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Bankers' Grab of Cypriot Assets Won't Solve the Crisis

Anglo-Saudis Go in for the Kill Against Syria

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**Using the SDI Principle  
Today To Save Mankind**



Founder and Contributing Editor:

*Lyndon H. LaRouche, Jr.*

Editorial Board: *Lyndon H. LaRouche, Jr.,  
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e-mail: [eirns@larouchepub.com](mailto:eirns@larouchepub.com)

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Webmaster: *John Sigerson*

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Editor, Arabic-language edition: *Hussein Askary*

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(703) 777-9451

**European Headquarters:** E.I.R. GmbH, Postfach

Bahnstrasse 9a, D-65205, Wiesbaden, Germany

Tel: 49-611-73650

Homepage: <http://www.eirna.com>

e-mail: [eirna@eirna.com](mailto:eirna@eirna.com)

Director: Georg Neudecker

**Montreal, Canada:** 514-461-1557

**Denmark:** EIR - Danmark, Sankt Knuds Vej 11,

basement left, DK-1903 Frederiksberg, Denmark.

Tel.: +45 35 43 60 40, Fax: +45 35 43 87 57. e-mail:

[eirdk@hotmail.com](mailto:eirdk@hotmail.com).

**Mexico City:** EIR, Ave Morelos #60-A, Col Barrio

de San Andres, Del. Azcapotzalco, CP 02240,

Mexico, DF. Tel: 5318-2301, 1163-9734, 1163-9735.

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# EIR

## From the Managing Editor

**M**ore than half the world's population, according to the U.S. Census Bureau, is under age 30, i.e., half the people alive today were born after President Reagan's surprise (to most) announcement on March 23, 1983, committing the United States to a "Strategic Defense Initiative." Reagan's proposal to make nuclear weapons "impotent and obsolete," has either been forgotten, or is unknown to billions of people. And yet, had it been carried out, the world would look much different, and much better today. Of course, readers of this magazine—of all ages—know that Lyndon LaRouche was the catalytic force in bringing about that astounding sea-change. And so, on the 30th anniversary of that historic event, the Schiller Institute held an all-day conference in Northern Virginia, which reviewed both the history of the SDI, and the current drive for its "reincarnation" as the Strategic Defense of Earth (SDE), in which the Russians, most notably, have taken the lead.

Our *Feature* this week brings you an introductory overview: "Schiller Conference Presents a New Paradigm: Using the SDI Principle Today To Save Mankind," followed by several of the speeches: Helga Zepp-LaRouche's "Introduction: The Definition of the Common Aims of Mankind"; Jeffrey Steinberg on the "History of the SDI and Implications for Today"; LaRouche's brief remarks, and a Russian video presentation on the IGMASS satellite program. Additional coverage will appear in upcoming issues. In the meantime, I urge you to watch the videos, including several beautiful musical performances, which will soon be posted at [www.schillerinstitute.org](http://www.schillerinstitute.org).

*International* looks at some of the world's hottest spots: "Anglo-Saudis Go in for the Kill Against Syria"; "Karzai's Stand To Keep the Taliban Out of Kabul" (Afghanistan); and "Beppe Grillo: From Stand-Up Comedy to 'Soft Fascism'" (Italy).

In *National*, we note the emergence of a resistance against the Obama dictatorship and war drive: "U.S. Military, Diplomats Seek War-Avoidance with Russia," and "Declare Saudi Arabia a Terrorism Sponsor!"

And in *Economics*, we report on the potential for an end to the euro-imperium, in the cases of Cyprus and Iceland.



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*President Obama has eliminated the program for the Ares rockets (shown here in an artist's concept), that could have been part of a defense of Earth.*



NASA/MFSC

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SCHILLER CONFERENCE PRESENTS A NEW PARADIGM

# Using the SDI Principle Today To Save Mankind

by Nancy Spannaus

March 25—The 30th anniversary of President Ronald Reagan’s announcement of the Strategic Defense Initiative (SDI), on March 23, 1983, finds mankind at a crossroads, still threatened by the danger of thermonuclear war and economic-strategic crisis that led Lyndon LaRouche to propose that solution decades ago. With that reality in mind, the Schiller Institute, founded by Helga Zepp-LaRouche in 1984, convened a conference in Northern Virginia on that day in 2013, to deliberate on “A New Paradigm To Save Mankind; the Need for the Principle of the SDI Today.”

Zepp-LaRouche, whose keynote is printed below, began her presentation: “I would really emphasize that the continued existence of civilization depends on two preconditions: One is the immediate—and I really mean immediate, that is, in the next days, or at maximum, weeks—implementation of Glass-Steagall. And the second condition is to finally implement the Strategic Defense of the Earth, in the tradition of the SDI.”

The conference, which drew approximately 350 people, primarily from the East Coast of the United States, featured two panel discussions, the first, on the need for a transition from the SDI to the Strategic Defense of Earth (SDE), and the second, on the solution to the economic crisis: Glass-Steagall or hyperinflation. As a foretaste of the new spirit of Classical beauty and optimism which the new paradigm must embody, the conference also featured several stirring Classical mu-

sical presentations, from the works of Beethoven, Bach, and Mozart.

## From the SDI to the SDE

Only the LaRouche political movement, which fought for and spawned the SDI, could bring together the panel on this issue. After Zepp-LaRouche’s keynote, *EIR* Counterintelligence Editor Jeffrey Steinberg presented the inside history of the program’s initiation (see below). Lyndon LaRouche himself then took the stage to make brief remarks about the necessity (see below)—while trying to bring an end to the process leading to thermonuclear war—of moving to the urgent mission of organizing a planetary defense, against “missiles” being thrown by the Solar System itself against the Earth.

Three presentations followed which dealt with some of the technical and political aspects of SDI implementation. The first was by Frank Cevasco, who was in the Office of the Secretary of Defense during the time of the Reagan announcement and its aftermath; the second by Kevin Zondervan, an aerospace engineer at a major aerospace company, who gave a presentation authorized by the Missile Defense Agency, on the public domain information on the Administration’s Ballistic Missile Defense System; and the third by Ben Deniston of LaRouchePAC, who has helped lead the movement’s work on defense against asteroids.



EIRNS/Suzanne Klebe

*The Schiller Institute conference concluded with a beautiful Classical music concert. Here, a section of the chorus and orchestra perform J.S. Bach's "Magnificat in D," BWV 243.*

### International Reverberations

The Committee on Implementation of the International Global Monitoring Aerospace System (IGMASS) project, a Russian initiative for defense of Earth from seismic, weather, and space threats, sent greetings to the conference in the form of a Russian TV feature on IGMASS, including an interview with the committee's chairman, Prof. Anatoli Perminov (former head of Roscosmos, the

Russian space agency). In a letter thanking the Schiller Institute conference organizers for giving "encouragement" to the IGMASS project, Perminov wrote, "We believe that realization of the Project in its pilot version will convince the world community [of the] feasibility of the high objectives of IGMASS, aimed at gradual development of a unified global security field with respect to global natural and man-made threats in the framework of a new paradigm of international cooperation, on the way to overcome existing tension and conflicts."

The discussion period after this panel provided an opportunity to underscore that today's Cheney-Obama vintage global Ballistic Missile Defense System is not a realization of the vision of LaRouche and Reagan for strategic cooperation against the threat of thermonuclear war (as had been suggested in some of the presentations). The BMDS does represent a threat to the strategic nuclear deterrent forces of Russia and China, something which would not have been the case with implementation of the full SDI conception of strategic cooperation, including "open laboratory" sharing of technology. An number of post-Soviet Russian offers for strategic defense cooperation have been rejected or ignored in the West, including Moscow's 1993 "Trust" proposal for U.S.-Russian experiments on anti-missile "plasma weapon"

technologies, and then-Prime Minister Putin's 2007 Kennebunkport overture for joint operation of anti-



EIRNS/Stuart Lewis

Frank Cevasco



EIRNS/Stuart Lewis

Kevin Zondervan



EIRNS/Stuart Lewis

Benjamin Deniston



EIRNS/Stuart Lewis

Bruce Fein



EIRNS/Stuart Lewis

Rep. Walter Jones

## Stopping the Hyperinflationary Blowout

The second panel of the conference featured presentations on LaRouche’s program to stop the breakdown crisis, and the organizing drive now underway in the United States to implement that program. One special contribution to the panel was a video address by Rep. Walter Jones (R-N.C.), who urged the assembled to mobilize for the current House bill which would reinstate Glass-Steagall, HR 129, a bill of which he is a co-sponsor along with 39 others. He also addressed the strategic crisis, by presenting his initiative demanding that Congress declassify 28 pages of the 9/11 Commission report, which would reveal that Saudi Arabia was the author of the devastating 2001 attacks on the United States.

After a keynote by *EIR* Ibero-American editor Dennis Small, which stressed the crucial economic parameter of the productive powers of labor as the means for evaluating an economy’s performance and poten-

missile radars and other systems in Eurasia.

The conference participants also heard greetings read from the first spokesman from the developing sector to endorse LaRouche’s beam weapons proposal in the 1980s, Gen. Hector Fautario of Argentina (see box).

## Argentine General Backed Beam Weapon Defense

Brig. Gen. Héctor Fautario was the commander-in-chief of the Argentine Air Force from 1973-75, and was removed from that post in late 1975, because he refused to go along with the military coup against the government of Isabel Perón, which, in 1976, brought in the “Chicago Boys” school of British liberal economics.

In late 1983, in the months leading up to Lyndon LaRouche’s historic June 1984 visit to Argentina—which included a one-hour meeting with then-President Raúl Alfonsín, as well as seminars on the SDI with the country’s top military and scientific elite—Fautario became the first spokesman in the developing sector to endorse beam weapons, and the SDI proposal that President Reagan had presented to the world on March 23 of that year.

On March 19, Fautario sent his greetings to the March 23, 2013 Schiller Institute conference on the SDI, with best wishes for its success. He said that “these last 30 years have passed, but what we said then, remains totally applicable.”

In an Oct. 28, 1983 interview with LaRouche’s *EIR*, Fautario said:

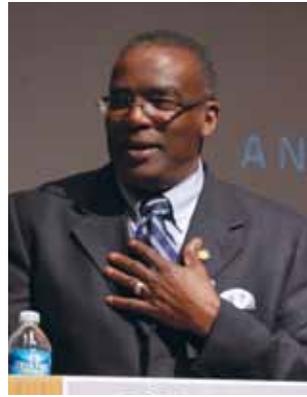
“I think that the development of beam weapons . . . is tremendously important. I could compare it directly with the development achieved by the United States when it launched its famous NASA program to land on the Moon and reach other planets. It involves a huge investment which clearly will lead to the development not only of all kinds of weapons, but also civilian benefits, such as in the field of medicine. . . .

“It would also be useful to bring Argentine ‘brains’ back into the country to create awareness and develop the civilian side, at the same time that we develop the military strategic side. We sincerely believe that in these fields, we can then radiate out and spread these technologies all over Latin America, just as we are doing in the nuclear area. . . .

“There is something which the IMF and other institutions in the world which grant credit should take into account. Our countries cannot negotiate with the hunger and poverty of our people. . . . Everything has a limit. What I recommend is that this limit not be passed. We like to say that a cord can be stretched, but must not be snapped. I think we are at the snapping point.”



EIRNS/Stuart Lewis  
*Dennis Small*



EIRNS/Stuart Lewis  
*State Rep. Thomas Jackson*



EIRNS/Stuart Lewis  
*James Benham*

tial, two state leaders presented reports on their battles for Glass-Steagall. State Rep. Thomas Jackson of Alabama, the chairman of the Alabama House Democratic Caucus, and James Benham, president of the Indiana Farmers Union, gave lively accounts of the conditions they face in organizing for a Glass-Steagall-led solution.

Concluding the session were two LaRouche movement organizers actively involved in the fight in Washington, D.C. to pass LaRouche’s program: Michael Kirsch, who authored the LaRouchePAC’s latest proposal for a new National Bank, and Paul Gallagher, Economics Editor of *EIR*, who has been intimately involved in the drive for passing Glass-Steagall in Congress.



EIRNS/Stuart Lewis  
*Michael Kirsch*

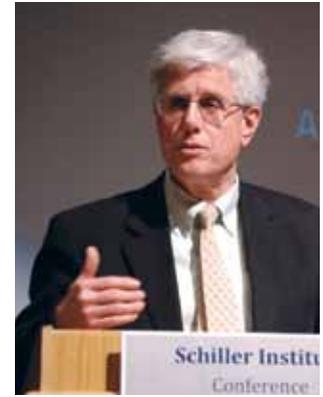
Gallagher, who, as head of the Fusion Energy Foundation, also spearheaded the drive for the SDI in 1983, provided a crucial reflection comparing the fights then and now. Three months before Reagan announced the SDI, he said, everyone said it would never be done; today, “popular wisdom” in Washington

also says Glass-Steagall will never be restored.

With the proper fight by a leadership which knows what is at stake and can convey it, that popular wisdom will be proven wrong again.

The conference concluded with an evening concert, which uplifted the participants for the fight ahead.

Videos from the conference will be made available at [www.schillerinstitute.org](http://www.schillerinstitute.org), and *EIR* will be providing further coverage of the speeches in upcoming issues.



EIRNS/Stuart Lewis  
*Paul Gallagher*

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## Helga Zepp-LaRouche

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# The Common Aims Of Mankind

*Helga Zepp-LaRouche moderated the first panel of the conference, titled, “The Strategic Defense of Earth: How To Overcome the Planetary Dangers, from Thermonuclear War, to Threats from Outer Space.” Here are her introductory remarks.*

I welcome you to this Schiller Institute conference, which could not take place at a more appropriate moment, because we are presently confronted with the possibility of the disintegration of the global financial system. As the subject of this conference is also the celebration of the 30th anniversary of the implementation of the SDI, or the announcement of the intention to implement it, by President Reagan, on the 23rd of March, 1983, we are confronted with an existential danger to civilization. And therefore, I would emphasize that the continued existence of civilization depends on two preconditions: One is the immediate—and I really mean immediate, that is, in the next days, or at maximum, weeks—implementation of Glass-Steagall. And the second condition is to finally imple-

ment the Strategic Defense of the Earth, in the tradition of the SDI.

Now, both subjects will be featured in this conference: the first, the SDI question, in the morning panel; and we will deal with fight to get Glass-Steagall through in the United States in the afternoon.

But let me speak to the first point. In the American media—and I glanced through the Internet headlines this morning—the Cyprus issue is not as prominently featured as it should be (see *Economics*). But I can assure you, that the international financial/banking community right now, is at a state of total panic. We could have a collapse of the system by Monday; we could have a run on the banks, starting, maybe not in Cyprus, but maybe in the neighboring countries, and this could spread to the global financial system.

Because what has happened is that the worst possible accident took place:

Namely, that by a loss of nerve, or by design to bring down the system—I really don't know—but Mrs. Merkel, the Chancellor of Germany, did something which is about to trigger, or has already, triggered a confidence crisis in the banking system; namely, she agreed, and her government agreed, together with the Troika of the European Commission, the ECB [European Central Bank], and the IMF, to commit theft against the small depositors of Cyprus. Now, this is a crime, because not only is it thievery, but this is threatening the confidence in the banking system.

Remember that, in 2008, after the collapse of Lehman Brothers and the collapse of AIG, for a certain period, everybody thought the system was coming down; there was a willingness to talk about the need to have the implementation of the New Bretton Woods, and the only reason why a banking run at that time could be prevented, is because Chancellor Merkel

made a bold statement, saying that she and her government would guarantee small depositors' deposits up to a level of EU100,000. And that sort of helped to reinstitute confidence; people believed that, and so forth.



EIRNS/Stuart Lewis

*Helga Zepp-LaRouche, in her keynote to the conference, called for "a new paradigm, which is in coherence with the dignity and the true identity of mankind," as the only known creative species in the universe.*

## Then, the Cyprus Crisis Broke

And that was true until this Cyprus crisis broke. And for reasons which we have to leave to the historians to figure out, why this actually happened—they insisted on imposing a "haircut" on the small depositors of [a tax of] 6.75%, and on the large depositors, over EU100,000, of 9.9%. So people now know that the money they bring to the bank is not safe there, but it can be taken by governments.

Now, the banking system is based on trust. If people bring money to the bank, they have to be confident that it is safe. But if they have to fear that the government can take it, then naturally,

people think "How do I get my money as quickly out of the bank as I can." And that then leads to a run on the bank. And given the fact that no bank has as much actual capital as they have deposits in them, everybody thinks, "If I don't get there first, then I will lose my money." And that could happen on Monday.

Maybe not in Cyprus, because there they will try to put in capital controls; but it could happen in Italy, it could happen in Greece, in other countries which are in a not very different situation. And what then could happen, is, you get a taste of what happened in 1997, when the pyramid scheme collapsed, and all the grocery stores closed, all the banks closed, people were storming food stores, but they also were storming weapons depots, and you could see little boys of six years old running around with Kalashnikovs. And the Army robbed, too, because they wanted to eat too. It took weeks to reinstate order, and this is now possibly

threatening the whole trans-Atlantic region. Because if it spreads, don't think that American banks will be not affected.

Now, this is a breaking point, because the reach of this is gigantic. The euro is about to collapse. Remember that the head of the ECB, Mario Draghi, had promised he would do everything to save the euro, meaning buying bonds without limit, and now, Cyprus is such a case where this applies. Now, obviously Cyprus is a very delicate question, because a lot of the foreign investors are Russian, and a lot of geopolitics obviously went into the decision to do it this way. In any case, Prime Minister Medvedev basically said, this is like the Soviet Politburo, which also did not care about the savings of the people.

This is now a situation where the mobilization many of you have been involved in the last weeks, and especially coming here to Washington, trying to impress on the Congress, that they have a historical responsibility to implement Glass-Steagall. You have a sense of what it takes, and I can only say, the historic mission you are engaged in right now, is of world historic importance to save civilization. Because for a variety of reasons, I don't think that the European countries will be able to solve this problem on their own. Because the ECB will try to impose a banking union, a political union which will not function, because the people of Europe, especially of southern Europe, have already emotionally and psychologically exited the euro a long time ago. So the danger is chaos.

Now, the historical responsibility lies in the United States, because the tradition of Glass-Steagall, of the example of Franklin D. Roosevelt, ending the deregulated banking that led to the Great Depression in 1933 with Glass-Steagall, means that the United States is the one place where the change can occur. And I think we have to go into an absolutely unprecedented mobilization following this conference, to get the U.S. Congress to implement Glass-Steagall.

### **Threats from Space**

Now, this is not the only danger. Because, as we have all experienced, on Feb. 15 of this year, when the coincidence occurred of the asteroid flying by, and a meteor shower over the Urals, which nobody had anticipated—this brought home very, very clearly the danger our planet is confronted with. Namely, that objects from near space could hit the planet, and presently our civilization is not prepared to deal with that. And

with the present budget cuts, and sequestration, and austerity programs, we will never be in a position to develop the kinds of technologies which are needed for that.

So, Glass-Steagall has everything to do with the SDE/SDI question, because if we don't get a new financial system and a new credit system, the means will not be there to defend the Earth against this danger.

Now, the reason why we chose this date for this conference, is that it is the date, on which President Reagan, 30 years ago, declared in a TV address, the SDI to be the official American policy. Now, this was an historic opportunity which was unbelievably great, and it came as a result of my husband, Lyndon LaRouche, and some others, having responded to the fact that the world was in the middle of the middle-range missile crisis, where the warning from launch was so short, that the danger existed to have an accidental launch, and the world was sitting minutes away from the danger of thermonuclear extinction.

Now, when my husband proposed the SDI, we had been involved for one year in negotiations with the Russians, with agreement from the Reagan Administration, and there was the possibility to change the paradigm of the world completely. This was then rejected, because the Russian government, after a change in the government, rejected it. But still, what Lyn proposed in the form of a new protocol for the superpowers, which was the idea that you would completely overcome nuclear weapons by implementing technologies based on new physical principles, and that would become a science-driver, not only in the military field, but in the civilian area. And Lyn, at that point, had proposed practically an overcoming of the military blocks, and to use a science-driver impact on the productivity of the civilian economy to launch a gigantic technology-transfer program, for overcoming the underdevelopment of the developing sector.

Now, if that would have been done, we would have moved the world from a completely irrational, geopolitically oriented system, to a new paradigm which would have focused on what Dr. Edward Teller, at that time, called "the common aims of mankind."

Now, we have a situation 30 years after the Soviet Union did collapse, as Lyn predicted in 1984, where he said, if the Soviet Union continues to refuse this, they will collapse in five years. At that point, nobody believed that, but the Soviet Union did disintegrate, starting with 1989, and finally in '91. And then, rather

than using this historic moment where an opponent no longer existed, to develop a new peace order for the 21st Century, the neo-cons at that point decided to build an Anglo-American empire, and eliminate every government in opposition, through regime-change.

And that policy has continued to the present day. And unfortunately, the present NATO strategy is what was revealed in a recent article in the *Quarterly Review* journal, basically, the idea that it would be possible to take out the nuclear forces of an opponent by disarming and destroying their nuclear weapons; that supposing nuclear weapons would have been modernized in such a way, and there would have been such a change in military technology, and a revolution in accuracy, that with very accurate delivery systems, and a renaissance in technologies, one could take out the nuclear weapons of an opponent without radioactive fallout.

Now, this is the kind of thinking which will lead to World War III in the short term, if it's not replaced.

So therefore, what we have to think about, is, we need a completely different way of thinking, where all nations of this world, especially the major nations of this world, have to put their forces together for a joint defense of the planet. Because the technologies we need to defend against asteroids and other objects coming from space, are principally the same technologies we need for a joint missile defense.

### **A Renaissance of Thinking**

Now, the possibility that we can pull the world together, is absolutely there. We have been campaigning for Glass-Steagall in the last years in Europe. Just now, a very important group in Russia has put out a paper, demanding for Russia, a change to a Glass-Steagall-type credit system, like Roosevelt did it in 1933 (see *Economics*). There are various proposals by the Russians for joint missile defense.

And while there is a perceptiveness, the world is literally hanging by a thread. So the option is there, that we can have a new paradigm, but it's very far from certain. What we need is a renaissance of thinking: We need people to agree that only a new paradigm, which is in coherence with the dignity and the true identity of mankind, namely that mankind is the creative species, the only one so far known in this universe. And that we have to completely revolutionize our thinking, in the

way that Nicholas of Cusa proposed that in the 15th Century, when he said that we need a completely new thinking. And indeed, his writings then, marked the difference between the Middle Ages, and what became to be known as modern times.

So we have to make that shift, we have to make the shift from a world which is thinking in terms of conflict resolution through war and other means; if we don't get beyond that, we will not make it as a species. So, we are at a moment which is totally pregnant with tension, but I think this tension must be brought to a new age of civilization. And I want to tell you, that all of you here in this room, and those participating in other ways in this conference: You are the ones on whom it largely depends.

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Jeffrey Steinberg

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## **History of the SDI and Implications for Today**

Thank you, Helga. It's a pleasure and an honor to be here today, on this occasion of the 30th anniversary of the Reagan SDI speech.

Thirty years ago today, President Ronald Reagan changed the world by delivering the following brief message at the close of his nationwide television address:

“In recent months, ... my advisors ... have underscored the necessity to break out of a future that relies solely on offensive retaliation for our security. Over the course of these discussions, I have become more and more deeply convinced that the human spirit must be capable of rising above dealing with other nations and human beings by threatening their existence.... Wouldn't it be better to save lives than to avenge them? Are we not capable of demonstrating our peaceful intentions by applying all our abilities and our ingenuity to achieving a truly lasting stability? I think we are—indeed we must!

“After careful consultation with my advisors, including the Joint Chiefs of Staff, I believe there is a

way. Let me share with you a vision of the future which offers hope. It is that we embark on a program to counter the awesome Soviet missile threat with measures that are defensive. Let us turn to the very strengths in technology that spawned our great industrial base.... What if free people could live secure in the knowledge that their security did not rest upon the threat of instant U.S. retaliation to deter a Soviet attack; that we could intercept and destroy strategic ballistic missiles before they reach our own soil or that of our allies?... Isn't it worth every investment necessary to free the world from the threat of nuclear war? We know it is!...

"I clearly recognize that defensive systems have limitations and raise certain problems and ambiguities. If paired with offensive systems, they can be viewed as fostering an aggressive policy and no one wants that. But with these considerations firmly in mind, I call upon the scientific community in our country, those who gave us nuclear weapons, to turn their great talents now to the cause of mankind and world peace; to give us the means of rendering these nuclear weapons impotent and obsolete.... We seek neither military superiority nor political advantage. Our only purpose—one all people share—is to search for ways to reduce the danger of nuclear war.

"My fellow Americans, tonight we are launching an effort that holds the promise of changing the course of human history. There will be risks, and results take time, but I believe we can do it. As we cross this threshold, I ask for your prayers and your support."

**LaRouche: Proud To Be an American**

The following day, March 24, 1983, in a public statement issued from Wiesbaden, West Germany, Lyndon LaRouche offered his personal congratulations

and support to the President for his bold action. He also provided a forecast of the tough fight ahead, and the uncertainty of the outcome.

"No longer, LaRouche declared, "must Democrats go to bed each night fearing that they must live out their lives under the threat of thermonuclear ballistic terror. The coming several years will be probably the most difficult of the entire post-war period; but, for the first time since the end of the 1962 Cuban Missile Crisis, there is, at last, hope that the thermonuclear nightmare will be ended during the remainder of this decade....

"Only high-level officials of government, or a private citizen as intimately knowledgeable of details of the international political and strategic situation as I am privileged to be, can even begin to foresee the Earth-shaking impact the President's television address last night will have throughout the world. No

one can foresee what the exact consequences of the President's actions will be; we cannot foresee how ferocious and stubborn resistance to the President's policy will be, both from Moscow, and from the nuclear freeze advocates in Europe and the United States itself. Whatever those reactions and their influence, the words the President spoke last night can never be put back into the bottle. Most of the world will soon know, and will never forget that policy announcement. With those words, the President has changed the course of modern history.

"Today I am prouder to be an American than I have been since the first manned landing on the Moon. For the first time in 20 years, a President of the United States has contributed a public action of great leadership, to give a new basis for hope for humanity's future to an agonized and demoralized world. True greatness in an American President touched President Ronald



*Jeffrey Steinberg recounted the events leading up to President Reagan's announcement of the SDI, notably including Lyndon LaRouche's central role in bringing about that historic breakthrough.*

EIRNS/Stuart Lewis

Reagan last night; it is a moment of greatness never to be forgotten.”

And so we're here, commemorating the 30th anniversary of those words. I think if any of you reflect on recent Presidential speeches, Obama, the Bushes, even Bill Clinton, you'll recognize that there's been, by comparison to the words spoken by President Reagan that night, nothing that has come close to a visionary idea, and certainly nobody has spoken in honest terms, about the need and idea of effecting a paradigm shift, to better the future for all mankind.

Now, only a small handful of policymakers in leading nations of the world, had even a glimpse of the significance of President Reagan's decision to announce what came to be known as the Strategic Defense Initiative. A far smaller number of people—Lyndon LaRouche, President Reagan, Dr. Edward Teller, National Security Advisor Judge William Clarke, and his deputy Richard Morris, Adm. Bobby Ray Inman, White House Counsel Edwin Meese—had *any idea* about the half-decade process of organizing that went into the decision.

### **Andropov's Moscow Rejects the Offer**

Halfway around the world, in Moscow, President Reagan's words were greeted with shocking recognition, that the back-channel dialogue of the previous two years, involving the White House, elements of the U.S. intelligence community, LaRouche, and a select group of delegated Soviet officials, had actually come to fruition. In the course of that back-channel process, a British agent, Yuri Andropov, had come into power in the Soviet Union, and already delivered a message via LaRouche's Soviet interlocutor, Mr. Shershnev, back to the Reagan White House, that Moscow would reject Reagan's offer of collaboration on a new global missile defense shield, employing new-physical-principle technologies that both the Soviet Union and the United States had been exploring for more than a decade.

Indeed, the effort leading to President Reagan's SDI announcement, had been launched by LaRouche and others in the second half of the 1970s, when the former head of U.S. Air Force Intelligence, Gen. George Keegan, had revealed, in the May 2, 1977 issue of *Aviation Week* magazine, that Soviet scientists had made groundbreaking advances in nuclear-powered lasers that could lead to a revolution in strategic defense against nuclear weapons. The article, by Clarence Rob-

inson, was simply headlined, “Soviets Push for Beam Weapons.”

As the result of his successful efforts to prevent the Trilateral Commission-led Jimmy Carter Administration from launching a nuclear war confrontation with the Soviet Union, LaRouche had been approached by leading U.S. intelligence circles, including veterans of the wartime OSS, soliciting war-avoidance collaboration.

With that backing, LaRouche commissioned the immediate publication of a report, “Sputnik of the '70s: The Science Behind the Soviets' Beam Weapon.” With that publication, LaRouche launched an international campaign for beam defense, that culminated with President Reagan's March 23, 1983 landmark announcement of the SDI.

Now, time doesn't permit me to go through a blow-by-blow account of the scores of meetings that LaRouche held with Soviet diplomats and representatives of President Reagan's National Security Council, both before and after the President's March 23 bombshell. In fact, further documentation of this will be made available on the Schiller Institute website (<http://www.schillerinstitute.org/>) as part of these conference proceedings.

In hindsight, Premier Andropov's rejection of President Reagan's offer of collaboration, to establish a system of mutually assured survival—replacing the Bertrand Russell doctrine of thermonuclear blackmail known as mutually assured destruction, MAD, very appropriately—had nothing to do with the excuses delivered by the Soviet official, who had returned to Washington from Moscow in February, profoundly upset that the Soviet Union would not enter into the kind of collaboration with the United States, which had been the subject of months and months and months of private discussions, officially sanctioned by the Reagan White House. But, it had nothing to do with deficiencies in the Soviet economic system, or with the promise by Soviet fellow-travellers and radical environmentalist elements in both the Democratic and Republican Parties in the U.S., to kill off any genuine “star wars” collaborative program.

### **Collapse of the Soviet Union**

Andropov was a longstanding British asset, like his successor Mikhail Gorbachov; and the British imperial faction, whose policy was hell-bent on mass population genocide, and the end of future scientific progress, was

as committed to killing the SDI, as they were to killing President John F. Kennedy, when he dared to launch the Apollo program and reject the Indo-China War track. There were never any legitimate American or Soviet strategic interests jeopardized by the proposal for mutually assured survival. The collaborative scientific and technological advances that would have come about from a joint American-Soviet SDI, were, in fact, in the vital national interests of both nations, and all allied nations around the world.

This science-driver principle had been elaborated by LaRouche and associates, in a whole series of policy papers and conferences, that had taken place in the course of the several years that the official back-channel effort between the Reagan White House and the Kremlin was going on.

The Andropov rejection, seconded by Gorbachov at an October 1986 summit meeting with President Reagan in Reykjavik, Iceland, in fact, sealed the fate of the Soviet Union, a reality that LaRouche foresaw between in 1984 and 1985. Faced with the added strains of a competitive *defensive* arms race, on top of a military quagmire in Afghanistan, which lasted until the end of the 1980s, the Warsaw Pact collapsed under the strain, beginning in Poland, then in East Germany, and ultimately bringing down the Soviet Union itself by the early 1990s.

By the middle of Reagan's second term, the original LaRouche-Teller-Reagan SDI had been internally sabotaged and fundamentally altered, largely through the efforts of Wall Street factions within the U.S. military-industrial think-tank complex, who fought to reduce the SDI effort to off-the-shelf kinetic systems that could never do the job of assured strategic defense. They also sought to cut out the essence of SDI, which was strategic collaboration for a higher purpose for mankind, between the United States and the Soviet Union, which was the essence and the core commitment of both LaRouche and Reagan, and that was essential nature of SDI: war-avoidance through mutual cooperation for the benefit of all of mankind.

Now, while the Warsaw Pact and the Soviet Union collapsed rapidly, as the result of the rejection of SDI, the trans-Atlantic economies, including the United States, went into a prolonged process of physical-economic disintegration, and monetary hyperinflation, a process that has now reached a breaking point, that will be addressed in its own terms during the afternoon panel today.

## A Strategic Defense of Earth

The kind of international Manhattan Project-style crash effort to develop and deploy a global shield against thermonuclear weapons, envisioned by LaRouche and Reagan, never materialized. But over the course of the intervening 30 years, dramatic advances have been gradually achieved in every area of strategic defense science, as the result of the 1970s and '80s LaRouche-Teller-Reagan efforts; a strategic defense shield, as envisioned at the outset, is now more within reach than ever before. The same essential technologies at the heart of SDI, are also required for the development of a Strategic Defense of the Earth, which recent asteroid and meteor events have now made an urgent matter of survival for all of mankind.

The theme of this conference, is the urgent need to change the paradigm of thinking, from one that will lead to doom, to a new thinking that can lead to centuries of peace and prosperity. Look around the world today: Look at the looming danger of a thermonuclear arms race, or worse, in North Asia; look at the threat of a confrontation over *alleged* nuclear weapons proliferation in the Persian Gulf; look at the deep conflict between Washington and Moscow over the U.S. plans to deploy a *unilateral* defense shield in Europe, exactly the opposite, of what the intentions were of LaRouche, Reagan, Teller, and others.

The Russian leadership understands that this program is directed against their own nuclear deterrent, meaning that there is a greater threat of a nuclear confrontation now, than perhaps at any point since the Cuban Missile Crisis.

Are we doomed, to continue down a path of certain conflict and potential extermination? Or, can we, at this late date, reach back to a moment of great opportunity 30 years ago, when the potential for mutually assured survival offered mankind a way out of the present path to Hell? Can we reach into the humanity of key leaders, in Washington and Moscow and other world capitals, and revive the great vision spelled out by an American President 30 years ago today? Can the power of ideas, and the principles of mankind's creative gift, bring about the paradigm shift that is an urgent order of business that brings us here, today? I believe the answer is yes, and I believe it's going to take an enormous amount of hard work to achieve it. But that we're at a critical moment now, where the future of civilization depends on our being able to affirmatively demonstrate that principle. Thank you.

## From SDI to SDE: Mankind's Mastery Of the Solar System

We thought that it was improper that I not have something to say on this occasion. I think that what has been said so far shows progress in the intention of this body, at this meeting now. And I think I can put a connection between where we were, with this address you just heard [from Jeffrey Steinberg], and where we're going next.

What I should emphasize is this: We've got to understand that this is not merely a matter of accommodating to conditions, in the Solar System and so forth, that we're familiar with from past and current experience. We're on the verge of a time where we not only have military threats and that sort of thing, but now we have threats from within the Solar System itself.

And what has been put underway, as you will hear from others who are going to speak on these subjects today, is that mankind has got to realize that we're not simply sending people out to visit neighboring planets or rubble out there in this area: Mankind now has to actually take over the Solar System. It will be some time before we can say we can take over the entire Solar System; but within the range of Mars and a few spots beyond that, mankind must now necessarily be committed to a kind of colonization of nearby

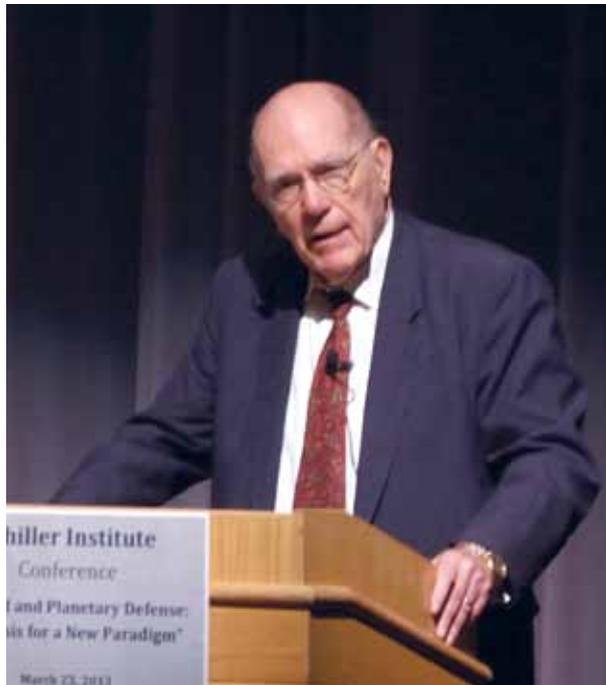
solar space, which does not entail many people going out there to Mars or places like that, but it does mean you're going to have to develop systems, such as those already being placed on Mars, which will enable us to build up systems throughout the nearby parts of the Solar System and beyond, which will enable us to organize defense against the kinds of threats which mankind has never really seen clearly before.

So, while we are, at the same moment, trying to bring an end to the thermonuclear warfare process, at the same time we have an urgent mission to perform, not merely to look at objects like Mars, and say, "Oh! There are more things up there on Mars." Mars is going to be a very important part of organizing a system of defense against missiles in the Solar System. And without that defense, we would be in grave jeopardy.

So the point is, we have a transition, to not only clean up the unfinished business of getting a peace, a world peace—because we can no longer have a major war on this planet; it would mean the extinction of mankind. There is no winning of a war, a nuclear war: There's only nuclear extinction, and

it could be total!

So therefore, that's what we've got to secure, *now*. But that's not the end of it. There's always a challenge for mankind ahead, and the challenge now is, we've got to get out, not by putting people on Mars—Mars is not ready to greet us yet, as visitors—but we can put apparatuses, controlled from Earth, which are operating on Mars, and in other locations within the nearby parts of the Solar System, which can organize effective defense, against, not conscious enemies, but reckless rocks and things like that, which are coming in on us more frequently right now. Thank you.



EIRNS/Stuart Lewis

*Lyndon LaRouche spoke briefly, urging that mankind, faced today with both military threats, and dangerous space objects, such as asteroids and comets, must now "actually take over the Solar System."*

# LaRouche Webcast: On The Eve of March 23

Here are LaRouche's opening remarks to his weekly Friday [webcast](#) March 22, 2013, in answer to a question posed by a high-level institutional source in Washington, D.C.:

**Q:** Mr. LaRouche, in light of your comments last week, and in anticipation of the weekend Schiller Institute conference, coming up this Saturday, commemorating the 30th anniversary of President Ronald Reagan's SDI speech, we would like you to answer the following question.

There is, to this day, significant debate over whether the Reagan SDI offer, in which you played a crucial role, was a failure or a success. Significant scientific and technological progress has been made towards realizing the dream of Mutually Assured Survival, and there are efforts that you cited last week, to revive Russian-American cooperation at the highest level. What lessons are to be learned, and what is to be done to assure that this collaboration between two great nations can actually succeed, fully, this time? Thank you.

**Lyndon LaRouche:** Well, this occurred under special circumstances. It started to move, in the latter part of that decade. And I had some influence in various quarters. I actually initiated a good deal of this, but it would not have happened by my initiation, except that a number of people who had been leaders in the intelligence community of the United States for some time, came forward to me, and suggested we start talking about things. This led into the condition where we had leading figures from Germany, from France, from Italy, and from other parts of the world, including Argentina, for example; and the agreement was, we should move in that direction. The thing was decided through a process which I was involved in; it's on the record. And President Ronald Reagan, at that time, pushed it through.

Unfortunately, we had, at the same time, a change in the leadership of the Soviet Union, and a British-influenced, shall I say, bum, was then the head of the Soviet Union. He sabotaged the effort. But he was simply

acting as a British agent, under orders from the Queen of England at that time. But Reagan was committed to going forward with this; he had made another public attempt at that before. He made a speech on that subject, as well as the negotiations he made. He made remarks toward the end of his career, that whether or not it was going to be done in his time, it *had* to be done. And I think that is a proper part of the whole process.

He not only had picked up on the SDI, he'd been inspired on that, not just by me, but by others. He went for it a second time, a second attempt through the U.S. to get this thing going, and when he was about to leave office, he said he would bequeath this responsibility to somebody, because it had to be realized in the future for mankind. So that was the essence of the matter.

As to the quality of the effort made then, I would say from my personal knowledge, because I was dealing with the people and institutions involved, and I knew them, and I knew what their opinions were at that time, that this attempt is something which was merely postponed. We've now come to the point where it would not be possible to postpone it longer.

But the fact that we did it first, that we repeated the effort, was essential to our ability to bring it off *now!* Without what we had done—my own role was in about the last quarter of the 1970s, and I had initiated this, but I had picked up all these responsibilities as well. And, without the steps which we made step by step, the pre-conditions for ever bringing in an SDI *would never have happened!*

So, what those who are responsible today have to face, is the responsibility of fulfilling something *which was necessary even then, and is more necessary than ever, today.* Without the precedent we set, during the late 1970s and the beginning of the 1980s, it would never have been made possible. So, I can speak for a lot of people who are now deceased; I'm magically not quite deceased. And they did their duty. And if there's any possibility of saving humanity today from a terrible outcome, *much is owed to them.*

The present point is that the whole system, as a monetary system, as a financial system and so forth, is, in its present form, *doomed to extinction.* It could be the extinction of nations, because they're no longer functional. Or it could be the extinction of populations of nations, because a thermonuclear war is launched. And we are on the edge of the potentiality of a thermonuclear war, under this current President of the United

States, and particularly, under the Queen, who is his real master.

So therefore, what's being done on this now, is something which is essential for all mankind. And the people in the U.S. military establishment who are leading their part in this job, are actually now an integral, essential part of what is needed, if this is ever going to come off, which means, if civilization as we have known it, ever exists, after these times.

## Russians Put Forward Several SDE Proposals

*Rachel Douglas, EIR Russia and Eastern Europe Editor, presented a video on IGMASS (International Global Monitoring Aerospace System) to the Schiller Institute Conference (the video-script follows.) Helga Zepp-LaRouche introduced Douglas.*

**Helga Zepp-LaRouche:** I want to actually end with a presentation, or have presented, a video which was sent to us by [our collaborators in] Russia, from the IGMASS program, which is really the offer on the table. And the reason why we had this conference on the 30th anniversary of the SDI [Strategic Defense Initiative], was because we want to rally forces, especially in the United States, who answer positively to the proposals that Russia has put on the table. And I'm very happy to say that the Europeans have already agreed that they will study these proposals and cooperate with them.

So, I think I would like to ask Rachel Douglas to make a couple of remarks on the significance of this video which then will conclude this morning's panel.

**Rachel Douglas:** The very short video that we will see is actually Russian television coverage of the asteroid defense program called IGMASS, which stands for International Global Monitoring Aerospace System. And this is the group at which one of our speakers this morning, Ben Deniston, and Jason Ross [also of the LaRouchePAC science team], addressed their conference in Ukraine, last Fall, as actually the only U.S. representatives for an important international scientific discussion of this question. And they greet our conference and have asked us to look at the video featuring their work, as their contribution to it.

I just wanted to put that in a context. I'll talk real fast (maybe not as fast as 1993, at our SDI anniversary conference, when my speech started at 10 minutes to midnight after the fire drill!), but I wanted to put it in the context of the fact that there are on the table a whole range of Russian proposals, inclusively, not only on SDE [Strategic Defense of Earth], but on strategic [military] defense.

And it's really such a case of the tables turning, because back during the Andropov-Gorbachov period, one of the reasons they could get away with this, even in the Soviet establishment, which was not entirely in the pocket of the British, but included people who, since Marshal Sokolovsky's book in 1962 had held that lasers against ICBMs were an essential development—the reason they could get away with it, was total control of the media, saying that Reagan's SDI was an attempt to achieve a first-strike capability disarming the Soviet deterrent.

Today, we have an ironical situation, where, starting at the Vancouver summit in 1993, when even under the Yeltsin regime, some Russian representatives brought to the Yeltsin-Clinton summit in Vancouver, a proposal called "Trust," for a joint Russian-American anti-missile experiment. Since then, the Russians have had actually a whole string of such strategic proposals, which you don't know about unless you read *EIR* and monitor [larouchepac.com](http://larouchepac.com), because they've been *as blacked out* in our media today, as the true intent of the LaRouche-Reagan SDI was in Russia 30 years ago. Those include, for example, Sept. 11, 2001, when then-Russian Prime Minister Putin was the first foreign leader to contact President George W. Bush—he actually spoke with Condoleezza Rice, the Secretary of State, after the attacks on our country, and said, "We know what's going on; we are taking all our nuclear force alerts down, and cancelling all scheduled exercises, because we realize that this could be a danger to world peace, and we want a strategic collaboration."

Instead of that, under the guidance of Vice President Cheney, the United States *did* exit the ABM Treaty (which was lousy, but that's another whole story), and said, "Now we're going to take missile defense," which as Jeff [Steinberg] pointed out, *was no longer* what Reagan had envisioned with the SDI! So, "we're going to take missile defense and we're going to set up a global shield," ostensibly against potential attack from Iran or elsewhere. But the Russian strategists and the Chinese strategists saw it as aimed as a threat to their deterrent.

So, in 2007, Putin came to Kennebunkport, met

with Bush, the second Bush, and proposed *joint deployment* of anti-missile defense between not the United States and NATO, but *the United States and Russia*, against any potential threats. So far, the United States has said, “We’ll talk about it, but we won’t allow it. We will not allow an actually jointly operated program.” And therefore, those Russian proposals are still on the table, at the same time that Chief of Staff Gerasimov and others have underscored that they perceive not only Phase 4 but *Phase 3* of the phased implementation anti-missile program, the BMD program, as a threat to Russia’s deterrent, the Topol-M regiment based in Teykovo, north of Moscow.

So the several strategic defense proposals are on the table, *as is* the SDE proposal which will be a much-expanded version of what the nice people from IGMASS have asked you to look at today.

## The IGMASS Program

*Here is the script of a [video](#) produced by Russia’s International Global Aerospace Monitoring Space System, and shown, courtesy of IGMASS, at the Schiller Institute conference March 23. It originally appeared on the Russian TV-Center program Popular Science, on Jan. 26, 2012.*

Good morning, dear viewers! Yesterday I visited a place here in Moscow, where on the seventh floor of one building, Earth monitoring is done “from above” and online. If somebody asks for help, a red dot appears on the globe. Then the watchers zoom in on the image, contact some lower-ranking rescuers, and help is on the way to the victims.

Yuri Urlichich, Director of Russian Space Systems: “An airborne buoy belonging to the U.S.A. has been switched on. This is likely an actual distress signal, which we hope will be received by the relevant emergency agency, so it can launch a rescue operation and save lives.”

That’s how the GLONASS [Global Navigation] Satellite System works at present.

But our story today is not just about how global positioning satellites can help save individual ships or aircraft. We’re going to talk about saving the world. The IGMASS project.

IGMASS stands for International Global Monitor-

ing Aerospace System. This means the whole planet coming together to deal with ever more frequent natural and technological disasters.

How can we prevent the inevitable? There’s only one way: forecasting.

Alexander Perminov, director, IGMASS international implementation committee:

“Recently, more and more people have died around the world from disasters, like floods and tsunamis. This has happened mainly in natural disasters, and from some disasters caused by technology. In the past 40 years, you have not only the deaths of people, which of course is the most important thing, but also economic damage, totalling an estimated \$1.5 trillion.”

Three levels of monitoring—ground-, air-, and space-based—provide comprehensive data on approaching problems.

If the Japanese had known on March 11, 2011, how accurate our Far East forecasting sensors were, they might have been able to avoid one of the most serious radiation accidents ever.

The forecasts of Russian scientists using IGMASS began to be taken more seriously after this event.

“Now Russian scientists have issued a forecast for the region of Turkey, the Caucasus, and the Black Sea, and into our own country along the same ridges, as far east as Lake Baikal. Most of these forecasts have been confirmed.”

Of course the IGMASS system directs its dozens of satellite eyes not only at Earth. It is also our anti-asteroid shield in space.

The objective: to discover asteroid threats, calculate the time and place of impact, and neutralize the interloper.

IGMASS can also guard against space clutter. Already, crews on the International Space Station have to maneuver to stay out of the way of pieces of space trash.

The other important mission of IGMASS is to follow our main celestial body. Observing solar activity is an important part of making Earth forecasts. That’s the IGMASS system in all its glory. It has been partially tested already.

Upcoming plans include finding customers; reporting to the APEC [Asia Pacific Economic Cooperation] summit in Vladivostok [September 2012]; and developing IGMASS’s own satellites.

That’s how to save the world, in three steps.

*Translated by Rachel Douglas.*

# Anglo-Saudis Go in for The Kill Against Syria

by Nancy Spannaus

March 26—In a major escalation of the Anglo-Saudi drive to destroy the nation of Syria in pursuit of its global geopolitical aims, a suicide bomber entered Eman mosque in Damascus during prayers on March 21, and detonated his explosive, killing more than 45 people. Among the dead was Syrian scholar Sheikh Mohammed Sa'id Ramadhan al-Bouti, the most important Sunni cleric speaking out against the destabilization of Syria under the mantle of religious war. Al-Bouti had angered the notorious Egyptian Muslim Brotherhood cleric Yousef al-Qaradhawi, with his polemics against the fanatic jihadi campaign to destroy Syria, thus making himself a target of the fatwa which Qaradhawi had issued against anyone working with the Assad government.

Despite this blatant al-Qaeda-style terrorist act in a religious setting, neither the United States nor the United Kingdom have condemned the perpetrators, preferring to blame all mayhem in Syria on the Assad government.

This atrocity represents a dramatic shift in the drive for all-out religious war in Syria and the region, at the very point that the Anglo-Saudi-supported “opposition,” newly exposed as a fraud by intense in-fighting and resignations, is being pushed by the British, the Gulf States, and the Obama Administration to take over government responsibility within the country.

In support of that push, there is a growing drumbeat by leading U.S. Senators, Democratic and Republican, for the U.S. to begin an allegedly “limited” military intervention into Syria, which includes precisely the kind

of air campaign which was undertaken against Libya, and to provide “more robust assistance” to opposition groups, including facilitating the creation of a “safe haven” on Syrian territory. The fact that such action represents an alliance of the United States with the very al-Qaeda terrorist groups that attacked the United States on 9/11/2001, and 2012, seems not to concern these politicians in the least.

Thus, the British imperial drive for using the Middle East cockpit as a trigger for both unending religious war, and confrontation with those defenders of the nation-state system, Russia and China, has taken a dramatic step forward. Leaders in the U.S. military and diplomatic corps are speaking out against the potentially apocalyptic consequences of such action (see *National*), but they themselves cannot stop this momentum. That will take an unprecedented mobilization by patriotic citizens determined to stop the Empire in its tracks, through the measures it fears the most—starting with Glass-Steagall banking separation.

## Jihadis in Control

The killing of Dr. al-Bouti is simply the most dramatic example of the process which insurgents in Syria, funded and often manned by British pawns in Saudi Arabia and Qatar, have been carrying out for more than two years now. Thousands of jihadis, led by al-Qaeda in Iraq, have been sent into the country to wage war against the rival Shi'as, and seek the imposition of a new Islamic caliphate in the region. Recruits even include in-

dividuals who have been sentenced to death in Saudi Arabia for various crimes—and then given the option to go to war in Syria, rather than face their sentence.

As *EIR* has reported from its Washington sources, and as otherwise publicly acknowledged, these radical jihadis dominate the fighting against the Assad government, and have basically pushed the more moderate or secular opposition figures out of the way. The “Free Syrian Army” doesn’t really exist, as President Assad correctly said a couple weeks ago; only a grouping of various militias, criminals, and terrorist bands, who fight among themselves as well as against the regime.

In areas of the country which have been “liberated,” including large regions around the Syrian borders with Turkey, Lebanon, and Jordan, the radical jihadists are systematically seeking to impose Sharia law, and carrying out a campaign of ethnic cleansing against other Islamic sects and Christians. Tens of thousands of Christians have been forced to flee Aleppo, for example, not due to Assad’s alleged depredations, but rather, those of the “liberators.”

Meanwhile, as reported again in the March 24 *New York Times*, the CIA is “coordinating” a massive campaign of arms shipments from Saudi Arabia, Qatar, and Jordan, through Turkey, into the Syrian armed fighters, which it “vets” as approved recipients. The *Times* reckoned there had been more than 160 cargo flights since January 2012, a figure estimated by the Stockholm International Peace Research Institute, which monitors illicit arms transfers. “A conservative estimate of the payload of these flights would be 3500 tons of military equipment,” said Hugh Griffiths of SIPRI to the *Times*.

Not only is this massive amount of armaments most likely an understatement, but the idea that the arms go to the “moderate” groups is absurd. On top of that, as the Russian government has consistently charged, arms shipments to insurgent groups, against a legitimate government, are against international law, and escalate



Wikimedia Commons

*Dr. Mohamad al-Bouti, a leading Syrian scholar and Sunni cleric, was killed during prayers, in a suicide bombing of a mosque in Damascus. Al-Bouti had become a target of the Muslim Brotherhood for working with the Assad government.*

the very bloody outcome they purport to be against.

## Opposition Blowing Apart

As of this writing, the Arab League is holding its yearly summit in Doha, the capital of Qatar, where it has seated the so-called opposition government as the representative of Syria. Such action is supposed to facilitate more international action against Assad, but the fracturing which has accompanied the creation of this “government” is indicative of the reality that such developments will only bring bloody chaos.

On March 18, after postponing the election for months, the Muslim Brotherhood (a/k/a Syrian National Council) finally

agreed to name a so-called Syrian “prime minister,” as demanded by Western bankrollers of the murderous Syrian armed opposition. The Brotherhood’s condition, as reported by Lebanon-based *Al-Akhbar*, was that opposition “Coalition” head Moaz al-Khatib’s two-month-old offer to negotiate with the Syrian government be repudiated, which was the first thing Ghassan Hitto did, after being “elected” on March 18 as prime minister of the provisional government.

Some prominent “Coalition” members, led by veteran dissident Kamal Labwani, walked out before the vote was held, accusing the Brotherhood of imposing Hitto as a candidate. “We don’t want what happened in Egypt to happen in Syria,” said Labwani. “They hijacked the revolution.”

Ghassan holds dual U.S.-Syrian citizenship, and lived in the U.S. for decades as an IT executive and founder of an Islamicist charity and school, until he suddenly quit his job last November to “join the revolution.”

Following Ghassan’s election, on March 24, Khatib resigned in anger, as head of the SNC, accusing unnamed countries of having left the opposition in the lurch. Then, after Hitto had been invited to the Arab League meeting in Qatar, the Military Council of the Free Syrian Army—which is 100% bought and paid for by Saudi Arabia—announced through its

spokesman Louay Mekdad that it does *not* recognize Hitto.

On March 24, Amr al-Azm, a history professor at Shawnee State University in Ohio, who is Syrian, and supports the opposition, told the *Wall Street Journal* that the “coalition is on the verge of disintegrating. It’s a big mess.”

## Senators Gone Insane

Yet, at the very time that the Syrian opposition is exposed as both dominated by al-Qaeda-linked jihadists and in disarray, top U.S. Senators have decided to push for an escalation from the U.S.

On March 21, Senate Armed Services Committee chairman Carl Levin (D-Mich.) joined Sen. John McCain (R-Ariz.) in sending a letter to President Obama demanding that Obama “lead an effort, together with our friends and allies” to “degrade” Syria’s air power and air defenses, using both the Patriot missile batteries deployed in southern Turkey and precision air strikes, and to establish a safe zone inside Syria.

The letter, which is posted on Levin’s website, claims that the Patriots, deployed by NATO in Turkey, can be used to deny airspace in northern Syria to the

Assad government’s aircraft, and to defend against the government’s use of Scud missiles.

“Finally,” they write, “we urge you to provide more robust assistance directly to vetted opposition groups. We believe such assistance should include tactical intelligence and increased deliveries of food and medicine, fuel, communications equipment, medical care for the wounded, and other humanitarian assistance. To this end, establishing a safe haven inside Syria would also serve the important goal of delivering humanitarian assistance more effectively.”

While McCain has been consistently promoting military action in Syria, Levin’s move is a change from his previous views. The alleged trigger for the shift was the totally unverified report last week that the Syrian government had used chemical weapons—or, as the Western warmongers also charge, the government had “allowed” the opposition to seize and use such weapons. In fact, it was the Syrian government which first charged that the rebels had used chemical warfare, and called for a UN investigation of what had happened. Yet, President Obama, on his March 20-21 trip to Israel, issued new threats against President Assad, implying Assad would use such weapons.

On March 22, several additional Senators joined the war chorus, including Dianne Feinstein (D-Calif.), chair of the Senate Intelligence Committee. Sen. Chris Coons (D-Del.), and Sen. Roy Blunt (R-Mo.), also spoke out in favor of air activity or a no-fly zone, although Blunt continued to reject the use of U.S. troops in Syria. Recall, however, that such a “restraint” was also in effect in Libya—where the U.S. had no “boots on the ground,” but ran the air and supply campaign that backed al-Qaeda’s campaign to overthrow Qaddafi, and turn the nation over to the jihadi gangs.

Do these Senators know they are supporting al-Qaeda? LaRouchePAC organizers in Washington have certainly provided the material that makes a conclusive case. And some Congressmen, such as House Intelligence Committee chairman Rep. Mike Rogers (R-Mich.), have gone to so far as to admit as much. Rogers said, on CBS-TV’s *Face the Nation* March 24, that the U.S. had to militarily connect with the key “ground fighters” against Assad, while he explicitly acknowledged the prominent role of the al-Qaeda-affiliated al-Nusra Front among these fighters on the ground!

*Michele Steinberg and Tony Papert contributed to this report.*

*EIR Special Report*

## Obama’s War on America: 9/11 Two

In 2001, the Bush-Cheney Administration was complicit with the British and Saudi monarchies in permitting and covering up the 9/11 attacks; today, President Obama’s collusion with the Saudis and the British was responsible for the attack on the American consulate in Benghazi, Libya on 9/11/2012. Highlights from *EIR*’s coverage.

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Obama’s War on America:  
9/11 Two



October 2012

# Karzai's Stand To Keep The Taliban Out of Kabul

by Ramtanu Maitra

March 23—Afghan President Hamid Karzai took a swipe at the U.S. and NATO on March 9, accusing the Taliban and the United States of working together to convince the Afghans that violence will worsen if most foreign troops leave by the end of 2014. He cited two suicide bombings, one in front of the Afghan Defense Ministry, which occurred on the same day that U.S. Defense Secretary Chuck Hagel was visiting Afghanistan for the first time in his new capacity. “America says the Taliban is not my enemy and we do not have war with the Taliban, but in the name of the Taliban they are abusing people in Afghanistan on a daily basis,” Karzai said.

This straight talk from Karzai indicates his strong opposition to the British-Saudi-Obama Administration endgame in Afghanistan, which would bring the Taliban back to power in Kabul. It is a certainty that this grouping will be aided again by the Pakistani military from across the border, and that the Taliban and other militant jihadi-terrorist groups who would assemble in Afghanistan, will again be threatening Central Asia and even China and Russia. Moreover, the fact that the prospect of the Taliban in power is unacceptable to other major Afghan ethnic groups, could unleash yet another civil war.

The Obama Administration continues to support the Saudi-backed fundamentalist Wahhabis in Bahrain and the Saudi/Qatari-funded terrorists in Syria, as it earlier used the same weapon to turn Libya into a virtual terrorist state dominated by jihadis, funded and armed from Qatar and Saudi Arabia. It seems that the Obama Administration is once again moving in that direction in Afghanistan, to satisfy its British-Saudi allies' long-crafted plan.

## Immediate Fallout

Those March 9 statements by Karzai led to some immediate reactions. Hagel's scheduled visit to the Afghan Defense Ministry was postponed; a joint press

conference by Karzai and Hagel, and the scheduled handing-over of prisoners held in the Bagram prison, run by the Americans, to the Afghan authorities, were called off—all on the pretext of security threats. (The transfer of the prisoners took place a few days later, after Hagel was back in Washington.)

On March 19, Afghanistan's presidential spokesman Aimal Faizi described the NATO-led military operation as “aimless and unwise.” Karzai's office issued this statement a day after NATO chief Anders Fogh Rasmussen, at a press conference in Brussels, had said that instead of alleging collusion with the Taliban, Afghanistan should acknowledge NATO efforts to bring progress to the country: “We respect Afghan sovereignty but we want acknowledgement that we have invested blood and treasure in helping President Karzai's country to move forward.”

In Washington, Karzai's statement led to a new height of ranting and raving against the Afghan President. “If Karzai isn't an ally 100% of the time, in my book he's not an ally,” thundered Rep. Bill Young of Florida, the top Republican on the Defense Appropriations Subcommittee. “And I don't think he is, and I think our troops are being put at risk to defend a person who in my opinion should not be defended by the United States.”

Karzai “should spend more time addressing the widespread corruption in his regime rather than making false claims against Americans who are fighting for the freedom of his people,” said Sen. Joe Manchin (D-W.Va.). “President Karzai's despicable comments confirm it is time to bring our troops home and rebuild America, not Afghanistan.”

At the White House briefing on March 11, press secretary Jay Carney said: “Any suggestion that the U.S. is colluding with the Taliban is categorically false. Secretary Hagel addressed the question with President Karzai in their meeting. The U.S. has spent enormous blood and treasure for the past 12 years supporting the Afghan

people in an effort to ensure stability and security in that country. The last thing we would do is support any kind of violence, particularly involving innocent civilians.”

On March 25, U.S. Secretary of State John Kerry flew into Afghanistan from Jordan on an unannounced visit to see Karzai. Before leaving Amman for Kabul, Kerry met with the head Pakistan’s Chief of the Armed Services (COAS), Gen. Ashfaq Parvez Kayani, who has now reunited with the British-Saudi-U.S. troika in opposing Karzai, after a brief period of refusal.

Kerry had another reason to go to Kabul suddenly: On March 24, Afghan Foreign Ministry spokesman Janan Mosazai said at a press conference that President Karzai will soon visit the Emirate of Qatar. The trip “is the result of an invitation from the Qatari Emir and will involve discussions about mutual cooperation and the [Taliban] peace process.”

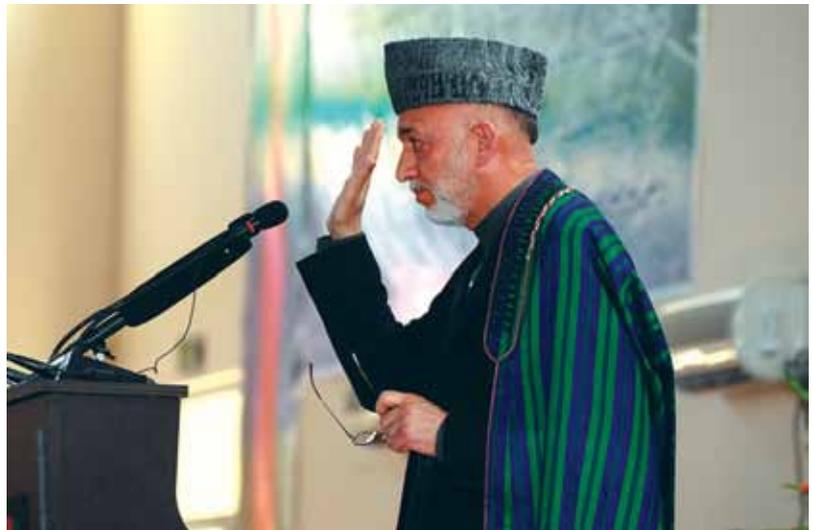
Karzai’s move indicates that he is planning to initiate “Afghan-to-Afghan” talks, keeping the foreigners out, to end the Taliban insurgency. Karzai’s point is that the Taliban is part of Afghanistan and they are Afghans, and therefore they have to deal with Kabul and no one else. The Taliban remain under Kabul’s jurisdiction, and he is ready to talk to them.

### **Is Karzai a Friend, or an Enemy?**

Listening to what the White House and many U.S. lawmakers are saying, one may wonder who they consider America’s real enemy. Is what Karzai is saying entirely false?

Recent events show a complex picture. In 2001, the United States went into Afghanistan identifying the Taliban as the main enemy, because of its links with al-Qaeda, ousted it from power, and sought to obliterate it through military force. In 2013, what we see is an altogether different picture. We find the Obama Administration, under the influence of London, trying desperately to negotiate with the Taliban.

The talks are not taking place in Afghanistan, but in the British-controlled Emirate of Qatar, and behind the back of the duly elected Afghan government. The plain objective of the Obama Administration is to bring the Taliban back into Kabul in some form, knowing full well that Karzai opposes that. As a result, Washington’s



U.S. Navy/Mass Communication Spec. 2nd Class John R. Fischer

*President of Afghanistan Hamid Karzai has a question: Why is the U.S. negotiating with the Taliban behind my back?*

entire public relations paraphernalia is now busy identifying Karzai as the real enemy. One should not be surprised if, in the coming days, the White House would come out in the open saying that the Taliban is more helpful than Karzai is, in Washington’s efforts to resolve the Afghan dilemma, once a majority of foreign troops leave that country.

Why has the Obama Administration begun to veer in that direction?

In order to answer that question, one must accept the fact that the U.S./NATO troop presence in Afghanistan is not opposed by the Taliban alone. It is opposed by most, if not all Afghans. Furthermore, the U.S./NATO combine does not have the capability to defeat all the Afghans, and the withdrawal proposed by Washington and Brussels is not a concession to the Afghans, but a realization of an absolute defeat.

What the Obama Administration is desperately seeking is an organized withdrawal from Afghanistan at any cost. For years, London, which has control over a section of the Taliban, was pressing Washington to work out a deal with the Taliban, to bring them to power, and abandon Karzai. Nobody knows this better than Karzai.

### **British Takeover of Afghan Policy**

As *EIR* has reported, as far back as 2009, the British imperial plan has always been to bring the Taliban back into power. In fact, one of Britain’s major complaints about Karzai is that he opposes this plan, going so far as



State Department photo

Secretary of State John Kerry during his visit to President Karzai in Kabul, March 25, 2013. He had some fast talking to do.

to expel two MI6 agents on Dec. 27, 2007, on charges that they posed a threat to the country's national security. An unnamed Afghan government official told the London *Sunday Telegraph* that "this warning," that the men had been financing the Taliban for at least ten months, "came from the Americans." One of the MI6 agents, Mervyn Patterson, worked for the United Nations, while the other, Michael Semple, worked for the European Union.

The London *Times* wrote that, when Patterson and Semple were arrested, they were carrying \$150,000, which was to be given to Taliban commanders in Musa Qala. "British officials have been careful to distance current MI6 talks with Taliban commanders in Helmand from the expulsions of Michael Semple, the Irish head of the EU mission and widely known as a close confidant of Britain's ambassador, Sir Sherard Cowper-Coles, and Mervyn Patterson, a British advisor to the UN," the *Times* wrote.

In the uncorrected version of the British House of Commons Minutes of Evidence (Nov. 9, 2010), taken before the Foreign Affairs Committee on the U.K.'s foreign policy toward Afghanistan and Pakistan, Cowper-Coles was quoted, answering a question from MP

John Baron:

"The key question—this was Mr Baron's question—is how you accompany a military draw-down with a serious political process. The analogy that I have used—I thought of it a few weeks ago—is of a double-decker bus. You need an American chassis, an American engine, an American driver and an American sat-nav system.

"The passengers on the lower deck of the bus will be the internal parties. This is about far more than just talking to the Taliban; the Tajiks are increasingly alienated.

"On the top deck of the bus, you have all the external parties. The largest passenger will be Pakistan, but India, China, Russia, Iran, Saudi Arabia, Turkey, the emirates and the lower tier of the -stans will all be there. The bus will be painted in Afghan colours and have a UN conductor on each floor and, *with luck, a British back-seat driver*" (emphasis added).

He went on to say: "We are major. We are very much premier league and everyone else is sort of champions league." (Cowper-Coles' reference point is the English Football League, where the top teams play in the premier league, while the lesser ones in the champions league.) It is evident that President Obama has accepted the Cowper-Coles plan, but President Karzai has not.

More than a month before Karzai accused the Obama Administration of working with the Taliban, news reports, including file photos, showed the United States in contact with the Taliban in Qatar. The talks were aimed at pushing the Taliban to work out a negotiated agreement with Kabul; but Kabul was kept altogether in the dark about the talks, as Washington tries to prepare the ground for the withdrawal of its troops, the Afghan website Weesa cited political analyst Vahid Mojdeh as saying. The U.S.-Taliban talks formally started in January 2012, but the militants left the negotiating table in March of that year, citing Washington's



DoD photo/Erin A. Kirk-Cuomo

*Secretary of Defense Chuck Hagel awards a Purple Heart to a soldier in Afghanistan on March 9. After 12 years of war, the U.S. now wants to give Afghanistan back to the Taliban, which it had toppled in 2001.*

failure to fulfill the conditions for peace negotiations to proceed.

Pakistan's news daily *The Dawn* reported on Feb. 10, 2013 the arrival of Pakistan's Jamiat Ulema-i-Islam (F) chief Maulana Fazlur Rehman in Qatar to hold talks with the Taliban. Maulana Fazlur, known as one of the founding fathers of the Taliban and a British asset who works with London to keep the Kashmir pot boiling, apparently provides the British input in those talks.

It should be noted that Karzai recognizes the Taliban, and is not opposed to a dialogue with them in order to ensure future peace. But, when the foreigners carry out such a dialogue with ethno-religious terrorists, keeping the vast majority of the Afghans in the dark, Karzai considers that to be criminal. Karzai has decided to go to Qatar himself to start peace talks with the Taliban, his spokesperson Aimal Faizi said, adding, "President Karzai will hold talks on two main issues, including the Taliban liaison office establishment in Qatar and improvement of bilateral ties." No confirmation was forthcoming, though, over whether Karzai would meet Taliban representatives.

Why is the Obama Administration lying about its talks with the Taliban in Qatar? Most likely because it is unsure how the American people would react to these

covert negotiations with the Taliban, who had earlier been demonized.

But Karzai knows it. In a speech on March 9, he said that senior leaders of the Taliban and the Americans were engaged in talks in the Gulf state on a daily basis. Now, who is lying?

### **Why Karzai Opposes the U.S. Move**

In early March, President Karzai had ordered the U.S. troops to move out of the Wardak and Logar provinces, located adjacent to Kabul. The order reportedly came after complaints from Wardak tribal elders of "torture and murder of Afghan citizens" by Afghan forces

subordinate to the U.S. military. Karzai gave the U.S. two weeks to pack up.

Why did Karzai do it?

Beside the complaints of the tribal elders, control of Wardak and Logar is crucial for Kabul's security. These provinces sit on Highway 1, which connects southern Afghanistan, where the Taliban are strong, to Kabul, and had long been the entry point to Kabul for Taliban terrorists. Some call it the "Gateway to Kabul." Taliban leader Mullah Omar has good reason to target the road, Col. David B. Haight, then-commander of U.S. forces in Wardak and Logar, told the *Army Times* in 2009. In 2008, the Taliban did unleash intense strikes against the highway's southern approach to Kabul.<sup>1</sup>

Despite the presence of a large contingent of foreign troops, the security situation in Wardak has not improved. The Taliban have been able to establish a foothold there, with disparate affiliated bands operating freely at night in many of the province's districts.<sup>2</sup> Now that the Obama Administration is coaxing the Taliban to

1. Denis D. Gray, "Troops work to secure high-profile Afghan road," AP article in *Army Times*, Dec. 31, 2009.

2. Brian M. Downing, "U.S. special forces leave key Afghan province as all war-weary sides look for clues," *WorldTribune.com*, Feb. 26, 2013.

come to Kabul, Karzai seems fearful that the Taliban will be allowed to enter Kabul, through these provinces under the watch of the foreigners.

On the other hand, U.S. academics and the media are keen to spread a distorted notion, which implies that since the Pushtuns are in the majority in Afghanistan, Kabul should be ruled by them, and that the Taliban, composed entirely of Pushtuns, should therefore be in power in Kabul. A logical deduction, right? No, it is false. The Taliban represents only a small percentage of Pushtuns. Otherwise, in 2001, the U.S. Special Forces could not have dislodged them from power within a span of three weeks.

Moreover, while the Pushtuns are in the majority, it is not an overwhelming majority. The other ethnic groups are powerful and have strong bases in parts of the country. In other words, no lasting peace can be reached in Afghanistan unless a national government includes all major ethnic groups.

Anyone who is not an outright fraud, should understand what Karzai is alluding to. Karzai is himself a Pushtun. He enjoys considerable support within the Pushtun community, not only as an individual, but because of his base and the tribe he represents. The Pushtuns who support Karzai and his associates are much more numerous than the Taliban, and are also anti-Taliban.

In addition, Karzai's survival depends on support from the powerful Tajiks and the very well-armed Afghan-Tajik ethnic group, who dominate northeastern Afghanistan bordering Tajikistan. They have fought the Taliban before and would do so again.

Former Indian Ambassador M.K. Bhadrakumar, in an article, "Karzai gives Hagel a tour d'horizon" (Asia Times Online, March 11), pointed out that in political terms, the Taliban have finally chosen to take on the Tajiks, who spearheaded the anti-Taliban resistance in the 1990s. "Now, the catch is that it is these very same Tajik forces who also happen to provide the military underpinning for Karzai's power structure (although he also has a substantial following among the Pushtuns). Any outside chance of the Afghan government warding off the Taliban challenge in the coming crucial 12-18 months would largely depend on Karzai's success in holding together the coalition that supports him," Bhadrakumar noted. In other words, Karzai is battling the British-Saudi-American plan to set loose the "fox in the chicken coop," as Bhadrakumar described it.

In addition, a Pakistan analyst, Farhat Taj, based in Oslo, in a series of articles, "Taliban are Pak Army proxies, not Pushtun nationalists," published in Pakistan's *Friday Times*, made the argument that "Taliban, both in Pakistan and Afghanistan, are mere proxies of the Pakistani state to wipe out forces of ethno-nationalism among the Pushtun, as well as tamper with Pushtun cultural identity on both sides of the Durand line, in the stated pursuit of the foreign and domestic policy objectives set and controlled by the military establishment of Pakistan." She adds that Pakistan has been actively pursuing a foreign policy rooted in religious discourse vis-à-vis Afghanistan. This is also because Kabul was pursuing a foreign policy rooted in secular Pushtun ethno-nationalism, including its claims over the Pushtun territory of Pakistan. Secondly, the Pakistani Army, deeply concerned about its military imbalance with India, does not want a pro-India government in Afghanistan.

This is precisely why Karzai, a Pushtun, opposes both the Taliban and Pakistan, and the Saudi-British plans, endorsed by President Obama, and hatched in the British-controlled Emirate of Qatar.



## The Al-Qaeda Executive

Financed and deployed by the British-Saudi Empire, al-Qaeda has been protected by the Obama Administration to accomplish the Empire's global war. In this feature [video](#), LaRouchePAC documents President Obama's use of the al-Qaeda networks to overthrow Qaddafi in Libya, and to carry out bloody regime-change against Assad in Syria, by the same forces who attacked the U.S. consulate in Benghazi.

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# From Stand-Up Comedy To ‘Soft Fascism’

by Aureliano Ferri

March 32—The elections held in Italy on Feb. 24-25 have left the country ungovernable: The center-left bloc won an absolute majority in the Chamber of Deputies; but thanks to the complicated mechanisms of the existing election law, no grouping has a majority in the Senate. The center-right coalition was close behind, while the group led by outgoing Prime Minister Mario Monti received a harsh rebuke.

The principal factor that determined this situation was the somewhat unexpected success of the Five Star Movement (M5S), led by Beppe Grillo, a former stand-up comedian who has moved into the political arena. His movement won approximately 25% of the vote nationally, becoming the largest single party in the Chamber of Deputies. (The center-left coalition, which has the majority, is made up of two parties).

It is easy to see that the votes for Grillo represent the discontent among broad sectors of the population with the crisis and austerity policies imposed on Italy by the “Troika,” consisting of the IMF, European Central Bank, and European Commission. At the same time, the discontent was skillfully channeled by Grillo and his partners towards single issues and questions that are entirely innocuous in the eyes of the international financial oligarchy, to the point that he was even endorsed by merchant banks such as Mediobanca, Credit Suisse, Goldman Sachs,<sup>1</sup> Unicredit, and by the U.S. Embassy in Rome.<sup>2</sup>

On this point, Lanfranco Pace, a former fugitive

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1. The endorsement from [Goldman Sachs](#), pronounced by Jim O’Neill, the president of the bank’s management unit, is quite significant. O’Neill called the election results “quite exciting,” and said the country “needs to change something important,” and that the result of Grillo’s movement may be a “sign of the beginning of something new.”

2. Outgoing U.S. Ambassador to Italy David Thorne made the following appeal to a group of youth: “You young people are the future of Italy. You can take your country in your hands and act, like the Five Star Movement, for reform and change.”

from justice, who once had contacts with members of the Red Brigades terrorist group and the Hyperion Center in Paris, during the kidnapping and murder of Aldo Moro in 1978, published an article on March 6, in the neo-conservative daily *Il Foglio*. Pace wrote that Grillo’s model is U.S. President Andrew Jackson, identifying Jackson as the principal theorist and instigator of populism in democracy, as well as the inventor of the so-called Spoils System. In Pace’s view, M5S is driven by an American-style populism: In terms of the sympathy for inexperienced amateurs and the desire for an immediate and radical change at all levels, Pace finds that Jackson thought it possible to simplify politics and bureaucracy without destroying the democratic form of government. There is not a word on what Jackson did to destroy the Hamiltonian economic system.<sup>3</sup>

## A Platform Based on Jacobinism

The M5S built its electoral platform on issues clearly inspired by Jacobinism. First is the accusation that the political class has destroyed the country; the party therefore proposes to abolish public financing of political parties, and then abolish the parties altogether, along with labor unions. The M5S is imbued with a strong greenie ideology, which abhors any infrastructure works, from nuclear energy, to the bridge over the Messina Strait, to new high-speed trains, as well as waste incinerators, liquefied natural gas terminals, etc.

The only electoral victories that the M5S had won prior to the recent elections were those in the city of Parma. In the hometown of composer Giuseppe Verdi, the *Grillini* are hiking the rates for public services and implementing harsh budget cuts, including for the Verdi Opera, along with the salaries of public employees, thereby earning the wrath of the population. Thus Grillo’s program doesn’t seem any different than what the Troika’s technocratic government has done at the national level.

Not only does the program make no attempt to hide its opposition to infrastructure development and the use of nuclear energy, it also promotes further deregulation of the economy through the elimination of all monopolies, including natural ones (e.g., electric utilities), providing a (reduced) “citizenship salary,” cutting the costs of government services, computerization of the public

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3. See, Michael Kirsch, “How Andrew Jackson Destroyed the United States,” *EIR*, Dec. 14, 2012.



Wikimedia Commons

*While support for the Jacksonian populist Beppe Grillo (shown here at a rally in Bologna) reflects widespread discontent with the austerity imposed on Italy by the “Troika,” it should be noted that his policies have also been endorsed by Goldman Sachs and the U.S. Embassy in Rome.*

administration and schools, and a referendum on the euro.

On this last issue, that of the European common currency, on the one hand, Grillo and his movement have never taken a clear position, as they only call for a referendum, which would require amending the Constitution; on the other, they use the same intimidating techniques used by the EU and the Monti government to justify austerity. They say that the problem of Italy is the public debt which has exploded due to excessive public spending, corruption, and the costs of the state apparatus generated by a corrupt political “caste.”

In this manner, they aim to deceive population, just as the technocratic governments do. Grillo doesn’t oppose the cuts; rather, he says that the only resources available in the future will come from eliminating public works that he considers “useless,” such as the new high-speed rail line connecting Lyon and Turin (TAV). So Grillonomics turns out not to be much different than what the European Union has carried out through the Monti government on behalf of the markets over the last 18 months (and more generally, in the last 20 years), only in a radical environmentalist version.

## A ‘Ready-To-Wear’ Party

There are no other substantive indications in the M5S economic program, beyond some vague statements about relaunching small and medium-sized enterprises; no mention of industrial or energy policies, or what financial and credit system would be necessary for this purpose. And not a word about the need for banking separation and a credit system to support development, despite the fact that the members of the Movimento Solidarietà (Movisol, the LaRouche movement in Italy) have repeatedly attempted to bring the issue to the attention of Grillo and his supporters.

In the field of foreign policy, there is also a complete lack of content, together with the most foggy absence of any actual positions: On the wars in Libya and Syria, and on the Palestinian question, Grillo is as wavering as elsewhere. This can be explained by the fact that the M5S does not have a well-defined program, but is based on the opinions of supporters expressed via the Internet; a sort of prêt-à-porter (ready-to-wear) party, where everyone can find what he wants: the essence of populism.

The heterogeneous nature of the supporters of the M5S is quite shocking: Among the Parliamentarians elected with Grillo’s movement, we find fanatical environmentalists, supporters of anti-growth theories, conspirophiles who believe that microchips are implanted under the skin of U.S. citizens, activists who focus on bank seignorage (a form of taxation), and former communists and fascists. Grillo himself has stated that the neo-fascist group Casapound (which takes its name from Ezra Pound) isn’t all wrong on some issues.

To give an example, recently the M5S party leader in the Senate, Roberta Lombardi, wrote on her blog that Italian Fascism wasn’t at all bad at the beginning. It is this parallel with the origins of Fascism that is striking to an impartial observer. Some of Grillo’s tirades against corrupt political parties, and the plan to abolish parties and unions, are very close to the positions of F.T. Marinetti, Gabriele D’Annunzio (both “artists” like Grillo, and leaders in the Fascist movement before Mussolini), and Mussolini himself. Too bad that those policies didn’t lead to direct democracy as Grillo claims they will today.

## Who Is Beppe Grillo?

Beppe Grillo, the son of an industrialist from Genoa, was a well-known television comedian, who appeared often on national programs in the 1980s. It is said that he was excluded by an order from then-Prime Minister Bettino Craxi, who apparently didn't appreciate his political satire. That presumed "persecution" was the beginning of his fame as a political victim, until Grillo showed up again in the '90s, in a new role with road shows focused social and environmentalist satire.

The success of this new format led him to create a successful blog together with the multimedia communication company Casaleggio Associati, which soon became the most widely read Italian blog in the world.

This blog, which became the starting point for the M5S, is where all of the ideas of the future movement were formed: saying no to globalization by using local products; no to nuclear power and oil, which should be replaced with wind and solar power; no to high-speed transport; praise of the Internet as the vehicle of "direct

democracy"; development and information following the model of Wikipedia(!).

Neither on the blog nor in the M5S program is there mention of international financial speculation as the cause of the global crisis, or the problems related to the euro, except in vague and populist terms, while great emphasis is given to the costs of politics and the presumed collusion between politicians and criminal activity. On the same wavelength we find the journalist Marco Travaglio (who is not formally a part of the M5S, but a propagandist for Grillo), who, for the past 20 years or so, has attempted to focus public discussion on the issues of corruption and the legal problems of Italian politicians as much as possible (notably aimed at former Prime Minister Silvio Berlusconi), presenting them as the cause of all of Italy's problems.

Travaglio, having been a disciple of the late Indro Montanelli (the dean of Italian journalism, known for his attacks on the late Italian nationalist industrialist Enrico Mattei, on behalf of the British), writes for the *Fatto Quotidiano* newspaper, whose communications are also managed by Casaleggio Associati, as are those of the Publishing Company Chiarelettere, which publishes Travaglio and Grillo's books.

What is Casaleggio Associati? It is useful to know that one of the shareholders is a certain Enrico Sassoon, from the well-known British oligarchical family linked to the Rothschilds, who, among other things, is the chairman of the Economic Affairs Committee of the American Chamber of Commerce in Italy.

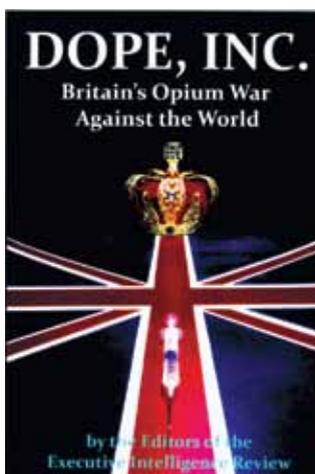
A video produced by Casaleggio, on the future of the world, is circulating on the web: The vision reminds us of that of H.G. Wells, as described in his book *The Open Conspiracy*, or in the film "Things to Come": a world war lasting 20 years that wipes out most of the globe's population, leaving room for a world government based on the Internet. All we can say is ... that's quite a development project.

In one of his TV shows, Grillo praised George Soros as an example of "ethical capitalism," and today, Casaleggio's and Grillo's hostility towards Russia and China, support for a world government, insistence on the necessity (or "inevitability") of reducing the world's population to 3 billion, or even only 1 billion people, clearly make Beppe Grillo the spearhead of an anti-human and anti-scientific movement, following the Malthusian program of the Club of Rome, in a manner that is veiled, but fundamentally fascist and entirely compatible with a bankers' government.

# DOPE, INC.

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# U.S. Military, Diplomats Seek War-Avoidance with Russia

by Carl Osgood

March 22—A concerted effort is now underway, according to high-level U.S. intelligence sources, on the part of a network of active-duty and retired U.S. military, intelligence, and diplomatic officials, to repair the severe damage that has been done to relations between Washington and Moscow over recent years. Among the hotly contested issues are the Obama Administration's regime-change policies in Libya and Syria, the NATO deployment of an ABM system that could target Russia's strategic nuclear arsenal, and Washington's de facto backing of international narco-terrorist organizations that are flooding Russia and the other countries of the former Soviet Union with heroin, and carrying out terrorist attacks.

Lyndon LaRouche, in his March 15 webcast ([www.larouchepac.com](http://www.larouchepac.com)), fully endorsed that patriotic effort from the U.S. side, and cited the upcoming trip to Moscow, in mid-May, by Joint Chiefs of Staff Chairman Gen. Martin Dempsey, as a critical opportunity to reach a war-avoidance agreement between the world's two leading thermonuclear weapons powers. Dempsey is among those military leaders in both countries, who have the clearest understanding of the dangers in the current strategic global showdown.

## Dempsey Is on Record

The tone for the week was set by Dempsey in remarks on March 18 at the Center for Strategic and International Studies (CSIS) in Washington, where he told a

standing-room-only crowd that he could see no military option in Syria that he would recommend. He issued that warning in response to a question from Maj. Gen. Buster Howes, the chief of the British Defence Staff in Washington, who noted that British Prime Minister David Cameron is making a comparison between “the West's failure to act” in Bosnia in the 1990s, and the situation in Syria, today. “The heady days of the Arab Spring and democratization seem a long time ago,” Howes said. “How do you think the West's failure to act in Syria will affect the American people's relationship with the people of the Middle East in the future?”

Dempsey rejected the premise of the question out of hand. “The heady days of the Arab Spring are actually playing out about like anyone who studied history should expect them to play out,” he said. “When strong men are overthrown, historically, the first generation that takes their place struggles. And then oftentimes, the next generation that takes their place will overcompensate, and it's the third generation, generally, that gets it right. ‘Right’ in the sense of balancing the needs of the center with the needs of the people. So I think, you know—what are we, two years into the Arab Spring—and we're ready to declare it a failure? I think that's a little premature, frankly.”

Dempsey stressed that even defining American interests and what we hope to achieve in Syria, is “a tough question to answer.” He cited humanitarian concerns, issues related to chemical and heavy weapons as well as

the security of Syria's neighbors that the U.S. has a national interest in. "But in the middle of all that," he said, "is the fact that about six months ago we had a very, let's call it opaque understanding of the opposition, and now I would say, *it's even more opaque*" (emphasis added).

"So, six months ago the situation seemed to me to be very unclear," he went on. "The number of groups seemed to me to be very unclear. And today, that number—and that issue, seem to be even less clear in some ways. And so I think that the path, which is a path to build consensus among partners, a path to do collaborative estimates of the situation, to plan not only for what's happening today, but the potential for the day after, as it's commonly called. You know we're doing all that.

"But, I wouldn't compare, first of all, because historical comparisons generally fall apart pretty quick. I'm not sure that the comparison of this situation to Bosnia stands that test. And I think we should be doing everything we're doing—with all of the instruments of power. But the military application of power should be the very last instrument we employ. And we're doing planning, so that I can provide options.

"But again, I don't think at this point I can support, I can see a military option that would create an understandable outcome. And until I do, it will be my advice to proceed cautiously."

### Foreign-Policy Mandarin Gelb

Leslie Gelb, former president of the Council on Foreign Relations, a veteran news columnist, and a former official in both the State and Defense Departments, warned in an article posted on March 20 on the Daily Beast website, that the United States is about to make the same mistake in Syria, that it made in going to war in Iraq. "Only in America where our intellectual energies are fully consumed by reality TV and stranded cruise ships full of poop could we possibly be committing the very same mistakes regarding Syria that got us into war with Iraq a mere ten years ago," he wrote.

"We are putting ourselves under greater and greater pressure to take the first steps toward war in Syria. God love us, we feel properly guilty about upwards of 70,000 Syrians slaughtered and millions of refugees



Gen. Dempsey's Facebook page

*Chief of the Joint Chiefs of Staff Martin Dempsey speaking at CSIS in Washington, March 18, 2013.*

and displaced persons. But the devil lures us into believing that the only way to help these Syrians is for the United States to take those first little military interventionary steps that would soon lead to bigger and bigger ones. This is not anti-war blue smoke; it's precisely what we did in Vietnam, Iraq, Afghanistan, and Libya. It's the good, old American tradition in world affairs of leaping before we ask. The tough questions are just sitting ducks waiting for us—Congress, journalists, the media, and the administration itself—to ask. If we don't ask them, and if we don't answer them to some reasonable degree, it's likely we will find ourselves at war in Syria within a year."

Gelb noted the interventionists don't know "squat" about Syria, and quoted Dempsey, from his CSIS remarks, on how we have "a very opaque understanding of the opposition." So, who the heck would we be arming and bringing to power? "We have to ask ourselves whether a rebel victory in the next year or so would actually result in a victory for the jihadis," Gelb wrote. "And just imagine an Al Qaeda-like regime with access to chemical and other modern weapons ruling Syria."

Gelb concluded by saying that the way to a sensible strategy is by learning the lessons of all of our failed past interventions. He then quoted Dempsey again on his view that there is no military option that he can see. "Aren't those the words of wisdom after our Iraq experience?"

## A Voice for Those in the Pentagon

An indirect warning from the military came in the March 21 *Washington Post*, through the pen of veteran national security reporter Walter Pincus. Pincus is one of those journalists who knows the national security establishment so well that it looks to him to report its concerns. He used the occasion of the tenth anniversary of the Iraq invasion to ask the question: Have we learned anything?

“The fact is neither [Deputy Secretary of Defense Paul] Wolfowitz nor [President George W.] Bush nor other senior policymakers knew much about Iraq’s culture and domestic politics. The result was that they totally underestimated the task being undertaken, which meant the loss of 4,400 U.S. service personnel and 32,000 wounded,” Pincus wrote. “What many forget is that Iraq and Afghanistan also mark the first U.S. wars in which a president, first Bush and now President Obama, has not sought a war tax. The result: nearly \$2 trillion in war expenditures put on the nation’s credit card. Have those pushing for military action against Iran, North Korea or involvement in Syria mentioned asking taxpayers to support paying for such operations?”

Pincus noted that everything Bush and Wolfowitz said about how cheap and easy the Iraq adventure would be, was wrong, yet their arguments have been facilely transposed to the Iran and Syria situations, today. Pincus, as had Gelb, quoted Demsey’s remarks at CSIS on Syria. “That response is evidence of hard lessons learned,” he concluded.

## An Active-Duty General

A more direct warning from the military was delivered, again at the CSIS, by Maj. Gen. H.R. McMaster, on March 20, two days after Dempsey’s speech. McMaster has a well-earned reputation for speaking his mind, having already challenged the lies that led to the Vietnam War, in his 1997 book *Dereliction of Duty*, and for slamming that collection of incompetent concepts collectively known as the Revolution in Military Affairs (RMA). McMaster is now in command at Fort Benning, Georgia, where he is in charge of training the Army’s combat forces. In his remarks at CSIS, he blasted two cornerstones of current U.S. security policy. When asked, “What were the wrong lessons that we learned as a result of the last 12 years of war?” He sin-



USAF/Staff Sgt. Nestor Cruz  
Army Brig. Gen. H.R. McMaster speaking in Kabul on Dec. 11, 2011.

gled out the “raiding mentality,” and the notion that we will be able to outsource our wars, Obama’s “limited footprint,” or what’s officially called “building partnership capacity.”

What McMaster calls the “raiding mentality” is what Gen. Stanley McChrystal did in Iraq as a counterterrorism strategy, and then imported into Afghanistan when he took command there in 2009. McChrystal describes this in detail in his memoir, *My Part of the Task*. He was in command of the Joint Special Operations Command (JSOC) from 2003 to 2008, and spent most of those years running it from Balad, Iraq. In short, the way it worked was that the task force in Iraq used all available means of intelligence to identify a target—he spends several chapters on the hunt for, and the killing of Abu Musab al-Zarqawi, for example—then to raid that target to acquire more intelligence that would lead to more targets, and thus, more raids. In 2004, McChrystal’s task force in Iraq was running about ten raids a month. By June 2006, when Zarqawi was killed, that rate was up to ten raids per night.

McMaster described the raiding mentality as deriving from certain concepts of the RMA: that you attack the nodes to bring down the network. That was an “unrealistic conception,” McMaster said. “Raiding didn’t solve the problem in Iraq.” McChrystal has some sense of this, too. In his book, he writes that what the troops under his command understood was that even at the time of Zarqawi’s death, the very success of his cam-

paign in Iraq had made him, or any leader of al-Qaeda in Iraq, less relevant. “While he did not do so single-handedly, Zarqawi’s focused sectarian killings helped to inaugurate a system of violence that was, by the time he died, a self-propelling cycle. . . . We had killed Zarqawi too late,” McChrystal concludes. “He bequeathed [to] Iraq a sectarian paranoia and an incipient civil war.” Indeed, the problem was not solved, and still hasn’t been today.

“Building Partnership Capacity” is a cornerstone of the Obama Administration’s “light footprint” military engagement policy, and, indeed, is one of the *raisons d’être* for the U.S. Africa Command. McMaster described it as getting others to fight to serve our vital interests. This is problematic, he said, because it omits the fact that war is politics by other means. “What about the politics?” he asked. Those we get to fight for us, may have a view of their vital interests which is at odds with ours. Secondly, “Whose capacity are we building?”

In Iraq, we built the capacity of the Defense and Interior ministries, only for them to fall into the hands of Shi’a militias bent on sectarian slaughter of Sunnis (the militias, he said, were run by Iran’s Revolutionary Guards Corps). He gave the further examples of Mali and Afghanistan, where elements of the security forces were captured by criminal patronage networks whose activities tended to make the conflict worse. McMaster didn’t specifically address Syria, but his questions, “What about the politics?” and “Whose capacity are we building?” get right to the point that Dempsey was making about how little we actually know about the opposition in Syria.

## **A Crescendo of Opposition**

Even before Dempsey set the tone at CSIS, there was a crescendo in Washington against the direction of the Obama Administration’s foreign policies, especially with respect to Russia. Richard Burt, who served two Republican Presidents in the 1980s and 1990s, as the ambassador to Germany, and in other senior policy positions, slammed the current U.S. approach to relations with Russia, during the opening event of a new think tank, the Center on Global Interests, in Washington, D.C. on March 12.

Veteran journalist Martin Sieff, reporting for the Voice of Russia, recounts that Burt told the gathering of veteran diplomats and scholars that the U.S. practice of lecturing foreign countries, and Russia in par-

ticular, on human rights, is counterproductive. He also warned that the Magnitsky Bill, which penalizes Russian nationals for their alleged roles in the death of Russian lawyer Sergei Magnitsky, produced a “spiral of response and counter-response” that would prove extremely harmful for both the United States and Russia.

“I don’t think it’s very productive to publicly castigate foreign governments,” Burt said. “It just embarrasses and humiliates the other party, and it is counterproductive.” He advised, “A quiet strategy of working with foreign governments to reform, in my judgment, is far more effective than the public criticism that is so popular in Congress and in different parts of this town.”

Then on March 18, Jack Matlock, a former ambassador to the Soviet Union, attacked the planned U.S.-European missile-defense project, which has aroused great concern in Russia. “The project is driven by the military-industrial complex and by some ‘true believers,’” Matlock said. Speaking at a conference entitled “Russia as a Global Power: Contending Views from Russia,” sponsored by the Elliott School of International Affairs, in Washington, Matlock went on to talk about the SDI project of President Reagan (during which period of time he was the National Security Council person responsible for Russia). The Reagan proposal, he explained, was a collaborative proposal. “If Gorbachov ever said, ‘Let’s do it together,’ Reagan would have agreed.”

Under present conditions, he warned that, “if we do missile defense, we have to do it with Russia and China. We have to do it together. This is what we should be looking at. Competition in a globalizing world doesn’t make much sense.”

In reply to a question from *EIR*’s William Jones, Matlock elaborated on the SDI debate in the Reagan Administration, indicating some of the back and forth about the program and the connection to nuclear arms reductions. “It is absurd to believe the myth that the ‘SDI brought down the Soviet Union’ or that it was an attempt to create a new arms race,” Matlock said. “Reagan was willing to significantly reduce the nuclear arsenals, if he were able to proceed with the research on an SDI system. If it proved successful, he was willing to share it with the Russians. I asked Gorbachov in later years if there were any possibility that they missed finding common ground on the issue. Gorbachov indicated that he simply wanted to get rid of the program entirely.”

# Declare Saudi Arabia A Terrorism Sponsor!

by William F. Wertz, Jr.

March 25—Documentary evidence now exists that Saudi Arabia funded two terrorist attacks on the United States of America—9/11/2012 (Benghazi) and 9/11/2001. This evidence was presented in a memo, sent by former Clinton White House aide Sidney Blumenthal to former Secretary of State Hillary Clinton, on Feb. 16, 2013, which was hacked and distributed to the media. This memo reported that French intelligence, Algerian intelligence, and Libyan intelligence all have evidence that Benghazi 9/11/2012 was funded by “wealthy Sunni Islamists from Saudi Arabia.” In respect to 9/11/2001, the evidence was restated last week in a hearing before the 2nd Circuit Court of Appeals in Manhattan, on behalf of the families of the victims of the original 9/11, in a lawsuit brought against the Kingdom of Saudi Arabia for its role in that attack.

The question that cries out from the victims of these atrocities is: Why are we allied with Saudi Arabia, a satrap of the British Empire, in supporting al-Qaeda in Syria today, a support which is bringing us to the brink of World War III, when it is Saudi Arabia which is responsible for killing American citizens?

Why is it that both the George W. Bush and Barack Obama administrations have refused to declassify the 28-page chapter of the Joint Congressional Inquiry into 9/11 on the role of the Kingdom of Saudi Arabia? Why is it that no media in the United States have given coverage to the revelation in the Blumenthal memo to Hillary Clinton that the Saudis also funded the attack on the U.S. consulate in Benghazi, Libya? Why is it that supposedly patriotic Senators like John McCain and Lindsey Graham fail to mention Saudi Arabia when they demand that we get to the bottom of Benghazi?

Isn't it time that we end the coverup of the role of our so-called ally, the Kingdom of Saudi Arabia, and designate it as a state sponsor of terrorism?

## Saudi Funding of Benghazi

Russia Today has released the full text of four confidential memos on Benghazi sent from Blumenthal to Clinton. The memos had been hacked by someone with the alias “Guccifer” and sent to numerous media outlets.

The most explosive revelation is that, according to Algerian intelligence, the Benghazi 9/11 terrorist attack and the Jan. 25 In Amenas, Algeria, hostage-taking were carried out by al-Qaeda, and that, according to French intelligence, both attacks were funded by “wealthy Sunni Islamists from Saudi Arabia.” The memo further states that Libyan intelligence independently knew of the Saudi funding.

The memo of Feb. 16, 2013, reveals that following President Abdelaziz Bouteflika’s instructions, Algerian intelligence passed on information obtained from the interrogation of known and suspected supporters of Mokhtar Belmokhtar (MBM) in Algeria to Libyan government officials. However, the Algerian intelligence officials “informed Bouteflika’s senior advisors that they would not provide the Libyans with the most worrisome reports given to them by their liaison partners in the French DGSE [intelligence agency]. These Algerian officers also noted ironically that [Libyan intelligence chief] General Hassi and his staff did not realize that they had, for their part, provided the Algerian DGSE with intelligence that supported the French information.”

“Speaking on condition of absolute secrecy, this individual with sensitive access stated that the Algerians are keeping information received from the French DGSE confidential. According to the source, this information concerned the funding of the MBM operation and a possible link to the Ansar al-Sharia attack on the United States Consulate in Benghazi Libya on September 11, 2012, during which the U.S. Ambassador was killed. This individual adds that this information provided by the French service indicates that the funding from both attacks originated with wealthy Sunni Islamists in Saudi Arabia. During July and August 2012, these financiers provided funds to AQIM [al-Qaeda in the Islamic Maghreb] contacts in Southern Europe, who in turn passed the money onto AQIM operatives in Mauritania. These funds were eventually provided to Ansar al-Sharia and its allied militias in the Benghazi region in support of their attack on the U.S. consulate. The money was used to recruit operatives

and purchase ammunition and supplies. This person adds that the same tradecraft was used to provide money used by MBM to organize the In Amenas attack. In a separate conversation, the Algerian DGSE officers note in private, that Libyan intelligence officers tell them that the Benghazi attacks were funded by these financiers in Saudi Arabia. They did not tell the Libyans that they had similar reporting from France.”

What this means, is that both French and Libyan intelligence, independently of each other (unless the French informed both Algeria and Libya), have information that both Benghazi and In Amenas were funded by Saudi Arabia.

### Paydirt

Although the Drudge Report website provided a link to the Russia Today website which published the memos, neither Drudge nor any other news service in the U.S. or Europe, other than *EIR* and LaRouchePAC, have addressed the importance of this disclosure.

Since Feb. 16, 2013, when this memo was written, a number of important aspects concerning Benghazi have been revealed which confirm *EIR*'s and LPAC's published exposure of the role of the al-Qaeda-affiliated Libyan Islamic Fighting Group (LIFG) in the terrorist attack on Benghazi.

- On Feb. 18, Arabic media reported that an “Algerian security source” said his government had definite information that the former leader of the LIFG, Abdelhakim Belhadj, had prior knowledge of the attack on the gas production facilities in In Amenas, and Algerian Foreign Ministry spokesman Ammar Ballani declared that Belhadj was *persona non grata* in Algeria.

- On March 5, CNN reported that a phone call was intercepted from the site of the Benghazi attack from someone congratulating Belmokhtar. CNN reported that “Belmokhtar was in Libya for four months from December 2011 and that his visit was facilitated by the leader of a radical Islamist militia with influence in Benghazi and the East.”

- On March 15, the *Libya Herald* reported the arrest of Faraj al-Chalabi, a member of al-Qaeda and the LIFG, as a suspect in the 9/11/12 Benghazi attack.

It was the LIFG led by Belhadj that the U.S., U.K., Saudi Arabia, and Qatar allied with to topple Qaddafi in Libya, and are currently allied with to topple Assad in Syria.

### 9/11 Families Revive Saudi Case

At the same time that the hacked Blumenthal memo revealed Saudi funding of the Benghazi attack, on March 20, the 2nd Circuit U.S. Court of Appeals heard oral arguments from the law firm of Cozen O'Connor, representing the families of 9/11/2001 victims, and from the law firm Kellogg, Huber, Hansen, Todd, Evans & Figel, representing the Kingdom of Saudi Arabia, as to whether the lawsuit originally brought against Saudi Arabia for its support for al-Qaeda in the first 9/11 terrorist attack should be reinstated.

In 2005, U.S. District Judge Richard Casey in Manhattan dismissed the claims, finding Saudi Arabia immune under the Foreign Sovereign Immunities Act (FSIA) of 1976. The 2nd Circuit upheld the dismissal in 2008, and the Supreme Court denied a petition to take the case up in 2009. At that time, the Obama Administration had defended Saudi Arabia in an amicus brief, in which the Solicitor General stated that “the lower courts correctly concluded that Saudi Arabia and its officials are immune from suit for governmental acts outside the United States,” in short, arguing that since Saudi Arabia had not been designated a state sponsor of terrorism, it had sovereign immunity against prosecution.

However, in the meantime, a ruling was issued in November 2011, by a different 2nd Circuit Court of Appeals panel, that a similar suit (*Doe v. Bin Laden*) brought by Judicial Watch against the Taliban government of Afghanistan for its support of al-Qaeda's 9/11 attack, could proceed, thus contradicting the decision against Saudi Arabia in the same circuit. The 2nd Circuit acknowledged that its ruling was inconsistent with the same court's 2008 decision in connection with Saudi Arabia, and after circulating its opinion to other judges not on the panel (mini-*en banc* procedure), and receiving no objection, it overruled the earlier decision.

The decision in *Doe v. Bin Laden* is based on what is called the “noncommercial tort exception” of the FSIA, which stipulates that the case “(1) is noncommercial, (2) seeks money damages, (3) for personal injury or death, or damage to or loss of property, (4) that [it] occur[red] in the United States, and (5) that [it] was caused by the tortious act, (6) of [a defendant] foreign state or [its] employee . . . acting within the scope of his . . . employment.”

On Dec. 22, 2011, the plaintiffs suing Saudi Arabia filed a motion seeking to vacate the judgments favoring Saudi Arabia and the Saudi High Commission for Relief of Bosnia & Herzegovina (SHC), also named as a defendant.

On March 16, 2012, U.S. District Judge George Daniels denied the motion, giving rise to the appeal heard March 20. Daniels took over the case following Casey's death in 2007.

During the March 20 arguments, Circuit Judge Chester Straub asked, if the court were to agree that Judge Daniels abused his discretion in denying plaintiffs' request to vacate the judgments, whether the court could decide other issues in the case.

One aspect of the case "intrigues me," he said, specifically, "whether the entire tort occurred in the United States."

Cozen, the plaintiffs' lawyer, said that not only had the tort taken place in the U.S., as evidenced by the 2001 attacks themselves, but so did some of the conduct leading up to the attacks. In particular, he cited a Saudi intelligence officer who allegedly provided assistance to two 9/11 hijackers. "The whole tort did take place in the United States," he said.

The plaintiffs' appeal brief points out:

"In addition to the claims based on the conduct of the Kingdom's charity agents that was attributable to the Kingdom, plaintiffs alleged that several individual agents of the Saudi government directly provided support to the September 11th planners and hijackers. In particular, Omar Al Bayoumi, a Saudi intelligence officer, and Fahad Al Thumairy, a Saudi diplomat later stripped of his diplomatic visa and barred from the United States based on suspected ties to terrorism, allegedly provided direct assistance to two of the September 11th hijackers from within the United States. Plaintiffs also alleged that Muhammed Fakihi, the head of the Islamic Affairs Department of the Saudi Embassy in Berlin, provided material support to members of the Hamburg al-Qaeda cell that planned and coordinated the September 11th Attacks."

The appeal brief further argues that "given the allegations concerning the sponsorship provided by officials of the Saudi government to the September 11th plot participants, plaintiffs' pleadings allege a more direct role in the September 11th Attacks than those concerning Afghanistan in *Doe*."

In addition to Straub, the panel included Circuit

Judges José Cabranes and Ralph Winter. Cabranes was on both the 2008 panel that originally upheld the lawsuit's dismissal, and also on the panel that reinstated the Afghanistan case in 2011.

Cozen recently filed a new lawsuit in Pennsylvania, where hijacked Flight 93 crashed. He said he believes the new lawsuit stands a better chance in the Federal circuit court.

The lawsuit alleges that the Kingdom of Saudi Arabia made charitable donations to Muslim groups that were then funneled to al-Qaeda. The defendants include Prince Salman, the Governor of Riyadh, the Saudi Joint Relief Commission and other charities, and Saudi banks and bank executives.

## Implications

These two developments underscore the necessity of declassifying the 28-page chapter of the Joint Congressional Inquiry, that is devoted to the Saudi involvement in the original 9/11 attack. Clearly the key person of interest in both 9/11 attacks is Saudi Prince Bandar, who, as Ambassador to the U.S. in 2001, provided funds, through his wife Haifa (sister of Prince Turki, who was the head of Saudi intelligence at the time), to two of the 9/11 hijackers, and who, as the current head of Saudi Intelligence, would have been involved in the funding of 9/11/2012 in Benghazi.

Bandar has a long history of funding dirty covert operations, going back to the Contras in Nicaragua when the U.S. Congress cut off funding in the 1980s. As *EIR* and LPAC have also emphasized, Bandar has access to a slush fund from the BAE-Al Yamama deal. Today, it is widely known that Bandar is also funding al-Qaeda in Syria.

Those like Senators McCain and Graham who say they want to get to the bottom of the coverup of Benghazi, even as they are pushing for U.S. intervention in Syria in alliance with Saudi Arabia, the funders and facilitators of the murderers of our citizens, need to be asked: Will you support the declassification of the 28-page chapter of the Joint Congressional Inquiry on the Saudi role in 9/11? Will you demand an investigation of the French, Algerian, and Libyan evidence of Saudi funding of Benghazi? Will you demand that Saudi Arabia be declared a state sponsor of terrorism? If not, you are engaged in as big a coverup as you otherwise correctly accuse the Obama Administration of carrying out.

CYPRUS NEEDS A GLASS-STEAGALL SYSTEM

## Bankers' Grab of Cypriot Assets Won't Solve the Crisis

by Alexander Hartmann

March 23—One of the most dramatic weeks of the current historical period reached its peak on March 19, at a special meeting of the Cypriot Parliament. On the table was the decision of the Eurogroup on March 15 to levy a compulsory charge on all Cypriot bank accounts—6.7% for deposits up to EU100,000, and 9.9% for those higher, i.e., adding to the existing burden on taxpayers through bank bailouts and savage budget cuts, an out-and-out expropriation. The EU had promised Cyprus a cash injection of EU10 billion, but only if Cyprus itself, with around 900,000 inhabitants, provided a further EU5.8 billion out of the assets of the population; an additional EU7 to 7.5 billion was to be raised from privatization. The proposed compulsory levy was intended to raise Cyprus's share of the rescue package.

This planned de facto expropriation will hopefully finally open the eyes of many of still-lethargic citizens to the fact that the entire financial system—and not just the euro—is completely bankrupt, and we now have to pull the rip cord.

The remark by Finance Minister Wolfgang Schäuble about the accessing of private bank accounts, in which he said that Cyprus would eventually have to come up with the required sums, speaks volumes. Obviously, they EU wants to get the money from those who were believed unable or unwilling to fight.

Helga Zepp-LaRouche commented on these developments on March 20, in an interview (in English) on the website of the Civil Rights Solidarity Movement in Germany (BüSo, <http://bueso.de/node/6375>): “I think that the decision by the EU authorities and the European finance ministers to impose this payment for the Cyprus population, deposits up to the level of EU100,000, has crossed the Rubicon. Mrs. Merkel had promised at one point that people who have deposits up to EU100,000 would have state guarantees for their savings. Now, this is a complete breach of that promise.”

The Cypriot population responded with angry protests against the raid. When it came to a vote in Parliament on the bank bailout package on March 19, *not one* of the 56 members dared to vote for the package and the funds transfer.

Thus the EU plan was initially rejected. But the trans-Atlantic financial system has become so bankrupt that even a collapse of the Cypriot banks could cause the system to collapse, and therefore the EU leadership cannot give up; this would mean the end of their system, on which they have wagered everything. Therefore, further possibilities were suggested: For example, assets of the Orthodox Church, the national pension funds, and the gold reserves could be placed in a fund that would prop up the banks. Instead of being threat-

ened with the loss of their savings, the Cypriots are threatened with the loss of their pensions. Another measure that has been proposed is a tax of up to 25%, but only on assets above EU100,000.

### **Risk of a Run on the Banks**

Meanwhile, the rumor is going around that very large sums of money have already been taken out of the country, because insiders were warned in advance of the compulsory levy. So far this year, an estimated EU20 billion have flowed out of Cyprus. Long lines formed at the ATMs of Cypriot banks, as people tried to rescue at least part of their savings.

Zepp-LaRouche: “I think the reactions in Cyprus show that a run on the banks is imminent. . . . The banks are closed until Thursday, and who knows what will happen until that time, because the trust is no longer there. Now this can spread to Spain, or to Italy. In Italy you don’t have a government; Spain could soon request another bailout. The minimum that will happen is a massive capital flight out of the euro, into the dollar and other currencies . . . and this could trigger a collapse of the system.”

She continued: “There are basically two possibilities for a collapse of the system. One is a hyperinflationary blowout, which is already underway; and the other is a run on the banks. In some ways it’s hard to even understand how these finance ministers could do what they did, because the biggest Achilles’ heel of the financial system is a run on a bank—and this was almost like an invitation to such a run. There may at some level be people who wanted to initiate such a thing, but for sure at the level of the finance ministers, they clearly committed a complete blunder. And if it comes to a run on the banks, then that’s the end of the system.”

She warned strongly against the consequences of such a collapse: “The biggest danger then would be social chaos of unbelievable dimensions. I think one can get a pretaste of what could happen from what did happen in Albania in 1997, when these financial pyramid schemes collapsed, and the Army and also the police looted the supermarkets, but also the weapons depots, and it took the Italian Carabinieri to come in after some weeks to reinstall law and order. But this is really a very dangerous development.”

How close Cyprus already is to just such a situation may be seen in a report by Reuters on March 22, that

retailers in Cyprus are having difficulty stocking their stores, because they have to pay for goods in cash. The report quotes the president of the Association of Cypriot Supermarkets, Adamos Hadijadamou, saying: “The stocks on hand will last for two or three days. We will have a problem if this is not resolved by next week.”

### **Iceland Leads the Way**

The bad news for EU leaders comes not only from Cyprus, but also from the opposite end of Europe: from Iceland. On the same day that the Cypriot Parliament refused to dispossess the small depositors, the Economics Committee of the Icelandic Parliament voted unanimously for a motion that seeks to introduce in Iceland a two-tier banking system modeled after the U.S. Glass-Steagall Act of the Franklin Roosevelt era. The motion asks the government to set up a commission to examine whether and how the commercial banks can be separated from the investment banks.

Already there are those who recommend that Cyprus follow Iceland’s example in dealing with the banking crisis: The population there has twice refused, in referenda, to cover the losses of foreign speculators. Now the country wants to take the next step and dispose of the entire financial toxic waste in order to protect the population—the exact opposite of what could happen in Cyprus, where they are stealing from the population in order to sustain the bubble.

Zepp-LaRouche commented that the vote of the Icelandic Economic Committee was the good news of the day. The important thing is that it refers to “the real Roosevelt Glass-Steagall” and not to “any of the diluted versions by Liikanen, ‘ring-fencing,’ the Vickers Commission, the Volcker Rule, or whatever they are called. . . . The only way you can avoid a complete collapse into a dark age, is by protecting the commercial banks, putting them under state control, and forcing the investment banks to bring their books in order without taxpayers’ money. This means that probably most of these banks will be in a situation of insolvency, and then you will have to write off billions in toxic waste. But this money is only virtual anyway, so nobody really loses anything, because it does not exist.”

There will then be a huge liquidity squeeze, however, and therefore one must link the introduction of the Glass-Steagall separation of the banking system with a package of other measures: “We need to have a credit system, we have to go to a Hamiltonian national

bank—we know of such a thing in Germany from the period of reconstruction after the war, when the Kreditanstalt für Wiederaufbau, on the basis of Roosevelt’s Reconstruction Finance Corporation, gave state credit for reconstruction. That must be done in every country. And then we need, in Europe especially, a return to national, sovereign control over a nation’s own currency, which means a return to a new D-mark, a new franc, a new lira or whatever you want to call it. But you have to have a return to the national control over monetary policy.”

For this purpose, we must cancel the EU treaties from Maastricht to Lisbon. “We have to then go for an alliance of sovereign nations that are working toward common goals, such as the reconstruction of Southern Europe, for which we have submitted a program, so that it could really be done starting tomorrow. We need comprehensive solutions, otherwise it can all go totally wrong.”

### Crisis Increases the Danger of War

The Cyprus crisis is also an example of how the crisis intensifies the tensions between the West,

and Russia and China: Although it is well known that a great deal of Russian money is deposited in the Cypriot banks, no one thought it necessary to inform the Russian government about the intended action.

Zepp-LaRouche: “This is a scandal in itself, and Putin and Vladimir Yakunin [the head of the Russian Railways] reacted very angrily, because [European Central Bank president] Mario Draghi happened to be in Moscow last week and didn’t tell them anything about the planned measures. This is obviously one more reflection of the arrogance of these people, that they think they can treat countries like Russia in this way—and this collapse of the trans-Atlantic system is heightening the war danger.

“As we have elaborated elsewhere, the war danger emanates from the idea of empire, that the idea of going for an Anglo-American-dominated empire when the Soviet Union collapsed, and have regime change against any country that stands in the way. That’s the same drive as the globalization of the financial system, and both of these things are now coming to a head.”

Therefore, instead of the current doctrine of geopolitical conflict resolution through war and regime change, we must introduce the idea of the common aims of mankind. An example of a common concern is shown by the concurrence of the asteroid flyby and the meteor shower over the Urals on Feb. 15. “This is a real danger, and we should now concentrate on these kinds of things, which might wipe out civilization altogether.”

### Healthy Panic

At the end of her interview, Zepp-LaRouche stressed: “I think it’s better if people feel panic and help us to put through the solution—that’s a healthy kind of panic—instead of waiting until the disaster has occurred, and then it is too late. As a matter of fact, I think people *should* panic, because they have to wake up to the fact that this system is bankrupt, and we need to replace it before the chaos sets in. It is better now to feel a certain degree of intellectual panic and to help us to force the parliaments of Europe to follow the heroic example of Iceland.”

*Translated from German by Daniel Platt*

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—Lyndon LaRouche, Feb. 11, 2013

# Iceland Steps Closer To Bank Separation

by Michelle Rasmussen

March 25 (Copenhagen)—The battle for Glass-Steagall banking separation is in full swing in Iceland, the first European country whose banking system collapsed in 2008, under the weight of the financial bubble blown up by the small nation's financial sector, but also the first country to start to recover, by going its own way. On March 18, one evening before the Cyprus Parliament voted “No” to robbing the bank accounts of its citizens, the Economics and Trade Committee of the Icelandic parliament (Althingi) unanimously voted to pass Motion 228, to separate commercial and investment banking, thereby increasing the international momentum toward Glass-Steagall bank separation.

Under pressure from opponents, the motion was somewhat weakened before the vote. However, the sponsor of the motion, Álfheidur Ingadóttir (Left-Green Party, former Deputy Speaker of the Althingi), told *EIR*, “I am optimistic. There was an amendment to my motion, but it is still positive. We are now more than one step ahead, but not all the way to bank separation.” If passed by the full Althingi, the motion would require a committee to be set up by the Minister of Industry and Innovation to investigate bank separation. The amendment to the motion means that “instead of the Althingi voting ‘yes’ or ‘no,’ ‘Let’s have another look at bank separation,’” having considered what is happening in other countries, Álfheidur said.

The motion, as passed, reads:

“Parliament resolves to entrust the Minister of Industry and Innovation with the task of appointing a committee to investigate whether, and by what means, a separation of commercial and investment banking shall be conducted, in order to minimize the risk of the banking system to the economy of the nation. The committee should examine the policies of neighboring countries in this regard, and submit its recommendations before October 1, 2013,” shortly after the Fall session begins.

In the original version, the committee was delegated “to revise the framework of banking services in Iceland

in order to minimize—through the separation of commercial and investment banks—the risk of disruptions within the banking sector for the national economy.”

In the statement accompanying the motion, the committee referred to the fact that the U.S. had once had legislation that limited the power of financial institutions to take risky positions, and that there can be no delay now in deciding how to minimize the risk posed by banking operations to the economy and taxpayers.

## What’s Next

As of this writing, the motion is on the agenda before the full parliament, which is working “overtime” to finish business before they break to prepare for the parliamentary election on April 27. Álfheidur is hopeful that the motion will be passed, as there is overwhelming support for it. The motion has co-sponsors from all parties but one,<sup>1</sup> plus all of the independents. She also expects her party to make bank separation an election issue.

If the parliament were to pass the motion, it would shift the battleground to the Ministry for Industry and Innovation, led by Minister Steingrímur J. Sigfússon, former chairman of the Left-Green party, who in an interview to *EIR* (Nov. 11, 2011) stated that he was following the Glass-Steagall debate very closely. But, he may not be the selected Minister after the elections.

Written opinions against bank separation were received by the committee from the Icelandic Central Bank, several private banks, and others. The Schiller Institute in Denmark and Sweden sent all committee members a statement urging them to pass the motion, letting them know that the world was watching their actions. It included The Global Support for Glass-Steagall legislative fact sheet and a section from an article by Helga Zepp-LaRouche (*EIR*, Feb. 22, 2013) dispelling three lies against Glass-Steagall. The packet was posted on the parliament’s homepage ([althingi.is](http://althingi.is)) as an official opinion in favor of the motion.

Iceland has been a thorn in the side of the financial oligarchy since 2008, when Great Britain even tried to use its 2001 Anti-Terrorism Law to freeze Icelandic assets. But the Icelandic banks were not “too big to fail,” and now, a step toward full bank separation has been taken.

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1. The Independence Party had its own bank separation proposal and supported the motion of the Committee.

# Top Russians Demand: Reverse Free Trade

by Rachel Douglas

The inaugural Moscow Economic Forum (MEF), held March 20-21, was the scene of dramatic statements by leading Russian figures on the need for a complete change of economic policy. It took place as shockwaves spread through Russian financial and economic policy circles, from the EU's attempted docking of deposits in the banks of Cyprus, where Russian firms hold billions of euros and dollars.

Vladimir Yakunin, president of Russian Railways, declared at the MEF: "This is the end of neo-liberalism, if Europe is going to solve the European Union's problems at the expense of bank deposits and using resources of Russian companies and Russian citizens."

Academician Sergei Glazyev, an advisor to President Vladimir Putin, told the meeting that all Russia

must now get behind the "de-offshorization" of the country's economy, which Putin called for, starting last December. "Cyprus is the first offshore to go; the rest will follow," Glazyev said on a state TV interview during the MEF. (On other TV channels, even liberal Deputy Prime Minister Igor Shuvalov was broadcast calling for Russian firms to now bring their money back "onshore" into Russian banks.)

Glazyev said that Cyprus would have been better off asking for a loan from the Eurasian Economic Community.

The MEF, co-sponsored by Moscow State University, and nominally chaired by Ruslan Grinberg, director of the Academy of Sciences Institute of Economics, is an initiative of Konstantin Babkin, leader of an association of agriculture-related industries. A fierce opponent of Russia's having joined the WTO, Babkin also leads a small political party, the Party of Deeds (Partiya Dela). He announced the MEF as an alternative to the annual St. Petersburg World Economic Forum and the Valdai Discussion Club, which have become dominated by global financiers and their hangers-on. Thus, while some liberal government ministers like Arkadi Dvorkovich showed up at the MEF, it featured many pro-industry voices. Academician Alexander Nekipelov, who heads an Academy of Sciences committee to draft policy alternatives for Putin, called on the MEF participants to "reject dogmas."

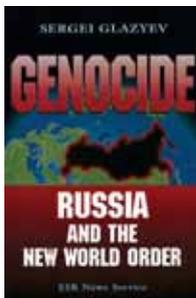
Maxim Kalashnikov of the Izborsk Club chaired a round table on the club's recently published "Mobilization Project—Major Breakthrough Strategy" economic program. The Izborsk paper contains a major section on replacing the "currency board" system, under which the Russian Central Bank has drastically restricted the money supply and credit availability in the country, with a state-run investment and credit policy, under which the Central Bank would "organize money circulation and emission to ensure favorable conditions for economic development," achieving "a substantial increase in the level of monetization, an expansion of credit and banking system capacity for the benefit of engineering, manufacturing, and infrastructure, most of all.

To avoid a repeat of the 2008-09 crisis bailouts, during which Russian banks "invested" their bailout money in currency speculation, the Izborsk Club report says that "Russia ought to introduce legislation similar to the Glass-Steagall law, adopted in the USA in 1933, in the heat of the Great Depression, restricting the banks' opportunities for speculation."

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## Editorial

### *Glass-Steagall, or Die*

On March 26, Lyndon LaRouche declared that the U.S. Congress must immediately pass Glass-Steagall, or face the consequences of a disintegration of the entire trans-Atlantic system. There is no alternative to a return to the original Glass-Steagall principle, he said, and the U.S. Senate must immediately introduce legislation identical to H.R. 129, the Kaptur-Jones House bill, to restore the full Glass-Steagall separation of commercial banks from the gambling operations of today's Wall Street mega-banks. H.R. 129 now has 47 co-sponsors.

"This country has no chance of survival without an immediate return to Glass-Steagall, and if the United States goes down, the rest of the world, starting in Europe and the rest of the Americas, is doomed," LaRouche warned. "The U.S. is already hopelessly bankrupt. As long as we continue with the hyperinflationary bailout policies of Obama and Bernanke, you are as good as dead. The choice is between killing the gambling debts or killing American citizens, as the citizens of Cyprus, Greece, Spain, Portugal, and Ireland are already being killed by willful and genocidal austerity."

LaRouche's point has been dramatically vindicated, not only by the ongoing genocide against the populations of Southern Europe—particularly Greece, Spain, and Portugal—by the European Union's "recovery" program, but recently, by the attempt at outright theft of citizens' bank accounts in Cyprus. While the thievery against depositors with under EU100,000 in savings was rescinded in the final deal, the *policy* that the supranational EU could come in and snatch the funds of the citizens of sovereign nations, to save the predator banks, was stated loud and clear.

On March 25, the President of the so-called Eurogroup, Netherlands Finance Minister Jeroen Dijsselbloem, gave an interview to Reuters, headlined "Cyprus, a Template for the EU." in which he said, "What we've done last night is what I call pushing back the risks. If there is a risk in a bank, our first question should be 'Okay, what are you in the bank going to do about that? What can you do to recapitalize yourself?' If the bank can't do it, then we'll talk to the shareholders and the bondholders, we'll ask them to contribute in recapitalizing the bank—and *if necessary the uninsured deposit holders*" (emphasis added).

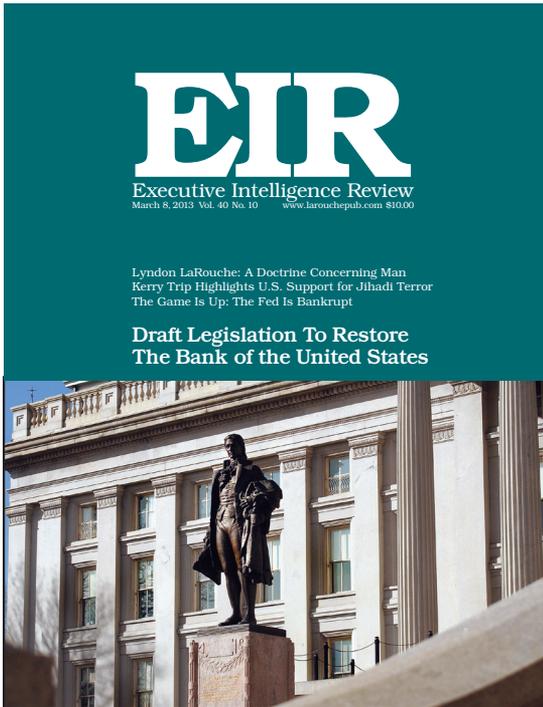
In other words, under the current system, governments reserve the right to steal. Could there be any better reason to put them out of the stealing business with Glass-Steagall?

LaRouche explained that we are dealing with a British imperial policy, transmitted through the City of London and Wall Street, that is based on a radical program of rapid population reduction. "This is the policy of the British Crown, of the Queen. The goal is genocide. This is the conscious intention behind the murderous austerity measures being imposed on Europe and the United States. It is literally genocide. And the only cure is Glass-Steagall now. We need a mobilization of patriots for Glass-Steagall, here in the United States, in Europe, and around the world."

But LaRouche focused his attention on the United States. "The immediate passage of Glass-Steagall in the United States cracks the whole thing. It is vitally important that we take this action *before* the entire system reaches the point of breakdown. We need to pass Glass-Steagall now—through both Houses of Congress, with no ifs, ands, or buts."

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