

[return to home page](#)

This Week You Need To Know

British Push Puppet Cheney To Trigger Global Chaos

by Jeffrey Steinberg

Within hours of Air Force II returning to Washington from Saudi Arabia, *Executive Intelligence Review* issued a memorandum, "Behind Cheney's Trip to Riyadh." The document revealed that the Bush Administration has launched a new berserker "diplomatic" initiative, which, if successful, would likely trigger a new Hundred Years' War, starting in Southwest Asia, but soon engulfing much of the planet in chaos.

The Cheney scheme to promote a so-called "Sunni alliance" to counter Iran's growing Shi'ite dominance over the Persian Gulf and Eastern Mediterranean region, is the latest handiwork of a crew of outright British agents, who have employed the thuggish Vice President and his deadly wife, to wreck the United States from within, as a step towards undoing the entire nation-state system.

On the surface, the argument could credibly be made that the immediate target of the Cheney trip to Riyadh—the latest victim of a Cheney preemptive strike—was his long-time political rival *cum* arch-enemy, James Baker III. Cheney's push for a Sunni military alliance with Washington and Tel Aviv against Iran was, after all, kicked off literally moments before the Baker-Hamilton Iraq Study Group held its final meetings, before presenting its findings to the White House and the outgoing Congress on Dec. 6. Those findings were widely reported to include the call for a regional peace conference and the beginning of direct diplomatic talks among the United States, Iran, and Syria.

But the reality is different. By the time the Baker-Hamilton study group was seated around the conference table at the U.S. Institute for Peace in Washington, the "Ultimate Decider," President Bush, had already "decided." He shot off his mouth at the NATO summit in Riga, Latvia, declaring that the United States will not consider withdrawal from Iraq until "victory" has been achieved, and will not talk with Iran or Syria....

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

Latest From LaRouche

Johannes Kepler & The Democratic Challenge **The New Politics**

by Lyndon H. LaRouche, Jr.

November 26, 2006

A summary of some crucial recent changes in the social-political dynamics of the international situation.

Even the leadership of the Democratic Party's national campaign organization is still bemused by its surprise at the way in which a landslide victory was won in the mid-term election's vote for the U.S. House of Representatives. That is the most crucial lesson which the Democratic Party's national organization, has yet to learn, for the sake of the future of both that party, and of our republic.

The lesson is, that, under relevant circumstances, what is otherwise viewed as an innovation in tactical method, may also be strategically decisive in conflict, whether in warfare, or as illustrated, in principle, by the contribution of a relatively small number of young adults, when they are deployed in a certain way, in producing a potentially decisive, strategic margin of victory in political conflicts such as the recent mid-term election-campaigns. The case in hand which illustrates that point, is the historically significant role of the LaRouche Youth Movement's (LYM's) strategic approach to LPAC (LaRouche Political Action Committee) tactics in the recent U.S. mid-term elections.

This case presents us with the opportunity to study the application of that same method, to the need to outflank the global strategic threat, today's threat of presently impending, generalized, global, physical as well as monetary-financial collapse, of not only the U.S. economy, but also the world's present, physical-economic systems.

The case illustrates the relevant meaning which must be assigned to today's use of the term "New Politics."...

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

InDepth Coverage

Links to articles from

[Executive Intelligence Review,](#)

[Vol. 33, No. 49](#)

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

[...Requires Adobe Reader®.](#)

Strategic Overview:

[JOHANNES KEPLER & THE DEMOCRATIC CHALLENGE](#)

[The New Politics](#)

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[Inside the New Democratic Majority](#)

by Debra Hanania-Freeman

The new U.S. Congress that will take the oath of office on Jan. 4 is of a decidedly different character than any of its recent predecessors. The difference lies not only in the fact that the Democrats will be the majority party for the first time in 12 years, but also in who makes up that new Democratic majority, and how they were elected.

Feature:

ECONOMIC RECOVERY ACT OF 2006

Dollar Plunge, Fall of Housing, Auto, Demand Urgent Action

by Paul Gallagher

As the Federal Reserve-built U.S. housing bubble is disappearing, the dollar since Nov. 18 has begun a severe drop, which, if not stopped by national interventions, will accelerate to 20-25% or more, and rout the entire financial and monetary system and international trade. The simultaneous meltdown of the American household debt bubble (consumption) and shrinkage and threatened collapse of auto (the remaining center of U.S. industrial capacity) will require an urgent Federal intervention on the principles of President Franklin Roosevelt's actions to reverse the 1929-33 economic crash and Great Depression. Fortunately, there is now a Democratic majority in Congress which can reanimate that legacy of FDR.

- **This draft was prepared by LaRouche PAC, for submission to Congress.**
- **Key Questions on the Economic Recovery Act**

Felix Rohatyn's PPP Swindles: The Mussolini Model for Infrastructure

by Marcia Merry Baker

In early November, the latest big-deal PPP (public-private partnership) in the United States was announced: Morgan Stanley won the bid for a 99-year lease, with full fee collection rights, on four Chicago municipal parking garages, in exchange for an up-front payment of \$563 million to the city.

International:

British Push Puppet Cheney To Trigger Global Chaos

by Jeffrey Steinberg

Within hours of Air Force II returning to Washington from Saudi Arabia, Executive Intelligence Review issued a memorandum, 'Behind Cheney's Trip to Riyadh.' The document revealed that the Bush Administration has launched a new berserker 'diplomatic' initiative, which, if successful, would likely trigger a new Hundred Years' War, starting in Southwest Asia, but soon engulfing much of the planet in chaos.

- **Behind the Cheney Trip to Riyadh**

by Jeffrey Steinberg

This memorandum was released on Nov. 27.

A well-placed and highly reliable source has provided the following account of Vice President Dick Cheney's Nov. 25, 2006 visit to Saudi Arabia. The report coincides with other evidence of a scheme to induce the United States to self-destruct. While the source may have missed some elements of the picture emerging from the Cheney visit, the essential details appear to be accurate. As will be clear when you read below, all sane forces inside the United States and elsewhere must react to these latest Cheney actions in the most effective preemptive fashion.

Moscow Discussion

Can U.S.-Russian Relations Improve?

by Rachel Douglas

Russian media and expert commentary on the U.S. midterm elections outcome was generally dour, being laced with skepticism about how

Democrats like incoming House International Affairs Chairman Tom Lantos (Calif.) will act toward Russia, and bitterness about the country's experience with the United States, NATO, and international financial institutions during the 1990s.

Interview: Shlomo Ben-Ami

Peace in the Middle East Needs a Third Party

On Nov. 16, Spanish Prime Minister Jose´ Luis Rodr y guez Zapatero announced a new Middle East peace initiative. The plan was subsequently endorsed by French President Jacques Chirac and Italian Prime Minister Romano Prodi, and will be presented at the summit conference of the European Union in December.

Ecuador's New President:

'Life Comes Before Debt'

by Valerie Rush

Rafael Correa, candidate of Alianza Pa is, won the Ecuadoran Presidential run-off Nov. 26, defeating billionaire banana/ coffee tycoon Alvaro Noboa by a substantial margin, and giving added impetus to the nationalist tide sweeping the continent. In one of his first victory statements to the press, the 43-year-old U.S.-trained economist declared that he identified his political philosophy with that of Kirchner, Lula, and Bachelet, the Presidents of Argentina, Brazil, and Chile respectively, all of them key players in the informal Presidents Club that has coalesced around the urgent task of unifying and integrating the continent.

Sudan's President Bashir Defends His Nation's Sovereignty

by Lawrence K. Freeman

'Sudan will not become the first nation of Africa to be recolonized,' Sudanese President Omar al-Bashir told a multi-city video-conference with the news media on Nov. 27. In an unusual format Bashir, speaking from Khartoum, simultaneously addressed audiences in eight capital cities, including Beirut, Berlin, Cairo, London, Paris, Pretoria, Moscow, and Washington, and took questions, many of them hostile, for over an hour and half.

- **Save Rwanda and Africa**

French Presidential candidate Jacques Cheminade issued the following statement on Nov. 27.

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Economics:

Without Leadership, India Drifts Dangerously

by Ramtanu Maitra

India's six percent-plus 'impressive GDP growth rate' over the years has drawn much praise from the West, and its 'success' has been attributed to the 'magical impact' of free-market liberalization and globalization. What it really means, is that India's low-wage-earning labor has begun to replace a section of the high-wage-earning workforce of the West. In the process, India, a nation of 1 billion-plus people stricken with utter poverty, is becoming an economic 'powerhouse' —exactly the way China became one, the Indian leaders claim.

A Rail Land-Bridge For Eurasian Freight

by Rainer Apel

Very encouraging news came in from Beijing on Nov. 21: The directors of the state-run railways of Germany, Russia, and China signed an agreement on a joint project to establish a rail freight route from China to Europe, via Russia. The agreement is a statement of intent; details have yet to be negotiated.

National:

Pennsylvania Squashes Campus Gestapo Project

by Anton Chaitkin

The crusade for fascism in colleges, publicly identified with rightist provocateur David Horowitz, but directed from the household of Vice President Dick Cheney, has been stopped cold in the state of Pennsylvania. Decisive actions by the state legislature, and by the voters, blocked the Cheneys' initiative in that state, which was considered the test case and showdown site for this national conflict.

- **What Horowitz's Defeat Implies: In Crisis, Politics Must Be an Action on the Future**

by Michael Kirsch, LaRouche Youth Movement

In the months leading up to the Nov. 7 midterm election, Lyndon LaRouche and the LaRouche Youth Movement (LYM) descended upon the election, from our continuing fight for the future of the nation against the enemies of the United States, including American Tory John Train, William F. Buckley, Dick Cheney, et al. We focussed on the higher level of that fight to save the nation, a responsibility which the Democratic Party refused to take; and as I demonstrate here, we made a discussion of that higher struggle, subsume and define the election.

Letter to the New York Times

The Gibberer In the 'Times'

by Lyndon H. LaRouche, Jr.

November 26, 2006

Is the New York Times' Louis Uchitelle operating on LSD? That is fair question after reading Uchitelle's Nov. 26th New York Sunday Times Week in Review feature, 'Here Come the Economic Populists.'

Science and Technology:

To Combat Malaria, We Need DDT

A world expert on malaria and DDT explains why indoor spraying of house walls will save millions of lives. An interview with **Donald R. Roberts**.

Obituary:

The Ugly Truth About Milton Friedman

by Nancy Spannaus

'Milton Friedman is a moral obscenity, but his popularity is even more obscene. Whether or not Americans continue to tolerate him will say a great deal about whether America has the moral fitness to survive.' That was the challenge put forward by Lyndon LaRouche and a group of associates at Executive Intelligence Review back in July 1980, when they published *The Ugly Truth About Milton Friedman*, a 350-page book which documented for all with brains to think, that the Nobel Prize-winning economist was a fascist whose ideas had to be rejected in order for the nation to survive. Unfortunately, as the reams of adulatory prose which have been produced in praise of the just-deceased economist demonstrate, EIR's efforts to inoculate the public against Friedman were not successful. *The legacy of Milton Friedman remains to be extirpated.*

Editorial:

Britain's Deady Game: Religious War

It's not only the arrogance of Dick Cheney, and the mule-headed insanity of George W. Bush that has prevented any change of policy by the Administration since the Nov. 7 elections. The overriding fact is, as Lyndon LaRouche has constantly stressed, that the policy of this Administration is being run from outside the United States, by oligarchical financial forces primarily located in Great Britain. It's not a Bush-Cheney policy, it's British!

U.S. Economic/Financial News

Bernanke, Greenspan Jawbone While Dollar System Crashes

In a futile effort to stem the crash of the dollar through sophistry, Federal Reserve chairman Ben Bernanke suggested that interest rate cuts were unlikely to take place, by warning that inflation remained "uncomfortably high." Economic growth outside of the housing market and automotive industry remains "solid," he told the National Italian American Foundation in New York Nov. 28. The slowdown is proceeding largely as expected, he said, and will lead to more moderate growth. Bernanke said the housing market appears to be stabilizing, adding that there is "little evidence" that a weak housing market is "spilling over more broadly to consumer spending or aggregate employment."

Former Fed chief Alan Greenspan again said that the worst of the housing market collapse was over, in a speech at an investor conference in New York organized by investment bank Friedman, Billings, Ramsey Group Inc.

Despite these speeches, the dollar fell Nov. 29, and although it then stabilized against the euro, it fell further against the British pound (to a 15-year low), gold, and the Japanese yen. The International Institute of Economics and the American Enterprise Institute welcomed the new slide as "a good sign, not a bad sign." AEI economist Desmond Lachman said the fall so far was "negligible" compared to what was needed! Challenged by *EIR* on this earlier in the fall, Fred Bergsten of IIE said that a 20% drop was called for, and "with a two-year lag," this would produce a substantial rise in U.S. exports.

This is the sort of lunacy against which Lyndon LaRouche has repeatedly warned.

News of Dollar's Fall Can No Longer Be Covered Up

The decline in the dollar, which has fallen by 10.8% against the euro since the beginning of the year, is now being reported globally. Here are excerpts:

* "The Buck Stops Where? How a Tattered Dollar Could Quickly Lose Further Allure" is the title of a full-page spread in the Nov. 28 *Financial Times*. The article is accompanied by a large photo of a dollar bill, utilized as the backdrop for a graph, in which the dollar is disappearing. The *FT* mentioned a BNP Paribas Bank projection that the euro would rise to \$1.40 (from its current level of \$1.31) by the end of the second quarter of 2007, which would translate into an additional dollar fall of 7.1%. But this understates the outcome.

"The violence of last week's move [dollar fall] was exacerbated by thin trading conditions, but it was driven by fundamental factors which aren't going to go away any time soon," reported Simon Derrick, currency research chief at Bank of New York. The reference is to the fact that the United States is on course to register an \$869 billion U.S. current account deficit for 2006, driven by its widening trade deficit. This deficit has to be covered by foreigners investing, net, at least that much in the United States. However, it is anticipated that within the next six weeks, or sooner, the European Central Bank will raise interest rates, while the Federal Reserve Board will lower its interest rates, which would make investments more attractive in Europe, shifting investment there. This would result in a shift in capital flows, exactly in the opposite direction required to support the dollar.

The article reported that global currency reserves have leapt from \$2.0 trillion in 2001 to \$4.7 trillion today. Over the past six months, the central banks of Russia, Switzerland, Italy, the United Arab Emirates, and China have each announced plans to cut the proportion of dollars held in their reserves.

* The Nov. 28 *Marketwatch* carried the headline "Dollar is at 20-Month Euro Low," documenting the dollar's fall to its lowest level since March 2005.

The Nov. 28 Toronto *Globe and Mail*, carrying the subhead of "Long-Term Threat of 'Trade Chaos' Cited," underlined that the "chief concern is that if China's central bank begins to unload its reserves, the dollar will plunge."

New Home Sales Fall in October

U.S. sales of new single-family homes in October declined 3.2% to an annualized rate of 1.004 million from a pace in September that was lower than previously announced, and dropped 25.4% compared to October 2005, the Commerce Department reported. At the same time, the median price of a new home rose 13% from September, and up 1.9% compared to October 2005. Sales fell in three of the four regions of the nation, rising only in the West: in the Northeast, they tumbled 39%; the Midwest, 5.6%; the South, 1.7%.

Ford Sheds Another 30,000 Workers

Almost half of Ford's U.S. hourly production workforce has taken a buy-out/early retirement. The automaker announced Nov. 29 that some 30,000 of its 75,000 hourly employees accepted buy-outs during the recent enrollment period that ended Nov. 27, in addition to the 8,000 who took deals offered at certain plants earlier this year. Together, this reduction represents 46% of the 83,000 unionized employees that Ford had at the start of 2006. They will begin to leave the company starting in January, with the gutting process completed by September 2007.

At General Motors, more than 34,400 union workers accepted buy-outs. Meanwhile, Ford projected a \$3 billion loss for its automotive operations in the fourth quarter.

Industry sources have told *EIR* that Ford, with a target of shedding 45,000 employees, will soon be offering yet another round of buy-outs.

Durable Goods Orders Slump in October

U.S.-made durable goods orders slid 8.3% during October, the U.S. Department of Commerce reported Nov. 28. The monthly drop was the biggest since July 2000, and far exceeded expectations. During September, durable goods orders had risen by 8.7%, so it might seem that the upward movement of orders in September, followed by equal downward movement in October, would produce a wash. However, during October, excluding transportation equipment, such as Boeing jets, new non-transportation durable goods orders still fell by 1.7%, the largest single monthly drop since July of last year. Elisabeth Denison, an economist at Kleinwort Benson stated, "We're going to see manufacturing edging down further in coming months. Inventories among automakers and other companies are still too high."

SEC Chairman Cox Discovers Axles of Evil

U.S. Securities and Exchange Commission chairman Christopher Cox "is concerned about Ford Motor Co.'s business ties with terrorist states and their backers," the Nov. 27 *Investment News* reported. In letters dating back to July 5 between the SEC and Ford's chief financial officer, Don Leclair, the SEC asked Ford if its "reputation and share value" were at risk because of its connections with Syria, Iran, and Sudan. Cox, a former Congressman who in his SEC capacity has blocked all attempts to regulate hedge funds or private equity funds—the actual purview of the SEC—asked if Syrian officials showed an interest in Ford dealerships and if business volumes had notably changed over in Syria the last three years.

This investigation is damaging in two ways. First, it could further push Ford toward bankruptcy. Syria, Iran, and Sudan are not likely large Ford markets, but as this past week Ford just borrowed \$18 billion, and experienced a credit-rating

downgrade on its unsecured debt, this type of investigation produces a cumulative effect of weakening the company. Second, this unprecedented case shows that the SEC, far removed from its mission, is using terrorism as a threat to drive U.S. businesses out of certain countries.

World Economic News

Brazil To Create National Fusion Energy Network

The Brazilian government is creating a National Fusion Network (RNF), and a National Fusion Laboratory, to carry out research and development of nuclear fusion as a means of meeting its future energy needs. Speaking Nov. 7 at an event organized by the Brazilian Physics Society, Science and Technology Minister Sergio Rezende announced this initiative, which will be overseen by Brazil's National Nuclear Energy Commission (CNEN), and will initially incorporate 70 researchers and 14 national scientific institutions to carry out the research. The Physics Institutes of several universities, the National Institute for Space Research (INPE), and the Aeronautics Technological Institute are among the entities participating.

In announcing this initiative, Minister Rezende emphasized that it will focus particularly on attracting youth, even though the starting budget is relatively small—\$450,000. "The Network will stimulate and awaken in youth an interest in the nuclear sector," he said. "Today, due to lack of funding, that interest has declined. But as the funding increases, we shall attract more students."

Brazil currently possesses three small Tokamak magnetic-plasma-confinement reactors, and last year European scientists visited the Associated Plasma Laboratory located at the INPE, where pioneering work has been done in developing a Tokamak with a spherical/toroidal geometry. Also under discussion is possible Brazilian participation in the International Thermonuclear Experimental Reactor (ITER), which will be built in France.

Brazil To Build Four New Nuclear Plants by 2030

Brazil's state-owned energy research company (EPE) just released its "national energy plan—2030," which calls for building four nuclear reactors, between now and 2030, each capable of generating 1,000 MW of electricity, the press in Rio de Janeiro reported Nov. 22. Also contemplated in this plan, is completion of the Angra III reactor, with a target date of 2015.

Two of the new reactors will be built in Brazil's impoverished Northeast, and the other two in the more developed Southeast. According to Ivo Pugnali, of the Enercons consulting firm, with an estimated annual 4.5% growth rate, the current energy supply is totally inadequate.

The nuclear plan is actually quite modest, and it's not clear how it relates to previous government announcements that it intends to build seven reactors. The announced plan calls for reducing hydroelectric participation in overall energy generation only 5%, to 70% from the current 75%, while increasing gas-fired plant generation from 16% to 17% of the total. It also proposes to reduce imported electricity from the binational Itaipu hydroelectric plant from 8% to 4% of the total, and then, unfortunately, increase electricity generation from "alternative" sources—wind and biomass—from the current 1% to 9% by 2016, and then to 15.4% between 2016 and 2030.

United States News Digest

Bush Still Wants To 'Stay the Course' in Iraq

President Bush said the U.S. must "stay the course" in Iraq as long as needed, at his press conference with Iraqi Prime Minister Nouri al-Maliki after their breakfast meeting in Aman, Jordan on Nov. 30. Bush was defensive over the Hadley memo leaked to the *New York Times* the day before, which memo cast aspersions on Maliki's willingness or ability to govern, and, while making the point several times that Maliki was the man for the job, sounded a little hollow. Bush said that the U.S. would stay in Iraq as long as needed, and said that the idea of a graceful exit was unrealistic. Both Bush and Maliki said they supported the move to speed up the transfer of control to the Iraqi people, but gave no details.

During the questions, when Bush was asked three times about a timetable for the transfer of control, he claimed that setting timetables creates unrealistic expectations.

In an interview with ABC News after the meetings, the Iraqi Prime Minister said, "Iraqi forces will be ready by June 2007 to take control of security operations. It will be up to the U.S. whether to begin drawing down its forces at that time."

Parts of Post-9/11 Executive Order Ruled Unconstitutional

U.S. District Court Judge Audrey Collins in Los Angeles made the ruled Nov. 29 in *Humanitarian Law Project et al. v. U.S. Department of Treasury et al.*, that sections of a post-9/11 executive order were unconstitutional. The ruling grants summary judgment to the plaintiffs on several aspects of their complaint, and to the defendants on the rest. The plaintiffs are five organizations and two U.S. citizens who want to provide support for certain lawful and non-violent activities of the PKK and Tamil Tigers, which are both designated as foreign terrorist organizations.

The case challenges Executive Order 13224, which was signed on Sept. 23, 2001. In it, Bush declared a national emergency because of the 9/11 attacks, and blocked all property and interests in property, of 27 groups and individuals named in the Order, who were designated as "specially designated global terrorists" (SDGT). The EO authorized the Secretary of Treasury to, in turn, designate as SDGTs, anyone acting "for or on behalf of," or controlled by an SDGT, and also to designate anyone who assists, sponsors, or provides services to, or is otherwise associated with a designated terrorist group.

One of Judge Collins's rulings was that the EO's providing Presidential authority to designate SDGTs is unconstitutional, as it offers no justification for the President doing so, nor does it provide a procedure for those designated to challenge their designation. "The President's designation authority is subject only to his unfettered discretion," the ruling says. Collins also ruled against the EO's "otherwise associated with" language defining who the Treasury Secretary may designate as a SDGT, as unconstitutionally vague and overbroad, violating First Amendment rights of association. The ruling, however, only enjoins the government from designating the SDGTs and blocking their assets, and explicitly does not grant a national injunction.

Former President Carter Speaks Out for Palestinians

Former President Jimmy Carter was interviewed Nov. 30 by CNN's Larry King on the recent release of his book on Palestine, *Peace, Not Apartheid*. Carter told King that, "You never hear anything about what is happening to the Palestinians by the Israelis. As a matter of fact, it's one of the worst cases of oppression that I know of now in the world. The Palestinians' land has been taken away from them. They now have an encapsulating, or an imprisonment wall being built around what's left of the little, tiny part of the Holy Land that is in the West Bank."

Lyndon LaRouche has commended Carter for bringing up Israel's treatment of Palestine as apartheid.

Democrats Get Tough with Bush on Iraq

Pointed statements by Democratic House Speaker-elect Nancy Pelosi (D-Calif), Rep. Charles Rangel (D-NY), and Sen.-elect Jim Webb (D-Va) make clear that Democrats intend to get U.S. troops out of Iraq, and silence Bush's talk of the U.S. being there for a decade.

Rangel told MSNBC Nov. 29 that, with respect to George Bush's comments that al-Qaeda is fomenting violence in Iraq, "I can never—and neither can he—identify whether al-Qaeda is in Iraq.... The fact is, whatever's going on there, we have to get out."

MSNBC then quoted Nancy Pelosi, who reacted to Bush's comments at the Riga NATO summit that "there's one thing I'm not going to do: I'm not going to pull our troops off the battlefield before the mission is complete," by saying that if Bush continues to make these kinds of statements and think that way, it will make it more difficult for Democrats to work with the President. Rangel responded, "I think history will [bear] me out, that no President can succeed in war without the support of the people of the United States. And it's clear that the voters have spoken and rejected the whole idea of the war. My only concern is how the President does it, in saving face, in securing the protection of our men and women over there, and in leaving the country, our country, with some kind of honor in the international community.

"No matter what rhetoric he has; no matter who he visits; whether he begs Iran and Syria to help out, or whether he goes through the bipartisan commission that he's appointed, it's all over for us. We're not staying there for the ten years that some of the pundits have said we have to."

Webb also had a confrontation with Bush, at a reception held at the White House with the newly elected Congressmen shortly after Nov. 7. Bush asked Webb how his son, a Marine Lance Corporal serving in Iraq, was doing. Webb responded that he "would like to get them out of Iraq." "I didn't ask you that," Bush retorted; "I asked you how your boy was doing." Webb replied, "That's between me and my boy." A source told *EIR* that Webb later confessed to being so angered by Bush (who avoided combat during the Vietnam War), that he was tempted to slug the commander-in-chief, but refrained out of respect for the office of the President.

Cabinet Members Criticize Bush

In his first major statement since nomination as Defense Secretary, Robert M. Gates made guarded criticisms of the Pentagon failure to prepare for securing Iraq after the invasion. "War planning should be done with the understanding that the post-major-combat phase of operations can be crucial," Gates wrote in reply to a questionnaire from the Senate Armed Services Committee, where he will face confirmation hearings next week.

In his 60 pages of answers, he "kept mainly to generalities," the *New York Times* reported Nov. 29. In one place, Gates seemed to question the sense of the whole 2003 invasion. In response to a question noting that non-conventional weapons were not found, he said: "I believe the use of preemptive force should be based on very strong evidence. It is a decision that must not be taken lightly."

Homeland Security Secretary Michael Chertoff also publicly disagreed with Bush's declaration that his Administration intends to add more countries to the 27 nations already in the "visa-waiver" program," because, "It's in our nation's interest that people be able to come and visit." Under this program, citizens from visa-waiver countries can travel to the U.S. for up to 90 days without a visa, because the countries show that few of their citizens are dangers, and thus avoid the security interviews and checks required for visas. Chertoff countered Bush, saying that any expansion of the visa-waivers must include measures to make the U.S. safer. "I want a net increase in security," Chertoff said.

In September 2006, the Government Accountability Office found that "stolen passports from visa-waiver countries are prized travel documents among terrorists, criminals, and immigration-law violators." Famous terrorists Zacarias Moussaoui and "shoe bomber" Richard Reid both boarded planes to the U.S. with passports from visa-waiver countries.

White House Finally Allows DOJ Probe of NSA Wiretaps

The Justice Department's Inspector General informed House Democrats on Nov. 27 that he is reviewing the DOJ's use of information gathered from the warrantless NSA spying program, and the DOJ's compliance with legal requirements concerning the spying program. He will not examine the legality or constitutionality of the wiretap program itself.

At the beginning of this year, Reps. Zoe Lofgren (D-Calif) and Maurice Hinchey (D-NY) had asked for the DOJ's Office of Professional Responsibility to investigate the Department's role in the NSA spy program, but President Bush personally (according to Attorney General Alberto Gonzales) denied security clearances to OPR personnel, preventing them from conducting the investigation.

Rep. John Conyers (D-Mich) declared that the DOJ's action is "long overdue." Rep. Lofgren said, "After nearly a year of stonewalling, security clearances have finally been approved by the White House so that the Department of Justice can investigate its own involvement in the NSA's warrantless surveillance program." Hinchey welcomed the development, but expressed skepticism about its timing, saying, "I wonder whether this reversal is now coming only after the election as an attempt to appease Democrats in Congress ... who will soon be in control and armed with subpoena power."

Ibero-American News Digest

Mexico's Calderon Sworn In as Back-Door President

In a harbinger of inability to govern, Felipe Calderon held a spurious "swearing in" ceremony at one minute after midnight Dec. 1 at the Mexican Presidential residence, because he and his staff were unsure whether he would be able to enter the Congress the next day for the constitutionally required ceremony. No such midnight "swearing in" ceremony ever occurred before in Mexican history, as Calderon acknowledged in a brief message to the nation at that hour, in which he made the ludicrous statement that "in receiving the Presidential office from President Vicente Fox, the process of inauguration as President of the Republic begins. Later, I will appear before the Congress of the Republic to be constitutionally sworn in as is required in Article 87 of the Constitution."

Several days of shouting, pushing, punching and chair-throwing inside the Congress, where pro-Calderon and pro-Lopez Obrador legislators were sleeping in and jockeying for control of the entrances and podium, made it unclear whether Calderon could appear Dec. 1.

In the end, Calderon succeeded in meeting the formalities required by the Constitution, in name only. With military troops occupying the galleries, Calderon, surrounded by bodyguards, used the distraction caused by the entrance of California's "girly-man" governor, Arnold Schwarzenegger, as his opportunity to sneak in through a back entrance. In a ceremony at the back of the Congress which lasted all of four minutes, he whipped on the Presidential sash, smiled, and then fled, with cries of "traitor" and "get out" ringing in his ears. Only two heads of state were present for this "ceremony": those of Panama and Honduras.

As that show was held, Andres Manuel Lopez Obrador was leading over 200,000 supporters in a rally in the Zocalo Plaza

and a march through downtown Mexico City. Lopez Obrador warned that Calderon's swearing-in amounted to a "coup d'etat" by a "neofascist oligarchy." We are "not rebels without a cause," as the media likes to portray us, he warned. Somehow, he said, they forget that the Presidential election was *stolen!* "They have to understand once and for all, we are going to defend the democracy of this country."

Brazil Launches Fusion Research, To Train Youth

The Brazilian government is creating a National Fusion Network (RNF), and a National Fusion Laboratory, to carry out research and development of nuclear fusion as a means of meeting its future energy needs. Speaking Nov. 7, at an event organized by the Brazilian Physics Society, Science and Technology Minister Sergio Rezende announced this initiative, which will be overseen by Brazil's National Nuclear Energy Commission (CNEN), and will initially incorporate 70 researchers and 14 national scientific institutions to carry out the research. The Physics Institutes of several universities, the National Institute for Space Research (INPE), and the Aeronautics Technological Institute are among the entities participating.

In announcing this initiative, Minister Rezende emphasized that it will focus particularly on attracting youth, even though the starting budget is relatively small—\$450,000. "The Network will stimulate and awaken in youth an interest in the nuclear sector," he said. "Today, due to lack of funding, that interest has declined. But as the funding increases, we shall attract more students."

Brazil currently possesses three small Tokamak magnetic plasma confinement reactors, and last year European scientists visited the Associated Plasma Laboratory located at the INPE, where pioneering work has been done in developing a Tokamak with a spherical toroidal geometry. Also under discussion is possible Brazilian participation in the International Thermonuclear Experimental Reactor (ITER), which will be built in France.

Brazilian Youth Jump Into Economic Fight

Brazil's National Student Union (UNE) is calling on students to intervene to change economic policy, away from the monetarism associated with Central Bank president Henrique Meirelles. The UNE has invited several prominent economists, including former BNDES president Carlos Lessa, to participate in a debate it has organized next week in Sao Paulo, and underscores the need to unite with other social movements to demand a pro-growth economic policy, Vermelho reported on Nov. 30.

Brazil's Fin Min Turns to Development Crowd for Inputs

Only state investment in infrastructure development can resolve Brazil's infrastructure deficit, economists are telling the Lula government, whose infrastructure program, thus far pivoted on the British "public-private partnership" fraud, has gone nowhere.

At the request of Finance Minister Guido Mantega, a group of self-described "developmentalists" from Rio de Janeiro, including former president of Brazil's Economic and Social Development Bank (BNDES) Carlos Lessa, prepared a document for him on requirements for resolving Brazil's infrastructure crisis, particularly energy and logistics. Mantega met with the economists Nov. 28, to receive their written proposals.

According to media accounts, the Rio group argues that the state has to invest more in infrastructure, because it will not be possible to mobilize sufficient private capital to address Brazil's accumulated deficit. "The suggestion is that the state have a much more defined, firm, strong, intervention," one of the authors explained. Otherwise, we will keep "chasing our tail,"

as has been happening for a long time. Apparently, the document either is in the form of a proposed bill, or includes a proposed bill, which would speed up release of resources for key projects.

Mantega, who replaced Lessa at the BNDES when Lessa was forced out by his financier enemies, was named Finance Minister, when monetarist Antonio Palocci was dumped. Although he has yet to show Lessa's willingness to take on the financiers frontally, Mantega is a pro-growth nationalist, and the financier interests were not pleased when Lula said he would continue on as Finance Minister in the President's second term.

Argentines Tell Soros and His Speculator Pals: 'Go Home'

The announced purchase of Argentina's second-largest dairy cooperative, Sancor, by the George Soros-controlled Adecoagro company, has caused such an uproar in the country, that Soros is reportedly contemplating pulling out of the whole deal. His company was to have put up \$120 million to buy 63% of Sancor's stock and help restructure its large debts. But when it became clear that the deal was a purely speculative one—it was effectively a hostile buyout and asset-stripping operation—and that the Argentine Petersen Group had made an offer as good as, or better than, Adecoagro's, the opposition to the buyout escalated dramatically.

Provincial government, farm and business leaders, and even some Congressmen, demanded that the Kirchner government act to stop the Soros grab of the 1,600-member cooperative. Cordoba Governor Jose Manuel de la Sota pointed out that Sancor was basically being bought out by an investment fund, "and you never even know very well where their headquarters are." He said he hoped a local Argentine group would invest in Sancor, since "we don't know who the investor Soros represents."

Earlier, one of President Nestor Kirchner's close aides revealed that the President would far prefer Sancor to be bought by "national capital" than by Soros's Adecoagro. The head of the National Stock Commission has already begun an investigation into the deal, and has submitted a list of questions that he wants Adecoagro to answer.

One of Soros's partners in Adecoagro is the Wabash, Indiana-based Halderman Farm Management Services, whose speciality appears to be helping financially strapped American farmers buy up cheap land in South America that bankrupt farmers there have been forced to abandon. Adecoagro began gobbling up land in Argentina after the explosion of that country's financial crisis in 2001-2002.

Another is Buenos Aires Capital Partners (BAC), an outfit with a history of involvement in hostile takeovers of Argentine companies by speculative vulture funds.

Another Free-Trade Deal Collapses

The Peruvian government has now "indefinitely" postponed negotiations on a bilateral free-trade accord with the United States, in the wake of the anti-free-trade fervor of the U.S. midterm elections. Alan Garcia's government announced this week that it was cancelling its plans to send seven cabinet ministers up to Washington to lobby for quick passage of the Free Trade Accord, opting to wait "until the right time."

Western European News Digest

Hadley Warns Europe: NATO Must Not Fail in Afghan Mission

Briefing reporters on the way to Riga, U.S. National Security Advisor Stephen Hadley outlined a threefold focus for the NATO summit: 1) the NATO mission in Afghanistan; 2) steps to be taken so that NATO member-countries increase their capability to be able to contribute to missions like Afghanistan; and 3) the need for NATO increase its ties and cooperation with countries like Japan, Korea, and Australia, which are not NATO member countries but are assisting NATO in military operations.

When asked about any concern that NATO isn't up to the mission in Afghanistan, either because of logistical or political problems, Hadley said, "There is a recognition on the part of NATO that this is a terribly important mission, not only from the standpoint of Afghanistan, but what it represents, in terms of the struggle against al-Qaeda and the Taliban in the war on terror." He also asserted that "it is also important for NATO that it not fail in this mission. This is a new mission for NATO. This is not the kind of operation they've done before.... NATO countries are going to find that they do not have all the capabilities they need...."

Atlanticists Goad Germany into Increased Afghan Action

At the second session of the Riga conference, attendant to the NATO summit, Atlantic Council president Fred Kempe tried to bait German journalist and "think-tanker" Christoph Bertram on Germany's refusal to send troops into southern Afghanistan and into harm's way, as part of the recent drumbeat portraying the Germans as beer-guzzling cowards. "What is going on in Germany, and how can the Germans sit in their safe North and let Canadians die in the South?" Kampe queried Bertram. "Oh, come off it," the latter replied, "I think it is a ridiculous question, the way you put it.... Don't start with the finger-pointing, because I don't think that will get you anywhere."

Arriving in Riga one day after two Canadian soldiers were killed by a suicide bomber in Afghanistan, Canadian Prime Minister Stephen Harper warned his allies that if they did not assist the Canadians in southern Afghanistan, the war could lose public support. Canadian Foreign Affairs Minister Peter McKay told the conference that "losing young men and women is the surest way" for support to wane. "If soldiers are coming home in coffins, that's a very difficult thing, especially for a younger generation."

Gen. James Jones, Supreme Allied Commander Europe, tried to smooth over this tiff, by making an idiotic distinction between "peacekeeping" and "peace-enforcing," to explain why some NATO allies' troops get killed, and some don't.

German Victim of U.S. 'Rendition' Torture Sues U.S.A.

Khalid El-Masri, the German victim of torture under the Bush-Cheney rendition policy, gave a press conference at the National Press Club in Washington, D.C. Nov. 29, to discuss his lawsuit, and the five months of torture he underwent. El-Masri, who was accompanied by a representative of the American Civil Liberties Union and his German lawyer, was kidnapped in Macedonia in 2003, and held and tortured for five months in a secret prison in Afghanistan; he was finally given a visa by the State Department and allowed to enter the U.S. to attend a hearing on his case at the 4th Circuit Court of Appeals, on Nov. 28. He had been denied entry to the U.S. last December. El-Masri also gave a press conference in Richmond, Virginia, where the case was heard.

El-Masri's civil suit was dismissed by the Federal Court in Alexandria in May, after the government asserted that the case could not be tried without disclosing "state secrets." His lawyers point out that, since that time, President Bush himself has publicly acknowledged the existence of the secret prison network and the rendition program. El-Masri said that what he wants, above all, is an explanation of his rendition and an apology from the U.S. government.

El-Masri debunked any notion that his kidnapping was a case of mistaken identity—which was previously thought to be

the case. While El-Masri is, in fact, a common Arabic name, those holding him knew things about him that only he and his wife had known about, his movements, his bank account, etc., indicating that he had been under surveillance for some time before he was kidnapped, and that he was never actually accused by his interrogators of being a terrorist. Even after former CIA Director George Tenet and then-National Security Advisor Condi Rice had been informed that El-Masri was innocent, he was still imprisoned for another 3-4 months!

Anthony Romero, the executive director of the ACLU, said that this same issue plays out in other contexts. He said there's a pattern and practice by the Bush Administration of casting a very broad net with the presumption of guilt. He noted, that of over 300 individuals still being held at Guantanamo, Cuba, only 11 have actually been charged with any crime. Romero also said that El-Masri would be briefing staff members of the relevant Congressional committees, on his case, including the Senate Armed Services Committee, soon to be chaired by Sen. Carl Levin (D-Mich).

Six Danish Mayors Urge National High-Speed Rail Network

Under the headline "Fast Trains Will Create Growth," the Copenhagen daily *Jyllands-Posten* reported Nov. 27 on the press conference held on Nov. 23 by mayors of Copenhagen, Aarhus, Aalborg, and three other cities, presenting the results of a study they commissioned from Denmark's Technical University (DTU), on the benefits of investing to build a high-speed train system. *JP* quotes Traffic Minister Flemming Hansen saying that he doubts that there is the basis for it in such a small country.

The paper's editorial calls for using an even faster technology that can achieve 350 km/hour, as in France and Spain. The DTU study has a picture of the Shanghai maglev system, with a caption which says that it can run at 430 km/hour, but does not mention that it uses maglev technology.

Chirac Invites Russian President to Paris

As Jacques Chirac, who turned 74 Nov. 29, arrived in the Latvian capital Riga for the NATO Summit Nov. 28, he announced that he had invited Russian President Vladimir Putin to his birthday event in Paris later in the week. (As it turned out, Putin was unable to attend). This special gesture deserves attention, as Putin's Russia is under massive black-propaganda attacks by the West at present (the "energy war," the cases of the Litvinenko poisoning and Politkovskaya shooting, etc.).

Russia and the CIS News Digest

Russian Anti-Globalists Post LaRouche Warning of Dark Age

The Russian site anti-glob.ru has a precis of Lyndon LaRouche's Nov. 16 webcast, headlined: "LaRouche Warns: New Dark Age On the Horizon." Citing LaRouche's analysis of the profound crisis of the economy and financial system, the summary said, "The crisis, LaRouche believes, could plunge humanity into a New Dark Age, like the one that ended in Europe with the signing of the Peace of Westphalia in the 17th Century. If the preceding period could be considered that of the Normans and the Venetians, it was the Anglo-Dutch liberals, who afterwards exerted the major influence on world events.... In LaRouche's view, these 'players' stood behind Napoleon and Hitler, and, later, behind Kissinger and Shultz. LaRouche again stated the need for a thorough-going reform of the financial system, and associated great hopes with the new generation, the 18-30 year-olds, on whose shoulders falls the burden of saving humanity. This generation was represented at the webcast by a group from the LaRouche Youth Movement. They performed a hymn set by Bach, dedicated to the Peace of Westphalia."

Anti-glob.ru is one of the sites that has posted the Russian translation of LaRouche's Nov. 9 release, "Bush Sings His Swan Song." The site also is covering a recent tour by Ukrainian economist Natalia Vitrenko, chairman of the Progressive Socialist Party of Ukraine. In between leading demonstrations in Sevastopol, Crimea (Ukraine), against NATO's presence in the region, Vitrenko has been lecturing in such locations as Tiraspol, Transdnistria (Moldova), and Rostov, Russia, on the disaster IMF policies have been for Eastern Europe. Her main graphic is her 2000 Presidential campaign poster, showing LaRouche's "Triple Curve" pedagogical sketch of hyperinflation and physical economic collapse.

Lugar Wants NATO Measures vs. Russian Energy 'Threats'

Speaking at the Riga, Latvia NATO summit on Nov. 28, Richard Lugar (R-Ind), outgoing chairman of the U.S. Senate Foreign Relations Committee, said that the greatest security threat to Europe is not terrorism, but "energy scarcity and manipulation ... which could lead to armed conflicts." Referring to Russia, Lugar said that, "a natural gas shutdown to a European country in the middle of winter could cause death and economic loss on the scale of a military attack." NATO "must determine what steps it is willing to take if Poland, Germany, Hungary, Latvia, or another member-state is threatened as Ukraine was...."

Lugar proposed a new REFORGER exercise, used during the Cold War to prepare for massive Soviet troop attack, this time to supply a "beleaguered member" with energy resources. NATO should authorize participation with like-minded nations, such as Japan, Australia, South Korea, Finland, and Sweden, he suggested, and form new alliances with Azerbaijan, Kazakhstan, Croatia, Albania, and Macedonia, effectively, to encircle Russia. NATO should invite [anti-Russia] Georgia to join the Alliance, Lugar proposed, and support Ukraine's joining NATO.

The *Financial Times* writes that the OECD has released a report on the Russian economy, saying the Russian state is tightening its grip on key industries, and that natural gas giant Gazprom has an "insatiable appetite for asset acquisition." Two weeks earlier, the *Financial Times* had publicized a NATO experts' report, puffing up the alleged danger that Russia will form a gas cartel and blackmail Europe (*EIR Online*, Nov. 21).

Defense Minister Presents Russia's View of NATO

"Of course, some Russians feel uneasy about the fact that a NATO summit is taking place so close to St. Petersburg," Russian Defense Minister Sergei Ivanov told the Nov. 27 issue of the German weekly *Der Spiegel*. "But I take a more relaxed view. If NATO had staged a major military maneuver in Latvia, with tanks and aircraft, it would certainly have triggered concern within the Russian military." Nonetheless, Ivanov said, "The Baltic states are small countries in a region that is especially free of conflict and tension, militarily speaking. We do not understand why NATO needs its own military infrastructure in this region."

Asked about Russian air defense missiles in Belarus, as a response to the U.S. sale of F-16s to Poland and the installation of anti-missile defenses there, Ivanov said Russia did not intend to feed into a new Cold War. "F-16s are attack aircraft, whereas our S-300 air defense system is only designed to defend our own territory," he said. Ivanov added that, while many impoverished Russians are anti-Western because of their circumstances, Russia as a whole is committed to its identity as a European country.

Situate Litvinenko Case In Strategic Crisis

Lyndon LaRouche situates the poisoning of Alexander Litvinenko in London, in the context of the global crisis, where the British-Dutch oligarchy wants to destroy the U.S.A. once and for all. In response to a report from an *EIR* contact, who commented that polonium-210 is one of the worst, most easily traceable ways to assassinate someone, LaRouche said that

the key is "the vehicle, not the missile." The vehicle is that the United States is now on the very edge of being destroyed, and the Cheney plan for Shi'ite-Sunni war is the latest step in that process. It's obvious, he said, that the United States cannot get out of Iraq any longer. They have to fight their way out, and cannot get out with all their equipment; yet, even with that lost situation, there is still a push for further wars. Why? Because the target is the destruction of the U.S.A., through these expanding wars.

Everything is geared to a confrontation with China and Russia, by the Anglo-Dutch imperialists. If the Litvinenko case is not related to that coming confrontation with Russia and China, then it is of relatively little interest, LaRouche said.

The source also suggested that the London case might be practice for a "dirty bomb," a conventional bomb that spreads radioactivity. LaRouche asked, "To what end? A dirty bomb actually has little effect." If the intention was to create panic, then the target, once again, is the U.S.A., because the target of such a panic is nuclear power. "The British hate us [the U.S.]," LaRouche added. "My enemy wants to destroy technological progress—to reduce the population in size, and reduce the people who survive to beasts. [To them], this means eliminating progress with the goal of reducing the world population to about 1 billion people. Reduce China to about 100 million people. No nation-states, and you play with them like toys. This is the return of the Venetian Crusader system."

The Russian intelligence picture is complicated, LaRouche noted. There is a Boris Berezovsky-type of "financial KGB" that was created by one-time KGB chief, later Soviet top leader Yuri Andropov; there are elements in the current security service, the FSB, which are trying to rebuild the KGB, but as a new Cheka, the 1920s spy agency under Felix Dzerzhinsky. Such networks, operating in London, might easily kill Litvinenko, or any other Russian intelligence operative, if they thought they were being spied on. This inter-intelligence war is of minimal interest, per se; it is only interesting, LaRouche said, if it is part of the strategic picture of the Anglo-Dutch imperial plan to build to a confrontation with Russia.

Gaidar's Illness Feeds Frenzy Over Poisonings

Former Russian Prime Minister Yegor Gaidar, the radical-liberal economist who presided over "shock therapy" in the early 1990s, collapsed during a conference presentation in Ireland Nov. 24. Hospitalized in Dublin, after vomiting blood, Gaidar was then flown to Moscow and is being treated at a hospital in an undisclosed location. Gaidar's press secretary said Nov. 30 that doctors consider his illness the result of poisoning by an "unnatural" substance. News media rushed to draw links to the Litvinenko case, insofar as ex-KGB man Lugovoy, who met Litvinenko in early November, was Gaidar's former security chief. But, no official diagnosis of Gaidar's condition has been announced. On Nov. 29, he was well enough to take a phone call from President Putin.

Anatoli Chubais, Gaidar's political ally and now CEO of the national power company, said Nov. 30 that Gaidar had nearly died, according to RIA Novosti. He suggested that the incident was part of an attack on the regime, saying that, "The deadly triangle—Politkovskaya, Litvinenko, and Gaidar—would have been very desirable for some people, who are seeking an unconstitutional and forcible change of power in Russia."

Ukraine Parliament Fires Pro-NATO 'Orange' Ministers

Presaging a showdown with President Victor Yushchenko, the Ukrainian Parliament fired three cabinet ministers, on request from Prime Minister Victor Yanukovich: Foreign Minister Borys Tarasyuk, Interior Minister Yuri Lutsenko, and Defense Minister Anatoly Hrytsenko. Tarasyuk was a key holdover from Yushchenko's period as "Orange Revolution" victor (2004-2005), and a chief advocate of Ukraine's joining NATO. Yushchenko had managed to keep him in the government, even as opposition parties dominated this year's parliamentary election, as a result of which Yanukovich is now Prime Minister. Lutsenko was also an Orange Revolution organizer.

Tarasyuk's undermining of Yanukovych came to a head at a Nov. 30 cabinet meeting. Yanukovych read aloud a letter from Tarasyuk's Foreign Ministry, informing him that they had cancelled the Prime Minister's trip to Washington; the letter accused Yanukovych of failing to get Yushchenko's approval of guidelines for the talks. Evidently, Yanukovych was going to tell people in Washington, that Ukrainians overwhelmingly reject joining NATO. Telling Tarasyuk it was regrettable that they had "failed to find an understanding on how to work together over these three months," Yanukovych announced he was formally sending a negative evaluation of Tarasyuk to the Supreme Rada, and asking for appropriate action.

Russians Offer Help on Trans-Saudi Railroad

On Nov. 19, the day before the Saudi leaders gave the green light for the plan to build a "Saudi Land-Bridge" rail line going east-west across the nation, a delegation of Russian industrialists, led by former Prime Minister Yevgeni Primakov, arrived in Riyadh. Primakov, who is now chairman of the Russian Chamber of Commerce and Industry, was joined by Russian railway experts, including the Russian Railway director, Vladimir Yakunin.

Southwest Asia News Digest

Israel and Palestine: An exclusive interview in this week's [**InDepth**](#) with former Israeli Cabinet Minister Shlomo Ben-Ami provides a first-hand look at how a leading Israeli is seeking peace.

Former U.S. Commander in Iraq Warns vs. Sectarian Manipulation

Speaking with *EIR* on Dec. 1, Gen. Jay Garner (ret.), who headed up the first postwar reconstruction mission to Iraq, before being replaced by Paul Bremer, decried any attempt to play a "Sunni card": "Any attempt by the U.S. to line up with the Sunni or Shi'a side would be one hell of a dangerous thing to do," Garner said. He noted that the U.S. problem had been its wavering back and forth between, first, the Shi'as, then the Sunnis, with the net result that "no one really knows what we're up to."

Garner expressed the belief that it would be well-nigh impossible to get a central government that would really be in control. At the same time, he opposed any attempts to divide the country, calling rather for a "stronger regionalization where real power was being wielded by known local leaders, but within the framework of a national entity. The only precondition for that would be an arrangement by which the oil revenues would be shared among the regions." He admitted that even that solution would result in some bloodletting within the regions. "But, hell, it couldn't be worse than it is now," he said.

On a more rational note, he called for a "Marshall Plan" for rebuilding the economy. "But tell the contractors involved that they are required to take at least 49% of their workforce from the Iraqi population." Recently at a conference on the Middle East, Garner had also suggested that "we take a page out of Roosevelt's CCC in order to get the kids into jobs."

King Abdullah: Israel-Palestine Peace Key to Region

Prior to his meeting with President George W. Bush on Nov. 26, Jordan's King Abdullah presented a horrifying picture of the Arab region in a Nov. 26 interview on ABC's *This Week*. King Abdullah, who also met with Iraqi Prime Minister Nouri al-Maliki, told the American audience that there are potentially three civil wars in the Middle East region: Iraq, Palestine, and Lebanon. He put the priority on settling the Israeli-Palestinian conflict, to prevent the entire situation from spiraling out of control.

"I know people will say that there are several core problems in the Middle East," Abdullah said. "Obviously, the closest to American minds, because of your commitments of soldiers, is Iraq. But for the majority of us living in this part of the world, it has always been the Israeli-Palestinian, the Israeli-Arab problem. And I fear that if we do not use the next couple of months to really be able to push the process forward, I don't believe that there will be anything to talk about."

Hamas Leader Gives Israel Six Months To Reach Two-State Settlement

Khaled Mashaal, the head of Hamas, who resides in Damascus, Syria, concluded three days of talks with Egyptian officials in Cairo, and gave the Israeli government a six-month deadline to reach a settlement with the Palestinians or face a third intifada, reported U.S. wire services on Nov. 25. Mashaal said that a Palestinian state within the pre-1967 borders should be the outcome of talks, as specified by the Palestinian national dialogue.

This represents a sign that Hamas's most militant leader could give Palestinian Authority President Mahmoud Abbas backing to negotiate an agreement with Israel—but within a six-month deadline. Mashaal said that so far, there have been no decisive breakthroughs on a formation of a national unity cabinet, or a final deal to free the Israeli soldier being held by Hamas. Associated Press reported that Mashaal balked at a government of "technocrats," demanding that the parties with the popular support of the Palestinian voters be represented in the cabinet.

Cordesman to White House, Pentagon: Stop Lying About Iraq

In the latest of his periodic reports on the situation in Iraq, Center for Strategic and International Studies (CSIS) senior analyst Anthony Cordesman on Nov. 27 blasted the Bush Administration for persistently exaggerating and misrepresenting the training and readiness of the Iraqi Security Forces (ISF). In fact, Cordesman said, "No strategy that hinges largely on the successful development of the ISF can possibly succeed."

However, it is exactly that policy—"when they stand up, we stand down"—which is the only one that the Bush Administration has identified.

And in a slap at the "democracy" rhetoric of the administration, Cordesman said that: "Legitimacy does not consist of determining how governments are chosen, but in how well they serve the day-to-day needs of their people."

As to the Iraqi forces, Cordesman said that it's difficult to gauge progress, "because so much U.S. reporting grossly exaggerates progress, ignores or understates real-world problems, and promises unrealistic timelines."

The report, entitled, "Iraqi Force Development and the Challenge of Civil War," concludes, "To put it bluntly, the U.S. government and the Department of Defense must stop lying about the true nature of Iraqi readiness and the Iraqi force development."

Democrats Demand Bush Appoint Special Envoy For Iraq

At a Nov. 30 press conference in Washington, Sen. Jack Reed (D-RI) released a letter that he and Sens. Harry Reid (D-Nev), Dick Durbin (D-Ill), Carl Levin (D-Mich), and Jay Rockefeller (D-WVa) had sent to President Bush, calling for a special envoy to be appointed for Iraq to deal with sectarian violence. Reed's co-signers are respectively the incoming Senate Majority Leader and Whip, and the new chairmen of the Armed Services and Intelligence Committees.

The analysis presented by Reed does not differ at all from the much-repeated empty phrases of top Bush Administration

officials, such as Amb. Zalmay Khalilzad, before the Senate Foreign Relations Committee this past July. Like Khalilzad—who is reportedly trying to leave the Iraq post as soon as possible—Reed says that the Iraqi government must disband the militias, and begin providing services to the public to gain their support; it must also work for all communities in the government of the country.

Reed said that a "high-ranking special envoy to work with the Iraqi government" is necessary because Bush has little time to come up with some means of improving the out-of-control situation in Iraq.

EIR suggests that asking Bush to appoint a special envoy at this point, is both ridiculous and naive. Two distinguished special envoys to the Palestinian Authority—Gen. Anthony Zinni (USMC, ret.), and former World Bank head James Wolfensohn—both quit in disgust with the failure of the White House to back their efforts on behalf of peace process and humanitarian aid.

Asia News Digest

India Claims Development of Anti-Missile Capability

According to Indian military sources who spoke to *EIR* on Nov. 27, a target Prithvi surface-to-surface missile was launched from the Integrated Missile Test range at Chandipur along the Orissa coast. The missile was picked up in a few minutes by monitoring radars, and was successfully intercepted by another Prithvi missile fired from Wheeler's Islands. "It is a historic day," said a Defence Research and Development Organization (DRDO) scientist.

The sources said more such interception exercises, termed the Prithvi Air Defense Exercises, will be undertaken in the future. However, the Indian military made clear that the success does not ensure that the DRDO is anywhere close to deploying an effective anti-missile shield for the country any time soon.

The success of the test comes in the wake of a barrage of criticism targetted at DRDO's failure with the Trishul naval project as an anti-missile shield for ships. The failure of the Trishul led the Indian Navy to buy the Barak anti-missile system from Israel in 1999-2000. Barak systems are purely for defense of naval ships from incoming missiles.

IAEA Approves Pakistan's Nuclear Power Plant

In a major development, the International Atomic Energy Agency (IAEA) has approved the safeguards agreement between Pakistan and the IAEA for application of safeguards on Pakistan's Chashma Nuclear Power Plant Unit-2 (CHASNUPP-2), *Daily News Analysis* reported from Islamabad Nov. 25. The plant was designed by the China National Nuclear Corporation as a replica of its first indigenous reactor, Qinshan-1.

"The approval of the agreement is a success for Pakistan and recognition of its non-proliferation commitments," said Pakistan's Foreign Ministry spokesman. Pakistan is one of the three non-NPT signatory nations that enjoys the right of concluding such a safeguards agreement.

Chinese President Hu Jintao, who recently visited Pakistan, said on Nov. 25, that Beijing would continue to help Pakistan with its nuclear power industry, but he did not announce any new deal with Islamabad.

Pakistani Foreign Minister 'Stuns' NATO Commanders

Pakistan's foreign minister advised NATO to include the Taliban in the government, not confront it, according to the *Telegraph* Nov. 29. While NATO commanders at Riga pledged to stay the course to restore peace and stability in Afghanistan, more sage advice came from Pakistan's Foreign Minister Khursheed Ahmed Kasuri. Kasuri, in a private briefing to foreign ministers of some NATO member-states, told them that the Taliban are winning the war in Afghanistan and NATO is bound to fail. These remarks were made on the eve of NATO's summit in Riga.

According to Ahmed Rashid, a veteran Pakistani journalist, Kasuri's briefing "stunned" the Western ministers. One Western official told him: "Kasuri is basically asking NATO to surrender and to negotiate with the Taliban."

But Kasuri repeated what Lt. Gen. Mohammad Jan Orakzai, Governor of Pakistan's volatile Northwest Frontier Province had stated publicly earlier. He said on one occasion that the U.S., Britain, and NATO have already failed in Afghanistan. "Either it is a lack of understanding, or it is a lack of courage to admit their failure," the general said. Orakzai had masterminded the "peace deal" between the Pakistani army and the heavily Talibanized Pushtun tribes. The "peace deal" was, however, a sham carried out to withdraw the Pakistani army and leave the tribal areas in the hands of the armed Talibanized Pushtuns.

Meanwhile, aides of Pakistani President Pervez Musharraf claim that Musharraf has virtually "given up" on Afghan President Karzai and is awaiting a change of face in Kabul before he offers more help.

Prince Andrew Peddles Biofuels to Hungry Filipinos

The United Kingdom's Prince Andrew, who is the UK's Special Representative for Trade and Investment, was in the Philippines for a two-day visit Nov. 23-24, offering to "invest" in turning even more agricultural land over to biofuel production, the *Philippines Inquirer* reported Nov. 26. The Philippines, once a leader in rice exports, now imports rice, while about 15% of the population is going hungry. But the Department of Foreign Affairs, following meetings between the Prince and President Gloria Arroyo, said that Andrew "showed interest in coco diesel fuel, the cultivation of Philippine jatropha trees, sugar and cassava to reduce dependency on pollution-causing fuels." Let them eat cake...

The Prince also praised Gloria for sending so many nurses to work in the UK, who are "highly admired for their industriousness." Perhaps he didn't have time to tour the rural hospitals, or the urban public hospitals used by the poor, where the critical shortage of doctors and nurses is killing people at an increasing rate.

Badawi: West's Assault on Islam Is 'Grave Threat'

Malaysian Prime Minister Abdullah Ahmad Badawi warned that the assault on Islam by the West is "one of the gravest threats to international stability in the history of the world," according to AFP Nov. 29. Speaking at a UN event in Malaysia, Badawi said that the ties between Muslims and Christians are under "extreme stress" and called on the UN to hold a special conference to address the schism.

"The Muslim world sees the suppression of Palestine, the invasion of Afghanistan, the conquest of Iraq, and the destruction of Lebanon as a complicity to humiliate Muslim countries," said Badawi, who is currently the chairman of the Organization of Islamic Conference (OIC). "Muslims see the refusal of the Christian West to acknowledge Islam as a way of life for all Muslims as intolerance and arrogance," he said. Abdullah said secularism in Western societies, especially Europe, had seen religion removed from the public domain. "They expect Muslims, especially those living in their societies, to do the same," he said, which is contrary to the Muslim faith.

Development Bank Loan To Build China's East-West Railroad

The Asian Development Bank is lending China US\$300 million to help build the first east-west railroad to connect Shanxi Province to Ningxia Hui Region, which is a poor, remote area on the border of Inner Mongolia in north-central China. The 944-km railway line that will become the shortest east-west corridor linking eastern China's big cities and ports including Beijing, Huanghua, and Qingdao, to the western cities of Yinchuan, Zhongwei, Lanzhou, and Urumqi. This is a new corridor of the Second Euro-Asian Continental Bridge, which links China's east coast to Kazakhstan, and ultimately, western Europe. The project will help develop China's interior.

China has "an aggressive plan" to improve its railways, which have the highest freight transport density in the world and the second-highest passenger transport density after Japan, the ADB reported Nov. 29.

China and India To Establish 'Civil Nuclear Cooperation'

A statement by China and India that they will join in a "civil nuclear cooperation" is "the first time that a reference to civil nuclear cooperation has been made in a joint document at this level," *The Hindu* quoted C.V. Ranganathan, a former Indian Ambassador to China, on Nov. 22.

The joint declaration, which was released after the meeting of Indian Prime Minister Manmohan Singh and Chinese President Hu Jintao, said that the two sides consider the expansion of civil nuclear energy to be an "essential and important component of their national plans to ensure energy security," and "agree to promote cooperation in the field of nuclear energy, consistent with their respective international commitments." The declaration states that there is need for an "international energy order," and for global energy systems to take into account the needs of both countries based on a "stable, predictable, secure and clean energy future.... In this context, international civilian nuclear cooperation should be advanced through innovative and forward-looking approaches, while safeguarding the effectiveness of international non-proliferation principles.

"As two countries with advanced scientific capabilities, they stress the importance of further deepening cooperation bilaterally as well as through multilateral projects such as ITER [International Thermonuclear Experimental Reactor], and enhance exchanges in the related academic fields."

C.V. Ranganathan said that the reference to non-proliferation principles should be seen "in the context of Chinese concern about the repercussions from North Korea's recent nuclear test, as well Beijing's lingering unhappiness at the Indian nuclear tests of 1998," *The Hindu* wrote. The potential discussion of nuclear cooperation, indicates China might be revising its opposition to the July 2005 India-U.S. nuclear deal. What China opposes, is the U.S. "unilateralism" in bending non-proliferation rules for only certain friends and allies, more than whether India can access nuclear energy technology, *The Hindu* wrote.

In 1995, China had supplied low-enriched uranium for India's Tarapur reactor, and earlier, in the 1980s, India "apparently" sourced heavy water from China. This was before June 2004, when China joined the 45-member Nuclear Suppliers Group, and began to abide by NSG rules. Earlier, according to Chinese government papers, Chinese nuclear exports were to be based on adherence to three principles: guarantee for peaceful use, acceptance of International Atomic Energy Agency (IAEA) safeguards, and no retransfer of nuclear material to a third country without prior permission. "Thus, the sale of nuclear equipment and material to safeguarded Indian facilities was totally consistent with Chinese law till 2004," *The Hindu* wrote.

Africa News Digest

Sudan's President Bashir Defends His Nation's Sovereignty

by Lawrence K. Freeman

"Sudan will not become the first nation of Africa to be re-colonialized," Sudanese President Omar al-Bashir told a multi-city video-conference with the news media on Nov. 27. In an unusual format, Bashir, speaking from Khartoum, simultaneously addressed audiences in eight capital cities: Beirut, Berlin, Cairo, London, Paris, Pretoria, Moscow, and Washington, and took questions, many of them hostile, for over an hour and half....

See InDepth this week for the complete article, plus a [statement by French Presidential candidate Jacques Cheminade, "Save Rwanda and Africa,"](#) issued on Nov. 27.

This Week in American History

December 5 — 11, 1856

Lincoln Answers President Pierce's Final Report to Congress

The 1856 Presidential race between the new Republican Party's John C. Fremont, the Democratic Party's James Buchanan, and ex-President Millard Fillmore, who represented the Whig/American Party, had been a lively and closely-fought contest. There were very basic issues at stake in the election, and a large proportion of the American population had taken part in the campaigning. Over the two preceding years, the Kansas-Nebraska Act had replaced the Compromise of 1850, and the resulting pro-slavery violence in the new territory of Kansas had demonstrated to many members of the old Whig Party, including Abraham Lincoln, that a new coalition of pro-American forces was needed.

Although Lincoln and many other new Republicans had attempted to show the remaining Whigs that their political beliefs were best served by the new party, enough of them voted for Fillmore to tip the balance in Buchanan's favor. However, the Republicans did succeed in electing local and national candidates, and garnered 1.25 million votes in the Presidential election. The combined Whig/Republican vote was greater than that for Buchanan, but neither the old nor the new administration paid any heed to the mandate for a change in policy from the American people.

The fight was not solely over the extension of slavery. The old British Empire ideology which had gripped a portion of America's political leadership also called for the destruction of American System policies, such as internal improvements, protectionist tariffs for American industries, and good wages for American workers. But it was the issue of slavery, with its particular view of the promise of mankind, which went to the heart of the moral question facing America in 1856.

After the election, the proponents of extending slavery became even more arrogant than they had been during the administrations of Polk and Pierce. Their "cruel attempt to conquer Kansas into slavery," as contemporary historian George Bancroft put it, had failed, but they were still in power and intended to use it. To many of this persuasion, President-elect James Buchanan was not radical enough, despite the fact that he openly supported every policy of the British Empire and the Southern pro-slavery faction.

Wrote C.C. Clay, Sr. of Alabama, "Pierce was my choice above all men in the South, North, East, or West. If we could keep him in office for four years longer, the tariff would be brought down to a purely revenue standard, the Democratic party put upon the true constitutional anti-internal improvement platform, the backbone of abolition broken, or badly strained, and the Government fixed in the old republican tack."

Then, too, as soon as the election ended, the old cry for legalizing the slave trade reared its ugly head. Only a few Southern newspapers had dared to call for it during the recent few years, but now the Charleston (South Carolina) *Standard* reasserted its demand, and the New Orleans *Delta* seconded the call, and advocated the acquisition of Cuba, Northeastern Mexico and other territories, and the importation of enough slaves so that every Southerner could acquire at least a few, and take them wherever they pleased.

Gov. J.H. Adams of South Carolina, in his annual December message to the state legislature, called for reviving the slave trade, for slavery "has exalted the white race itself to higher hopes and purposes, and it is perhaps of the most sacred obligation that we should give it the means of expansion, and that we should press it forward to a perpetuity of progress."

But the most amazing and unsettling statements came from retiring President Franklin Pierce, a native of New Hampshire who embraced British Empire philosophy. Pierce devoted half of his final annual message to Congress, to attacking the Republican Party. He stated that the recent election had been a condemnation of merely sectional parties, like the Republicans. The Republicans would never have received as many votes, except for the sinister misrepresentations of public policies working on a fevered state of the public mind.

Furthermore, said Pierce, although he believed in freedom of discussion, the Republicans had abused it by pretending to seek the exclusion of slavery only from the Federal territories, when they actually intended to destroy it in all the states! To gain their end, the new party was trying to undermine the government, and was well aware that emancipation could be bought only at the price of burned cities, ravaged farm fields, and slaughtered populations. The Republicans were actually teaching Americans to stand face-to-face as enemies, Pierce blustered; violent attacks from the North had been answered by proud defiance from the South, and now the nation was faced with an attempt by a sectional movement to usurp control of America's government, the new President spouted.

There were many Republicans who answered Pierce's outburst. "Burning cities!" exclaimed John Sherman, brother of the future general, "Why, sir, I know of none except Lawrence and Osawatimie. I know of no ravaged fields or slaughtered populations except on the plains of Kansas." But the voice that penetrated to the heart of the matter was that of former Congressman Abraham Lincoln. In a speech in Chicago on Dec. 10, 1856 he answered President Pierce's topsy-turvy allegations by developing the "central idea of the republic."

The last portion of Lincoln's speech began as follows: "We have another annual Presidential Message. Like a rejected lover, making merry at the wedding of his rival, the President felicitates hugely over the late Presidential election. He considers the result a signal triumph of good principles and good men, and a very pointed rebuke of bad ones. He says the people did it. He forgets that the 'people,' as he complacently calls only those who voted for Buchanan, are in a minority of the whole people, by about four hundred thousand voters—one full tenth of all the voters. Remembering this, he might perceive that the 'Rebuke' may not be quite as durable as he seems to think—that the majority may not choose to remain permanently rebuked by that minority.

"The President thinks the great body of us Fremonters, being ardently attached to liberty, in the abstract, were duped by a few wicked and designing men. There is a slight difference of opinion on this. We think *he*, being ardently attached to the hope of a second term, *in the concrete*, was duped by men who had liberty every way. He is in the cat's paw. By much dragging of chestnuts from the fire for others to eat, his claws are burnt off to the gristle, and he is thrown aside as unfit for further use. As the fool said to King Lear, when his daughters had turned him out of doors, 'He's a shelled pea's cod.'

"So far as the President charges us 'with a desire to change the domestic institutions of existing States;' and of 'doing every thing in our power to deprive the Constitution and the laws of moral authority,' for the whole party, on *belief*, and for myself, on *knowledge*, I pronounce the charge an unmixed and unmitigated falsehood.

"Our government rests in public opinion. Whoever can change public opinion, can change the government, practically just so much. Public opinion, on any subject, always has a 'central idea,' from which all its minor thoughts radiate. That 'central idea' in our political public opinion, at the beginning was, and until recently has continued to be, 'the equality of men.' And although it was always submitted patiently to whatever of inequality there seemed to be as matter of actual necessity, its constant working has been a steady progress towards the practical equality of all men.

The late Presidential election was a struggle, by one party, to discard that central idea, and to substitute for it the opposite idea that slavery is right, in the abstract, the workings of which, as a central idea, may be the perpetuity of human slavery, and its extension to all countries and colors. Less than a year ago, the Richmond *Enquirer*, an avowed advocate of slavery, regardless of color, in order to favor his views, invented the phrase, 'State equality,' and now the President, in his Message, adopts the *Enquirer's* catch-phrase, telling us the people 'have asserted the constitutional equality of each and all of the States of the Union as States.'

"The President flatters himself that the new central idea is completely inaugurated; and so, indeed, it is, so far as the mere fact of a Presidential election can inaugurate it. To us it is left to know that the majority of the people have not yet declared for it, and to hope that they never will.

"All of us who did not vote for Mr. Buchanan, taken together, are a majority of four hundred thousand. But, in the late contest we were divided between Fremont and Fillmore. Can we not come together, for the future? Let every one who really believes, and is resolved, that free society is not, *and shall not be*, a failure, and who can conscientiously declare that in the past contest he has done only what he thought best—let every such one have charity to believe that every other one can say as much.

"Thus let by-gones be by-gones. Let past differences, as nothing be; and with steady eye on the real issue, let us reinaugurate the good old 'central ideas' of the Republic. We *can* do it. The human heart *is* with us—God is with us. We shall again be able not to declare that 'all States as States, are equal,' nor yet that 'all citizens as citizens are equal,' but to renew the broader, better declaration, including both these and much more, that 'all men are created equal.'"

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[top of page](#)

[home page](#)