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The Lesson of Indo-China:
'No U.S. Land War in Asia!'
by Lyndon H. LaRouche, Jr.

October 31, 2009— The launching of that insane U.S. 1964-75 war in Indo-China, which was made possible by the assassination of President John F. Kennedy. So, the launching of war illustrates the way in which what is sometimes named "go along to get along," carries the U.S.A. toward its self-destruction, even when all other options available to our republic's British and related enemies, to induce our republic to ruin itself, had otherwise failed.

In all visible history of mankind, when the enemies of a powerful nation, or some other "pro-globalist" agencies, are unable to ruin the targeted nation otherwise, they induce it, as ancient Greece was lured to destroy itself, as in the Peloponnesian War. So, powerful empires, such as the British in the cases of World Wars I and II, lured once powerful nations to ruin themselves, in those long wars during which the duped victim is made to appear to be no one as much as himself, as Germany and Russia in World War I. Such was the method by which the British East India Company became an empire, through using the same trick as did the Delphic enemies of Greece in the case of either the Peloponnesian War, or modern Europe in the so-called "Seven Years War," or, on balance, in both so-called "World Wars" of the Twentieth Century....

In-Depth articles from EIR, Vol. 36, No. 44

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This Week's Cover

- **The Lesson of Indo-China:**
'No U.S. Land War In Asia!'
by Lyndon H. LaRouche, Jr.

The insane U.S. 1964-75 war in Indo-China was made possible by the assassination of President John F. Kennedy, LaRouche writes. So, today, the launching of war illustrates the way that what is sometimes named 'go along to get along,' carries the U.S.A. toward its self-destruction. The same mentality has led to the greatest economic breakdown-crisis in modern history, to today's 'globalized' model of a new 'Tower of Babel.' The question is: What can be done to stop this catastrophe now already in an advanced state of ripeness for a general and deep collapse of both the economies and the present levels of populations of the nations of the world?

Economics

- **How To Survive Without Derivatives**

The derivatives market is a lot like heroin. The people who use it become convinced that they can't live without it, despite all the evidence to the contrary. No society can tolerate letting junkies write the drug laws— even boneheads in Congress understand that much, but when it comes to derivatives, their minds tend to turn to smack.

- **Bill Gates, Monsanto Demand More Globalization, More Famine**

The principal cause of the threatened collapse of worldwide food production, now hitting especially the dairy sector, is not drought or floods, but the global breakdown of the physical economy, and the British Empire's genocidal policies.

World News

- **LaRouche Address:**

- **World Recovery Possible Only With a Four-Power Agreement**

LaRouche told a private luncheon in Washington Nov. 4, that the first order of business is to accept the reality that the present world monetary/financial system is crashing, and nothing will save it. Instead, there must be a reorganization in bankruptcy of the entire system, carried out as part of an agreement among the four great powers, for a new world credit system.

- **Obama Hit by Mass Strike in State Elections, D.C. Demo**

Contrary to much of the media spin, the smashing defeats of the Democratic gubernatorial candidates in New Jersey and Virginia on Nov. 3, were a rebuke to President Obama and his British-dictated program, a rebuke expressing the mass strike process underway ever since Members of Congress returned to their districts last Summer.

- **LaRouche PAC Testimony:**

- **Fusion Power for Space Exploration**

The LaRouche Political Action Committee submitted written testimony to Congressional hearings on 'The Next Generation of Fusion Energy Research' Oct. 29.

- **International Intelligence**

Strategic Studies

- **Helga Zepp-LaRouche Webcast:**

- **'A New Credit System After Bankruptcy Reorganization'**

The transcript of Zepp-LaRouche's Oct. 29 webcast from Berlin, Germany, in which she reviewed the 20-year battle of the LaRouche movement for the Eurasian Land-Bridge, and the current optimistic prospects for its realization today— provided we implement the LaRouche Plan in all its aspects.

Editorial

- **For Mideast Peace:**

- **Defeat Parvus Doctrine**

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U.S. Economic/Financial News

- **Dismal Jobs Report the Latest Blow to Obama—and Obamacare**

- **Drug and Health Companies Fire Tens of Thousands of Workers**

Fannie Mae Continues To Bleed Losses in Third Quarter

Dismal Jobs Report the Latest Blow to Obama—and Obamacare

Nov. 6 (EIRNS)—Following the shocks of Nov. 3's angry election results, and Nov. 5's angry citizens' rally at Capitol Hill, the dismal 10.2% unemployment report of Nov. 6 hit President Obama hard, and may have put an end to his Nazi-modelled "health-care reform" legislation.

The U.S. economy has lost 1-1.5 million jobs since "the recession ended and the recovery began" in June; it has lost 5-5.2 million jobs with Obama in the White House; it has eliminated, since his "stimulus" act became law, over 400,000 construction jobs and more than 400,000 manufacturing jobs.

Even the clueless Republicans are starting to shout, "Do something now about jobs, not health care!" For millions of furious Americans, the slogan may be "Stop the killer 'recovery' before it kills us all! Move earth—build infrastructure—stop bailouts and create jobs."

The President was at a loss, in a statement from the White House Rose Garden; he had been told by advisors like Larry Summers and Peter Orszag, after all, that unemployment wouldn't go above 7.8% after his "stimulus" act passed. All the President could come up with, was a claim that the law he'd just signed extending Federal unemployment benefits for 14 weeks, was a job-creator! And that the extension of the homebuyer's tax-credit boondoggle for eight more months would create jobs, too. These were nonsense statements.

What really happened to unemployment in October was a bright red marker for the economic/financial breakdown point Lyndon LaRouche had insisted was going to be reached that month. BLS reported 190,000 more jobs eliminated by businesses and government agencies that month. But its demographic survey of American households suggested something far worse: that just under 600,000 Americans became newly unemployed in October, and 260,000 of them dropped out of the labor force in discouragement. That is a collapse, as LaRouche was forecasting it.

Drug and Health Companies Fire Tens of Thousands of Workers

Nov. 3 (EIRNS)—Johnson & Johnson, the world's biggest health-products company, after recent major "consolidation" purchases, will fire more than 7,000 employees, or 6-7% of its workforce, by 2011, in order to "save" as much as \$1.7 billion. According to Bloomberg News, J&J actually began firing as many as 4,400 employees from its pharmaceutical and stent divisions in 2007. In September, the company paid \$442 million for an 18% stake in Crucell NV, based in Leiden, The Netherlands, to gain access to flu vaccine.

Pfizer Inc., the world's biggest drug producer, on whose board sits budget-slasher Felix Rohatyn, plans to fire 19,000 workers following its acquisition of Wyeth and has already cut 10,000 positions since 2007.

Fannie Mae Continues To Bleed Losses in Third Quarter

Nov. 5 (EIRNS)—In a submission to the Securities and Exchange Commission filed today, Fannie Mae reported a third-quarter net loss of \$18.9 billion, on top of the \$101.6 billion in losses reported over the previous eight quarters. As a result, Fannie Mae said it will seek \$15 billion more in U.S. Treasury aid and sell \$2.6 billion in unused tax credits. Fannie Mae has already taken \$44.9 billion in Federal aid since April. Its shares, which peaked at \$87.81 in December 2000, closed at \$1.12 today in New York Stock Exchange composite trading. Fannie Mae's net worth, or the difference between assets and liabilities, was negative \$15 billion as of Sept. 30, compared with negative \$10.6 billion on June 30 and negative \$18.9

billion on March 31.

The Treasury, which has yet to approve the sale of the unused tax credits, is considering whether to let Goldman Sachs buy some of the credits, which would allow it to lower its tax bill. Fannie Mae has accumulated about \$5.2 billion in credits, and hasn't been able to recognize the majority of the tax benefits because it hasn't been profitable since 2007, when Lyndon LaRouche forecast the current ongoing collapse and proposed the Homeowners and Bank Protection Act, which could have solved the crisis, had it not been sabotaged by Rep. Nancy Pelosi and others.

Freddie Mac, which posted a second-quarter profit partly because of one-time accounting "adjustments" and mark-to-market gains, has tapped \$50.7 billion in government bailout funds since November 2008. Fannie and Freddie are responsible for about 70% of all new mortgages this year, while the Federal Housing Administration accounts for about 20%.

Yesterday, the Federal Housing Administration was supposed to release its independent audit, determining the soundness of the agency. As of Oct. 1, its reserve fund dipped below the required 2% of the agency's outstanding loans for the first time in its history. On Nov. 3, the agency abruptly cancelled the release of that audit report. Apparently, those problems stem from the fact that the independent auditors determined that the risks to the agency were higher than FHA Commissioner David H. Stevens has admitted publicly. What's being questioned now, is whether the FHA can rebuild its cash reserves without a bailout from the government.

Blithely ignoring the fact that this entire system is bankrupt, the U.S. Senate and House voted overwhelmingly to extend the recent \$8,000 credit to first-time home purchasers, and added a \$6,500 credit for buyers who have owned their current homes for five years.

Global Economic News

- **'Decameron II': Banking Oligarchs' Attempts To Hoard Flu Drugs Fail**

'Decameron II': Banking Oligarchs' Attempts To Hoard Flu Drugs Fail

Nov. 6 (EIRNS)—Accounts of bankers' tries to "corner" scarce drugs against H1N1 flu, for their own and employees' exclusive use, are infuriating citizens of several countries—and also call to mind Classical stories of the great plagues at previous times of economic collapse and threatening dark age, brought on by toleration of those oligarchs' folly.

Against the Black Plague, as Boccaccio told of it in his *Decameron* tales, the oligarchs of 14th-Century Florence, Italy, attempted to lock themselves and their families away "with everything wholesome" and shut out the poor, the artisans, the already-sick, leaving them to die untended.

Today, with vaccine and medication against the swine flu pandemic in very short supply due to oligarchical concentration of their production in a few giant global firms, we read of follies and scandals of bankers:

* In New York, three giant financial firms—Goldman Sachs, Morgan Stanley, and Citibank—were found to have had supplies of between 1,000 and 3,000 H1N1 vaccination doses each, shipped to them directly by pharmaceutical companies, bypassing the national distribution system of the Centers for Disease Control, which has fallen far behind the pandemic. When exposed, the financial oligarchs claimed they were distributing the vaccine to their employees "in strict compliance with the CDC's priority groups," including pregnant women and people with chronic health conditions. But the public

shaming was great enough that Morgan Stanley was compelled to announce it was giving its hoard to a hospital clinic to distribute.

* In Seoul, the Korea Food and Drug Administration said it raided the office of Tamiflu maker Roche Holdings on Nov. 4, and seized computer files and other documents. The agency said Roche is suspected of helping the Korean units of London-based banking giant HSBC Holdings, and Novartis of Switzerland, to buy large stocks of Tamiflu. HSBC and Novartis were found to have bought enough for more than 5,900 people, it said. The amounts involved show an intent to have a "private stock" in case of emergency, rather than to speculate with it.

United States News Digest

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LaRouche: 'GM Must Be Taught a Brutal Lesson'

Lyndon LaRouche said Nov. 6 that General Motors must be taught a brutal lesson, in response to the fact the GM's board of directors acted without the knowledge of President Barack Obama to pull the plug on the deal which had been agreed upon for a consortium led by Canadian supplier Magna and Russia's Sberbank to take over GM's Opel unit in Germany and other European countries.

LaRouche, asked: What action is going to be taken against General Motors, which has been bailed out by the U.S. government, and now they have turned around and double-crossed the President of the United States on a business deal? The President was screwed. This is not personal. It is more than personal. No matter how bad the President may be, you don't screw the President of the United States. No matter what mistakes the President may make, you don't screw the institution of the Presidency, especially when, in the case of GM, it has received so much from the U.S. They have no right to do this. When the President has bailed out your company, you should at least consult with the President before taking such an action.

LaRouche continued: Maybe they should be made to pay some penalty. Maybe they should be taught a lesson. Maybe GM has not been civilized yet.

GM has to be taught a brutal lesson. The Attorney General should look into this, to see if there is fraud involved, to see if there is a fast-buck operation of some kind involved.

This affects U.S. relations with Germany, a nation which is an important ally of the U.S. You don't let a private interest screw an ally of the U.S. in this fashion. They have to be taught a lesson. They don't represent the American people. They haven't done anything for the U.S. people. Rather, they have been living on the generosity of the U.S. government. Without

the U.S. government, they wouldn't be in business. They need to learn a lesson. We owe it to the American people to take decisive action.

Blood on the Floor: Pelosi's Health Bill Squeaks Through House

Nov. 9 (EIRNS)—Over the next few days, we anticipate that the stories will begin to surface, concerning the brutal threats and blackmail by which House Speaker Nancy Pelosi (D-Calif.), backed by the Obama White House, managed to ram her Nazi health-care bill through the House of Representatives by a 220-215 vote late last night (Saturday night).

Thirty-nine Democrats, including 24 members of the Blue Dog group of fiscal conservatives, voted against the bill; only one no-voter—Dennis Kucinich (D-Ohio)—is a single-payer (universal health care) advocate. In a statement issued after the vote, Kucinich blasted the Pelosi bill for perpetuating the existing system of "a predatory, for-profit insurance system which makes money not providing health care," and he charged that the bill accelerates the privatization of health care. He particularly pointed to the extraordinarily high administrative costs of the present system.

The sole GOP vote for the bill came from Joseph Cao (La.) who was promised all sorts of goodies by the Obama White House, including aid for hospitals in his New Orleans district and disaster-loan forgiveness.

Many observers expect that the deal that Pelosi made—to allow the anti-abortion language of the Stupak amendment into the final bill—will be a hollow victory for abortion opponents, backed by the Catholic bishops, among others. The language prohibiting Federal funding of abortions, as with other Pelosi compromises, is likely to be stripped out of the final bill in the House-Senate conference; Obama's team wants the final bill to conform to the vicious cost-cutting Baucus bill in the Senate, more than to anything passed by the House—especially as the House bill does not include cost-cutting measures the Administration considers crucial such as the Independent Medicare Advisory Council (IMAC) rationing board—otherwise known as the "death panel."

With the fight now shifting to the Senate, *Politico* reports that Senate Leader Harry Reid (D-Nev.) will hold Saturday sessions during December, to attempt to get health reform done by Christmas. But *Politico* also notes that the Senate debate has stopped dead, and that the Senate may not even begin floor debate until after Thanksgiving. Sen. Lindsey Graham (R-S.C.) said today on CBS that the House bill "is dead on arrival" in the Senate, and GOP consultant Ed Rollins stated that the House bill "wouldn't get 50 votes in the Senate today."

Arendt Exposed as a Nazi Once Again

Nov. 4 (EIRNS)—Bernard Wasserstein, a prominent historian, and Ron Rosenbaum, a columnist for *Salon* magazine, have shed new light on the Nazi affinities of the late Hannah Arendt, who promulgated the "Authoritarian Personality" doctrine, along with Theodor Adorno and others.

It was Arendt's and Adorno's theory, which took the privileged, morally weakened offspring of the FBI security-cleared white-collar elite of the 1945-57 period, and enabled them to hatch into the fascist Baby Boomers of the Mark Rudd stripe during 1964-68. Lyndon LaRouche has pointed out the critical role of Arendt's and Adorno's teaching that there is no truth—there is only opinion, only "spin." Indeed, it is the man or woman who adheres to the criterion of truthfulness, who is the hated and feared "authoritarian personality."

LaRouche has exposed that Arendt and Adorno were, themselves, ideologically committed Nazis, but that their friends had had to explain to them that their Jewish origin made Nazi Party careers impossible for them, and that they had to flee to Britain and the United States.

Arendt began an affair with Prof. Martin Heidegger when she was 18 and he was twice her age. She continued her close friendship and support of him through the time he joined the Nazi Party, and even through his purging of the Jewish professors from Freiburg University as Rector there under the Hitler regime. After the war, when Heidegger refused to renounce his Nazi activities, and was therefore prohibited from teaching, Arendt's promotion of him helped maintain his status as an international celebrity.

Wasserstein, in London's *Times Literary Supplement* of Oct. 9, and Rosenbaum, in *Salon* on Oct. 30, call attention to Arendt's reliance on actually Nazi anti-Semitic writings, as authoritative on Jews and Judaism, in her book *The Origins of Totalitarianism*.

"One of her authorities on South African Jews," Wasserstein reports, is an article by Ernst Schultze, "a longstanding Nazi propagandist, that appeared in ... a German publication founded and directed by the prominent Nazi ideologist Alfred Rosenberg." And then, "in a new preface [to *The Origins of Totalitarianism*] written in 1967, Arendt commends the work of the leading Nazi historian Walter Frank, ... whose 'contributions,' " Wasserstein quotes Arendt, " 'can still be consulted with profit.'

In Reply to EIR, Fauci Defends Vaccine Cartel

Nov. 2 (EIRNS)—The director of the National Institute of Allergy and Infectious Diseases, Dr. Anthony Fauci, defended the corporate H1N1 vaccine cartel which, the Federal government has said, "overpromised" on the delivery of the vaccine, leaving millions of Americans vulnerable to the pandemic. At a Health and Human Services Department press conference today, Dr. Fauci said that "experience tells us that a partnership with industry with what they do very well" is best. In saying so, Fauci ignored the experience of 1950s America, for example, when the U.S. government directed the successful vaccine campaign against polio.

Fauci made his defense of the cartel in response to a question from *EIR*: "The Strategic National Stockpile has now released the last of its supply of Tamiflu—some 234,000 doses. The CDC has said that the stockpiles won't be replenished until next year by the manufacturers. And the government has said that the manufacturers 'overpromised' on the vaccine itself. How have these two things been allowed to happen, when the lives of Americans at stake? And why doesn't the government itself produce the vaccine?"

Fauci contended that the problem is not whether it is government or industry that directs the production of the vaccine. He said the problem is with the technology. Despite years of investment to be able to produce vaccines in cells, he said, production is still dependent on the "fragile" procedure of producing vaccines in eggs. Since that was the technology available in April, when the decision was made to produce the vaccine, he said that is the technology that had to be used.

Fauci and his colleagues also said that the Tamiflu supply that was released by the Strategic National Stockpile was oral liquid Tamiflu for children, and that ample supplies of adult Tamiflu exist.

In Washington State, 'These Cuts Can Kill'

Nov. 2 (EIRNS)—A new report jointly released by the Washington State Budget & Policy Center, the Washington State Public Health Association, and the Washington State Nurses Association shows that programs and services have been reduced or eliminated in 24 of 31 local health jurisdictions in the state. In addition, 23 of 31 local health jurisdictions cut back on staff, and 24 of 31 have been hit with sizable funding cuts. Cuts have also been made to staff, including public health nurses. Says RN Sofia Aragon, senior governmental affairs advisor for the Washington State Nurses Association, "We cannot cut public health budgets that focus on prevention, and expect to have a healthy public. These cuts can kill."

According to the U.S. Bureau of Labor Statistics, more than 150 of what the BLS calls "mass layoff events," disposing of 50 or more health-care and social service workers at a stroke, took place in the third quarter this year across the country. And more than 10,000 laid-off health-care workers made initial filings for unemployment benefits in the same period.

Ibero-American News Digest

Wherein the Duke Pretends To Allow His Duped Vassal To Govern

British Opium War Spreads Dark Age

Wherein the Duke Pretends To Allow His Duped Vassal To Govern

Nov. 6 (EIRNS)—Recall if you would, Dear Reader, the opening passage of Chapter 42 of Book II of Miguel de Cervantes's Classic, *Don Quixote de la Mancha*, wherein the aristocratic Duke and Duchess continue to amuse themselves with their playthings, the deluded Don Quixote and his squire Sancho Panza, by pretending to allow the latter to govern one of their islands.

"The duke and duchess were so well pleased with the successful and droll result of the adventure of the Distressed One, that they resolved to carry on the joke, seeing what a fit subject they had to deal with for making it all pass for reality. So having laid their plans and given instructions to their servants and vassals how to behave to Sancho in his government of the promised island, the next day, that following Clavileno's flight, the duke told Sancho to prepare and get ready to go and be governor, for his islanders were already looking out for him as for the showers of May....

"'Recollect, Sancho,' said the duke, 'I cannot give a bit of heaven, no not so much as the breadth of my nail, to anyone; rewards and favors of that sort are reserved for God alone. What I can give I give you, and that is a real, genuine island, compact, well proportioned, and uncommonly fertile and fruitful, where, if you know how to use your opportunities, you may, with the help of the world's riches, gain those of heaven.'

'Well then,' said Sancho, 'let the island come; and I'll try and be such a governor, that in spite of scoundrels I'll go to heaven; and it's not from any craving to quit my own humble condition or better myself, but from the desire I have to try what it tastes like to be a governor.... Senor,' said Sancho, 'it is my belief it's a good thing to be in command, if it's only over a drove of cattle.'"

And now, Dear Reader, permit us to transport you from La Mancha in the 17th Century to London in the 21st, on the occasion of Nov. 5, 2009 in which a modern Duke (that of Kent) bestowed upon a reincarnated Sancho (President Lula of Brazil) the prize, not of governing the Island of Barataria, but the equally impressive Chatham House Prize 2009 for Lula's "innovative and responsible economic policies that have maintained fiscal balance." And listen in with us, if you would, on the comments written for the occasion by Chatham House Associate Fellow (and leading British Brazilianologist) Prof. Victor Bulmer-Thomas:

"Brazil is now at the forefront of the key international issues of the day and much of the credit must go to the winner of this year's Chatham House Prize. The award of the 2016 Olympic Games to Rio de Janeiro is the icing on the cake.... [Brazil's] global leadership pretensions were of necessity postponed by a combination of inward-looking development, military government and hyper-inflation. It was only in the mid-1990s, when Brazil had finally tamed inflation, opened its economy and consolidated its democracy, that a global role could again be considered.

"Aspiration is one thing and achievement is another. Fighting for a place at the top table is not easy.... [Brazil] will work to free the world of nuclear weapons, it will be constructive on climate change negotiations...

"Like other aspirants, Brazil will not move to permanent status without serving a long apprenticeship in the rich country clubs."

British Opium War Spreads Dark Age

Nov. 5 (EIRNS)—The amount of marijuana sold on the streets of Argentina's capital, Buenos Aires, has jumped by 200% since the end of August, when that nation's Supreme Court capitulated to British imperial drug-pusher George Soros, and legalized "personal consumption" of marijuana. The 200% estimate was given by the head of the Argentine Anti-Drug Association, Claudio Izaguirre, whose organization has direct knowledge of the situation on the street.

Argentina had already the highest per-capita rate of cocaine use in the Americas after the United States, with the crack-like cocaine derivative, *paco*, devastating the slums of Buenos Aires, in particular.

The drug plague, which is seizing control over whole sections of cities and nations—from the favelas of Brazil's cities to sections of the German Ruhr, where marauding motorcycle gangs rampage for control over drug and prostitution fiefdoms—is a deliberate policy of the British Empire, just as it was when London imposed mass addiction upon China and India at gunpoint in the first Opium War. UN Office on Drugs and Crime (UNODC) executive director Antonio Maria Costa noted on Oct. 21: Not since "the plague of addiction in China a century ago" has opium caused such grief—a reference to the British East India's 19th Century Opium Wars.

Western European News Digest

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GM Must Be Taught A Brutal Lesson

Lyndon LaRouche said Nov. 6 that GM must be taught a brutal lesson in response to the fact the Board of Directors of

General Motors acted without the knowledge of President Barack Obama to pull the plug on the deal which had been agreed upon for a consortium led by Canadian supplier Magna and Russia's Sberbank to take over GM's Opel unit in Germany and other European countries. GM made the announcement on Tuesday, just hours after German Chancellor Angela Merkel had addressed the U.S. Congress — the first Chancellor to do so since 1957 — and had just met personally with the President.

President Obama assured the Chancellor on Wednesday that he did not know about the decision and was not involved, despite the fact that the U.S. Treasury is GM's majority shareholder, with about a 60-percent stake as a result of providing more than \$50 billion in loans and other aid to GM.

Lyndon LaRouche, therefore, asked: What action is going to be taken against General Motors, then? The U.S. must take some action. GM has been bailed out by the U.S. government, and now they have turned around and double-crossed the President of the United States on a business deal. The President was screwed. This is not personal. It is more than personal. No matter how bad the President may be, you don't screw the President of the United States. No matter what mistakes the President may make, you don't screw the institution of the Presidency, especially when, in the case of GM, it has received so much from the U.S. They have no right to do this. When the President has bailed out your company, you should at least consult with the President before taking such an action.

LaRouche continued: Maybe they should be made to pay some penalty. Maybe they should be taught a lesson. Maybe GM has not been civilized yet.

Briefed on Russian Prime Minister Vladimir Putin's comment that GM acted scornfully and arrogantly toward its partners and did not speak to anyone before making the announcement, despite all the agreements reached and documents signed, LaRouche said Putin is right. But we are Americans, not Russians. GM double-crossed the President of the United States in an unconscionable way. GM set up the President. I admit that President Obama has all the faults that I have attributed to him, but you don't do this to the President of the United States.

GM has to be taught a brutal lesson. The Attorney General should look into this, to see if there is fraud involved, to see if there is a fast-buck operation of some kind involved.

This affects U.S. relations with Germany, a nation which is an important ally of the U.S. You don't let a private interest screw an ally of the U.S. in this fashion. They have to be taught a lesson. They don't represent the American people. They haven't done anything for the U.S. people. Rather, they have been living on the generosity of the U.S. government. Without the U.S. government, they wouldn't be in business. They need to learn a lesson. We owe it to the American people to take decisive action.

Czech President Reluctantly Signs Lisbon Treaty

Nov. 3 (EIRNS)—Czech President Vaclav Klaus signed the Lisbon Treaty, allowing the consolidation of the Anglo-Dutch oligarchy's control over the formerly sovereign states of the European Union. Klaus, who bitterly opposed the treaty, signed after the country's Constitutional Court today announced its ruling that the treaty was compatible with the Czech Constitution, a ruling Klaus opposed.

"The Czech Republic will cease to be a sovereign state" once the treaty enters into force, Klaus said after signing it.

The next day, the EU was already announcing that it would enforce the economically choking Maastricht debt limits of 3%, by initiating deficit suits against Germany, whose 3.5% deficit is expected to grow to 5% next year.

GM Won't Sell Opel ... for the Moment

Nov. 4 (EIRNS)—In what did not come as much of a surprise to insiders, GM's board late yesterday backed off from an earlier statement of intent that it wanted to sell its German Opel division to the Canadian-Russian Magna Group; talks over a possible sale have been dragging on for months.

The decision caused embarrassment to leading German politicians backing the Opel-Magna deal, especially because it was announced within minutes after German Chancellor Angela Merkel had addressed the U.S. Congress, this afternoon. GM, after all, is nominally owned by the U.S. government, which now holds 60% of its shares.

Workers' representatives at Opel said they would fight to protect their jobs now, because it could be expected that the "consolidation plan" GM is talking about, would imply the elimination of thousands of jobs, and probably mean the end to the three plants at Antwerp, Bochum, and Kaiserslautern.

Russian wires spoke of the GM decision being motivated by the intent to block the transfer of Opel technological know-how to Russia, which would have occurred if Magna, together with its Russian partner Sberbank, had taken over Opel.

Europe Begins To Panic Over Flu

Nov. 3 (EIRNS)—With the Ukrainian health crisis in the headlines across Europe, the manifest unpreparedness of all the region's governments to deal with the H1N1 pandemic is starting to rile people up. But so far, popular sentiment, for example, in Germany, is swinging from a delusional state, where the anti-vaccination psychosis was dominant, into an equally delusional panic, with the official line becoming that "the swine flu" is everywhere, and people can thus become infected everywhere. The truth is, that until we end British genocidal economic policies, there is no cure for the flu.

In Italy, television news shows now begin their reports with the flu update. The death of a 10-year-old boy in Rome, of bacterial pleuropneumonia yesterday, increased the already-existing run on pediatricians. Vaccine is still in short supply, as hospitals and pharmacies are being besieged by parents asking for vaccinations for their children.

In Germany, there is a shift in public reporting, which, until now, had tried to sweep the whole matter under the carpet by presenting it as isolated cases. Also, the head of the Robert Koch Institute and other authorities have changed their line, from opposing mass immunization, to advising the general population that they *should* get it. The vice chairman of the German Federation of Physicians (Deutsche Ärztesbund) finally said that the more people who are immunized, the less the virus can spread, and mutate.

Romanians Reject IMF's Choice for Prime Minister

Nov. 4 (EIRNS)—The parliament of Romania today resoundingly rejected Prime Minister candidate Lucian Croitoru, by a vote of 250 to 189. Croitoru had been the "chosen" candidate for Prime Minister of the pro-IMF Romanian President Trajan Basescu. Croitoru required 236 votes to be elected.

Croitoru played a leading role in arranging a recent IMF emergency loan package of EU20 billion, and he was Romania's representative at the IMF from 2003-07. Romania has so far only received EU6.5 billion from the IMF, which is still negotiating on the conditionalities, especially for the second tranche.

The net new deficit of the Romanian government for the last quarter of 2009 alone is expected to be at about EU3 billion,

however, and 2010 will not be much better. Wage cuts in the public sector, privatizations and shutdowns of public sector facilities, and an increase of the retirement age are among the things that the IMF has in store for the Romanians—similar to what the Latvians or Ukrainians are being exposed to in return for IMF "help." The parliamentary majority vote against the IMF's candidate for Prime Minister is an important signal of resistance by the Romanians, who are among the poorest populations of Europe today.

German Farmers and Workers Begin To Unite vs. Globalization

Nov. 5 (EIRNS)—Yesterday's protest rally against the effects of globalization which drew several thousand workers of the Quelle mail-order shop, who took to the streets of Nuremberg, was not only joined by numerous local citizens, but also by ten dairy farmers with tractors, from the surrounding region. The farmers said they are experiencing essentially the same process of shutdown from the side of the EU, as the Quelle workers are from the side of the creditor banks: Both farmers and workers are given small handouts but no protection, therefore they should join in solidarity with each other.

Soros Finds Another European Institute

Nov. 3 (EIRNS)—George Soros, declaring that the "old" economic thinking has failed, last week announced that he was going to buy some new economic thoughts, in the form of \$50 million, to be shelled out over ten years to found an Institute for New Economic Thinking (INET), with offices in Budapest, Hungary and Cambridge, England.

Soros—founder of European Council on Foreign Relations and Central European University—told the *Financial Times* that "There's been a pretty widespread recognition by professionals that something is fundamentally wrong in the prevailing doctrine about financial markets, so there is need for new thinking." He might well have added: "Anything—just so long as it's not LaRouche."

The INET will be headed by a former Soros Fund director, Robert Johnson.

British Government Dumps Pro-Drug Advisor

Nov. 2 (EIRNS)—British Home Affairs Minister Alan Johnson last week fired Prof. David Nutt from the government Advisory Council on Misuse of Drugs, because of Nutt's comments that Ecstasy and LSD were less harmful than alcohol and cigarettes. He also criticized returning cannabis to its previous status as a Class B narcotic. This has caused a pro-drug legalization debate in the British media.

This week, two other members of the council resigned in protest against the firing: Dr. Les King and Marion Walker. Walker represented the Royal Pharmaceutical Society. King was the former head of the Home Office's Drug Intelligence Unit. This has created a flurry of pro-drug-legalization commentaries in such papers as the *Guardian* and the *Independent*.

Johnson said he dumped Nutt because his comments "crossed the line" from providing advice to political lobbying.

Russia and the CIS News Digest

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Russian Scholar Calls for U.S.-Russian Alliance Against London

Nov. 7 (EIRNS)—Igor Panarin, a noted Russian analyst and publicist who is also a professor at the Diplomatic Academy of the Russian Foreign Affairs Ministry, called on the U.S. and Russia to form an alliance to fight the London financial oligarchy, at a forum in Washington sponsored by the Friends of Russia and America Goodwill Association on Nov. 3. Talking about the global financial collapse, Panarin indicated that China had been awaiting action by the U.S. to support the dollar until the Pittsburgh summit of the G20, when it was clear that nothing would be done. "The elites failed to rally to the call to resolve the problem," he said. "I feel that also the large corporations in England may be interested in bringing down the dollar."

While speculating that there would develop three centers of economic power (the European Union, a "Eurasian bloc" based on the ruble, and a Pacific bloc that included the U.S. but would be led by China), he declared: "You know, Russia twice saved the United States, once under Catherine the Great in her support of the American Revolution, and then during the Civil War, when Alexander II sent the Russian fleet to both U.S. coasts to keep the British at bay." Panarin then called for a "U.S.-Russian alliance against the London transnational financial interests."

EIR laid out the LaRouche Four-Power agreement for building a new credit system, noting the recent China-Russia agreements as opening the door to such a development. Although Panarin is most noted for his predictions of the United States breaking up like the Soviet Union did under the pressure of the present economic crisis, he is well aware of LaRouche and his policies and cites him publicly on occasion.

Ivashov Charges Gorbachov with Neglect of Western 1989 Geopolitics

Nov. 5 (EIRNS)—In an exclusive interview with the Novosti information agency, Leonid Ivashov, former head of the international relations department at the Russian Defense Ministry, criticized former U.S.S.R. leader Mikhail Gorbachov for his appeasement of NATO, which led to an otherwise avoidable strategic disadvantage for the Soviets in 1989-90.

"When the Soviet troops were pulled out from Germany, the Soviet state leadership, and later on, the one of Russia, made serious political mistakes," Ivashov said. "Gorbachov and [U.S.S.R. Foreign Minister Eduard] Shevardnadze did everything to please the West. I have seen how good positions were given up. Instead, compromises should have been sought that were acceptable to all parties. There should have been discussion about the status of Germany, the non-expansion of NATO, and the pull-out of the Alliance from Germany. NATO was willing to discuss that."

Gorbachov claimed, said Ivashov, that "all of these concessions were made to him verbally. What kind of untalented leader is that, who does not grasp the nature of the geopolitical struggle and does not see the necessity to lay down all these verbal concessions in binding documents?"

"As a managing director of the Defense Ministry (1987 to 1992), I worked with financial experts to calculate what the troop pull-out would cost us, and we arrived at a sum of more than \$100 billion," Ivashov added. "Gorbachov personally cut this sum down to a tenth." German Chancellor Helmut Kohl and Gorbachov then signed a treaty which gave the Russians 12

billion German marks, of which 8 billion were used to build 45,000 homes or apartments for Army officers in Russia.

Gazprom CEO Medvedev Interviewed on Russian-Italian Project

Nov. 3 (EIRNS)—Russian Gazprom deputy CEO Alexander Medvedev [no relation to President Dmitri Medvedev] granted an interview today to the Italian state television channel Raitre, on the South Stream project—the Russian-Italian 900-kilometer underwater gas pipeline across the Black Sea from Russia to Bulgaria.

"The decision to upgrade South Stream's capacity from 31 to 63 [billion cubic meters per year], doubling it, is very important, because through such a diversification there will be a system of diversified supplies of natural gas from Russia to Europe." The project aims at "increasing security of supplies, thanks also to the construction of underground stocking plants, which we are committed to. It will be possible to create a system of reliable supplies of natural gas, a stable system."

This renewed discussion of South Stream comes in the midst of agitation around Russian gas supplies to Europe, once again, due in part to the insolvency of Ukraine, which is unable to pay for Russian gas shipments.

Deals Between Italy and Kazakstan

Nov. 6 (EIRNS)—More than 20 bilateral agreements were signed between Italy and Kazakstan during Kazakstan President Nursultan Nazarbayev's visit to Rome on Nov. 5. The deals concern "several billion dollars," Italian Premier Silvio Berlusconi said, and include oil exploration and processing, chemical, railways, aerospace, and other industrial sectors. In the forefront is a deal between ENI and KazMunayGas for the development of two giant oil fields in the Caspian Sea: Isatay and Shagala. If the technical and commercial surveys are to be turned in contracts, they will require investments of \$10-12 billion, ENI CEO Paolo Scaroni said. ENI will also upgrade a refinery in Pavlodar and build a plant for gas "sweetening" (\$3-5 billion), and possibly fertilizer plants.

This is a "Mattei-like" agreement, Scaroni said, referring to the late ENI founder Enrico Mattei, who challenged the British colonial system by offering technology to oil-producing countries in exchange for oil.

British Monetarism Spreads Flu to Ukraine

Nov. 3 (EIRNS)—The rapid spread of a flu-like disease through Ukraine, whose population has already been decimated by the globalization policies of the British Empire through the International Monetary fund, since 1992, is the result of a London-directed genocide policy. While it is urgent that Ukraine receive help to improve its ability to diagnose and treat the illness, there is no hope for the reversal of the crisis—either in Ukraine or anywhere in the world—without taking on the political powers that are enforcing a genocide policy, especially in health care.

"We have to shut down the power of those who are destroying the health-care system internationally," Lyndon LaRouche commented today. "There is no solution to this international flu crisis without going directly at the British and U.S. governments—and their collaborators in the IMF—who are dictating mass-murderous policies to governments internationally." There is no way that we or anyone else can whip up a cure for the flu problem, LaRouche elaborated: You have to eliminate the political problem causing it. "Don't complain about the flu, unless you are working to knock out the Nazi health-care policy of Obama and the British."

At the end of October, President Victor Yushchenko signed a law that raised pensions and the minimum wage by 10-20%. Immediately, the bankers' mouthpieces blamed the measure, which raises the pension from a miserly \$75 to \$95 a month, for driving deficits out of control. The IMF's managing director Dominique Strauss-Kahn said he's "worried" by these

developments, implicitly threatening to withhold the last tranche of a 2008 IMF loan to Ukraine, amounting to \$3.8 billion.

On Oct. 28, Finance Minister Ihor Umanskiy announced that Ukraine would ask the IMF's governors council for permission to use the last part of the loan to finance the budget deficit. Then, on Oct. 30, after the IMF made it known it could block the last part of the loan to Ukraine, Standard & Poor's lowered its rating of Ukraine's debt, already very low, and estimated that the IMF decision "would undermine investors' confidence in the banking system and increase pressure on the Ukrainian currency."

Southwest Asia News Digest

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Is Obama's Israel-Palestinian 'Peace' Charade Finished?

Nov. 5 (EIRNS)—Palestinian National Authority President and PLO Chairman Mahmoud Abbas (Abu Mazen) announced in a speech broadcast from his Ramallah headquarters on Nov. 5, that he has no desire to run for the Presidency in the elections that he called for January 2010. Under the PNA Constitution, Abbas's term expired in January 2009, but since Gaza was under Israeli attack, and parts of the West Bank were under Israeli lockdown, it was impossible to hold elections at that time. After the Gaza war that ended on Jan. 18, some of the most senior experts on the region, including former National Security Advisor Gen. Brent Scowcroft (ret.) and Saudi Arabia's Prince Turki bin Faisal, warned Obama that he had about six months to make good on moving toward a just peace.

Lyndon LaRouche has repeatedly identified the British imperial hand behind the Israel-Palestine war. No British puppet like Obama can bring about peace. Only breaking with the Sykes-Picot-style manipulation will succeed. [See this week's *EIR* Editorial.]

In his resignation statement, Abbas said, "We're at a crossroads. We have made lots of sacrifices in order to be able to have a right to a state.... Since the Oslo agreements in 1993, all these agreements are based on land for peace and an end to [the] Israeli occupation of 1967.... We've pledged with Israel to reach a two-state solution, but month after month we've seen nothing but complacency and procrastination."

On Nov. 4, a very significant press conference was given by PLO negotiator and longtime PLO leader Saeb Erekat, who suggested that the entire discussion of a "two-state solution" might be abandoned. Erekat, who was the key negotiator, with Yasser Arafat, and later with Abbas, said that the United States' acceptance of Israeli Prime Minister Benjamin Netanyahu's partial, conditional freeze on settlements, was "unacceptable" and "unforgivable."

Citing statistics about the increase of settlements in the Palestinian territories by the Israeli government, for new settlers in Jerusalem and "elsewhere," Erekat said that these numbers are destroying the two-state solution, and other alternatives should be sought. "The Palestinian people still have choices; there is still the one state to fight for, if the two-state solution" collapses. He also emphasized that settlement expansion must end, saying that the PNA "made a mistake" when it did not insist on freezing the settlements from the beginning; so, this time, "we need facts on the ground" to confirm the end of expansion.

In reply to AFP, which asked Erekat about the Palestinian elections taking place at the beginning of 2010, he said, in view of the domestic situation inside the PNA, if Israel continues the construction, it is possible that Abbas will not remain in his position. He might say that consecutive Israeli governments each had destroyed a part of the two-state solution, leaving nothing of it. He added that Abbas "believes in international legitimacy, international law and peace, and if he believes that these could not be achieved, he would ask himself even about the meaning of elections."

He said that a PNA committee is reviewing the situation to determine that Gaza, the West Bank, and Jerusalem will *all* be part of one Palestinian election, and if that condition is not met, then it is unlikely that elections will be held. The Committee will make a report to Abbas, who will then bring it to the Central Committee, and then to the PLO for approval. Erekat noted that Hamas might not allow elections in Gaza, and Israel has prevented fair and open elections in Jerusalem.

Rabin Memorial Ceremony: Warnings Voiced on Next Assassination

Nov. 5 (EIRNS)—Warnings that a right-wing extremist could assassinate a leading Israeli political figure and peace advocate were voiced at a ceremony commemorating the 13th anniversary of the assassination of former Israeli Prime Minister Yitzhak Rabin.

In a ceremony before Rabin's grave at Mt. Herzl attended by 100 friends and family members, former Labor Party Prime Minister Benjamin Ben Eliezer warned, "The next political murder is just around the corner. The seeds of the calamity were sown in certain towns and bizarre Messianic circles in Judea and Samaria [the Palestinian West Bank], but there are also outgrowths within the Green Line [within Israel proper]."

Ben Eliezer also denounced the two Israeli commercial television stations for seeking to air a series of interviews with Rabin's murderer, Yigal Amir, the previous week. He called it part of the "reckless worship of the almighty ratings." He said that Amir "should rot in his cell."

Prof. Ze'ev Sternhell, a peace activist who was wounded in September by a bomb planted by extreme rightists, also spoke, describing Rabin as a man who tried to spark a revolution based on "the idea that the War of Independence is over once and for all, and that in this country live two nations, and both of them have rights to this land." In order to kill the idea, "they murdered the man."

Amnon Lipkin-Shahak, former IDF chief of staff and signer of the unofficial Geneva Peace Accord of 2003, appealed to Defense Minister Ehud Barak, who was also at the ceremony, to "stop issuing warnings, and start doing something" about the extremists.

Rabin's daughter Dalia earlier in the day told Israel's Army Radio, "Today we are also hearing the same shrill voices, perhaps with different terminology, but it is impossible to ignore their intensity."

Turkey Promotes Cooperation with Greece, Mideast

Nov. 6 (EIRNS)—Turkey has approached Greece to establish a "high-level strategic cooperation council," similar to those it has established with Iraq and Syria. This is part of the implementation of the foreign policy principle of "from zero problems to maximum cooperation" with neighbors, promoted by Foreign Minister Ahmet Davutoglu. It is the 21st-Century version of the "peace at home, peace in the world" policy of Turkey's founding President, Mustapha Kemal Atatürk, and is an attempt to neutralize one of Britain's key tools to control the Eastern Mediterranean through fostering Turkish-Greek tension.

Turkey is also moving to position itself as a key political economic force in the Middle East.

According to today's *Zaman* newspaper, the initiative has to be seen in view of the Turkish Foreign Minister's idea of "having mutual economic dependence with neighboring countries" which will contribute to strengthening security in the region and serving to help resolve tensions between countries. This involves joint projects such as transportation and energy, including a pipeline link that will carry natural gas from the Caspian Sea to Western Europe.

On Oct. 30, Prime Minister Recep Tayyip Erdogan sent a letter to Greek Prime Minister George Papandreou, expressing Turkey's eagerness to improve relations with Greece in all fields and to resolve all current issues. He offered a series of proposals for creating new cooperation opportunities within this framework, his office said, without elaborating on the content of the proposals.

In the last two months alone, Turkey has established "high-level strategic cooperation councils" with Syria and Iraq, which have met in the last weeks. Both Erdogan and Davutoglu made an official visit to Iraq in October, where 38 agreements were signed. Speaking at a press conference with Iraqi Kurdish leader Massoud Barzani, Davutoglu declared, "It is time for Arabs, Turks, Kurds, Shi'ites, and Sunnis to rebuild the Middle East. Therefore, it is time for everyone to take brave steps.... We have a common vision, and this vision is about the way we look at the Middle East.... Let's rebuild the entire region. Let people travel from Basra to Edirne [northeastern Turkey] without any security concerns. Turkey is becoming Iraq's door to Europe and Iraq is becoming Turkey's door to the Gulf Region."

Erdogan was also in Iran last month, where several deals were concluded in the energy, transport, and industrial areas. On Oct. 28, an accord was signed on allocating some of Iran's South Pars gas field to the Turkish Petroleum Corporation, as well as allowing Iranian gas to be transported via Turkey, and Turkmenistan's natural gas to be pumped to Turkey via Iran. The gas could also go through the proposed Nabucco pipeline. This is not to be confused with British-backed pipeline proposals aimed against Russia, but is, to a certain extent, coordinated with the Russians, as witnessed by the recent visit of Russian Prime Minister Vladimir Putin, who discussed Russian-Turkish cooperation in energy cooperation, including gas, through the proposed Russian-Italian South Stream pipeline and the construction of a Russian-built nuclear power station in Turkey.

According to the Turkish *Daily News*, these Turko-Iranian projects will entail a mid-term investment by Turkey of \$5 billion. Iran will supply the gas while Turkey provides the transit through its pipeline, as well as using the gas for Turkish consumption, and also finding follow-on markets. Also involved are agreements to build two gas power stations, to establish a free industrial zone on both sides of the border, and to open Iranian and Turkish banks in both countries. Turkish Energy Minister Taner Yildiz announced that a Turkish delegation will visit Iran next week to work on the technical details of the agreement.

Asia News Digest

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Chinese ASEAN Loan Commitment To Fund Thai Rail

Nov. 2 (EIRNS)—Just days after China made firm its commitment to fund \$25 billion of South East Asian development at the ASEAN + 3 conference in Thailand, Bangkok's Transport Ministry announced an ambitious three-phase plan to upgrade and expand the nation's rail network.

Under the first phase, valued at over \$1 billion, 21 new locomotives would be brought in to replace those 40 years or older; about 1,500 miles of track would be improved, so trains would run at higher speeds; wooden ties on 800 miles of track would be replaced with concrete ties; and more modern signalling systems would be installed at 230 train stations. China was offering a low-interest loan for the whole project, on condition that the Thai government purchase Chinese-made locomotives.

In the second phase, more than 1,875 miles of dual track would be laid at a cost of over \$10 billion. The Thai Transport Ministry is sounding out other loan sources for the government to consider.

In the last phase, the Ministry plans to invest as much as \$20 billion and introduce high-speed trains on four routes: Bangkok-Chiang Mai, Bangkok-Nong Khai, Bangkok-Chanthaburi, and Bangkok-Padang Besar.

There are tremendous sums sloshing around Asia looking for the highest return, but the Chinese are today the only real source for long-term development funding.

South Korea, Russia Expand Economic Ties

Nov. 6 (EIRNS)—The Russia State Duma today approved an agreement that was signed with the government of South Korea last year, to simplify the procedure of issuing visas for visits between the two countries. Itar-Tass news agency relates that before 1991, when diplomatic relations were established, trade was conducted through third party nations.

Now, with the U.S. economy on the skids, South Korea is seeking to broaden its trade relations.

Specifically mentioned are the natural resources Seoul increasingly needs for its economic development—oil, metal, timber, and fish—which are "abundant in the [former] Soviet Far East." The agreement, Russian First Deputy Foreign Minister Andrei Denisov stated, is designed to create "maximally favorable conditions for the intensification of exchanges."

Itar-Tass mentions the decades-long U.S. fear of high-technology transfers from the Soviet Union to South Korea. But in fact, it was the withholding of American technology from North Korea, due to the concern about missile "proliferation," that led to U.S. refusal of space cooperation. As a result, the Russians built the first stage of South Korea's rocket, and flew South Korea's first astronaut.

Cambodia's Hun Sen Appoints Thaksin; Challenges Thai Royalist Government

Nov. 4 (EIRNS)—Cambodian television announced today that deposed prime minister of Thailand "Thaksin has already been appointed by royal decree ... as personal advisor to Cambodian Prime Minister Hun Sen and the advisor to the Cambodian government in charge of economy."

Hun Sen had announced at the ASEAN Summit last week in Thailand, that he had invited Thaksin Shinawatra to live in

Cambodia as an economic advisor, and that he would ignore extradition attempts from Bangkok.

Knowing what can be expected from the British-sponsored Thai government, whose Foreign Minister, Kasit Piromya, had openly attempted to provoke a war with Cambodia over a territorial dispute, the Cambodian broadcast made its support of Thaksin very clear: "Allowing Thaksin to stay in Cambodia is virtuous behaviour ... good friends need to help each other in difficult circumstances." The report called the corruption charges against Thaksin "politically motivated," and vowed not to extradite him if he "decides to stay in Cambodia or travels in and out of Cambodia in order to fulfill his duties."

It is certain that neither the Thai king nor Prince Philip are smiling today.

A full report on this "black eye to the British in Asia" appeared in the Nov. 6 issue of *EIR*.

Bridges Are Closed in Japan While Government Cuts Infrastructure

Nov. 5 (EIRNS)—Local governments in Japan closed 121 road bridges that were at risk of collapse from steel corrosion or concrete degradation as of April 2008, an Infrastructure Ministry survey has found. They also banned the passage of large vehicles with heavy loads, weighing 25 tons or more, on a further 680 bridges.

The situation is likely more serious than it seems from those figures. Transportation Ministry officials say that, as of March this year, nearly 40% of the cities, towns, and villages which responded to the survey had not even started the emergency checkups needed to compile repair plans. Many cash-strapped municipalities could not afford proper inspections, and have few engineers capable of performing and overseeing the work.

The ministry conducted the survey following the collapse of a highway bridge in Minnesota, U.S.A., in August 2007. Road bridges are built to last an estimated 50 years; a large number of road bridges in Japan were built during the high-growth era of the 1960s and thus are reaching the end of their design lifespan, without substantial repair or replacement.

Experts have also voiced concerns about deterioration at aging dams, airports, and seaports, according to the *Asahi Shimbun* newspaper.

The current DPJ-led government is demanding budget cuts to "wasteful" infrastructure projects.

Africa News Digest

- [Africa Welcomes China's Economic Cooperation](#)

Africa Welcomes China's Economic Cooperation

Nov. 9 (EIRNS)—The two-day Forum on China-Africa Cooperation which took place in Sharm el-Sheik, Egypt, ended today. This was the fourth FOCAC meeting (they occur every three years), and was welcomed enthusiastically by leaders of the 50 African nations who participated.

Rwandan President Paul Kagame, chairman of the East African Community, told the forum that trade between East African countries and China had grown by over 200% from 2007 to the present. He said, "We have, here, an invaluable opportunity not only to further pursue trade relations that can transform the lives of millions—but also to redefine the way we do

business for sustainable wealth creation on both sides of the transaction."

At the conference, China pledged an additional \$10 billion in concessional loans to African nations. China Commerce Minister Chen Deming also promised to open Chinese markets to African exports, and said China would exempt heavily indebted countries from paying low-interest loans that are due this year. He indicated that China would reduce tariffs on most goods from the least developed countries.

Chen said that China's goal is to concentrate on agriculture and infrastructure development, as well as trade and human resource development. China is actively pursuing China-Africa joint ventures.

Direct Chinese investment in Africa jumped from \$491 million in 2003, to \$7.8 billion last year. Trade between the two has increased tenfold since the start of the decade. Since the last summit three years ago, road, railway and other infrastructure projects have been launched with Chinese assistance in Algeria, Nigeria, Botswana, Tanzania, Uganda, Rwanda, and Djibouti, to name a few. Last year, a \$7 billion development deal was offered to the Democratic Republic of Congo, and this year a \$7-9 billion deal is being offered to Guinea.

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