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BYE-BYE PELOSI
LaRouche Republicans
by Lyndon H. LaRouche, Jr.

Today, if the U.S.A. outlives the ruin brought on by the justly and bitterly hated, joint, converging efforts of Cheney Republicans and their fellow-travelling Gore-Lieberman Democrats of the George W. Bush Administration, there will be newly-born Roosevelt Republicans, like those in President Franklin Roosevelt's time, streaming into leading positions within the ranks of a new Democratic Presidential administration.

If the happier of the alternatives posed by the present situation emerges, watch for those indicative Republican figures who tend to move to the head of the line in this process. These Republicans might come to be described by experts, fairly, as ``LaRouche Republicans"....

In-Depth articles from Vol. 34, No. 45

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Feature

Bye-Bye Pelosi:
LaRouche Republicans
by Lyndon H. LaRouche, Jr.

A general breakdown of the U.S. and western European financial system has already occurred, and this immediate threat to global civilization must be recognized and remedied now. LaRouche asserts that 'if the U.S.A. outlives the ruin brought on by the justly and bitterly hated, joint, converging efforts of Cheney Republicans and their fellow-travelling Gore-Lieberman Democrats of the George W. Bush Administration, there will be newly-born Roosevelt Republicans, like those in President Franklin Roosevelt's time, streaming into leading positions within the ranks of a new Democratic Presidential administration.'

Those Who Attacked LaRouche's Crash Forecasts Are Now Proven Insane

International

Will British 'Great Game' Ploy Trigger World War III?

The present British strategy of 'managed chaos,' is intended to drive more and more nations of the developing world to 'failed state' status, while avoiding a full-scale outbreak of global general war. If Vice President Cheney, who is determined to launch military attacks against Iran, is successful, the United States will self-destruct, with the end result being world war.

Terrorist Groups Are Headquartered in London

War on Terror Menaces Pakistan's Integrity

China Party Congress: 'New Deal' for Nation

The Fraud of the 'Simplified European Treaty': No to British Supremacy!

Economics

Mortgage Meltdown, Dollar Crash: Mobilization Grows for the One Action Congress Can Take

While the financial blowout was being registered in falling stock markets, and bank-loss announcements were in the air, none of the Joint Economic Commission members in the U.S. Congress had the temerity to propose a single policy action. Nothing will work, but a mortgage freeze. The financial system has to be put into bankruptcy, not the homeowners.

On the Tragedy of Tabasco: Infrastructure Is the Solution to the Economic Collapse

Mexican LYM Addresses Flood Catastrophe

How To Destroy the MRSA Superbug? Restore U.S. Public Health System

Although first identified in the 1960s, a virulent strain of staph infection is spreading in the United States, confronting specialists and the public with the consequences of the past 40 years of takedown of public health infrastructure.

LaRouche: How To Deal With a Health Emergency

LaRouche Was Right: New Study Confirms Baltimore Death Zones

Coalition Presses Candidates To Back Universal Health Care

National

Cheney Impeachment Vote Augurs Downfall of Pelosi

The Nancy Pelosi-run Democratic leadership in the House failed to kill Rep. Dennis Kucinich's resolution calling for the impeachment of Vice President Cheney. Lyndon LaRouche concluded that the bill to impeach Cheney is now 'a live bomb sitting in the middle of the process.'

Documentation: The Kucinich resolution to impeach Cheney.

The LaRouche Record:
Impeach Dick Cheney!

California Budget Crisis:
Arnie and Wall St. Dems Are Discredited

The LaRouche Show:
MySpace, Facebook Turn Youth Into Cyber-Fodder for New Hitler Movement

A transcript of the Nov. 2 LaRouche Show, which examined how interactive websites and violent video games were designed to create a mass-based fascist movement, targeting the youth of America for recruitment.

The American Patriot

John Quincy Adams Battles for the American System

John Quincy Adams was one of a handful of patriots who saved the young United States, by rising above the divisive political factions in the republic. Throughout his life as a political figure, Adams successfully fought for the economic development of the country, maintaining that the evil policies which had separated the United States from the British Empire, still had to be fought.

- **The Amistad Case**
- **Adams' Community of Principle:**
The Monroe Doctrine
- **J.Q. Adams Promotes Internal Improvements**
-

Editorial

The Dollar System Has Already Crashed

U.S. Economic/Financial News

Foreclosure Crisis Expands Throughout U.S.A.

Nov. 10 (EIRNS)—A brief survey of some of the latest news shows that the foreclosure crisis continues to rage:

* The *Arizona Republic* reported that the number of foreclosures in the Phoenix area is up 566% over the same period last year. There were 7,139 foreclosures through October, compared to 1,072 last year. In the month of October, alone, there were 1,396 foreclosures.

* The *Columbus Dispatch* reported that Ohio has served 11 mortgage companies with subpoenas, seeking evidence of violations of anti-trust, civil rights, and consumer sales practice laws, as part of the state's approach to dealing with the foreclosure crisis.

* The real estate research firm Default Research reported that foreclosures in Seattle are up 21% over last year, but whistles past the graveyard because the foreclosure rate in Seattle is much lower than elsewhere in the country. In fact, Default Research's President Serdar Bankaci declared that, "The savvy investor knows that rental properties have become an excellent investment in King County."

* Boise, Idaho's Fox 12 TV reports that Idaho foreclosures rose by 13% in the third quarter from the previous quarter, making Idaho 17th in the nation in foreclosures.

* Bloomberg reports that all of the big banks that are now reporting huge losses on mortgage-related paper are paying the price for the \$25 million that they spent on lobbying for the 2005 bankruptcy reform. Because fewer debtors can get their credit card debts liquidated in bankruptcy, more are walking away from their mortgages, instead.

Homeowners Robbed Once Again While They're Evicted

Nov. 6 (EIRNS)—Lost mortgage payments, overstated loan amounts, questionable fees are some of the ways in which mortgage lenders and servicers are looting people who are losing their homes to foreclosure, according to a study by Katherine Porter of the University of Iowa, who found questionable fees in almost half of the loans she examined.

The Department of Justice's Office of the United States Trustee last month announced plans to move against mortgage-servicing companies that engage in such tactics, and on Oct. 9, the Chapter 13 Trustee in Pittsburgh asked the court to sanction Countrywide, saying the company had lost or destroyed more than \$500,000 in checks paid by homeowners in foreclosure from December 2005 to April 2007. Late fees on mortgage payments are a big business, with the *New York Times* reporting that such fees made up 11.5% of servicing revenues at Ocwen Financial, a big servicing company, in 2006, while Countrywide saw its late fees jump 20%, to 7.5% of servicing revenue the same year. "We're talking about millions and millions of dollars that mortgage servicers are extracting from debtors that I think are totally unlawful and illegal," O. Max Gardner III, a lawyer in Shelby, N.C., specializing in consumer bankruptcies, told the *Times*. "Somebody files a Chapter 13 bankruptcy, they make all their payments, get their discharge and then three months later, they get a statement from their servicer for \$7,000 in fees and charges incurred in bankruptcy but that were never applied for in court and never approved."

Winter Heating-Oil Crisis Looms in Northeast

Nov. 5 (EIRNS)—Many low-income people in the Northeastern United States could be left without heat this winter, as international oil prices are heading toward the \$100-a-barrel level.

Last winter, 1.5 million families in the region got assistance in paying their heating bills. The number is expected to surge this year, says the *Wall Street Journal*, and both state and federal lawmakers are scrambling to come up with emergency funds.

The Journal also reports that hundreds of smaller fuel dealers could go bankrupt, because their customers have fixed-price contracts, while the dealers' prices are skyrocketing.

Massachusetts Secretary of State William Galvin blasted Washington regulators for not taking swift action to deter hedge funds and speculators from helping to drive crude-oil prices to record levels. "This is going to hurt our economy in New England," said Galvin, noting that home heating-oil prices are already at record highs for this time of year in Massachusetts. Galvin dashed off letters to the SEC and other regulators, but has gotten no response to his concerns about the role of speculators in driving oil prices toward \$100 a barrel, according to the *Boston Globe*.

Galvin has compared the current energy market to the subprime mortgage market before its recent collapse.

\$100 Million Program Has Stopped Only One N.Y. Foreclosure!

Nov. 5 (EIRNS)—The New York State \$100 million "Keep the Dream" program announced three months ago by Gov. Eliot Spitzer, to save homeowners from foreclosure, has helped exactly one homeowner so far, according to today's *New York Post*, and an earlier report in Long Island *Newsday*.

When the program was announced, officials expected to rescue 500 to 700 at-risk homeowners from the subprime catastrophe, *Newsday* said. Many homeowners have requested assistance, said an official of the New York Mortgage Agency, but only one homeowner has been actually able to qualify for the program. *Crain's New York Business* says that 1,250 homeowners in New York City alone are expected to lose their homes through foreclosure by the end of this year, which, the magazine says, is just the tip of the iceberg.

World Economic News

Dollar Crash Went Completely Out of Control

Nov. 7 (EIRNS)—With Bank of England governor Mervyn King telling the *Financial Times* that the world's central bankers are now holding conference calls with each other every day on the credit collapse, it was obvious today that they had lost all semblance of control of the hyperinflationary dollar crash underway.

- * The price of gold in dollars leapt to \$845;

- * The price of oil in dollars passed \$98, headed for \$100;

- * The dollar fell to nearly \$2.11 to the British pound; to a 60-year low against the Canadian dollar; to below \$1.47 to the euro; nearly to 113 yen/dollar.

- * Wall Street financial interests were demanding Fed chairman Ben Bernanke promise another interest rate cut, in upcoming Congressional testimony—which Bernanke failed to do, sending further tremors through the financial markets;

- * The New York Stock Exchange Dow-Jones index fell over 4% for the week ending Nov. 9; the Nasdaq was down more than 6%; as all financial and insurance stocks were plunging, some by 10-15%;

- * Morgan Stanley, which had just reported a billion-dollar loss in leveraged buyouts which failed, discovered \$3.7 billion in new losses in mortgage securities, joining virtually all big banks in the tank;

- * Moody's Investors Service started cutting rates on \$33 billion of debt of the big banks' structured investment vehicles (SIVs), hitting 16 SIVs of Citigroup, British HSBC and Germany's WestLB.

'Fire Sale of Assets' Next Phase in Banking Crash

Nov. 7 (EIRNS)—"Risk rises of asset fire sale" is the banner headline across the front page of today's *Financial Times*,

under which lies a large graph showing the dollar collapsing from \$1.34 to the euro in October to 1.4552 today, a drop of 9% in just less than two months. Under this graph are three others, also for the last two months. One shows the price of gold zooming from \$740 to \$820, another the price of crude oil from \$80 to \$98, and a third, the collapse of the ABX BBB index of value of U.S. mortgaged-backed securities from a high of 29 to the current 18.

The *FT* reports that U.S. Treasury Secretary Hank Paulson's brainchild, the Master Liquidity Enhancement Conduit (MLEC), is "dead in the water" following Citigroup's revelations of huge writedowns. The credit-rating agencies have deemed a "clutch of complex debt vehicles to have defaulted" all of which will force the sale of "these assets, inevitably at heavily discounted prices." On top of Citigroup's surprise Nov. 6 announcement of a new \$11 billion writedown, Morgan Stanley could be in the hole for about \$6 billion in writedowns according to David Trone, of Fax-Pitt Kelton.

If that's not enough, the *FT* reports that there is worry for the health of U.S. bond insurance companies, whose high credit ratings and insurance are essential to the issuance of bonds and other commercial paper. Playing into this picture is the announcement that Standard and Poor's and Moody's have received default notices for another \$5 billion worth of collateralized debt obligations (CDOs), which are causing some of the huge losses being reported by the big banks.

German Citizens Can't Afford Living

Nov. 9 (EIRNS)—As the Creditreform Association of Germany documents in its latest survey on private households' indebtedness, insolvencies are up 50% in Germany, against the past year. All in all, 150,000 new cases have been added to the list, mostly Hartz IV recipients who cannot afford the cost of living any longer, but also, increasingly, homeowners who, because of a lost job, cannot pay their mortgage any longer, nor even the regular expenses of keeping a home.

The same trend goes for Germans who have become dependent on one or more badly paid mini-jobs, to compensate for a full time job that isn't available. As the Credit Reform Association also said, 7.3 million Germans, almost 10%, do not have the income they need to stay alive. With the continuing rise in consumer goods, most people won't be able to afford a shovel to bury their dead.

Moody's Begins Issuing Death Certificates for Banks' \$350 Billion SIV Fraud

Nov. 8 (EIRNS)—Moody's rating agency yesterday sounded the death knell for those off-balance-sheet speculative creatures of the big international banks, called "Structured Investment Vehicles" (SIVs), sinking U.S. Treasury Secretary Henry Paulson's crazy super-SIV bailout scheme, the Master Liquidity Enhancement Conduit (MLEC), in the process.

Moody's announced steps towards downgrading \$33 billion of debt issued by 16 of the 39 existing SIVs. While the rating action immediately affects specific SIVs sponsored by nine international banks, the fire sale of assets and restructuring it triggers, kills the \$350 billion SIV market as a whole.

Leading the list of bank SIV sponsors whose debt is to be downgraded, is the already collapsing Citigroup, which set up seven SIVs carrying some \$83 billion in debt.

The other banks affected are: Bank of Montreal, Germany's Dresdner Bank, HSH Nordbank, and WestLB banks, the Dutch-based Rabobank, France's Société Générale, and Britain's Standard Chartered and HSBC.

In a follow-up conference call today, Moody's Paul Mazataud emphasized that "it seems clear that the situation has not yet stabilized and further rating actions could follow." Some SIV managers admit the market for SIV paper "has been permanently disrupted, and the SIV model will not survive in its current form," another Moody's analyst reported.

Moody's report described a continuous decline in the net asset value of these SIVs from mid-Summer, and continuing now. *EIR* has concluded that this decline has already reached a level which should mean a mandatory shutdown and liquidation of some of these SIVs—forcing their bank sponsors to place their losses from these off-balance sheet operations, onto their own books. Moody's said its action came after it learned that some of the SIVs were already liquidating assets whose value was deteriorating. It assumes the SIVs will continue liquidating assets at distressed prices, being unable to issue new debt or to refinance.

Financial Trainwreck: Rear Wheels Also Fall Off...

Nov. 8 (EIRNS)—The U.S. commercial paper market shrank by \$15.6 billion in the week ending yesterday, Federal Reserve data released today showed, provoking moans that this marks the worst credit crunch since the panic days of August. The contraction was driven by the \$29.5 billion drop in the toxic waste called asset-backed commercial paper. The asset-backed paper market, which totalled some \$1 trillion in mid-August, is now calculated at \$845.2 billion.

United States News Digest

Anti-Blackwater Act: 'S.O.S.: Stop Out-Sourcing Security'

Nov. 8 (EIRNS)—U.S. Reps. Jan Schakowski (D-Ill.), Bob Filner (D-Calif.), Tom Allen (D-Maine.), Keith Ellison (D-Minn.), and Steve Cohen (D-Tenn.) yesterday introduced the "Stop Out-Sourcing Security (S.O.S.) Act." The bill would phase out the use of private military contractors wherever Congress has authorized the use of force, including Iraq and Afghanistan.

"Our bill would essentially put private security contractors out of business in Iraq, Afghanistan, and in war zones around the world," said Schakowsky.

The S.O.S. Act calls for a phase-out of privately supplied diplomatic security within six months of enactment of the bill and a full phase-out of all private security contractors by Jan. 1, 2009 everywhere Congress has authorized the use of force.

Sen. Bernie Sanders (I-Vt.) has introduced a companion bill in the Senate. "To my mind," Sanders said, "it is wrong and unacceptable for companies like Blackwater to operate outside the chain of command of the United States military and United States government in Iraq."

Number of Homeless Veterans Expected To Surge

Nov. 8 (EIRNS)—A dramatic rise is expected in the number of recent U.S. veterans who will become homeless after discharge from service in Iraq and Afghanistan, and who are unable to deal with their psychological, as well as physical problems from the experience. The Veterans Affairs Department and aid groups are expecting the numbers of these homeless to grow in the immediate period ahead. The VA is already unable to cope with homeless vets dating back to Vietnam service. There are 195,800 homeless veterans in the United States, according to a recent study—26% of the total homeless population, and 1% of the total number of veterans.

Today's *New York Times* reported, "Experts who work with veterans say it often takes several years after leaving military service for veterans' accumulating problems to push them into the streets. But some aid workers say the Iraq and Afghanistan veterans appear to be turning up sooner than the Vietnam veterans did." The *Times* quotes the head of a San Diego residence and counselling center that, "We're beginning to see, across the country, the first trickle of this generation

of warriors in homeless shelters, but we anticipate that it's going to be a tsunami." Among the causes of this veterans homelessness, are high rates of post-traumatic stress disorder, traumatic brain injury leading to unstable behavior and substance abuse, and long and repeated tours of duty preventing re-integration into work and family.

NSA 'Sweeping Up Everything' in Domestic Wiretaps

Nov. 7 (EIRNS)—The AT&T technician who stumbled across a secret room in the company's San Francisco facility which was sending copies of all telephone and Internet communications to the NSA, is on Capitol Hill this week, urging Congress not to give immunity to the telecommunications companies for their illegal cooperation with the Administration's domestic surveillance program.

AT&T whistleblower Mark Klein, whose affidavits form the basis for a lawsuit against AT&T and the NSA, now pending in Federal court in San Francisco, says that the wiretapping program was much larger than anyone has acknowledged so far. "They're just copying the whole Internet," he told the *Washington Post*, without any distinction between international and domestic communications, or any effort to obtain only data from suspected terrorists. And he says that companies such as AT&T that participated in this, do not deserve legal protection.

"I think they committed a massive violation not only of the law, but of the Constitution," Klein told the *New York Times*.

Calling it "the most comprehensive illegal domestic spying program in history," Klein said that his job required him to arrange the physical connections between Internet communications flowing through AT&T "and the NSA's illegal, wholesale domestic copying machine for domestic emails, Internet phone conversations, web surfing, and all other Internet traffic."

Klein obtained wiring diagrams showing devices that split signals into two identical copies, with one copy going to the NSA. "This splitter was sweeping up everything, vacuum-cleaner style. The NSA is getting everything. These are major pipes that carry not just AT&T's customers, but everybody's."

Other sources have documented that the entire NSA surveillance program, which began prior to 9/11, was run under the direct control of Vice President Dick Cheney.

Hedge Fund Money Buys Up Democratic Leaders

Nov. 7 (EIRNS)—Over the past two years, as Congress began to scrutinize the role of private equity firms and hedge funds, eventually formulating Rep. Charles Rangel's (D-N.Y.) legislation to make the funds' managers pay fair taxes, hedge fund executives were pouring money into Congressional campaign committees and PACs, to keep legislators in line.

In the first nine months of this year, according to the Nov. 7 *Washington Post*, hedge funds and investment firms have poured \$11.8 million into Washington, two-thirds of which went to Democrats. This contrasts with the \$11.3 million they gave for the two years 2005-06. Contributions to Congressional candidates, campaign committees and leadership PACs total almost \$4.8 million this year, well above the \$3 million for 2005-06 combined. Some 83% of this amount went to Democrats, compared to the 53% they received in the last election cycle.

Instructive is the case of hedge-fund giant James H. Simons of Renaissance Technologies LLC, who donated \$28,500 in June of this year to the Democratic Senatorial Campaign Committee (DSCC), whose chairman, New York Democrat Sen. Charles Schumer, was at that time waffling on legislation to raise taxes on private equity funds. Just a few days earlier, hedge fund manager Steven A. Cohen of SAC Capital Advisers, had also given \$28,500 to the DSCC. Simons, in total, has

given nearly \$200,000 to various Democratic committees since last year.

By July, Schumer publicly stated his opposition to the Rangel legislation to tax the hedge funds, reportedly because they were important to the financial health of New York City. The *Post* quoted Rep. Barney Frank (D-Mass.) explaining, "Hedge funds are to New York what tobacco has been to North Carolina. People don't like to tax their constituents."

Senate Confirms Mukasey, Despite Fudging on Torture

Nov. 9 (EIRNS)—On Nov. 8, the Senate voted 53-40 to confirm the nomination of Michael Mukasey to be U.S. Attorney General. Two days before, the Senate Judiciary Committee had sent Mukasey's nomination to the floor over the objections of committee chairman Patrick Leahy (D-Vt.) and retired military, intelligence, diplomatic, and law enforcement officers. Mukasey's nomination turned in the committee on the votes of Democrats Dianne Feinstein (Calif.) and Charles Schumer (N.Y.), who offered sophistical arguments to justify their votes, including that Mukasey had assured them that if Congress passed a law outlawing waterboarding, he would obey it. But other outraged Senators pointed out correctly that waterboarding, a technique which dates back to the Spanish Inquisition, is *already* illegal under U.S. laws and treaty obligations, and that the United States has prosecuted it as a war crime for over 100 years.

Four retired military flag officers—Marine Corps Brig. Gen. David M. Brahms, Army Maj. Gen. John Fugh, and Navy Rear Admirals Donald Guter and John Hutson—sent a letter to Judiciary Committee chairman Patrick Leahy yesterday, saying that any reluctance to denounce waterboarding as torture "represents both an affront to our law and to the core values of our nation." They also state that the law is clear: "Waterboarding detainees amounts to illegal torture in *all* circumstances."

BAE Confirms That DOJ Is Still Investigating

Nov. 5 (EIRNS)—The U.S. Justice Department's investigation of the British arms firm BAE Systems is still active, despite the Justice Department's policy of silence on the matter, a BAE spokesman confirmed to *EIR* today.

In an article in the Louisville *Courier-Journal* about Senate Minority Leader Mitch McConnell's earmarks for BAE plants in his state of Kentucky, BAE spokesman Greg Caires was quoted as saying: "We continue to cooperate with the ongoing Department of Justice investigation, and it would be inappropriate for us to comment further at this time." Caires confirmed to *EIR* that he had issued the above statement on Nov. 3.

In late June, BAE itself disclosed that the DOJ was investigating it for possible violations of the Foreign Corruption Practices Act. The probe revolves around millions in bribes paid by the British to Dick Cheney's favorite Saudi, Prince Bandar bin-Sultan.

Meanwhile, the U.K. Home Secretary is still refusing to respond to questions as to why the Home Office hasn't yet complied with the U.S. request for documents and evidence, or when the Home Office expects to do so.

Ibero-American News Digest

Lessons of Colombia: Great Projects Win Elections!

BOGOTÁ, Nov. 5 (EIRNS)—The Oct. 28 mayoral elections here proved that the Presidential candidate who steps forward to campaign for building rail corridors to connect Colombia with the "World Land-Bridge," will win the elections in 2010,

Maximiliano Londono, president of the LaRouche Association of Colombia, reports.

Everyone acknowledges that the deciding factor in the victory of Samuel Moreno as mayor of Bogotá, the second most important political post in the country, was Moreno's commitment to build a subway in the nation's capital. Moreno received nearly a million votes, whumping his opponent, who insisted Colombia couldn't afford anything like a subway.

President Alvaro Uribe heard the voters' message. After having campaigned openly against Moreno, hysterically repeating for months that no money could be found to build a subway, on Nov. 3, the President conceded that the national government could, and would help finance the subway's construction.

Mayor-elect Moreno welcomed the announcement, as an admission that Colombians can think big: "The national government is saying, from the mouth of the President himself, and just as we have said, that there is no reason to fear great projects."

During the campaign, the LaRouche Youth Movement in Colombia mobilized Bogotá's citizens, including dozens of youth activists from Moreno's campaign, to demand not only a subway, but for Colombia to join the great project that will define the next 50 years: the global network of railroads running across Eurasia, across the Bering Strait, and down to the tip of South America—the World Land-Bridge.

Mexico's Northwestern States Vote for Water Project

Nov. 8 (EIRNS)—The state congress of Sonora, Mexico, this week unanimously passed a resolution urging the Federal Congress to fund construction of the Northwest Hydraulic Plan (PLHINO), the great three-state water management project planned since the 1970s, which can restore this region to its historic role as the granary for the country.

The devastating floods in the southern states of Tabasco and Chiapas underscore how urgently the PLHINO is needed (see InDepth for "On the Tragedy of Tabasco: Infrastructure Is the Solution To the Economic Collapse").

The president of the coalition of community and producer groups making up the 21st Century Pro-PLHINO Committee, LaRouche associate Alberto Vizcarra Ozuna, testified before a Congressional hearing in Sonora on Nov. 1, that the PLHINO is urgently needed, to counter Mexico's national food crisis, by opening up 600,000 hectares for farming in Sinaloa and Sonora.

Vizcarra and other members of the Pro-PLHINO Committee also testified before the water and agricultural committees of the Federal Congress in October, on the urgency of approving funding for a feasibility study to update the PLHINO, in next year's budget. A decision on the budget is coming up fast, and senators, deputies, and producers from the three PLHINO states—Sonora, Nayarit, and Sinaloa—are fighting to get it approved.

The Nayarit state Congress already passed a similar resolution to that just approved by Sonora, and when it passed its resolution, the Sonoran Congress also mandated its Water Committee to organize the Congress of Sinaloa to do the same.

National and state figures were expected to attend a conference in Ciudad Obregón, Sonora on Nov. 9, on the project. Speakers at the conference, titled "Regional Forum: Let Us Build the Bridge to the Future, the PLHINO of the Twenty-first Century: Water, Energy and Food for Mexico," included two from the LaRouche movement, and a Mexican engineer who has studied these projects for decades.

Cheneyacs Drag Argentina Into War Plan Against Iran

Nov. 8 (EIRNS)—Dick Cheney's plan to drag Argentina into his war plan against Iran moved forward on Nov. 7, when Interpol's general assembly, meeting in Morocco, voted 78-14 to grant "red" status to arrest warrants issued by an Argentine judge in December 2006, related to the 1994 bombing of the Jewish Social Welfare Center (AMIA) in Buenos Aires. There were 26 abstentions.

The warrants are for five Iranians and one Lebanese citizen, accused of masterminding the bombing, and allegedly deploying Hezbollah to do it, operating from the tri-border region of Argentina, Brazil, and Paraguay. But experts who've investigated this case for years say it is so rife with contradictory evidence, that it would be better characterized as "false flag" terrorism. Some have suggested that Israel's own intelligence service, the Mossad, was involved.

Iran charged that both the Israeli and U.S. governments had exerted fierce pressure on Argentina, a statement echoed by U.S. intelligence and diplomatic sources who told the Washington D.C. correspondent of the daily *Clarín* that the vote would have gone quite differently had it not been for the heavy-handed lobbying by the Bush Administration among Interpol's member-nations. Iran's delegate to Interpol noted that the whole issue "could have been handled quite differently."

Among the abstaining countries was Brazil, whose delegate said it chose this option in order to keep the issue of the tri-border region "off the table." Cheney's mouthpieces have long claimed that this region is a breeding-ground for Hezbollah terrorism and "Islamofascism," despite the fact that no evidence has ever been found to support that allegation.

Venezuelan Turmoil Over Chávez Constitutional Reform

Nov. 6 (EIRNS)—The stage is set for a political upheaval in Venezuela. The Constitutional Reform proposed by President Hugo Chávez has reignited the opposition's quest to overthrow his government, and a showdown is looming before the Dec. 2 referendum, called to approve or reject the reforms. Student demonstrations opposing the referendum turned violent this week, and more were scheduled for Nov. 10.

The reform that Chávez has promoted since early this year drastically changes what is called "The Geometry of Power." It creates the "commune" as "the social cell of the territory," made up of the communities which would constitute "the basic and indivisible territorial core of the Socialist Venezuelan State." It gives the President, instead of municipalities or governors, across-the-board powers to create economic programs and manage Federal funds.

The opposition has offered no sane alternative, as nothing it proposes reflects any concern for the general welfare of a population victimized by financial upheaval. Now, former Defense Minister Gen. Raul Baduel has jumped onto the stage, calling for a vote against Chávez's reforms, which has caused a rupture within the "chavista" camp. Baduel was the key officer responsible for bringing Chávez back to power during the 2002 coup.

With his attempted power grab, Chávez is giving Cheney and his regional allies the pretext they need to create chaos in the region, and to sabotage the anti-IMF and pro-integration moves, such as the Bank of the South, and the recently inaugurated pipeline between Colombia and Venezuela, which have been aggressively backed and funded by the Chávez government.

The opposition has no solid base, but can feed off the political and financial turmoil created in the country as a result of Chávez's own policies. Observers in Caracas have told *EIR* that there is tremendous popular unrest due to acute scarcity of such basic goods as milk and meat, and price increases. Producers of milk and ground corn—a staple in Venezuela—have sharply curtailed investment this year, purportedly because of the "uncertain" future of private property expressed in Chávez's reform.

Chile: We have a 'Moral Duty' To Consider Nuclear Energy

Nov. 3 (EIRNS)—Having just returned from a tour of France and Russia, where he visited those nations' nuclear facilities, Sen. Ricardo Nuñez told reporters he is more convinced than ever that the country must consider nuclear energy as an option.

Speaking as the head of the Mining and Energy Commission, Nuñez told *La Segunda* that "we are responsible for both the present and the future. If at some point Chile is plunged into darkness, its industries shut down, and prices shoot up, we will have to take responsibility for not having developed energy sources that allow us to live better."

Chile currently relies on oil, hydroelectric, and natural gas for its energy sources, and is in the midst of a dire energy crisis. Nuñez said that biofuels and other forms of "renewable energy" are only temporary solutions. Questions remain to be answered about nuclear, he said, but "if we make the decision to build at least one or two reactors in the North, we'll be thinking also about future generations as well."

Western European News Digest

British Use Financial Crisis To Move Against America

Nov. 6 (EIRNS)—"The decision makers at Citi, Merrill Lynch, Bear Stearns and the rest will adopt an 'America first' attitude when defending their turf," and if they do, London will suffer, complained *Daily Telegraph* city editor Damian Reece, who argues that, "This is the moment for Citi to take all the pain it needs to take." Elsewhere in the same rag, imperial mouthpiece Ambrose Evans-Pritchard argued that some \$2 trillion of subprime and Alt-A debt is "worth far less than book value" and "a cascade of defaults will inevitably follow," and that America must now pay a price for "mortgaging the nation."

These statements reflect the duplicity that earned the British Empire the sobriquet Perfidious Albion, as they occur within the context of an all-out British assault on the very concept of American nationalism.

While Sarkozy Dines at White House, France Goes on Strike

Nov. 7 (EIRNS)—While French President Sarkozy was eating "Lafayette Heritage," a dessert served to him at the Bush White House, France was increasingly in a mass-strike ferment, reports the newspaper of the LaRouche movement in Paris, *Nouvelle Solidarité*.

Since the beginning of November:

1. French fishermen went on strike for lower diesel fuel prices, and quotas;
2. The CFDT trade union federation announced that it will join the national railway strike planned for Nov. 14, with the possibility that the Paris transportation union and the energy sector unions will join;
3. Workers at oil giant Total blocked several oil depots, demanding wage increases;

4. Several universities are blocked by far-left student unions, contesting the new statutes of universities that will become "autonomous" (financial self-government and choice of teachers).

London Underground Returns to Public Control

Nov. 7 (EIRNS)—In a statement yesterday, Britain's leading transport labor union RMT welcomed the decision of Transport for London, TfL, a publicly-owned firm of the municipality of London, to take over two-thirds of the city's underground. This decision followed the failure of Metronet, the group that had privatized and then run down the subway system during the past years.

"Two-thirds of London Underground's infrastructure work will be coming back under public control where it belongs," said RMT general secretary Bob Crow, adding, "However, a third of the network's infrastructure remains in the hands of Tubelines, whose sole reason for existence is to take as much money as possible out of the industry. We warned and campaigned against the PPP from the start."

Proposed: National Space Program for Germany

Nov. 8 (EIRNS)—In his keynote address to an international congress on space research and technology, which opened in Berlin yesterday, Johann-Dietrich Wörner, director of the German Space Agency, DLR, called for a return to "grand visions" in space affairs, calling for a discussion about a revival of manned missions.

Wörner also called for a national German space effort, to begin with a series of unmanned missions to the Moon. A detailed proposal for a first lunar probe is being prepared at the DLR now, to be put on the government's agenda for decisions next Spring. The probe would involve sending a set of high-precision cameras, laser devices for spectroscopy, and related systems to an orbit of 50 kilometers distance from the lunar surface, and will arrive no later than 2012.

The next phase would involve landing rovers on the Moon for exploratory missions, and a third phase, to begin some time between 2015 and 2020, would land an unmanned research laboratory. For all missions, cartography and search for minerals would be at the center. Wörner also said that one should not rule out German manned missions in the future.

MI5 Sounds Terror Alert in Britain

Nov. 5 (EIRNS)—With the image of U.S. Vice President Dick Cheney, no doubt, before him, Jonathan Evans, the new head of Britain's MI5 (their version of the FBI), gave the keynote speech to the assembled Society of Editors conference today. Clearly trying to whip the British press into line, Evans did his best to paint an image of a "terrorist under every rock," saying that today's threat is "the worst in MI5's 98-year history." After citing alarmist statistics, and asserting that al-Qaeda was targeting "the children," Evans declared that, although their numbers have increased to almost 4,000, MI5 could not do it alone. To win the fight against terrorism "requires a collective effort in which government, faith communities, and wider civil society [e.g., the press] have an important part to play," he said.

Round of Kosovo Talks Ends Without Progress

Nov. 6 (EIRNS)—A new round of talks to resolve the future of Kosovo ended yesterday at the Austrian Ministry of Foreign Affairs in Vienna, mediated by the Contact Group troika of diplomats from the EU, the U.S.A., and Russia. This is an issue around which London hopes to blow up relations between Washington and Moscow, and no progress was made in the talks, according to the German daily *Süddeutsche Zeitung*.

The Kosovo Albanians again announced their intention to declare independence unilaterally, shortly after negotiations are scheduled to end on Dec. 10.

Another Video-Game Addict Turns Suicide-Killer

Nov. 8 (EIRNS)—"I am prepared to fight and die for my cause." Sound like a terrorist suicide bomber from Southwest Asia? Guess again. This is the statement of the latest teen suicide bomber, 18-year-old Finnish student Pekka-Eric Auvinen, who, on Nov. 7, entered Jokela High School, shouting, "Revolution! Smash Everything!" and killed seven students and the principal, before shooting himself.

Auvinen followed precisely the *modus operandi* of *all* previous school suicide bombers, such as Cho Seung-Hui of Virginia Tech this year, and Eric Harris and Dylan Klebold of Columbine High School in 1999. Millions of youth today are being programmed to have these thoughts, by, as the killer's own Internet "profile" documents, and as LaRouche PAC has exposed, a British imperial psychological warfare operation, to create suicide bombers and stone-cold killers through the "entertainment" and computer game industry (see InDepth for "The LaRouche Show: MySpace, Facebook Turn Youth Into Cyber-Fodder for New Hitler Movement").

Russia and the CIS News Digest

LaRouche Interviewed on Bolshevik Revolution Anniversary

Nov. 8 (EIRNS)—The Russian monthly *Smysl* ("Sense"), a publication of RosBalt news service, features Lyndon LaRouche, in its November four-page spread on the 90th anniversary of the Bolshevik Revolution of 1917, which was Nov. 7, 2007. Author Alexander Yeliseyev, a historian and journalist, explored the roots of the October 1917 events in Russian history. In a March 2007 article, "British World Rule," published in the RPMonitor.ru online journal, Yeliseyev had noted the importance of LaRouche's analysis of the way in which "the British elites prioritize their ability to influence Washington's policy, and not in the best direction." In that article, he cited LaRouche's "special attention to the British-American-Commonwealth (BAC) grouping, which forces British postures on the USA."

In Yeliseyev's new *Smysl* article, he writes, "The October Revolution of 1917, the culmination point of all Russian rebellions, had a long pre-history and substantial global consequences. The Russian people has never lost its 'rebellious spirit.' No other country ever replicated the feat of 1917, to the extent that it emerged in early 20th-Century Russia." Punctuating Yeliseyev's article are short commentaries from three experts in the West: Stalin biographer Robert Tucker; faddish revisionist historian Niall Ferguson; and LaRouche. LaRouche's observations, which were slightly truncated, read as follows in the original (square brackets indicate parts that were cut):

"I know the Russian Revolution of 1917 as what must be viewed as a crucial moment from a great, still continuing, global, Classical tragedy [like a crucial event from within the real-life course of Friedrich Schiller's *Wallenstein* trilogy]. In that time, it was a crucial event within the intent which had been expressed by the British Prince of Wales Edward Albert's monstrous, geopolitical scheme for putting his two royal nephews, Germany's Wilhelm II and Russia's Nicholas II, at one another's throat. That same wicked intent was, and remains today, maintaining the British financiers' Empire's continuing campaign for global supremacy through long periods of war, as continuing still today.

"The events of 1917 Russia began with London's launching Japan into its long, implicitly global, 1895-1945 war against China, a tragedy which has been renewed for even our present times by what I personally know to have been the after-effects of an absolutely unjustifiable nuclear bombing of Hiroshima and Nagasaki, a bombing arranged by what President Franklin Roosevelt had sometimes referenced as his troublesome temporary ally against Hitler, by the Anglo-American

'Churchill gang.'

"That story of 1917 has not yet ended; we who understand those events in the light of the situation of the world still today, are obliged to strive for the long-awaited close of that continuing tragedy, as we must strive now for the equivalent of a Peace of Westphalia in our time.

"We must therefore understand the revolutionaries of 1917 as they did not then fully understand themselves. They were heroes in an awesome tragedy, who fought because they sensed that they must fight, without knowing fully how and why that awful, continuing struggle had come about, or what its outcome would actually be. [We must see that history in light of, especially, the awful struggle which Russia knew as its Great Patriotic War. We must act to ensure today that the fallen in those events did not suffer and die in vain.

"Real history, as I now know it and have lived, hated, relived, and loved it, is like that.]"

Atomic Energy Development Is Russian Priority

Nov. 5 (EIRNS)—There is no alternative to nuclear power, in light of declining proven hydrocarbon deposits, Russia's First Deputy Prime Minister Sergei Ivanov emphasized during a Nov. 2 meeting of the Government Commission On Industry, Transport, and Technology. Ivanov reviewed the federal target program on the development of the industry from 2007 to 2010, under which nuclear power should account for up to 18% of Russia's energy production in 2015 and for 30 percent in 2030.

In late October, nuclear power industry publications reported ongoing expansion of Russian machine-building plants, to gear up for building more nuclear power units, both at home and for export. United Machine-building Factories (OMZ, also known as Uralmash-Izhora) produces high-quality heavy forgings, used in Russia's VVER-400 and VVER-1000 pressurized water reactors. It will undergo a planned "radical modernization of existing equipment," and doubling of capacity.

Kommersant reported Nov. 6 that the Russian Federal Atomic Energy Agency (Rosatom) has announced the establishment, as a joint venture with Gazprombank, of a nuclear engineering enterprise worth \$3-5 billion. It will manage the industry, consolidating the production chain for plant building, and will be co-owned by Rosatom, Gazprombank, and the state-run Development Bank.

Russia And China Sign Economic Deals

Nov. 8 (EIRNS)—No fewer than 15 economic and technological cooperation agreements were signed yesterday at a Russian-Chinese forum in Moscow. They include one on construction of a railroad between the two countries, a joint venture to produce high-voltage equipment in China, one on construction of a cement plant in Russia, and agreements on cooperation in the automotive sphere. The documents were signed by Russia's Deputy Prime Minister Alexander Zhukov and China's Vice Premier of the State Council Wu Yi.

Zhukov called on Russian businesses to step up their activity on the Chinese market, saying that contracts totalling nearly \$3 billion would be signed during the forum. Most of recent years' 40% increase in bilateral trade is accounted for by Chinese exports to Russia, Zhukov said. RBC.ru reported a Nov. 7 announcement that Chinese banks will increase credit lines to Russia, beyond the present level of \$2 billion.

On Nov. 8, Rosatom announced an 11-year agreement, beginning in 2010, to supply uranium products to China. Signed

between the Russian state-controlled nuclear fuel and equipment exporting firm, Techsnabexport, and China's Nuclear Energy Industry Corporation, the agreement provides for Russian technical assistance on the fourth stage of a gas centrifuge plant to enrich uranium for Chinese nuclear reactors. China's first, small enrichment plant was imported from Russia; two dozen new nuclear plants planned for addition to the Chinese electric grid over the next 15 years, more enrichment capacity is needed. An agreement in principle was also signed to build two more nuclear reactors at the Tianwan site in China, where Russia has built two reactors.

Japanese Bullet Train for Russian Line

Nov. 9 (EIRNS)—Russia and Japan have agreed to create a permanent expert group to develop a high-speed railway linking Moscow and Nizhny Novgorod, Russia's third-largest city, using Japanese "bullet train," or Shinkansen, technology. Delegations of both nations met in Tokyo Nov. 7 at the Second Russian-Japanese Conference on the planned rail link, Itar-Tass reported. The first such meeting took place in Moscow and Nizhny Novgorod last July.

Nizhny Novgorod Region Gov. Valeri Shantsev told the conference that the rail line would mark a new starting point in Russia's economic growth. "Given Russia's span and geographic spaces, construction of high-speed railways will give grounds to speak about the integration of regions and increasing mobility of their population," Itar-Tass quoted Shantsev. Boris Lapidus, senior vice president of Russian Railways, presented Russia's plans for building over 1,500 km of high-speed rail lines by 2030. The lines will go through regions with 18% of Russia's population and 25% of its economic production. Russian Railways will complete the feasibility study for the first line by mid-2008, and eventually some 20 bullet trains will run daily in both directions, carrying some 8 million passengers a year.

Georgia: 'Project Democracy' Hero Declares Martial Rule

Nov. 8 (EIRNS)—The regime of Michael Saakashvili in the Republic of Georgia, which came to power in the so-called Rose Revolution of 2003, has been shaken by a week of street protests. On Nov. 2, between 20,000 and 40,000 people turned out against Saakashvili. Yesterday, he sent Army troops into the streets of Tbilisi, first to defend the Parliament and government buildings, but then the troops deployed tear-gas and beat up demonstrators. Today, Saakashvili imposed emergency martial rule, while also agreeing to opposition demands to move up the next Presidential election to January 2008.

The demonstrations were led by the National Council, a coalition of ten diverse parties, formed in early October. The pretext for their coalescence was the arrest of former Defense Minister Irakli Okruashvili, just two days after he accused Saakashvili of corruption and betrayal of the national interest. Okruashvili had been fired by Saakashvili at the end of last year. The Saakashvili-Okruashvili conflict is Byzantine, involving the latter's association with Russian ex-tycoon Boris Berezovsky's partner Badru Patarkatsishvili, but it has allowed the underlying popular disgust with Saakashvili to come to the fore. Supposedly the proponent of democracy, Columbia University law graduate Saakashvili has done nothing to improve economic conditions in Georgia. He has prioritized joining NATO, while possible Russian support of the breakaway Georgian regions of Abkhazia and South Ossetia remains a regional crisis detonator. Like other Commonwealth of Independent States (CIS) countries, Georgia is experiencing soaring inflation of food and energy prices. Small businesses complain of oppression in Saakashvili's Georgia, while his tough-guy anti-crime laws have jailed petty offenders for long prison terms.

Saakashvili, attempting to shift the blame for the crisis to Russia, has accused Moscow of abetting the opposition, and an exchange of diplomatic expulsions is now under way. These events are significant not only for the citizens of Georgia, but for the region—Georgia being part of the Transcaucasus zone in the northeast corner of Southwest Asia.

Southwest Asia News Digest

Israel-Syria Conference in Moscow Possible Next Year

Nov. 10 (EIRNS)—The Saudi newspaper *Al Watan* quotes Palestinian officials as saying that an international peace conference on the advancement of relations between Israel and Syria will likely be held next year in Moscow. According to the report, Palestinian President Mahmoud Abbas had promoted the initiative during his recent meetings with U.S. Secretary of State Condoleezza Rice.

Al-Watan, as reported in the Nov. 10 Israeli online news service Ynet, quoted Palestinian officials as saying that Abbas tried to convince Rice of the need to advance peace between Israel and Syria, through a conference similar in its format to the Middle East peace meeting scheduled to be held at Annapolis, Md., later this month. The sources said Abbas had also stressed the importance of Syria's participation in the Annapolis conference. He reportedly sent his representative to update Syria on the developments.

Halevy: Israel Should Talk to Iran and Syria

Nov. 11 (EIRNS)—In an interview with *Washington Post* senior writer David Ignatius, in Jerusalem, Efraim Halevy, the former head of the Israeli intelligence agency Mossad, stressed that Israel should stop issuing threats against Iran and Syria, and instead, sit down and talk. While Halevy has made these statements before, their appearance in the generally pro-war *Washington Post* at this time, when reliable sources indicate a Cheney-backed attack on Iran is very close to the front burner, is significant.

Halevy told Ignatius that Iran does *not* have the capability of wiping out Israel, and that many "Iranians, including those in government, know that acceptance of Israel is not just something they have to accept but something that might bring their deliverance." Halevy, who personally carried out secret diplomacy during the days of the Shah, also said that Israel should help Iran "extricate" itself from their own (i.e., Ahmadinejad's) rhetoric.

Similarly, Ignatius reports, Halevy argued that "Damascus is now ripe for peace negotiations," and called for a "signal" from Damascus. The calls by Israeli President Shimon Peres for talks with Syria are not mentioned. But the main focus of the plea is for talks with Iran. "Sensible Iranians are not in short supply," Ignatius quotes Halevy.

Mashaal: Mideast Summit Is 'Distraction' from Iran War

Nov. 6 (EIRNS)—The leader of Hamas, Khaled Mashaal, warned that the purpose of the U.S.-sponsored Mideast peace conference planned for the end of November was to distract attention from the fact that the Bush Administration is preparing for an attack against Iran.

"Strategically, it [the United States] is setting the stage and covering up for the upcoming American war in the region," Mashaal told a press conference at a forum of Palestinian intellectuals in Damascus. "There are preparations for an aggression against Iran, which could include other parties—Syria, Lebanon, and Hizbollah. Therefore, America is distracting us with a false game and is preparing itself for the real one," he said, according to the Nov. 6 *Jerusalem Post*.

U.S. Has Ignored Opportunities for Diplomacy With Iran

Nov. 8 (EIRNS)—While the Bush Administration has been ratcheting up the rhetoric against Iran and preparing for war, the Iranians have offered numerous opportunities for diplomatic engagement that the Bush Administration has either ignored or rejected. That was the gist of the testimony offered to the House National Security Subcommittee on Nov. 7,

during a hearing on "Negotiating with the Iranians: Missed Opportunities and Paths Forward."

Ambassador James Dobbins, who had been the Bush Administration's first special envoy to Afghanistan after the Taliban were overthrown, told the panel of an Iranian offer, made through him, in February 2002, to participate in a U.S.-led effort to build and train a new Afghan army. Dobbins said that while the Iranian offer was problematic in details, "a joint program of this sort would be a breathtaking departure after more than 20 years of mutual hostilities." He reported the offer back to Washington, but "there was no apparent interest in discussing" it.

Dobbins was followed by Hillary Mann Leverett and her husband, Flynt Leverett, both of whom were National Security Council staffers in the early part of the Bush Administration, and deeply involved in diplomacy concerning Iran. They described numerous discussions that occurred on tactical issues between the U.S. and Iran, from the time of the 9/11 attacks through mid-2003. This included a 17-month back-channel dialogue with Iranian officials at the UN, which continued despite President Bush's "axis of evil" speech. Mann reported that Iran provided considerable assistance to the establishment of the Karzai government in Kabul, and deported hundreds of al-Qaeda suspects fleeing Afghanistan. When the dialogue came to an impasse in the Spring of 2003, in part because the U.S. would not address Iranian concerns about the MeK terrorist group, the Iranians made an offer to negotiate a comprehensive resolution of all the issues between the two countries, including Iran's support for Hamas and Hezbollah, its nuclear program, and its role in Iraq.

The Bush Administration responded by rejecting the proposal outright and cutting off the dialogue less than two weeks later. "I believe this record indicates the Bush Administration cavalierly rejected multiple and significant opportunities to put its Iranian relations on a fundamentally more positive and constructive trajectory," which "continues to impose heavy costs on American interests and policy efforts in the Middle East," Hillary Leverett said.

Iran Still Far From Developing Atom Bomb

Nov. 9 (EIRNS)—Israeli commentator Ronen Bergman writes in the Nov. 9 online news service Ynet, that despite Iranian President Mahmoud Ahmadinejad's claim that Iran has 3,000 centrifuges, Iran's uranium enrichment program and therefore its capacity to produce a nuclear bomb are greatly overstated. Berman writes that "Israeli intelligence officials have cast great doubt on the veracity of this claim," referring to Ahmadinejad's statement. "The officials say that as a result of a wide array of malfunctions, Iran is still a long way from reaching the point of no return." According to these sources, due to technical problems the 3,000 centrifuges are not functioning at the level required to enrich uranium to the level required for a bomb. Even after they get these centrifuges working as required, "it would take a long time to produce material needed for a nuclear bomb."

Bergman concludes that Israel has an interest in presenting Iran's progress as greater than it is, in order to get international action against the program. As for Iran, it wants to say it is more advanced than it is, as part of its bargaining position with the International Atomic Energy Agency (IAEA).

President Clinton Pays Tribute to Yitzhak Rabin

Nov. 6 (EIRNS)—Former U.S. President Bill Clinton published a tribute to slain Israeli Prime Minister Yitzhak Rabin in the Nov. 6 *Ha'aretz* daily.

"In the 21st Century, as our world grows increasingly interdependent, and local challenges and opportunities relate increasingly to the groups we once knew as 'them,' the walls that divide us are getting thinner, less important, and ever more transparent," Clinton wrote. "We are compelled to expand the definition of who is 'us,' and shrink the definition of who is 'them,' to understand that, as important as our differences are, our common humanity matters more. The inability to embrace this fundamental value lies at the heart of peace and conflict throughout the world today, and of course in the

Middle East.

"Yitzhak Rabin understood this. My friend knew that the Middle East is highly interdependent, that there could be no final military victory: it would come only through peace and reconciliation based on our shared humanity. He worked tirelessly to forge a just, secure, and lasting peace with the Palestinians, and his ultimate sacrifice proved it." Clinton wrote that despite the dismal events of the last years, "they in no way undermine the logic of his vision, the power of his faith, or the beauty of his gifts to us...." Rabin understood that maintaining security requires a resolution of the conflict with the Palestinians, and a commitment to share a peaceful future with them.

"In this spirit, the words of the late King Hussein at Yitzhak Rabin's funeral resound as powerfully today as they did several years ago: 'Let us not keep silent. Let our voices raise high to speak of our commitment to peace for all times to come. And let us tell those who live in darkness, who are the enemies of life and true faith, this is where we stand. This is our camp.'"

Asia News Digest

Vital Europe-Asia Transit Route To Be Built

Nov. 9 (EIRNS)—On Nov. 3, ministers of eight countries, meeting in the Tajik capital, Dushanbe, agreed to an \$18.7 billion investment to improve Central Asia's network of roads, railroads, airports, and seaports to make the region a vital transit route for trade between Europe and Asia. The countries participating were Afghanistan, Azerbaijan, the People's Republic of China, Kazakstan, Kyrgyz Republic, Mongolia, Tajikistan, and Uzbekistan. The agreement was supported by the Asian Development Bank (ADB) and five other multilateral institutions that were present at the meeting. The plan calls for six new transport corridors, mainly roads and rail links, over the next decade.

Although the financial commitment, and the overall objective of developing the trade routes, fell far short of what is required and what *EIR* has been proposing for almost a decade, the decision by the eight countries to look at the potential and importance of the project at this time of international financial crisis, shows courage and foresight.

"Central Asia is becoming a pivotal region in Eurasia, a vital land-bridge linking Europe, Russian Federation, People's Republic of China, South Asia, and the Middle East," the ministers said in a joint declaration at the end of the 6th Ministerial Conference of the Central Asia Regional Economic Cooperation (CAREC) Program.

Even though Central Asia lies at the center of the Eurasian continent, less than 1% of all trade between Europe and Asia currently goes through the region. Inadequate transport infrastructure and cumbersome border processes have resulted in nearly all trade going by sea.

India's Push on Electric Power Brings in China and Japan

Nov. 9 (EIRNS)—Having set itself an ambitious target of providing another 78,000 megawatts of electrical power for India by 2012, New Delhi is in the process of developing cooperation with foreign power companies.

India's largest engineering and construction company, Larsen & Toubro (L&T), has signed a joint venture agreement with Japan's Mitsubishi Heavy Industries of Tokyo, to set up a manufacturing plant to supply super-critical steam turbines and generators for power plants with a capacity of 500 MW to 1,000 MW. Manufacturing operations at the \$215 million facility will start in 2009. Both companies will invest \$73 million in the project and the balance will be raised as a loan. The probable site for the project is at Hazira in Gujarat. Mitsubishi will hold 49% of the project.

The Essar Group, with a current construction schedule of the three power stations rated at 1,200 MW each, has placed an order with China's Harbin Power for equipment for two of the projects. Harbin has a production capacity of 30,000 MW per year. Essar will import four boiler turbo generator packages and other materials for the its projects at Jamnagar in Gujarat and Mahan in Madhya Pradesh. The order has an estimated value of \$1 billion. The total investment in each power station will be about \$1.2 billion.

Based on the progress visualized by government planners for the nation during the next two decades, the country's power-generating capacity needs to increase to 400,000 MW by 2030, from the existing 130,000 MW.

Pro-Globalizers of India: Watch Out!

Nov. 9 (EIRNS)—A report posted by *Washington Post* correspondent Rama Lakshmi from Gurgaon, a few kilometers east of Delhi, shows the growing vulnerability of the domestic employers, and employees, following the mindless liberalization and globalization policies adopted, since 2000, by the last two Indian governments. Having adopted an export-based growth model, thus jeopardizing the future of millions of poor employees in order to earn foreign exchange and generate GDP growth, the collapse of the U.S. dollar has set a cat among the pigeons in India's new-growth sectors. According to Rama Lakshmi, already 4 million poor Indians, who were living from hand to mouth by working in the cut-throat garment industry, have already lost their livelihood, and the report indicates that another 4 million are on the chopping block.

In recent months, the Indian currency, the rupee, gained significantly against the hapless dollar. On Jan. 1, the dollar was worth 46 Indian rupees, and now it is 39 Indian rupees to a dollar. The collapse of the dollar has hit the poor in India two ways. First, the reduction of purchasing power of the Americans, who were the target for sales of the Indian employers, has reduced demand. Second, the higher value of rupee has made the Made in India garments more expensive than the garments of those poor nations, such as Vietnam, whose currency is linked fully to the dollar.

The 4 million new unemployment in the garment industry caused by the weakening dollar is at least twice as many jobs as India's much-vaunted Information Technology directly provides.

China Announces Long-Term Nuclear Power Plan

Nov. 9 (EIRNS)—The National Development and Reform Commission's (NDRC) plans on national nuclear power development (2005-20) has been approved by the State Council, the NDRC's website says.

According to the plans, the installed capacity of nuclear power in operation will reach 40 gigawatts (GWe) in 2020, with about 18 GWe of nuclear power projects under construction. China has 11 nuclear power reactors in commercial operation, 5 under construction, and several more about to start construction. The proportion of nuclear power in the total installed capacity in China will increase from less than the current 2% to 4%, and the annual output of nuclear power will reach 260-280 billion kilowatt-hours in 2020. Construction of these projects requires an estimated total investment of more than \$60 billion.

According to the plans, based on the import, assimilation, and absorption of new generations of nuclear power stations with 1,000 MW pressurized water reactors, China will independently design and manufacture advanced pressurized-water-reactor technology and be capable of building a large quantity of nuclear power stations in 2020.

China's total installed power generation capacity presently is about 508 GWe (15% growth in 2005). In 2006 some 102 GWe of generating capacity was added—a 20% growth—and this rate of growth increased slightly to 20.8% through June 2007. About three-quarters of the power is used in industry.

Major Setback for War on Terror in Afghanistan

Nov. 6 (EIRNS)—At least 90 individuals, including five members of the Afghan Parliament, were killed on Nov. 6 in the northern Afghan province of Baghlan, when a suicide bomber walked into a sugar factory where a parliamentary delegation was carrying out an economic fact-finding mission. Opposition spokesman and former Commerce Minister Mostafa Kazemi, and four other parliamentary deputies, were among the dead.

The attack is by far the most devastating by any suicide bomber in Afghanistan so far. In Kabul, President Hamid Karzai, expressing his grief over the incident, said that more than 700 Afghan police have been killed in attacks and fighting this year.

In the early hours of Nov. 6, sixty Afghan militants (identified by foreign military spokesman as "Taliban"), on motorbikes and pickup trucks, overran a district center in central Afghanistan, firing on the town from a mountain outlook, pushing out the police and cutting off the town's main road, officials said. The district, in Day Kundi province, is the third that the militants have overrun in the last week. Two districts in the western province of Farah, bordering Iran, are also in Taliban hands.

Major Charles Anthony, a spokesman for NATO's International Security Assistance Force (ISAF), said Taliban militants last Fall carried out similar tactics of briefly overrunning district centers before "hightailing it into the hills."

Africa News Digest

Westinghouse-Toshiba Buys South African Nuclear Firm

Nov. 7 (EIRNS)—In what could turn out to be a significant boost to the Pebble Bed Modular Reactor (PBMR)—arguably the safest and most versatile of the nuclear reactors in operation presently—the U.S.-based Westinghouse Electric Company, a group company of Toshiba Corporation, has bought the South African firm IST Nuclear. IST Nuclear is a leading provider of services and systems for South Africa's unique PBMR project.

Westinghouse, which opened its newly acquired South African operation on Nov. 5, "has long been a proponent of the PBMR, and this acquisition will allow us to become even more involved as PBMR moves toward commercialisation," Nick Liparulo, vice president of engineering services for Westinghouse, said in a statement. At this point in time, however, Westinghouse is in the bidding for building two AP1000 pressurized water reactors in South Africa.

IST Nuclear was instrumental in the early development of the PBMR, working with South Africa's state-owned power supplier ESKOM and U.S.-based investors, including Westinghouse. More recently, IST Nuclear supplied a helium test facility for the PBMR. The company is also under contract to design key systems for a PBMR demonstration unit to be built at Koeberg, South Africa's only nuclear plant, by 2011.

Tensions Rise in the Horn of Africa

Nov. 9 (EIRNS)—Ethiopian troops in Mogadishu, backing Somalia's shaky Transitional Federal Government (TFG), were engaged today in heavy fighting, with the insurgents ostensibly seeking to uproot the TFG. The clash killed at least 40 Somalis.

The eruption of violence in Mogadishu coincides with a recent report of the International Crisis Group (ICG), warning the international community that the "Great Game" between Eritrea and Ethiopia has brought the Horn of Africa to the verge of war. The ICG believes the war could break out within a couple of weeks, qualifying its observation by claiming that both Eritrea and Ethiopia are ruled by narrow elites, which take all major decisions in secrecy, making it difficult to be precise in predicting events.

The ICG warning is based upon an alarming level of military build-up on both sides along their common border over the past few months. The war situation has developed because of the virtual breakdown of the Algiers agreement, which had stopped the war in 2000.

Ethiopia claims an encroachment by Eritrean troops into the Temporary Security Zone (TSZ), demarcated in the Algiers agreement. Ethiopia announced on Sept. 25 that it was considering terminating the Algiers agreement. In reply, Eritrea accused Ethiopia of repeated violations of that peace treaty and has called upon the UN Security Council to enforce the decision on the boundary dispute.

In this conflict, the most important external factor is the United States, ICG claims. Having recognized Ethiopia as the primary power in that area, Washington has remained virtually oblivious of Ethiopia's power plays. On the other hand, Washington has played tough with Eritrea. Recently, the U.S. State Department threatened that it may declare Eritrea a state sponsor of terrorism, because of aid the State Department alleges Eritrea is supplying to the anti-TFG, anti-Ethiopian insurgents in Somalia.

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