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This Week You Need To Know

EDITORIAL

Time Is Running Out for the U.S.A.

by Lyndon H. LaRouche, Jr.

June 22, 2006

The seemingly incredible anarchy and reckless disregard for reality within the Democratic Party's Senate contingent, will cause knowledgeable U.S. citizens, and foreign observers, to wonder if the U.S.A. will still be a functioning nation at the close of this calendar year. Since mid-February of this year, there is very little within the Democratic caucus in the Senate which resembles the lovely quality of leadership which that same caucus showed on—many, but not all—crucial issues of the time, during 2005.

At the center of this breakdown-crisis in the Democratic Party's national leadership, is the complicity of many leading members in accepting the pressure of the Synarchist International's Felix Rohatyn et al. Since mid-February of this year, many among those members have evaded, stubbornly, repeatedly, my warnings, now fully confirmed, that negligence in the matter of immediate rescue of the machine-tool-design capacity lodged within our auto industry, would create an existential threat to the continued existence of the U.S.A. as a first-rank nation of the world. Now, with recent developments within the auto industry itself, the global monetary-financial system has been careening, obviously into an onrushing, global breakdown crisis of the world economy.

Obviously, as any qualified sociologist would assess the patterns of behavior in the Senate itself, the problem with the Senate is a reflection, at least in very large part, of some very rotten backroom deals. To the Classical historian, the vividly visible deals in view have the smell of the Sophistry of Pericles' Athens, when it elected to perpetrate that genocide against its ally, the island of Melos, which turned out to be the beginning of that self-destruction of Classical Greece called the Peloponnesian War.

A leading, crucial part in this has been the continuing refusal of leading elements of the Senate to resist what Felix Rohatyn and his Synarchist international cronies have plainly stated, repeatedly, as their intention to destroy the sovereignty of our republic. A destruction of our republic, which the Rohatyn representing the Nazi legacy of World War II veteran Lazard Frères and Lazard's Bilderberger-style cronies, promotes to the declared advantage of a medieval-like system of so-called "globalized" empire, is like that which collapsed into Europe's Fourteenth-Century New Dark Age: a folly worse than treason against the very existence of our republic.

From many leading quarters of our present political establishment, the reply to me often seems to be: "You may be right in what you say, but, for that very reason, I am jumping ship now!" It is as if the members of an army which sees itself as already defeated, simply ran in an act of random mass-desertion, leaving no leader behind to negotiate the terms of

surrender. The high-ranking leaders, the political generals, regimental commanders, and the like, have, mostly, deserted the field of battle, leaving their abandoned legions to deal, anarchically, with the thus-created chaos as they might.

So, we have the disgusting spectacle in the circles of the Democratic Leadership Council and its fellow-travellers.

The recent meeting of the Shanghai Cooperation Council is to be viewed against that historical backdrop. The majority of the human race, as now represented by that Council and its friends represented at that meeting, has written off the continued existence of the U.S.A. as a lost cause. They are convinced by the behavior of the President and the majority of the elected opposition in the U.S. government, that the U.S.A. will not, and therefore can not save itself from self-inflicted destruction. The other nations, the intended survivors of this hecatomb, are trying to stay out of the way of the onrushing general breakdown crisis, while making plans for a new future for the surviving majority of mankind. The assumption that Eurasia, for example, might outlive the presently accelerating, physical collapse of the U.S. economy, is a poorly founded assumption. If the United States goes down, as the present U.S. leadership seems dead set on doing, it is doubtful that the rest of the planet would escape an ensuing, planetary new dark age.

To whose advantage are we being, thus, so awfully betrayed? We are betrayed by those, such as Rohatyn's Synarchist financier cronies, who hate the United States, and especially its Constitutional tradition so much, that they would rather destroy the planet than live on a planet governed by the tradition of 1776. There is a realm, like that of Adolf Hitler, so evil that it lies in a domain far, far beyond mere treason. That is where the international cronies of Rohatyn and the Synarchists' Bilderberger cronies of radical Anglo-Dutch Liberalism lie today.

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LaRouche Editorial:

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Feature:

WHO IS BANKRUPTING AMERICA?

Felix Rohatyn's 'al-Qaeda' Destroyed American Industry

by **EIR Staff**

What international investment bank has consulted in the disappearance of every formerly major American steel company? Felix Rohatyn's Lazard Frères. What investment bank set up the infamous United Airlines employee ownership plan of 1994—which lost each employee's every dollar of stock—and has 'consulted,' altogether, seven major airlines into bankruptcy and/or liquidation? Lazard Frères.

- **Bankruptcy Code Revamped To Wreck Industry, Labor**

Reorganization of a distressed company under Chapter 11 of the U.S. Bankruptcy Code—once an instrument for the protection of the General Welfare—has become perverted in recent years into a tool by which 'vulture capitalists' and foreign financiers such as Felix Rohatyn's Lazard Frères, can take over industrial firms, dump their pensions and health-care programs, tear up union contracts, and then sell off the assets at a handsome profit.

Looking Behind The Venetian Curtain

by **John Hoefle**

In the world of international finance, there are those who steer events, and those who react to events. While the latter are often better known, greater in number, and seemingly more powerful, true power rests with the former. At the center of the global financial system, squatting like a spider at the center of its web, are the ultramontane imperialists, the Venetian financier oligarchy and its Norman chivalric partners.

Rohatyn's Fascist Roots Are Showing

by **Jeffrey Steinberg and Pierre Beaudry**

During and immediately following the Second World War, U.S. intelligence agencies, including Military Intelligence, the State Department, and the Office of Strategic Services (OSS), developed exhaustive files on the Synarchist International, the international financier and industrial cartel behind the Fascist and Nazi Axis.

LaRouche's Warnings on Auto Crisis, Rohatyn

Although Lyndon LaRouche has repeatedly warned Congress to take emergency action to save the auto sector, as a crucial component of U.S. strategic machine-tool capability, no significant action has been taken. Here are some of LaRouche's key statements...

Economics:

Call for New Bretton Woods Now Published in Tehran

The publication of Dr. Abbas Bakhtiar's analysis of the U.S. financial crisis, and call for a New Bretton Woods, which we reprint below, from the English-language Tehran Times of June 19, reflects an accelerating debate and discussion within the Eurasian land-bloc about alternatives to the current bankrupt U.S. dollar-based financial system. Dr. Bakhtiar's article was first published in www.pravda.ru, and has appeared on a number of other websites as well.

Technological Optimism Returns to Russia

by **Jonathan Tennenbaum**

During a visit to Moscow May 13-20, the author had the opportunity to see one of a remarkable series of films made for Russian national television by the young producer Ivan Sidelnikov, which take a fresh and upbeat look at Russia's past and future position in the world.

Conference Report

LaRouche Youth Movement Organizes Continentwide for Nuclear Power

by **Liza Nino (LYM) and Valerie Rush**

The First International Forum on Nuclear Energy, keyed by videoconference by U.S. statesman and economist Lyndon LaRouche, and held on June 15 simultaneously in Mexico City and Buenos Aires, was the opening salvo in an escalating campaign by the LaRouche movement and friends across the Americas to bring about the urgently needed industrialization of the continent, spearheaded by nuclear power.

Dialogue With LaRouche

Leaders Must Tell People What To Do

Here are questions posed to Lyndon LaRouche, along with his answers, after his June 15, 2006 videoconference on 'The Role of Oil in the Transition to Nuclear Energy,' organized by the LaRouche Youth Movement and EIR, with audiences in Mexico and Argentina. The session was moderated by Mexican LYM leader Ingrid Torres.

How U.S.Machine-Tool Sector Was Destroyed

Here are excerpts from a presentation by EIR economics editor Paul Gallagher to the the second panel of the June 15, 2006 Mexico-Argentina video conference on nuclear energy, exposing the shocking destruction of the U.S. machine-tool sector.

Commentary

Africa Needs DDT: World Bank at Fault

by Fiona Kobusingye-Boynes

It is an unspeakable tragedy. Malaria infects 400 million Africans every year, leaving them unable to work, attend school, cultivate fields, care for their families or build our nations. It costs Uganda over \$700 million annually in lost productivity, millions of hours spent caring for sick children and parents, countless potential Einsteins, Beethovens, and Martin Luther Kings.

- **Who's Stopping DDT From Saving Lives?**

by Marjorie Mazel Hecht

As malaria continues to kill one child every 30 seconds in sub-Saharan Africa, and 500 people per day in Uganda alone, officials in the European Union have threatened to ban agricultural imports from Uganda if the country begins to spray the indoor walls of houses with DDT to combat the mosquito-borne disease. Indoor spraying with DDT is by far the most effective preventive against malaria.

European Auto Sector On the Chopping Block

by Rainer Apel

European labor union leaders have long been in denial about the future of their industry, insisting that the kind of massive job cuts occurring in the United States 'won't happen here.' But times are changing, as the axe is beginning to fall. It is dawning on some union officials that management is no longer interested in producing cars, but only in financial speculation.

National:

Why Did the Senate Democrats Join the Anti-Kerry Campaign?

by Tony Papert

On Wednesday, June 21, the pustule of a weeks-old scandal broke open on the floor of the U.S. Senate, when it became plain that most Senate Democrats had either joined or condoned a strongarm campaign against John Kerry of Massachusetts, to try to force him to drop legislation requiring withdrawal of U.S. troops from Iraq within a year (subject to certain exclusions and guarantees).

The Iran Offer That Cheney Sabotaged

The following letter was sent in May 2003 from the Iranian government to the U.S. government. Vice President Cheney intervened to sabotage its implementation. Its text was leaked by Iranian government officials within days of the Bush Administration's June 2006 decision to resume talks with Iran. Several Bush Administration officials have confirmed its authenticity.

Support Broadens For Congress To Save Machine Tools

by Anita Gallagher

Since the publication of back-to-back three-quarter-page ads in the Capitol Hill weeklies The Hill) and Roll Call on June 7-8, and the lobbying wave of some 25 local elected officials and union officers in teams with about 25 LaRouche Youth on the Hill, June 8, support for Lyndon LaRouche's

Emergency Recovery Act of 2006 has grown. One sign of the spreading support is more than 100 new endorsers of the statement published in the ad, demanding that Congress enact this legislation at once.

Congressional Closeup

by Carl Osgood

Bipartisan Worries Grow Over Bush Iran Policy Echoes of Lyndon LaRouche's warning about the dangers of a U.S. strike on Iran have sounded in the U.S. Congress, from both sides of the aisle. On June 8, a group of 11 conservative Republicans sent a letter to President Bush calling for opening direct talks with Iran on the matter of its nuclear program.

International:

Shultz Brings 'Operation Condor' to the Philippines

by Mike Billington

Although there may be no apparent direct connection between the recent wave of assassinations of 'leftist' political activists in the Philippines, and the similar mass executions of communists, trade unionists, social activists, and others during the 'dirty wars' of the 1970s and 1980s in Argentina, Chile, and other-Ibero American nations, the international banking figures who orchestrated these atrocities are identical. George Shultz, in particular, was a leading controller of the fascist Pinochet regime in Chile, and the murderous 'Operation Condor' which wiped out thousands deemed a threat to that regime. So, too, is Shultz the key figure over the past 20 years in destroying the sovereignty of the Philippines, and forging the emerging political dictatorship in that nation.

Conference Report

Alleviating Suffering, Or Preventing War?

by Muriel Mirak-Weissbach

Ninety percent of all victims of war are civilians, and the lion's share of them are women and children. They are counted among the dead and wounded, but also among the victims of rape, ethnic cleansing, and expulsion from their homelands. Cast off into foreign lands, they live as refugees or recipients of asylum, if they are lucky; if not they are condemned to live the life of 'illegals,' struggling to eke out a subsistence for themselves and their families. Children who are separated from their families, by war, or who are thrown into destitution, are recruitable as child soldiers, and find in their new combat brigades a surrogate family.

- **Interview: Dr. Mahathir bin Mohamad**

We're Discussing Alternatives To the Bankrupt Dollar System

Tun Dr. Mahathir bin Mohamad is the former Prime Minister of Malaysia. Muriel Mirak-Weissbach interviewed him at a conference of the Perdana Leadership Foundation, Putrajaya, Malaysia on June 14, 2006.

Cheney and Netanyahu Conspiring for War?

by Dean Andromidas

Benjamin Netanyahu, chairman of the Israeli Likud party, met with Vice President Dick Cheney during the World Forum conference organized by the American Enterprise Institute (AEI) in Beaver Creek, Colorado, on June 16-18. According to the *Jerusalem Post*, 'Netanyahu spoke at great length on the Iranian issue' with Cheney. Also at the conference was Secretary of Defense Donald Rumsfeld. The fact that the Bush Administration's two top hawks, who have been leading the charge for a military strike on Iran, were meeting with Netanyahu raises the question of whether their rendezvous constituted a planning session for a U.S.-Israeli strike against Iran.

U.S. Economic/Financial News

Half-a-Million Square Feet of Auto Capacity Demolished in Indiana Alone

The GM Anderson (Indiana) plant, built in the early 1950s, which produced generators but was closed by Delphi in December 2005, was razed to the ground over the last three months, the *Detroit News* reported June 20. Today this plant,

which once housed 27,000 workers but was reduced to 700 with the 1999 Delphi takeover, is nothing but a pile of rubble and "6,000 tons of scrap steel," to be sold off. The Mayor of Anderson, in discussion with *EIR* June 20 while describing his plan to "diversify" job opportunities in the area, revealed that the 30-year deindustrialization of the city has led to a 60% collapse in its population—in 1970, the population was 70,000; today it is under 28,000.

Lockport Delphi Plant Faces Extinction

As of June 20, some 700 of the 1,200 auto workers eligible to take Delphi/Lazard's so-called "national special attrition and incentive plan" at the Lockport Delphi Thermal Systems plant, have signed on to the deal. The remaining eligible 500 have until June 23 to accept or reject it. These 1,200 are workers who have 27 to 30 years of service.

The plant has a total of 3,100 hourly workers, including these senior workers. Delphi has various supplemental buy-out plans which potentially could eliminate the whole 3,100-person workforce. Clearly, if everyone accepts the pre-retirement buy-out deals, a de facto closure of the plant could occur, contrary to assurances reportedly given to some New York Congressional offices. A UAW representative in Lockport told *EIR* that he thought these numbers were accurate, and that closure of the plant was "certainly is a plausible scenario, although I don't know that it is official."

He described a just-as-likely scenario, in which, the hiring of temps—with no benefits, and at half the wage—similar to "what is happening down South," could result. Buttressing this scenario, he reported that some of 30-year veteran auto workers, who have signed off on the deal, now cannot get a release date to leave, with some being told they may have to stay until December—perhaps to train the temps who will replace them. He also said 149 auto workers have already been told that when the plant closes July 1 for normal summer retooling, they will be laid off rather than be allowed to go into the UAW job bank, which is standard to allow for rehiring. He believes this is due to the phasing in of more temps.

Demoralizing Auto 'Retirement' Buy-Outs Grow

GM has bought out over 28,000 of its own workforce, and expected to reach 30,000 or more by end of last week. Delphi, with GM financing, has bought out 10,000 workers, and has targetted another 10,000, especially younger workers with less seniority, in the second stage of its buy-out program. Ford expects to have bought out 9-10,000 by August. The total could easily reach 60,000 production workers booted out of the auto industry in less than three months, from late May through early August, when Delphi's next bankruptcy hearing takes place.

GM June 21 postponed issuing its financial report because of ongoing spending on buy-outs, which may total \$3-4 billion already, and hit \$5.5 billion when the buy-out programs reach their deadlines.

Wall Street: 'What Hedge Fund Problems?'

Whistling past the graveyard, the *Wall Street Journal* June 22 reports that "problems among hedge funds remain fairly well-contained. That is, although several hedge funds went belly-up during recent market turbulence, there is little danger of a repeat of the crisis caused by the collapse of Long Term Capital Management (LTCM) in 1998. "Rather than the LTCM scenario, however, hedge funds these days drop like lonely trees."

The article names three hedge funds which recently shut down:

* KBC Alternative Investment Management "backed by the eponymous Belgian bank." It had \$5.3 billion under management in hedge funds; after months of grueling losses, it manages less than \$1 billion and has closed down part of its hedge-fund business.

* Ospraie Point Fund. In early June, it closed after bets went awry.

* Saranac Capital Management L.P. (founder Ross Margolies). A few weeks before Ospraie, it closed down its hedge funds after assets under management dropped over 18 months from \$2.9 billion to \$600 million.

The article boasts that today's hedge funds (unlike those in 1998) have specific agreements with Wall Street brokerages to maintain credit lines in times of crisis. But, they admit hedge fund managers worry about these brokerages' level of trading with their own ("house") money, quoting Michael Hitze of the London-based \$5 billion hedge fund CQS: "The [investment] banks support us in our trading, they extend leverage to us, and at the same time they are many times more leveraged than we are. That is the potential danger."

World Iron Ore Prices Soar 90% in Two Years

Iron Ore prices worldwide have shot up 90% in two years, with the decision June 19 by Chinese steel producers, to accept this year's increase of 19%, according to the *Washington Post* June 21. Iron ore prices rose 71.5% in 2005. Three cartel companies control 75% of worldwide iron ore production, and control the price directly; they are the British Crown companies BHP Billiton and Rio Tinto Ltd., both headquartered in Australia, and Brazil's CVRD.

China's steel producers had been holding out until June 19, after Japanese and European steel producers had already conceded two months ago. U.S. steel companies are too small to matter.

Army Corps Report Details Breakdown of Locks and Dams

A new "Ohio River Mainstem System Study," released this month by the Army Corps of Engineers, gives details of the aging locks and dams that need to be replaced. The study states, "At the present time, 25% of locks on the Ohio River have exceeded their design life. Within ten years, 50% of the locks will be beyond their original design." There is an urgent "need for early construction of new main lock chambers at the three upper Ohio River locks, namely Emsworth [just below Pittsburgh], Dashields, and Montgomery...." The Ohio River mainstem has six primary navigable tributaries that also need upgrading. The purpose of ORMSS is to say how to provide for reliable transportation on the Ohio River over a 60-year period, from 2010 to 2070. The Ohio River Basin is home to over 31.5 million people; there are 57 coal-fired power plants in the region, that provide 20% of the nation's coal-based electricity.

In order to defend against critics, the authors of the study have cranked through five models of various traffic-flow projections, involving mostly coal, the main barge cargo. The conclusion is, "Proactive maintenance [replacing and upgrading locks and dams], including both component replacements and major rehabilitation, would provide national economic development benefits of hundreds of millions of dollars annually over and above the benefits achieved through reactive maintenance [trying to patch up locks as they break down]."

The Corps is holding a series of meetings for public comment, including a major one in Covington, Kentucky/Cincinnati, Ohio, on June 29.

To see the report, go to www.lrl.usace.army.mil/ORMSS

Amtrak Delays Blamed on Deferred Capital Investment

Amtrak's Northeast corridor has suffered schedule delays as a result of deferred capital investment, AP reported June 21.

The delays were blamed on "power fluctuations," affecting the New York-New Jersey area June 21. This is the third recent disruption of the rail service. An outage on May 25 shut the whole corridor down for hours. Although Amtrak has not explained the outages, the cause is not hard to trace.

Kenneth M. Mead, then Inspector General of the U.S. DOT testified to the Committee on Commerce, Science, and Transportation on April 21, 2005, while asking for the funding necessary to keep the railroad open. Among Mead's comments: "Amtrak has an estimated \$5 billion backlog of state-of-good-repair investments, and underinvestment is becoming increasingly visible in its effects on service quality and reliability. Deferred capital investment has led to several system failures in recent years, including a failure of a key 12-kilovolt electric cable during the August 2003 northeast power black-out ... no one knows where or when a critical failure will occur, but continued deferral of needed investment increases the risk that it may not be too far away."

GM's Debt Rating Cut Deeper into 'Junk'

GM has been forced to offer collateral on a bank loan for the first time in its 98-year history, resulting in a further debt downgrade, it was revealed June 21. Moody's and Standard & Poors cut their ratings on about \$30 billion of GM debt deeper into "junk," after GM outlined plans to restructure a \$5.6 billion credit line due to expire in 2008 by reducing it to \$4.5 billion, extending its maturity by three years, and offering assets as collateral. The changes put its unsecured debt lower in the pecking order for recovery in the event of bankruptcy. Moody's and S&P said GM's decision to use collateral to secure the loan means bondholders risk recovering a smaller share of their investment were GM to file for bankruptcy.

Moody's cut its rating on unsecured debt not included in new credit facility by one notch to seven levels below investment grade. S&P lowered its rating to sixth-highest junk rating. Fitch affirmed GM's rating, but said it was keeping it on review for a downgrade. The deal reportedly would make it easier for GM to complete the sale, to a group led by hedge fund Cerberus, of its GMAC finance arm.

World Economic News

Studies Begin for Mexico's Sonora Nuclear Plant

Mexico's Federal Electricity Commission (CFE) has initiated studies for the construction of a nuclear plant in the state of Sonora, which would begin production by 2015, the Mexican daily, *La Jornada* reported June 21. The Sonora plant would be built in parallel with the expansion of the existing Laguna Verde plant in Veracruz. The Sonora site was proposed last December by the National Nuclear Research Institute (ININ), in a study proposing two other new nuclear plants also be built in Laguna Verde. Sonora was reportedly chosen both because of the energy shortage in the north of the country, and because the state is viewed as having the elements needed to operate a plant of this sort.

Brazil Could Triple Uranium Production with New Mine

Brazil could triple its uranium production over the next three years, according to the Brazilian Nuclear Industry (INB). With the opening of a new uranium mine at Santa Quitéria in the state of Ceará within the next few months, Brazil's uranium production could jump from its current 400 tons to 1,200 tons a year, making Brazil the fifth-largest uranium producer in the world, after Australia, Kazakhstan, Russia, and Canada.

With that production increase, Brazil could not only supply the uranium needed for its two existing nuclear plants, and the third which was started and then stopped two decades ago, but the National Nuclear Energy Committee (CNEN) has reportedly proposed that Brazil could also begin exporting yellowcake, processed in its newly-initiated uranium enrichment

plant. Nervous Nellies are already arguing that such plans are too controversial to be adopted, given the international crisis over Iran's enrichment program, and domestic opposition from the environmentalists and bean-counters, as *Gazeta Mercantil* argued in its June 22 editorial. Any export of uranium yellowcake would require approval by the IAEA.

"The Brazilian Nuclear Program"—a global review of where Brazil's nuclear industry stands and where it must go from here—is now in the hands of the Executive branch, which is to make final decisions "shortly," it is said. One of the big issues to be decided, is whether Brazil's already-begun third nuclear plant, Angra 3, will finally be finished, 20 years later.

United States News Digest

Cheney Faces Deposition in Investor Lawsuit

Former Halliburton CEO Dick Cheney faces a deposition in a class-action investor lawsuit against the company. The suit was recently revived after languishing for four years, following a quick settlement reached by the lawyers in what smells like a put-up job. A new judge on the case vacated the settlement, and the plaintiffs against Halliburton now have an aggressive lawyer, William Lerach, who has fought such corporations as Enron and Citigroup. Lerach has recast the complaint in the case to portray Cheney and "Cheney's team" as the wrongdoers who fabricated and deceived.

The Nation, in its June 21 issue, indicates why Lerach wants to deposition Cheney: "Brushing aside facts and subordinates' warnings, CEO Cheney made a series of daring but wrong decisions that were disastrous for the company. The managerial incompetence was compounded by fraudulent accounting gimmicks that concealed the company's true condition. Cheney, however, relentlessly issued bullish assurances, hiding the losses and pumping up the stock price." *The Nation* pointedly notes, "Cheney's performance as CEO predicted his behavior as Veep: the willful ignorance and bullying manipulation of policy, the arrogance that led the country into deep trouble."

More Evidence of NSA Spying on Internet Traffic

In addition to the documentary evidence previously submitted by two former AT&T employees about secret rooms in AT&T facilities in San Francisco and elsewhere, now two former AT&T employees have described an ultra-high-security, secret room in the company's network operations center near St. Louis in Bridgeton, the *San Francisco Chronicle* reported June 21. All AT&T employees who have access to it undergo a six-month security clearance investigation, similar to those undergone by NSA employees.

The Bridgeton facility manages all the routers and circuits for all AT&T domestic and international Internet traffic, which amounts to about one-third of all Internet traffic in the United States. The use of this facility could also be part of a secret data-mining program, say various experts.

Meanwhile, AT&T has revised its privacy policy, and it now will treat its customers' call records and personal Internet usage records as "business records" belonging to AT&T, thus permitting AT&T to share this confidential information with the government.

GOP Mutiny Blocks Voting Rights Act Reauthorization

A revolt by a group of Republican House members led to the cancellation of a planned vote June 21 to reauthorize key provisions of the 1965 Voting Rights Act, according to *The Hill* June 22. It had been expected that the bill would pass with strong bipartisan support, since many key Republicans, including House Judiciary Committee chairman James Sensenbrenner, support it, as does the Bush Administration. The key promoter of the renewal is Rep. John Conyers (Mich),

the ranking Democrat on the House Judiciary Committee.

The Voting Rights Act itself does not expire; what is at issue is the reauthorization of certain key provisions which do expire in 2007—the most important of which are those requiring certain states with a history of voter discrimination to receive "pre-clearance" before making any changes in their voting procedures, and the minority-language provisions, requiring multilingual ballots and special assistance for voters for whom English is a second language.

A group of Republicans from Georgia and Texas objected to the renewal of the pre-clearance provisions, and those members, plus some from Northern states, objected to the multilingual requirements, leading House Speaker Dennis Hastert (R-Ill) to pull the bill, under the informal rule that no bill will come to a vote without the support of a majority of Republicans.

PBS Exposes 'The Dark Side' of Iraq War

In its 90-minute "The Dark Side" documentary June 20, PBS's Frontline presented a forceful indictment particularly of Dick Cheney's role in fabricating intelligence and creating parallel intelligence entities, to provide justification for invading Iraq. While the documentary didn't include any material not already covered by *EIR*, it presented it in a concise and hard-hitting way. It documented the workings of the Cheney/Rumsfeld "cabal" going back to the Ford Administration, when both concluded that, as a result of Watergate, Presidential power "had to be restored."

Through interviews with former CIA, DIA, and NSC analysts, the full texts of which are available on www.pbs.org, "The Dark Side" reveals in great detail the lengths to which Cheney went to produce the intelligence he needed to go to war, including bludgeoning experienced CIA analysts, placing his own agents in key positions, and lying repeatedly even in the face of solid evidence that debunked his assertions regarding Saddam's WMD or attempts to purchase uranium yellowcake from Niger.

Among those interviewed were Colin Powell's former chief of staff, Col. Lawrence Wilkerson, former NSC official Richard Clarke, former CIA analyst Paul Pillar, former acting CIA Director John McLoughlin, former CIA al-Qaeda/bin Laden desk chief Michael Scheuer, former CIA Deputy Director Richard Kerr, and authors Ron Suskind and Bob Woodward.

Democrats Bring Up Resolution on Iran

On June 21, the House International Relations Committee was forced to mark up a resolution, sponsored by Rep. Barbara Lee (D-Calif), demanding documents relating to Bush Administration plans and strategies on regime change or military strikes against Iran. Lee noted the policy shift that has taken place since May 31 but warned, echoing Lyndon LaRouche on this point, that the Bush Administration policies of regime change and preemptive war are still in place. "Diplomacy," she said, "is not simply a check box that we mark off on the way to war."

Not surprisingly, the committee perfunctorily disposed of Lee's resolution with a voice vote to report it adversely. Voting with the Republicans against it was Rep. Tom Lantos (D-Calif), the ranking Democrat on the committee.

House GOP Leadership Slaps at Bush on Immigration

House Speaker Dennis Hastert announced June 20 that Republican chairmen of various House Committees will be holding "field hearings" on immigration throughout August, up until the Labor Day weekend. The hearings will be "at the discretion" of the chairmen of Homeland Security, Government Reform, Judiciary, and possibly other committees of the

House; and GOP aides told the *Washington Post* June 21 that they will be discussing—i.e., attacking and attempting to discredit—various aspects of the immigration bill passed by the Senate, which President Bush supports.

The GOP leadership's action makes it unlikely that any House-Senate conference committee negotiations will take place until September, when the House leaders have finished dragging the Senate's "amnesty" bill through the mud of the field. Thus, it makes it very unlikely that Bush will see any immigration bill passed in this Congress, according to Members quoted, such as Minority Whip Rep. Roy Blunt (R-Mo) and Rep. Tom Tancredo (R-Colo).

"The House [GOP] move was widely viewed as a slap at Bush," reported the *Post*, adding that Hastert et al. interpreted Brian Bilbray's ability to hang on and win a special election in a heavily Republican district two weeks ago, to Bilbray's running hard against Bush's "guest-worker" plan by name.

Government Contracting Out of Control

A new report released on June 19 by the staff of Rep. Henry Waxman (D-Calif), the ranking member on the House Government Reform committee documents that government-by-contract has ballooned out of control under the Bush Administration. According to the report, Federal contracting grew from \$203 billion a year in 2000 to \$377.5 billion in 2005, an increase of 86%. "Under President Bush," the report says, "the Federal government is now spending nearly 40 cents of every discretionary dollar on contracts with private companies, a record level." Nearly half the growth in discretionary spending during this period was accounted for by the growth in contracting.

The Pentagon, not surprisingly, accounted for most of this growth, going from \$133.5 billion spent on contracts in 2000, to \$270 billion in 2005. The top five contractors in 2005 accounted for \$80 billion or 21% of all Federal procurement spending, with Lockheed Martin at the top of the heap with \$25 billion made from government contracting in 2005. The fastest growing contractor, however, is Dick Cheney's Halliburton, which went from \$763 million from contracting in 2000 to nearly \$6 billion in 2005, an increase of an astounding 672% over the five years. Abuse of the contracting process also climbed, with an even faster rate of growth of non-competitive contract, which grew 115%, from \$67.5 billion in 2000 to \$145 billion in 2005.

The cost to the taxpayers of this windfall for a relatively small segment of the private sector has been enormous as well. The report identifies 118 contracts, collectively worth \$745.5 billion, that have experienced significant surcharges, wasteful spending, or mismanagement during the same period. The report identifies three major contracting "binges" since 2001, these being Iraq reconstruction, homeland security, and Hurricane Katrina. "Each initiative has been characterized by extensive waste, fraud, abuse and mismanagement in contract spending," the report says.

Military-Industrial Complex Takes Care of Its Own

At least 90 officials of the Bush/Cheney Department of Homeland Security and its Office of Homeland Security predecessor are now executives, consultants, or lobbyists for companies that collectively do billions of dollars' worth of domestic security business, according to the *New York Times* June 18. For example, former DHS Secretary Tom Ridge is now a director of Savi Technology, whose RFID technology was promoted by DHS during Ridge's tenure, and Ridge stands to profit handsomely off his Savi stock options, now that Lockheed Martin is buying the company.

Ibero-American News Digest

Lopez Obrador Campaign Holds Up FDR as Model

"Using FDR as Model, Presidential Hopeful Out To Build New Deal for Mexico," the June 23 *Washington Post* headlined its article playing up PRD candidate Andres Manuel Lopez Obrador's program as a plan for a "Mexican New Deal." Two campaign advisors, Jose Maria Perez Gay and Manuel Camacho Solis, told the *Post* that "Roosevelt didn't solve all of America's problems, but he gave American society a sense that they were on the right track... If it weren't for Roosevelt there would have been great social unrest in the U.S. We have the same situation here."

Putting of FDR front and center is new for the campaign, although the candidate himself, in his book, *An Alternative Project for the Nation*, Lopez Obrador stressed the good relations which existed between Franklin Roosevelt and Mexico's nationalist President, Gen. Lazaro Cardenas—a point emphasized again in the candidate's discussion of international relations in his 50-point program, where it is noted that the policy undertaken by FDR "created favorable conditions for the reforms which were implemented during the Cardenas period." In his book, Lopez Obrador discusses how FDR came into office in the midst of a profound economic crisis, and in his first 100 days in office adopted a "whirlwind" of measures which "considerably increased the presence and influence of the public power in every aspect of U.S. life, without affecting the foundations of a market economy nor the democratic principles which guide that political system."

The elections are on July 2, and are too close to call, as the pollsters have it.

U.S. Chavez Obsession Angers Regional Allies

U.S. thuggery against Ibero-American governments, warning them not to back Venezuela's bid for a UN Security Council seat, or even to so much as shake President Hugo Chavez's hand, is backfiring. Back in April, U.S. Secretary of State Condoleezza Rice threatened the Chilean government that should it back Chavez, it "could fall into a group of losers against U.S. interests," a threat not warmly received in Santiago, the *Los Angeles Times* reported on June 19, citing diplomatic sources. Ibero-American governments have more important things than Hugo Chavez to worry about, such as poverty and other pressing social issues. Besides, the *Jamaica Gleaner* warned recently, "there is no admiration for the U.S.," and supporting Washington on any issue is not a popular stand.

Now, the Bush Administration's Chavez obsession has led it to attack the third-poorest country in the Western Hemisphere, Honduras. Officially, 50% of Hondurans are unemployed, and some estimate the actual figure is 80%. The United Nations estimates 49% of Hondurans live in extreme poverty, and aid agencies say one out of three Hondurans suffer critical hunger, yet the Bush team is determined that country pay full price for oil.

On June 16, the U.S. Embassy announced it would suspend issuance of new U.S. visas for Hondurans from June 16 to Aug. 11, shortly after the embassy issued a statement protesting that the Honduran officials had met with representatives of Venezuela's state oil company, Pdvsa, to discuss oil imports, including possible construction of an oil refinery in Honduras. Ostensibly, the visa suspension is because of fraud, but a Honduran diplomatic source told *EIR* that the State Department has been pressuring Honduras, since at least March 2006, not to sign an oil deal with Venezuela, which offers oil at less than world market rates to neighboring countries. Shell, Texaco, and Exxon argue that any such deal would "change the rules of the game." The U.S. actions provoked President Manuel Zelaya to issue a statement that Honduras is not a colony, and the visa suspension is "vulgar, unjust, and arbitrary." U.S. Ambassador Charles Ford brazenly replied that just as Honduras makes its own decisions (i.e., on oil), so the U.S. makes its own decisions (to suspend visas).

Kirchner Scores U.S. for Abandoning Region

"U.S. participation in [Ibero-America] is cold; we have no good integration discussions with them, because what they propose as integration is not auspicious for our region," Argentine President Nestor Kirchner told the Spanish Parliament in a June 22 address. Argentina, and most of the rest of Ibero-America, don't look to the United States for positive solutions. "During our most difficult moments, we either had to overcome [our problems] ourselves," or turn to countries like Spain,

which, during the 2001-2002 economic crisis, offered "solidarity" and economic assistance, he recalled. "In our judgment, [the country] that should be carrying out that role in the region, isn't doing it; so obviously we are going to have to create other channels...."

Conflict around President Hugo Chavez is "encouraged by the United States, which tries to portray a supposed 'little monster' in everything [Venezuela] does," Kirchner added. He and others are labelled "populist," a term used by certain sectors "to slander the [principle] of self-determination of nations, and the search for justice, equality, and inclusion...."

Look at Ibero-America, he said. Governments are called all sorts of things—"populist" or "progressive." But the reality is that "we are countries trying to rebuild ourselves. We must understand what Bolivia is going through," he said, as an example. "After Haiti, it's the second-poorest nation in the region. They've gone through the worst experiences." President Evo Morales is trying to bring about a transformation, which the long-suffering Bolivian people demand, Kirchner said.

Spain Tells U.S. To Stop Obsessing; Work with Kirchner

"Argentina is a constructive partner which will increasingly exercise that stabilizing effort in the region, where many are obsessing over the political direction of Venezuela, Cuba, and Bolivia," Spanish Foreign Minister Miguel Angel Moratinos told the Argentine daily *La Nacion* (a nest of President Nestor Kirchner's enemies), June 21, that the Zapatero government was indeed signing a plan of action for a "strategic relationship" with the Kirchner government. The Kirchner government has political authority in the region, and is helping stabilize the area, Moratinos said. Washington should turn to Argentina and Spain for advice, he added.

The unhappy *La Nacion* reporter asked how private investors could be encouraged to invest where the State was taking over the economy again. The Argentine government's criteria must be respected, Moratinos answered. The country's economy is developing. "It is growing, creating employment, achieving social cohesion. The policy of President Kirchner must be supported."

Bolivian Re-Nationalization Continues; Chile Affected

Bolivia announced this week that it will reestablish majority state control over six more companies in the strategic economic areas of telecommunications, railroads, and electricity. Minister of Development Planning Carlos Villegas said the government will purchase sufficient stock from the private owners of companies in these areas, to regain 51% state control. The move continues the reversal of the privatization of the Bolivian economy effected under Rio Tinto Zinc's President Gonzalo Sanchez de Losada in the 1990s. Italian, U.S., and Chilean interests will be affected by the move.

Chilean Foreign Minister Alexander Foxley responded that the Chilean government will not comment nor intervene in Bolivia's renationalization of the railroads, despite the fact that the powerful Luksic group (Anglo-Chilean interests) owns half of one of the railroads which will be restored to majority state control. In principle, the government of Chile should not get involved in situations involving particular companies, Foxley said, because companies that invest abroad assume "a certain risk."

Pinochetistas: 'Honeymoon Is Over' with Bachelet

The Pinochetista right wing in Chile has begun aggressively attacking Chilean President Michelle Bachelet for having "failed" during her first 100 days in office. Business magnate Sebastian Pinera, Bachelet's opponent in last year's elections, claimed "the ship is taking on water." Joaquin Novoa, the head of the synarchist UDI, accused Bachelet of not doing enough to deal with "crime" and "security" matters. When a delegation of Congressmen travelled to Bolivia in early June,

and made unauthorized remarks, the right-wing Alliance for Chile charged that Bachelet wasn't even in charge of foreign policy. Subsequently, the Senate Foreign Relations committee cancelled an upcoming Congressional trip to La Paz to attend an inter-parliamentary conference.

The synarchists aren't sure that Bachelet is under their control, particularly under current global conditions and the ferment in Ibero-America. Despite electoral promises to the contrary, the Alliance for Chile now warns that it will obstruct the bill Bachelet has submitted to Congress to reform the infamous "binomial" electoral system set up by dictator Augusto Pinochet, which makes it almost impossible for any independent or third-party force to be elected to Congress. Bachelet's spokesman, Ricardo Lagos Weber, recently stated that the binomial system "is neither just nor legitimate...it is a holdover from the dictatorship.... It is obscene."

Western European News Digest

Privatized Thames Water No Match for Drought

A run-down, privatized water system in Great Britain is no longer able to deal with the current drought, which has had drastic effects on water availability in the London area and parts of southern England. According to *Sueddeutsche Zeitung* June 13, Thames Water, the main private water supplier, has officially applied for a "water ban" on use of water for gardens and car washing. Also, firms which use water in great amounts are facing cuts in their water usage, in some cases even threatening a halt to production.

At present there are unusually high temperatures, with ground water, which is the most important water reservoir in southern England, at alarmingly low levels. However, clearly the present water shortages are the result of lack of investment, dating back to the years of Prime Minister Margaret Thatcher's water privatization in 1989. Very little has been invested in the pipeline system, in reservoirs, or water recycling, leading to leakages as high as 30%. Some of the pipes are from the Victorian age. Since (government-regulated) prices could not be increased to the high rates of the early period of privatization, the "incentive" to invest in repair, construction, and expansion of the system, has even become lower, in favor of profits.

RWE, which with the French firm Vivendi (which also runs the Berlin water system), took over Thames Water, the largest British water supply firm, in 2000. Now, RWE plans to sell off Thames next year, along with American Water, a leading U.S. water supplier (which it had bought in 2003). Goldman Sachs is organizing the sale. In announcing the sales, Harry Roels, chairman of RWE AG in November 2005, stressed that the shareholder dividend could be increased by 20%, while also reducing the overall indebtedness of RWE.

The next phase, as everywhere with the financial locusts, is the direct involvement of financial speculators, which have nothing to do any more with the subject of investment as such. Equity firms such as Terra Firm, the Australian Macquarie Bank, and the Spanish construction giant FCC, have expressed interest in taking over Thames Water.

Scion of Former Italian Royalty Arrested for Corruption

The head of the former Italian royal family was arrested June 16, and now sits in jail. Victor Emmanuel of Savoy, son of the last King of Italy, Umberto II, is accused of racketeering on three accounts: corruption, gambling, and promotion of prostitution. The investigation also involves the spokesman for former Foreign Minister Gianfranco Fini, Salvatore Sottile, who is now under house arrest.

Victor Emmanuel returned to Italy in 2003, after the constitutional provision which forced all male descendants of the

House of Savoy into exile, was lifted. His son Emanuele Filiberto, an investment banker, is a subject of the investigation as well. Emanuele Filiberto had founded a political movement and was planning a career in politics. Before founding his own party, he had elected to Parliament a few of his men in a splinter party called Democrazia Cristiana per le Autonomie.

Some observers have drawn a connection between the spectacular arrest of the head of House of Savoy and the vote on the constitutional referendum to take place on Sunday, June 25, in which the integrity of the republican constitution is at stake. However, the investigation of Victor Emmanuel had started two years ago.

The Savoy family amply deserves this public humiliation. They bear historical responsibility for promoting Mussolini's Fascism and leading Italy in World War II. After they were exiled, they continued to conspire against the Italian Republic. Only shortly before his comeback, for purely opportunistic reasons, did Victor Emmanuel, who runs a sideline as an international weapons dealer, officially recognize the Republic. Not accidentally, the Italian head of the famous "Murder, Inc.," Permindex, was Carlo d'Amelio, the lawyer for the House of Savoy.

Italian Arrest Also Makes News in Bulgaria

The arrest of Prince Victor Emmanuel IV, the son of the last king of Italy, is also a big story in Bulgaria. His cousin, King Simeon II, the last king of Bulgaria (he is a Saxe Coburg like the Savoy heir's mother), is the former Prime Minister of Bulgaria, and is currently running in the elections. In Bulgaria, Victor Emmanuel is being accused of financing Simeon's campaign.

In addition, Simeon also has an interesting connection to the international banking house of Lazard. Simeon's Deputy Prime Minister and Economics Minister was one Nikolay Vasilev, who arrived in Bulgaria in 2000, straight from Lazard in London. As Economics Minister, Vasilev oversaw all the privatizations.

Simeon also has an advisor, Mario Al-Jebouri, who is another former Lazard London man. Prior to entering Bulgarian politics, Simeon was based in Madrid and was a director of the French defense contractor Thomson CSF, which is now part of Thales where Bruno Roger, the head of Lazard Paris, is a director.

Environmental Minister Attacks Lyon-Turin Rail Tunnel Plan

Meeting with EU Commissioner Loyola De Palacio on June 21, Italian Prime Minister Romano Prodi promised that the Lyon-Turin high-speed railway (TAV) project, which includes a major new tunnel underneath Mont Blanc, will not be cancelled, despite claims to that effect by Environment Minister Alfonso Pecoraro Scanio. The EU has already allocated money for that project, and Palacio wanted to have a clarification on the issue.

Meanwhile, in Rome, Scanio gave several interviews in which he said that the tunnel will be cancelled, and that the new line will be downsized. Infrastructure Minister Antonio Di Pietro announced that a new conference will take place, involving all local municipalities involved, which had been bypassed by the previous government, in order to reach a consensus on the TAV project.

VW Management Follows GM Economic Model

A metal workers union source told *EIR* June 19 that the entire debate on alleged "extra" costs of car production in Wolfsburg and at other Volkswagen sites is fake, and is fueled by those who claim that cuts in spending and financial services are the real source of profit.

The financial services division of Volkswagen has been the most profitable in the recent period, indeed, among all VW divisions, but the money there has not been made from the sale of cars, but rather, from speculation. There are some in management who would rather concentrate on these financial deals, than on producing cars, but that is not that easy to achieve—at least not in Germany, at this point.

Meanwhile, news wires continue reporting that the VW management wants to eliminate 30,000 (almost one-third of the total VW workforce in Germany), instead of 20,000, which was mentioned the previous week.

Lazard Intensifies Raids into German Capital Goods Sector

Lazard Germany has begun a new "consulting" drive into the capital goods sector, carried out by Eric Fellhauer, who joined chairman Join Kornblum, after leaving the Carlyle Group Germany, where Fellhauer worked as a specialist for such operations. Fellhauer was crucial in some spectacular deals of the recent years: Tchibo's sale of its Reemtsma branch; the purchase of Buderus by Bosch; the acquisition of ATECS by Siemens; the mergers of Krupp and Thyssen (where Kornblum is on the board now), and of Daimler and Chrysler.

The transfer of Fellhauer, who worked for Merrill Lynch before joining Carlyle, is typical for the osmosis among top personnel of the leading firms of the "investment" branch: Lazard has recruited many former Carlyle and Merrill Lynch officials, and vice versa. Carlyle Germany, for its part, has focussed on the supply sector of the German automotive industry, holding shares in some of the leading specialists there: Fennel Technologies; Heinze Technik; DGTH; Honsel International Technologies; Edscha AG; Beru Group.

Lazard Reorients European Industry Toward Entertainment

In 1999, the management of Preussag AG, one of Germany's leading steel and ship/port equipment producers, decided to walk out of production and turn into an entertainment/tourism group. The model for that may have been the case of France's leading water producer Vivendi, which from the mid-1990s was turned into a world media group by its new CEO Jean-Marie Messier, a former Lazard banker.

The first round of Preussag sales occurred in 1997, involving shares at Salzgitter Steel. The second round in 1999 involved the sale of shares at the HDW shipyard and the Noell Cranes firm—the latter two going to Babcock-Borsig. In an asset swap, Preussag also took over 33% of Babcock. Funded by the bankers at West LB, Preussag then acquired the British tourism firm, Thomson Travel Group, turning into the world's biggest firm in that branch, and adopted the new corporate name TUI.

The third round of exit from production began in November 2001, when Preussag AG sold 8.5% of its remaining shares in HDW, the most important German shipyard, to the French Credit Agricole Lazard Financial Products Bank, and Lazard consecutively also helped in the sale of other Preussag shares, for example a substantial package of HDW shares to Deutsche Bank. Most of these shares, however, mysteriously ended up in the hands of the US-based One Equity Partners fund, by no later than March 2002.

During the same period, Babcock-Borsig, the other major HDW shareholder, sold 30% of its shares to One Equity, so that by March 2002, the fund controlled a 75% majority of HDW. That posed the threat of HDW, producer of the conventional submarine class 212 of the German Navy, the most modern worldwide in this class, getting under the control of non-German interests, including JP Morgan Chase, which handled about 3 billion euros through One Equity in this take-over operation. JP Morgan Chase also collaborates with Lazard, in many fields.

Public outcry and resistance in Germany forced the German government to intervene, seeking a "Franco-German solution" first, finally merging HDW with Thyssen Krupp Marine Systems in 2004, into a "German" solution. Here, too, Lazard is present: John Kornblum, CEO of Lazard's Germany operation since January 2001, sits on the board of Thyssen-Krupp, the mother firm of the Marine Systems branch.

Russia and the CIS News Digest

Medvedev Calls for 'More Secure' Financial System

Russian First Deputy Premier Dmitri Medvedev's speech on the need to change the international monetary system, to the 10th International Economic Forum in St. Petersburg June 13, was summarized in *Rossiyskaya Gazeta*, the Russian government newspaper, on June 14. "The First Deputy Premier does not agree that 'globalization' means 'poverty and backwardness,'" said the report. "Nonetheless, Russia evidently understands globalization in its own way.... 'The IMF practice of money in exchange for reforms is not very promising,' said the vice-premier—even as IMF top manager Ann Krueger was in the audience.... Medvedev chose to begin his presentation of the authorities' economic program, by indicating Russia's absolutely new position in the world market. First of all, the Vice Premier said, there is no reason for the dollar to be the only reserve currency in the world. Countries, including developing countries, don't see any sense in continuing to extend credit to the U.S. economy. But the traditional 'successor' of the dollar, the euro, has led to economic stagnation in the EU, due to the poor rates policy of the EU authorities. The First Vice Premier believes that the time has come to replace the reserve currency, and that there should be several of them. 'We need a more secure financial system, in which there is no dominant currency,' he said. 'Future generations will decide what it will look like.'" At this point, Medvedev asserted that the ruble could become a reserve currency.

Russia, Kazakstan Finalize Eurasian Development Bank

Following the Shanghai Cooperation Organization summit in Shanghai, Russian President Vladimir Putin and Kazakhstan's President Nursultan Nazarbayev finalized the establishment of a Eurasian Development Bank, during a meeting in Almaty. The two leaders had participated in the Conference on Interaction and Confidence Building Measures in Asia (CICA), where they signed a joint statement and an agreement between the Kazakhstan government and the Eurasian Development Bank (EDB) on the terms of the new bank. The bank has been established to boost investment across the former Soviet Union. Russia and Kazakhstan had signed an agreement to create the bank on Jan. 12, under which the bank will have authorized capital of \$1.5 billion, 33% of which will belong to Kazakhstan and the remainder to Russia. The bank will be based in Almaty, with a branch in St. Petersburg.

Nazarbayev said that the Eurasian Economic Community—a regional body comprising Russia, Kazakhstan, Kyrgyzstan, Tajikistan, and Belarus—could now receive loans from the bank. Putin said, "Now it's necessary to start practical activity, and considerable funds allocated by Russia and Kazakhstan to the charter capital would allow attracting serious financial resources to resolve integration tasks."

Russians Note Economic Dimension of Putin-Ahmadinejad Talks

The June 15 meeting between Russian and Iranian Presidents Vladimir Putin and Mahmoud Ahmadinejad took up the current six-power proposal for the Iranian nuclear program. Russian press also reported about other areas of cooperation, including transport corridors and natural gas. In his speech to the Shanghai Cooperation Organization (SCO) summit, Ahmadinejad called for cooperation on key infrastructure projects, as well as the establishment of "zones of joint investment," according to Russian reports. Talking about Ahmadinejad's invitation to the economics ministers of SCO member countries, to meet in Teheran about cooperation on energy, *Kommersant* wrote June 15 that the proposals were unexpected, as was the peaceful tone in which they were presented. "The proposal to convene an economic conference in

Tehran, as well as the invitation to take part in Iran's oil extraction projects, was definitely a thoroughly calculated move—which may disturb the U.S. establishment more than any of his earlier revolutionary statements," wrote the *Kommersant* author.

In addition to the already-reported comments by Putin on the nuclear issue, the Russian President informed the journalists about the talks on a "unification of efforts" in the oil and gas sphere between Russian and Iranian corporations, involving joint Russian-Iranian ventures in this sphere. "That means that the words about 'coordination of global gas prices' were quite serious," concluded *Kommersant*.

Speaking to the media, Russian Foreign Minister Sergei Lavrov acknowledged that the proposal for a Tehran-based conference of SCO economics ministers was a surprise for the Russian delegation. "Such a conference is quite possible, he said. However, it will take place, most probably, in a country that is a full member of the SCO." In a follow-up comment on June 20, Lavrov said denied the existence of Russian-Iranian plans to set up a "gas OPEC."

Kremlin aide Sergei Prikhodko said that Putin and Ahmadinejad also discussed Caspian Sea resources and partnership in transnational transportation corridors.

Gazprom in Deals with Italy, Hungary

During Italian Premier Romano Prodi's visit to Moscow on June 20, agreement was reached for cooperation, to be fleshed out by Gazprom and Italy's ENI, on joint development of gas fields in the Barents Sea, and Russian participation in the Italian consumer market. Answering a question about how the agreement relates to the ongoing European Union demand for Russia to ratify its Energy Charter (turning Gazprom's export pipelines over for general use), Russian President Vladimir Putin said that the agreement was analogous to a recent one with Germany's BASF-Wingas. ENI will get a share in exploration and future production at the Shtokman gas field in the Barents Sea, in exchange for Gazprom's gaining access to ENI's gas distribution network in Europe (and, possibly, also ENI's business network in Northern Africa). "Essentially," said Putin, "this is nothing other than the practical implementation of a supplementary protocol to the Energy Charter; it is the implementation of those agreements, without the formal, juridical ratification of that document by the Parliament of the Russian Federation. In other words, we are prepared to do this, but not for all and sundry; only with those partners, who come halfway to meet us, and with whom we can reach agreement on cooperation on an equal basis."

In a June 21 briefing for foreign press, Kremlin official Igor Shuvalov, who is Putin's point man for the July G-8 summit, said that the Russian State Duma will not ratify the EU Energy Charter. *Izvestia* (now owned by Gazprom) wrote that Shuvalov was trying to prevent the EU from putting the question on the G-8 agenda. Other Russian officials have called the Energy Charter "anti-Russian."

Gazprom also published, on June 22, a strategic cooperation deal with MOL, Hungary's energy monopoly, on a gas and oil pipeline, storage, and investment projects in the Balkans and the eastern Mediterranean. The announcement coincided with U.S. President George W. Bush's arrival in Hungary.

In a related energy cooperation development, the Turkish government announced that it would stick to its plan to have a pipeline built from the Black Sea coast to the Mediterranean, for transporting Russian gas from the Blue Stream pipeline to Europe and the Mideast, replacing transfer through the Bosphorus Straits. This pipeline project involves Italy's ENI, as well.

EU-USA Declaration Challenges Russia

A declaration was issued after the June 21 talks in Vienna, between U.S. President George Bush and Austrian Chancellor Wolfgang Schuessel, in his capacity as head of the European Union. Stating that the EU and the United States "attach great importance to our relationship with Russia," the declaration devolves into a laundry list of bad behavior, attributed to Moscow: "We are concerned about some recent developments in Russia and the region and will work with Russia to promote energy security, the application of the rule of law, an independent judiciary, and full respect for human rights, including free and independent media and a vibrant civil society, and a resolution of frozen conflicts in the region." The USA and EU evidently intend to push all of these boilerplate issues onto the agenda of the St. Petersburg Group of 8 summit next month. In addition, the declaration reportedly criticizes Russia's policies vis à vis sanctions against Iran, relations with the Hamas movement, and relations with President Alexander Lukashenka of Belarus.

Ukrainian Orange Rerun Attempted, After All

After having declared on June 12 that talks to reconstitute the Orange Revolution coalition in Ukraine were at a standstill, President Victor Yushchenko's Our Ukraine movement held talks with the top vote-getter in the March elections, Victor Yanukovych's Party of the Regions (POR), and then went back to the table with the "orange" Bloc of Yuliya Tymoshenko (BYuT) and the Socialist Party. The result was the proclamation, June 22, of an accord between Our Ukraine, the BYuT, and the Socialists, to form a government, with Tymoshenko, as she had demanded all along, becoming Prime Minister again.

Tymoshenko stated, among other things, that now all agreements on gas prices and transshipments, with suppliers in Russia and Central Asia, will be subject to review. Thus, the prospect arises of renewed conflict with Russia over gas.

A Member of Parliament from the POR was televised, saying that the POR would now go into "tough opposition," and that they did not expect the new government to last long. Communist Party leader Symonenko said in the Supreme Rada, that the development was "a seizure of power by corrupt officials," and that it increased the danger of a break-up of Ukraine.

Southwest Asia News Digest

LaRouche Doctrine for Iraq/SW Asia Only Viable Peace Plan

On June 24, *EIR* contributor, and editor of the LaRouche movement's Arabic language website, Hussein Askary, was the guest on The LaRouche Show, the weekly Internet broadcast, where he discussed Lyndon LaRouche's 2004 solution for stabilizing Iraq. Iraq is *destroyed* as a nation by the U.S. invasion and events following, said Askary, and the only solution remains LaRouche's perspective for regional development for Southwest Asia/North Africa, pivoted on the U.S. support for creation of a sovereign, economically viable Palestinian state alongside Israel. Askarey was joined by Ali Sharraf of the LaRouche Youth Movement. The one hour audio is archived on www.larouchepub.com/radio/index.html

'The Politics of Starvation' in the Palestinian Territories

A bleak picture of life in Gaza, Palestinian Territory, was presented at a forum in Washington, D.C. June 23, of the Council for the National Interest. The event, "The Politics of Starvation" in Gaza and the West Bank, took place in a very small room in the U.S. Capitol. CNI president Eugene Bird, a retired foreign service officer, identified at the outset that the problem in the Israeli/Palestinian conflict is in Washington, with an administration that not only has no idea what to do, it wouldn't listen if someone told it what to do; and a Congress that hasn't had meaningful hearings on where U.S. policy in the region should go, and instead takes direction from the Israel Lobby.

Moderator Rafi Dajani, of the American Task Force on Palestine, noted that there's a humanitarian crisis in Gaza, but "it's

going to be solved in the political realm." He also noted the connection between the Palestinian economy and political and social stability. "Israel is the prime determining factor in the Palestinian economy," he said, and as Israel clamps down tighter, the more political and social instability there is. He also argued that the punitive U.S. and Israeli policy actually has the effect of strengthening Hamas in the Palestinian street.

The speakers were Timothy Rothermell, the former chief of the UN Development Program in Jerusalem, with 30 years of aid experience in the Palestinian territories, and Laila El Haddad, a Palestinian journalist trying to raise a son in Gaza. In short, the Israeli occupation, in combination with the sanctions imposed against the Hamas-controlled Palestinian National Authority, are leading to a humanitarian crisis, including starvation, and a social explosion. Palestinian civil servants who are the backbone of Palestinian civil society aren't getting paid, the GDP is collapsing, and poverty is skyrocketing. Food insecurity has reached over half the population because of Israeli blockades and market disruptions. Israeli withdrawal has meant that Gaza is now even more of a prison than it was before, because Israel still controls the borders, the airspace, and coastal waters. Palestinians can't engage in trade, families can't reunite or travel out of Gaza, unless the Israelis let them. "The current trajectory is very dangerous. Really, Gaza is on the brink of an explosion," warned El Haddad.

Senate Pushes Starvation of Palestinians with Anti-Hamas Bill

The U.S. Senate passed a bill June 23, by an unrecorded voice vote, that cuts off all funding to the Palestinian National Authority, because its officials—elected in a democratic vote—are from the Hamas. The Palestinian National Authority is banned from receiving aid until it acknowledges Israel's right to exist, renounces violence, and accepts past peace agreements with Israel.

The bill makes an exception to allow funding to Palestinian Authority President Mahmoud Abbas (Abu Mazen) because he accepts the existence of Israel, and it would also create a \$20 million fund for "peace, reconciliation, and democracy."

Despite the fact that this bill does not contain some of the overtly genocidal aspects of the House bill, e.g., not allowing any funds even for humanitarian reasons, it would impose slow genocide.

Iraq Gov't Reported Ready To Offer Peace Plan

The Iraq government has a peace plan, according to the *Times* of London June 23. The plan, which could be announced by June 25, has 28 points for national reconciliation. These include offering Iraqi resistance groups inclusion in the political process and an amnesty for their prisoners if they renounce violence and lay down their arms, according to the *Times*.

The plan should include a government promise of a "finite, UN-approved timeline for the withdrawal of all foreign troops from Iraq; a halt to U.S. operations against insurgent strongholds; an end to human rights violations, including those by coalition troops; and compensation for victims of attacks by terrorists or Iraqi and coalition forces," wrote the *Times*. It is also supposed to take action against Shia militias and death squads, and reconsider "de-Baathification," including possible financial compensation for Sunnis purged from the Armed Forces and Civil Service.

The deal supposedly aims at separating the Iraqis from foreign fighters, after months of discreet contacts, undertaken by President Jalal Talabani, U.S. Ambassador Zalmay Khalilzad, and seven Sunni insurgent groups.

One potential obstacle cited by the paper is possible U.S. reluctance to grant an amnesty to insurgents, not part of al-Qaeda, who have killed U.S. soldiers. A senior U.S. official is cited saying that this is a huge political issue in a U.S. election year, and that the government is divided on it. He said, however, that such things were done after World War II, the Civil War, and the War of Independence. "It may be unpalatable and unsavory, but it is how wars end," he stated.

The report of this peace plan has yet not been independently confirmed.

Regional Consensus: U.S. Must Leave Iraq

The consensus in the Middle East region is that the occupying forces should leave Iraq—no matter what. Iranian Supreme Leader Ayatollah Khamenei issued a call for this on June 21. The leader of the largest Shi'ite party in Iraq, al-Hakim, is in Iran for talks, presumably to discuss withdrawal as well. The Iraqi government is expected to issue an official request in this respect soon.

Iran has convoked a conference in Tehran next month, on stabilizing Iraq, which should include representatives of all Iraq's neighbors, plus Egypt, the Arab League, and the Organization of the Islamic Conference (OIC). The idea is that, no matter how precarious the situation is in Iraq, it could be brought under control if the occupiers were to leave. The Iraqi people are totally opposed to these forces. The role of neighboring countries in stabilizing Iraq is seen as crucial, particularly regarding economic input.

In his April 2004 LaRouche Doctrine, Lyn had stressed the importance of a regional security arrangement of these countries.

UN Issues Fourth Report on Hariri Killing

On June 10, Serge Brammertz, the second Commissioner of the United Nations International Independent Investigation Committee into the assassination of former Lebanese Prime Minister Rafik Hariri, submitted the Commission's fourth report to the UN Security Council. The report was the second Brammertz had submitted as Commissioner.

While Brammertz made clear that the investigation was ongoing, with more time needed to follow new leads and complete the consolidation of inherited work, the key breakthrough in the report was political. Under the leadership of former Commissioner Detlev Mehlis, the reports were used by the unstable Cheneyac, U.S. Ambassador to the UN John Bolton, to fan the flames of war in the region, with threats of regime change against Syria and its the government of President Bashir Assad. Brammertz was able to cool the situation down, and his diplomatic gestures were returned by the Syrian government. He was able to meet with President Assad and other members of the government in Damascus in April and Syrian cooperation with the investigation, which Brammertz noted in the first sentence of his report to the Security Council, is ongoing.

The report's more even-handed approach was met by statements from both the Lebanese and Syrian governments, who both called it "professional." The Commission's mandate was extended for an additional year.

Asia News Digest

Cheney's Latest Scare Story: North Korea Missile Test

The U.S. Defense Department announced June 20 that its unproven "missile defense system" is being readied for use against a North Korean missile test which may not happen. Lyndon LaRouche commented that the entire affair smells of a manufactured crisis, intended only to feed Dick Cheney's "perpetual warfare" doctrine. The South Korean government has noted that the open-air preparation of a missile for launch in the North indicates that it is intended to be a satellite launch, not a ballistic missile test. Neo-con U.S. Ambassador to South Korea Alexander Vershbow said that it doesn't matter whether it is a satellite: "The view of the U.S. government is that this missile has a military capability," and that a launch

will be a "serious matter."

Secretary of Defense Donald Rumsfeld then told the press that the President "would make a decision with respect to the nature of the launch, and whether it was threatening the territory of the United States or not," but that the U.S. is prepared to shoot down the North Korean missile. He later admitted that, as the South Korean Defense Minister stated, they don't know how long it would take the North Koreans to get ready for a test, or whether or not a test is "imminent."

Other dubious commentaries include that of Joe Cirincione in *Think Progress* June 23, who wrote, "The Bush Administration has responded to a North Korean missile that doesn't work, by activating an anti-missile system that doesn't work. Cirincione added, "The interceptors the administration has placed in silos in Alaska have never been realistically tested, and are known to have serious operational problems. They have as much chance of hitting an incoming missile as a kid with a slingshot. Fortunately, the missile the North Koreans may test does not work either. The last time they fired a long-range missile was in 1998—it went about 1300 kilometers and failed to put its tiny payload into orbit. The North Korean test is a political stunt designed to grab some attention. The same can be said of the decision to activate the Alaska site."

It should be remembered that Lyndon LaRouche's proposal for an anti-missile system based on new physical principles, announced as U.S. policy by President Ronald Reagan on March 23, 1983, as the Strategic Defense Initiative, was crushed by the same Shultz crowd now trying to start a war with North Korea with a non-functioning missile defense system.

Ex-Defense Secretary Calls for Strike on NK Missile Site

Former Secretary of Defense William Perry called for a preemptive strike on the North Korea missile site. Perry, President Bill Clinton's Defense Secretary in 1994, and former Assistant Secretary Ashton Carter, penned a joint op-ed in the *Washington Post* called "Strike and Destroy," arguing that "North Korea cannot be allowed to test this missile." It would be a "prudent policy," they wrote, to take out the missile site now, with a cruise missile, as was done with Zarqawi. Although North Korea is unlikely to go to war over the attack, they muse, the U.S. should "introduce air and naval forces into the region at the same time it made its threat to strike," to make any subsequent war "swifter and less costly in lives."

Perry was Secretary of Defense during the 1994 crisis over North Korea, and promoted a policy of preemptive attack on their nuclear facilities. The threat of war was avoided at the last minute, in part due to an intervention by former President Jimmy Carter, who travelled to the region and struck a deal with the North which President Clinton accepted.

Dick Cheney, asked about Perry's article in a CNN interview June 22, said, "I appreciate Bill's advice," but that the Administration is addressing the issue "appropriately." Cheney added that if an attack is to be launched, "you better be prepared to not fire just one shot."

Former NK Envoy to War Hawks: 'Forget the Chest Thumping'

Jack Pritchard, former U.S. special envoy to North Korea, denounced the call for a military attack on the North's missile site, issued by former Clinton Defense Secretary William Perry. Pritchard was forced to resign in 2003, when he insisted on talking to the North Koreans. His response, in a *Washington Post* op-ed June 23, says that Perry and the war hawks had better "give our chest-thumping, feel-good opinions a rest." He notes that the potential missile test "is not a violation of anything more than our pride, ripping a gaping hole in the false logic that talking with the North Koreans somehow rewards and empowers them." He explains that the moratorium on missile testing of 1999 "specified that North Korea would not launch a long-range missile of any kind while talks about its missile program were going on between Washington and Pyongyang." The North even extended the moratorium unilaterally in 2002, but in March 2005, with no talks going on, they announced they would no longer observe the moratorium.

Pritchard insists that talks begin immediately—six-party, bilateral, or any other subset thereof.

South Korea, China Mediate Manufactured Missile Crisis

The government of South Korea announced June 23 that its Foreign Minister, Ban Ki-moon, will visit Beijing for two days, starting June 26, to try to cool down the flap over the supposed imminent test by North Korea of a long-range missile.

South Korea's Yonhap News reports that North Korea's deputy chief of mission at the United Nations, Han Song-ryol, said that while North Korea has a right to develop and test missiles, it would like to ease tensions over the situation through talks. "Our position is to solve this situation through discussions," Han was quoted as saying.

Yonhap also reports that North Korea experts in Seoul say that the North wants direct talks with the U.S. to resolve pending issues, which is being expressed in media reports and officials' comments in North Korea.

China Initiatives in South Africa, Middle East

China and South Africa signed 13 cooperation agreements, in political, economic, trade, defense and social fields in the context of Prime Minister Wen Jiabao's visit there June 21. Itar-Tass reported June 22 that "among the discussed issues was cooperation in the sphere of peaceful use of atomic energy. Wen continues his Africa tour, with visits to Tanzania and Uganda.

China is also launching an initiative in the Middle East. The Foreign Ministry announced that special envoy Ambassador Sun Bigan will visit Egypt, Jordan, Israel, and Palestine between June 25 and July 2. China, ministry spokeswoman Jiang Yu said, is "very concerned about the situation in the Middle East," and that "relevant parties" in the region had conveyed their desire that Ambassador Sun visit the region.

Thai PM's Party Threatened with Dissolution

Prime Minister Thaksin Shinawatra and his Thai Rak Thai Party are threatened with dissolution, AFP reported June 23. The Thai Election Commission, although under a massive assault by the anti-Thaksin forces as supposedly being a rubber stamp for Thaksin, have now issued a ruling that Thaksin's party illegally paid minor parties to run in the April Presidential election. The election was boycotted by the main opposition parties, and the Thai Rak Thai supposedly recruited and paid the small parties to run in order to avoid a rule that a candidate in an otherwise uncontested election must gain 20% of the vote.

If the Election Commission ruling is taken to the Constitutional Court, which will be determined in this week, and Thaksin and his party are found guilty, the government and the party would have to be disbanded, and Thaksin may be forced out of politics for five years.

This Week in American History

June 27 — July 3, 1774.

Ben Franklin Sends a 'Projected' Act of Parliament to the American Press

Throughout his life, Benjamin Franklin worked to create the conditions for a better future. His civic improvements in Philadelphia, such as fire protection, lighted streets, a Library Company and a hospital and college, made it the leading city in America. Franklin rejoiced in the fact that the American population was growing, and in 1751, he forecast that it would double in size every 20 years, which was approximately what did happen.

This was not seen as good news in Great Britain, however. As the East India Company completed its takeover of the British government after the French and Indian War, the last thing it wanted was an America whose inhabitants would outnumber Britain. Colonies were for looting, and the British Empire's policy was genocidal. Had the policies of the Empire been enforced to the letter of the law, America's population would have stagnated and then declined. But Americans fought the policies and went around them just enough to keep the population growing.

By 1774, it was clear to many Americans that the British Empire was not keen on the large number of marriages and resulting offspring that America was producing. Franklin was currently serving as a representative of a number of American colonies in London, and he was battling the Empire's policies with everything at his command, which included sending satirical letters to the London press, signed with a number of pseudonyms. The strongly ironic "Legislative Act" which he wrote in the spring of 1774, however, was published in Philadelphia. The seemingly ridiculous fees, criminal penalties, and license for murder contained in the Act served to force the readers to think about how similar were the actual effects of Britain's policies on the possibility for a growing and optimistic population to those targetted in Franklin's satire.

Franklin opened by declaring that, "All the Printers of News Papers in the British Colonies, are requested to publish the following Act of Parliament; which it is said, will be passed the End of the present Session, or the Beginning of the next."

The title of the supposed legislation was listed as, "An Act for the more effectual keeping of his Majesty's American Colonies dependent on the Crown of Great-Britain, and to enforce their Obedience to all such Acts of Parliament as may be necessary for that Purpose."

The *Pennsylvania Journal* of June 29, 1774 then published the text of the erstwhile bill:

"WHEREAS it is found by experience that Colonies which are planted by Governments, or otherwise dependent on them, do at some time or other, form themselves into unwarrantable and rebellious Associations, and by their perseverance therein, entirely throw off their dependence and subjection to such Parent State:

"And whereas the British Plantations, in America, have of late, discovered a disposition to follow the same steps, and, in all likelihood, will, if not speedily prevented, form themselves into a separate and independent Government, to the great detriment of the other parts of the British Empire, to the dishonour of his Majesty, and to the prejudice of the trade of this Kingdom in particular: and whereas the great ENCREASE of People, in said Colonies, has an immediate tendency to produce this effect—

"To the end therefore that such evil designs may not be carried into execution, and that the said Colonies and Plantations may be, at all times hereafter, kept in due subordination to the authority of the British Parliament,

"Be it enacted by the King's most excellent Majesty, by, and with the advice and consent of the Lords spiritual and temporal, and Commons in this present Parliament assembled, and by authority of the same.

"1. That no person whatever who shall, from and after the passing of this Act, transport him or herself, from the Kingdoms of Great-Britain and Ireland, or the Islands thereunto belonging, to any of his Majesty's Plantations in America, with intent to settle and dwell therein for any longer time than the space of seven years, shall presume to depart from the said

Kingdoms, until he or she, so transporting him or herself, shall pay, at the Custom-House of the Port, from which such vessel shall take out her clearance, the sum of Fifty Pounds, sterling money of Great-Britain:

"And be it further enacted that for every child, or servant, which shall be so transported by the parent, or master, the like sum of Fifty Pounds shall be paid in manner aforesaid.—

"And be it further enacted by the authority aforesaid, that if any person shall transport him, or herself, or procure themselves to be transported, contrary to this Act, every person, so offending, shall be adjudged guilty of felony without benefit of clergy—and that the Captain of the vessel, in which such person shall be so transported, contrary to this Act, shall forfeit and pay, for any such person, the sum of 500 Pounds sterling money aforesaid.

"2. And be it further enacted by the authority aforesaid, that if any person, who shall transport him, or herself, from the Kingdoms aforesaid, to any of his Majesty's Plantations, in America, with intent to stay and dwell therein, for any space of time less than seven years, shall nevertheless stay, dwell and abide therein, beyond the said space of seven years, such person so staying, dwelling, and abiding, in any of his Majesty's Plantations, in America, shall be adjudged guilty of felony without benefit of clergy.

"3. Provided always, and be it further enacted, that nothing in this Act shall extend, or be construed to extend to his Majesty's Governors of the said Plantations, or to any other person, or persons, in the actual service and employ of his Majesty, as aforesaid."

"4. And be it further enacted by the authority aforesaid, that all Marriages in his Majesty's said Plantations shall be performed in consequence of a Licence from the Governor where such Marriage shall be celebrated, for which Licence the sum of Twenty Pounds shall be paid, and no more, and that all Marriages had without such Licence, shall be void in law to every intent and purpose whatever.

"5. And be it further enacted, that on the birth of every male child, the sum of Fifteen Pounds, and on the birth of every female child, the sum of Ten Pounds sterling money shall be paid to the Governor of the Colony or Plantation in which such children shall be born.

"6. And be it further enacted by the authority aforesaid, that on the birth of every bastard child in any of his Majesty's said Plantations, the sum of Fifty Pounds sterling money shall be paid by the Mother of such bastard child, to the Governor where such bastard child shall happen to be born, and that in case any person, shall hereafter, either with malice prepense, or otherwise kill or destroy any child or children; such killing or destroying shall not henceforth be deemed or adjudged to be murder in any Court or Courts, nor shall such killing be punished in any way or manner whatever.

"7. Provided always, and it is hereby further enacted, that nothing in this Act shall extend to make any such killing legal, or justifiable, if the child, so killed or destroyed, be above the age of twelve months, but that every such killing and destroying shall be punished as heretofore, any thing in this Act to the contrary in any wise notwithstanding."

The following three items of the supposed legislation stated that any exports of flour or wheat from the colonies to anywhere but the Mother Country would have to pay a premium, but that merchants who shipped via Great Britain would be given a bounty.

Franklin closed his "Act of Parliament" by stating that, "the duties imposed by this act, shall be applied towards RAISING A REVENUE the better to ENABLE his MAJESTY to BUILD FORTS and to GARRISON the same, and to support and maintain such a REGULAR and STANDING ARMY in the said PLANTATIONS, as shall be sufficient to enforce the

EXECUTION of all such Acts of the BRITISH PARLIAMENT, as are already passed, or may hereafter be passed, relative to the said AMERICAN COLONIES."

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