

[return to home page](#)

This Week You Need To Know

Rohatyn, Shultz, Cheney 'Privatization' Scheme To Wreck U.S. National Security

by Jeffrey Steinberg

On Oct. 9, 2004, two leading American figures in the International Synarchy, George Shultz and Felix Rohatyn, teamed up in an assault upon the national sovereignty and national security of the United States. Under the auspices of George P. Shultz's Princeton Project on National Security, the Rohatyn Center for International Affairs at Middlebury College, and the Woodrow Wilson School of Public and International Affairs at Princeton University, jointly sponsored a conference promoting "The Privatization of National Security," at the Middlebury College campus in Vermont. The conference brought together a dozen or so academics, former government officials, and retired military officers to chart out the vast expansion of the privatization of military functions, through PMCs—private military companies.

According to the Rohatyn Center's annual report of 2004-05, Shultz is the co-chairman of the Princeton Project, which is funded by the Ford Foundation, and "aims to move beyond the ... standard ways of thinking about national security." Translated into plain English, Shultz and Rohatyn are leading the drive to eliminate the sovereign nation-state, by outsourcing to private multinational corporations, virtually all national security and military functions, including all non-combat and some core combat functions of the military itself.

In line with the Shultz-Rohatyn scheme—and under the umbrella of "privatization"—the so-called Global War on Terrorism (GWOT) of Secretary of Defense Donald Rumsfeld, former Deputy Secretary of Defense Paul Wolfowitz (now president of the World Bank), and Undersecretary of Defense for Intelligence Stephen Cambone, has already transformed segments of the U.S. military into a carbon-copy of Hitler's Allgemeine SS, deploying quasi-private bands of commandos around the globe with a license to kill, and engaging in a massive spying campaign against American citizens, far beyond anything Richard Nixon envisioned in his most paranoid moments.

According to one well-placed U.S. military source, Rumsfeld has recently radically altered the personnel regulations of the Special Operations Command, allowing Green Berets, Navy Seals, Delta Force commandos, and other "spec ops" troops, to "temporarily" retire from the military service, go to work for private contractors, and later return to active duty—with no loss of rank or service time. If this report is true, Rumsfeld has smashed the wall of separation between active-duty special forces soldiers on the one side, and mercenaries and terrorists on the other....

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

Latest From LaRouche

Private Armies, Captive People

by Lyndon H. LaRouche, Jr.

March 21, 2006

In 2001 the Cheney-directed government of President George W. Bush, Jr., seized the opportunity created by the terrifying moment of the September 11th destruction of the World Trade Center buildings, to push through an attempted copy of the form of dictatorship which was given to the Adolf Hitler regime through Hermann Göring's organization of the burning of the German parliament, the Reichstag. The attempt was led by Vice-President Dick Cheney, on the same evening as that attack, to introduce forms of dictatorship which had been prepared in advance of that terrifying incident. These measures did not date from the January 2001 inauguration of George W. Bush, Jr., as President. This represented measures already underway in 1991, from the office of then Secretary of Defense Dick Cheney, under President George H.W. Bush.

Cheney was not fully successful in the proposals presented on the evening of September 11, 2001. Although important elements of the prepared plan for dictatorship were not pushed through at that time, important steps in the direction of tyranny were pushed through in the Patriot Act and related measures. Since that time, there has been resistance to such measures, from among leading Republicans as also Democrats; but, the corrosion of human Constitutional rights has been continued, step by step, on and on.

Briefly, as Jeffrey Steinberg presents these facts in the accompanying report, Cheney used his earlier position as Secretary of Defense under President George H.W. Bush, to push through legislation which represented the first of a still continuing series of attempts to take the control of the military and intelligence services out of the hands of government, and transfer these functions and powers to private corporations, as is merely typified by the cases of Halliburton and Bechtel, then as now.

After leaving the office of Secretary of Defense, in 1993, Cheney walked over to take the leadership of Halliburton. Later, Bechtel-linked George P. Shultz, formed the team which was to become the Bush-Cheney government of 2001-2006. Cheney appointed himself Vice-President of the George W. Bush, Jr. government, and controller of virtual puppet-President George W. Bush, Jr. Cheney and long-standing Cheney crony Donald Rumsfeld, as Secretary of Defense, conducted the wars which Cheney's lies had launched. More, and more, and more of the powers of the U.S. military and military-related intelligence functions, were handed over to private enterprises of Halliburton, Bechtel, and their high-priced cronies, while the actual U.S. military and its regular intelligence services, were gutted almost into ruins....

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

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Links to articles from

[Executive Intelligence Review,](#)

[Vol. 33, No. 13](#)

To navigate the content of the **entire issue**,
please begin by clicking anywhere on [Page 1.](#)

[...Requires Adobe Reader®.](#)

National:

Private Armies, Captive People

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- LaRouche Warned About Danger of Dictatorship

During his webcast on Jan. 3, 2001, Democratic leader Lyndon LaRouche announced his campaign for the 2004 Democratic Party Presidential nomination, and issued the following sharp warning about the dangers the nation immediately faced...

Rohatyn, Shultz, Cheney 'Privatization' Scheme To Wreck U.S. National Security

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- Eisenhower's Warning

In his Jan. 17, 1961 Farewell Address, President Dwight D. Eisenhower warned against the 'military-industrial complex'—the grouping behind Cheney today.

Feature:

'Only Animals Save Water; Human Beings Generate It'

by Dennis Small

So polemical a giant banner deployed by the LaRouche Youth Movement in Mexico City, outside the March 16-22 IV World Water Forum, which brought together thousands of government officials, NGOs, environmentalists, businessmen, and water experts from 140 countries, to discuss the world water crisis, and what to do about it.

LaRouche-López Portillo Battled To Power North America

by Gretchen Small

The last Mexican government which fought to develop that nation into a modern, nuclear-powered industrial nation, was that of President José López Portillo. As President from 1976 to 1982, López Portillo told the Mexican people time and again, that 'the historic moment has arrived to say 'enough' to the ancestral misery of the Mexicans.' To accomplish this, he proposed that Mexico gear up production of its newly discovered giant oil reserves, and exchange that oil for technology, emphatically including nuclear technology, from the industrialized nations. 'We have to rapidly accustom ourselves to thinking big,' he often said. 'We must plan large development projects with ambition and vision.'

- LaRouche's Record

Great Projects To Solve the Water Crisis

Since the very inception of his political movement, Lyndon LaRouche has placed a primary emphasis on the high-technology development of the Earth's water resources—most notably through nuclear-powered desalination—as vital for continued human life on this planet. Here we excerpt from a few of the many articles by him or about his work.

Economics:

Russia Embarks on Its Global Nuclear Power Plans

by Marsha Freeman

In a series of national and international meetings in mid March, the Russian government put forward its concrete plans to lead the global renaissance in the construction of new civilian nuclear power plants. Recent personnel changes in Rosatom, the Russian nuclear agency, are designed to position Russia as a major exporter of nuclear plants, which will help finance the construction up to 40 new domestic nuclear plants over the next 20 years. Russia's current chairmanship of the Group of 8 industrial nations positions it to lead the nuclear revival internationally.

Interview: Lee Barron

Globalization and Drought Have Ravaged Texas Farming

Mr. Barron is a farm broadcaster and farmer in Lubbock, West Texas. He raises horses, pigs, cotton, and stock show animals. Marcia Merry Baker interviewed him on March 15.

India: Tamil Nadu Gets Nuclear Desalination

by Ramtanu Maitra

One of the hottest subjects in the southern Indian state of Tamil Nadu is drinking water. The economically flourishing Tamil Nadu is confronted with a perpetual water shortage. The only solution is widespread desalination of sea water, and a leading Tamil Nadu politician and former Chief Minister, J. Jayalalitha, has made desalination her political trademark in the state. She has accused the national government in New Delhi of sabotaging her plans to set up more desalination plants.

When Will Atomic Power Return To Germany?

by Rainer Apel

At the meeting of the G-8 Energy Ministers in Moscow on March 16, Russian President Vladimir Putin, who has repeatedly urged his own nation to make special efforts to increase the percentage of Russia's power that is generated by nuclear plants, presently at 16%, to 20%, had ironic 'praise' for the Germans: 'Even in Germany, where our colleagues had announced that they were going to phase out the country's nuclear energy program, nuclear power plants currently produce around 28% of Germany's electricity— not a bad figure at all.'

Texas University To Build First Nuclear HTR Research Reactor!

by Marjorie Mazel Hecht

The first U.S. fourth-generation nuclear reactor will be built at the University of Texas of the Permian Basin as a teaching and test facility, according to an agreement signed on Feb. 22 between General Atomics and the University. The GT-MHR is a modular high-temperature gas-cooled reactor, which uses a direct-conversion cycle that is 50% more efficient than the conventional nuclear steam cycles in producing electricity. (The initials stand for Gas-Turbine Modular Helium Reactor.)

Implosion of the Global 'Carry Trade'

by Lothar Komp

It is standard procedure of leading central banks these days to fight any symptom of global financial disintegration by further gearing up money-printing machines. Hedge funds and other investors could borrow the fresh liquidity at nearzero interest rates, and then channel it into any kind of highrisk, high-yield assets, from emerging market stocks, to junk bonds, or mortgage-backed securities. However, interest rates in the United States and Europe have started to rise, and even in Japan, the days of zero-interest rates are numbered.

International:

Doomed by Iraq, Corruption, 'Tony Blair Is Going Down'

by Scott Thompson

In a recent discussion with members of the international LaRouche movement, Lyndon LaRouche drew a direct parallel between the rising resistance in the United States to the Cheney-Bush regime (see EIR, March 24, 2006), and the coming fall of British Prime Minister Tony Blair. 'Tony Blair is going down, LaRouche said. 'He's about to be sucked under.'

Forces in Motion To Prevent Attack on Iran

by Muriel Mirak-Weissbach

With the news, on March 17, that Iran and the United States had agreed to talks over the situation in neighboring Iraq, a new opportunity was opened up, to effect changes in U.S. policy towards Iraq, and the region more broadly. At the same time, the announcement in Washington of the formation of an Iraq Study Group, consisting of seasoned political figures from previous Republican and Democratic administrations, indicated that this bipartisan grouping had realized that something drastic had to be done, to seize control over foreign policy from an insane White House. In parallel, Russia and China moved together at the United Nations Security Council to squash all efforts to issue a formal statement dictating terms to Iran on its nuclear energy program.

Interview: Martin van Creveld

Is Iran Really a Threat To The United States and Israel?

Professor van Creveld teaches military history at Hebrew University, Jerusalem, and is the author of over 15 books on military history and strategy. He has lectured or taught at strategic and military institutes and universities throughout the world. Michael Liebig and Dean Andromidas interviewed him on Feb. 28.

Behind the Belarus Election: A Nation That Says, 'Just Try'

by Konstantin Chermnykh

People doubt that George W. Bush can tell Slovakia from Slovenia, or Uruguay from Paraguay. There is one country in Eurasia, however, not much larger than those, which is definitely accessible for the restricted capabilities of Mr. Bush's intellect. He can point it out perfectly on the political map, although this country is not a site of warfare or civil conflict; its citizens don't turn up on lists of international terrorists or religious fundamentalists; and it does not bother the U.S. State Department with requests for material and moral support (although, lacking both raw materials and an outlet to the sea, it certainly could). Still, this country constantly draws attention, like a white crow or a black sheep. It disturbs the sleep of any strategist of the new globalist order— because, for some mysterious reason, it remains an exception to this order, at least among the surrounding nations. From the standpoint of such a strategist, something must be done about it, but a multitude of attempts to intervene have turned up as humiliating failures.

Editorial:

Cheney and Rumsfeld Must Go!

There is the talk of impeachment in the air, particularly in reference to that babbling incompetent President George W. Bush. Allegedly, the Republican Party itself is ecstatic about the discussion, which they claim will discredit those opposing the blatant insanities of the President. Thus, when Senate Majority Leader Bill Frist issued his latest blast at Democratic Minority leader Senate Harry Reid, he attacked him for, among other things, saying 'that he, as a leader of Senate Democrats, would not rule out impeaching President Bush over the wiretapping program.'

U.S. Economic/Financial News

GM, Delphi Deal with UAW Hastens Industry Shutdown

GM and Delphi reached a deal with the United Auto Workers March 22, on an "accelerated attrition program," offering early retirement incentives to employees. Foolishly called "a historic agreement" in some press accounts, the deal will dramatically shrink the production workforce of both companies, costing GM between \$6 billion and \$10 billion, while solving none of the issues between Delphi and the UAW. In fact, Delphi announced immediately after the "historic

agreement" that it still intends to file a bankruptcy court motion asking that its contracts with the UAW be set aside, and still demands drastic wage reductions from those workers who remain at Delphi. Nor does it solve the question of whether Delphi's pirate CEO Steve Miller gets to close half its production plants; a national UAW strike could still result.

GM is offering to pay a lump-sum incentive of \$35,000 to any of 13,000 Delphi UAW workers who are eligible to retire, and willing to quit; it is offering early retirement buy-out packages to "all [114,000] GM hourly employees," with incentives of between \$35,000-\$140,000, higher for younger workers, lower for those nearer retirement. GM employees who accept early retirement would give up health care and other post-retirement benefits, while keeping pension benefits. And GM will offer "positions" to another 5,000 Delphi employees—likely to mean positions in a GM "jobs bank" for laid-off workers until the end of the UAW/GM contract in 2007, and then early retirement.

Neither company, nor the UAW, was estimating how many of the 130,000 production workers of both companies would accept this offer to be flushed out of the auto industry. The plan clearly involves the threat of even further drastic shrinkage of GM as a productive company, even as the interest-rate burden on its \$300 billion in debt keeps growing—thus opening the door wide to a near-term GM bankruptcy.

"It doesn't get us any closer to what we need to save this industry, and some of these plants are going to be concrete slabs within a year—the country will never get that capacity back," said one union leader familiar with Lyndon LaRouche's alternative policy for retooling the auto industry. LaRouche himself commented that this has been allowed to happen because neither the Senate nor the House Democratic leadership has been functioning recently, due to "the problem represented by Felix Rohatyn."

Auto Sales Plunge in Early March

U.S. retail auto sales plummeted by 13% in the first half of March, compared to 2005, the *Detroit News* reported March 20. Every major automaker, except BMW, posted a drop in sales, according to J.D. Power and Associates. GM's retail sales fell 20%, Ford's sales were down 19%, and Chrysler's sales declined 14%.

Funds' Risky Bets Could Spell End of 'Debt Party'

"Nobody knows how much is at risk in the entire [debt] market if there is a big blow-up," the *Wall Street Journal* mused March 22, warning that the riskier bets of the hedge funds could signal an end to the "debt party." "Nobody knows just how much the few investors who buy the riskiest portions stand to lose if things go badly." The *Journal* focussed on the "collateralized-loan-obligation" market—bank loans to companies that are bundled and sold in pieces—where speculators are now making deals they wouldn't talk themselves into a few years ago. With loan defaults rising, "who is holding the riskiest tranches? It is mostly hedge funds.... How much underlying leverage do they all really have? Nobody knows because nobody keeps track."

Hedge funds' assets have reportedly grown to \$1.5 trillion, a 50% increase in just two years.

Maryland Electric Co. Begins Charging Deregulated Rates

Maryland's electric company is getting an early start in charging deregulated rate hikes, while the Governor and legislators are making noises about trying to get BG&E/Constellation to settle for less than the up-to-72% rate increase it has announced it will impose when price caps come off electric rates July 1. But the utility is not bothering to wait until then.

The 50,000 of the utility's 300,000 customers who pay on a bill-averaging basis, are already being hit with price increases,

reflecting rate hikes that are slated to go into effect in the third quarter of this year. Average residential bills are expected to increase more than \$700 a year.

Neo-con Gov. Robert Ehrlich has offered \$25 million in a supplemental budget proposal to help pay the bills of low-income residents.

Democratic leaders have called for the ouster of Public Service Commission Chairman Kenneth D. Schisler, saying that he is too close to the utility the commission is supposed to regulate. "We're moving ahead to find a solution," said one Democratic state senator, without mentioning the possibility or necessity of re-regulation.

Across the state line in Virginia, the legislature recently extended price caps on electricity for another two years.

Fewer Doctors Providing Low-Cost Health Care

According to a new report from the Center for Studying Health System change, covered in the *Washington Post* March 23, the proportion of doctors providing low-cost health care dropped to 68% of doctors in 2004-05 from 76% in 1996-97. It is also of note that the number of people without health insurance has risen sharply, putting more pressure on emergency rooms. Nonetheless, many people just go without.

World Economic News

Iceland Looks Worse than Thailand in 1997

Iceland looks worse than Thailand in 1997, and its currency could sink by 60%. So warned Danske Bank, the second-largest Danish bank, in a new research paper, titled "Geyser crisis," March 22. In terms of parameters like the current account deficit, now reaching 20% of gross domestic product (GDP), the Iceland economy is the most extreme case in the entire OCED area. Therefore, "we think the economy is heading for a recession in 2006-7," in which GDP "could probably dip 5%-10% in the next two years," states the report.

While this picture already looks grim, the situation is actually much worse, due to an additional problem: a pyramid of debt. In the recent few years, there has been "a stunning expansion of debt, leverage, and risk-taking that is almost without precedent anywhere in the world. External debt is now nearly 300% of GDP, while short-term external debt is just short of 55% of GDP. This is 133% of annual Icelandic export revenues. Since 1990, total debt as a percentage of annual GDP has more than doubled, to 350%. This development has primarily been driven by the household and corporate sectors, which have doubled and tripled debt as a percentage of GDP, respectively. M3 money supply M3 rising by 22% annually.

External debt now accounts "for more than 80% of total debt," which in turn is "almost entirely denominated in foreign currency. Consequently, the Icelandic economy has become increasingly dependent on foreign capital," and "the willingness to lend of global financial markets. This raises the question of whether the economy is facing not just a recession—but also a severe financial crisis.

"Previous similar crises in other countries have sparked very large market reactions. In Thailand (1997) and Turkey (2001), the currencies weakened by 50%-60%." Comparing such precedents, "we conclude that Iceland looks worse on almost all measures than Thailand did before its crisis in 1997, and only moderately more healthy than Turkey before its 2001 crisis."

Killer Avian Flu Has Evolved into Two Separate Strains

According to researchers of the U.S. Centers for Disease Control and Prevention (CDC), the killer avian flu strain H5N1 has evolved into two separate strains, the *Sidney Morning Herald* reported March 22. "Back in 2003, we only had one genetically distinct population of H5N1 with the potential to cause a human pandemic. Now we have two," said Rebecca Green of the CDC, at the International Conference on Emerging Infectious Diseases in Atlanta on March 22.

One of the strains made people sick in Vietnam, Cambodia, and Thailand, in 2003 and 2004, and the second, a cousin of the first, caused the disease in people in Indonesia in 2005. According to the researchers, the two strains may share the same ancestor but are genetically very different—as are the different strains of the AIDS virus, the researchers pointed out.

"This does complicate vaccine development," said Nancy Cox, chief of the CDC's influenza branch.

Bird Flu Claims More Lives; Spreads All Over Asia

The World Health Organization reports that five young people in Azerbaijan have died of bird flu, possibly from collecting feathers from dead swans, bringing the total known deaths worldwide to 103. Over the past week, Egypt confirmed its fourth case, in a 17-year-old boy, and on March 21, Pakistan confirmed bird flu in poultry. In response to the outbreak of bird flu in fowl reported in Israel in mid-March, the Palestinian Authority declared a state of emergency today, in the hopes of preventing the spread of the disease.

United States News Digest

Republican Party Deeply Split Over Immigration

Deep splits in the Republican Party's base are manifest in the battle over U.S. immigration policy, as Democrats and sane Republicans prepare for a floor fight in the U.S. Senate. Senate Majority Leader Bill Frist (R-Tenn) has given the Senate Judiciary Committee a deadline of March 27 to report out a bill on immigration policy, and has filed his own bill on the subject. Frist's bill is similar to the bill previously passed by the House, which focusses exclusively on immigration as a law enforcement issue, and without creating a guest-worker program (proposed two years ago by President Bush), or a pathway to legal status for 12 million illegal immigrants now in the United States.

The Judiciary Committee is also debating bills offered by chairman Arlen Specter (R-Pa), and by John McCain (R-Ariz) and Ted Kennedy (D-Mass), which address the guest-worker and illegals issues, with some GOP members of the committee holding out for the House/Frist package. The *New York Times* reported on March 24 that, "even if a committee bill emerges in time, unless a majority of the committee's Republican members vote for it, Frist has vowed that he will not let it reach the Senate floor. Instead, he would seek a vote on his bill, without debate."

Meanwhile, Minority Leader Harry Reid (D-Nev) said on March 22 that he would "use every procedural means at my disposal" to prevent such a bypassing of the Judiciary Committee. Senator Hillary Clinton (D-NY) pointed out the irony of GOP bible-thumpers supporting an immigration bill that would criminalize the Good Samaritan, and possibly Jesus himself. Clinton also said that she and fellow New York Democrat Sen. Charles Schumer are "trying to build momentum toward a bipartisan bill that would include a legalization provision that many Republicans support in defiance of Mr. Frist."

Lawsuits Challenge Budget Law as Unconstitutional

The Hill reported on March 23 that a lawsuit filed two days earlier in D.C. Federal court by Public Citizen to nullify the budget law, is the third such action. On March 17, some 15 Tennessee hospitals, in a dispute with Medicare, filed a

memorandum in the same court, calling the bill unconstitutional, and a lawsuit was filed last month to the same effect by an Alabama attorney against the law's effect on charitable giving. *The Hill* points out that, "A ruling in favor of any of the plaintiffs would affect the entire law, not just the provisions that give each plaintiff putative standing to sue," quoting George Washington University law professor Jonathan Turley, that, "The appropriate judicial remedy is to strike the entire bill."

Meanwhile, House Minority Leader Nancy Pelosi (D-Calif) and Government Reform Committee Ranking Member Henry Waxman (D-Calif) sent President Bush a letter March 22, asking for "a full explanation of what you and your senior staff knew about the fundamental constitutional problem," in the legislation Bush signed on Feb. 8. Pelosi and Waxman pointed to a recent *Wall Street Journal* report that House Speaker Dennis Hastert's (R-Ill) office requested a delay in the signing ceremony because of the conflict. The California Democrats raised the specter of a conspiracy to impose a law never passed by Congress, and asked for "a full and candid explanation of the activities of February 8," that turned a "mock signing ceremony" into a real one.

Top Brass Skate Away in Dog Handler Case

Sergeant Michael Smith, an Army dog handler whose animal was photographed menacing Iraqi prisoners at Abu Ghraib, was sentenced to six months in prison March 22. The relatively light sentence raises questions as to whether some kind of deal was made to induce Smith to drop his demand for testimony from Gen. Geoffrey Miller, the former Guantanamo commander who directed that dogs be used to terrorize prisoners at Abu Ghraib. Miller asserted the military equivalent of the Fifth Amendment to avoid testifying.

The lawyer for a co-defendant of Smith's said that frontline soldiers are taking the heat for policies which were pushed by top officials. "I would like to see someone in command admit that they intended to end the war and gain Iraqi freedom more expeditiously by using the dogs to get better intelligence. Instead, everyone from Bush on down is perfectly content to allow enlisted personnel to be scapegoats for the actions."

The *New York Times* noted in a March 23 editorial, "The contrast could not have been more stark, nor the message more clear"—noting that on the same day on which the 24-year-old Army sergeant was sentenced, President Bush was praising Defense Secretary Donald Rumsfeld for doing a "fine job."

"We've seen this sorry pattern for nearly two years now," since the Abu Ghraib horrors were first exposed, the *Times* editorial notes, referencing their recent story about Special Forces troops who converted an Iraqi military base into a torture chamber, yet no one higher up has been held responsible. "The Bush Administration decided to go outside the law to deal with prisoners, and soldiers carried out that policy.... And not a single policy maker has been called to account."

FBI Supervisors Were Warned About Moussaoui Before 9/11

A Minneapolis FBI agent who interrogated accused terrorist Zacarias Moussaoui before Sept. 11, 2001, testified March 20 that he told his FBI supervisors more than *70 times*, right up until Sept. 10, that Moussaoui was a terrorist who was plotting to hijack an airplane. His supervisors blocked the agent, Harry Samit, from either obtaining a search warrant for Moussaoui's computer, or access to information from intelligence agencies abroad. Samit wrote a colleague on Sept. 10 that he was "so desperate to get into Moussaoui's computer, I'll take anything."

In April 2005, Moussaoui pleaded guilty to conspiring with al-Qaeda in the 9/11 attacks. Samit was called as a witness in support of the prosecution's efforts to get a death sentence against Moussaoui. In fact, Samit's testimony showed that the FBI could have uncovered the plot, but was determined to ignore it.

Lyndon LaRouche, interviewed on the morning of Sept. 11, 2001, on the Jack Stockwell radio show, said that the attacks could only have occurred because the U.S. security screen had been deliberately taken down, or through the worst kind of incompetence. Samit's sworn testimony is another indicator of how right LaRouche was.

Fitzgerald: Libby Was 'Consumed' with Joe Wilson

In response to Vice President Dick Cheney's former Chief of Staff Lewis "Scooter" Libby's barrage of national security requests, and allegations in court papers (using press articles) that other administration officials divulged Valerie Plame's work for the CIA before he allegedly did, Special Prosecutor Fitzgerald told the court on Feb. 24:

"I'm not going to argue that it was the most important issue consuming the Bush Administration.... I will argue during that week (July 7-14, 2003) Mr. Libby was consumed with [Wilson].... You can look at the time he spent with people. When talking about Wilson for the first time, he described himself as a former Hill staffer. He meets with people off premises. There were some unusual things I won't get into about that week...."

Fitzgerald also says that, for Libby, it "was a very important focus ... because it was a direct attack on the credibility of the administration, whether accurate or not, and upon the vice president and people were attacking Mr. Libby. So it was a focus." The quotes are based on a transcript of the hearing that was obtained by reporter, Jason Leopold and released in truthout.com March 20.

In a 39-page motion filed March 17, Libby's defense team claims that Stephen Hadley, then #2 at the National Security Council (now National Security Adviser), and Richard Armitage, then #2 at the State Department, leaked Plame's identity.

Retired General Demands Rumsfeld Be Removed

In a scathing attack on Defense Secretary Donald Rumsfeld, in a *New York Times* op-ed March 19, Paul D. Eaton, a retired Army major general who was in charge of training the Iraqi military from 2003 to 2004, blasts Rumsfeld for being incompetent in every way (tactically, strategically, and operationally), and "far more than anyone else responsible for what has happened to our important mission in Iraq. Mr. Rumsfeld must step down."

Eaton attacks the "groupthink" that prevents Rumsfeld from being challenged, and Rumsfeld's whole approach to warfare. He defends Gen. Eric Shinseki as having been right. "Rumsfeld demands fealty," he charges. He says Bush should accept Rumsfeld's resignation and hire someone who listens to soldiers (unfortunately, he recommends the Democratic neo-con Sen. Joseph Lieberman (Ct)), and, more importantly, Congress should take up its Constitutional responsibilities, and find out what the military leaders think.

While Eaton sticks to the simplistic idea of providing more troops as a remedy, he clearly has the experience of knowing Rumsfeld's incompetence first hand, and pulls no punches in demanding his removal.

More Coverup of Rumsfeld's Hunter-Killer Squads

The *New York Times*, on Sunday, March 19, featured a major story on abuse and torture of prisoners in Iraq, conducted by Task Force 6-26, a joint Special Forces unit which has gone under different names (Task Force 20, 121, 145, etc.), and which was part of Defense Secretary Rumsfeld's creation of special operations teams to capture and kill alleged terrorists after 9/11.

The *Times* bills its article as the first detailed description of the serious abuses carried out by TF 6-26, although elements of

this have been reported previously, and had come out in military documents obtained by the American Civil Liberties Union (ACLU) in its Freedom of Information Act (FOIA) lawsuit. At various points, both the CIA and the Defense Intelligence Agency (DIA) withdrew their personnel from "Camp Nama" at the Baghdad airport, where TF 6-26 was conducting its brutal interrogations.

The most egregious coverup in the *Times* article, is its reporting, with a "straight face," that Rumsfeld's Undersecretary for Intelligence, the Straussian-trained Stephen Cambone, protested the abuses by TF 6-26, in a handwritten note to his aide, Gen. Jerry Boykin, in which Cambone demanded, "Get to the bottom of this immediately. This is *not* acceptable. I want a fuller report.... I want to know if this is part of a pattern of behavior by TF 6-26."

Cambone's "CYA" note was dated June 26, 2004—many weeks *after* the Abu Ghraib photos surfaced, and after Cambone had been brought before the Senate Armed Services to testify on prisoner abuse.

Ibero-American News Digest

LaRouche's "The Principle of 'Power' " Now Out in Spanish!

Great news for our Spanish readers: *EIR's* Spanish-language magazine, *Resumen Ejecutivo de EIR*, has released a translation of "The Principle of 'Power,'" a special project of Lyndon LaRouche and his youth movement (see *EIR*, Dec. 23, 2005). The full package, which LYM members in Ibero-America helped to translate, is published in *Resumen's* Feb. 15-March 1, 2006 issue.

Kirchner Government Re-Nationalizes Water Company

"Potable water is considered to be a human right," declared Argentine Planning Minister Julio de Vido in a press conference March 21, announcing that the government had rescinded the contract of French utility Suez due to non-compliance. De Vido scathingly denounced the French utility's failure to invest in infrastructure, or to provide Argentines with clean water and sanitation. In fact, Suez—the majority stockholder in the company Aguas Argentinas—provided water containing unacceptable levels of nitrates, and even included a warning on its bills to customers, that children should not drink tap water!

Because of Suez's negligence, de Vido said, the Argentine state has decided to step in and take over its operations, forming a state-run company that will immediately invest 400 million pesos to upgrade infrastructure. The most vulnerable citizens—the 3 million who reside in the metropolitan area served by Suez/Aguas Argentinas, many of whom are poor—must be protected, de Vido said, especially young children. "While Aguas Argentinas views potable water exclusively from the standpoint of a market economy, the State intends to ensure that [potable water] is valued and managed for what it is, a social and cultural product which, in legal terms, means a human right."

On March 22, in an address to a local municipality, in the company of Chile's new President Michelle Bachelet, President Nestor Kirchner charged that only Suez's executives profited from its operations. "Yesterday, the Argentine State decided to take control of the company, to make the investments so that water will be given back to Argentines ... and that it return to being a social good, and stop being something only available to the very few." Suez has been in Argentina for 15 years, Kirchner said, and walked away with hundreds of millions of dollars. "But we had to beg to get just a drop of water."

Bolivian President Evo Morales has also said he wants to set up state companies to manage water resources, as part of his hydrocarbons nationalization plan. Suez's failure to provide potable water in the city of El Alto, Bolivia, has led to repeated social conflict.

Kirchner to Chirac: You Can Keep Suez's Dirty Water

French Foreign Ministry spokesman Jean Baptiste Mattei demanded on March 22 that the Argentine government guarantee "juridical security" for the French water company Suez, which the Kirchner government just re-nationalized, so that it can exit the country without problems. He also made clear that Suez is expecting monetary compensation from Argentina, supposedly for breach of contract, and will go before the World Bank's arbitration board to plead its case. French President Jacques Chirac will be visiting the Southern Cone at the end of April, but pointedly will not go to Argentina.

In a speech in San Isidro March 23 before a group of school children, Kirchner warned: "Let it be clear that I am not willing to let down my guard, and allow Argentines to drink contaminated water in exchange for a President's visit, or to make a Foreign Ministry feel better." The health of Argentines "is fundamental and crucial," he said, to loud applause.

Bachelet and Kirchner Launch Strategic Partnership

Argentine President Nestor Kirchner and his Chilean counterpart Michelle Bachelet met in Buenos Aires on March 21, in an environment characterized by great warmth and cordiality, with Kirchner referring to Bachelet repeatedly as "my dear friend," twice telling her she should feel in Buenos Aires as if she were in her own home. Only three days away from the 30th anniversary of the March 24, 1976 military coup in Argentina, Kirchner underscored that both nations had suffered "the crimes of the bloodiest dictatorships in memory," but today, live in democracy, and are committed to combatting poverty.

In 1982, under the Pinochet regime, Chile allowed British military planes to run bombing raids on Argentina from Chilean air bases, during the Malvinas War. However, the current visit demonstrated that relations between the two countries have entered a new era. The two Presidents signed a joint communique which states: "This State visit by President Michelle Bachelet to Argentina ... ratifies the policy of integration," given that both countries "have decided to advance together toward a common destiny."

Following her meeting with Kirchner, a smiling and relaxed Bachelet said, "You will find in me, Mr. President, a colleague and neighbor who will devote all her energy to working for a much better Chile and Argentina, and for a much better America." It is no accident, she said, that her first trip abroad was to Argentina. "It was a decision to give an unequivocal signal of the priority that my government gives its relationship with Argentina."

For his part, Kirchner noted that Bachelet's visit holds "enormous importance. That she chose our country [to visit] is a message that both countries will together face the challenges and opportunities of the 21st Century."

Agreements to move forward a number of specific integration projects, such as the Central Trans-Andean Railroad, an international tunnel at the Agua Negra border crossing, and the Rio Turbio-Puerto Natales Railroad, were signed.

Argentine LYM Invites Bachelet To Join Fight for NWEO

In her visit to Buenos Aires, President Bachelet found three things: a nascent strategic alliance with Argentina; Chileans and Argentines who cheered her; and the LaRouche Youth Movement, at every step of the way! The Argentine branch of the LYM, despite security and mobs of press, delivered packets of LaRouche literature to the Chilean President three times during her brief visit. Their message to her was straightforward: "Michelle, work with Kirchner and LaRouche to build a New World Economic Order."

Chilean President Addresses Argentine Congress

Argentine-Chilean integration doesn't just have economic goals, said Chile's President Michelle Bachelet in a March 21 toast to President Nestor Kirchner and First Lady Cristina Fernandez. "Chileans and Argentines understand that integration has a deeper meaning, one directed toward improving living conditions for our people, distributing opportunity more fairly ... so that the development we seek reaches everyone equally...."

The next day, the Chilean President addressed both houses of the Argentine Congress, a historic occasion in itself. Bachelet told the Congress that both governments understand that "market policies aren't enough." The progress I see in Argentina, in the areas of health, education, and housing, she said, "goes in the direction of what we want to do, giving citizens the possibility of moving forward." Chile has admired "Argentina's struggle" to recover from its 2001 crisis. "I want to lead a government that is close to its citizens, and that is why I am very happy to be here with you."

Another Effort To Stoke Conflict in Andean Region

Colombia's *Cambio* magazine published a report March 20 that the State Department had delivered a CIA document two weeks earlier to Colombia's Foreign Minister, charging that the Cuban Ambassador in Colombia, Jose Antonio Perez Novoa, is working to strengthen the Hugo Chavez (Venezuela)/Evo Morales (Bolivia) "axis" in the region, and is working to strengthen ties with Colombia's narcoterrorist FARC. Perez Novoa is a spy with a "hidden agenda," the document allegedly claims. *Cambio* published this as its cover story, under the headline "Spy or Diplomat?"

The document was reportedly analyzed at a meeting of Colombian Cabinet members, including the entire military command and Colombia's Ambassador to Cuba, Julio Londono Paredes. Although no unanimous agreement came out of the meeting, Londono Paredes charged that the U.S. accusation was "overblown," and called for "prudence and moderation," so as to preserve the good relations between Cuba and Colombia. A March 20 Foreign Ministry press release said that the Foreign Minister Carolina Barco had no knowledge of the alleged CIA document.

Chavez Joins Lunatic Chorus for Coca Bread

While touring a state cooperative with visiting Uruguayan President Tabare Vazquez on March 14, Venezuelan President Hugo Chavez embraced the idea of mass-producing bread made with flour from the coca leaf, insisting that it would go a long way to justifying the legalization of coca cultivation which employs tens of thousands—while purportedly fighting the illegal drug trade, *Nueva Herald* reported. "Coca is not the same as cocaine," he insisted. For years, the Andean Indian population has been "chewing it, and taking a good part of their nutrition" from the coca leaf.

Taking off from the recent proposals by both Bolivian President Evo Morales and Peruvian Presidential contender and Nazi-communist Ollanta Humala, of feeding coca-bread to schoolchildren, Chavez suggested that "We could try it here [in Venezuela], as part of the effort to de-satanize this product that our Indians have been producing for centuries."

Western European News Digest

Berlin Airport Project Approved—With Conditions

A ruling by Germany's Supreme Administrative Court (Bundesverwaltungsgericht) rejected complaints by some 4,000 plaintiffs, and gave the green light for construction of the Berlin-Brandenburg International (BBI) airport, according to German media March 17-18. Construction of the BBI, which would be an extension of the existing airfield at Schoenefeld costing 2.8 billion euros, is conditioned on two restrictions: 1) no nighttime flights, and 2) sufficient noise protection. This

would drive the expense way above EU3 billion.

Plaintiffs (a high percentage of whom are members of the leftist PDS) announced they will not back down, but take the whole case before the Supreme Court in Karlsruhe. They expect the project to be too restricted, too expensive now, ever to be completed.

The two main alternatives to the BBI are expanding the airport at Leipzig, or building an entirely new airport on the site of the former Soviet-run air base at Sperenberg, about 40 km south of Berlin. In either case, it would make sense only if these airports were connected to Berlin via a maglev rail line, which should be built in such a way that it could easily be expanded towards Poznan-Warsaw, Dresden-Prague-Bratislava (and on to Budapest), to Hamburg (and on to Denmark and Scandinavia).

Whatever the alternative, it will play a role in the September election for Berlin municipal parliament, in which the BueSo Party of Helga Zepp-LaRouche will take part with a sound infrastructure development program.

Record Desertion Rate Hits British Army

The number of soldiers going AWOL from the British Army has trebled since the start of the Iraq war, reaching 380 last year. The March 19 *Independent* reported that, "Military lawyers and campaigners said that these figures suggested significant levels of disaffection in the ranks over the legality of the occupation, and growing discontent about the coalition's failure to defeat the Iraqi insurgency."

Conference in Frankfurt on 'Locust Funds'

A two-day event in Frankfurt, Germany—"Super Hedge 2006," beginning March 20—was organized by the BAI (Bundesverband Alternative Investments), the central German association of non-banks. Panel themes included "Investing in Energy," "Understanding the Economic Growth Potential of Emerging Markets," "The German Hedge Fund Market: Mythical Beast or 900-Pound Gorilla?" The conference participants also debated the implications of the new restrictive German legislation on hedge funds, which goes into effect in July.

Not surprising: The role of the bigger banks behind the activities of the hedge funds, is shown by prominent attendees at the Frankfurt event. The three Swiss banks Credit Suisse, UBS, and Julius Baer were there with senior representatives (some of them also as speakers), as well as Deutsche Bank, City Group Investment Germany, Dresdner Kleinwort Wasserstein.

Germany's 'Schwarzenegger Wannabe' Now Faces Protests

Juergen Ruettggers, Governor of North Rhine Westphalia (NRW) since late May 2005, and admirer of California Governor Arnold Schwarzenegger (though lacking the latter's steroid-enhanced physique), now faces the same mass protest as Arnie: On March 23, the state sections of the German Labor Federation (DGB) and the Association of German Public Servants (DBB) joined for a mass protest march and rally of 20,000 in Duesseldorf, the state capital. Spokesmen for both organizations said the protest was not so much on specific issues, but more against Duesseldorf's "culture of sacrifice," which the city demands the public sector adopt. The sacrifice includes the axing of 10,000 jobs.

War of Words Between Berlusconi and Industrialists

An open war has broken out between Italian Premier Silvio Berlusconi and the leadership of the Industrialist Association

(Confindustria). Berlusconi stormed a national meeting March 19 on "industrial competition," organized by Confindustria in the city of Vicenza, which was organized to promote globalization. Berlusconi had been invited, along with his electoral challenger Romano Prodi. Berlusconi wasted no time in launching a frontal attack against the leadership of Confindustria. He accused industrialists of catastrophe-mongering and animosity against his government, and boasted about his record, saying that Italians today are richer than in the past. Of course, this is not true, but the oligarchical Confindustria leadership is so hated among small and medium entrepreneurs, that Berlusconi's brawl provoked a standing ovation from the thousands present, excluding the stony-faced VIPs in the first row.

Although Berlusconi's *coup de théâtre* failed to challenge the content of the meeting, it effectively ruined it. This is already a significant result, as the meeting was intended to undermine the rising demand for protectionism coming from the industrialist rank-and-file, and to sell a recipe for "competition" made up of outsourcing and deindustrialization. Leading up to the two-day meeting, the Confindustria daily *Il Sole 24 Ore* ran a four-page insert on the topic, including a distorted history of the fight between the free-market and protectionist doctrines: The sophisticated history falsely claimed that protectionism led to World War I, and that the free market has increased personal wealth.

Tremonti Asserts State Responsibilities in Debate

In an interview on Italian Rainuno TV's *Porta a Porta*, Italy's Deputy Prime Minister Giulio Tremonti insisted that, under the euro system, "national governments have lost the traditional instruments of economic policy," which are the currency and the budget. "Nevertheless," he said, "there are three, four, five things that governments can still do, and these are: 1. public works, infrastructure; 2. energy—guaranteeing the energy supply, and I say nuclear energy; 3. protectionism—we must protect our industries from unfair competition from China and other Eastern countries" (sic). Tremonti, who was on a television debate March 22 with Francesco Rutelli, chairman of the opposition party "La Margherita," indicated that the EU Commission had finally moved on protectionism, but too late and still too little.

Rutelli, a former environmentalist, replied, "Your government has cut money for research, including for nuclear plants of the next generation, which we are in favor of."

Never before had Italian politicians spoken so openly and bluntly in favor of nuclear energy. Italy has had no nuclear plants since the decision to close them all down in the 1986 referendum. Clearly, the shift on nuclear power is not only due to the election campaign, but also the fallout of the recent G-8 energy meeting in Moscow (see this week's *InDepth* for, "Russia Embarks on Its Global Nuclear Power Plans," by Marsha Freeman).

However, when asked where he would find the money to finance his programs, Tremonti said: "through privatization."

Majority in Hesse See Unemployment as Main Problem

A survey carried out in March for Hessischer Rundfunk radio, reveals broad disinterest in what establishment politicians think is a priority, namely, environmental protection: Only 7% of the voters consider environmental issues a priority, and only 5% list either security or social security as prime interests. Child care, another upfront issue in the established parties' campaigns, is seen as a priority only by 9%.

But 14% identified the economic situation, 29% education, and 53% unemployment, as the top issues.

Russia and the CIS News Digest

Putin Visits China

Russian President Vladimir Putin gave a written interview to China's official news agency, Xinhua, on the eve of his arrival in Beijing on March 21 for a two-day visit, in the midst of extensive "Year of Russia in China" celebrations. While discussing advances and some problems in bilateral trade and economic relations, Putin emphasized that Russia and China view their strategic partnership as a means to shape a new international political and economic order, counter to those who would provoke a new global clash of civilizations. "Rather than imposing our point of view by force and flexing our muscles, we consistently support a political and diplomatic approach to conflict resolution," Putin wrote.

Both Xinhua and Putin emphasized the importance of the Shanghai Cooperation Organization (Russia and China are members alongside Central Asian countries), founded five years ago this coming June 15, in fostering regional stability and regional development.

The Russian President's large delegation was weighted towards those involved in economic exchange between the two large Eurasian nations. The Chinese side pressed for movement towards building the long-discussed oil pipeline from East Siberia to China, now supposed to be a spur from the East Siberia-Pacific Ocean (ESPO) pipeline. In a preemptive interview issued March 20, China National Petroleum Corporation (CNPC) General Director Chen Geng was adamant: "We are absolutely sure that such a pipeline branch will be built"—something Russian leaders have pledged repeatedly over the past several years. (The ESPO pipeline itself still does not have a firmly fixed construction schedule. On March 6, it was cleared by a Russian environmental agency as not endangering Lake Baikal; on March 10 the Supreme Court upheld that ruling.)

The 15 documents signed after Putin's talks with Chinese President Hu Jintao included agreements on bilateral cooperation in the oil sector, including Rosneft-CNPC joint ventures to refine crude and sell oil products; a CNPC-Gazprom memorandum on the delivery of Russian natural gas to China; the promised oil pipeline feasibility study agreement; and other agreements on electricity, communication satellite projects, and more.

Russian Slams Cheney-Bush National Security Strategy

Russian Federation Council speaker Sergei Mironov and the Russian Foreign Ministry each issued criticisms of the Bush-Cheney National Security Strategy doctrine, issued March 16, which included an attack on Russia for its "diminishing commitment to democratic freedoms and institutions." Mironov said, "Regrettably, serious international problems, including the fight against terrorism and partnership in energy, are not reflected in the U.S. national security doctrine." He added, "The new U.S. national strategy document arouses some queries, but its gist is: 'I like who I want and I love who I want,' and each country will be assessed from the angle of liberties in the way in which Washington understands them." Russia will tackle international problems exclusively on the basis of and within the framework of international law, he insisted, concluding, "What is happening in Iraq is the product of the American doctrine."

A March 20 Russian Foreign Ministry release on the document asked, "Should we understand this means that in the immediate future U.S.-Russian relations face far from the best of times?" The statement continued, "One cannot escape the impression that [Washington] is using populist slogans in its own interests." The Foreign Ministry noted that the new edition "continues to put ideology first in U.S. foreign policy." "From now on, the main criteria in the development of relations between the United States and other countries will be their conformity or non-conformity to American notions of democracy and to Washington's requirements for the fight against unwelcome regimes," the ministry said. "They're trying convince us that a democratic process in neighboring countries which is imposed from outside is useful for people living there. No one has or can have any exclusive right to interpret what democracy means. Attempts at an artificial or even forced propagation of democracy in other countries not only cannot succeed, but might even discredit the main idea."

Foreign Affairs Claims Russia Has No Deterrent

A provocative article in the New York Council on Foreign Relations (CFR) quarterly *Foreign Affairs* claims that the United States has developed such superiority over Russia's shrinking nuclear arsenal, that the USA could entirely destroy it in a nuclear first strike, and thus suffer no risk of a Russian nuclear counterstrike. "The Rise of U.S. Nuclear Primacy," by Keir A. Lieber and Daryl G. Press, in the March/April 2006 *Foreign Affairs*, has gotten little attention in U.S. print media so far, but it is the subject of extensive discussion in the Russian media, where most or all of the Russian experts find Lieber's and Press's argument greatly exaggerated.

The authors are two young political science professors, who received their BAs in 1992 and PhDs in 2000 and 2001, respectively. Lieber has been supported by the Smith Richardson Foundation and Press by the John M. Olin Foundation, the two oligarchical foundations which are featured most prominently in the EIR Special Report, "Brzezinski and 9/11," issued by LaRouche in 2004. The two co-authors have long been preparing for the unveiling of this particular article.

On March 5, the CFR issued with fanfare its report, "Russia's Wrong Path: What the United States Can and Should Do." (See EIR Online Russia/CIS Digest, March 14.)

USA, EU Agitate Around Belarus Election Results

Alexander Lukashenka, one of the world leaders targetted by George Bush as a "tyrant," won a third term as President of Belarus in the March 19 elections, credited with 82.6% of the vote against 6% for the Project Democracy favorite Alexander Milinkevich. Russian President Vladimir Putin quickly shot his neighbor a congratulatory telegram, telling him: "The results of the election testify to the fact that the voters trust in your course towards the further growth of the Belarus people's well-being," and the Russian Foreign Ministry issued a statement that "there is no reason to doubt the results."

Just as quickly, the White House crusaders refused to recognize the results. Reporters travelling on Air Force One were told by Press Secretary Scott McClellan that, "the United States does not accept the results of the election. The election campaign was conducted in a climate of fear. We support the call for a new election." At the State Department, Assistant Secretary Sean McCormack proclaimed that the U.S. "is preparing to take serious, appropriate measures against those officials responsible for election fraud," adding that he sees grounds for rerunning the election. Under discussion, reportedly, are further travel restrictions on an increased numbers of Belarus officials. French Foreign Minister Philippe Douste-Blazy and various European Union officials also promised "rigorous sanctions" on officials.

German Foreign Minister Frank-Walter Steinmeier moved to head off something worse, stating that the European Union would not consider denying diplomatic recognition to Lukashenka's government, a drastic measure which "could have very far-reaching consequences."

Asia News Digest

Dow-Jones-Controlled Paper Caught in Attempted Overthrow of Thai Premier

The Nation of Bangkok (partially owned by Dow Jones) on March 21 published a false report that Thai Prime Minister Thaksin Shinawatra had been replaced by the head of the Privy Council to run the celebration of the 60th anniversary of the King's reign. This charge is extremely serious, since the King is being called on by the (Dow Jones-supported) demonstrators camped out at the Prime Minister's office, to order Thaksin's resignation and appoint a new Prime Minister. The head of the Privy Council, Gen. Prem Tinsulanonda, denied the report, and the government has demanded an apology by *The Nation*, and may bring legal action. *The Nation* has served as command center for the so-called democracy movement, which is demanding Thaksin's resignation, and has refused to participate in the snap election which Thaksin

called for April 2.

Thaksin, essentially locked out of his office by the protesters, is refusing to order them removed. However, in his speeches outside of Bangkok, where he enjoys nearly total support, he is getting feisty. In Chiang Mai, his home town, he told a crowd of 50,000 that he would leave the demonstrators alone until the April 2 election, but then, if he wins (which is certain), "if they don't budge, I'll ask all of you to send me to Government House." He told them the "Campaign for Popular Democracy is now campaigning for no democracy," and swore to protect Thai democracy with his life.

China, Russia To Speed Up Tripartite Mechanism with India

One of the important developments of Russian President Vladimir Putin's talks with Chinese President Hu Jintao March 21-22 is an agreement for an early establishment of a mechanism of trilateral cooperation in the Russia-China-India format. This is necessary, they pointed out, in the context of a fuller realization of their potentials for economic development, and will strengthen international efforts to stand up to new threats and challenges. Chinese Foreign Ministry spokesman Qui Gang, commenting on this development, said: "India, China, and Russia are big countries and they share much common interest in safeguarding regional security, stability, and development."

During Putin's visit to India last year, a joint statement was issued in which trilateral cooperation between India, Russia, and China was also mentioned as a "useful mechanism in promoting understanding between the three nations."

One of the first results of the visit is Beijing's announcement that China would adopt an "earnestly responsible" stand on the India-U.S. nuclear deal now pending approval by the U.S. Congress. President Hu is scheduled to visit Washington on April 20.

Indian President Talks Democracy in Yangon

During his three-day visit to Myanmar March 10-12, Indian President A.P.J. Abdul Kalam had raised with the junta leaders the issue of returning to democracy in Myanmar (formerly Burma). Reports indicate the Indian President used a "tone of gentleness and persuasion," advising that democracy is demanded the world over. In plain words, President Kalam warned of a push for "regime change," if Myanmar did not move under its own steam to bring democratic rule in the country. He also pointed out that democracy would be good for Myanmar and ensure military and economic security.

Kalam also touched upon the mutual benefit for both countries of piping gas from Myanmar to India via Bangladesh. Myanmar had earlier agreed to such a plan, but later sold the gas to China. During their discussions with the Indian President, the Myanmar authorities, however, assured New Delhi that India would get a portion of the hydrocarbons in new, yet-to-be-developed fields. India has so far invested \$2 billion in Myanmar, and the country is the cornerstone of India's ambitious "Look East" policy.

Pakistan Grants China Land Access to Persian Gulf

Islamabad has announced that China and Pakistan will open four new passenger and cargo road links in the first half of this year, including one to the strategic Gwadar Port bordering Iran, just a stone's throw from the Strait of Hormuz. Two roads, to be opened on May 1, will be for passenger cars, while the other two, scheduled for opening on June 1, will be for transporting cargo.

The two cargo routes will run from Kashi in China's southern Xinjiang province, to Pakistan's ports of Karachi, Qasim, and Gwadar. The passenger lines are from Kashi and Taxkorgan, also in southern Xinjiang, to Pakistan's northern Gilgit and

Sost Pass, respectively. China has, since 2002, heavily financed the building of the Gwadar Port in southwestern Balochistan.

The announcement will send a ripple of unease through Washington. The presence of a formidable China in the Persian Gulf, using the roadways built by Washington's ally, Islamabad, is certain to raise hackles among the unipolar-world buffs in that capital.

Madrassas Are Sprouting All Around India-Nepal Borders

About 1,900 Islamic seminaries—madrassas—have sprung up along the troubled India-Nepal border, according to Tilak Kak, Director of Sashastra Seema Bal (SSB), India's paramilitary forces in charge of patrolling the border. "There has been an exponential increase of madrassas on both sides of Indo-Nepal border in the recent past of which 1100 are in India, while the rest are in Nepal," Kak told the *Zee News* March 24. Kak, however, did not provide any valid reason why this is taking place.

India's madrassas, of which there are thousands across the country, have produced nary an extremist nor terrorist, despite all kinds of accusations hurled by the huge contingent of Muslim-baiters worldwide. But what is intriguing is that Nepal, the only Hindu nation in the world, has allowed Islamic seminaries to be set up along its borders. On the Indian side of the border, particularly the side that borders the Indian state of Bihar, there is a large Muslim population.

Indian intelligence has pointed out, on a number of occasions, the growing *entente* between the Pakistani ISI and the Nepali authorities, who are intimidated by India's growing power. That means, if the madrassas have been set up to create a contingent of extreme anti-Indian Islamists, it could throw the area into serious turmoil in the days ahead.

Pakistan-Afghanistan Tension Grows

In a dramatic statement at a rally in Lahore, Punjabon March 23, Pakistani President Pervez Musharraf said, "Those foreign terrorists are not only spreading terrorism in Pakistan, but in the rest of the world. I want to warn them, that they should leave Pakistan. Go away or we will finish them off." Meanwhile, reports coming out from a section of Pakistani military indicate that the Taliban, and the foreign extremists, have virtually taken over Pakistan's tribal areas of North and South Waziristan. The reports say that it is not just a takeover, it is more like a revolution.

Meanwhile, relations between Islamabad and Kabul have worsened further. Islamabad claimed that a group of 15 Pakistani nationals killed by the Afghan security forces on March 22 were innocent Pakistani civilians. An Afghan security official claimed his forces killed 15 Taliban militia members coming across the border from Pakistan to Afghanistan.

In Kabul, Afghan President Hamid Karzai has carried out a Cabinet shuffle, removing his Tajik-Afghan Foreign Minister Abdullah Abdullah, and appointing his international policy advisor, Rangeen Dadfar Spanta, as Abdullah's replacement. Spanta's appointment has drawn criticism from Pakistan. Islamabad claimed Spanta is even more anti-Pakistan than his predecessor. Spanta had left Afghanistan for Germany in the mid-1990s, following the Taliban takeover, returning to Kabul at the same time as Karzai, in 2002.

Kissinger Puts His Two Cents in U.S.-India Nuclear Deal Hat

For what it is worth, Henry Kissinger, one of the least trusted U.S. diplomats in India, pitched in his support for the Bush Administration-initiated U.S.-India nuclear deal, in a *Washington Post* op-ed March 20. The commentary is an attempt by the man who was Richard Nixon's Secretary of State to redeem himself with the pro-India lobby and emerge as a supporter

of nuclear-related policies that could help India.

The problem with Kissinger on any given issue is that all he can offer is self-serving lies. For instance, India's role as the leader of the Non-Aligned Movement—a *bête noire* of Kissinger et al.—was attributed to India's attempt to placate the Muslims. And, in describing India's problems with Pakistan, Kissinger claims they are all a result of partition. While there is no doubt that no Indian enjoyed the partition, and were angry with the Pakistani leaders for dancing to the British tune, Kissinger conveniently fails to mention how *his* policy helped to create a Pakistan which was ready to play every dirty game on behalf of the Cold War-obsessed Brits and Americans. Nor did he mention that he himself did nothing to prevent the genocide carried out by the Pakistani Army in East Pakistan, and its role in the formation of Bangladesh. And when the Indian government under Prime Minister Indira Gandhi intervened, as millions of East Pakistanis crossed into India, Nixon, under the spell of Kissinger, sent the Seventh Fleet to intimidate India.

Nonetheless, those who matter in New Delhi have not forgotten his reference to Mrs. Gandhi as "that bitch," overheard by Indian Ambassador T.N. Kaul during the White House dinner to honor her in 1971.

This Week in American History

March 28 — April 3, 1958

President Eisenhower Establishes NASA under Civilian Control

After one of the hardest-fought battles of his Administration, President Dwight D. Eisenhower succeeded in sending to Congress, on April 2, 1958, a request for the creation of a National Aeronautics and Space Administration under civilian control, and an outline of government plans for space exploration and related scientific research. The National Aeronautics and Space Act was seen at the time as an answer to the Soviet Union's launch of its Sputnik communications satellite on Oct. 4, 1957, but Eisenhower knew the matter was more complicated, and that the nature of America's "answer" could determine its future.

After the death of President Franklin Roosevelt and the end of World War II, the United States and the Soviet Union had embarked on a nuclear-bomb and liquid-fueled rocket race, manipulated by the Bertrand Russell world-government cabal, whose strategy was: "You and him fight, while we take over." America's rocket effort was led by Wernher von Braun, the captured German V-2 rocket designer, while the USSR program was coordinated by the brilliant engineer Sergei Korolyev. Most of the scientists working in the military programs had come out of the civilian space-exploration societies of the 1920s and 1930s, but the only way they could obtain the funding to carry out their research was to do it under military auspices.

Meanwhile, the American public was being terrorized by the nuclear arms race, air-raid drills in the schools, and the Army-McCarthy Hearings. Added to this, was a spate of monster-from-space movies where aliens either tried to kill all Earthlings. or "benevolently" suggested, à la Russell, that they submit to being monitored by more advanced civilizations.

On the evening of April 5, 1950, a group of scientists met at the Silver Spring, Md. home of ionospheric physicist James Van Allen. They discussed the fact that the opportunities for doing high-altitude scientific work were waning rapidly, and that a major international scientific project was needed to guarantee funding for new types of rockets to carry scientific payloads into space. The precedent they had to work with was the First and Second Polar Years of 1882-1883 and 1932-1933. During those two projects, scientists from many countries had cooperated to study Earth's Polar regions.

The group at Van Allen's home decided to suggest a Third International Polar Year for 1957-1958, and by 1954, with input

from other scientists around the world, the project was rechristened the International Geophysical Year (IGY) which would study Earth's oceans and atmosphere, as well as the Antarctic and outer space. A sub-committee of the IGY, set up to promote research on communication and data-gathering satellites, recommended that the attempt be made to orbit such satellites during the Geophysical Year.

In response, the Soviet Academy of Sciences named a blue-ribbon Commission for Interplanetary Communications which issued a paper stating that, "One of the immediate tasks of the ICIC is to organize work concerned with building an automatic laboratory for scientific research in space." On July 19, 1955, the U.S. government announced that it would launch a satellite during the IGY; the next day the Kremlin announced that it, too, would launch satellites that year. Few in America took the announcement seriously, for Soviet science was perceived as being behind America in rocket development.

But soon Korolyev had developed the world's first ICBM, which, after several failures, had a perfect test flight. Its existence was announced on Aug. 27, 1957, followed by an announcement on Sept. 17, that a communications satellite would soon follow. On Oct. 1, the USSR announced the radio frequency on which the satellite would broadcast, and on Oct. 4, people around the world could hear the "beep, beep, beep" of the little satellite, the "Traveller," as it orbited the Earth.

The American public went into shock. Then, America's attempt to send up its own satellite fizzled after two seconds on the launch pad. Eisenhower, nonetheless, assured the country that the U.S. was not trailing the Soviet Union in space technology: He knew there were five rocket programs being pursued simultaneously, and that the satellite's failed rocket had been the most complicated and difficult of them. However, the public outcry for something to be done was growing ever louder, and Eisenhower realized that if he failed to take the lead in establishing a civilian program, there was another very dangerous direction in which public desperation might be led.

Due to the pressures of the Cold War, certain factions of the military had been lobbying for the militarization of space and for a military base on the Moon. Gen. John Bruce Medaris, the commander of the Army Ballistic Missile Agency at Huntsville, had submitted a 15-year space program which included a 50-man military Moon base by 1971. There were also people, both in and out of the military, who were happy that Sputnik was flying over America, and never challenged the Soviet Union's right to carry out such flights, because the National Security Council, in the early 1950s, had stressed the need for the establishment of "freedom of space," so that America could put up spy satellites with powerful cameras over the Soviet Union.

One of the people who expressed the outlook that Eisenhower had to overcome was Air Force Brig. Gen. Homer Boushey, who addressed the Aero Club of Washington on Jan. 28, 1958. Boushey described how a lunar military outpost could be established, and then stated that, "If we had a base on the Moon, the Soviets must launch an overwhelming nuclear attack toward the Moon two to two-and-one-half days prior to attacking the continental U.S.—and such launchings could not escape detection—or Russia could attack the continental U.S. first, only and inevitably to receive, from the Moon—some 48 hours later—sure and massive destruction."

The RAND Corporation, too, contributed three different 1958 reports on the feasibility of setting up a lunar military outpost, one of them based on five student papers from a Creative Engineering course at MIT! Fortunately, Eisenhower asked James Killian, the president of MIT and a supporter of civilian space exploration, to become his science adviser a few weeks after Sputnik was launched. The President's Science Advisory Committee, headed by Killian, produced a study laying out a broad program of civilian scientific research and space exploration.

Scientific societies also lobbied for a civilian space program. The Rocket Society feared that the reaction to Sputnik would result in stop-gap measures, rather than a serious, long-term program to explore space. Therefore, the Society's Space Flight Technical Committee, headed by Krafft Ehrlicke, laid out a 25-year program that included orbiting the Earth, sending

robotic spacecraft to the planets, and sending humans to the Moon. The plan was endorsed by Eisenhower's Science Advisory Committee on Dec. 30, 1957, and General Medaris regarded it as the first salvo in a battle against total military control of space exploration.

The leader of Congressional action for a civilian space program was Sen. Lyndon Johnson of Texas, who set up a new Special Committee on Science and Astronautics in the Senate, while John McCormack and Sam Rayburn established one in the House of Representatives. These committees also commissioned studies on what America's goals should be in regard to space exploration and space science.

President Eisenhower knew that the battle within the military, Congress, and the government institutions could only be won by educating the frightened and shell-shocked American public. In addition to proposing and financing more scientific education in the schools, Eisenhower's Science Advisory Committee produced a best-seller called "Introduction to Outer Space." Americans soon began to talk knowledgeably about the science of space exploration and, most important, to develop an optimistic view about what could be accomplished.

The pamphlet covered such topics as why satellites stay in orbit and what they can do, rocket thrust and staging, and the potential for exploration of the Moon and Mars. It offered a chronological timetable for space exploration, beginning with satellites and Moon fly-bys, leading to manned flight and then to manned landings on the Moon. It noted the military value of reconnaissance satellites, but denied the value of satellite bombs and Moon military bases.

Eisenhower's introduction to the pamphlet gives a sense of what he was aiming for: "In connection with a study of space science and technology made at my request, the President's Science Advisory Committee, of which Dr. James R. Killian is Chairman, has prepared a brief 'Introduction to Outer Space' for the non-technical reader.

"This is not science fiction. This is a sober, realistic presentation prepared by leading scientists.

"I have found this statement so informative and interesting that I wish to share it with all the people of America and indeed with all the people of the Earth. I hope that it can be widely disseminated by all news media for it clarifies many aspects of space and space technology in a way which can be helpful to all people as the United States proceeds with its peaceful program in space science and exploration. Every person has the opportunity to share through understanding in the adventures which lie ahead.

"This statement of the Science Advisory Committee makes clear the opportunity which a developing space technology can provide to extend man's knowledge of the Earth, the solar system, and the universe. These opportunities reinforce my conviction that we and other nations have a great responsibility to promote the peaceful use of space and to utilize the new knowledge obtainable from space science and technology for the benefit of all mankind."

In his message to Congress accompanying the NASA legislation, President Eisenhower said, "I recommend that aeronautical and space science activities sponsored by the United States be conducted under the direction of a civilian agency, except for those projects primarily associated with military requirements." NASA was charged with the mission to "plan, direct, and conduct aeronautical and space activities." The bill, with several changes approved by Eisenhower, was passed by Congress on July 29, 1958 and NASA opened its doors to the space age on Oct. 1.

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[top of page](#)

[home page](#)