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April 13, 2007

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After Don Imus, Al Gore should be next....

## In-Depth Coverage

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'Former U.S. VicePresident Al Gore's recent popularity is already on the wane. 'Bio-fuels' is strictly for quick-buck swindlers and the credulities of the 'Bio-fools' upon whom they prey. In reality, the world's current trends are dominated by a surge of commitment to nuclear-fission fuels as the leading development policy of Eurasia and also other parts of the world. As an April 7th London *Economist* editorial suggests, the question on the table among all actually thinking circles of leadership around the world, is, who is going to control the economic policies of a world in which, in fact, nuclear fission and related technologies will be taking over.'

## Economics

[Schiller Institute Presents Maglev to Danish Parliament](#)

**Tom Gillesberg**, chairman of the Schiller Institute in Denmark, challenged the Danish Parliament to take a technological leap into the future, in his

testimony to the Parliamentary Traffic Committee on the Institute's proposal for a national maglev program.

## **Systemic Mortgage Threat Dawning on Congressmen?**

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## **'Green Nazis' in Germany Under Fire**

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## **Bush Fiddles While Cheney Plots More Wars**

If Vice President Cheney has his way, the United States will soon be in a war with Iran—a war that the U.S. military and intelligence establishment strongly oppose, and that powerful voices within the British Establishment are also attacking as dangerous folly.

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# Editorial

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## United States News Digest

### Liz Cheney Demands Regime Change in Damascus

The daughter of Vice President Dick Cheney penned an hysterical and fraudulent diatribe against Syria in the April 12 *Washington Post*, demonstrating once again that, when it comes to the Cheney family, the apple doesn't fall far from the tree. Asserting Syria's responsibility for a series of unsolved political assassinations in Lebanon over the past two years, Liz Cheney, former Principal Deputy Assistant Secretary of State for Near Eastern affairs (2005-2006), demanded the total isolation of the Bashar Assad regime, international sanctions, backing for the opposition, and European cooperation in a U.S. strategy tantamount to a full-scale drive for regime change.

"Talking to the Syrians emboldens and rewards them at the expense of America and our allies in the Middle East.... They are an outlaw regime and should be isolated," quoth Cheney. She attacked both recent Congressional delegations that visited Damascus and also called for the State Department to halt any diplomatic contact with Syria.

The wild rhetoric of Cheney stood in stark contrast to the recommendations of the Iraq Study Group and a panel of Syria experts who spoke on April 10 at a Middle East Policy Council forum on Capitol Hill. Among the speakers at the MEPC forum who spoke most aggressively in favor of diplomatic dialogue with Damascus were retired U.S. Ambassador Theodore Kattouf, former CIA intelligence analyst Martha Neff Kessler, and Dr. Murhaf Jouejati, professor of Near East and South Asia studies at the National Defense University.

In response to a question from *EIR*, the panelists confirmed, contrary to the Liz Cheney diatribe, that the investigation into the assassination of former Lebanese Prime Minister Rafiq Hariri had not thus far definitively led to the doorstep of

President Assad, that Syria had cooperated with the investigation, and had pulled all of its troops out of Lebanon. (For more on these developments, see *InDepth*, "Bush Fiddles While Cheney Plots More Wars," by Jeffrey Steinberg.)

## **Leahy: White House Has No Credibility Left**

"This Administration has worn out the benefit of the doubt and undermined whatever credibility it had left," said Senate Judiciary Chairman Patrick Leahy, concerning the White House's claim that e-mails about the U.S. Attorney firings have been lost, the *Washington Post* reported April 12. Leahy compared this assertion to the Nixon Administration's "18-minute gap" during Watergate. The Bush Administration on April 11 said that some official e-mails, some of which may have concerned the U.S. Attorney firings, had been lost because they were sent via private accounts intended only for political activities.

On the Senate floor April 12, Leahy stated flatly, "They say they have not been preserved. I don't believe that! You can't erase e-mails—not today. They've gone through too many servers. Those e-mails are there, they just don't want to produce them. We'll subpoena them if necessary."

Lyndon LaRouche endorsed Leahy's comparison of the Bush and Nixon White Houses as precisely on point.

## **Congress Must Reign in FBI Abuses**

A number of expert witnesses testifying at a Senate hearing on April 11, insisted that Congress must change the Patriot Act and other statutes to stop the abuses described in a recent Justice Department Inspector General (IG) report on improper use of "National Security Letters" (NSLs) by the FBI. The issuing of National Security Letters is a means of obtaining personal financial or telecommunications information without a court-approved warrant or subpoena.

Former Rep. Bob Barr (R-Ga.), who is also a former U.S. Attorney, said that he and others have been pleading with Congress for five years, "to put reasonable checks and balances on the intrusive powers created by the Patriot Act." Barr, who voted for the Patriot Act in 2001, says that the IG report "confirmed our worst fears: unchecked powers are being used to collect information on innocent U.S. persons, which ultimately sits in government data bases forever, and is accessed by tens of thousands of law enforcement and intelligence personnel without restriction."

Barr noted that the IG Report indicates that over 143,000 NSL requests were issued between 2003 and 2005, and that a majority were for U.S. citizens and residents, not foreigners. "NSLs are being used to suck up as much data as possible in the hopes that some relevant information may be discovered," he said.

Barr also stated that "other intrusive provisions of the Patriot Act have been abused too," citing secret searches, blank wiretap orders, and access to ever-increasing amounts of private information."

Barr and the other witnesses called on Congress to rein in the unchecked powers currently exercised by the Executive Branch, and Barr predicted that until Congress acts, the situation is only going to get worse, not better, under current circumstances and the current Justice Department leadership.

## **BRAC and Privatization Behind Walter Reed Problems**

The BRAC (Base Realignment and Closure) decision to close Walter Reed Army Medical Center and the privatization of facilities management, there, were contributing factors in the problems that were exposed last February by the *Washington Post*. That is one of the conclusions of the Independent Review Group (IRG), the panel assembled by Secretary of Defense

Robert Gates to look into rehabilitative and outpatient problems at Walter Reed and at the National Naval Medical Center in Bethesda, Maryland. Both factors were highlighted in a widely circulated article in the March 16 *EIR*.

The IRG met with the Defense Health Board at Walter Reed April 11, to deliberate on its final report. In its draft report, the IRG had concluded that the BRAC decision to close Walter Reed "contributed to staffing problems, inattention of leadership to day-to-day operations and a lack of resources for capital improvements." The privatization process "created a destabilizing effect on the ability to hire and retain qualified staff members to operate garrison functions to include facility maintenance and administrative functions. The cost saving effort, in retrospect, proved to be counterproductive." These factors, along with the increased flow of casualties from Cheney's Iraq War and the large number of sliders in holdover status combined to create what former Army Secretary John O. "Jack" Marsh, one of the IRG's two co-chairs, termed a "perfect storm," which led the collapse of care for soldiers in outpatient status.

As for what to do about these two problems, the IRG is recommending that the organization and construction of the new facilities that are supposed to replace Walter Reed be speeded up, and that military treatment facilities be exempt from privatization as long as there's a war on.

### **Feingold Introduces Bill To End Iraq War**

Sen. Russ Feingold (D-Wisc.) introduced his bill, co-sponsored with Senate Majority Leader Harry Reid (D-Nev.) and six other Senate Democrats April 10, to "effectively end U.S. military involvement in Iraq." This is the bill that Reid said he would co-sponsor if Bush vetoed the defense supplemental funding bill already passed by the Senate. The bill requires the President to begin safely redeploying U.S. troops from Iraq within 120 days, and it ends funding for the war—with three narrow exceptions—by March 31, 2008.

### **GOP Congressmen To Urge Compromise on Iraq**

Rep. Wayne Gilchrest (R-Md.) and four other GOP Congressmen have formed an ad hoc group to negotiate with the White House for a compromise on the Iraq Supplemental spending bill. The other Republicans are Reps. Pete Hoekstra (Mich.), former chair of the House Intelligence Committee; Charles Boustany (La.); Jeff Fortenberry (Neb.); and Mac Thornberry (Texas). Gilchrest is the only one of the five who voted for the Democratic war supplemental, which included a timetable for withdrawal.

Gilchrest says the group will encourage the White House to compromise on: 1) negotiating with Iran and Syria; and 2) setting a date for withdrawal from Iraq. The group also plans to hold talks with National Security Advisor Stephen Hadley.

The group's argument will utilize, against the White House, two public assertions of Iraq Commander Gen. David Petraeus: 1) that the Iraq War can't be won militarily, but requires a comprehensive political solution. And, included in that, is 2) letting Iraq know that America's presence in Iraq isn't open-ended.

Bush has repeatedly said he will veto any Iraq spending bill that includes a timeline for withdrawal, but Gilchrest still hopes that a deal can be struck between Bush and Democratic Congressional leaders.

### **Waxman Presses Rice on Niger Yellowcake Fraud**

Secretary of State Condoleezza Rice is continuing to stonewall on the Niger yellowcake scandal, according to a letter sent to Rice April 9 by Rep. Henry Waxman (D-Calif.), chairman of the House Committee on Oversight and Government Reform. Waxman references a number of previous letters which have been ignored by Rice.

Waxman states that he is continuing to request that Rice appear before the committee to testify on April 18, and in his latest letter he repeats a number of questions which Rice has so far refused to answer. These include: 1) whether she has any information as to why President Bush cited forged evidence about Iraq's efforts to procure uranium from Niger, in the 2003 State of the Union Address; 2) whether she knew of the doubts raised by the CIA and State Department about the veracity of the Niger claims, prior the State of the Union address; 3) whether there was a factual basis for Rice's own reference in a January 2003 op-ed to "Iraq's efforts to get uranium from abroad"; and 4) whether she "took appropriate steps to investigate how the Niger claim ended up in the State of the Union address after it was revealed to be fraudulent."

## Ibero-American News Digest

### IMF After Mexican Pension Grab: Now Go for the Oil!

In a Washington, D.C. press conference April 12, IMF Managing Director Rodrigo Rato "welcomed" Mexico's just-passed law opening the door to the privatization of the public sector pension system, but Rato emphasized that tax reform and "structural reforms like the energy sector" must follow. The London *Economist* of April 7-13 likewise drooled that this was "the first important structural reform in a decade"; the next measures need "to be reforms of tax and of Pemex, the state oil monopoly. The two are linked, and are just as urgent as state pensions."

On March 31, Mexican President Felipe Calderon signed the law "reforming" the huge ISSSTE pension and health-care system covering all federal public workers, except oil workers and the military. The politically explosive law, which no government had been able to get the Mexican Congress to approve for ten years, raises the retirement age and employee "contributions," and most importantly sets up individual accounts for pensions, similar to the de facto privatization of the social security system (IMSS) covering private sector workers from a decade ago.

Now the corrupt Congressmen and others who rammed the legislation through, are lining up to be given "administrative" control over the newly privatized pension funds.

### Kirchner to IMF Chief: Bug Off!

On the eve of the annual IMF-World Bank meeting in Washington, Argentine President Nestor Kirchner sent a public message to IMF managing director Rodrigo Rato, who had used his April 12 pre-meeting briefing to once again criticize Argentine government economic policy for deviating from IMF rules:

"I am going to answer the President of the IMF: that they no longer can tell us what to do. That we have already seen what happened to us.... That the Argentines are making headway with our own ideas, and we have already forgotten about them. I am sure that there will not be another Argentine government that will go to ask them for instructions or money, because we know what hunger is. We know what we had to go through, the pressures we suffered, the number of unemployed, and the bankruptcy which the country went through, and the large indebtedness we had. Mr. Rodrigo Rato, with all due respect for your position, spend your time talking about somebody else, because we no longer remember you," Kirchner said in a speech announcing that the country now has reached a historic level of reserves.

What the IMF can't stand, is that the Kirchner government has adopted Franklin Delano Roosevelt's New Deal as the model for its policies, and as a result, Argentina is enjoying the greatest economic growth in real terms of any country in Ibero-America. (For more on Kirchner's New Deal policies, see "South America: Two Systems of Ideas Clash, And FDR Is at the Center," in *InDepth*, April 13)

## **Brazilian Government: Let Them Eat Money**

"Clinically insane" is the only phrase that accurately characterizes the remarks issued April 4 by Brazilian President Lula da Silva's top foreign affairs adviser, Marco Aurelio Garcia, when he told the media that hunger in the world "is not a problem of lack of food, but lack of income."

Garcia's remarks—which are characteristic of the Baby Boomer generation's magical belief that economics is based on *money*, as opposed to *physical production*—are all the more stunning coming from a top spokesman for the Lula government, whose number one policy priority has purportedly been "*Fome Zero*" ("Zero Hunger").

Garcia's remarks were issued in response to April 3 comments by Cuban President Fidel Castro that the global biofuel offensive, in which Brazil is a major player, means the "internationalization of genocide."

Lula's self-proclaimed "obsession" with ethanol has clearly gotten the better of him ... and his advisors. As for Castro, he was simply doing what he does best: setting off international controversy with remarks that, in this case, were very much to the point.

## **Brazil Stalls Nuclear, Prefers Colonial Sugar Plantations**

Completion of Brazil's half-built but long-stalled third nuclear plant, Angra 3, was put off again, when the April 3 National Energy Policy Council meeting where Angra 3 was on the agenda, was simply cancelled. Science and Technology Minister Sergio Rezende, who has been campaigning for approval for more than a year, now says that the decision will be made within the next two months, possibly by June. He's still gung-ho, telling the press, that given the price of oil and global warming, every country in the world is turning back to "renewable nuclear energy, which is even more secure today." Energy Minister Silas Rondeau finally came around, and in mid-March for the first time endorsed completing Angra 3, but the Environment Ministry is fighting fiercely.

If Brazil doesn't expand its nuclear industry, that industry will die, as the first generation of engineers and technicians which built Angra 1 and 2 reach retirement age, with no new generation trained to replace them.

President Lula, who cannot decide on saving Brazil's nuclear program, is currently "obsessed" with expanding sugar cane for ethanol. He did also find the political will to order the Science and Technology Ministry to set up a national network of research institutes working on climate change, which will advise the government on what measures Brazil must take to keep the sky from falling.

## **IDB Bio-Fuel Proposal for Mexico Is Pure Fascism**

A report on "Feasibility of Ethanol and Biodiesel" for Mexico, sponsored by the Inter-American Development Bank and the German government's Technical Cooperation (GTZ) agency and coordinated by Mexico's Secretary of Energy, openly states that for production of ethanol in Mexico, "the net economic result is negative in all cases" with current prices of ethanol, because the raw material, particularly sugar cane, is very expensive, due to labor costs. The report, which was promoted at an April 2 Washington, D.C. seminar, goes on to suggest the "creative" revamping of the "extant social pact" among labor and the sugar cane industry, so that labor agrees to reduce their wages and benefits in order to "extend" their jobs and double the labor force in the industry, following "the Brazilian model" of slave labor.

The report, which was originally released in November 2006, adds that an added benefit is that Mexico, by saving on CO<sub>2</sub> emissions, will be able to issue "carbon bonds" in the financial markets.

## **Water Wars Between the U.S. and Mexico**

The U.S. 9th Circuit Court of Appeals gave the go-ahead in early April for the Bureau of Reclamation to line the All-American Canal with concrete to prevent seepage. The canal parallels the California-Mexico border, and such a step would cut water to Mexico.

Both proponents and opponents of the plan are caught in a lose-lose situation, which can only be overcome by initiating water management programs such as the North American Water and Power Alliance (NAWAPA), and nuclear-powered desalination, as Lyndon LaRouche has emphasized.

Proponents of the plan to line the canal say it would provide 67,000 more acre-feet of water, enough to meet the needs of more than 500,000 homes in San Diego County, California. Opponents, who sued to block the project, say it would devastate farmers in the Mexicali Valley in Mexico, who rely on the canal's seepage to replenish their aquifer.

The 82-mile canal, fed by Colorado River water, was completed in 1942. It feeds crops along both sides of the border in an area about 100 miles east of San Diego.

Opponents of the \$200 million project include both environmentalists and business interests. They say lining the area's 23 miles of canal will dry up tens of thousands of acres of Mexican farmland, cause wells to become polluted, and threaten migratory birds by eliminating wetlands. That in turn, they say, could cause significant job losses and other economic problems on both sides of the border.

The court said Mexico already gets 1.5 million acre-feet of Colorado River water a year under the terms of a 1944 treaty and is entitled to no more.

## **Argentine Daily Warns of Biofuel Bubble Bursting**

The Argentine Internet daily Infobae raised the relevant question on April 10: "Are biofuels a green business, or a new 'dot-com' bubble destined to burst?"

Biofuels are the 21st Century's "gold fever," it states, given the high oil price, fears over energy security and global warming. But, "there are those who are beginning to compare this euphoria with the boom in IT investments in the 1990s, when the dot-coms grew artificially, without the necessary and sustainable balance, and ended up generating a bubble whose implosion left thousands of victims in its wake."

Infobae doesn't report that the bulk of investments going into biofuels are from speculative hedge funds and other financial vultures.

## **Western European News Digest**

### **German Regulatory Proposal To Be Debated by G-8 Bankers**

A German proposal for hedge fund transparency was to be placed prominently on the agenda of the IMFC (International Monetary and Finance Committee) meeting of the G-8 Finance Ministers and central bankers in Washington April 14-15—although for discussion only. The governments of Britain and the USA oppose any regulatory decisions.

## **Anglo-Dutch Circles Split Over Hedge Funds**

Olivier van Royen, former CEO of the Dutch firm Hoogovens, one of the largest steel and aluminum producers in Europe, and former executive director of Nedlloyd (a group of shipping companies descended from the Dutch East India Company), wants a law against the financial locusts, *Het Financieele Dagblad* reported April 7.

If necessary, he said, we have to put a ceiling on debt which a firm is allowed to incur. Van Royen stated that aggressive private equity funds buy up firms in order to pluck them financially, cutting out anything involving the long term. The risks are transferred to the firms themselves and the employees.

Van Royen criticizes the takeover of Corus (which grew out of the takeover of Hoogovens several incarnations ago) by Tata. Now the firm will get the financial burden of the takeover hung around its neck, with all the concomitant risks.

## **Is Northern League Fanning Flames of Race Riots in Italy?**

A street revolt April 13 in Milan's Chinatown district involved hundreds of Chinese immigrants and the police. There is the suspicion that the racist Lega Nord (Northern League), which is part of the local government, bears responsibility for that. Recently, police started a "zero tolerance" tactic against Chinese retailers which is seen by immigrants as persecutory. Riots started when a policeman fined a Chinese woman who was illegally parked, and then beat her with his stick, despite the fact that she held a baby in her arms. Lega Nord representatives called for "sending the Chinese back home."

## **German Terror Office Admits Long-Term Security Breach**

Germany's Federal Criminal Office (BKA) President Joerg Zierke gave a press conference in Wiesbaden April 12, to reveal that over years, and maybe a more than a decade, internal elements to the BKA have "sold" sensitive information outside, concerning anti-terror investigations. The dimensions of such a "business," Zierke said, is beyond his imagination. It involves, for instance, reports on planned terror attacks in Duesseldorf, and against the Frankfurt Stock Exchange; a planned attack against the U.S. Embassy in Berlin; secret weapons deals by a foreign intelligence service; and information on 48 known Islamists, and flight security in Germany." The source of the leak has not been discovered, Zierke said.

Zierke's press conference was apparently in response to an ARD television program Panorama concerning the case of a *Focus* magazine journalist, who has been spied upon by the BKA in connection with a case in 2002-2003.

## **Schwarzenegger To Address 'Green' Tory Convention**

British Conservative Party chairman David Cameron announced that California Gov. Arnold Schwarzenegger (R) has accepted the Tory invitation to keynote at their annual Blackpool meeting, scheduled to take place in September. Cameron cited Arnie's "tremendous leadership, above all in pioneering measures to protect the environment, reaching out to political opponents in doing so." Schwarzenegger, also a darling of the Tony Blair Labour government, is following a green script for high-profile national and international "bipartisan" action to promote global green swindles of all kinds, especially CO2 emissions caps and speculation. This is consistent with the British-U.S. gang who schemed to put him into office in 2003, led by George Shultz; and also in line with the Felix Rohatyn/Democrat side of the political spectrum, likewise backing carbon marketeering.

## **Are Soccer Riots a British Pincer Movement Against Italy?**

On April 4, British-controlled hooligans provoked riots in Rome, after a soccer game. In a drunken state, the hooligans vandalized streets and shops in the center of the city for two days running, and engaged in provocations against local soccer fans, after the game took place. Eighteen people were wounded in the rioting, including three policemen. Only a quick, although admittedly crude, deployment of Italian police prevented any fatalities. The British government and British media then accused the Italian police of having "overreacted," and are now demanding an investigation of the police.

The hooligans involved belonged to radical fan clubs of Roma AC and Manchester United (MU). Both hooligan clubs are controlled by British-trained entities. The Rome hooligans are controlled by entities connected to British-trained Roberto Fiore, a neo-fascist who is politically allied with Benito Mussolini's granddaughter Alessandra. Additionally, 1,500 Manchester United hooligans were smuggled into Rome April 9 without tickets and without police escort, bypassing bilateral agreements. According to Italian authorities, the British police bear direct responsibility for that.

## **British House of Orange Pushes Green Agenda**

On April 18, the environmentally hyperactive Prince Willem of Holland will open the offshore wind farm Egmond aan Zee, 36 wind turbines with a total capacity of 108 mw, built on initiative of the Dutch government, in cooperation with Shell and Nuon. The House of Orange website claims these windmills will reduce CO<sub>2</sub> emissions by 140,000 tons a year. 200 million euros have been invested in this project.

In an address to the Rome conference on World Water Day in March, the Prince, the grandson of the Nazi Prince Bernhard, lauded a water-pumping project launched last September at the Annual Meeting of the Clinton Global Initiative, where children in the Third World were given merry-go-rounds attached to pumps, to provide their villages with water.

## **Global Warming 'Fixes' Would Cost Germany Billions**

The head of the German Federal Environment Agency, Andreas Troge told *Bild am Sonntag* April 8 that Germany's quota to "stop global warming" is going to be 4 billion euros per year until 2050.

Green Party leader Reinhard Buetikofer demanded that the government shut down coal production and coal power plants. But Economy Minister Michael Glos (CDU) defended the use of coal and also pushed nuclear power. "It seems to me that we have a large, pro-environmental energy mix. For me, coal and nuclear energy should be part of it."

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

### **Ivashov: LaRouche's Economics Are the Standard**

Gen. Leonid Ivashov, formerly head of the international department of Russia's Ministry of Defense, is currently in the news with his high-profile, relentless warnings about the danger of a U.S. and/or Israeli bombing attack on Iran. At the same time, Ivashov continues to come out with other articles and interviews, in which he grapples with the overriding question, for him, of Russia's survival as a nation. One such article, posted on the website KM.ru on April 5 under the title "The Russian Question Is Fundamental," concerned the future of the Russian Federation, and the Russian people within it.

To situate Russia's existential crisis, Ivashov used the criterion of potential relative population density, introduced by Lyndon LaRouche in his book *So, You Wish To Learn All About Economics?* (1984), which was published in Russian in 1993. Ivashov wrote, "The American economist L. LaRouche says, 'The growth of a country's population, and the growth of the population density per square kilometer, is the only reliable criterion for judging one policy or another.' The

reduction of our population by increments of millions, leaving huge expanses of territory empty: that is the real measure of the policies of those in power in Russia at the present time."

Ivashov went on to argue that this demographic contraction was "merely a consequence," of the impoverishment and scattering of the nation-forming Russian people. "We have a population, or an electorate," he said, "but no people."

For more on General Ivashov's views, see *InDepth*, "Bush Fiddles While Cheney Plots More Wars," by Jeffrey Steinberg.

## **Russia Is Key Player in Global Nuclear Energy Renaissance**

At an April 9 cabinet meeting chaired by President Putin, Russian First Deputy Prime Minister Sergei Ivanov announced that the country's first floating nuclear power plant would be commissioned in 2010, and supply electricity to the Arctic port of Severodvinsk. He said there were plans for seven more such plants to be located on the northern and eastern coasts of Russia.

Also reported in early April, was that Russian Aluminum (Rusal), which became the world's largest aluminum company, acquiring its rival SUAL and the Swiss-based Glencore International, will participate in a joint nuclear reactor project with the state nuclear agency, Rosatom. The reactor will be integrated with an aluminum smelter in Russia's Far Eastern region, and as a public-private partnership will be entitled to government-backed financing. "The program will provide a platform for an economic upturn across large areas of the country," according to Rosatom's president Sergei Kiriyenko. Rusal's CEO Alexander Bulygin told the *Financial Times* of London that, "this is a pilot project for cooperation between the state nuclear agency and a private company. It is an absolutely new model."

Also of note, were April 9 discussions between Indian Foreign Secretary Shivshankar Menon and visiting Russian Deputy Foreign Minister Andrei Denisov, on increased civilian nuclear cooperation, including Russia's assistance in the construction of nuclear plants in India. This was a follow-up to President Putin's January visit to India, in which he agreed to build four new nuclear reactors in the state of Tamil Nadu and more at other sites to be identified later. Russia is already helping to build two plants at Kudankulam.

Rosatom head Sergei Kiriyenko began a visit to Japan on April 9, following up on Japanese Prime Minister Shinzo Abe's meeting with Russia's Mikhail Fradkov in February. The purpose is to start talks on a bilateral agreement that will allow nuclear cooperation between Russia and Japan. Negotiations could conclude by the end of this year, Kiriyenko indicated. In a written response to questions from Kyodo news agency before he left, Kiriyenko said he has proposed a joint venture with Japan in Russia for uranium enrichment. This is in line with Putin's proposal, now to include participation by Kazakhstan, to use underutilized Russian uranium enrichment capacity as the core of an international nuclear fuel center.

## **Khristenko: No Gas-OPEC**

Gas-producing and -exporting countries met April 9 in Qatar, at the Gas Exporting Countries Forum (GECF). Forum members include Algeria, Indonesia, Iran, Qatar, Russia, and Venezuela, which together control 72% of the world gas reserves and 42% of production. Russian Minister of Industry and Energy Victor Khristenko explained why they do not intend to set up a gas cartel similar to OPEC for oil-exporting countries. Almost all gas supplied to global markets these days is sold on the basis of long-term contracts, Khristenko said, therefore the idea of a "Gas-OPEC," as suggested in January by Iranian Supreme Leader Ali Khamenei, does not make practical sense. Participants in the meeting discussed ways of improving cooperation among their countries in the gas industry and of fostering dialogue between producers and consumers.

## Academy of Sciences Fights for Its Integrity

On March 28, a General Assembly of the Russian Academy of Sciences voted up a new Charter of the Academy, rejecting an attempt to subjugate the nearly 300-year-old institution to market-economy performance criteria. The vote was nearly unanimous, with only one member abstaining.

The Russian Ministry of Education and Science had drafted a charter that would have put the Academy, founded in 1724, as a result of Gottfried Wilhelm Leibniz's collaboration with Tsar Peter the Great, under a Supervisory Council of outside bureaucrats, to monitor the profitability of Academy work. Said Academy of Sciences President Yuri Osipov, "Under the law, the Russian Academy of Sciences is entitled to draw up its charter independently. We took into account the ministry's proposals, but many of them can by no means contribute to the further development of science."

## Glazyev Leaves Politics To Work Through Science Academy

Sergei Glazyev, who as a young economist became the only member of the first post-Soviet Russian government to quit, in vehement opposition to the "shock therapy" ravages of monetarism, has announced he will not take part in "public politics" any more. As recently as 2003, Glazyev's political party Rodina (Homeland) exploded onto the scene with an unexpectedly high vote in State Duma elections. Rodina was subsequently factionalized, being partially coopted by Kremlin maneuvers, and eventually merged into the Fair Russia party of Federation Council leader Sergei Mironov. In a March 22 interview with *Novaya Gazeta*, Glazyev said, "I'm leaving because public politics, in the sense of free elections, is dead. It's turned into a television show with a predetermined outcome." Glazyev is still a member of the Duma.

Asked about Rodina's promises to its voters, Glazyev said, "We have managed to achieve something: For example, our key campaign idea—returning windfall profits from natural resources to the state—has become a reality. This has been implemented, and 85% of natural resources rent—from hydrocarbon exports, at least—goes into the state treasury." Nonetheless, Glazyev said, Russia does not currently have "state monopoly capitalism," but rather "a criminal monopolist economy. Inflation seems to be built in, the mafia takes advantage of any pretext. Criminal middlemen make 200-300% profits."

Glazyev said he will work chiefly through the Russian Academy of Sciences. Referring to the current fight around the Academy's Charter, he added, "Clearly, an academic community cannot function like a bureaucratic organization. It is valuable for its independent views and unconstrained research." He said that continuing the battle of ideas in this form meant that he was not really leaving public affairs: "The point here isn't that I have decided to leave, but the fact that I'm choosing the most effective form of activity from the standpoint of making our policy goals a reality. The only ideas we managed to push through the Duma were those where we persuaded the President to agree."

## Russia Prepares for 1812 Anniversary

Russia will begin to prepare celebrations for the 200th anniversary of the defeat of Napoleon this year, five years ahead of the anniversary in 2012. Moscow Mayor Yuri Luzhkov has put out an announcement that discussions, research, conferences, restorations, and book publications should all be launched already, *Kommersant* newspaper reported. "The decision to prepare for the anniversary in advance has been made in view of historical significance of the date for Russia and to ensure top-grade preparation of cultural, historically educational, and civil actions," Moscow City Hall announced. Moscow school children and university students will be taken on tours of the battlefields of the Patriotic War of 1812. The anniversary marks a watershed in Russian history, being the time of Alexander Pushkin's Classical movement in Russian literature, in the wake of the defeat of Europe's first fascist military dictator, Napoleon Bonaparte.

# Southwest Asia News Digest

## Beastman Cheney Blocks Iranian Prisoner Release

According to a report in the April 14 edition of the *Washington Post*, Vice President Cheney overruled Secretary of State Condoleezza Rice April 10, and refused to allow release of five Iranians who were detained by U.S. forces in Irbil, Iraq, last January. Rice had recommended that the five Iranians be freed, as there was no longer any value in holding them.

## U.S. Soldier in Iraq Blasts White House Policy

The Pentagon's announcement of April 12, that it is extending Army tours of duty in Iraq from 12 to 15 months has been condemned by key Senators and others.

\* "Once again the failures of this administration are being underwritten by our troops," said Sen. Carl Levin (D-Mich.), chairman of the Senate Armed Services Committee, according to AP.

\* Sen. James Webb (D-Va.), quoted in the *Richmond Times-Dispatch*, said he is "stunned" by the order, calling it a "continuing abuse of people who have put their lives literally in the hands of our leadership," and adding that "there are limits to human endurance and there are limits to what families can put up with."

\* The policy "is another in a long line of examples of how the President's Iraq policies are making us less secure," Senate Majority Leader Harry Reid, (D-Nev.) said.

\* Rep. Ike Skelton (D-Mo.), chairman of the House Armed Services Committee, said the longer tours will have a "chilling effect" on recruiting and the Army's ability to keep soldiers from quitting.

\* Sen. John Warner (R-Va.) asked what benchmarks and checkpoints does the Defense Dept. have in place to monitor the "viability of that [volunteer] force in light of this very dramatic order?"

\* The *Seattle Times* reported that Sen. Maria Cantwell (D-Wash.) said, "Our troops and their families should not be forced to bear the burden of this administration's failed policies." Sen. Patty Murray (D-Wash.), said, "Our brave troops and the many families who await their safe arrival home are once again paying the price for this administration's refusal to change course in Iraq."

"It flat out sucks, that's the only way I can think to describe it," said Pvt. Jeremy Perkins, 25, who works in an engineering battalion that clears roadside bombs in Iraq, reported the *Washington Post*. "I found this out today.... I still haven't told my wife yet. I'm just trying to figure out exactly how I'm going to break it to her that 'Honey, uh, yeah, [I] might be home before our next anniversary. Sorry I missed the last one.' "

## Iran Offers Nuclear Energy Technologies to Gulf Nations

In an interview with *Gulf News*, on April 13, Alireza Shaikhattar, Deputy Foreign Minister for Economic Affairs of Iran, said Iran is ready to share its nuclear technology with Gulf countries and open its research facilities to create confidence among neighbors and demolish the charge that his country is on its way to building a nuclear bomb.

Apparently Iran is making serious effort to have a better understanding with the Gulf countries. In a public debate at Doha

on April 11, Prof. Mohammad Larijani, director of the Institute for Studies in Theoretical Physics and Mathematics in Iran, told panelists that the Gulf countries should not be suspicious about Iran's nuclear program. "Iran's neighbors in the Gulf Cooperation Council should actually be glad about Iran's peaceful nuclear program because they can share technology with it," Larijani said.

Also present at Doha was Hasan Rowhani, head of the Strategic Research Centre in Iran. Addressing the Arab World Competitiveness Roundtable, he called for the creation of the Arabian Gulf Security and Cooperation Organization comprising GCC, Iran and Iraq. The group would aim to establish a common security framework, combat terrorism, sectarianism, organized crime and drug trafficking, Rowhani pointed out.

## **IAEA Chief Debunks Iran Claim of 3,000 Centrifuges**

IAEA Chief Mohammed ElBaradei reported on April 13 that Iran still has only several hundred centrifuges running uranium enrichment, notwithstanding Iranian claims to be running 3,000. ElBaradei said that Iran is only at the beginning stages of the "industrial-scale" production that was "announced" by Iranian President Mahmoud Ahmadinejad on April 9. ElBaradei downplayed suspicions of a hidden uranium enrichment program as not having been demonstrated, and stated that Iran does not have sufficient material to create a nuclear weapon. His evaluation was based on IAEA early April visits to the Natanz site, with additional visits planned in the days ahead.

## **Asia News Digest**

### **India-Russia-China Cooperation a "Useful Format"**

The three-way interaction of India with Russia and China is "a useful format for exchange of views among the three countries and for pursuing trilateral cooperation in areas of mutual interest," Indian Foreign Minister Pranab Mukherjee said in an interview with Russian media on the 60th anniversary, April 13, of Russian-Republic of India diplomatic relations. "The trilateral interaction is a manifestation of mutual understanding and trust among the three countries. Trilateral consultations are aimed at discussing issues of shared interest to promote the development objectives of the three countries as well as peace, security and stability in the region and the world," Mukherjee said. "Our trilateral cooperation is not directed against the interests of any country and is, on the contrary, intended to promote international harmony and understanding and find common ground amidst divergent interests."

India, he said, "remains committed to a multipolar world order based on the principles of rule of law, sovereign equality, territorial integrity and non-interference in the internal affairs of States."

### **India's To Proceed With Commercial Nuclear Development**

Bhabha Atomic Research Center Director S. Banerjee, speaking to reporters in Mumbai April 10, said India has no choice but to push ahead with commercial heavy-water reactors, and will not wait for commercial thorium reactors to come online. As a result, India will have to double its uranium production in the coming days, and exhaust whatever uranium reserves it has at this point in time. India does not enrich, but uses natural uranium, which consists of 99.3% of non-fissile U-238 with 0.7% fissile U-235 in its heavy-water moderated reactors.

Banerjee told reporters that within the next two years, India will start construction of 12 reactors, so that by 2012, India could add 10,000 MW of power capacity in its nuclear power generation sector. The plan includes beginning construction of eight 700 MW pressurized heavy-water reactors (PHWRs) and setting up one light-water reactor and three fast breeders.

Of the three fast breeders, two 500 MW reactors will be located at the Department of Atomic Energy (DAE)'s campus at Kalpakkam, Tamil Nadu, where the breeder reactor development has been done. The other will be the advanced heavy-water reactor (AHWR)—a 300 MW thorium fast-breeder reactor. Where this one will be located has not been said, but the work for the 300 MW reactor has already begun, Banerjee noted.

Banerjee said the FBRs are being designed to have a life of 60 years, "but we want to ensure that it gives us power for the next 100 years."

## **Myanmar-China Hydropower Deal Signed**

Myanmar authorities signed a 2,500 MW hydropower development project in a joint venture with China, the *Myanmar Times* reported April 11. The project will be located on the Salween River in northern Myanmar. Myanmar's Hydropower Implementation Department signed the deal with China's Farsighted Investment Group and Gold Water Resources. The deal is the fourth hydropower agreement signed with China, just days after Thailand began work on a \$6 billion dam on the Salween to generate electricity which will be sold to Thailand.

According to Myanmar's Ministry of Electric Power, Myanmar is in the process of shifting its power-generating source away from natural gas. Currently, 48.5% of Myanmar's electricity is generated from gas, and 38.5% from hydropower. By 2030, the Ministry of Electric Power claims almost 100% of Myanmar's power will come from hydropower.

## **India Looks at Rail Connections to Nepal**

India is considering options for building rail connections to five cities of the Himalayan state of Nepal, bordering India, according to reports in the *Indian Express* and other regional press of April 7. China has completed the incredible task of building a railroad to Lhasa, Tibet, and that line is now being extended to Xigaze, a city some 100 km to the southwest, and nearer both to Nepal, and Sikkim, an Indian state. Over the next decade, China plans to extend the Tibet rail line even farther, to the town of Chomo, or Yadong, which is 315 km southwest of Lhasa and close to the strategic Nathu La pass to India.

Five new routes are being considered, which would link cities in Uttar Pradesh, India, to Nepalgunj and/or Bhairawaha in Nepal; Jogbani in Bihar to Nepal's Viratnagar; New Jalpaiguri to Kakrabitta; and/or Jaynagar and Birdibas. All routes are "technically feasible"; the financial side is yet to be worked out. As India-China cooperation increases, and the geopolitical heritage of the British Raj is overcome, such a project on India's part could complete a section of the Eurasian Landbridge which would also be a technological wonder of the world.

## **Pakistan May Build First Rail Link to Afghanistan**

Pakistan wants to build an 11-km rail link to Afghanistan, which would be the first rail connection to that landlocked country, which has no railways at all. The Pakistani plan is to build the short line from its city of Chaman to the Afghan border town of Spin Boldak. Once work begins—although recent reports said that Kabul had not yet given official approval—the Pakistani railway would begin work immediately, and also extend it to Kandahar, another 100 km inside Afghanistan, Pakistan Railways Minister Sheikh Rashid Ahmed said in mid-March.

On April 7, a Russian Railway Company delegation visited Islamabad, where Minister Rashid Ahmed called for improved Russian-Pakistani economic relations. The minister described the policy of Pakistani President Pervez Musharraf to make Pakistan the economic bridge between Asia and Europe via sea, road, and rail networks. Russian Prime Minister Mikhail Fradkov will be visiting Pakistan in the near future. One agenda issue will be Pakistan's plan to develop rail and road

infrastructure up to Russia and other Central Asian states through Afghanistan. Minister Rashid Ahmed said that work on the Pakistan-Afghanistan Quetta-Kandahar route and Iran-Pakistan Taftan-Zahidan rail lines is underway. He also noted the feasibility study for developing a rail link between China and Pakistan along the route of the Karakoram Highway.

## **China To Expand High-Tech Imports; Reduce Trade Surplus**

China will increase its imports of high-technology equipment as one effort to reduce its trade surplus, said Vice Minister of Commerce Wei Jinguo at an economic conference in Ningbo, Zhejiang province on April 9. China has to improve its own exports, to self-developed, high value-added products, Wei said, and needs the technology for this. Most domestic industries do not have advanced technological equipment, Wei said. With its \$1 trillion-plus forex reserves, China has a "solid foundation" to import more, Wei said. Key imports will be integrated circuit manufacturing equipment, high-end chemical fiber equipment, and high performance numerical control machine tools, according to Commerce official Wang Qinhua. China also wants energy-saving equipment and technologies, and will reduce the threshold to import mechanical and electronic products. She said that Chinese companies should buy technologies and equipment from countries including the United States and Russia.

## **Africa News Digest**

### **Cheney/Neo-Con Gang Allows North Korea to Arm Ethiopia**

U.S. State Department spokesman Sean McCormack admitted on April 9 that the United States did not interdict a North Korean ship supplying weapons to the Ethiopia, according to AFP in Djibouti. The Bush Administration had succeeded in getting the United Nations Security Council in October 2006, to unanimously impose sanctions on North Korea for conducting nuclear tests, which sanctions included intercepting North Korean ships suspecting of transporting weapons to other countries.

The reason for turning a blind eye in this recent case, although McCormack did not spell it out, is that Ethiopia, with military aid, intelligence, and in some cases troops on the ground from the United States, invaded Somalia late last December. The ostensible reason was to crush alleged "Islamic fundamentalists" in Somalia. As a result, the Bush Administration is allowing the Ethiopians to occupy parts of Somalia and do the dirty work for Cheney and his neo-con cohorts.

According to the UN sanctions, the United States has the "authority" to intercept North Korean ships involved in "suspicious" activities. The formal name of this authority is the Proliferation Security Initiative (PSI). It is a U.S. initiative, which several seagoing countries have already signed onto, and 60 others have agreed to sign. But apparently, bringing lethal arms to a friend was not considered "suspicious" activity.

In justifying the lack of action in this case, McCormack said: "In terms of activities within the PSI, you are always doing the cost-benefit analysis as to whether or not it is to the benefit of the overall effort to launch particular operations, to intercept, board, ask for boarding rights to any particular shipment."

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