

EIR

Executive Intelligence Review

August 1, 2008 Vol. 35 No. 30 www.larouchepub.com \$10.00

The U.S. Banking Crisis: Time Is Running Out
Obama the Soufflé—or, the German Masses' Gullibility
British Unleash Ergenekon Network To Destroy Turkey

**LaRouche Webcast:
'Still Not Too Late for You'**



Founder and Contributing Editor:

Lyndon H. LaRouche, Jr.

Editorial Board: Lyndon H. LaRouche, Jr., Antony
Papert, Gerald Rose, Dennis Small, Edward
Spannaus, Nancy Spannaus, Jeffrey Steinberg,
William Wertz

Editor: Nancy Spannaus

Managing Editor: Susan Welsh

Assistant Managing Editor: Bonnie James

Science Editor: Marjorie Mazel Hecht

Technology Editor: Marsha Freeman

Book Editor: Katherine Notley

Photo Editor: Stuart Lewis

Circulation Manager: Stanley Ezrol

INTELLIGENCE DIRECTORS

Counterintelligence: Jeffrey Steinberg, Michele
Steinberg

Economics: Marcia Merry Baker, Paul Gallagher

History: Anton Chaitkin

Ibero-America: Dennis Small

Law: Edward Spannaus

Russia and Eastern Europe:

Rachel Douglas

United States: Debra Freeman

INTERNATIONAL BUREAUS

Bogotá: Javier Almaro

Berlin: Rainer Apel

Copenhagen: Tom Gillesberg

Houston: Harley Schlanger

Lima: Sara Madueño

Melbourne: Robert Barwick

Mexico City: Rubén Cota Meza

New Delhi: Ramtanu Maitra

Paris: Christine Bierre

United Nations, N.Y.C.: Leni Rubinstein

Washington, D.C.: William Jones

Wiesbaden: Göran Haglund

ON THE WEB

e-mail: eirms@larouchehub.com

www.larouchehub.com

www.larouchehub.com/eiw

Webmaster: John Sigerson

Assistant Webmaster: George Hollis

EIR (ISSN 0273-6314) is published weekly (50
issues), by EIR News Service, Inc., 729 15th St. N.W.,
Washington, D.C. 20005.
(703) 777-9451

European Headquarters: E.I.R. GmbH, Postfach
1611, D-65006 Wiesbaden, Germany;
Bahnstrasse 9a, D-65205, Wiesbaden, Germany
Tel: 49-611-73650

Homepage: <http://www.eirna.com>

e-mail: eirna@eirna.com

Director: Georg Neudekker

Montreal, Canada: 514-855-1699

Denmark: EIR - Danmark, Sankt Knuds Vej 11,
basement left, DK-1903 Frederiksberg, Denmark.
Tel.: +45 35 43 60 40, Fax: +45 35 43 87 57. e-mail:
eirdk@hotmail.com.

Mexico: EIR, Manual Ma. Contreras #100,
Despacho 8, Col. San Rafael, CP 06470, Mexico, DF.
Tel.: 2453-2852, 2453-2853.

Copyright: ©2008 EIR News Service. All rights
reserved. Reproduction in whole or in part without
permission strictly prohibited.

Canada Post Publication Sales Agreement #40683579

Postmaster: Send all address changes to EIR, P.O.
Box 17390, Washington, D.C. 20041-0390.

EIR

From the Assistant Managing Editor

In his July 22 webcast, “Still Not Too Late for You,” Lyndon LaRouche made clear that the mortally wounded global financial-monetary system requires, not reforms—“but a *dramatic, complete solution*—a new system.” It’s not as if he has not said this before; but today, virtually no sane person challenges LaRouche’s long-stated view that we are at the end of the system. The question is how to get people to act.

Much of the discussion centered on the question of who will be the next President of the United States, especially as that involves the insurgent movement within the Democratic Party for an open convention. LaRouche, in his usual manner, was brutally frank: the issue is not the candidate, but the candida-cy. That is: Our policies must be adopted *now*; they cannot wait until next January. This means, especially, LaRouche’s three-step emergency recovery program, based on FDR’s model, which he elaborated in depth at the webcast.

And, as Nancy Spannaus writes this week, the insurgency we see today among Democrats against the British faction behind Barack Obama’s candidacy first emerged at the 2004 Democratic Convention in Boston, in response to the LaRouche Youth Movement’s “New Politics,” based on Classical music and science.

Two days after LaRouche spoke in Washington, the “Pretender to the Throne” Obama’s worldwide photo-op tour, took him to Berlin, Germany, where he addressed huge, ecstatic crowds, Nuremberg-style. Observing this, Helga Zepp-LaRouche writes that, even more disquieting than Obama’s empty words and vacant promises, is the German masses’ reaction to Obama, as the new “charismatic leader.”

But, there are encouraging signs that many around the world are jumping off the “Ship of Fools” into the lifeboats—especially in reaction to the growing hunger crisis, as our Paris correspondent Karel Vereycken reports from the WTO’s “last chance” meeting on trade, where “Rabelaisian” tactics were deployed against the imperial Peter Mandelson.

With only a few weeks before the Democratic Convention, we will indeed need Rabelaisian wit to overcome the dangerous foolishness that surrounds us.



Cover This Week

Lyndon LaRouche
addresses a
Washington
webcast on July
22.



EIRNS/Stuart Lewis

4 LaRouche Webcast: Still Not Too Late for You

Lyndon H. LaRouche, Jr. declared, in a webcast one year ago, that the collapse of the global financial system was not “about to occur,” but was, in fact, ongoing. Now, a year later, he told a Washington webcast audience on July 22 that we are not facing a depression, but a *general breakdown crisis*. He emphasized that “the present international monetary-financial system will die, and will never recover. This system is finished,” and “the only possibility that exists now, is to create a replacement system, based on the principles of the founding of the U.S. economic system, with the founding of the actual Constitutional government, as defined under, particularly, Alexander Hamilton.” LaRouche called for three specific remedies, which are not cures to the problem, but without which “there’s no future for the United States and no future for the world.” We publish the full text of the webcast, including the extensive discussion period.

Economics

32 The U.S. Is Running Out of Time To Save Itself

Bank stocks are plunging as the banks continue to report losses at rates which are both astonishingly high, and yet fall well short of the truth. While these stock declines do not directly impact the balance sheets of the banks, they do serve as a warning that the banks are severely wounded, with more trouble expected.

35 Geneva Trade Talks: WTO’s ‘Ship of Fools’

38 UN Session on Food: No Solutions Offered

39 Purdue Economists Detail World Food Shortages, Biofuels’ Impact, High Prices

What’s Driving Food Prices?, a report by the Illinois-based Farm Foundation, was released on July 23. It was prepared by three economists from Purdue University.

42 Gore’s Solar Proposal: How It Kills: Some Elementary Facts

International

44 British Unleash Ergenekon To Destroy Turkey and Its Peace Role

The Ergenekon, a criminal network with links both to NATO and state security services and to terrorist, assassination, and criminal networks, had planned a “strategy of tension,” aimed at paving the way for a military coup against the government of Prime Minister Recep Tayyip Erdogan. Behind these moves are British efforts to launch another Southwest Asian war.

48 PKK Terrorists Named ‘Drug Kingpins’; Nations Move Against Narcoterrorism

The Kurdistan Workers Party (PKK) is a British-protected separatist outfit based in Turkey, a drug-funded “narcoterrorist” army, whose only purpose is to destroy the nation-states of Southwest Asia.

53 Obama the Soufflé—or the Gullibility of the German Masses

Helga Zepp-LaRouche writes that Barack Obama’s speech in Berlin showed him not only to be of little substance, but to have policies nearly indistinguishable from those of the Bush-Cheney Administration. But even more disquieting, is the German masses’ continued susceptibility to “charismatic leaders.”

55 Sanctions, Foreign Prosecutions Aimed To Sabotage African Crisis-Resolution

57 International Intelligence

National

58 Youth Regained: Democratic Party Begins To Come Alive

Only by understanding the impact of the LaRouche Youth Movement on the Democratic Party at the July 2004 Democratic National Convention in Boston, can one account for the revolutionary ferment which is erupting in the Party today, in an insurgency against the British-backed attempt to impose an Obama Presidential nomination.

Editorial

64 An Opportunity Not To Be Missed

LAROUCHE WEBCAST

Still Not Too Late for You

Lyndon LaRouche delivered this address to an audience in Washington, D.C., on July 22; it was simultaneously carried on the Internet at www.larouchepac.com, the website of the LaRouche Political Action Committee. LaRouche's opening remarks were followed by more than two hours of discussion, moderated by his national spokeswoman, Debra Freeman.

Debra Freeman: I think many of you gathered here, and many of you who are listening via the Internet are aware, it is ironically the exact anniversary of a similar presentation that Mr. LaRouche gave, here in Washington, in which he declared, without any reservation, that the collapse was not “about to occur,” but that it, in fact, was ongoing. When Mr. LaRouche said that, people felt that it was a radical statement, that it was, perhaps, hyperbole, that perhaps it was a metaphor that was declared for effect. Yet, here we are, a year later; None of the solutions that Mr. LaRouche put on the table one year ago, were adopted.

And look at where we are right now: Over the course of the last week, we've seen the failure of one major bank. Today, every American woke up to the nervous jitters of losses posted by Wachovia, which I believe is now this nation's largest bank. And, in the words of many of our nation's top economists, what we are in the throes of right now, is the beginning of the end.

At the same time, we're in a Presidential campaign, where the two apparent nominees, don't really have very much to say about the economy. John McCain, the Republican, says that economics was never really his “strong point.” And in the case of Barack Obama, his actions since early June are inexplicable even to those who are closest to him. And in fact,

many are referring to him, these days, as the Manchurian Candidate—despite the fact that he seems to have virtually every ethnic ingredient in his background *but* Chinese. Although, who knows?

However, it is with this backdrop, that Mr. LaRouche, once again, comes to this podium, once again with clear proposals to avoid complete social chaos. And perhaps now, with ruling circles in the United States, and in Europe, with far greater appetites for those solutions than they had a year ago.

There are more things that I could say. And there are more things that will be said, during the course of today's proceedings. But I know that I'm very anxious to hear what Mr. LaRouche has to say; I believe that you are as well. So, Ladies and Gentlemen, please join me in welcoming Lyndon LaRouche.

The Present System Will Never Recover

Lyndon LaRouche: Thank you. Thank you.

The first thing to settle, is that the present international monetary-financial system will die, and will never recover. This system is finished. The only possibility that exists now, is to create a replacement system, based on the principles of the founding of the U.S. economic system, with the founding of the actual Constitutional government, as defined under, particularly, Alexander Hamilton. And if you don't understand, and agree, with Alexander Hamilton, it's like saying, there is no future for you.

Now, last year, I proposed, in steps, three specific remedies, which are not cures to the problem, but are absolutely necessary to be put into place *immediately, then, and even*



EIRNS/Stuart Lewis

"What we face today, is a crisis which is very similar to that of Europe's 14th Century," LaRouche said. "It's much worse, but of the same type. And without a miraculous solution, a dramatic solution—there is no possibility that civilization will survive, as civilization."

more so, now. These three remedies—without that, there's no future for the United States and no future for the world. We're not looking at a depression. We're looking at what is called a *general breakdown crisis*. That is, where money goes out of existence—it's no longer really negotiable. So-called financial assets don't exist. Everything evaporates, in a worse crisis than the type that occurred during the middle of 14th-Century Europe, which was called a New Dark Age. A period in which half the parishes of Europe disappeared, and one-third of the total population. It was not until a half-century later, with the Renaissance, that there was the beginning of a recovery of civilization, and that was almost a miracle.

What we face today, is a crisis which is very similar, under admittedly different historical circumstances, than that of Europe's 14th Century: It's much worse, but of the same type. And without a miraculous solution, a dramatic solution—not reforms—but a *dramatic, complete solution!*—a new system: Without putting a new system, of the proper design, into effect immediately—not by experimenting back and forth, but by putting the system in, with foreknowledge and according to prescription: Without those measures, there is no possibility that civilization will survive, as civilization. Mankind would survive. After a vast depopulation of the planet, probably as much as the 3.5 billion people that Al Gore and Prince Philip of England, want eliminated.

Remember, that Al Gore is a stooge for Prince Philip. Al Gore is like Aaron Burr: Both were once Vice President of the United States. Both were *traitors* to the United States, on behalf of the British monarchy. And the Prince has demanded that the human population drop, from 6.5 billion presently, to

less than 2 billion—and that, in short order. Al Gore's entire career is devoted to that end, and he is a flunky of Prince Philip. He is a British agent, like Aaron Burr, the traitor. Gore is implicitly a traitor. And he is trying to run for President of the United States, as soon as Obama drops. That's his big ambition, or his true ambition.

There Will Be No Foreclosures

Now, what I propose, is to review what I proposed a year ago, in steps: First of all, that all regular banks be put into bankruptcy protection, by the Federal government. This means they will not close their doors. This means that there will be a restriction on which of their accounts will be paid; the rest will be frozen. At the same time, there will be no evictions of householders because of mortgage default. They will remain in their homes under conditions which are acceptable conditions, and they will continue to function under bankruptcy protection. There will be no foreclosures. There must be no more foreclosures, except in the ordinary case, where there should be anyway, because people are leaving or so forth. But where people intend to stay in their homes, there should be *no* foreclosures. We can have foreclosures on things which are, in a sense, held out for rent, but not for occupancy.

That's number 1. The idea is, the first thing you have to do, is you have to save the people. And the people, in general, live in homes.

We're not going to have communities shut down, which means that the local bank on which the community depends for its functioning, will not be closed; the doors will remain



EIRNS/Stuart Lewis

EIRNS/Stuart Lewis

The collapse of Wachovia bank is paradigmatic of the financial crisis, and the result of Congress's failure to adopt LaRouche's Homeowners and Bank Protection Act (HBPA). "The Congress of the United States, under the leadership of Nancy Pelosi, has blocked this, absolutely. And she's on the wrong side. She should get on another side—outside." Shown, a house for sale in Leesburg, Va., offers "job loss insurance" as a come-on.

open. This, however, is only for certain banks, for banks which are banks of deposit, and chartered under the Federal government and the state governments, as depository institutions which engage in lending.

So therefore, the first thing was the Homeowners and Bank Protection Act. That was necessary. It was presented, it was presented actively around the country. It was blocked. It was blocked by the Democratic Party leadership. Blocked by the same people who presumably were enthusiastic, until the recent time, for Barack Obama.

So we see the result. We see that the foreclosures are now moving in. Communities are being shut down. And the banks are closing, like Wachovia and others—Wachovia's a piece of junk, but it also does regular banking, and it gobbled up a lot of small banks. And therefore, we have a threat to the continued functioning of communities in which people live. That is, even if we keep them in their homes, the jobs on which they depend to stay in their homes, are going away, because the banks which are involved with these jobs, are being closed. The rate of bank foreclosures across the Atlantic, and around the world, is beyond imagination.

That's the first measure. It wasn't done. A year has passed since I proposed that. It hasn't been done! Even though towns and city organizations, and state organizations, have proposed that it be done: It has not been done! The Congress of the United States, under the leadership of Nancy Pelosi, has

blocked this, absolutely. And she's on the wrong side. She should get on another side—outside.

We Need a Two-Tier Credit System

Nothing has been done, to protect the banks. What's happened? Let's take a recent case in this vicinity: Bank of America, Countrywide. Bank of America was told to absorb a dead corpse inside its body, Countrywide. We have been destroying banks that should have been saved, by putting the bomb inside them, in order to support institutions which are not worth saving, and should have been allowed to die, because they're of no use to the community! We don't need those mortgages! Those mortgages are a problem! We don't need these things. That wasn't done.

So, I had two other proposals, which I put forth during the course of those months: First of the two, we must have a two-tier credit system. Now, I don't know if Hank Paulson has the knowledge, or guts, to take this up. I'm not sure he has the knowledge involved. He probably will have an inclination or a wish to do something in that direction. But so far, he's done nothing. He's a half-competent person, but not fully competent—he's the Secretary of the Treasury. And I don't think he, or almost anyone else, in authority in Washington, has the guts to do what I've proposed: create a two-tier credit system.

In other words, the proposal is: 4% is the standard interest rate for regular banking, the basic interest rate. The purpose of

that is not just adjusting the interest rate. We have a situation, now, where our enemy—as it was in the time of Aaron Burr—is Merrye Olde England! And Merrye Olde England set up a system in Europe, under which England, Great Britain, has the highest official interest rate; Europe has a slightly lower interest rate. And the United States has been driven down to 2% and is threatened with going lower, which is insane.

This manipulation has the following effect: The British are determined to destroy the United States. That's what that is about—and they say so! And many in Europe are out to destroy the United States. They say, "Good!! This is going to destroy the United States!" And that's what the 2% interest rate, borrowing rate, is: Destroy the United States.

Because, what happens then, with the 2% interest rate, the discount rate, what you get is an outflow of the financial capital *from the U.S. banking system!* I am determined that I can beat the British, and sink them, and kick Europeans who cooperate with the British in the head, by a 4% standard rate throughout the Federal Reserve System. Why? Because the British are a bunch of parasites. They don't use the money for solid investment. The continental Europeans are not allowed to do that, under the Maastricht agreements. Therefore, if you protect bank deposits by having a 4% interest rate in the United States, that means that you're going to keep your financial capital that's viable, in those banks. That is, you're not going to take the capital out of the banks, and put it on the street, for lending. You're going to keep it in the bank, but you're going to use the bank credit of that financial capital *in* the bank, as a lendable asset, which you will lend, either at 4%; or, with government protection, Federal government protection, as low as 1-2% for special projects.

That means that the capital of the United States, including its financial assets, its credit, *will not be depleted, the way it's being sucked dry now!* We don't have to have a 5% interest rate, of the type the British are using. We don't need that. Because the British are a bunch of parasites. They don't invest in their own country. *We* invest in our country. *We have* to invest in our country. Therefore, if we have credit in the bank, we're not going to take the money out of the bank.

What we're going to do: The Federal government will simply take the fact that the Federal Reserve System banks, and their affiliates, have credit in the form of deposits, or the equivalent of deposits, in the bank. They will now issue loans, which will be new money, in a sense, in circulation, for specific purposes, on the basis of the asset, the financial asset which remains in the bank. In other words, the first thing here is to keep the financial assets of the United States' regular banking system, as much as possible *inside the United States*. Don't deplete that capital, by shipping it out and loaning it. Keep it in the banks as credit, under Federal regulation, with the assistance of the Federal Reserve Board. Then use that credit *in* the banks, to utter new credit, for authorized purposes to make the economy grow, and to solve some of the problems.

That's a defensive measure. It's not a solution; it's a defensive measure.

Put the Banking System Under Federal Protection

We had a similar kind of situation in the past. Roosevelt did that, in his own different way, under different circumstances. *We need to have a growth program—now! A physical growth program!* Not a financial growth program, as such, but a *physical* growth program. We have people losing jobs, we have communities disintegrating. We have infrastructure going, we have health care collapsing. *We need tangible investments!* Job-creating investments. Physical capital investments. Infrastructure investments. *We need them!* We've got to increase our rate of employment, of productive employment especially. We don't need more bookkeepers. Look what they've done to us! What we need is *work*. We need significant production.

So, at the first stage, we have to say, on a Tuesday for example, that, "now, the banking system is under protection." And the Federal Reserve System is bankrupt. So what? The Federal Reserve System is not the U.S. government. The Federal Reserve System is a chartered banking system. It will be put into receivership, for protection, by the Federal government. Then it will function, like a regular banking system, under the U.S. Treasury! The credit it uses will be the debt of the U.S. government, under the U.S. credit system. And that credit that's generated, will then be used, *through* the banking system—when not directly by the government—to create the additional investments we need to stabilize this economy.

Now, what that means in respect to Europe: Europe, today, Western and Central Europe, under Maastricht, is not *allowed* to do anything intelligent. It's a British trick. So therefore, Europe is not able to do this, as long as it remains under the Maastricht dictatorship. We are free. If we can get rid of that idiot in the White House, or get him under control—we are free to begin a defensive measure, to defend the U.S. banking system, *to build up the relative value of the dollar, relative to every other currency on this planet!* And our friends in China will be happy with that. Because, right now, they're about to lose everything, because of the collapse of the dollar.

We are going to defend the value of the U.S. dollar. We are going to increase its value on the markets, by doing this, by these kinds of measures—if we can get our idiots under control. *We have* to do it: Because if we don't do it, *we will die!*

And the problem is, you've got people who say, "Well, I would like to do that, but you know, it's so risky, it's so awesome, I don't think we could do that." Buddy! You're not telling people what you got to tell them. Look, buddy! The word is, the ship is sinking, *get off it!* Don't negotiate for a new stateroom on the *Titanic*! This thing is going down! You want to go down with it? Well, if you don't want to go down with it, get into this lifeboat. Now! Don't tell me it's too fearful to get into the lifeboat. What you ought to be afraid of, is the sinking

ship, not the lifeboat!

And what I'm proposing in this respect, is simply setting up a system, a flotilla of lifeboats, to save the U.S. dollar! And I think we could increase that by about 20 or 30% fairly rapidly—which I think some of our friends in China will be a little bit relieved by that. Because we owe them a lot, in dollars! And if these dollars are collapsing, that is not good. We have to *defend* the U.S. dollar. It's necessary for us, it's necessary for the world. And there's no "it's too scary." No, it's not "too scary." Going down in the *Titanic* is scary. The lifeboat is a little bit worrying, but it's a better option! And any intelligent person would recognize that.

The third thing is, this can't go on indefinitely. We must take measures to defend the U.S. dollar. We must have a goal of increasing the relative value of the U.S. dollar by 20% in a short term. I think we can do it, if we get the right action from Washington.

Send Obama to the Woodshed

All right. But now, we've got to go to a further step: We then have to go—and this is going to be the tricky one. This where you send Obama to the woodshed, or someplace else. We have to have a Presidential candidate of the United States—because we can't wait till November—some time in the short time ahead; we have to have a leading Presidential candidate of the United States affirm what I have proposed be done: That is, the United States must propose to the governments of Russia, China, and India, that these four major countries will agree to sponsor a committee, an alliance of powers, including other powers, to establish a fixed-exchange-rate financial-credit system internationally, of the type that Roosevelt intended in 1944, *not* what Truman did in 1945!

What Roosevelt proposed was a credit system, whose intention was, to eliminate colonialism, especially British colonialism. And Roosevelt said that, repeatedly, very clearly, to Churchill. "Winston! When this war is ended, Winston, we're not going to have your empire. We're not going to have colonies. These people are going to be free. They're going to have their own governments. And no more empire!" And how are we going to do that? Well, we had the greatest military machine the world had ever known: a production machine! What the Nazis would produce in a few hundred pounds, we would produce in *tons*. Our soldiers were not well-trained, in general. They'd just got into the service, off the streets or out of the woods, a short time earlier. Trained in 16 weeks, and a few

other weeks, and sent overseas to war! This is not your recommended army.

But we had *tonnage*: Every man in service had tonnage behind him! And with that tonnage, and that power of mobility and logistics that we had, *we won the war*! Together with other people who cooperated with us, *with aid of our tonnage*! It was our tonnage that Russia depended upon, the Soviet Union depended upon, to defend itself against Hitler. It was *tonnage* that was required, tonnage of materiel.

So we had the greatest machine for production the world had ever known, at the end of the war. It had been built up, in large degree, for military purposes. But there's no difference between logistics for a military purpose, and the technology



National Archives

We had the greatest machine for production the world had ever known, at the end of World War II, built up under FDR's leadership. Shown: FDR inspects an airplane during the World War II military/industrial buildup; a woman welder at the Inglewood, Calif. plant of North American Aviation works on a sub-assembly for the B-25 bomber, December 1942.

required to build for an economy: bridges, ships, railway systems, everything—machine tools. All of these kinds of things, are just as much interchangeable with materiel for war, and material for peace.

Roosevelt's intention, as he stated clearly, was that "once the war is ended, *Winston!*"—and this was in Casablanca—"we're not going to have your system any more!" And he laid out a scheme for a large-scale development of Africa! "We're not going to have colonies any more. We're going to help these people have independent nations. We're going to cooperate with them. And we're going to eliminate your empire, *Winston!*"

Well, the problem was, that Roosevelt died, and Truman was a stooge for the British. And that's no exaggeration.

The Churchill-Truman Alliance vs. FDR

So, what Churchill did, was enter into alliance with Truman—and with the British behind Churchill—and they decided they were going to start a preventive nuclear attack on the Soviet Union. Why? *To defeat Roosevelt's intention!* Because Roosevelt's intention was to take China, Russia, and the United States, who were the leading powers of the world at that moment, at the end of the war, and through a system of cooperation, redevelop the world, a war-torn, ruined world.

So what do you do? You start a war! With the leading allies and partners of the United States under Roosevelt, you start a war, under Truman, against those same allies. In order to preserve, what? The British Empire. Instead of eliminating British colonies, Churchill and company, with Truman's support, backed the reinstallation—for example, under British orders, the Japanese troops in prison camps in Indo-China, were told to get out of the prison camps, pick up their weapons, and go back into the occupation of Indo-China. Indo-China had freed itself from French imperialism, with U.S. backing: Ho Chi Minh was a friend of the United States, a friend of Roosevelt, a friend of Roosevelt's machine. We turned friends into enemies! Allies into enemies! We helped the Dutch do the same thing in the Indies. We made a mess of the freedom of India, a year after I left the place—again, the British.

So, we, under Truman, systematically destroyed Roosevelt's intention. Roosevelt's intention, was: We take our great economic machine, our agro-industrial machine for capital goods, and we use this weapon to free these subjugated people; and by doing so, to *free the world from the damned British Empire!* And Truman was an ally of the cause of the British Empire. And that's how this mess came about. That's how we came to a Cold War, through this process; how we came to witchhunt terror in the United States; how our youth, the white-collar youth, born between 1945 and 1958, were in large degree, turned into a pack of intellectual mongrels, degenerates, by things like the Congress for Cultural Freedom, and the comparable existentialist operations inside the United States.

That's where the '68ers came from! A product of the same

thing that happened in France, under Napoleon III, which became known as the Synarchists. And what we have, today, among certain strata of the white-collar Baby Boomers, now, generally between 50 and 65 years of age, they are Synarchists! They're fascists! And that's what Gore's constituency is: fascist. That's what the environmentalist movement is: It's fascist! It's a Synarchist movement, modeled upon the Synarchism as developed under Napoleon III, which was then put through various existentialist migrations in the 20th Century, where it became known as fascism. Including the fascism of H.G. Wells of Britain, that sort of thing.

So, that's been the problem! So, what we have to do, is recognize that where Roosevelt was going to use the productive power of the United States, at the end of war, when we were the greatest power the world had ever known, in terms of financial, economic power, to use that power, to *free the world from imperialism*, by helping nations, which should be nations, to become nations. And creating a fraternity of nations, based on this idea, of building a world system of sovereign nation-states, which would eliminate empires—especially the British Empire.

And all the Hell that we've had—and we've had a lot of it, up to the present time, since the day Franklin Roosevelt died—has all been a result of this damned British Empire.

Our job, as the United States, is to reaffirm the commitment of Franklin Roosevelt before he died, a commitment he stated clearly to many people, many leading people in the world at that time, while he was still alive: to free, and help the development of people who had been semi-captive or captive peoples of the world, and to build an alliance of sovereign nation-states to manage this world, and to end empire, forever. And to devote ourselves to the missions of the Peace of Westphalia.

The Common Aims of Mankind...

The mission of man is not to win wars: Sometimes we have to fight war, but that's not our intention. The power and importance of the nation does not lie in fighting wars. Wars are terrible things! They're awful things! Some Baby Boomers don't understand that; they sent people into this thing in Iraq, because they don't understand what war is! War is something which you do if necessary, as *briefly* as possible, and do everything possible to avoid it—if you understand war.

So, the aim of sovereignty is *not* to become a war power. The need to be able to defend one's nation—yes! But to become a war power? No! To become an empire? No!

We are peoples on this planet, of different cultural backgrounds. We depend upon our association with our culture, in order to think, in order to communicate among ourselves, among our own people. And to unite our people with a common culture, or what becomes a common culture, to cooperate with nations of other cultures, and to define common aims of mankind, common goals of mankind—I'll refer to one here, today, of that type. This is something we're sup-

posed to have learned in 1648, with the Peace of Westphalia: The aim of victory lies not in war, but in peace. In the peace of peoples who have replaced killing each other, with cooperating with each other. And using their differences in cultural background, as the basis for their cooperation, not for their conflict. And to use the weapons of warfare, only as is necessary to maintain and defend that peaceful order, with a minimum of effort, a minimum of conflict when necessary,

So therefore, the time has come, instead of saying, “Who is the enemy?” I can tell you who the enemy is: the British Union Jerk. That’s an enemy; there are other enemies. But how to overpower our enemies? What’s the best way to overpower our enemies? To conquer them? No! Conquest is not victory! It’s to dissuade them from continuing to be enemies! And how was that done in 1648? It was done through the Peace of Westphalia, of putting the benefit the other, above one’s own. And if people do that, then, you have a system of cooperation, a Westphalian system, as it’s called. That was Roosevelt’s intention: to create a global, Westphalian system. You take leading nations of the world, which at that time, were the United States, China, and Russia—the Soviet Union, then—who had conflicts! Very serious conflicts. And to take these nations, and bring them together by working, each for the benefit of the others, the common benefits.

Now, today, we’re at a point, where there’s one project which typifies what should be done: It’s a project which came out of the success of the United States in defeating the British agents called the Confederacy—the traitors, the Confederacy.

We had developed, in the United States as nowhere else, we had developed the concept of transcontinental railway systems. Transcontinental railway systems were developed as a technological capability, superior to inland water systems. In other words, what Charlemagne did in Europe: Charlemagne took the rivers of Europe, under his regime; identified the rivers of Europe, and prescribed a program of developing canal systems which would connect these rivers in such a way that you would have an inland water-based transportation system for freight, in particular, throughout Europe. As a matter of fact, that system was just completed recently, at the beginning of the 1990s—the last leg, the Rhine-Main-Danube connection.

So railroads came along, and usually you will find the first major railroads ran along the side of rivers and canals, like the Baltimore & Ohio system. You will find the old system, the railway system, ran beside the canal, the Chesapeake & Ohio Canal, which was a very important strategic development in the United States.

...Versus Geopolitical Wars

Today, we have the same challenge, in a different form. All the important wars of the world, fought since 1876, have been so-called “geopolitical wars.” Geopolitical wars

meant, that the United States had built a model, as a continental power, a transcontinental power—from the Atlantic to the Pacific, and from the Canadian to the Mexican border—this nation had been developed as an integral nation, largely by aid of augmenting existing and potential waterway systems, by railway systems: integrated the territory. By 1876, every leading nation of Asia had—for example, Sun Yat-sen, a little later, had a complete railway system for China! Complete design for a railway system! The development of the total internal territory of a nation, or a group of nations, to enable it to more efficiently than by ocean freight, move people, move goods, move raw materials, develop the territory.

So now, the fact is, the United States had led in this model; you had in France, you had in Germany, you had in Russia, you had development in part in China, a conception of taking all of Eurasia, as well as the Americas—the plan for moving railway systems down to Patagonia from the Canadian border, was a policy of that period! And to create a system, whose aim was a *fraternity of sovereign nation-states*, which would share the benefit of combined inland waterways, and railway systems.

Today, we have the same thing. We had it then, and still today! One of the great missions is to develop a maglev system, combined with railway system, which by opening up the Bering Strait, and by doing similar things into Africa—to take the major continents of the world, and to bring them together with one, high-speed transportation system for freight and people, especially freight, at maglev speeds, magnetic levitation, 300 miles an hour. These can be modular; you don’t have to have all this reloading as we do now. And this means that the raw materials of the world, can be developed as they otherwise can not be developed and managed. So therefore, this is the *common interest of mankind*, to develop this kind of system.

We’ve come to a time, where we can no longer rely on burning things as a source of power. We will burn water, with nuclear power! What we will do, with high-temperature gas-cooled reactors and similar kinds of nuclear power, is we will extract hydrogen from water; we will use that to make fuel based on hydrogen, hydrogen-based fuels, as a substitute, replacement, for petroleum as a source of power. When combustion occurs with that fuel, the waste is chiefly—water, not a pollutant. We will eliminate the kinds of crude methods we now use, by these superior methods.

So this is one example: the development of a global power network, as a cooperative effort among nations and among continents, for the common aims of mankind: a system based on separate, sovereign nation-states, cooperating with aid of these kinds of connections.

We must have that kind of mission, which is a 50-year, 100-year mission for mankind. And when we bring nations together, such as the United States, Russia, China, and India, and other countries today, for a future for mankind, this is



Charlemagne (above) identified the rivers of Europe, and designed a canal system for an inland water-based transportation system for freight, in particular, throughout Europe. The last leg of that system, the Rhine-Main-Danube connection, was completed in the early 1990s.

The Rhine-Main-Danube Canal



The Rhine-Main-Danube canal bridge of the Nuremberg-Ingolstadt high-speed rail line.

what we must have in mind. We must take the needs of various nations, look at what these needs are, for three, four, five generations to come, and say, “What projects do we have to develop, for the coming three, four, five generations? What are the means required? What is the apparatus we require to do this job? *What are the common aims of mankind?*”

And that’s the mentality we must approach.

Money: A Sovereign Instrument of Government

Now, what we would have, is a world system, a world credit system, not a money system. You would have money, but you wouldn’t have a *money system*. You have money as a sovereign instrument of government. What we would do, simply, is create a fixed-exchange-rate system, by adjusting

essentially what have been the trends in the relative values of currencies. Fix it there. And say, “We’re going to keep that fixed-exchange-rate system.”

Now, the changes that would come after that, do not come by manipulating currencies. They come by investment. They come by the use of credit for capital improvements, for large projects, for—all these kinds of things, really human development projects. What we do, is we’re taking what Roosevelt intended in 1944, with a credit system, called the Bretton Woods system, and uniting countries of the world around a fixed-exchange-rate system. So money is no longer an instrument of warfare; it’s an instrument of cooperation.

I’ll tell you how we do it; it is very simple. The United States under its Constitution, when the Constitution is obeyed, does not have a money system, like a Keynesian monetary



"I'm a little bit too old to be President," LaRouche said. But, I can still tell others what has to be done: "You cowardly fools! Get up off your butts! Stop this fooling around. Hey Paulson, get your guts up. I'll show you how to deal with the problem." Shown: some recent "bad news" headlines from the U.S. press.

system. That's a European disease, and it's a very bad disease with some nasty side effects. You get syphilis, also, among other things, from that disease.

But under a credit system, or the United States system, you can not utter money by central banking systems: Money, or credit which is convertible into money, can be allowed *only* through actions of governments. That is, *no bank can create money. Only a government can create money.* And the government creates money, by *credit*, by authorizing the utterance of debt, of the government, in the form of credit; and defines that debt as applicable to certain missions, that is, like investments, or developments of people.

Now, because the United States is the one major nation in the world, which has such a specific conception of economy, if a country such as Russia, China, India, makes a treaty agreement with the United States, which is a credit-based nation, then the currency of those countries—Russia, China, India, and other countries—becomes on an equal status with the United States, becomes an integral part of a world system, while preserving the sovereignty of each of these countries.

That's what Roosevelt's intention was. The reason we went to a Keynesian version of the Bretton Woods, rather than Roosevelt's intention, was, the British Empire. Truman decided the United States was going to be a partner of the British Empire in ruling the world. Roosevelt's intention was the op-

posite, was to create cooperation among the nations to eliminate the British Empire, which is the ol' bitch we want to get rid of.

I'm not against England being a sovereign country—it's better for them! Look at the way they're treated today, look at the way they talk! Maybe if they weren't an empire, they would have an English language again.

But the point is—the thing is so simple! A treaty agreement on long-term credit, like 30-year, 50-year agreements, on credit, among nations, which enter into such treaty agreements with the United States *automatically* have the Constitutional advantage of a global credit system, rather than a monetary system. And it becomes, essentially, a fixed-exchange-rate system. And that's what we need.

So, but these things, these are measures I've indicated, such as the action on the protection of people against foreclosures on mortgages; protection of real banks, as opposed to the phony ones; a two-tier credit system; and an international fixed-exchange-rate system. These are necessary instruments for creating a new world system, which can survive the inevitable death and disintegration of the present world monetary system. This is the only rational, feasible option, as an alternative to *pure Hell throughout the planet for generations to come.*

If you care about humanity, you will insist that these mea-

asures be taken, boldly, and now! Because we are, right now, after one year of mass stupidity from the top down, in the U.S. government and other governments, we're now *just weeks away, from the point at which the whole system goes into disintegration*.

What we're looking at is not a 1931. We're looking at something comparable to the 14th-Century European New Dark Age. Which came on suddenly, and wiped out half the parishes, and one-third of the population of Europe. And that can happen worldwide, if we don't stop it.

This Is Your Opportunity!

Now, I'm a little bit old to be President of the United States. But I'm not so old, that I can't tell one what to do. And that's what I'm saying. I'm saying, "You cowardly fools! Get up off yer butts! Stop this fooling around. Hey Paulson, get your guts up. I'll show you how to deal with the problem." And there are other people in the banking field and others who will join me in that. They're perfectly good people; they're talented, they don't know as much as they should; they make a lot of mistakes. But look, it's all we got! And you use what you got!

So, if these fellas will just have a little bit of my guts and knowledge, and act with the intention to do good, for this country and for the world at large—and the essential thing is, if you're not willing to do good for the world at large, you can't succeed, even in your own country. If you're not willing to enter into an agreement, a long-term agreement on a fixed-exchange credit system, with Russia, China, India, and with other countries brought into the same group—if you're not willing to do that, sincerely, *you're not going to survive*. And your descendants, when they come out of the caves four or five generations from now, will curse your memory, unless you do it. This is your opportunity. This is what must be done. Do you have the brains and guts *to know, you have to do it, now!*? Do you know, the Congress must stop what it's doing, because what it's doing is no good, and *immediately do this*? We have to get this idiot in the White House, somehow, to do that, to go along with it. To give Henry Paulson the guts and the advice to do what *he's* supposed to do, as Secretary of the Treasury, to implement this, to get the bankers inside the Federal Reserve System, who are competent bankers, and other bankers outside, together on this! And get a unity among people who understand, *we're at the end! We're at the end of the system!* Stop talking about compromises! Stop talking about halfway measures: *We must do this, now!*

We must first agree to do it inside the United States. We must have people inside the United States, who will say, "We are going to do it!" And once we say we're going to do it, we have to have a Presidential candidate, in the United States, who will be credible, in saying to the countries of China, Russia, India, and so forth, "*This* is what the United States is committed to do, as soon as I get to be President. And we can start it right now."

That's how you win wars, and that's what we need right now. Those three measures.

We've got people out there, as foolish as they have behaved—I know some of them have brains. Some of them have skills. They lack guts. I have the guts, and some of the brains they lack.

Let's do it.

Dialogue with LaRouche

Freeman: We have a number of questions from people here in Washington, and we also have a large number of questions that have come in from elected officials from around the country. Many of them are on the topic of the Presidential campaign. One is from a former cabinet member. He says:

"Mr. LaRouche, I do understand that it is your view that when it comes to the election, that nothing is etched in stone. However, it would seem that we do have to prepared for the possibility of an Obama candidacy. So, up to this time, a number of us who have served in past administrations, and who have some experience, have reached out to the Obama campaign, and offered our assistance in shaping policy. So far, all of those efforts have been rebuffed. We are somewhat at a loss as to how to proceed. There is some discussion that what we should do, is proceed independently of any candidate, and simply step forward and talk about measures that must be taken, if the nation is to move safely through this crisis. It seems to me, though, that without a political candidate to rally around, this is a very difficult prospect. We'd very much appreciate your advice."

LaRouche: I'm not surprised.

Look, first of all, the idea of people from the Hillary campaign and others approaching people in the Obama campaign, or talking to Obama himself, is just a sensible thing to do. What you agree to, and what you propose, has to also be sensible. And your estimate of the response you're going to get, also has to be sensible. You can't have a dreamworld presumption that in some miraculous way, you're going to get Barack Obama to be reasonable. He's not been trained to be reasonable; his owners won't let him be reasonable. And he's never done anything reasonable so far, in his entire campaign, which means anything for the interests of the people of the United States. He's a babbler. He's a puppet.

So, what's the purpose, on the one hand, knowing that you will never get anything good out of Obama? *Don't marry a lizard*. You may like the lizard, but you're not going to have children. So, don't look forward to that. What you're doing, you're talking about our other citizens, who have joined with the Obama campaign, some of them, who are very intelligent people, who have been leaders in the Obama campaign, and who are being betrayed "by the numbers" (as we say), by Obama, every time Obama turns around. Even Jesse Jackson,



George Soros (below), Obama's perfidious owner, got his training under Nazi mass murderer Adolf Eichmann, LaRouche said. "What he [Soros] described as his life under Hitler, under Eichmann—he said it was the happiest time of his life!" Eichmann is shown during his trial in Jerusalem in 1961. He was executed for crimes against humanity.



who is not the greatest genius on this planet, has had an instinctive insight into what Obama really is.

George Soros: Obama's Perfidious Owner

Now, the point is, that Obama is owned, chiefly, by a guy, who got his training under Adolf Hitler's Eichmann, Adolf Eichmann. He was of Jewish origin, but he was used as part of the dirtiest operation in the killing of one-half million Jews who were assembled in Hungary from areas, not only in Hungary, but Romania and elsewhere. And he was a conscious part of processing this property. Now, he was then an adolescent, and even his father was horrified by what he did. And this is all a matter of record; the father has recorded interviews on these questions, [George] Soros has had recorded interviews on these questions. He's never denied any of the facts, essentially. He's denied that it's important to him. What he described as his life under Hitler, under Eichmann—he was about third-down from Eichmann in the killer apparatus on his rank—he said it was the happiest time of his life! In other words, he was not somebody who committed something as a young man, under great duress. He remained, in his personality, in his instinct, in his behavior, exactly what Hitler had made him, what Eichmann had made him. And he's doing it around the world, today!

To get a picture of this, you take a book by an American, Ben Hecht, who was associated with Hollywood, a writer, and so forth. He wrote a book called *Perfidy*. And this is what he is! And what Ben Hecht showed—the significance of *his* particular writing on this, on *Perfidy*—is that Jews were processed to do this! And that's what he meant by "perfidy." Soros is a Jew, who became a Hitler tool, and, as a British tool today—and he's still a British citizen, not an American—is *doing the same thing today*, in terms of the way he's acting toward the human race, that he did when he was working for

Adolf Eichmann! Back in 1944, in the process of shipping a half-million Jews, gathered from Hungary, Poland, Romania, and so forth, gathering them in there for the slaughter.

And what Hecht referred to, the early part of this: Hitler had gotten a project going, under which he offered to release a certain number of Jews for every number of autos supplied by Britain and the United States and so forth, for the German army. And the killing process went on, on the basis—"you didn't turn over the trucks, so we kill the Jews. You didn't turn over the trucks; we kill the Jews." And *that is the essence of George Soros!*

What he's doing today, is not killing Jews in Hungary, or sending them to Poland to be slaughtered. But he's doing the same *kind* of thing! He expresses *exactly the same mentality!*

Now, *he* is the guy who did the financing—it's not his money, it's British money—of Howard "Scream." He's the one, the chief financier, the money up front, for creating Obama! Obama, as a politician, is a *creation of this!*

Now, when you're talking about, "Well, he might be President." Now, wait a minute, buddy! There's some lines you don't cross! He is not *fit* to be President of the United States, and his being the President of the United States, would be the *end* of the United States.

Besides, I don't think he's going to make it. He's like toilet paper: He's used and disposed of. Come September, come the end of the primary campaigns, presumably early September,

there's a gentleman sitting in jail in Chicago, Tony Rezko. Rezko is a British sub-agent. Rezko has been convicted on 18 counts, Federal counts. That, under present rules, portends a prison sentence of some considerable duration. The Federal prosecuting attorney, who conducted the case against Rezko, is planning, I think at the end of August, or beginning of September, to have a little chat, again, with Mr. Rezko. Mr. Rezko will find that, maybe, for the right conversation from Mr. Rezko, a certain part of his sentence might be reduced.

What the result of that would be, would be probably the impeachment of the governor of Illinois. The whole operation goes back to London, where the operation was conceived in the first place, because the money that came through Rezko to Obama, initially, personal money for his earlier campaigns, came from London—because Rezko had no money. So the house that was bought for Obama, came from Britain, from British money, through Rezko, who didn't have the money. And Michelle Obama's share of the property also came from the same source. And earlier things of the Obama campaign in Chicago, came through the same channel.

Obama's a British property.

Now, look at his performance. What has he done in the campaign? What has he argued for? What are the topics he's raised, what are the issues? He's a puppet! He's a puppet of the enemy of the United States, a puppet of that faction of the British Empire, which is out to destroy us. They don't want him! He's exposed. They don't want another Aaron Burr: They've already got one: They got Al Gore. They don't want him. They'll dump him! They'll come up with something which is more nasty, perhaps the Mussolini of Manhattan, Mayor Bloomberg, who's a tool of the Rockefeller Foundation, who has a program for the United States on infrastructure, which is a direct copy from the model of Benito Mussolini in the 1920s. The Mussolini of Manhattan, Mayor Bloomberg.

We have other unsalvageable creatures, who also are potential candidates. McCain probably won't make it. Why presume McCain is going to be the Presidential candidate? He's being set up. It looks as though we're going to get a Republican candidate of some kind. What flavor—lemon, orange, sassafras, whatever? We don't know.

But it looks like we're going to get a right-wing President, with a fascist program, who will not be a Democrat. But a couple of Democrats will be in there for color. And it won't be Obama.



barackobama.com

Obama was never intended to be the actual next President of the United States. "He was intended to screw things up. And he's done that! If you look at the whole operation. He defends the poor! He's a change agent!" He's not change! A quarter-billion dollars? That's not change!"

Let the Policy Determine the Candidate

Now, all this is subject to change, because you're dealing with a bunch of clowns—because what I'm saying today, may change the British mind, on what they're going to do about this thing. They listen very carefully to what I say—not because they like it, but because they like to suffer. And they've changed their tune a few times. So this does not mean I'm *predicting*—that's not what I'm going to do. I'm saying, "*This is the situation as it stands today. This is way the forces are arrayed. Unless they change the array of forces, this is what's going to happen.*" They may change the array of forces. My saying this today, may change their policy.

But Obama was not intended—was *never* intended—to be the actual next President of the United States. He was intended to screw things up. And he's done that! If you look at the whole operation, you know, "A poor man, gee, you know, this guy Obama! He defends the poor! He's a *change agent*!" He's not change! A quarter-billion dollars? That's not change!

So, we, in dealing with this issue, on the question, have to take such considerations as I've just outlined, into account, such scenarios into account. Because this scenario is simply typical of a variety of similar scenarios, but with different particular predicates, which are going to come at us.

We have to save the United States for the mission I indicated. Therefore, we have to do our work, to get a Presidential candidacy. In other words, we're not stuck to a person, we're stuck with a candidacy, of people who are prepared to go in there, from the Democratic Party *and* the Republican Party, to

fight for a policy for the United States, and let the policy determine the candidate! Not beg for a candidate and say, “Well, let’s try—maybe he will give us a good policy.” That hasn’t worked out too well, recently.

Let’s, this time, choose the *policy*, and then find the candidates that fit the policy. And we want a candidate who’s talking in that direction to begin with, or thinking in that direction. We saw what Hillary did, especially starting with New Hampshire. She adapted her campaign to a policy-impulse. Okay, so we knew what Hillary was; we know what she is, today. We have other figures in U.S. politics, we understand them. Some of them are not electable, but they’re decent people. We know what they are, we know what their policy is. If we chose them for something, we would go by their policy, and their performance commitment to that policy. If we say they’re going to stick to that policy, and we like the policy, we think that’s the right policy, we should consider them, as electable.

But we’ve got to get away from this cheap politics, and image politics. We’ve got to have a *candidate for President of the United States*. And what does the United States require? What should the United States’ mission be? What is the crisis the United States must face in this period ahead? Where can we find a candidate, or a group of people around a candidate, who would be competent to address that policy question?

That’s what’s always happened in the best periods of the United States. That’s what happened with Franklin Roosevelt. Franklin Roosevelt was the keystone, but you have to look at the people around him, his team. He didn’t do it by himself; he had a team.

When you’re looking at government, you find—you know, people are so Romantic, it’s like the other side of tragedy: People who don’t understand drama, talk about the “tragic figure” in drama. There is no tragic figure in drama. There are tragic societies, there are tragic cultures. They are not tragic individuals. The individual in a tragedy is a victim of his culture, and he acts as an agent of his culture. It’s not that he made a mistake; he has the wrong culture; the society has the wrong culture. That’s where the problem is. And we go with this idea of the “personality cult.” Yes, personality’s important. All great ideas are discovered by individual minds. *But!* What does humanity depend upon? It’s what those individual minds *do*, in developing forces *in* society, which organize ways of meeting the requirements of society.

We’ve got to stop thinking in terms of “this figure.” You have to think in terms of people who are tested and who group around them a team, that is going to address a job that has to



hillaryclinton.com/Barbara Kinney

“We’ve got to stop thinking in terms of ‘this figure.’” LaRouche advised. Instead, “think in terms of people who are tested, and who group around them a team that is going to address a job that has to be done, efficiently. . . . You have to have an open discussion on the question of policy—first! And fit the candidate around which to rally, on the basis of policy.

be done, efficiently. And I think the process that’s occurring in the United States right now, around the various aspects that were around Hillary earlier, and others, and people in the Obama camp who are not happy with this guy, who are leading people: You have to have an open door on this, and you have to have an open discussion on the question of *policy—first!* Issues and policy, first! And fit the candidate around which to rally, on the basis of policy.

Think Politically! You’re Fighting for Humanity

Freeman: Lyn, I think in large part, you’ve answered some of the questions I’m going to ask you. But given the rank of the people asking them, I’m going to ask them anyway. This is from a current member of Congress, who says:

“Mr. LaRouche, as you know, for a variety of reasons, I’ve been an Obama backer from the start, although I do have the highest regard for Hillary Clinton. We who backed Obama knew, that if he became the Democratic nominee, he would have to make certain compromises with, quote, ‘the powers that be.’

“But, none of us anticipated what we’ve seen since June 3. He’s doing things now, that he is not under any pressure to do! And those things are serving to completely alienate the base that has supported him from the start, leaving them with a very deep sense of betrayal. If this continues, we are going to have one helluva time getting out the vote. Do you have any insight into why he is behaving the way that he is? And do you see some way to get him on track? If not, what do we do?”

LaRouche: Well, Obama’s particular significance, should

be obvious to people who think politically. The problem here is, Obama is an enemy of the lower 80% of family-income brackets of the United States. Hmm? Now, “Wait a minute!” you say, “Wait a minute!” Isn’t he a black man!?” Was his mother a black man?

I thought we got rid of this racism stuff! We don’t go by the race. Yes, we go by race when we talk about injustice against people of a certain race, or so-called race. That’s one thing. But what’s the issue? We’ve got a lot of Hispanic Americans in this country—you notice that? And they’re a little more active now, because ever since this crazy business about the faith-based initiative came along, the African-American movement has not been such a good fighting movement! Because they were looking up there for the cash descending upon them through the churches, rather than the cash coming into the pockets of the working people out there in the towns!

So therefore, the issue is: Think politically! *Don’t think in racial terms!* You think in racial terms when somebody is being persecuted for racial reasons. Yes, you fight that, because you’re fighting for humanity. You don’t allow anybody to be persecuted on racial grounds. If you don’t oppose that, you’re not human! Because human beings are all the same, in terms of what their quality is: *There’s only one human race!* There are not different races of mankind.

What is the problem then? The problem is, that since about 1968, and the 68ers, raging in the street, the lower 80% of income brackets, of family-income brackets, has been *pushed out*. They have been used as cannon fodder on particular issues. But nobody has intended to actually get the *issues* important to the lower 80% of family-income brackets, addressed. The conditions of life, in the United States since 1967, in terms of infrastructure, in terms of employment, in terms of other conditions of life, have been *going down*. *People have been poorer, poorer, poorer, poorer*; more poorly educated; more education, but the quality is down. Jobs? Yeah, there are jobs, but the jobs are crap! The purchasing power, in terms of living standard—crap!

So the issue has been, that you have an oligarchy, a financier-oligarchy, located within the upper 2%, or 1.5%, of the population of the United States, being run from England, because they think they’re an extension of the British oligarchy, or something, British aristocracy, or whatever they call it over there. And they have been saying, “We get the super-incomes!” Do you realize these thieves, who raped the auto industry—did you look at what their bonuses were on the way out, retirement bonuses? What did they earn? They earned less than nothing! They should have paid people on the way out, millions of dollars! Each of them, for what they ruined. We paid them! We created an elite of *money*! An elite of parasites,



MySpace

Why are we in this mess? “What’s the issue? The issue is identity!” LaRouche said. “Look at our children! Look at young people at Facebook or MySpace, and similar kinds of ghettos of stupidity and degradation. What’s their future!?” Shown, a MySpace homepage.

bloodsucking parasites, who wrecked our economy, who destroyed our infrastructure, who destroyed our industries. Who destroyed our education system, who are destroying our pension system. Who condemn people, the Baby-Boomer generation now entering retirement age! Their pensions are being taken away from them, by these policies.

And *these* characters have been running the United States.

The Issue Is Identity

So what’s the issue?

The issue is, we once had a republic, the most powerful economy on this planet, the greatest rate of improvement of any part of the planet: What happened to it? Well, you had Truman, first; that wasn’t good. Then after they killed Kennedy, it got worse. Then, after the 68ers, it got terrible. Then after the election of Nixon, it became impossible. By the election of Carter, we’d lost everything.

And so therefore, people have become poorer, poorer, poorer, looted, cheated, in every possible way. Cheated of their dignity! Not just their financial status.

What’s the issue? The issue is identity! The issue is: What am I? What are my children? What are my friends? What are they? Are they human, or not? Don’t they have a right to be represented? Don’t they have a right, as human beings to have a claim on improvements and access to things that are human? We’re talking about a two-class system, essentially: some parasites on top, with all the money, who don’t actually earn anything, but their money is in inverse proportion to what they earn. The more worthless they are, the bigger the salary.

Look at our children! Look at young people at Facebook or MySpace, and similar kinds of ghettos of stupidity and

degradation. Look at them! They're in the age-group of 18-to-25. Look at them! What's their future!? Killer games? Killing each other en masse? Suicide killings?

We have destroyed our people! We have destroyed their human identity! And therefore, what do you need? You need to have the lower 80% of family-income brackets, represented, in the sense that they assemble, and can ask themselves, one another: In our society, *what does it mean for us to be human in this society?* Forget race! Let's talk about *human!* Human race! And you find that we have the lower 80%, and even much of the upper 20%, *their lives have been taken away from them.*

Look what now threatens the Baby-Boomer generation, entering retirement age: What about their health care? What about their pensions? What's being said about that? The problem is, we are producing less and less. The standard of living, the available, physical standard of living is degenerating! Why? Because somebody has a utopian conception of the type like the WTO, and things like that.

So therefore, if you want to have representative government, you can't have representative government in the sense of: "Well, we all have a chance to speak our piece and cast our vote." That's not representative government; that's brainwashing. Representative government is understanding what it is to be human, and not a monkey. And to understand the kind of society, the kind of life, the kind of organization of life, which is required to be human, not a monkey, or to be treated as a monkey. And that's what was not presented!

You've got a quarter of a billion dollars, for a campaign—of a poor man's candidate? The biggest sum of money ever assembled for a political Presidential candidate, in the history of the United States? And still growing? Who does he represent? *What* does he represent?

So that's the problem. We have to realize that the Presidency of the United States, the selection of the President of the United States, begins with those who include the poorest, the poorly educated people of the United States. Because, what you're doing for the people, and for their children, in that lowest condition of life in our country, tells me what you think human values are! If you're not changing that, and if you're not fighting to change that, and clearing up the questions on that subject, you're not a leader, or you shouldn't pretend to be a leader, because we are losing everything this country once stood for, even as recently as the end of the Second World War; even as recently as the time of the assassination of Jack Kennedy. We're losing it all! We're losing the *moral* values of being human, and therefore, you get what? Immoral Presidents. Immoral candidates. You get the worst idiot the United States ever conceived, into politics, and he's been the President for two terms! That's what's wrong with us.

The Secret of Real Politics

Freeman: The next question is from a former member of Congress, who says:

"Mr. LaRouche, despite Obama's arrogant confidence that black Americans will turn out in record numbers to vote for him, a deep split is forming in the black community, with those of us whose roots are in the Civil Rights movement on one side, and those younger black professionals, who've enjoyed the benefits of that movement, on the other. If the Democrats don't make some very fast changes, this Presidential election will have the lowest turnout in our history, and we could end up with a McCain Presidency, and even worse, a Republican Congress.

"What do you recommend, in terms of specific action and measures to stop this from happening? Specifically, what I'm asking you, is, should we just concentrate on getting the right people elected to the House and Senate?"

LaRouche: Won't work: You need a President. Otherwise it won't happen.

But let me continue, because the questions are all related. Let me just continue another aspect of what I've already said so far—I won't repeat; it's not necessary.

Let's talk about the faith-based initiative as a factor of corruption, introduced from the Republican Party to try to destroy the African-American effort in the United States. And let's talk about, inclusively, those members, who are leading members of the electoral body of the state level, and so forth, in the freedom movement, who went over, and became corrupted by the faith-based initiative, and became useless as a result.

Now, this is a sensitive subject, but it's an important one, because if you don't consider it, you're not considering the problem.

What about religion? How do people allow their religious attachments to churches, to corrupt them—politically, and morally? And the problem here is, in the churches, you have people who have enthusiasm of one form or the other. *But!* They don't believe in immortality. They believe in a fairy-story called "immortality."

They don't understand, and don't recognize what's most essential, for leadership in society: that man is not a monkey; man is not a great ape. That man has immortality, as no monkey does. But it's not immortality in some crazy, fantastic way; it's in a very real way. We, as human beings, have a power called creativity, which is typified by the creative discovery of principles of universal physical science. No animal can do that.

For example: Take the population of the higher apes, at its maximum—gorillas, chimpanzees, so forth. What was the population-density of these populations, on this planet? Now, what is the history of the size of the human population on this planet? We're now over 6.5 billion people, and though some imitate monkeys, they're not monkeys. What's the difference? Some of our citizens look like monkeys, or look like gorillas, or like baboons or something—act like baboons, it seems. They're not baboons.

Why do those people, who sometimes act like baboons,

have a higher potential population-density, than baboons? Because of the human mind.

The identity of the human individual, lies in the creative powers of the human mind, which do not exist in the animal. The ideas that we generate through creativity, transmitted to coming generations, live on with our personality embossed upon them, into future generations. This cultural development of mankind, as it exists simply in physical science, and in other ways, *is* human nature, is the expression of the individual human soul. And it's this sense, especially with people who are faced with death, because of old age, disease and so forth, and they look around at their family, their friends, and so forth: What do they think when they know they are faced with death? What do they think their life means? For what would they lay down their life, and feel that that was an *affirmation* of themselves as human?

The source of corruption is a lack of that sense of immortality. Not that somebody picks you up, and transports you someplace else, and you get this or that forever. But the sense that you, by participating *in* humanity, have a quality which no animal has: the power of creativity, the power to absorb the creative contributions of those who went before you, to make them live, to add to that, so that your imprint, whether your name is remembered or not, your imprint is there in society. You were a necessary existence. Now, when you see yourself in those terms, you have a great deal of power, as a personality. Not power over people, but a power to be human, the pride of being human, meaning of life. If life is short, that is painful, but that doesn't change *you*, it doesn't take away your value. Your value lies in the fact that you are a useful, necessary human being. And sometimes, even the loving relationship among human beings does that; it's creative. It's what you mean by the difference between love and sex: It's creativity, that creative quality in yourself. Loving people because you resonate with something in them that is creative. And that's what you prize: that you're willing to die for that. You don't want to die; but that's what you'll die for.

And the problem here is, that we have this great hypocrisy, which is symbolized by those who went from Civil Rights fighters into the faith-based initiative! "The greatness is going to descend upon us from above, and Karl Rove is going to cause it to be dropped on us." And that's what the problem is. You will not get in society generally, people who have that quality and sense of identity as creative persons. But, if you look at history, and you look at what we know about people around us in politics, and in science and other things, it is the few people in society who have a sense of commitment to humanity in those terms of reference, who are the actual leaders who do the good, which the others adopt and follow. Leadership in society is not the power over others; leadership in society is having a sense of what a human being is, a stronger sense, a better affirmation of the sense of what it is to be human than somebody else. And because you are *stronger* emotionally, *stronger* intellectually, you can pick up people

who have fallen, and help them rise to what they're potentially capable of, and they need you for that. And that's the secret; that's the secret of real politics.

I think we ought to throw that into the pot, as we're discussing candidates.

The Candidates: Nothing Is Settled

Freeman: "Mr. LaRouche, a good number of very active Democrats understand very well, that contrary to what one reads in the press and sees on TV, the Democratic nominee for the President of the United States has not yet been selected. Your feature film, '1932,' helps teach people this, and links to it, as well as the film itself, are being posted all over the Internet. I just wanted to mention to you that we appreciate the fact that you've produced it. As you know, scores of grassroots organizations have sprung up all over the United States, whose intention it is to guarantee an open Democratic Convention. Right now, we're not getting much in the way of guidance from the Clinton campaign, and without it, it's very hard to maintain a sense of optimism that we can prevail. Do you think that there really is any chance at all of Hillary recapturing the Democratic nomination? If so, how? And if not, what to do?"

LaRouche: The point is, I don't think that question has been settled at all. I don't think it's settled. Look at what's happening this week. Look at the events around you. You have, for example, this spokesman for the *Daily Telegraph*, Ambrose Evans-Pritchard, just this weekend put out and said, this is it, buddy, this is the end. And he's right—he's wrong in the way he interprets it, but he's right. *This is the end*. People are talking about "Well, it's all settled, and by the beginning of September it's all going to be clear. We're going to have McCain vs. Obama, and Obama is going to win." What crap that is!

We have people out there, like many of these Democrats you refer to in your question, who are organizing in groups. Why? It's not leadership from Hillary at this point, and probably she's right in terms of the judgment to lay back, because the way the whole thing was set up was to use her as a target to destroy any perception of the issues of the campaign. And staying back for a while and letting things sink in; let Obama look bad, and then come back. Or decide what to do. Decide whether or not just to stick with the idea of being in the Senate, because she would be the most powerful person in the Senate if she were in the Senate under these conditions. She's earned the points on that. So, let's not assume that there's a linear trend in the candidacy now; there isn't!

Look what just happened now. Look at what is happening with the banks. Look at Wachovia! What do you think Wachovia's collapse is going to mean around the country now? Obama's off there talking about this in Afghanistan. He doesn't know what Afghanistan is; he probably thinks they're a bunch of howling dogs over there, you know, Afghan hounds or something. He doesn't know anything about that.

But what about Wachovia? The largest bank, in terms of

these outlets in the United States, and it's gone down the pit! Do you know how many other banks are in a similar condition in the United States? Do you know how rapidly this crash is coming on, now? Do you know what's happening in Spain? Do you know what's happening in England? Do you know what's happening on the continent of Europe? Do you know what's happening in Italy and France? The world is changing rapidly, so the world you lived in yesterday is no longer the world you're living in today. And people are more concerned.

What's Afghanistan? One acre—as given to me recently—one acre of poppies in Afghanistan has a market value of \$600. By the time the product of that one acre reaches Europe or the United States, it's \$6 million. What is Afghanistan? It's dope heaven! Who's running it? The British. The British Empire's running it. This idiot—he's working for the British—what's he want to talk about Afghanistan for? What's he know about Afghanistan? He doesn't know anything about Afghanistan. It's a British operation. Go talk to the Russians! What is Afghanistan? It's dope. It went through Russia, especially during the 1990s. What's Afghanistan in Europe? Dope. Dope empires.

And so, under these conditions, the changes that are affecting the lives and emotions of people, including sentient people inside the United States, are coming on fast. And what happened in Wachovia's circuits yesterday and today, and tomorrow, is far more important in determining the attitudes of the American people on the coming election than anything Obama did in the Near East, because it's nothing. It's the smell of fakery. He's not addressing it.

It's not just that Wachovia's an issue; but if the entire financial system of the United States is collapsing around your ears, and you're a Presidential candidate, what the hell has Afghanistan got to do with your life? There's no reason to go over there and fight in Afghanistan. It's stupid if you go in there that way; you have to know what the issues are first. You have to know that the British are playing a game against India, and they're trying to destroy Pakistan; that's all part of it.

So, that's the point. Don't get trapped into this, or worry about this. Yes, we don't know what the outcome is going to be; we don't know who's going to win. But do we know what we're going to fight about? Do we know what the battle is? Do we have a policy for fighting that battle, that war? And like in fighting any war, a long war, for example—this is part of a long war against dope—you have to decide what your policy is, and then stick with it. And right now, the big issue is the international financial problem, and the key issue of Afghanistan is, one, strategic; it's a threat to all Asia, as a focal point



USAF/Ssgt. Jeremy T. Lock

Commenting on Obama's grandstanding in Afghanistan, LaRouche said: He doesn't know what Afghanistan is! "What's Afghanistan? One acre of poppies in Afghanistan has a market value of \$600. By the time the product of that one acre reaches Europe or the United States, it's \$6 million. What is Afghanistan? It's dope heaven! Who's running it? The British. The British Empire's running it." Shown: Afghans from the village of Markhanai sit in a field of opium poppies, as Coalition forces operate in the Tora Bora region, February 2005.

of destabilization; but it also is a part of the international drug operation, and it's a part of the British Empire's game against the world. And here it is—on the streets of the United States, what is Afghanistan? It's Wachovia.

From Yemen: 'Is There Any Hope for Us?

Freeman: Lyn, we still have a number of questions from Washington, D.C., dealing with this issue. But, we also have, in very stark contrast, questions coming in from elected officials around the country, who are faced more with managing the crisis on a day-to-day basis. Their questions tend to be a little bit more reality-oriented. We also though have, for the first time, a number of students listening from the nation of Yemen, and one of them has submitted a question, and since it's very late there, I wanted to ask you the question, and then we'll get back to the American elected officials.

Sam's question is as follows: "Dear Mr. LaRouche, *Salaam Alaikum*. I hope you are in good health, and may God give you a long life. Many people in the United States and Europe still don't understand the danger of the ongoing collapse that you are warning about. But here, in Third World countries, people are not fighting to defend a standard of living; we are fighting to provide ourselves with the most basic necessities for surviving, and we're starving, and we are suffering to death from this economic collapse. Could you please tell us what we should do, in our countries, in Third World countries? Is there any hope for us at all? Any hope for us from the United States, as the U.S. is currently constituted?

“Best regards and wishes, Sam.”

LaRouche: Well, as I indicated earlier, I think, in some of the discussion here today, you can not effectively defend your own country, if you're not concerned about humanity as a whole, and nations as a whole. This comes up, for example, in all these debates in Europe, where the British Empire is trying to create a new Tower of Babel. Of course, they already achieved one; it's called the Parliament! But, you have to have that solidarity, that sense of solidarity with people from other parts of the world. We have to be responsive. I mean, we have a lot of African countries, for example—you know, most Americans don't know a damned thing about Africa. Some of them think they do, but they don't know it. It's a collection of fairy stories to them, it's not real; they don't understand the problem. But, what's needed is essentially an understanding of what the problem is, as this message from Yemen indicates.

It's extremely important to have on the agenda an understanding of what these kinds of problems are in various areas. I mean, it's what I do all the time, in doing strategic assessments. You just take the total picture, and you try to make sense of what all the issues and forces are, in a certain area of the world, and how they interact. And interaction involves the condition of people.

And we've been at it a long time in Africa. People in the United States, you know, so-called African-Americans—they don't know a damn thing about Africa. They don't know about the reality of Africa. And those of us who are involved in looking at this strategically, do know. We know what this horror show is. And we know what the Europeans and people in the United States are doing about that. The crimes that are being committed in the name of the United States against the population of sub-Saharan Africa, are beyond belief. And it comes right out of some of our liberals here in the United States, too, and friends of Al Gore, for example. Al Gore hates Africans, and that's a fact that you've got to know to understand the world.

So, in answer to your question, we do have to—and we try to do that with our resources, and with our intelligence estimates—we do get fairly deeply, into the problems of sections of society in various parts of the world. We do attempt to correlate these studies of what's happening. We do have compassion, and sometimes agonized compassion, for what's happening to people in various parts of the world today. That, right now, is the best we can do. But it's something we must do, because if we lose sight of the mission, any part of the mission we have on the planet, we've lost our competence. It's to the degree that we are able to understand and feel for what is happening in various parts of the world, and understand those issues.

Like the case of hunger, like this food crisis, that alone. Take the food crisis. Do you realize that there are people in the world who have one meal a day, and it's a terrible meal, and they're losing that? Do you realize how many people there are

in the world of that type? Do you realize how ignorant the American people are of that, in general? They don't even know what that means. Do you realize what the food policy of the WTO means, in terms of mass murder of people in various parts of this world? Do you know what Al Gore means, in terms of the mass death that he alone causes with his policies, through his influence in the United States and elsewhere? His British policies?

No, we have to have, as you indicated, we have to have an efficient commitment, a commitment known to the people, as in Yemen; and we have that commitment. That whatever we're able to do, or not be able to do now, we have that commitment, and we will not forget it.

Why Don't the 'Experts' Face Reality?

Freeman: Lyn, the next question is from Rep. Yusef Abdul-Salaam, from Selma, Alabama. He's a member of the Alabama House of Representatives, and he's also a practicing attorney in Selma. He says: “Mr. LaRouche, my question is, we seem to have a complete disconnect. The nation is in the midst of a major economic crisis, and yet our leaders—Mr. Paulson, Mr. Bernanke, and others—deny this, and insist, ‘The fundamentals are sound; everything's fine. We can handle the current crisis, because the economy is fundamentally strong.’ Here we have a great crisis, perhaps the greatest crisis we've ever faced; they say we don't. So, how can they even deal with it, if they don't acknowledge it? It seems to me, that this is the time to acknowledge the success of FDR, and enact a Roosevelt policy to really rally this nation to save itself. My question, though, is why are these men in denial about the crisis? Are they really? And why won't they grasp the solution that is at hand?”

LaRouche: Well, take the case of Paulson. The problem is generational. What's his generation? He's a Baby Boomer! Now, does he actually believe that? I don't think he does believe that. I don't think he believes a bit of it. Does he believe he has to say it? Yes. In his official position, speaking publicly, does he have to say that? He thinks so. Does he believe it? No. That's typical. This is typical in the Congress, as I think the questioner knows, from dealing with law from down in that neck of the woods. The Congress is a bunch of hypocrites. “You can't say that! Yes, it's true, I agree; but if you tell me that I said it, I'll say you are a liar.” That's “go along to get along”! Lie your heads off! So, don't hold people accountable for necessarily what they *say* they believe, because they know better than to believe anything they hear themselves saying. And the only way to deal with them, I think, is to tell them that.

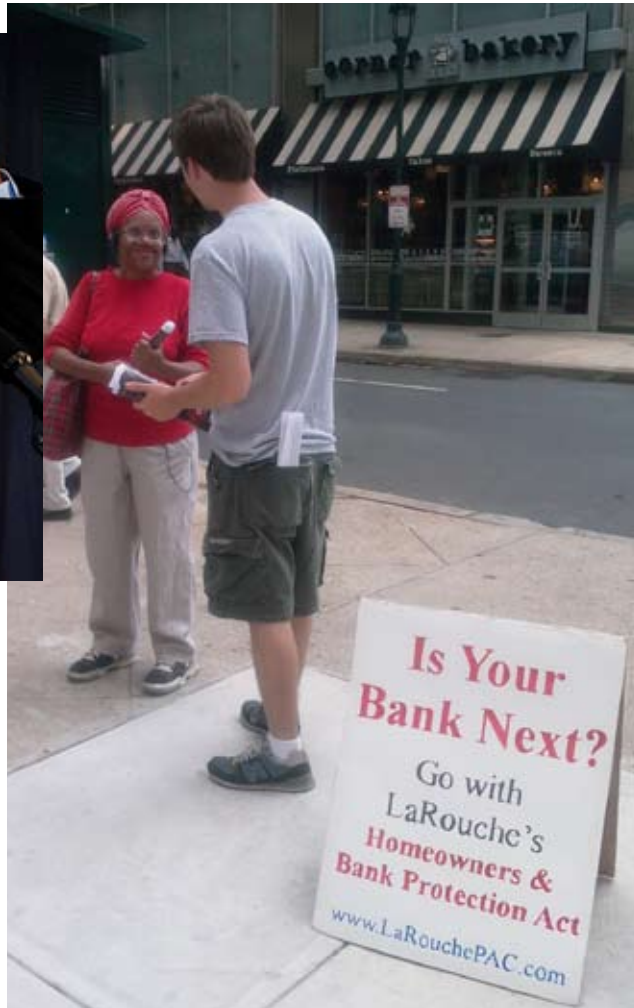
Solving the Housing and Credit Crises: Think Big!

Freeman: We have several questions grouped together, from Rep. Priscilla Taylor from West Palm Beach, Florida. She was the person who introduced the HBPA [Homeowners



EIRNS/Will Mederski

LaRouche was asked: Why do Paulson and others insist that “the fundamentals are sound”? Why don’t they grasp the solution to the crisis that LaRouche has put forward? LaRouche replied: “I don’t think he believes a bit of it. Does he believe he has to say it? Yes. Does he believe it? No. That’s typical. That’s ‘go along to get along!’” Shown: Paulson (looking for answers?); the LaRouche Youth Movement organizes for the HBPA in Philadelphia, July 2008.



EIRNS/Brian McAndrews

and Bank Protection Act] into the Florida legislature during the last session. “Mr. LaRouche, I have several questions for you. Since your last webcast, the economy is really in a mess. The government and the Federal Reserve seem to have no problems at all bailing out Bear Stearns and other banks, and seem to now be considering a massive bailout of Fannie Mae and Freddie Mac. Yet, in our area, and around the country, the poor homeowner is losing his or her home at record rates. All we’re getting from the Federal government is that they’re going to send us money to fix the neighborhoods where the foreclosures and repossessions are occurring—i.e., to deal with the vacancies. What good will this do us? Absolutely none. Wouldn’t it be better to keep families in their homes in the first place? It’s why I was so happy with your idea of a freeze on foreclosures, which, I would like to note, was also picked up by Senator Clinton, who I’ve always supported. Congress is doing it backwards! Let people stay in their homes first, and then deal with the banking crisis.

“My question is this: The press keeps saying that the economy is undergoing a ‘correction,’ and that that’s going to end

soon. But I’m curious, because I see no end to the correction. I see nothing over the horizon but disaster. When do you think this is going to end? And finally, how are we going to fix our credit system? You say that there’s a huge credit bubble, but people can’t get credit for businesses, for their homes, or for anything vital. It all seems to be stalled. How do we fix this?”

LaRouche: Well, you know, I can imagine in the course of the French Terror, these people are lined up one after the other, going to the guillotine. And the one is saying to the other, “Don’t worry, this is just a correction.” The point is, you have these people doing all these things—you really have to get Charles Addams-type humor going to describe your reaction to what you’re hearing sometimes. You know, you have this image of a man furiously bailing out a bottomless boat. That’s what it amounts to: “It’s only temporary. We’re trying! Oh! We got a lot out right now. Look! We’re trying!” And, that’s what they’re doing. Again, they’re lying; they’re lying, and they want to

stay in the club. Therefore, they have to sound like they’re with the club. “Our club says this is only a correction.” “Oh, really? Is that what they’re saying?” “Yeah.” “Okay, it’s only a correction, fellas.” That’s the problem.

The only answer is—and people who get into these kinds of fights that are described in this question, sometimes don’t get into the *big* fights, and then they get into the fight on the level they were fighting on before, and they’re willing to accept a little tougher fight, a little stiffer one, but then they find out they have to go up to a much bigger level, a higher level, because the fight is much bigger than they ever thought it was, when the fact is, it always was that. So, the problem is, getting stuck with the idea that doing a little bit, a little bit, a little bit, which seems practical to do, is really the step toward progress—it’s not. When the hole is bigger than the bottom of the boat, bailing is no good! What you’re expressing, as many people are expressing now, especially since there’s a hoax, this hoax about Obama’s guaranteed nomination—a complete fake. But there was a mass chorus saying, “Oh, he’s nominated; he’s nominated; he’s nominated. Anybody who says

differently is lying.” People are intimidated by that, and that’s what, in a sense, frightens them.

But then, you know, in the course of events, there are processes which overturn all such follies, and we’re going through that now. And what’s happened, is the questioner is getting a dose of a bigger problem, than they wanted to get into. That you can not do anything about the situation in the state of Florida, without cleaning up the mess in Washington at the top. And that’s where the problem comes; that’s where the hole gets bigger than the boat, and that’s really stunning to deal with.

You see, most local leaders, that is, people on the state level and so forth, Congressmen, are used to fighting in a certain way. They think about practicalities, as they would call it. And they find suddenly that an issue they have to deal with, which at first seems to them to be typical of the kind of practical issues they fight about—welfare of people, people being kicked out of their homes, this sort of problem, shortage of food, sickness, this sort of thing. They’re used to that. But then they find that the issue becomes systemic. So, it looks like the same particular issue that the politician would fight for in his district; but then he realizes it’s *not* something that’s in his district, it’s the whole damn nation, is the problem. And that’s a shock. At that point, you realize that you need to think in terms of developing national and international organization. You have to get a bucket that’s big enough—bigger than the hole—and that’s the problem.

I think we’re doing it; I think this is in process. I’m not a person who guarantees simple victories. I don’t predict who’s going to win this, or who’s going to win that. I’m too old; I’m too wise to do that. But I do know that when you’re fighting a war against an enemy, you’d better get the forces in line which are capable of taking on that kind of war, and define the war and its implications first, and then decide what it’s going to require to win it.

A Plea for British National Sovereignty

Freeman: ... This question is submitted by—I’m asking it because it’s from England. He says: “Mr. LaRouche, my name is John Morton, and I’m a writer for a newspaper called the *U.K. Column*, which is based out of Plymouth, in England. I’ve been following your forecasts and warnings for some years now, and I’ve taken a keen interest in your analysis of the situation, both in the U.S. and Europe, particularly in respect to the economic and political effects of globalization.

“You may or may not be aware of it, but here in the U.K., a gentleman by the name of Mr. John Harris has taken it upon himself to submit sworn affidavits to Queen Elizabeth, under Article 61 of the Magna Carta 1215, for redress of grievances. The specific charge is that Her Majesty the Queen dismiss all traitors in the Parliament who are currently engaged in handing our sovereignty over to a foreign power, namely the European Union. As of Sunday [July 20], a video has been posted, and it reports a conversation between the editor of our news-

paper, Mr. Brian Garesh, and a certain Mrs. Sonia Bonici, who is a corresponding agent at Buckingham Palace. What this conversation reveals is that the Palace is indeed aware that treason is being committed in respect to the ratification of the Lisbon Treaty, and also, that all matters related to the European Union are automatically forwarded to the Foreign and Commonwealth Office, rather than being addressed directly by our sovereign. As such, as far as we can ascertain from our study of British constitutional history, the U.K. is now in the midst of a constitutional crisis of historic proportions.

“As you are no doubt aware, the D-Notice system prevents matters dealing with national security from being reported in the British media, and it’s therefore unlikely that mainstream media in the U.K. can or will report on these matters. But nonetheless, in the spirit of the Pilgrim fathers who departed these shores only a few miles from where I pen this question today, we would be very much interested to hear your comments on these developments, and explain what prospects exist for a restoration of sovereignty and democracy in England, in view of international developments, particularly around your proposals for a New Bretton Woods.”

LaRouche: Well, I should qualify my response, for obvious reasons, one of which I shall point out: is that I am of course descended, in one part of my family, from people from that neck of the woods, and especially from Lancashire, who went from ports like that into New England, during the first half of the 17th Century. And, at about the same time, we had some people from France, sent by a great man, to Canada, Quebec. So the principal part of the family comes from both Quebec, the first half of the 17th Century, and from Massachusetts, the first half of the 17th Century. And also, some fellow who’s a specialist in genealogy, has been trying to hook me up with descent from Henry II, Henry I, and things like that. So I say, “Okay, if that’s the case, if I have to take care for you, my family’s descendents in England, well, we’ll try to help you out on these matters a bit, you know.”

Yes, I think the solution, essentially, which you’ve been implying with your line of argument, is that obviously, the Isles ought to be a separate country, a sovereign nation, with its own sovereignty. And I would propose that meddling in imperial matters, which you refer to, for example, has resulted in a weakening of the quality of life in what could be called, for example, the “Mother Country.” And I think England would be much better off, or the United Kingdom, much better off as a single sovereign nation, or three happily co-existing nations of England, Wales, and Scotland, than it would be as part of an empire. I think the empire is dragging the English down, and the Scottish, and probably the Welsh too. I haven’t had too much report from Wales, but I do have a lot of Scottish reports. And I do believe that the empire is dragging the island down, and we look forward to the time that we in the United States can rejoice in sort of a fraternal union with our friends there, who have now become what we have become, a sovereign nation-state republic.

The ICC Indictment of Sudan's President

Freeman: One more international question, because we're getting a huge number of these, from the other side of the Atlantic, from Africa, and also from the United States. It's about the ICC's [International Criminal Court's] indictment of President al-Bashir of Sudan. Various questioners are saying, there seems to be a tremendous effort to mess up this area. There has been for quite some time. What is really behind the indictment of President Bashir, since it does not seem to have any basis in international law?

LaRouche: Of course it doesn't, but it has a good deal of basis, in terms of imperialism, doesn't it? It also has a good deal to do with racism against Africa, racism which is led by the United Kingdom, led from the United Kingdom. The case of Bashir: I know him, I've met him. I know the situation there. It's complicated by French policies of a really archaic type. You have a country, from so-called French Central Africa, which adjoins Sudan, and most of the mess in Darfur comes from operations run through that country.

So that you have complications: You have the British on the one hand. The British are out to destroy Zimbabwe. You can not separate Zimbabwe from Sudan, in this matter. Remember that Zimbabwe was the flagship of the [Cecil] Rhodes empire. Not only was that, but this section, which is Zimbabwe today, was the most hard-fought resistance against the British Empire in southern Africa. Zimbabwe was also a source of the great food supply for London—from the days of Rhodes—and the choicest areas for crops were these controlled by Dutch and English, who still control the food supply of London and similar places.

Then, the African farmer, who has a smaller plot adjacent to the same kind of territory that the English lord has, is in resentment against this, and it's a threat, both ways. So the British are determined to crush that. To crush Mbeki, to crush South Africa, to crush every part of Africa, to ruin Nigeria, and so forth. That's the British policy. In the case of Sudan—you have to know Sudan. Now Sudan's importance is the Nile water agreements involving, principally, Egypt, Sudan, and Abyssinia; the Blue Nile, the White Nile come together—. Now the area of Nubia, which is the northern part of Sudan—remember, this is the largest single nation of Africa, in terms of territory. This area, properly developed with a certain amount of water management, is historically a grain-produc-



UN/Evan Schneider



sudaninside.com

The imperial British racists are out to destroy Zimbabwe and Sudan, and Sudanese President Omar al-Bashir (inset). At the same time, one of the most important influences in Africa today, is China. "Of all countries outside of Africa, China has made the steadiest, most significant contribution to the development of the economy and infrastructure of southern African states, including in Sudan," LaRouche noted. Shown: the Merowe Dam in Sudan, being built with Chinese assistance.

ing area, on which much of the population of the whole region depends. For example, the development of Egypt's food supply depends to a large degree on the success of getting a certain amount of water and management in there.

Now, also, there's another issue. One of the most important influences in Africa today, is China. Of all countries outside of Africa, China has made the steadiest, most significant contribution to the development of the economy and infrastructure of southern African states, especially on the Indian Ocean side. So, China has been an important factor in developing the infrastructure of Sudan. So there is a direct relationship between the Tibet issue in China—from London—and the issue of China's role in developing the infrastructure of Sudan, along with the determination to crush Egypt again, with another blow, and to stir up as much bloodshed throughout all of Africa as possible. This is a policy we know very well from 1974-75 as a U.S. and British policy.

So, you've got a bunch of damned racists, damned racist Brits, who are out there to screw up this whole territory any way they can. Now, we've got responses on this. The African states, not all of whom are in the best moral condition, in terms of government, know this, understand this, and tend to ally and block the British effort, against British *genocide* in Africa. And the London policy in Africa is *genocide*—rape in terms of raw materials, and genocide. And that's what it is. And the Europeans go along with this. Not entirely: The French get corrupted because, like this case of Chad, Chad is a so-called British interest state, and that's one of the reasons that the

Darfur problem came about the way it did, because of this relationship. They're out to screw it up, and Europeans are gutless—not all of them, but most of them are gutless—and they don't take a moral position. "Well, we have to get along with the British." After all, Maastricht, the Maastricht Agreement, as our friend from Plymouth said.

Anyway, that's the problem and that's the way to look at it. You're getting a real sense of British imperial racism, and I just indicated a couple of leading factors in this thing. But the racism is against all Africa: Keep the population of Africa down, do everything possible to injure China, etc., etc. That's how it happens.

We need the United States to be strong again!

Sorting Out the Banking System

Freeman: Okay, back to the United States. This is a question from a Washington think tank. He says, "Lyn, as I think you are aware, a serious split is emerging between the banks on the one hand, and Wall Street on the other. Can you help your listeners understand why the split is occurring, and whether or not it can be exploited for the good of the nation?"

LaRouche: First of all, you have two types of banks, principally, to consider. You also have a complication of hybrids, where banks have a double character. You have on the one hand, the bank which is part of the Federal Reserve System, or just simply normal by previous standards, Federal- or state-chartered banks which take deposits, which have capital funds, which conduct business in terms of clientele-like corporations and so forth, and make loans of all kinds.

Then you have these hybrid types, which are simply swindlers. Now, this kind of hybrid operation, which has been around a long time, in one sense, got a new lease on life with Michael Milken, who went from prison to serenity, when he was reincarnated as Alan Greenspan. You have a similar thing in London. So you have another kind of banking, which is purely predatory banking of the type of the swindle that Greenspan introduced in a massive way into the U.S. system, which is the special characteristic of our problem today. That's where the big swindle is.

You see, the way it works is, you manufacture fictitious capital. If you get a yield, you think you're getting, and you put that yield at 5% or 7%, then you would take the capital multiple of an annual yield of 5-7%, and you will call that an asset! So, what happens is, the more they steal, the bigger the appetite for stealing, and the bigger the claim that they make as finance capital claims against the economy.

So, my view is, do the equivalent of taking this kind of banking out in the backyard, and shoot it! And save the bank which does the traditional banking function. And the center of doing that, is, since the Federal Reserve System is now essentially bankrupt, as the case of Fannie Mae and Freddie Mac illustrates the point, therefore, we have to put the Federal Reserve System into receivership under Federal law, but keep it

operating and keep the Federal Reserve System operating, in terms of its component banks, while we're running it under management in receivership. By this method, and by the generality of chartered banks—state and Federal—we should be able to create a banking system *within* the banking system. This is why this Countrywide is such a swindle. We want to take the trash out and leave the edibles behind. And that's what we're going to have to do.

So, it's not a category of banks against some other banks. The point is you've got a mixed situation, where you have—some people think this crazy system is what they're defending. And also, since some of these guys are powerful—the thieves, the Michael Milken descendants, the Alan Greenspans—are powerful; they exert a great political power in this system because they manufacture money out of manure, and they say, "We're wealthy, and therefore you have to protect our interests. *These financial interests are ours!* This is ours! You got to save the capitalist system. We are the big people in the capitalist system. Without us, you're nothing! You have to defend us!"

I say, "No, we don't have to defend you." You know, we used to put the manure—we had a manure pile, and we didn't mix up the feed for the cows with the manure pile. And that's the way you have to look at this. Those institutions which will perform, will behave themselves, which are essential to our economy, should come under Federal protection, and go back and do what they used to do fairly well. The ones that don't do that, we put them on the manure pile, and that's the way we keep the barn smelling better.

'How Do We Move a Distracted Population?'

Freeman: The next question is from Sen. Perry Clark in Louisville, Kentucky. Senator Clark is one of the co-sponsors of the HBPA in the Kentucky Senate, and he did actually succeed in getting it passed during the last session. He says, "Lyn, boy what a mess the economy is in! The crisis is on top of us. What are the real issues? Food, clothing, the economy, jobs: This thing is coming down, and it's coming down fast. Yet, what are people talking about? Lapel pins, gay marriage—diversions. How are we going to move people?"

"I agree with your estimate that we are in the middle of an economic unraveling, but also of an ongoing tragedy. Certainly, since Nixon, this economy has been deteriorating, and yet people are deep into distractions. This is clearly the time to move around a Roosevelt package, around the HBPA, around the emergency jobs program. I just don't get it. How can we cut through the psychological denial and escapism, to move the public? This is a time when people should be supporting your policies and the FDR approach in droves, but how do we teach them that?"

"Also, I just wanted to say that I am appalled at the blocking being done by Speaker Pelosi and others in Congress, who seem to be working to stop any sane economic solution. I'm well aware of her connections to both George Soros and Felix

Rohatyn, but the woman has an approval rating of 5%. Nevertheless, are members of Congress that scared of her manicured hand and her expressionless glare?"

LaRouche: Well, on the general issue, the point is, as you can see, when you look at the national scene, that what was done to the Hillary campaign has unleashed something like a swarm of locusts, because everyone knows that power does not lie primarily at the state or local level. Power lies in determining the policies of the Federal government. And it's a political fight over the policies of the Federal government, that will get the most credible kind of response from the population.

What you've had, is that women, in particular, and others who had this response, are reflecting something lawful. Many of the women who are leading in these kinds of operations, as I pick up the word on these things, were political beforehand, but they weren't political leaders. They didn't think of themselves as political leaders. They saw themselves as responding to political issues as housewives and so forth. But now they've become *firebrands*, political firebrands, and they're fighters. The threat to society is grave, and the perception is that only at the Federal level can you break the ice on this one. Therefore, you need a *national* movement, a *national* leadership, a *national* focus, in order to get the local and state interests into focus. Without a nationwide, national focus, I think it's impossible to do it.

I think the time of base-building from the bottom up, is ended. And base-building in an empty boat, a hollow boat, a bottomless boat, is not a very good project. And that's what it is today, because you can't float anything down any stream or across any pond, in a bottomless boat. And to have a non-bottomless boat, you have to attack the thing at the Federal level. And therefore, the political, the Federal politics, is naturally the issue which is decisive.

Look, you can't do anything about the local bank, without Federal action. There's nothing you can do about any of the major issues, without attacking it on the Federal level. And I think these women and others, who are doing what they're doing, are simply responding rationally to the fact that, if you're going to do anything, don't kid yourself that you're going to do something in a local community—socialism in one telephone booth or something like that. It's going to be, essentially you're going to attack the issue on a national basis, and you're going to define the issues which most broadly address the concerns of the population in general. You've got to move the population to break the ice! That is, the population as a whole. You've got to find the stratum in the population, and move that to break the ice. When people see it moving, then they'll get the courage to come out and fight. It's always like that.

'I Want To Be on LaRouche's Life Raft'

Freeman: I understand that there's someone here from the UAW in Ohio? (Is there still a UAW?) Do you want to

come up to the mike? This is Mark Sweazy, ladies and gentlemen. [Sweazy was formerly the president of a United Auto Workers local in Columbus, Ohio.]

Mark Sweazy: Lyn, obviously the reason I'm here today is to say thank you to you. I want to thank you for all your past efforts, and your constituents as well, because with your predictions of what was going to take place in the auto industry, and extremely accurate as it was, we were able to do nothing more than find escape routes for our members. And the escape route that I found was, I learned a lot about the Federal government in the probably year and a half that I was coming to Washington—I think it's ten times, total—so I thought it would be good if the Federal government paid up, and made do for those people that were going to be displaced and lose their jobs at an early age, as I did. I retired early, so I thought maybe the youth group would pick me up, but—

But we were the first local union to get the Trade Adjustment Act in Columbus, Ohio, and with that, expanded to the international union, they asked me, how did you get this? So I explained it to them, sent in the application, and now millions of dollars of Federal monies have helped some of our people relocate, re-educate them, get 'em new jobs, different locations, what have you. So, I learned a lot by just being here.

But just listening to you, and understanding, scares me to death today, because I don't want to see these predictions come true today. What I saw in the past was extremely accurate, and what's come to pass, has affected thousands and thousands of lives, but what I see today is hundreds of thousands of millions of lives. This thing goes beyond, as Lyn has explained, beyond the United States of America. And you know, an old Greek proverb says, there's nothing more frightening than ignorance in action. Well, I'd like to change that to an American proverb: There's nothing more frightening than ignorance without action. Lyn can't do this by himself. We're going to have to help him. Anybody that's on this webcast, whoever, wherever, write to our Congress, your own Congressman, another Congressman, a friend. Have your neighbors help out. Let's get on the ball and make this thing roll. Put this thing together. Otherwise, just as Lyn says, we're all going to be bailing from the same boat, with no hope. I want to be on his life raft. Thanks again, Lyn.

LaRouche: Thank you.

On the Verge of a Social Explosion

Freeman: Lyn, the next question is from somebody who really doesn't need an introduction. . . . Ladies and gentlemen, this is Barbara Lett Simmons, a longtime member of the Democratic National Committee, the only [Democratic] member of the Electoral College who voted against Al Gore in the course of the Y2K election, and a true heroine to many of us here in the district. Barbara, go ahead.

Barbara Lett Simmons: Thank you. I appreciate it. You know, I have so many concerns in terms of our future. So many people have worked so hard, so long. I'm now 81, and I



EIRNS/Stuart Lewis



EIRNS/Stuart Lewis



EIRNS/Stuart Lewis

spent my 80th birthday in China, and I said, you know, what on Earth is happening to us in America? With the leadership we've had in our Presidency for the last eight years, we're expediting our own demise. And I find it frightening, because I'm old enough to have been there when our concern was, in America, for people who looked like me not having any kind of freedom, any kind of access, and at best, a hard row to hoe. And here we worked like crazy, we get America moving to accept its precepts and to act upon them, and *kaput!* I mean, we turn the country over to some people that are going to absolutely, or who have practically destroyed it.

I can't write, residual of my stroke, but I couldn't help but think, Lyn, it seems to me that the kind of work, and thinking, and solutions that you have shared with people in this country, in high places, that the kind of demise I see for our country, ought not to happen. Because you have given them the word, and it's possible that we could reverse what seems inevitable at the moment.

We know that Barack Obama was, on Christmas, when most people are with their families, he was over at Mr. Soros's house. Now, that ought to register a real question mark in almost anybody's head. I mean, you know, as mothers, we all spend a lot of our time trying to keep track of who our kids are playing with. That is very important. And people don't know who Barack's been playing with, but it's sure showing, and

Clockwise from top left: Mark Sweazy, a former UAW local president from Columbus, Ohio, thanked LaRouche for his efforts to save the U.S. auto industry; LaRouche's warnings were unheeded, and the tragic results can be seen today. The audience listens in rapt attention. Democratic National Committee member Barbara Lett Simmons was the only Democratic elector at the 2000 Electoral College who refused to cast her ballot for Al Gore. Now, she wonders if people know "who Barack Obama has been playing with," i.e., the perfidious Mr. Soros.

the way he's reversing everything—oh, man! He comes out with a good facade, but, you know, don't scrape any of the paint off.

I was really sincere about trying to make a point, when I refused to cast my ballot as a member of the Electoral College, and my own city, the powers that be, were not going to send my ballot in. I said, you can't do that! What are you talking about? I am an Elector, I have a right to my ballot, and my ballot is going to be blank. I am not voting for Al Gore, I said, and in order for the world to know that we are still a colony in the District of Columbia, this will be one way of educating a lot of people in a hurry. Because I couldn't get 20 people in a room to sit and listen to that kind of boring discussion. A lot of people across this world heard it. I heard from China, I heard from Japan, I heard from France, I heard from, I think, all together 11 nations, people from other nations, internationally: They said they just did not believe that in the citadel of democracy, there are residents, over 3/4 of a million people, who don't even have the right to vote. And everyone here is sophisticated and knows that, but look at the worlds of people who don't.

What I've been doing is a poll. I've just been calling

people, that is, superdelegates, a lot of superdelegates—it was very easy. You made a very excellent point here, about how easy it is for people to lie. And when we ask people, now all of the press, they’ve got all of these figures. They say Obama is without question—he told us how many votes he had. Well, I don’t believe it, because my figures are sure different. Now, they’re lying to them, or they’re lying to me. And I don’t know, I’m not going to pretend that I have the real figures. I’m saying that there are votes enough for Hillary to still be a viable candidate when we get to the convention, because she has not released her delegates. Would you just speak for a minute to that point? Maybe, I need to have some little hope, something to hang onto.

LaRouche: I think that’s the case, exactly the case. You know, the thug squads came in and told people, you will not deny that you cast this vote as a superdelegate—which is crazy anyway, I mean, a premature casting of the vote. It’s not the time to cast a vote. The convention is the place you’re supposed to cast the vote, with a discussion. No discussion, no check, no polling of votes? The whole thing’s a fraud; we all know it’s a fraud.

Now, the question is, what is the destiny of that fraud? I would say that what is happening to Obama now, what is happening internationally, with the rapid collapse of the whole system, is going to blow this thing wide open. How it’s going to blow it open, as I indicated earlier, as you know in these cases—you can not exactly predict it’s going to work this way or that way, because people will turn this way or that way, and you get different processes. And the enemy will react in different ways.

But from a standpoint of policy for us, for *us*, the policy is, well, this is not decided, this is a fraud, it’s fake anyway, there’s no proof of the vote. We know people were threatened if they denied that they voted that way, on top of it. So, what’s it going to do? Well, we’ve just come to the point that the reckoning will come. When it will come is what we don’t know, but the potential reckoning is there. I see an explosion, as I indicated today in this discussion. I see that we’re on the edge of an explosion which can not be controlled, because everything is coming apart. It’s becoming apparent. The system is breaking down. It’s apparent that those in power either don’t know what to do, or don’t have the guts to do it. And therefore, there’s going to be an explosion from the population, because the suffering of the population, with a collapse of any access to money, is what we’re talking about. This is riot time.

Lett Simmons: That’s my concern. Bloodshed.

LaRouche: You’re on the edge of it, because you can not oppress our people this way, and not finally reach a point where everything blows up. And we’re on the edge.

So, I think, to avoid a negative explosion, it’s necessary to try to engineer a positive one, and that is to simply take what’s happening—people out there in all kinds of groups are reacting to this Obama phenomenon as a fraud, and they are affirming their right to intervene in this situation, on both issues as

such, political issues, and on the question of a fraud. That means that we don’t have the danger of an explosion, because you have a rational process of people who are mobilizing to get to the point where they can take over. The danger point comes when you don’t have the mobilization to take over, but you have only an explosion from below. That’s the danger. And therefore, the motion by these people who are mobilizing around this, to get this out and coming together more and more, and the failure of Obama, the crisis—this is all creating the potential for leadership. And if we don’t get leadership, we’re going to get chaos. So we have to work on the leadership.

The Funds We Need To Succeed

Freeman: As always, we have far more questions than I’m going to have time to entertain. I will pose two more questions to Lyn before we close, but before I do that—I usually save this for the end of these presentations, but it would really be irresponsible of me not to raise this question now, because the number of questions and, in some cases, not questions but just comments, that are coming in from people from around the United States, on the one hand, thanking us for producing the “1932” feature, thanking us for the Soros pamphlet, but complaining that we’re not getting it out broadly enough, or complaining that, why did it take us so long, and why don’t we understand that it’s going to take millions of these pamphlets to really shape the thinking of the population?

Well, let me just say this to all of you. We understand a little bit more about organizing than you do, and we understand very well how many pamphlets it is necessary to get into circulation. We also understood the need for the “1932” feature, long before it actually came out. The problem is not that we don’t understand, the problem is that we lack funds. And I say this—please understand, I’m not saying this with any hostility toward the people who pose the question. What I’m saying is that what *you* have to understand, is that we need money, and that what Mr. LaRouche represents, as I think was shown once again today, is a unique understanding, a unique quality of leadership, a unique ability and willingness to intervene into this crisis. And the only thing that stops us from doing it more quickly and more broadly, is that we lack the funds to do it. So, if you would like to see us do more of it, if you would like to see things like the “1932” feature get out more quickly, if you are distressed that we have not yet mailed that DVD and that pamphlet to every delegate to the Democratic Convention—and I assume you are distressed, because I am distressed—don’t send me an e-mail complaining about it. *Do something about it!* Send me a check. And since you do so well navigating around the website, I’m sure you can find the address.

Tell-Tale Signs of a Soros Operation

The next question is from John Jeffries, who is a machinist from Louisville, Kentucky. He’s also a Democratic Party



LaRouche PAC videograb

have proposals that could easily save both. What is your take on this stupidity?"

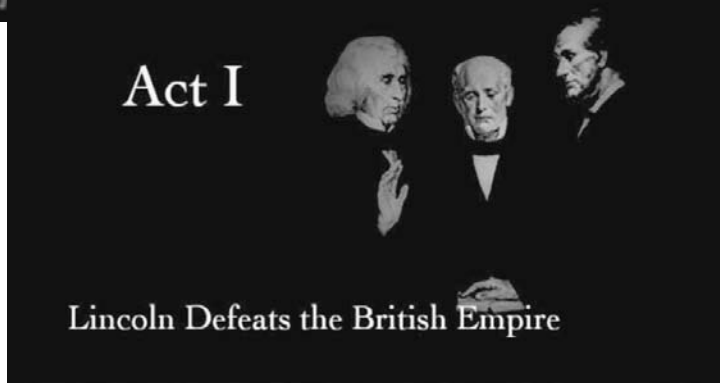
LaRouche: Something like this: You're not getting usually a normal reaction, particularly when they're persistent, and when it comes from someone who is in some kind of significant political position. It means it's an operation from within the Democratic Party, in particular, from the dirty side, which is the Soros, etc. side. We're a

threat to these characters, and they do what they can. You have to look at the other side, in order to define your approach. Look at the cases where they have failed to produce that effect. Look at the limited number of cases of that type.

Take the case of [Democratic Rep. Paul] Kanjorski in Pennsylvania. What has happened with him recently, is reality cuts in. And now, what's happening this week, is going to change things, because the bottom is going out. This Wachovia thing is going to hit, it's going to hit like wildfire, it's going to have other ramifications, it's

activist. He says: "Lyn, as you're aware, we're engaged in a very nasty fight here in Louisville to get the HBPA passed by our City Council. The fight doesn't only pertain to our jurisdiction. This is going on all over the country, and obviously, very much in the U.S. Congress. This city, as all major formerly industrial cities, is deteriorating, and it is deteriorating fast. We are losing industries, jobs, and homeowners are being foreclosed upon at record rates. The HBPA, as you well know, has been endorsed by most of the labor movement in this state, it has passed the State Senate and numerous other bodies, and ridiculously, it is stuck in the Louisville City Council. The president of the Council, one Jim King, has temporarily stymied us. He owns a bank, he's the former state chair of the Kentucky Bankers Association, and he's also very ambitious. He and another guy who's been in touch with our Congressman, gave the word to stop the resolution. I don't think that all politicians are corrupt or ignorant, despite a certain amount of empirical evidence in that direction.

"What I want to ask you, is what do you think is really behind the denial of these guys on the dire shape of our economy? Why would a banker be dead set against a resolution that doesn't just protect the homeowner, but protects him as well? He is really stirring the flames of antagonism, and we are going to pay the price for it as a nation. They have stupidly pitted the banks against the people, when in fact, we



LaRouche PAC videograb

The LaRouche PAC video, "1932"—two scenes are shown here—is circulating widely on the Internet, fueling an insurgency, especially among Hillary Clinton supporters, for an open Democratic Party convention in August. Its power to inspire is derived from the fact that it was composed based on principles of Classical drama.

going to pull other things down. Wachovia going down is going to have a crossfire effect. You're going to have little hand grenades going off in various people's hip pockets, because Wachovia's collapse is a link in a chain. The link blows, the chain flies loose.

So this Wachovia thing, unless something remarkable is done to contain it, is going to blow the situation wide open. And, what you have to do in this case, knowing that this is the situation, when you've got the bum in the corner, you say, "Hey, have you had enough? You're gonna give it up?" And he says, "No!" "Well then, who are you really working for? Why don't you come out in the open, and say who you're really working for?" You spread that around, and you neutralize him. Not always, but that's the approach. It's what does work. You have to screw it up, but you have to think about winning, and therefore, you have to take something like what's happening now—this guy's got another chance coming up. Put it to him, put it to him now. When the chain reaction effect of Wachovia and other things is going to hit: "What's the matter with you, you stupid or something?"

That's the way to do it. "What's wrong with you? Somebody bribing you? They've got a gun up your rear end?"

The Tragic Principle and the Search for Truth

Freeman: I'm going to close with a question from one of our youth supporters, who is celebrating her 21st birthday tomorrow. She says: "Lyn, what do the youth of today, who refuse to be associated with the mindless MySpace-obsessed masses, those of us that are working full-time jobs and hardly able to eat, do, to be able to say that we did not sit idly by and watch the world be destroyed? Where do we start, and how do we know that our efforts will not be for naught? Many of us would rather die than vote for either candidate. Many more of my generation feel that, because we don't know where to look for truth, that we have no business voting at all, and most of us feel that we will not be heard anyway. Do you have answers for us?"

LaRouche: I have a method of answering, which I think is better than, say, answers. We have been working, nearby here, and other locations, on the question of how to get ideas across to people. Especially, we have looked at generational strata, in particular, because, remember that for the past seven plus years, and worse actually, we have been under the dictatorship of not only brute force, but utter stupidity, contemptible stupidity—the Bush Administration. Two degenerations of the Bush Administration. So, this has an effect—along with the economic conditions—an effect upon the minds of young people between 18 and 25, as distinct from the generation which was then 18-25, seven years ago. The generation that was 18-25, seven years ago, had different qualities then and now, than the generation which is now between 18 and 25. That's not categorical, but it's general, in tendency.

MySpace and Facebook typify that problem. You have something like mindless zombies coming out of the Black Lagoon, and that's the phenomenon. What you have is a break from relevance. The characteristic of MySpace and Facebook is what? You're not in the real universe. And this goes together with the killer games, which are less in the press nowadays, but they're still the same phenomenon out there. The killer computer games. People who are divorced from any connection with reality, who don't see the social process in which they're involved as a social process, as having any meaning, and they act like goons, or Black Lagoon types, coming out of the swamps.

And that's what happened with Obama, the Obama campaign. A lot of the campaign events, as we saw in Texas in particular, were goon marches. You'd have people assemble, and they would assemble like loose nuts, and when they'd get together to demonstrate, they would go through a monotonous kind of chanting, and then go off and break up. It really is like a slime mold formation, actually. In other words, individually, they had no intellectual character to speak of, or a very poor one. The only way they could have an intellectual character is by grouping together, like a slime mold, in that

phase, of the hot slime mold phase, and then they would suddenly march in a certain way, and make a demonstration, and then dissipate. And no character, no individual character whatsoever! So, you had a destruction of the people. Now you have also the generation now between 25, 26 and 35, which went through this thing, "BB"—before Bush—they also have problems. It's differentiated; it's not homogeneous.

So, we find that what you've got as a result of the educational process, the recent years, and so forth, you find the ability to turn words, or the use of words as such, into some kind of meaningful expression of ideas, extremely limited, even with the 18-35 generations. Oh, some people can do better than others, but we're talking about the generation as a whole, as a generation.

Therefore, we had to make a decision, and I made a decision which was sort of evolving, and we did the—some of them just started and did the 1923 video, on the German experience of hyperinflation and what's behind that. And what I saw in what was done to produce the final version that was published of the 1923 video, I saw that we had in the youth organization, we had a capability that had developed to do this kind of thing. And what you saw as the "1932" video, and some other things, are products of that.

Now, what we use in this thing—what I've emphasized—is to use the principle of Classical tragedy, as actually used by Aeschylus in ancient Greece, or as used by Shakespeare, or as used by Schiller, or in a different way by Lessing, and to use the method of Classical drama as a way of organizing ideas, to present them to people so they would see them as ideas. Because what happens to generations that have been afflicted by this kind of cultural degeneration, they can't put ideas together. This is helped by the music culture, or the music de-culture. People make bang-bang-bang noises. There's no coherence, there's no meaning to it. It's garbage.

You saw this with the effect of the circulation of the "1932" video in the political process. It worked! My view is that, Classical tragedy and similar kinds of drama, as understood by so-called educated opinion, for some time, is a danger to your mental health. Because the problem is that, in society, there are no individual tragic figures. There are individuals in tragedy, but there are no individual tragic figures. As the case of *Hamlet*, for example, illustrates, or any other great Classical drama illustrates, the problem in society as in Classical drama, as when you understood, for example, Aeschylus, or even going back to the *Iliad*, where you have these gods up there who are manipulating these people, these so-called real-life flesh-and-blood people, the mortals, and the immortals are up there, and they're plotting and scheming—"I'm going to play with this one, I'm going to do this with this one, I'm going to do that with that one"—and you realize that what has happened with the *Iliad*, with the Homeric *Iliad* as with other Classical Greek drama, and then in modern times, is the use of the gods. And the use of these gods in the Classics, was a way of getting to people the way in which the



"In society, there are no individual tragic figures," declared LaRouche. "True tragedy is society controlled by an idea which dominates a group of people." Shown: a painting on a kylix cup (ca. 500 B.C.) showing a scene from the *Iliad*: Achilles bandages the arm of his friend, Patroclus, during the Trojan War, which was orchestrated by the Olympian gods.

respond to, just like the gods of the *Iliad* are controlling the drama of the *Iliad*, or in Shakespeare, same thing.

So, the incompetent director, the incompetent actor, will always try to get a scenario: "Oh, this guy's the bad guy, this guy's the good guy, this is the hero, this is the tragic figure." Nonsense! What it is, it's always, as in our society, *the tragic principle lies in the culture, in the people of the culture*. And what we have to get at, is making clear to people not only the tragic character of the culture which has *gripped us in this present crisis of the United States and the world*, but to understand how to *break* that culture, how to free that people from the grip of a tragic culture. And that, we found, as you can see with the "1932" video on the Franklin Roosevelt thing, that for many people who came in contact with that, for them it broke the tragic bond.

And therefore, what we're doing—in answer to the question, specifically—is, by relying on what we recognize is the issue, and saying, get your dumb actors out of here, get your dumb directors, get your critics out of here. *We know what the tragic principle is*, and we know it since the *Iliad*, and even earlier, but we know it since the *Iliad*, in detail. Just read the

dynamic works in Classical tragic drama. The tragedy lies in the gods.

Now, are the gods real? In a sense, yes. But also not. But the gods are what are manufactured as the objects of worship, or fear, by a group of people. The way the people react, as individuals to each other, as in, for example, the *Iliad*—how do they act to each other? On the basis of individual decision to individual decision? No! On what god they're attached to, what god they think has orchestrated the scenario. So, true tragedy is never the tragic individual. True tragedy is society controlled by an idea which dominates a group of people.

For example, as I often reference this funny little thing in the *Julius Caesar* of Shakespeare—Casca asks about Cicero: "It was Greek to me." Because Cicero is the figure in that time, the real-life historical Cicero, in which he represented the last bastion of reason against what Rome, or future imperial Rome, Caesarean Rome, had become. And therefore, the characters in this drama, who correspond highly, by Shakespeare's creation, to the actual situation in the Caesarean phenomenon in Roman history: People are controlled by something they don't understand, which they recognize and they

Iliad. It's there. It's all there. The whole story's there. The secret's there. Then go to Aeschylus, or take *Seven Against Thebes* as another case of that kind of thing. Just go through that; it's there. *This is what's wrong with us. This is Hamlet. Hamlet is not a tragic figure; Hamlet's a piece of garbage in a garbage culture, and it's the garbage culture that controls him*. He goes through the thing, he going to make [groaning:] "Ghost; my father's ghost. Aah." Sneaky; cowardly. [falsetto:] "The play's the thing, to catch the conscience of the king." Next time you see him, "I give it all up; it's gone. Get the hell ... I'm going to kill myself." And then you have, at the end of the thing—Horatio's there, Hamlet's corpse is being carried off stage; they're preparing for a new war under Norwegian leadership, and Horatio's saying, "Somebody stop this thing; let's go review this thing and see what really happened here."

And that is the approach that we have to take in mass education, in political education: to get across to people that *we have to finally go back to Classical drama*, as to inform us as to how to reach the population in general of today. And we saw with the FDR case, it works! So, let's do it.

The U.S. Is Running Out Of Time To Save Itself

by John Hoefle

The bottom has been blown out of the U.S. banking system by the collapse of the biggest speculative bubble in history, and there is no recovery in sight, absent the emergency measures designed by Lyndon LaRouche. With each passing day the situation becomes more dire, as money which should be spent on rebuilding our devastated productive sector is instead diverted into Alan Greenspan's bottomless pit.

Little more than a week after banks and other financial companies had their worst day in 16 years on the New York Stock Exchange, the banks plunged yet again, having their worst day in eight years on July 24. These drops come as the big banks continue to report losses at rates which are both astonishingly high, and yet fall well short of the truth.

The U.S. banking system is bankrupt, and will not recover under the current policies. The Plunge Protection Team (PPT) has been reacting to the crisis, pumping in money, cooking the books, taking measures to prevent a collapse, yet the relentless disintegration continues, destroying everything in its path. Far from helping, the PPT's actions have accelerated the hyperinflation in the financial markets, including the markets for oil and food. These increases, combined with the overall decline in consumer-credit availability due to the death of the asset-backed securities market, have devastated the families of the lower 80% income brackets in the U.S. Home foreclosures are soaring, credit card defaults are rising, and consumer spending on goods other than food and fuel is contracting—all ominous signs of a rising wave of bankruptcy which will wipe out the banks already mortally wounded by their securities losses, as well as the banks which did not play that game.

Firewall

The first step toward solving a problem is to admit that it exists, and see it for what it is. Treasury Secretary Henry Paulson has been adamant that the banks take their losses—Citigroup leads the pack with some \$50 billion in writedowns to date—and raise capital, but these measures have done nothing to solve the underlying problem, as the losses are growing faster than the banks can raise new capital to allow them to admit their losses. Well over \$300 billion has been raised by banks worldwide since the crisis began, but those who have bought into the banks have seen the value of their holdings plummet, which makes further funding difficult to obtain. The problem facing Paulson, and the rest of us, is that a bankrupt system cannot bail itself out, but requires intervention from the outside. The only solution is for the government, acting in its sovereign capacity, to intervene, put the system through the equivalent of a bankruptcy proceeding, write off the unpayable debts, and act to protect the general welfare of the population. Denial is not a solution.

LaRouche has identified several measures which must be taken to put the economy back on its feet. The first step is for the Fed to raise interest rates to 4%, to assure that institutional depositors maintain their deposits in the banking system, and thereby defend the banking system against the attempts by the British to weaken U.S. banks by luring the deposits to London. While this step will not solve the larger crisis, it will help keep capital in the U.S., capital which will be necessary for recovery projects. It will also give the Brits a bloody nose, and teach them a needed lesson about the dangers of looting the United States.

FIGURE 1

Closing Stock Price: Washington Mutual

Source: finance.yahoo.com.

FIGURE 2

Closing Stock Price: Wachovia

Source: finance.yahoo.com.

Once the interest-rate policy has been put into place, we can move to phase two, beginning with the passage of the Homeowners and Bank Protection Act (HBPA). The HBPA would erect a firewall to protect homeowners from foreclosures, and begin the process of putting the financial system through bankruptcy. Necessary functions like food production and delivery, education, health care, and the like would continue, while the huge mass of speculative derivatives bets, securities, and such would be frozen, to be sorted through later. Among the essential services to be protected, ironically, would be banking, as a functioning banking system is essential to the operation of an economy, and to the rebuilding process which is required. However, we should

stress that we are talking about protecting functions, not institutions, and that saving the banks in many cases means saving them from the people who now run them. Many of the banks will have to be reorganized.

Having erected the firewall, the rebuilding can begin, using low-interest-rate directed credit to repair and upgrade our depleted infrastructure, rebuild our manufacturing base, and implement new technologies to lift the entire economy into a new era of productivity. This includes the large-scale development of nuclear power and the building of high-speed magnetically levitated (maglev) trains to deal with our transportation problems; large-scale water projects and desalination to address the growing water shortages in the Western states, especially; and other projects of the same kind. These projects, far from costing us money, will, in the long run, increase the productive power of the economy, creating wealth far in excess of their costs.

At the same time as we begin rebuilding, we can enter into agreements with other nations, particularly, Brazil, Russia, India, and China (the BRIC nations) to carry out these policies on a global scale. With such a bloc committed to national sovereignty and international cooperation, the power of the British Empire and the Anglo-Dutch Liberal slime mold can be broken, finally freeing the world from its deadly embrace.

These policies, based upon the proven American System of Economics, are what built the strongest economy in the history of the world: Alexander Hamilton used them, Lincoln used them, FDR used them—they are proven, and they work. But time is running out, and we must act quickly.

“We’re on a very short fuse,” LaRouche said recently. “We have the policy. We have the approach, it will work: It’s the only damned thing that will work! Either we win and get this through, or you can kiss the United States goodbye. And that’s in the short term, not the long term. . . . The system is dead! The patient is dying. We’re on a death-watch, by the bedside of the patient. The patient is the U.S. economy. You’re sitting by the bedside while the patient is dying.”

“I’ve already defined the only possible solution. Nothing else will work,” LaRouche continued. “Everything else is a waste of time. The system is dead: It’s the walking dead. It’s finished! Either you put in a new system, and there’s only one way to do it, or the United States and the system are dead! And the whole world goes down with it.”

Dead Ducks

Stock markets are lousy economic indicators, with the Dow Jones Industrial Average serving mainly as a propaganda tool to hide the collapse of the American economy from the population. The daily fluctuations in the stock market may be relevant to speculators (and even to that rarer breed, investors), but they mean little to the real economy in which people live.

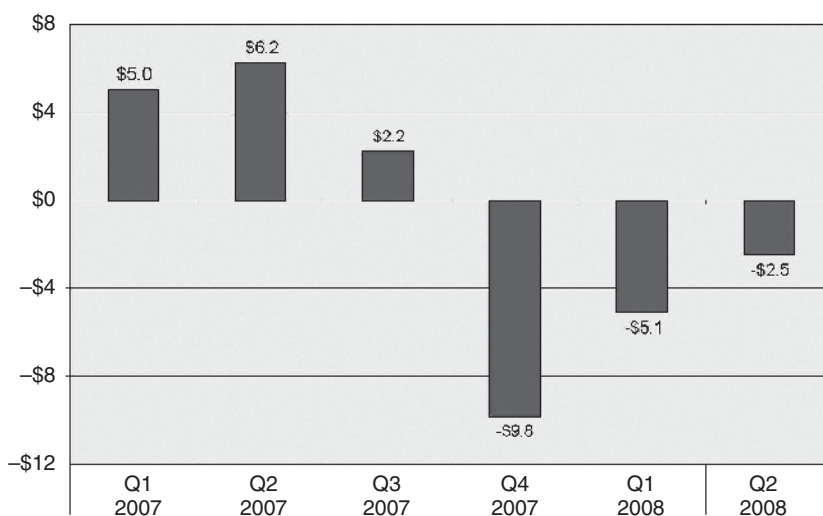
That proviso stated, it is useful to look at the recent performance of bank stocks, as a reflection of the seriousness of the banking crisis. Since the crisis began, bank stocks have been pounded as shareholders fled, seeing the writing on the wall. From their peaks circa the beginning of 2007, Washington Mutual has fallen 91%, Lehman Brothers has dropped 78%, Wachovia 71%, Merrill Lynch 69%, and Citigroup 60%. JPMorgan Chase, which allegedly has suffered the least among the big banks thus far, has dropped 23%. While these stock declines do not directly impact the balance sheets of the banks, they do serve as a warning that the banks are severely wounded, with more trouble expected.

The quarterly earnings reports from the banks, as fudged as they are, are also telling. Over the last three quarters, Citigroup has reported a whopping \$17 billion in losses, while over the last four quarters, Merrill Lynch has lost well over \$18 billion. Washington Mutual has lost over \$6 billion in the last three quarters, and Lehman Brothers dropped nearly \$3 billion in the second quarter alone. Wachovia, where PPT member Robert Steel recently took over as CEO, lost nearly \$9 billion in the second quarter, after losing \$664 million in the first quarter.

Steel, who resigned as Under Secretary of the Treasury for Domestic Finance to take the Wachovia job, was Paulson's deputy and a key player in the PPT; and, like Paulson, he is an alumnus of Goldman Sachs, where he was a vice-chairman. Steel adds to the list of former Goldman honchos who have moved into key positions as the financial crisis deepens. That list includes Merrill Lynch head John Thain, New York Stock Exchange president Duncan Niederauer, Paulson advisor Ken Wilson, World Bank head Robert Zoellick, New York Fed chief of markets William Dudley, and State Department Under Secretary for Finance Randall Fort, among others. It also includes White House Chief of Staff Josh Bolten and New Jersey Gov. Jon Corzine. The appointment

FIGURE 3
Citigroup Net Income

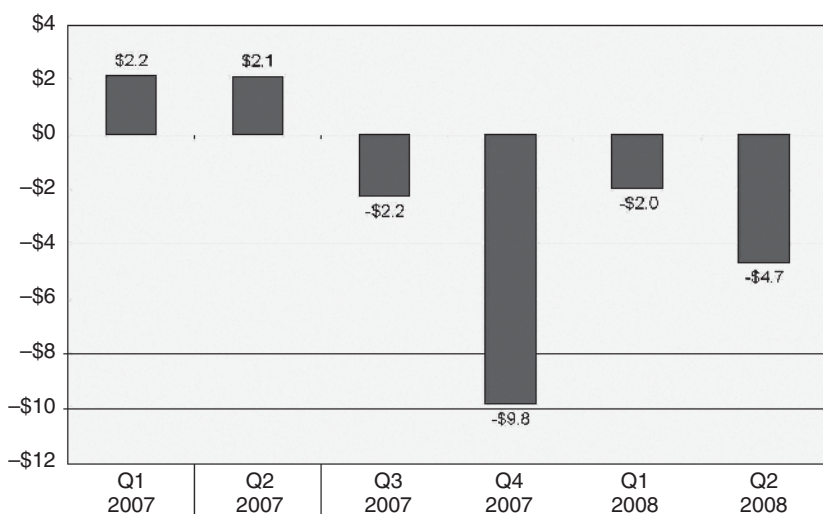
(\$ Billions)



Source: Citigroup.

FIGURE 4
Merrill Lynch Net Income

(\$ Billions)



Source: Merrill Lynch.

of one of these undertakers to head Wachovia does not bode well for the future of the bank.

Even these indicators, as bad as they are, do not convey the full damage. As LaRouche has stated repeatedly since last Summer, the financial system has died, and the institutions which depend upon that system are doomed, lifeless zombies going through the motions on Federal life support. We cannot afford this charade: it is time for the lower 80% (by income) of the population to force Washington to let the zombies go, and begin to attend to the living!

Geneva Trade Talks: WTO's 'Ship of Fools'

by Karel Vereycken

At the “last chance” meeting in Geneva on July 27, the head of the World Trade Organization (WTO), Pascal Lamy, aims to ram through a new multilateral trade agreement on agriculture and industry to conclude seven years of the Doha Round. Although we go to press before the results are known, the meeting has already become an open battlefield—neither between rich and poor, nor between North and South, as the British media have it, but between the imperial British economic vision of the Commonwealth, as personified by Peter Mandelson (the European Union Trade Commissioner and former Cabinet member in Tony Blair’s British government), and nations out to secure their survival, based on food sovereignty and the increase of the powers of labor of their workforce, through at least a minimum of organized markets, regulation, and protectionism, without restraining access to world markets.

The issue is whether food production will be slashed; whether hungry people will live or die.

The lowering of trade tariffs of developed nations, supposedly to favor emerging nations’ access to “profitable” markets, and the proposal, adopted by the WTO in Hong Kong on Dec. 13-18, 2005, to forbid all subsidies to agricultural exports by 2013, in exchange for not a single advantage, turns out to be worse than unacceptable.

For European agriculture, writes a French daily, “the leadership of the WTO proposes to reduce support measures for agriculture by 75 to 85% in six steps over five years in order to promote the imports of identical products coming essentially from Brazil, Argentina, the United States, Canada,

Uruguay, Australia, and New Zealand.”

Large European farm organizations, such as the Committee of Professional Agriculture Organizations (COPA) and the General Committee for Agricultural Cooperation in the EU (COGEMA), estimate that losses for European agriculture would run as high as 30 billion euros (\$47 billion) per year, and cause the loss of 500,000 jobs. Thus, by adopting the WTO’s suicide plan, the EU would abolish its own Common Agricultural Policy (CAP), which has been feeding

500 million Europeans for two generations, and *agricultural output would fall by a catastrophic 15-25%*. U.S. agriculture, while slightly protected by subsidies in the recently adopted \$290 billion Farm Bill, would be very rapidly forced to obey to the same suicidal policy, and would face the continued rapid outsourcing of its food production.

Didn’t the food riots that swept 40 countries earlier this year remind these WTO bureaucrats, that to feed at least 10 billion people on the planet by 2050, we cannot stick to such dangerous illusions as to hand over food production to “the market” alone?

Today, farmers and consumers of food are not the only ones who are worried about the WTO. Industrialists in Europe vividly recall the outcome of the preceding GATT Uruguay Round, which closed with the Marrakesh agreement in 1994. That agreement outsourced, and nearly exterminated, all textile production in Europe. For Eoin O’Malley of the Business Europe employers organization, the WTO’s proposed agreement in Geneva “does not open markets to European products” at all. An expert in the auto industry, quoted by the French financial daily *Les Echos*, said he feared

that the industry “would be sacrificed” in Geneva, while officials of the European chemical industry claim that strong trade barriers prevent them from selling their products in India or China.

Fanatic Free Traders: Lamy and Mandelson

While the free-trade dogma was powerfully unmasked by the theoretical founders of the American System of econom-



The Ship of Fools, by Hieronymus Bosch, ca. 1490-1500.

ics and protectionism, such as Henry Carey and Friedrich List, in the 19th Century, the British free-trade religion found new followers with Pascal Lamy, who became director general of the WTO in May 2005, and EU Trade Commissioner Peter Mandelson.

The two latter want to impose an agreement at all costs. But who are they?

Pascal Lamy: As a socialist and professed Christian, nicknamed the “soldier monk” by his former patron Jacques Delors, Lamy is a rabid free trader. To free the market, he thinks, the nation-states have to be reined in; if Europe today is handcuffed by the Maastricht and Nice agreements, and potentially by the Lisbon Treaty, Lamy must share the blame. It was he, as an advisor to then-president of the EU Commission Jacques Delors, who framed the “single market” scheme, under the direction of the late British baron Arthur Cockfield, who was then the vice president of the EU Commission, and is correctly considered to be “the father of Maastricht.” Cockfield was a leading figure of the fascist British Fabian Society and the London School of Economics.

Peter Mandelson: As the grandson of a member of Clement Attlee’s Cabinet, Mandelson shares the designation “Prince of Darkness” with U.S. neocon lunatic Richard Perle. Mandelson was the leading spin-doctor who godfathered Tony Blair’s election victory in 1997, and authored the “Third Way” theory between socialism and economic neoliberalism. Repeatedly endangered by corruption scandals and his flamboyant personal life, his very presence in Brussels is intolerable, even for the ordinary Eurocrat. One told the French weekly *Le Point* that “Mandelson is like Kaa, the snake in the ‘Jungle Book.’ He sings to you ‘have confidence,’ while encircling you with his coils.”

The War of the Worlds

With Lamy as head of the WTO and Mandelson representing the 27 EU member states, those opposing the deal (France, Italy, Spain, Ireland, Hungary, African nations, and others), trapped by their own past commitments and incapa-

ble of formulating a positive alternative, for a long time used the only weapons still at their disposal: rejection and “wait and see” tactics.

The polemic had only popped up as an epistolary duel between French Agriculture Minister Michel Barnier, who suggested in the *Financial Times* that the CAP could be a source of inspiration to create “a new deal” to overcome food insecurity, and Mandelson, who fulminated in a column published by the *International Herald Tribune*, that “food security of some only means food insecurity for others.”

But things got tenser in the weeks before the Irish referendum on the Lisbon Treaty in June. On May 28, French President Nicolas Sarkozy, under pressure from his domestic farm sector, opened friendly fire on both Lamy and Mandelson, declaring that France would not accept a deal that Lamy and Mandelson “want to impose on us,” and which would sacrifice agriculture on the “altar of world liberalism.”

After having blamed Mandelson for messing up the Lisbon Treaty ratification process, the French President said that “France will use its veto” at the WTO if French agricultural interests are threatened. “I’m not disposed to exchange agriculture for services in the framework of the WTO. We can’t go on negotiating in this way.” Arguing from a Darwinian standpoint, Sarkozy added that, “in the WTO negotiations, if efforts have to be made, then everybody should make them. For the time being, I don’t see any efforts which the United States would be ready to make.” The same is true, he said, for India and Brazil. During a trip to Brussels, Sarkozy underlined again that he “didn’t get a mandate to sell out European and French agriculture.”

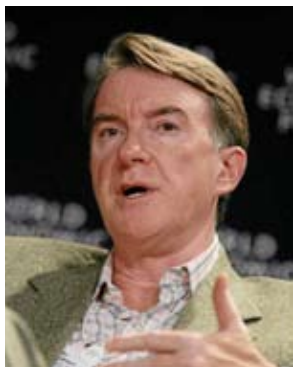
Then, on July 7, speaking at the European Parliament in Strasbourg, and showing some insight into the nature of the British problem, he said: “I know that there exist nations which believe this policy is too expensive. A child dies every 30 seconds in the world, so Europe cannot be asked to lower its agricultural production.”

Facing this French offensive, Lamy immediately called on the ministers of the WTO member states to meet in Geneva on July 22, since the WTO’s bureaucratic clock is ticking fast. Since every agreement at the WTO needs to be approved by the member states, a failure now would delay approval of the agreement for at least another two years, while, if concluded now, it could be ratified before the end of the year.

In response, Paris, which heads the EU for a semester, swiftly convoked an emergency meeting in Brussels of the



WTO
Director General
Pascal Lamy



EU Trade Commissioner
Peter Mandelson



PM/Ricardo Oliveira
French Minister for
Agriculture and Fisheries
Michel Barnier

trade ministers of the 27 EU member states. The meeting took place on July 18, three days before the Geneva WTO session; it dictated a script to Mandelson, who is to represent all EU members at the talks. To keep Mandelson on a leash, French Agriculture Minister Barnier was ordered to attend the Geneva talks, something which rarely happens. Mandelson sarcastically told the press that Barnier “can bring the picnic.” And so, the minister did. Taking Mandelson’s words literally, and with a Rabelaisian jest, Barnier and Anne-Marie Idrac (a French parliamentarian and businesswoman) offered Mandelson a huge picnic, carefully prepared with high-quality European food products, all produced by nations belonging to the anti-Mandelson front: Italian parmesan cheese, Hungarian Tokay wine, etc.

The Irish also kept on shooting at the British. After all, Mandelson told them before the referendum vote that he would not change his policy of destroying European and Irish farming with the Lisbon Treaty—an argument that fueled Ireland’s rejection of the treaty, in rural areas. Irish Foreign Minister John McGuinness, in Geneva, told the press that Mandelson’s behavior was “incorrect and useless.” For Ireland, he said, a veto of the WTO agreement “remains an option.”

Mandelson, who saw that things were turning sour, pulled off a lying poker play on July 21, pretending that suddenly the EU was proposing to lower tariffs by 60% rather than 54%, as agreed on before. Brazilian Foreign Minister Celso Amorim, who foolishly wants to eliminate all trade barriers, discovered that Mandelson had only changed his method of calculation, and exploded, saying the rich countries were using propaganda methods akin to those of Joseph Goebbels. The U.S. Trade Minister Susan Schwab, herself the daughter of a holocaust survivor, took offense at the statement.

Will the ‘Ship of Fools’ Crash?

One could say that the WTO “ship of fools” is crashing on the iceberg of the EU “Tower of Babel.” The Flemish painter Hieronymus Bosch, in his painting of the “Ship of Fools,” shows us a similar company, fighting for a little piece of fat or a handful of cherries, symbolizing ephemeral pleasures. Escaping their attention, the smart guy gets his hand on the chicken attached to the mast of the vessel.

The “smart guys” today are the financial markets. A “success” in Geneva will drive up the markets for a handful of ephemeral seconds, supposedly ushering in a new epoch of rising world trade that will flow from these agreements.

Why deregulate ever more of the world economy? As Philippe Pinta, the head of the Economic Commission of the French farmers union FNSEA, said: As prices are increasing all over the world, “deregulating everything appears to be a folly, at a moment when one is told the time has come to regulate financial markets. Is food more important than finance, or not?”

To conclude, a well-informed source notes that it is un-

necessary to make a decision on the WTO agreement “in such a chaotic context.” Dropping it all is no big deal, he says, while “in any case, even if adopted, the deal is unlikely to be approved by the U.S. Senate. Because, as of June, the President can no longer use the fast-track procedure.”

Otherwise, one might hope that the tempest of reality will bring some fools to their senses. The devastating financial blowout that has been ongoing since July 2007, and the rapid disintegration of the international financial world monetary system as seen in the triple crises of banking, food, and oil, has certainly been key to creating the conditions for sinking the WTO system. It is hard to “liberalize” in a world in which food, energy, and financial security are not defining costs and prices in the world economy.

WTO: History and Dogma

The World Trade Organization’s “Doha Round” was started barely two months after 9/11, in Doha, the capital of Qatar, on Nov. 9, 2001. and presented to the world as part of the “global war on terror.” In fact, this provided the ideal pretext for the Anglo-Dutch financial cartels to impose their world “governance.” To win that war, they said, it is necessary to reduce poverty. How? With free trade and the elimination of subsidies and trade barriers! Nation-states were accused of “distorting” sound competition and free trade.

The fraud of the supposed advantage of a “global economy” is nothing but a remake of the looting policies of the British Empire during the 19th Century. It was David Ricardo (1772-1823), a British war profiteer and friend of the genocidalist Thomas Malthus, who framed the theory of “Comparative Advantage,” pretending that free-trade policies, thanks to Adam Smith’s “invisible hand,” are beneficial to each country, whatever its productive powers, since each country can still benefit from specializing in and exporting the products which it can produce most cheaply. There is no need to train skilled labor, of course, since slaves can do the job at lower cost. No need neither to develop manufacturing (except in England), since trade alone will bring prosperity.

This is the ideology of the WTO to the present day. Lyndon and Helga LaRouche have campaigned against it for many years, and in April of this year, they called for an international mobilization to shut the organization down for good.

—Karel Vereycken

UN Session on Food: No Solutions Offered

by Leni Rubinstein, UN Correspondent

On July 18, the UN General Assembly held a special session on the Global Food and Energy Crisis. While a number of important speeches were delivered, no concerted action resulted from the session. The task force created to help solve the crisis, is part of the problem.

This last Spring UN Secretary-General Ban Ki-moon created his High-Level Task Force, led by longtime UN bureaucrat Sir John Holmes, tasked with dealing with the food and energy crisis. This resulted in the issuing in mid-July of the so-called Comprehensive Framework for Action (CFA) document, the which was the basis for the special session at the UN July 18.

Representatives from a number of nations spoke harshly about the severity of the crisis. Some sent out a dire cry for help, and several referred to, and expressed their support for, the proposal, issued in June, from Chile, Egypt, and Indonesia, that food security and development should be the main theme of the general debate of the 63rd Session of the General Assembly, which begins in September.

Below follows a brief account of a couple of the sharpest statements from that day's discussion.

Raza Bashir Tarar, Acting Permanent Representative of Pakistan to the UN, made it clear in his speech, that the current food crisis, which is affecting billions, has political origins. "The crisis is a result of neglect of agriculture, bad policies on trade, bio-fuels, market speculations, natural disasters, and the impact of climate change," he stated. Tarar refuted the claim, that the rise in energy prices is due to a supply-demand gap, and listed three main factors for the price hike: First, lack of sufficient refining capacity, including in the most industrialized countries. Second, speculation: "Speculation in food and fuel benefits only the speculators, hedge funds and traders.... It is neither beneficial for the common man, nor the economy." And, third, the doomsday security scenario for the oil-rich areas: Tarar referred to the "increasing rhetoric about imminent conflicts and strikes in the Gulf, coupled with the problems in Nigeria and Sudan," as having been a major factor in pushing up the prices.

Finally, without, however, posing any solutions, Tarar warned about the impact of the current financial crisis. Were it to develop into a full-blown systemic financial crisis, he said, it would be important to take steps to prevent a major depressive impact on the economies of the South. The speech ends with a dire warning: "Procrastination and inaction will be catastrophic. We need to act and act now."

Of the speeches that *EIR* obtained from the debate, the most comprehensive in dealing with the crisis, as well as the most revealing as to the intention of the Task Force, was the one delivered by Nirupam Sen, Permanent Representative of India to the UN.

Sen began by emphasizing the appropriateness of dealing with the food and energy crises as an integrated matter, and added, "It would have been even more useful to consider today the third crisis also—i.e., the global financial crisis, which is posing its interrelated challenges to our development efforts. Any meaningful response must address all these three issues."

Throughout his speech Sen attacked the contents of the CFA, as well as directly and indirectly (very thinly veiled) the High-Level Task Force, which produced it. He described the CFA as "voluminous," and noted that the document was made available just a couple of days before the session. He then pointed out, that the CFA is supposed to be the consensus view of the UN on how to respond to the global food crisis, but that no, or very minimal, contribution by member states has been included by the CFA. As he noted, sarcastically, "Let me reiterate, that the contents of the CFA would have been enriched, and made easier to implement, if ideas and suggestions of Member States had been taken on board...."

You cannot "present the desperation of millions of vulnerable people in their struggle to feed themselves as an opportunity," he went on to say. Sen described the shift away from food crops to cash crops for export as devastating for food security, and continues, "It is good that the right of food has been recognized in the CFA—we would have hoped for better recommendations to ensure its realization."

Sen derided the CFA, and the FAO, for addressing the issue of bio-fuels incorrectly, in terms of generalities of recent supply and demand dynamics, and referred, in quite some detail, to the recent (secret) World Bank Report by Don Mitchell, which finds biofuels responsible for 75% of the price increases, and that biofuels production has distorted food markets by diverting grain away from food to fuel, taking away land for biofuel production, and sparking financial speculation in food grains. Sen correctly accused the CFA of turning facts inside-out, when "it calls speculation a consequence of food export restrictions, when these restrictions are clearly a consequence of the inflation fueled by speculation." Also pointed out is the glaring lack from the CFA of any meaningful reference to technology, where agricultural research and development, and transferring new technology to farmers, are crucial to increase global food production. The speech ended on an optimistic note, proudly referring to the Green Revolution in India as an example, that current global challenges can be met.

It's clear that the High-Level Task Force is "high-level" indeed, and that the intent driving its work is to function as a diversion from any real plan of action.

Purdue Economists Detail World Food Shortages, Biofuels' Impact, High Prices

by Marcia Merry Baker

Within days of the July 18 UN General Assembly Special Session on the world food crisis, a reference report was released in Washington, D.C. on the historic scope of global grain and oil crop underproduction, the impact of biofuels, and soaring food prices. *What's Driving Food Prices*, an Issue Report (July 2008) by the Illinois-based Farm Foundation, was released at its July 23 briefing at the National Press Club. The 28 graphics in the 80-page report document why emergency measures for expanding production and interim food relief should be an international priority—as several national representatives said to the UN meeting. However, institutionally, UN agencies are so far blocking, not furthering, needed action.

The authors of the study, three economists from Purdue University, one of the preeminent agriculture institutions of the United States, also stayed within the confines of an “even-handed” approach to catastrophe, in most of their written comments, and their Appendix of 25 reviews of the recommendations of other agencies, ranging from *The Economist* of London, to the U.S. Congressional Research Service. The three are agriculture economists: Philip C. Abbott, Christopher Hurt, and Wallace E. Tyner. However, their presentation of data and charts speaks for itself of the urgent need for international collaboration to reverse what will otherwise result in mass famine.

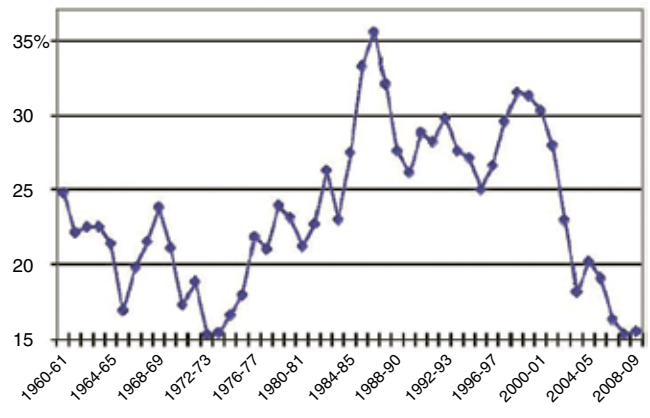
We here present excerpts and indicative graphics of the central points of their report. The full report is posted on www.farmfoundation.org.

World Grain Stocks—‘Too Little’

To begin with, leaving aside the critical questions of food price hyperinflation from speculation, cartel looting practices, etc., there is absolute and severe underproduction of food. Indicative is today’s ultra-low level of grain carryover (year to year) stocks, taken as a ratio of the volume of grain used in a year. This is defined in the report: “The stocks-to-use ratio measures the amount of ending stocks as a percentage of a full year’s use” (for any purpose). **Figure 1** shows this yearly ratio for world grains up through 2008 (forecast), beginning in 1960, the point when the U.S. Agriculture Department’s series, called PSD (Production, Supply, and Demand) began. The level for 2006-07 crop year was the lowest since 1972-73.

FIGURE 1
Stocks-to-Use Ratio for Total Grains in the World, 1960-2009

(Percent)



Source: Philip C. Abbot, Christopher Hurt, Wallace E. Tyner, *What's Driving Food Prices?*, Issue Report (July 2008), Illinois: Farm Foundation.

The Purdue report stresses this metric of stocks-to-use to show food shortages, by providing as an introduction, a table of the ratio for eight basic commodities, as well as total grains, under the heading, “Last Time the Stocks-to-Use Ratio Was as Tight or Tighter than Current Period”: 1) corn (1973-74), 2) wheat—a record low ratio (since 1960, when the data series began), 3) rice (1976-77), 4) soy oil (1976-77), 5) palm oil (1972-73), 6) rapeseed oil (1975-76), 7) soybean meal (1984-85), and 8) rapeseed meal (1966-67).

Moreover, the ratio of stocks-to-use *understates the shortages*, because the “use” side of grains, oils, and oil seed meals, is itself way below what it would be if all nations and peoples had sufficient food. However, the point is well taken that, even if use of food is under-defined, there is simply “too little.”

The report states: “There is a point at which ending stocks are so small that they reach minimum or ‘pipeline’ levels. This means total stocks will be used up at the time the new crop is ready to harvest. . . . The line between surplus stocks and shortages can be very thin. . . . It has become narrower in the last decade as governments got out of the storage business [disallowed under the World Trade Organization dic-

tates—ed.] and private end-users developed the philosophy of just-in-time delivery, and thus held minimum stocks in inventory.

“The transition from surplus stocks or ‘too much’ [in WTO market terms—ed.] to ‘too little’ came quickly for most agricultural commodities from 2006 to 2008. Once that thin line was crossed, prices were ‘unbolted’ as everyone asked what the value of food should be in a world of ‘too little.’ Ending stocks for many commodities are near record lows...”

To ramp up production, requires various combinations of putting more area into agricultural use, and creating more productivity per unit area, involving volume, quality, and timeliness of inputs (fertilizer, water, light, seeds, drainage, etc.). **Figure 2** shows that the area harvested for grains (1960-61 to the present) has been declining over the past 20 years, and only now is on the way up—unfortunately, partially reflecting the biofuels acreage craze after 2002.

There are many causes for the declining area, including sprawl from residential, commercial, and industrial activity, as economies were de-structured during the decades of globalization. Instead of a landscape of thriving towns, agriculture regions, and industrial zones, vast areas of decay have come to characterize many nations. Agricultural land has been lost to salination, and even to forced set-asides, done in the false name of “saving the environment.”

Going against this trend, critical land and production expansion programs have been announced for agriculture in recent months, by Russia, China, India, and also by Japan, including on behalf of Africa. Additionally, several nations are offering tracts of their land to others, for food use. Guyana has made such an offer to the island nations of the Caribbean. In July, Pakistan made a food-for-fuel offer to Saudi Arabia, of 700,000 hectares. These initiatives show that if concerted multi-nation actions can be mobilized, world food production could be doubled in a short period of time.

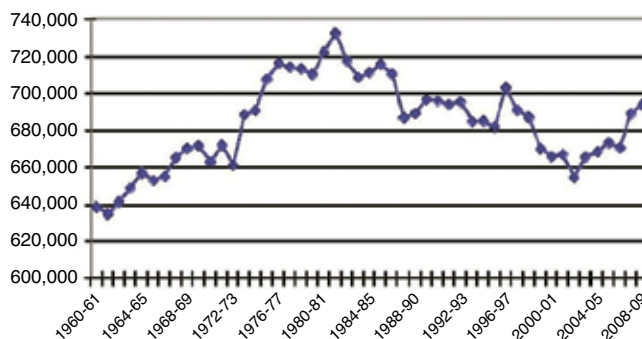
Deadly Biofuels

In the meantime, the continued diversion of grain and oil crops to non-food use, is a direct cause of the food supply crisis. The major agro-cartels dominating grain and oilseeds—Cargill, ADM, Bunge, Louis Dreyfus, and others, and the financial powers behind them—have presided over a vast shift of agriculture in the United States, Brazil, and the European Union, into biofuels, despite the world’s desperate need for food and farm capacity.

FIGURE 2

Area Harvested for Total Grains in the World, 1960-2009

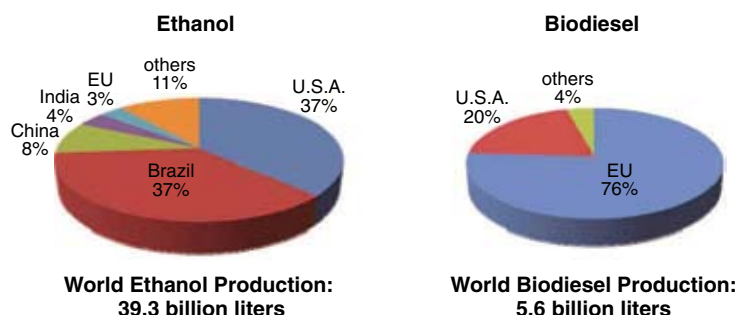
(1,000 Hectares)



Source: Philip C. Abbot, Christopher Hurt, Wallace E. Tyner, *What's Driving Food Prices*, Issue Report (July 2008), Illinois: Farm Foundation.

FIGURE 3

Global Biofuels Production, 2006

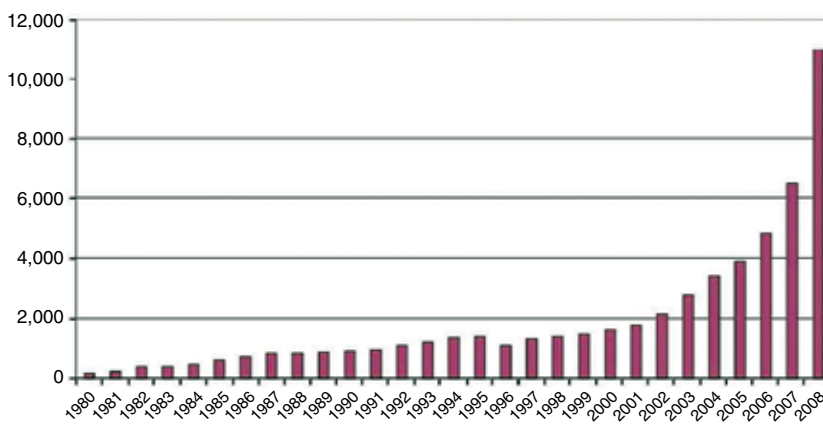


Source: Philip C. Abbot, Christopher Hurt, Wallace E. Tyner, *What's Driving Food Prices*, Issue Report (July 2008), Illinois: Farm Foundation.

FIGURE 4

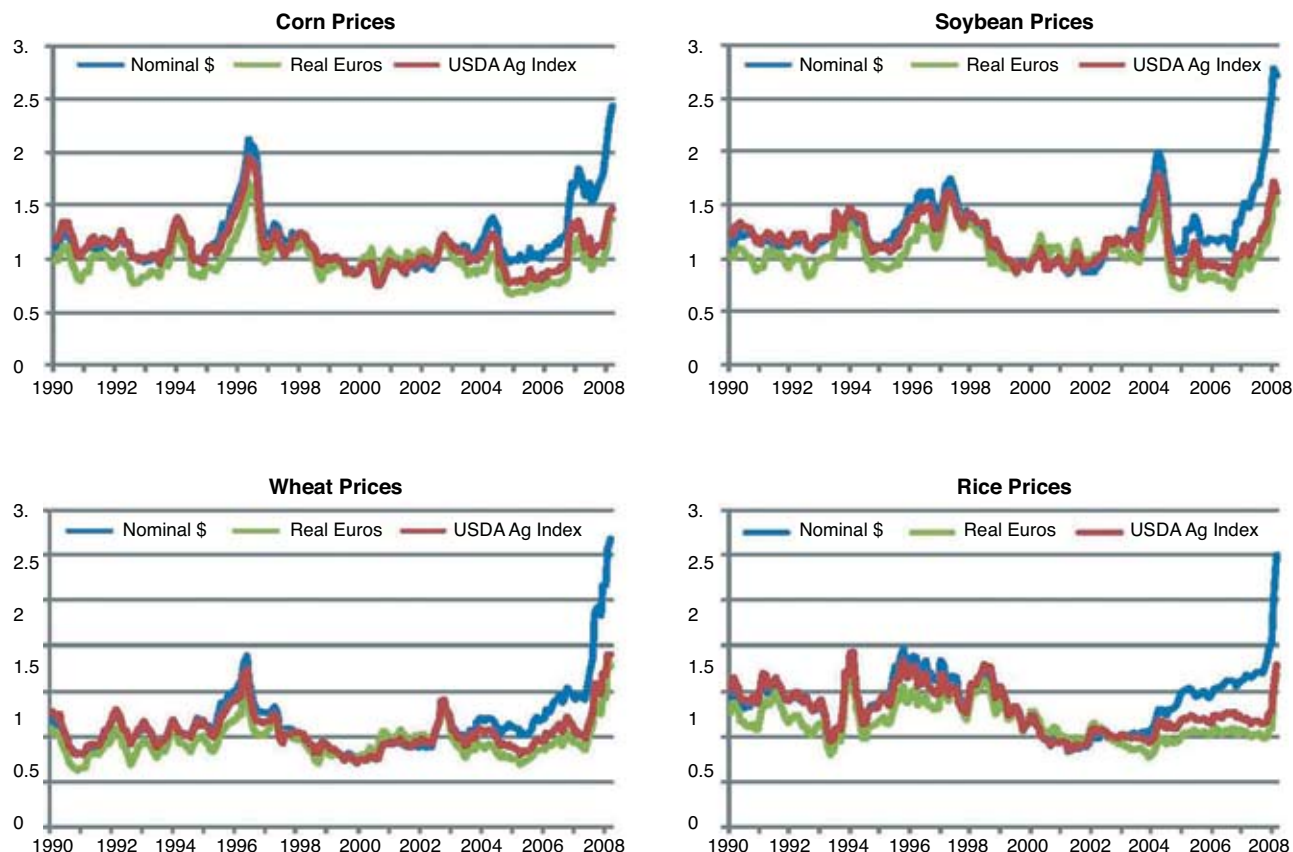
Ethanol Production, 1980-2008

(Million Gallons/Year)



Source: Philip C. Abbot, Christopher Hurt, Wallace E. Tyner, *What's Driving Food Prices*, Issue Report (July 2008), Illinois: Farm Foundation.

FIGURE 5

Agricultural Commodity Price Indices in Various Currencies, 1990-2008

Note: Commodity prices are normalized to equal 1.0, on average, for 2002.

Source: Philip C. Abbot, Christopher Hurt, Wallace E. Tyner, *What's Driving Food Prices*, Issue Report (July 2008), Illinois: Farm Foundation.

Figure 3 from the report, underscores the point. It shows the location of global biofuels production as of 2006. In **Figure 4**, the recent surge in U.S. ethanol production is clear, constituting a huge loss of corn from the world's food chain. The report summarizes the situation:

"Biofuels have grown significantly in recent years in several regions of the world. The main biofuels are ethanol from corn or sugarcane, and biodiesel from oilseeds or palm.... For ethanol, the global leaders are the United States and Brazil. U.S. ethanol is mainly from corn. Brazil uses sugarcane. In 2007, the United States overtook Brazil as the leading ethanol producer in the world. Brazil and the United States together make up about three-fourths of global ethanol production, with small amounts produced in the European Union, China, India, and other countries.

"For biodiesel, the global leader is the European Union (EU) with more than three-fourths of global production. In

2006, the United States had 20 percent of global production, but that share is probably smaller today, as biodiesel has stagnated in the United States, and continued to grow in the EU. Biodiesel is more important in the EU than ethanol because a much higher percentage of the automobile fleet is diesel.... In the EU, rapeseed is the primary feedstock, whereas soybeans are used in the United States. Rapeseed contains about 40 percent oil, and soybeans about 18 percent. The EU has ambitious targets to grow biodiesel production and consumption in the years to come...."

In sum, the food supply crisis now affecting millions of people, is considered by its enforcers as a biofuel "success." The report makes the point, in an understated way: "Biofuels added major new demands on an already tightening stocks situation, especially since 2004/5. For the three main vegetable oils, industrial growth (primarily biodiesel) represented 37 percent of total growth from 2004/05 to 2007/08.

For corn, the biofuels surge is even more compelling. By 2008/09, industrial use led by increases in corn use for ethanol will have accounted for 65 percent of consumption increase compared to 35 percent for feed use in the four years from 2004/05 to 2008/09.”

Runaway Food Prices

When this picture of diversion of farm capacity to non-food use has added to it the uncontrolled speculation in grains and all food commodities, the desperation of nations becomes clear. **Figure 5**, from the report’s section on “Exchange Rates, Food Prices, and Agricultural Trade,” gives price indices for four staples—corn, wheat, soybeans, rice—in two currencies (the U.S. dollar and the euro) and in a U.S. Department of Agriculture index, over the past 18 years.

The hyperinflationary phase of 2007-08 is outstanding. True, the devaluation of the dollar makes any dollar-denominated trend higher than another currency, but the whole situation is out of control.

For countries whose people have come to expend a high share of their income on food, the high prices and shortages mean automatic misery. The report provides a table showing food price inflation over the past year, in 11 nations, ranked by the size of their share of expenditure on food, from 65% to 21%; with the United States and Germany alongside for reference, where 10% of household expenditure goes to food, with a food price inflation rate of 5.1% (U.S.) and 7.4% (Germany).

A few examples make the point: In Bangladesh, where 65% of household expenditure goes for food, there has been 14.2% food price inflation over 2007-08. In Sri Lanka, with 62% going for food, the food inflation has been 25.6%. In Kenya, where 51% goes for food, the food inflation has been 24.6%. In Haiti, with 50% going for food, the food inflation was 11.8%. In Egypt, with 42% going for food, the food inflation has been 13.5%. (The report’s figures are from the *OECD-FAO Agricultural Outlook 2008-2017* (Paris and Rome, 2008).

HOTLINE

LaRouche and EIR Staff
Recorded Briefings
—24 Hours Daily
916-233-0630, Box 595

Gore’s Solar Proposal

How It Kills: Some Elementary Facts

by Laurence Hecht

The genocidal Al Gore’s widely advertised claims to the contrary, there are no improvements in solar conversion energy technology significant enough to make his solar power proposal into anything but a greenie wet dream—and, for basic scientific reasons, there never will be. If implemented, the great achievement of solar power would be the needless death of hundreds of millions, perhaps billions, around the globe by the denial of nuclear power. Gore’s proposal to replace fossil fuels with solar, wind, and other “renewable” energy sources is thus a deadly fraud.

The basic problem with using solar power as a source of electrical power is the low density of energy flux from the Sun. Measured in watts received per square meter of land area at the Earth’s surface, the yearly averaged solar flux varies across the United States from about 160 in the New England states, to 240 in Albuquerque, N.M., for a nationwide average of 200 watts per square meter. If all that solar energy could be converted directly into electricity, you could light two 100-watt bulbs for every square meter (about 11 square feet) of land area—during the day, that is.

Of course, all the Sun’s heat cannot be converted into electricity. Take the latest solar plant to be brought on line, Nevada Solar One, a solar concentrator plant near Boulder City, Nev., which incorporates the latest German-built parabolic mirrors to focus the Sun’s heat on specially designed vacuum-insulated steel and glass receivers produced by Germany’s Schott firm. Although rated at 64 megawatts peak generating capacity (that is, at full Sun), the actual averaged generating capacity of the plant over the 24-hour day is somewhat under 15 MW. This is produced on a land surface area of 1.3 million square meters (321 acres, not counting auxiliary facilities), bringing the actual electrical generating capacity of the plant to 11.4 watts per square meter. Thus it takes about 9 square meters, or 96 square feet of plant area, to generate enough electricity to light a 100-watt bulb—during the daytime.¹

1. To replace all 1,090 gigawatts of electrical generating capacity of the United States with solar plants would require a surface area of 37,000 square miles—approximately the land surface area of Virginia. To deliver a modern level of electric power to the world’s population and industrial



Government waste: A test solar electric rooftop system on a U.S. Navy building in Pearl Harbor. Gore's proposal to replace fossil fuels with solar power is a fool's errand.

Compare that to the power density of modern nuclear reactors, which produce from 2 million to 100 million watts per cubic meter of reactor core. The comparison is not merely a question of magnitude, however. A modern high-temperature reactor provides the electrical output and core temperatures to make possible such additional capabilities as the generation of industrial process heat, seawater desalination, hydrogen production for fuels, and the creation of isotopes for use in industry, medicine, and research. More importantly, the development of a cadre of scientists, engineers, and related personnel, competent in nuclear power production and research, paves the road to man's mastery over the subnuclear domains in which the secrets of fusion, and eventually matter-anti-matter reactions, are to be revealed.

Commercially available photovoltaic cells, the other principal way of converting the Sun's heat to electricity, have an energy conversion efficiency of 9 to 14%. Higher efficiencies, up to 30%, have been achieved in laboratory settings, but at costs that are not commercially feasible. But

base (2 to 3 kilowatts of generating capacity per person), using solar plants, would take 548,000 square miles, five times the land area of the United Kingdom and the Netherlands combined. Germany, which abandoned nuclear power development in favor of wind, solar and wood, still relies on nuclear for 26% of its electric power, coal for 62%, and wind, solar, geothermal and wood burning for only 7%.

let us take the best, nonexistent case of a 30% efficient solar cell. Remembering that the average solar flux is 200 watts per square meter, during half the day, it would mean a real averaged energy production capability of 30 watts per square meter per day (36 square feet to light a 100-watt bulb), under ideal conditions. One thus easily sees why solar energy exists only where Federally financed demonstration projects, subsidies, and laws requiring a certain percentage of retail power be produced by "renewable energy" are in effect, as in Nevada and California.

Solar energy is a great fraud, which actually deprives the world of desperately needed modern forms of power production, of which the most feasible is nuclear. Only a population driven insane by decades of Malthusian green propaganda in the schools, television, and other popular media would even seriously entertain a solar-powered electrical grid. What is really under attack in the proposal by Gore, the frontman for the Anglo-Dutch oligarchy's wish to return to a new Dark Age, is science itself. Having largely destroyed the nuclear capability of the United States, the intent is to channel what remains of the next generation's scientific impulse into the pursuit of better solar cells, climate frauds, and cataloging extinct species, of which the fastest accelerating is mankind.

The author is editor-in-chief of 21st Century Science & Technology.

British Unleash Ergenekon To Destroy Turkey and Its Peace Role

by Dean Andromidas

The nation of Turkey has been rocked by the indictment of a criminal network, the Ergenekon, for planning a military coup against the government, in an investigation that is only comparable to those conducted in Italy into the notorious P-2 Masonic Lodge and the Gladio NATO-linked “stay behind” networks responsible for Italian terrorism in the 1980s and 1990s. These revelations occur at a time when Turkey is playing a key role in mediating peace talks between Israel and Syria, and taking major initiatives with Iraq and Iran that directly counter British efforts to launch another Southwest Asia war.

The planned Ergenekon “strategy of tension,” complete with terror attacks and assassinations, aims to pave the way for a military coup against the government of Prime Minister Recep Tayyip Erdogan. Like those of the P-2 and Gladio in Italy, the Ergenekon investigation reveals links both to NATO and state security services and to terrorist, assassination, and criminal networks.

U.S. intelligence sources have told *EIR* that the British are fully committed to destabilizing, if not overthrowing, the Erdogan government. Turkey is targeted because of its central role on several fronts to promote peace and economic development throughout the Middle East, a role that threatens to overturn the British Middle East chessboard, which hasn’t changed since the Sykes-Picot agreement, where Britain and France carved up the region after World War I.

These peace initiatives include Turkey’s role as mediator in exploratory peace talks between Israel and Syria, which promise to further Israeli-Palestinian talks, and, eventually, to open the door to talks between Lebanon and Israel. Turkey has now offered to play a similar mediator role between Iran and the West, in order to build up trust between Iran and the European Union, the United States,

Germany, France, China, Russia, and Great Britain.

On July 11, Erdogan was in Baghdad, where he signed an historic “strategic cooperation” agreement that has been compared to the Franco-German treaty of 1963, between Germany Chancellor Konrad Adenauer and French President Charles de Gaulle. The latter treaty created an alliance that formed the basis for the economic integration of Europe—a Europe of Fatherlands. The new strategic agreement will involve Turkey in the economic reconstruction of Iraq, and begin to integrate the two economies.

Recently, Turkey co-sponsored, with the U.S. Drug Enforcement Administration, an international drug-enforcement conference, and Turkey is also playing a leading role in going after the multi-billion-dollar drug network that is trafficking heroin from Afghanistan. Thus, Turkey serves as a key flank against Britain’s new opium wars.

In this context, Britain’s historic assets have been unleashed.

Ergenekon: Modern Day Young Turks

On July 15, Istanbul Chief Prosecutor Aykut Cengiz Engin submitted the indictment against the Ergenekon to Turkey’s high criminal court. The 2,455-page indictment named 86 suspects, 48 of whom are currently in custody, including retired—and possibly current—members of the armed forces, as well as academics, journalists, political activists, and organized crime figures. Among those arrested were retired generals Hursit Tolon and Sener Eruygur. The former had been the number two commander in the military when he retired, while the latter was former commander of the national gendarme force. Also arrested was the head of the Ankara Chamber of Commerce, Sinan Aygun.

The charges against the Ergenekon include: “membership

FIGURE 1

The Sykes-Picot Agreement of 1916



www.israelipalestinianprocon.org

ganization in NATO,” but also points to the deeper role of the Progress and Union Party, also known as the Committee of Union and Progress or CUP, which was the organization of the Young Turks in the early 1900s.

(The CUP was a freemasonic-type operation founded by British Intelligence, through the British Scottish Rite and allied French and Italian Masonic Lodges in 1906, as a vehicle to take over the Ottoman Empire. These same networks created Italian fascism and European synarchism.)

Acar writes: “First, Turkey has to deal with Ergenekon effectively if it seeks to get rid of the dire impacts of the Progress and Union Party (IVT), which remained effective in the country for more than a century. The harm inflicted by the IVT, which revolted against Abdul Hamid II with the promise of bringing liberties but resorted to repressive policies after it took the office, is simply indescribable. The country had to deal with enormous problems during the IVT’s term between 1908 and 1918; every attempt by the IVT during this period brought nothing but disaster and destruction. The Balkan Wars, World War I, the Sarikamis failure, the Armenian inci-

idents,¹ loss of the Balkans, northern Africa and the Hijaz, the invasion of Anatolia and the path to the Sèvres Treaty² are all products of the IVT rule. The harm inflicted by the IVT on this country is not limited to the acceleration of the Ottoman state’s collapse and the incorrect policies that caused the subsequent tragic events, which still impacts current politics.

Among the specific crimes Ergenekon is charged with are the 2006 armed attack on the Council of State High Court-house, where one High Court judge was killed; and a shooting and hand-grenade attack at the Istanbul office of the newspaper *Cumhuriyet*

The Turkish media has compared the Ergenekon to Italy’s Gladio “stay behind” terrorist network, and identified it as part of the “deep state” apparatus. But Dr. Mustafa Acar, an economics instructor at Kirikkale University, went much further in precisely identifying who is destabilizing Turkey, in a commentary July 2 in the Turkish daily *Zaman*. Entitled “‘Ergenekon’: An Opportunity for Peace Between State and People,” Acar’s article not only describes the group as the “Turkish branch of Gladio—designed as a semi-military or-

ganization in NATO,” but also points to the deeper role of the Progress and Union Party, also known as the Committee of Union and Progress or CUP, which was the organization of the Young Turks in the early 1900s.

(The CUP was a freemasonic-type operation founded by British Intelligence, through the British Scottish Rite and allied French and Italian Masonic Lodges in 1906, as a vehicle to take over the Ottoman Empire. These same networks created Italian fascism and European synarchism.)

Acar writes: “First, Turkey has to deal with Ergenekon effectively if it seeks to get rid of the dire impacts of the Progress and Union Party (IVT), which remained effective in the country for more than a century. The harm inflicted by the IVT, which revolted against Abdul Hamid II with the promise of bringing liberties but resorted to repressive policies after it took the office, is simply indescribable. The country had to deal with enormous problems during the IVT’s term between 1908 and 1918; every attempt by the IVT during this period brought nothing but disaster and destruction. The Balkan Wars, World War I, the Sarikamis failure, the Armenian inci-

1. Sarikamis is a battle during World War I in which the Ottoman Army was disastrously defeated. It was initiated by Enver Pasha, a leading CUP member. In its aftermath, the “Armenian incidents,” occurred, i.e., the Armenian genocide, which has been used internationally to destabilize Turkey.

2. The Treaty of Sèvres was forced on the Ottoman Empire by the Allied powers, including Great Britain, France, Italy, and Greece, but it was never recognized by the United States or the Soviet Union. It not only removed all the Arab territories from the Ottoman empire, but also created a group of statelets out of what is now modern Turkey. Signed by the Young Turk-led Ottoman government, which was nothing but a puppet of the Allies, the treaty was opposed by the Nationalist movement led by Atatürk, who defeated the Allied powers’ attempt to use military force, to implement it.

at the end of World War I. The actual harm done by the IVT was in the mindset of the party; the IVT mindset, based on excessive nationalism—some may even call it racism—centralist ideas, repression, alienation from the people and protection against external actors left indelible imprints in Turkey’s last century. Ever since then, the ongoing disagreement between the state and the public, the clashes between the elected and the appointed, the perception that freedoms will lead to turmoil, and the perception that the recognition of diverse identities will partition the country have all, to a great extent, carried the marks of the IVT. Removing the greatest barriers before Turkey is directly dependent on getting rid of the IVT mindset and its imprints in the bureaucratic mechanisms.”

Pointing to the Gladio-type connection, outside of Turkey, Acar adds that treating the Ergenekon as a purely domestic operation is “a failure to see half the picture.” Pointing to previous coups in Turkey, he says: “The coups also include some external dimensions. Currently we are aware, from the proper analyses made and the publicized documents, that every coup promoted and staged in Turkey is somehow related to the Gladio-counter-guerrilla-Ergenekon organization and the attempt to preserve Turkey in Western orientation. . . .

“Unfortunately this gang, which extensively relied on a nationalist discourse, had done nothing but implement plans devised by NATO actors. Turkey needs to get rid of the Ergenekon gang if it seeks to become a stable, pluralist and democratic country that has good relations with its own people and the world, and is able to retain a high growth rate.”

Although Acar does not directly identify this as a product of the British Sykes-Picot “mindset,” the naming of the Committee of Union and Progress precisely identifies the ongoing destabilization of Turkey as a British operation.

The British Imperial Roots of the Young Turks

EIR has documented the British imperialist roots of the Young Turks in many articles. (See, for example, Joseph Brewda, “Palmerston Launches Young Turks to Permanently Control Middle East,” April 15, 1994). Here we will give only a thumbnail sketch.

The Young Turks were part a stable of fascist movements inspired by British agent Giuseppe Mazzini, including Young Europe, Young Italy, Young Germany, and so on, which were created to subvert and take over the Ottoman Empire on behalf of the European imperialists, led by Great Britain, and including France, Italy, and Russia. The CUP was founded in 1906, in the Greek city of Salonika, and then within the Ottoman Empire, under the direction of Emmanuel Carasso, an Italian official of the B’nai B’rith. Carasso was also grand master of the Italian freemasonic lodge in Salonika called Macedonia Resurrected, which provided the headquarters of the Young Turks. By 1907, leading Young Turk Mehmed Talaat, became grand master

of the Scottish Rite Masons in the Ottoman Empire.

Carasso also played a leading role in the Young Turks’ overthrow of the Sultan Abdul Hamid II in 1908, which paved the way for the CUP takeover of the administration of the Ottoman Empire, which the CUP ruled until 1918.

Through the Young Turks, the British gamemasters transmitted various false ideologies, including Pan Turkism, Pan Islamism, and even Zionism, as attested by the fact that Vladimir Jabotinsky was a member. Jabotinsky was the leader of the nationalist wing of Zionism and the spiritual guide of the Israeli right-wing Likud Party, particularly its chairman Benjamin Netanyahu. In fact, Jabotinsky was the editor of the CUP’s *Young Turk* newspaper.

During this period, the CUP was responsible for the disasters outlined by Dr. Acar.

After the Committee of Union and Progress destroyed the Ottoman Empire from within, the British, who had imprisoned many of its members on the island of Malta after 1918, on charges of war crimes, released CUP members to subvert the nation-building vision of Mustafa Kemal, known as Ataturk. For instance, Adil Bey, a leading CUP member and former interior minister in the Ottoman government, was given £150,000 by the British, who returned him to Constantinople to form the “Society of the Friends of England.” This group lobbied openly for the protection of the British, while secretly organizing provocations throughout the country in an effort to discredit the nationalist movement and provoke an Allied intervention.

Mustafa Kemal was never forgiven by the British for sabotaging their plans to dismember Turkey as part of the Sykes-Picot scheme, which was drafted by England and France in 1916, to divide up the Ottoman Empire as the “spoils of war.” Britain won control of Iraq, Jordan, and Palestine, while France received control of Syria and Lebanon.

While acknowledging Turkey’s loss of these Arab provinces, Ataturk led a struggle between 1919 and 1923, to create a new Turkish state whose sovereignty and independence would be recognized by the world.

At first, Ataturk, who was keen on establishing a Western-style republic, allowed the CUP’s return on the condition it pledged loyalty to the new government. Initially, Ataturk encouraged the CUP to take up the role of the official opposition, only to find in 1926, that the Committee was plotting his assassination. CUP members have been deeply embedded in the Turkish political and economic circles, and the military and security forces ever since. A careful examination of the three Turkish military coups that have occurred since 1960, will reveal in many cases first-, second-, and even third-generation members of the CUP.

Today’s Ergenekon also has links to the Committee.

Ergenekon in the Image of the CUP

According to press reports, the indictment identifies the Ergenekon as a cult-like organization based on the so-called

central Asian “Agarta” myth, a supposedly 600-year-old legend describing the roots of the Turkish people. Far from being six centuries old, Agarta, or Argharta, is a synthetic myth created at the end of the 19th Century by Alexandre Saint-Yves d’Alveydre, a Martinist freemason, who later became one of the godfathers of the European Synarchy which formed the basis of the French fascist movement of the 1930s, and the spiritual basis for today’s neoconservatives.³

According to the Ergenekon indictment, and a second one yet to be released, the nearly 100 people under arrest or being sought, are linked to a kaleidoscope of organizations from the far left to the far right, and from ultra-secularist to Islamic fundamentalist. Some of them call for resurrecting the Istanbul Caliphate, which had been abolished by Atatürk, not only because he was a secularist, but also because it represented a hotbed of British and French intrigue. The Ergenekon met in a church of the so-called Turkish Orthodox Church, which has no congregation but claims ownership to several properties and churches formerly belonging to the Greek Orthodox Church.

Another direct link to the Committee of Union and Progress is the connection to several leaders of the notorious Grey Wolves, the Pan-Turkic movement whose member Ali Ağca was convicted for the attempted assassination of Pope John Paul II. The spiritual godfather of the Grey Wolves was Ziya Gökalp, who died in 1924; he was the chief theoretician of the CUP and the chief protagonist of the racist Pan-Turkic ideology. This is another synthetic ideology; it was created in the 19th Century by Hungarian philologist, Orientalist, and Zionist, Arminius Vámbéry, an agent of Lord Palmerston and the British Foreign Office who served in the Sultan’s court in the 1860s.

The Ergenekon is also linked to the Pan Islamic Great East Raiders Front (IBDA-C) led by Salih Mirzabeyoğlu and Saadetdin Ustaosmanoglu. Mirzabeyoğlu, who is in prison, proudly states his family’s anti-Atatürk roots going back three generations. But where does his Pan-Islamism come from? Although the CUP promoted Pan-Islamicism, it was created in the 1870s by Wilfred Blunt, who worked for the British Foreign Office. (Blunt’s infamous descendant is Anthony Blunt, the librarian of the British Royal family who was later exposed as one of the four men in the spy ring led by Kim Philby.)

The Turkish daily *Zaman* published details from a document allegedly showing the structure of the Ergenekon, which revealed it to be organized as a secret paramilitary society with seven commands, including one each for a presidency, intelligence, intelligence analysis, operations, financing, intra-organizational research, and planning. The documents

states such things as, “In the 21st century, intelligence agencies will inevitably be the institutions shaping world politicians and global policies.”

The Turkish media links Ergenekon to almost every terrorist group that has surfaced in the last three decades, including the narco-terrorist Kurdish Workers Party (PKK), which is involved not only in attacks in Turkey; its Iranian branch, Party for Free Life in Kurdistan, has become part of U.S. Vice President Dick Cheney’s operations against Iran.

Zaman quotes a former Ergenekon member, Tuncay Güney, as stating that Ergenekon had direct links to the PKK. Güney claims that imprisoned PKK leader Abdullah Öcalan met with PKK leaders, and had told the PKK “not to mess with Ergenekon.” The Ergenekon also had controlling links to the extreme left-wing Revolutionary People’s Liberation Party/Front (DHKP/C), which is on the U.S. list of terrorist organizations, and was behind the 1996 assassination of businessman Özdemiş Sabancı.

Turkey: A Target of Sykes-Picot

There have been three military coups in modern Turkish history: 1960, 1971, and 1980. Some Turkish commentators have added a fourth, the 1997 “post-modern” coup which saw the “judicial overthrow” of the government of Necmettin Erbakan, leader of the Islamic-oriented Welfare Party, after a pressure campaign by the military.

Commentators fear that the current case before the Constitutional Court seeking to close down current Prime Minister Erdoğan’s ruling AKP party and ban 71 political figures, including Erdoğan and Turkish President Abdullah Gül, from party politics for five years, is an attempt at another “post-modern coup.” Some have asserted that Ergenekon was to be part of this new “post-modern” coup.

It is feared that if the court rules against the AKP, there could be major disturbances. Unlike 1997, when the Islamic Welfare party had to rule in a coalition, the AKP won a new mandate in last year’s elections and holds almost an absolute majority in the Turkish parliament. More importantly, a new generation of military officers has entered the military; these officers had not participated in the three earlier coups, and are expected to stay in their barracks and remain loyal to the constitutional civilian government.

The “Gladio-Deep State” narrative that has identified NATO and the CIA as the hand behind the past three Turkish military coups has served only to mask the British hand, that has sought to use Turkey in its geopolitical schemes, to maintain Britain’s dominance in the Middle East. Its purpose is to perpetuate the Sykes-Picot “mindset” to prevent the economic development of a region that is at the crossroads of Europe and Asia, as well as Eurasia and Africa, and to maintain it as trigger for global war. With the current financial crisis, powerful British financial interests are now prepared to pull that trigger.

3. For a full discussion of the Synarchy and its links to Anglo-French financiers centered on Bank Worms, see Pierre Beaudry, “Synarchist-Terrorist Fifth Column in France,” *EIR*, June 9, 2006.

PKK Terrorists Named ‘Drug Kingpins’; Nations Move Against Narcoterrorism

by Michele Steinberg

The murderous Kurdistan Workers Party, known as the PKK, was founded by the jailed former Marxist, Abdullah Ocalan, in 1974, at Ankara University, and has been mislabeled as a “Turkish” problem, or a “Kurdish” problem. But, an examination of the PKK’s history, especially its notorious drug running—some \$50-\$100 million a year income from heroin and opium trafficking—establishes without doubt that the PKK is an enemy of all humanity.

Specifically, the PKK is a British-protected separatist outfit, a drug-funded “narcoterrorist” army, whose only purpose is to destroy the nation-states of Southwest Asia for the British-led modern imperialists. Active in Turkey, Iraq, Syria, and Iran, the PKK terrorists, who killed some 30,000 Turkish people—mainly civilians—in the 1980s and 1990s, are identical in intent to their sister organizations: in Ibero America, the Sendero Luminoso cult of Peru, and the just-defeated FARC of Colombia; and in Asia, the Sri Lankan Tamil Tigers, assassins of Indian Prime Minister Rajiv Gandhi, in 1991.

Now, with Turkey at the center of sensitive regional negotiations in defense of republican nation-states (see preceding article), the PKK has been linked to a massive conspiracy to overthrow the Turkish government. The PKK/Ergenekon/Young Turk coup plot would reinfect Turkey with the British disease of the last century—the perpetual running sore in Asia Minor created by the secret Sykes-Picot Treaty of 1916, in which France and the British Empire, the “victors” of World War I, divided up the region between them, and manipulated ethnic, religious, and tribal groups against one another, and against central governments, to create perpetual war.

This time, however, in the aftermath of the victorious, patient operation against the FARC in Colombia, a resistance against narcoterrorism worldwide has emerged. This is especially so in Southwest Asia, where a heated debate is going on at the highest level of the North Atlantic alliance to recognize that fighting “narcoterrorism” is the only way to defeat al-Qaeda, the Taliban, or the other “new dark age” terrorist forces that have declared war on the modern nation-state. At the same time, the U.S. government has declared the Kurdistan Workers’ Party to be a “drug kingpin” organization, a designation that will put the PKK at the top of the priority list for shutdown of its operations, arrest of its leaders, and seizure of its assets—including bank accounts and property.

This new designation was announced at a meeting of the International Conference on Drug Enforcement in Istanbul, on July 8-10, where 300 law enforcement officials were hosted by the U.S. Drug Enforcement Administration (DEA) and the Turkish National Police. There, U.S. Ambassador Ross Wilson stated that after the “historic rescue of hostages long held by FARC and the big blow it represented to that organization,” it was time to talk about narcoterrorism.

“It’s a critical topic for Turkey,” said Wilson. “This country has been struggling for over two decades against a terrorist organization called the Kurdistan Workers Party, or PKK. The PKK funds itself through extortion and trafficking in arms, human beings, and drugs.”

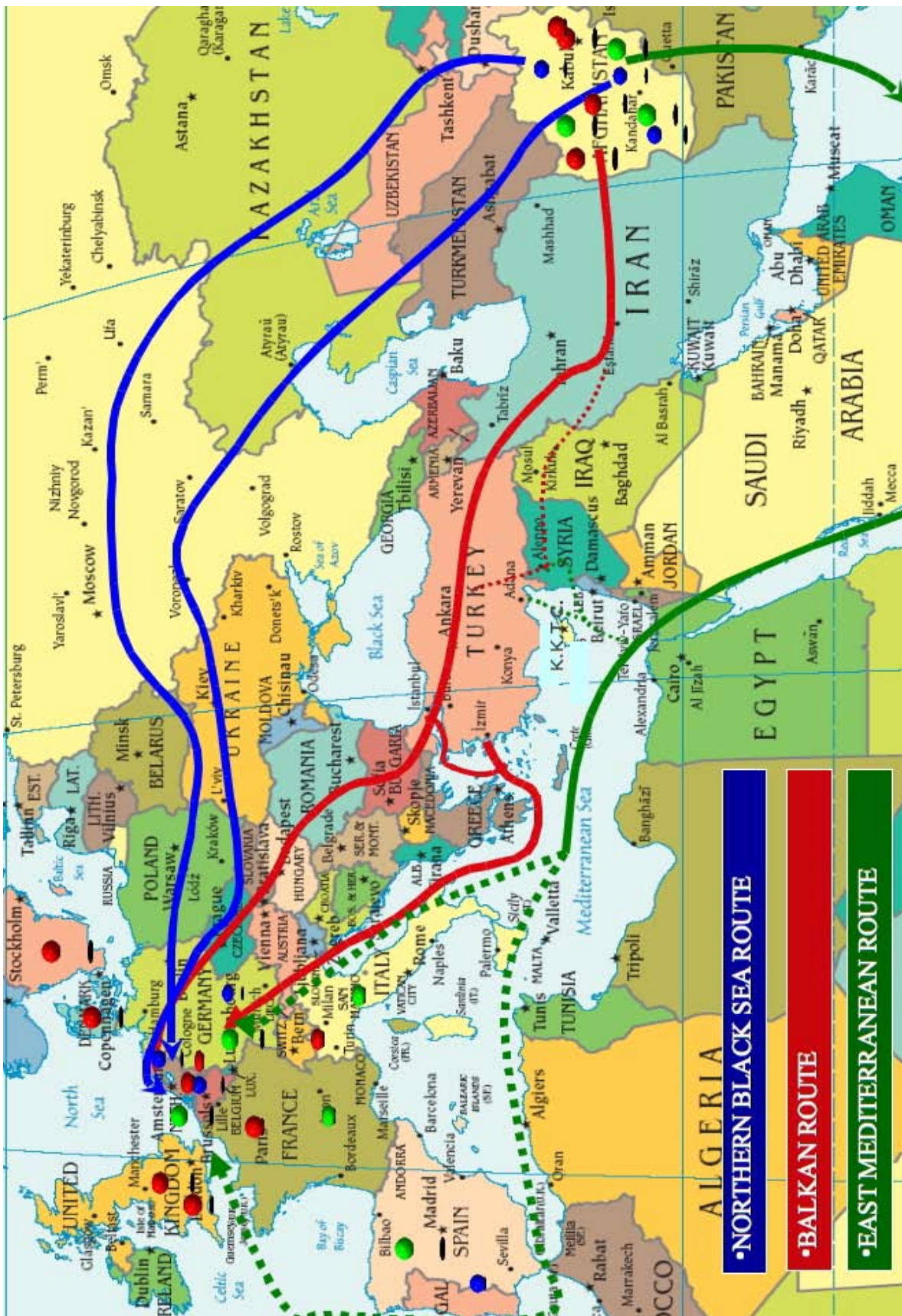
Wilson politely covered up the fact that for nearly two years, the United States had failed to shut down the PKK operations in Iraq, prompting criticism from U.S. Gen. Joseph Ralston, and forcing the government of Turkey to enter Iraq in pursuit of the PKK forces this year. But, Wilson declared, now the United States has “recently opened another front in the campaign” against the PKK, and has designated the terrorist group as a “drug kingpin.” In working closely with Turkish law enforcement, Wilson added, the designation “will allow us to strengthen our joint efforts against PKK narcoterrorists through focussed targetting of the assets of individuals and businesses associated with it.”

A Real Strategy Against Terror

Naming the PKK as a “drug kingpin,” is an important move, but only if it is followed by a *strategic* understanding that *narcoterrorism* is the nature of the beast that civilization is up against, and the aim of the narcoterrorist international is the destruction of the sovereign nation-state, which is a bulwark against the global rule by a financier oligarchy.

In August 1996, Lyndon H. LaRouche, Jr., then running for the Democratic Party Presidential nomination, made this point emphatically in a policy paper entitled “Today’s Echoes of Civil Wars in Ancient Rome,” where he outlined the threat facing Turkey, a threat that is eerily parallel to today’s coup danger. In a section subtitled, “Case Study #2, Turkey, Iran, China,” LaRouche wrote:

“Recently, Prime Minister Erbakan of Turkey has entered into crucial strategic agreements with the Rafsanjani



DEA

The transit routes for opium and heroin out of Afghanistan, 2008. The map was presented by the U.S. Drug Enforcement Administration at the Istanbul conference.

COMPARING OPIUM PRODUCTION BETWEEN AFGHANISTAN AND REST OF THE WORLD



Year	OPIUM PRODUCTION IN AFGHANISTAN (TONS)	GLOBAL OPIUM PRODUCTION (TONS)	PERCENTAGE OF PRODUCTION IN AFGHANISTAN
1998	2,693	4,346	62%
1999	4,565	5,764	79%
2000	3,276	4,691	70%
2001	185	1,596	12%
2002	3,400	4,491	76%
2003	3,600	4,765	76%
2004	4,200	4,850	87%
2005	4,100	4,620	89%
2006	6,100	6,610	92%
2007	8,200	8,847	93%

Source: UNODC.

allies, are funding their armies—as *EIR* warned more than a decade ago—with opium and heroin trafficking, as well as a newer, burgeoning empire in hashish production. One U.S. intelligence source stated that more than \$100 million a year, directly from the opium grown in Afghanistan alone, goes directly to the Taliban, for its military operations.

The source put the overall monetary value of the Afghan opium trade—now accounting for 93% of the world's opium production last year—at ap-

proximately \$160 billion—a figure considered high by U.S. law enforcement analysts. But these law enforcement circles will admit that they can no longer precisely calculate what the value of the Afghanistan opium might be.

One reason for the confusion about the cash flow is, “how big is big”? The opium production in Afghanistan in 2007 was a staggering 8,200 tons, out of a total world production of 8,847 tons. In 2006, the Afghan opium production was 6,100 tons out of 6,610 tons worldwide. In perspective, opium production in Afghanistan alone in 2007 is more than *three times greater than Afghanistan's opium in 1998*, when the United Nations put the figure at 2,693 tons in Afghanistan, and about 4,300 tons worldwide.

In fact, since the U.S.-led invasion of Afghanistan that drove out the Taliban and al-Qaeda after the Sept. 11, 2001 attacks on the United States, the opium production has skyrocketed, growing steadily, year after year, since 2002. And as the opium production has grown in volume, the Taliban has grown in strength and activity.

Any competent military historian knows that logistics in depth is the key to the operations of any army, and that applies more than ever to irregular warfare forces and terrorist armies. So, without eliminating the narcoterrorists' supply lines, and economic base, it is impossible to defeat them.

Now the discussion is in full force to include the “Narco-Khans” of Afghanistan in the allied war plan there, but the decision has not been finalized.

Defeating the PKK's dirty war would be a good case study in successful counterterror operations, but this would mean directly taking on the British Empire. In 1996, *EIR* published

government of Iran. To assess this, the subject must be approached on four levels.

“First, Prime Minister Erbakan's actions echo the 1919-1920 alliance of Turkey's patriot, Mustafa Kemal Atatürk, with Iran patriot Reza Pahlevi, who joined forces to effect the successful defeat of the Anglo-French Entente Cordiale's Sykes-Picot plot against the people of the Middle East.

“Second, this reflects the common interest among Turkey, Iran, and Iraq, in destroying a London-based, Kurdish (PKK) terrorist operation deployed entirely by London and Paris. . . .

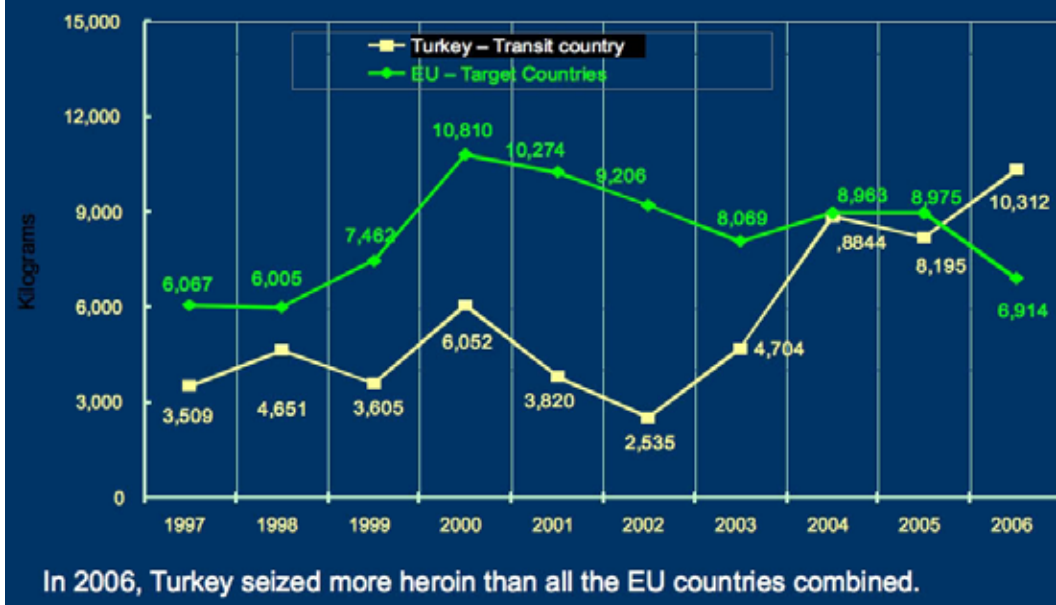
“Third, this represents two vital interests. It represents Turkey's vital national interest in finding the kind of economic cooperation it requires for national economic reconstruction. It also reflects Iran's present, crucial close cooperation, in Eurasia Land-Bridge development, with China and central Asia republics. In that specific setting, Turkey's vital interests demand that it become an integral partner in the extension of this Land-Bridge collaboration. Thus Turkey's and Iran's shared interests in ending the power of the Entente Cordiale's Kurdish operations, coincide with the two nations' vital interests in economic-development cooperation.

“Fourth, this effort is of vital strategic-political importance, not only for the nations, directly and indirectly, involved. It is of global strategic importance.”

That LaRouche description is even more crucial today, where in the aftermath of the disastrous war against Iraq by the U.S.-British alliance, the region remains in flames.

EIR has learned from well-informed Washington sources that there is now full recognition within U.S. military circles that the commanders of the Taliban, and Taliban's al-Qaeda

HEROIN SEIZURES IN EU AND TURKEY



Source: UNODC.

a memorandum demanding that the U.S. State Department put Britain on the list of sponsors of terrorism. *EIR* listed over a dozen countries, including Turkey, that suffered from London's protection of terrorism. *EIR* wrote: "On Aug. 20, 1996, the Turkish government formally protested to the British government for allowing the Kurdish Workers Party to continue its London-based MED TV broadcasts into Turkey, despite documentation that the broadcasts were being used to convey marching orders to PKK terrorists there."

The Kurdish and PKK Narcotics Role

In May 2003, Steven W. Casteel, the DEA's assistant administrator for intelligence, testified before the Senate Judiciary Committee. Casteel stated: "The Government of Turkey consistently reports that the PKK, as an organization, is responsible for much of the illicit drug processing and trafficking in Turkey. Turkish press reports state that the PKK produces 60 tons of heroin per year and receives an estimated income of forty million dollars each year from drug trafficking proceeds."

From the DEA's own intelligence report, Casteel added that evidence shows that among the PKK's modes of drug-profiteering are producing opium, taxing traffickers who pass through their cross-border territories, and "possibly controlling a significant portion of the heroin markets in Europe."

Shortly after the Istanbul DEA conference this month, a senior Turkish security official described the PKK's drug operations to *EIR* as follows: The PKK has been ideally suited for drug trafficking, since it draws its membership from

various Kurdish tribes whose members overlap the territory of eastern Turkey, northern Syria, Iraq, and Iran. Thus, the PKK has networks already in place to transship heroin from Afghanistan, through Iraq or Iran, into Turkey, and on through Turkey to Europe.

The PKK trafficking activities are interlinked with other Turkish organized crime networks, the official said, and therefore can take advantage of the freight traffic into Europe. Furthermore, with 8 million Turks living

in Europe, half of whom visit Turkey each year, there are tremendous opportunities to take out the drugs and bring in the cash in return.

In a January 1999 article, "PKK heroin cartel threatens Europe," *EIR* published the fundamentals of this story as follows:

"...While the European Union condemns Turkey's war against the PKK as a violation of 'human rights,' the reality is that western Europe has itself become a primary victim of the war, because the PKK and Kurdish mafia are major traffickers of heroin into Europe."

"The evidence compiled by western European, Turkish, and U.S. law enforcement agencies documenting the PKK role, is dramatic. According to published reports by these agencies, Turkey serves as the land-bridge for three-quarters of the heroin transported for use in western Europe, some 60 tons a year, from its origin in Afghanistan. According to several reports, the PKK and its allied Kurdish clan mafia is one of the main groups bringing that heroin into Europe. The PKK's proceeds from this smuggling, and its control of street-level distribution networks throughout western Europe, fund the PKK's war.

"Heroin also provides the basis for the PKK's alliances with other separatist armies operating in the war-zones of Afghanistan-Tajikistan, the Caucasus, eastern Turkey, and the Balkans, which constitute the highway through which the heroin reaches western Europe. Control of the heroin trade has become a primary objective in many of these conflicts.

"Here we summarize some of the evidence compiled by

RECORD HASHISH SEIZURE



In June 2008, a joint operation led to the seizure and destruction of approximately 262 tons of hashish. The hashish was stockpiled in several underground warehouses near Spin Boldak, Afghanistan.

Spin Boldak is reportedly where Osama bin Laden was hiding; in February 2008, one of the largest terrorist attacks in the Afghanistan War took place there.

U.S., western European, and Turkish law enforcement sources which documents this criminal role, supplemented by interviews with their investigators.

“Turkey’s role as the main highway used to transport opium and heroin from the ‘Golden Crescent’ opium poppy cultivation zone in Afghanistan and Central Asia, into western Europe, has long been reported. According to the U.S. State Department’s most recent annual *International Narcotics Control Strategy Report*, released in March 1998, ‘Turkey’s position astride the main overland trade route between Asia and Europe, makes it a significant transit point for narcotics.’ The report states that the U.S. Drug Enforcement Administration estimates that ‘between four and six tons of heroin transit Turkey each month,’ and that ‘three-quarters of the heroin abused in Europe transits Turkey.’

“A 1997 internal report of the German Federal Criminal Investigation Office (BKA), leaked to the German magazine *Focus* and cited in its March 3, 1997 issue, makes similar charges. According to the BKA report, ‘80% of the heroin’ used in western Europe, reaches its destination via Turkey.

“Ethnic Kurds, whether from the PKK or Kurdish mafia, are central to this trafficking. ‘Most of the deadly dealers come from the Anatolian province, Van, a Kurdish region,’ the BKA report states. ‘The gangs possess laboratories where they transform morphine base into heroin, and transport it to Istanbul. From there, the dealers smuggle the drugs mainly via Bulgaria, the former Yugoslavia, and Austria, to Germany.’

“This is not a new phenomenon. According to Interpol, 34% of the 42 tons of heroin seized in continental Europe during 1984-93 was found on Turkish nationals. And of the

503 Turkish nationals seized carrying this heroin, at least 298 were PKK members or were tied to the PKK.

“The German police have calculated [as of 1995] that heroin trafficking brings in more than \$120 million a year for the Turkish Kurdish crime families, both the politically minded and common criminals combined. The British National Criminal Intelligence Service estimated in 1993 that the PKK earned \$38 million from drug-trafficking. Turkish law enforcement sources estimate that the PKK’s annual turnover from heroin and hashish sales is currently \$100 million. For such reasons, Turkish Foreign Minister Ismail Cem estimated in November 1998 that the PKK has a \$40 million war-chest.

“Italian authorities concur with these estimates of the importance of Turkish-based drug-running in general, and the Kurdish mafia and PKK in particular.

“The director of the Italian Police Force’s Central Operations Service, Alessandro Pansa, issued a report, ‘New Guide to Fighting Money Laundering,’ on the issue to the Italian Bankers Association in December 1998. He stated that Turkey is the main source of the heroin used in Italy, and that the PKK is the main group behind the heroin trade. ‘Heroin from Anatolia [the Turkish peninsula] has now taken over as the main product on the market,’ the Dec. 15 Italian daily *Il Giornale* quoted Pansa. Moreover, Kurdish networks run it all: ‘Thirty percent of the laboratories for refining heroin scattered around Turkish territory are currently in the hands of the PKK Kurdish rebels; the remainder, on the other hand, is allegedly run by the Kurdish mafia.’

“A 1998 report by the Italian Finance Police, SCICO, came up with similar estimates, *Il Giornale* reported. The police agency determined that the PKK is ‘directly involved’ in ‘international drug-trafficking,’ while also earning illicit proceeds from the ‘immigrant trade’ and the ‘systematic levying of ‘protection’ payments from Turkish businessmen and workers abroad.’

“Turkish law enforcement sources say that the PKK’s heroin and refugee smuggling, and its extortion operations, constitute one integrated business.”

Going after the PKK for its narcoterrorism is long overdue. It has been protected by the British Empire, and by groups like George Soros’s Human Rights Watch throughout the 1990s to the present. Now is the time to say, “It’s over,” and defend nation-states against these killer operations.

Obama the Soufflé—or the Gullibility of the German Masses

by Helga Zepp-LaRouche

The author is the chairwoman of the Civil Rights Solidarity Movement (BüSo) in Germany. This article was translated from German; its full title is “Obama the Soufflé, or the Susceptibility of the German Masses to ‘Charismatic Leaders.’”

Every cook knows how difficult it is to get a soufflé out of the oven successfully; if the balance of ingredients isn't just right, or if the temperature is a wee bit too high or low, it collapses into a unsightly little pile of undefinable goo. So if you imagine a soufflé puffed up with hot air, and just about to collapse in on itself, then you've got a good image of Barack Obama's speech before the Victory Column in Berlin on July 24.

The man is simply shallow, with little of substance, whereas what his PR writers mixed into his text, along with the usual hot-air bubbles of rhetoric, is nearly indistinguishable from the policies of the current Bush-Cheney Administration: the fight against terrorism, in which Europe must become more strongly engaged; the strengthening of the European Union for international interventions (he specifically named Sudan, Zimbabwe, and Burma); more German troops to be deployed in Afghanistan; more German “assistance” for Iraq. In short, the full imperial political agenda. Which is not all that surprising, since he had already promised, in his recent transatlantic webcast to a fundraiser in London, that he would improve the Anglo-American “special relationship” even beyond the level achieved so far (think: Blair-Bush), and that in the future, he would even allow the British to take the lead more frequently. And then we have his statement at a conference of the America Israel Public Affairs Committee, that



EIRNS/James Rea

Barack Obama at the Victory Column in Berlin on July 24. Far more disquieting even than Obama's vapid speeches, writes Mrs. LaRouche, “is the fact that the German masses have apparently learned nothing from their own history...”

Jerusalem should be only Israel's capital—a statement which places him well to the right of the Israeli government, on the side of Likud party leader Benjamin Netanyahu.

Seduction by ‘Charismatic Leaders’

What is really terrifying, however, is not Obama's speech, which presented nothing beyond what he had already said, except for a few references to the 1948-52 Berlin Airlift, which any professional speechwriter could have come up with. Far more disquieting, is the fact that the German masses have apparently learned nothing from their own history, and that, when assembled in Nuremberg-style rallies built by bombastic propaganda campaigns, they have a fatal tendency to slip into a kind of mania, such that it matters little whether it's Hitler in Nuremberg, Gorby on his Germany tour, the Dalai Lama, or, as now, Obama the Soufflé. And even though along the Fan Mile,¹ the spectators—who came this time not for the “Love Parade” or the World Soccer Championship, but

for the pop star Obama—appeared to be tamer than on those other occasions, this propensity of the German masses to seduction is an ominous sign.

It is ominous, because with Obama, appearance and reality are miles apart, and his “charisma” is a pure media fiction. Let's read an article appearing in *Spiegel Online* on July 19, 2007, titled “Obama Unplugged”²:

1. The strip between the Brandenburg Gate and the Victory Column.

2. www.spiegel.de/international/world/0,1518,495460,00.html

“For some, presidential candidate Barack Obama looks like the savior of American politics. But a visit to a campaign speech provides a sobering wake-up call: The Senator from Illinois does not live up to the myth his campaigners are trying to create.” And after a “stump speech” in the Anacostia area of Washington, D.C., the article continues: Obama “is surrounded by silence as he departs. The applause doesn’t even carry as far as backstage. His shoes make a clicking sound on the wooden floor. The crowd . . . was not merciless in its reaction, just honest. The Senator from Illinois is recognizably not the product which he is being sold as. At the beginning he was described as a rising African-American star. That was back when people were still being modest. Then the political marketing people reached up onto the top shelf, and started referring to him as the new Kennedy, the new Martin Luther King, Jr., the first black president.”

The article goes on to describe how the PR teams tried to fill this label with content, by writing snappy speeches for him, bringing along claquers to organize waves of applause, so as to give the impression that a grassroots revolution is under way. “But the image doesn’t travel very far. The Anacostia audience knows better—they’ve experienced ‘Obama unplugged.’ . . . Overburdened with expectations, Obama stands there and talks woodenly. His arms hang lifelessly by his sides for minutes on end.” His words, on the other hand, are pleasing: “Obama is the candidate of comfort. He says a lot of things which are correct. It is difficult to stop nodding in approval.”

Since the time that Democratic National Committee chairman Howard Dean handed over control of the preparations for the Denver party convention to the British consulting firm WPP, and to its subsidiary the Dewey Square Group, the media have been working in a lock-step unparalleled since Goebbels, to spread the image of the “charismatic Obama,” even though he hasn’t promised much of anything so far, except for “change.” But “change” has a double meaning in the English language, and so Obama is “the candidate of small change.”

In the meantime, his managers have pulled off yet another coup: For \$5 million, Obama will be co-sponsor of NBC’s reporting at the Olympic games, and his election ads will be broadcast during the breaks. But for a person who reeled in \$52 million in campaign contributions in the month of June alone, that’s “small change” indeed. Obama’s earlier promise to limit his campaign spending in order to receive Federal matching funds, has long been discarded, in favor of unlimited spending. And as one can see from Federal Election Commission documents, his contributors include quite a few financial “locusts.”

Even though Hillary Clinton emerged from the primaries with 18 million votes, more than any previous candidate, and even though she won in all the states which will be crucial for defeating John McCain, and enjoyed landslide victories in the final primaries, nevertheless the media created the im-

pression that Obama was ahead. The sole intent was to artificially build up Obama, in order to sabotage Hillary’s campaign—and not, by a long shot, to make Obama into the next President.

Because what the misled teenagers on the Fan Mile along the way to the Victory Column apparently weren’t aware of, is that many early Obama supporters in the United States now feel that they have been tricked: Obama’s machine has replaced African-American regional party leaders with Establishment *apparatchiks*. Instead, a whole slew of new organizations have been springing up like mushrooms, demanding an open party convention, and the nomination of Hillary Clinton in an open roll-call vote.

In Berlin, supporters of one of these organizations, PUMA (Party Unity My Ass) PAC, were distributing leaflets calling for such an open party convention. Obama’s security team confiscated the leaflets, not only from the PUMA organizers themselves, but also from any spectator who passed through the security gate, leaflet in hand. So much for Obama’s oft-cited “change.”

No Substance, Just Packaging

In his Berlin speech, Obama’s election strategists were counting on the so-called “let go of the dog’s tail” effect. The dog is, of course, happy when someone who has been dragging it around by the tail, inflicting great pain, finally lets go. It doesn’t take much to understand that the people of the entire world will be glad when Bush and Cheney finally disappear from the White House premises. But as we have already pointed out, the new Obama package has the same old stuff inside.

Up to now, nowhere—not in the United States, Berlin, or anywhere else—has Obama said anything about the dramatically climaxing meltdown of the financial system, nor anything about the insolvency of the giant mortgage finance companies Freddie Mac and Fanny Mae, whose death-throes are only being drawn out by the Fed’s unlimited injections of liquidity. Obama, whose lack of knowledge about the complex strategic situation cannot be remedied by some week-long crash course, is not expected to offer any answer to the systemic crisis as it unfolds over the coming weeks. And if Obama’s campaign strategists refuse to permit an open party convention, then it certainly will *not* be because they are so sure that Obama will win the Presidency. And even if he does get nominated, this will have absolutely no effect on the escalating systemic crisis.

Events over the coming weeks and months will prove that this image of a new Kennedy or King, is nothing but deceptive packaging—or a soufflé, which will collapse on its first exposure to the rough outside world. We can only hope that the German fans will start being able to learn, and that their “virtually religious adoration of a putative savior,” as *Spiegel-Online* put it, will be supplanted by better political insight.

Sanctions, Foreign Prosecutions Aimed To Sabotage African Crisis-Resolution

by Douglas DeGroot

The City of London-based financial cartel has stepped up its efforts against what it considers to be the critical nations in Africa that must be destroyed, if it is going to realize its goal of preventing China and other Asian nations from helping African nations to develop. If London can prevent Africa from using its natural resources to develop, Africa will be London's private source of raw materials, and a cheap labor preserve.

London's present focus is on two areas: the elimination of Zimbabwe as a nation-state, which will open up South Africa and the rest of southern Africa to be ravaged by the global free-trade dictatorship; and the dismemberment of Sudan, so that it will no longer be a nation that could solve its internal problems created by the British during the colonial period. If Zimbabwe were allowed to solve these problems, it would then be in a position to rapidly develop into a major food supplier for Africa, in addition to being able to aid the development of the rest of the nations in the Horn of Africa.

To accomplish its goal, London is maximizing pressure on both countries, slapping on sanctions and threatening, or actually implementing, judicial proceedings from outside of Africa against both governments. These moves are designed to aggravate internal conflicts, and, in the case of Sudan, to sabotage negotiations which are being conducted to resolve the London-manipulated conflicts, or to prevent new negotiations from being initiated.

Zimbabwe Negotiations Attacked

In the case of Zimbabwe, South African President Thabo Mbeki has been attempting to negotiate a resolution of the political conflict between President Robert Mugabe's Zanu-PF party, and opposition factions that were created as an instrument of London's financial warfare against Zimbabwe. Financial warfare began during the negotiations that led to Zimbabwe's independence in 1980. London made Zimbabwe's independence conditional on the new government agreeing to pay off the debt amassed by the illegal minority regime of Ian Smith in what was then the British colony of Rhodesia, a regime that claimed to have broken with the British, declaring itself independent, but which actually carried out London's wishes from 1965 to 1980.

London ramped up its financial warfare in 1990, with a disastrous International Monetary Fund austerity program,

followed by a complete cutoff of development credit and aid. The moves destroyed the economy and drove a wedge between the suffering population, and the party which had led the country to independence.

On July 21, a Memorandum of Understanding (MoU) was signed, which laid out a framework for negotiations between the Zimbabwe government and two opposition groups. This had been painstakingly worked out by Mbeki. Any outside pressure could cause Mugabe's Zanu-PF to pull out of the agreement to negotiate. On the day the MoU was signed, the *New York Times* published an editorial, written before the signing, which revealed the desire of its allies from the City of London financial cartel. The *Times* called for "Mr. Mugabe's swift departure," and made the outrageous statement that if there were no agreement, the United States "should encourage all countries to recognize Mr. Tsvangirai as head of a legitimate government in exile." The editorial also called for sustained international pressure against the government of Zimbabwe.

Morgan Tsvangirai is the leader of the London-backed faction of the opposition Movement for Democratic Change (MDC), which is the larger of the two opposition factions, because of all the support it receives from financier George Soros and other lackeys of London. The smaller MDC faction, which does not benefit from London's support, is also participating in the talks.

Instead of trying to help resolve the conflict in Zimbabwe, on the day after the signing of the MoU, the European Union took the British view, and slapped more sanctions on the country, saying that international pressure on Zimbabwe must be maintained. The U.S. followed on July 25, when President Bush signed an Executive Order expanding U.S. economic sanctions.

The same day that the EU imposed more sanctions, Russian President Dmitri Medvedev pointed out that the signing of the MoU and the impending start of talks justified Moscow's July 11 veto of a British-instigated effort to get the United Nations Security Council to pass a resolution calling for UN sanctions against Zimbabwe. He stated that Russia's goal was to calm the situation so that negotiations in the country could proceed.

The day after the EU imposed new sanctions, Angolan Foreign Minister Joao Miranda attacked the move: "The EU

should lift all sanctions on the leaders of Zimbabwe as soon as possible.” Miranda, whose government is one of the strongest allies of Zimbabwe in the Southern African Development Community (SADC), emphasized that the sanctions posed a danger to the success of the talks: “There is no reason to justify the maintenance of these sanctions. All obstacles liable to endanger the progress of negotiations should be removed.”

Following the guidelines laid out in the MoU, negotiations between the Zimbabwe government and the two opposition factions began in South Africa on July 24. On that day, the London *Times* reported that the Russian and Chinese vetoes of much tougher sanctions against Zimbabwe had led to Tsvangirai toning down his position, and agreeing to sign the MoU, to participate in the talks.

The day after the MoU was signed, Kenyan Prime Minister Raila Odinga advocated London’s position of not taking Mbeki’s negotiation process seriously, saying that Tsvangirai should be the head of the government. Odinga was speaking at an event at the Houses of Parliament in London that was hosted by the Royal Institute for International Affairs (Chatham House). The position of prime minister was created for Odinga after three months of London-manipulated violence killed 1,500 people in Kenya.

In sharp contrast to what Odinga said in London, on the day the MoU was signed, Mugabe declared: “Our having signed this MoU is a serious matter. . . . We must act as Zimbabweans” and “cut off whatever were influences on us from Europe or the United States.” He added, “There will be no need for us to call for Europe to impose sanctions,” a reference to Tsvangirai’s calls for sanctions against his own country. “Let’s move forward and start on what Professor Mutambara [the head of the smaller MDC faction] has been calling one vision for Zimbabwe, singing one national anthem, flying one flag,” Mugabe concluded.

Further complicating Mbeki’s task, it was announced on July 24 that efforts are under way by self-proclaimed human rights groups to bring Mugabe and other Zanu-PF leaders before the International Criminal Court (ICC), or before some other court that would be set up in Zimbabwe by groups from outside of Africa. The threat of such prosecutions could blow up the negotiations, or, minimally, make Mbeki’s negotiating task much more difficult.

ICC Seeks To Destabilize Sudan

On July 14, ICC Prosecutor Luis Moreno-Ocampo called for an arrest warrant to be issued for Sudanese President Omar al-Bashir, charging him with war crimes and responsibility for the Darfur conflict. This move was welcomed by the numerous London-manipulated Darfur rebel factions, and will make that region still more ungovernable. In addition, this attack on Bashir could cause the South to question whether to adhere to its agreement with the Sudan government in the North, which ended the years-long civil war between the two.

The government and the South agreed in 2005 to stop the fighting, and set up a procedure to work out a long-term solution to the North-South conflict.

African nations and the Arab League have uniformly denounced the ICC move, and see the charges against President Bashir as merely a tool by major powers to attack the sovereignty of Sudan, and to achieve their political goals of undermining the Khartoum government. Sudan has decided to set up a Human Rights Court to try alleged human rights abuses, which will be monitored by the Arab League, the UN, and the African Union (AU), according to Hisham Yussef, chief of staff for Arab League Secretary-General Amr Moussa, according to AFP July 23.

Another effort to throw the Darfur situation further out of control is that to cripple the joint UN/AU peacekeeping force in Darfur, by pushing the deputy force commander, Rwanda’s Gen. Karake Karenzi, out of his position. In another case of a court from outside of Africa, intervening against a sovereign country, Spanish Judge Fernando Merelles issued warrants against 40 members of the Rwandan military, including General Karenzi, last February, saying that they are guilty of war crimes. This charge is being used as the pretext not to renew Karenzi’s appointment. The UN has delayed renewing Karake’s contract, which came up for renewal last year, because Rwandan opposition groups based outside the country, and Human Rights Watch, have called for it not to be renewed.

The competence of Karenzi is not in question. Yves Soro-kobi, the deputy spokesman of the UN Secretary General, told the BBC that General Karenzi has performed with “excellence” as second in command of the 10,000-plus UN-AU force, according to a Rwanda News Agency report July 25.

The Rwandan government has rejected a UN request that Karenzi be replaced by another Rwandan, and has threatened to pull its 3,000 peacekeepers out of Darfur, if Karenzi is not reappointed. Since Rwanda accounts for one-third of the present strength of the force, this would render the peacekeeping force—which is already much too small—all but useless in preventing anti-government rebel pawns in Darfur from feeding into the City of London policy to dismantle the nation of Sudan.

At the African Union summit in Egypt which began June 30, the heads of state requested the chairperson of the AU Commission to set up a meeting with the EU “to find a lasting solution to this problem and in particular to ensure that those [Spanish] warrants are withdrawn and are not executable in any country.” The summit unanimously decreed: “Those warrants shall not be executed in the African Union member States,” because the political nature of the charges is a clear violation of the sovereignty of Africa nations, according to a July 6 report in the *New Times*. The AU Presidents also called for the issue to be raised at the UN General Assembly. Interpol has also said that the warrants lack merit, and should not be carried out.

International Intelligence

Colombia: Nicaragua Is Colluding with the FARC

Colombia's Ambassador to the Organization of American States, Camilo Ospina, on July 24 officially denounced the Nicaraguan government for colluding with the narcoterrorist FARC, and thus "persistently violating the norms and principles of international law, and international agreements in the war against terrorism." These actions have done immense harm to Colombia, Ospina charged, and they cannot go unpunished.

In remarks to the daily *El Tiempo*, Ospina offered as a crucial piece of evidence the recent report that Nicaraguan President Daniel Ortega welcomed a six-man FARC delegation in Managua on July 18-19. But, he underscored, proof is actually contained in a whole "chain of events" involving Nicaragua's blatant "position of protecting and collaborating with the FARC."

Demanding that Nicaraguan authorities immediately investigate these events, Ospina also pointed out that Ortega has unabashedly offered himself as a "mediator" with the FARC, completely disregarding Colombia's opposition.

Ortega has praised FARC leader Raúl Reyes, killed by the Colombian Army on March 1, as a "hero," while referring to the FARC's top leaders as "my brothers," the Ambassador noted.

The website of the Nicaraguan Presidency flaunts the letter sent to Ortega by the FARC, requesting that he serve as mediator.

Specter of Nationalism Haunts Mexico's 'Yes-Men'

How the financial yes-men panicked, when one of the late President José López Portillo's closest collaborators appeared in Congress to testify against the privatization of Mexico's national oil company, PEMEX, on July 1!

Carlos Tello Macías was one of only three men who, in strict secrecy, prepared López Portillo's nationalization of the banking system on Sept. 1, 1982. López Portillo

placed Tello at the helm of the Central Bank that day, as the President prepared to implement Lyndon LaRouche's *Operation Juárez* proposal to defend Mexico, and all of Central and South America, from the brutal financial warfare being waged against them by Wall Street and London.

Supporters of the privatization of PEMEX in the PAN and PRI parties met Tello at the hearings in July with a leaflet, attacking him with the lying smears used for 25 years to try to bury López Portillo's legacy, and Mexico's nationalist, pro-development culture which he embodied. PAN Senators derided Tello, now a university professor, as a representative of the "voracious statism" they thought they had crushed.

Well might they worry. The faster the system disintegrates, the more López Portillo's name is appearing, pro and con, in the national debate, and the "old guard" is stepping forward. *La Jornada* published an interview on July 25 with the 82-year-old historic leader of the oil workers union, Joaquín Hernández Galicia (known as "La Quina"), warning President Felipe Calderón that the Mexican people are not stupid, and they are saying "No, no, and no" to the privatization of PEMEX.

La Quina was one of the people who had to be cleared out the way for NAFTA to be imposed. The gutsy oil workers leader, who collaborated with the LaRouche movement in Mexico, was jailed at gunpoint on trumped-up charges by President Carlos Salinas de Gortari in January 1989, two weeks before Lyndon LaRouche was packed off for his five years in prison.

Soros Collaborates with Aussie Right-Winger

Soros Fund Management is investing \$20 million into a deal with Diamond Joe Gutnick, the Australian mining magnate and corporate predator who was "assigned" to perpetuate ultra-right control over Israel. In the deal, Gutnick will export millions of tons of Australian phosphate rock, most of it to India. In the current spot market, phosphate rock goes for around \$400 a ton, up from \$50 a year ago. Today's food crisis

gives added importance to control over phosphate, a source for fertilizer production.

Following the 1995 assassination of Israeli Prime Minister Yitzhak Rabin, Gutnick put over \$1 million into the election campaign of the Likud party's Benjamin Netanyahu. Gutnick has put millions into building Jewish settlements in occupied Palestine, and has constantly agitated for conflict with the Palestinians.

The Australian daily *The Age* reported on Feb. 3, 2001: "Four years before his death in 1994, Rabbi Menachem Schneerson, head of the Lubavitcher sect of Orthodox Jewry, entrusted Gutnick with ensuring that Israel is always ruled by a right-wing government committed to the territorial integrity of the Biblical Land of Israel."

Joseph Gutnick had amassed half a billion dollars by the late 1990s, speculating in and manipulating stocks of mining companies, in partnership with George Soros, and with backing from the British Privy Council's raw materials apparatus, such as Anglo American/DeBeers and Rio Tinto Zinc.

Chinese Rice Yields Big Crop in Bangladesh

A strain of hybrid rice developed in China has produced bumper crops in Bangladesh, exceeding traditional yields by close to a ton in conventional rice fields, a 20% increase. The success was reported by the director of the Bangladesh Rice Research Institute, A.W. Julfikar, in an interview with the Chinese Xinhua news service July 22. "Promoting the planting of hybrid rice is very necessary," he said.

Despite higher yields provided by hybrid rice varieties, farmers are reluctant to use them, because they have to depend on imported hybrid rice seeds. Julfikar said they are breeding the local hybrid rice seeds; if they are successful, the farmers will be able to reduce their dependency on imported seeds.

The hybrid rice project, supported by the Agriculture Ministry, tested the Chinese variety, Sonarbangla-1, and three from India, in 33 locations in Bangladesh.

Youth Regained: Democratic Party Begins To Come Alive

by Nancy Spannaus

The scene was Boston, July 2004, outside the Democratic National Convention. Over 100 young people, representatives of the LaRouche in 2004 election campaign, lined the walkway where the delegates were walking into the convention center, and sang. Beautiful *bel canto* counterpoint filled the air, bringing smiles to the faces of the delegates, who cheerfully took the copies of the LaRouche-authored *A Real Democratic Platform for November 2004*. Over the several days of the Convention, members of the LaRouche Youth Movement (LYM) fanned out around the city—on subways, buses, street corners, and hotels—ultimately circulating 50,000 copies of LaRouche's platform.

The Democratic Party was changed, for good.

In fact, it is only by understanding the impact which the deployment of the LaRouche Youth Movement had on the Democratic Party, starting from that “shock” deployment, up to today, that you can understand the revolutionary ferment which is erupting in the Party today, in an insurgency against the British-backed attempt to impose an Obama Presidential nomination on the Party. On the one hand, LaRouche's intervention hammered home the principles of Franklin Roosevelt, as the only viable approach for the Democratic Party to take in addressing the deepening economic and strategic crises facing the nation. On the other, LaRouche's ability to inspire a youth movement, committed to the highest standard of Classical culture and scientific/political ideas, conveyed a profound sense of optimism to a party which had adapted to Baby Boomer pessimism, and worse.

In his press conference of June 30, where he announced the formation of the LaRouche Political Action Committee (LPAC), Lyndon LaRouche identified precisely how he intended to direct the activities of the Youth Movement, in the period leading up to the election, and beyond. First, LaRouche

emphasized, LPAC will concentrate on organizing among the lower 80% of income brackets, with an FDR-style program that addresses the way in which the physical collapse of the U.S. economy can be reversed. This constituency has been increasingly ignored, LaRouche noted, over recent years, and that has been a primary deficiency in the Party's ability to win elections. The younger age stratum (18-25 years of age) within this lower 80% will be a major focus, he added.

Second, LaRouche said, LPAC will continue to emphasize its Classical music program, specifically centered around Johann Sebastian Bach. Organizing with Classical music, including Classically arranged Negro Spirituals, has the power to reach the soul in a way that no other political organizing can, bringing beauty to a population that is impoverished spiritually, as well as economically, LaRouche said.

Coming out of the Convention, LPAC did precisely what LaRouche said it would. Unfortunately, the leadership of the Democratic Party did not adequately respond. Thus we have now reached the proverbial “hour of decision,” where the consequences of not listening to LaRouche may be fatal to the nation, including the Party, within the next weeks and months.

The Initial LYM-LPAC Offensive

Over the three months between the Convention and the 2004 election, LaRouche's political action committee went on an offensive unlike any other the United States had seen before. A dozen youth or so would deploy to Congress, street corners around the country, and political meetings, to sing some of the most beautiful Classical music ever written, especially sections from Bach's motet, *Jesu, meine Freude*, and ironic canons taking on the Beastman Dick Cheney and his puppet Bush. In this context, hundreds of thousands of pieces of political literature were circulated, laying out the pathway



EIRNS/Neil Martin

An essential element of the post-2004 organizing plan of the LaRouche Youth Movement and LPAC was Classical music. The LYM deploys this weapon consistently, and with great impact, in its mass organizing. Here, the youth singing at the 2004 Democratic Convention outside the Fleet Center in Boston.

to an FDR-style recovery, as well as the case for Cheney's removal, which LaRouche had first called for back in September 2002.

One of the major areas of LYM-LPAC concentration was Ohio, a crucial battleground state between Democratic nominee John Kerry and incumbent George W. Bush. Given the vote suppression carried out by the Republican machine in that state, it is impossible to know whether the LYM were successful in bringing about a Kerry victory. But the impact on the Democratic Party there, and on crucial circles in the Party nationally, was definitely felt.

The 2004 election was Kerry's to lose, and he did—by moving too slowly and defensively, especially on the economic issue. Even more obvious is the fact that *only* the LaRouche-led section of the Party was prepared to rally for a fight after the electoral loss. LaRouche took charge, with amazing results.

The "issues" were the voter suppression, which called the entire electoral result into question, and Social Security privatization, which the re-elected George W. Bush had declared he planned to proceed with. LaRouche addressed the first in his Nov. 9 post-election webcast, which led with a full performance of the *Jesu, meine Freude*, and featured a heavy emphasis on the role that the LYM's revitalization of Classical culture must play in saving the nation from the disaster it had just chosen. On Dec. 6, LaRouche broadened the assault, identifying Bush's intent to implement the Chilean fascist Augusto Pinochet's Social Security privatization, as the second leading point of the mobilization. Before the end of December, LPAC had produced its first pamphlet, "Bush's Social Security Privatization, Foot in the Door for Fascism."

The results of LaRouche's leadership, buttressed by the LYM mass deployment, were stunningly successful. The cer-

tification of Bush's election was challenged publicly in the Congress, putting a blot on the legitimacy of the election. And the Democratic Party was goaded into action against the Social Security privatization, specifically around the idea of defending the tradition of Franklin Delano Roosevelt. Bush's attempt to bail out Wall Street with Social Security funds went down in flames, and everyone knew that LPAC had led the offensive. LaRouche moved on to demand a mobilization to save the auto industry, then clearly marked by the financial oligarchy for destruction.

At that point, the Anglo-Dutch financiers set their Democratic Party assets into motion, especially those associated with fascist Felix Rohatyn. Deploying political pressure and ample funds, they insisted on what Rohatyn said explicitly: LaRouche represents a new FDR principle, and he must be stopped.

The 'New Politics': Mass Effect

A pitched battle for the soul of the Democratic Party ensued over 2005-08. The LYM-LPAC forces organized nationally around LaRouche's recovery program, and targetted the fascist schemes which Rohatyn and company had put up against them. The LYM fought in state houses around the country to build support for saving the auto industry, as the center of U.S. machine-tool capacity. In-depth support for LaRouche's "Economic Recovery Act of 2006," an emergency piece of legislation to launch in-depth infrastructure development, was generated among labor unions, city councils, and state legislatures as well.

Despite the groundswell of support, leading Democrats in Congress continued to say that they could not act, because the Republicans still held control over both the House and the Senate.

The Congressional election of 2006 was to change all that, and here again the LPAC-LYM forces played the crucial role. In October of that year, LPAC organizers unearthed a major dirty operation at work on the nation's college campuses, centered around the combination of Tory banker and intelligence spook John Train, and the apparatus of Lynne Cheney, wife (and suspected controller) of Vice President Dick. On learning of this, LaRouche commissioned a pamphlet exposing the apparatus. The pamphlet, "Is Joseph Goebbels on Your Campus? John Train and the Bankers' Secret Government," hit the streets and campuses in hundreds of thousands of copies in the month before the election—with a devastating effect on the fascist apparatus. It was combined, of course, with LYM-LPAC interventions on the alternative to this degradation, emphasizing the universal Classical principles of science, economics, and song.

When the election concluded, the Democratic Party found itself in control of the House of Representatives once again, the result of a virtual landslide, and with technical, if not very reliable, superiority in the Senate. Official election analysis showed that the victory had come with a sharp increase in the participation of the 18-to-25-year-old generation, who had been broken out of their doldrums to participate in the voting.

This result was lawful, commented LaRouche, in a political analysis piece entitled, "The New Politics," dated Nov. 26. Quotes from the opening section identify the thesis:

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

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

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

"Looking, post-election, at both the Senate victory and the actually landslide victory in the House of Representatives, certain Democratic Party circles were astonished by what the post-election audit showed. They are still wondering: How did an elite group of young adult members of my LPAC youth movement, turn the tide in sufficient key places to set off a

marginal avalanche for victory among a crucial, relatively much larger stratum of voters in the 18-35 age-range?

"The answer to that question is elementary, as I shall show over the course of this present report; but, like all valid, truly elementary discoveries of principle, the process of getting to the essential truth of a matter of principle is never really simple. As in what became, ultimately, the successful performance of a great contrapuntal choral work of Johann Sebastian Bach, the simplicity of the truth appears only after the sensuous actuality of the true principle has finally been discovered.

"In several earlier reports, delivered in the U.S.A. and abroad, I have classified the method by which this was orchestrated as a "mass effect" set off by the well-crafted actions of a relatively small number of young adults....

"It is most notable, in attempts to define that 'mass effect,' to contrast the relevant surge which erupted in the two to three weeks prior to the casting of the vote, with the absence of any comparable degree of surge reported in the 18-35 age-range as generated by the programs of the official Democratic Party organization.

"This use of the term 'mass effect,' is interchangeable with the physical-science term, *dynamics*, a term introduced to European science by Gottfried Leibniz. This is a term which Leibniz derived, explicitly, from the Classical Greek *dynamis* which Leibniz adopted, explicitly from the usages of the Pythagoreans, Plato, et al. This usage is explicitly contrasted with the notion of mechanics, as "mechanics" is associated with the scientifically failed method of Descartes. It is contrasted to the currently popular, but usually failed, mechanistic-statistical method, as the latter is represented by the widely employed, intrinsically incompetent methods, which are commonly used for the failed practice of commonly accepted economic forecasting today.

"It is now time, the present time of an already onrushing, global financial-breakdown crisis, for bringing on a new, strategically crucial, tactical factor in politics, a certain kind of return to the political style of President Franklin D. Roosevelt...."

The Battle Into the Presidency

As every honest and committed Democrat knows by now, the official leadership of the Democratic Party, especially in Washington, but also elsewhere, "blew it." Nancy Pelosi's "leadership" has been "Msleadership." She has refused to act on the mandate the party received, on the question of the war, on the need to impeach Cheney, and, most importantly, on the urgent economic recovery measures required. The party has been effectively *controlled*, through her, by British agent George Soros, and fascist banker Felix Rohatyn—leading to disgust among the electorate that translates into a lower approval rating for the Democratic Congress than for the Beastman Cheney himself.

LaRouche continued to deploy his Youth Movement for



EIRNS/www.murray.senate.gov

Leading Democratic Senators marched to the FDR Memorial on Feb. 3, 2005, where they read a manifesto pledging to defend Social Security, President Roosevelt's signature program for the general welfare. The action was a direct outcome of LPAC's mobilization against Social Security privatization.

the solutions to the crisis, but, in Congress, they ran up against a stone wall.

By 2007, of course, the opening of the campaign for the Democratic Presidential nomination began to dominate the nation's political life. For the first time in almost 30 years, LaRouche declared that he would not run for the nation's highest office—although there was no other obviously qualified candidate in sight. Rather, LaRouche emphasized, his youth movement and political action committee were committed to shaping the political environment to *create* a candidate, or, more precisely, candidacy, which would carry out the tradition of FDR, the American System of Economics.

With the dramatic intensification of the economic/financial breakdown crisis in the Summer of 2007, LaRouche and LPAC found a new receptivity to their initiatives among the citizenry outside the Washington, D.C. Beltway. Hundreds of local political institutions have been debating, and more than 100 have passed, LaRouche's call for emergency measures to protect homeowners and the banks (HBPA).

As frustrating as this process was—*because Congress refused to act*—there were clear signs that the political climate was shifting in the right direction. The clearest sign came with the political developments around the Hillary Clinton Presidential campaign in February 2008, when, faced with the emergence of a British-backed battering-ram effort to knock her out of the race, Clinton began to make proposals for dealing with the economic crisis which went in the same direction as LaRouche's. She not only called for a moratorium on home foreclosures, but began to orient her campaign overall to the

economic concerns of the lower 80% of income brackets, denouncing the travesty of free-trade deals, taking on the oil pirates, and the like. Inadequate as her proposals may have been, Clinton was showing a commitment to move in response to reality, toward taking up the challenge of becoming a new FDR.

But the British controllers in the Party were not going to sit back and let the process proceed. They decided Clinton's candidacy must be destroyed.

The Lessons of 1932

The attempt by the de facto British agents in the Democratic Party, to knock out the FDR potential in the party by destroying Hillary Clinton, was in full swing, when Jeffrey Steinberg wrote the history of Franklin Roosevelt's 1932 victory over London's Wall Street fascist, John Jacob Raskob, for the April 4 edition of *EIR*. And, despite Clinton's stunning series of victories in the April-June primaries, the British operation appeared to succeed in mounting sufficient pressure to get Clinton, and her supporters, to concede to the crowning of Barack Obama.

The first reaction among many of the 18 million people who voted for Hillary Clinton in the primaries, to Clinton's suspension of her campaign June 6, was heavy demoralization. "I had to pick them up off the floor," LaRouche said. In effect, with Clinton no longer actively campaigning, LaRouche became the rallying point for those who were finally ready to demand a new FDR.

LaRouche knew it was crucial to fight the tendency of Hillary supporters to react with fanatical rage, and get them, as well as Obama supporters, to understand the historic political period they were in. Without an understanding of Britain's war against the United States, and the decisive economic and political turning point which has been reached, there was no way that any effective counterattack could be made against the British tools in the Democratic Party. The issue is not Hillary Clinton's campaign, but whether the nation will survive.

LaRouche's intervention came in three ways. First, he emphasized that, in reality, the nominee of neither political party was knowable at the present time. Not only did both John McCain and Obama have serious weaknesses, which could be used to knock either or both of them out, but the nation and the world were entering a period of political and economic turmoil, the equal of which no one alive today has ever seen. Puppets could be discarded.

Second, LaRouche PAC released a documented exposé of the key British agent destroying the Democratic Party, namely, megaspeculator George Soros. LaRouche introduced the pamphlet, titled, "Your Enemy, George Soros," with a statement dated June 16, that put the matter this way: "George

Soros does not actually own Senator Barack Obama; some other people do; but, Soros is a key controller, and seemingly the virtual owner of both Democratic Party Chairman Howard ‘Scream’ Dean, that Party, perhaps your political party, and, in fact, your nation, which are both what political-economic hit-man George Soros is aiming to destroy.” This dossier is now circulating in several hundred thousand copies, with the inclusion of Steinberg’s article on the 1932 convention (see www.larouchepac.com).

Third, LPAC released a new 100-minute DVD on its website, entitled “1932: Speak Not of Parties, But of Universal Principles,” which presents Roosevelt’s 1932 election in the context of the sweep of the American System’s battle against the British Empire, from the time of Abraham Lincoln to FDR’s death. This documentary was the product of a Youth Movement team which had been steeped in LaRouche’s curriculum of Classical music and science, and it has had an extraordinary impact through the website already, with sections being reproduced by dozens of groups which comprise the growing insurgency for the American System in the Democratic Party.

The Denver Group

Overall, more than 40 organizations have been formed across the country, that are supporting the nomination of Hillary Clinton, or, at minimum, demanding a full nominating process and roll call vote at the convention.

The most visible campaign is being waged by The Denver Group, an unaffiliated political action committee. One of the group’s spokespersons is Georgetown University law professor Heidi Li Feldman, who, in an interview with Fox-TV news reporter Neil Cavuto, on July 14, referenced the history of the 1932 convention, and insisted that things could change by August, so that Clinton could conceivably still win the Democratic Party nomination.

For this to happen, of course, Clinton would have to be nominated officially at Denver, and there would have to be a roll call vote. Thus, The Denver Group is raising the alarm that none other than Howard Dean and Nancy Pelosi are attempting to prevent Clinton’s name from being placed in nomination. The group ran a full-page ad in the *Chicago Tribune* July 11, and followed it up with another on July 23. It has announced that it intends to put on television ads as well, to keep up the pressure to make sure that Clinton is nominated.

In the July 17 edition of *CQToday*, the legislative news daily from *Congressional Quarterly*, The Denver Group published a striking ad as well (see illustration). Under a large photo of FDR, the title reads: “Would Howard Dean and Nancy Pelosi have kept his name off the ballot?” The text then reads as follows:

“Franklin Roosevelt went into the 1932 Democratic Convention 90 delegates short of the 2/3 majority needed to win the nomination. He finally won on the 4th ballot in a contentious convention. The Democratic Party survived.

“Senator Obama and Senator Clinton both go to the convention without the necessary majority needed to secure the nomination. Yet there is talk that Howard Dean, Nancy Pelosi and some elements of the DNC [Democratic National Committee] want to subvert the democratic process by keeping Senator Clinton’s name from being placed in nomination.

“Senator Clinton is still a candidate. She is the popular vote winner who won more votes than any Democratic primary candidate in history. Democratic processes demand that Senator Clinton’s name be officially placed in nomination. There must be an open convention with an honest roll call vote so super delegates who will decide this nomination can vote according to their judgment and conscience for *either* candidate as Democratic Party rules provide.

“And if some in the DNC are afraid that a democratic process could produce a result different from the preconceived set of expectations, as someone once said, ‘the only thing we have to fear is fear itself.’

“Keep the Democratic Party democratic.”

A Broader Mobilization

Another of the groups fighting for an open convention is PUMA PAC, which will have a pre-convention conference in Washington, D.C., on the weekend of Aug. 8-10. Among its announced goals are, “to see that our votes are counted, our primary results are respected, and [that] what is important to us is recognized and included in the party platforms.”

PUMA is also holding local meetings, and sending representatives to address other groups. For example, a PUMA representative spoke at an LPAC town meeting in Seattle, Washington.

While the understanding of the nature of the fight within the group varies, one of its founders, Will Bower, who appeared on the Blog radio show “Let’s Get Real” on July 15, showed acute understanding by characterizing Clinton as “a new FDR.” Bower took the opportunity of the broadcast to clarify reports that he had endorsed McCain, saying that he is fighting to see Clinton’s name placed in nomination, and to see that she wins the Democratic nomination. Only if this effort fails, Bower said, would he vote for McCain.

In this, of course, Bower is by no means alone, as polls taken by various insurgent groups in the Democratic Party indicate that anywhere from 20% to 30% of Democrats who voted for Clinton, would either vote for McCain, or stay home, were Obama the nominee.

Acting in History

While Barack Obama continues his move to the right, the Democratic Party’s prospects in the coming election appear more and more problematic. There is considerable demoralization among the Obama ranks, which rah-rah rallies are not likely to reverse.

With the acceleration of the financial breakdown crisis, however, and the ideas of the LaRouche PAC on the scene, the

potential for an upheaval in the current situation is only growing. Most important, is the growth in historical understanding within the ranks of some grassroots Democratic Party leaders, an understanding that still evades the majority of top party officials.

In a widely circulating memo, a leading Clinton activist from the West Coast provided an account of the massive operation directed against the Clinton candidacy by the DNC. The memo, which has the ring of truth, began with the fact that DNC chairman and Soros creature Howard Dean spelled out a Presidential strategy in late 2004, following John Kerry's defeat in the Presidential election that year. Dean insisted that the Democratic nominee had to be selected by the beginning of March 2008, at the latest, to give the Party the maximum time to organize the campaign.


According to the memo, Dean, Soros, Pelosi, and other self-proclaimed party fixers met right after the Super Tuesday primaries (Feb. 5) and decided—backroom style—that Obama, not Clinton, would be the nominee. They fanned out to the national media, and made their decision known, encouraging a flood of pro-Obama propaganda.

Then, beginning in early March 2008, Clinton began winning a string of primary elections in battleground states, by wide margins, as she fine-tuned her message to the lower 80% income brackets, who were already reeling from the economic collapse.

As the memo noted, "Hillary ... is a true Roosevelt liberal. She believes in markets provided they are properly regulated and are not distorted by speculation. She thinks government has a role to play in building infrastructure and extending favorable credit terms to certain sectors. She favors reindustrialization to restore balance to our economy, tariffs to prevent dumping, job growth. She supports public service to restore a sense of citizenship and national purpose. She believes that government has an obligation to provide education, health care and safety nets. She supports the nation state and the protection of national borders. These are the solutions which appeal to the middle class in its struggle to survive and prosper as the

CQToday Thursday, July 17, 2008
The Legislative News-Daily from Congressional Quarterly

ADVERTISEMENT



Would Howard Dean and Nancy Pelosi have kept his name off the ballot?

Franklin Roosevelt went into the 1932 Democratic Convention 90 delegates short of the 2/3 majority needed to win the nomination. He finally won on the 4th ballot in a contentious convention. The Democratic Party survived.

Senator Obama and Senator Clinton both go to the convention without the necessary majority needed to secure the nomination. Yet there is talk that Howard Dean, Nancy Pelosi and some elements of the DNC want to subvert the democratic process by keeping Senator Clinton's name from being placed in nomination.

Senator Clinton is still a candidate. She is the popular vote winner who won more votes than any Democratic primary candidate in history. Democratic processes demand that Senator Clinton's name be officially placed in nomination. There must be an open convention with an honest roll call vote so super delegates who will decide this nomination can vote according to their judgment and conscience for either candidate as Democratic party rules provide.

And if some in the DNC are afraid that a democratic process could produce a result different from a preconceived set of expectations, as someone once said, the only thing we have to fear is fear itself.

Keep the Democratic Party democratic.
Paid for by The Denver Group www.thedenvergroup.blogspot.com
and not authorized by any candidate, candidate's committee or any political party.

This ad, placed in CQToday by The Denver Group, which is fighting to ensure that Hillary Clinton is nominated at the Denver Democratic Convention, points out that FDR was nominated on the fourth ballot in 1932, despite the treasonous actions of a London/Wall Street gang.

forces of globalization intensify.

"These views are anathema to the free market advocates who support Obama. Those people trace their roots back to the House of Morgan and the imperialistic doctrines of the British Empire. To them the world is not a collection of nation states each with its own unique identity, history and destiny, but a global marketplace where capital is fluid, entrepreneurs are free to move production to the lowest cost venues and goods and services flow freely across national borders. The EU and NAFTA are paradigmatic examples of this. An economic system of this nature favors capital over labor, low cost venues over high cost venues, and thus works to the detriment of our middle class. It subordinates national sovereignty to international bodies like WTO and GATT. It insulates globalists from the will of the people.

"I have racked my brain to discover the reason why so much public hatred has been directed toward Hillary Clinton over the years, but especially now in context of this election. ... But I believe the overriding reason for this national pathology is the fact that Hillary advocates an agenda based on the theories of Roosevelt as opposed to Milton Friedman. In that sense she presents a serious challenge to the globalists and their new world order. ..."

With a little less than a month to go before the national convention in Denver, the situation within the Democratic Party is still totally up for grabs. As the CQToday Denver Group advertisement emphasized, drawing upon the LPAC account of

the 1932 Democratic Convention, Franklin Roosevelt went into Chicago 90 votes short of the nomination. He won, on the fourth ballot, after a ferocious fight against the London/Wall Street apparatus, represented then, at the DNC, by J.P. Morgan asset John Raskob. Today, Soros and Felix Rohatyn agents Howard Dean and Nancy Pelosi represent that same London-centered faction, out to destroy the party and bring fascism to the United States. The question today, is whether the Democratic Party will have the guts to beat back the London-steered wrecking operation.

An Opportunity Not To Be Missed

The Bush Administration almost got it right this past week. Through a strange combination of efforts, a top-level delegation of Syrian scholars, economists, and journalists was scheduled to visit Washington, and to meet with David Welch, the top U.S. State Department official for the Middle East. The Syrian delegation was to have included Riad Daoudi, the Syrian government advisor handling the indirect negotiations with Israel, which are being mediated by the Turkish government.

At the last moment, Welch cancelled the meeting, and Daoudi cancelled his participation in the delegation. The three other scheduled Syrian visitors did come to Washington, and held a series of fruitful meetings on Capitol Hill and at several think tanks. The delegation is now touring the country, having delivered a clear message: Syria is ready to strike a peace deal with Israel, and the only significant missing element is a U.S. presence at the table.

Senior U.S. diplomats and intelligence officials have been saying for months that a peace treaty between Syria and Israel is doable, and could even be finalized this year. With the Palestinian situation highly in flux, and with Israeli intransigence, measured in the volume of new settlement construction, still a key “fact on the ground,” the notion that Condoleezza Rice is going to successfully navigate a final status agreement between Tel Aviv and Ramallah between now and the end of the year, is a stretch.

Why then, not follow Lyndon LaRouche’s sage advice, from September 2007, and move ahead with a Syria-Israel peace accord, a breakthrough that would fundamentally alter the dynamics in the region, and greatly reduce the still significant threat of war before the end of the year? A senior U.S. intelligence official, with access to the Bush-Cheney White House, has warned for more than a year that, unless there is some Mideast peace breakthrough—and soon—the likelihood of a U.S. and/or Israeli military strike against Iran is very high, before Bush and Cheney pack their bags and vacate 1600 Pennsylvania Ave.

In a series of public statements in the second half of

2007, both prior to and following the Annapolis Middle East peace conference, LaRouche pushed the Israel-Syria deal. Clearly the logic of such a peace agreement, ending hostilities between Israel and the last Arab state to have actually participated in the wars against Israel, is compelling. To its credit, the Turkish government has taken a point role in promoting mediated talks between Israel and Syria. Three negotiating sessions have taken place in Turkey, and a fourth is scheduled for the very end of July. “Ninety-eight percent of the issues on the table have been resolved,” according to a number of sources close to the talks.

Why, then, did the Bush Administration back off from taking a direct hand in the negotiations, when the opportunity was on the table? Put simply, the Administration is stuck in the past seven-and-a-half years of disastrous foreign policy blunders, what former Ambassador Chas Freeman has called “diplomacy-free foreign policy.”

With Israeli Prime Minister Ehud Olmert in deep political trouble at home, this last, best opportunity must not be squandered. Olmert is anxious to strike a peace deal with Syria; it might save his prime ministership. The Chief of Staff of the Israeli Defense Forces, Gen. Gabi Ashkenazi, a very professional soldier who shuns the war party in Israel, was in Washington at the same time as the Syrian delegation. Israeli has made it clear, through its numerous back channels in the U.S. capital, that a majority within the Israeli institutions is ready for a Syrian deal, but the U.S. must be on board. Syria has delivered the same message through its highly capable ambassador in Washington, Dr. Imad Moustapha.

So let us break the Washington deadlock. Let Israel and Syria reach a final agreement—through the Turkish channel or other means. Then deliver the message to Washington: Everyone is on board, provided that the United States join the arrangement. American security guarantees, perhaps the deployment of a Sinai-style peacekeeping battalion to the Golan Heights, will be required. Under those circumstances, even the Bush Administration would have a hard time saying “No.”

21st CENTURY is now electronic!

SCIENCE & TECHNOLOGY



Featured in Fall 2007

- **Sufficient Harmony: The Scientific Method of Kepler and Gauss**

by Sky Shields, LaRouche Youth Movement

An introduction to the scientific method of Carl Friedrich Gauss, which looks at it as a continuation of that of Johannes Kepler, is part of an ongoing project of the LaRouche Youth Movement.

- **An Interview with Sea-level Expert Dr. Nils-Axel Mörner: 'It's Not Rising!' The Sun Rules the Climate, and There's No Danger of Global Sea-Level Rise**

by Nils-Axel Mörner

After 35 years of measuring sea levels worldwide, a Swedish expert reports that observational data seriously contradict the global warming scare scenario of rising sea levels.

A Work in Progress:

- **A New Approach to the Ordering Principle Of the Stable Isotopes**

by Laurence Hecht

A new interpretation of the meaning of Planck's constant suggests a solution to the yet-unsolved question of the ordering of the stable isotopes.

Also featured:

- **Nuclear Energy and the CO₂ Fiction**

by Zbigniew Jaworowski

- **It's Time for Next-Generation U.S. Nuclear Plants**

Interview with Phil Hildebrandt

- **INL Plans to Put Next-Generation Nuclear Plant Online by 2018**

- **Fourth-Generation Reactors Are Key to World's Nuclear Future**

- **Bush Nuclear Program Is Technology Apartheid**

- **Report from Colombia: LaRouche Movement Organizes For a Nuclear Renaissance**

- **Conference Report: Why Is the ANS Tolerating Malthusianism?**

- **1975 'Endangered Atmosphere' Conference: Where the Global Warming Hoax Was Born**

- **In Memoriam: James Frazer (1928-2007)**

21ST CENTURY

SCIENCE & TECHNOLOGY

Subscriptions are 6 issues \$25 or 12 issues \$48.

Purchase with credit card online at

www.21stcenturysciencetech.com

Or send a check or money order to the address below.

Electronic subscriptions to **21st Century** can be purchased at

<http://www.21stcenturysciencetech.com>, \$25 for 6 issues, or \$48 for 12 issues. Single issues are \$5 each.

21st Century P.O. Box 16285

Washington, D.C. 20041

Tel. 703-777-6943, Fax 703-771-9214

See LaRouche on Cable TV

INTERNET

- BCAT.TV/BCAT Click BCAT-2 Mon: 10 am
- LAROUCHEPUB.COM Click *LaRouche's Writings*. (Avail. 24/7)
- MNN.ORG Click *Watch Ch.57* Fri: 2:30 a.m.
- RAVITELEVISION.COM Click *Live Stream*. Mon & Thu 11 am; Wed & Fri 10:30 pm
- SCAN-TV.ORG Click *Scan on the Web*. Sat 2 pm Pac
- WUWF.ORG Click *Watch WUWF-TV*. Last Mon 4:30-5 pm (Eastern)

ALABAMA

- UNIONTOWN GY Ch.2: Mon-Fri every 4 hours; Sun Afternoons

ALASKA

- ANCHORAGE GCI Ch.9: Thu 10 pm

CALIFORNIA

- BEVERLY HILLS TW Ch.43: Wed 4 pm
- CLAYTON/CONCORD CO Ch.26: 2nd Tue 7 pm; AS Ch.31: Tue 7:30 pm
- CONTRA COSTA CC Ch.26: 2nd Tue 7 pm
- COSTA MESA TW Ch.35: Thu 5:30 pm
- HOLLYWOOD TW Ch.24: Tue 4:30-5 pm
- LANCASTER/PALMDALE TW Ch.36: Sun 1 pm
- LONG BEACH CH Analog Ch.65/69 & Digital Ch.95: 4th Tue 1-1:30 pm
- LOS ANGELES TW Ch.98: Wed 3-3:30 pm
- LOS ANGELES (East) TW Ch.98: Mon 2 pm
- MARINA DEL REY TW Ch.98: Wed 3 pm; Thu/Fri 4 pm
- MIDWILSHIRE TW Ch.24: Tue 4:30-5 pm
- ORANGE COUNTY (N) TW Ch.95/97/98: Fri 4 pm
- SAN FDO. VALLEY (East) TW Ch.25: Sun 5:30 pm
- SAN FDO. VALLEY (NE) CC Ch.20: Wed 4 pm
- SAN FDO. VALLEY (West) TW Ch.34: Wed 5:30 pm
- SANTA MONICA TW Ch.77: Wed 3-3:30 pm
- WALNUT CREEK CO Ch.6: 2nd Tue 7 pm; AS Ch.31: Tue 7:30 pm
- VAN NUYS TW Ch.25: Sun 5:30 pm

COLORADO

- DENVER CC Ch.56 Sun 10 am

CONNECTICUT

- GROTON CC Ch.12: Mon 5 pm
- NEW HAVEN CC Ch.23: Sat 6 pm
- NEWTOWN CH Ch.21: Mon 12:30 pm; Fri 7 pm
- SEYMOUR CC Ch.10: Tue 10 pm

DISTRICT OF COLUMBIA

- WASHINGTON CC Ch.95 & RCN Ch.10: Irregular

FLORIDA

- ESCAMBIA COUNTY CX Ch.4: Last Sat 4:30 pm

ILLINOIS

- CHICAGO CC./RCN/WOW Ch.21: Irregular
- PEORIA COUNTY IN Ch.22: Sun 7:30 pm
- QUAD CITIES MC Ch.19: Thu 11 pm
- ROCKFORD CC Ch.17 Wed 9 pm

IOWA

- QUAD CITIES MC Ch.19: Thu 11 pm

KENTUCKY

- BOONE/KENTON COUNTIES IN Ch.21: Sun 1 am; Fri Midnight
- JEFFERSON COUNTY IN Ch.98: Fri 2-2:30 pm

LOUISIANA

- ORLEANS PARISH CX Ch.78: Tue 4 am & 4 pm

MAINE

- PORTLAND TW Ch.2: Mon 1 & 11 am; 5 pm

MARYLAND

- ANN ARUNDEL Annapolis Ch.76 & Milleneum Ch.99: Sat/Sun 12:30 am; Tue 6:30 pm
- P.G. COUNTY CC Ch.76 & FIOS Ch.38: Tue/Thu 11:30 am
- MONTGOMERY COUNTY CC Ch.21: Tue 2 pm & Fri 11 pm

MASSACHUSETTS

- BRAINTREE CC Ch.31 & BD Ch.16: Tue 8 pm
- BROOKLINE CV & RCN Ch.3: Mon 3:30 pm; Tue 3:30 am; Wed 9 am & 9 pm;
- CAMBRIDGE CC Ch.10: Tue 2:30 pm; Fri 10:30 am
- FRANKLIN COUNTY (NE) CC Ch.17: Sun 8 pm; Wed 9 pm; Sat 4 pm
- QUINCY CC Ch.8: Pop-ins.
- WALPOLE CC Ch.8: Tue 1 pm

MICHIGAN

- BYRON CENTER CC Ch.25: Mon 2 & 7 pm
- DETROIT CC Ch.68: Irregular
- GRAND RAPIDS CC Ch.25: Irreg.
- KALAMAZOO CH Ch.20: Tue 11 pm; Sat 10 am
- KENT COUNTY (North) CH Ch.22: Wed 3:30 & 11 pm
- KENT COUNTY (South) CC Ch.25: Wed 9:30 am
- LAKE ORION CC Ch.10: Mon/Tue 2 & 9 pm
- LANSING CC Ch.16: Fri Noon.
- LIVONIA BH Ch.12: Thu 3 pm
- MT. PLEASANT CH Ch.3: Tue 5:30 pm; Wed 7 am
- PORTAGE CH Ch.20 Tue/Wed 8:30 am; Thu 1:30 pm
- SHELBY TOWNSHIP CC Ch.20 & WOW Ch.18: Mon/Wed 6:30 pm
- WAYNE COUNTY CC Ch.16/18: Mon 6-8 pm

MINNESOTA

- CAMBRIDGE US Ch.10: Wed 6 pm
- COLD SPRING US Ch. 10: Wed 6 pm
- COLUMBIA HEIGHTS CC Ch.15: Wed 8 pm
- DULUTH CH Ch.20: Mon 9 pm; Wed 12 pm, Fri 1 pm
- MARSHALL Prairie Wave & CH Ch.35/8: Sat. 9 am

- MINNEAPOLIS TW Ch.16: Tue 11 pm
- MINNEAPOLIS (N. Burbs) CC Ch.15: Thu 3 & 9 pm
- NEW ULM TW Ch. 14: Fri 5 pm
- PROCTOR MC Ch. 12: Tue 5 pm to 1 am
- ST. CLOUD CH Ch.12: Mon 9:30 pm
- ST. CROIX VALLEY CC Ch.14: Thu 1 & 7 pm; Fri 9 am
- ST. LOUIS PARK CC Ch.15: Sat/Sun Midnite, 8 am, 4 pm
- ST. PAUL CC Ch.15: Mon 10 pm
- ST. PAUL (S&W Burbs) CC Ch.15: Wed 10:30 am; Fri 7:30 pm
- SAULK CENTRE SCTV Ch.19: Sat 5 pm
- WASHINGTON COUNTY (South) CC Ch.14: Thu 8 pm

NEVADA

- WASHOE COUNTY CH Ch.16: Thu 2 pm

NEW HAMPSHIRE

- MANCHESTER CC Ch.23: Thu 4:30 pm

NEW JERSEY

- BERGEN CTY TW Ch.572: Mon & Thu 11 am; Wed & Fri 10:30 pm
- MERCER COUNTY CC Trenton Ch.26: 3rd & 4th Fri 6 pm
- Windsors Ch.27: Mon 5:30 pm
- MONTVALE/MAHWAH CV Ch.76: Mon 5 pm
- PISCATAWAY CV Ch.22: Thu 11:30 pm
- UNION CC Ch.26: Irregular

NEW MEXICO

- ALBUQUERQUE CC Ch.27: Thu 4 pm
- LOS ALAMOS CC Ch.8: Wed 10 pm
- SANTA FE CC Ch.8: Thu 9 pm; Sat 6:30 pm
- SILVER CITY CC Ch.17: Daily 8-10 pm

NEW YORK

- ALBANY TW Ch.18: Wed 5 pm. TW Ch.572: Mon & Thu 11 am; Wed & Fri 10:30 pm
- BETHLEHEM TW Ch.18: Thu 9:30 pm
- BRONX CV Ch.70: Wed 7:30 am
- BROOKLYN CV Ch.68: Mon 10 am
- TW Ch.35: Mon 10 am
- TW Ch.572: Mon & Thu 11 am; Wed & Fri 10:30 pm
- CHEMUNG TW Ch.1/99: Tue 7:30 pm
- ERIE COUNTY TW Ch.20: Thu 10:35 pm
- IRONDEQUOIT TW Ch.15: Mon/Thu 7 pm
- JEFFERSON/LEWIS COUNTIES TW Ch.99: Irregular
- MANHATTAN TW & RCN Ch.57/85 Fri 2:30 am
- ONEIDA COUNTY TW Ch.99: Thu 8 or 9 pm
- PENFIELD TW Ch.15: Irregular
- QUEENS TW Ch.35: Tue 10:30 am; TW Ch.572: Mon & Thu 11 am; Wed & Fri 10:30 pm
- QUEENSBURY TW Ch.71: Mon 7 pm
- ROCHESTER TW Ch.15: Sun 9 pm; Thu 8 pm

- ROCKLAND CV Ch.76: Mon 5 pm
- SCHENECTADY TW Ch.16: Fri 1 pm; Sat 1:30 am
- STATEN ISLAND TW Ch.35: Thu Midnite. Ch.34: Sat 8 am. Ch 572: Mon & Thu 11 am; Wed & Fri 10:30 pm
- TOMPKINS COUNTY TW Ch.13: Sun 12:30 pm; Sat 6 pm
- TRI-LAKES TW Ch.2: Sun 7 am, 1 pm, 8 pm
- WEBSTER TW Ch.12: Wed 9 pm

NORTH CAROLINA

- HICKORY CH Ch.3: Tue 10 pm
- MECKLENBURG COUNTY TW Ch.22: Sat/Sun 11 pm

OHIO

- AMHERST TW Ch.95: Daily 12 Noon & 10 pm
- CUYAHOGA COUNTY TW Ch.21: Wed 3:30 pm
- OBERLIN Cable Co-Op Ch.9: Thu 8 pm

OKLAHOMA

- NORMAN CX Ch.20: Wed 9 pm

OREGON

- LINN/BENTON COUNTIES CC Ch.29: Tue 1 pm; Thu 9 pm
- PORTLAND CC Ch.22: Tue 6 pm. Ch.23: Thu 3 pm

RHODE ISLAND

- E. PROVIDENCE CX Ch.18: Tue 6:30 pm
- STATEWIDE RI I CX Ch.13 Tue 10 pm

TEXAS

- HOUSTON CC Ch.17 & TV Max Ch.95: Wed 5:30 pm; Sat 9 am
- KINGWOOD CB Ch.98: Wed 5:30 pm; Sat 9 am

VERMONT

- BRATTLEBORO CC Ch.8: Wed 8 pm
- GREATER FALLS CC Ch.10: Mon/Wed/Fri 1 pm
- MONTPELIER CC Ch.15: Tue 10 pm; Wed 3 am & 4 pm

VIRGINIA

- ALBEMARLE COUNTY CC Ch.13: Sun 4 am; Fri 3 pm
- ARLINGTON CC Ch.33 & FIOS Ch.38: Mon 1 pm; Tue 9 am
- CHESTERFIELD COUNTY CC Ch.6: Tue 5 pm
- FAIRFAX CX Ch.10 & FIOS Ch.10: 1st & 2nd Wed 1 pm; Sun 4 am. FIOS Ch.41: Wed 6 pm
- LOUDOUN COUNTY CC Ch.98 & FIOS Ch.41: Wed 6 pm
- ROANOKE COUNTY CX Ch.78: Tue 7 pm; Thu 2 pm

WASHINGTON

- KING COUNTY CC Ch.29/77: Tue 10 am
- TRI CITIES CH Ch. 13/99: Mon 7 pm; Thu 9 pm

WISCONSIN

- MARATHON CH Ch.10: Thu 9:30 pm; Fri 12 Noon
- MUSKEGO TW Ch.14: Sat 4 pm; Sun 7 am

WYOMING

- GILLETTE BR Ch.31: Tue 7

MSO Codes: AS=Astound; BD=Beld; BR=Bresnan; BH=BrightHouse; CV=Cablevision; CB=Cebridge; CH=Charter; CC=Comcast; CX=Cox; GY=Galaxy; IN=Insight;

MC=MediaCom; TW=TimeWarner; US=US Cable. FIOS=Verizon FIOS-TV.

Get The LaRouche Connection on your local cable TV system! Call Charles Notley 703-777-9451, Ext. 322. Visit our Website: www.larouchepub.com/tv.

SUBSCRIBE TO

EIR Executive Intelligence Review

EIR Online

EIR

Executive Intelligence Review
April 25, 2003 Vol. 35 No. 17 www.larouchepub.com \$10.00

Then and Now: British Imperial Policy Means Famine
Al Gore: Britain's Malthusian Agent
Cheney Blows Up Iraq. To Prepare Hit on Iran

To Defeat Famine:
Kill the WTO!



EIR Online gives subscribers one of the most valuable publications for policymakers—the weekly journal that has established Lyndon LaRouche as the most authoritative economic forecaster in the world today. Through this publication and the sharp interventions of the LaRouche Youth Movement, we are changing politics in Washington, day by day.

EIR Online

Issued every Tuesday, EIR Online includes the entire magazine in PDF form, plus up-to-the-minute world news.



I would like to subscribe to **EIR Online**

(e-mail address must be provided.)

- ☐ **\$360** for one year
☐ **\$180** for six months
☐ **\$120** for four months
☐ **\$90** for three months
☐ **\$60** for two months
- ☐ Send information on receiving **EIR** by mail.

—EIR Online can be reached at:

www.larouchepub.com/eiw

e-mail: **fulfillment@larouchepub.com**

Call **1-800-278-3135** (toll-free)

Name _____
Company _____
Address _____
City _____ State _____ Zip _____ Country _____
Phone (_____) _____
E-mail address _____

I enclose \$ _____ check or money order

Make checks payable to

EIR News Service Inc.

P.O. Box 17390, Washington, D.C. 20041-0390

Please charge my ☐ MasterCard ☐ Visa

Card Number _____

Signature _____

Expiration Date _____