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## **This Week You Need To Know**

### **Yes, Dick, You Are a Liar**

**by Jeffrey Steinberg**

Vice President Dick Cheney spent the second half of November ranting against Administration critics who dare accuse him of lying the United States into a disastrous war with Iraq. Speaking on Nov. 21 at the American Enterprise Institute, Cheney snarled that anyone making such accusations is "reprehensible" and practically guilty of high treason. His scheduled 90-minute appearance at the primo neo-con think-tank in Washington, where his wife Lynne is a resident fellow, lasted a total of 19 minutes. Cheney came, he ranted, and he departed, without taking a single question.

The Vice President is a man with something to hide. The simple truth is: Cheney did lie, repeatedly, to bludgeon the U.S. Congress into approving an unnecessary and disastrous invasion and occupation of Iraq. According to several eyewitness accounts, Cheney personally lied to scores of members of the U.S. Senate, claiming that the White House had rock-solid proof that Saddam Hussein was close to building a nuclear bomb, and that war was the only option. No such evidence existed—and Cheney knew it.

Cheney's favorite Iraqi liar, Dr. Ahmed Chalabi of the Iraqi National Congress (INC), now a deputy prime minister, all but gloated over his and Cheney's war-by-deception scam in an infamous Feb. 19, 2004 interview with the *Daily Telegraph*. Confronted on the piles of INC-fabricated intelligence that helped lead the United States to war in Iraq, Chalabi shrugged his shoulders, and said, "We are heroes in error. As far as we're concerned, we've been entirely successful. That tyrant Saddam is gone and the Americans are in Baghdad. What was said before is not important."

Not so. Now, despite Cheney's campaign of obstruction, the Senate Select Committee on Intelligence (SSCI) is scheduled to produce a Phase II report on the role of policymakers, starting with the Vice President, in the so-called "intelligence failures" leading up to the Iraq invasion. No doubt, there were some significant intelligence failures—notably, failures of nerve by senior intelligence community bureaucrats, to resist White House pressure to "spin" the intelligence to justify invasion. But the overriding factor in the rush to war was a campaign of lies by Cheney, and by what Col. Lawrence Wilkerson (USA-ret.), former Secretary of State Colin Powell's former chief of staff, dubbed the "Cheney-Rumsfeld Cabal."...

**[...full article, PDF version](#)**

## **Latest From LaRouche**

**WE ARE, AS A MOVEMENT, AT THE CENTER OF THE WORLD**

*Here are Lyndon LaRouche's opening remarks to a LaRouche Youth Movement cadre school in Berlin on Dec. 3.*

Okay, I'll begin: There's something I think should be the difference between a monetarist system and a credit system, that is, between the principles which underlay the U.S. design of the Bretton Woods system which was a credit system, as opposed to what we've had since 1971-72, which is a monetarist system. The difference is, that a monetary system is a relic, especially of Venice, in which a concert, like a slime-mold, of private financial interests gangs up together, and declares itself to be the world monetary authority, and sets rules by which governments and others must borrow money, on terms and conditions dictated by this slime-mold, this monetary institution—which essentially is the present IMF system.

Under a credit system, of the type which Roosevelt used as a guide for designing the Bretton Woods system, that it is the credit of the national government, its pledges and its control over the issuance of money, which provides money in the form of credit, to designated borrowers, who borrow in a way which is consistent with national interests and agreements with other states. Now, this is essentially what was done with the Bretton Woods system, when the United States was the only part of the world which had the capacity to generate credit, this large credit. It was the credit of the United States, not money issued by the United States as such, but credit given through the IMF and by the United States directly, which was the basis for the postwar recovery of the first 20 years of the postwar period.

Now, the conflicting system was the British system, what's called British system, or the Anglo-Dutch Liberal system. And what has happened over the postwar period, is especially beginning with the Harold Wilson government, the first Harold Wilson government of England, following the assassination of Kennedy, that, in this period, the British moved to take back—it wasn't just the British themselves, but the interests they represented—to take back control over the world economy, from the United States. With complicity of people *inside* the United States, as in Wall Street, who are essentially, spiritually and otherwise, part of the British system, like the House of Morgan, and so forth and so on.

So, what has happened now, is, we now have a system of debt slavery imposed by a global slime-mold, which is now called IMF, because it has taken over the IMF, as opposed to the postwar system of the first 20 years of the postwar system, which is the Roosevelt system, which is based largely on the American credit system, on the American System of political-economy.

Now, this was a process of destruction, in which the assassination of Kennedy, the launching of the Vietnam War, and other things were done, to induce the United States to begin to destroy itself. Now remember, if you go back to Kennedy, Kennedy was not a perfect person, but look at his policy: His policy on the space program and other things were policies which aimed at a continuation of the Franklin Roosevelt policy as U.S. policy, both in terms of domestic affairs, and international affairs. Kennedy was killed for that reason. He was killed by the monetarist interests, to get him out of there.

See the changes that occurred—we went into the Vietnam War, the Indo-China war, which Kennedy was committed to preventing. Under the advice of one former President, Dwight Eisenhower, and the advice of a leading general, Douglas MacArthur. Both advised on this. Kennedy was clear on that, and for that reason, he was killed. The policy changed by plunging into the Indo-China War, which weakened the United States in the way which is comparable to the way the United States has been weakened by Bush and Cheney, by the Iraq War, and related kinds of things. The economy of the United States has been ruined by the commitment to that war, by a foolish President who's merely a puppet of forces behind Cheney.

So, we're now at the point that the world is bankrupt. France is bankrupt, Germany is bankrupt, every part of Continental Europe is bankrupt. Every nation is bankrupt. Every nation's government is presently incompetent in Europe. The Russian government is less incompetent, but it is also incompetent, because it doesn't understand what kind of a world it's living in. It has some perspectives which are interesting ones, and not all bad, but the overall policy is not a workable one. Forget China. China is not a bad country, but China can not take over leadership and solve this problem. India's not a bad country,

but it isn't capable—countries with 70% desperately poor, as a typical Asian country, with an Asian tradition, can not cope with this kind of global situation. Except as cooperating partners of somebody who can provide the correct kind of leadership.

The only place on this planet, from which the correct kind of leadership could come, is from the United States. What do we have? I'm in a very interesting position—I'm no longer on the fringes, as some people thought.

I'm at the center of this process. Now, here's what the problems we have are. As you will have observed, since the summer of last year—and I mean 2004—we broke through in Boston; we were able to begin changing the orientation of the Democratic Party from an anti-Franklin Roosevelt policy, to a pro-Franklin Roosevelt policy. This came to a head with the influence of former President Bill Clinton, in August and early September of last year, where I was brought in as a key figure in the constellation people advising and steering the Kerry campaign. That was too late, and Kerry didn't get onto it well enough, soon enough. But nonetheless—. And there was also fraud, massive [voter] fraud of various kinds.

But, what happened was, now, the party was demoralized on Nov. 2, by the reported election result. But on Nov. 9, we had this international conference, which was presented out of Washington; which we got the Democratic Party to get up off the floor of despair and to begin to mobilize to fight, on my perspective for taking the issue of defending Social Security, to turn George Bush and his administration into a lame-duck administration from the beginning. Now, that worked. As the result of the success of that, beginning from the day of George's inauguration, the success of that, we changed history. Because we were able to get the Democratic Party leadership mobilized around the defense of Social Security, to adopt a perspective, in the main, of a Franklin Roosevelt perspective—that is, a renewal of the Roosevelt perspective, Roosevelt policies. That has happened. Since May 23 of this year, we've had an active emergence of a bipartisan grouping of most of the Democratic Party leadership, that is, the elected leadership and its supporters; and also a growing number of Republicans, who do not like the Cheney option, and are dismayed about that, who are much more reasonable. That is, they are much more traditional, would be another way of putting it.

So now, we had, first of all, a series of events in Congress. Remember, 98 out of 100 votes against Cheney on the question of torture. That means something. You had 403 votes in support of Murtha, against the war policy of the administration, in the House of Representatives. You have the leadership, the Republican leadership, or the Cheneyac leadership of the House of Representatives is on the way to prison! Led by the threat of imprisonment of DeLay and a whole passel of the Abramoff crowd, which are in the area of facing imprisonment, and they have one of their former associates who has turned as state's witness against all of his old friends, including Abramoff, DeLay, and Co. So, they're not in good shape, under these conditions.

The problem is this: That on certain areas of issues, we have a very good response from the leaders of the Democratic Party, and others, in the Senate, and from the many of the committees in the House. And the House of Representatives, while it's not fully functioning yet, it's on the way to the point that it can function. When we eliminate the blunt instrument, and we may be able to get it to function fully. The problem is, that on certain issues, we're doing very well—matter of fact, we're on the way to victory, by all counts.

*But!* The problem is, the immediate onrush of international financial collapse. Now, there's where we're having the jam up: Because, there's a resistance—remember, look from the beginning of the year, February-March, when I warned against the collapse of GM on the way, in the auto industry. Immediately, they were excited by the problem, that prospect, especially in the Senate and some of the committees in the House of Representatives. *But!* When it came to actually carrying out the actions that I proposed—they froze. And they have tended to freeze ever since. Now, you have Hillary Clinton, a Senator, with her staff, and they're working actively on this question. Others are also working actively on it. But the will to go ahead with the necessary measures that I know are necessary, is not yet in place.

Now, I've written this proposal on dealing with the auto crisis, to response to Bill Ford's statements, as the occasion for putting it out. I also have circulated, which many of you probably have seen, a list of the things that must be done, which some people may not be prepared to do right now, but which they're going to have to be prepared to do damned soon—if the world economy is not to go to Hell. Because we're on the verge of the greatest financial collapse in history. What you see in the fascist threat in France, around these riots, around Sarkozy, is very real! But this is typical of this kind of situation in history: It's typical of the threat of fascism in France, already in the 1920s! But the French could never get fascism going in France, despite their legacy of Napoleon, until the German Wehrmacht brought them fascism, imported from Germany! In other words, the French Synarchists really were the inventors of fascism. They invented fascism in Italy; they brought fascism into Germany, and other places. But they couldn't get it at home! They couldn't produce it at home—I guess there was a breakdown in the production line, hmm? So, they had to have the Wehrmacht invade France in order to give them the fascist regimes of Laval and so forth, hmm?

But, we're in that kind of situation, of economic crisis, where institutions of monetarist power, are unwilling to allow the reforms. And the people who should be resisting the monetarist power, who are in positions of power, are *not*. And therefore, you come to a point of decision, where the monetarists can not prevail with the present system, and the alternative to the monetarists lacks the guts and ability to fight. Under those conditions you get something like fascism. And that's what we're on the edge of in Europe, today. Not, the United States. We're not at that point. But, throughout Europe, across all Europe, the smell of an onrush of fascism is on the way, because the situation is impossible! Either somebody eliminates the threat, which means challenging the power of the Maastricht system—but, if the Maastricht system continues, you're going to have fascism, all over Europe.

So, that's where we are. But, the issue now becomes, what is the alternative to fascism? And the alternative to fascism is *the alternative to monetarism*. And the alternative to monetarism is a *credit system*, like that of the United States and like the Bretton Woods system.

That's our situation right now.

## Two Generations

Now, what you're dealing with, you're dealing with a population of two significant generations: My generation is dying out, and is not generally in positions of power, very rarely. I'm one of the few survivors of my generation who's active in the game still. But, you have the Baby-Boomer generation, of people who were born usually, between 1946, 1945-46, and 1950-51—that's the core of the Baby-Boomer generation. You have, from the upper 20% of that generation, the Baby-Boomer generation, are the BoBos. You have, from that generation, you have a certain part which are strata in power. These people are now between the middle of the fifties, and their sixties, in terms of age. They're in the last 10 to 15 years of their positions of power in society, as a group. They were the generation which was systematically brainwashed, in the postwar period, especially in the form of brainwashing which prevailed in Western and Central Europe—that is, the non-Communist areas—and in the United States, and the Americas, during this period.

The key symbol of this, of course, was, first of all, the issue was the nuclear war: Hiroshima and what followed. So, these kiddos, before they were even able to speak, or to read or write, were already being conditioned by *terrible* conditions, by fear, by right-wing terror, such as that we had in the United States under Truman. And Truman was a terrorist! That's the way it worked. Then we got a heavy dose of the Congress for Cultural Freedom, which was an attack on Classical culture; it was an attack on the idea of leadership in society; it was a promotion of a wild democracy of the type which was called "Sophism" in ancient Greece. And it *is* Sophism.

So, you have a generation of Baby-Boomers who specialize, not in reason, but in spin. Like a spider. So, this generation was brainwashed. It had thought that when it faced the crises of the 1960s, after the killing of Kennedy, the entry into the

war and so forth, when this generation became adults, young adults, university age, they went—at least the leadership of them—went crazy! The worst insanity in the United States, came from the leading universities, not the more popular universities, that is, the ones with the large populations of poor children, kids. But the ones that went to the prestigious, exclusive universities, and came out of that track, these were the wildest of all people. These were the people who were the most conditioned, and are the typical Baby-Boomers, and those who associate themselves with that stratum of influence and culture, this was the worst!

So, these guys, by the rioting of 1968 and so forth, became the basis for an anti-industrial policy; an anti-nation-state policy; and anti-technological progress. This became the basis for making possible the introduction of the Greenie movement. They made possible the election of the Nixon Administration in the United States, because they attacked ordinary working people and blue-collar people. Therefore, they drove, they drove the people in industry, the workers, the production people, into a rage—against these youth. This enabled Nixon to be elected. Under the Nixon election, we began to get a dose of fascism—and it *was* fascism. Don't kid yourself. It was a near-miss. This was the destruction of this monetary system. This was the launching of the 1970s introduction of so-called environmentalism, ecologism, as it was called in part.

We had the destruction of the economy of the United States, the destruction of the economy of Europe, as a process unleashed by this.

Now, today, you know, as you see in various countries, the influence of the so-called ecology movement and similar kinds of anti-cultural movements. As well as a general attitude of Sophistry, permeates the leading layers of society in Europe and the United States, today. Except for certain people, who, because they have a sense of power and some background, and some association, are capable of rising above that. But they still have the problem, which they were raised by, which was created—because they're also in this age-group, somewhere from 30-odd to 60-odd. These people do have some sense of power. And they have a sense of power, because they're part of the United States. But they have lost the connection to an understanding of what an agro-industrial, technologically progressive society is. And therefore, because they don't understand that principle, they have difficulties in understand the mechanisms of credit, as they apply to a real economy, as opposed to a monetarist system.

*That's* our problem. And that's where my role becomes indispensable. And I can tell you: I'm working on this problem. We're discussing it with leading layers in the United States. I'll be producing something very soon, which will be more specific on how we're going to deal with this. But that's where we are:

We are, as a movement, in the center of the world. Partly because of our position in the United States, which is the only position from which the kind of leadership must come, which can save the world from going to Hell. That is, if the United States goes down the tube and fails, every other part of the world is going to Hell! And that, very soon! In terms of the coming decade. If the United States succeeds, the world can succeed. We are at the center of the possibility of the success of the United States. And that's where Europe stands.

Now, we also are going to be under tremendous pressure from the all of the world, who recognize this, and are going to be doing everything possible, to disrupt our influence in Europe. Not because Europe represents an alternative—it does not. There is no capability in Europe—individually, as nations, or collectively—to solve the present world's problems' crucial feature. But Europe will play, and can play, a *vital role* in making a correct initiative from the United States workable. So, we have to get European civilization back together again, around this conception.

And then, *civilization might survive!*

That's what I have to say.

# InDepth Coverage

Links to articles from

[Executive Intelligence Review, Vol. 32, No. 47](#)

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## Feature:

### [Yes, Dick, You Are a Liar](#)

[by Jeffrey Steinberg](#)

Vice President Dick Cheney spent the second half of November ranting against Administration critics who dared accuse him of lying the United States into a disastrous war with Iraq. Speaking on Nov. 21 at the American Enterprise Institute, Cheney snarled that anyone making such accusations is 'reprehensible' and practically guilty of high treason. His scheduled 90-minute appearance at the primo neo-con think-tank in Washington, where his wife Lynne is a resident fellow, lasted a total of 19 minutes. Cheney came, he ranted, and he departed, without taking a single question.

- [The Fat Lady Sings](#)

Out of the blue, six days after Thanksgiving, Lynne Cheney, the wife of the Vice President, launched into a bitter, last-ditch defense of her puppet-husband and his lies and crimes. How desperate they must be, to bring her out now. As a guest on National Public Radio's 'Diane Rehm Show' Nov. 30, Mrs. Cheney said that her politics had come to resemble her husband's in the same way that people come to look like their pets. Or has pet Dick come to resemble her? In any case, resemblance there is: He lies, she lies. She told host Rehm that neither Cheney nor Bush had ever said that there were links between Iraq and alQaeda.

- [CIA Director Tenet: No Saddam Link to Atta](#)

This is the July 1, 2004 response of Director of Central Intelligence George Tenet to Sen. Carl Levin's question at the March 9, 2004 Armed Services Committee Hearing.

- [Documentation](#)

- [Murtha: 'Because They Say It, Doesn't Make It So'](#)

National Public Radio aired an interview with Rep. John Murtha (D-Pa.) on Dec. 1. The following is the transcript.

## Economics:

### [LAROCHE OPEN LETTER TO BILL FORD](#)

#### [Reorganizing the U.S. Auto Industry](#)

*The following is Lyndon LaRouche's Nov. 23 public letter to Ford Motor Company Chairman and CEO Bill Ford.*

RE: Reorganizing the Auto Industry Dear Chairman Ford: I not only wish to express my hearty agreement with the statement of Nov. 22, 2005, which you delivered to the National Press Club, but to indicate the emergency measures which are both feasible and necessary. These are measures which our government must undertake as essential measures of assistance, to prevent a looming catastrophe for the economic future of a U.S.A. which remains, despite everything, still today, the pivot and hope of a general economic recovery for a crisis-wracked world at large.

- ***Follow-Up on Ford Letter***

- **Auto and World Economic Revival**

- **by Lyndon H. LaRouche, Jr.**

Nov. 24, 2005

On the subject of my letter to Chairman Bill Ford, there is clearly much more to the matter than I stated there. What I stated is valid as far as the subject there goes, but the continuing success of what I propose depends upon the assumption that certain other measures, of broader implications, are taken in support of what I outline in that letter. I identify several among the crucial such points here.

- **Documentation**

- **What Bill Ford Said, And EIR's Analysis**

We excerpt here the remarks made Nov. 22, 2005 by Ford Motor Co. chairman and CEO Bill Ford at the National Press Club in Washington, D.C. Interspersed with Ford's remarks (printed here as prepared for delivery) are comments by the staff of EIR, which appear in italics.

- **Critical Auto Capacity To Be Saved: GM Capacity Shutdowns 2005-2008**

'Third World' Economy?

- **The U.S. Auto Industry Never Just Produced Cars**

- **by Marsha Freeman**

There is a widespread misconception that the automobile industry in the United States is now in the throes of collapse because there is too much manufacturing capacity for the number of cars people can buy, and that there is nothing else that can be done with the auto industry's factories and machine-tool shops. Nothing could be further from the auto industry's own history.

## **Hedge Fund Looting Is Fueling Hyperinflation**

**by Mike Billington**

Over the past few years, hedge funds and private equity groups have taken an increasingly dominant equity position in a large number of major corporations, especially in the United States and Europe. Recent reports demonstrate that the holders of virtually unregulated masses of speculative capital are using their increased corporate power to loot these corporations, extracting short-term payoffs for their clientele (who, by law, come only from the super-rich) at the expense of corporate investment in real production, while also loading up these corporations with unnecessary future debt. This is indeed the nature of the beast, or, as Trevor Prichard, a director at Standard and Poor's, admitted to the Financial Times on Nov. 27, 'Private equity groups are doing what they are designed to do—make money for their investors.'

## **Replacing Maastricht Depends on Germany**

**by Rainer Apel**

The first 'State of Germany' address delivered on Nov. 30 by the new German Chancellor, Christian Democrat Angela Merkel, lacked any substantive reference to the reality of the global economic depression and related political aspects. It did reflect, however, the increasing crisis of the European Union, which has erupted over the non-decision of the member governments on the EU common budget. That adds a third deep crisis to the other two crises that keep Europe paralyzed: the growing resistance to the defunct Maastricht budgeting control system, and the failure of the European Constitution project. The latter also has to do with the building resentments against the Maastricht-related effects of budget cuts on the broader population.

- **Interview: Horst Seehofer**

- **Not the Austerity Coalition That Financiers Had Planned**

Germany's new Minister of Consumer Protection, Food, and Agriculture, Horst Seehofer, is a member of the Bavaria-based Christian Social Union, and a deputy regional chairman of the party. He was Minister of Health in the government of Chancellor Helmut Kohl, and has criticized Chancellor Angela Merkel's plans for radically reforming the health service. He was interviewed at the Tutzing Evangelical Academy Political Club meeting in Bavaria, on Nov. 12, by Elisabeth Hellenbroich and Hartmut Cramer. He came to the Bavaria meeting just after the successfully concluded negotiations on the Grand Coalition in Berlin.

# **International:**

## **Kirchner Positions Himself To Do Battle With the IMF**

**by Cynthia R. Rush**

Argentine President Néstor Kirchner stunned world financial centers on Nov. 28, when he took the bold step of asking his Finance Minister, Roberto Lavagna, to resign. Rumors of a possible Lavagna departure had intensified after the Oct. 23 midterm elections, in which Kirchner's Victory Front coalition won a resounding national showing. But few believed that Kirchner would actually replace Lavagna, the 'respected' economist who was supposedly the 'mastermind' of the country's economic recovery.

## **LaRouche to Chinese Daily:**

### **Humanity Depends on Eurasian Development**

On Nov. 22, one day after President Bush concluded his visit to China, the government-controlled People's Daily published on its English-language website an interview with U.S. economist and statesman Lyndon LaRouche, published under eight subtopics. While LaRouche is by no means unknown to the readers of People's Daily (his economic and political comments are referred to regularly in its columns), this was perhaps the most sweeping expose´ of his thinking and his activity yet to appear in a mainland Chinese publication. People's Daily has not currently translated the interview into Chinese, but others have translated excerpts.

## **LaRouche on Iranian TV**

### **Free the United States From the Grip Of Imperialism and British Economics**

Lyndon LaRouche gave this interview on Nov. 22, to Saeed Behbahani from a Vienna, Virginia-based Iranian TV station, 'Rang-A-Rang TV.' Mr. Behbahani estimates that the interview, translated into Farsi, will have more than 1 million viewers. (See [www.rangarangtv.com](http://www.rangarangtv.com) for satellite frequencies and coverage.)

## **Interview: Dr. Imad Moustapha**

### **What Is Behind the Neo-Con Offensive Against Syria?**

Dr. Moustapha, Ph.D., is the Ambassador of Syria to the United States. Jeffrey Steinberg interviewed him in Washington on Nov. 17. EIR: How do you assess the Bush Administration's policy toward your country at this time? Moustapha: The more problems they get here on the internal, domestic front, the more they want to divert attention to an 'external' enemy. They are becoming almost obsessed by Syria. Hardly a day passes, without one of the top Bush Administration officials making a statement about Syria. And I think this is an indication of how desperate they are to divert attention to an external crisis. And it's becoming sometimes extraordinary and amazing!

## **The Big Holes In the Mehlis Report**

**by Muriel Mirak-Weissbach**

The principal tool, in the ongoing campaign against Syria, is the so-called Mehlis Report, which was drafted by Detlev Mehlis, head of the UN commission mandated to investigate the assassination of former Lebanese Prime Minister Rafiq Hariri. Its first report was released on Oct. 19, and a second is expected on Dec. 15.

## **Cairo Meeting for Iraq Reconciliation**

**by Muriel Mirak-Weissbach**

The Arab League, which represents 22 Arab nations, sponsored a meeting in Cairo Nov. 20-23, which brought together 21 groups from Iraq, representing different political, ethnic, and religious-sectarian factions. Among the political leaders present (aside from the Iraqi government officials), were President Hosni Mubarak, Syrian Foreign Minister al-Shara'a, Saudi Foreign Minister Prince Saud al-Faisal, and Algerian Foreign Minister Dr. Mohammed Bedajoui, as a representative of President Bouteflika. Iran was also invited, and was represented by Foreign Minister Mottaki. In addition to the Arab League, which sponsored the event, there was support from the Organization of Islamic Conference, the European Union, and the United Nations.

## **Conference Report**

### **An 'Axis for Peace' Against the Neo-Cons**

**by Christine Bierre**

About 150 diplomats, politicians, military figures, journalists, and artists, coming from 37 countries, notably the Arab world, the United States, Ibero-America, and Eurasia, assembled at a conference organized in Brussels on Nov. 17-18 by Réseau Voltaire (the Voltaire Network), under the

title of 'Axis for Peace.' The conference was called to denounce what its organizers called the 'war outlook which is gradually imposing itself in international relations,' with the 'unilateral rearming of the United States,' the unjustified attacks on Afghanistan and Iraq, and 'open threats against Syria and Iran.'

## **Peru's Fujimori Could Upset the Apple Cart**

**by Sara Madueño**

The unexpected arrival of former Peruvian President Alberto Fujimori in Chile on Nov. 6, announcing his intention to run in Peru's April 2006 Presidential elections after five years of exile in Japan, immediately overturned Peruvian politics, and could have far-reaching repercussions on politics throughout South America, should Fujimori center his campaign on not only his successful battle against narco-terrorism in the 1990s, but also his Aug. 31, 2000 call for a highly industrialized United States of South America, at long last without poverty.

## **National:**

### **DeLay's Filthy Congressional Machine Is Under Legal Attack**

**by EIR Staff**

The Justice Department is reportedly investigating three Congressmen, a Senator, and at least 17 current and former Congressional aides in its probe of Jack Abramoff, the currently indicted professional lobbyist who served as the moneybags for the political machine known as DeLay, Inc. Thus reports the Nov. 25 Wall Street Journal, citing lawyers as its source. With DeLay's former spokesman, Michael Scanlon, now cooperating, under a plea agreement with Federal prosecutors, Reps. Tom DeLay (R-Tex.), Robert Ney (R-Ohio), and John Doolittle (R-Calif), and Sen. Conrad Burns (R-Mont.), and apparently many other Copngressmen, are now under investigation.

### **It Didn't Start With Joe McCarthy**

**by Edward Spannaus**

Lyndon LaRouche has often characterized the Truman Presidency as a turning-point in U.S. history, a right-wing shift following the death of President Franklin D. Roosevelt, in which the synarchist bankers set out to dismantle Roosevelt's achievements and his vision. The witch-hunt launched by Wisconsin Rep. Joe McCarthy in 1950, with his 'I have a list' speech, actually began under Truman.

### **Interview: Erika Herbrig**

#### **Revive the Spirit of FDR's Foreign Policy**

Erika Herbrig worked for many years at the Potsdam Treaty Museum in Cecilienhof Palace, in Potsdam, Germany. Birgitta Gründler, Thomas Rottmair, and Robin Högl of the LaRouche Youth Movement interviewed her for Neue Solidarität, the weekly of the Civil Rights Movement Solidarity party (Bu"So), published on Nov. 16. It has been translated from German. Here are excerpts.

## **Editorial:**

### **Bill Ford's Message on Auto**

If we allow the U.S. auto-manufacturing industry to be destroyed, the U.S.A. becomes a virtual 'Third World' nation overnight.

1. The nation's machine-tool-design capability, most of which is tied up in the U.S. auto-manufacturing firms, is lost.
2. The loss of employment of that machine-tool design segment of that part of the labor-force, means many times that number of employees out of jobs, with no other place to go.
3. The loss of auto plants means an economic disaster, approaching ghost-town proportions, for what are already highly vulnerable entire towns, counties, and cities, even states of the union throughout many parts of the country. This could set off a chain-reaction collapse much, much worse than President Herbert Hoover's foolish reaction to the 1929 crash, a Hoover program which cut the U.S. economy in half over the 1930 - March 1933 interval....

## **U.S. Economic/Financial News**

## **Congressional 'E-Hearing' on Auto-Industry Crisis Announced**

The House Committee on Education and the Workforce Democrats will hold a 10-day "e-hearing," or online hearing, on "The American Auto Industry in Crisis: The Threat to Middle Class Jobs, Wages, Health Care and Pensions," from Dec. 6-15.

The committee Democrats, led by Rep. George Miller of California, ran such an "e-hearing" on the airline pension collapse early this year, which eventually had a very powerful impact on fighting off the White House's "pension reform" schemes. Miller and his fellow Democrats have been pushed to this form by the refusal of committee chairman John Boehner (R-Ohio) to allow them hearing rooms suitable to the importance of the subject. This is the first Congressional hearing to open up the crucial subject of the physical-economic crisis centered in the auto industry, which Lyndon LaRouche has made top priority.

The committee Democrats will set up a website, [www.edworkforce.house.gov/democrats/autocrisis.html](http://www.edworkforce.house.gov/democrats/autocrisis.html), to take testimony.

## **November U.S. Auto Sales Fall Again**

North American auto sales in November, which were released on Dec. 1, were again down—and this time, across the board, including the Japanese automakers. For the industry as a whole, sales were 10% below those of November 2004, despite an end-of-the-month "recovery" from even lower levels. According to *Automotive News* Dec. 1, GM sales were down 11% from last November; Ford down 18%;, Chrysler down 7%; Toyota down 3%; Honda flat; Nissan down 7.8%. The only exception was Subaru whose sales rose 7%. The November annual sales rate was only 15.4 million, down from a 16.6 million rate in November 2004. The October annual rate was 14.7 million, the lowest monthly rate in seven years.

## **Wall Street Threatens To Downgrade Ford Further**

Ford announced it is eliminating 1,470 jobs at Volvo, or 5.3% of the unit's workforce; while it is cutting output at Jaguar by as much as 7% and may sell its historic plant in Coventry, England. Yet, Standard & Poor's said it may still downgrade both Ford Motor and Ford Credit, warning that Ford's debt rating could be cut by more than one notch. S&P also said it may downgrade auto suppliers even lower. Meanwhile, General Motors is planning temporary layoffs at its Powertrain Plant in Toledo, Ohio, starting Dec. 12. The reason given for the job cuts is to reduce its inventory of transmissions, hit by falling sales of four-wheel-drive vehicles. And DaimlerChrysler is considering lay-offs at its plant in Kokomo, Ind., effective at the start of next year.

## **Rebuilding New Orleans Will Cost \$200 Bn; Take Ten Years**

Louisiana economic development secretary Michael Olivier says that rebuilding New Orleans and other parts of Louisiana will cost \$200 billion and take ten years, according to media reports Nov. 29. The Louisiana Recovery Authority, which Olivier advises on economic development issues, was expected to announce a more precise aid request after a meeting Dec. 1.

John Schwartz, of the *New York Times* says that Category 5 protection is a "piece of a \$32 billion pie," and is probably out of reach. Herbert Saffir (co-creator of the hurricane-power scale) says that a Category 5 hurricane would only occur once every 500 years and is not worth building for, though Dutch engineer Maarten van der Vlist disagrees, saying that the Netherlands chose to protect against flooding that occurs once every 10,000 years. The problem is nationwide and requires a complete reassessment of all flood systems. Robert Bea, a civil engineer at Berkeley says that the Army Corps of

Engineers should manage such a project.

The Stanford Washington Research Group says that some package of relief for the Gulf Coast utilities is likely to pass Congress by Christmas. The House version of a bill has no relief for utilities, whereas the Senate version has provisions including a longer carryback for property losses and the potential to receive community block grants for reconstruction.

### **Months After Katrina: Mouth of Mississippi Still Dangerous**

The mouth of the Mississippi River, three months after Hurricane Katrina, remains a dangerous obstacle course, the *Wall Street Journal* reported Nov. 28. Tanker and barge traffic from the Gulf of Mexico to the ports of Louisiana, and down the Mississippi River to those ports, requires extra careful piloting because the sunk barges, downed landmarks, and missing aids to navigation have not yet been cleared or restored. One 30-year veteran river pilot said, it is as if "we went back 100 years," when the hurricane blew out the electricity. A U.S. Coast Guard spokesman reports that many, but not all, navigational lights and their supports along the river have been restored, and that it will take at least a year to complete, in part because they lack the needed specialized construction boats. The full impact on trade in and out of the U.S. is yet to be determined.

### **Existing Home Sales Fall; Inventories Highest Since '86**

Existing U.S. housing sales fell by 2.7% in October, leaving inventories at the highest level since 1986, the National Association of Realtors announced in Washington on Nov. 28, adding that housing affordability, already at a 14-year low, will drop further as interest rates rise. The median price of existing homes rose by 16.6% from October 2004, to \$218,000. Sales were lower in all four regions of the country. Sales of existing homes account for 85% of the market.

## **World Economic News**

### **German Fin Min Warns of Deadly Crisis of Euro, Maastricht System**

During the parliamentary session in Berlin that followed Chancellor Angela Merkel's first State of Germany address Nov. 30, the new Finance Minister Peer Steinbrueck drew a gloomy picture of how the European Union and the euro would look in 2007, should Germany fail to meet the Maastricht criteria by that time. Steinbrueck insisted that Germany meet those criteria, otherwise this "third crisis," after the failed EU Charter and the failed solution of the EU budget problem, would provoke a "severe crisis of the euro" and the entire monetary system around it.

Whether Steinbrueck is really convinced that the criteria will be met, remains as much of an open question as the other question: whether he and his ministry are in any way prepared for the worst-case scenario he just portrayed. None of the leading countries of the EU will be able to meet the criteria in 2007, as none has been able to meet them during 2005, nor will they be able to meet them during 2006.

### **Fears of Steel Glut Result in Production Cuts**

The slowdown of the world economy has been reflected in the latest fear of glut in the international steel market. In order to remain viable, some of the producers are cutting down on production, putting workers out of jobs, and hoping to keep prices high.

One such situation is in Europe. European steel production fell for a sixth consecutive month in July, showing a 9.4% drop

from a year ago. The production in the 25-member EU in July was 14.4 million tons. Europe's benchmark steel prices have plunged 33% this year.

In the United States, Mittal Steel Co., the world's largest steel group, has no plans to restart the furnace of its Weirton, WV steel plant it acquired recently. Noticing a slump in the market, Weirton's furnaces were idled, eliminating 730 jobs.

World steel production is still showing growth however, because of China's large consumption. China, long a major importer of steel, has just recently become an exporter of steel. That means China is no longer consuming the 290 million tons of steel it produces annually. Reports indicate 40 million tons will be slated for export next year.

The drastic price drop has created some fear among Indian steel manufacturers. India is in the process of doubling its steel production capacity by 2010.

## United States News Digest

### Senate Dems Demand Investigation of Oil Executives

Senate Democrats are calling for an investigation into whether major oil company executives lied to Congress in answers to questions posed to them by Sen. Frank Lautenberg (D-NJ) during a Nov. 9 hearing of the Senate Commerce, Science and Transportation Committee. The questions posed by Lautenberg dealt with whether the oil executives testifying had participated in a 2001 task force set up by Vice President Dick Cheney. The oil executives answered "no," but subsequently told the *Washington Post* (Nov. 16 edition) that they had talked to people at the White House. This sparked a letter from Lautenberg to Attorney General Alberto Gonzalez, demanding an investigation. In the two weeks since that request, Gonzales has not responded.

Lautenberg's office reported that he was scheduled to speak to Gonzales the morning of Dec. 1, but that Gonzalez had cancelled at the last minute. Shortly afterwards, Senate Minority Leader Harry Reid (D-Nev) joined the call for an investigation, issuing a letter which says, "Despite the Vice President's active efforts to thwart open and transparent government, Congress has the right and the responsibility to seek and obtain information from witnesses that is honest and complete. When evidence arises that some of the statements made to Congress may be false, it calls into question a witness's entire testimony and undermines Congress's constitutional role."

### Lying Cheney Crew Feeding Stories into Iraqi 'Free Press'

The revelations that a military information operations cell has been feeding articles into the Iraqi press, which could be damaging for Cheney and Rumsfeld, were first reported in the *Los Angeles Times* and the *Financial Times* of London on Nov. 30. The report says that the U.S. military is paying Iraqi media to publish stories, written by U.S. "information operations" troops, and translated, with the aid of a defense contractor, the Lincoln Group, based in Washington, D.C. The planted articles praise the U.S. troops, denounce the resistance, and talk up "reconstruction" efforts.

The press coverage notes that, "The military's effort to disseminate propaganda in the Iraqi media is taking place even as U.S. officials are vowing to promote democratic principles, political transparency, and freedom of speech to a country emerging from decades of dictatorship and corruption...." The articles recall Rumsfeld's statement on Nov. 29 about how the proliferation of newspapers in Iraq was so successful, and offered a "relief valve" for the people.

One senior Pentagon official, speaking on condition of anonymity, stated his opposition to the ploy: "Here we are trying to

create the principles of democracy in Iraq. Every speech we give in that country is about democracy. And we're breaking all the first principles of democracy when we're doing it."

Among the papers being fed articles for which they pay, is *Al Mutamar*, a Baghdad-based daily, run by associates of the discredited Ahmad Chalabi. Another paper, *Addustour*, paid \$1,500 for an Aug. 2 article titled "More Money Goes to Iraq's Development," without knowing it was a U.S.

### **Khalilzad Will Hold Talks with Tehran**

The *Iran Daily* confirmed, on Nov. 29, that U.S. Ambassador Zalmay Khalilzad has been mandated to start talks with Tehran on Iraq. Khalilzad urged Iranians to "positively consider the proposal in a calm and rational manner," said *Iran News* in its Nov. 29 editorial.

Khalilzad, who speaks Farsi (the language spoken in Iraq), is quoted, "I've been authorized by the president to engage the Iranians as I engaged them in Afghanistan directly. There will be face to face meetings." The editorial continued, "Some observers believe the U.S. has finally come to the realization that stability in the region is not achievable without Iran," and pointed to Iran's "enormous geo-political, geo-strategic and geo-economic significance."

The paper said the offer should be accepted, since it "has significant long-term interests in Iraq. The Islamic Republic's interests in its next-door neighbor to the west include the return of peace and stability, border security, the departure of foreign troops, the fate of the Iraq-based Iranian terrorist group MKO, etc."

### **Will Cheney-Rumsfeld Try Bombing Campaign in Iraq?**

Investigative journalist Seymour Hersh is mooting the possibility that the Cheney/Rumsfeld gang may try to launch a Vietnam-era style "air power" campaign in an attempt to cut their losses in Iraq. Interviewed on CNN's "Late Edition," on Nov. 27, by Wolf Blitzer, Hersh says his analysis, published in the Dec. 5 issue of the *New Yorker*, is based on discussions with high-level military personnel, who have become concerned over the nature of the options apparently being mooted within the administration for a possible "draw-down" of American troops in Iraq. Given the weakness of any Iraq forces left to fend for themselves, so goes the reasoning, only a back-up by significant U.S. air power to destroy insurgency targets in support of the Iraq forces would give them the needed leverage. "Quick deadly strikes by U.S. warplanes," Hersh wrote, "are seen as a way to improve dramatically the combat capability of even the weakest Iraqi combat units."

Hersh drew parallels to Vietnam: "During the Vietnam war we got a total of how many missions, sorties per day, how much tonnage. We have no idea [in Iraq] how many bombs are actually dropping every day, and where," Hersh said. "But the idea is, you increase the pace of the bombing. And that will make an adequate Iraqi unit be able to stand up a little bit, certainly against the insurgency. That's the thinking."

Blitzer noted that Hersh, in his article, expressed the concerns of senior Air Force officials over such a policy. "It's not my concern," Hersh replied. "It's the concern of many senior generals in the air business, you know, in the Air Force. And planners, because they say, this is, you know, the power of American air is enormous...."

"People talk in terms, to me, the Air Force planners, of the exquisite nature of air bombing. The idea that you're going to turn over this control, this kind of force, to Iraqi units who can be penetrated by the insurgency, that have a lot of internal battles, as I say, many are militias. And they have problems that other people and other militias—who knows what will motivate them?" Hersh said. "It is good to know there is a lot of ethics in the Air Force. There's a lot of guys that are, that drop the bombs, they know the force of the weapons they have, and they don't want to be responsible for bombing the

wrong targets. They don't want non-Americans telling them what to do. This is a real doctrinal issue that's being fought right now in the Pentagon."

## **More Revelations That the White House Is Going Bonkers**

The *New York Daily News* ran a news story, on Nov. 27, based on discussions with top Republican Party figures, revealing mounting GOP concern that the White House is paralyzed, and President Bush is incapable of making the kinds of sweeping changes necessary to save his Presidency. The story reported that Bush has been urged by close friends to fire Donald Rumsfeld and bring Karen Hughes back from the State Department to run the White House. But, a former Presidential aide told the *Daily News* that it won't happen. "He [Bush] thinks that would be an admission he's screwed up, and he can't bring himself to do that." One thing driving Bush nuts is the constant stream of leaks from the White House staff, about how bad things are. "He's asking [friends] for opinions on who he can trust and who he can't," one unnamed source said. Another exasperated GOPer told the *Daily News*, "There is just no introspection there at all. It is everybody else's fault—the press, gutless Republicans on the Hill. They're still in denial."

## **Pentagon Expanding Its Domestic Spying Operations**

The Pentagon has significantly expanded its domestic spying, including on American citizens, through a number of little-known programs, including the Counterintelligence Field Activity (CIFA). CIFA, according to a Nov. 27, expose by Walter Pincus in the *Washington Post*, has over 1,000 employees and a secret budget. The unit, according to a public Pentagon document quoted by Pincus, uses "leading edge information technologies and data harvesting," "exploiting commercial data." Among the outside contractors working for CIFA are White Oak Technologies, Inc. and MZM, Inc. MZM, Inc. is linked to disgraced former Rep. Randy Cunningham (R-Calif), who just resigned from Congress after pleading guilty to Federal bribery charges. Pincus reported that the White House is reviewing a Pentagon plan that would allow military intelligence units to engage in domestic spying, even in law enforcement activities, and access more FBI data on American citizens. Senator Ron Wyden (D-Oregon), a member of the Senate intelligence panel, has blown the whistle on these administration moves, and has already forced some changes in legislation expanding the domestic spying and law enforcement powers of the military. That legislation was quietly attached to the intelligence authorization bill, until Wyden intervened. Wyden told Pincus, "We are deputizing the military to spy on law-abiding Americans in America. This is a huge leap without even a [Congressional] hearing."

## **The Emperor Makes No Clothes**

On Nov. 29, President George W. Bush stood at the Arizona-Mexico border, wearing the uniform of a U.S. border guard of the Homeland Security Department, and pompously proclaimed that the United States would "enforce its border laws" against Mexican and Central American illegal immigration. One hilarious problem emerged, however—the uniform Bush put on, and all Homeland Security border guard's uniforms along the southwestern border of the United States, are being ordered from Mexico! Border guards have protested the contract, fearing that uniforms might get into the hands of immigrant smugglers and other gangs, who could pose as border agents; Sen. John Cornyn (R-Texas) is trying to get Congress to terminate the contract.

At least, they could be made in China.

## **Ibero-American News Digest**

### **LaRouche Youth Hold 'Goodbye Cheney!' Parties**

In Mexico City, Bogota, and Buenos Aires on Tuesday Nov. 29 at noon, members of the LaRouche Youth Movement (LYM) surprised embassy personnel, police, and passers-by with boisterous "Goodbye" parties for the Vice President of Torture Dick Cheney, in front of the U.S. embassies in those cities. Replete with banners, singing, and, depending on the site, an assortment of balloons, confetti, *mate*, nachos, and the like, in each case, the principal banner or poster read, in English: "LaRouche Says to Cheney: Good-Bye and Good Health—and Let the Party Begin!"

In Mexico City, the LYM set special words for the very well-known Mexican song, "Las Golondrinas" (the swallows, birds that leave and never come back) which is a typical song for a farewell, and had a second banner reading (in Spanish) "Best Seller 'Kama-Torture' written by Dick Cheney (after his departure from the White House)." City police officers who showed up to ask them to leave, were invited to join the party, and ended up bowled over, as one of them told the organizers, by how educated the LYM was, seeing that they could sing, speak various languages (they gave political briefings in English and Spanish throughout), and understood economy!

The Argentine LYM opened their "party" by delivering a note to Embassy staff for U.S. Ambassador Lino Gutierrez inviting him to join them, given "the vacuum in government of the Cheney-Bush administration, caused by the administration itself," to celebrate the fact that "a new leadership emerging in the United States, stemming from a bipartisan coalition in the U.S. Congress together with the leadership of economist and statesman Lyndon H. LaRouche, Jr."

### **'Infrastructure Diplomacy' Advances in South America**

"Historic agreements" have been reached between Argentina and Venezuela, Presidents Nestor Kirchner and Hugo Chavez announced after their meeting in the heart of Venezuelan state-owned industry, Puerto Ordaz, and Ciudad Guayana on Nov. 20. The Presidents agreed to start feasibility studies for a 6,000-kilometer natural-gas pipeline which would run from Venezuela to Argentina, through Brazil, to supply the needs of the Southern Cone and eventually integrate it to projects with Peru and Bolivia. They discussed also the need to link Caracas to Buenos Aires by railroad, and a new "South American Monetary Fund"—no details provided—to finance those projects.

Their meeting marked the latest advance in the strategy of securing stability and peace through cooperation on great continental infrastructure projects which was kicked off at the March 29, 2005 four-nation summit (Brazil, Colombia, Venezuela, and Spain) in Ciudad Guayana, Venezuela. (See InDepth, Issue no. 15).

In the short-term, Venezuela agreed to buy another \$300 million of Argentine debt this year, on top of the \$950 million already bought; and they pledged to buy another \$1.2 billion for next year. These financial instruments, said Chavez, could be the seed of a new South American bank that can finance the development projects. Argentina will also receive 5 million barrels of gasoil daily, which is 33% of Argentine farm consumption and more than 50% of current imports by Argentina.

### **Pipeline Deal Between Colombia and Venezuela Signed, Too**

On Nov. 24, Colombian President Alvaro Uribe signed a deal with Venezuela's Hugo Chavez for the construction of a 215-kilometer natural-gas pipeline uniting Falcon state in Venezuela's northwest to Colombia's northern region. The project was first discussed at the March summit meeting in Ciudad Guayana referenced above. Now, Uribe and Chavez have given the green light for the actual construction of the pipeline, which will start sending gas from Colombia to Venezuela in 18 to 24 months. In a second phase, it will be extended to Panama and Central America. It will cost \$300 million, and will be financed by Venezuela.

Venezuelan President Hugo Chavez noted on Nov. 23 that "this meeting [with Uribe] will hurt more," some in the United States, "than the other" meeting, that which he had just held with Argentina's Nestor Kirchner. At their joint press

conference, journalists were trying to pit one President against the other, but Chavez said: "Everybody knows that President Uribe and I have different points of view in many matters; but we recognize Alvaro Uribe as the only lawful President and authority of Colombia, and we do not support any armed group attempting to overthrow the lawful government of Colombia"—a clear reference to the FARC issue which has previously divided them.

For his part, upon his return, President Uribe told Radio Caracol that Colombian and Venezuelan economic development is codependent and reciprocal. "We have a history, a common present and future, with the fellow Republic of Venezuela. As long as the Venezuelan economy prospers, the Colombian economy will prosper and vice versa," Uribe said. He emphasized that it was this outlook that had brought about the "energy alliance" forged last week, despite ongoing political differences between the Uribe and Chavez governments.

## **Now IMF'S Krueger Has Deployed into Brazil**

Anne 'Freddy's Sister' Krueger (the IMF's number 2) showed up in Brasilia on Dec. 1, to meet with Brazilian President Lula da Silva, his economic team, and the Central Bank chief with one message: "Stay the Course." This was Krueger's first trip to Brazil in two years, and although the pretext for her meetings with the government was that she was in Brazil anyway to be the keynote speaker for a seminar in Rio de Janeiro on "Strengthening Global Financial Markets", she descended on the country on the heels of the Kirchner-Lula summit and in the midst of an economic policy brawl in Brazil that just will not be silenced.

The IMF's dragon lady threw her support to embattled Finance Minister Antonio Palocci, calling him "a very important member of the team [who] deserves a lot of credit for what he's done." And were he to leave, she said, any replacement would have to stick with the "structural reforms and prudent macroeconomic policies"—the policies which are destroying the country. of GNP.

Financier worry is only increasing over the brawl which broke out after the blistering interview given by Lula's chief of cabinet, Dilma Rouseff, to *O Estado de Sao Paulo* on Nov. 9. Dilma there ridiculed Palocci's plan for a 10-year austerity pact as "fantasy-ridden" and not authorized by the government. "For the love of God!," she exclaimed, a 10-year plan cannot be drawn up on the basis of nothing but tables and a macroeconomic model, ignoring the existence of 180 million Brazilians, and economic, social and political factors. She demanded that the surplus not be raised, and that government funds be released for infrastructure and other projects.

When Dilma was not reprimanded, on Nov. 21-22, financier interests, domestic and foreign, delivered an ultimatum that not only should Palocci stay, but the primary budget surplus (revenue siphoned off for debt payments) must be raised at least to 5%, and attacks on policy coming from within the government must stop. As London's *Financial Times* put it on Nov. 22: "Brazil's hard-won economic stability hangs in the balance" in the Palocci fight; were he to be forced out of government, "the impact of his departure on financial markets would be severe." Ten days later, Krueger was sent in, too—with as yet little effect. (See "Kirchner Positions Himself To Do Battle With the IMF," in InDepth this issue, for the broader continental context of this fight).

## **Argentine Industrialists Mobilize Behind American System of Economics**

At its two-day annual conference, Argentina's Industrial Union (UIA) called for strengthening the "national entrepreneurial class" and "national capitalism" to guarantee the country's reindustrialization, always in solidarity with the population. Like President Nestor Kirchner, the industrialists association is promoting a policy of harmony of interest between government, labor, and industry. The theme of the Nov. 28-29 conference was how to "re-nationalize" the economy, which was looted by foreign predators during the free-market privatization days of the 1990s.

Vibrant industrial growth is the best way to provide quality jobs, good wages, better education and "more social inclusion for all," said UIA president Hector Mendez. In closing the conference, he borrowed lines from John F. Kennedy, saying "this is not the time to think of what the country can do for us, but what we can do for our country."

## **Pinochet Indicted on Multiple Charges**

Former Chilean dictator Augusto Pinochet was indicted Nov. 22 on charges of tax evasion, use of false passports, lying about his person assets, and crimes against the state. The charges are related to the \$28 million fortune which Pinochet illegally accumulated between 1973 and 2000, much of which was secretly stashed in foreign banks such as Riggs Bank and Citibank, as well as in a number of offshore shell companies, under assumed names.

In mid-October, the Supreme Court upheld the June 2005 ruling by the Santiago Appeals Court to strip Pinochet of his immunity as a former head of state, which allowed Judge Carlos Cerda to proceed to the indictment. Cerda is particularly looking into how Pinochet used the Army Chief of Staff's office, the Military Office of the Presidency, the national Customs Office and other government agencies to illegally purchase goods for his personal use, or to set up shell companies through which his illicitly obtained fortune was laundered. Judge Cerda is also seeking information on travel to and from Chile of two Citibank executives who managed Pinochet's accounts in the Citibank Private Bank, among whose "elite" customers were drug-money launderer Raul Salinas de Gortari of Mexico.

## **Western European News Digest**

### **Issue of Secret CIA Prisoner Flights Explodes Across Europe**

Since the story of secret CIA prisoner flights across Europe broke in the *Washington Post* Nov. 2, it has become a hot topic in many European countries. At least six European countries are now being investigated, and, according to the *Berliner Zeitung*, more than 80 flights into Germany alone, making that country a "hub" for CIA prisoner transport.

On Nov. 3, Human Rights Watch said it had evidence that the CIA flew terror suspects to Poland and Romania. Polish President Aleksander Kwasniewski repeated on Nov. 27 that Poland had never allowed the CIA to hold prisoners on its territory; however, he obfuscated on the issue of whether the CIA flights had ever *landed* in Poland.

The European Union's top justice official, Commissioner Franco Frattini, warned the EU's 25 member nations Nov. 29 that any country found to have hosted a covert jail could be punished, and even lose its vote in the EU Council—an unprecedented punishment—because such actions violate the Treaty of Nice signed by all EU members.

On Nov. 30, British Foreign Secretary Jack Straw, wrote a formal letter to U.S. Secretary of State Condoleezza Rice, publicly questioned the U.S. about the "rendition flights." Straw wrote in Britain's capacity as EU president, but, as the *Glasgow Herald* wrote, it is also "politically significant," because of the UK's role as the key European ally of the U.S. in the Iraq war.

Following that, an all-party group of British MPs called on the Blair government to answer questions about the use of UK airports for the flights, with a similar action coming from the leaders of the Scottish National Party. This week, British MPs will meet to discuss the "extraordinary renditions" and gather information on the flights, since the government so far has only said that it is "not aware" of British airports being used for them.

### **German Kidnapping Is Strategy of Tension**

The kidnapping of Suzanne Osthoff Nov. 29, the first German national to be kidnapped in Iraq, seems designed to orchestrate a diversion of German politics. Osthoff, a prominent German archeological and aid worker, has lived and worked in Iraq for years, and was seized, along with her driver, and three others, by armed captors. The kidnapping has riveted a German public that has long opposed the U.S. invasion of Iraq.

The kidnapping occurred right after Germany's new Chancellor Angela Merkel assumed office. Merkel said the government has set up a crisis committee to address the kidnapping.

### **German Auto Spokesman Says Employment Has 'Peaked'**

The collapse of the automobile sector has finally also arrived in Germany, with public remarks by leading management that both spending and more jobs have to be cut from 2006 on. In an interview with the *Frankfurter Allgemeine Zeitung* Nov. 29, Bernd Gottschalk, president of the Association of German Automakers (VDA), said that the "peak" of employment in this sector has "inevitably" passed. What is now on the agenda, Gottschalk said, is to secure that at maximum 50% of new investments are made in Germany—but that would be possible only with additional 10-15% cuts in "labor costs." The other 50% of investments will "inevitably" be made abroad. The envisaged cuts are not to be made in production of the standard private automobile; they are, instead, to be made in the "premium class" cars, production of which currently employs 60% of all auto workers in Germany.

### **European Fascists Gather To Commemorate Franco's Death**

Spanish fascist Blas Pinar crawled out of his crypt on Sunday, Nov. 20, to lead, on the streets of Madrid, a commemoration for the 30th anniversary of Francisco Franco's death. He was joined at the podium by the head of Germany's neo-nazi NPD party, Ugo Voight; the president of Italy's Fiamme Tricolore, Maximo Zanoni; unnamed French representatives; Blas Pinar's grandson, Miguel Menendez Pinar; and the head of Spain's "La Falange," Miguel Mariat, among others. The estimated 1,000 people participating in the Madrid demonstration included blue-shirted paramilitary Falange youth; participants cried "Franco, Franco," as they gave the fascist salute, and waved the Spanish flag from Franco's era.

Former Franco official and founder of today's Fascist International, Blas Pinar, delivered a diatribe against the 1978 Constitution which rules Spain today, derided Prime Minister Zapatero, and lamented the loss of Franco's days. Falange chief Mariat ranted against immigrants as a "time bomb which endangers Spain's cohesion." Pinar's grandson railed about how Muslims and homosexuals are seeking to "take over Spain."

The website of the European wing of the reconstituted Fascist International—whose various language pages gloat that the riots in France prove that "ethnic war" is about to begin against Muslim immigration into Europe—reports that "comrades from across Europe" gathered in Madrid on Nov. 18, for activities beginning with a "Dinner for the Europe of the Fatherlands," and concluding with a Nov. 20 march in honor of Falange founder Jose Antonio Primo de Rivera. At the Nov. 18 dinner, Tudor Ionescu from the Romanian fascist party Noua Dreapta; Udo Voigt, from the NPD; the infamous British-controlled terrorist Roberto Fiore for Italy's Forza Nuova; Jose Cantalapiedra of Spain's Falange; and Dimitri Papageorgiou from Greece's Golden Dawn party, signed a formal agreement to coordinate activities. Although not signing the accord, Olivier Grimaldi of the French-Hispanic Circle, also addressed the meeting.

### **Hedge Funds Hungry for German Industrials**

As the *Handelsblatt* daily reported Dec. 1, hedge funds and private equity funds are keeping a close watch on the biggest real-industrial companies of Germany, just waiting for the first major management mistake there, to intervene with a hostile takeover bid. At least six of the 30 leading companies that form the core stock market index in Frankfurt, the DAX,

are in high danger of such takeover attacks; names include Siemens, Linde, MAN, and Daimler-Chrysler, among others. Especially firms of the "old economy," with an emphasis on machine-building companies, are a target of the funds, the daily reported, on the basis of remarks made at a Frankfurt investment forum organized by the daily.

The dangerous potential of hedge and private equity funds is their targetted aggressiveness, which allows them, even with only 3-5% of owned shares, to lure other greedy shareholders into ganging up for a shakeup of the management and a takeover by managers of the funds' choice.

## **German Metal Workers Plan Ineffective Public Action**

Workers from numerous German metal-sector firms threatened with shutdowns, planned to take to the streets of Berlin, Dec. 1. A smaller contingent of workers from Samsung and JVC already protested in front of the Reichstag, the parliamentary building, Nov. 30. Workers from these two companies planned a motorcade from their sites in Oberschoeneweide and Reinickendorf, to the Mayor's office at the Rote Rathaus, in the center of Berlin. There, they were to be joined by several thousand workers from numerous other firms, mostly in the metal sector, protesting the unabated deindustrialization of the city. In mid-May this year, the labor federation of Berlin presented a memorandum calling for the reindustrialization of Berlin—which had 400,000 industrial jobs 15 years ago, shrunk down to only 100,000 now.

Also on the agenda, is protest against the destruction of still-existing full-time jobs, by part-time or 1-euro jobs: The city of Berlin alone lost 32,000 full-time jobs this way, during 2005, and the entire region (with the famous Speckguertel) of Berlin even 51,000 jobs.

The workers at JVC have presented an alternate production model, shifting from production of normal television screens to production of monitors for other purposes. The concept, so far rejected by the management in South Korea, does have the backing of the Berlin municipal administration, which would also co-fund the transformation process.

## **Tom DeLay's Scottish Host Forced To Resign**

Brian Monteith, who has hosted disgraced former U.S. House Majority Leader Tom DeLay, has now been forced to resign from the Scottish Tory Party. While his fall is not explicitly related to the ongoing U.S. Department of Justice investigation into Monteith's decades-long friend Jack Abramoff, it does reflect Tory opposition to such expendable trans-Atlantic intriguers, as Monteith was caught promoting press attacks on the head of the Scottish Tories.

## **Russia and the CIS News Digest**

### **Russia, South Korea Sign Land-Bridge Agreement**

Russian President Vladimir Putin and South Korean President Roh Moo-hyun have signed an extraordinary agreement for Russia/South Korea cooperation, including on the Eurasian land-bridge. Meeting bilaterally Nov. 19 on the sidelines of the APEC meeting in Busan, South Korea, the two Presidents adopted an "action plan" that includes: a project to link the Trans-Siberian Railroad to the Trans-Korean (Inter-Korean) Railroad (i.e., close the gap in the northern land-bridge); a cooperative technology park in Russia; joint development of oil and gas fields; and potential agreements in defense, space technology, and basic science.

Putin also expressed hope that "South Korean companies will be able to join the costly project for building an oil pipeline to funnel oil from Siberia to the Korean Peninsula," Xinhua reported. In this context, Putin has added substantive content

to the six-party talks on the ongoing Korean peninsula situation: development of the region as the basis for peace. As reported in EIR Online of Nov. 22, Putin prepared for the APEC meeting by publishing a document across the region on transportation development in Eurasia, focussed on Korea, and identifying the six-party talks as an effort to turn the region into a "zone of peaceful cooperation and development."

## **Russia Acts To Control NGOs**

On Nov. 23 the Russian State Duma voted 370-18 (56 abstentions) in favor of legislation which will clamp down on activities of non-governmental organizations (NGOs), especially those run, financed, and staffed by foreigners. Russian organizations will have to register with authorities, and will not be able to receive foreign funds or foreign staffing. This means that such organizations as the Ford Foundation, Amnesty International, and Greenpeace would be forced to shut down their offices and re-register as Russian groups. At the same time, the 2006 Russian budget will provide \$17 million to finance NGOs internally.

The move has provoked cries of foul play in the international press, where it is cast as a move towards an anti-democratic "closed society." U.S. President George Bush reportedly brought up the matter when he met Nov. 28 with Russian President Putin in South Korea.

On Nov. 26, Putin—who said already last summer that no self-respecting nation could allow foreign-funded NGOs to run rampant, without regulation—stated his support for the Duma legislation. "The state must keep an eye on the ongoing financing of political activities in Russia from abroad," he said. "This is especially true if financing from abroad is carried out through state channels of other countries or if those organizations operating here in our country that are involved in political activities are being used as an instrument of foreign policy of other states."

## **Germany and Russia Invite Poland To Join Pipeline Project**

German Chancellor Angela Merkel, during Dec. 2 talks in Warsaw, offered Poland access to fuel from the natural-gas pipeline that Russia and Germany are building on the Baltic Sea floor (circumventing Poland), through a spur from the main pipeline to the Polish port of Gdansk. Poland would also contribute with investments. A joint German-Polish working group has been established, to discuss further details.

Construction on the pipeline is slated to begin with a ceremony at a site 400 kilometers northwest of Moscow, on Dec. 9, which will be attended by German Economics Minister Michael Glos. The 1,200-km pipeline from Vyborg (Russia) to Greifswald (Germany) will require investments of up to 5 billion euros and is to be completed by late 2010, and begin gas transfers shortly after that. By about 2012, it will operate at full capacity, transferring 50 million cubic meters annually, to the West.

## **Russian-Indian Military Cooperation on the Rise**

India and Russia are moving closer toward joint manufacturing of naval vessels, including aircraft carriers, the New Delhi *India Daily* reported Dec. 2. New Delhi has virtually made available to Moscow details of most of its naval vessels, reports indicate. India and Russia are planning major naval exercises in the Indian Ocean region in the coming years, thus indicating India's keenness to keep the Russian Navy updated on this crucial oil-transporting sea lane.

On Nov. 25, Indian Navy's kilo-class diesel-electric submarine, built originally by the Soviet Admiralty Shipyard in Leningrad, was handed over to New Delhi after being upgraded by Zvyozdochka shipyard in Severodvinsk on the White Sea. Earlier in November, the refitted submarine, *INS Sindhughosh*, completed the tests of its new Club-S cruise missiles

at a firing range of the Russian Northern Fleet's Bermorskaya naval station. *INS Sindhughosh* is the third Indian kilo-class submarine modernized by the Russians.

In a Dec. 1 interview with the Russian government paper *Rossiyskaya Gazeta*, Indian Prime Minister Manmohan Singh said that cooperation between the two countries had reached "an unprecedented level of intensity" in a number of areas. He added, "I would like to see great achievements in the economic sphere.... The rapid growth of Russian exports to India could allow broadening of various kinds of cooperation in the areas of atomic energy, investments in infrastructure, and exports of high technology." Manmohan Singh's remarks came on the eve of his visit to Russia, beginning on Dec. 4.

## **Uzbekistan Closes Its Air Space to NATO**

With the exception of German aircraft, NATO flights have been banned over Uzbekistan as of Nov. 24. This comes on the heels of the closing of the Karshi-Chanabad U.S. military base earlier in November. Closing the air space will affect flights of planes into Afghanistan.

## **Asia News Digest**

### **Chinese Arms in Nepal and India's Northeast**

Despite India's continuing embargo on arms to Nepali King Gyanendra, China has decided to supply arms to Kathmandu. Indian military contacts pointed out that a large contingent of the Royal Nepali Army escorted 18 Chinese trucks—12 were spotted on Nov. 22 and another six on Nov. 23—entering Nepal via the Koduri Highway, the only road linking Nepal and China. When asked, Royal Nepalese Army Brig. Gen. Deepak Gurung declined comment, neither confirming nor denying the reports. Observers claim that the Chinese decision to supply arms to Nepal followed a series of high-level visits by the Nepali officials to Beijing. Arrival of arms indicates that China has ignored moves by the U.S., the EU, and India to exert pressure on King Gyanendra by choking arms supplies to his army. These countries are of the view that RNA will use these weapons against pro-democracy forces.

Meanwhile, seven Chinese arms dealers (four from Hong Kong and three from Macao), who visited Bangladesh in September and October, have reportedly struck a deal with one of the Indian rebel groups, ULFA, operating in India's northeast. The arms dealers visited Dhaka, Chittagon, Cox's Bazaar, and Jessore, at the time and met with the ULFA leaders. Indians report that the arms shipment went through northern Myanmar to the destination.

### **Taiwan Defies Patent Laws To Produce Tamiflu**

Roche Pharmaceuticals refused to grant Taiwan a license to produce Tamiflu, but Taiwan is proceeding to produce it in defiance of the patent laws, AFX reported Nov. 27. Roche assured Taiwan that it would provide adequate supplies of Tamiflu, but Taiwan's Bureau of Pharmaceutical Affairs said it could not depend on that promise, and must be prepared to "protect our people in case of a bird flu outbreak, so mass production is scheduled for next year." The government told Roche they would only use the domestically produced drug if Roche failed to come through with the promised quantity.

### **Myanmar Extends Aung San Suu Kyi House Arrest**

Myanmar extended the house arrest of opposition figure Aung San Suu Kyi for another six months, the government announced Nov. 28. The arrest-extension of the much-heralded British agent, which provoked howls of protest from Washington and elsewhere in the West, comes a week before the reconvening of the Constitutional Convention, which is

at the center of the process to bring peace among the many ethnic entities in the nation, for the first time since the British left the nation divided among ethnic units. If the Convention proceeds as planned, there will be a new constitution in place by the time Suu Kyi is eligible for release again. Suu Kyi is boycotting the Convention.

Myanmar officials have informed *EIR* in the past that the last time Suu Kyi was released from house arrest, just preceding the opening of the Constitutional Convention in the late 1990s, former Secretary of State Madeleine Albright immediately visited and convinced Suu Kyi to boycott the Convention, although she had planned to have her opposition party participate.

## **Security Council Refuses To Be Bullied by Bolton**

The UN Security Council shot down U.S. Ambassador John Bolton's effort to call a debate on Myanmar last week, but Bolton threatened to raise the demand again, and force a vote. Bolton went berserk when Myanmar extended Aung San Suu Kyi's detention for six months (see previous item), and wrote a letter to the Security Council demanding that they bring Myanmar to the floor. Such action would require a demonstration that Myanmar is a "threat to international peace and security." Since this is patently ridiculous, Bolton included in his letter that Myanmar is "seeking nuclear power capability"!

It is worth remembering that President Eisenhower provided Myanmar (then called Burma) with a test nuclear reactor in the 1950s, as part of Atoms for Peace, even though Burma was then close to the Soviet Union.

The majority of the UNSC rejected the Bolton demand, saying that the Association of Southeast Asian Nations (ASEAN) should determine whether Myanmar is a threat or not—and they clearly say it is not.

On Dec. 2, the Security Council refused again to place Bolton's demand that Myanmar's supposed human rights violations be put on the agenda. Placing the issue on the official agenda would have opened up the possibility of sanctions, which China, Russia, and others refused to do. To deal with Bolton's brute tactics on the matter, the UNSC agreed to an "off-agenda" closed door briefing from Kofi Annan on the situation in Myanmar.

In Yangon, the regime announced that the Constitutional Convention will begin again on Dec. 5, after an eight-month recess, bringing all the ethnic entities together, with the hope of achieving national peace and cooperation for the first time since the advent of British colonialism.

## **This Week in History**

### **December 6 — 12, 1953**

#### **Eisenhower Presents Atoms for Peace Plan to the United Nations**

As he stepped to the podium to address the General Assembly of the United Nations on Dec. 8, 1953, President Dwight D. Eisenhower knew that the world faced an extremely dangerous situation. Financial elements within the United States and its former allies in World War II, who had originally backed the fascist policies of Hitler and Mussolini, but changed position as Hitler moved west and not eastward, now were reverting to their former ideology. The leadership of the Soviet Union, knowing full well that they had been the fascist utopians' original target, and were so again, were arming to the teeth, especially with nuclear weapons.

President Eisenhower had already gotten a taste of the utopian faction's plans for endless war when he tried to end the Korean conflict. Just as the utopians had used the atomic bomb on Japan when a settlement of the war was already in progress, this time they acted to sabotage the armistice agreement in Korea. Secretary of State John Foster Dulles—whose outlook neatly coincided with the financial backers of the Nazis—and President Syngman Rhee of South Korea agreed that the war should continue, and so Rhee freed some 25,000 Korean and Chinese POWs *behind the American lines* and thus broke the terms of the armistice, to say nothing of endangering the American troops.

Therefore, when he was invited to address the UN General Assembly, Eisenhower took the opportunity to propose a plan that would eliminate the causes of war by using atomic energy for the peaceful purposes of development. The plan was flexible, thus allowing the Russians to gradually join in. Eisenhower opened his speech by reiterating his government's support for the United Nations, and then stated that he would not take "this great opportunity merely to recite, however hopefully, pious platitudes. I therefore decided that this occasion warranted my saying to you some of the things that have been on the minds and hearts of my legislative and executive associates, and on mine, for a great many months; thoughts I had originally planned to say primarily to the American people.

"I know that the American people share my deep belief that if a danger exists in the world, it is a danger shared by all; and equally, that if hope exists in the mind of one nation, that hope should be shared by all. Finally, if there is to be advanced any proposal designed to ease, even by the smallest measure, the tensions of today's world, what more appropriate audience could there be than the members of the General Assembly of the United Nations.

"I feel impelled to speak today in a language that, in a sense, is new, one which I, who have spent so much of my life in the military profession, would have preferred never to use. That new language is the language of atomic warfare....

"On 16 July 1945, the United States set off the world's first atomic explosion. Since that date in 1945, the United States of America has conducted 42 test explosions. Atomic bombs today are more than 25 times as powerful as the weapon with which the atomic age dawned, while the hydrogen weapons are in the ranges of millions of tons of TNT equivalent.

Today, the United States' stockpile of atomic weapons, which, of course, increases daily, exceeds by many times the total [explosive] equivalent of the total of all bombs and all shells that came from every plane, and every gun, in every theater of war, in all of the years of the World War II.

"A single air group, whether afloat or land-based, can now deliver to any reachable target a destructive cargo exceeding in power all the bombs that fell on Britain in all of World War II. In size and variety, the development of atomic weapons has been no less remarkable. The development has been such that atomic weapons have virtually achieved conventional status within our armed services. In the United States, the Army, the Navy, the Air Force, and the Marine Corps are all capable of putting this weapon to military use. But the dread secret and engines of atomic might are not ours alone.

"In the first place, the secret is possessed by our friends and allies, Great Britain and Canada, whose scientific genius made a tremendous contribution to our original discoveries and the designs of atomic bombs. The secret is also known by the Soviet Union. The Soviet Union has informed us that, over the recent years, it has devoted extensive resources to atomic weapons. During this period, the Soviet Union has exploded a series of atomic devices, including at least one involving thermonuclear reactions.

"If, at one time, the United States possessed what might have been called a monopoly of atomic power, that monopoly ceased to exist several years ago.

"Therefore, although our earlier start has permitted us to accumulate what is today a great quantitative advantage, the

atomic realities of today comprehend two facts of even greater significance. First, the knowledge now possessed by several nations will eventually be shared by others, possibly all others.

"Second, even a vast superiority in numbers of weapons, and a consequent capability of devastating retaliation, is not preventive, of itself, against the fearful material damage and toll of human lives that would be inflicted by surprise aggression....

"Should such an atomic attack be launched against the United States, our reactions would be swift and resolute. But for me to say that the defense capabilities of the United States are such that they could inflict terrible losses upon an aggressor, for me to say that the retaliation capabilities of the United States are so great that such an aggressor's land would be laid waste, all this, while fact, is not the true expression of the purpose and the hope of the United States.

"To pause there would be to confirm the hopeless finality of a belief that two atomic colossi are doomed malevolently to eye each other indefinitely across a trembling world. To stop there would be to accept helplessly the probability of civilization destroyed, the annihilation of the irreplaceable heritage of mankind handed down to us generation from generation, and the condemnation of mankind to begin all over again the age-old struggle upward from savagery towards decency, and right, and justice. Surely no sane member of the human race could discover victory in such desolation.

"Could anyone wish his name to be coupled by history with such human degradation and destruction? Occasional pages of history do record the faces of the 'great destroyers,' but the whole book of history reveals mankind's never-ending quest for peace and mankind's God-given capacity to build.

"It is with the book of history, and not with isolated pages, that the United States will ever wish to be identified. My country wants to be constructive, not destructive. It wants agreements, not wars, among nations. It wants itself to live in freedom and in the confidence that the people of every other nation enjoy equally the right of choosing their own way of life....

"In this quest, I know that we must not lack patience. I know that in a world divided, such as ours today, salvation cannot be attained by one dramatic act. I know that many steps will have to be taken over many months before the world can look at itself one day and truly realize that a new climate of mutually peaceful confidence is abroad in the world. But I know, above all else, that we must start to take these steps—now....

"The United States would seek more than the mere reduction or elimination of atomic materials for military purposes. It is not enough to take this weapon out of the hands of the soldiers. It must be put into the hands of those who will know how to strip its military casing and adapt it to the arts of peace....

"To hasten the day when fear of the atom will begin to disappear from the minds of people and the governments of the East and West, there are certain steps that can be taken now. I therefore make the following proposal.

"The governments principally involved, to the extent permitted by elementary prudence, begin now and continue to make joint contributions from their stockpiles of normal uranium and fissionable materials to an international atomic energy agency. We would expect that such an agency would be set up under the aegis of the United Nations....

"The United States is prepared to undertake these explorations in good faith. Any partner of the United States acting in the same good faith will find the United States a not unreasonable or ungenerous associate. Undoubtedly, initial and early contributions to this plan would be small in quantity. However, the proposal has the great virtue that it can be undertaken without the irritations and mutual suspicions incident to any attempt to set up a completely acceptable system of world-

wide inspection and control.

"The atomic energy agency could be made responsible for the impounding, storage and protection of the contributed fissionable and other materials....

"The more important responsibility of this atomic energy agency would be to devise methods whereby this fissionable material would be allocated to serve the peaceful pursuits of mankind. Experts would be mobilized to apply atomic energy to the needs of agriculture, medicine and other peaceful activities. A special purpose would be to provide abundant electrical energy in the power-starved areas of the world....

"Against the dark background of the atomic bomb, the United States does not wish merely to present strength, but also the desire and the hope for peace. The coming months will be fraught with fateful decisions. In this Assembly, in the capitals and military headquarters of the world, in the hearts of men everywhere, be they governed or governors, may they be the decisions which will lead this world out of fear and into peace.

"To the making of these fateful decisions, the United States pledges before you, and therefore before the world, its determination to help solve the fearful atomic dilemma—to devote its entire heart and mind to find the way by which the miraculous inventiveness of man shall not be dedicated to his death, but consecrated to his life.

"I again thank the delegates for the great honor they have done me in inviting me to appear before them and in listening to me so courteously."

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