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**LaRouche's March 10 Webcast**  
**Ireland & America**

I shall have some delicious things to say, and some bittersweet things to say, all of which are quite relevant. The subject is, today, essentially—which I'll get to in due course, after setting the stage for it—is that there is a principle afoot, in the trans-Atlantic part of the world, generally, which is not understood by virtually anybody on this planet today, at least certainly not by the press, and certainly not by leading figures on the level of national governments, and on the level of governments of states. They don't understand what is happening. They understand some things, but they don't understand the real, underlying principle which is at work here.

You have, on the one hand, in the United States, you have the most terrible government we've had in more than decades, and the past decade was a horrible one. But that is not the whole story. What you have is a revolt throughout much of the world, spreading in the form of what's called a "mass-strike ferment," a mass-strike movement, as described in 1815 by Percy Bysshe Shelley, in terms of the concluding paragraph, especially, of his *A Defence of Poetry*, where he describes a process by which people of many parts of society are swept and gripped, by something they themselves do not understand, but leads them, often, against their own, previous will, to an end, which this principle, which controls society in that moment, compels them to do. We have come now to such a point in this history, in the aftermath of this fake election, on Nov. 2 of this past year...

**Separate In-Depth articles from**  
**Executive Intelligence Review**  
**Vol. 38, No. 11**

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## This Week's Cover

- **LaRouche Webcast:**  
**Ireland & America**

In the course of his more than 3 1/2 hour webcast, Lyndon LaRouche returned, again and again, to the stunning changes that are taking place today across the globe, but especially in the trans-Atlantic/ Mediterranean region, where a growing massstrike process, like those described precisely by Rosa Luxemburg, and poetically by Percy Bysshe Shelley, in earlier such times. The reference to Ireland in the webcast title, refers not only to the brilliant victory in the recent elections there of the nationalist Sinn Fein party, but also, to the historic ties between our American Republic and the Irish Republic, against their common enemy: the British Empire. What is it that underlies the willingness of a people, at a certain moment in time, to risk everything for a better future? That is what is at issue in the mass strike, and what LaRouche addressed in his keynote speech, and elaborated further during the expansive question-and-answer period.

- **Ireland and America versus The New Venetian Empire**

## International

- **Financial Tsunami Ahead:**

- **About-Face Before It's Too Late!**

Helga Zepp-LaRouche, in a leaflet now in circulation throughout Germany, warns that the earthquake and tsunami that struck Japan this past week could be viewed as a warning of an even greater tsunami, which could wash away the world financial system and most of our civilization at any moment, unless we immediately change course.

- **Italy's Tremonti Cites Angelides Report on Crisis**
- **Bank of England Governor Sees New Crisis Coming**

- **Echoes of 1989 in Dresden Mass Action**

- **French Mayors Call for Inquiry on Toxic Loans**

Mayors from a number of French cities, have formed an organization that is calling for an Angelides-style probe of the banks which lured them into taking out toxic loans.

- **Prince Andrew:**

- **Victoria's Dirtiest Secret**

## National

- **There Is No 'Defeat' in the Face of the Global Mass Strike**

The fools who have backed Governor Walker's Hitler-style putsch against Wisconsin's public employee unions just don't get it: The dynamic of the global mass strike now sweeping the globe will scoop them up, and deposit them in the dustbin of history.

- **Bad Banks Now Go to Hell**

Lyndon LaRouche responds to a question on the matter of canceling the bailout through the urgently needed reapplication of the Glass-Steagall law.

## Editorial

- **The Issue Is the Rim of Fire**

## This Week's News

- **U.S. Economic News**

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# U.S. Economic/Financial News

## Medicaid Cuts: How To Make Sure Parasites Are Fed

### 16 Million American Children Now Homeless

### Billions Lost Annually to Rotting Infrastructure

## Medicaid Cuts: How To Make Sure Parasites Are Fed

March 7 (EIRNS)—With the Obama regime wiping away by executive fiat the Federal regulations on how states use their Federal Medicaid contributions, more and more states are ripping out the last safety net for their poorest citizens. As an American Medical Association newswire reported in clinical fashion on March 7, "A push by Arizona to reduce its Medicaid coverage to help plug massive budget deficits recently received a nod from Health and Human Services Secretary Kathleen Sebelius. The acknowledgment soon was followed by new HHS advice to all states on how they might dial back on their Medicaid coverage to help tackle budget crises without violating federal law."

Nationally, Medicaid enrollment has risen to a record 60 million people, according to estimates by the Kaiser Family Foundation. On average, Medicaid consumes 22% of a state's budget, rising to 28% in New York and 33% in Illinois, says a Wells Fargo Research & Economics report. At least 23 states are trying to impose deep cuts in Medicaid.

Among the states counting on the regime's approval of their proposed cuts are:

\* **Arizona:** It plans to eliminate funding for about one-fifth of its current Medicaid recipients. That will cut off some 280,000 people from health benefits. No more organ transplants. Cuts of 5% to doctors and other providers.

\* **Massachusetts:** This state, that used to be pointed to as the model for Obamacare, plans to save \$1 billion a year by putting coverage of more than 800,000 recipients up for competitive bidding, so that people can get their medications and surgeries from the lowest bidder.

\* **Wisconsin:** Under Gov. Muammar Walker's plan released last week, some 55,000 people could lose their health insurance under the state's BadgerCare program.

\* **California:** Gov. Jerry Brown proposes to cut \$1.7 billion from the MediCal program by reducing in-home care, doctors' visits, and some prescription drugs for the 7.7 million people who rely on it.

\* **New York:** Gov. Andrew Cuomo wants to take \$2.85 billion of "fat" out of Medicaid.

Aside from California, Colorado, Georgia, Illinois, Mississippi, Nebraska, Nevada, Oklahoma, Oregon, and South Dakota are also proposing cuts to payments to providers.

California wants to terminate vision benefits under a family health program, and Kansas, Massachusetts, and Mississippi are discarding certain mental health services.

## 16 Million American Children Now Homeless

March 7 (EIRNS)—CBS devoted a segment of its "60 Minutes" program on March 6 to the plight of the growing number of American children who are homeless. Two years ago they numbered 14 million. Now, they are 16 million. Soon, reported CBS's Scott Pelley, one-quarter of all American children will be living in poverty—that is, if you go by the bogus Federal guidelines that say that a family of four with an annual household income of more than \$22,000 isn't impoverished: "the largest American generation to be raised in hard times since the Great Depression."

A woman who runs programs for homeless children in Seminole County, Fla., northeast of Orlando, said, "Our numbers go up every day. Between 5 and 15 new homeless students a day.... When I first started this program eight years ago, homelessness lasted maybe two, three months. But now with it lasting three, six months, a year, or two years. This is when children are developing who they are, and their foundation is broken."

## Billions Lost Annually to Rotting Infrastructure

March 7 (EIRNS)—The New American Foundation issued a report today on the "Costs of the Infrastructure Deficit," showing that the short-term costs of the decayed infrastructure to the American economy each year is far more than \$200 billion. Some results:

\* **Transportation:** Americans spent 4.8 million hours caught in traffic in 2009, wasting 3.9 billion gallons of gas. This cost truckers alone \$33 billion. Since 1980, highway mileage increased 4.5%, while the number of cars increased by 12.7%, and trucks by 56.4%! (The report doesn't calculate the cost of failing to build decent rail capacity.)

\* **Aviation:** Flight delays are at a record high, costing \$40.7 billion and wasting 740 million gallons of fuel. (Again, the study did not consider the cost of the failed rail system.)

\* **Water:** Over 7 billion gallons of water are wasted *daily* through the crumbling water pipes in the U.S., mostly between 50-100 years old, which lose between 6% and 25% of their water. The report notes that the Obama stimulus had \$13.5 billion for water infrastructure, "a drop in the metaphorical bucket compared to current needs."

The report notes the loss to public safety in addition to financial losses, pointing to Katrina, costing \$200 billion in damage and 1,800 lives, due to the rejection of known infrastructure needs—a \$14 billion plan which was voted down in the Congress due to cost considerations. Add to that the bridge failures, contaminated water, and on and on.

## Global Economic News

[Calls for Debt Audit Point to Illegitimacy of the Debt](#)

[Spanish Banking System on Verge of Imploding](#)

[South Korea Invites Partners To Build a Fusion Demonstration Plant](#)

### Calls for Debt Audit Point to Illegitimacy of the Debt

March 8 (EIRNS)—The very legitimacy and legality of the speculative debt bubble that London and Wall Street have created, are being called into question by a growing chorus of voices internationally. Among some of them, but not all, the

idea of a LaRouche-style Glass-Steagall reorganization of the international financial system is very much present—without which such an audit could not function.

On March 3, the U.K.-based Jubilee Debt Campaign, which was originally set up with significant Vatican input in the lead-up to 2000—issued an international call for Greece's debt to be audited to determine what parts are illegitimate and should therefore not be paid. The call referred to the precedent set by "an audit in Ecuador in 2008 [which] encouraged Ecuador's President Correa to default on some of the country's most unjust debt, leading to a write-down by borrowers." (*EIR* reported on that audit in an article in its Dec. 26, 2008 edition, "Ecuador Declares Partial Debt Moratorium.")

The latest Jubilee call was signed by 200 international economists, activists, parliamentarians, and others, including two former Ecuadorian cabinet ministers (Pedro Paez and A. Acosta), the UN's Jean Ziegler, Britain's Dennis Halliday, American economist M. Weisbrot, and some others in far left field, and/or outer space, such as Noam Chomsky.

Nationalist forces in Ireland are also picking up on the Jubilee call, and urging that the same be done in Ireland. Economist David McWilliams said the audit should be done in tandem with "a referendum on paying bankers and bandholders"—a policy most associated with Gerry Adams' Sinn Fein—and that "we could set the example for all of Europe." Fintan O'Toole and other Irish economists and trade unionists have also signed the call, according to *Euobserver.com*, which also notes that "Any substantial repudiation of this debt would punch massive holes in the balance sheets of the banks in the core of the Eurozone that performed much of the lending."

## **Spanish Banking System on Verge of Imploding**

March 11 (EIRNS)—Moody's downgraded Spanish debt to AA2 on March 10, joining both Fitch and Standard & Poor's which have already stripped the country of its triple A rating. The reason given is its forecast that the Madrid government will have to spend EU50 billion, not the government's claim of EU20 billion, to bail out its savings banks. The outlook is negative, meaning another downgrade could be expected. The announcement pushed up interest rates on ten-year notes to 5.50%.

Today, the Bank of Spain demanded that 12 Spanish banks, which failed the central bank's stress test, increase their capital by a total of EU17 billion. The order applies to eight savings banks, as well as the Spanish units of Deutsche Bank and Barclays Bank. Barclays has to inject EU552 million and Deutsche Bank needs EU182 million in their capital base, in order to reach a ratio of 8%. Because of losses, Barclays is said to be preparing to close 100 of its 600 branches in the country, according to *Retail Banking News*. Among the savings banks, Bankia must raise EU5.8 billion, Novacaixa Galicia EU2.6 billion, and CatalunyaCaixa EU1.7 billion.

While the Spanish government and Bank of Spain denounced the rating agencies for exaggerating the amount of funds needed for a bail-out, the *Lex* column in the *Financial Times* points out that Fitch has calculated a EU97 billion shortfall, if the criteria that have been applied to the Irish banks were applied to Spain, including a nonperforming loans ratio of 7.4% and a 58% haircut on distressed property loans. It also points out that extra funds, especially for the savings banks, would come from the government's bank rescue fund, the FROB, which also has had its rating cut.

## **South Korea Invites Partners To Build a Fusion Demonstration Plant**

March 7 (EIRNS)—Addressing the U.S. Department of Energy's Fusion Energy Sciences Advisory Committee meeting today, Dr. G.S. Lee, the director and driving force of Korea's thermonuclear fusion program, invited international partners to join its project to design and build a plant that will demonstrate commercial-scale fusion energy production. Dr. Lee explained that even though the International Thermonuclear Experimental Reactor (ITER) will not be completed and running experiments until the end of the decade, during this decade of preparation of ITER start-up, the next step must be

planned.

Korean law mandates that a series of fusion experiments culminate in an energy-producing technology. In 2036, Korea plans to have a demonstration reactor running, and has invited the ITER partners—the U.S., Europe, Russia, Japan, China, and India—to join a consortium to design and build it. To do it alone, Dr. Lee stated, "is impossible." It will require working with "people who are creative, diverse, and committed," he said.

Explaining the Korean fusion effort, Dr. Lee said their annual budget was \$300 million. He modestly described this effort as "not small," especially as compared to the GDPs of Korea and the U.S. American fusion scientists are looking at a FY12 budget request of around \$400 million, a decrease as compared to the FY10 budget, which is still in play as Congress has not passed a budget for this year.

The Korean fusion program does not just rely on government funding, however. Dr. Lee proudly pointed out that over 100 Korean companies are participating, with the large ones spending their own money, to develop fusion as an energy technology. Many of these are the same companies that are the backbone of Korea's nuclear industry. Last year, Korea won its first tender to export nuclear power plants. It plans to be able to export fusion power plants, in the future.

## United States News Digest

[Fascist Dems and Republicans Join Forces To Kill Americans](#)

[Michigan Moves Closer to Financial Dictatorship](#)

[Obama Silences NLRB Opposition to Anti-Labor Offensive](#)

[Arizonans Protest 'Death Warrants' for Those Denied Transplants](#)

### Fascist Dems and Republicans Join Forces To Kill Americans

March 13 (EIRNS)—On Fox News Sunday this morning, Senators from both sides of the aisle—Republicans Mitch McConnell (Ky.), Saxby Chambliss (Ga.), and Democrat Mark Warner (Va.)—showed how eager they are to kill their constituents, by slashing the entitlements which often make the difference between life and death.

Minority Leader McConnell stated outright that no Republican Senator will vote to raise the debt ceiling—the debt limit will be reached in April or May—unless "something important" is offered, "related to spending and debt." Where to start? McConnell argued, "What about the \$50 trillion in commitments we have made that we cannot keep on entitlement programs—very popular programs like Social Security, Medicare and Medicaid?"

You want the debt ceiling raised? The Minority Leader threatened that that won't happen, unless it includes "something with it that the markets, foreign countries, the American people believe is a credible effort to begin to get a handle on spending and debt."

Warner and Chambliss then chimed in to boast of their bipartisan alliance, to ensure that the proposals of the Catfood Commission (Simpson-Bowles Commission, the White House cut-the-deficit commission) don't go "for naught," as Warner put it. Asked about his willingness, as a Democrat, to cut Social Security, Medicare, and Medicaid, Warner argued

that, rather than just cut domestic discretionary spending, "you've got to put everything out there," and stop punting. "We've been borrowing from Social Security to finance the government." That has to stop, he asserted.

Warner said that "if you look at the debt commission report, you have to address spending. We have to reduce spending in a major way.... We've got to reform entitlements in a major way...."

This fascist approach goes against the results of a Bloomberg poll conducted on March 4-7. While almost 80% of the respondents agreed that Republicans and Democrats should reach a compromise on reducing Federal spending, they opposed the means proposed to do this, including: cuts to Medicare; cuts to public education, environmental protection, medical research; cuts to community services and renewal programs. The "few things" the poll's majorities *supported* were: pulling U.S. troops out of Afghanistan and Iraq this year; repealing the Bush-era tax cuts for households earning more than \$250,000 a year; and cutting foreign aid. An NBC News report noted that "The results of the March 4-7 poll underscore the hazards confronting Republicans, as well as President Barack Obama and Democrats."

### **Michigan Moves Closer to Financial Dictatorship**

March 11 (EIRNS)—Michigan's Gov. Rick Snyder, a right-wing Republican like his colleague Scott Walker in Wisconsin, has stated repeatedly that he's not interested in taking down the trade unions in his state. Yet, on March 9, the State Senate passed a bill that will give him enormous power to do just that. Under the bill, emergency financial managers appointed by the governor to run the finances of any municipality or school district where the governor has declared a financial emergency, would have the power to terminate union contracts for teachers and other public employees, and could even strip local elected officials of practically all of their authority.

The bill, which had drawn thousands of protestors to Lansing on March 8, passed the Senate by a party-line vote of 26 to 12. During the debate, the Republican majority rejected all Democratic amendments to rein in the power of the emergency financial managers. According to the website michiganmessenger.com, under the bill, which the House will take up next week, an emergency financial manager would even have the power to sell off assets, cut or eliminate services, void all contracts, and even dissolve a school district or municipality, if that was necessary to meet the financial criteria of the bill. "It takes every decision in a city or school district and puts it in the hands of the manager, from when the streets get plowed to who plows them and how much they are paid," said Michigan AFL-CIO president Mark Gaffney. "In schools, the manager would decide academics or if you have athletics."

U.S. Rep. John Conyers (D), whose hometown of Detroit's school district has been under an emergency financial manager for the past two years, issued a strong statement against the bill, highlighting the fact that it does nothing to address the underlying causes of the economic crisis. "The takeover provision of the legislation—allowing the dissolution of locally elected bodies—implicitly targets minority communities that are disproportionately impacted by the economic downturn, without providing meaningful support for improved economic opportunity," he said.

But even worse is that the bill may be unconstitutional. Conyers noted that under Article I, Section 10, states are expressly prohibited from impairing any contract. Finally, "the bill empowers this financial czar with the Governor's approval to force a municipality into bankruptcy, a power that will surely be used to extract further concessions from hardworking public sector workers. And, by making the risk of bankruptcy a reality, the bill will make it more, not less, expensive for municipalities to obtain financing given this risk, which will make the financial circumstances of municipalities even worse."

### **Obama Silences NLRB Opposition to Anti-Labor Offensive**

March 9 (EIRNS)—When House Republicans targeted the budget of the National Labor Relations Board (NLRB) last

month, members of the agency countered, posting a warning on the NLRB website that the Republican cuts would force it to largely cease operations for an extended period of time, creating a backlog of thousands of cases. The Obama White House immediately demanded that the NLRB remove the statement from its website, an NLRB spokesperson told *The Huffington Post*. The link to the statement, issued Feb. 18, is still available on the website, under the heading: "Top NLRB officials respond to House budget proposal." But rather than finding that statement, you will find a new statement, dated Feb. 22, which says: "The content in this statement has been removed. For further information on this subject, please see the President's Statement of Administration Policy (SAP) regarding the budget, which can be found on the OMB website." Obama's Office of Management and Budget told the NLRB to take down the statement, according to the NLRB spokesperson.

## **Arizonans Protest 'Death Warrants' for Those Denied Transplants**

March 7 (EIRNS)—Some of the 98 people in Arizona convicted of the capital crime of Needing an Organ Transplant while Poor and Uninsured held silent demonstrations in Tucson and Phoenix last Saturday, along with many of their supporters. Two of their number have already been executed.

Reporting on their plight is couched in pragmatic considerations of critical choices. As Reuters put it, the 98 are "people denied state Medicaid funding for potentially life-saving transplants and at the forefront of a harrowing battle over the state's public finances. The measure enacted last October by [Gov. Jan] Brewer trimmed spending on Medicaid, the federal-state health insurance program, to help close a projected 2012 budget deficit of \$1.15 billion. It eliminated coverage for transplants including lung, heart, liver, and bone marrow after weighing the success and survival rates for certain transplant procedures. Two patients on the Medicaid waiting list have since died, although it is unclear if transplants would have saved them.

"The Republican governor singled out the Arizona Health Care Cost Containment System, as the Medicaid program is called in the desert state, as the greatest drain on state coffers. 'At the deficit's core is the explosive growth in Medicaid spending which, over the last four years, has soared by almost 65% and now consumes 29% of our state budget,' she said. 'If we are to regain control of state spending, we must reform Medicaid and free Arizona from the fiscal manipulation of the federal government,' Brewer said."

In other locations, Brewer has contended that transplant patients live, on average, only a year after their transplants. Hardly a cost-effective expenditure.

Douglas Gravagna, one of those in need of a transplant to stay alive, has a different assessment: "She's signing death warrants—that's what she's doing. This is death for me."

## **Ibero-American News Digest**

### **'Scientifically Advanced and Sovereign Argentina' on the Move**

### **Chile Moving Toward Nuclear Energy**

### **'Scientifically Advanced and Sovereign Argentina' on the Move**

March 14 (EIRNS)—Argentina has defeated the "mental colonialism" which dominated the country for so many years, and has returned science and technology to their "rightful place," in contributing to the country's industrial development.

This is the sentiment expressed by Héctor Oteguay, president of INVAP, the state-owned company that designs and builds nuclear reactors, among other advanced technology. He told *El Argentino* that because of the "political-cultural change" that has occurred under the current government of President Cristina Fernández de Kirchner, as well as under that of her predecessor and late husband Néstor Kirchner, "the industrial, scientific and technological country is advancing in a sustained way, deepening its sovereignty."

In his March 10 webcast, Lyndon LaRouche noted the importance of Argentina's scientific potential, whose development the British Empire has tried to prevent, by whatever means necessary.

But today, Oteguay proudly stated, "I feel that we are making a reality Einstein's 1940 premise, that only those nations which understand how to generate and protect knowledge, how to seek out youth who have the ability to do this, and to ensure that they stay in the country, will be successful."

As President Fernández de Kirchner has reported, since 2003, some 900 scientists who had fled the country because they saw no role for themselves, have now come home to participate in Argentina's national development. Young engineers and scientists are again welcomed at the National Atomic Energy Commission (CNEA) and other of Argentina's prestigious scientific institutions.

Oteguay expressed particular pride in the development of the CAREM-25, the prototype for a 27 MWe modular reactor being built completely with Argentine technology, and expected to be completed by 2013. CAREM, which can also be built to capacities of between 100 and 150 MWe, will be ideal for generating electricity for small cities of 100,000 inhabitants, and the government plans to export them to other developing nations that wish to embark on their own nuclear programs.

## **Chile Moving Toward Nuclear Energy**

March 14 (EIRNS)—During a trip to France in late February, Chile's Mining and Energy Minister Laurence Golborne signed an agreement with his French counterpart, Industry and Mines Minister Eric Besson, outlining plans by which the two nations will cooperate in the development of nuclear energy in Chile.

According to Besson, the agreement allows for "unlimited" institutional cooperation to help Chile "reflect" on its nuclear strategy. The agreement signed by the Chilean Nuclear Energy Commission (CCHEN) and its French counterpart CEA provides for 17 Chilean "future nuclear experts" to receive training in the theory and practice of nuclear energy in France from 2012.

Nuclear energy became an issue for discussion in Chile during the 2005-09 Presidency of Michelle Bachelet. Although she stated that her government would not develop nuclear energy, Bachelet did create a committee of experts to study the matter and make proposals for a future government to examine. Current President Sebastián Piñera has shown more openness to nuclear energy development.

In 2009, the Nuclear Power Committee of the Chilean College of Engineers presented an outline for a nuclear energy program, proposing construction of four large nuclear power units of about 1,100 MWe each. The plan recommended that construction of the first unit start in 2015, with all four reactors operating by 2030.

There are Chilean business groups, especially those involved in mining, that want to move much faster than the one-to-three decades that some government sources say it might take to build a reactor in Chile. Jaime Salas, the newly named executive director of the Chilean Nuclear Energy Commission (CChen), states that there is sufficient international

experience as well as knowledge inside the country to develop nuclear energy, and that the issue is now on the table. Salas traveled with Golborne, and a large delegation of industry and business leaders, to France and Belgium. Chile currently has two experimental reactors involved in research in the fields of medicine and food.

## **Western European News Digest**

### **Glass-Steagall in Swedish Parliament**

### **Irish Independents Form Technical Group in Dáil**

### **German Engineers Strike Has Popular Support**

### **Her Majesty's Army To Break Mass Strike**

### **EU, NATO Still at Odds Over How To Oust Qaddafi**

### **Portugal Could Be the Trigger for Euro Blowout**

### **Higgins Denounces 'Witch Doctors of Brussels'**

#### **Glass-Steagall in Swedish Parliament**

March 7 (EIRNS)—In an historic breakthrough for Sweden, two parliamentarians raised questions about separating speculative activities by banks to avoid the risk of further bailouts, in an open hearing by the Financial Committee March 1. Both are the spokespersons on economic matters for their respective parties: Ulla Andersson for the Left Party and Anders Sellstroem for the Christian Democratic Party. The questions were put to a panel with the Minister of Finance, the heads of the Central Bank, and the Swedish Financial Supervisory Authority.

This first mention of a Glass-Steagall policy in the presence of the government makes the issue now an official policy option. Both civil servants in the panel opened up for this kind of discussion, even though they did not directly answer the questions. The financial and media dictatorship in the country has been outflanked by a year-long intensive campaign by the LaRouche Movement-European Labor Party (EAP) in Sweden, which has produced and distributed 100,000 pamphlets over the last year.

#### **Irish Independents Form Technical Group in Dáil**

March 8 (EIRNS)—Sixteen of the nineteen elected Independents and members of small parties have agreed to form a technical group in the Irish parliament (Dáil). This group, together with the 14-person Sinn Féin delegation, will lead the opposition to the newly formed Fine Gael/Labour Party coalition.

Sinn Féin MPs, along with many of the unprecedented number of elected Independents, campaigned on the key issue of saving Irish sovereignty and "burning the bondholders," and are now discussing a strategy of a debt audit for Ireland, together with other indebted countries, to be followed up by a national constitutional referendum on separating the unpayable gambling debts of the banks from the sovereign debts of the country.

The Independent group will be led by Finian McGrath, well known for his support of the ill and disabled; Joe Higgins, Socialist Party leader; and Shane Ross, former Senator and business editor of the *Sunday Independent*, who ran against the "rogue bankers" in his campaign for parliament.

## **German Engineers Strike Has Popular Support**

March 10 (EIRNS)—Germany's locomotive engineers (GdL) trade union voted overwhelmingly yesterday for an open-ended strike, following several "lightning strikes" in the passenger transport sector. The GdL is well-organized, and has proven in earlier strikes that it can paralyze a good part of the train service nationally; in a couple of warning strikes during the past four weeks, it succeeded in bringing 80% of all trains to a halt for two, three, or five hours, on several select days.

A recent opinion poll, carried out by Germany's second national TV channel ZDF, showed 64% of the population in favor of the striking locomotive engineers, as opposed to 31% against. This high percentage for the strikers is the more astonishing, as millions of commuters have to suffer when trains won't get them to their jobs on time, because of strikes. A showdown between the state-run Deutsche Bahn (DB) and the private railway companies (which are the main target of this strike, because of their wage-dumping practices) may, therefore, produce some rather surprising developments in the mass-strike category, since the population is fed up with a lot of things which the politicians and the elites are doing.

## **Her Majesty's Army To Break Mass Strike**

March 12 (EIRNS)—Taking a lesson from Colonel Qaddafi, the British government will deploy the Army, fresh from the killing fields of Afghanistan, against striking workers at home. Friday's *Independent* reported that the first 3,000 troops will begin training in procedures such as arrest and restraining techniques. They will then be held on standby for seven months between April and December. They could be deployed as early as March 14, when the prison staff have threatened to go on strike. Approval for the program came March 10, with the Army being ordered to be ready by April 1. An entire battalion could be deployed if prison staff go on strike at eight prisons.

Will the British Army take a lesson from the Egyptian military and refuse to suppress the rights of its own people?

## **EU, NATO Still at Odds Over How To Oust Qaddafi**

March 11 (EIRNS)—European Union heads of state met Friday in Brussels in emergency session on Libya, but were unable to come up with a consensus on how to oust Libyan strongman Muammar Qaddafi from power, even though everyone agrees that he has to go. French President Nicolas Sarkozy jumped ahead of everyone else by formally recognizing the opposition leadership in Benghazi as the legitimate government, and he has called for a no-fly zone and bombing of Libyan air force targets, if Qaddafi deploys his air force against civilian populations. He is being backed by Britain's David Cameron, but EU Foreign Minister Catherine Ashton strongly opposed the military escalation, claiming to speak for the EU consensus.

## **Portugal Could Be the Trigger for Euro Blowout**

March 8 (EIRNS)—Monday's downgrading of Greek debt by Moody's led to predictable record leaps in bond yields for Ireland (9.44%), Portugal (7.55%), and Spain (5.41%). Some bankers think that Portugal will be the next likely country to blow out, followed shortly by Spain. One foreign-exchange broker cited by the New Zealand *Herald* stated: "This could potentially be a very tricky month for the euro—it's a car crash waiting to happen.... I think Portugal is weeks away, and I think Portugal will be the trigger."

## Higgins Denounces 'Witch Doctors of Brussels'

March 10 (EIRNS)—Irish Socialist Party leader and Member of Parliament Joe Higgins denounced the "Program for Government" of the new government led by Enda Kenny of the Fine Gael and the Labor Party as a "grotesque betrayal" of the people's democratic revolution. Higgins added that the new government would implement "almost to the letter" the plans of "the late and unlamented" Fianna Fail/Green regime.

"The poisonous cocktail of austerity, concocted by the witch doctors in Brussels and Frankfurt because of the sickness of the European financial system, is to continue to be force-fed to the Irish people by this new Government," he said.

## Russia and the CIS News Digest

- [Academician Velikhov: This Is Not Chernobyl](#)

### Academician Velikhov: This Is Not Chernobyl

March 12 (EIRNS)—A nuclear accident like the one at Chernobyl in Ukraine will not happen in Japan, Russian Academician Yevgeni Velikhov, president of the Kurchatov Institute National Research Center, said today in a brief but widely distributed statement. "There is no graphite there, nothing to burn up," referring to the graphite-moderated reactor design involved in the 1986 accident.

Velikhov declined to comment further, in the absence of "professional information" or a Japanese request for Russian consultations, according to NEWSru.com. ITAR-TASS quoted Kurchatov Institute Deputy Director Yaroslav Shtombakh, who called the Japanese nuclear plant situation "unpleasant," but added: "I think everything will remain limited to the territory of the plant, without a big catastrophe," as long as the crisis is handled with professional skill.

Also today, Prime Minister Vladimir Putin ordered Russian energy officials to aid Japan with energy supplies. Meeting with Deputy PM for Energy Policy Igor Sechin, Rosatom head Sergei Kiriyenko, and a deputy Emergency Situations Minister, Putin also instructed them to put available resources and personnel in the Russian Far East on mobilization. Sechin reported that Japan has requested an immediate boost in fuel for the power industry, to help make up for the loss of nuclear-generated power in the wake of the earthquake.

Despite weeks of rising bilateral tension over the disputed four southern Kurile Islands, Putin called Japan "our neighbor, a friendly neighbor," and said that "despite various problems, we should be reliable partners and do everything possible to help with energy raw materials supplies after this destructive earthquake and the tsunami."

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## Saudi Troops in Bahrain; Bahrainis See 'Occupying Force'

## Saudi Arabia: Silent Masses Refuse To Be Silent

### **Egyptian Mass Strike Smashes Sectarian Warfare Operation**

March 11 (EIRNS)—In answer to the obvious British operation to destroy Egypt with chaos and violence, Egyptian sources report that huge demonstrations in Cairo and Alexandria took place today, to show total unity between Muslims, Christians, and all religions. One million demonstrators amassed in Tahrir Square, with thousands of them holding up crosses and Korans side by side to protest against sectarian violence between Muslims and Coptic Christians the previous week, that left 13 people dead in two incidents. A parallel demonstration took place in Alexandria.

"Muslims and Christians are one," was one of the chants of the Tahrir demonstrators, and banners showed the Christian cross and the Islamic crescent intertwined. Yesterday, the military government met with top representatives of the Coptic Christians, to give assurances that religious tolerance is the policy of the government and Christians will be protected.

Sheikh Muzhir Shahin from Omar Makram mosque in Cairo, who delivered today's Friday sermon in Tahrir, warned against following those who want "to incite sectarian tensions and waste the gains of the revolution," by attempting to drive a wedge between Muslims and Christians. Shahin "expressed deep sadness at attempts to pit Egypt's Muslims and Copts against each other," and called on the Egyptian government to oversee the collection of Muslim donations to rebuild the church in the village of Sol in Atfeeh that had been destroyed by thugs. Shahin said that there are "hidden hands that are trying to ruin the nation," and Christians must protect mosques as Muslims must protect churches, said Shahi.

Coptic Pope Shenouda III was in the U.S. for medical treatment when the violence broke out—reportedly triggered by a family feud in the poor area of Helwan—and he has been calling Coptic priests from the U.S., telling them to bring calm to the community.

*EIR's* Egyptian sources report that the attacks on the Christians comes from Salafi (fundamentalist radical Muslims), and also from the Mubarak security apparatus used against the demonstrators in February.

The huge Friday unity demonstrations were organized by the youth coalition that led the Tahrir protests since January.

### **Qaddafi Emissary in Cairo: Is the End Near?**

March 9 (EIRNS)—A top Libyan general, still loyal to Muammar Qaddafi, arrived in Cairo on March 9 for deliberations with the Supreme Military Council, prompting speculation that the Libyan dictator may be seeking Egyptian mediation for a deal to relinquish power, in return for guarantees that he will not be prosecuted at The Hague and will be allowed safe passage out of Libya with his family and at least a portion of his wealth. The growing prospect of international recognition and military aid to the rebels has reportedly caused internal dissent in the Qaddafi family and coterie in Tripoli.

According to a senior U.S. intelligence source, there were internal rumblings against Qaddafi from Army and security units in Tripoli, and a possible assassination attempt against the Libyan leader over the previous weekend. However, the source indicated that Qaddafi now appears to be in firm control over the military and security forces in and around the capital city, which is his last secure stronghold.

There are still reported splits in both NATO and the Arab League over a no-fly zone, with Germany among the European

NATO countries still opposing such a direct military intervention, with the Obama Administration still split, and with Britain, France, and Italy all pressing for immediate military intervention. According to a Pentagon source, a U.S.-led no-fly zone would cost American taxpayers \$10 million per day, and would not guarantee that the rebels would be able to defeat Qaddafi's forces. The source emphasized that it were far better to provide arms and other support to the rebel forces. Such an international support operation could tip the balance within the Qaddafi inner circles, and prompt a negotiated departure of the Qaddafi clan. Syria and Algeria oppose outside military action, and support the idea that Qaddafi is still the legitimate ruler of Libya, while other Arab League countries would like to see him ousted by negotiated agreement.

A former top U.S. Defense Intelligence Agency officer on the Middle East indicated that the deployment of Libyan Maj. Gen. al-Sayed to Cairo is likely aimed at getting Egyptian mediation for a negotiated departure of Qaddafi; however, the Libyan dictator will try, in the coming days, to defeat the insurgency as a way to strengthen his bargaining position before foreign military aid and recognition of an interim resistance government tilts the balance decisively.

### **Saudis Adopt British Divide-and-Rule in Bahrain, Yemen**

March 11 (EIRNS)—As Saudi citizens have begun to come out and protest against the high level of unemployment and an oppressive rule of the House of Saud, reports indicate the Saudis are involved directly in trying to suppress protests in Yemen and Bahrain.

At the same time, *Asharq Al-Awsat*, a Saudi news daily published from Britain, said Saudi Foreign Minister Prince Saud al-Faisal has declared that Saudi Arabia will "cut off any finger" raised against it, warning that "as for [foreign] interference in the internal affairs of the Kingdom of Saudi Arabia, we completely reject this, as we do not interfere in the internal affairs of others."

The Saudis' British-like duplicitous role is being exposed in neighboring Yemen and Bahrain. A Yemeni opposition leader, Riyadh Hussein al-Qadhi, went public, saying Saudi Arabia is collaborating with intensifying efforts by Sanaa (the Yemeni capital), to suppress outraged masses across the country that have been calling for ouster of Yemen's unpopular ruler. He said, "We blew the cover off the Saudi intelligence apparatus, which interferes in Yemen and cracks down on the people. Yemen's [ruling] system has lost all its support and aces in the hole, whether tribal, racial, and sectarian." Dozens of people have been killed and hundreds more have been injured in government-ordered armed attacks on anti-regime protests.

### **Saudi Troops in Bahrain; Bahrainis See 'Occupying Force'**

March 14 (EIRNS)—More than 1,000 Saudi troops, as part of the Gulf Cooperation Council (GCC) contingent have entered Bahrain, ostensibly to cow the protesters, who are out on the street protesting against poverty, high unemployment, and injustice. The GCC is the six-member regional bloc consisting of Bahrain, Saudi Arabia, Kuwait, Qatar, the United Arab Emirates, and Oman. All six of them are undergoing mass protests as of now.

Members of Bahrain's opposition today appealed to UN Secretary General Ban Ki-moon for protection. The opposition described the deployment as an "occupation."

### **Saudi Arabia: Silent Masses Refuse To Be Silent**

March 11 (EIRNS)—Although a massive show of force kept pro-democracy protestors off the streets in Riyadh, the Saudi capital, today, about 500 protesters took to the streets in the eastern city of al-Ahsa, calling for the release of prisoners held without charges. In addition, the protesters have announced that they are planning to hold demonstrations in at least 18 cities across Saudi Arabia, including in the city of Mecca, home to Islam's holiest site. The previous day, at least three

people were injured when police fired to disperse about 600-800 protesters in the eastern oil-rich city of Qatif, demanding the release of nine Shia prisoners.

In Sanaa, Yemen, tens of thousands of protesters took to the streets across the country today, demanding resignation of President Ali Abdullah Saleh. At Sanaa University, the launch pad for protests in the capital, Yemenis flooded the streets, even cramming into tiny alleys. The demonstrations followed the proposal by Saleh, a U.S. ally, for a new constitution to be put to referendum within the year and new electoral laws to ensure equal representation. Opposition figures called the offer "too little, too late."

In Kuwait, riot police in protective gear fired tear gas today to break up a peaceful 200 protestor demonstration by stateless Arabs who were demanding greater rights in the oil-rich Gulf nation. The demonstrations followed protests held on March 8 by several hundred Kuwaitis demanding the removal of the prime minister.

In Iraq, some 500 protesters turned up in Baghdad's Tahrir Square and about as many in the city of Fallujah west of the capital. Iraq's government has been shaken by a string of rallies across the country since the beginning of February, inspired by uprisings that forced out the presidents of Tunisia and Egypt. Iraqi protesters were carrying banners saying "No to unemployment; Yes to jobs."

In Jordan, about 150 protesters went into the streets of the capital Amman following Friday's Muslim prayers. The marches defied an edict by the country's religious leaders not to demonstrate. Chanting "We want to change constitution," about 150 students, independents, and leftists marched.

## Asia News Digest

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### Wen Jiabao rips into "quantitative easing."

March 15—Chinese Prime Minister Wen Jiabao, speaking at a press conference March 14, at the end of the National People's Congress, and on the eve of the Federal Reserve's next meeting, ripped into the Empire policy of "quantitative easing (QE)." "Some countries have pursued quantitative easing and that has caused drastic fluctuations in the exchange rates of some major currencies and in global commodities prices," Wen said.

The target was clearly the United States, but the warning was not heeded, as the March 15 FOMC meeting reconfirmed the ongoing QE bailout policy. The cost of that policy is now being felt in accelerating hyperinflation in commodity and food prices.

The issue of inflation and dealing with it was a key topic of discussion at the Congress, Wen noted, and has been "the top priority of the government" for the last year. "Inflation is like a tiger. Once it escapes, it is almost impossible to get it back into its cage."

Responding to questions, Wen also indicated that the government was willing to accept lower GDP growth for the sake of

improving the quality and quantity of people's living conditions. Much of the continued economic stimulus package will be targeted this year to "people's livelihood," i.e., social security, medical insurance, education, with a corresponding expansion in employment in the service sector. There will also be a continued emphasis on promoting science and technology to advance economic development. Wen said, "It's time that we stop focusing on GDP. There are two figures that are even more important. They are the sums spent on science and technology and those spent on education."

## **Japan Points to 'Investment' (Speculation) Behind Inflation**

March 6 (EIRNS)—The Bank of Japan (BOJ), breaking from the Wall Street-London line, blames speculation for the ongoing inflationary surge. According to a Japanese Broadcasting Company (NHK) report, the BOJ says investor money has been flowing to raw materials and food more than to the stock market, pushing commodities prices higher.

Japan's central bank gives an analysis in its report of the recent upsurge in prices of commodities, including crude oil, metals, and wheat. The report says "investment" in commodities has grown sharply during the past several years. It says the value of commodities transactions on futures markets in the United States was 1.7 times that of shares in January.

The bank says the U.S. and other industrialized countries, including Japan itself, where interest rates quiver just above zero percent, eased their monetary policy after the financial crisis, and the huge influx of money into the market may have contributed to the rise in prices.

None of this is news, just reality, but that the BOJ is acknowledging reality *is* news. Now, are they going to do anything about it?

## **Chinese Conductor: Classical Music Is Universal**

March 7 (EIRNS)—"Imagination is more important than knowledge," said 82-year-old Zheng Xiaoying, China's famous first woman conductor for the opera and orchestra, quoting words from Albert Einstein. "I think music, especially the classic music, can inspire people's thinking abilities. It can make people feel their souls," she told Xinhua in an interview.

Zheng, who was also the first Chinese conductor to conduct in the Western theater, now works as the artistic director and principal conductor of the Xiamen Philharmonic Orchestra, performing both Western and Chinese classics. She has in the past been conductor of the China National Opera House, the Central Conservatory of Music, and was the Artistic Director of the Women's Philharmonic Chamber Orchestra.

A modern symphony, "The Resounding of the Earth Buildings," which Zheng was been championing, uses techniques that are very familiar in the West, while drawing on themes from Chinese folk songs from the Hakka ethnic group.

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