

# EIR

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LaRouche: The Case for D.C. General Hospital  
Why India and Pakistan Are Heading Toward War  
Sept. 11 'Who Knew?' Debate Misses the Point

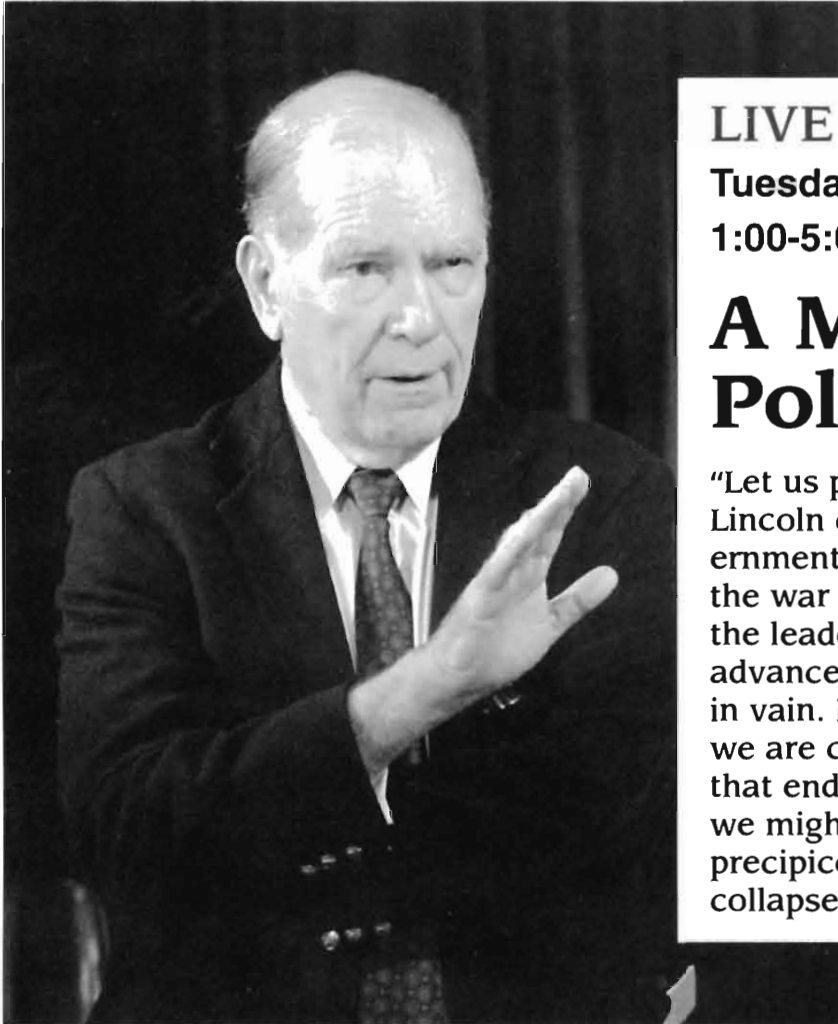
## Free Trade Is Finished, Despite 'Fast Track' Vote



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## From the Associate Editor

**T**he only people who say now that an economic recovery is in process, are either fools, or are guilty of perpetrating a fraud against the credulous.

Remember the U.S. “budget surplus,” claimed as the pride and joy of both the Clinton and Bush administrations? (The budget surplus that *EIR* told you was a fake: a derivative of the speculative bubble, plus illegal looting of the Social Security Fund.) Well, now even Treasury Secretary Paul O’Neill has had to concede that last year, we didn’t have the \$127 billion surplus that had been claimed, but rather a \$514.8 billion deficit—and that’s not even counting the money stolen from Social Security.

In *Economics*, Marcia Merry Baker and John Hoeffle tell what’s really going on. The chimera of free trade has evaporated—just as Lyndon LaRouche said it would. And the exposure of fraud on the part of Enron and others, is nothing but a cover-up for the fact that the entire report of a “recovery” was one gigantic fraud. The fraudulent accounting practices for which Enron is now being scapegoated, are *pervasive* throughout the utterly bankrupt system. Nothing will save the world’s nations but the measures LaRouche has proposed.

And there’s another fraud: the “Osama did it” hoax with respect to Sept. 11 (see *National*). As LaRouche has said since the moment the terror attacks took place, the responsibility lies elsewhere, with the domestic policy apparatus that is carrying out a coup d’état against the U.S. Constitution. Most relevant to this, is our report by Edward Spannaus on the deliberate Israeli sinking of the *USS Liberty* during the June 1967 Mideast war. The same Anglo-American utopian apparatus that covered up that dastardly attack, is behind the Sept. 11 atrocity.

Who is going to stop the lying, and restore sanity to a desperate world? We are—including you. Supporters of LaRouche are circulating half a million copies of his May 1 webcast address, and another webcast is set for May 28. *EIR*’s Ibero-American intelligence director Dennis Small is in Argentina, offering that nation an alternative to suicide; Counterintelligence director Jeffrey Steinberg is in Mexico, and European Economics director Lothar Komp is in the Czech Republic. We’ll have more on these exciting initiatives next week.

*Susan Welsh*

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## Free Trade Is Dead, Despite U.S. 'Fast-Track' Vote

by Marcia Merry Baker

In a great irony, the “fast-track” trade negotiating authority passed by the U.S. Senate on May 23 (included in H.R. 3009, and called “trade promotion authority”), came at a time when world trade volume and economic activity are spiralling downward, and certain countries, most notably China, are beginning to reconsider all “free trade” commitments. Moreover, it was the United States itself that started the policy-shift away from free trade, by its steel and lumber tariffs, and new farm law subsidies this Spring.

There’s no going back. The whole *system and institutions* of the free-trade model are finished. As the old English rhyme would have it, “free trade is dead; a candle lights its head.” An unintended eulogy was delivered by President George Bush, when he responded on May 24 to the news of the Senate “fast-track” vote, while in Russia: “As I begin my trip here in Europe, the passage of this bill sends an important signal to our trading partners that we are committed to free and open trade.” Nothing doing. Bush’s “free trade is alive and well” is no truer than “the recovery is coming.”

The U.S. signal of a shift away from free trade—sent earlier this year by specific actions in response to domestic industrial, construction, and agriculture crises—has been rightly seen by trading partners as a major policy alteration. Of course, so far the reaction among advocates and victims of free trade alike, with few exceptions, are howls of protest, that the United States unilaterally threw over the “rules of the game.” But while threatening retaliation, discussion in some nations is beginning, on how to take advantage of the opportunity to renew national-interest-serving economic and trade measures, and give up the free-trade game altogether.

The biggest reaction has come from the free-trade-era institutions themselves—the International Monetary Fund (IMF), the World Trade Organization (WTO), and the World Bank. These agencies are the very ones whose policies have brought the world economy into the current depression, and

they are demanding that countries must not try to “protect” themselves, but continue to commit economic suicide instead. A joint statement released on May 15, co-signed by IMF Managing Director Horst Köhler, WTO Director General Michael Moore, and World Bank President James Wolfensohn, insisted, “Any increase in protectionism . . . is damaging . . . sending the wrong signal, threatening to undermine the ability of governments everywhere to build support for market-oriented reforms.”

The United States did not need to be mentioned by name. Its specific measures taken this spring include:

**March 8:** President Bush announced that import tariffs would be placed on certain categories of imported steel products, in the range of 16-26%, for three years.

**March 22:** The administration announced that tariffs of up to 29% would be imposed on softwood imports from Canada, under certain terms and duration.

**May 13:** President Bush signed into law the new six-year agriculture act, which included among its provisions, expanded categories and increased rates of Federal financial support to farming (commodity price deficiency payments, loans, etc.).

**May 14:** The Senate voted up a “killer” amendment, sponsored by Mark Dayton (D-Minn.) and Larry Craig (R-Id.), to the pending fast-track bill. It reserved the right to alter any trade pact, including imposing anti-dumping remedies. Craig said that lawmakers must retain the right to act “on behalf of Americans who have been, are being, or will be harmed by continuing trade legislation.”

That same day, U.S. Trade Representative Bob Zoellick denounced the Senate move as “protectionism under the cover of procedure.” And on May 21, Zoellick told the World Economic Forum Spring meeting in Washington, that the amendment will be stricken from the final conference version of the bill, so that President Bush can sign it.



*The process began with President Bush's attempt to save the disappearing American steel industry in early March. The steps since have not been pretty, but nations facing industrial and wage collapse are reaching toward "fair trade;" the "free trade" WTO is finished, and may not rest in peace, but burn in Hell.*

Be that as it may. The point is dramatically clear that free trade is no longer supreme in Washington.

### **Reactions in Asia and Euroland**

As a result of these moves, chain reactions are taking place. The boldest is from China, where officials are indicating they may reconsider the WTO restrictions on domestic assistance to farmers, given what the United States has just enacted for its farmers. This point was raised specifically at a seminar in Beijing on May 22, by China's Vice Minister for Foreign Trade Long Yong-tu, who, according to press accounts, confronted former U.S. Trade Representative Charlene Barshefsky at the event, with the question, "Why can't we?"

This confrontation, occurring at a Dow Jones seminar, was especially symbolic, since Long was China's negotiator for the 13 years of discussion on the terms of its entry into the General Agreement on Tariffs and Trade-WTO. The United States has repeatedly maintained the WTO tenet that China—or any nation—has no right to food self-sufficiency, but must rely on free-trade food access, and delimit aid to farmers.

On May 22, *China Daily*, the official government newspaper, announced that on May 24, tariffs would begin on nine types of steel imports, ranging from 7-26%, from any nation of origin, including Japan, South Korea, or the United, for instance. This has forced the issue throughout Asia, of what should be the new direction of trade. It is also possible that China will lift the suspensions on tariffs on a range of products imported from the United States, from soybean oil to paper products.

In Europe, the Paris conference on May 15-16 of 30 na-

tions of the Organization of Economic Cooperation and Development (OECD), at its ministerial meeting on the WTO Doha Trade and Development Agenda, heard non-stop denunciations of the recent U.S. tariff and farm measures. The May 18 *Asia Times* reported that the ministers came to Paris "to express their barely contained rage."

The joint statement against protectionism, by the WTO, World Bank, and IMF, was delivered to the gathering.

U.S. Trade Representative Zoellick stayed away from the OECD conference, sending his Deputy, Peter Allgeier, to take the heat. Also representing the United States in Paris was White House economics consultant Glenn Hubbard, whose job it was to deliver the pathetic "Big Myth" that expected growth in the U.S. economy this year would be 3 to 3.5%, and would help drive the world economy.

The OECD nations released a final communiqué pledging "to reject the use of protectionism," and they continued to plan retaliation against the United States.

Beginning on June 18, Japan intends to impose its first-ever retaliatory tariffs on U.S. products, slapping 100% duties on \$4.88 million of U.S. steel plate imports. Another \$118.55 million in tariffs could be applied, if the WTO were to decide that U.S. steel tariffs violated trading rules.

The European Union (EU) issued a statement on May 15, on its plans against the United States steel tariffs. "In response to the illegal U.S.A. safeguard measure on steel products, and in full compliance with the WTO Agreement of Safeguards, the EU has notified the WTO the lists of potential suspension of concessions which would be applied if the U.S.A. does not remove the safeguard measure," it said. The EU has drawn up a "long list" to go into effect upon "condemnation by the WTO" of the United States; and a "short list" which could go

into effect on June 18, “if the U.S.A. does not offer in the meantime compensation for its measure.”

## German Farmers Celebrate

Perhaps the most sensible reaction so far, is that of the German Farmers Union Federation. On May 7, it issued a statement on the new protectionist-leaning U.S. farm law, welcoming it as an opportunity to dump the propaganda and pretenses of “free markets” that have been degrading farming the world over. They said the U.S. move admits free markets have “failed.”

Under cutthroat “free” rigged trade, food trade patterns have become so bad that in 2001, for the first time in decades, the EU became a net importer of grain! This is insane, given the high-yield grain output potential in its 15 member-nations, particularly France. The EU grain import shift reflects how the world food cartel companies—Cargill, ADM, Dreyfus—have forced dirt-cheap food output from East European and other cartel-dominated sources.

In its May 7 press release, the German Farmers Union Federation said, “With the new law, the U.S. government declares that the idea of free trade and totally liberalized agriculture markets has failed.” The German farmers drew out the implication: The U.S. shift refutes the position of the German government, which has been demanding a further reform in the EU in the direction of free trade.

The German farmers’ point is well taken, for all nations: We are at the end-phase of economic breakdown of the period characterized by outsourcing, deregulation, and so-called “free” (rigged) markets and trade. So now it is a matter of urgency to resume policies which build up national economies. Why complain?

The significance of this potentiality was addressed by Lyndon LaRouche in a May 11 campaign paper, “‘Fair Trade’ as a Phase-Shift.” Referring to the March 8 announcement of steel tariffs, LaRouche said, “The step toward ‘fair trade,’ away from ‘free trade,’ is a step in the right direction, but before stepping too far in that direction, it will be necessary to build the relevant bridge across the relevant, waiting chasm.” The “chasm” is the economic and financial collapse process is under way, and must be addressed.

## Trade Already Declining

Economic activity, including international commerce, has been contracting for many months. In terms of tonnage, units, and volume, trade flows were already declining rapidly over the past year, well before the so-called U.S. anti-free-trade shift.

The annual trade survey released on May 2 by the WTO states that world exports fell 4% in value in 2001 from the year before; and 1% in volume. The drop of \$6 trillion in value, hitting all three major merchandise product groups—agricultural, mining, and manufacturing—was the largest yearly decline in 20 years.

The rate of fall in trade is also increasing. In the fourth

quarter of 2001, the volume of world exports had fallen to 6% below the previous year. The nations with the largest export decline, were those trading intensively in information technology—East Asia and the United States.

Look at the U.S. import and export statistics. The gigantic annual deficit of over \$400 billions in goods trade is well known. But even while the United States has been import-dependent, in recent months there is now a major *drop in the volume of both exports and imports*. The United States no longer commands the purchasing power to be “importer of last resort,” or to maintain its deficit. The system itself—such as it was—is collapsing. From January to March, compared to the same time in 2000, the value of U.S. goods imports fell from \$292.547 billion down to \$272.763 billion. The value of exports, in the same January-March period, dropped from \$185.142 billion in 2000, down to \$164.960 billion this year. This is the downward spiral.

At present, the value of the dollar itself—the currency of the free-trade era—is declining. As of late May, the dollar had fallen to eight-month lows against the euro and others. The flow of currencies *into* the United States—what supported the U.S. goods import dependence—is drying up. For example, for the first two months of 2002, foreign investors purchased \$11 billion of U.S. stocks, compared to the \$33 billion they bought during the first two months of 2001—a fall of two-thirds.

Another reading on the decline of the dollar, is the rising price of gold. On May 24, it reached \$322.50 an ounce, the highest in two years, rising the day earlier by \$4.50 in one day.

## Fast Track to Nowhere

Thus, given the decline of the trade system—free, rigged, or otherwise—the U.S. Senate vote on May 23, of 66-30, for “Trade Promotion Authority” for the President, is a vote for a “fast track to nowhere.” (The House of Representatives passed a companion bill in December, by a one-vote margin of 215-214.)

In one of the speeches on the Senate floor against the bill, Paul Sarbanes (D-Md.) gave a short history of U.S. trade legislation, stressing how the record shows that deregulation of trade negotiating powers is not necessary, and moreover, unconstitutional.

In 1934, under President Franklin Roosevelt, the Reciprocal Trade Act was passed. For the next 40 years, trade treaties were successfully negotiated. It was done under discretionary power known as “proclamation authority,” where the Executive could negotiate, and tariffs could be set within the limits of duration, and other conditions set and reviewed by Congress. This is proper under the duties of Congress defined under the Constitution, Article 2, Section 8, to “regulate foreign commerce.”

Now, even if the President is wrongfully given fast-track authority, economic reality is intervening to nullify any attempted unconstitutional and unfounded act by government. What comes next is the challenge LaRouche cited.



# Road Map for Real Enron Investigation: Give Up Faked 'Recovery' Myth

by John Hoefle

The recent revelations about how Enron and its fellow energy pirates manipulated the electricity market in California, combined with the disclosure of fraudulent bookkeeping and phony trades, confirm in spades this publication's contention that the energy pirates were engaged in criminal behavior, and that the business was never viable. With each passing week, more dirty deals are revealed, which show that not only were the companies crooks, but that the regulators who were supposed to oversee them were at best doing nothing, and sometimes implicitly aiding the very activity they were supposed to be stopping.

Most of the energy pirate companies, like the telecom companies, reported as revenues their gross sales, rather than their net revenues from those sales. That is, they would buy a block of energy for \$100,000 and sell it for \$125,000, and book the entire \$125,000 as revenue, instead of the net \$25,000. Throw in the "round-trip" trading in which these companies would sell a block of energy to another trader, then immediately buy that energy back at the same price, and you have the makings of a real revenue machine. Such shenanigans made Enron No. 5 five on the Fortune 500 for 2001, followed by American Electric Power at 13, Duke Energy at 14, El Paso at 17, Reliant Energy at 26, and Dynegy at 30.

Where were the regulators? Where was the much-hyped "industry self-regulation"?

The telecommunications companies were running a similar scam by leasing capacity on their networks to each other to artificially inflate revenue.

These tricks, along with hiding debt and losses in off-balance-sheet entities, booking the entire amount of multi-year sales income in the first year, overstating the values of assets held, have led to serious over-statements of corporate profits in recent years. Despite record numbers of corporate profit restatements in the last couple of years, only the tip of the iceberg has been revealed.

## No Real Profits, Then or Now

Even so, with all the tricks, the reported level of corporate profits is declining in the United States. U.S. corporations reported \$767 billion in net profits in 2001, down from \$876 billion in 2000. Heaven only knows what it would be, were honest numbers reported.

Many useful details are pouring out of the various Con-

gressional and regulatory investigations into the Enron affair, showing a level of corruption which is shocking to many Americans, but at the same time, a cover-up is in place, which hides the true authorship of the institutions and policies which created and organized the piracy.

The way the cover-up works, is that the investigations are directed at so-called rogue elements within the companies, rather than examining the larger network of which these companies are a part. In the case of Enron, the focus has been put on just a handful of nearly 3,000 off-balance-sheet entities and affiliates run by a small group of company executives. From the day the Enron scandal broke last October, the financial press, led by daily stories in the *Wall Street Journal*, focussed public attention on a handful of entities with names like LJM2, Raptor, and Chewco. Then the Enron board hired two new directors and put them on a special committee with a long-time member of the board, to launch an investigation of these same entities. This special committee produced a report, which was then used as the basis for several Congressional investigations. Throughout the entire process, investigatory and public attention has largely remained riveted on the same handful of entities with virtually no investigation of the remaining group.

Such a method of investigation is virtually guaranteed to fail to find the networks which really pulled the crime. The real perpetrators get away, while a few scapegoats get nailed.

## Southern Strategy, Inc.

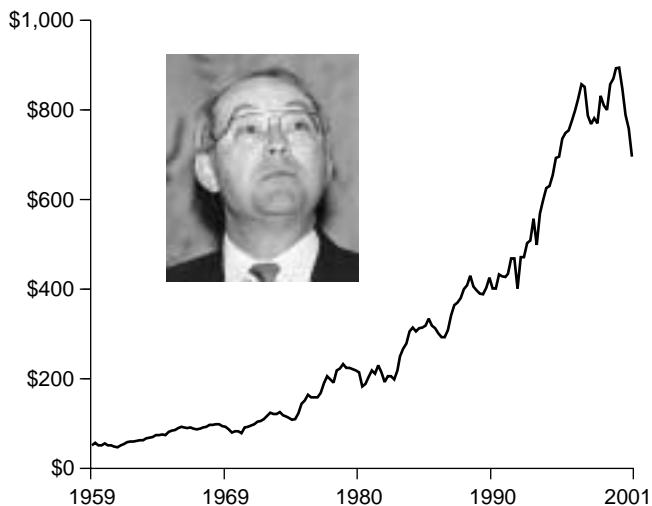
Enron did not operate in a vacuum; it was not a rogue operation run by a few greedy insiders, but rather part of a network of energy firms, banks, law firms, accountants, and consultants, which created and ran the energy pirate phenomenon with support from a corrupt Congress which systematically stripped regulatory barriers to the piracy and provided political protection in exchange for hefty campaign contributions and other perquisites.

Despite its overblown reputation for market and political power, Enron did not have the clout to put the pirate operation in place. What power Enron wielded, originated elsewhere, on Wall Street and in the City of London, where bankrupt financial institutions were desperately trying to cover their own losses by stealing from the pockets of consumers of electricity. These are the institutions which created the deregulation movement, sold it to the American people, then stole them blind. They pulled the strings which made Enron jump.

*EIR* has identified the network which created and deployed Enron and its fellow pirates as "Southern Strategy, Inc.," a nexus of financiers and corporations operating through the Confederate oligarchic ideology of the Nashville Agrarians of Harvard's William Yandell Elliott. Chief among the organizers of this corporate group is the Schlumberger/Lazard intelligence operation, though its base in Houston. Under the cover of a global oil-field service company, Schlumberger is host to one of the oldest and most powerful oligarchic intelligence networks in the world, while the La-

## U.S. Corporate Profits, 1959-2001 (3Q)

(\$ billions)



Source: Federal Reserve.

*This graph shows clearly, that taking official government figures which reflect all the sham accounting tricks and inflated earnings for the “New Economy boom” is now infamous, U.S. corporate profits still have been falling since 1997. Imagine what honest earnings reports would have shown! Republican Sen. Phil Gramm (inset) is leading efforts to block any changes in corrupt accounting rules, to protect the “recovery” fraud.*

zard investment bank has played a crucial role in shaping the U.S. financial bubble. Together, Schlumberger and Lazard, with help from the Morgan and Rothschild networks, created and control the swamp which produced Enron.

A few investigative leads help make the point.

Earlier in May, Dynegy, the Houston-based energy pirate, came under investigation by the Securities and Exchange Commission (SEC) for making a pair of “round-trip” trades, in which the company simultaneously sold and repurchased at the same price, huge blocks of electricity. The two trades accounted for one-third of Dynegy’s trading for the fourth quarter of 2001, and involved 20,000 megawatts of electricity—enough power, according to Bloomberg news service, “to dwarf the Hoover Dam’s annual output and light the city of Houston for a year.” Dynegy’s partner in the trades was CMS Energy, of Dearborn, Michigan.

A week later, Reliant Resources—the energy-pirate arm of Houston’s Reliant Energy—revealed that it, too, had engaged in round-trip trades, many with CMS Energy.

What are these firms? Reliant Energy, which grew out of what was once known as Houston Lighting & Power, is a firm that until recently had the elder Bush’s Administration’s Secretary of State, James A. Baker, on its board (after he left Washington, Baker was a consultant for Enron, using his political connections to land business for the firm). Members

of Baker’s family law firm, Baker & Botts, have not only held positions on the board of Schlumberger, but Baker & Botts represented Dynegy in its aborted attempt to buy Enron. CMS Energy, whose main unit is Consumers Energy Company, is also tight with Schlumberger; CMS chairman William T. McCormick, Jr. is on the board of Schlumberger, as is another CMS director, former CIA chief John Deutch. Dynegy was founded by Morgan Stanley and the Akin Gump law firm, and is now controlled by ChevronTexaco.

CMS admitted that its round-trip trading accounted for 72% of its electricity-trading volume in 2001, and 78% in 2000. The firm said that round-trip trading boosted its revenue by \$4.4 billion over those two years. Furthermore, 98% of its round-trip volume came from 13 deals, two with Dynegy valued at about \$1.7 billion, and the rest with Reliant, valued at \$2.7 billion.

The Federal Energy Regulatory Commission (FERC), which sat on its hands while the pirates looted California, has belatedly launched an investigation into round-tripping and other manipulations of the energy market, so more horror stories are expected.

## Derivatives Dealing

Enron was also well connected to the world’s largest derivatives banks through the International Swaps and Derivatives Association (ISDA), the trade group for the over-the-counter (OTC) derivatives market. Mark Haedicke, managing director and general counsel of Enron Capital & Trade Resources, was on the board of the ISDA in the late 1990s, and moderated a panel on energy, weather, and bandwidth trading at the ISDA’s annual meeting in Washington, D.C. in April 2001. At the same meeting, Enron director Wendy Gramm, wife of Sen. Phil Gramm (R-Tex.), gave a presentation on public policy issues in the derivatives markets, and Enron President Jeffrey Skilling gave a keynote speech on building the global market for derivatives.

As a director of the ISDA, Haedicke rubbed elbows with the cream of the derivatives crop, including representatives of J.P. Morgan, Chase Manhattan, Citigroup, and Merrill Lynch, all of which played roles in the Enron scam.

In April 1997, testifying on behalf of the ISDA before the House Agriculture Committee’s Subcommittee on Risk Management, Haedicke was one of a slew of speakers who complained that the derivatives market was oppressively over-regulated. In particular, Haedicke complained of “legal uncertainties that continue to exist” in the off-exchange OTC market, because the law “flatly prohibits off-exchange futures contracts.”

“If certain swaps transactions were ever classified as ‘futures contracts,’ ” Haedicke said, “they would be illegal and unenforceable as a matter of law.” That, he declared with the characteristic Enron arrogance, “is obviously unacceptable in the global marketplace,” and Congress must change the law.

It took a while, but Senator Gramm gave Enron what it wanted, with the Commodity Futures Modernization Act of

2000, which legalized the regulatory loophole his wife had opened in 1993 as chairman of the Commodity Futures Trading Commission.

Haedicke's name turned up in Congress again on May 15, in a hearing of the Senate Commerce Committee's Consumer Affairs subcommittee on Enron's role in the manipulation of the energy markets in California. Among the subjects of the hearing was a memo written by Stephen Hall of the Portland law firm Stoel Rives and former Enron attorney Christian Yoder, which detailed some of Enron's market-manipulation strategies (e.g., "Get Shorty," "Death Star," and "Fat Boy"). Yoder testified that in early December 2000, he gave a copy of the report to his immediate boss at Enron North America, Mark Haedicke, the very man who complained to Congress about over-regulation.

### The Harvard Cover-Up

Members of the special committee that the Enron board created to investigate reports of corruption within the company had (at least) one thing in common: They were all graduates of Harvard. Herbert "Pug" Winokur, a director of Enron since 1985, is chairman and chief executive of Capricorn Holdings of Greenwich, Connecticut, and is also a director of the Harvard Corp., the university's seven-member executive governing board. Joining Winokur were former Lazard banker Raymond Troubh and William Powers, dean of the University of Texas Law School. Powers, the junior man of the group, noted that he had to recuse himself from discussions in any area involving Vinson & Elkins, given the firm's tight relationship to his law school.

The Powers report, as the committee's report was called, put the focus squarely on the same group of entities targeted by the *Wall Street Journal*.

Winokur, as chairman of the Enron board's finance committee, was one of several board members who testified at a hearing by the Senate Governmental Affairs investigative subcommittee on May 7. Winokur absolved himself of all responsibility for the Enron fiasco, claiming that he did not know what the company was doing. "We cannot, I submit, be criticized for failing to address or remedy problems that were concealed from us," Winokur claimed.

Also testifying was Enron's longest-serving director, John H. Duncan, chairman of the executive committee since 1986. Duncan and his brother, former Energy Secretary Charles W. Duncan, were closely allied to the late Dominique Schlumberger de Menil, the notorious cultural warfare specialist and Schlumberger heiress, whose husband Jean de Menil was involved in the assassination of John F. Kennedy.

While it is clear that Enron executives violated the law and should be punished, the idea that they acted alone, or that they took advantage of the Wall Street sharks, defies credibility. This article provides a road map for a serious investigation of the "Enron affair," should Congress develop the wisdom and the guts to abandon their blowhard posturing and go after the real perpetrators of this crime.

## Truth Is Out on Ramos' Coups in Philippines

by Michael Billington

General Fidel Ramos, former Chief of Staff of the Philippine Army, former Philippine Secretary of Defense, and former Philippine President, has been personally responsible for three coups d'état in the Philippines in the past 16 years—two political, and one economic—all with the support of his friends and sponsors in London and Washington. In the past month, however, the past of this Anglo-American agent-of-influence has begun to catch up with him.

Both houses of the Philippine Congress are on the warpath against the criminally corrupt contracts signed in the mid-1990s with primarily foreign power corporations (Enron prominent amongst them), negotiated by then-President Fidel Ramos. These constituted his "economic" coup. These contracts have drained the nation of billions of dollars spent for electricity which was neither used, nor even produced, but was contracted to be paid for nonetheless.

As a result, Ramos is being hauled before both the House and the Senate to answer for these crimes—and criminal prosecution is a definite possibility.

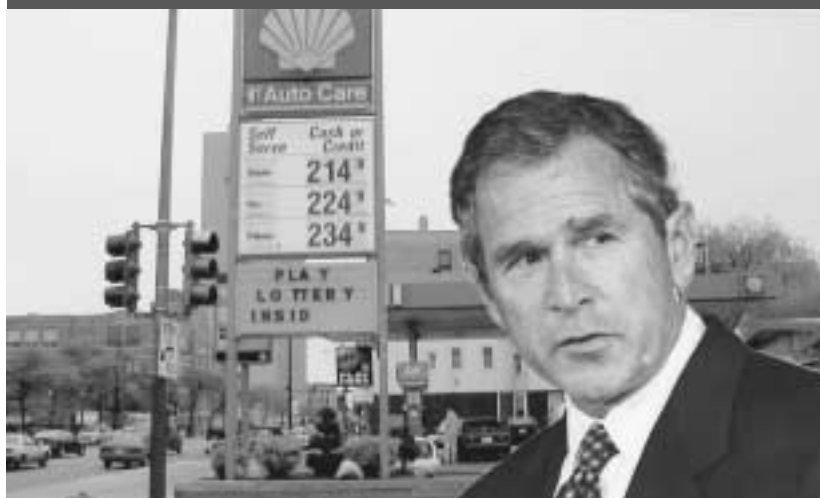
At the same time, two Manila newspaper publishers and three journalists have filed a suit, charging four Philippine Army generals with the criminal act of mutiny, stemming from the Jan. 19, 2001 political coup d'état carried out against President Joseph Estrada. Although the name Ramos does not appear in the complaint, it is nonetheless well known in Manila—as has been documented by *EIR*—that Ramos orchestrated the coup, using the same civil and military forces, and the same *modus operandi*, as he had in 1986 to depose President Ferdinand Marcos.

The charges of mutiny brought against the generals might, at any other time, have been swept under the rug, but in the current volatile environment, both domestically and internationally, they are being taken very seriously indeed.

### Edsa II and Deregulation

The January 2001 coup ousted President Estrada and placed his Vice President, Gloria Macapagal-Arroyo, in the Presidency. Arroyo's first order of business was to ram through the Congress an emergency bill to deregulate and privatize the National Power Corporation (Napocor), a plan which she herself had opposed until then. *EIR*, at that time, prepared a White Paper exposing the danger and fraud involved in the deregulation bill. In addition to showing that

## Piracy by Bush Backers Sparks a Global Battle



*EIR's white paper on the danger of electricity deregulation and privatization in the Philippines, circulated in this June 8, 2001 issue and widely otherwise in the country, is now shown and recognized to be true both in principle and in detail. Gen. Fidel Ramos' corrupt power contracts have him on the hot seat.*

deregulation would unleash the same chaos and looting that was then striking California—and by the same pirates—the report also demonstrated that the apparent bankruptcy of Napocor was entirely due to the illegal and corrupt contracts which had been negotiated by Ramos in the mid-1990s.

As was true in other parts of the world, and in Indonesia and India in particular, the mostly U.S.-based power cartels had imposed the modern equivalent of colonial “unequal treaties” upon subject nations, with their local comprador assets getting a hefty cut. New power generators were constructed under contracts which shifted the entire risk to the subject nation, such that governments were compelled to purchase the entire capacity of those plants, regardless of use. Thus, when the speculative attack on the Asian economies in 1997-98 devalued the local currencies and drove the economy into depression, the subject nations were left paying inflated prices for energy not being generated nor used.

In the Philippines, Napocor was forced to pay for *more than twice* the electricity it used. This resulted in a \$550 million charge every year for no value received. Except for this theft, Napocor would have been a profitable venture. In the year 1998, for example, Napocor lost \$170 million. Had the \$550 million not been stolen, it would have shown a \$380 million profit.

These facts were ignored, and the claim was made (as it is wherever the privateers are pushing for deregulation) that the problems at Napocor were due to government ownership and/or regulation. The very companies which had profitted from the illegal Ramos contracts, clamored for the opportu-

nity to take over the remains of the once-healthy state energy sector they had looted into bankruptcy. In the confusion following the coup and the imposition of a new government, Congress was bum-rushed into passing deregulation; the die was cast.

As *EIR* had warned, energy prices soon began to escalate, rather than decline as promised by the privateers. Even before the speculative “spot market” is implemented this coming Summer—allowing “California-style” speculation on electricity prices, prices have been driven up under the so-called Purchased Power Adjustment (PPA)—whereby costs derived from the forced purchase of unused energy are passed on to the consumer.

With the economy in shambles, and popular anger rising, President Arroyo decided in early May to step in, rescinding the PPA increases and capping the electricity price at the previous level. This temporarily relieved the pressure on the already-im-poverished population, but simply shifted the fraudulent costs back onto the govern-

ment and the taxpayer.

### Gloria Stays on Sinking Ship

The real story, of course, is the Ramos contracts and deregulation. Although the Congress is bickering over how to deal with the short-term electricity prices, this time around, the real issue is not being ignored. Sen. Blas Ople, calling it the “swindle of the century,” declared that, “Charging consumers for the electricity they never used is not just theft on a grand scale, but even plunder—a wicked, unjust, and illegal imposition on the Filipino people.” The use of the word “plunder” has special significance at this time, since deposed President Estrada is charged with “plunder,” a capital crime, for supposedly amassing illegal wealth during his Presidency.

In both houses of Congress, the call for Ramos to be called to account has become deafening. President Arroyo is unfortunately unwilling to leave the sinking ship. (Ramos has issued open threats to President Arroyo that she could receive the same treatment as former Presidents Marcos and Estrada, if she were to fail in carrying out the bidding of Ramos's political and business cronies.) Arroyo rushed to the defense of Ramos, foolishly arguing that the corrupt contracts were legitimate because of growth projections at the time—as if this justified placing all the risk on the sovereign nation, and none on the investors. Arroyo's Justice Secretary, Hernando Perez, also chimed in, unsolicited, that Ramos could not be held liable for the crimes inherent in his contracts, since only “middle-level officials of the executive,” and not the President, were responsible for the terms! Ramos himself then

adopted this sham: “I didn’t deal with ‘technical,’ ” he said. “We have experts to do that. It is economic recovery that the President must worry about.”

This is laughable. The fact is that Ramos, upon assuming the Presidency in 1992, demanded and received total dictatorial power from the Congress in regard to negotiating energy contracts with Independent Power Producers (IPPs). There was neither Congressional nor any other review of the dozens of IPP contracts signed by Ramos—i.e., there is nowhere to pass the buck!

With nowhere to hide, Ramos was reduced to blaming Estrada for the collapse of the economy. But Estrada was not even elected until 1998, after the 1997-98 speculative attack had fallen on the Asian economies during the Ramos Presidency. Estrada responded from his jail cell, revealing that Ramos had signed two of his sweetheart power deals during his final days in office in 1998, long after the economy was deep in the “Asian crisis,” and told Estrada “not to mess around with the contracts.”

To add to the nation’s woes, stranded costs of 12 of the Ramos contracts, totalling nearly \$4 billion, have been dumped on the government by a legal technicality, while the largest purchaser of Napocor’s electricity, the Manila Electric Company, owned by the oligarchical Lopez family, suddenly abrogated their contract with Napocor, leaving the company with still more electricity which it must pay for but doesn’t need.

Thus far, last year’s privatization and deregulation bill has not been directly challenged, either in the Congress or the courts. If privatization is not overturned, even a renegotiation of Ramos’ corrupt contracts will only make the formerly state-owned Napocor a sweeter deal for the foreign speculators, depriving the nation of control over the vital energy sector. Still further speculative looting is certain to follow deregulation—as the U.S. Enron fiasco proved to Mexico’s Congress, for example (see *EIR*, May 3, 2002).

Just as *EIR* forewarned of the consequences of deregulation, it is now providing the Philippine government with documentation of the successful Mexican campaign to prevent deregulation in Mexico, led by allies of LaRouche, and the fight for *re-regulation* in several U.S. states. No other path can prevent further disaster.

### **‘We’ve Just Committed Mutiny’**

In the midst of this political fight, a suit was filed on May 16, charging former Chief of Staff Angelo Reyes (now the Defense Secretary), outgoing Army Chief Diomedio Villanueva, retired Gen. Fortunato Abat, and retired Gen. Leo Alvez, with the crime of coup d’état, in regard to the withdrawal of the military’s support for the Commander in Chief, President Joseph Estrada, on Jan. 19, 2001. The law cited is clear: “The crime of coup d’état is a swift attack accompanied by violence, intimidation, threat, strategy or stealth, directed against the duly constituted authorities of the Republic . . .

with or without civilian support or participation, for the purpose of seizing or diminishing state power.”

Certain facts about the coup are undeniable: General Abat, head of a retired military association tied to Ramos, organized support for the coup for nearly a year, as he himself bragged after the fact; and General Reyes, after meeting with Ramos, called the other military chiefs together to declare his intention to desert his allegiance to the constitutional mandate for civilian authority over the military. Despite efforts over the past year to deny that this Ramos coup was in fact a coup, those named in the suit have responded by admitting it, but calling it “justified” because successful!

A recently published book about the coup by Amando Doranila, a journalist for the leading establishment newspaper, the *Philippines Inquirer*, quotes General Reyes in his infamous meeting with the Chiefs of Staff: “Gentlemen, I’m sure you know that we’ve just committed mutiny.” Informed of the charges against him, General Reyes claimed he was concerned at the time that there would be violence, that “things would have become more uncontrollable if I did not lead the move, so I decided to withdraw support from the former President.” Likewise, General Villanueva: “How could I defend the former President who was no longer acceptable to the people?”

The question posed anew by the energy-looting scandals is: What people? Whom did Ramos serve? Whose threats did he convey to General Reyes and the other chiefs? His friend Hank Greenberg, perhaps, the head of the giant insurance conglomerate AIG, who has long represented Anglo-American interests in the Philippines? Or his fellows at the Carlyle Group, the arms dealer and investment firm run by Frank Carlucci, for which Ramos is a foreign adviser? The coup of 2001, like that of 1986, could not have taken place without the approval, or control, from Anglo-American financial circles, whose primary point of influence in the Philippines is Fidel Ramos.

The *Philippines Inquirer*, which played a prominent role in the coup, had the most hysterical—and revealing—response to the suit. In a May 18 editorial titled “Hilarious,” the *Inquirer* wrote that “no law can prevent a coup from taking place. Coups are staged when there is an imbalance in the power between civilian authority and military authority, and when there is widespread unrest inside the military against a regime. Any law that seeks to prevent a coup is absolutely useless and is a dead letter.” Or, “we stole this Presidency fair and square.”

Herman Tiu Laurel, one of the journalists who brought the suit for mutiny, responded on May 19 in the *Daily Tribune*: “The *Inquirer*’s logic gives *carte blanche* for a regime of perpetual coups, and maybe that’s what it wants, because its owners (and foreign allies) don’t want a constitutional Republic of, by and for the people. As we are seeing now, we have a government by, of and for the oligarchy of international finance and its local agents.”

# Business Briefs

## Nigeria

### U.S. Is Targetting West African Oil

Continuing the pattern of the United States shifting to oil products imports from West Africa, the Nigerian National Petroleum Corporation (NNPC) on May 21 signed a joint-operator agreement with three U.S.-based oil multinationals. The Group Managing Director of the NNPC, Jackson Gaius-Obaseka, said that the signing was not regular government business, but an international venture driven by a strong commitment to boost Nigeria's crude oil production. He continued, "What we are doing today is a partnership, we are going for the first time as contractors to work on the block with the Americans."

The NNPC, through its wholly owned Nigeria Petroleum Development Company, signed an agreement with Esso Exploration and Production Nigeria Limited (Esso Oil), a subsidiary of ExxonMobil and Chevron Oil, for the oil prospecting license, OPL Block 214, and with Phillips Petroleum Company and Chevron Texaco for the OPL Block 318. In the OPL Block 214, Esso Oil has 55% in equity participation, with Chevron and NPDC owning 30% and 15%, respectively; while in the OPL Block 318 Phillips has 50% equity with Chevron and NPDC sharing the remaining in the proportion of 30% and 20%, respectively.

David Johnson, who signed for Phillips operations, described the event as a "turning point" in Nigeria's history of oil exploration activities.

## Mexico

### Revenue Collapses From Fall in Trade

Mexico's falling trade and physical economy forced the Fox government to cut payments to states and municipalities again; federal revenues were 5.1% lower in the first quarter than in the year before. Two main causes are blamed: the fall in tax revenues (income, value added, and import taxes all

fell, due to reduced economic activity), and a drop in oil income.

The collapse in the latter was not solely a result of variations in oil price: The volume of crude oil, gasoline, cooking fuels, liquid gas, and petrochemical products sold in the Mexican domestic market fell by 5.1% in the first quarter. Sources from the state-run oil company, Pemex, say cuts in activity by small and medium-size businesses and a drop in automobile usage drove the collapse. Combine this fact with the report in *El Universal* that electricity usage in the country is today 14% less than the high point reached in September 2000, and you have a devastating reading on the depth of the collapse of the physical economy.

Mexico's imports fell by 5% in 2001 as a whole, and its imports by 4%. To an economy "reshaped" disastrously by the North American Free Trade Agreement (NAFTA), this is deadly. *Maquiladora* re-export factory production is down 20% in March, below March 2001.

Its policy being to limit the deficit to 0.65% of GDP, come what may, the Fox government cut payments to the 32 states by 9.7% in the first quarter of 2002, as part of its budget-balancing effort. Certain states were hit even harder: Sonora was cut by 13%; Oaxaca, Campeche, Nayarit, and Tlaxcala by over 11% each; Coahuila, by 10.2%. Payments to the Federal District were cut back by 16.8%, provoking Mexico City Gov. Manuel Andrés López Obrador to call for an audit of federal revenues, saying he suspects the Fox team is siphoning off money to maintain the bank bailout fund (Fobaproa), or the like.

## Poland

### Szczecin Shipyard To Be Renationalized

The third-largest shipyard in Europe, privatized ten years ago, will be renationalized. The news was announced on May 17, a day after the meeting between the government, the shipyard's employees, and its board of directors. The private owners decided to hand their shares (for a symbolic one zloty) over to the state Treasury, hoping that the

government will be able to negotiate a \$40 million credit line necessary to continue production. The shipyard workers hope that the government will be able to pay the three months' wages which they are owed. Workers had been demonstrating for many days, demanding back pay and a better financial policy to maintain production, since the shipyard is in trouble, not due to lack of orders, but rather, due to expensive credits, bad management, and allegedly lower revenues from ship sales.

Polish mass media and many political personalities described the decision to renationalize the shipyard as an important precedent. Asked whether other private enterprises, which are now in trouble, will be taken over by the state Treasury, Prime Minister Leszek Miller said that "privatization is not a miraculous remedy. Management is most important. Other cases will be considered on individual bases."

The government is still proposing privatization of refineries and the energy system, but the precedent with the shipyard may put a halt to this process.

## Israel

### Inflation Explodes In April War-Month

Israel's Central Bureau of Statistics released figures on May 17 showing 1.5% inflation in April. This brings inflation for the first four months of 2002 up to 3.9%, already 0.9% above the maximum range set by the government for the entire year. April was the month of the Sharon government's massive military deployment into the Palestinian territories, "Operation Defensive Shield."

The Bank of Israel is expected to jack up interest rates later this month, reversing a 2% interest rate cut made last December, in a desperate attempt to reverse the accelerating fall in the Israeli economy. The daily *Ha'aretz* said the inflation report sent shock waves throughout the political establishment, as it was much worse than expected, hit every category of prices, and was attributed to a further fall of the shekel against the dollar.

The result has been in-fighting between

**FOREIGN INVESTORS** are steadily reducing purchases of U.S. stocks: from \$175 billion in 2000; to \$166 billion in 2001; to only \$11 billion in 2002's first quarter (a third of the first quarter 2001 amount). This vanishing subsidy for the U.S. current account deficit has put sharp downward pressure on the dollar, after years of huge net investment inflows.

**EXPORTS** fell worldwide in 2001, by 4% in value, and by 1% in total volume (indicating worldwide commodity price deflation occurring at the same time), according to the World Trade Organization on May 2. By the fourth quarter, world exports had fallen 6% by volume since 2000's fourth quarter, with East Asia and the United States leading the drop. All three major product groups were hit—agriculture, mining, and manufacturing.

**MICROSOFT** is losing billions in overseas cable investments, the *New York Post* reported on May 19. The software giant has already sold off holdings in Globo Cabo of Brazil, the crashing British cable company NTL, and a Dutch cable company. Next may be Telewest Communications (UK), from whose board Microsoft has pulled its directors. It paid \$2.9 billion in July 2000 for a stake in Telewest now worth less than \$100 million.

**U.S. BANKS** hold huge amounts of debt of the two Federal real-estate mortgage companies, known as Fannie Mae and Freddy Mac; nearly half of all banks hold debts from these companies alone equal to one to five times their total capital. These debts are not guaranteed by the government, and are far larger than the U.S. Treasury could legally buy up, should a real-estate market crisis hit.

**BANKS** have rationed credit to Germany's productive *Mittelstand* industrial firms, far below the sector's requirement, squeezing these firms into a production standstill, says a new study by Barclay's Capital in Frankfurt.

the Treasury, which blames the December interest-rate cut for the run on the shekel, and the central bank, which blames the government's irresponsible fiscal policy. The Treasury Department also said that, because of the recession, the business sector had frozen prices, but as the shekel's depreciation increased the cost of inputs, that price freeze could no longer be maintained.

However, press reports tended to ignore the effects on the economy, of Ariel Sharon's war against the Palestinians.

## Auto

### European Crisis Hits Italy Hardest

Figures published by the European auto industry show a 2.6% decline of sales in the European Union in 2002 so far, with a dramatic -13.4% in Italy during April. Worst hit was the FIAT auto group, with a collapse of 20.1% in April, and a decline from 10% to 7.9% of the European market share.

Fears that FIAT, the largest Italian industrial group, could be bought by foreign interests, have arisen as the group's value declined to an all-time low. As a result of declining earnings in 2001 and the first quarter of 2002, FIAT's capitalization is today half of what it was two years ago: down from 14.7 euros to 7.6 billion euros. The idea that Italy might lose this center of automobile production, has sent shock waves through the country. FIAT is one of the last large private industrial companies left in Italy, with 18 domestic factories (plus three in Poland, two in Argentina, and one each in Brazil and Venezuela) and 12 research centers (one in Brazil). FIAT used to employ up to 300,000 workers, but a years-long downsizing has cut its workforce in Italy to 80,000.

As a result of the auto crisis which started in 2001, indebtedness of the entire FIAT group rose to 6.6 billion euros. FIAT's management reacted to the crisis by announcing layoffs of 2,400 workers and short work for 10,000 in June 2001, in order to achieve a production cut of 14,700 cars. Given that for each FIAT worker there are three who work in the supply industry, it is feared that the real figures could quickly multiply. FIAT is

also trying to sell parts producer Marelli, and part of its crown jewel, Ferrari. Trade unions oppose the measures and have announced strikes.

## Germany

### Tax Revenues Falling Sharply

Already in the first three months of 2002, tax revenues in Germany fell considerably below the level of last year, while the government had expected an increase.

The new semi-annual tax estimate, put out by a gathering of experts called the Working Group Tax Estimate, was even more shocking than these results. For the year 2002, total German tax revenues, on the Federal, state, and municipal level, are now expected to fall 11.7 billion euros behind the estimate of just six months ago. For each of the next three years, tax income will be about 18 billion euros lower than forecast in November.

This will create a combined revenue hole of 65 billion euros in four years. The main contributing factors are both the declining economy—much weaker than expected—and the miscalculation concerning the effects of recent tax reductions, in particular for large companies. The situation mirrors that in the United States, at both Federal and state levels.

In related developments, Siemens, Germany's largest electronics and engineering firm, announced on May 22 that it would cut 7,000 jobs at its business unit, Siemens Industrial Solutions, which currently employs 30,000, in order to reach "profitability goals." Last year, Siemens, which now employs 443,000 worldwide, shed 20,000 workers from its mobile phone and telecommunications networks units. And Deutsche Telecom announced that while revenues were up 15% over last year, to 12.77 billion euros, in the first quarter of 2002, it still recorded a total net loss of 1.8 billion euros, in the same period, compared to a loss of 358 million euros in the first quarter of last year. Deutsche Telecom is loaded with some 66 billion euros in debt.

## Bush Speaks Softly, Carries A Big-Stick Message to Europe

by Michael Liebig

During his visit to Germany on May 22-23, U.S. President George W. Bush said exactly what one expected him to say. He repeated what he has reiterated various times since his Jan. 29 State of the Union address: The United States will militarily attack all those “totalitarian” and “tyrannical” enemy states, beginning with Iraq, which are suspected of involvement in terrorism and/or development of weapons of mass destruction and missiles.

Bush did not define any time frame for the beginning of the next war, but his European tour is itself an indicator that Washington, despite the continuing war in Afghanistan, can not wait long. Though there is strong resistance in the U.S. military and in the Administration to the Iraq plan, one must still reckon with an attack against Iraq in Autumn. Anything else would be “wishful thinking,” to use President Bush’s own phrase.

In his speech to the German Bundestag (Parliament) on May 23, Bush made clear at the same time, that Washington expects Germany and the other continental European countries to support an American attack against Iraq, including military participation. Bush described this as the most serious objective of his Berlin visit. In pursuit of this purpose, Bush referred to moments in Berlin’s history, and especially German reunification, including the role his father played in it.

Bush’s deliberate reference to this, could be interpreted in light of the partly secret commitments made by Germany at the time, in exchange for American approval of German reunification (partly revealed later by Chancellor Helmut Kohl during his last year in office). Most important of these is the “unlimited” use of American military bases in Germany—with or without NATO. The United States needs these military bases for the war against Iraq, and for its military-strategic position in West and Central Asia.

A couple of parliamentarians from the formerly commu-

nist Democratic Socialist party made a symbolic protest, by unfurling a banner during Bush’s speech, saying “Mr. Bush and Mr. Schröder: Stop Your Wars,” which was a mild gesture of *lèse majesté*; but the rest of the members of the Bundestag applauded in such a warm and friendly manner, as to make the President happy.

### Demonstrations, No Real Debate

The question raised is: What, in one or two years, will be thought of May 23, 2002 in the German Bundestag, where everything seemed to proceed in such a nice and harmless fashion, in face of the truly fateful questions regarding the future of world peace? The important question is not a matter of anti-American protests or anti-war demonstrations (which, in fact, took place in Berlin and throughout Germany before and during Bush’s visit); the real issue that must be debated is: What will a worldwide permanent war, a Third World War of a new type, launched by the United States, mean for Germany, Europe, and the world? This is precisely the issue which is not being debated, however—neither in the German Bundestag nor in the media. It has been subjected to a taboo, and liquidated under the rubric of “speculation.”

Chancellor Gerhard Schröder, when asked at his joint press conference with Bush, what Germany would do in the event of an American attack against Iraq, said that, although they had discussed Iraq, there were no “concrete plans” presented, and that, therefore, it was mere “speculation” to pose the question. Schröder declined to engage in any such speculation. That was that.

Clearly, the U.S. possesses the military as well as other means to overthrow the regime of Saddam Hussein in Iraq, but then, what will happen, in Iraq and in the Middle East region as a whole? What will become of the Palestinians? Will Israel attack Syria? What will be the effect of an interrup-





*Chancellor Schröder and the German Bundestag gave President Bush applause for his insistence on expanding the “war against terrorism,” while many Germans demonstrated against it; but the debate avoided the more fundamental issues of where U.S. foreign and security policy is leading the world.*

tion—albeit for a limited time—of oil supplies from the region on the European and world economy, which are already in highly precarious condition? What will it mean for currency stability, unemployment, and financial matters? How will the Muslim minorities in European countries react to a de facto “war against Islam”?

What can be said, is that a war in the Middle East/Gulf region will not go as “smoothly” as in the 1991 Desert Storm. Even though it is still largely subterranean, there is an enormous crisis and conflict potential—political, social, and economic—which has built up since then, and which is incalculable.

This applies as well to the United States itself. The ongoing debate inside the United States, about whether or not the Bush Administration ignored warnings prior to Sept. 11, evades the fundamental issue—the coup d’état nature of the Sept. 11 attacks involving rogue U.S. security elements—but at the same time, it reflects underlying doubts about the official version of events.

### **‘Economic Strength’ for War?**

In his speech to the Bundestag, President Bush emphasized that his government was proceeding with caution, and that it placed great value on information, consultation and agreement with the European allies. America, he said, was leading the war against “evil”—terrorism, hatred, lack of freedom, weapons of mass destruction in the hands of tyrants, etc.—for Europe and for all of Western civilization. The United States, he stated, had not only the necessary “will” to do this, but also the required “economic strength” to lead the war in the long term.

To express it with the courtesy appropriate to the institution of the Presidency, it must be said that here President Bush is making an error, in that he is confusing cause and effect. The current economic and financial condition of the United States is desperate. The enormous armament and security expenditures made since Sept. 11, estimated at \$200 billion, have slowed down the collapse of the U.S. economy, but have not been able to stop it.

The “recovery” of the first quarter 2002 was pure wishful thinking. The indebtedness of households, businesses, and public entities is continuing to grow, while employment, investments, and corporate profits are still stagnating or shrinking. The real estate bubble is about to burst, just as the New Economy bubble did. The American “corporate culture” is proving to be thoroughly penetrated by corruption, disinformation, and fraud. Worse, the foreign capital flows into the United States, which

had financed the fraudulent boom of the last years, are drying up. The dollar is coming under pressure, and an unprecedented current-account crisis is threatening to blow. Herein lies the really serious case for the United States.

There are no economic and financial arguments that can continue to attract foreign capital to the United States on the huge scale of recent years, so other means will have to be deployed: Capital investments in the United States will have to be made to look like a “safer haven,” not because the American situation is good, but because conditions outside the United States appear far less safe. In the event of war, instability and their consequences outside the United States, “Fortress America” would look stable and secure.

The current economic and financial trends in America point clearly to a dramatic exacerbation of the crisis in the course of this year. However, in November there are Congressional elections. If it was possible to keep the issue of the economy out of the Presidential campaign in 2000, that will not be possible this time. The otherwise phlegmatic American voter could become incalculable, particularly with a political alternative, centered around that offered by LaRouche.

In this light, there are “strong reasons” pushed by the “perpetual war” faction in Washington, to start a new war against “evil” and attack Baghdad. At the same time, as one acute observer of the American scene commented to this publication, “this could be a total boomerang.” Behind the façade of political consensus inside the United States, things are rumbling, and abrupt shifts could be coming. In the wake of Bush’s tour, Europeans will now have to make a sober assessment of the fact, that the United States is about to plunge into a fatal adventure.

# India, Pakistan Are Heading Toward War

by Ramtanu Maitra

A spurt in cross-border terrorism across the Line of Control (LoC) in the disputed state of Jammu and Kashmir has brought India and Pakistan within a hairbreadth of war. New Delhi seems no longer willing to trust Washington's expressed views that Pakistan, its coalition ally in its war against terrorism, will make sincere efforts to stop infiltration of terrorists into India. New Delhi's views have been hardened by high-profile terrorist attacks in mid-May inside the India-held part of Jammu and Kashmir.

From available reports, it is evident that both sides are preparing for a war which, if not stopped, might begin this Fall. Heavy troop movements have been observed on both sides. Pakistan has deployed its short-range "Shaheen" missiles along the border, and India has moved its troops out of the state of Gujarat and placed them along the Rajasthan-Sindh border. India has placed its paramilitary forces operating along the LoC under its Army command and the Coast Guard under the Naval command. India has moved its five warships from under the Eastern Naval Command in the Indian Ocean to the Western Naval Command to bolster its presence in the Arabian Sea close to the Pakistani coast. India has also announced that its nuclear command-control will be activated in June.

## Islamabad's Game Plan

These steps, by themselves, do not add up to a war. But, the circumstances are clearly pushing for one. A number of factors led up to this war-like situation, perhaps the most important of which were the U.S.-led coalition force's invasion of Afghanistan last October; the U.S. troop presence inside Pakistan, which undermined Pakistan's sovereignty; and the pressure exerted on Pakistan by the coalition forces to shift its troops from its eastern to its western sector to facilitate the U.S. effort to eliminate the Taliban and al-Qaeda.

These factors have created a very complex situation, and Islamabad believes a war against India may serve to relieve some of the pressure. Pakistan President Gen. Pervez Musharraf, who just won a "landslide victory" to extend his Presidency by five years through a nationwide referendum with the blessings of Washington, is under pressure to meet U.S. demands. Washington has made it clear that it needs more Pakistani soldiers to help ferret out the al-Qaeda and the Taliban in hiding on Pakistan's side of its border with Afghanistan.

It is widely acknowledged that President Musharraf has a problem meeting this demand. A large section of the Pakistani Army does not want to fight the Taliban, whom it had created, trained, and nurtured in the late-1990s. Pakistanis claim, and rightly so, that the Americans will leave the scene sooner or later, and then Pakistan will be left to deal with the hostile Pashtuns, who constitute most of the Taliban militia. Islamabad makes no bones of the fact that Pakistan's best friends in Afghanistan are the Pashtuns.

There is good reason why the Pakistani Army does not antagonize the Pashtuns to satisfy the Americans. In Pakistan's NorthWest Frontier Province, as well as in the province of Baluchistan, the Pashtun population is large. Pashtuns also constitute 20% of Pakistan's army personnel. In addition, Afghanistan never formally recognized the British-drawn Durand Line, which now separates the two countries. The Afghans would have preferred the Indus River as the border, but that would mean Pakistan losing almost half of its territory, though less than 15% of its population. For obvious reasons, the Pakistani Army is eager not to re-open old wounds.

In addition, over the years the Pakistani Army has become a stronghold of Taliban-type orthodox Sunni Muslims. These religious elements within the army do not want to capture, nor to kill, fellow orthodox Sunni Muslims. President Musharraf, a non-orthodox Muslim who identifies himself with Kemal Ataturk, the founder of modern Turkey, has problems in dealing with these elements. In addition, Pakistani strategic observers point out that Afghanistan gives the country a strategic depth in its west, and the Taliban had provided that strategic depth.

## Musharraf's Escape Hatch

President Musharraf, under the orders of his corps commanders, has told Washington that the Pakistani troops cannot be released from its eastern front unless the United States reins in the Indians. Islamabad points out that in its eastern front it faces its "mortal enemy," India, which has assembled 600,000 troops and 3,000 tanks threatening Pakistan.

President Musharraf is also driven by another compulsion. It seems he has no choice but to keep the fires burning in Jammu and Kashmir, in order to keep the jihadis at arms length in Pakistan. He earlier told Washington that he had taken measures to prevent cross-border terrorism. The problem with that, is that New Delhi has provided Washington with hard data which show that cross-border terrorism during March and April was on the rise compared to the same period in 2001. This was corroborated by Jim Hoagland in an op-ed, entitled "Misreading Musharraf," in the May 23 *Washington Post*. Hoagland pointed out that "after internal debate, the U.S. intelligence community now accepts that Musharraf allowed 50-60 guerrilla camps in Kashmir that harbor some 3,000 fighters to come back to life in mid-March after two months of quiescence."

New Delhi, in effect, goes a step further, accusing Islamabad of encouraging, recruiting, training, and sending terrorists from Pakistan into India across the LoC to commit violent acts.

Pakistan, after having promised the Americans that more troops will be deployed to help the coalition forces only if Washington forces India to give up its threatening posture, went about ensuring that cross-border terrorism increases. Islamabad has taken a number of measures, of which stepped up high-profile terrorism acts as the linchpin, to make sure that India cannot reduce its troops from the Pakistani borders.

## New Delhi's Dilemmas

That Islamabad's policy is working according to its plan, became evident from New Delhi's reactions. Indian Prime Minister Atal Behari Vajpayee was in Jammu and Kashmir recently. Addressing the Indian troops at Kupwara, only 20 kilometers east of the LoC in Jammu and Kashmir, the Indian premier, without naming Pakistan, asked the Indian Army personnel to prepare for a "decisive battle" and for "supreme sacrifices." "My arrival here is indicative of something. Whether our neighbor understands it or not, whether the world takes note of it or not, but the history will record that we will write a new chapter of victory. . . . There is no doubt about it," he said.

Vajpayee's speech was tough, and it was meant to be. The circumstances that led to his visit were surrounded by the most vicious violent acts. On May 14, a group of terrorists, dressed in Indian Army fatigues, hijacked a bus in Jammu. After killing a few passengers, they drove the bus to the campus where Army personnel live. They killed the guard at the gate and then went inside the campus spraying bullets, killing 30 wives and children of Army personnel.

On May 21, a day before Prime Minister Vajpayee was scheduled to arrive, a front-line Kashmiri leader, Abdul Ghani Lone, was shot at a public rally in Srinagar, the Summer capital of Jammu and Kashmir. Lone had reportedly told the Pakistani Inter-Services Intelligence (ISI) to stay away from Kashmir, and he was indicating that he would lend his support to the State Assembly elections scheduled in September. In Srinagar, there is growing recognition that Pakistan is bent on fighting its proxy war against India until the last Kashmiri. The brutal murder of Abdul Ghani Lone, who sought in the last couple of years to break the mold of separatist policies, perhaps reflected that determination.

These two high-profile terrorist acts within a week have put New Delhi under enormous internal pressure. The pressure is exerted at two levels. First, New Delhi is being criticized from within, for putting its "trust" in Washington on the latter's stated war against terrorism. These critics point out that Washington has its own agenda, in which the role of President Musharraf is close to indispensable, at least in the short term. Thus, Washington will do its best to launder President Musharraf and urge India to give the Pakistani President

more time. If India submits to American seduction, Jammu and Kashmir will be lost, critics say.

The second line of criticism is that the Vajpayee Administration has failed to counter the Pakistani game plan. Having put 600,000 troops along its borders at an exorbitant cost, India continues to act like a Gulliver strapped down and made immobile by the terrorists acting on behalf of Pakistan.

New Delhi, hurt by the recent terrorist acts and stung by the growing criticism from within, is making postures which suggest its preparedness to go to war. However, New Delhi is held back by its awareness that such a war would accomplish nothing. New Delhi is also aware that such an act will only help Islamabad to brand India as an aggressor and lower India's diplomatic stature worldwide. Taking recourse to war in the conventional sense, even of a limited scope, has tied India to narrow options. It has also exposed the Vajpayee government to choosing between war and loss of face.

## Worldwide Concern

As the crisis between Indian and Pakistan drifts toward war, the international community has already been drawn into its vortex. The major concerns of the outside nations is that India and Pakistan would use nuclear weapons. Although such a view is pooh-poohed in India, the moment, if seized, could be an opportunity to set in motion a genuine peace process, the Indian daily *The Hindu* noted.

In New Delhi, the use of nuclear weapons by Pakistan is considered an "absurd" concept, although Pakistani officials, from time to time, have made it clear that Pakistan would use nuclear weapons if India endangers its sovereignty. It seems that New Delhi's view is based upon two assumptions. First, New Delhi cites intelligence reports which indicate that Pakistan's nuclear weapons were dismantled following the arrival of the Americans in the region, and are now under the control of the Chinese within Pakistan. Moreover, with a strong U.S. presence throughout the country, it is next to impossible for the Pakistanis to deploy the nuclear weapons, Indians say.

The second assumption is based on India's present war plan, which is to move into the Pakistan-held part of Jammu and Kashmir and dismantle the terrorist camps. New Delhi claims it has no intent to move across the international border that separates India and Pakistan, and, instead, would stay within the "disputed territory." However, India may have to abandon this plan if Pakistan moves forces across the Indian border, opening up new flanks to ease pressure on the Kashmir front.

It seems that the steady deterioration of the India-Pakistan border situation was left unattended by the world community. As India now threatens to go to war, the United States has once again begun active diplomatic efforts to defuse tensions. Thanks to Sept. 11 and Dec. 13—the day the Indian Parliament building came under attack by Pakistan-based terrorists—the world has focussed with unprecedented intensity on the sources of international terrorism inside Pakistan.

America's interest in retaining access to Pakistani territory and operational support from its armed forces, in its war against the Taliban and al-Qaeda, has certainly dampened U.S. condemnation of Pakistani support for cross-border terrorism. But Washington is now under pressure to face up to the facts being placed on the table.

Following the emergence of the present crisis, the first to arrive on the scene was U.S. Assistant Secretary of State for South Asia Christina Rocca. After New Delhi gave her short shrift, British Defense chief Adm. Michael Boyce landed in Delhi, for meetings with the service chiefs and Defense Minister George Fernandes. Meanwhile, India's External Affairs Minister Jaswant Singh, who is very friendly to the Americans, has told the European Commission's High Representative Javier Solana not to come to India. European Union diplomat for foreign affairs Chris Patten was scheduled to arrive in New Delhi on May 23-24, but he found no one willing to meet with him. Both Solana and Patten are in Islamabad cooling their heels. The reason that Solana has been told to stay out is because New Delhi is furious about the EC's criticism of India over the Gujarat riots.

U.S. State Department spokesman Richard Boucher told reporters recently that U.S. Deputy Secretary of State Richard Armitage will travel to Islamabad and New Delhi in the first week of June. His visit will be an attempt to ease tensions between the "nuclear rivals."

British Foreign Secretary Jack Straw is expected to visit both countries before Armitage makes his appearance. Straw is reportedly in touch with U.S. Secretary of State Colin Powell on the crisis. Meanwhile, British Prime Minister Tony Blair, describing the India-Pakistan crisis as "grave," has called for restraint. A similar statement has also been issued by U.S. Secretary of Defense Donald Rumsfeld.

Already in the area is Iranian Foreign Minister Kamal Kharrazi. He held talks with Indian Prime Minister Vajpayee for 45 minutes on general security in the region and on the reconstruction of Afghanistan. Tehran also reported that Minister Kharrazi made an unscheduled stopover in Islamabad on his way back home, because of the deteriorating relations between India and Pakistan.

Although neither Beijing nor Moscow have sent emissaries to either country, leaders from both nations have urged India and Pakistan to exercise maximum restraint.

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## Utopians in Washington Press War, Though Iraqi Opposition Is a Farce

by Michele Steinberg

The Iraqi dissidents who are trying to make a "perpetual war" in Iraq their meal ticket, stand exposed as a farce, in a series of mishaps surrounding both an alleged conference of military officers opposed to Saddam Hussein, and the finances of the London-based Iraqi National Congress (INC), run by accused con-man Ahmed Chalabi. But the lack of an opposition, and the warnings of experienced U.S. military officers to Congress and the White House, that the United States does not have the *means* or the *readiness* to fight a war to conquer Iraq and run a new government, has not deterred a network of war-mongers inside the Bush Administration known as the utopians.

The policy of "regime change" through near-term invasion and war is pushed by a gang led by four operatives—Deputy Secretary of Defense Paul Wolfowitz White House adviser on Counter-Terrorism Gen. Wayne Downing; Defense Policy Board Chairman Richard Perle; and Defense Policy Board Adviser James Woolsey. Such a policy of perpetual imperial war violates the true republican tradition of the United States (see "Wolfowitz Cabal is an 'Enemy Within,'" *EIR*, Oct. 26, 2001).

Speaking on May 1 to an international webcast audience on the "Middle East Blow-Back Effect," Lyndon LaRouche, candidate for the 2004 Democratic Presidential nomination, likened the Iraq war policy to the "determination to have a *perpetual war in Asia*, called Korea," 50 years ago. LaRouche noted that the Korean War—which never ended—was the first victory after World War II of the utopian military against the traditional republicans such as Gen. Douglas MacArthur, who had a nation-state commitment to "win the peace," as the only true end of war.

LaRouche warned that today, the Iraq war is both the actual war plan and the symbol of the determination of the Clash of Civilizations war-mongers to extend this "perpetual war insanity," as they have with Bush's folly in Afghanistan. "What they've done in Iraq is a perpetual war," LaRouche said. "They went in and conducted a war against Iraq: The war has never ceased. Peace has never been declared. The war goes on. . . . We're about to reactivate the perpetual war in Iraq, against Iraq, throughout the Middle East."

LaRouche named Wolfowitz and Perle as key organizers of the policy, and added that "the policy has been one of: Pick enemies, the way the Romans did, the way the Nazis did, and

declare perpetual war. How do you fight perpetual war? By conventional warfare means? No. You fight wars of annihilation and intimidation. You force nations to submit to your will, the way the Romans did. These are the utopians. What they hated above all, is, they hated the United States.”

It is not accidental, that these utopians point to the supposedly quick “Afghanistan victory,” as their model for a quick “repeat” in Iraq. Any sane government leader or analyst would know that Afghanistan is a mountainous quagmire, where the United States—refusing to learn from the lessons of the Soviet campaign there—is *stuck*.

### ‘Red INC’

The Iraq war is a civil war inside the Bush Administration, and nothing points to both conflict and farce more clearly than the case of the Iraqi National Congress, (INC) and its leading figure, ex-banker Ahmed Chalabi, who is wanted on criminal charges for defrauding his own bank in Jordan. In the eyes of Perle, Woolsey, and Downing, among others, the INC is the parallel to the Northern Alliance in Afghanistan. But the INC has no credibility, is accused of keeping fraudulent financial books, and has been caught exaggerating its support in Washington. Furthermore, it turns out that the INC’s leading advocates inside the administration—Woolsey and Downing—are on its payroll. Woolsey, not wanting to be viewed as trying to overthrow Saddam Hussein for the money, claims that the INC only pays his law firm, Shea and Gardner. The scramble for funds might be called, “How To Make Millions From Perpetual War.”

But as of May 1, the INC is apparently swimming in red ink, according to a press release on the London-based organizations’s website, which says: “Liberty TV, the satellite channel owned and operated by the Iraqi National Congress, ceased broadcasting today due to a lack of funding from the U.S. State Department. ‘Although the U.S. Congress has appropriated funds for broadcasting to the Iraqi people, the State Department has not released any funds to Liberty TV since February, and therefore we are unable to pay service providers. . . . Despite continued assurances from the Bush Administration of their full confidence in the role of the INC and in particular Liberty TV, the State Department has failed to allocate adequate funding to Liberty TV at a time when our audience is growing. . . . The Iraqi people are yearning for free and unbiased news and information. Liberty TV was an important element in the democratic Iraq opposition’s strategy.’ ” Thus spake Sharif Ali Bin Al-Hussein, a member of the INC Leadership Council.

Well-placed Washington sources told *EIR* that the INC funding has been bitterly fought over, since last December, when a decision was made to withhold funds because of faulty record-keeping on the \$800,000 to \$1.1 million being given to INC in London every month. When the INC did not provide quarterly financial records, the funds were frozen, and then, reportedly, reinstated. However, new problems emerged after

Sharif Ali announced on Feb. 27, that “the largest conference of military officers in opposition to Saddam’s dictatorship ever held,” would take place in Washington to “develop a plan of action to confront Saddam’s regime.” Sharif Ali further bragged that Undersecretary of State Marc Grossman “expressed the U.S. government’s support for this event,” and that the INC was working closely with the State Department and Defense Department on “the logistics for the conference.”

The problem was that there was no conference, and when State Department spokesman Richard Boucher blurted out at a briefing, that the Pentagon was running the conference, the Defense Department scurried to tell Boucher to retract the false information.

### Decade-Long Faction Fight

This factional battle isn’t new—it actually goes back to 1991, when a hopelessly inept “march on Baghdad” authored by Wolfowitz under the name “Operation Scorpion,” was rightly overruled by Gen. Colin Powell, Chairman of the Joint Chiefs of Staff under President George H.W. Bush. “Scorpion” was the brainchild of Wolfowitz, then serving in the elder Bush’s State Department, and had won the admiration of Dick Cheney, who was then Secretary of Defense. Now, 11 years later, Wolfowitz, the leading war-monger in the Department of Defense, is still trying to ram through his “Scorpion.”

Describing this faction fight on May 10, the usually humorless *New York Times* carried the tale of a farcical war between the State Department/CIA and the Wolfowitz/Perle gang in the Pentagon, using factions of anti-Saddam Hussein Iraqis as their proxies. As in the case of the disasters of the 1961 Cuban Bay of Pigs, and the 1980s Nicaraguan Contras, the U.S. warriors are looking like the “Gang that Couldn’t Shoot Straight.” After holding back portions of the Congressionally approved \$97 million for Chalabi’s INC for months, because Chalabi could never account for what he spent, the State Department offered a short-term \$1.1 million per month, with the condition that a State Department official oversee the disbursement of the funds. On advice of Wolfowitz, Perle, et al., the INC said, “No way—you can keep your money.”

Meanwhile, wrote the *Times*, the Wolfowitz cabal moved to scotch a State Department-planned meeting of Iraqi opposition leaders slated to be held in Germany this Summer, to try to pull together an alternative to INC. Chalabi’s sponsors boiled over when the INC was told it could have only one representative at a planning session. State had contracted Washington’s Middle East Institute, headed by Ambassador Edward Walker, a former Assistant Secretary of State for Near East Affairs, and the conference’s Pentagon opponents discovered that Walker had expressed doubts about the “axis of evil.” Rather than allow such sanity to be part of a conference on Iraq, the neo-conservative thugs around Perle, Woolsey, et al., allied with the Christian Zionists on Capitol Hill, pulled the \$5 million funding, cancelling the conference.

On May 11, the *Washington Post* attempted to sugar-coat the general disdain for the INC with an upbeat article that claimed that the United States is simply looking for a “wider role, for more groups to help oust Saddam Hussein.” In the course of writing about the involvement of Kurdish opponents in Iraq, the *Post* also revealed that White House counter-terror chief General Downing, formerly head of Special Forces, had been a highly paid consultant for INC.

The stench of financial/political corruption seems to go further than Chalabi and the INC, and involves former CIA chief Woolsey as well. Woolsey is a partner with the law firm of Shea and Gardner in Washington, which represents the INC in their attempt to cash in on the \$97 million allocated under the 1998 Iraqi Liberation Act, pushed through by Sens. Sam Brownback (R-Kan.) and Joseph Lieberman (D-Conn.), both Clash of Civilizations fanatics. Woolsey gets his political orders from the Jewish Institute on National Security Affairs (JINSA), a notorious Israeli Jabotinskyite penetration operation into the Pentagon and U.S. intelligence services. From his JINSA perch, Woolsey was chosen by Perle to be a member of the Defense Policy Board, which ardently pushed for an invasion of Iraq—instead of Afghanistan—in the days following Sept. 11. When Bush rejected the invasion of Iraq plan in September, the utopians went into high gear, pushing the Iraq war as “Phase II” of the “war on terrorism.”

However, no evidence has ever emerged tying Iraq or

Saddam Hussein to the Sept. 11 events. Hoked-up information involving alleged Sept. 11 hijacker Mohammed Atta, evaporated. In his May 13 syndicated column, Robert Novak lampooned the “attack-Iraq advocates outside the government”—William Safire, Kenneth Adelman, James Woolsey—for clinging to the Atta-met-Iraqi-agent-in-Prague story. As for Defense Secretary Donald Rumsfeld, Novak says that when he asked him directly, Rumsfeld couldn’t confirm the story, but fell back on the argument that Iraq and other “terrorist” nations are developing weapons of mass destruction, which could kill “hundreds of thousands of people.” But, Novak notes, no one in Washington takes seriously former Israeli Prime Minister Benjamin Netanyahu’s recent statement about Iraqi suitcase nukes, and Novak also cites former UN weapons inspector Scott Ritter as saying that Iraq does not currently have a biowarfare capability.

### ‘World War IV’

Putting even more pressure against the utopians’ mad drive for Iraq war, was the unanimous adoption of Resolution 1409 by the United Nations Security Council on May 14. Resolution 1409 alters the sanctions against Iraq, and the utopian war-mongers in the Bush Administration fear that Iraq would actually agree to new arms inspections, thereby ending the “axis of evil” *cum* “weapons of mass destruction” scare stories that Woolsey, Perle, et al. spread. With the UN vote opening the possibility of Iraqi cooperation, Perle and Woolsey rushed into high gear in Germany, demanding war on Iraq now.

In advance of the first trip to Germany by President George Bush, which began on May 22, Woolsey got there first, and held several days of briefings with European journalists, widely reported in the German news dailies *Tagesspiegel* and the *Frankfurter Allgemeine Zeitung*. Woolsey ranted that war against Iraq should be launched “sooner rather than later,” and that the “war on terrorism” would not be over with an Iraq war—but will constitute a perpetual “Fourth World War.” Woolsey, who has called the war on terrorism, a war “of a hundred years,” is considered a madman by many Europeans.

Woolsey was backed up by the “Prince of Darkness,” Richard Perle, who gave an interview to Germany’s widely read magazine *Der Spiegel*, insisting that weapons inspections in Iraq would never solve the problem. Perle denounced any idea that President Bush should promote a new weapons-inspection effort in Iraq. War, and only war, was Perle’s line, and, being a true utopian to the end, Perle said that while the United States has enough conventional weapons to be able to avoid using nuclear ones in dealing with Iraq, “naturally, no reasonable strategist can rule out their use, in principle.”

With Woolsey and Perle, both Bush Administration officials, pushing a “Fourth World War,” which might have to “go nuclear,” it is no wonder that President Bush is meeting skepticism and unprecedented hostility about the true aims of the war against terrorism, from the Atlantic Alliance, including leading British officials.

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# Jewish Terror Plot In East Jerusalem

by Dean Andromidas

In the early hours of April 29, Israeli police and the Shin Bet security service arrested four Israeli settlers for planning attacks on Arabs, including an attempt to bomb an Arab hospital and girls' school in East Jerusalem. Had it been successful, the massacre would have been the most serious Israeli terrorist attack since Baruch Goldstein killed at least 29 Muslim worshippers in Hebron in 1994, and worse than any by Palestinian groups. This radical Jewish terrorist movement aims not only at Palestinians and Arabs, but Israeli peace activists as well.

Police arrested Shlomo Davir and Yarden Morag, militants from the Bat Ayin settlement, after they were seen unhooking a trailer from their car and positioning it in front of al-Mukasa Hospital, across the street from an Arab girls school. The officers found weapons in the car and a powerful explosive device in the trailer timed to go off the next day, April 30. Subsequently, two others were taken into custody: Ofer Gamliel, also from Bat Ayin; and Yossi Ben-Baruch, from the Havat Ma'on settlement. Two weeks later the Israeli police arrested Noam Federman, leader of the Kach movement, founded by the late Rabbi Meir Kahane, which has been outlawed in both Israel and the United States as a terrorist organization. A sixth suspect arrested was Menashe Levinger, son of Rabbi Moshe Levinger of Kiryat Arba settlement outside of Hebron. Rabbi Levinger was the spiritual guide of

Baruch Goldstein and one of the most radical rabbis of the settler movement.

On May 14, Dvir and Morag confessed to the plot to place a powerful bomb between the hospital and the school. This attack is believed related to several unsolved West Bank attacks that have killed Palestinians, including women and children. One involved a pipe bomb in the courtyard of an elementary boys school, also in East Jerusalem.

Israeli peace camp leaders are also targeted. Prior to a huge peace rally held in Tel Aviv's Rabin Square on May 11, one of the participants—the popular singer and peace activist Yaffa Yarkoni—received a death threat from a group called Gilad Shalhevet, which had claimed responsibility for attacks on Palestinians in the past.

## The Jewish 'Infrastructure of Terrorism'

A closer look at this case offers a glimpse into an "infrastructure of terror" of Jewish extremism, every bit as fanatical as Israeli Prime Minister Ariel Sharon accuses the Palestinians of being. Following the line linking these suspects to that infrastructure, one is brought directly amidst those who murdered Prime Minister Yitzhak Rabin in November 1995. These terrorists represent the second and third generation of the Israeli extremist movement starting with Vladimir Jabotinsky, the founder of Israeli fascism. Although Jabotinsky was a secularist, many of these modern counterparts have embraced a form of messianic Judaism rejected by mainstream Orthodox, Conservative, and Reform Jews. In fact, it represents the "Jewish" counterpart to that "Christian fundamentalism" with which it intimately cooperates.

Start with the two suspects who have confessed, Shlomo Dvir and Yarden Morag. Their home, Bat Ayin, is part of the Gush Etzion bloc of Israeli settlements in the occupied territory south of Bethlehem. Described in the Gush Etzion web page as "ultra-Orthodox-Zionistic," the village of 60 families was founded by the radical settlers movement of Gush Emunim, the movement which built the first settlements in the West Bank and Gaza Strip right after the June 1967 "Six-Day War." Ariel Sharon was directly involved in these early projects.

Both suspects were members of yeshivas, religious schools, linked to extremist currents. The third, Ofer Gamliel, came from the same settlement; the fourth, Yosef Ben-Baruch, from Havat Ma'on, near Hebron, is linked to Kiryat Arba, where Brooklyn-born Baruch Goldstein made his home, and one of the most radical settlements in all the occupied territories. In 1999 Havat Ma'on gained international attention when Prime Minister Ehud Barak ordered the evacuation of its 100 settlers because it was illegal. Barak was



*The "New Kach Movement" exalts Baruch Goldstein, the terrorist who murdered 29 Muslims worshipping at the Cave of the Patriarchs in Hebron in 1994. Followers of Kach and messianic settler rabbis have been arrested in Jerusalem in recent months trying to duplicate Goldstein's massacre.*

stopped by a mobilization of the powerful settlers lobby.

The last two suspects, Noam Federman and Menashe Levinger, are among the most notorious extremists in Israel. Federman, who has been arrested countless times, joined the Kach movement when he was 14, becoming a protégé of Rabbi Meir Kahane, who founded the Jewish Defense League in Brooklyn, in the 1960s. But Kahane did not introduce Federman to terrorism. Noam's father, David Federman, raised his son on tales from the days before Israel's 1948 statehood, when the elder Federman was a member of the terrorist Stern Gang. In those days of the British Mandate, Federman was arrested by the British authorities and exiled to Eritrea, in Africa. He shared a prison cell with Yitzhak Shamir, also a leader of the Stern Gang, later Likud Prime Minister.

In his early career in Kach, the younger Federman attacked Israeli Jews as often as Palestinians. In the 1980s, he assaulted Jerusalem Mayor Teddy Kollek, and leaders of Peace Now. Most notably, among his many arrests, was one in which he was linked to Yigal Amir, Rabin's assassin. Nonetheless, Federman admits to having been, at one time, an informant for the Shin Bet internal security services.

### **Messianic Murderers**

It is the pedigree of Menashe Levinger, the sixth suspect, that brings this investigation to the epicenter of the terrorist infrastructure that leads directly to the Sharon government. Menashe is the son of Rabbi Moshe Levinger, founder of the radical Gush Emunim settlers' movement as well as the radical Jewish settlement in the center of Palestinian Hebron. The 70-year-old rabbi was convicted of manslaughter in the 1980s, for killing a Palestinian passerby, when he fired his sub-machine gun into the Hebron marketplace in reaction to Palestinian youths throwing stones at his car.

Levinger is among the group of rabbis who preach a form of messianism which shaped the demented minds of two generations of Jewish extremists, including Rabin's murderer, Yigal Amir, and mass murderer Baruch Goldstein. Amir spent much time at Kiryat Arba settlement, where he became well acquainted with Levinger and members of Kach, including Noam Federman. All six suspects in this latest case subscribe to these teachings.

One of Noam Levinger's colleagues is Rabbi Yitzhak Ginzburg, who became notorious for teaching that "Jewish blood and Gentile blood are not the same." He praised Baruch Goldstein as a righteous man, after the latter's slaughter of Muslim worshippers. Also in this circle of rabbis is Noam Livnat, who runs the yeshiva in the Palestinian city of Nablus (known as the Biblical city of Shechem in Hebrew). The yeshiva, called Od Yosef Chai (Joseph still lives), is located at the alleged burial place of Joseph, but in reality it is the grave of a Muslim sheikh.

Also the son of a member of the old Stern Gang, Livnat is the brother of Limor Livnat, Education Minister in Sharon's government. Limor Livnat joined Sharon in Washington ear-

lier this month, where she presented White House staffers "documented" evidence of Palestinian Authority President Yasser Arafat's alleged ties to terrorism. She did not mention her own connections to Jewish terrorism.

So extreme are the teachings of Noam Livnat, that in 1996, Rabbi Yoel Bin-Nun, who is himself a religious settler, warned the Yesha Council organization of settlers, "There's a potential for murder in the yeshiva in Shechem. Do not accord it your protection." His warnings have not been heeded.

Yigal Amir also named Noam Livnat as one of those who showed him the lighted path to the assassination of Rabin. In 1995, Rabin ordered the evacuation of the yeshiva but was stymied by the settlers lobby. A few weeks later he was assassinated by Yigal Amir. In 1996, when Likud leader Benjamin Netanyahu was Prime Minister, the Israeli Defense Forces again attempted to evacuate the yeshiva, particularly after the death of several soldiers during riots that year. But Education Minister Limor Livnat made sure that it remained open.

### **Miami Bingo and Jerusalem Terror**

Another rabbi in this group is Benny Elon, who earlier this month was voted leader of the Moledet party, whose official platform calls for the "transfer" of the Palestinian population to the "Palestinian state" of Jordan. Elon was Tourism Minister in Sharon's government, after the leader of the party, Rehavam Ze'evi was assassinated last October. Although Moledet has subsequently left the Sharon government, Elon, who is close to Sharon, is reportedly preparing to reenter the government. In a new election, Elon claims his party would get 20% of the vote.

Elon is an expert on the works of Rabbi Abraham Isaac Kook, the spiritual founder of Gush Emunim, and prior to entering politics, he taught for five years at the Ateret Cohanim Yeshiva. This is the main center for the fanatics who want to destroy the Islamic holy sites on al-Haram al-Sharif, and build the Third Temple of Solomon, a project that would inflame the entire Islamic world and lead to a third world war. In 1990, he left Ateret Cohanim in order to found a new yeshiva on Mt. Scopus called Beit Orot. This project was financed by the notorious Irving Moscowitz, the Miami-based bingo parlor king. Moscowitz is a leading funder of both Netanyahu and Sharon.

Elon also shares an interesting connection to Rabin's murderer. His niece, Margalit Har Shefi, in 1998 was convicted of "not preventing a crime"—knowing that Amir was planning to kill Rabin and not informing the authorities.

This latest bomb plot and this "infrastructure of terror" has yet to be brought to the attention of the Bush Administration's international war on terror. But much of this infrastructure is financed and supported from the United States, particularly by Christian fundamentalist organizations, whose members are now being courted for the votes in the upcoming Congressional elections.



# War Party Takes Aim at Syria

by Dean Andromidas

Syria is now in the gun-sights of the “utopian” war party in Washington and Israeli Prime Minister Ariel Sharon. In the space of a few days, amid maneuvers by Sharon to try to strengthen his own government despite the collapse of Israel’s economy, that government has targetted Syria for the next expansion of Israel’s religious-war drive.

On May 20, a powerful car bomb killed Jihad Jibril, son of Ahmed Jibril, leader of the Popular Front for the Liberation of Palestine-General Command (PFLP-GC), the Palestinian faction most closely identified with Syria (Ahmed Jibril is a former Syrian military officer). The organization is headquartered in Damascus, and is on the U.S. State Department’s list of terrorist organizations. On the same day, the dead body of Ramzi Iranya was discovered in the trunk of his car, parked on one of Beirut, Lebanon’s seaside thoroughfares. Ramzi, who had been kidnapped on May 7, was a leader of the Maronite Lebanese Forces Party. Both murders fuelled fear of a renewal of the sectarian strife that raged during Lebanon’s catastrophic civil war.

An Israeli intelligence source told *EIR* that the murders were provocations carried out by the Israelis and aimed at ensuring that Syria does not take moderate positions that would promote a peace process. The actions may also be aimed at provoking a reaction. Israelis are predicting retaliation, not only in Israel, but in Europe or the United States.

At the same time as Jibril was assassinated, ABC TV, citing U.S. intelligence and law enforcement officials, was reporting that leaders of the al-Qaeda organization held a summit with Lebanese Hezbollah and Hamas militants in Beirut. They allegedly discussed attacks against targets, including the United States and Britain, both domestically and overseas. Syria is seen as the main power behind the Lebanese government, and such a meeting is presumed not to have taken place without its permission. Although officially denied by the U.S. government, the report is part of an ongoing press campaign identifying Syria as a sponsor of terrorism.

In a speech the same week, Vice President Dick Cheney mentioned Syria and Iran as states responsible for terrorism, and the State Department issued its latest global terrorism report, with Syria still on its list of state sponsors of terrorism.

## The Strategic Importance of Syria

Syria is key to any war launched against Iraq. George H.W. Bush’s 1991 Gulf War, with its broad Arab coalition,

could not have been possible without Syrian support. This is because of Syria’s special alliance with both Saudi Arabia—particularly the circles around Crown Prince Abdullah—and Iran. Crown Prince Abdullah is married into a leading Syrian family, and the kingdom no doubt contributes to Syria economically. Syria’s relationship to Iran is also important, because Syria has seen this alliance as a counterbalance to its own and Iran’s traditional rivals in the region, especially Turkey, Iraq, and Israel.

The Saudi and Iranian interests converge in Lebanon, where Syria is seen by Arab countries as a guarantor of stability in the country, an important financial center for the Arab world, and an ongoing target of Israeli aggression and subversion. As for the Iranians, they have alliances with the Shi’ite population, particularly the militant Hezbollah. While the Anglo-Americans have traditionally played these various rivalries, recent moves toward a rapprochement with Iraq by all these states, have given them nightmares. Syria has even reopened an oil pipeline between Iraq and the Mediterranean, which it had kept closed for almost two decades.

For the war party in Washington, knocking out Syria, or coopting it to its war plans, is crucial to isolating both Iraq and Iran, in preparation for military strikes.

War with Syria is also on Sharon’s agenda. A senior Israeli intelligence source said, “Syria is being kept alive as a potential target. If war is launched against Iraq, Sharon will attack Syria, that is a foregone conclusion.” Damascus is located a mere 60 kilometers from the Israeli-occupied Golan Heights. In 1982, when Sharon organized the invasion and conquest of Lebanon, many thought that his real target was eventually an invasion of Syria, and a strike at Damascus.

## New Civil War in Lebanon?

The way to destabilize Syria is through destabilizing Lebanon, where it remains the power behind the Beirut government. The twin murders of Jibril and Irani brought back to the Lebanese bitter memories of a civil war that lasted for over a decade. On Jan. 24 of this year, a powerful car bomb had killed Elie Hobeika, the former Christian militia leader who, only hours before his death, had agreed to travel to Belgium in order to testify in a court investigating Sharon’s role in the infamous 1982 Sabra and Chatila massacre of Palestinian refugees in Lebanon.

It is widely believed that Sharon had ordered Hobeika’s assassination, in what would have been Israel’s first “targetted assassination” outside the West Bank and Gaza since Sharon came to power.

These three murders are the first political assassinations since the end of the Lebanese civil war in 1990. That civil war was kindled through strife between the various factions in the refugee camps which are home to hundreds of thousands of Palestinians, and the various sectarian groups that make up Lebanese society, including the Christian Maronites, the Sunni Muslims, and the Shi’ite Muslims. As early as 1974,

Israel was quick to work with the Maronite Christian militias, who were fighting the Palestinian groups based in the refugee camps. In 1974, Israel's current defense minister, Benjamin Ben-Eliezer, served as a liaison to these Christian militias.

Sharon's grand scheme in 1982 was to dismember Lebanon, set up a Maronite puppet state which would stretch from Beirut to Israel's northern border, and expel the 100,000 Palestinian refugees living in southern Lebanon. Through such a scheme, Sharon hoped to secure the Golan Heights, with its water resources, as well as the Litani River, one of the most important rivers in Lebanon and the region.

The PFLP-GC, led by Jihad Jibril's father Ahmed, is one of the most militant of the Palestinian factions in the so-called Rejection Front. The group is sponsored by Syria, and has been thrown out of the Palestine Liberation Organization, but is active in the Palestinian camps in Lebanon, particularly those in the north, where the PLO is not strongly supported. Its operations in the occupied territories have been minimal, although its fighters are extremely effective, and are said to have been responsible for several highly effective attacks, destroying Israeli tanks and attacking Israeli military outposts. It has also engaged in several spectacular international terrorist operations, including airplane hijackings.

Ramzi Iranya comes from the diametrically opposite end of the Lebanese political spectrum. The 36-year-old engineer was a leader in the Maronite Lebanese Forces Party, which is the only faction that has been outlawed. Its leader, Samir Geagea, is currently sitting in a Lebanese jail. In 1982, Sharon sought to make its leader, Bashir Gemayel, President of Lebanon, only to see him assassinated. The militia associated with these people was the most bitter enemy of the Palestinians, and Sharon deployed them into the Sabra and Chatila refugee camps to conduct one of the worst massacres of civilians since World War II. It was Elie Hobeika who led these Christian militias, with the aid of the Israeli military.

Is Israel trying to rekindle a Lebanese civil war, by sparking Palestinian-Maronite strife?

### **Sharon Needs War To Stop Netanyahu**

Sharon knows he cannot survive, economically or politically, unless he continues his drive for war. Domestically no longer in the shadows, is Sharon's chief rival, Benjamin Netanyahu, who challenged Sharon at a Likud party central committee meeting early in May, where a resolution was passed, sponsored by Netanyahu, rejecting any Palestinian state; this was ballyhooed as a defeat for Sharon. The recent crisis over an emergency economic austerity plan, which led Sharon to throw out of his Cabinet two of his major coalition partners—Shas and the United Torah Judaism party—could lead to the collapse of his government and new elections.

An Israeli intelligence source warned that if Sharon decides to go for new elections, he would launch a military operation, either a massive attack on the Gaza Strip, or an attack on the Syrian-Lebanon front.

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## A 35-Year Cover-Up

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# When Israel Attacked The USS Liberty

by Edward Spannaus

Thirty-five years ago, on June 8, 1967, the Israeli Defense Forces knowingly and intentionally attacked and tried to sink a U.S. Navy ship, the *USS Liberty*, 12 miles off the Gaza coast. Thirty-four Americans were killed, and 171 injured, many seriously. The deliberate murder of these U.S. servicemen was covered up from the beginning, with survivors being ordered to keep silent, or face court martial and imprisonment. Congress has never held a public hearing on the matter—making this the only major American maritime incident in history which has not been investigated by Congress.

George Ball, who served as Undersecretary of State in the Kennedy and Johnson administrations, identified the significance of the *Liberty* affair as follows: "Yet the ultimate lesson of the *Liberty* attack had far more effect on policy in Israel than in America. Israel's leaders concluded that nothing they might do would offend the Americans to the point of reprisal. If America's leaders did not have the courage to punish Israel for the blatant murder of American citizens, it seemed clear that their American friends would let them get away with anything."

Yet, we must take this one step further, so as not to leave the mistaken impression that it is Israel that controls U.S. policy. Israel was never an independent entity, but has always served as an instrument of an Anglo-American interest that wanted a permanent destabilizing factor in the Middle East. As Lyndon LaRouche put it in his May 1 webcast: "No, it is not the Israelis who control the Zionist Lobby, who control the United States. It is an Anglo-American faction of this type, which has an instrument inside Israel, called the right-wing Likud, typified by Netanyahu, who's more dangerous than Sharon is. These guys are the killers who are doing the work of the Anglo-American Roman Legion mentality in the Middle East."

### **The 1967 War—A Turning Point**

The 1967 war was clearly a turning point in the Middle East conflict: The Israeli seizure and occupation of the West Bank, Gaza, and the Golan Heights set the stage for bringing the Jabotinsky-ite Likud party to power in the 1970s, and as well for the current conflict which threatens to spill over at any moment into regional or even general warfare.

Also, 1967 was a key nodal point for U.S. policy. As we have shown, the first half of the 1960s marked the takeover of the U.S. military establishment by the utopian faction, which had been held in check under President Dwight Eisenhower; and after the assassination of President John F. Kennedy, his successor Lyndon Johnson lived in fear that he would be next, if he did not toe the line on strategic and military matters. It was only on a few domestic issues, such as civil rights, that LBJ showed any real courage. By 1967, the global financial system was beginning to unravel, which culminated in the complete breakdown of the post-war Bretton Woods system, in 1971.

This is the context in which the cover-up by the U.S. government must be seen; it would be an error to simply attribute it to pressure from Israel and the Israeli lobby here—as substantial as that pressure may have been. The cover-up could not have been successful unless there were U.S. complicity in the Israeli launching and conduct of the 1967 war. Who in the United States wished to carry out this cover-up? That is the question which is still to be fully answered.

### Israel's Need for Secrecy

The *USS Liberty* was a World War II-era freighter, refitted as a “Technical Research Ship,” a polite name for an electronic intelligence collection ship. As tensions rose between Israel and Egypt in May 1967, it was redeployed from the West African coast to the Mediterranean, off Port Said, Egypt, then ordered to deploy just off the coasts of Israel and Egypt, but no closer than 12.5 nautical miles off Egypt.

On June 5, Israel launched its Air Force against Egypt's air bases, sent tanks across the Sinai toward the Suez Canal, and attacked at the Jordanian and Syrian borders. The entire Israeli offensive was accompanied by elaborate, falsified reports that Egypt had launched a major attack, and Israel was simply defending itself. These lies were communicated directly to the U.S. Ambassador to Israel, among others.

As a number of analysts have noted—ranging from U.S. naval historian Richard K. Smith writing in the *Naval Institute Proceedings* in June 1978, to author James Bamford in his recent book *Body of Secrets* on the U.S. National Security Agency—an essential element of Israel's war plan, was to prevent the rest of the world, including the United States, from knowing what it was doing, until its war aims had been accomplished, and its territorial conquests could be presented as a *fait accompli*.

“Any instrument which sought to penetrate this smoke screen so carefully thrown around the normal ‘fog of war’ would have to be frustrated,” Smith wrote. It was into this smoke screen, that the electronic surveillance ship, with dozens of National Security Agency (NSA) personnel aboard, including linguists, sailed on June 8.

There are numerous accounts of what happened that

day, from the close-in surveillance of the *Liberty* by Israeli aircraft beginning at about 6:00 that morning, to the brutal attacks on the *Liberty* which took place in wave after wave for over two hours, beginning shortly after 2:00 p.m. (A number such accounts, and other valuable information, are available at [www.usliberty.org](http://www.usliberty.org).)

There can be absolutely no question but that the Israelis knew they were attacking an American ship. It was a clear day, with the *Liberty* clearly marked as a U.S. ship and flying an American flag. Starting with the first Israeli reconnaissance plane, the Israelis who periodically flew around the *Liberty* were close enough for the respective crews to wave to each other. The ship had its name and the ship's number, GTR-5, in large block letters on its sides. (“GTR” stood for General Technical Research, the designation for NSA's fleet of spy ships).

### The Two-Hour Attack

It is documented that, by 10:55 a.m., Israeli Naval Headquarters had identified the *Liberty* as an American ship, and its “GTR-5” designation had been confirmed in the reference book *Jane's Fighting Ships* by the Israeli Navy liaison at Israeli Air Force headquarters.

The first Mirage fighter planes that attacked the *Liberty* were unmarked; they raked the deck back and forth with cannon and machine-gun fire. First to be attacked were crew members and the ship's few gun mounts, then the antennas and communications equipment, which was destroyed within the first minute of the attack. At the same time, the Israelis were jamming the *Liberty*'s communications frequency—strange behavior in light of the later Israeli claim that they thought they were attacking an Egyptian freighter, whose frequency would have been much different. The Israelis then attacked the ship's steel plating with armor-piercing shells, which penetrated deep into the ship's living quarters, killing and maiming more of the crew. Then came a wave of Super Mystere fighters, attacking with thousand-pound bombs and napalm. Intercepts from the Israeli pilots make it clear—were there any doubt—that the intention was to sink the *Liberty*, not merely to disable it.

A few minutes later, three Israeli torpedo boats approached, firing cannon into the *Liberty*'s side. At 2:37 p.m., four torpedoes were launched. One hit, entering the NSA's quarters and killing almost everyone inside, either from the blast, or by drowning.

Then, in a remarkable display of *chutzpah*, one of the Israeli boats flashed a signal asking “Do you require assistance?” The *Liberty*'s captain, Commander William L. McGonagle, himself seriously injured, responded with the equivalent of “Nuts!,” signalling through flags that his ship was maneuvering with difficulty, and that the Israeli ships should stay clear. Instead, the Israeli boats continued firing at the crew and the ship's firefighter, and even at the lifeboats. Not only the lifeboats still in their racks, but lifeboats put into

the water, were riddled with machine-gun fire and destroyed. Crew members report that it was obvious, that the Israelis intended for there to be *no* survivors. They consider it miraculous, given the extensive damage to the ship and the gaping hole blown in its side, that the *Liberty* did not sink, but was able to clear the area and limp into port at Malta. Over 800 rocket and missile holes, and over 3,000 holes from armor-piercing bullets, were counted.

In Malta, the surviving officers and crew were interviewed in groups by Rear Adm. Isaac Kidd, who ordered them that “you are never, repeat never, to discuss this with anyone, not even your wives.” He continued: “If you do, you will end your lives in prison—or worse.”

It has also been credibly reported that there were U.S. submarines in the area on a secret mission, and that at least one of the submarines photographed the attack via periscope. The crews of those submarines were ordered never to disclose or discuss what they saw and heard that day.

The NSA did have a high-altitude surveillance plane in the area, which collected intercepts of Israeli military communications. Kept secret for over three decades, author James Bamford did obtain access to some of this information for his recent book, and that material confirms and elaborates previous accounts by others. Likewise, the material he reviewed leaves no doubt that the attack was intentional, and as well shows that the top leadership of the NSA recognized this—despite the persistent Israeli protestations, and the official U.S. version, that the attack was “a case of mistaken identity.”

NSA Director Marshall Carter appointed a task force to investigate the incident; although the details of the investigation, including the intercepted Israeli communications, were never disclosed, the NSA official who headed that task force came to the conclusion, “There is no way that they didn’t know that the *Liberty* was American.” NSA Director Carter himself told Bamford in 1980, on the condition that the information be kept off the record at the time, that “there was no other answer than that it was deliberate.” NSA Deputy Director Lou Tordella told a member of Congress, that he believed “the attack might have been ordered by some senior commander on the Sinai Peninsula who wrongly suspected that the *Liberty* was monitoring his activities.”

We will return shortly to the question of what was happening in the Sinai at that precise moment.

## **Back in Washington . . .**

Before its communications were totally destroyed, the *Liberty* was able to tell the Sixth Fleet that it was under attack. A number of F-4 fighter jets were dispatched from the aircraft carriers *USS Saratoga* and the *USS America*. But then the orders came from Washington, directly from Defense Secretary Robert McNamara, to recall the planes. The White House told the Pentagon that Israel had acknowl-

edged its “mistake” and that the attack had been called off, and that the Israelis would provide assistance to the *Liberty*.

Rear Adm. Lawrence R. Geis, the commander of the carrier force in the Mediterranean, protested the recall of the fighters to McNamara. According to Bamford, Geis reported, “President Lyndon Johnson came on with a comment that he didn’t care if the ship sunk, he would not embarrass his allies.”

A total news blackout on the incident was imposed, and only the scantest of news coverage took place, as the media were dominated by coverage of the Israeli victories and territorial conquests. At the recommendation of the Navy Department, Commander McGonagle was later approved for a Congressional Medal of Honor. But unlike the normal practice, where the Medal is awarded by the President at the White House, the award was presented to McGonagle by the Secretary of the Navy at a small, quiet ceremony, hidden away at the Washington Navy Yard. Adm. Thomas Moorer, then Chief of Naval operations, protested to McNamara, to no avail. (Moorer has since been outspoken, protesting the cover-up of the incident.) Moreover, it was later learned that the State Department had cleared the granting of the award with the Israeli government. Israel did not object; the citation did not mention Israel at all.

## **Why?**

James E. Akins, former U.S. Ambassador to Saudi Arabia, and others, have suggested that the Israeli motivation for the attack was to prevent the United States from learning about the Israeli moves to occupy the Golan Heights, with which they wanted no interference.

Even more sinister is the conclusion reached by Bamford, based on his study of NSA material only recently available. At the very moment the *Liberty* was offshore from the Sinai, the Israeli Defense Forces (IDF) were carrying out a monstrous war crime: systematically murdering hundreds of Egyptian prisoners—civilian and military. This was taking place near El Arish on the Sinai coast, the minaret of which was visible from the *Liberty*, only 13 miles away.

Earlier the same day, IDF forces had killed 14 Indian UN peacekeepers in the Sinai who were on their way to the Gaza Strip. Israeli military historian Aryeh Yitzhaki collected testimony from dozens of IDF soldiers who admitted killing POWs; Yitzhaki’s estimate is that as many as 1,000 Egyptian prisoners were killed in the Sinai. It is likely that the Israelis believed that the *Liberty* had picked up intelligence relating to these atrocities, and were determined to destroy the ship and all evidence it had collected.

That might explain the Israeli motive, but the “who” and the “why” on the U.S. side is still shrouded in mystery. The growing demand in the past two or three years for a full investigation, after 35 years, should aim to answer those questions.

# U.S. Charm Offensive Greets Dr. Mahathir

by Michael Billington

Malaysian Prime Minister Sri Dr. Mahathir bin Mohamad was given a royal welcome in Washington between May 14-16. With smiles on all sides, the U.S. charm offensive to portray Malaysia as “one of ours” in the war on terrorism was in high gear. President Bush praised Dr. Mahathir for his cooperation on terrorism, and held up the Malaysian economy as a model for success, while ducking questions on human rights, and ignoring Dr. Mahathir’s attacks on U.S. and Israeli war policies.

Congress, for its part, formed a new “Malaysia Caucus,” inviting Dr. Mahathir to address them. The Caucus is co-chaired by an unusual pair, Texas conservative Republican Pete Sessions and New York Democrat and Black Caucus member Greg Meeks. There was no apparent opposition to the pro-Malaysia grouping within the Congress.

There were a few reminders of the former denunciations of Dr. Mahathir, which dominated the Western press in the years following his open break with the International Monetary Fund in 1998, and his simultaneous dumping of IMF-darling Anwar Ibrahim from his Cabinet. CNN’s Zain Verjee, for example, subjected the Prime Minister to a series of questions along the lines of “Why do you still torture your political opponents?”

Even worse was former Secretary of State Madeleine Albright, who outdid herself by comparing Dr. Mahathir to Fidel Castro in a May 20 commencement speech at Tufts University’s Fletcher School of Diplomacy. Albright described the Bush Administration as suffering from a bipolar disorder, for (among other things) “criticizing Cuba’s lack of democracy, while praising autocrats from Malaysia and other lands.”

But by and large, the anti-Mahathir tirades of years past were gone. In particular, the Zionist Lobby and their spokesmen in the press uttered nary a word of the earlier denunciations of Dr. Mahathir as an anti-Semite, which were considered a necessary part of any public coverage in the West after the Prime Minister exposed speculator George Soros as the primary swindler and pirate who stole billions across Asia in 1997-98.

Has Dr. Mahathir “mended his ways” in the eyes of the Western elite, who so recently tried to demonize him, and especially his staunch defense of national sovereignty against the IMF-centered destruction of most of the developing world? No—in fact, just three weeks earlier, he had again

demonstrated his willingness to speak truthfully about those responsible for the threat of religious war facing the world today, after he returned from a visit to the Middle East. He told the press that Israeli Prime Minister Ariel Sharon’s attack on the Palestinian refugee camp at Jenin was “an atrocity committed by people who once pleaded for world sympathy for what the German Nazis did to them; but the atrocities committed by them now are far worse.”

Mahathir identified the fact that these fascist operations were impossible without a green light from the United States: “Israel’s aggression was due to the support it received,” he said. “The Jewish lobby in the United States is very united and powerful, whereas the Muslims are broken up and they never act together. As a result, they cannot determine who wins the election, but the Jews can do so.”

## Divide and Conquer

The question must be asked, then, as to why those who would normally be expected to denounce Dr. Mahathir have been silent, and why they have not pressured Bush against establishing these new friendly relations with Malaysia. One indication came from an Asian insider with an ear to elite policy circles in the United States, who told *EIR* that there is an effort afoot to play the non-Arabs against the Arabs within the Muslim world, with the intention of winning acceptance of a U.S. war against Iraq and other Arab states, as proposed by the Clash of Civilizations fanatics within the administration and the Congress.

This coheres with the role played by Deputy Secretary of Defense Paul Wolfowitz, who has been the most vociferous advocate of war on Iraq and other Arab states, while also taking the lead in Bush policy towards Southeast Asia. Wolfowitz has consistently portrayed Indonesia (where he was once ambassador, back in the days when the United States was freely spreading hot money around the Suharto regime) and Malaysia as “good” Muslims, as opposed to the “bad” Muslims in the Arab world.

A State Department official, speaking to the Singapore *Straits Times* on May 18, expressed this view precisely: “The image of Islam painted by suicide bombers and hijackers is not an accurate picture of Islam,” he said. “Dr. Mahathir is from a modern, moderate, secular country which is successful. He helps to prove a bigger point we are trying to make, that the war is not against Muslims.”

The implication, of course, is that the Middle Eastern Islamic nations are “archaic, extremist, and dictatorial,” and that war against them is legitimate—precisely the argument of Wolfowitz and his utopian associates, including especially Senators Joe Lieberman (D-Conn.) and John McCain (R-Ariz.).

Whether Dr. Mahathir, or Indonesia’s leadership, will play the role intended by these utopians is far from certain, but the Western press is busy creating the *image* that they



*Malaysia's Prime Minister got the red carpet in Washington in late May, in marked contrast to the days of vicious denunciations by the likes of Al Gore and George Soros.*

will. The most extreme effort came from the *Washington Times*, the voice of the neo-conservative utopians calling for perpetual warfare by a new American imperium. The *Times* ran a front page story on May 16 with the headline, "Malaysia Backs Saddam Ouster."

The story based this wild distortion on a statement by Dr. Mahathir, in a press interview at the Malaysian Embassy in Washington, made in an ironic style quite typical of the Prime Minister: "If you can overthrow Saddam, by all means do it—just don't make the Iraqi people pay for it." In the course of that interview, he went on to make very clear that he opposes the sanctions and the threats against Iraq, and that his primary concern is to warn the United States against the horrible consequences of the war it is planning.

A similar effort was launched after the meeting of the Organization of the Islamic Conference (OIC) in Kuala Lumpur in early April. Dr. Mahathir, in an effort to counter the use of the "war on terrorism" to justify a war on Islam, proposed that a definition of terrorism be adopted which included any attack on innocent civilians, be it the suicide bombers, or those sanctioned by a state—naming the U.S. war on Afghanistan and the ongoing Israeli invasion of the West Bank as cases in point. The OIC decided not to adopt any official definition of terrorism until a later time, since the situation had become so horrendous in Palestine, that they wanted to say nothing that could be construed as an attack on the resistance by the Palestinians against the fascist Israeli onslaught.

At that time, Dr. Mahathir acknowledged this problem. In a long meeting with Palestinian Authority Foreign Minister Farouq al-Kaddoumi, he described the Israeli assault as a "new holocaust" being imposed on the Palestinian people. He asserted that "the whole world must put pressure on Israel to stop its acts of terror. Until they stop it, they cannot blame the

Palestinians for the suicide bombings of Israelis, including their civilians." He pledged to convey this message to President Bush on behalf of all nations of the OIC.

And yet, the Western press has falsely portrayed Dr. Mahathir as having split the OIC by "denouncing the suicide bombers," and thus antagonizing the Arabs—precisely the intent of the Wolfowitz cabal.

## **The Economic Dimension**

The euphoria surrounding the U.S./Malaysia talks on terrorism extended into the economic realm as well. Malaysian and U.S. representatives held extensive discussions on expanding economic cooperation, including U.S. investments in Malaysia, barter trade of palm oil for locomotives, and the possible purchase of a fleet of FA-18 Super Hornet fighter jets, among other things.

Such trade and investment is beneficial for both sides, but comes in the context of a deafening silence in regard to the economic crash now sweeping through the Western economies. The false presumption of a U.S. recovery, driving an export-led recovery in Asia, precluded any discussion of the urgent necessity of a new global financial architecture to replace the bankrupt, IMF-centered institutions. Perhaps Dr. Mahathir brought up these issues in his private meetings—they are part of his normal intellectual armament in international diplomacy—but they were kept out of public discussion. Putting off the necessary confrontation with the reality of the crash can only set economic relations on a course doomed to fail.

The Malaysian Prime Minister was less reserved on the question of the expanding U.S. military deployments into Asia—characterized by *EIR*'s Lyndon LaRouche as a policy aimed at surrounding and confronting China, in keeping with the Clash of Civilizations' policy of Samuel Huntington. An exchange on CNN's "Q&A" program went as follows:

**CNN:** "How concerned are you about the rise of China as a potential superpower in the region?"

**Mahathir:** "Not at all concerned. We are very good friends of China."

**CNN:** "Do you think the United States should maintain a military presence in the region?"

**Mahathir:** "I don't believe that having a military presence there is going to help. You are merely going to make the Chinese nervous. You are going to make them feel that they are the future enemy. And when you treat people as your future enemy, they will become your present enemy."

★ LAROUCHE IN 2004 ★

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Paid for by LaRouche in 2004.

## Government Delays Fascist Bills

*A mobilization led by Lyndon LaRouche's associates has forced the Howard government to back down, for now.*

**L**aRouche's associates in the Citizens Electoral Council (CEC) on May 15 dealt the Liberal/National party coalition government of Prime Minister John Howard a stunning defeat, when Howard was forced to pull a series of draconian "anti-terror" bills without precedent in the Western world, which had passed the House of Representatives on March 13, and were sailing toward passage in the Senate. However, the fight has just begun, because the bills, with some modifications, will be reintroduced when Parliament reconvenes on June 17.

Using the cover of "9/11," Howard's government was attempting to establish a fascist police state, precisely as Hitler used the Reichstag Fire of Feb. 27, 1933 to ram through his *Notverordnung* (Emergency Decree) the following day, which consolidated his dictatorship. (*EIR*, May 3, 2002). As documented in the February 2002 issue of the CEC's *New Citizen* newspaper, the government's claim to be "responding to 9/11" is belied by the raft of less-noticed, but also draconian legislation passed piecemeal at state and federal levels over the past several years.

This legislation included the infamous federal "shoot-to-kill" bill—the Defense Legislation Amendment (Aid to Civilian Authorities) Act 2000—which, for the first time, allowed the Australian Army to shoot and kill Australian civilians. That bill prefigures the establishment of the U.S. Army's new Northern Command (USNORTHCOM) over the United States, Canada, and Mexico, which would also allegedly "provide aid to civilian authorities," but which would consolidate an

SS-style dictatorship under U.S. Attorney General John Ashcroft.

In a May 1 webcast, Lyndon LaRouche exposed the command center for the drive for fascism in Australia and elsewhere in the Commonwealth before an international audience, in response to a question from CEC leader Craig Isherwood. "The way this is run in Britain, for example, is through the Privy Council," he said. "Now, the Queen nominally has no powers to speak of, except to read the teleprompter at certain annual occasions, before the Parliament. But the Queen is actually a very powerful institution, who controls the United Kingdom, and the Empire, including Australia, New Zealand, and Canada, directly, for which she is the monarch, through Privy Councils. The operation to which you refer in Australia, is run from the British monarchy, through the Privy Council extensions in Australia."

LaRouche's statement was widely circulated in Australia, in conjunction with the CEC's "Emergency Call to All Australians" (accompanied by the key section from Hitler's *Notverordnung*), which charged that the proposed new laws were identical to Hitler's. Within one week, over a hundred prominent Australians had signed the statement, beginning with Hon. Jim Cairns, the former Deputy Prime Minister in the government of Prime Minister Gough Whitlam (1972-75), which was sacked by the Queen for attempting to implement nationalist policies.

This statement was released amidst a CEC-organized mass-lobbying effort of Members of Parliament

and Senators, in which they were being bombarded with some 200 e-mails per day, and many more phone calls and faxes. The opposition Australian Labor Party (ALP) had made a dirty deal with Howard to ram the sweeping legislation through both the House and Senate within weeks; but, under the impact of the mobilization, an ALP caucus meeting just before the Senate vote, unexpectedly rejected the worst aspects of the bills, which broke the deal. One MP's staffer, who himself disliked the bills, told the CEC, "I hate LaRouche, but you guys have done an impressive job."

Following the ALP's decision, a revolt broke out by MPs in Howard's own party. He was then forced to put off a vote until June 17, by which time he hopes to have the numbers.

Among other things, the bills: allow the Attorney General to ban any organization he wishes, whether or not convicted or even charged with any crime, and to jail its members and "informal supporters" for 25 years; create an extremely broad new "terrorism" offense which would snare many union actions, civil disobedience, and even normal political activity in its net; turn Australia's FBI, the Australian Security Intelligence Organization (ASIO) into a Gestapo, with the right to pick up and detain anyone indefinitely on the slightest pretext, with no lawyer, no right to remain silent, and a five-year jail sentence for non-cooperation; allow wholesale tapping of phones, fax, and e-mail with no warrants; and reverse the onus of proof, such that someone has to prove that he or she is *not* a terrorist, or has not aided a terrorist. All of this was rammed through the House of Representatives in 24 hours, despite testimony by many of the country's finest legal minds, that the existing Criminal Code (with perhaps slight modifications) was ample to capture terrorists.

# International Intelligence

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## **German Critic of Sharon Framed Up**

Israeli police on May 20 interrogated and raided the home of Dr. Burckhard Blanke, director of the Friedrich Naumann Foundation's branch in Israel. He was asked about charges that he had made anti-Semitic statements "in a manner that encourages racist acts." This related to polemics Blanke had made against the policy of Israeli Prime Minister Ariel Sharon.

Police seized maps and newspaper clippings, assessing these as "information related to military affairs" that were allegedly assigned for being passed on to Palestine terrorists.

The trumped-up affair mirrors the campaign going on in Germany against the Free Democratic Party, under whose auspices the Naumann Foundation operates. FDP chairman Guido Westerwelle is scheduled to visit Israel and meet Sharon, among others, on May 28. German leading figures from other parties have also been targeted, amidst general propaganda alleging that "Europe is becoming anti-Semitic" because of widespread opposition to the Sharon government's invasions of Palestinian territories.

German Foreign Minister Joschka Fischer phoned his Israeli colleague Shimon Peres on May 21, demanding a clarification on the incident. Peres called back on May 22 and told Fischer that the Israeli police had been "mistaken," that it had turned out that none of the charges brought against Blanke could be "substantiated."

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## **Argentina Getting Sick and Malnourished**

As a result of growing poverty and hunger, thanks to International Monetary Fund (IMF) demands and policies, tuberculosis is on the rise in Argentina. Former Health Minister Aldo Neri warned that "increasingly efficient medical tools are meaningless in the face of ever-increasing poverty and misery."

A study by the government of Buenos Aires province for 2000, the last year for which statistics are available, showed a "notable increase" in TB among youth and people 65 or older, beginning particularly in the middle of the 1990s—the heyday of free-market lunacy. Of the 11,767 new cases reported in 2000, 45.2% of them were in the province of Buenos Aires.

A recent report on malnutrition published by *Página 12* has shaken the country. The daily reported on 1,320 confirmed cases of malnutrition among children, in the southern part of Tucuman province alone. Provincial Health Ministry official Dr. Sergio Vargas described the situation as a "social debacle," aggravated by lack of funding from the provincial government, and little help from the federal government. Of 15,000 kilos of milk needed monthly, he said the province receives only 3,000 kilos from the federal government.

The government's slavish obedience to the IMF will exacerbate this situation. The government statistical agency, INDEC, just reported that the price of the monthly market basket of essential food items *increased* by 42.4% in the first quarter of this year, and so far in May, has risen another 3.7%!

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## **Pope, 82, Prepares New Encyclical**

Pope John Paul II, just 82, is preparing a new encyclical document. Showing that the *sede vacante* (empty chair, referring to gossip that the Holy Father might resign, for health reasons) possibility is quite remote, and that currently in the Vatican there is quite definitely a *sede occupata*, Italian television RAI 2 on May 18 revealed that the Pope is working on a new encyclical, on the subject of the Eucharist, to be issued within this year.

On May 18, the Pope's 82nd birthday was celebrated with ceremonies at the Vatican, which filled in a normal working day for Karol Wojtyła. The Pope has cancelled his usual mountain vacation, in order to prepare carefully his next mission to World

Youth Day in Canada, and to Mexico, his collaborators report. In the two weeks preceding the mission in late July, he will hold meetings with local bishops, discuss the issues with them and study the files. The Pope has also carefully prepared his trip to Bulgaria, starting on May 23, after a visit to Azerbaijan. Since he wants to personally read his speech in Bulgarian, he has taken lessons to perfect his pronunciation.

Among those who congratulated the Pope on his birthday, the Grand Mufti of Syria remarked, "Who says he is old? I am 87 and he is only 82. He is young."

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## **Closing Palestine Territories Is Disaster**

The Israeli daily *Ha'aretz* on May 19 published a report based largely on interviews with Nigel Roberts, one of two World Bank officials who prepared a report on the economic conditions in the Palestinian territories since the Intifada began in September 2000. (Ironically, a copy of the report was the only document left in the office of Ataf Alaune, the director general of the Palestinian Finance Ministry, when the Israeli Army pulled out of Ramallah on April 21. Everything else, including computer hard drives and his entire library, were taken.)

Roberts said that aside from the physical damage caused by the Israeli military operations, the economic damage caused by Israeli restrictions on freedom of movement of people and goods amounts to about \$2.4 billion. The loss of jobs inside Israel has meant a drop in income for Palestinians, which has caused a further drop in economic activity inside the territories. Roberts estimates that since the end of the April military operations, three-quarters of the Palestinian population lives on less than \$2 per day. Making the situation even worse, is Israel's refusal to turn over taxes it collected on goods imported into the P.A. from Israel. Roberts estimates that Israel now owes the P.A. about \$500 million, and he emphasizes that that money does not belong to Israel.

Roberts expressed hope for the action



**MILITARIES** of Thailand and Myanmar have agreed to cooperate to crush the drug armies on their border. The *Bangkok Post* reported thousands of Myanmar Army troops have been deployed along their northern border for a “showdown” with the United Wa State Army, which controls much of the opium and amphetamine trade through Thailand. Meanwhile, several thousand Thai troops have been conducting an exercise along the border, the largest ever. The *Bangkok Nation* reported that the Thai Army has been given a green light from Myanmar to cross the border if necessary.

**MORDECHAI VANUNU** has filed a court appeal to have the minutes of his 1998 trial in Israel made public. Vanunu, who exposed the Israeli nuclear program by providing photographs to British newspapers, has been in prison on an 18-year sentence for treason. The CIA and Pentagon say that Israel, which has never signed the Nuclear Non-Proliferation Treaty, has between 200 and 400 enhanced radiation and hydrogen weapons.

**WARNINGS** were ignored by the United States, reported John K. Cooley, author of *Unholy Wars*, about the U.S. training of the Afghani terrorists, in an article in the May 21 *International Herald Tribune*. The Jordanian General Intelligence Division (GID) sent *very specific* warnings through the CIA in Amman, Jordan. Says Cooley, “The text stated clearly that a major attack was planned inside the continental U.S. It said aircraft would be used.” It even gave a code name—“The Big Wedding.” He says the United States should learn to heed “friendly Arab intelligence services.”

**LAROCHE’S** analysis of Sept. 11, widely supported in the Arab world, was fully covered in the April issue of a major Saudi publication, *Al Aalem (The Scientist)*. The magazine covered Muriel Mirak-Weissbach’s January presentation at Cairo University.

plan developed by the World Bank to revive the Palestinian economy, but it depends on Israel lifting the siege; all signs show that they intend to tighten it. He told *Ha’aretz*, “Militarily, I have no opinion on the effectiveness of the closures,” he said. “But strategically, it is clear they are creating an atmosphere that is not conducive to the security of Israel.”

## **Peru Backs Off Pro-Terrorist Move**

A storm of anger has swept Peru, after the Attorney General issued arrest warrants against 12 military heroes who helped rescue the MRTA’s hostages in 1997. Seventy-two hostages held captive for 126 days in the Japanese Ambassador’s residence in Lima by 14 heavily armed narco-terrorists of the Tupac Amaru Revolutionary Movement (MRTA), were rescued on April 22, 1997, in a spectacularly successful assault by 140 Peruvian commandos, lasting a total of 15 minutes, from start to finish. Two officers gave their lives protecting hostages whom the MRTA sought to kill as the commandos entered the residence. All of the hostages survived, but one, wounded by the MRTA, who died on the operating table later. “Operation Chavin de Huantar,” as the rescue was known, not only saved those individual lives, but the nation of Peru itself, by effectively ending over 15 years of war by the MRTA terrorists. In 1998, then U.S. Southern Command chief Gen. Charles Wilhelm called the rescue “one of the few resounding victories against world terrorism in the last 20 or 30 years.”

Attorney General Nelly Calderón issued arrest orders on May 15, charging 12 officers with summarily executing several MRTA terrorists, during the split-second raid! The openly stated intention of those involved, is to charge ousted President Alberto Fujimori with genocide, for having allegedly ordered the MRTA “executed.”

The arrest warrants caused such an uproar—related to the expressed popular rage over government economic policies—that

Toledo and several cabinet ministers have publicly declared that the government did not initiate them. Then on May 20, Justice Minister Fernando Olivera called on the Attorney General to revoke the warrants, as based on clearly suspect sources.

## **Dutch Election Shows Effect of Assassination**

The ruling Labor Party and its coalition partners, the “liberal” PvdA and the “centrist” D66 parties, all lost considerable ground in the May 15 elections in the Netherlands.

The “conservative” Christian Democrats came in first, reportedly with 41 seats. The year-old, anti-immigrant Pym Fortuyn List (LPF) got 24 seats, essentially equalling the outgoing government parties, and may get a place in a potentially unstable new coalition government.

The leader of the party, Pym Fortuyn, was murdered only a few days before the election. This brought out mass funeral processions and an outpouring of public emotion for this 42-year-old overt homosexual and racist, and the assassination obviously had a sharp effect in propelling his List into a probable government participation. The media compared the mourning scenes to the British grieving for Princess Diana.

“Across Europe, the Far Right Risis,” under which headline, the *Christian Science Monitor* typifies hype that equates European opposition to an Anglo-American Clash of Civilizations war with the rise of right-wing “spoiler” parties, such as France’s National Front. The *Monitor* claimed, “Today’s Dutch elections are the latest evidence of Europeans looking right on crime and immigration.” Thrown together in its story are Jean-Marie Le Pen’s more established French party; Germany’s tiny National Democratic Party, recently exposed as a creation of the pre-unification East and West German secret services; ethnic separatist parties such as Belgium’s Vlaams Blok; and Britain’s National Party, which despite big press play has only won a single council seat in a small city.

## Sept. 11 ‘Who Knew What’ Debate Misses the Point

by Muriel Mirak-Weissbach

Washington was caught up in a frenzy of wild speculations in the media on May 15, dutifully seized upon by members of the U.S. House and Senate, around the question: What did the White House know, or not know, about terrorist attacks, prior to Sept. 11? The question was provoked by a couple of well-placed leaks in the press, to the effect that the White House had been informed of threats that al-Qaeda networks might seek new methods of hijacking airplanes. It was also reported that the FBI had received information in July, that al-Qaeda might have sent men to U.S. flight schools for training.

Immediately, members of Congress pounced on the “revelations” and demanded clear explanations from the government. White House spokesman Ari Fleischer was bombarded with questions at his press briefing, regarding why the FBI or White House didn’t “connect the dots.” Leading administration representatives, such as National Security Adviser Condoleezza Rice and Vice President Dick Cheney, issued public statements defending the White House for allegedly not making the intelligence reports public. Rice said in a press conference on May 16, that the information received by the White House in August referred to generic warnings, that al-Qaeda-type groups might try new methods to hijack planes, but “I don’t think anybody could have predicted that these people would take an airplane and slam it into the World Trade Center, take another one and slam it into the Pentagon.” She said counter-terror experts met regularly in August 2001 to evaluate the threats, and that airlines had been informed. She said that to make the threats public, could have closed down the airline industry. She denied any intelligence lapse, citing cases in which terrorist attacks had been successfully foiled in Rome, Turkey, and Paris.

Cheney, speaking in New York on May 16, claimed that another terror attack was on the agenda. He said, “An investigation must not interfere with the ongoing efforts to prevent the next attack, because without a doubt a very real threat of

another perhaps more devastating attack still exists. . . . The people and agencies responsible for helping us learn about and defeat such an attack are the very ones most likely to be distracted from their critical duties if Congress fails to carry out their obligations in a responsible fashion.”

Cheney lashed out at critics who insinuated that something could have been done to prevent the Sept. 11 attacks, saying that these suggestions were “thoroughly irresponsible and totally unworthy of national leaders in a time of war.” The Vice President said that what he wanted to “tell my Democratic friends in the Congress is that they need to be very cautious not to seek political advantage by making incendiary suggestions. . . . The President and I believe that one of our most important responsibilities is to do that we can ensure that an attack like 9/11 never happens again.”

There followed a spate of alerts to possible terror attacks, this time, very public: On May 19, FBI Director Robert Mueller announced that “walk-in suicide bombers like those who have attacked public places in Israel will hit the United States eventually”; Defense Secretary Donald Rumsfeld proclaimed that it was “inevitable” that terrorists would gain access to weapons of mass destruction and use them; and several warnings were issued, that a major attack was expected in New York City, possibly against the Statue of Liberty or the Brooklyn Bridge, over the Memorial Day weekend.

### Connecting the Dots

The focus of Congressional and press criticism of the administration, was that the authorities, who allegedly had various bits of information, did not “connect the dots,” to put together a picture that would show the imminence of the Sept. 11 attacks. But the real problem is not that no one connected the dots; the problem is, the dots are a fraud.

The single bits and pieces of information allegedly received by the FBI and CIA, are bits and pieces of the mosaic



*Strange and chilling “promises of more terrorism” were given the American people on successive days by Vice President Cheney (right), FBI Director Mueller (left, with Bush), and Defense Secretary Rumsfeld. What is their purpose, beyond eclipsing economic debates with a renewed focus on war?*

which was presented as the official cover story, shortly after the attacks. That cover story has it, that the perpetrators were al-Qaeda-linked terrorists, who included young Arabs who had sought and obtained instruction in flight schools in the United States. But, since Sept. 11, there has been no evidence offered by the U.S. authorities, to prove that the attacks were carried out by this alleged network, nor to prove that any of the individuals reportedly receiving instruction at flying schools, were at all involved. Nonetheless, that was the official cover story adopted by the Bush Administration sometime late in the day on Sept. 11.

Lyndon LaRouche has pointed out, that the known operations of Sept. 11 involved a high degree of sophistication, and perhaps a year or more of preparations. The risk of involving potentially unreliable elements in such an operation, is such that one must doubt that any group capable of organizing the attack would be amateurish enough to rely upon elements of the types these names imply. He says, more likely was there “sheep-dipping” of persons of Middle East credentials into the picture, to create a false trail. It must be recognized, that the choice to hit the Trade Center first, when an equal opportunity existed to hit the Pentagon and possibly the White House first, meant that the intended effect of those who made that choice was to point credulous commentators to the false trail of Osama bin Laden and thus an Afghanistan origin. After all, by sending the U.S. into Afghanistan, the authors of the Sept. 11 attacks gained their intended objective.

Thus, the actual significance of the “revelations” in the press, regarding presumed foreknowledge on the part of the Bush Administration of the planned attacks, is that they constitute a further attempt to sell the cover story.

The real point is that the cover story has been blown.

On the morning of Sept. 11, Lyndon LaRouche, who was being interviewed by Utah radio talk-show host Jack Stockwell as the dramatic events were unfolding, immediately identified the attacks as a “strategic assault” against the govern-

ment of the United States, an assault which could not have been undertaken without the active participation of rogue elements of the U.S. security and military apparatuses. In subsequent reports, LaRouche fine-tuned his analysis, specifying that the military coup d’état attempted through the attacks, especially that against the Pentagon—which would automatically trigger a nuclear alert in the United States as well as Russia—could not have been carried out without either the total deterioration/dismantling of U.S. security systems, which itself would constitute a national security danger of the highest order, or the deliberate neutralization of the same systems, by elements participating in the coup. LaRouche stated that the strategic aim of the attempted coup, was to force the Bush Administration to back Israeli Prime Minister Ariel Sharon in his war against the Palestinians and the Arab/Islamic world more broadly, as the opening salvo of a more generalized, and longer-term “Clash of Civilizations,” the policy of Harvard’s Samuel Huntington et al., pitting the West against Islam.

Developments in the intervening period have proven that LaRouche was right; and authoritative circles in the Arab world have explicitly acknowledged this. Since Sept. 11, and increasingly, since Israeli Prime Minister Ariel Sharon escalated his war against the Palestinian Authority during the Easter period, Arabic press outlets have been competing for interviews with LaRouche, and media groups such as Egyptian national television, Al-Jazeera, *Al-Ahram*, and many others, have run extensive interviews with the U.S. Presidential pre-candidate and his associates. Other agencies, in leading countries such as France and Germany, as well as in Russia, have questioned the official cover story. No one believes the “bin Laden did it” story, no matter how many videos asserting the contrary may be fabricated. Everyone who is anyone in the corridors of power in any Western European government, or in Russia, China, and many countries in Asia, knows that the Sept. 11 attacks must have been planned, organized, and

carried out by elements within the U.S. intelligence and military community. Some have dared to voice such views publicly, such as former German minister and Social Democratic parliamentarian Andreas von Bülow. In France, the online intelligence newsletter *Réseau Voltaire* has continued its campaign to dismantle the lies of the “official cover story,” and to raise pertinent questions regarding the actual events of that fateful day.

### **The Scientific Nature of Foreknowledge**

The question which *should* be raised, is not what did the White House know or not know. The real question is: Who planned, organized, and carried out the unprecedented assault of Sept. 11? LaRouche, since that very day, has indicated where the investigations should commence.

LaRouche’s authority on the matter can be established even before the fact. The pathetic press whores should consider what LaRouche, as early as August, had to say about events. Considering the global strategic situation, in which the financial and monetary structures were threatened with rapid disintegration, LaRouche forecast that the forces of the international financial oligarchy, eager to protect and preserve their system, would go to all lengths, including emphatically war. He presented this warning in a statement quoted in *EIR* on July 27, 2001 (“A Post-Sharon Nuclear Armageddon Plot?”). He also warned of a major destabilization building up in Washington, D.C. for September, around the planned mass demonstrations of anarchist groups.

LaRouche’s forecast relied solely on his comprehension of the fact which the international financial and economic structures that have prevailed over the past 50 years, have now entered terminal collapse, due to their faulty economic policies. Thus, LaRouche reasoned, forces within the financial oligarchy, seeing their existence threatened, would move to war: not only against locally perceived enemies, but against communities of religious believers across the Eurasian continent, in order to ignite religious warfare. A crucial factor in the Clash of Civilizations scenario he identified, was the oligarchy’s aim to crush the emerging “strategic triangle” of India, China, and Russia, which is the pivot of broader economic and strategic cooperation coming into being across Eurasia.

Now, in light of the “debate” about Sept. 11, it is high time that someone raised the real issue: Who was behind the attacks? Who organized them? How and why?

President Bush said, after meeting with Senate Republicans, referring to the questions raised in Washington, “There is a sniff of politics in the air. Someone may be trying to use this as a political opportunity.” Sen. Barbara Boxer (D-Calif.) had an apt reply: “Sniff of politics? We want a sniff of truth.”

This is the question placed before the institutions of U.S. government, emphatically including the Congress: Are they interested in gaining brownie points, or are they committed to seek the truth? If the latter case be true, they have only one route: through LaRouche’s conceptual leadership.

# Northcom Raises Legal, Constitutional Questions

by Carl Osgood

Since Sept. 11, there has been increasing pressure from both within and without the Bush Administration to expand the role of the U.S. military in “homeland defense.” To this ostensible end, Secretary of Defense Donald Rumsfeld announced, on April 17, the formation of a new unified military command, the U.S. Northern Command, to—as Rumsfeld put it—“help the [Defense] Department better deal with natural disasters, attacks on U.S. soil, or other civil difficulties. It will provide for a more coordinated support to civil authorities such as the FBI, FEMA [Federal Emergency Management Agency], and state and local governments.”

Rumsfeld described the new command as “assigned to defend the American people where they live and work, and it will be functioning in a supporting role to civil authorities as occasions arise.” Northern Command’s geographic area of responsibility will include Mexico and Canada, as well as the United States and parts of the Caribbean, including Cuba.

*EIR* Founding Editor Lyndon LaRouche warned (*EIR*, May 17, 2002) that in the current context of strategic policy-making, the creation of Northern Command “is clearly a proposal to ‘cross the Rubicon,’ ” a reference to Julius Caesar’s 49 BC march into Rome that ultimately led to the establishment of the Roman Empire under Augustus Caesar in 31 BC. The danger, today, stems from the possibility that, under this new arrangement, the Pentagon might become a tool of Attorney General John Ashcroft. LaRouche pointed to the doctrine of law encompassed by the 1878 Posse Comitatus Act which “may be properly viewed as the U.S. government’s recognition of the danger of allowing the circumstances under which corrupt elements of the Federal government might act to establish a military dictatorship in the U.S.A.”

LaRouche is not alone in his concerns. Military experts and state legislators consulted by *EIR* have raised numerous questions as to the Constitutionality of the Northern Command. One expert argues that, if the intent of the Northern Command is to facilitate the use of Federal troops in emergency situations, the required legal authorities already exist under Title 10 and Title 32 of the U.S. Code. If, however, the intent is to deploy Federal troops to assist other Federal departments, such as Treasury or Justice, in the enforcement of civil law, then Constitutional and legal problems arise.

### **Erosion of Posse Comitatus**

The deployment of Federal troops for civil law enforcement purposes is strictly prohibited by the Posse Comitatus



*Virginia Republican Senator John Warner, Chairman of the Senate Armed Services Committee, wrote to Defense Secretary Rumsfeld last year, recommending “limited use of the military beyond that permitted by existing law” to respond to the Sept. 11 attacks.*

Law, formally known as Title 18, section 1385 of the U.S. Code. It simply reads, “Whoever, except in cases and under circumstances expressly authorized by the Constitution or Act of Congress, willfully uses any part of the Army [later amended to include the Air Force, then extended to the Navy and Marines by Defense Department regulation] as a *posse comitatus* or otherwise to execute the laws shall be fined under this title or imprisoned not more than two years, or both.” The act has specific application to regular military forces functioning under Title 10, and Title 10 provides exceptions, such as for disaster recovery assistance. Title 10 also defines circumstances under which the regular military forces can provide assistance to law enforcement, such as the provision of equipment and training.

The National Guard, when functioning under state status, is governed by Title 32, and is not subject to the Posse Comitatus Act. The National Guard only comes under Posse Comitatus when it is Federalized under Title 10. The Coast Guard is normally under the Department of Transportation, and itself has significant law enforcement authorities and responsibilities, and is therefore also not subject to Posse Comitatus.

The law has its genesis in the aftermath of the contested Presidential election of 1876, when Federal troops on duty in the South were used to guard polling places. No prosecutions have ever taken place under the law, and exceptions have been made to it during its history, such as the deployment of troops to end rioting in Chicago in 1919 and against the “Bonus marchers” in Washington, D.C. in 1932. In the 1970s, Federal courts drew the distinction between active participation of the military in law enforcement activities, and passive assistance, such as the lending of equipment, in a series of cases that arose in the aftermath of the 1973 standoff at Wounded Knee, South Dakota between Federal law enforce-

ment authorities and the American Indian Movement.

Real erosion of the *posse comitatus* principle came with the deployment of the military in drug interdiction in the early 1980s. Later on, border duty and investigative support were added.

Matthew Carlton Hammond, writing in the Summer 1997 issue of the *Washington University Law Quarterly*, argues that such exceptions “blur the traditional line between civilian law enforcement and the role of the military.” He notes that drug interdiction and border control have been properly the responsibility of civilian agencies and that investigative support is reminiscent of the military surveillance conducted in the 1960s and condemned by the Congress and the Supreme Court “as an improper use of the military.”

Hammond also makes the point that law enforcement officers are trained to de-escalate a situation and only use deadly force as a last resort. Soldiers, on the other hand, are trained when to use or not to use deadly force, and escalation is the rule. Once someone has been identified as the enemy, soldiers have no need to be concerned about individual rights or any aggressive acts by that person before using deadly force. He argues that the use of the military in civil situations should only be to address emergencies, of short-term duration, when state and local agencies need help to protect property and save lives. In fact, Hammond proposes a rewrite of the Posse Comitatus Act specifically to define such use of the military.

### **Senator Warner’s Questions**

However, further erosion of the law has been suggested since Sept. 11. On Oct. 4, 2001, during a hearing of the Senate Armed Services Committee, Sen. John Warner (R-Va.) asked Deputy Secretary of Defense Paul Wolfowitz, if he thought that Posse Comitatus should be reviewed in light of the Sept.

11 attacks and the war on terrorism. "It seems to me," he said, "we have to bring together every asset of the United States of America, irrespective of where it comes, military, civilian and the like." Wolfowitz replied, "I agree strongly," adding that the Pentagon "can do more than anyone else in the country, because of the special capabilities we have; because of the unique organizational capabilities of the department."

In a subsequent letter to Defense Secretary Rumsfeld, Warner wrote, "Limited use of the military beyond that permitted by existing law might strengthen the nation's ability both to protect against and to respond to events of the sort which we have recently undergone."

Army Secretary Thomas White told reporters at the Pentagon on Oct. 26 that, with respect to *Posse Comitatus*, "we are looking at the details of the law to see if revisions are appropriate in the way it's executed or the exceptions that can be taken." Rumsfeld, however, has since retracted that position. He told the Senate Appropriations Committee on May 7, "We're not looking for any long-term or short-term change with respect to *Posse Comitatus*."

Even before Sept. 11, state governors were already seeing themselves as on the front line of defense against terrorist acts within the United States, based on the simple fact that in any event, the first agencies on the scene will be the local emergency services, followed by state emergency management officials, if required. Governors see the state-level National Guard as an important asset for assisting in search and rescue efforts, disaster recovery, and the maintenance of order, and are loath to give that up.

Indeed, Gen. Richard Alexander, the director of the National Guard Association, emphasized this point in a prepared statement to the Senate Appropriations Committee on April 11. He told the committee, "Use of the National Guard as a primary fusion agent in executing a balanced, integrated national domestic security strategy preserves the Constitutional role of the sovereign states and assures that governors and other state and local civil authorities remain responsible and accountable for the public safety and security of their state, territory, and local jurisdictions."

Alexander warned, "Any attempt to repeal or substantially amend the *Posse Comitatus* Act would be met by a firestorm of resistance from the nation's governors and state and local civil authorities." He also warned that use of Title 10 forces or the National Guard in a Title 10 status for homeland security missions would not only negatively affect the readiness of the regular Army, but would also "place Federal military personnel on a collision course with the proscriptions of the *Posse Comitatus* Act—an act, by the way, that is as relevant and compelling today as it was when it was enacted."

This concern about the National Guard was echoed on May 21 by Sen. Christopher Bond (R-Mo.), during a hearing of the Senate Defense Appropriations Subcommittee. He told Chairman of the Joint Chiefs of Staff Gen. Richard Myers, "It concerns me very much that the establishment of the Northern

Command does not appear to have involved sufficient input from senior National Guard leaders." Myers punted in response, telling Bond that "there will probably be a fairly heavy reliance on some National Guard capabilities," but that, since the Northern Command will not stand up until Oct. 1, it is still in the planning and implementation phase.

## Congress Must Hold Hearings

While Rumsfeld is denying any desire to change the laws governing use of the military inside the United States, the terms of reference for the establishment of the Northern Command contain elements that appear to violate provisions of the Constitution and Federal law. The terms of reference, promulgated as a Joint Chiefs of Staff memo on March 7, asks for, among other things, recommendations regarding mechanisms for coordination between Northcom and local, state, and Federal agencies. The memo also asks for recommendations for "appropriate roles for USNORTHCOM, the Services, the National Guard and Reserve Components, Defense Agencies, and other combatant commands with assigned forces in the USNORTHCOM AOR [area of responsibility] with respect to anti-terrorism and force protection responsibilities."

One expert told *EIR* that, because the term "terrorism" is undefined, this means, the role of Northcom in "anti-terrorism" is also undefined, and therefore unlimited in a practical sense. The memo also specifies that civil support functions, such as the National Guard's Weapons of Mass Destruction-Civil Support Teams are to be brought under Northcom, but since legislation already provides for these functions, why put them under Northcom?

More disturbing is the plan for the fusing of intelligence information between the Defense Department and law enforcement, as well as the ability to coordinate operations with non-Pentagon agencies. Both appear to be not only inappropriate, but illegal as well.

The degree to which Congress will look at this remains to be seen. The fiscal 2003 defense authorization bill passed by the House on May 9, requires the Secretary of Defense to submit a report by Sept. 1 on the implementation plan for the Northern Command. The report is to address the budget, the location of headquarters, the manning levels, the chain of command, the relationship of Northcom to the Office of Homeland Security, other Federal agencies, and the National Guard. Lastly, the report is to address "the legal implications of military forces in their Federal capacity operating on United States territory." It also is to address the status of U.S. consultations with Canada and Mexico regarding their role in the Northern Command.

Besides that, the Senate Armed Services Committee will hold a hearing on the nomination of Gen. Ralph Eberhardt, currently commander of NORAD, to command the Northern Command. Certainly, the Constitutional and legal implications of the Northern Command demand that Congress do much more than simply ask for a report.

# Cuba Joins the List Of Bush Policy Messes

by Gretchen Small

Former President Jimmy Carter dropped a small bombshell on May 13, when he told reporters in Havana that Bush Administration officials had briefed him that they had no evidence of Cuban involvement in bioterrorism. Carter revealed this, with Fidel Castro standing at his side, after touring Havana's Center for Genetic Engineering and Biotechnology, one of the leading centers in the biotechnology program which U.S. Undersecretary of State for Arms Control John Bolton had just charged was involved in biowarfare technology proliferation.

Six days before Carter was to leave, on one of the biggest initiatives toward Cuba from the United States in years, Bolton delivered a speech to the Heritage Foundation, which he titled "Beyond the Axis of Evil," and in which he accused Syria, Libya, and Cuba of developing chemical or biological weapons. "Cuba has maintained a well-developed and sophisticated biomedical industry, supported until 1990 by the Soviet Union. This industry is one of the most advanced in Latin America and leads in the production of pharmaceuticals and vaccines that are sold worldwide," Bolton stated, as if this were a crime. "The United States believes that Cuba has at least a limited offensive biological warfare research and development effort. Cuba has provided dual-use biotechnology to other rogue states," he asserted, citing "suspicions" of "analysts and Cuban defectors."

## 'We Didn't Say . . . Weapons'

Cuba has a world-class biotechnology industry, which has produced 29 new vaccines, among them, eight for cancers, since the first biotech programs were established in 1979-81. It exports products, diagnostics, and technology transfer to countries ranging from India to Great Britain.

Visiting the Havana center on May 13, Carter praised the Cuban program as one which has benefitted "tens of millions of people around the world."

"With some degree of reluctance I would also like to comment on the allegation of bioterrorism," he added. "I do this because these allegations were made maybe not coincidentally just before our visit to Cuba." In the "intense briefings" received from administration officials before the trip, "I asked them specifically on more than one occasion: 'Is there any evidence that Cuba has been involved in sharing any information to any other country on Earth that could be used for terrorist purposes?' And the answer from our experts on intelligence was 'no.'"



*The biggest impact of former President Carter's trip to Havana will be in the United States—among farm and business groups, many ordinary citizens, and even some anti-Castro Cuban-Americans who want travel between the two countries opened up.*

Bush Administration officials scrambled. A State Department statement insisted that "Secretary Bolton's remarks reflect the consensus of what the administration's experts believe about Cuba and its biological weapons capability." Assistant Secretary of State for Inter-American Affairs Otto Reich—already under fire for the Venezuela coup fiasco—told Associated Press that Carter had not been briefed, because the information was classified until Bolton delivered his speech, and Carter's briefings had been held before this. That, however, proved untrue, as Carter had met with National Security Adviser Condoleezza Rice on May 9.

Secretary of State Colin Powell, while stating that "we do believe Cuba has a biological offensive research capability," corrected Bolton's charge a bit, by adding, "We didn't say it actually had some weapons, but it has the capacity and capability to conduct such research." A Bush Administration official, speaking on the condition of anonymity, admitted, according to the *Washington Post* on May 14, that they had no evidence to back up Bolton's assertion. Cuba has "a number of projects that are what could be dual-use things, but they're probably not—it's a question more of them exciting suspicions by not being open. I don't know of any tangible stuff." The Cuban press had a field day.

Then, the State Department issued its 2001 annual report on "Patterns of Global Terrorism" on May 21. Cuba was included in the list of countries designated as state sponsors of terrorism, but on the basis that it provides safe haven to such terrorist groups as Spain's ETA, Irish Republican Army members involved in training the Revolutionary Armed Forces of Colombia (FARC), and, possibly, the Chilean Manuel Rodríguez Patriotic Front. Much more could be said about

the Castro regime's sponsorship of the continental narco-terrorist São Paulo Forum apparatus, and particularly, its central role in the FARC-ELN-Hugo Chávez axis; but no mention was made of the bioterrorism charged by Bolton.

Otto Reich assured North Dakota's Sen. Byron Dorgan (D), nonetheless, that the charge stood; the State Department's report simply "was incomplete."

U.S. Presidential pre-candidate Lyndon LaRouche's comment on the Bolton flap, issued on May 13 and reported in last week's issue, was vintage LaRouche: "Even if there had been merits to aspects of his charges, it is not useful to get the U.S. involved in yet another situation it can't handle. Bolton reminds me of the typical American who would travel to Cuba in the pre-Castro days, proceed to get royally drunk, and then loudly threaten to satisfy all of the whores of Havana. It's this kind of typical 'gringo' attitude that gives a dirty name to being a gringo American, if Bolton didn't have it already."

### A Missed Opportunity

Jimmy Carter's visit to Cuba, May 12-17, was treated by the Cuban government like none since Pope John Paul II's historic 1998 visit. Received with the honors usually granted a head of state, Carter had two official dinners with Fidel Castro, met with at least four Cabinet ministers, the Vice President, and the head of the Parliament, and toured Cuban schools, health facilities, a municipal council, and farm projects. He also received permission to meet with dissidents, which he did twice.

The most prominent moment of his trip, was a May 14 address at the University of Havana, broadcast on national television, and later published in full in Cuba's official daily, *Granma*. Carter called upon the United States to take the first step in changing relations between the two countries, by repealing the embargo, and permitting unrestricted travel between the two countries.

He made a pitch for greater democratic opening in Cuba, specifically mentioning the "Varela Project," a campaign by a group of dissidents who, only days before Carter arrived, presented a petition to the National Assembly, for a referendum on changing Cuban laws to permit freedom of expression and association, an amnesty for political prisoners, more openings for private business, a new electoral law, and a general election. The Cuban Constitution requires 10,000 signatures to call a referendum, and this one was signed by just over 11,000 Cubans. Until Carter's speech, the Varela Project had gone unmentioned in Cuba's government-controlled media.

Carter, however, offered as his vision for a future democratic Cuba, that it would participate in a Free Trade Area of the Americas—a proposal, in effect, that Cuba leave its current dictatorship, only to join another failed system, already in its death throes.

The biggest impact of Carter's trip may be felt inside the United States, rather than in Cuba. Pressure for an end to the

embargo on Cuba has been growing, from the farm lobby, to the food cartels, certain establishment circles, a growing number of Congressmen, and intelligent citizens.

### Bush Goes to 'Little Havana'

The right-wing Cuban exile lobby, however, is powerful, particularly so in Florida, where the President's brother comes up for re-election as governor this November. It also has its people well-placed in the Bush Administration's Ibero-American policy team, both at the State Department (Reich) and the National Security Council. President Bush was quickly scheduled to give a speech on Cuban policy on May 20—at a Miami fundraiser for his brother's re-election campaign! White House spokesman Ari Fleischer's protestations at his May 15 briefing, that the administration's Cuban policy is made on "merits, not politics," left reporters chuckling.

To put a better face on the matter, a speech was scheduled for Bush at the White House on May 20, so he could unveil his "Initiative for a New Cuba" before he flew off to Miami for a Cuban-American rally and the \$25,000-a-plate Republican Party fundraiser, to raise \$2 million for his brother's campaign.

May 20 being the 100th anniversary of Cuban Independence, the right-wing Cuban-American organizations took over Miami as their own. Celebrations began with horsemen in Cuban cowboy attire carrying a torch to such beloved Cuban exile monuments as the Freedom Tower, the Bay of Pigs monument, and a cemetery where three Cuban former Presidents are buried.

The crowd was well-primed for Bush. His teleprompter interspersed sections from the morning's "policy" speech with bits of Spanish, lots of crowd-pleasers, and the following exuberant declaration of family values, which met with cheers: "I want to thank '*mi hermanito*'—(laughter)—'*el gran gobernador de este estado*.' Thank you, Jeb! We love you! '*Y mi cunada bella*.' (More applause.) I love being with my family. I love being with my family. There's nothing more important than family in life, and I love my brother, Jeb, a lot."

Literally, Bush's Spanish interpolations translate as "my little brother, the great governor of this state . . . and my beautiful sister-in-law," but a more accurate translation might be: "My kid brother's a jerk, but vote for him anyway."

The "Initiative for a New Cuba" announced in all this, boils down to a commitment not to lift the embargo, provide financing for Cuban imports of U.S. food, or permit unrestricted travel, unless Cuba conducts free and fair elections for the National Assembly in 2003 and permits international monitors to oversee them, allows independent trade unions, and implements political and economic reforms. The United States will, however, negotiate with the Cuban government to permit direct mail service to and from Cuba (which the U.S. side had blocked). Meanwhile, more money will be provided to U.S. humanitarian groups and non-governmental organizations operating in Cuba, and the like.



## Protect Rights of 'War On Terrorism' Detainees

*Dr. Najeeb bin Mohamed Al-Nauimi is the former Justice Minister of Qatar, and is currently an attorney and legal adviser. He formed the Committee for the Defense of the Detainees in Guantanamo, those held by U.S. authorities in Guantanamo Bay, Cuba as part of the U.S. war on terrorism, to represent the families of the detainees. He is also the attorney for Yasser Esam Hamdi, an American citizen of Saudi parentage who was detained at "Camp X-Ray," and has been transferred to the Naval Brig in Norfolk to await trial in Alexandria, Virginia. He was interviewed by Hussein Askary Al-Nadeem, on May 13.*



*Dr. Najeeb A-Nauimi*

**EIR:** Dr. Al-Nauimi, you have established a non-governmental committee for the defense of the detainees in the U.S. base in Guantanamo, Cuba. What can you tell us about this committee? Who are the members? And how is it going to function?

**Dr. Al-Nauimi:** I have seen the television [reports], where millions of people were watching the inhuman treatment to the deported detainees to Guantanamo base in Cuba—some of them were drugged, and all of them blindfolded and ears plugged, their hands and legs were chained. I had a very depressed feeling about why humans should be treated by other humans in this way, given that there are other ways of detaining a person. The first question which came to my mind was: Are there lawyers defending these detainees? Then I started inquiring and contacting different non-governmental organizations, such as the International Bar Association's Human Rights section, who were not helpful at all, and did not even answer my letters. So, I decided to establish a committee, by communicating with hundreds of lawyers and law associations around the world, by sending them letters, and outlining the objectives and the purposes of the committee, which are:

1. To defend the detainees.

2. To appoint American lawyers to defend the detainees.
3. To collect financial donations for payment of the legal expenses and the expenses of the committee.
4. To convey to the international media the rights of the prisoners.
5. To explain the legal and *Sharia* [Islamic law] concepts which govern the acts done by the detainees.
6. To explain to the detainees their legal rights in the context of the public rules of international law, particularly the rights given by the Geneva Convention of 1947 and the Protocol of 1977.

7. To establish an administrative channel in the committee to follow up the proceedings that may be taken in respect of the detainees.

8. The activity of the committee shall be connected only with the legal and human issues, not any political issues.

We have, so far, 16 members on the committee, and I welcome other professors of law and practicing lawyers to join the committee, at the following e-mail: [drnajeeb@qatar.net.qa](mailto:drnajeeb@qatar.net.qa), or [najeeb@nn-law.com](mailto:najeeb@nn-law.com). The committee functions by holding meetings and by communications.

**EIR:** What is the status of the detainees in Guantanamo—prisoners of war, or criminals? What does international law say about this action that has been taken by the U.S. administration?

**Dr. Al-Nauimi:** The legal status of the detainees in Guantanamo, in accordance with the U.S. government statement, that the detainees of the Taliban are POW [prisoners of war], and others, have not been yet defined. However, there are many detainees for whom we have proof that they are not al-Qaeda or Taliban, but were victims of the civil war in Afghanistan, who we think should be released immediately. International law does not support the action which has been taken by the U.S. administrators—procedurally speaking, the way they were arrested, and the deportation, and the flouting of the international humanitarian law which purely applies to such circumstances. At least, releasing the names and the identities of the detainees.

**EIR:** Recent reports in the U.S. media suggest that the Bush Administration officials are considering new doctrines that would allow the prisoners to be tried in military tribunals, even without submitting any evidence showing that they were involved in war crimes or terrorist acts. According to this method, would it be sufficient to establish a mere association with al-Qaeda or the Taliban? Has there been any precedent to such thinking? And what would that imply for the legal system in the world in general, given the fact that many of the prisoners are not even identified?

**Dr. Al-Nauimi:** The new doctrine by the Bush Administration could not be implemented, since the U.S. government should act in accordance with the U.S. Constitution and the international treaties and declarations they have signed

and ratified. Furthermore, such Presidential order could be challenged before the U.S. Supreme Court. I make a reference to 1942 *Ex Parte Quirn*, 317 U.S. 1 (1942), and other cases.

**EIR:** Has your committee been in touch with U.S. authorities? Has the U.S. Justice Department been cooperating with you to facilitate your mission? What do you expect from them?

**Dr. Al-Nauimi:** I have sent three letters, on March 25, 2002, to the President, Vice President, and Attorney General. We have received a reply from Mr. Bradford Prince, Associate Counsel to President George Bush, who replied on behalf of the President, stating that my letter would be forwarded to the Secretary of Defense and his General Counsel. We hope that we would soon receive a response from the Secretary or Defense Counsel, Mr. William Haynes.

I am an attorney for Yasser Esam Hamdi, who is a U.S. citizen by birth, and the Federal public defender has filed a petition, in cooperation with us, before the United States District Court for the Eastern District of Virginia, Norfolk Division, on May 10, 2002, against Donald Rumsfeld, Secretary of Defense, and Commander W.R. Paulette, Norfolk Naval Brig, Norfolk, Virginia.

**EIR:** You say that the work and intentions of your committee are not political. Is it possible to avoid the hot political issues, especially as the U.S. administration has been using the case of the detainees as a major part of its propaganda campaign in the so-called “war on terrorism”?

**Dr. Al-Nauimi:** Our committee is a non-political committee, and its intention is to defend detainees and POWs by using the legal mechanism rather than the political mechanisms. However, the U.S. government is a political government, elected by the American people, and we do respect that. But the U.S. government differs from the U.S. judicial body, although the propaganda, what they call the war on terrorism, is, more or less, from the U.S. point of view, an enforcement of their laws to prevent an act of terrorism. And our mission, as well, is to enlighten the U.S. government to the dark side of the consequences of the war on the humans they have detained, and to explain the reality and the facts of these individuals who were captured during the war in Afghanistan.

**EIR:** What do you think U.S. civil rights groups and the public should do in this case?

**Dr. Al-Nauimi:** I think the U.S. civil rights groups should stand with us and help us in defending those who have been detained by the U.S. military, and we should be given the chance to explain our cause before the American public. And we hope they will understand the humanitarian intention of our committee, to defend the human rights of the detainees in Guantanamo.

# Bernard Lewis Drops His Scholar's Robes

by Scott Thompson

Dr. Bernard Lewis, professor emeritus at Princeton University, has upon two recent occasions dropped his scholar's robes to reveal the truth of *EIR*'s charge that he has been one of the leading architects of the Anglo-American establishment's “perpetual war” policies for the Middle East. It is a matter of strategic importance that Muslims finally realize the Jekyll-Hyde nature of Dr. Lewis, who honed his skills at deception during World War II in British military intelligence.

At scholarly events such as one May 7 lecture and debate at the Library of Congress, diplomats from Islamic states fawned over Dr. Lewis, who waxed poetical about the unfortunate decline of Islam since the Arab Renaissance, which was at its height during the Dark Age in Europe. Except for his lying insistence that Islam failed because it lacked science (when, to take just one example, the 11th-Century scientist Ibn Sina was one of the greatest minds in history, in the field of medicine), anyone would have thought that Dr. Lewis had a passionate love for the resurrection of Renaissance Islamic culture. This scholarly dissertation and calm debate presented his “Dr. Jekyll” side.

However, the same Dr. Lewis's “Mr. Hyde” personality came flying out in an April 30 interview with this author, and in a revealing April 18 interview with the Public Broadcasting System's “Charlie Rose Show.” Dr. Lewis maintains:

- Palestinian Authority President Yasser Arafat is an irredeemable terrorist who must be replaced by unnamed “moderates.”
- The Oslo Accords were a strategic miscalculation by Israel.
- The House of Saud must be replaced in Saudi Arabia, since it is the chief funder of terrorism and is totalitarian in nature.
- There must be a “regime change” (Newspeak for coup d'état) in Iraq based upon the lessons of the Afghanistan War, regardless of the fact that Afghanistan has been proven to be quicksand, with no clear victor despite repeated invasions by Britain, the Soviet Union, and the United States.
- The Iranian government must be overthrown, including the “Westernizing” President Seyyed Mohammad Khatami, whom Dr. Lewis proclaims to be a “clever fraud.”

This comes as no surprise to readers of the profile of Lewis that appeared in *EIR*'s Jan. 25, 2002 feature, “‘Open Conspirators’ Behind September 11 Coup Plot.” We reported



*“Clash of Civilizations” progenitor Bernard Lewis has long cultivated a Princeton scholar’s reputation in the Mideast; but his public demands to get rid of Yasser Arafat and the governments of Saudi Arabia, Iran, and Iraq immediately, are loud as those of any Washington warmonger.*

that it was Lewis, writing in the September 1990 issue of *Atlantic Monthly*, who coined the phrase “A Clash of Civilizations,” which has become the new battle-cry for the utopian, perpetual-war camp. *EIR*, since nearly three decades ago, has exposed the “Bernard Lewis Plan,” for destroying the sovereign nation-states of the Middle East and dividing them into tribal and ethnic cantons: This policy underlay Carter Administration National Security Adviser Zbigniew Brzezinski’s own “Arc of Crisis” policy against the Soviet Union.

### **Eliminating Arafat**

Appearing on the April 18 PBS “Charlie Rose Show,” Dr. Lewis said, that when “the Soviet Union disappeared . . . the PLO, Palestinian leadership, found itself in a very parlous position. . . . (They had also made the mistake of identifying themselves with Saddam Hussein.) . . . So they . . . were isolated, impoverished and enfeebled.

“Now at that time, the government of Israel made the decision to throw a lifebelt. They brought Arafat to these discussions in Oslo. . . . What went wrong? . . .

“Where they went wrong was in going public too soon, before they had really reached an effective agreement. And second, bring[ing] in President Clinton as mediator. . . . Now the crucial point, I think, was the offer made by then-Prime Minister [Ehud] Barak to Arafat. . . .

“Some people will tell you that this was an extremely generous offer, that he was offering more than any Israeli leader had ever before offered, even including compromises on Jerusalem. And one is irresistibly driven to the conclusion that he [Arafat] didn’t want peace and that the reason he rejected Barak’s offer was that there was a serious danger that peace might break out.

“Try to look at it in a different perspective. Arafat is a terrorist. He had been all his life a terrorist. . . . He was a pioneer in this new art of terrorism in the age of television. And the Irish and the Basques and others are his disciples.

“Now the question is, was this a step towards getting a peace process . . . or . . . was it a step towards the ultimate objective of the destruction of Israel? . . . The terrorist activities, as far as we know, are almost entirely planned, or at the very least, approved by him. . . . Asking Arafat to give up terrorism would be like asking Tiger Woods to give up golf. . . . And if the peace succeeds he would become the tin-pot dictator of a mini-state. His dream of establishing a Palestinian state is genuine . . . [but,] in the ultimate program there is no room for Israel. . . .

“I would agree with [Israeli Prime Minister Ariel] Sharon on this particular point, that Arafat is not and is never likely to be a peace partner. And that Arafat should be—dealing with Arafat should be seen as part of the war against terrorism. . . . For Arafat and his people, peace is a tactic; war is a strategy.”

Thus, Dr. Lewis makes himself a bedfellow of Sharon, demanding what even the Bush Administration has not yet agreed upon; namely, the elimination of Arafat as a partner, as he had been with slain Israeli Prime Minister Yitzhak Rabin in what both partners called “the peace of the brave.”

Asked by this author who might replace Arafat, the so-democratic Dr. Lewis said: “He should be excluded from the political process. He has nothing to worry about. He’s definitely the richest terrorist in history. . . . There are more reasonable among the Palestinians, and to name them would be to sentence them to death. . . . This is an internal Palestinian affair, and I’m afraid that they have to do that themselves. What we can do is stop things from outside. I mean, why do you think the Iranians are exporting large quantities of arms, shiploads of arms? And, why do you think that Saddam Hussein raised the bounty from \$10,000 to \$25,000 for suicide bombers?”

So, Lewis proposes to exclude Arafat from the political process—as do both Sharon and fellow Likudnik, former

Israeli Prime Minister Benjamin Netanyahu—while also preparing the overthrow of the Iraqi and Iranian governments, which he accuses of trying to “muddy the waters” of their own involvement with terrorism by standing behind Arafat.

### ‘Axis of Evil’

In his interviews, Lewis stood foursquare behind the Teleprompter-Reader-in-Chief’s State of the Union assertion that there is an “axis of evil,” including Iran and Iraq. Speaking about the escalation of violence by the Sharon-spawned Hamas, Lewis said, “The only thing I’m quite sure of is that the worsening of the situation in the last few weeks is directly inspired from Iraq and Iran. They are really worried about President Bush’s war against terrorism and against the ‘axis of evil.’ And, then the obvious tactic on their part is to create a diversion and muddy the waters. I mean this thing has been totally successful.”

Asked whether the “Afghanistan template” might be used against Iraq, by casting Dr. Ahmed Chalabi’s Iraqi National Congress (INC) in the role of the Afghan Northern Alliance, Lewis replied: “Well, I do think it would be much easier in Iraq. The free zone in the north is one-quarter of the total land area of Iraq, and that is far more than the Northern Alliance ever had in Afghanistan. . . . I don’t see this as a major military operation against Iraq. I see this as help for the Iraqis in the north, when they [the INC] proclaim an independent regime.”

What about the potential to overthrow the government of Iranian President Khatami? Lewis seemed to believe that it would be even easier than a “regime change” in Iraq: “I believe that he’s just one of the gang: a little more sophisticated than the others. He’s trying to preserve the regime. . . . The vote for Khatami was a vote against the leadership, and he has now forfeited most of the goodwill that he had won by appearing to offer an alternative. But, in fact, he’s not an alternative. And, he’s no better than the rest, which is to say a little more sophisticated. . . . All the indications that I have from my Iranian connections is that the regime is fragile and frightened, and could easily be tackled by the Iranian people, with purely symbolic help.”

### House of Saud in the Crosshairs

Lewis also called for toppling the House of Saud, which he ridiculed as being “Made in England, 1925”: “Yes, I would go further and say that the entire Kingdom in its present form is in danger. I mean, remember, the Saudi Kingdom is not an ancient one.” Asked whether the United States should seize Saudi Arabia’s oil fields, if the Kingdom of Saudi Arabia fell, Lewis said: “At a certain stage it might be useful to, shall we say, set up a friendly regime in that area [chuckling]. But only if it becomes necessary.”

It should come as no surprise that it is Osama bin Laden, whom Dr. Lewis had previously praised, who, he told this author, was the chief enemy of the Saudi regime.

## Violent Videos and The ‘Killing of Civilization’

by Lyndon H. LaRouche, Jr.

*The high school murders by a “Counter-Strike”-addicted 19-year-old in Erfurt, Germany on April 26, and the renewed and sharpened call by Helga Zepp-LaRouche for an international ban on such games—echoed by other German political leaders and experts—have been reported in EIR’s May 17 and May 24 issues, along with background analysis by experts. As a result, Lyndon LaRouche and larouchepub.com have received many e-mail protests from younger and other persons attempting to defend those games which they play and design. Virtually all have tried to place the blame for the “new violence” by schoolchildren entirely upon their parents, exculpating completely the makers and marketers of killer videos. LaRouche has sent the following general reply to all these protesters (adding specific rejoinders to some). It is an important discussion for—as he notes—all four of the living generations affected by this growing crisis.*

Today, I have received a passel of e-mail messages on the subject of my exposure of the role of point-and-shoot video games, of types which were originally designed for military training—games which have played a well-defined role in fostering the rising tide of “new violence” among minors. The well-documented recent case in an Erfurt, Germany high school, reflects a demonstrated connection between habituation to such video games, and slaughters such as that at Columbine, or Erfurt. The complaints against the conclusions of the experts, of which I am one, are not only groundless, but often exhibitions of wild-eyed, specifically juvenile types of hysteria. However, there is hope for those young people, if they could step out of the grip of the brainwashing-effects which such games induce, and examine their behavior in the adopted role of a bystander.

Therefore, I shall reply to your objections in two parts. First, I shall present a categorical description of the specific conditions which lead growing numbers of children and adolescents, in the U.S.A., Japan, and Europe, into the state of mind which the deadly potential of all point-and-shoot video games represents for the all-too-typical victim of membership in that generation. This first, generic portion of my reply to you I shall repeat, in reply to any message related to the same point. This must be undertaken at some, unavoidable length, but is more than worth the effort, since there are so many who have been victimized by that brainwashing, and since the

possibility a future civilized nation depends upon liberating the victims from that grip.

Second, I shall address some of those points which are more or less specific to your statement, omitting reference to matters which do not warrant such attention.

### The Generation of Vipers

On the first count, nearly every U.S. adolescent, in particular, today, needs to be jolted into recognizing the kind of mental pit into which his or her entire generation has been dumped. Some such victims have escaped from that pit; most have not. Some would-be critics of my warnings are partially correct, when they insist, that they are members of a group whose families were too impoverished to provide the seeming luxury of what is deemed, usually with juvenile hysteria, as the “games which popular people play.”

It is true, that even without habituation in such games, there are social factors affecting most individuals of that same generation, factors which foster effects which are related to the same pathologies specific to those victims which are video-game players.

That said, the typical victim of video-game-playing pathology today, is a member of the fourth of four generations of living Americans. The first, the dwindling remnant of those born prior to 1914. The second, the generation born during the 1920s or early 1930s, the generation typified by returning veterans from World War II. The third, the generation of the children of the second generation, typified as the so-called “Baby Boomers.” The fourth, the generation dominated by the children and adolescents born to families of the “Baby Boomers”; the so-called “no future,” or “punk” generation. The latter two of these four generations could be regarded as typifying our national “American tragedy” of today; the widespread hatred among the fourth generation for their parents’ generation, is the underlying social phenomenon which makes the spread of point-and-shoot games so infectious a factor in spread of what is, in functional terms, a crucial, widespread mental disease among today’s youth.

The most immediate, most serious intellectual problem of the “no future” generation, is the destruction of the quality of education in pre-school, primary, secondary, and university programs today. Typical of this spread of mental disorder, is the fact that the universities to which parents sent their offspring, at prices in the order of \$50,000-a-year and so on, include institutions which asserted their right to graduate pu-



The “point-and-shoot” computer game Counter-Strike, to which Erfurt, Germany high school mass killer Joseph Steinhäuser was addicted, has a great deal of money riding on its use by tens of thousands of “mass gamers” at elaborate tournaments in Europe.

pils without requiring any significant competence in the ideas of “dead, white, European males.” Pupils about to graduate from secondary schools sometimes weep, saying that they realize that they really know almost nothing from matriculation in today’s secondary schools, excepting the rules of role-playing. Sending an adolescent member of the family to schools and universities of that sort, does not express the intention of developing the student’s knowledge, but simply the social status attributed to the student, and the student’s parents, by the fact that parents have spent so much to educate such littleness of minds.

Nothing I have just written on the matter of these four generations is untrue. In fact, it is very important that this be recognized; but, it only scratches the surface of the deep and deadly threat to civilization by mass-mania around juvenile intoxication, which point-and-shoot video games imply for the future of humanity as a whole. What is most important for the continuity of any form of actually civilized life, is less what one generation does to produce the conditions of life of the successor, than what it may fail to have done.

### What Is Culture?

Although I have earned a published record, over thirty-five-odd years, as the most successful long-range economic forecaster of my time, my principal scientific accomplishment has been in defining a scientific approach to the role of Classical forms of artistic culture in determining the generation and assimilation of economically-significant scientific progress.

This is summarized in my published comments on the coincidence and differences between Vladimir Vernadsky's definition of the *Noösphere* and my own approach to the same topical area.

The working-point of relevance here, is the fact that the functional difference between the human species and all lower forms of life, is those cognitive powers which exist as a potential of the individual human mind, by means of which experimentally valid universal physical principles are discovered, and by means of which knowledge of those principles is transmitted within and among societies. Without that distinctive characteristic, the living population of the human species could never have exceeded a total of several or slightly more millions, on this planet, under changing conditions prev-

alent during a period of the recent two millions years. Thus, a competent definition of "culture," signifies the transmission of increases of the human species' "ecological" potential to exist, across cultures, and through successive generations.

As Plato emphasizes in his *Timaeus* dialogue, in his time, several causes for the collapses of cultures were known to him, partly through the work of Egyptian historians of that time: great floods, such as that caused by the cumulative melting of the great Eurasian glaciation, which struck the Mediterranean and Black Sea about 12,000 years ago; tectonic effects such as the great explosion of the Aegean island of Thera; and self-inflicted disasters of mankind. Ultimately, we would expect that progress in science would enable mankind to deal more effectively with so-called natural disasters; in the mean-

## Video Ban Would Stop 'LAN Tournaments'

Germany's shocked national reaction to the massacre at a high school in Erfurt on April 26, has included calls by several political leaders—most notably by Helga Zepp-LaRouche of the Civil Rights Movement Solidarity (BüSo)—for a national or international ban on sales of violent "point-and-shoot" video and computer games. Even though a ban seems difficult to enforce, as far as the Internet is concerned, it would still hit another, very important aspect of the big business with these games.

These are the so-called "LAN parties" or tournaments, where up to 2,500 video-game fanatics convene for several days, usually on weekends, to kill each other, virtually, in tournaments. LAN stands for "local access network," comprised of a larger or smaller number of personal computers connected in a local network, which creates the hardware and software configuration needed for these tournaments.

Many of the games offered in these events are first-person shooter games like Counter-Strike, which was habitually played by Robert Steinhäuser, the 19-year-old who killed 17 people, including himself, in the Erfurt High School. A big LAN party was supposed to take place in Erfurt, on May 3, which was only cancelled because the state government proclaimed a day of mourning, which includes a ban on all public entertainment events.

But, without funding, such events will be impossible because of the gigantic logistical efforts necessary to create the LAN network, not to speak of the travel expenses

and prize monies involved. As in golf, tennis, or motor sports, a number of professional LAN "sports" teams—called clans—have been created, who massacre each other (in virtual reality), for up to \$300,000 in prize monies per tournament. Some of the point-and-shoot "super-stars" earn up to \$100,000 a year. Like the gladiators of ancient Rome's circuses, they are popular heroes who are taken from one event to the next one, all expenses paid—including their own website—by some information technology or entertainment-media corporate sponsor.

The LAN parties are designed to create and sustain a milieu of game addicts, who, trying to become "professionals," will spend large amounts of money to buy the equipment needed to mimic the "stars." If the stars have the most up-to-date machines, they will buy them, too; if they have a new kind of "mouse," they will buy it, along with plenty of other paraphernalia, similar to other professional sports. This, in turn, creates a large market for super-fast processors, and this is why chip producers like Advanced Micro Devices (AMD) or Intel are among the chief sponsors for LAN parties.

Some sponsors have become cautious, because of the intensive public debate about the dangers of killer video and computer games. But, negative publicity by itself will not force them to withdraw as event sponsors. As a spokesman for Intel told the German financial weekly *Handelsblatt*: "We are waiting to see how public opinion develops, and what the lawmakers do." A ban on killer video games will put an end to this ghastly spectacle, though. *Handelsblatt* quoted AMD spokesman Jan Götter: "If Counter-Strike is banned, this will be the end of sponsoring."

Unfortunately, however, on May 17, the German Office for the Oversight of Media Harmful to Youth, decided not to ban Counter-Strike, for the time being.

—Alexander Hartmann

time, it is social catastrophes, such as that which took control of the U.S.A. during the second half of the 1960s, which represent the man-controllable forms of the worst disasters threatening civilizations. This latter is the nature of the social-intellectual catastrophe which hit the “Baby Boomers” as they were emerging from childhood, during the middle through late 1960s. This is the root of the willful catastrophes which the people of the U.S.A. have created for themselves, and their adolescent offspring, today.

That is the root of the conflict, approaching hot hatred, which today’s “punkers” express against their “Baby Boomer” parents, today. That is key for understanding the gravity of the threat which point-and-shoot video games represent among the predominantly uncultured, and cognitively deprived, digital computer-like minds of increasing rations among children and adolescents today.

Look at the relevant social process of cultural transmission, or decadence, from the vantage-point of my experience.

Under normal conditions, the pivotal feature of cultural transmission occurs within the bounds of what is identified as “the extended family.” The degree to which cognitive forms of transmission of ideas of principle occur, more or less, within the bounds of the extended family, tends to favor higher levels of intellectual and moral achievement among children of such families. The emphasis on cognitive training in primary and secondary schools and universities, functions as an extension, in the alma mater, of the relatively best standard of intellectual life within the family. In my case, such family relations reached directly into grandparents born during the 1860s, and to a personality often brought to life at the family table, a great-great-grandfather born at about the same time as Lincoln.

When we combine that family-centered notion of culture with the examination of life in earlier and foreign places in history, and render history comprehensible through reliving ancient and more recent discoveries of universal physical principles, we may achieve a practical sense of what culture really means, and what individual morality really means.

Against that background, the crisis of the 1960s brought about a general, negative cultural revolution in both the U.S.A. and in globally extended European civilization generally. This pro-Malthusian, “post-industrial,” “rock-drug-sex counter-cultural” revolution, became an increasingly hegemonic cultural trend among those “Baby Boomers” whom increasing rations of the “no future” generation have come to hate as those who have deprived the coming generation of adults of the right to have a future. It is a literally “dionysiac,” existentialist quality of hatred.

These are the circumstances within which the impact of point-and-shoot video games must be understood. It is not merely the killing of people. It is the dionysiac act of killing of civilization.

## D.C. General ‘Master Plan’ Is a Travesty

by Edward Spannaus

The Council of the District of Columbia will hold a public hearing on May 28, on the “Master Plan” for the land now occupied by the buildings of the District of Columbia General Hospital—the public hospital which was shut down last year by order of the bankers’ dictatorship operating as the Congressionally created Financial Control Board.

Since last Summer, everything which *EIR* and the LaRouche-led movement to save the hospital forecast, has come to pass—and worse. At least 80 persons have died, arguably as a result of the shutdown of D.C. General’s top-flight Level I Trauma Center, and the need for ambulances to travel longer distances to other hospitals—if they can find an emergency room that has space at all. There has been a dramatic increase in the number of hours that emergency rooms throughout the District and in neighboring Prince George’s County, Maryland, are on “by-pass,” turning away ambulances for all but life-threatening emergencies.

The “land-grab” schemes that were under discussion last year, have moved full steam ahead for the D.C. General campus itself, and in the surrounding Southeast/Anacostia area of the city.

On April 8, the Washington Olympics Committee submitted a supplement to its bid to the U.S. Olympic Committee, to host the 2012 Summer games. The modified plan would create what is called “a multi-faceted Olympic Sports Complex” on the RFK Stadium site, which sits on the Anacostia waterfront adjacent to the D.C. General Hospital site. In January, Mayor Anthony Williams had declared that the new plan for the D.C. General site would “complement” the Olympic bid, and that the parcel would be “a component of our Olympic bid.” This goes along with discussion of locating a major-league baseball team in the waterfront area.

District of Columbia and Federal officials are proceeding with the massive development plans for the Southeast Federal Center, located only a mile or two downriver. And D.C. officials are asking the Federal government to move the headquarters of the Federal Emergency Management Agency (FEMA) to the St. Elizabeth’s Hospital site in the Anacostia area, and they are also asking the Federal government to join in establishing a \$100 million, 24-hour communications and emergency management center on the site.

D.C. officials are boasting that these installations could “jump-start private development” in the area. “Once it brings infrastructure to the site, that becomes an incentive for the other private development,” said D.C. Planning Director Andrew Altman.

And now the “Draft Master Plan” for the D.C. General campus is under consideration by the Council, as one of the steps required as part of the contemplated transfer of jurisdiction over the land—historically known as “Reservation 13”—from the Federal government to the District. The plan calls for the demolition of all existing hospital buildings on the site, and the construction of condominiums, parks, office buildings, and retail outlets. As the land slopes downward toward the river, building heights could be increased, so that high-rise buildings could be constructed along the waterfront.

Under heavy pressure from opponents of the closing of D.C. General, which dominated much of the discussion in the so-called “community planning process,” the planners were compelled to pay lip service to the idea of putting some health-care facilities, such as Health Department offices and outpatient clinics, on the site, but this is a far cry from what many of the participants in the planning meetings demanded, even as is reflected in the minutes of those meetings, which was the restoration of a “full-service state-of-the-art public hospital.” The full set of planning documents also notes that participants stated that “the site had a long history of providing for the public health and welfare and that this tradition should continue.” The documents also report that some participants proposed a full-health-care campus, similar to the National Institutes of Health (NIH), including educational facilities for medical training.

The accompanying, new proposal by Lyndon LaRouche, calls for D.C. General to be reconstituted by Congress as the “spearpoint” of a national health-care security program, serving as an adjunct of the U.S. Surgeon General.

## The Historic Intention

LaRouche’s proposal also notes that the site of D.C. General was originally dedicated to public-health functions, and should be restored in a manner consistent with the original intent. As we showed in the March 29 issue of *EIR*, Reservation 13 was always intended for hospital purposes, as is shown by research into the L’Enfant Plan, the original design for the City of Washington, prepared under the direction President George Washington in 1791, and completed by Andrew Ellicott in 1792. George Washington himself reported that he concurred with L’Enfant’s designation of the site for a “marine hospital”—marine hospitals having been created for the care of merchant seamen. The current U.S. Public Health Service dates its founding to 1798, with the creation of the United States Marine Hospital Service—the nation’s first public-health system.

Whether by ignorance or deliberate omission, the drafters of the current “Master Plan” claim that the designation of “Hospital Square” for Reservation 13 derives from the transfer of the Washington Asylum—the first public hospital, known as the alms house and work house—to the site along the Anacostia River in the 1840s. But in truth, any competent historical research, or examination of current government documents, such as the 1997 registration of the L’Enfant Plan on the National Register of Historical Places, shows that Reservation 13 was designated as either “Marine Hospital Square,” or simply “Hospital Square,” from the 1790s.

## A Wasted Effort

The current “Master Plan” drips with hostility to the L’Enfant Plan—a plan which is recognized (and imitated) worldwide for its beauty and the uniqueness it gave to Washington, D.C. as the only national capital of its era that was designed as a capital from its inception. The L’Enfant Plan is characterized by its open spaces and vistas, with diagonal avenues and public squares at major intersections, and the system of public reservations—17 in the original design—dedicated for government buildings and other uses including health and education.

But the Master Plan complains: “From the time of the origin of the L’Enfant Plan to today, the area has appeared as an isolated campus, separate and apart from the neighborhood and an obstacle between residents and their waterfront. This plan presents the first opportunity to re-envision the site, not as a Reservation but as a beautiful public place.”

The whole effort was a waste. All they needed to do was to look back to 1977, when a “Master Development Plan—D.C. General Hospital Complex” was produced, which showed far more intelligence, and was much truer to history, than the current travesty.

The 1977 Master Plan, prepared for the D.C. Department of General Services, recommended retaining and upgrading most of the buildings built since the 1920s, plus it called for the construction of new buildings consistent with the design of the existing buildings—all of which would result in an integrated modern hospital campus, in a park-like setting.

The 1977 designers wrote that they endeavored to create within the hospital complex “an atmosphere of an ordered park consistent with the axial geometries established 180 years ago by Pierre L’Enfant for the City of Washington.” In this regard, they proposed extending Massachusetts Avenue to terminate in a grand circle overlooking the Anacostia River and the Highlands beyond. The Plan also included extensive use of trees, lighting, and pedestrian walkways—all to enhance the beauty of the campus devoted to public health and an expanded D.C. General Hospital.

A combination of the 1977 plan, and the LaRouche proposal for a national health-care function located on that site, would meet our requirements today.



# The Case for D.C. General Hospital

by Lyndon H. LaRouche, Jr.

May 20, 2002

A situation now exists in the nation's capital, in which preventable, more or less permanent damage to the general welfare of the District and its people should be prevented.

This past year, Washington, D.C. Mayor Tony Williams, aided prominently by Eleanor Holmes Norton, brought about the closing of the only public full-service general hospital in the District. The consequences of that closing have been harmful to the general welfare, and the pretexts proffered by the proponents of that action, were dubious at best, and are still a subject of well-founded suspicions. Now, as earlier signs indicated, the area within which D.C. General was situated is the target of projected, massive real-estate speculation.

I present four leading points of direct bearing on the challenge that closing presents, to the U.S. Congress today. Some of these are readily obvious. Others are of a more sophisticated quality, but not less urgent. All four are interdependent features of a single policy-matter.

1. The general problem is situated within the context of the generally known issue, that creation of the Federal District of Columbia created a constitutionally ambiguous situation, under which the residents of the District are denied an efficient

expression of the Federal representation available to citizens of the states of the Union. First, this encumbers the Congress with a twofold special responsibility. The Federal government incurs responsibility for providing the District those conditions which were appropriate for the functioning of a populated area which is the seat of our Federal government. Second, this obliges the Congress to accept certain responsibilities for the general welfare of the population of the District beyond those which the Congress otherwise bears on behalf of the citizens of the Federal states. Both of these considerations are of primary relevance in the matter of D.C. General Hospital.

2. Recent developments are pushing the United States into adoption of a radical reversal of trends of approximately three decades to date. This will work to such effect, that prevalent criteria for policy-making of our government prior to Sept. 11, 2001, will now become radically different, than those which expressed prevalent trends over the preceding quarter-century. The Congress's appreciation of the case of D.C. General today, must be significantly different than under modes of thinking entrenched during the 2000-2001 interval.

Over a period of more than three decades to the present date, there had been a trend in national policy and practice, away from the Constitutional commitment to promotion of the general welfare, toward an increasingly radical notion of what is sometimes named "shareholder value." With the rising flood-tide of global monetary-financial and economic crises, the United States, like other nations, is being impelled, of necessity, to return to what some prefer to name as "protectionist" measures, and to economy-rebuilding policies referencing successful features of the U.S.-led recovery and reconstruction programs of the Americas, Europe, and Japan during various phases of approximately the 1933-1965 interval.



*Congress has inescapable responsibilities which go back two centuries, for the provision of a full-service, teaching and research hospital at the site of D.C. General (here, a March 2001 rally against its closing). LaRouche renews that fight in the post-Sept. 11 situation, and makes a new proposal.*

Today, some appear to believe that flooding the military-industrial and related elements of our economy, would be sufficient impetus for resisting rising economic-recessionary trends. That belief would be seriously mistaken. A contrast of the present economic situation with the pre-war mobilization of 1933-1939 Germany, with the history of our own mobilization beginning the time, about 1936, our government knew that a war with Hitler Germany was virtually inevitable, should make clear the reasons the present form of military stimulus of the economy will not succeed. In brief, the ability of 1933-1939 Germany to mobilize, like the 1933-1945 mobilization of the U.S.A., was a potential rooted in the two nations' long-preceding potential as leading producer economies; whereas, during approximately thirty-five years to date, the United States has been transformed, at a generally accelerating rate, from a producer economy to a consumer society.

We have entered a time, when the United States can no longer rely upon its recently increasing dependency upon replacing domestic production of physical goods by imports from cheap-labor markets abroad. Our nation's recent role as an "importer of last resort," has come to a close. Our farms and industries must be revived, and there must be a rehabilitation, upgrading, and expansion of basic economic infrastructure, including relevant changes in the quality of content of the sectors of education and universal health-care, with a correlated shift in composition of employment, preferring expansion of capacity for quality physical output, and reversing recent trends for expanding relative employment in unskilled or quasi-skilled services.

We must improve our current policies, including those enacted into law, in a manner conforming to the presently urgent requirement for such a shift.

3. For a period of nearly thirty years, our nation's health-care system has been increasingly the victim of a misguided shift from the system developed under the Hill-Burton law, to the presently evolved HMO system. It should be recalled today, that the Hill-Burton legislation was adopted under the impetus of the experience of our participation in two World Wars. Thus, Hill-Burton reflected an included awareness of the kind of health-care capabilities wanted to deal, inclusively, with health-care and related challenges of even traumatic national-security characteristics. That included awareness must be reawakened in legislative and other relevant practice under the increasingly strategically perilous conditions of today.

We face three general classes of problems in this area of our nation's security: a) A pure and simple loss, through attrition, of the essential facilities and professional cadres which our health-care delivery system used to command; b) Natural, evolutionary and analogous tendencies for breeding new types of infectious and other diseases, whose existence or degree of proliferation runs ahead of present health-care capabilities; c) A dangerous world, in which malice may turn the unlikely into the unthinkable. This also means curbing

the impulse of some accountants, financial executives, and others, who would tend to substitute their judgment for that of medical professionals in matters of the practice of medicine.

4. Since the area occupied by the site of D.C. General Hospital was originally dedicated to that function, that role of D.C. General should be restored by the Congress, which should have proceeded in due course to assess the implications of the proposal to close it down, and which has, therefore, the primary responsibility for a definitive decision in this matter. The following considerations apply directly to that specific matter.

The obvious choice of principal place to combat disease is in the sections of the world and national population in which the occurrence of the relevant sickness is more probable. Thus, the institutions and persons who care for the relatively impoverished, aged, physically impaired, or other needy prospective recipients of health-care must be adopted, as policy, as the front-line trenches of national health-care defense. Exceptions taken into account, the most appropriate among such trenches are the public, full-service general teaching hospitals, which, with their university affiliations and working relationships to private hospitals and clinics, and with their own associated laboratories, combine science, care and training of professionals for those sections of the population which are ordinarily in the front-line of the war against disease.

Through the Surgeon-General, these capacities overlap and complement the military and Public Health Service requirements.

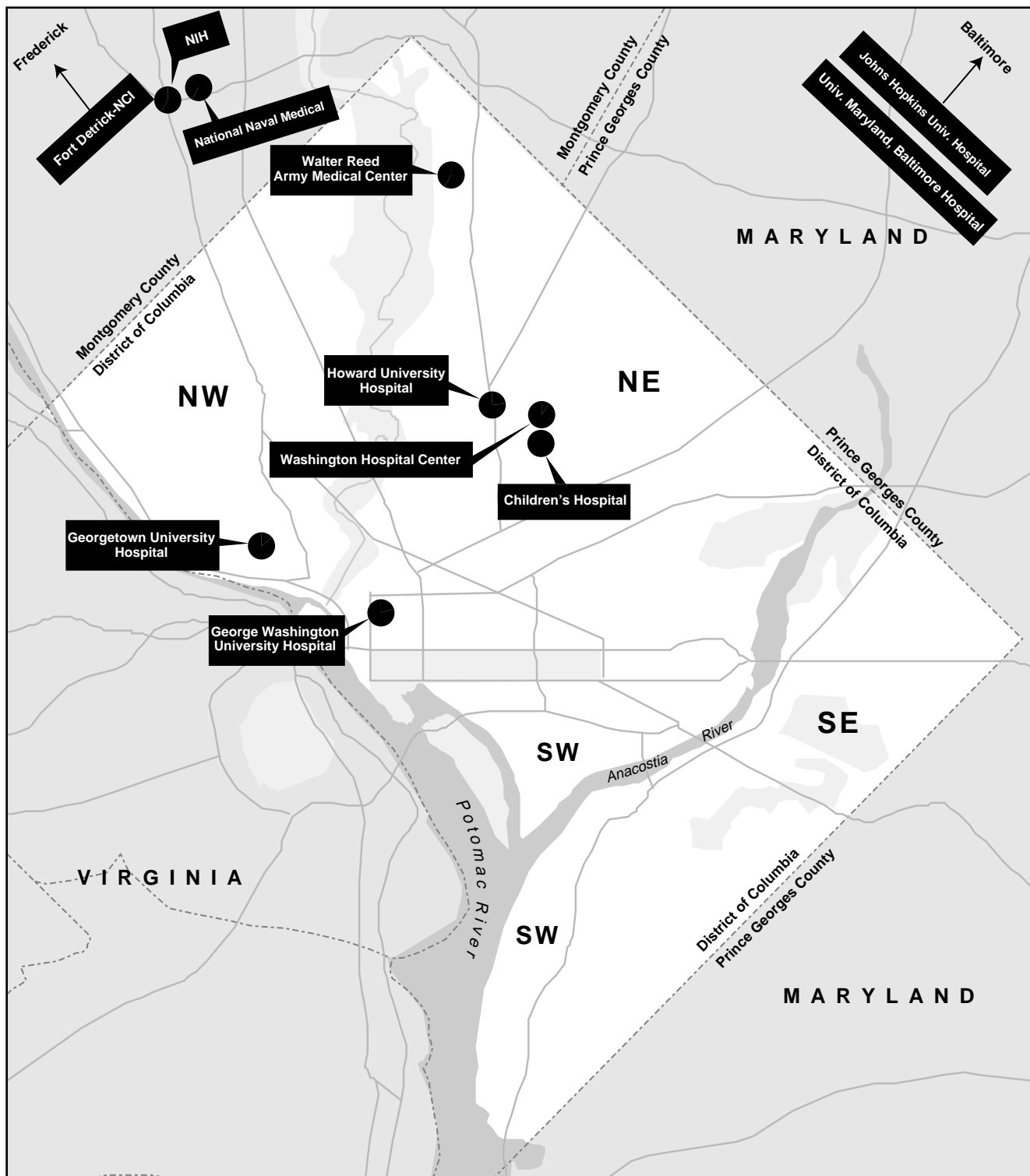
A reconstituted D.C. General should be a model of reference for national health-care policy:

As we should have learned, the delivery of health-care must never reduce medical professionals to finance-office clerks. The principle must be that a) care is delivered because medical judgment believes it is needed, and under no different rule than that; b) those who are able to pay, will; c) provision will be made to assist individuals and families in payment of a reasonably estimated life-time requirement for care; and d) those who can not pay will be cared for, as needed, anyway. Health-care must be as available, when needed, as the sidewalks and public streets and highways. The better the care, the more broad-based, the less the paper-work, the less the waste, and, in effect, the less the cost.

As is otherwise typified by the more successful periods of the U.S. space program, a strategically oriented program of national health-care security must have a defined mission as its spear-point. The area in which D.C. General had been situated, should be reserved as an area devoted to functions coordinated through the office of the Surgeon-General, which are of importance to the functioning of the Executive and Congress for policy-shaping, and for our Federal government's liaison with embassies of foreign governments.

The D.C. General Hospital should be restored, by Act of Congress, as a public full-service general hospital, with that indicated mission-orientation in view.

## Major Teaching Hospitals and Research Facilities, Washington, D.C.–Baltimore Metro Area



*LaRouche proposes the D.C. General Hospital area be devoted to functions under the United States Surgeon-General, for an American national and international public health mission-orientation. It would join and center the other medical/public health facilities of national importance, shown here.*

# LaRouche Endorses Spannaus: Statement On Democrats' 'Self-Inflicted Wounds'

*This statement by Lyndon H. LaRouche, Jr., endorsing independent Democrat Nancy Spannaus' campaign for the Senate in Virginia against Republican incumbent John Warner, was released by LaRouche's Presidential campaign committee, LaRouche in 2004, on May 20.*

Do you remember November 1994, when a force rallied by Virginia Democratic voters associated with me and Nancy Spannaus, mobilized the margin of vote which defeated the right-wing insurgency of Republican Senate candidate Oliver North, and also sent thuggish former Attorney-Generalissimo Mary Sue Terry into hard-won retirement? Those happier days remembered, look at the wreckage of what remains of the Commonwealth's Democratic Party today.

The wreckage you are seeing in Virginia's Democratic Party today, is a case of self-inflicted wounds.

To seek the causes for this ruin, start with a trip to corporate Herndon, formerly a virtual capital of the presently dying "new economy." Herndon, and much of the rest of the corporate area around Dulles Airport, is on the way to becoming a ghost-town. In Herndon itself, doomed ghosts, behind row upon row of empty windows, stare mournfully at the highway-traffic flow from Dulles to Washington. That, Virginia, is a monument to your folly of the recent six years.

It will soon be much worse. To the degree there is growth in consumer spending in areas of the nation such as the Washington Beltway and its surroundings, much of this has depended upon the ability of financially-imperilled owners of mortgaged property to "cash out" fictitious financial capital gains in the estimated market value of their mortgaged property. Soon, that ground-rent bubble will pop, one way or the other, and the last pretense of former palmy days will be brought to an end. Already, we have reports from official sources, that, similarly, forty-eight of our fifty Federal states are in financial jeopardy, while the rope of Newt Gingrich's national debt-ceiling tightens around the neck of the White House and Congress alike.

So, the past eight years' wrecking of Virginia's Democratic Party is part of a nation-wide—in fact, a more or less world-wide—economic, social, and moral catastrophe; a catastrophe which has hit the hardest inside the United States, throughout the Americas, and in Europe and Japan, not to speak of what presently continuing U.S.A. and British policies have done to Africa. The Herndon horror, is just one clear symptom of a global folly which has brought Virginia, like

much of the rest of the world, into the grip of a catastrophe more ominous than that which struck the world during the period following the last great Depression, during 1929-1933.

Then, all that taken into account, what did the Democratic Party do, especially during the recent six years, to destroy itself in the way it has done? Granted, much of the impetus for this came from the cabal featuring names such as Charles Manatt, Don Fowler, Mary Sue Terry, and former Vice-President Al Gore. Names are names; what policies associated with those figures, are responsible for the state of ruin of the Virginia party today? It is all summed up in a single slogan: "Get rid of LaRouche."

Ask yourself, what is the connection between the Herndon horror of today, and the "Get rid of LaRouche" campaign which has wrecked the Virginia party during the recent six years? In effect, the Virginia party is limping, not because it shot itself in the foot; the economic crisis in the state today, points to the fact that the party shot itself in the head.

The connection is elementary. LaRouche forecast, that unless certain changes in U.S. economic and social policies were made, the U.S. economy was headed into a global breakdown of the world's present monetary-financial system. That was the pivotal issue of the raging 1996-2000 political fight between me and Gore, inside the Democratic Party. On the issues of that fight, Gore was wrong, as usual, and I was right, as usual. My forecast is now the ongoing reality of the lives of the Virginia party, and also Virginia's citizens. Most among you supported the choice of Gore; and, now, Gore's folly is staring at you with dead men's eyes, from such places as the vacancies in Herndon.

## The National Pattern

It is a poor consolation for the poor Virginia party, that both of the two major national parties are in a worse crisis. In both of these national parties, as in the Virginia party itself, the internal crises of the parties have two leading causes: failed economic dogmas and the overreaching influence of an assortment of rabidly gnostic, far-right-wing religious cults. Were those two influences to continue to dominate national policy deliberations, as they presently do, this nation will not long survive in any form we would recognize today.

The two major parties are gripped by an hysteria-wracked effort to maintain some semblance of internal unanimity with these wild-eyed gnostic elements; to maintain a balance with the unbalanced. In the Commonwealth of Virginia, the notori-

ously gnostic fanaticism of the Rev. Pat Robertson, exemplifies this problem. Robertson, like Texas Senator Phil Gramm and his wife Wendy “Enron” Gramm, typifies the bottom of the bottomless barrel in thinking about the economy, and reaches to much lower depths in matters of theology.

The recent flaps over steel-import tariffs and farm policy show one aspect of the problem in the Congress, the Executive, and political parties. The present bumping against the legislated debt-ceiling, reflects a related crisis in economic policy. On the one hand, the leadership of both parties vows its fealty to a radically monetarist version of the religion of “free trade,” but the constituencies demand at least a semblance of the stability which only protectionist measures can provide. Similarly, the legislated debt-ceiling and the mounting military demands can not coexist in the same universe. Compromises are occurring, but, because of the ideological fanaticism within both national parties, and the current Executive, no clear principle is presently possible in either party.

An important part of the political crisis of both the Virginia party and the national parties, is the recent trend toward uncontrolled breaches of our republic’s traditional separation of church from state. The problem lies not in the traditional ecumenical fraternity among monotheistic religious communities. The source of the infection comes from the swamps of religious fervor, in the convergence of wild-eyed gnostic forms of so-called Protestant cults, upon alliances with Carlist and Zionist cults. This shifts national policy-shaping from the domain of reason, into the same forms of homicidal mass-lunacy recalled from European feudalism and the period of religious wars from 1511-1648 in Europe. The overreaching influence of these lunatic, integralist cults into the affairs of our government, is pushing civilization back, toward the nightmare preceding the 1648 Treaty of Westphalia, and, ever deeper, into a pre-civilized dark age.

In European history, the continued existence of a constitutional republic depends upon two principal assumptions consistent with the Mosaic doctrine of Genesis 1: First, that man and woman are made equally in the creative quality of the Creator of the universe; second, that this likeness to the Creator is expressed in the form of that creative power of reason through which experimentally valid universal physical principles may be discovered by individuals and shared among the members of society. It follows from that, that it is only in a society in which creative reason, so defined, is the highest authority of government, that the members of society are elevated from the status of virtual human cattle—as under slavery or feudalism—into persons endowed with the qualities of citizens of a republic.

Thus, the existence of our republic, and of any true republic, combines a practice of toleration toward individuals, with an insistence that the adoption of all laws and their implementation must be made on no other basis than knowable, provable universal principles, without the intervention of any doc-



*Lyndon LaRouche with Nancy Spannaus, endorsing her campaign for Senate as an independent Democrat in Virginia, against Republican John Warner.*

trine from non-existent or hidden sources. Without that law of government according to reason, no republic could endure.

Thus, the usurpatious, extortionist grip which sundry wild-eyed religious cults have secured on the processes of government, represents a threat *per se* to every facet of our constitutional system of republican self-government. Under that continuing condition, our republic and its major political parties can neither continue to function, nor survive.

This danger is presently an acute one. Not only is the overreach by intrinsically irrationalist gnostic cults a grave threat to the security of our republic, in and of itself. Under conditions of present crisis caused by the prevalence of intrinsically failed and related policies over the course of more than thirty years to date, our Executive and Congress could not respond effectively to the present challenges, except by making sweeping changes in law and custom, changes which must be based on deep-going re-considerations of principle. That is where the pivotal feature of the present crisis of the national and Virginia parties lies.

That means that the crucial function of political leadership, is to force that quality of deliberation on fact and principle among the citizens generally. This means that the party machines must adapt themselves to improved forms of conduct, with a radical increase in openness to deliberation on both existing and currently non-approved party policies.

Over the recent years, notably since 1996, the Virginia party, like the national parties, has distanced itself more and more from any semblance of meaningful dialogue with the constituents. That must now be changed; and, therefore, the policies associated with Manatt, Fowler, Mary Sue Terry, Goldman, and Gore, must be overridden, for the purpose of rebuilding the party into a form which can earn the mandate to govern under the conditions of escalating crisis gripping the Commonwealth and the nation at this time.

## Senators Are Skeptical of 'Crusader' Decision

Secretary of Defense Donald Rumsfeld appeared before the Senate Armed Services Committee on May 16, to defend his decision to cancel the Army's Crusader artillery system. He was met by skepticism from members of both parties. Committee Chairman Carl Levin (D-Mich.) noted that, in the space of a few weeks, the Pentagon's attitude toward the Crusader changed from full support, to a 30-day study of possible alternatives, to outright cancellation, before that study was even completed. "It is Congress's responsibility," he said, "to determine whether we should proceed to develop, produce, and deploy Crusader."

Rumsfeld's strongest critic was Sen. James Inhofe (R-Okla.), who quoted earlier testimony by Pentagon officials in support of the Crusader. He complained that not enough analysis had been done to justify the cost of the decision.

Rumsfeld, who was accompanied by Deputy Secretary Paul Wolfowitz and Undersecretary of Defense for Acquisition, Technology, and Logistics Pete Aldridge, told the committee that "the decision to recommend termination of the Crusader was not reached precipitously," but "after months of review, wide-ranging discussion and in-depth planning and analysis." Later in his testimony, Rumsfeld added, "The debate about Crusader is about whether to spend roughly \$9 billion more to procure some 480 Crusader howitzers, or instead to use funds" to procure precision munitions that can be fired out of other guns, and to add Global Positioning System guidance to the Army's artillery rocket systems.

Neither Levin nor Inhofe were completely satisfied with the testimony. After Wolfowitz attempted to explain the schedule the Department

followed in the cancellation decision, including the sudden lobbying of Congress, Levin told him he was surprised at the shortened schedule "because if sudden lobbying of us causes people just to change plans that way, to cancel a system . . . it seems to me that anything goes around here, because we're being lobbied all the time on everything." Inhofe argued with Rumsfeld about the logistics required to deploy the system and told him and Aldridge that their responses were actually "the best argument" for waiting until the study of alternatives is complete before making the cancellation decision.

## House Passes New Welfare Reform Bill

The House GOP leadership rammed through its welfare reform proposal on May 16, by a vote of 229 to 197, which is similar to that proposed by President Bush earlier this year. The main feature of the bill is the increase in the required number of work hours per week, from 20 to 24 for each recipient, and the increase in the participation rate for a state to be eligible for grants from 50% of recipients to 70% by 2007. House Ways and Means Committee Chairman Bill Thomas (R-Calif.) declared that the 1996 welfare reform has been a success, and that the new bill "is an attempt to put legislation together that will focus on areas that need greater attention, to maximize the opportunity to move people from poverty to productive work."

The Democrats, while not arguing with the GOP's presumption that the 1996 act promoted the common good, did say that the new bill was anything but an improvement. Their arguments fell into three general areas: lack of flexibility for the states, lack of fund-

ing for child care, and reduction of access to job-training programs. Ben Cardin (D-Md.) told the House that the bill "would require states to take resources away from job-training programs and child-care programs into workfare programs" which would deny people "real jobs and the opportunity to move up into the workplace." He added that the bill takes away flexibility to provide educational services to welfare recipients.

Another argument that the Democrats raised was the cost to the states. Cardin said that the bill will cost states \$15-18 billion to comply, almost two-thirds of which will be for child-care programs. Jim McDermott (D-Wash.) noted that that amounts to a \$280 million unfunded mandate for the state of Washington, "where they are already \$1 billion in the hole."

## Free-Trade Debate Continues in the Senate

Reality continued to intrude into the Senate as debate on the Andean Trade Preference Act continued through its fourth week. John Edwards (D-N.C.) focussed attention on the textile industry, particularly in the Southern states, in remarks on the floor of the Senate on May 15. He reported that North Carolina has lost 122,000 jobs; Georgia, 95,000 jobs; South Carolina, 61,000; Alabama, 35,000 jobs; and Virginia, 23,000 jobs, all since 1997.

In some towns in North Carolina, the textile mill provided one-quarter of the jobs, and "now the mill is gone and hundreds of people are looking for work and the town is devastated." Edwards did not challenge the premise of the bill itself, but rather offered an amendment to add negotiating objectives for textiles, like those already

contained in the bill for agriculture and other sectors.

On the other side, Judd Gregg (R-N.H.) offered an amendment to strike the wage insurance provision from the bill. That provision was part of the agreement negotiated with the White House by Senators Max Baucus (D-Mont.) and Charles Grassley (R-Ia.), the week before. Gregg complained that the provision “goes fundamentally against the free-market society.” It pays older workers who lose their jobs as a result of trade the difference between the wage of their new job, if it pays less, and the wage of the job they lost. Gregg tried to argue that this subsidizes workers to be less productive.

Baucus ridiculed Gregg’s arguments the next day, telling the Senate that wage insurance “gives an incentive to displaced workers to find employment more quickly” by “cushioning them against income losses they might experience after losing a job.” He added that wage insurance gives workers an incentive to take entry-level jobs “and train on the job.” He also argued that the wage insurance provision is less costly, because it gets workers out of the program more quickly. Baucus’s argument won out, as Gregg’s amendment was tabled by the Senate by a vote of 58 to 38.

## Senate Heads for Fiscal Gridlock

The collision of several pieces of legislation with the Memorial Day recess is almost certain to guarantee partisan gridlock in the Senate. On May 21, Minority Leader Trent Lott (R-Miss.) appeared with other GOP members to call on Majority Leader Tom Daschle (D-S.D.) to call up the fiscal 2003 defense authorization bill as the first or-

der of business after the Senate returns in June, to be followed by the defense appropriations bill. The GOP supports the authorization bill, which passed out of the Senate Armed Services Committee on May 10, except for the fact that the Democrats succeeded in cutting about \$1 billion from missile defense. Wayne Allard (R-Colo.) predicted that missile defense will be a “contentious issue” when the bill comes to the Senate floor.

Daschle has an entirely different agenda, not supported by the Republicans, with the possible exception of John McCain (R-Ariz.). Speaking after the GOP press conference, Daschle said that he hoped to bring up the fiscal 2002 supplemental appropriations bill, hate crimes legislation, and possibly a bill to create a commission to investigate the failure of government agencies to act on pre-Sept. 11 intelligence information regarding possible terrorist attacks. The latter effort is being co-sponsored by McCain and Joe Lieberman (D-Conn.). Daschle said his intention is to move “reasonably quickly.”

The GOP is not only agitating for the defense authorization bill, but also is demanding movement on the budget. Daschle still has not indicated when he’ll bring up the budget resolution, even though he has said repeatedly that he intends to do so.

## Mineta Gives Report On Aviation Security

The Senate Commerce, Science and Transportation Committee held a hearing on May 21, on the implementation of the Aviation and Transportation Security Act, six months after it was signed into law by President Bush. Transportation Secretary Norman Mineta, who was accompanied by the

head of the new Transportation Security Administration, John MaGaw, reported that the new agency was in the process of hiring and training 50,000 airport screeners, and acquiring and installing explosives detection equipment at 429 airports. He warned, however, that the \$4.4 billion that the Bush Administration has requested for airport security was being targeted for cuts by some members of Congress. “They say that we cannot afford the security commitment that was made six months ago,” he said. “The truth is, we cannot afford less than the full \$4.4 billion that the President proposed.”

Committee Chairman Ernest Hollings (D-S.C.) expressed skepticism toward the Bush Administration’s efforts, complaining that Congress was not really serious about the war on terrorism. He noted that while bills to address seaport security, rail security, and terrorism insurance have been languishing since late last year, debate on cloning and estate taxes goes on. “The White House,” he said, “will stand up to bin Laden, but they won’t stand up to DeLay and Army,” the House Majority Whip and Majority Leader, respectively.

One issue that was disposed of with minimum controversy however, was that of allowing pilots to carry guns in airliner cockpits. MaGaw, in explaining his decision not to authorize that, said that the only people who should be carrying guns on airliners are the air marshals, because “they have special firearms training, which is much more difficult, much more strenuous, than any other firearms,” except for some special military forces. He indicated that the pilots need to maintain “positive control” of the aircraft, which means “get it on the ground as quickly as you can, regardless of what’s happening” in the passenger cabin.

# National News

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## Lack of Insurance Kills 18,000 Annually

Lack of reasonable health care kills 18,314 uninsured adults (8,219 in the 55-64 age group) in the United States each year, according to "Care Without Coverage: Too Little, Too Late," a report by the National Academies' Institute of Medicine.

The main findings of the report are that the 30 million working-age Americans without health insurance are more likely to: receive too little medical care and receive it too late; be sicker and die sooner; and receive poorer care when they are in the hospital, even for acute situations like a motor vehicle crash.

Uninsured people with colon or breast cancer, for example, face a 50% higher risk of death, due to delayed diagnosis. Uninsured trauma victims are 37% more likely to die of their injuries—even when in the hospital—because they receive fewer diagnostic and treatment services. And about 25% of adult diabetics without insurance for a year or more went without a checkup for two years, boosting their risk of death, blindness, and amputations resulting from poor circulation, according to the report.

Being uninsured also increased the risk of death and disability for chronically sick and mentally ill patients, poor people, and minorities.

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## Texas: 11 More Executions by August

The state of Texas was preparing to execute Napoleon Beazley, age 25, on May 28. Beazley was convicted of a murder stemming from a botched carjacking, when he was 17 years old. The former class president and football star, whose father was the first black City Council member of Grapeland, Texas, had no criminal record before his arrest, though he reportedly later told authorities he had sold crack and owned a gun. Beazley was convicted in the 1994 slaying of Texas businessman John Luttig, 63, the

father of Judge J. Michael Luttig of the Virginia-based U.S. Court of Appeals for the Fourth Circuit.

After seeing a significant decline in the number of executions in 2001, when Texas executed "only" 17 people, and, for the first time, slipped into second place behind Oklahoma, with 18, this year's numbers are approaching those of 2000, when George W. Bush's home state put 40 people to death—an all-time record. Of the 777 inmates executed since the resumption of the death penalty 25 years ago, Texas has carried out 278 lethal injections since 1982—more than one-third the nation's total executions. So far this year, Texas has carried out 12 executions, out of a national total of 28, with 11 more scheduled before the Summer is over, a rate of killing that promises to break the state's previous record.

The European Union, the American Bar Association, and Amnesty International, among others, have called for Beazley's life to be spared because of his age at the time of the crime; they have asked the Supreme Court to use Beazley's case to revisit the issue of whether the Constitution permits minors to be executed. Of the 38 states that allow capital punishment, 17 allow 16-year-olds to be executed; 16 set the age limit at 18; while five, including Texas, set it at 17.

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## 1990s Left Households Deep in Debt in U.S.

The *Washington Post* for May 19 reported a new study of debt and middle-class households, recently released by the Consumer Federation of America (CFA) and the Credit Union National Association, showing that one-quarter of America's households came out of the 1990s "wealth-poor," meaning that they have net assets under \$10,000. This is a far larger portion of the population than the 10% of households that are "income-poor," earning below the poverty level of salaries and other sources of income.

Those households that lack net assets and are also income-poor, represent a growing number of American families, described by CFA Executive Director Stephen Brobeck as "only a layoff or emergency expen-

diture away from financial disaster."

The study found that the majority of "wealth-poor" households were young middle-class households, often with over \$50,000 a year in salaries, but also caught up in steep amounts of debt. As *Post* writer Albert Crenshaw noted, there is a wide gap between the perception of the 1990s as a "golden era" and the reality, in which "millions of households, including many with incomes well above the poverty line, were not able to save or invest in any meaningful way."

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## CBS's Rather Warns Of War Censorship

In an interview with BBC's "Newsnight" on May 17, the CBS news anchor warned of censorship during the post-Sept. 11 "war on terrorism." Dan Rather said: "It is an obscene comparison, . . . but you know there was a time in South Africa that people would put flaming tires around people's necks if they dissented. . . . And in some ways the fear is that you will be necklaced here; you will have a flaming tire of lack of patriotism put around your neck. . . . Now it is that fear that keeps journalists from asking the toughest of the tough questions, and to continue to bore in on tough questions so often.

"What we are talking about here—whether one wants to recognize it or not, or call it by its proper name or not—is a form of self-censorship. I worry that patriotism run amok will trample the very values that the country seeks to defend itself." Rather, who had received anthrax through the mail after his reporting on the devastation of Sept. 11, added, "Our biggest problem today is not anthrax. Our biggest problem is fear. . . .

"There has never been an American war, small or large, in which access has been so limited as this one." Rather blasted "the growing Hollywood-ization," epitomized by what he called "militainment"—entertainment programs about the military, which are produced in conjunction with the Department of Defense. This "militainment" has been offering "documentary makers" unprecedented access. For example, the producer of "Military Diaries," a 13-episode



documentary, was allowed to hand out 80 digital cameras to service personnel to record their “feelings” for broadcast, including during Operation Anaconda in Afghanistan. A spokesman for the Pentagon said that now they give more “combat footage” and general access to producers of “militainment” than they do to “reality TV” newscasters.

## Book Reveals Hanssen’s ‘Family Values’

David A. Vise’s book *The Bureau and the Mole* documents in lurid detail the pornographic mind of FBI agent and confessed spy Robert Hanssen, who devoutly attended the ultra-conservative St. Catherine of Siena Catholic Church, along with Supreme Court Justice Antonin Scalia, former FBI Director Louis Freeh, U.S. Solicitor General Ted Olson, and Carlist Fernando Quijano.

The book confirms that Hanssen and his wife Bonnie, who teaches religion and morality at the Opus Dei Oakcrest School for girls, were both members of Opus Dei, the lay religious order founded in 1928, which flourished in Spain due to its close ties with the government of fascist dictator Franco. One of their daughters is now an Opus Dei numerary at the University of Dallas. Hanssen not only betrayed his country, but actively engaged in pornography, while at the same time advocating family values.

Vise documents that Hanssen sent nude photos of his wife to his high school friend Jack Hoschouer, when the latter served in Vietnam. From the mid- to late-1980s and into the 1990s, Hanssen arranged to have Hoschouer watch Hanssen and his wife make love, in person or via a secret video camera. Federal authorities discovered nude photographs of Hanssen’s wife on Hoschouer’s computer hard drive.

Hanssen also wrote and posted pornographic sex stories about his wife on “adult” Internet bulletin board sites in the late 1990s.

Hanssen’s favorite book was *The Man Who Was Thursday*, by the fascist Distributist G.K. Chesterton. Hanssen strongly identified with the main character in the book, Gabriel Syme, a poet turned policeman

turned spy. Hanssen read the book often and shared it with his family; two of Hanssen’s children are studying Chesterton as part of advanced degree programs.

## Ohio Election Shock Dumps Free Trader

Democratic Congressman Tom Sawyer, an eight-term incumbent who has been a free-trade factioneer within his party, was dumped by voters in the Democratic primary election in his Akron/Youngstown, Ohio district on May 7. The district had been newly defined after the 2000 census.

Representative Sawyer, an insider in Joe Lieberman’s New Democratic Coalition faction, voted for the North American Free Trade Agreement (NAFTA) and other free-trade measures; even so, several national labor unions endorsed him because he was a consistent “winner” against Republicans who also voted for free trade. As a veteran incumbent, Sawyer had a huge campaign war chest. In a primary with several candidates, Sawyer had a six-to-one money advantage over his nearest opponent, State Sen. Tim Ryan, a 28-year-old Democratic legislator. Against Sawyer’s TV ad blitz, Ryan ran no television ads, but simply went to people locally, running a straight anti-free-trade, pro-labor campaign, endorsed by some local unions.

In Youngstown and other depression-wracked steel-mill communities in the Mahoning Valley, NAFTA and “fast track” are the only political issues. Ryan won with 41% to Sawyer’s 28%, with another anti-free-trade candidate getting the remaining 20%. Sawyer’s staff said the outcome was decided on the question of NAFTA and free trade.

Democrat James Traficant, a veteran Congressman recently convicted of graft and expelled from Congress, may run in the district as an independent, but Ryan seems the likely winner in the November general election, in a strong Democratic district. *Nation* magazine commented, “The message from Ohio was a blunt signal for Democrats who side with Wall Street against Main Street.”

**THE BANKRUPTCY** bill, were it to become law, would have “devastating” effects on more than 1.2 million women, and nearly 2 million children, each year, says Harvard Law Prof. Elizabeth Warren. More than 90% of women who file for bankruptcy, have been hit by some combination of unemployment, high medical bills, and divorce. In the pending legislation, credit-card and car-loan debt would be made “sacrosanct and payable forever,” taking priority over alimony or child support payments from ex-husbands, adversely affecting 200,000 women per year. The bill goes to the House-Senate conference on May 22.

**THE BROOKLYN** Bridge was shut down for one hour at 5 a.m. on May 22, as part of the heightened “terror alerts” in New York and nationally. The FBI had warned the city government on May 21 that there was a “general threat” to the city’s landmarks, including the Statue of Liberty and the bridge. The May 21 *New York Post* ran a picture spread on five areas of possible attack: bridges, subways, plane hijackings, biochemical attacks, and dirty bombs.

**THE TERRORISM** watch list of the United States added eight groups on three continents, on May 21. All eight were Islamic groupings, based in Libya (anti-government), Somalia, Tunisia, Pakistan, Kashmir, Bangladesh, Yemen, Malaysia, Indonesia, and the southern Philippines. Most allegedly seek the overthrow of those countries’ governments.

**THE VIDEO-GAME** trade is holding a show in Los Angeles, where the “big three”—Sony, Nintendo, and Microsoft—are slashing prices on their “game boxes” faster than the slasher monsters in the games, since they make the money on the software games themselves. Sony, now number one, revealed a marked defensiveness regarding the growing exposure of virtual violence, in announcing their new slogan: “Live in Your World. Play in Ours.”

### *'Stale, Flat, and Unprofitable'*

Congressional hearings and the media remain full of flying reports about the accounting fakery pulled off during recent years by supposed “rogue firms”—Enron merely the most notorious—in the telecom and energy industries in particular.

But the obvious fact is missed: Except for the handful of firms actually being prosecuted or threatened with investigation of their phony profits, thousands more are continuing to issue faked profit reports, and these new frauds are being adduced as anecdotes of an allegedly ongoing “recovery” of the U.S. economy, by the same press and elected officials who are clucking over the frauds of last year.

The most glaring case of unchanged fakery has been Cisco Systems, which earlier this month managed—by the simple trick of omitting very large expenses from its balance sheet—to turn an actual multibillion-dollar loss in the first quarter, into an announced multibillion-dollar profit! This sham produced a big day-and-a-half worth of rally on the stock exchanges, and was hailed as great economic news, although it was nothing but more 1990s-vintage “New Economy” chicanery masquerading as profits.

As *EIR* economic analyst John Hoefle points out in this issue, “Even with all the tricks, the reported level of corporate profits is declining in the United States. U.S. corporations reported \$767 billion in net profits in 2001, down from \$876 billion in 2000. Heaven knows what it would be, were honest numbers reported.” And his data show that even with all these shams, U.S. corporate profits have in fact, officially, been falling since 1997.

There was, then, no “profit and productivity” boom in the 1990s—the “New Economy” was a fraud years before it obviously went bust. Why then, are Americans so desperate to be lied to about the economy now, when they claim to be so angry about the frauds committed by “rogue corporations” then?

It’s a question of leadership. As Lyndon LaRouche said recently of the Great Depression, “Herbert Hoover was ruined, not by the Depression. . . . The Depression

and stock market crash of ’29 hit shortly after he became President. It was Coolidge and Andrew Mellon, who actually, objectively, took the blame for the Depression itself. What ruined Hoover, was the fact that he pretended there was going to be a recovery, when none was possible. It was the fact that he *lied* to the people, in effect, by promising a recovery. That is what ruined Hoover’s reputation.”

The situation today is the same, although the measures which the “New Economy” and the government have taken to conceal economic collapse, are far more sophisticated and all-pervasive, than was the case in the early 1930s when Herbert Hoover made himself a name of opprobrium. In the 1932 Presidential campaign, Franklin D. Roosevelt and his future Labor Secretary, Frances Perkins, made great efforts to organize an exposure of the statistical fakery concerning unemployment and production, in order to win the American people away from that deadly desire to be lied to about a “recovery.” Their efforts at that time, were like the sharp and continual warnings issued by Lyndon LaRouche during the 2000 Presidential campaign, that the “New Economy boom” was a bust in fact, and that the bottom would fall out of the economy at the end of that campaign. The measures by which Al Gore, the party leaderships, and the media blacked out LaRouche, to protect the many “Enron” frauds, were—again—much more pervasive than those used in the early 1930s by Morgan and Mellon, but to the same purpose.

And the issue of the relation between truthful leadership, and a citizenry not desperate to be lied to about “recovery,” is the same today. It is the issue that makes LaRouche’s leadership the only chance today, as he puts it, that “this government must come to its senses, and other governments; and must agree to change the system, as if turning on a dime.”

LaRouche gives a Memorial Day webcast presentation on the Internet this week—Tuesday, May 28, at 1:00 p.m. EDT—before a Washington, D.C. audience, and available on [larouchepub.com](http://larouchepub.com) throughout the week. That issue of leadership should make you listen.

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Mondays—10:30 pm

• MASSACHUSETTS

• AMHERST—Ch.12  
Mondays—Midnight

• CAMBRIDGE  
MediaOne Ch. 10  
Mondays—4 pm

• WORCESTER—Ch.13  
Tue.—8:30 pm

• MICHIGAN

• CALHOON  
ATT Ch. 11  
Mondays—4 pm

• CANTON TNSHIP  
Comcast Ch. 18  
Zajak Presents  
Mondays: 6-8 pm

• DEARBORN  
Comcast Ch. 16  
Zajak Presents  
Mondays: 6-8 pm

• DEARBORN HTS.  
Comcast Ch. 18  
Zajak Presents  
Mondays: 6-8 pm

• KALAMAZOO  
Thu: 11 pm (Ch.20)  
Sat: 10 pm (Ch.22)

• KENT COUNTY  
AT&T Ch. 25  
Fridays—1:30 pm

• LIVONIA  
T/W Ch.12  
Thursdays—5 pm  
(Occ. 4:30 pm)

• MT.PLEASANT  
Charter Ch. 3  
Tuesdays—5:30 pm

• PLYMOUTH  
Comcast Ch.18  
Zajak Presents  
Mondays: 6-8 pm

• WYOMING  
AT&T Ch. 25  
Wednesdays—10 am

## MINNESOTA

• ANOKA  
AT&T Ch. 15  
Mon.—4 pm & 11 pm

• BURNSVILLE/EGAN  
ATT Ch.14,57,96  
Tuesdays—5:30 pm

• CAMBRIDGE  
U.S. Cable Ch.10  
Wednesdays—2 pm

• COLD SPRING  
U.S. Cable Ch. 3  
Nightly after PSAs

• COLUMBIA HTS.  
MediaOne Ch. 15  
Wednesdays—8 pm

• DULUTH  
Charter Ch.20  
Mondays—7:30 pm

• FRIDLEY  
Time Warner Ch. 5  
Thursdays—5:30 pm

• GRANT COUNTY  
Comcast Ch. 17  
Fri. & Sat.  
7 pm or 8 pm

• MINNEAPOLIS  
PARAGON Ch. 67  
Saturdays—7 pm

• NEW ULM—Ch.14  
Fridays—5 pm

• PROCTOR/  
HERMANTOWN—Ch.12  
Tue. btw. 5 pm-1 am

• ST.CROIX VALLEY  
Valley Access Ch.14  
Thursdays—4 & 10 pm

• ST.LOUIS PARK  
Paragon Ch. 15  
Wed., Thu., Fri.  
12 am, 8 am, 4 pm

• ST.PAUL (city)  
SPNN Ch. 15  
Saturdays—10 pm

• ST.PAUL (N Burbs)  
AT&T Ch. 14  
Thu—6 pm & Midnite  
Fri—6 am & Noon

• ST.PAUL (NE burbs)\*  
Suburban Ch.15  
AT&T-Comcast Ch.15  
Tue & Fri—8 pm

• ST.PAUL (S&W burbs)  
AT&T-Comcast Ch.15  
Tue & Fri—8 pm

• SOUTH WASHINGTON  
ATT Ch.14—1:30 pm  
Mon, Tue, Wed, Thu

• MISSISSIPPI

• MARSHALL COUNTY  
Galaxy Ch. 2  
Mondays—7 pm

• MISSOURI

• ST.LOUIS  
AT&T Ch.22  
Wednesdays—5 pm

• THURSDAYS—12 Noon

• NEBRASKA

• LINCOLN  
T/W Ch. 80  
Citizen Watchdog  
Tuesdays—7 pm

• NEVADA

• CARSON—Ch.10  
Wednesdays—7 pm

• SATURDAYS—3 pm

## NEW JERSEY

• HADDON TOWNSHIP  
Comcast Ch. 19  
Sundays 11 am

• MERCER COUNTY  
Comcast\*

• TRENTON Ch. 81  
WINDSORS Ch. 27  
Sundays—10 pm

• MONTVALE/MAHWAH  
Time Warner Ch. 27  
Wednesdays—4 pm

• NORTHERN NJ  
Comcast Comm. Access  
Channel 57\*

• PISCATAWAY  
Cablevision Ch.71  
Wed—11:30 pm

• PLAINSBORO  
Comcast Ch. 3\*

• NEW MEXICO

• ALBUQUERQUE  
Comcast Ch. 27  
Mondays—3 pm

• ANTHONY/SUNLAND  
T/W Ch. 15  
Wednesdays 5:05 pm

• GRANT COUNTY  
Comcast Ch. 17  
Fri. & Sat.  
7 pm or 8 pm

• LOS ALAMOS  
Comcast Ch. 8  
Mondays—10 pm

• SANTA FE  
Comcast—Ch.6  
Saturdays—6:30 pm

• TAOS—Ch.2  
Thursdays—7 pm

• NEW YORK

• AMSTERDAM  
Time Warner Ch.16  
Thursdays—4:30 pm

• BUFFALO  
Adelphia Ch.18  
Wed.—12:30 pm

• CHEMUNG/STEBEN  
Time Warner-Ch.1  
Mon., Fri.—4:30 pm

• ERIE COUNTY  
Adelphia Intl. Ch.20  
Thursdays—10:35 pm

• ILION—Ch. 10  
Mon. & Wed.—11 am

• WASHINGTON ATT  
Ch.9: Tualatin Valley  
Ch.23: Regional Area  
Ch.33: Unincorp. Towns

• WEDNESDAYS—8 pm  
Sundays—9 pm

• RHODE ISLAND

• E.PROV.—Ch.18  
Tuesdays—6:30 pm

• STATEWIDE  
R.I. Sundays—9 am  
Cox Ch. 13  
Full Ch. 49

• TEXAS

• DALLAS Ch.13-B  
Tuesdays—10:30 pm

• EL PASO COUNTY  
Adelphia Ch.4  
Tuesdays—8 pm

• THURSDAYS—11 am

• HOUSTON  
Houston Media Source  
Sat, 6/1: 10 am  
Mon, 6/3: 5 pm  
Tue., 6/4: 5:30 pm  
Sat, 6/8: 10 am  
Wed, 6/12: 7 pm

• ROCKLAND—Ch. 71  
Mondays—6 pm

• SCHENECTADY Ch.16  
Mondays—3 pm  
Wednesdays—8 am

• STATEN ISL.  
Time Warner Cable  
Thu.—11 pm (Ch.35)  
Sat.—8 am (Ch.34)

• TOMPKINS COUNTY  
Time Warner  
Sun.—9 pm (Ch.78)  
Thu.—5 pm (Ch.13)  
Sat.—9 pm (Ch.78)

• TRI-LAKES  
Cablevision Ch. 2  
Sun: 7 am, 1 pm, 8 pm

• WEBSTER—Ch.12  
Wednesdays—9 pm

• NORTH CAROLINA

• HICKORY—Ch.3  
Thursdays—10 pm

• MECKLENBURG  
Time Warner Ch.21  
Sat—12 Noon & 1 pm

• OHIO

• FRANKLIN COUNTY  
Ch. 21: Sun.—6 pm  
or 12 Noon; or 2 pm;  
or 12 Midnight

• OBERLIN—Ch.9  
Thursdays—7 pm

• REYNOLDSBURG  
Ch.6: Sun.—6 pm

• OREGON

• LINN/BENTON  
AT&T Ch. 99  
Thursdays—1 pm

• PORTLAND  
AT&T  
Tue—6 pm (Ch.22)  
or 12:30 pm (Ch.23)

• SALEM—Ch.23  
Thursdays—12 Noon

• SUNDAYS 8 pm  
Saturdays 10 am

• SILVERTON  
Charter Ch. 10  
Mon.Tue.Thu.Fri  
Betw. 5 pm - 9 am

• WASHINGTON ATT  
Ch.9: Tualatin Valley  
Ch.23: Regional Area  
Ch.33: Unincorp. Towns

• WEDNESDAYS—8 pm  
Sundays—9 pm

• RHODE ISLAND

• E.PROV.—Ch.18  
Tuesdays—6:30 pm

• STATEWIDE  
R.I. Sundays—9 am  
Cox Ch. 13  
Full Ch. 49

• TEXAS

• DALLAS Ch.13-B  
Tuesdays—10:30 pm

• EL PASO COUNTY  
Adelphia Ch.4  
Tuesdays—8 pm

• THURSDAYS—11 am

• HOUSTON  
Houston Media Source  
Sat, 6/1: 10 am  
Mon, 6/3: 5 pm  
Tue., 6/4: 5:30 pm  
Sat, 6/8: 10 am  
Wed, 6/12: 7 pm

• RICHARDSON  
AT&T Ch. 10-A  
Thursdays—6 pm

• UTAH

• REDMOND  
Peak Cable Ch.38  
Sun, Mon, Thu  
6 pm & 10 pm

• SEVIER  
Mallard-Suntel  
Richfield Ch.45  
Peak Cable  
Anabella Ch.29  
Central Ch.29  
Elsinor Ch.29  
Glenwood Ch.32  
Montre Ch.29

• SUN—1 pm & 8 pm  
Mon—1 am & 8 am

• VERMONT

• GREATER FALLS  
Adelphia Ch.8  
Tuesdays—1 pm

• VIRGINIA

• ALEXANDRIA  
Comcast Ch. 10  
Tuesdays—5:30 pm

• ARLINGTON  
ACT Ch. 33  
Mondays—4 pm

• CHESTERFIELD  
Comcast Ch. 6  
Tuesdays—5 pm

• FAIRFAX—Ch.10  
Thursdays—12 Noon

• LOUDOUN  
Adelphia Ch. 23/24  
Thursdays—7 pm

• ROANOKE—Ch.9  
Thursdays—2 pm

• WASHINGTON

• KING COUNTY  
AT&T Ch. 29/77\*

• KENNEWICK  
Charter Ch. 12  
Mondays—12 Noon

• PASCO  
Charter Ch. 12  
Mondays—12 Noon

• THURSDAYS—8:30 pm

• RICHLAND  
Charter Ch. 12  
Mondays—12 Noon

• SPOKANE—Ch.14  
Wednesdays—6 pm

• WENATCHEE  
Charter Ch.12  
Thu—10 am & 5 pm

• YAKIMA—Ch. 9  
Sundays—4 pm

• WISCONSIN

• MADISON—Ch.4  
Tuesdays—3 PM

• MARATHON COUNTY  
Charter Ch. 10  
Thursdays—9:30 pm

• FRIDAYS—12 Noon

• SUPERIOR  
Charter Ch.20  
Mondays—7:30 pm

• WEDNESDAYS—11 pm  
Fridays 1 pm

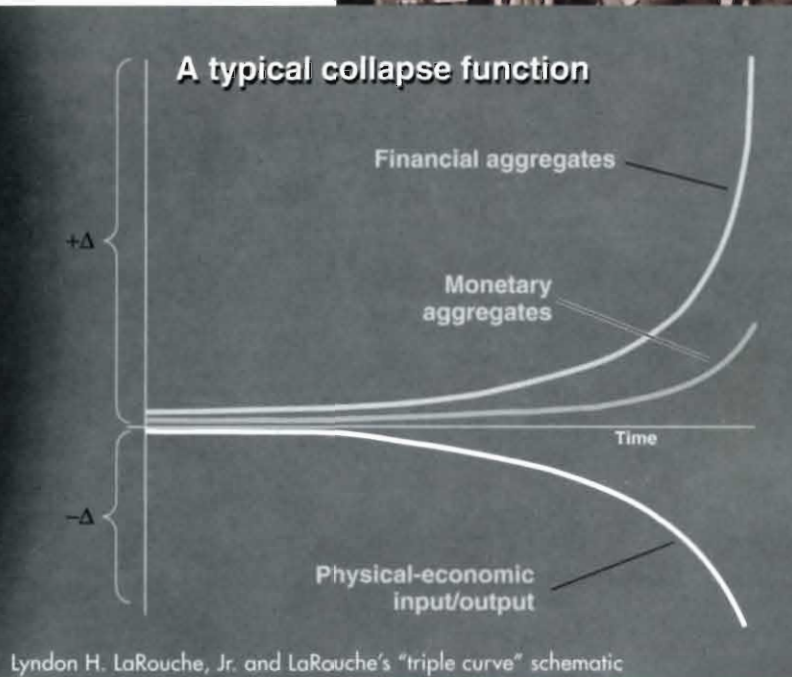
• WYOMING

• GILLETTE—Ch.36  
Thursdays—5 pm

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# Electronic Intelligence Weekly

# LaRouche And EIR Have Been Right,



## While Others Have Ignored Reality



A recent trading day at  
the New York Stock Exchange.

*The politicians who continue the present posture of stubbornly ignoring the reality of the onrushing financial and economic crisis, will soon be crushed, and swept aside politically, by the reality they ignore. Then, the present writer's objective authority as a policy-shaper, is unique, not only inside the United States, but world-wide. To parody James Carville's delicious book, "They have been wrong, and EIR has been right."*

—Lyndon LaRouche, Nov. 1, 1996

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