receipt of two degrees from Catholic University of America in Washington in 1920, Sheen went to Louvain University in Belgium. He received a Ph.D. in philosophy and a “super-doctorate” in 1925. The University of Louvain was a center of support for the Cristeros. The Jesuit priest Alfredo Méndez Medina studied theology there, and was the ecclesiastical advisor to the National League for the Defense of Religious Liberty. The two main offices of the International Union of the Friends of the League were located in Rome and Louvain. Reportedly, Sheen won

the respect of G.K. Chesterton, the nominally Catholic “Distributionist” who in the June 8, 1933 issue of his publication *GK’s Weekly*, endorsed Hitler’s Nazi state.¹ During World War II, Spellman took Sheen under his wing. Sheen was also a personal friend of J. Edgar Hoover of the FBI, and was known for his anti-communism.

In 1941, Cardinal Spellman had become the “Grand Protector” and “Spiritual Advisor” to the Sovereign Military Order of Malta (SMOM), the American association of which was created in 1927. The treasurer of the SMOM was none other than John J. Raskob, the head of the Democratic National Committee (DNC), who opposed Franklin D. Roosevelt in his campaign to win the Democratic Presidential nomination in 1932, and who in 1934, inspired by the French fascist Croix de Feu, and working closely with Morgan Bank’s John Davis, was the principal financier of the fascist coup plot against FDR. William F. Buckley, Sr. and Nicholas Brady were both members of the SMOM. William F. Buckley, Jr. is also a member, as was

James Jesus Angleton.

After Sheen’s visit, the Fifth National Assembly of the Chiefs of the UNS occurred, also known as the Conference or Junta de los Volcanes. There, according to Gill, the UNS “corrected some tactical errors which were observed by Sheen including their rabid hispanism and anti-Yankee positions hostile to the U.S. and the democracies. Synarchism proclaimed that it did not admit an anti-Yankee hispanism, just as equally they could not admit an anti-Spanish Pan-Americanism. The thesis of *Hispanidad* as political theory which synarchists wielded initially against North America, as per their conviction and interest and according to the suggestion of the Nazi-Falangist fifth column (inspired by the policy of the Ibero-American Institute of von Faupel) was replaced by the following: Continental unity will never be attained if one attempts to de-hispanize the people who are found to the south of the United States, for which reason Pan-Americanism and Hispanidad ought not to be counterposed; but rather should be suitably harmonized. We consider that the Christian culture and origin of America are the better bases for attaining the unity of the Continent.”

According to Gill, “The new fascist strategy for America was not the establishment of a new Hitlerian order, but rather a new type of fascism directed by the Church; a clerical-corporative regimen, that is, the New Christian Social Order.”

Gill went on to say that the UNS began to look for help

1. See Stanley Ezrol, “‘Traditionalist’ Cult Is Roman, Not Catholic,” *EIR*, April 26, 2002.

from the more reactionary sectors of Anglo-American imperialism. All of the initial financiers of the UNS came from the philosophical and political camp of *Hispanidad*, “the brilliant theory of those who dream of the reconstruction of the empire of Philip II, those enamored of the old viceregal order.” This is also the wet-dream of the Ibero-American Solidarity Movement’s (MSIA’s) Fernando Quijano.²

“But at the end of 1943 the situation in the world had changed. The hope of a triumph of fascism in Europe had disappeared. To rely on a force which is collapsing is a tactical error, and the UNS expediently revised its line. In this strategic turn it had the important participation of Monsignor Fulton J. Sheen, the pro-fascist Catholic prelate, one of the prophets in America of the New Christian Social Order. It is unquestionable that the intervention of Monsignor Sheen was not purely theoretical, he did not confine himself to giving the line and pointing out the new plans of action to the organization. It is indubitable that he also opened new sources to the economic advantage of the UNS. Unquestionably the result was that after the trip of Monsignor Sheen to Mexico, Torres Bueno, the national chief of the UNS, began to have funds in large amounts from anti-Rooseveltian imperialist sectors of the U.S.”

Gill argues that the philosophical inspiration for the synarchist notion of the New Christian Social Order was the anti-Semitic fascist ideology of an Argentine priest, Julio Meinvielle (1905-73). Interestingly, Meinvielle’s thinking has been promoted by Alejandro Peña, formerly associated with Lyndon LaRouche, but now a leader of the oppositon to President Hugo Chávez in Venezuela, with connections into the exile Cuban community in Florida. Meinvielle’s views were also advocated by the MSIA’s Fernando Quijano.

5. Synarchism in the Post-War Period

The UNS from World War II to 1954

On Aug. 6, 1940 Salvador Abascal acceded to the leadership of the UNS. His father was a lawyer and a declassé landlord, who had been an important member of the Union

2. While *EIR* Founder and Contributing Editor Lyndon LaRouche was wrongfully imprisoned beginning Jan. 27, 1989, former LaRouche associate Fernando Quijano, who became an asset of the CIA’s Nestor Sánchez, attempted to take over the LaRouche association. In September 1990 he made a speech published in the Oct. 19, 1990 issue of *EIR*, in which he defended the expulsion of the Jews from Spain in 1492 and defended the Spanish Inquisition. He advocated the theories of the founder of the Spanish Falange, José Antonio Primo de Rivera, and was a supporter of the Spanish fascist dictator, General Franco. He despised the memory of Mexican President Benito Juárez, defended Spain’s Philip II, and hated the pro-American Bourbon King of Spain, Carlos III. In 1992 he helped found the synarchist Ibero-American Solidarity Movement (MSIA).



UNS leader Salvador Abascal invoked the cult of “Hispanidad” against “hypocritical Judeo-Yankee imperialism.”

Popular or the “U.” Santacruz, the chief of the Base, had known Abascal since 1935, and nominated him as the new UNS leader. According to a now declassified report written by Harold Braman on March 30, 1942: “The German agents had . . . worked out a scheme for the Spanish Falangists in Spain to take over much of the active direction of the union, due to the desire to keep things on a Spanish language and culture basis, for public consumption. Abascal proved to be an ideal ‘stooge’ for leader, since he would take orders and he stood high with the Archbishop of Mexico. . . . [H]e was educated in the Seminario de Morelia at a time when the Rector was Luis María Martínez, now Archbishop of all Mexico. He formed a lasting friendship at the feet of this powerful church figure, and showed a fondness for aggressive church political work.”

Abascal’s pre-World War II predecessors included José Antonio Urquiza, who, although not an official chief of the UNS, became an icon of the group when he was assassinated on April 11, 1938. The UNS claimed that he was murdered under orders of President Cárdenas, although later it was disclosed that he was killed by one of his own peons. Nonetheless, he was treated by the UNS as a martyr, comparable to José Antonio Primo de Rivera, the founder of the Falange in Spain, who had the same first name.

José Trueba was officially the first chief of the UNS from its foundation until October 1938. He was followed by Manuel Zermeno Pérez until August 1940. He had been stabbed in the back following a Synarchist rally in Tepic on Jan. 12, 1939.

Abascal was an anti-Semitic fascist, thoroughly committed to overthrowing the Mexican Revolution, which he, like his fellow Synarchists, blamed on U.S. Ambassador Joel Poinsett’s actions in 1822. Typical of his mentality are two books which he wrote long after he had left the leadership of the UNS, but while he continued to be a leader of the Base, *La revolución antimexicana (The Anti-Mexican Revolution)* (1978) and *La constitución de 1917, destructora de la nación (The Constitution of 1917, the Destroyer of the Nation)* (1984). Under his leadership, the UNS was rabidly anti-U.S. and pro-Falange.

While denying that he and the UNS were Nazis, Abascal spewed forth the anti-Semitic, anti-U.S. line concocted by

the Nazi Wilhelm von Faupel's Ibero-American Institute in Berlin: "Only faithfulness to Hispanic culture, to *Hispanidad*, and to the political integration of all Hispanic America can free us from the hypocritical Judeo-Yankee imperialism, whose only objective is the destruction of our essence."

At the Third National Synarchist Meeting in October 1941, Abascal announced that he was going to head the colony in Baja California, and would hand over leadership of the UNS to Torres Bueno, who took over on Dec. 13, 1941. The colonization project, as we have demonstrated, was designed to serve the interests of the Axis powers. Torres Bueno was himself a close associate of the Nazi Helmuth Schreiter, and also of Abascal. However, after Pearl Harbor, Torres Bueno came under severe pressure from Santacruz and the Supreme Council of the Base, to change the line of the UNS and not to provide Abascal with the resources needed for the colonization project to succeed.

In December 1942, Abascal returned to Mexico City and began to speak publicly in opposition to the shift which was taking place in the UNS. In July 1943, he read some issues of *El Sinarquista*, in which the names of Hidalgo and Morelos, two Catholic priests who were the leaders of the Mexican Independence movement, whom he regarded as traitors, were placed at the same level as Emperor Iturbide, who was in his view, and the view of Jesuit operative Bernard Bergoend, one of Mexico's greatest heroes. Abascal also disagreed with the characterization in *El Sinarquista* of Roosevelt's Good Neighbor Policy as "absolutely sincere." Abascal saw the United States as the enemy of Mexico, and stated: "I have never believed in the Good Neighbor Policy, nor will I ever, until the United States converts to Catholicism."

In 1943, Alfonso Trueba, the editor of *El Sinarquista*, was replaced, because he refused to print pro-American articles. In December 1943, Torres Bueno declared that Synarchism would support Pan-Americanism and continental unity. Abascal objected.

In April 1944, Abascal wrote to Torres Bueno: "I was equally very upset to learn about the exoneration of Benito Juárez, at last year's León rally." Abascal considered Juárez, who forged an alliance with U.S. President Abraham Lincoln during the U.S. Civil War, and who became President of Mexico in 1867, to be a traitor. Torres Bueno broke with this commonly held Synarchist view as part of the UNS opportunist adaptation to the U.S.-led war effort.

Abascal also reproached Torres Bueno in a letter "for a most shameful act: putting on the same level the Christianity of the Mexican people with the 'Christianity' of the Protestant United States. . . ." Abascal wrote that he thought "that our destiny was in our Hispanic culture and in the ideological battle against Yankee imperialism."

In 1944 Abascal was expelled from the UNS. José and Alfonso Trueba Olivares, among others, soon followed him.

However, due to the pressure of Abascal's criticism, the UNS was desperate to show that it had not sold out to the

"imperialists" and abandoned its radical opposition to the Mexican Revolution. Therefore, Juan Ignacio Padilla, the deputy leader of the UNS, authored two articles in the June 22 issue of *El Sinarquista*: "This is no government" and "Synarchism appeals to the Army." The first declared that President Camacho was under the influence of forces bent on Sovietizing the government, and the second was a seditious appeal to the Army to prevent a communist coup. In the latter article, Padilla wrote:

"We have raised an army of five hundred thousand soldiers who are resolved to give Mexico a government with real authority. Can a regime be called a government when it is presided over by a man who prefers to abandon his people to the mercy of vultures in order not to annoy the vultures?"

This appeal to the Army was written in response to rumors of a general strike organized for July 5, in the event that a labor dispute at Puebla was not solved. Padilla declared that this strike was insurrectionary.

The government immediately imposed a ban on Synarchist meetings in the eight states which were its stronghold. The ban was extended within a week to all 28 states. *El Sinarquista* was suspended and its editor, Juan Ignacio Padilla, was indicted on charges of abuse of the President, breach of the peace, violation of the law of the press, and treason. On July 5, the public prosecutor denounced Synarchism as a mixture of "Spanish and Italian fascism," of the "*Jonsismo*" of Ramiro Ledesma, and the traditionalism of Vázquez de Mella, two factional leaders of the Spanish Falange.

The seriousness of the UNS call to arms is further underscored by the fact that on April 10, 1944, a young lieutenant, José Antonio de la Lama y Rojas, on guard at President Camacho's private elevator in the National Palace, used his revolver at close range, although he failed to kill the President. Two days later, the lieutenant died of bullet wounds received while trying to escape from prison. Lombardo Toledano publicly produced photos of de la Lama with Father Sáenz, who, according to Mario Gill, was one of the Jesuit advisors to the UNS. The weekly *Tiempo* published a report of a memorial for de la Lama held April 14 at the UNS headquarters. Subsequently a bomb plot was foiled against Camacho, a couple of ex-Presidents, and other officials. The 20 conspirators admitted they were Synarchists.

In response to Padilla's appeal to the Army, Capt. Castañeda Chevarría, a friend of de la Lama's, urged recruits in one training camp to mutiny.

In October 1944, the Base solicited Torres Bueno's resignation, but he refused. His proposed replacement, Gildardo González Sánchez, also refused to accept the position. The Base sent armed men to occupy the offices of the UNS, and accused Torres Bueno of embezzlement. At that point, Bueno, who had made the shift demanded of him by Santacruz, broke with his controllers.

In February 1945 the Supreme Council of the Base elected Carlos Athie Carrasco as the new national chief of the UNS,

What Is Synarchism?

“Synarchism” is a name adopted during the Twentieth Century for an occult freemasonic sect, known as the Martinists, based on worship of the tradition of the Emperor Napoleon Bonaparte. During the interval from the early 1920s through 1945, it was officially classed by U.S.A. and other nations’ intelligence services under the file name of “Synarchism: Nazi/Communist,” so defined because of its deploying simultaneously both ostensibly opposing pro-communist and extreme right-wing forces for encirclement of a targeted government. Twentieth-Century and later fascist movements, like most terrorist movements, are all Synarchist creations.

Synarchism was the central feature of the organization of the fascist governments of Italy, Germany, Spain, and Vichy and Laval France, during that period, and was also spread as a Spanish channel of the Nazi Party, through Mexico, throughout Central and South America. The PAN party of Mexico was born as an outgrowth of this infiltration. It is typified by the followers of the late Leo Strauss and Alexandre Kojève today.

This occult freemasonic conspiracy, is found among

both nominally left-wing and also extreme right-wing factions such as the editorial board of the *Wall Street Journal*, the Mont Pelerin Society, and American Enterprise Institute and Hudson Institute, and the so-called integrist far right inside the Catholic clergy. The underlying authority behind these cults is a contemporary network of private banks of that medieval Venetian model known as *fondi*. The Synarchist Banque Worms conspiracy of the wartime 1940s, is merely typical of the role of such banking interests operating behind sundry fascist governments of that period.

The Synarchists originated in fact among the immediate circles of Napoleon Bonaparte; veteran officers of Napoleon’s campaigns spread the cult’s practice around the world. G.W.F. Hegel, a passionate admirer of Bonaparte’s image as Emperor, was the first to supply a fascist historical doctrine of the state. Nietzsche’s writings supplied Hegel’s theory the added doctrine of the beast-man-created Dionysiac terror of Twentieth-Century fascist movements and regimes. The most notable fascist ideologues of post-World War II academia are Chicago University’s Leo Strauss, who was the inspiration of today’s U.S. neo-conservative ideologues, and Strauss’s Paris co-thinker Alexandre Kojève.

—Lyndon H. LaRouche, Jr.

thus creating two organizations: the UNS-MTB and the UNS-CAC.

Bueno was replaced in his faction in May 1945 by his friend, Gildardo González Sánchez, who remained the chief of the UNS-MTB for two years.

According to Gill, the UNS-CAC group gained control of the newspaper *El Sinarquista*. The UNS-MTB group published a new newspaper, *Orden*. Athie had to abandon his position soon afterward, as a result of his being accused of robbing the Banco Internacional Inmobiliario. He was replaced by Hernán Leal Zetina.

In February 1946, the UNS-MTB faction entered electoral politics with the Partido Fuerza Popular (Popular Force Party), despite the fact that the UNS had always eschewed electoral politics. Enrique Morfín González was the first president of the party, which published its own newspaper, *El Poder*. In this first foray into electoral politics, only one candidate won a seat in the Chamber of Deputies, but this deputy resigned from the UNS-MTB before one year and became a high-ranking government employee. The UNS-MTB claimed electoral fraud.

Dissatisfaction with Bueno’s subservience to the government resulted in the replacement of González Sánchez by Luis Martínez Narezo from April 1947 until 1949. This change was welcomed by Abascal and by José Vasconcelos.

Once again, the UNS-MTB returned to its militant anti-government ways. In December 1948, members of the Popular Force staged a rally before the statue of Benito Juárez in the Alameda Central of Mexico City, during which they put a black hood on the head of Juárez. The registration of the Popular Force Party was cancelled one month later, on Jan. 28, 1949. The decision read as follows:

“The unpatriotic activities of the Popular Force Party, its confessional nature, its campaign of proselytism based on stirring up religious feelings, its ardent desire to modify the political organization of the country by means of violence, longing for times that have definitively gone, and the resemblance of its structure to fascism, have been undeniably established by the sad events of 19 December at the Juárez Hemiciclo, perpetrated by Popular Force and the UNS.”

In 1950, Martínez Narezo was replaced by Juan Ignacio Padilla himself. Under Padilla’s leadership, *Orden* continued to editorially attack “Yankee imperialism” and the materialist domination of the Anglo-Saxons.

The opposing faction continued to publish *El Sinarquista*, under the direction of Hernán Leal Zetina, who accused Padilla of having gone into the camp of the communists, for his attacks on the United States during the Cold War. According to Gill, it was evident that the faction in the United States which had previously been financing Torres Bueno, was

now financing the group of Leal Zetina. *El Sinarquista* was the only newspaper in Mexico which dared to support the signing of the Mexican-North American Military Assistance Treaty.

In 1954, there was another attempt to form a political party—Partido de la Unidad Nacional (Party of National Unity)—but it was denied recognition on Oct. 28, 1954, because it did not have the number of members required by law. On May 23, 1954 the Synarchists celebrated their 17th anniversary. Padilla was succeeded as national chief of the UNS by Martínez Aguayo, who himself was followed by Ignacio González Gollaz, David Lomelí Contreras, and David Orozco Romo.

In 1954, according to Gill: “The UNS has been converted into an organization more dangerous than before.” The UNS created a series of primary schools and initiated the following institutes: el Instituto Nacional de Capacitación y Adiestramiento Sinarquista (INCAS) Adrián Servín, in Mexico City; the Instituto Regional de Capacitación José Antonio Urquiza (IRCJAU), in the city of Querétaro; and the Instituto Regional de Capacitación Teresita Bustos (IRCTB) for women in Celaya, Guanajuato.

According to Gill, the synarchist institutes were military, confessional schools of the medieval type, and the purpose of the synarchist reorganization in 1954 was to take Mexico over from within, and to impose a form of clerical synarchist fascism.

The UNS Today

Today, the 1945 split in the UNS continues, as is reflected in the fact that there are two UNS websites. The first, www.sinarquismo.americas.tripod.com/index, is the website of the UNS-MTB faction, which was headed by Padilla in 1951. Their publication continues to be *Orden*. This faction provides the following brief history:

In 1971 they promoted the Partido Demócrata Mexicano. In 1982 its Presidential candidate, Ignacio González Gollaz received more than 500,000 votes. In 1988, Magaña Negrete received almost 700,000 votes, but “Salinas the Usurper” (Carlos Salinas de Gortari) threatened that if the UNS did not recognize him as the elected President, the party would lose its registration. When they refused to do so, they lost their registration.

In 1992-96, a group of leaders corrupted the internal life of the UNS and provoked a crisis. This resulted in the disappearance of the PDM. They renounced the UNS and formed a new party, the Party of Social Alliance (PAS), with ex-PANistas, and followers of ex-President José López Portillo.

In 1996, Leonardo Andraca Hernández became the national chief. Under his leadership, this faction of the UNS focussed on the reconstruction of the movement, with the aim of recovering the nationalist and popular vision of the movement.

In 2000, it was determined that the movement would end electoral participation and focus on internal reconstruction

Poinsett: An Ambassador For the American System

Synarchists consider Joel Robert Poinsett to be the devil incarnate, because he supported the development of Mexico as a sovereign nation-state, in opposition to the counterrevolutionary feudalists in the Mexican Catholic Church.



Ambassador Joel Poinsett

A native of South Carolina, he was a member of Benjamin Franklin’s American Philosophical Society. In 1810, he was assigned by President James Madison as a “special agent” to Buenos Aires, Chile, and Peru, in the aftermath of the Napoleonic invasion of Spain in 1808, to assess the prospects for Ibero-American independence.

He served as a U.S. Congressman from South Carolina (1821-25); special envoy to Mexico (1822-23); and became the first U.S. Ambassador to Mexico in 1825. Poinsett was an opponent of the Mexican Emperor Iturbide, who made himself Emperor in 1822 and was executed as a traitor in 1824. While in Mexico, Poinsett encouraged a republican movement, which fought against entrenched feudal interests. For this reason he was denounced by the ultramontane faction of the Mexican Catholic Church. After his return to the United States in 1830, he was a leader of the Union party in the fight against nullification. Although he later became Secretary of War under President Martin van Buren, he was an opponent of the Mexican War.

—William F. Wertz, Jr.

and on returning to its foundations. In 2002, they opened a new period of intense social action. Lic. Magdaleno Hernández Yáñez is the current national chief.

The other group, which is a continuation of the Base-controlled UNS-CAC faction and continues to publish *El Sinarquista*, has the following website: www.geocities.com/capitolHill/Senate/9136. In April 1996, Clemente Gutiérrez Pérez became national chief.

Gutiérrez Pérez gave an interview on June 27, 2002 to *FalangeHoy* (Falange Today). Virtually all of the views expressed in this interview are identical with those advocated by Fernando Quijano and Marvilia Carrasco of the MSIA.

Gutiérrez Pérez said that the aim of the UNS is to restore the Christian Social Order, based on the social doctrine of the Church. The UNS rejects Liberation Theology and claims to reject the *sede vacante* (“empty chair”) position that Pope John Paul II is not legitimate. They have inherited the ideals of the Cristeros and the ACJM, and regard the Mexican Revolution as Satanic and Jacobin.

Asked about the attitude of the UNS toward Mexican President Vicente Fox, he said that members of the UNS looked favorably on Fox, who is a member of the PAN, but Fox has not fulfilled any of his promises. Specifically, Fox has obeyed the dictates of internationalist groups and has not acted against the North American Free Trade Agreement, which Gutiérrez Pérez says only benefits the neighbor to the North. (Actually, as *EIR* has shown, NAFTA benefits neither the United States nor Mexico, but only the bankers and corporate looters that are preying on both nations.)

Like Abascal and the early Synarchists, he blames 19th-Century U.S. Ambassador Poinsett for establishing masonic lodges in Mexico, which imposed a republican system totally foreign to the Mexican form of corporative life, which derives from the colonial epoch.

Gutiérrez Pérez then reviewed the organizations in Mexico and internationally with which his faction of the UNS works. In Mexico, they have relations of solidarity, mutual support, and some activities in common with the Catholic Party and the National Catholic Movement of Christ the King.

In Spain, they work with an entire array of Falangist organizations: the Falange Española Tradicionalista de las JONS (Juntas Ofensivas Nacional-Sindicalista), Falange Española Independiente, la Comunidad Tradicionalista, Juventudes Tradicionalistas Españolas, and Fuerza Nueva.

In Argentina: Patria Argentina.

In the United States: groups of radical Mexicans and a group of exiled Cubans.

In England: the International Third Position and the Voice of St. George.

The significance of this network identified by Gutiérrez Pérez, is that it parallels the network of the MSIA. Of particular importance is the fact that the UNS collaborates with Fuerza Nueva, which is the pro-Franco fascist party of Blas Piñar, which he founded in 1966 with the idea of “keeping alive the ideals of July 18, 1936,” the date on which Francisco Franco Bahamonde led a mutiny in Spanish Morocco against the Republic of Spain, which launched the Spanish Civil War. During Franco’s lifetime, Piñar, who was a protégé of Adm. Carrero Blanco, second in command after Franco, headed the Hispanic Culture Institute.

As *EIR* has documented, after the Tlaxcala, Mexico conference in 1992 during which the MSIA was founded, Mari-



The MSIA’s Marivilia Carrasco and Fernando Quijano have joined forces with Spanish fascist Blas Piñar, whose synarchist networks in Europe and Ibero-America represent a terrorist threat to the United States, Lyndon LaRouche has charged.

vilia Carrasco travelled to Spain to meet Blas Piñar. Afterwards she returned to Mexico and, along with her controller in the United States, Fernando Quijano, steered the MSIA in the direction of an alliance with Blas Piñar and his network of European and Ibero-American synarchist fascists, who currently represent the terrorist threat to the U.S. identified by Lyndon LaRouche.

The International Third Position is the organization of Roberto Fiori, who fled to Great Britain after the 1980 train bombing in Bologna, Italy. Fiori has since founded a new organization in Italy called Forza Nuova, which is close to Blas Piñar’s Fuerza Nueva, and in Italy is allied politically with Alessandra Mussolini, the granddaughter of Il Duce.

On Nov. 16-17, 2002, the Falange Española and Blas Piñar’s Fuerza Nueva held a meeting in Madrid, attended by Roberto Fiori and also by former Argentine Army Capt. Gustavo Breide Obeid of the Popular Party for Reconstruction, whose brother had attended the Tlaxcala MSIA conference. Alejandro Peña of Venezuela sent a message of support to a follow-up meeting on Jan. 26, 2003.

The MSIA is also known to have been in contact with the director of Patria Argentina.

Moreover, it is now confirmed that during the 1990s, Marivilia Carrasco and the leadership of the MSIA were in direct contact with Salvador Abascal, who visited their office in Mexico City on several occasions before his death in the year 2000.

The MSIA also maintained direct contact with Salvador Borrego, the leading anti-Semitic synarchist ideologue in Mexico today, who was a close collaborator of Abascal. Borrego wrote for Abascal’s bimonthly publication *La Hoja del*

Why the Synarchists Hate King Carlos III

“Spain’s Carlos III and the American System” (*Fidelio*, Spring/Summer 2004), documents that Spain’s Bourbon King Carlos III (r. 1759-88) distinguished himself in three ways:

1. He implemented far-reaching Leibnizian reforms in political economy, which reversed the devastation wreaked on Spain and its colonies by centuries of Hapsburg rule. These included the creation of a National Bank, the promotion of industry and infrastructure, and the introduction of public education.

2. He banished the Spanish Grand Inquisitor from Madrid and expelled the oligarchical, pro-Hapsburg Society

of Jesus from Spain and its colonies. While King of Naples in 1739, he prevented the establishment of the Inquisition and invited the Jews who had been expelled by Charles V to return to that Kingdom, thus returning to the pre-Inquisition ecumenical policy of Alfonso the Wise.

3. He supported the American Revolution and laid the basis for the later independence of the nation-states of Ibero-America.

For these policies, Carlos III is hated by the synarchists, who support the expulsion of the Jews and Moors from Spain, hail the Inquisition, and long for a return to the era of Charles V and Philip II. As Salvador Abascal wrote, Carlos III’s expulsion of the Jesuits in 1767 marked “the true origin of the Mexican Revolution, which is no more than a branch and a byproduct of the global revolution”—a “revolution” which the synarchists strongly oppose.

Combate (Combat Newsletter), which was established in 1968. The prologue to one of his most popular books, *Derrota Mundial (World-wide Defeat)*, was written by José Vasconcelos, the pro-Nazi member of the secret Falangist Council of Hispanidad, which controlled the UNS.

To continue with the interview, Gutiérrez Pérez, as could be expected, expressed total opposition to the atheistic Marxist system and to liberal capitalism. His alternative is the Spanish Falange, whose founder, José Antonio Primo de Rivera, was also a favorite of Fernando Quijano, who used to have a photo of Gen. Francisco Franco on his office wall.

Although supportive of Spain’s former Prime Minister, José María Aznar, Gutiérrez Pérez criticized Spain for working with Anglo-Saxons and Arab countries, rather than focusing on the relation of the Spanish motherland with its former colonies.

Like the MSIA leaders, he looks favorably to the period of the Spanish Reconquest against the Moors, and attacks the Bourbon Monarchs, i.e., Carlos III, for what he says was their purely mercantile emphasis.

Gutiérrez Pérez said that he cannot deny that Synarchism took some elements from the Nazis and Italian Fascists, such as militarized organization, the use of uniforms, flag, and salutes. But he claimed the Nazis and Italian Fascists were atheistic, nihilist, and Nietzschean, while the UNS is Social Christian. He argued that Synarchism has more things in common with the Spanish Falange and with the movement of the Romanian Legionnaires of Corneliu Codreanu, than with the Nazis and Italian Fascists. Never mind that the Romanian Legion fought with the Nazis on the Eastern Front against the Soviet Union, and that Franco, whose Blue Legions also fought with the Nazis on the Eastern Front, was put in power by Hitler and Mussolini.

He gave a second interview, to “The Voice of St. George”

in Britain, on May 18, 2003. He again emphasized that the UNS wants to transform the institutions of Mexico, which he otherwise refers to as liberal masonic, in accord with the social doctrine of the Church, in order to create a Christian Social Order. He insisted that since the execution of Agustín de Iturbide [the hero of Abascal and Bergoend], Mexico has not had a government which coheres with its origin as a Hispanic Catholic nation, which was born by the divine will of the Virgin Mary of Guadalupe. Espousing the same viewpoint as Samuel Huntington and the Nazis, he insisted that two Americas exist: Hispanic America and Anglo-Saxon America.

El Yunque—The Base Reorganized

Just as the UNS has continued to exist to the present day, so has the Base, which controls it and the PAN. In 2003, a book entitled, *The Anvil, the Ultra-Right in Power*, by Alvaro Delgado, was published in Mexico, which revealed that in 1955, three years after James Jesus Angleton assigned William F. Buckley, Jr. to set up the first CIA office in Mexico City, and one year after the 1954 reorganization of the UNS described above by Mario Gill, the Base was reorganized into the Organización Nacional del Yunque (National Organization of the Anvil, ONY). During the 1960s and ’70s, the Anvil created three university-based organizations: the Frente Universitario Anticomunista (FUA) in Puebla in 1955, the Movimiento Universitario de Renovadora Orientación (MURO) in Mexico City in 1961, and the Tecos at the Universidad Autónoma de Guadalajara (GUIA) in 1971.

After Vatican II in 1965, two factions emerged in Mexico. The faction in Guadalajara of the Tecos was opposed to the Popes who sponsored and carried out the reforms of Vatican II. This is the *sede vacante* faction. The son of the founder of

the Popular Union, Anacleto González Flores, was identified by Abascal in 1971 as the head of the Tecos. This faction is controlled by the head of the richest family in Jalisco, Leño Alvarez del Castillo, who owns the Autonomous University of Guadalajara. This Tecos faction, which is associated with the late schismatic Marcel Lefebvre, considers the Vatican II Popes to be “communists and Jews.”

The Anvil faction, which is associated with the Falange and controls the UNS faction led by Gutiérrez Pérez, portrays itself as in favor of the Pope, based upon the concepts of the Church as ultramontane and the Pope as infallible. Abascal, who was a member of the Base and the chief of the UNS during the 1940s, was a leader of the Anvil until his death in 2000. Both of his sons, Carlos Abascal Carranza, the current Minister of Labor in the Cabinet of President Fox; and Salvador Abascal Carranza, a PAN Congressman from Mexico City, are members of the Anvil. As reported above, the leadership of the MSIA in Mexico City was in direct contact with Salvador Abascal during the 1990s. In 1972, the Anvil created a religious order called the Sociedad Cruzados de Cristo Rey (the Society of Crusaders for Christ the King), whose purpose was to infiltrate the Mexican Armed Forces, the bastion of the Mexican Revolution. Since 1985 they have been the official spiritual advisors to the Mexican Army.

6. Conclusion

Contrary to Samuel Huntington, and the Nazi/Falange-inspired National Synarchist Union and its pathetic imitators, such as Marivilia Carrasco and Fernando Quijano’s MSIA, there is no inherent Clash of Civilizations between the United States of America and the nations of Ibero-America. The advocates of such a policy are no more Christian than Hitler, Franco, the Spanish Grand Inquisitor Tomás de Torquemada, or Dick Cheney. The new Christian Social Order advocated by the Synarchists, no matter how often they falsely cite papal encyclicals on behalf of their Nazi-racist agenda, is nothing other than the promotion of an anti-Christian New Dark Age.

The positive cultural identity of Ibero-America is not the synthetic concept of *Hispanidad* developed at Hitler’s Ibero-American Institute in Berlin and promoted by Franco’s Council of Hispanidad. Rather it is the republican identity Ibero-Americans have in common with the citizens of the United States of America, based on the legacy of Gottfried Wilhelm Leibniz as that was expressed both in the creation of the United States, and in the nation-building efforts of that great friend of the United States, the Bourbon King of Spain, Carlos III.

It was that legacy, as expressed by the collaboration between U.S. President Franklin D. Roosevelt and Mexican President Lázaro Cárdenas and his successor President Avila Camacho, which ultimately defeated the synarchist threat in the Americas and contributed to defeating it globally during

World War II.

Today, the only U.S. leader committed to continuing the perspective embodied in Roosevelt’s Good Neighbor Policy is Democratic pre-candidate for the U.S. Presidency, Lyndon LaRouche. Without Roosevelt at the helm in the United States during the 1930s and ’40s, the Berlin-Rome-Madrid-Tokyo Axis would have succeeded in its quest for world conquest. Now, the synarchists who reorganized after Roosevelt’s death are on the offensive once again. Only if LaRouche receives your support, will the resurgent synarchist threat be defeated once and for all.

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Editorial

The New Threat of Fascism Today

Should the United States finally free itself of the de facto Presidential usurper, Dick Cheney, in the next weeks before the Republican Convention, as many project, the real danger must then be faced: the threatened emergence of a new London-centered Liberal Imperialist tyranny, which would impose a new fascism, Hitler-like or worse, on the world, including our nation. The only way in which such a threat could be defeated, would be the victory of a campaign for the Presidency and the Congress, that would bring into power a leader, and legislative majority, cast in the memory and spirit of President Franklin Delano Roosevelt.

Democratic Presidential pre-candidate Lyndon LaRouche will address this conjuncture in a webcast to be broadcast July 15, an event that will surely be watched intently in policy circles all around the world.

LaRouche's argument, as he has expressed it many times, is that the very same Liberal Imperialist circles (or, Limps), controlled by the financial institutions who brought Mussolini, Hitler, and Franco into power in the 1920s and '30s, are determined to do it again. Having reached a breaking point in the world monetary-financial system, they know that they can only maintain control by establishing a fascist world tyranny, with all the horrors of war and economic mass murder that would result. The newly strengthened European Union has been allocated the role of spearhead for this effort. Should the same banking circles control the next President of the United States, there would be little or no hope of resistance to the same fascist program.

The danger is that oligarchical financial institutions, allied with the Limps, still have a near-stranglehold on the electoral process in the United States. They are determined to prevent the rise of a new Franklin Roosevelt—specifically, the rise of Lyndon LaRouche, and his prominent role in the political arena. If Bush and Cheney are to go down, these forces want to ensure that they control the new President, to maintain their power.

This outcome is not yet irreversible, however. Whole sections of both the Democratic and Republican parties are chafing at the bit, enraged at the Nazi-like

policies of the Bush Administration in the war against Iraq, and in the economic austerity policies which are savaging the majority of the population of the United States. They are anxious for new leadership to emerge, but not yet prepared to take the steps they must, in order to demand that LaRouche's voice be heard.

The problem lies with the ingrained habits, built up since the death of FDR, to capitulate to the powers that be, to the money-grubbing pragmatists who have brought us from the world's greatest producer society, to being an empire dependent upon loot from the rest of the world, and collapsing of its own decadence. The disastrous drift over these decades, has built in a certain pessimism, spiced with hedonism, which prevents people from *seeing* reality, much less acting upon it.

FDR faced a similar situation in the 1932 election, which followed upon a wasteland of three decades dominated by the Liberal Imperialists, starting with Teddy Roosevelt. FDR had to outflank the corrupt banker-controlled leaders of the Democratic Party, and call upon the support of the "forgotten men and women," in order to build both an electoral and a governing coalition, that could restore our nation to its purpose, and allow it to serve as a bulwark against the fascism coming from Europe.

Today, there are many who will acknowledge the decisive leading role of Lyndon LaRouche in battling Cheney and his evils, but they are not yet ready to follow him in restoring our nation to its Constitutional commitment to economic progress, and the General Welfare. Time is getting very short. For if the Democratic Party does not come out of its Convention with a drive for restoring an FDR-style policy, the threat of fascism will greatly increase.

Yet, the time of opportunity is upon us. Should we commit ourselves as a nation to returning to the policies of FDR, we can go back on the path of peace and progress. The world is looking desperately for such a change in the United States. For that reason, one expects maximum attention to be focussed on LaRouche's webcast of July 15.