

[return to home page](#)

The Question Before Us
by Lyndon H. LaRouche, Jr.

January 9, 2010—The question addressed by the following presentation, is:

What are to be recommended for consideration as perspectives for what is (a) a truly, urgently needed four-power initiative on behalf of a mission-oriented process of transformation of the world's economic systems, (b) away from the presently ruinous effects of submission to an implicitly financially imperialist, global monetarist system, a virtual "new Tower of Babel," and, (c) toward an urgently needed, fixed-exchange-rate credit system of (d) mutually beneficial, global cooperation among peoples organized as a community of respectively sovereign nation-states.

This presumes the indispensable, included, practical measure of the included, (e) immediate application of the precedent provided as the principle of the Glass-Steagall reform which was introduced to the U.S.A. under U.S. President Franklin Roosevelt. Which also means, once more, (f) the eradication of intrinsically pro-imperialist, monetary systems, by their replacement by (g) a system of sovereign national credit-systems configured in the formation of a long-term, fixed-exchange rate array of national credit-systems....

In-Depth articles from EIR, Vol. 37, No. 2

...Requires Adobe Reader®.

This Week's Cover

- **The Question Before Us**

Lyndon LaRouche puts forward the perspectives needed to implement a Four Great-Powers initiative to shift the world away from the present global imperialist-monetarist system, to a fixed-exchange-rate credit system of global cooperation among respectively sovereign nation-states. Without a shift of outlook, from merely past experience, to the needed discovery of a future, we are doomed to a prolonged, planet-wide dark age of all humanity. It is the challenge of the horrid poverty still met en masse in Asia and Africa today, which should become the source of stimulus which will bestir the rescue of our planet from a presently, otherwise, inevitable slide into the abyss.

National

- **The Case of Obama:**
Tantamount to Treason

LaRouche charges that President Obama's action to push through his so-called health-care legislation must be condemned as tantamount to treason. That legislation, if adopted, would become a mass-murderous form of national practice against our citizenry.

- **The Case for Impeachment of President Barack Obama**

In July, LaRouche warned that President Obama was impeachable for his Nazi healthcare plan. Now that the President and his

henchmen are about to ram this Nazi health bill through, LaRouche states that impeachment must be put on the table.

- **'Day of Action':**

LaRouche Candidates Call on Patriots To Back Impeachment of Obama

Economics

- **Russia Seeks To Develop Far East; Invites U.S. Role**

Russian Railways president Vladimir Yakunin wants to connect Eurasia to the Americas, via a Russia-Alaska Bering Strait tunnel, which would trigger a worldwide renaissance of railways.

- **Girding the Globe with a Tramway of Iron**

- **Next Comes Hyperinflation**

The truth is that none of the problems facing either the U.S. economy, or the world economy, has been solved. Instead, the various scams which have been run under the guise of the 'bailout' have only made matters worse. And the bill is coming due.

- **Iceland Revolts vs. Anglo-Dutch Empire**

The President of Iceland, on Jan. 5, refused to sign a bill which would have paid Britain and the Netherlands almost EU4 billion, one-third of the nation's GDP, for defaulted bank depositors, and instead, will refer the decision to a referendum of the people.

- **Herd on the Street**

Get Ready for the Nudie Cam

- **Economics in Brief**

International

- **Shut Down 'Londonistan's' Terrorist Operations Now!**

Yemen Deputy Prime Minister for Defense and Security, Rashad al-Alimi, revealed that the Nigerian would-be plane bomber, Abdulmutallab, was a London-made terrorist, but President Obama ignored the evidence pointing to London.

- **Don't Let the British Turn Yemen into an Afghanistan!**

Both Yemen and Afghanistan are impoverished tribal societies, and former British colonies. Both countries have become fertile ground for terrorist activities. But there is still time to prevent Yemen from becoming another Afghanistan.

Science & Technology

- **'Global Warming':**

A Lie Aimed at Destroying Civilization

Dr. Zbigniew Jaworowski, a multi-disciplinary scientist, has researched the atmospheric pollution in glaciers and CO2 concentrations in the atmosphere for many years, and is the author of numerous publications on climate change. In this interview, made available in English translation to *EIR*, he spoke with the Polish daily *Our Journal*.

Book Reviews

- **Girding the Globe With a Tramway of Iron**
The Bering Strait Crossing,

by James A. Oliver

Editorial

- **2010: The Year of Doing Good**

This Week's News

U.S. Economic/Financial News

The Only Fix for State Budgets Is LaRouche's Recovery Plan

Depression 'Bends the Cost Curve' on Health Care

Signal Attack on Obama's Foreclosures Mess

U.S. Public Pensions Facing \$2 Trillion Shortfall

Kansas City Fed Prez: End Zero-Interest-Rate Policy

The Only Fix for State Budgets Is LaRouche's Recovery Plan

Jan. 3 (EIRNS)—A survey of state budgets by Associated Press makes clear that states will collapse, unless American economist Lyndon LaRouche's Recovery Plan is implemented immediately at the Federal level.

The Center on Budget and Policy Priorities forecasts that state budget shortfalls will reach \$180 billion in the fiscal year from July 1, 2010, to June 30, 2011. In fact, in the current fiscal year, states have already closed a \$146 billion budget shortfall, but 36 states still face an additional shortfall of \$28.2 billion in the year that ends in June. This \$174 billion shortfall for the current fiscal year was really far greater, because this year the states received \$140 billion in Federal stimulus money, which they will not receive in the 2010-11 fiscal year.

The shortfall results from the full-scale economic collapse in the U.S. Without a recovery, tax revenues will continue to fall, and demands for services like Medicaid, food stamps, and unemployment benefits will increase.

The states have three choices: to commit suicide through brutal cuts, to increase taxes in an economic collapse, or to solve the crisis by organizing for the adoption of LaRouche's Recovery Plan.

Depression 'Bends the Cost Curve' on Health Care

Jan. 5 (EIRNS)—The latest national health-care expenditures report from the Center for Medicare and Medicaid Services (CMMS) published in the journal *Health Affairs*, shows that health-care spending in the U.S. in 2008 rose at its slowest pace in nearly 50 years. This is hardly a sign of good times, however. The report notes in numerous places that the

slowdown was fed by millions of people being dumped from insurance rolls as unemployment skyrocketed.

Thus, health-care spending by corporations grew at a mere 1.2% last year, while growth of spending *by households* was up by 4.4%. This number was a drop from the 6% growth rate in 2007, and, more significantly, was almost twice the rate of growth of personal income, which was up only 2.7% for the year. Expenditures for "out of pocket" costs and co-pays, for example, were up only 2.7%, less than half the 6% increase in 2007.

Spending on drugs also showed a decrease in rate of growth, being up only 3.2% per capita—i.e., people are increasingly unable to buy their meds. The report suggested fewer new products, safety concerns, and an increasing number of patients that had "foregone some medical treatments," either by not filling prescriptions or splitting pills, offset the industry's efforts to increase prices, which rose 2.5% in 2008 compared to 1.4% in 2007.

Signal Attack on Obama's Foreclosures Mess

Jan. 3 (EIRNS)—The *New York Times* notably devoted its front-page lead story Jan. 2 to the charge that President Obama's disastrous, year-old "foreclosure mitigation" plan has not only failed, but is worsening the housing price collapse.

The article's new home-loss figures, from Moody's Economy.com, are shocking. The sum of repossessions in foreclosure, plus abandonment of homes in lieu of foreclosure, plus loss of homes by "short sale," amounted to a total of 1.7 million American homes lost in 2008; 2 million in 2009; and a projected 2.4 million in 2010. This means 6.1 million, or one-eighth of all mortgaged homes in the country, 6,000 homes lost every day for three years.

Economists Mark Zandi of Economy.com and Kevin Katari of Watershed Asset Management are quoted: "From its inception, the Obama plan has drawn criticism for failing to compel banks to write down the size of outstanding mortgage balances.... Banks have been using temporary loan modifications under the Obama plan as justification to avoid an honest accounting of the mortgage losses on their books."

On the bank bailout flip-side of Obama's policy, economist Dean Baker catches on to what LaRouche PAC's "Tantamount To Treason" pamphlet laid out 18 months ago: Obama has expanded the size of the government bailout of Fannie Mae and Freddie Mac, from its original \$400 billion limit, to *no* limit. "Now, it's very hard to understand how they [Fannie and Freddie] could incur losses of more than \$400 billion," says Baker. "And this raises the question, what exactly are [nationalized] Fannie and Freddie doing? And what I suggest in that piece is that this might be a backdoor TARP. In effect, what Fannie and Freddie could be doing is buying the bad assets—that's what TARP was supposed to do—of banks, and paying too much money for them, in which case you will incur lots of losses. So this could be yet another big gift to the banks."

Meanwhile the Federal Reserve bought \$1.111 trillion in such mortgage-backed securities (MBS) during 2009. Since Fannie and Freddie issued only about \$250 billion in MBS in 2009, and this was 90% of all MBS issued, the Fed was overwhelmingly (\$850 billion worth) buying MBS from banks, which had been on those banks' books since 2006-07, and buying this toxic crap at 100% of the banks' claimed value.

U.S. Public Pensions Facing \$2 Trillion Shortfall

Jan. 5 (EIRNS)—A report on this disastrous shortfall, by Orin Kramer, chairman of the New Jersey Investment Council (a division of that state's Treasury Department), is given prominent notice on the front page of the Jan. 5 London *Financial Times*. Previous estimates of deficits were in the range of \$400-500 billion, but they were based on actuarial estimates of values of assets. For the N.J. study, however, Kramer made his calculations based on mark-to-market values—i.e.,

recognizing that the toxic trash the funds are holding is worthless. The result: "State and local governments are correctly perceived to be in serious difficulty," Kramer said. The *FT* notes that "a shortfall of that size would force state governments to take politically unpalatable decisions such as pouring more public money into their funds or reducing pension benefits."

Kansas City Fed Prez: End Zero-Interest-Rate Policy

Jan. 7 (EIRNS)—"The Federal Reserve must curtail its emergency credit and financial market support programs, raise the federal-funds rate target from zero back to a more normal level, probably between 3.5% and 4.5%, and restore its balance sheet to pre-crisis size and configuration," Thomas Hoenig, president of the Federal Reserve Bank of Kansas City, said today in a speech at the Central Exchange there. Hoenig will be a voting member of the Federal Open Market Committee this year. "I believe the process of returning policy to a more balanced weighing of short-run and longer-run economic and financial goals should occur sooner rather than later," he said. Moreover, it would be a clear a mistake to wait to unwind policy until a U.S. economic recovery is clearly in full force, Hoenig said. This would be "short-sighted" and would risk creating conditions leading "to financial excess, economic volatility and even higher unemployment at some point in the future," he said.

Global Economic News

Japan Airlines To Undergo Bankruptcy; Pensions at Risk

China Denounces Speculative Capital Inflows

Japan Airlines To Undergo Bankruptcy; Pensions at Risk

Jan. 8 (EIRNS)—While there has been no formal government announcement, Japan's *NHK* reports that "The government has determined that struggling Japan Airlines should undergo court-led bankruptcy procedures to drastically rebuild the business, as confirmed by members of the Cabinet, including Finance Minister Naoto Kan and Transport Minister Seiji Maehara. *NHK* reported that "They agreed that the airline should file for court protection from creditors under the Corporate Rehabilitation Law."

Japan's national flag carrier, already been bailed out four times, has continued to lose money, and has debts of about \$16 billion. As many as 10,000 workers are to be discharged, with all, or almost all, international routes being dropped, to be serviced either by Japan's All Nippon Airways, or U.S. carriers Delta or American (both are bidding for part of JAL's corpse). Unprofitable domestic service will also be curtailed, and many other economies.

To an extent, the bankruptcy discussion has been a game of "chicken" between, on one side, the carrier, the government, and the creditors, versus the airline employees and retirees. The linchpin to a successful restructuring of JAL (from a banker's perspective) was a 30% cut in current retirees' pensions.

So far, only 3,000 of 9,000 pensioners have agreed to a voluntary cut. The government, while it has mooted non-voluntary shedding of pension obligations, does not have the power to push such a "reform" through without destroying itself. JAL pension obligations have turned out to have been unfunded, based on optimistic assumptions about future profitability and stock markets.

China Denounces Speculative Capital Inflows

Jan. 6 (EIRNS)—Zhang Xiaoqiang, deputy director of the powerful National Development and Reform Commission of China (NDRC), denounced the "enormous" amount of speculative capital flowing into China today. Central bank statistics published in December showed a growth of incoming capital by \$37.2 billion in November, of which \$16 billion could be purely speculative. According to Zhang, a growing number of speculators are betting on the yuan's being revalued in 2010.

United States News Digest

[LaRouche: Democratic Party Has To be Totally Reorganized](#)

[Bill Introduced Against EPA Regulation of CO₂](#)

[Obama Wants U.S. To Lead the World—Into a New Dark Age](#)

[Wave of Resignations: Voters Hate Obama and His Policies](#)

[Northeast States Sign Energy Suicide Pact](#)

LaRouche: Democratic Party Has To be Totally Reorganized

Jan. 10 (EIRNS)—The Democratic Party, as it currently exists, is dead meat, Lyndon LaRouche stated in discussions today. The only prospect for survival is that the leadership be taken away from the current crowd. That prospect is aided by the fact that the current Democratic leadership is deeply, hopelessly divided.

By the Spring at the latest, LaRouche elaborated, the Democratic Party has to be reorganized as an element of a viable political process. The whole idea of being a "team player" doesn't function. Team loyalty is what is killing the Democratic Party. At this time, more than ever, patriotism must trump team loyalty. This is a crisis, not a jock sports event.

LaRouche continued: The Democratic Party has to reemerge as a voice for a policy, that can engage in dialogue with other voices, to act in the national interest. Just look at how many Americans are now self-described as Independents. Either we revive a Democratic Party in the tradition of Franklin Roosevelt, to work on policy with a Lincoln-oriented Republican Party, or we are all dead meat.

Bill Introduced Against EPA Regulation of CO₂

Jan. 9 (EIRNS)—Rep. Earl Pomeroy (D-N.D.), in a press release yesterday, touted a bill he introduced last month that would repeal the Environmental Protection Agency (EPA)'s ruling that carbon dioxide is a dangerous pollutant. "Regulation of greenhouse gas emissions under the current provisions of the Clean Air Act is irresponsible and just plain wrong," he said. "That is why I introduced the Save Our Energy Jobs Act which would stop the EPA from moving forward with its proposal. I am not about to let some Washington bureaucrat dictate new public policy that will raise our electricity rates and put at risk the thousands of coal-related jobs in our state."

According to *Politico*, an earlier draft of Pomeroy's release described the EPA ruling as "boneheaded," and the Washington bureaucrat as someone "who does not know squat about North Dakota's energy sector." Pomeroy's bill not only prohibits the EPA from regulating so-called greenhouse gases, but also includes a "sense of the Congress" resolution

that climate change regulations must only be enacted at the direction of Congress.

It will be recalled that the issuing of the ruling by EPA Administrator Lisa Jackson was really a unitary executive dictatorship move by the Obama White House, ahead of the subsequently failed Copenhagen global warming conference.

Obama Wants U.S. To Lead the World—Into a New Dark Age

Jan. 8 (EIRNS)—In a statement made today, with no questions taken, President Obama announced \$2.3 billion in tax credits for "clean energy manufacturing"—windmills and solar panels—under the Recovery Act. The delusional President claimed that "the Recovery Act has been a major force in breaking the trajectory of this recession," and babbled that this initiative will help break our dependence on foreign oil, and "combat the threat of climate change."

British-agent Obama complained that the U.S. is being outpaced by others in "clean energy"—and he wants the U.S. to catch up in the British-sponsored race to a new dark age. "China has launched the largest effort in history to make their economy energy efficient," he said. "We spearheaded the development of solar technology, but we've fallen behind countries like Germany and Japan in producing it."

"I want the United States of America to be what it has always been, and that is a leader—the leader—when it comes to a clean energy future," Obama chattered. In fact, what Obama calls 'clean energy' is totally uneconomical, costing more than it produces. The real leaders in the energy field are those investing in massive expansion of nuclear power—as are the Chinese.

Wave of Resignations: Voters Hate Obama and His Policies

Jan. 6 (EIRNS)—With Democratic elected officials announcing their resignations left and right, including Sens. Chris Dodd (Conn.) and Byron Dorgan (N.D.), after only a brief glimpse of voters' anger during the Christmas holidays, Lyndon LaRouche said the resignations show the depth of mass strike protest against the Democrats over the fascist Obamacare bill. "Dorgan has been one of their strongest leading representatives," LaRouche said. "Obama is not hated—he is so despised by the voters, they don't hate him yet. People *hate* the Members of Congress who've betrayed them. Most of the population are against Obama and his policies. So they're against the Democratic Party, for supporting him and carrying out his policies. The Democratic Party is dead meat."

In addition to Dorgan and Dodd, Colorado Gov. Bill Ritter announced that he won't try for second term in 2010; Ritter was a Democratic "rising star," now set, who hosted Obama's signing of the "stimulus" bill in February. Ten Democratic Reps have given up on re-election (along with 14 Republican incumbents). In the Senate, at least five other Senators—in Nevada (Majority Leader Harry Reid), Ohio, Arkansas Pennsylvania, and Colorado—like Dodd and Dorgan, find themselves facing reelection with less than 40% support against actual or likely Republican opponents in 2010. Notes MSNBC's "First Read," "The biggest story with these retirements? The effect on President Obama. He's the head of the party, and to see so many Democrats in one day decide they don't want to run while he's the leader—at the very time when he's trying to strongarm Dems to give him health care and other major domestic achievements."

In the Massachusetts Jan. 19 special Senate election for the late Ted Kennedy's virtually perpetual-Democratic Senate seat, Scott Brown, a Republican who's running on a promise to vote "No" on Obamacare, is polling very close to Attorney General Martha Coakley, putting the Democrats into a panic. The Kennedy seat is decisive for Reid's 60 vote majority.

Northeast States Sign Energy Suicide Pact

Jan. 4 (EIRNS)—In a move that would further jack up energy prices, expand regulatory balkanization, and give speculators another cap-and-trade outlet, 11 Northeast/Mid-Atlantic U.S. states have committed themselves to establishing a "low carbon fuel standard" by early 2011. The move is opposed by the American Petroleum Institute, and backed by the Investor Network on Climate Risk, a speculators' club initiated at the first Institutional Investor Summit on Climate Risk at the United Nations in 2003.

A "low carbon fuel standard" doesn't just measure emissions from the final user of the fuel, but tries to calculate emissions generated during the fuel's production, transportation, and use in vehicles, industrial sites, homes, and offices. These calculations are said to favor so-called renewable energies and "advanced" biofuels. No mention, of course, of nuclear.

The stated aim of the Northeast initiative is to lower carbon emissions by 80% from 1990 levels.

The 11 states which have joined the suicide pact are Pennsylvania, and the ten states in the Regional Greenhouse Gas Initiative (RGGI), a cap-and-trade operation aimed at power plants: Connecticut, Delaware, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Rhode Island, and Vermont. The RGGI program already sets a limit on the amount of carbon that each state can release into the atmosphere, and requires power plant operators to bid on permits to offset their emissions.

Ibero-American News Digest

[London Mobilizes Terror Against Colombia's President Uribe](#)

[The place to look is "Londonistan."](#)

[LaRouche on 'Brazil's Role'](#)

[Mexico Rings in 2010 with London-Dictated Shock Therapy](#)

London Mobilizes Terror Against Colombia's President Uribe

Jan. 7 (EIRNS)—Colombian President Alvaro Uribe has launched an international mobilization against the "white-collar hit men and criminals" who provide logistics and publicity for the murderous FARC narcoterrorists, from the safety of their homes in Europe and other countries. Exemplary is the purported "documentary" now making the rounds, "The FARC: Insurgency of the 21st Century," released at the Argentine Film Festival last November, and scheduled to be shown next in Stockholm. The film portrays the FARC as innocent poor farmers.

The only thing the FARC plants are antipersonnel mines, President Uribe stated in a series of interviews this week. "They don't even grow coca. What they do is exploit peasants, making the peasants plant coca, and they make the money off the coca.... They kill peasants ... and now, with the help of some foreigners ... these executioners of the Colombian people want to pose as peasants." The international community must understand that FARC members "enslave Colombian farmers to destroy forests and grow coca, and if a farmer does not obey, they kill him." The Colombian government is now intensely engaged in searching out these "white-collar criminals" who aid these terrorists, he added.

The place to look is "Londonistan."

Leading the "white-collar" pack against President Uribe, is the City of London's *Economist* magazine. Presidential elections are to be held on May 30 in Colombia, and Uribe is considering running for his third term, to ensure that the routing of the FARC, which he has led, is carried to its conclusion. Should he run, no one disputes the fact that he could win overwhelmingly. So, on Dec. 30, the *Economist*, for the third time, threatened Uribe, charging that "politics is being held hostage" by the President, and he must renounce his reelection campaign now. It even raised the specter of Uribe being tried before the International Criminal Court should he not do so.

In the same Dec. 30 issue, the *Economist* singled out Tony Blair asset Juan Manuel Santos, as a preferred candidate for President of Colombia. Santos, from an historically Anglophile oligarchic family, brags that he is a personal friend of Blair's, and wrote an introduction to the Colombian edition of Blair's book, published as *The Third Way: An Alternative for Colombia*. Expecting Uribe to withdraw his candidacy, Santos resigned as Uribe's Defense Minister in May 2009, and promptly went on a long "vacation" in the United Kingdom, to prepare for the elections.

LaRouche on 'Brazil's Role'

Jan. 4 (EIRNS)—Provoked by a silly Dec. 31 Bloomberg wire promoting the Brazil-Russia-India-China group, named the "BRIC" by Goldman Sachs, Lyndon LaRouche, wrote the following note, titled: "Brazil's Role":

"While the BRIC is a useful instrument in its own right, the notion that there is any global weapon for avoiding a general economic collapse of the planet, without a leading role by the United States of America is a kindergarten-like fantasy. It is to be recognized as a delusion of potentially catastrophic short- to medium-term consequences for the planet as a whole.

"On the face of things, someone in Goldman Sachs's praise for the BRIC is either a delusion, or a far less than sincere tactical maneuver of the moment, a British attempt to thwart the measures which I have set into motion globally. It is well known to me through my well-grounded insight into the deeply corrupted role of certain persons well known to me from among some former associates, that British circles have adopted some of those "ex's" from inside Europe as British-owned "moles of record" influencing targets being approached as what London considers to be a useful sort of certain confused, ill-advised circles in Russia.

"As to the fact of the matter as posed by the Goldman Sachs posture, it is known that the destruction of the potential resistance to a British "one-world" fascist empire lies not only in certain patriotic circles to which I am party inside the U.S.A., but the destruction of the potential for independence on the Pacific and Indian Oceans side of Russia and Asia: the so-called "Eurasian complex" to which the U.S.A., minus certain political things such a certain son of a Nazi father and the son's British patrons, is attached by way of such places as Alaska, California, and the Pacific states, Washington and Oregon.

"The elimination of the U.S.A. as a factor in the present situation, would guarantee the doom, chain-reaction style, of every part of the world, including Russia, China, India, and Brazil."

Mexico Rings in 2010 with London-Dictated Shock Therapy

Jan. 6 (EIRNS)—Jan. 1 increases in the price of gasoline, diesel fuel, domestic gas, electricity, water, and other services in Mexico, accompanied by a 1% increase in the value-added tax on most products, are hitting the economy like a shock wave. Less than a week later, prices of sugar, corn, vegetables, fruits and other basic consumer items are estimated by Mexico City officials to have already risen by as much as 20% to 30%. Across the country, producers warn the increases will lead to generalized bankruptcy of what remains of Mexico's productive sector, along with mass hunger.

The Mexico City Chamber of Commerce projects that, in the first quarter of 2009, purchasing power will fall by 20% as a result, leading to the bankruptcy of 18,000 businesses and layoffs for 40,000 workers. The bread industry warned that bread prices must rise, given the 30% increase in their inputs. The price of tortillas in some of the country has gone from 8.50 pesos/kilo to 12 pesos.

Financial terrorism against the country by London and Wall Street forced the inclusion of this gouging of an already dying economy in the federal budget passed last November; the financial imperialists threatened the country would be cut off, and thrown into bankruptcy, were they not included.

Archbishop Martin Rabago of Guanajuato warned on Jan. 3 that the tax, fuel, and food price increases, coming on top of the overall economic crisis, can produce a "social explosion," since the great majority of Mexicans will be unable to meet their basic necessities of food, clothing and education, particularly, in the next three months.

The National Peasant Federation announced today that it is organizing other sectors to join them in a "mega-march" on Jan. 29 against the entire anti-human economic and social policy of the government. Other protests are popping up, often joined by desperate members of the Mexican Electricity Workers Union (SME), whose 44,000 workers were summarily fired in October when the government closed the Light and Power of the Center. LaRouche Youth Movement organizers warned the SME then, that that blow was ordered directly from London, and that only LaRouche's global Four Power strategy could stop Mexico's disintegration.

Western European News Digest

Europe on Its Way Out of History?

EU About To Follow Britain into Green Tech Trap

Northern Germans Welcome Fehmarn Belt Project

Prince William, Following Charles' Green Pawprints

Europe on Its Way Out of History?

PARIS, Jan. 8 (EIRNS)—Jacques Attali, former French President François Mitterrand's *éminence grise*, panics, in his weekly column in *L'Express* this week, about the fact that Europe is on its way out of history, while the large emerging powers of Asia are coming in. "Will we finally comprehend, in Europe, what is implied by the risk of exiting history means? Everyone should realize that the threat is there, quite tangible. And numerous events in the last weeks (the exclusion of the Europeans from the final negotiations at the Copenhagen Climate Summit, the buying up of Volvo by a Chinese firm, the first public infrastructure market in Europe—a portion of a highway in Poland—taken over by a Chinese company, and the takeover by the Koreans of the Abu Dhabi nuclear power contracts—confirm the realization of what some have been predicting for more than 30 years: that the center of the world is tipping from the Atlantic toward the Pacific."

But do the Europeans "really" realize what this means, he asks: "losing its principal markets; seeing its most competitive companies become the target for buy-ups, ... seeing the centers of decision-making and elites leaving; it's no longer being an actor in major world events, even those which determine its own future; it's no longer being able to maintain the living standard of its middle class, except on borrowed time and credit." If Europe "does not take the lead, does not become

aware of the danger ... this will be the end. Forever."

EU About To Follow Britain into Green Tech Trap

Jan. 5 (EIRNS)—The EU, led by Britain, France, and Germany, plus five other EU members and one non-member, seems firmly committed to invest heavily in windmill parks in the sea and similar nonsense, as part of its plan to put the Copenhagen Summit agenda into practice, even if the rest of the world thinks differently. The other six countries are Belgium, the Netherlands, Luxembourg, Ireland, Denmark, and non-EU member Norway. The windparks are to be created off the British, German, and Danish coasts, and tidal-power facilities off the British and Norwegian coasts are to be added. France may offer some solar power. These facilities will all be connected by one common "green power" grid. The whole project will cost EU30 billion and generate just a few megawatts of power. The energy ministers of the respective EU governments want to have the details ready by the autumn of 2010.

The EU "green power" plan seems to be complementary to the other, even bigger idiocy of building solar-thermic power parks in North African deserts for EU400 billion over 10 years of construction, a project promoted by the Desertec International Industries (DII) consortium.

Northern Germans Welcome Fehmarn Belt Project

Jan. 8 (ERNS)—Femer A/S, a Danish company that is in charge of laying out the Fehmarn Belt project, which will connect the Danish island of Lolland with the German island of Fehmarn, thereby opening up a direct route between Copenhagen and Hamburg, will present its plans to the public Jan. 12, announcing whether the Belt crossing will be tunnel and/or bridge. The news has generated numerous statements by politicians and industrial leaders in the German state of Schleswig-Holstein, the northern German state bordering on Denmark, to the effect that they hope a larger share of the components for the tunnel or bridge can be manufactured in the Baltic coast shipyards there, and create 7,000 new jobs.

Blair-Iraq Oil Connection

Jan. 6 (EIRNS)—Her Majesty's top Fabian agent, former Prime Minister Tony Blair, appears to be cashing in on the war he helped start in Iraq. *The Times* of Jan. 4 reports that Tony Blair gets a cool £1 million a year as an international advisor for Mubadala, a United Arab Emirates investment firm owned by the government of Abu Dhabi. It is currently in negotiations to join a consortium of western oil companies in a £6 billion project to develop the giant Zubair oil field in southern Iraq.

While Blair always claimed the war in Iraq was not about oil, he is now getting a large fee from a firm that receives 80% of its revenues from oil and gas, and intends to build the biggest oil company in the eastern hemisphere. Mubadala is in talks with Occidental Petroleum concerning the Zubair deal. The entire consortium is headed by ENI, the Italian energy firm.

Blair's consultancy roles with Mubadala, JP Morgan, Zurich Financial Services, and the Kuwait government pay him at least £6 million a year. He also earns millions on the lecture circuit, with fees as high as £6,000 a minute.

The Jan. 4 *Times* reports that Blair is considered by senior Labour Party figures as a liability for the party in the next elections, if he testifies before the Chilcot Iraq War inquiry. While Labour was to announce its election platform today, no role has been offered to Blair for the campaign as of now.

Prince William, Following Charles' Green Pawprints

Jan. 8 (EIRNS)—Her Britannic Majesty the Queen is preparing the younger generation to carry on the monarchy's genocidal policies. It is now reported that Prince William, who stands second in line for the throne, after his father Prince Charles, is following in Charles' pawprints, notably taking up his father's genocidal environmentalism.

The *Daily Telegraph* reports that William spoke at a reception of the Tusk Trust, of which he has been a royal patron since 2005, saying, "The imperative of balancing conservation of wildlife and natural resources with the real growing needs of the human race is the heart of the great challenge facing mankind today." The charity is in the tradition of all those inspired by Prince Philip's World Wide Fund for Nature (WWF). It has projects all over Africa to "protect" endangered species (excluding the human species in Africa). Going on to praise the Trust, William added, "Tusk realized this 20 years ago and, in many areas of radical thinking about sustainable development, the charity in its sensitive and self-effacing way continues to illuminate the path for us."

Southwest Asia News Digest

[Iran Charges Britain Responsible for Afghan Drug Scourge](#)

[Saudis Signal Support for Hit on Iran](#)

[Israeli Firm Linked to 9/11 Handled Security at Amsterdam Airport](#)

[Is Jewish Elder Statesman Siegman Breaking with Obama?](#)

Iran Charges Britain Responsible for Afghan Drug Scourge

Jan. 11 (EIRNS)—In an unusually forthright statement, Iran's Foreign Minister has stated that Britain must be held accountable for the way it has managed the drug problem in Afghanistan, which has led to a tenfold growth in narcotics production, Iran's Press TV reported on Jan. 10.

"Before anything else, the UK must answer to the international community about the kind of management it has employed in Afghanistan that has raised illicit drug production from a few hundred tons to around nine thousand (tons)," said Foreign Minister Manouchehr Mottaki on his return to Tehran after a visit to Iraq. Press TV says that Mottaki was referring to the London summit on Afghanistan later this month, and to the chances of bringing about any real change in that war-ravaged country. Mottaki said he was hoping that during the summit, the countries responsible for the events of the past eight years in Afghanistan would offer a clear response to world public opinion, for what they have brought about in that country.

Mottaki said that Iran has not yet decided whether to participate in the summit, as it still has doubts about how effective such meetings can really be. He emphasized that, other than the two summits in Bonn and Tokyo, which focused on governmental infrastructure in Afghanistan, and international aid for its reconstruction, the rest of the gatherings on the country were merely held with the aim of certain countries dictating the policies which have led to the conditions that, after eight years, dominate Afghanistan today.

Mottaki emphasized that all the U.S.-led forces have managed to bring to Afghanistan are more insecurity, extremism, and poppy production.

Saudis Signal Support for Hit on Iran

Jan. 6 (EIRNS)—An insulting attack by a leading Saudi cleric, against the leading Iraqi Shi'ite Grand Ayatollah Ali al-Sistani, signals Saudi support for Britain's plan to have its pawn Israel attack Iran. Ayatollah Sistani, who is himself Iranian, has played a leading role in improving relations between Iran and Iraq, as well as intervening for civil calm in Iraq.

In a sermon in Riyadh Jan. 1, Wahhabi cleric Mohammad al-Ureifi called al-Sistani an "atheist and debauched." He also attacked the Iraqi Shi'as for allegedly conspiring with a Yemeni tribe against Saudi Arabia, with Iran's support. Both Iran and Iraq are predominantly Shi'ite nations.

Israeli Firm Linked to 9/11 Handled Security at Amsterdam Airport

Jan. 8 (EIRNS)—An Israeli-owned private security company, with close ties to the right-wing Likud party, handled the security contract for Northwest-Delta Airlines at Amsterdam International Airport on Christmas Day, when the Nigerian Umar Farouk Abdulmutallab passed through a security screen, and later attempted to detonate explosives as the flight approached Detroit. The company, ICTS International N.V. (International Consultants on Targeted Security), also had security screening contracts at Logan Airport in Boston and Newark Airport on Sept. 11, 2001, through their U.S. subsidiary, Huntleigh USA Corp.

The Amsterdam airport contract was held by another wholly-owned ICTS subsidiary, I-SEC International Security B.V. ICTS International N.V. was founded in 1982 by "a select group of security experts, former military commanding officers and veterans of government intelligence and security agencies," according to the company's website.

All of the founders, and the majority of current officers and directors are Israeli. ICTS's principal owner is Menachem J. Atzmon, who also serves as the CEO of the German port of Rostock. According to a lengthy dossier in the Jan. 24, 2003 *Executive Intelligence Review*, titled "A Bigger Scandal: Illegal U.S. Funding of Sharon's Likud," Atzmon was co-treasurer of the Likud Party during the 1988 elections, and was convicted of laundering illegal corporate contributions into the party campaign coffers.

Prior to his conviction in 1996, Atzmon ran the Israel Development Fund, a U.S. tax-exempt foundation, which also funneled at least \$1.5 million in illegal contributions into the Likud. Atzmon's American lawyer for the IDF was Stephen L. Friedman, general counsel in the United States for the Likud, and a longtime neighbor of both Benjamin Netanyahu and his father Benzion Netanyahu, the personal secretary to Vladimir Jabotinsky.

The ICTS director of security for Northwest-Delta at Amsterdam airport is Ran Langer, joint managing director of ICTS as well as I-SEC. According to his official biography from the ICTS website, before being appointed joint managing director in 2004, he was general manager of ICTS International N.V.'s German subsidiary. Prior to that, "Ran Langer filled a variety of roles in El Al Israel Airlines' security operations, mainly in Germany, the United Kingdom, including Department Head responsible for El Al European and African stations."

Is Jewish Elder Statesman Siegman Breaking with Obama?

Jan. 7 (EIRNS)—Israel's refusal to carry out even a limited settlement freeze in the occupied Palestinian territories has "succeeded in locking in the irreversibility of its colonial project," and with that, "Israel has crossed the threshold from 'the only democracy in the Middle East' to the only apartheid regime in the Western world," wrote Henry Siegman, the American Jewish elder statesman, in the Jan. 25, 2010 edition of *The Nation*.

Siegman holds Obama's "politics as usual" as responsible for failing to "impose Middle East peace." The lengthy article goes through Siegman's own battle with successive Israeli prime ministers and officials, from Moshe Dayan to Ariel Sharon, who proudly showed Siegman the future sites of "Greater Israel" settlements in Palestinian territory during a helicopter ride, and told him that these settlements would "rule out a Palestinian state."

Siegman hits at "Barack Obama's capitulation to Netanyahu on the settlement freeze," and says that Obama's policy has been a failure. "Middle East peacemaking efforts will continue to fail, and the possibility of a two-state solution will disappear, if U.S. policy continues to ignore developments" in Israel and the occupied territories, which "can be reversed only through outside intervention...." But Obama must break with "politics as usual."

What a shift from a year ago, when Siegman teamed up with former national security advisors Brent Scowcroft and Zbigniew Brzezinski, to write a hopeful "blueprint" for Obama to adopt for Israel-Palestinian relations. Like many other liberal backers of Obama, Siegman appears to have had enough of this lying President. Siegman should state it openly, and forcefully.

Asia News Digest

[South Korea Links Military Sales with Nuclear Exports](#)

[Pakistan Arrests Five U.S. Citizens as Tensions Increase](#)

[Nuclear Energy Is 'Key Area for U.S.-Korea Cooperation'](#)

[India To Generate 60 GW of Nuclear Power by 2035](#)

[Investment in Chinese Railways To Greatly Expand in 2010](#)

South Korea Links Military Sales with Nuclear Exports

Jan. 7 (EIRNS)—South Korea, which has emerged as a proud exporter of nuclear power, is signing a number of memoranda of understanding around the world for the sale of various types of military equipment. The *Korea Times* reports that, according to a source, Defense Minister Kim Tae-young signed a deal with the UAE, in addition to the nuclear deal, to sell an unmanned aerial vehicle (UAV) as well as Korea's own Hyunmoo cruise missile. The two nations also plan to cooperate in the development of an electromagnetic pulse bomb (EMP).

Col. Michael Finnegan (ret.) of the National Bureau of Asian Research told *EIR* that Seoul has signed a number of MOUs for similar military arms sales around the world, including its homegrown T-50 Golden Eagle supersonic trainer jet. Korea's Defense Acquisition Program Administration (DAPA) has set a goal of achieving \$1.5 billion in defense exports this year, up 28 percent from last year's 1.17 billion, the largest amount ever. An agreement signed with Egypt this week is expected to open up military sales to other African nations.

Pakistan Arrests Five U.S. Citizens as Tensions Increase

Jan. 8 (EIRNS)—Pakistani security forces today arrested five U.S. citizens carrying out "suspicious activities" close to the

Iranian border in Pakistan's southwestern province of Baluchistan. These individuals were driving a car with fake license plates, police reported. Although left unsaid, it is almost a certainty that the five belonged to U.S. military's "hired hands," most likely working with the Blackwater Worldwide. Subsequent reports indicate that the Americans were freed after the U.S. consulate in Karachi intervened and demanded their release. The U.S. consulate apparently told police that the Americans enjoyed diplomatic immunity.

Whatever the Americans were doing that caused the Pakistani security forces to arrest them, the area they were in is extremely sensitive. A few months ago, an explosion killed at least 13 senior officials of the Iranian Revolutionary Guards. Iranians claimed the explosion was carried out by a terrorist group, Jundullah, based in the Pakistani province of Baluchistan, and working on behalf of the Americans. Tehran had also accused Islamabad of being linked with Jundullah.

Meanwhile, the U.S. Embassy complained on Jan. 7 that its staff members are being harassed and detained as they travel around Pakistan—a rare public protest which illustrates the tensions between the allies, as the United States expands its presence in Pakistan.

Nuclear Energy Is 'Key Area for U.S.-Korea Cooperation'

Jan. 5 (EIRNS)—Nuclear power development is "a key area for U.S.-Korea cooperation," said Michael Finnegan of the National Bureau of Asian Research, at a Brookings Institute forum today. Following a series of presentations on U.S.-Korea relations, which made absolutely no reference to either the emergence of South Korea as a nuclear exporter, nor Korea's role in the recent major development agreements across Eurasia, *EIR* challenged the panel on this glaring gap, noting that this is precisely the most fruitful area for U.S. engagement with Korea and Eurasia generally, were Washington to end its current foolishness and return to an approach of global high-technology development.

Finnegan, a former career military man at the Pentagon in East Asia relations, agreed, concurring with *EIR* that Westinghouse was already benefitting from the Korea-UAE nuclear deal, and that the expanding nuclear development programs across Asia show that "energy security, and security in general, have come together, that you can't have one without the other." While he gave lip-service to the "low-carbon" aspect of nuclear (another panelist had presented climate change as the key area for U.S.-Korea cooperation), he asserted that it was in America's self-interest to engage in the expansion of nuclear power across Asia.

India To Generate 60 GW of Nuclear Power by 2035

Jan. 5—In an interview with *Nature* magazine, Srikumar Banerjee, India's newly installed chief of its Atomic Energy Commission, has said that the country is planning to increase nuclear power generation from today's 4.7 to 60 gigawatts by about 2035. This would be roughly 10% of expected total installed capacity.

"India's established reserve of uranium will allow us to raise our installed capacity only to 10 gigawatts," Banerjee said. "We are intensifying our efforts to search for uranium in the country, but that takes time. But now that the Nuclear Suppliers Group has relaxed its guidelines, we can access international markets," he added. Banerjee also pointed out that agreements with the United States, France, and Russia for civil nuclear cooperation had been signed, as also a deal with Kazakhstan for the supply of uranium.

India will be constructing a wide variety of reactors in its bid to meet program objectives. According to Banerjee, "We will add eight to ten 700 MW pressurized heavy-water reactors, several fast-breeder reactors and an advanced heavy-water reactor, all of indigenous design.'

"Concurrently, we will set up light-water reactors in technical cooperation with foreign vendors. These imported reactors, each with a capacity of 1,000-1,650 megawatts, will be set up on energy parks at coastal sites including Gujarat, Maharashtra, Tamil Nadu, Andhra Pradesh and West Bengal," he said. "We are also in the process of identifying stable underground geological sites for long-term storage of nuclear waste."

As for reprocessing plutonium which can be used for constructing nuclear weapons, Banerjee said, "India has committed to adopting the closed fuel cycle option, in which the plutonium recovered from spent fuel is utilized for energy production using fast-breeder reactors. We have always emphasized that we should have the right to reprocess imported nuclear fuel to separate plutonium, under the International Atomic Energy Agency safeguards, of course." As for the use of thorium, of which India holds 25% of known world reserves, Banerjee said, "Large-scale utilization of thorium for power generation can start only when we have accumulated enough uranium-233. "To gain sufficient experience with the thorium fuel cycle, we are also planning to set up an advanced heavy-water reactor in which nearly two-thirds of the energy output will come from fission of uranium-233."

Investment in Chinese Railways To Greatly Expand in 2010

Jan. 7—China will invest 824 billion yuan (\$121 billion) in its rail system this year, including in building the long-planned high-speed link between Shanghai and Beijing, Railways Minister Liu Zhijun told a national rail conference today in Beijing. In 2009, as a key part of its policy to fight the world economic crisis, China invested 600 billion yuan in railways, 79% more than the year before. This was more than China invested in the whole decade from 1995-2005.

"Another 33,000 kilometers of railways are now under construction. This will need 2.1 trillion yuan of investment in the years to come," Liu Zhijun said. "The years from 2010 to 2012 are key in the modernization of China's railway system. The industry's development is entering a new phase and will face tough new challenges," Liu said today. Some 70 new railway projects would be launched this year, and by the end of 2012, the total length of China's railways would exceed 110,000 km (68,350 miles).

The Chinese national rail system will, within a few years, become the national infrastructure system proposed by its great republican leader Dr. Sun Yat-Sen. Already by end-2009, China's rail network was 86,000 km, second-longest after the U.S.

The rail system will carry a record of 1.64 billion passenger journeys this year, up 120 million or 7.6% from 2009, Liu Zhijun said, as well as 3.5 billion tons of freight, up 5.4%. This includes 210 million train passengers during the Spring Festival, Jan. 30-March 10 this year.

The rail investment is spurring production of key heavy industries in China, including steel and cement. In January-November 2009, China produced 5.475 million tons of railway steel, 30% more than the year before. Overall steel production was up over 17%. In the cement sector, China Infrastructure Construction Corporation, a big producer of ready-mix concrete in Beijing, announced Jan. 5 that it had entered a 10-year strategic agreement with China Railway Construction Group Co., Ltd. The two will produce and sell concrete in the Xi'an region, a key area on the Euro-Asia Continental Bridge.

Africa News Digest

- [Sudan Plays Leading Role in Dakar-Port Sudan Railway Project](#)

Sudan Plays Leading Role in Dakar-Port Sudan Railway Project

Jan. 3 (EIRNS)—Sudan and the Organization of the Islamic Conference (OIC) have finalized their decision to start the construction of the Dakar-Port Sudan railway, which will connect West and East Africa with 10,000 km of rail, including an 8,000 km main corridor, and connections to countries through which the main corridor will not pass.

This marks a big step forward toward Lyndon LaRouche's comprehensive proposal for African infrastructure development that he has advocated for years.

The announcement came in the context of a meeting of the foreign ministers of Turkey and Egypt yesterday in Sharm el-Sheikh, Egypt, with the secretary general of the OIC, Prof. Ekmeleddin Ihsanoglu, to discuss the Darfur donors' conference (under the auspices of the OIC, not the UN) to be held in March. This decision coheres with the solution for the humanitarian crisis in the manipulated Darfur conflict that LaRouche associates brought to the Khartoum conference on International Justice last April: Kick out the British Empire and bring economic development to the region.

Ihsanoglu reported that the Dakar-Port Sudan railway project is supported enthusiastically by Russia and China. He said that the OIC has accepted the working plan for the project, and will start discussing its financing with participation of the relevant nations located on the rail line, the Islamic Development Bank, based in Saudi Arabia, and the OIC.

The official headquarters of the project will be located in Sudan. In early December 2009, President Omar Hasan al-Bashir keynoted a conference of the OIC transport ministers in Khartoum, where he discussed the Dakar-Port Sudan railway, and thanked the OIC for its support of the project. The Sudanese Transport Minister, Philip Thon Leek, told the conference that the whole world will benefit from this project. Leek briefed the ministers on Sudan's plans to connect the country to its African neighbors through railways, urging the African nations to exert their utmost efforts in building railways due to the importance of railways in achieving development and stability.

In that December conference, Ihsanoglu stressed the willingness of the member states of the OIC to implement the ten-year development plans agreed on in 2005, to confront the financial crisis and the effects of globalization. He called upon the OIC leaders to rally the support for implementing and accomplishing this project.

On Dec. 10, Khartoum hosted the meeting of the expert groups of the OIC members participating in the Dakar-Port Sudan project. Mabrouk Mubarak Selim, State Minister in the Sudanese Transport Ministry, keynoted the opening session. He stated that the goal of the project is to connect the African deserts by means of the rail line, bringing the interior of Africa in contact with both the Atlantic Ocean and the Red Sea through 10,000 km of rail lines.

Engineer Hamza Omar al-Fadhelabi, director of Sudan's Railway Authority, said that the project will have a main corridor with an 8,000 km trunk line, 4,000 km of which is already connected but needs rehabilitation and overhaul. The other 4,000 km consists of connections extending to the capitals of some member states. Al-Fadhelabi added that there are nations that are not crossed by the main trunk line, such as Libya, Uganda, and Djibouti, which will also be connected to the project. He explained that the rail line will make it possible to pass directly from East Africa to its Western coast. He emphasized that the project represents a major transformation process for the African continent in the economic, political, and touristic spheres.

Mohammed Altayib Qasamallah, chairman of the committee in charge of the continental railway project, said the proposed strategic project is the fruit of the draft resolution presented by Sudan to the OIC, and passed at the OIC Summit in Senegal in March 2008. He noted that the railway project will encompass 13 African nations along the main trunk line, and 6 more nations on the secondary lines.

[top of page](#)

[home page](#)