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## **This Week You Need To Know**

### **Cheney Escalates Lunatic War Drive Against Iran**

**by Jeffrey Steinberg**

Lyndon LaRouche minced no words in discussions with colleagues on Nov. 22, accusing Vice President Dick Cheney and the "Israeli Mafia" of being behind the latest destabilization of Lebanon—the assassination on Nov. 21 of Industry Minister Pierre Gemayel. LaRouche cited other Israeli provocations since the Lebanon War of July 2006, including a string of confrontations with French peacekeepers, and threats to attack German ships in the Mediterranean that are part of the Lebanon peacekeeping effort, as "state-of-mind" evidence of the war intent.

Things have become so tense between the French and Israeli governments over the Lebanon crisis, that French soldiers serving in the Lebanese peacekeeping mission are now authorized to shoot at Israeli Air Force jet fighters overflying Lebanon, after a failed Paris meeting in mid-November between French and Israeli military officials.

LaRouche warned that the climate is being set for an Israeli military raid on Iran's purported nuclear weapons sites, which would lead to a mobilization of support for a larger attack on Iran, involving the United States and other nations—with the quiet but enthusiastic backing of many frightened Sunni Arab regimes, which are being stampeded by the Cheneyacs in Washington into this suicidal stance.

LaRouche characterized the Gemayel assassination as a signal of Israeli plans to launch a military strike against Iran in the near future—at the urging of Cheney and his own masters within the Anglo-American "war party."

Evidence of these Cheney-encouraged Israeli attack plans have been visible in recent weeks, including in President Bush's widely reported comments to French President Jacques Chirac that, "I do not discount the possibility that Israel will attack Iran, and if it does this—I will understand it." Those comments were reported in the Israeli daily *Ha'aretz* on Nov. 22. And President Bush has reportedly repeated the point recently in several other venues....

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## **Latest From LaRouche**

**[Julian Huxley's Baby Boomers](#)**

### **The Little Lords of the Unzipped Flies**

**by Lyndon H. LaRouche, Jr.**

November 19, 2006

Sometimes, the sewer lines of history back up. As I recall from a wartime outbreak of amoebic dysentery in Myitkinya, Myanmar, the stink produced on warm sub-tropical days, by the relevant clinical evidence taken from hundreds of U.S. military service personnel, was as astonishing as it was repulsive. The same might be said of the phenomena I now present here, on the subject of insight into a crucial aspect of the clinical history of "Boomerism."

The Twentieth Century's Julian and Aldous Huxley, the more famous grandsons of the evil Nineteenth-Century "monkey man" Thomas H. Huxley, were, "apprenticed," so to speak, for a time, to the leading Satanist and promoter of witchcraft of the Twentieth Century, Aleister Crowley. This Crowley was, among other malfeasances, the leader of that century's Lucifer cult, and a sometime close associate of the circles of evil Bertrand Russell and the equally evil Huxley family asset, Herbert George ("H.G.") Wells. The two referenced Huxley grandsons, together with the later author of H.G. Wells-style cult-novels *Animal Farm* and *1984*, George Orwell, were introduced to what were classified as "psychotomimetic" natural drugs, under Crowley. To exactly where Aldous and Orwell went in the later course of time, after passing from the scene, was doubtlessly unpleasant, but also uncertain; but, whatever, it was decidedly not good.

Aldous became celebrated for his association with the promotion of synthetic psychosis. The natural form of that drug taken by the Huxley boys and Orwell under Crowley's patronage, was later superseded by the synthetic ergotamine, promoted by British Brigadier John Rawlings Rees's "factory," the London Tavistock Clinic, where it was uttered under the acronym of "LSD." The later career of Aldous' brother, Julian, later Sir Julian, does not carry the degree of notoriety famously attached to the more frankly cultish Aldous and Orwell, but it is a record of evil as significant as theirs in its own way; he was a true representative of the family tradition of "monkey man" Thomas Huxley....

[...full article, PDF](#)

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# **International:**

## **Cheney Escalates Lunatic War Drive Against Iran**

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## **Murder of Gemayel Targets Iran, Escalates Crisis in Lebanon**

**by Muriel Mirak-Weissbach**

'Isn't it strange that whenever the situation would become slightly, slightly toward engagement with Syria, every time this happens, immediately an assassination takes place? Some anti-Syrian politician would be assassinated and immediately the whole context changes again against involvement with Syria?' This is how the Syrian Ambassador to the United States, Imad Moustapha, put it in remarks to CNN on Nov. 22, following the murder of Pierre Gemayel, a Lebanese Christian political leader and Minister of Industry—which was promptly blamed on Syria.

## **López Obrador Inaugurated as Mexico's 'Legitimate President'**

**by Cynthia R. Rush**

Before a crowd estimated at between 1.2 and 1.5 million in Mexico City's downtown Zócolo plaza, Andre's Manuel López Obrador, the former candidate of the Alliance for the Good of All in the July 2 Presidential elections, was inaugurated as the country's 'legitimate President' on Nov. 20. AMLO, as he is known, vowed to his supporters that he will never negotiate or surrender to the 'neo-fascist oligarchy' that stands behind Felipe Calderón of the synarchist National Action Party (PAN), whose claim to the Mexican Presidency is based on blatant vote fraud.

## **U.S. Will Coordinate Sudan Policy With the United Nations**

**by Lawrence Freeman**

The United States will coordinate policy on Darfur with the United Nations, with no separate negotiations, according to Andrew Natsios, the U.S. Special Envoy to Sudan, who spoke on Nov. 20 in Washington, D.C., along with Jean-Marie Guehenno, who is in charge of Peacekeeping Operations for the UN Secretary General. The two addressed a Brookings Institution forum, after which Natsios further clarified his views at a State Department briefing session.

- **Nubian Aquifer**

### **Transition to Nuclear Desalination**

**by Marcia Merry Baker**

Speaking on Nov. 20 in Washington, D.C. on U.S. policy intentions for Sudan, U.S. Presidential Special Envoy to Sudan Andrew Natsios raised the issue of water shortages in the region, and referred to potential use of the Nubian Aquifer. Noting that Libya has installed a \$20 billion system of pumping from the Aquifer to serve its needs, he downplayed the idea that such large sums could be found for use elsewhere. He added that at least the money now going into warfare, could instead fund water projects, if the strife were to end.

## **Book Review**

### **Nasser's Geologist: Use Resources; Grow!**

**by Marcia Merry Baker**

*Science and Politics in Egypt; A Life's Journey*

**by Rushdi Said**

**Cairo and New York: The American University in Cairo Press, 2004**

**230 pages, hardbound (www.aucpress.com; also available in Arabic), \$24.50**

In 2000, on the occasion of his 80th birthday, Egyptian geologist Rushdi Said, who was Director of the Geological Survey of Egypt, and activist on the Industrialization Commission for Gen. Gamal Abdel Nasser, President of Egypt (1954 to 1970), wrote his life story. His direct experience spans the key historic times of modern Egypt, from his birth one year after the attempted revolution for independence, led by the Wafd Party; to the 1936 gaining of limited sovereignty; through the years of World War II; independence in 1954; and events thereafter.

## **Ibero-America LaRouche Youth Target Fascist Spokesmen**

The international LaRouche Youth Movement (LYM) brought the light of truth into two important events featuring key assets of the new Fascist International, in early November.

## **Economics:**

### **Housing Bubble's Fate, Is Banking System's Destiny**

**by Richard Freeman**

From 1992 through 2005, Federal Reserve Board chairman Alan Greenspan built the biggest housing bubble in history. The bubble saturates every part of the U.S. economy. Especially from the beginning of 2001—when he threw the housing bubble into high gear—through October 2006, Greenspan transformed the housing sector from its vital but demarcated role of providing decent, affordable housing, into a distorted giant that was made to become the prime prop for both the physical and financial sides of the U.S. economy.

### **American System Needed To Build Eurasian Railroad**

**by Mary Burdman**

Transport and railway ministers of 18 Eurasian nations signed the Intergovernmental Agreement on the Trans-Asian Railway (TAR) Network on Nov. 10, during the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP) Ministerial Transport conference in Busan, Republic of Korea. The Agreement signed by this core group among the 28 ESCAP member nations, is of great strategic significance because, after almost ten years, it will help put one of the world's most important Great Projects, the Eurasian LandBridge, on the front burner once again.

## **Germany**

### **Social Dems Embrace Financial 'Locusts'**

**by Rainer Apel**

Almost exactly 18 months ago, the German Social Democratic Party (SPD) seemed to be back in touch with economic financial reality, when their then-party chairman Franz Münterfering declared war on the hedge funds, or, as he put it, 'locusts that are swarming out to eat our factories.' The SPD demanded legislation to protect industry from takeover by the locust funds, and bankers were getting rather nervous about this political campaign.

## **National:**

### **Carville: Dean Sabotaged Nov. 7 Democratic Landslide**

**by Debra Hanania Freeman**

The Nov. 7 election was a very sweet victory. The American electorate voiced their emphatic disgust with the current Bush Administration by giving Democrats control of both the House and Senate. But, sweet as that victory may be, the fact is that Howard Dean's Democratic National Committee bungled a critical opportunity to make the kind of historic gains that would have provided Democrats with an overwhelming—perhaps even veto-proof—majority in the House and a more stable majority in the Senate. And, every competent professional political strategist in the nation knows it.

### **LaRouche Backs Rangel: Revive the Draft!**

**by William F. Wertz, Jr.**

Rep. Charles Rangel (D-N.Y.), soon to be the chairman of the House Ways and Means Committee, tossed a political hand grenade into the post-election debate on Iraq, by announcing his intent to reintroduce a bill calling for the revival of the draft. Lyndon LaRouche has long supported Rangel on the question of the draft. As LaRouche put it on Sept. 30, 2005, 'It makes sense. There are many reasons for it, and he knows them all.'

### **LYM Will Intervene In Texas Run-Off Race**

## **by Patricia Salisbury**

Dec. 12 is the date set for the run-off election between proBush Congressman Henry Bonilla (R) and former Democratic Congressman Ciro Rodriguez, for the 23rd Congressional District in Texas. The LaRouche Youth Movement (LYM) in Texas will continue the mass organizing which played a key role in the Democratic Party victory in the midterm elections nationally, as former Congressman Rodriguez vies to unseat seven-term incumbent Bonilla, and deliver another seat to the Democratic Party majority in the House of Representatives.

## **Russian Mafiya, CCF in Bed With Lynne Cheney's 'Campus Gestapo'**

### **by Ben Deniston, LaRouche Youth Movement; and Michele Steinberg**

Would you go to war against Iran based on the intelligence reports cooked up by a Russian businessman, repeatedly linked to the Russian 'mafiya'; by the co-author—with the High Priest of a Satan-worship church—of a treatise on intelligence method; by a former Israeli intelligence agent who calls for killing hundreds of thousands of Muslim civilians in the war on terrorism; by one of the world's so-called experts on the paranormal, who has been a lifelong operative of the Congress for Cultural Freedom (CCF—the Anglo-American Kulturkampf front of post-World War II notoriety); and by the Pentagon's neo-con liars who brought you the Iraq War? If the answer is yes, then stop reading this article.

## **LYM in Alabama, Georgia**

### **Amelia Robinson: 'Put Your Boxing Gloves On!'**

#### **by Wesley Irwin, LaRouche Youth Movement**

For ten days in November, four members of the LaRouche Youth Movement (LYM) traveled through Alabama into Georgia with 95-year-old civil rights heroine Amelia Boynton Robinson, the vice-chairman of the Schiller Institute, for a week-long celebration honoring Martin Luther King's dream of a 'beloved community.'

## **Franklin Roosevelt Legacy Club Lands on the Beaches of Normandy**

### **by Mark Samet, LaRouche Youth Movement**

We in the LaRouche Youth Movement (LYM) are continuing to see the realization of that potential, which LaRouche had forecast would be generated, as a function of an energetic, expansive youth movement, committed to ideas. As LaRouche reiterated in his Nov. 16 webcast, the older generations will be forced to respond to our outreach to, and mobilization of, the 18-35-year-old crowd, as typified by the recent midterm elections.

## **Refuting the Lie That Lincoln Was 'Moderate' on Abolishing Slavery**

### **by Stuart Rosenblatt**

*Father Abraham Lincoln's Relentless Struggle To End Slavery*

**by Richard Striner**

**Oxford Press, New York, 2006**

**308 pages, hardbound, \$28**

Richard Striner takes deadly aim at some of the more vicious myths that have become almost axiomatically accepted in many circles concerning the outlook of President Abraham Lincoln: that Lincoln was a 'moderate' and a 'pragmatist' on the issue of slavery eradication; and that Lincoln was more concerned about saving the Union than abolishing slavery, and would have maintained the latter to keep the former.

## **Editorial:**

### **Henry Kissinger's Hell**

Lyndon LaRouche summarized the immediate global strategic situation thus, in a memo issued Nov. 25: 'The best chance for extricating the U.S. military forces from an unimaginable debacle in Southwest Asia, is to scrap every shred of the relevant policies of the current Bush Administration so far, and bring together a concert of key governments of Southwest Asia for a coherent stabilization of the relations among and within the nations of that region. This must include opening immediate normal diplomatic relations with the group of keystone nations Iran, Syria, and Turkey, and, must include informing Israel's current government that there must be an immediate end to Israel's evasion of a constructive de'tente with the Palestinian people.'

## **U.S. Economic/Financial News**

## **Oberstar To Focus on Rebuilding Nation's Infrastructure**

Rebuilding the nation's infrastructure is the priority of Rep. James Oberstar (D-Minn), incoming chairman of the House Transportation and Infrastructure Committee.

The top priorities for the Committee, as he outlined them at a press conference in Duluth Nov. 8, are: 1) pass the Water Resources Development Act to secure the go-ahead to build locks and dams on river systems; accelerate dredging of harbors on the Great Lakes; conclude the bi-national U.S.-Canada authority to operate the St. Lawrence Seaway; and move ahead with New Orleans levee plans, among other critical projects; 2) fund wastewater and sewage treatment systems; and 3) secure funding for Amtrak and high-speed rail development.

Oberstar is also concerned that a funding source for port security be created and that the committee re-establish oversight on use of Federal funds in transportation projects, e.g., look at aviation maintenance, where airlines often contract out to third-party providers to save money, but at great risk to airline safety.

Oberstar also discussed Amtrak in a Nov. 21 interview with Associated Press; he was asked why he thinks Amtrak needs more funding and is a priority. Oberstar replied that the nation needs a "balanced" transportation system, which means "supporting each mode to the fullest to accomplish its unique role" in the overall needs of the nation, from "maritime shipping," to "inland waterways," to "freight and passenger rail," to "transit, highways, [and] aviation." Specifically, he noted, "The more rail service we can provide on short-haul operations, the better it is for aviation, which can concentrate on what it does best—long-haul service." In this regard, "Amtrak is a critical part of our national transportation mosaic," the Minnesota Democrat said.

As for building high-speed rail, he wants to see the U.S. set up short-term and long-term investment plans. There are several routes where he sees the feasibility of getting speeds up to 125 mph as an average. On the Northeast Corridor's Boston to Washington, D.C., the trip should be made "in about four hours," or the St. Louis to Chicago route in about "2.5 hours." He said he hopes the committee will commission studies to determine realistic investment potentials for high-speed rail development.

## **Plunge Protection Team: 'There Is No Systemic Risk'**

Richard Fuld, CEO of Lehman Brothers, granted an interview to the Italian financial daily *Il Sole 24 Ore* Nov. 19, in which he repeatedly addressed the issue of hedge funds and systemic risk, as if indirectly responding to Lyndon LaRouche and others, like former Treasury Secretary Robert Rubin, who have both recently issued warnings.

"As a board member of the Federal Reserve Board of New York, Fuld has worked to bail out more than one hedge fund," says the introduction; however, "he is against demagogic-flavored criminalizations."

To the question of whether hedge funds pose a systemic threat, Fuld answered: "I do not see particular risks; to the contrary, hedge funds are a balancing element of the markets, which brings stability to the global financial system.... I personally lived through the LTCM collapse: LTCM had a very high leverage, and the market was so exposed to the fund that a bailout through purchasing its assets was difficult. Therefore the New York Fed intervened with a bankruptcy operation. The probability that another LTCM case will take place is highly reduced, thanks to the improvement of general risk-management activity in the financial system." Since there are more funds than good investment strategies, Fuld expects a "natural selection, but ... without fears of a systemic risk."

Fuld then complained that the U.S. financial market is "hyper-regulated," and that this should change.

## **Merger Activity at All-Time High, Funded by Debt**

The year hasn't ended yet, but the volume of mergers and acquisitions in 2006 has already surpassed the previous record level of 2000, when the AOL/Time Warner and Vodafone/Mannesmann mega-deals were struck. As of Nov. 20, the total value of announced mergers and acquisitions in 2006, according to Dealogic, has reached \$3.46 trillion, compared with \$3.33 trillion in 2000. The volume of leveraged buyouts, most often by private equity funds, has tripled this year to \$616 billion, compared to \$222 billion last year.

Almost half of this year's transactions, 47%, occurred in Europe, the unmistakable new target-land of the hedge funds and private equity funds.

Within a 24-hour period, Nov. 19-20, new takeovers of a total volume of \$75 billion were announced, including the \$36 billion takeover of Equity Office Properties Trust by Blackstone, now the biggest leveraged buyout deal ever, and the \$26 billion merger in the commodity sector of Phelps Dodge and Freeport-McMoRan Copper & Gold. In the latter case, the combined companies' debt will soar from zero to \$15 billion; and plunge from investment-grade status, to junk-rated—typical of these wild leveraged buyouts' bank borrowing.

What is most telling is the characteristic marked difference between this takeover tsunami, and the last one (1999-2000), which was massive enough and caused a wave of energy and materials inflation. Whereas the 1999-2000 takeovers were funded, in the largest part, by corporate stock transfers, this takeover bubble is funded overwhelmingly by cash (i.e., debt). Therefore, leveraged defaults by the newly debt-loaded target companies could blow up the credit markets.

U.S. corporations alone are on a course to raise \$750 billion in *junk-rated debt* this year, 80% of it from banks.

## **American Youth Hopelessly Strapped with Debt**

*USA Today* and ABC News began a six-week series Nov. 20 on the growing debt burden of young people in the United States. According to their report, nearly two-thirds of those in their twenties are carrying some debt, with those carrying \$20,000 or more being the fastest-growing group. From 2001 to 2006, the average total debt of those in this group rose from \$14,645 to \$16,120. "This debt-for-diploma system is strangling our young people," says author Tamara Draut. "It's creating a sense of futility that no matter what they do, they're not going to be able to get ahead. It's a sense of hopelessness."

## **Regulators, State Officials Quash Dereg Mega-Mergers**

When the Roosevelt-era Public Utility Holding Company Act (PUHCA) was repealed two years ago, through the Energy Act, unregulated utilities began a feeding frenzy of proposed mergers in order to "grow their earnings and dividends." While the Department of Justice and Federal Energy Regulatory Commission said the mergers would "do no harm," state officials and regulators have moved to prevent this cartelization of an industry.

Over the past two months, Exelon and Public Service Enterprise Group (New Jersey) called off their merger, as did FPL Group (Florida), and Maryland-based Constellation Energy, energybiz.com reported Nov. 15. In New Jersey, the utility commission "feared" that the concentration of generating capacity controlled by the conglomerate would allow them to exercise "market power," that is, fix prices. In Maryland, Constellation's proposed 72% rate hike led to a revolt in the State Legislature, and to Democratic Gov.-elect Martin O'Mally's pledge to fire the entire utility commission. There is now even

talk of reversing the state's ill-conceived deregulation law, as public officials return to a concern for the general welfare.

## **More U.S. Assets Grabbed by PPP Swindles**

A number of rotten Felix Rohatyn-style Public-Private Partnership deals are advancing:

\* *Chicago*. On Nov. 1, the Chicago City Council approved 37-8, the leasing of four municipal parking garages to Morgan Stanley, for \$563 million in a PPP 99-year lease deal.

\* *Pennsylvania*. Gov. Ed Rendell (D) and Speaker of the State House John Perzel (R) on Nov. 20, each pitched separately the idea of a PPP lease of the Pennsylvania Turnpike, in order to raise state funds. The 537-mile system was the first in the nation. Among the companies in line is Macquarie Infrastructure Fund. Estimates range from \$10 billion to \$30 billion.

\* *New Jersey*. Leasing the state turnpike could fetch \$30 billion, according to some state officials.

But opposition is emerging: Stop the "pawnbroker mentality" was the advice of the head of the National Association of Owner/Operators and Independent Truckers, on an MSNBC Nov. 21 show, "For Whom the Profit Tolls." He scored the PPP deals in the works, saying that "Macquarie and Cintra—the Australians and the Spaniards—are not benevolent people." Government has an "inherent responsibility" for transportation. These PPP privatizers are seeking "mature" infrastructure—meaning already built assets, to loot. The White House has been a "cheerleader" for theft. But Congress can be skeptical, especially Rep. Oberstar, incoming head of the Transportation Committee.

## **World Economic News**

### **Brazil Sugar Industry: 'Ethanol Frenzy' Drives Up Prices**

Brazil's sugar-industry forecasting company Datagro is reporting that the world's sugar, meat, corn, soy, and wheat are becoming increasingly "interdependent" with ethanol, such that the soaring demand for corn to produce ethanol is not only knocking out corn as a food crop, but is driving up the prices of other human and animal foodstuffs as well, according to Bloomberg Nov. 22.

Datagro President Plinio Nastari, speaking to a Nov. 22 London seminar of the International Sugar Organization, observed that land in the United States and globally is being diverted to grow corn, reducing soy supply, and driving up animal feed prices. In the U.S., in particular, said Nastari, while land is still available for expanded corn cultivation, arable land is limited by water availability, and he cited the depletion of the Ogallala Aquifer, the largest U.S. groundwater reservoir. And yet limited arable land will be increasingly devoted to ethanol production, he stated.

Nastari, speaking for the food cartels, is not particularly concerned about the impact of rising food prices on consumers. In fact, he appears quite content with the fact that, as he said, "the ethanol frenzy is the main factor behind the recovery in soy and meat prices."

### **Philippines Remittances Soar to \$13.4 Billion**

This represents a 50% growth over 2003, and a 10% leap just in the past year, the *Philippines Inquirer* reported Nov. 20. At least 8 million Filipinos, 10% of the population, are now working overseas, usually without their families, at the behest of the government, in order get the foreign exchange needed to pay debt service.

## World Bank Concludes China Poverty Worsening

Even the World Bank has concluded that poverty is worsening for the poorest people in China, Xinhua reported Nov. 23. In a study of 2001-2003, World Bank economists found that real incomes for the poorest 10% of the Chinese population (that would be 100 million people) fell by 2.4%, while, they stated, everyone else was better off: "Preliminary analysis on Chinese data indicates that average income of the bottom decile went down slightly between 2001 and 2003, whereas all other income categories saw significant increases. Our analysis suggests that a considerable number of people below the poverty line were hit by an income shock—they only kept up consumption by spending their savings."

## China Makes Biggest Railway Investment in Its History

The Chinese government will invest 1.5 trillion yuan (\$190 billion) to build the national railway system until 2010, Li Guoyong, transportation director of the National Development and Reform Commission, announced in Shanghai on Nov. 22 at the China Railway Financing Forum.

"We will invest 300 billion yuan [\$38 billion] in railway construction next year," Li Guoyong said. This investment level will be "the biggest in China's history," and will increase China's rail network by almost 20%. Another 300 billion yuan will be spent on rail lines; 250 billion yuan will be spent on buying rolling stock; and 625 billion yuan for civil engineering.

China's rail system is hindered by infrastructure bottlenecks, including lack of or overburdened trunk lines and lack of machinery. This situation will continue to be a problem in 2010, but the Ministry of Railways expects to resolve the bottlenecks by 2015. "We plan to set up an inter-city passenger transportation express, which will reach a speed of at least 200 kilometers per hour," Li Guoyong said.

*China Daily* quoted one economist saying that China's "transportation turnover rate for railways will double with the completion of main trunk lines in 2010. The railway industry's boom is expected to last over 10 years."

## United States News Digest

### Pentagon Iraq Study a 'Mission Impossible'

There are three options being studied by the Pentagon to resolve the Bush Administration's Iraq debacle, according military author Tom Ricks writing in the Nov. 20, *Washington Post*: They are summarized in jock-jargon as "Go Big," "Go Long," and "Go Home." Go Big, i.e., increasing the troops to 300-400,000 for a massive counterinsurgency effort, is out of the question because there are not enough U.S. troops. "Go Home," a "swift" U.S. withdrawal, was thought to lead to even worse bloodshed and civil war. This leaves only "Go Long" (i.e. stay the course), which Ricks calls "a hybrid" of the first two, by adding about 20-30,000 U.S. forces to rapidly train and "stand up" an Iraqi military.

But, whatever the intentions, Lyndon LaRouche made it clear: *Nothing* is going to work because the central issue is that Bush and Cheney are still running the show. As long as they are commanding the situation, Iraq remains a disaster.

The review group under Chairman of the Joint Chiefs of Staff Gen. Peter Pace (USMC) is headed by three colonels: H.R. McMaster and Peter Mansoor of the Army, and Thomas C. Greenwood of the Marines. McMaster, the author of a post-Vietnam classic, *Dereliction of Duty: Lyndon Johnson, Robert McNamara, the Joint Chiefs of Staff, and the Lies that Led*

to Vietnam, commanded one of the only short-term successes in Iraq—Tal Afar. In *Dereliction*, McMasters went after the political failure in Washington, naming then-Defense Secretary Robert McNamara, in the Vietnam War. But, apparently, the current Pentagon review will not touch the similar situation around the Iraq War.

## **Pelosi Announces Democratic Forum on Iraq**

Incoming Speaker of the House Nancy Pelosi (D-Calif) announced that House Democrats will hold a "Democratic forum" on the Iraq War on Dec. 5. But her "new" forum has some old hands. Her office's press release says: "Dr. Zbigniew Bzezinski, Ambassador Richard Holbrooke, and Major General John Batiste will join current and new members of the Democratic Caucus in discussing options for a way forward in Iraq." The release concludes, "We know that 'stay the course' is not working," and that the "American people have clearly called for a New Direction in Iraq."

## **Rumsfeld Authorized Abu Ghraib Abuses**

Brig. Gen. Janis Karpinski (ret.), who ran the Abu Ghraib prison in Iraq in 2003 and early 2004, told Spain's *El Pais* newspaper Nov. 25 that Secretary of Defense Donald Rumsfeld authorized the mistreatment of detainees held at the prison. She said she saw a memo signed by Rumsfeld which detailed the harsh interrogation techniques. "The handwritten signature was above his name, and in the same handwriting in the margin was written 'Make sure this is accomplished.'" The methods consisted of making prisoners stand for long periods, sleep deprivation ... playing music at full volume, having to sit in uncomfortably.... Rumsfeld authorized these specific techniques," she said, according to *El Pais*.

She also charged that Rumsfeld authorized the Army to violate the Geneva Conventions by not registering some prisoners, noting one particular case that she raised with Lt. Gen. Ricardo Sanchez, who was then commander of all U.S. forces in Iraq. "I know this happened on various occasions," she said.

Karpinski has said that she is ready to testify against Rumsfeld if a suit filed by civil rights groups in Germany leads to a full investigation.

## **Bush-Cheney NSA Spy Program Back on the Agenda**

Despite the uproar that ensued when the Bush Administration's domestic spying program was exposed one year ago, nothing has actually been decided about it one way or the other, according to a front-page *New York Times* article Nov. 25. The program has continued without interruption since that time.

At the center of the drama has been Senate Judiciary Committee Chairman Arlen Specter (R-Pa), who initially denounced the program when it was exposed, as an "inappropriate" usurpation of Presidential power that "can't be condoned." He signed on to a bill introduced by Sen. Dianne Feinstein (D-Calif) that would have effectively banned the program. Then, under pressure from the White House, he wrote his own bill that would have brought the program to the Foreign Intelligence Surveillance (FISA) Court to test its constitutionality, for which he was promptly hammered by Democrats and editorial writers for giving away too much to the White House.

According to the *Times*, he has changed course yet again, submitting a bill in November, that would require warrants for eavesdropping on communications going out of, but not into, the U.S., and putting the whole issue on a fast track to the Supreme Court.

While there is almost no chance that any substantive legislation will be passed before the lame-duck session concludes in December, Democrats are expressing interest in doing something next year. "There is bipartisan interest in seeing whether

the Administration's claims that the program can't comply with FISA are indeed so," said an aide to incoming Speaker of the House Nancy Pelosi (D-Calif). "We were legislating on an issue where the full parameters were not known or well understood."

## **Democrats To Probe DoJ's Civil Rights Division**

Following a Senate Judiciary Committee hearing in mid-November—the first since 2002—on the Justice Department's Civil Rights Division, Senate Democrats promised to impose intense oversight on that Division, the *Boston Globe* reported Nov. 17. Under the Bush-Cheney Administration, the Civil Rights Division has abandoned its traditional role of enforcing civil rights and specifically the Voting Rights Act, instead, becoming an instrument for voter suppression. A recent *Boston Globe* study showed politicization of the hiring process for Division attorneys under this administration: New hires were less likely to have a civil rights background, and more likely to have conservative political credentials, such as membership in the right-wing Federalist Society.

When asked about voter suppression and vote fraud at his Nov. 16 webcast, Lyndon LaRouche demanded aggressive prosecution of these election crimes, declaring that this is a national emergency, and calling for expedited procedures to clean the mess up.

## **Janet Reno Joins Suit vs. Cheney Anti-Terrorism Law**

In a highly irregular move, former Attorney General Janet Reno has joined with eight former Justice Department officials from the Clinton and Reagan eras, to file papers targetting the recently passed "anti-terrorism" law, AP reported Nov. 21. They say the law sets a dangerous precedent, by allowing the administration to declare detainees "enemy combatants," thereby stripping them of their *habeas corpus* rights under the Constitution. "The existing criminal justice system is more than up to the task of prosecuting and bringing to justice [terrorists]," says the complaint, "without sacrificing any of the rights and protections that have been the hallmarks of the American legal system for more than 200 years." The attorneys speculate that this tactic would be used in cases where "it would be too difficult to obtain a conviction," or when "a motion to suppress evidence would raise embarrassing facts about the government's conduct," and perhaps other reasons. This, in turn, would open the door to undermining other defendant rights, including "the defendant's right to counsel and the government's obligation to prove guilt beyond a reasonable doubt."

The specific case at issue concerns Qatari student Ali Saleh Kahlah al-Marri, who has been held for the last five years at a naval base in South Carolina, and is accused of being a "sleeper agent" for al-Qaeda.

## **Are the 'Spoonbenders' Back in the Mind-Control Business?**

Recall the *EIR* articles in late 2005 that revealed that it was Dick Cheney and Donald Rumsfeld who had covered up—in 1975, when they ran the Gerald Ford White House staff—the use of mind control drugs in the torture of prisoners, and in the death of U.S. intelligence community scientist Frank Olson?

That sordid story is still not fully told, and recent events in the alleged mind-control-drug torture of U.S. citizen and "enemy combatant" prisoner Jose Padilla, could open the door to looking at that, and other cases, again. Padilla's attorneys charge that he was given drugs, including PCP and LSD, and was tortured with other methods.

A Nov. 20 *Washington Post* article, "Some Believe 'Truth Serums' Will Come Back," by David Brown, suggests that the notorious "MK-ULTRA" LSD and mind-control experiments which originated with London's Tavistock Institute, are back. Brown writes that a leading figure in a recent "truth serum" experiment, neuroscientist Paul J. Zak from the Leo

Strauss stronghold in California's Claremont University, recently briefed the Pentagon on his truth serum study done in Switzerland.

Brown writes: "In a study published last year, Michael Kosfeld and Markus Heinrichs of the University of Zurich set up an experiment examining oxytocin's effects on trust.

"Paul J. Zak, a neuroscientist at Claremont Graduate University in California, helped supervise the Swiss experiment. He later went to a meeting called by DARPA and presented the findings. When he was finished, a military scientist asked him: 'How do I use this stuff tomorrow?'

"Zak said he dodged the question. He observed that classic interrogation techniques, in which one person acts as the 'good cop' and creates a bond with the prisoner, probably already makes use of the brain's own oxytocin. He added that, 'we are just showing you the neurophysiology behind it.'"

## Ibero-American News Digest

### **Kirchner: IMF Is Wrong—Infrastructure Investment Is Productive**

Addressing the annual conference of the Argentine Construction Chamber Nov. 22, in which the LaRouche Youth Movement (LYM) intervened, President Nestor Kirchner firmly challenged the International Monetary Fund's argument that investment in infrastructure is only an expenditure and cannot be considered a productive investment. There should be a reevaluation of how this issue is analyzed, Kirchner said, by looking at Argentina's experience over the past few years. There, he noted, you will see "that public works, the investment in infrastructure in Argentina, was not only a great creator of jobs and social inclusion; by once again generating an investment in infrastructure, it has allowed us to rebuild a country that was absolutely destroyed."

This point must be "globally understood," he said. Public investment "is fundamentally an element of transformation of economic growth and quality of our country, and *not* an unproductive expenditure, as many tried to argue for so long." This policy, which the government has made a top priority, Kirchner said, will help the country climb out of the Hell into which it fell because of the insane policies of the past. This has to be a long-term, well-thought-out strategy, he said, "because otherwise we'll be left only with conjunctural policies, and you know that at the door of one Hell there is another Hell. So, we have to decide ... to formulate policies of state as we take this step out of Hell and into Purgatory." Kirchner emphasized that his approach is to design long-term policies "that transcend the conjunctural to become a strategic model."

The Argentine leader also took the opportunity to ask his audience of construction executives whether they weren't better off without the IMF's interfering with economic policy. By paying off the \$9 billion owed the Fund in December of 2005, "we put an end to the story of the infamous visits, where [we were told] the Fund is coming, and we have to do what it says!" For years, we applied the Fund's policies, Kirchner said, "and look what happened to us! Don't you wake up feeling better, knowing that no commission of geniuses is going to descend on us, and tell us what Argentina has to do? What we do in Argentina is the responsibility of the Argentines, because we've recovered our decision-making ability."

### **Colombia-U.S. Free-Trade Pact May be Doomed**

On Nov. 22, after two years of negotiations, the Bush Administration signed a bilateral Free-Trade Pact with the Colombian government, at the offices of the Inter-American Development Bank in Washington. But while the ink was still wet, voices from both continents were insisting the trade deal would never fly.

Democratic Congressman Sander Levin (Mich) and other leading Democrats sent President Bush a letter on Nov. 21 signalling that they would reject the free-trade deals reached with both Colombia and Peru. Levin said the agreement would not receive the support of Democrats, because under the administration's fast-track procedures, the Congress cannot change or add to the agreements. That means that the Congress must reject the deal in order to amend it.

Indeed, both Colombian Trade Minister Botero and U.S. Trade Representative John Veroneau admitted at the Nov. 22 signing ceremony that the treaty might need to be renegotiated! First, it has to be approved by the new Democratic-controlled Congress, where Democrats have strongly criticized the pact as reinforcing unfair trade and labor practices. Incoming Ways and Means Committee Chairman Charles Rangel (D-NY) has already issued a letter, saying that Democratic support for the FTA would depend on significant treaty modifications protecting workers and the environment. Speaking from Vietnam, Bush insisted that the opposition is submitting to "the old temptations of isolationism and protectionism, and America must reject them."

Reflecting the viewpoint of a significant faction of the Colombian legislature, Colombian opposition senator Jorge Robledo has declared that there is not a single Colombian labor organization that supports the FTA, because it violates national sovereignty and makes the neoliberal policies that have ruled in Colombia for the past 15 years irreversible.

### **Mexico Is the U.S.'s Tenth-Largest Creditor!**

Attending an information technology conference in Monterrey, Mexico on Nov. 18, former President Bill Clinton revealed this startling fact, noting that it makes no sense for the United States to borrow from Mexico and then turn around and complain about illegal immigration. According to Mexico's "legitimate President," Andres Manuel Lopez Obrador, 38% of Mexico's working-age population makes less than \$2.72 a day. Clinton told a local TV station he'd love to be an advisor to Felipe Calderon (who was "elected" by vote fraud in the July 2 elections). His advice, Clinton said, would be: Don't invest any more money in U.S. paper; put the money instead into Mexican companies which can generate jobs, and earn the same interest rate, or a fund to create companies.

### **Beware George Soros, Argentine Anti-Drug Leader Warns**

In mid-September, the president of the Argentine Anti-Drug Association, Claudio Izaguirre, warned his fellow citizens that it would be dangerous to allow international speculator George Soros any further involvement in the country. At a time when Soros is increasing his investments in Argentina—he just purchased 65% of a major dairy co-op—Izaguirre pointed out that not only is Soros a "financial predator" who has destroyed the economies of many nations through speculative attacks, but he also promotes drug legalization.

Argentines should be on the alert, he warned. Soros could well be planning to throw his sizable resources behind the bill now before the Argentine Congress, proposing decriminalization of a "personal dose" of marijuana. It is premised on the idea of "harm reduction"—that is, you'll harm yourself less if you consume just "a little bit" of drugs. But, Izaguirre states, the argument that drug consumption is a "personal choice" reflecting "individual freedom," is a fraud. The fact that drug consumption has soared by 380% in Argentina since the introduction of this lying argument, tells it all, he concluded.

## **Western European News Digest**

### **Following U.S. Shift: Dutch Conservatives Lose Majority**

The ruling Dutch Christian Liberal coalition lost nine seats, dropping from 72 to 63, in the Nov. 23 elections; this is 13

seats short of a majority in the 150-member Parliament. Scripts by the governing pro-Bush-Cheney coalition to structure the vote around themes like immigration and Islamic terrorism, failed with a good part of the Dutch electorate. Minor coalition partner D-66 had quit the government several weeks ago, over disputes concerning the Iraq War and the Islamic immigration issue.

The vote also was one against globalization, against the European Union's role in making the economy and social conditions worse: The Socialist Party almost tripled its vote, improving from 9 to 26 seats in the Parliament. Many of these votes came from the Social Democratic (Labor) Party, which also took a beating from voters over its inactivity on pressing economic and social issues, dropping from 41 to 32 seats.

Because of the difficulty of forming a majority government coalition from several parties over the entire political spectrum, as neither a conservative nor a progressive majority exists, it cannot be ruled out that the Netherlands will be run by a minority government, for the time being. The outgoing minority government of Prime Minister Jan Balkenende is expected to stay in office into early 2007.

### **Core Synarchist Bid for Control of European Media**

The ongoing fierce faction fights among the leading media groups have seen a spectacular new development with, the Bertelsmann Group's attempt to take over Independent TV, the second-largest TV network in Britain. Rumors have it that Bertelsmann's RTL-TV is teaming up with a group of locust equity funds led by KKR, to assemble several billion euros for the takeover, according to media reports Nov. 18-20.

The latest development in this media struggle has been the purchase of 17.9% of ITV by BSkyB of the British-Australian Rupert Murdoch Group—which is said to be preparing the ground for Bertelsmann, which would then swap some of its media assets on the European continent with Murdoch.

Apart from its dominant role in Germany's media sector (TV, music and entertainment, books, publications), the Bertelsmann Group also has an unhealthy control of foreign policy, budget control, education and health care/pension debates, through its Munich-based Center of Applied Politics (CAP). The CAP organizes an international event at the Foreign Ministry in Berlin at least once a month.

### **Blair Echoes Bush on Causes for Iraq Quagmire**

When challenged by interviewer David Frost on Al-Jazeera's new English-language TV-news channel Nov. 17, that the invasion of Iraq has "so far been pretty much of a disaster," British Prime Minister Tony Blair admitted that "It has." He went on: "It's not difficult because of some accident in planning, it's difficult because there's a deliberate strategy—al-Qaeda with Sunni insurgents on one hand, Iranian-backed elements with Shi'a militias on the other—to create a situation in which the will of the majority for peace is displaced by the will of the minority for war." Despite all that, however, he insisted that Britain will not pull out. "We will stay for as long as the government needs us to stay," he declared.

Blair's remarks came a day after his Trade and Industry Minister, Margaret Hodge, was reported to have called the Iraq War, Blair's "big mistake in foreign affairs," and to have criticized his "moral imperialism," during a private dinner organized by the Fabian Society. A spokesman for Hodge later denied that she made those comments.

### **Lazard Man Gets an Earful from the Crowd**

Lazard's John Kornblum was again in the public eye last week, continuing to circulate the establishment line in the wake

of the watershed shift in the U.S. political landscape. Speaking at an event entitled "The Mid-Term Elections: The Road to 2008," held in cooperation with Harvard's Center for European Studies in Berlin, were Kornblum and Guido Goldman.

Introduced as the ex-U.S. Ambassador to Germany and current Lazard Frères chief of Germany, Kornblum immediately cautioned the crowd: "Many are relieved by the Democratic victory, ... but I think that people should *not* overinterpret the meaning of this election result." The dreary analysis by the two speakers of the election results' causes: the Iraq quagmire, Republican corruption, including five GOP legal scandals (Ney, Cunningham, DeLay, Foley, and Haggard), evangelical reaction, conservatives contra Bush, and the Democrats being pro-active (here the war veteran candidates were cited). There was no mention of the single most notable singularity of the election: the significant turnout among the youth voters, ages 18-25.

The two speakers were given a dose of exactly how the American youth were motivated during the question period. At least five questioners were of the youthful variety, hitting them with questions that they either couldn't or didn't want to answer in public. Questions concerned the key topic of impeachment, Democratic combativeness, and the all important economic collapse. The duo stammered party-line answers as well as they could, and then quickly departed.

### **'Europe Relaunches Nuclear Energy Through Finland'**

That was the headline in the economic section of the French daily *Le Figaro* Nov. 24, written on the eve of the Russia/EU summit, which makes reference to the Finnish nuclear reactor Olkiluoto, a prototype reactor being constructed now in Finland. The article reports that 12,000 workers and 1,000 engineers from 26 countries are involved in the construction. The new reactor, if ready, will, by the year 2010, increase Finland's nuclear dependence from 26% to 50%. This also must be seen in the context of the country's economic development, which increases the need for electricity. The article also states that in Poland, a debate is taking place about nuclear energy—by which Poland may want to reduce its energy dependence on Russia. The article makes reference to a statement which was made two weeks ago by Poland's Economic Minister Piotr Wozniak, who said that the country intends to construct a nuclear reactor. *Figaro* also notes that there is rethinking in Germany about reversing their determination to exit nuclear technology.

### **German Performance Draws Musical Insight from Pope**

After a Nov. 18 performance by the Berlin Philharmonia Quartet of works by Mozart, Mendelssohn, and Wolff, which German President Horst Koehler arranged for his visit with the Pope at the Vatican, Benedict commented: "Playing together as soloists requires each individual not only to use all his technical and musical abilities in playing his part but, at the same time, to know how to draw back and listen attentively to the others. Only if ... each player does not put himself at the center but, in a spirit of service, becomes part of the whole, ... an 'instrument' that turns the composer's idea into sound to reach the listeners' hearts, only then does the interpretation become truly great. This is a beautiful image, also for us who, within the Church, are committed to being 'instruments' to communicate to men and women the idea of the great 'Composer,' Whose work is the harmony of the universe."

## **Russia and the CIS News Digest**

### **Germany, Russia, China in Rail Freight Agreement**

A step in development of the Eurasian Land-Bridge was taken by Hartmut Mehdorn, Vladimir Yakunin, and Liu Zhijun, top railway officials of Germany, Russia, and China, respectively, on Nov. 22 in Beijing. They signed a statement of intent. Mehdorn said that the purpose of investments in the improvement of existing rail infrastructure, as well as links to the ports of Shanghai and Hong Kong, is to create "a Trans-Siberian Landbridge between Asia and Europe." By 2011, 10

million standard 20-foot containers will be transported between China and Europe, taking 12 days. Container ships from Shanghai to Hamburg take 30 days. Germany's share in the project is 2 billion euros, of which 1.2 billion is for modern freight terminals that reduce loading-unloading time.

## **International Fusion Project Advances**

On Nov. 21, an international agreement to build the world's first fusion power reactor was signed in Paris by Russia, the United States, the EU, China, Japan, South Korea, and India. Scientists from Russia, which accounts for about \$1 billion of the \$10 billion project, first elaborated the controlled thermonuclear fusion concept, and completed many different fusion experiments. The project's plan was mostly complete in 2001. Then began three years of negotiations over its location; ultimately, France won the International Thermonuclear Experimental Reactor (ITER) bid, but Japan acquired the right to set up a scientific and information center to manage experiments. Construction is to begin in January 2007, according Academician Yevgeni Velikhov of Russia's Kurchatov Institute. "We plan to finish the construction in 2017," he said, "and yet it will take 20 years more to say that humanity has paved the way for thermonuclear energy." The center in Japan will design the ITER project and provide materials, Velikhov said. British nuclear scientist Martin Rees, according to the *Frankfurter Allgemeine Zeitung*, observed that if the ITER received more funding, fusion technology would be available 10 or 15 years earlier than 2050, the current projected date.

## **Bush and Putin Sign WTO Agreement**

Before the late-November APEC summit in Hanoi, there was a sudden focussing of U.S.-Russian relations onto the world's worst axiomatic system, free trade and globalization, in order to prepare an 800-page Bilateral Market Access Agreement for signing by Russian Economics Minister German Gref and U.S. Trade Representative Susan Schwab, on the sidelines of the meeting. Presidents George Bush and Vladimir Putin discussed the matter at a Moscow airport stopover by Bush, and again in Hanoi, and the document was signed Nov. 19. Media coverage trumpeted it as the last big hurdle before Russia's accession to the World Trade Organization (WTO). Gref, notorious for loyalty to the rules of globalization, proclaimed, "This is a historic step, the last step, that marks Russia's return to the market principles of the world economy." The *Moscow Times*, among others, indulged in speculation on the relationship of the "breakthrough" to the situation around Iran, since one of the obstacles removed by Bush at the last minute was U.S. sanctions against Russia's Sukhoy Aircraft company for sales to Iran.

In the recent Russian documentary film, "The Global Change," Lyndon LaRouche is asked about the prospects for Russia's joining the WTO. "I wouldn't recommend it," LaRouche replied. "I think that if Russia finds a reason for not entering it, that would be a good thing. The WTO is a part of a process of globalization. And without protectionist policies, nations cannot make long-term investments, of the type that Russia has to make now.... The game [of the WTO] is to reduce the prices of things, through a free-flow globalization. Therefore, you are going to destroy the capital investment within countries, to produce.... You are going to ruin the economy of every country in the WTO system. This is the greatest single threat, of this kind, to civilization globally. The WTO and civilization cannot live together much longer. Either civilization will go, or the WTO will go."

Several steps remain, before Russia might really be admitted to the WTO. It needs to get most-favored nation status in the United States, which can't happen unless the Soviet-era Jackson-Vanik Amendment (linking trade status to Jewish emigration) were ended; that, in turn, involves Congressional review, during which Russia-bashers might have a field day. The Saakashvili government in Georgia continues to vow to block Russian accession, as long as what Tbilisi calls "illegal trading" by Russia with South Ossetia and Abkhazia continues.

## **Russian-EU Summit Treads Water**

Russian President Vladimir Putin met European Union leaders Nov. 24 in Helsinki, Finland, for talks on energy and other areas of cooperation. New negotiations on a cooperation agreement (the present one expires at the end of 2007) could not begin, because Poland vetoed them. Expressing regret, Putin remarked at the concluding press conference, "The EU has not yet worked out a consolidated position on this issue." In a pre-summit article for European newspapers, Putin criticized the moves by Poland and other new EU members to torpedo the next round of talks: "Future talks should not deteriorate into an exchange of complaints," he wrote. "Those who warn of the danger of Europe becoming dependent on Russia see Russia-EU relations in black and white, and try to fit them into the obsolete mold of 'friend and foe.' Such stereotypes have little in common with reality, but their persistent influence on political thinking and practice runs the risk of creating fresh divisions in Europe."

Foreign Minister Sergei Lavrov, in a Nov. 22 interview in *Rossiyskaya Gazeta*, said that Poland's veto was an internal EU problem, not a Russia-EU one, though he suggested that Warsaw had partly been retaliating against Russia's demands to prosecute and correct cases of tainted meat imports from Poland to Russia. Speaking after talks with the Greek foreign minister on Nov. 22, Lavrov also repeated that Russia has no intention of ratifying the Energy Charter (which demands an end to Gazprom's pipeline monopoly). In Helsinki, Interfax reported, Russian Energy and Industry Minister Victor Khristenko said the EU was trying to get Russian ratification by political pressure, rather than looking to mutual concessions for the sake of more energy cooperation.

### **Kremlin Confirms Domestic Gas Price Hikes for Russia**

In an interview in the Nov. 22 *Wall Street Journal*, Russian Presidential economics adviser Igor Shuvalov confirmed plans to triple domestic natural gas prices over coming years, from the current level of \$40-50 per thousand cubic meters, to \$150. Shuvalov said that charging more, especially to Russian industrial users, is the only way to ensure investment in the industry. Bringing domestic prices into line with speculation-dominated international commodities markets has been a demand on Russia from international financial institutions and other globalizers, for 15 years. Shuvalov is seen in Moscow as representing the tendency within the Kremlin that favors playing by free-trade rules.

British experts and media continue to harp on Russia's troubles, stemming from underinvestment by Gazprom in production. On Nov. 20, the London *Independent* featured Alan Riley of the Center for European Policy Studies, who attacked the notion of Russia as "an all-powerful energy superpower." Riley cited a warning by Vladimir Milov, a former Russian Energy Ministry official, that Russia's shortfall of natural gas could be 126 billion cubic meters by 2010. Gazprom calls this "disinformation."

On Nov. 22, President Putin held a meeting with top energy officials, to discuss power supply problems that have already cropped up. A week earlier, Gazprom fired Alexander Ryazanov, the deputy CEO in charge of contacts with foreign partners on developing the Shtokman gas field in the Barents Sea. His replacement, Valeri Golubev, is a long-time associate of Putin from St. Petersburg.

### **Putin: High-Profile Assassinations Are Provocations**

Speaking in Helsinki Nov. 24, President Putin commented on recent sensational political assassinations involving Russia. In reply to a question about journalist Anna Politkovskaya's murder, he said: "We must also think about other assassinations of that kind. Another journalist, the American Paul Klebnikov [of *Forbes*, ex-son-in-law of banker John Train and biographer of Boris Berezovsky] was also assassinated. An investigation was opened and the case was brought to trial. Unfortunately, the defendants were freed by the jury. The prosecutor has reopened the case." Putin went on to note that political murders were taking place abroad, too, mentioning the poisoning of former Russian intelligence officer Alexander Litvinenko, who died in London that morning. Putin said he hoped that the death would not be used for political provocation. At the same time, a deathbed letter by Berezovsky ally Litvinenko, saying that if he died, Putin was to blame,

is being publicized worldwide.

## **Migrant Labor Activity Restricted**

Under a government decree, issued Nov. 15 after demands by President Putin, migrant workers from outside Russia are prohibited from selling alcohol or pharmaceuticals as of Jan. 1, 2007. For January-March, no more than 40% of retail personnel working at outdoor locations may be foreigners, while after April 1, new hiring of these migrants to work such jobs is banned. The decrees, requiring changes at large Moscow and other urban outdoor markets, where immigrants from the Near Abroad (former Soviet Union) work for very little pay, could set the stage for serious frictions.

Putin requested the new rules at the height of tension with Georgia in mid-October. A crackdown in the Moscow markets, led to the deportation of as many as 100 Georgians a day. Officials say there are between 10 and 15 million foreigners working in Russia, many of them without proper documents. With Russia losing 700,000-800,000 people annually (net, outside of immigration), they make up nearly 10% of the population. *Vremya Novostei* recently quoted Federal Migration Service head Konstantin Romodanovsky, saying that more than 17-20% foreigners in any region is too much, especially if they are from other nationalities and religions than Russia's traditional ones. "I consider that settlements of the 'Chinatown' type would be unacceptable for Russia, and I can assure you there will be no such settlements," he said on TV.

Amid inter-ethnic street fights and beatings of foreigners in various parts of Russia (hyped by the media though they may be, there's no way around the fact that such incidents have become more frequent), Kremlin advisor Vladislav Surkov told *Ekspert* magazine in an interview last week, that "ethnic criminal groups and the xenophobia they engender, could destroy multiethnic Russia, unless they are defeated by the justice system, education, and successful development."

## **Southwest Asia News Digest**

### **Netanyahu Organizing Russian Mafia Government for Israel**

Likud Party chairman Benjamin Netanyahu is organizing a Russian Mafia government for Israel. according to *Ha'aretz* and YNET Nov. 22. In recent days, Russian oligarch and reputed Russian Mafia don, Arcadi Gaydamak, has announced that he is deciding on whether or not to enter politics and make a bid to become Prime Minister. Gaydamak, who is wanted in France for fraud, has been spreading money around over the last months. During the last Lebanon War, he set up his own privately financed relief operation in northern Israel, where the government failed to come to the aid of the population which was coming under attack by Katyusha rockets. He most recently offered a free holiday at the Red Sea resort of Eilat to the residents of Sderot, which has come under constant attack by Qassam rockets launched from the Gaza Strip.

Now, a poll conducted by the Dahaf Institute, reveals that if elections were held today, the Likud would win 20 seats; a new party led by Gaydamak, 13 seats; and the ethnic Russian Yisrael Beitenu Party of Israeli fascist Avigdor Lieberman, 10 or 11 seats. Meanwhile, the Labor and Kadima parties would get only 15 seats apiece. Thus, Netanyahu, according to this poll, would be able to form a government with a Gaydamak party, Yisrael Beitenu, and the right-wing National Union-National Religious Party as its core.

Netanyahu has been organizing behind the scenes to put just such a government together. It was reported a few weeks ago that he had met with Gaydamak, where all this was without doubt discussed. Despite the fact that Lieberman joined the Olmert government, he is a Netanyahu crony. Lieberman also has strong Russian mafia connections. One of his patrons is Michael Cherney, the other Russian "tycoon" based in Israel, who is also wanted by the Russian authorities. Cherney finances the "Jerusalem Summit," which organizes an annual security conference whose advisory board includes Daniel Pipes and Britain's Baroness Caroline Cox, U.S. Sen. Sam Brownback (R-Kan), and Yuri Shtern, a Knesset member for

Yisrael Beitenu. Netanyahu was recently in the U.S., where he met with Vice President Dick Cheney.

## **UN Rights Council Condemns Israeli Attacks in Gaza**

The people of Gaza are suffering "massive" human rights violations due to "targetting" of Palestinian civilians, including women and children, by Israeli military incursions, according to the UN General Assembly Nov. 15. By resolution, the Human Rights Council of the UNGA affirmed the applicability of the Fourth Geneva Convention relative to the Protection of Civilian Persons in Time of War. The Council is "gravely concerned at the continued violation by the occupying Power, Israel, of the human rights of the Palestinian people." It "expresses its shock at the horror, ... condemns the Israeli targeting and killing ... and calls for bringing the perpetrators thereof to justice ... and calls for urgent international action ... for immediate protection of the Palestinian civilians."

Nations signing the resolution are: Algeria, Azerbaijan, Bahrain, Bangladesh, Brunei Darussalam,\* Chad,\* Cuba, Egypt,\* Guinea,\* Indonesia, Iran (Islamic Republic of),\* Jordan, Kuwait,\* Lebanon,\* Libyan Arab Jamahiriya,\* Malaysia, Mali, Morocco, Oman,\* Pakistan, Palestine,\* Qatar,\* Saudi Arabia, Senegal, South Africa, Sudan,\* Syrian Arab Republic,\* Tunisia, United Arab Emirates,\* United Republic of Tanzania,\* Uzbekistan\* and Yemen.\* (\* Non-member states of the Human Rights Council.)

UN High Commissioner for Human Rights Louise Arbour, visiting Beit Hanoun in Gaza, site of some of the worst atrocities, said, "We need to collectively call on leaders ... to have the courage to break the cycle of violence to ensure the well-being of civilians."

And, in accord with the LaRouche Doctrine for Southwest Asia, the Vatican's Observer to the UN, Archbishop Migliore, addressed the UN General Assembly meeting on the illegal Israeli actions in the Occupied Territories, saying, "The only peace with a chance of lasting in the region will be a truly comprehensive one. It will involve all major players in the Middle East region and it will have to be based upon bilateral peace treaties and multilateral agreements on all questions of common concern, including water, environment and trade."

## **Avigdor Lieberman: No Point in Peace Initiatives**

Fascist Avigdor Lieberman, who now holds the position of Minister for Strategic Threats (and who seems to be the main one) in the Israeli government of Prime Minister Ehud Olmert, called Nov. 18 for reconquering the Rafah crossing from Egypt into Gaza and the Philadelphi route, which runs along the border. He told Israel Radio that Israel must take control of that area, from which "the fuel that drives terrorism arrives." He also argued that peace and security initiatives put forward by Deputy Prime Minister Shimon Peres and the Defense Ministry, headed by Labor's Amir Peretz, are senseless. He said, "There is no point in new peace initiatives, and those who initiate them are irresponsible and unwise." He claimed that the Palestinians do not truly want a country, but instead "work in the service of international jihad." He also called for targetting the entire Hamas leadership, and called Palestinian President Abu Mazen (Mahmoud Abbas) "not relevant, hated, and lacking any authority in the territories."

Meretz party Chairman Yossi Beilin responded by calling on Olmert to dismiss Lieberman: "If he doesn't do this, Olmert will carry responsibility for all of Lieberman's crazy statements, and he won't be able to shake himself from them time after time."

## **United States Power in Iraq Shifting**

A U.S. intelligence contact has confirmed to *EIR* that U.S. Ambassador to Iraq Zalmay Khalilzad wants "out" of Iraq as

soon as possible. His number-one replacement candidate continues to be Ryan Crocker, a senior career diplomat who is currently U.S. Ambassador to Pakistan.

Also, On Nov. 20, *Washington Post* commentator Al Kamen revealed that Crocker was active, pre-war, working for diplomatic solutions, as Deputy Assistant Secretary for Near East Affairs. Kamen wrote that Crocker wrote a 2002 memo to then-Secretary of State Colin Powell, entitled "The Perfect Storm," where he warned about the consequences of invasion of Iraq. Later, Crocker served as an assistant in the occupation under Paul Bremer.

## Asia News Digest

### Nepal Maoists Sign Agreement To End Civil Conflict

The agreement signed in Kathmandu on Nov. 21 by aging Prime Minister G.P. Koirala and the powerful Maoist leader Pushpa Dahal (*nom de guerre*: Prachanda—which means "the ruthless one"), called for an end to the civilian conflict, which has raged for over ten years, and has led to the death of at least 13,000 people in Nepal and brought in the United States as an arms supplier to the Royal Nepali Army.

The agreement was signed seven months after King Gyanendra, who led the army to eliminate the Maoists, surrendered power to political parties.

The agreement has the fingerprints of India all over it. That makes one wonder how valid it will be in the long term. Comrade Prachanda was in New Delhi in mid-November working out the details. During his stay there, Prachanda made clear that he feels threatened by the U.S.-backed Nepali Army. He also told the Indians that during the civil conflict, he was approached "again and again" by the Pakistani intelligence agency, the ISI. Prachanda said the ISI told the Maoists that, "it was ready to lend its hand in terms of weapons supply and others, but we bluntly refused." During the civilian conflict, New Delhi had leaned toward support of the king and had opposed the Maoists tooth and nail.

Meanwhile, a government commission has found King Gyanendra responsible for a bloody crackdown in April on pro-democracy demonstrators that left at least 19 dead and hundreds injured, government officials said on Nov. 20. The commission, in its report, said the king should be punished for this incident, but did not mention the penalty.

### India and China To Cooperate in Agricultural Research

China and India have reached an agreement for joint agricultural research, whose purpose is to prevent future famine in the region, NDTV reported Nov. 22. Making that pledge, the Indian Council of Agricultural Research (ICAR) and the Chinese Academy of Sciences have agreed to work together. The signing of the agreement took place during Chinese President Hu Jintao's Nov. 20-23 visit to India.

Together, India and China have to feed almost 2.4 billion people. As a result, both countries depend very heavily on agriculture, a sector that employs over half the workforce in both countries, which have now come to an agreement that the focus of the sector will be shared technology to maximize yield. "We are almost one-third-plus of humanity of the world, and we have limited land and water resources. So, it is technology-led growth that will be of paramount significance," said Dr. Mangala Rai, Director-General of the ICAR.

In the productivity of rice, China is well ahead of India in using very-high-yield variety seeds. While India produces 87 million tons of rice in an average year, cultivating 42 million hectares, China produces 178 million tons of rice from 29

million hectares. But, what attracts the Chinese the most about India's agricultural sector, is its extension service activities on farm mechanization.

## **Cautious Approach on India-China Defense Cooperation**

Despite some expectations within a section of Indian military circles, Chinese President Hu Jintao's visit did not advance India-China defense ties. The joint statement issued following the meeting of the two heads of state, was cautious: "[T]he exchange of visits in the field of defence cooperation has resulted in building of mutual trust and enhancement of mutual understanding between the defence establishments of the two countries...." The document was silent on an important element of the May 29 memorandum of understanding—signed by the Indian Defense Minister and his Chinese counterpart—building of joint military exercises. This aspect, one military officer pointed out, was the building block and the litmus test of bilateral military ties.

What is evident from what transpired during President Hu's visit to India, is that while New Delhi does not "distrust" Beijing, it will proceed in this direction with caution. The reason? One military officer pointed out: "Given the closeness of ties between China and Pakistan in military matters, we would be extremely wary of opening up our defense establishments to the Chinese or giving them an insight into our strategic thinking, particularly since we have an unresolved border dispute with them."

## **Huge Demonstrations vs. Bush in Indonesia**

Thousands of protesters demonstrated against President Bush as he arrived for a short stop in Indonesia Nov. 19. About 7,000 people showed up at Merdeka Square in front of the Presidential Palace in Jakarta, organized by the Muslim Forum, representing 80 Islamic groups. Another protest in Jakarta drew 5,000, while dozens of other protests were held across the country.

President Susilo Bambang Yudhoyono met Bush at the historic mountain town of Bogor, with 18,000 police protecting the palace. Yudhoyono said in their joint press conference, that he had called for Bush to involve all the nations in the Mideast in solving the Iraq crisis, and to "deploy a new set-up of security forces in parallel with—some day, based on a proper timetable—the disengagement of U.S. military forces and other coalition forces from Iraq."

## **APEC Communique Rejects Bush/Cheney Demands on Korea**

The final communique of the Asia Pacific Economic Cooperation Forum (APEC) issued Nov. 20 from its meeting in Vietnam, has no mention of North Korea, again demonstrating the isolation of the Bush/Cheney policy. Bush and the U.S. delegation to the APEC conference noisily called for its 21 members to strongly condemn North Korea, but they agreed neither to mention it in the communique nor to issue a separate statement. South Korean President Roh Moo-Hyun, in particular, publicly rejected Bush's call to join the Proliferation Security Initiative, which is intended to stop North Korean ships on the high seas.

The most Bush could get was a verbal statement by Vietnamese President Nguyen Minh Triet, at a press conference, that APEC "called upon parties concerned to come back to the six-party talks so as to reach a satisfactory solution at an earliest possible date."

Bush's other primary goal at APEC was to discuss an APEC Free Trade Agreement (FTA), but the ministers in the pre-meetings refused to even put it on the agenda.

Except for talks and agreements between national leaders on the sidelines, the only "result" of the summit was a call for resuscitating the rotting corpse of the Doha round of the WTO free trade talks.

## **China's Migrant-Worker Population Reaches 115 Million**

The Chinese Ministry of Agriculture reports that the country's migrant-worker population has swollen to 114.9 million, with an estimated increase of 6.7 million people this year, according to press coverage Nov. 23. The ministry expects that at least another 4 million workers will join the huge migrant workforce each year in the coming period. Wages for these workers, averaging 852 yuan (\$106) a month, are much higher than they would earn on the land. Of China's 1.3 billion people, over 800 million are farmers.

In an interview with the *People's Daily* published Nov. 21, Prof. Zhang Zhenhe of Beijing's China Agricultural University said that incomes in the cities are 3.2 times higher than in rural areas, while farmers have to use large parts of their incomes to buy seed and so forth for their next crop. Consumption levels in rural areas are at least a full decade behind those of urban residents, and city dwellers have much greater social benefits in housing, education, health, and social security. Only 10% of rural people have medical coverage, and 80% of farmers have to pay all their own medical expenses, while there has been a "drastic" rise in medical costs in recent years. In the cities, 43 times more people have a university education than in the countryside, and 3.4 times more have a middle school education.

Official urban unemployment is only 5%, but "only about half of the 400 million rural laborers staying behind in rural villages are now working, if 130 million immigrant workers are excluded," Zhang said.

## **Africa News Digest**

See InDepth this week for the following coverage:

### **U.S. Will Coordinate Sudan Policy With the United Nations**

The U.S. Special Envoy to Sudan indicated a possible U.S. policy shift, which would undercut the effort to get the United States entangled in a war against that African nation.

### **Nubian Aquifer: Transition to Nuclear Desalination**

Now, the mention of the Nubian Aquifer, in connection with suffering in Darfur, once again throws the spotlight on the kind of development approach needed on an emergency basis, to build up national economies across the multi-state region as the basis for peace.

### **Nasser's Geologist: Use Resources; Grow!**

A review of a book by Rushdi Said, who was on the Industrialization Commission for Gen. Gamal Abdel Nasser, President of Egypt (1954 to 1970).

## **This Week in American History**

# November 28—December 4, 1782

## Benj. Franklin Successfully Concludes the American Revolution

On November 30, 1782, the American commissioners appointed by Congress to negotiate a peace settlement with Great Britain signed the preliminary treaty in Paris. The three commissioners—Benjamin Franklin, John Adams, and John Jay—had all participated in the negotiations, but it was Franklin who had set the framework for the ultimate and happy result.

The news of the American and French victory at Yorktown in October of 1781 reached Paris on November 20, and the city burst into celebrations. But the path to a peace treaty was long and frustrating. King George III was not about to break up the British Empire, and he absolutely refused to recognize American independence. He also made it very clear that there was one person who was responsible for his uncomfortable predicament.

The king wrote to Lord Shelburne: "I am sorry to say it but from the beginning of the American troubles to the retreat of Mr. Fox, this country has not taken any but precipitate steps whilst caution and system have been those of Dr. Franklin, which is explanation enough of the causes of the present difference of situation." King George did everything he could to hinder the peace negotiations and insisted that the American "Loyalists" be compensated by America for their losses. He eventually yielded on recognizing America's independence, by authorizing his envoy to deal with the "United States." But when the desired concessions on compensating the Loyalists did not materialize, His Majesty threatened to retire to Hanover as a sign of his displeasure.

The American side was also beset with difficulties. Congress had authorized five peace commissioners in June of 1781, even before the victory at Yorktown. Of them, two, Thomas Jefferson and Henry Laurens did not serve; and with Adams in Holland negotiating a loan, and Jay employed in diplomacy in Madrid, Franklin had to handle the first part of the negotiations alone. The Americans had to deal with changes in policy and envoys from four succeeding British ministries—those of Lord North, Lord Rockingham, Lord Shelburne, and Charles James Fox.

Before the news of Yorktown arrived, an aging and ill Benjamin Franklin had written Congress that he wished to be relieved of his commission as envoy to France. When he received the appointment to the peace commission, he agreed to remain in France, but he warned John Adams that, "I have never known a peace made, even the most advantageous, that was not censured as inadequate, and the makers condemned as injudicious or corrupt. *Blessed are the peace makers* is, I suppose, to be understood in the other world, for in this they are frequently *cursed*."

Congress had instructed the peace commissioners to stipulate that America had two non-negotiable conditions. These were: an acknowledgment by Britain of America's independence, and the continuation of America's treaty with France. After the victory at Yorktown, Franklin thought America could do even better. But his work was made more difficult by an anti-French faction in America, delightedly encouraged by the British and led by Arthur Lee, that accused Franklin of being too pro-French. Even Adams and Jay held milder versions of this view, but ended up admitting that Franklin had done well by America in the treaty.

Robert Morris, who had bankrupted himself by supporting the American cause and its currency, wrote to Franklin warning him about the faction which was slandering him. Franklin replied that he was extremely sorry to hear of the attacks on France, as it tended to hurt "the good understanding" which existed between the two governments. "There seems to be a party with you that wish to destroy it," wrote Franklin. "If they could succeed, they would do us irreparable injury. It is our firm connection with France that gives us weight with England, and respect throughout Europe. If we were to break our faith with this nation, on whatever pretence, England would again trample on us, and every other nation despise us."

Indeed, England was at that moment, in the person of Lord Shelburne, plotting to do just that, by driving a wedge between America and France. Richard Oswald, the envoy to the Paris negotiations and a close friend of Lord Shelburne, was instructed to see how far apart he could pull the two governments. Oswald told Franklin that once the issue of American independence was settled, reconciliation with Britain could occur quickly. Franklin, not to be manipulated, replied that the issue of independence was already settled, and had been since 1776, and if the British desired reconciliation they must recognize that it was more than "a pretty phrase."

Franklin then played an unsettling card. He suggested that the Americans might want to ask for reparations for the towns and farms that the British and Hessians had burned. This would amount to a very large sum, but this difficulty could be overcome by Britain magnanimously ceding Canada to the United States, since the price of the furs gained from that colony probably did not compensate Britain for the expense of governing her. At any rate, this would solve two problems at one stroke, for the new land could serve as reparation for the displaced Americans, and the money from the sale of the lands to other Americans could be used to compensate the "Loyalists" for their losses.

This stunning proposal was duly forwarded to Shelburne, but there is no record of his reaction. Shelburne, of course, usually received early intelligence of Franklin's proposals and dealings with French Foreign Minister Vergennes from his many spies, one of whom, Edward Bancroft, was a trusted aide to the American commissioners. When a supporter of the American cause wrote to Franklin warning him that he was surrounded by spies, he replied that "As it is impossible to discover in every case the falsity of pretended friends who would know our affairs; and more so to prevent being watched by spies, when interested people may think proper to place them for that purpose, I have long observed one rule which prevents any inconveniences from such practices.

"It is simply this: to be concerned in no affairs that I should blush to have made public," Franklin continued, "and to do nothing but what spies may see and welcome. When a man's actions are just and honourable, the more they are known, the more his reputation is increased and established. If I was sure, therefore, that my *valet de place* was a spy, as he probably is, I think I should probably not discharge him for that, if in other respects I liked him."

Franklin and Vergennes were well aware of the British attempt to separate them, and in meetings they agreed to coordinate their peace efforts. Franklin suggested that Britain's strategy might be to conclude separate treaties with the four nations that had been fighting her in order to isolate one of them as a future target. He then recommended that all four countries—the other two being Spain and Holland—enter into a new treaty among themselves, pledging mutual defense in case of a British attack upon one of them. Vergennes agreed, but was noncommittal as to whether this could be carried through.

In the early fall of 1782, Vergennes informed Franklin that King Louis XVI agreed that the Americans should negotiate a separate treaty with Britain as long as the treaties of all four nations went hand-in-hand and were signed on the same day. Franklin had already made sure that the British government had acknowledged American independence before the start of formal negotiations, so that the British could not regard independence as a concession which would require a *quid pro quo* from the Americans.

Franklin gave Richard Oswald two lists—one of points which were "necessary" to a peace treaty, and one of "advisable" elements. The first two necessary points were American independence and the evacuation of all British troops from American soil. The next was a definitive determination of the borders of the United States, and the restoration of the boundaries of Canada to what they had been before the Quebec Act of 1774.

In that act, which was part of British reprisals for the Boston Tea Party, the boundary of Canada had been moved southward from the Great Lakes down to the Ohio River, in order to trap the American colonies east of the mountains. Moving the Canadian border northward extended America's western boundary to the Mississippi River. The final

necessary point consisted of British recognition of the American right, which had been exercised for hundreds of years, to fish on the Grand Banks of Newfoundland.

For his "advisable" points, Franklin included reparations to Americans ruined by the burning of towns and farms, public acknowledgement by Britain of its error in prosecuting the war, open commercial relations between America and Britain, and the ceding of Canada to the United States. Lord Shelburne agreed to Franklin's necessary items on the condition that the advisable ones be dropped.

When Charles James Fox replaced Shelburne as Prime Minister, he favored opening British commerce to America in order to wean her from France, but King George was again adamantly opposed. As a result, after the peace treaty was signed, Britain dumped her manufactured goods in America below cost, in order to undercut and destroy any nascent American industry. Britain also instituted a policy of technological apartheid against the United States, hoping to prevent its industrialization. However, once the treaty was signed, the foreign ministers of Sweden, Denmark, Portugal, and Prussia arrived at Franklin's home in Passy to negotiate commercial treaties with America.

The preliminary treaty with Great Britain, containing all of Franklin's "necessary" articles, was signed by the American commissioners on November 30, 1782, and France and Spain signed their preliminary articles on January 20 of 1783. The Netherlands' treaty was delayed until September 2, so the official Treaty of Paris, with all the signatories, was not issued until the next day.

In May of 1784, after Congress had ratified the treaty, Benjamin Franklin wrote to Charles Thomson, the Secretary of Congress, that "the great and hazardous enterprise we have been engaged in is, God be praised, happily completed, an event I hardly expected I should live to see." He then wrote that peace would quickly restore the country if Americans kept their faith. If they failed, the vultures of the world, especially the British, would be waiting. "If we do not convince the world that we are a nation to be depended on for fidelity in treaties, if we appear negligent in paying our debts, and ungrateful to those who have served and befriended us, our reputation, and all the strength it is capable of procuring, will be lost, and fresh attacks upon us will be encouraged."

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