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[by Debra Hanania-Freeman, LaRouche Political Action Committee \(LPAC\) Chairman](#)

Lyndon LaRouche called Hillary Clinton's 41-point smashing defeat of Barack Obama in West Virginia on May 13, ``the biggest event in world history in the last month."

With the continued inescapable acceleration of the financial and economic collapse, both here in the U.S. and globally, a faction of the Anglo-Dutch financial establishment has been desperate to drive Clinton out of the race. Fearing the emergence of a U.S. Presidency capable of opposing their global war drive, of addressing the world food crisis, and of implementing a new financial architecture that would amount to the equivalent of a New Bretton Woods system and an international New Deal, they've thrown all caution to the wind in a blatant attempt to take over and control the U.S. election....

In-Depth articles from EIR, Vol. 35, No. 21

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The Foreign Ministers of Russia, India, and China met in Yekaterinburg, Russia, and then with the Foreign Minister of Brazil. They realize that they must hang together to defeat the British imperial assault on the very survival of nation-states, or go down to defeat separately.

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Economics

- **Mobilization To Double Food Production Is in Full Swing!**

by Helga Zepp-LaRouche

An increasing number of governments are taking urgent measures to increase agricultural production, so that, as soon as possible, they can regain the food security which the enforcers of free trade have been denying them for so many years.

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History

- **David Lubin and the FAO:**

The American Who Fought 'Globalization' 100 Years Ago

David Lubin organized the predecessor group to the UN Food and Agriculture Organization (FAO), the International Institute of Agriculture, in 1905. His mission was to break the death grip of free trade, and the cartels and speculators who enforced it with their stranglehold over food production worldwide.

National

- **The British Genocidal Roots of Mayor Bloomberg's Madness**

A month-long investigation by EIR has established that, while Michael Bloomberg has been put forward as one of the leading propagandists for a new 'Lombard League' of feudal cities, to replace the system of sovereign nation-states, and impose radical population reduction, not a single one of these fascist ideas originated with Bloomberg himself. He is the willing prop for a scheme coming directly from the top levels of the Anglo-Dutch oligarchy.

- **The Genocidal Lombard League of Cities Apparatus**
 - **Key to the chart: 'The Lombard League of Cities Apparatus.'**

Interviews

- **Alberto Cantero**

Congressman Cantero is chairman of the Agriculture and Cattle-Ranching Committee of the Argentine Chamber of Deputies, and was interviewed in Argentina by the LaRouche Youth Movement.

Editorial

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U.S. Economic/Financial News

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- **Is the Food Crisis Shocking Congress Awake?**

Rohatyn's PPP May Become Roadkill on Pa. Turnpike

May 16 (EIRNS)—The Mussolini-style corporatist strategy for privatization of U.S. economic infrastructure ("public private partnerships," PPPs), wielded against the Democratic Party by fascist banker Felix Rohatyn through House Speaker Nancy Pelosi, is threatened with political collapse. The attempt to sell off Pennsylvania Turnpike tolls for the next 50 years to private investment banks, may be about to fail and bring Rohatyn down, by showing that with their financial system blown out, private financiers can't even pay virtual stealing prices to grab public infrastructure cash flows.

Reports point to the potential failure of Pennsylvania Gov. Ed Rendell's Turnpike "PPP" bidding process, which was to end May 19. The Mussolini fascism "soul brothers," New York Mayor Michael Bloomberg and California Gov. Arnold Schwarzenegger, pulled Rendell into their national road show, the "Rebuild America Coalition," in which they call for selling off public infrastructure cheap. The PPP strategy has been a roadblock in the Democratic leadership, against Franklin Roosevelt-style infrastructure and economic recovery policies put forward by Lyndon LaRouche.

It appears that the Pennsylvania Turnpike privatization bids 1) are 15-20% too low for Rendell to have a shot at legislative approval; and 2) don't include the British-Australian Macquarie Bank Group, which all analysts expected to take over the turnpike tolls and operation. Macquarie was exposed as a virtual Ponzi scheme in *EIR* and the *New Citizen*, the newspaper of LaRouche's Australian movement. The two bids are reportedly for only about \$15 billion, instead of the \$18 billion Rendell had expected, which was already opposed in the legislature as a giveaway of half the toll revenues over the next 50 years.

Rendell admitted on May 13, that the current financial crisis "is not a good time to be doing this," adding that if he were a Pennsylvania legislator, he might not approve it! If the privatization fails outright, it's a stomach punch for Rohatyn's PPP strategy.

Schwarzenegger, meanwhile, is proposing the crazier scheme of "securitizing" California's lottery revenues for years, to get a \$15 billion Wall Street loan for the state's ballooning budget deficit. That is likely to fail, too.

Is the Food Crisis Shocking Congress Awake?

May 15 (EIRNS)—Rep. Andre Carson (D-Ind.) made a notable statement to the hearing on the global food crisis of the Financial Services Committee on May 14. Carson, about to leave for Haiti with a delegation trying to get increased emergency food aid and debt forgiveness for that nation, said, "We must ensure that the IMF and the World Bank do not impose conditionalities that prevent countries from strengthening their local food production and economies." "We must ensure that countries are able to stockpile grain, create domestic support systems for small farmers, and invest in research and technology to increase agricultural productivity," Carson continued, implicitly attacking the policies of the World Trade Organization (WTO).

Helga Zepp-LaRouche's call for doubling world food production, which had been circulated to Carson and all the committee members, demands that the WTO be abolished outright.

Carson also suggested a moratorium on ethanol production. Indiana produces 7.5% of the U.S. corn crop, and 19% of Indiana corn is now going to ethanol.

The Carson statement was echoed in many Congressional statements during the day, elsewhere in Washington and, for example, in Houston, where the LaRouche Youth Movement organized for Zepp-LaRouche's call for action, at an emergency town meeting of Rep. Sheila Jackson Lee (D-Tex.). The Bipartisan Congressional Hunger Caucus, exhorted in Carson's statement, has been moribund for several years, but is now springing back into action.

After two years of MsLeadership by Nancy Pelosi, and the failure to act, from the Iraq War to the banking/foreclosure crisis, Congress is being shocked by the global food crisis, and the LaRouche movement's mobilization.

Global Economic News

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Colombian Grain Farmers Demand Government Intervention

May 13 (EIRNS)—Colombia can avoid coming food shortages, if the government takes immediate action to guarantee the country's food security, the head of Colombia's National Association of Grain and Legume Producers (FENALCE), Napoleon Viveros, told *El Espectador*, in an interview published May 11.

Warning that Colombia faces "brutal" dependency on imports of its basic foods, he proposed measures that the government should immediately undertake, among them price and marketing supports for growers, greatly increased land under cultivation, and increased budget allocation for improving agricultural output.

FENALCE has a history of being aggressive in defense of production, as seen, for example, in its participation in the Schiller Institute's 1988 Food for Peace conferences in the United States. In this latest interview, Viveros denounced the free-trade "economic opening" policies launched in Colombia in 1990, as responsible for the food crisis the nation now faces.

Viveros denounced the cultivation of a mere fraction of Colombia's vast arable lands, forcing a criminal dependency on foreign imports. He pointed out that by replacing "extensive ranching" (5-6 animals per hectare, a common practice of the land-rich drug kingpins) with "intensive [feedlot] ranching," many million more hectares of land could become available for high-yield crop cultivation that would rapidly solve the country's import dependency.

Colombia currently imports 3.4 million tons of corn and 1.2 millions tons of wheat a year, while producing a mere 1 million tons of corn.

Said Viveros, "The solution to the crisis in Colombia ... is very simple: that the government tell the producers, we are going to offer you prices that will enable you to see agricultural activity as a long-term business. [This means] establishing a coherent policy of good prices and assured marketing...."

Another 100 Million People Threatened by the Food Crisis

May 14 (EIRNS)—Speaking at a seminar at the International Development Research Centre in Ottawa, Emile Frison, director general of Biodiversity International, pointed out that the current food crisis has added another 100 million poor to the status of hungry. "I don't think it's going to go away immediately," Frison said. "If nothing is done, there will continue to be riots and violence, and probably increasingly."

Frison said that Africa has yet to feel the full effects of higher prices for staple crops. The price of rice, for example, has roughly tripled since the beginning of the year, from \$350 a ton to \$1,000 or more. Africa, which imports up to half of its rice from Asia, is just starting to pay the higher prices.

Robert Zeigler, director general of the International Rice Research Institute (IRRI), who also spoke at the seminar, said the situation is far from hopeless. In fact, governments can restore an abundant supply of affordable food if they make the right choices. One of the right choices, the speaker said, is to get to all the farmers the existing technologies and agricultural practices. That could significantly expand crop yields. "We've got to find some quick ways to get information out to the farmers." As a longer-term measure, governments must ramp up their investments in agricultural research and infrastructure, said Frison. Otherwise, "this is going to repeat itself for the foreseeable future."

Developing countries produce \$9 of additional food for every \$1 invested in research, Frison said.

Africa To Depend More on India for Rice Production

May 13 (EIRNS)—Senegalese President Abdoulaye Wade's statement to his people that India would supply Senegal 600,000 tons of rice for the next six years, is the beginning of a new arrangement between India and Africa vis-à-vis agriculture. At the first Africa-India summit held at New Delhi (April 9-10), the 14 African nations attending signed a declaration stating that, "the partnership will be based on the fundamental principles of equality, mutual respect and understanding ... for our mutual benefit." Once an unflinching supporter of Africa's independence struggle against colonialism, India enjoyed close ties and wielded considerable influence with many African countries. But analysts say New Delhi's focus on the United States and Europe since launching market reforms in 1991 has eroded its support base in Africa, while countries such as China and Japan have made great inroads.

African Union head Alpha Oumar Konare said the meeting had "truly understood" the continent's needs and aspirations. "Today, Africa does not need a guiding hand ... we are equal partners in this race like everyone else," he said, while adding that Africa could benefit from the advances made by India in health, information technology, and agriculture. "We must be able to 'walk the talk' for the sake of the peoples of our countries," he added.

According to Suresh Babu, Senior Research Fellow of the International Food Policy Research Institute (IFPRI), one of the reasons for African countries to seek help from India is that many have begun to shift to rice as a staple, because it is easy to cook and eat. Rice is also seen as a grain easy to import rather than grow in Africa because of high input costs, especially in areas where there is no irrigation. Already, West African countries such as Mali and Nigeria have begun to consume rice.

"During 1970s, these nations once grew pearl millets and sorghum on the banks of river Mali. That is disappearing slowly now. In Africa, less than 4% of the lands have irrigation facilities," Suresh Babu said recently at a conference in Tanzania.

United States News Digest

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Schwarzenegger to California Poor: Sorry, But I Must Kill You

May 14 (EIRNS)—Once again, the governor of California has shown his murderous side, in service of the bankrupt financial networks in London which control him, through his fascist puppet-master, George Shultz. Arnold Schwarzenegger released his revised budget today, proposing deeper cuts to health care and social programs for the poor than he had previously called for, even while acknowledging that those on the lower end of family-income brackets require more aid, due to the collapse of the state's economy.

"I know this is going to be very difficult," he said. "This is why I had a hard time to make those cuts. But the absolute bottom line is we cannot spend money that we do not have." This is the same lying formulation he has used each time he has wielded the budget ax, each time he has brought it down on the heads of the poor, elderly, and disabled. Citing "fiscal responsibility" as his paramount concern, he has been slashing away at programs designed to protect the most vulnerable members of society, a segment which has been rapidly growing since he became governor.

Among the new cuts he has proposed are: limiting Medi-Cal eligibility to families making 61% of the Federal minimum wage (due to part-time work), i.e., only the most destitute among working families will be covered by this health insurance; no cost-of-living increase for seniors, the blind, and the disabled, despite the galloping inflation—this affects 1.3 million people; at least \$4.8 billion in cuts in education; and a 10% cut to pay doctors, hospitals, and health-care providers who take care of the poor, a cut which will begin in July, and which will result in a dramatic decrease in the numbers of such providers who will take up the care of the poor.

Schwarzenegger's announcement coincided with demonstrations today at the state Capitol. The California Teachers Association held protests in Sacramento, and at 21 other locations. College students also demonstrated, as the California State University trustees are considering a 10% tuition hike. Anti-tax groups are also planning demonstrations.

If Obama's So Confident, Why the Desperate Behavior?

May 18 (EIRNS)—Two recent incidents suggest that, despite the lying media hype that Sen. Barack Obama has already secured the Democratic nomination, Obama backers and some Howard "Scream" Dean people are now resorting to desperate tactics, including heavy-handed pressure and outright bribery, to try to stop Sen. Hillary Clinton's momentum, going into the final series of primary elections.

Sources close to the Obama camp have reported that the May 14 endorsement by former Senator and 2004 Democratic Vice Presidential candidate John Edwards, came at a heavy price. According to one source, Edwards was put under tremendous pressure to endorse Obama now, or face total isolation by the Obama camp. A second source added that "private donors" close to Obama made large contributions to an Edwards anti-poverty project, to buy the joss endorsement. Just days before Hillary Clinton's landslide victory in the West Virginia primary May 13, Edwards announced his intentions to remain neutral until the nomination had been finalized. Then, on May 14, he endorsed Obama. The day before the endorsement, Edwards was in Philadelphia to launch a new anti-poverty campaign, called "Half-in-Ten," whose avowed goal is to cut poverty in America in half in the next decade. Two of the groups participating in the coalition, the Center for American Progress Action Fund and ACORN, are almost exclusively funded by George Soros, and his Democracy Alliance of billionaires. Soros launched the Democracy Alliance in April 2005, in an effort to assure Anglo-Dutch financier domination over the Democratic Party, through pooling of contributions of 70 multi-millionaires and billionaires, into a targeted list of Democratic Party organizations and think tanks. Among the members of the Soros group is Fred Baron, a wealthy Dallas attorney who was finance chairman for John Edwards' failed 2004 Presidential campaign.

In another move that showed signs more of desperation than confidence, Obama backers induced Prince George's County (Maryland) Executive Jack Johnson, a Clinton delegate, to announce, on May 14, that he was switching his convention vote to Obama—despite the fact that, under Party rules, elected delegates are bound to the candidate they were elected to represent in the primary—on the first convention ballot. Both the Maryland Democratic Party and Howard Dean's DNC made no effort to shoot down Johnson's defection.

The thug tactics being used by Obama backers in recent days are a reflection of growing concern that, coming out of Clinton's landslide victory in West Virginia, and the overwhelming support that she is winning among blue-collar voters, and other constituents in the lower 80% income bracket, it may be impossible to settle the nomination battle before the August nominating convention. Lyndon LaRouche has emphasized that, if Clinton continues her active candidacy into the convention, she will win the nomination, and then go on to soundly defeat Republican John McCain in November. LaRouche has warned for months that Obama is not electable, and that City of London financial circles have backed Obama only to knock Clinton out of the race. Ultimately, they intend to assure that he is never elected President. Increasingly, Obama backers in many states around the country, are coming to see that LaRouche's warnings were correct. (See this week's InDepth for "After West Virginia: How To Move a Mountain," by Debra Hanania-Freeman.)

Murdoch's British Meticide Machine Stalled in New York

May 12 (EIRNS)—British Empire media mogul Rupert Murdoch has been at least momentarily stalled in his drive to further acquire U.S. media outlets. Only last week, Murdoch had said that talks were in a "pretty advanced stage" that would have allowed his News Corp. to purchase the Long Island daily *Newsday* for \$580 million, even though a higher bid was on the table from the New York cable provider Cablevision. A joint release from Cablevision and *Newsday*'s owner, the Tribune Co., announced the Cablevision buy for \$630 million.

That still leaves Murdoch with the *New York Post*, the *Wall Street Journal*, two New York metro television stations that carry his Fox News and other propaganda (which now include the mouthings of "political analyst" Karl Rove), and several community newspapers.

Even that concentration of local media under one ownership has required Murdoch to apply for a waiver from the weakened Federal Communications Commission. The current Bush/Cheney-appointed commission is expected to do its duty and comply with Murdoch's demand. News Corp. is, after all, the world's largest owner of English-language media outlets, including MySpace and 20th Century Fox.

Dorgan Hearing Implicates State Department in Iraqi Corruption

May 12 (EIRNS)—The team that the State Department assembled in Iraq to coordinate the department's anti-corruption efforts in that country "soon discovered that the Department of State's actual policies not only contradicted the anti-corruption mission but indirectly contributed to and allowed corruption to fester at the highest levels of the Iraqi government." Arthur Brennan, a retired New Hampshire Superior Court judge, made that statement today, to the Senate Democratic Policy Committee, chaired by Sen. Byron Dorgan (D-N.D.). Brennan had been hired in July 2007 by State to head its Office of Accountability and Transparency, which was set up to provide training and support to the Iraqi government's anti-corruption agencies. Brennan added that the OAT was little more than "window dressing," and its efforts were ignored and demeaned by State, the Department of Justice, and the Iraqi government. He charged that the State Department "has negligently, recklessly, and sometimes intentionally misled the U.S. Congress, the American people, and the people of Iraq." The State Department has, in a sense "contributed to the killing and maiming of U.S. soldiers; the deaths of thousands of Iraqi civilians; the bolstering of illegal militias, insurgents and al-Qaeda and the enrichment and empowerment of the thieves controlling some of the Iraqi ministries."

Ibero-American News Digest

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Mexican Congress Wants PLHINO, Not Environmental Sham

May 12 (EIRNS)—The schemes of Prince Philip's WWF (World Wide Fund for Nature) to quietly torpedo construction of Mexico's Northwest Hydraulic Plan (PLHINO) in the, "environmental" hoaxes, have run into trouble, before they even got off the ground. Construction of the PLHINO, which Lyndon LaRouche has supported for decades, is the fastest route to stopping social chaos in Mexico, by quickly gearing up food production and employment.

The WWF made its move last week, when Mexican President Felipe Calderón informed the "Pro-PLHINO of the 21st Century Committee"—the juggernaut in favor of the PLHINO, founded by the LaRouche movement in the state of Sonora—that all decisions and discussions around the PLHINO project would be handled by the director general of the National Water Commission (CONAGUA), José Luis Luege Tamargo, who is an outspoken agent of the WWF. Federal monies appropriated earlier this year by the Congress for a serious PLHINO feasibility study, are to be given to CONAGUA, the Calderón administration specified. Luege had already announced that the only feasibility study he would tolerate, would be a lengthy environmental impact study.

Informed by the Pro-PLHINO Committee on May 9 of the government's suicidal move to thus hand control over Mexico's water and agriculture to the British Crown's WWF, the president of the Mexican Congress's Rural Development Committee, Congressman Carlos Navarro López from Sonora, issued a warning to CONAGUA and its director: Congress appropriated millions of pesos for a *technical* study to demonstrate the feasibility of building the long-planned PLHINO project, not for environmental studies, he said. My committee, and the Hydraulic Resources Committee, which also approved the PLHINO appropriation, will hold Luege accountable to use that money as Congress so directed, Navarro stated.

The mood is getting hot in Sonora, against the WWF attempt to prevent Mexico from producing its own food, at a time of worldwide food shortage and starvation. Three Sonoran papers ran front-page stories on the Pro-PLHINO Committee's May 9 press conference denouncing the WWF's sabotage plans.

Pro-PLHINO Committee leader Alberto Vizcarra, well-known as LaRouche's key activist in the state, reports that students and agricultural producers, among others, across Sonora are gearing up for political war against these vampire-loving oligarchs who, as one participant put it at a Pro-PLHINO meeting last week, prefer to save Sonora's native lizards, to saving even one Mexican child.

WWF to Mexico: Let Them Eat Butterflies ... and Drink Blood

May 12 (EIRNS)—Leading hitman for Prince Philip's WWF in Mexico, National Water Commission (CONAGUA) director general José Luis Luege Tamargo, last week threatened Mexicans that they had better stop using so much water, and learn to consume water "responsibly." Visiting the drought-stricken state of Durango, Luege parroted the WWF's Malthusian mantra that "population growth"—that is, human beings—is putting water supplies at risk.

For years, the WWF—whose symbol is the blood-sucking vampire bat—in alliance with some of Mexico's richest plutocrats (e.g., the son of the sometime richest man in the world, Carlos Slim), has told Mexicans that they must adopt "a new water culture," to "save the country's water basins and bodies" from the "threats" arising from human activity: "excessive" irrigation for agriculture, dams and transfers for water management, etc. People must accept that water is scarce, and learn that only "available water" can be used, because desalination and water transfers threaten "The Environment."

These lunatics went so far as to amend Mexico's National Water Law in 2004, to recognize The Environment as "a user" of water, "and, as such be represented in participating bodies." The WWF-Mexico's 2004-07 Annual Report notes that they continue working to ensure that that policy be implemented effectively in relevant regulations and laws, as they succeeded in doing in 2006, through modifications of water laws in the state of Chihuahua. The WWF is conducting a campaign to keep the Great American Desert bone-dry and brown, in that state.

The only kind of economic activity that doesn't harm the environment, is "eco-tourism," these oligarchic bootlickers insist. Typical of their zealous efforts to shut down other kinds of production, is their "Monarch Butterfly Biosphere Reserve," in the state of Michoacán. The WWF organized that state government to prohibit any economic activity in the reserve other than servicing tourists coming to watch butterflies a couple of months a year. That left 10,000 people who formerly supported themselves by logging, with no recourse but to live off housing subsidies provided by the WWF, with money from the Slim family's telecommunications cartel, Hewlett Packard, and others.

Much as then-Secretary of Environment and Natural Resources Luege Tamargo would complain that the WWF-organized prohibition on productive activity was being violated, local residents continued logging in the reserve, because, as one villager summed up their case: "We can't eat butterflies."

Colombian Minister Pushes British Line on Bank of the South

May 14 (EIRNS)—It would appear that Colombian Defense Minister Juan Manuel Santos has never recovered his sanity, after getting his economics degrees from Harvard and the London School of Economics.

Santos came to Washington May 7 for the annual conference of the Rockefellers' Council of the Americas, where he laid

out a "Strategic Vision for the Americas," which would sink Central and South America in war and social chaos, and pit one nation against the other—as per the British global gameplan. Although Santos never named Venezuela, it was obvious that he was issuing a call to arms against Colombia's neighbor.

Santos admitted in his speech that his vision had been packaged in London. His theatrics over "the specter looming" over the region, took aim at the potential that Ibero-American nations would join together to adopt protectionist, anti-free-trade American System policies, in the face of the collapse of the British liberal imperial system. Thus, Santos attacked the creation of the Bank of the South in South America—a project which Lyndon LaRouche has endorsed as beneficial for all the Americas—as a threat to the inter-American system. This is a gross lie, and a swipe at President Alvaro Uribe, who last year expressed interest in Colombia joining the project.

Given his own well-known Presidential ambitions, perhaps Santos might wish to reconsider tying himself so tightly to the mast of the sinking British empire.

Zepp-LaRouche Food Call Distributed at EU-Latin American Summit

May 16 (EIRNS)—The LaRouche movement introduced the only bit of reality to be found in the Fifth European Union-Latin America Summit which took over much of Peru's capital, Lima, for four days this past week. *EIR* Lima correspondent Sara Madueño distributed copies of Helga Zepp-LaRouche's "Double Food Production!" call to 300 of the 1,200 press swarming around the summit, as well as to the Italian foreign minister, a number of EU commissioners, and delegates from the 60 governments. Madueño also circulated an *EIR* article, citing Zepp-LaRouche, calling upon this summit to do something useful, and call for a New Bretton Woods meeting.

Peter Mandelson, British EU Commissioner for Trade, did not appreciate Madueño's question to him on biofuels as a crime against humanity. He cut her off during his press conference, snapping that "production of biofuels is not the cause of hunger," only to be questioned again by Central American journalists on biofuels and the rise in food prices.

The theater of the absurd atmosphere dominating the proceedings was evident in the response given to Madueño's question to the summit co-presidents, the foreign ministers of Slovenia and Peru, and to the Austrian EU commissioner, Benita Ferrero Waldmer, as to why no one had made any reference to the collapse of the international financial system, when any decision which they might make, if they ignored that collapse, would not be based in reality. Would this summit issue a call for a New Bretton Woods? Since no one else would touch the question, Peruvian Foreign Minister José Antonio García Belaunde made a fool of himself, stating that he didn't think this was a terminal crisis. The world has lived through many crises, he said, dismissing it as only a "U.S. mortgage problem." He added that, in any case, the country which is at the epicenter of the mortgage crisis is not a member of the summit.

Western European News Digest

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Italy: It's Berlusconi Versus Tremonti

May 10 (EIRNS)—"Giulio Tremonti wants a [Franklin] Roosevelt policy, but his main enemy is Berlusconi," was the statement of an economic expert, familiar with Lyndon LaRouche, to *EIR* today. Silvio Berlusconi is Italy's new prime minister, and Tremonti is Treasury Minister.

"I thought about LaRouche when I heard Tremonti speak about a New Bretton Woods," the source said. Tremonti "has a problem with Berlusconi, who tolerates him but does not love him. Tremonti enjoys absolute support from the Lega Nord. [Lega head Umberto] Bossi has a veneration for Tremonti."

At the same time, Tremonti has a dialogue with part of the U.S. Democratic Party, through the Aspen Institute, the source said. The expert was interviewed on an Italian national television channel today, and explained that Tremonti's vision is "Rooseveltian." "He thinks that we need a New Deal kind of approach to lead the world out of the crisis, similar to what Roosevelt did in 1933. The question is that Tremonti is a minister in a Berlusconi government, and it will be interesting to see whether he will be able to implement his ideas."

Neoconservatism in Britain

May 13 (EIRNS)— In the last few years, "neoconservatism" has become more prominent inside Britain—its actual mother country. It had generally been billed as an "American" political phenomenon.

The old mass-murderous British colonial apparatus, lightly veiled under liberal propaganda since World War II, never died, and has begun to show up unadorned since the British installed their Cheney-Bush Administration.

This gang and its *worldview* recently created two neocon think-tanks in England: the Policy Exchange, founded in 2001 (officially 2002), and the Centre for Social Cohesion, created in 2007, as a project of Civitas—the Institute for the Study of Civil Society, which had been founded in 2000.

Historian Maurice Cowling, an unrepentant advocate of the original British project to create European fascism, and to unleash Hitler on Russia, set up the Salisbury Group in 1976. He named the group in honor of Robert Gacoyne-Cecil, 3rd Marquess of Salisbury, the furiously anti-American 19th-Century British prime minister. The group was formed, and continues today, as a Cecil (Salisbury) family affair, with the participation of the 6th Marquess of Salisbury, a supporter of white supremacy in Africa.

Lettieri Rips 'British Ideology' of Italian Democratic Party

May 9 (EIRNS)—Mario Lettieri, a supporter of Lyndon LaRouche's New Bretton Woods proposal, has circulated a letter against the leadership of his own Italian Democratic Party (PD). The letter was published on May 2 by the conservative daily *Il Foglio*, and is co-signed by Mario Barbi, a man reputed to be very close to former Prime Minister Romano Prodi. In it, Lettieri says the PD "looks like it is being trailed by ... a few families, and by the 'British ideology' exported to Brussels, of liberalization, privatization."

Lettieri (who was dumped from his party's candidates' list, and is no longer in the parliament), introduced a parliamentary resolution for a New Bretton Woods in 2005, and recently gave an interview to *EIR* in which he welcomed Giulio Tremonti's campaign for a NBW and against "marketism." He also endorsed LaRouche's Homeowners and Bank Protection Act (HBPA).

Bloomberg and Berlusconi To Push Mussolini in Italy?

May 12 (EIRNS)—Italian Prime Minister Silvio Berlusconi dined with New York Mayor Michael Bloomberg today in Rome, and got a "360 degree *tour d'horizon*," as Berlusconi's staff put it. The two discussed "the U.S. and Italian political and economic situation." Berlusconi and Bloomberg, who made similar careers in the media business, have neighboring vacation estates in Bermuda.

It is not known whether Bloomberg will meet the new mayor of Rome, Gianni Alemanno, who stated in an interview with the London *Times*, that Mussolini built great public works. (Alemanno was greeted with shouts of "Duce! Duce!" by crowds outside the Rome City Hall, on the night of his election victory.)

Irish Agriculture Minister Joins French WTO Concern

May 10 (EIRNS)—Ireland's new Agriculture, Fisheries and Food Minister, Brendan Smith, and his French counterpart, Michel Barnier, yesterday expressed concern at the direction of world trade negotiations and the impact these would have on European agriculture. The ministers met in Dublin to discuss a range of policy areas, including the global trade talks.

Smith, speaking at a lunch in honor of Barnier, said France and Ireland have always stood shoulder to shoulder in asserting the importance of farming and the food industry to the economy, society, and physical environment of Europe, during the many debates about the Common Agricultural Policy of the EU (CAP) in the past, and current negotiations in Brussels and Geneva.

'New Poor' Raid Supermarket Garbage Cans in France

PARIS, May 13 (EIRNS)—Shortly before the French Revolution, the hungry would wait impatiently for the end of aristocratic banquets and grab free food left at the tables of the wealthy.

At the very moment when Perfidious Albion calls for ending Europe's successful Common Agricultural Policy, a feature article in yesterday's *Le Parisien* reports that thousands of "new poor," among them, retirees, people on welfare, single mothers, marginal workers, and students, make nightly food raids on garbage cans of grocery stores shortly after the closing hours.

In France, the official poverty level starts below a monthly income of 817 euros: Currently, 7.1 million people in France (12%!) are at that level—2 million of them children. Food raids on garbage cans have increased markedly since this year's rise of the price of heating gas (9.5%) and food; milk, 11.70%; butter, 8.88%; and pasta, 11.44%.

On the 30th Anniversary of Aldo Moro's murder

May 9 (EIRNS)—Thirty years ago, on May 9, 1978, former Italian Prime Minister Aldo Moro was killed by the terrorist Red Brigades, in an operation steered by British intelligence. Moro was kidnapped, held prisoner for 55 days, and killed, on orders of the British Empire, with a special role played by Henry Kissinger, because of Moro's insistence upon Italian sovereignty over its political affairs.

Moro's daughter, Maria Fida, said today in an interview with *Il Giorno* that if one wants to know who killed Moro and why, it is more useful to look at Moro's policy and actions throughout his life, than to focus on the 55 days of Moro's imprisonment. Moro was aware that his life was at stake, she said, and he did not flinch, even after Kissinger warned him, in 1974, to abandon his policy a dialogue between Christian Democratic Party with the Italian Communist Party. "At the end of 1974, he had promised Mother that he would leave politics. In 1975, before the cradle of [his grandchild] Luca, he told Mother that he could not maintain that promise, because he had to ward off the threats hanging over the future of those small innocents."

Car Bomb Kills Policeman in Northern Spain

May 14 (EIRNS)—A powerful car bomb exploded outside a barracks housing police and their families, in northern Spain today, killing one officer and injuring four. The Basque terrorist group ETA is believed to be responsible. The last fatal attack by ETA was the shooting of a former town councillor in the Basque town of Mondragon on March 7, two days before Spain's general election. There were three bombings on May 1, but there were no casualties.

The group has staged more than 20 attacks since ending a ceasefire in December 2006, after peace talks with the government failed to yield concessions for the separatist group. The death toll since then stands at six, including today's fatality. ETA has killed more than 820 people since launching its campaign of bombings and shootings in the late 1960s.

Russia and the CIS News Digest

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Medvedev, Putin Get Down To Work in New Roles

May 15 (EIRNS)—Russian President Dmitri Medvedev and Prime Minister Vladimir Putin have begun working in their new positions, with a new configuration of the Russian government that was unveiled beginning May 12. The Russian personnel and institutional changes, as well as the nationally televised activity of the two leaders today, draw attention to the high level of military-strategic tension in the world, as well as the tension within Russian policy-making, as the global systemic economic crisis intersects the country's own economy.

All Russian national TV channels showed Medvedev on tour May 15 in the Ivanovo and Kostroma Regions west of Moscow. He visited two major military facilities and two monasteries. Near Teykovo, Ivanovo Region, Medvedev reviewed a regiment of Topol-M intercontinental ballistic missiles—"unmatched by any technology in the world," as the

host officers put it—at their base, deep in a pine forest. Gen. Nikolai Solovtsov, commander of the Strategic Missile Corps, briefed Medvedev. Addressed throughout the televised clips as "Comrade Supreme Commander-in-Chief," a grave-faced Medvedev said, over lunch with the personnel: "Our objective is to make sure that in the immediate period ahead, and in the years ahead, that the Strategic Missile Corps receives all of the financing it requires, in order to meet today's level of threat, and the situation that actually exists on the planet today."

The Russian President went on to visit the Kostroma Military Academy, where he viewed nanotechnology and ABC defense labs, and laser-guided weapons training.

In Moscow, Putin was presiding over the first working session of the new Cabinet of Ministers, which he had publicly presented to Medvedev on May 12 (remarking that the two of them had deliberated on the personnel and organizational changes over a two-month period). He announced that the government will be managed by a 15-person Presidium, meeting weekly, that consists of himself, the two first deputy prime ministers, the five deputy prime ministers, and the ministers of health and social development, regional development, agriculture, economic development, foreign affairs, internal affairs, and defense.

Televised coverage of the Cabinet meeting featured Putin criticizing Minister of Economic Development Elvira Nabiullina for setting too "modest" targets for the increase of manufacturing products as a share of industrial output, as well as of exports.

In the top government posts are longtime close associates of Putin, several of whom have moved with Putin from the Kremlin Presidential Administration to the government. Another close Putin associate, Sergei Naryshkin, has become Medvedev's Chief of Staff at the Kremlin. Several of these officials, and others whose ministerial assignments were changed, represent groups within the security and intelligence community—the so-called "*siloviki*"—that were visibly warring between themselves during 2007. Putin has evidently kept various factions on his team, while arranging the government agencies so as to give him a more streamlined machine.

Russia Will Defend Ruble from German, U.S. Banks

May 16 (EIRNS)—The Central Bank of Russia (CBR) is taking measures to protect the ruble from foreign speculators betting on a 4% increase in the currency's value, the RCB financial new agency reported today. The bank intervened with several hundred million dollars' worth of rubles on May 14, and will continue to do this daily throughout the month. The measures are also intended to curb inflation. At the beginning of May, Deutsche Bank, Goldman Sachs, Merrill Lynch, and Dresdner Kleinwort all recommended that traders buy "cheap" rubles immediately, before Russian regulators took anti-inflation measures. The investment banks were speculating that President Dmitri Medvedev might allow a stronger ruble, and the banks were predicting a 4% rise in the ruble over the next six months, Bloomberg reported.

The CBR had allowed the ruble, which trades against a basket of dollars and euros, to rise last August, when inflation was one-third less than it is now. In the past, the Russian central bank was intervening when the exchange rate varied more than 30 kopecks on either end, and it will continue this policy, *Kommersant* reported. The Western banks were also betting on the statement in April by Alexei Ulyukayev, deputy chairman of the central bank and an ex-whiz kid from the neo-liberals' hey-day of the 1990s, that Russia "is not ruling out" letting the ruble rise. However, an increased exchange value for the ruble would cut into external profits for Russia's energy exporters.

Russian Websites Publicize Zepp-LaRouche Food Call

May 16 (EIRNS)—Posted May 15 on the Russian-language website of the LaRouche movement, Helga Zepp-LaRouche's

May 3 Schiller Institute call for action on the world food crisis rapidly began to spread on Internet sites in Russia, Ukraine, and Belarus. Several of the Russian-language postings highlighted her demand that "the World Trade Organization must be dissolved, immediately." Ukraine has just recently joined the WTO, and Russia seeks to do so.

The Russian translation went out with a "what you can do" paragraph at the end, asking for individual statements of support, as well as that the call be circulated as widely as possible. The posting also provided links to articles in *EIR* on the murderous impact of the WTO and globalization on world food production, and two Russian-language Xinhua wires on the June 3-5 UN Food and Agriculture Organization summit and FAO head Jacques Diouf's statements on the severity of the food crisis.

The most prominent websites to post Zepp LaRouche's appeal in Russian are those of:

The Russian Anti-Globalist Resistance, Russian Federation (www.anti-glob.ru), where it appeared May 13 with a front-page notice saying, "Hunger is caused by the new world order. Helga Zepp-LaRouche believes the means exist to stop it."

Strategium East European Online Political Experts Community, Ukraine (www.strateger.net). Strategium's founder and coordinator, Sergei Pozny, is a signer of the Ad Hoc Committee for a New Bretton Woods appeal to convene a conference for a new monetary system.

RPMonitor, a Moscow-based news and analysis site directed by economist Andrei Kobyakov (www.rpmonitor.ru), featured the article on its front page, with the headline "The specter of death by famine: Only the immediate dissolution of the WTO can save millions of lives in Asia, Africa, and Latin America," and the byline, "Helga Zepp-LaRouche (Germany), President of the Schiller Institute." Professor Kobyakov likewise is a signer of the call for a New Bretton Woods conference.

In response to the message urging circulation of Zepp-LaRouche's call for action, the full text also appeared today on regional sites, including the "Sarov Top Secret" portal (www.sarov.cc), a news site based in the town where Russia's Federal Nuclear Center weapons lab is located. Its webmaster wrote to report the posting. A Belarusian website called "Imperiya" (www.imperiya.by) also showcased the article. Individuals posted it on the popular Russian political forums Global Venture (www.aventurist.rog) and the Big Forum (www.bolshoyforum.ru), the latter a project of readers of *Zavtra* newspaper. "Rossiya—Ring of Patriotic Resources," a widely used portal, led its Economics section with a link to the call for action at its location on the Anti-Globalist Resistance site.

Individuals from Poltava in Ukraine, and from Murmansk, Kaluga, and Makhachkala (Dagestan) in Russia, sent e-mails with messages of support for the call. A civil service employee from Murmansk said, "We need to get more attention to the problem of hunger and food production at all levels! Accept the idea—stop the hunger in third world and developing countries!"

Southwest Asia News Digest

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- [Gates: We Need To Figure Out How To Talk to Iran](#)
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Top U.S. Intelligence Official Blasts Critics of Iran NIE

May 18 (EIRNS)—At the time that British-directed warmonger Dick Cheney is driving anew for war against Iran, the head of analysis for the U.S. intelligence community, Thomas Fingar, who oversaw the National Intelligence Estimate (NIE) on Iran of December 2007, gave a blistering interview published in the May 15 *Los Angeles Times* and the May 17 *Houston Chronicle*, about the backlash coming from Cheney and the White House. "The unhappiness with the finding, namely that the evil Iranians might be susceptible to diplomacy, adroitly turned into an *ad hominem* assault.... Why do we have an intelligence community if all you want are cheerleaders?" Fingar wrote.

Fingar, who also was the former head of the State Department's Intelligence and Research (INR) (which had objected to the Niger yellow-cake uranium lies, and other Iraq WMD fallacies), reflects the intense resistance to war against Iran from inside U.S. institutions.

His interview came at the end of the week in which President Bush made his Mad Hatter speech to the Israeli Knesset, that called on all nations to stop an Iranian nuclear weapon, and when Cheney is trying to force the U.S. intelligence community to rewrite the NIE. Helping Cheney are Benjamin Netanyahu's fascist wing of the Israelis and Britain's Sir John Scarlett of MI6. The Anglo-Israeli bloc is trying to force a retraction of the NIE with "new" Israeli intelligence on Iran—just as the British-Israeli track did with the Iraq War.

Contrasting the competence of the Iran NIE to the neocons' fiasco over Iraqi WMD, Fingar said, "We didn't have the dismissal of dissenting views. We didn't have a 'Curveball,'" which refers to the discredited Ahmed Chalabi-linked source behind faked intelligence on Iraq. He angrily added, "It's [as if] the whole damn community is still incompetent."

Meanwhile, Council on Foreign Relations Iran specialist Ray Takeyh wrote in a May 18 *Washington Post* op-ed that the U.S. had better realize that Iran's leadership, though divided on many things, is united on its right to enrich uranium and have nuclear power. So, the U.S. and Europe had better compromise and go for "transparency" in the enrichment process, letting Iran have its enrichment as allowed under international law. He warned, "This may be the last chance" for compromise, "before Iran crosses the nuclear threshold."

A proposal being circulated by MIT scientist Dr. Jim Walsh and others, calls for a world-class enrichment facility to be built in Iran, by a commercial consortium, with Russian, European, American, and Iranian participation. The consortium would produce enough low-level enriched uranium to power 20 nuclear power plants, but the deal would carry safeguards against diversion to a nuclear weapons program. The idea has already discussed with top Iranian officials, and former top State Department officer Thomas Pickering, a coauthor of the Walsh proposal, has participated in those discussions, along with Dr. Walsh.

Gates: We Need To Figure Out How To Talk to Iran

May 15 (EIRNS)— "We need to figure out a way to develop some leverage with respect to Iran and then sit down and talk with them," said Secretary of Defense Robert Gates during a presentation to the American Academy of Diplomacy on May 14. "If there's going to be a discussion, then they need something, too. We can't go to a discussion and be completely the demander, with them not feeling that they need anything from us." With these remarks, Gates was implicitly endorsing

Thomas Friedman's column in the May 14 *New York Times*, which said that "the right question for the next president isn't whether we talk or don't talk. It's whether we have leverage or don't have leverage. When you have leverage, talk. When you don't have leverage, get some by creating economic, diplomatic, or military incentives and pressures that the other side finds too tempting or frightening to ignore. That is where the Bush team has been so incompetent vis-a-vis Iran."

Iran Wants Cooperation with Russia and China

May 17 (EIRNS)—Iran has given the Russian and Chinese foreign ministries its proposals for nuclear non-proliferation and other international security issues, the Iranian Supreme National Security Council announced on May 16. "These countries have promised to closely study the package of proposals and to announce their opinion regarding our initiatives," a Council spokesman said. The same day, Iranian Ambassador to Russia Gholamreza Ansari told Novosti said that Iran is ready for discussions on its nuclear program. "Iran's position is that the issue should be resolved on an equal basis. We need equal dialogue with all countries," Ansari said. Iran has special relations with Russia and China, which nations "could play a major role in the dialogue between Iran and other countries on this issue."

Iran earlier gave UN Secretary General Ban Ki-moon and EU foreign policy chief Javier Solana "an array of its own proposals" to resolve the nuclear question and other international issues. Iran wants to reach international agreements, without preconditions, on "long-term cooperation aimed at strengthening peace, and international and regional security on a just basis," the Council spokesman said, as reported by Novosti.

The Russian Foreign Ministry said on the same day that Moscow "expects that Iranian Foreign Minister Manuchehr Mottaki will soon be able to receive in Tehran EU Foreign and Security Policy Representative Javier Solana and the 'Iran Six' deputy foreign ministers, who will hand the Iranian side a revised package of proposals for negotiations with Tehran that was approved by the 'Iran Six' foreign ministers on May 2 in London." Previously, Iran had refused continued talks with the Iran Six, and would negotiate only with the International Atomic Energy Agency (IAEA).

At the Brazil, Russia, India, China (BRIC) meeting in Yekaterinburg on May 16, Russian Foreign Minister Sergei Lavrov told the press that Russia, China, and the EU think that firm security guarantees could persuade Iran to end nuclear fuel development, and that Russia hopes that "politicians in the United States" could persuade the White House to subscribe to this view, Voice of Russia reported today. Lavrov also called for Iran to be offered a greater role in diplomacy in Southwest Asia.

Bush's Big Mouth Gets Him in Hot Water in Saudi Arabia

May 17 (EIRNS)—President George Bush arrived today in Egypt, on the third and final leg of his Southwest Asia tour, which began with a three-day visit to Israel, in which he had addressed the Knesset, and made a fool of himself in the eyes of the entire Arab and Islamic world.

Israeli commentators said that his Knesset speech could have been delivered by an Israeli ultra-rightist or Jewish fundamentalist. The U.S. President invoked the Old Testament, ignored the plight of the Palestinian people, and threatened Iran. It was no surprise, according to well-placed U.S. intelligence sources, that when the President arrived next in Saudi Arabia, to press King Abdullah to help drive down oil prices by boosting Saudi production, he suffered his second rebuff this year. Worse than outright rejection of the President's plea, the Saudis announced a token production increase by 300,000 barrels a day, in what was described as an even bigger put-down of Bush. The sources confirmed that the Saudi King was furious at Bush's Knesset performance, which was so out of sync with the dynamics in the region, as to suggest that the American leader has lost his marbles. The sources suggested that, in spite of the continuing role of "Saudi neocon" Prince Bandar bin-Sultan, Abdullah could take a sudden anti-American turn, after Bush's open disdain for the Palestinians in his Knesset speech.

In his first meetings in Sharm el-Sheikh, Egypt, Bush met with a similarly cold reaction from Egyptian President Hosni Mubarak and Palestinian Authority President Mahmoud Abbas.

Israeli Police Interrogate Olmert's Money Friends

May 14 (EIRNS)—Israeli Prime Minister Ehud Olmert's problems spread to President Shimon Peres's conference on Israel's Future, where U.S. President Bush spoke. Apparently some of the tycoons who finance the conference are also suspected of illegally financing Olmert. In between conference sessions, billionaires Sheldon Adelson and Daniel Abraham were questioned by the Israeli police.

Asia News Digest

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British-Saudi Interplay Against U.S. in Pakistan

May 13 (EIRNS)—With the withdrawal from Pakistan's new coalition government of all nine cabinet ministers belonging to Nawaz Sharif's PML(N) party, a source of permanent instability has been introduced in the country. It is almost a certainty, that long before the National Assembly has completed its full five-year term, Islamabad will be without a government. It is not altogether unlikely that that situation could develop even before the end of May.

Behind this instability lie two major players: Britain and Saudi Arabia. The targets were President Pervez Musharraf, nominally, and the United States, principally.

To begin with, the PML(N) leader and former two-term Prime Minister Sharif, had long been under the Saudi umbrella. He was exiled in Saudi Arabia for almost eight years (1999-2007) by Musharraf, and is close to the Saudi royal household.

Since the invasion of Afghanistan by the United States in 2001, approximately 5,000 Pakistanis have remained unaccounted for. The judges of the Supreme Court that Musharraf sacked had begun to take up the missing person cases. It became evident that Pakistani intelligence was involved in holding many of them, and also, that some of them were handed over to the U.S. intelligence services, and were taken elsewhere (a practice known as "rendering"). Neither Musharraf nor the United States wanted this investigation to go any further.

Sharif is also "close" to the Pakistani Taliban, and strongly opposes any military action inside Pakistan's tribal area, where many militants have taken shelter. The British allow this, because they have their assets in the tribal areas. Saudi support

for undermining the United States could also be linked to Saudi support to fundamentalist-militants who are active in Central Asia, but based in the tribal area.

Russia-China-India Call for Security Belt Around Afghanistan

May 15 (EIRNS)—At the annual meeting of the foreign ministers of Russia, China, and India, held at Yekaterinburg, Russia, the participants issued a joint statement, which includes setting up a security belt to prevent Afghan opium and heroin from leaving Afghanistan. Around 90% of the global supply of heroin emanates from Afghanistan, with output increasing since the fall of the Taliban regime in late 2001. The Ural Region city of Yekaterinburg, where the meeting took place, has been heavily affected by Afghan opium and heroin over the years.

While the statement shows the right intent, it has not been elucidated any further. The proceeds from the opium not only sustains the Afghan militants (widely identified in the West as the Taliban); it also provides succor to the British-run terrorists who are engaged in activities against Russia, China, India, and Iran; it provides money to the bankrupt City of London, Wall Street, and other financial centers; and it reduces London's expenses in maintaining 7,000 troops in Afghanistan. Unless the foreign troops are taken out of Afghanistan, drug production will only move northward.

As a result of the "benefits" derived from the cultivation of poppy and hashish in a land which is "invisible" to the rest of the world, and dominated by "fierce Islamic outlaws," despite all the debates and promises, the 2008 opium crop in Afghanistan may exceed the record 8,200 tons (that is the official figure, although some say it was much more) harvested in 2007.

Missile Strike Disrupts Pakistan's Peace Talks with Militants

May 16 (EIRNS)—Pakistani authorities today found the body of a beheaded paramilitary soldier in Pakistan's tribal area, which is virtually under control of British-backed terrorists. A note left on the corpse said the soldier had been killed in revenge for the May 14 missile strike in the Bajaur tribal district, near the Afghan border.

The missile struck Damadola village, killing at least 18 civilians. The United States has refused to comment on missile attack, but the locals and some Pakistani officials have blamed the United States. There is no question that the missile strike has affected the ongoing peace talks between pro-Taliban militants and Pakistani government officials.

While the source of the missile strike has remained unknown, U.S. Assistant Secretary of State Richard Boucher has expressed concern over Islamabad's efforts to sign a peace deal with tribal militants. "You can't put restrictions on the military and let militants go free," said Boucher, apparently referring to a similar agreement in 2006 which led to Pakistan ending military operations against the militants.

Inflation, Hot Money Hitting China, as Trade Slows

May 13 (EIRNS)—Inflation, especially of food prices, and speculative "hot money" inflows, are rising fast in China. Inflation was up 8.5% year-on-year in April, the highest level in 11 years, the National Bureau of Statistics reported yesterday, with food costs up 22.1%. Oil imports shot up 81% for the first four months of this year, to \$40.3 billion, even while the volume of oil imported was up only 9.8% year-on-year. Factory gate (finished product prices) inflation was up 8.1% year-on-year last month, the highest in four years. NBS chief economist Yao Jingyuan said on May 11 that it will be hard for China to keep inflation, which is 4.8% this year, under the government's goal.

The People's Bank of China is continuing various monetary measures, but to little effect. These include increasing bank

reserve requirements and short-term bond purchases, but interest rates pose a big problem: As the U.S. has been slashing rates to just 2%, China has raised them to over 4%, and the growing gap could be a target for speculators, Chinese economists are warning. The rising value of the RMB—up 4% to the dollar this year alone—is another target for speculators.

Economists are putting out estimates of how much "hot" money is getting into China, despite the exchange and currency controls. China's forex reserves rose by \$153.9 billion in the first quarter to \$1.68 trillion, while the trade surplus and the actually used foreign investments in the same period was only \$70 billion—less than half the inflow. At least some of the \$84 billion difference, Chinese economists attributed to the influx of hot money.

China's external trade, on which the economy remains heavily dependent, is slowing down. The surplus with the U.S. rose only 4% to \$13 billion, due in part to the falling dollar, while that with the EU was up much more, 34.8% to \$12 billion, with the stronger euro.

China: 'Controlling Power of Oil Prices' Is in Spot Market

May 13 (EIRNS)—China's *People's Daily*, noting that "both oil producers and consumers ... benefit from a stable oil prices system ... and the long-term and sound development of the oil industry," indicated that "at present the control over oil prices seems beyond both of them." That is because, "since the 1980s, the controlling power of oil prices has been transferred from OPEC to the New York Mercantile Exchange. Statistics show that ever since 2004, risk capital involved in transactions in crude oil futures market has exceeded the half of the total turnover. Many analysts believe the weak dollar has driven oil prices to levels that defy supply and demand economics."

Africa News Digest

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Anglo-Dutch Financier Cartel Escalates Attacks on Africa

May 18 (EIRNS)—Frantic that African nations will partner with Asia, to avoid the certain death of nation-states which the Anglo-Dutch imperial crowd is causing, via the IMF and WTO, the imperialists, in the past week, have escalated their campaign against two nations in particular, Sudan and Zimbabwe.

Sudan: As made explicit by the City of London's mouthpiece, the *Economist*, on May 15, the Anglo-Dutch are now targeting Sudan (which is the nation with the largest land area in Africa—bigger than Western Europe), for dismemberment, resulting from conflicts between the government and regions of the country outside the capital, Khartoum, and between the government and neighboring countries.

The *Economist* and the anglophile press generally, are pushing the idea that the Darfur conflict could spark a national or

regional war, citing an abortive attack on the capital that took place on May 10-11. The Justice and Equality Movement (JEM), a rebel group based in Darfur, but which promotes a national cause (arguing that the government is not sharing the wealth with outlying regions), attempted an attack against Khartoum by driving across the country; the JEM reached the neighboring city of Omdurman, before they were dispersed by government forces. The attack made no military sense, but came in the context of the Anglo-Dutch strategy to set up the nation for fragmentation. The JEM has vowed to continue attacks throughout the country, a shift from their past position of pretending to fight for the rights of the Darfur region, in western Sudan, along the border with Chad.

The *Economist* gameplan shows that the campaign carried out by Western nations against Sudan, charging genocide, was only a pretext for destroying the country.

Within a few days, a conflict in Abyei, a town in an oil-producing border region between North and South Sudan, led to violence May 13-14, ending with the destruction of part of the town. The location of the boundary between the North and the South of Sudan, in this particular region, has still not been settled. The conflict in Abyei is being portrayed in the anglophile press as an indication that the agreement in 2005 that ended the protracted civil war, could collapse, and war could flare up again in the South.

On May 15, four Indian oil workers were kidnapped, a foretaste of the kind of activity that could hamper the economy.

Further backing up the *Economist's* projection of dismantling the state by triggering rebellions, there are anglophile press reports that the attempted attack on the capital by the JEM could lead to fighting in the northern and eastern parts of the country, as well as references to mooted attacks on the Meroe Dam, which is being built on the Nile in northern Sudan, by the Chinese.

After the JEM attack, Sudanese President Omar al-Bashir said that, "international powers have a secret agenda for undermining the unity of Sudan," and noted that "it has become apparent that the rebel Khalil [leader of the JEM] wishes to achieve political ends that are not associated with the Darfur case." He charged that the JEM and an allied rebel faction "are exploiting the suffering of the people of Darfur to fulfill their ambitions to taking over the government."

Zimbabwe: In the Anglo-Dutch attempt to overthrow the Zimbabwe government, the U.S. Ambassador to Zimbabwe, James McGee, has abandoned any pretext of being a diplomat, by becoming a fervid supporter of the British-created and -backed opposition MDC party. According to a May 16 BBC broadcast, McGee charged the government with using violence against its own population, in order to enable President Robert Mugabe to win the run-off election for President against Morgan Tsvangirai of the MDC. "Violence has spun out of control," McGee said. When BBC asked him if Mugabe could win as a result of violence, McGee responded: "That's exactly what the international community has to avoid." He claimed that, there is "no question that people are being beaten for the way they voted in the last election to ensure that they vote the right way in any run-off here." He maintained that fair elections are not possible, and called for a "force of election monitors in the country, well before the run-off, who would stay here until the results are announced." He made no mention of government assertions that the MDC was carrying out violence to provide a pretext for the kind of intervention that McGee was talking about.

The real issue for the Anglo-Dutch financial cartel in Zimbabwe, however, is not violence. Before the March 29 election results had been announced, McGee said at an April 24 press conference in South Africa, that the United States would lift sanctions and disburse billions of dollars to Zimbabwe, if a new, pro-free-trade government were to take power.

The day after McGee asserted that post-election violence is making a fair run-off vote impossible, Tsvangirai on May 17 added to the histrionics by announcing that he had postponed his return to Zimbabwe to begin campaigning, because an assassination plot made it too dangerous. It cannot be ruled out, however, that the British would organize the assassination

of the candidate they have been backing, and blame it on Mugabe, so as to strengthen the anti-Mugabe fervor they have already whipped up. Remember the case of former Pakistani prime minister Benazir Bhutto's return to Pakistan last December; her assassination was set up by British imperial circles.

Zimbabwe Justice Minister Patrick Chinamasa responded to the claims of violence being made by the MDC and its backers: "Whenever there is a claim of an act of politically motivated violence committed, it should be very good that we form joint teams made up of the Zanu-PF [ruling party] and MDC so that we can establish the veracity of these claims."

Is BAE Money Behind Latest Sudan Destabilization?

May 12 (EIRNS)—In light of charges that the government of Chad played a role in the recent rebel military actions in targeting the Sudanese capital of Khartoum, the question must be asked: Was BAE slush fund money behind this latest destabilization?

As *EIR* documented last year, BAE Systems, the British defense and aerospace giant, has used the "al-Yamamah" deal with Saudi Arabia, and other arms-for-oil barter deals with other countries, to build up a massive off-budget covert fund, which has been used to run British intelligence operations around the globe, since 1985. *EIR*'s estimate is that al-Yamamah alone generated \$100 billion in untraceable offshore funds to finance such operations.

In his authorized biography, *The Prince*, by William Simpson, Prince Bandar freely admitted that the al-Yamamah fund was a geopolitical covert program, involving Saudi Arabia and Great Britain, and that one of the covert programs run through the operation was the arming of Chad, to repel Libyan invaders.

Senegal President: Africa Must Master Food Independence!

May 13 (EIRNS)—Senegal President Abdoulaye Wade calls for Africa not only to become self-sufficient in food production, but to generate food surpluses, in an op-ed published on May 11 in the French daily *Journal du Dimanche*.

Wade pointed out that, "Every time there is a food crisis in Africa, the proposal is made to put out the fire—without fighting to solve its causes. One sends us airplanes with emergency aid, instead of helping us to produce what we eat." Wade continued, "I intend to use the occasion provided by this crisis to finally ensure our food independence.... The objective is to mobilize populations to achieve a surplus of food production."

Wade described a six-year deal Senegal just signed with India. Senegal will buy 600,000 tons of rice from India this year, which is Senegal's total yearly consumption of rice. However, through "technical assistance, equipment, seeds, and training," provided by India, the deal mandates that next year Senegal will only import 400,000 tons; in the following year, 300,000 tons, etc. Wade says: I will not take financial aid, but if somebody tells me, "We will give you pesticides, seed, and tractors ... I accept." Senegal just adopted two measures in this direction: 1) lifting taxation on all farm revenue over the next five years, and 2) lifting taxation on all imports of farm equipment.

Senegal Launches 'Grand Agricultural Offensive' for Food

PARIS, May 19 (EIRNS)—Senegal was among the African countries recently rocked by food riots, due in particular to a 45% increase in the price of rice. Yet, on-the-ground African sources report that rice was available, both in the shops in Senegal, and offshore on boats. But the owners of the boats and shops neither delivered it, nor made it available for sale, because they were speculating on the price going up! In a May 17 interview in the French daily *Libération*, Senegal President Abdoulaye Wade explained that Senegal initially became dependent on rice imports during the French colonial

period, since France produced rice in Indochina, and used Senegal to produce peanuts for oil.

To bring the hunger crisis to an end, Wade today set forth an ambitious policy for food self-sufficiency, which he called the "Grand Agricultural Offensive for Food and Abundance" (GOANA). The aim of this policy, he said, is to satisfy all our food needs and to fill up our granaries. By next Winter, Senegal should have 2 million tons of corn, 3 million tons of manioc, 500,000 tons of rice, and 2 million tons of other cereals, such as sorghum and millet. 400 million liters of milk, and 43,500 tons of meat should also be produced.

Wade added that the government will take all measures to make quality seed and equipment available to potential producers; some of the equipment has already been imported from India, and more is coming. Wade called on ministers, high-level civil servants, company management, and staff, to cultivate at least 20 hectares of land. He announced also that ships were under way with urea to produce fertilizer. "Why is this possible? Because we have proven we can do it," said Wade, who recalled that in 2003 they increased manioc and corn crops tenfold.

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