

A Wounded Imperial War Party May React With New Wars

by Paul Gallagher

Increasing threats of war on the Korean Peninsula, or strikes against Iran, show that the imperial “perpetual war” faction led by U.S. Vice President Dick Cheney and the circles around British Prime Minister Tony Blair and Israeli Prime Minister Ariel Sharon, is losing its control in Washington, but is not yet decisively defeated. This faction used the 9/11 “Reichstag Fire” and subsequent wars to seize control of the Bush White House in late 2001, and implement “preventive war” plans it had nursed for a decade. Now, it will try to reconsolidate that control by launching new wars and “new 9/11s”—including economic emergencies—unless its damaged and discredited leaders are gotten out of government fast. As the embattled Blair used his July 17 speech to the U.S. Congress to try to relaunch “the spirit of 9/11,” the Cheney gang may resort to more direct martial measures in the near term, to try to drive at least the American people back into their camp.

On July 17 U.S. Presidential pre-candidate Lyndon LaRouche, assessing the advance of his mobilization to get Cheney impeached or bring him to resign, identified three major threats emanating from the wounded imperial war party. The threats mean that Cheney’s removal must get

done, and very quickly. First is the danger of a “financial/economic 9/11”: a panic inflicted on already sinking G-8 economies by the most-likely expedient of an “interest-rate trap”—a sudden reversal of Fed Chairman Alan Greenspan’s interest-rate policy and a sharp hike in interest rates causing a deflationary collapse.

A secretive June 27 meeting in Siena, Italy involving top



The imperial war party in Washington and London is discredited and could be disabled by success of the drive for Vice President Cheney’s impeachment or resignation. But the neo-conservative faction may make desperate moves to create “new 9/11s,” both through new war plans from Donald Rumsfeld’s Pentagon, and through Fed Chairman Alan Greenspan’s failed policy being used to create a deflationary economic emergency.

international Synarchist bankers such as Paul Volcker and their economic guru Robert Mundell, resulted in a public call in the June 30 *Wall Street Journal* for imposition of a world single currency and single world central bank in just such a deflationary “emergency.” This is exactly how the Bank for International Settlements (BIS) was created out of the 1931-32 crisis of German debt markets in particular. The methods of BIS leading Synarchist bankers Montagu Norman, Hjalmar Schacht, and others at that time, in bringing Adolf Hitler to power, should dispell any illusions that such a “financial Reichstag Fire” is out of the question now, for the likes of Cheney’s gang and Greenspan. Nor does this danger imply that Greenspan, in particular, is in control of the monetary moves he is “directing.” In fact, the sudden reversal of interest rates has already begun, *despite* Greenspan’s latest lowering. The Federal Reserve’s June 22 cut of one-quarter percent saw long-term rates in the bond markets reverse field and go up sharply, by three-quarters of one percent by July 17, with potentially immediate and drastic implications for the U.S. real estate/mortgage refinancing bubble, and the ballooning U.S. Federal deficit.

Iran, Korea War Threats

The second “strike back” danger from the Cheney neo-conservatives identified by candidate LaRouche, is the immediate danger that the Iraq war—now officially pronounced by U.S. commander Gen. John Abizaid to have become a

classic guerrilla war—may spread to an Iran war. The Iran Liberation Act folly of Sen. Sam Brownback (R-Kan.), rammed through the U.S. Senate in late June and modelled on the 1998 Iraq Liberation Act, has set the stage for Cheney’s and Defense Secretary Rumsfeld’s planners. In addition, other neo-conservative wing-men like Michael Ledeen and Richard Perle are whipping up the Sharon government’s most right-wing extremists, such as fascist minister Effi Eitam, who are furious against President Bush’s Road Map peace strategy. An Israeli aircraft and missile strike on the Iranian nuclear reactor at Bushehr, or other Iranian facilities, is possible.

LaRouche has warned that the Sharon government, which has brought Israel into both military and economic disasters which it may not survive, is a “hand-grenade” controlled by Synarchist fascist circles represented by Cheney. They would not hesitate to detonate it to stop the Road Map, and to prevent the loss of their own control over the Bush Administration.

Thirdly, unless Cheney and company are gotten out, the world could be facing a showdown, potentially a nuclear showdown, in Northeast Asia before the first Winter snowfall. An American “mini-nuke” confrontation with North Korea, triggered by provocations from Washington—as the neo-conservatives have willfully provoked paranoid Pyongyang toward threats of war since 2001—could blow away all South Korea’s and other nations’ economic cooperation efforts to avoid war.

Cheneyite Envoy Provokes Moscow

In remarks to the press July 11, U.S. Ambassador to Russia Alexander Vershbow provocatively asserted, that Washington does not consider the Russian Embassy in Iraq a “diplomatic mission,” and “cannot accept responsibility for the security of its staff.” The Russian Foreign Ministry responded with a sharply worded communiqué, noting that “since the present occupation of Iraq has no bearing on the existence of Iraq as a state, Iraq’s diplomatic relationship with Russia continues.” In particular “Russian diplomats in Iraq retain their diplomatic status.” The Russian Foreign Ministry statement adds that the U.S. government, as the occupying power in Iraq, is obliged to honor “Russia’s repeated requests” to “ensure the normal and secure functioning of the Russian Embassy in Baghdad—especially since our countries had agreed at the highest level [presumably a reference to consultations between Putin and Bush] to cooperate closely on the post-conflict situation in Iraq.”

Commenting on the background of this affair, the Rus-

sian daily *Izvestia* let loose the following bombshell story, referring to an unnamed source in the Russian Foreign Ministry: “When American forces seized Baghdad, a flood of [Iraqi] ‘rioters’ quickly looted representative buildings of the two states that had most actively opposed the U.S. military operation—the Embassy of Germany and the French cultural center. According to *Izvestia*’s information, the next in line was to be the Russian Embassy. During two days, Moscow and Washington engaged in tense negotiations, both on the official and on the intelligence service level [and finally] reached an agreement. The ‘rioters’ limited their pogroms to the French and Germans, and stayed away from the Russian Embassy. It appeared that the problem had been solved, and there would be no further questions concerning the security of our Embassy. But then, suddenly, the unexpected declaration by the U.S. Ambassador, and the sharp response from the Russian Foreign Ministry. A diplomatic scandal.”

Interestingly, *Izvestia* accompanied this story with an article broadly covering former Ambassador Joseph Wilson and the Niger yellowcake story in the United States, “Falsified Information Against Saddam May Trigger ‘Uran-gate.’ ”

"The neo-cons may try to change the subject from Iraq to North Korea," a Seoul diplomatic source warned *EIR* July 16, responding to the latest exposures, triggered by LaRouche's campaign, of Cheney's "Iraq weapons of mass destruction" fraud. LaRouche singles out Pentagon "disarmament" chief John Bolton for his obsession with provoking Pyongyang into regime change by war. The South Korean diplomat commented, "Since their Iraq adventure has gone bad, Mr. Rumsfeld, Mr. Cheney, Wolfowitz and their group have again become suddenly aggressive against North Korea. No one in the Bush Administration is interested in negotiation, and everyone has stepped up demands for unilateral D.P.R.K. disarmament. . . . The U.S. forces in Korea announced a new multi-billion military restructuring and major new exercises this week. There is giant U.S. diplomatic pressure on Japan, Australia, and other countries to enforce what amounts to a blockade against North Korea, including sanctions, and to interdict D.P.R.K. ships on the high seas, which Pyongyang has already called an act of war. . . . The Pentagon has released a new war plan against North Korea calling for a new level of harassment, deliberate provocations, and misinformation. Their aim is to bring down the regime," he said.

The South Korean diplomat's reference was to the Rumsfeld Pentagon's extremely provocative new Operations Plan 5030 against North Korea, whose existence was leaked in the issue of *U.S. News and World Report* dated July 21. *U.S. News'* sources called it a strategy to topple Kim Jong-il by destabilizing his armed forces, through highly provocative U.S. military exercises and surveillance. Referring to former U.S. Defense Secretary and special Korea envoy William Perry's public July 13 warning, that war is looming with Korea, the diplomat said, "The neo-cons insist on just forcing regime change, with no intention to negotiate. I don't know if Secretary Perry is correct that it is coming from Bush personally, but it is certainly coming at least from the neo-cons."

"Military Conflict Looms on Peninsula" was the headline of the *Korea Times'* lead editorial July 14. "It looks like North Korea's nuclear standoff with the United States is heading for a physical clash. . . . It is feared that the U.S. would take the sternest action against the North, namely a pre-emptive military strike, which will inevitably plunge the peninsula into another war."

The London *Independent* also warned in an op-ed on July 17 that the U.S. neo-conservatives may soon ignite very dangerous crises with Iran, North Korea, or both. The *Independent* headlined its piece, "A High-Risk Game of Nuclear Poker." But in fact, it is worse. Those who are hoping that Washington and Pyongyang maybe be playing "one last chicken game," may not have taken into account the full insanity of Cheney and the Straussian fascists in Washington and London, now that they have been pushed against the wall politically by exposures of their lying about both war and economic depression.