

Will Israeli Spy Revelations Halt Netanyahu's War Drive?

by Jeffrey Steinberg

April 25—Recent revelations about Israeli efforts to fix a Federal indictment of two top officials of the American Israel Public Affairs Committee (AIPAC), through payoffs to members of Congress, have sparked a renewed focus on Israel's continuing political dirty tricks and espionage operations inside the United States. Given that the new scandal directly intersects the inner circle of advisors to Israeli Prime Minister Benjamin Netanyahu, the question on the minds of many astute observers in Washington and other world capitals is: Will these new scandals short-circuit Netanyahu's threats to start a new strategic conflict in the Middle East, through an Israeli military strike against Iran, even as the Obama Administration prepares for direct diplomacy with Tehran?

On April 19, *Congressional Quarterly's* Jeff Stein revealed that, in late 2005, the National Security Agency intercepted a conversation between an unnamed Israeli operative and Rep. Jane Harman (D-Calif.), then the ranking Democrat on the House Permanent Select Committee on Intelligence. According to the transcript of that conversation, the Israeli agent, who was under investigation by the FBI, and was the target of a FISA (Foreign Intelligence Surveillance Act) court-authorized wiretap, offered to help secure Harman the chairmanship of the committee, following an anticipated Democratic victory in the 2006 midterm elections, in return for her intervention to get charges against two accused AIPAC spies, Steve Rosen and Keith Weissman, reduced.

The Israeli "operative," whom senior U.S. intelligence sources say was an American citizen, or a dual Israeli-American citizen, promised to funnel campaign cash from media billionaire Haim Saban, the sugar-daddy to the Brookings Institution's Saban Center for Middle East Policy, headed by dual citizen Martin Indyk. Among the promised recipients of the 2006 campaign cash: Rep. Nancy Pelosi (D-Calif.), who became Speaker of the House, following the 2006 Democratic midterm sweep.

According to Stein's account, Harman volunteered that, while her relations with Pelosi, then House Minority Leader, were poor, she could intervene with the Bush Administration, because the White House was anxious to secure her support, for damage-control of a *New York Times* exposé of the government's use of illegal warrantless wiretaps against American citizens. The White House and Justice Department knew, at the time of the NSA intercept, that the *Times* exposé was about to be published, and that if Harman would side with the Bush White House, the impact of the revelation of illegal spying on American citizens on U.S. soil would be greatly reduced.

Indeed, the *Times* story, by James Risen and Eric Lichtblau, did appear on Dec. 16, 2005, and Harman did come out defending the White House, for "doing what had to be done" to protect the United States against the threat of another 9/11-type terrorist attack.

And, indeed, the Democratic Party did sweep the 2006 midterm elections and take control over both the



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A new Israeli spy scandal directly intersects the inner circle of advisors to Prime Minister Benjamin Netanyahu: Will it short-circuit Netanyahu's threats to start a new strategic conflict in the Middle East?

House and the Senate. But early revelations about Harman's efforts on behalf of Israel—minus the specifics of the intercepted conversation with the Israeli operative—had already surfaced in 2006, and she was passed over for the coveted House intelligence chairmanship. Speaker Pelosi has recently acknowledged that she knew about the NSA intercept at the time she rejected Harman as committee chair.

'Effects-Based' Madness

In return for Harman's help, Bush's Attorney General, Alberto Gonzales, quashed the FBI investigation into the California Congresswoman, in late 2005. The NSA wiretap transcript sat in the dead file—until this month. So, why the renewed attention now?

At least part of the answer can be found in the growing rift between Washington and Tel Aviv, over a wide range of vital policy issues, from Palestinian statehood to Iran. Prime Minister "Bibi" Netanyahu has threatened—early and often—that he is prepared to order Israeli military strikes against Iran's purported nuclear weapons program, unless the United States falls in line with Israel, and promises to do the job instead.

According to Ken Katzman, a senior researcher at the Congressional Research Service, speaking at a recent Capitol Hill forum of the Middle East Policy Council (MEPC), the Obama Administration, through Defense Secretary Robert Gates, Joint Chiefs of Staff

Chairman Michael Mullen, Vice President Joseph Biden, Secretary of State Hillary Clinton, and "many other" channels, has made it clear to Israel that the U.S. will not tolerate any Israeli strikes against Iran. But the unanswered question is whether the Obama Administration is prepared to put military muscle behind the warnings. Would U.S. Naval forces in the Persian Gulf, or American forces in Iraq, intercept and shoot down incoming Israeli fighter jets or missiles, aimed at targets in Iran?

It is widely believed, among a majority of serious military analysts, that Israel does not possess the capacity—except through the use of a nuclear first strike—to seriously damage Iran's dispersed nuclear research program. However, in a June 2008 report

by Patrick Clawson and Michael Eisenstadt, "The Last Resort: Consequences of Preventive Military Action Against Iran," the AIPAC- and Likud-linked think-tank, the Washington Institute for Near East Policy (WINEP), argued that any Israeli strike against Iran, whether successful in disrupting the Iranian nuclear program or not, would be a "game-changer," forcing an existential decision upon the governments in Washington, in Europe, and in the Arab Middle East: whether to side with "moderate" Israel or "extremist" Iran. Some circles in Israel, perhaps in the inner circles around Netanyahu, may believe that Israel would come out on top—and that is where the danger of an Israeli preventive strike is greatest, regardless of the fact that it could be the Sarajevo of World War III.

Former British Prime Minister Tony Blair, the Bush-Cheney partner in the Iraq War fiasco, and the current chief "peace negotiator" for the Quartet, delivered a speech in Chicago this week, in which he identified Iran as the existential threat to the Middle East—in effect, casting his vote with Netanyahu in favor of military action against Iran, if diplomacy fails, or if Iran, in Israel's skewed judgment, gets too close to possessing a bomb.

Indeed, whereas most American military strategists had fully repudiated the discredited doctrine of "effects-based operations," under which military actions are aimed at "behavior modification" of the enemy,



NATO

Uzi Arad, the chief national security advisor to the Netanyahu government, and a career Mossad officer, was targeted in the probe of confessed Israeli spy Larry Franklin.

rather than concrete war-winning and peace-winning objectives, Israel has embraced precisely this strategy. In both the July 2006 Lebanon War, and the December 2008 Gaza invasion, Israeli officials spun embarrassing defeat into proclaimed “victory,” on the basis of the insane “effects-based” dogma.

The present Netanyahu government is pushing the envelope, playing what Dr. Trita Parsi, speaking at the same MEPC forum with Katzman, described, in the case of Iran’s regime, as a doctrine of “simulated irrationality.” But when does “simulation” go live? Where does Israel go over the edge and actually launch an “effects-based” attack on Iran, plunging the region, and, potentially the world, into a new bloody conflagration?

Bibi’s Boys

Senior U.S. intelligence sources have told *EIR* that the leak of the NSA intercept of the Jane Harman conversation with the targeted Israeli operative comes in the context of the pending trial of the two “former” AIPAC employees, Rosen and Weissman, who are accused of passing classified documents to Israeli Em-

bassy officials, from confessed Israeli spy and former Air Force reservist and Pentagon Iran analyst Larry Franklin. According to one of these sources, the leak of the NSA transcript, which was accurately reported by Stein in *Congressional Quarterly*, came from within the Justice Department.

While there are complicating aspects of the Rosen-Weissman case, beginning with the fact that the Bush Justice Department failed to indict AIPAC, as an organization, on the same espionage charges, there is no question that Israel was engaged—again—in espionage, seeking access to U.S. defense secrets, and that the role and identities of the Israeli spy-handlers are known and proven.

On May 26, 2005, Larry Franklin was indicted on charges of passing classified material to Israel. In a superseding indictment, filed on Aug. 4, 2005, Steve Rosen and Keith Weissman were also charged. While not naming names, the indictment identified at least three Israelis who were co-conspirators with the AIPAC duo and Franklin, in obtaining classified material from the Pentagon, on the Bush Administration’s internal deliberations on how to deal with presumed threats from Iran.

And here is where the U.S.-Israel rift comes directly into play.

The three Israelis targeted in the Franklin/AIPAC probe were: Uzi Arad, Naor Gilon, and Eran Lerman. All three are intimately tied to Netanyahu; two of the three now hold top national security and foreign policy posts in the Netanyahu government.

Arad is the chief national security advisor to the prime minister, and Gilon is the chief of staff to Foreign Minister Lieberman.

The third implicated Israeli, Eran Lerman, is the director of the American Jewish Committee’s Israel/Middle East Office in Jerusalem. He took that post in 2001, prior to his being implicated in the Franklin-Rosen-Weissman spy operation, and immediately following his retirement as a colonel in the Israeli Defense Forces’ Directorate of Military Intelligence Research and Production Division. Lerman, a London School of Economics graduate, is frequently published by the Jerusalem Center for Public Affairs, a Likud think-tank headed by Dr. Dore Gold, Netanyahu’s former ambassador to the United Nations.

Between 2002 and 2005, Naor Gilon was the political counsellor at the Israeli Embassy in Washington, and he was the immediate contact point with Franklin,



State Department/Michael Gross

Israeli Deputy Foreign Minister Avigdor Lieberman, shown here with Bush-era Secretary of State Condoleezza Rice, quit Netanyahu's Likud party to form Yisrael Beitneu, reportedly with Netanyahu's blessing, to corral support for the pair's right-wing agenda among Israel's Russian emigrés.

Rosen, and Weissman. At the time of his direct involvement in the espionage case, Gilon's embassy boss was Ambassador Danny Ayalon, who is now deputy foreign minister, and a member of Lieberman's Yisrael Beitenu Party. Gilon, according to the indictments, had at least 15 meetings with Franklin between 2003 and 2004. He first met Franklin in 1997, when Franklin was posted, briefly, at the U.S. Embassy in Tel Aviv, as an Air Force Reserve officer. Franklin was sent home, after he repeatedly violated embassy rules by holding unauthorized and unreported meetings with Israeli government officials.

When Netanyahu was prime minister in 1996, then-Foreign Minister Lieberman, still with Likud, was his chief of staff. According to well-informed Israeli sources, Lieberman's departure from Likud to form Yisrael Beitenu, was done with the connivance of Netanyahu, who was having difficulties handling the Russian emigré and "mafia" apparatus, which forms the base of Lieberman's new party. Lieberman, a one-time bouncer at a Moldovan bar, is the poster-boy for

that Russian emigré apparatus.

Contrary to media accounts, the far more significant player in the Franklin spy affair was Uzi Arad, now Bibi's top national security aide. Arad, a career Mossad officer, "retired" from government service in 1999. The following year, he founded the Institute for Policy and Strategy at the Interdisciplinary Center at Herzliya, and established their annual global security conference, modeled on the Davos Economic Forum and the Wehrkunde security conferences in Munich.

Franklin attended at least one of the Herzliya conferences hosted by Arad, in 2003. On Feb. 13, 2004, Gilon called Franklin at the Pentagon, and asked him to meet with Arad. The following week, the two met at the Pentagon cafeteria.

When the FBI interrogated Arad about his ties to Franklin, he claimed that they were merely sharing "academic papers." However, up until April 2009, Arad was barred from entering the United States; that decision was reversed only to allow him to visit Washington as Prime Minister Netanyahu's national security representative.

In fact, the still-ongoing U.S. probe into Israeli espionage in the United States is, in part, focused on the question of whether there is a "parallel Mossad," made up of "ex" Israeli spooks, now in think-tanks and other private

sector institutions, conducting key espionage programs at arm's length from the official intelligence services. Few senior Israeli officials are willing to run the risk of another "Pollard Affair," in which an official Israeli intelligence agency, the scientific espionage unit, Lekem, was caught running American Naval Intelligence analyst Jonathan Jay Pollard. That Lekem operation was headed by former top Mossad official Rafi Eytan. Both Arad and Lerman were protégés of "Dirty Rafi," and they certainly know the price that Israel has paid—to this day—for their Pollard escapade.

When Secretary of State Hillary Clinton visited Israel recently, and met with Netanyahu, the prime minister delivered an unambiguous and undiplomatic message, by having Uzi Arad participate in the meeting. When Clinton suggested that a smaller meeting were appropriate, and that each side should send one person out of the room, offering the prime minister the opportunity to correct the obvious *faux pas*, Netanyahu obliged—by dismissing Minister Dan Meridor. Arad stayed in the room, and Clinton remained tight-lipped throughout.

The 29 Colorful Knights Of the Round Table

by Tony Papert

April 25—In his widely-noted webcast of April 11, titled, “President Obama’s Narcissus Syndrome,” economist and statesman Lyndon LaRouche noted that, “as we’ve been warned by *Time* magazine [April 13], we have a special problem: President Obama is presently in the grip of a thoroughly evil cabal, the most frankly Satanic pack of inherently criminal lunatics to be found in high places in any real important part of the world, since Adolf Hitler departed our planet, nearly 64 years ago.”

The cabal is that of the “behavioral economists,” and the purpose of the following brief profiles, is to begin to acquaint you with some of them, the men who are actually running our government today, while some days may still remain to set matters straight. The behaviorists must be purged, and quickly, starting with National Economic Council head Larry Summers. If they are not, we enter immediately into the onset of a new dark age, not just of the United States, but the entire world, lasting two or more generations, in which world population falls by two thirds or more, and entire nations and languages disappear.

Besides Summers, *Time* named Robert Cialdini, Dan Ariely, Richard Thaler, Obama buddy and nominee Cass Sunstein, Daniel Kahneman, Office of Management and Budget head Peter Orszag, Austan Gools-



White House/Peter Souza

The Russell Sage Foundation’s Behavioral Economics Roundtable “gave” the Obama Administration OMB director Peter Orszag (second from left) and a slew of other economic advisors. National Economic Council chairman Larry Summers (left) is the group’s “lead duck.” The Roundtable was modeled on British imperialist Cecil Rhodes’ (inset) Round Table, which controlled the British Empire in earlier years.

bee, Treasury nominee Alan Krueger, Sendhil Mullainathan, Dean Karlan, Steven Hayes, and Alan Gerber among the behaviorist Svengalis who control Obama. The highly-qualified Obama Cabinet members and other official advisors, like Hillary Clinton, Gen. James Jones, and others, are only a cover and a facade for the control over the President by the “behavioral economists.”

For reasons which will immediately become clear, we have compared these behaviorists with the degener-

ate advisors and confederates of the Emperor Nero. If he is left to his own devices, the Nero-like President Obama will move to replace every one of his honest, decent, and qualified advisors with the likes of these degenerate behaviorists, similar to what Nero did in his time.

One of *Time*'s most intriguing revelations was that a "secret advisory group of 29 of the nation's leading behaviorists," which it called the Consortium of Behavioral Scientists, had been controlling the Obama campaign, and then the Obama Presidency, through a long stream of written memoranda of instruction. This has been going on since early 2007 at the latest. In reality, this group of 29 is the Behavioral Economics Roundtable, located in the Russell Sage Foundation in Washington, D.C. This "Roundtable," named after Cecil Rhodes' Fabian "Round Table," which controlled the 20th-Century British Empire, is the joint project of the Russell Sage Foundation, which represents the British Fabian Society, and of the Alfred P. Sloan Foundation, representing the London-allied, anti-Franklin Roosevelt, pro-Hitler and pro-Mussolini faction in Wall Street. Hostile, foreign control over the Presidency.

That said, let us begin to look into the minds of some of the men who are really running our country today.

Documentation

Colin Camerer

Like Larry Summers, "neuroeconomics" pioneer Colin Camerer, born in 1959, is a former child prodigy; when Camerer was only five years old, his parents discovered that he was already reading *Time* magazine. In Ohio, where Camerer was born, he was doing fourth- and fifth-grade schoolwork while still only in the second grade. Unfortunately for Colin, his parents subsequently moved to Baltimore County, Md., within range of the late gifted-child specialist Dr. Julian Stanley of Johns Hopkins University, who soon took young Colin under his wing.

Professor Stanley, founder and director of Hopkins' "Study of Mathematically Precocious Youth" (SMPY) and spinoff programs across the country, was a contributor to, and fanatical believer in the multiple-choice



Colin Camerer and friend at the Institute on Behavioral Economics in 2000.

College Board SAT and similar tests. These tests were the sole criterion for admission to Stanley's program, and determined his entire approach to everything.

Stanley's first case had been a youth for whom he arranged admission to Hopkins at the age of 13 in 1969. "He would, however, take only courses that seemed likely to be manageable by this intellectually brilliant 13-year-old eighth-grade graduate: computer science, calculus and physics," Stanley later wrote. Subject "Joe" received a bachelor's and a master's in computer science from Hopkins at age 17, and a PhD from elsewhere soon after. "Today, Joe is an outstanding researcher in the field of virtual reality as applied to entertainment," as Stanley concludes the case-description.

The second victim, "Jonathan," likewise entered Hopkins after completing eighth grade, in 1970. "His academic record was as excellent as Joe's. Jonathan went on to become an outstanding, prosperous computer specialist working with banks," Stanley wrote.

Psychoanalyst Laurence Kubie, and Lyndon LaRouche in commenting on Kubie's work, have noted the loss of most or all creative powers which frequently accompanies completion of a "terminal" PhD degree. Apparently, Dr. Stanley's methods can achieve a more definitive result of the same sort before the age of 20. In Colin Camerer, who went on from Hopkins to get his University of Chicago PhD in 1981 at the age of 22, Stanley has produced an *idiot-savant* who imagines that he himself is some sort of digital computer.

Camerer's research consists of making human subjects decide whether "the price is right," and the like, from within an MRI machine which he thinks traces the activity within their brains. At times he has even used magnetic pulses to disrupt brain activity, noting down whether the subject can no longer decide what to bid. His stated goal is to determine whether the brain carries out mechanistic "computations according to these [University of Chicago] economic theories," where, he says, "the key word is mechanistic."

The similarities to the case of former child prodigy Larry Summers are also notable. During his 2001-06 tenure as Harvard's president, faculty members diagnosed Summers as a victim of the form of autism known as "Asperger's syndrome."

Robert Cialdini

Cialdini is not formally a member of the Behavioral Economics Roundtable of 29, perhaps because he is a professor of Marketing and of Psychology, rather than Economics. But he was the first-named Obama advisor among the Behaviorists in *Time* magazine's exposé of April 13, and was listed prominently in British Tory leader George Osborne's public confession of faith in Behavioral Economics of April 8.

Cialdini's path to eminence began when he took leave from Arizona State University and went undercover, to apply for jobs and training in used car dealerships, fundraising organizations, telemarketing firms, and the like. After no less than three years of this, Cialdini surfaced once more in academia, claiming to have achieved



Would you buy a used car from this man? Robert Cialdini considers himself a master of "persuasion."

a scientific mastery of all the secrets of "persuasion."

He has written two books on the subject. In several of his many videotaped presentations, a wide-eyed Cialdini, waving both fists as he stares into the camera, asks, "What would it mean for your organization, if you could persuade ANYBODY of ANYTHING?"

One of Cialdini's six principles of persuasion is that the customer should like the salesman. "Indeed, the salesman should also like the customer," Cialdini intones, waving his fists. "Then, each likes the other," he drones on, bringing both fists together in the air. Another "principle" is that salesman and customer should share something in common. When the prospect's car pulls up, and you note the Minnesota license plate, you might say, for example, "What a coincidence! My mother-in-law is from Minnesota." And it's even better if your mother-in-law really IS from Minnesota, Cialdini adds, still churning the air with his fists.

Matthew Rabin

Naomi Klein was on to something when she wrote a piece in the April 19 *Washington Post* about banishing Larry Summers from public life because he is a dangerous "brain bubble."

She explained: "Brain Bubbles start with an innocuous 'whiz kid' moniker in undergrad, which later escalates to 'wunderkind.' Next comes the requisite foray as an economic adviser to a small crisis-wracked country, where the kid is declared a 'savior.' By 30, our Bubble Boy is tenured and officially a 'genius.' By 40, he's a 'guru,' by 50 an 'oracle.' After a few drinks: 'messiah.'"

Eerie. Except for the stint in a "small crisis-wracked country," this is pretty much a "biography" of the Behavioral Economics Roundtable's Matthew Rabin, co-organizer, since 1996, of the Russell Sage Foundation Roundtable's bi-annual "Summer Institute on Behavioral Economics," which began in 1996, and since 2002, had spread to European universities through the Russell Sage-funded European Network for the Advancement of Behavioral Economics.

Who is Rabin? Born in 1963, he is professor of economics at University of California, Berkeley. His cyber name is "Game Boy," and his CV lists his marital status as "In search of a husband." He was educated at the University of Wisconsin, Madison, got a Masters at the London School of Economics, and a PhD at MIT. He



Matthew “Game Boy” Rabin (left) at the Summer 2000 Institute on Behavioral Economics, sponsored by the Behavioral Economics Roundtable.

looks like a goofy California stoner, and his expertise is mathematical quantification of the human lack of self-control, which he appears to practice in abundance. His field is obviously hedonism.

Rabin actually won the “genius” award in 2000, from the John D. and Catherine T. MacArthur Foundation, a \$500,000 grant which was paid out over five years, and not earmarked to any project. Press coverage of his award said that Game Boy’s “work on smoking patterns and addiction suggests that cigarette taxes would have to be a lot higher to discourage use. He also has worked extensively on procrastination and how it adversely affects saving rates and retirement outcomes. ‘It doesn’t take much of a self-control problem and a desire for immediate gratification to really hurt yourself economically.’” Rabin develops mathematical descriptions of addiction/gratification factors, procrastination, fairness and meanness, and how to calculate the optimal “sin tax” on consumption you want to discourage.

When he got the genius award in 2000, he said he was working on a book that would be “an economist’s guide to psychology,” but no book materialized. He has written no book, save for co-editing a collection of articles by members of the Roundtable.

Why are we even bothering to write about this lazy blivit? Because he is the darling of Richard Thaler and the other degenerates of the Behaviorist School of Psycho-Economics, including some in the Nero-like

President Obama’s inner circle. And because his Summer Institute spreads the behaviorist disease to thousands of young economists throughout the world.

Under the wing of elders like Thaler, Rabin continued to win awards, moving up the ladder from “genius” to “guru.” In 2003, Thaler, the advisor to both Obama, and to the Tory leadership waiting to take over from British Prime Minister Gordon Brown, co-authored a long-winded article with Colin Camerer, titled, “In Honor of Matthew Rabin: Winner of the John Bates Clark Medal.” Praising Game Boy for work on “Procrastination and Self-Control,” they say, however, that he was a latecomer to this field, and took it up, “we suspect,” because “as a self-proclaimed avid procrastinator, he couldn’t resist the temptation to dig into the problem (eventually).”

Peter Orszag

Now the Director of the White House Office of Management and Budget, Peter Orszag was sent to Russia in 1993 by his British employer, the Centre for Economic Performance at the London School of Economics (LSE). In parallel to what Treasury official Larry Summers was doing from Washington, Orszag advised Russia’s Foreign Ministry on how to obey the International Monetary Fund and other foreign agencies carrying out the devastation of that country.

In 1994, members of the looting team put out a book, *Economic Transformation in Russia*, on how they were getting away with these crimes and how to squeeze out more.

Orszag co-authored a chapter, “The Conditions of Life,” which claimed that the population, though suffering, was not suffering enough; that unemployment and poverty must be increased; that wages, pension payments, and unemployment compensation must be cut further; and that employment should continue to shift out of productive industries and into extractive industries, for foreign cartels’ consumption.

Orszag’s two co-authors were, first, his British boss, Richard Layard (now Baron Layard), founder and director of the Centre for Economic Performance at LSE. Layard was a leader in the Fabian Society’s creation at that time of the New Labour faction headed by Tony Blair. The second co-author was Andrei Illarionov, then, a looters’ agent in the Russian government, and

now, a Cato Institute propagandist for Pinochetist economic schemes.

Other chapters in the book were written by Russian Deputy Prime Minister Anatoly Chubais; Harvard's Andrei Shleifer (Chubais's advisor who stole millions, and whose vast fortune now supports the Lawrence Summers/Peter Orszag clique running Obama's economic policy) and Robert Vishny, Shleifer's billionaire partner; Jeffrey Sachs; Anders Aslund; Stanley Fischer (now governor of the Bank of Israel); Boris Federov; and other pirate operatives.

The following excerpts from Orszag's unashamed chapter, "Conditions of Life," in *Economic Transformation in Russia* (Anders Aslund, ed.; London: Pinter, 1994), show his utter disdain for conditions of life of the Russian people, who were undergoing a process that could only be called genocide:

"[T]he standard figures on real income and real consumption . . . exaggerate the problem. . . . Offsetting features must be noted. . . . [M]any key services — [especially] housing—are still heavily subsidized. . . . The fall in welfare has therefore been substantially less than the fall in measured real purchases. . . .

Training for a Marathon

Peter Orszag described his personal training strategy to National Public Radio: "If I didn't achieve what I wanted to, a very large contribution would automatically come out of my credit card and go to a charity that I very much didn't support. So that was a very strong motivation, as I was running through mile 15 or 16 or whatever it was, to remind myself that I really didn't want to give the satisfaction to that charity for the contribution."
(From Ben Smith of Politico.com)

"Many discussions of inequality in Russia point to the high proportion of people who can barely afford to purchase meat. Yet the data show that this was so even before the reform. Given free services, income inequality in Russia is [not bad compared to the West]. . . .

"The fall in output . . . was undoubtedly caused primarily by the break-up of the command system . . . and its only partial replacement by the market system. . . . [A] further fall in real wages is almost inevitable as the government continues its financial squeeze in accordance with its agreement with the Central Bank. . . .

"[The] real value of the average pension has dropped substantially. [But under the Soviets, the] pension in 1991 . . . was exceptionally high by historical standards, and the real value of the average pension in 1992 was down by only about 40% relative to its 1985 level. [Now it is not much less than] for the United Kingdom in 1991.

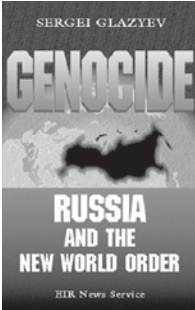
"[Once] inflation has been controlled, the average real pension will rise. . . . There seems no obvious need for any further steps to boost pensions. In the longer-term, there is a strong case for . . . raising, each year, the retirement age by half a year. . . .

"Looking to the future, . . . [f]inancial stabilization will inevitably lead to further temporary falls in output and living standards. Wage dispersion will continue to widen, aggravating the poverty problem. . . . Some savings on pensions would be possible if the retirement age is gradually raised. Unemployment is bound to rise. . . ."

GENOCIDE


RUSSIA AND THE NEW WORLD ORDER

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