

# EIR

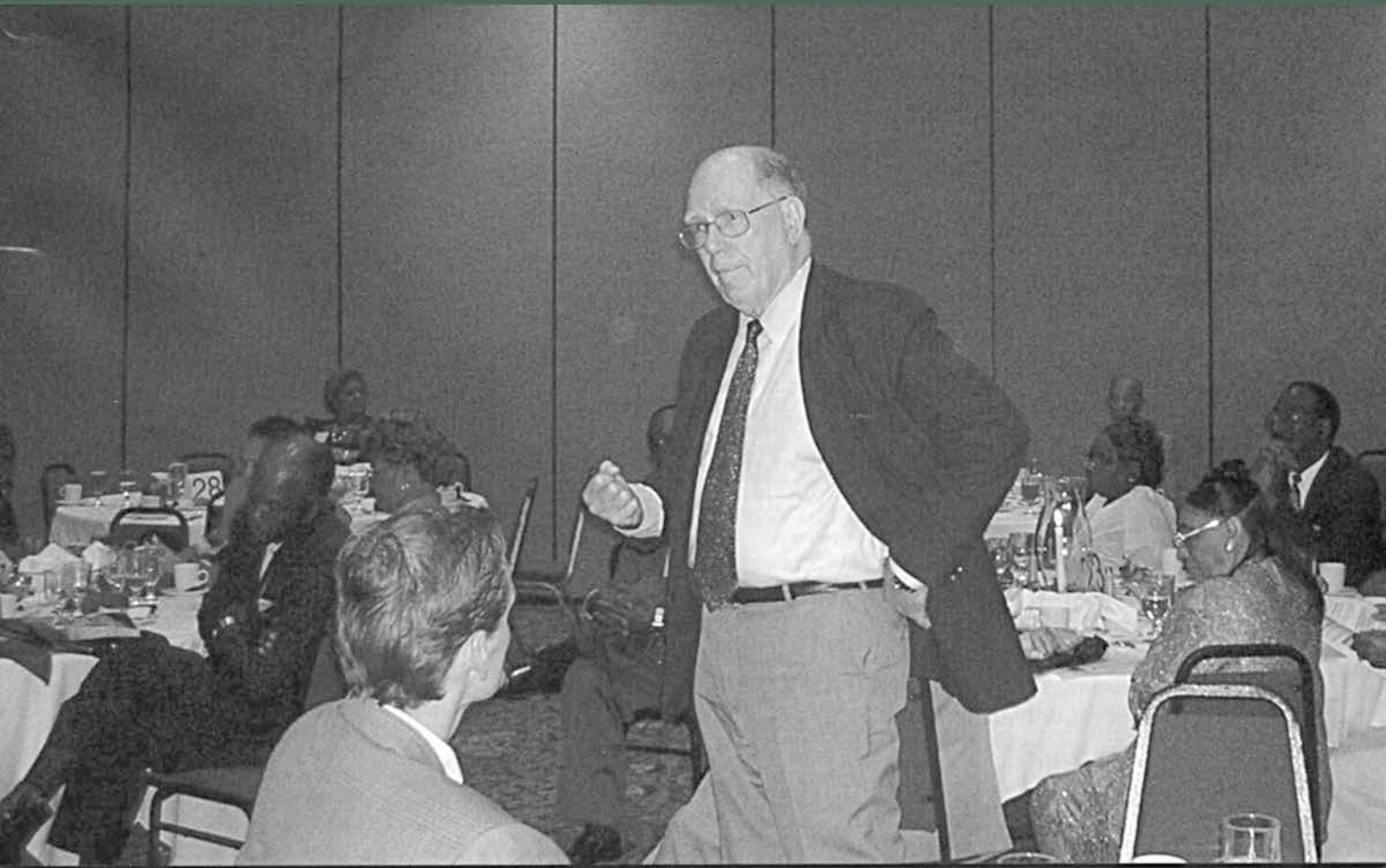
Executive Intelligence Review

May 28, 2004 Vol. 31 No. 21

[www.larouche.com](http://www.larouche.com) \$10.00

Rumsfeld's 'Ungoverned Areas' War Threat in Americas  
Oil Price and Interest Rate Hikes: A Lethal Combination  
Chalabi, Torture Scandals Lead to Cheney's Doorstep

## On the Campaign Trail Against Racism



# LA ROUCHE

IN 2004 ★

Democrat for President

## Support Lyndon LaRouche Democrat for President

The only candidate who will reorganize the bankrupt global financial system, in a time of catastrophic world economic crisis.



### CIRCULATE LAROUCHE'S WEBCASTS, NOW AVAILABLE ON DVD!

#### "Leadership With a Sense of Mission"—

We are now in a crisis which is fully as serious as that which Franklin D. Roosevelt faced in March 1933, says LaRouche. The solutions proceed from the same approach which Roosevelt used.

#### "Preparing for the Post-Cheney Era"—

LaRouche outlines emergency measures he will take as President, immediately upon assuming that office, including reorganizing health care and instituting universal military service.

#### "A Real President for the U.S.A."—

LaRouche charges that neo-conservatives gathered around Dick Cheney are making a bid for dictatorial power, like the Synarchists of the 1920s and 1930s who put Hitler in power.

Suggested contribution: **\$25** each

SEND YOUR CONTRIBUTION TO:

**LaRouche in 2004**

P.O. Box 730  
Leesburg, VA 20178

OR CALL:

(toll-free) **1-800-929-7566**

For more information, call:

Toll-free 1-800-929-7566  
Leesburg, VA 703-777-9451  
or, toll-free, 1-888-347-3258  
Northern Virginia 703-779-2150  
Washington, D.C. 202-543-8002  
Baltimore, MD 410-247-4200  
Boston, MA 781-380-4000  
Buffalo, NY 716-873-0651  
Chicago, IL 773-472-6100  
Detroit, MI 313-592-3945  
Flint, MI 810-232-2449  
Hackensack, NJ 201-441-4888  
Houston, TX 713-541-2907  
Lincoln, NE 402-946-3981  
Los Angeles, CA 323-259-1860  
Minneapolis, MN 763-591-9329  
Mt. Vernon, SD 605-996-7022  
Norfolk, VA 757-587-3885  
Oakland, CA 510-839-1649  
Philadelphia, PA 610-734-7080  
Phoenix AZ 602-992-3276  
Pittsburgh, PA 412-884-3590  
Seattle, WA 425-488-1045  
Montreal, Canada 514-855-1699



Paid for by LaRouche in 2004

Founder and Contributing Editor:

*Lyndon H. LaRouche, Jr.*

Editorial Board: *Lyndon H. LaRouche, Jr.,  
Muriel Mirak-Weissbach, Antony Papert, Gerald  
Rose, Dennis Small, Edward Spannaus, Nancy  
Spannaus, Jeffrey Steinberg, William Wertz*  
Editor: *Nancy Spannaus*

Associate Editors: *Ronald Kokinda, Susan Welsh*

Managing Editor: *John Sigerson*  
Science Editor: *Marjorie Mazel Hecht*  
Technology Editor: *Marsha Freeman*  
Special Projects: *Mark Burdman*  
Book Editor: *Katherine Notley*  
Photo Editor: *Stuart Lewis*  
Circulation Manager: *Stanley Ezrol*

INTELLIGENCE DIRECTORS:  
Counterintelligence: *Jeffrey Steinberg,  
Michele Steinberg*

Economics: *Marcia Merry Baker,  
Lothar Komp*

History: *Anton Chaitkin*

Ibero-America: *Dennis Small*

Law: *Edward Spannaus*

Russia and Eastern Europe:  
*Rachel Douglas*

United States: *Debra Freeman*

INTERNATIONAL BUREAUS:

Bogotá: *Javier Almario*

Berlin: *Rainer Apel*

Caracas: *David Ramonet*

Copenhagen: *Poul Rasmussen*

Houston: *Harley Schlanger*

Lima: *Sara Madueño*

Melbourne: *Robert Barwick*

Mexico City: *Rubén Cota Meza*

Milan: *Leonardo Servadio*

New Delhi: *Ramtanu Maitra*

Paris: *Christine Bierre*

Stockholm: *Michael Ericson*

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

Washington, D.C.: *William Jones*

Wiesbaden: *Göran Haglund*

*EIR* (ISSN 0273-6314) is published weekly (50 issues),  
by *EIR News Service Inc.*, 217 4th Street, S.E.,  
Washington, DC 20003. (202) 543-8002. (703) 777-  
9451, or toll-free, 888-EIR-3258.  
World Wide Web site: <http://www.larouchepub.com>  
e-mail: [eirms@larouchepub.com](mailto:eirms@larouchepub.com)

**European Headquarters:** Executive Intelligence Review  
Nachrichtenagentur GmbH, Postfach 2308,  
D-65013 Wiesbaden, Bahnstrasse 9-A, D-65205,  
Wiesbaden, Federal Republic of Germany  
Tel: 49-611-73650.

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

E-mail: [eirma@eirma.com](mailto:eirma@eirma.com)

Executive Directors: Anno Hellenbroich, Michael Liebig

**In Denmark:** EIR, Post Box 2613, 2100 Copenhagen ØE,  
Tel. 35-43 60 40

**In Mexico:** EIR, Serapio Rendón No. 70 Int. 28, Col. San  
Rafael, Del. Cuauhtémoc, México, DF 06470. Tels: 55-66-  
0963, 55-46-2597, 55-46-0931, 55-46-0933 y 55-46-2400.

Copyright © 2004 EIR News Service. All rights reserved.  
Reproduction in whole or in part without permission strictly  
prohibited.

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

## From the Associate Editor

**E**vents of the past week suggest that we are approaching a turning point in the battle over U.S. policy and leadership: a near-consensus, in both political parties, that the Bush Administration's policy in Iraq and the rest of Southwest Asia is wrecked beyond repair. The new revelations hitting the press about the torture in Iraqi prisons are, we have been promised, just the tip of the iceberg; and they are blazing onto our television screens even as the economic crisis (oil prices, housing bubble, etc.) comes on full force, as Lyndon LaRouche forecast it would. (See reports by Edward Spannaus on the real Abu Ghraib "chain of command," and by Richard Freeman on what lies behind the oil price inflation.)

This creates a situation in which the "beast-men"—Cheney, Rumsfeld, Ariel Sharon, and the synarchist financial circles behind them—can be expected to lash out with even greater fury: the "Twilight of the Gods." We see it already in Sharon's massacre of civilians in Rafah, in the Gaza Strip. And see our *Editorial* for LaRouche's warning of new terrorism to come, signalled by the public statements of former Spanish Prime Minister José Aznar.

The only serious option on the table for reversing the crisis, is the LaRouche option. Our cover feature presents extensive transcripts of LaRouche's speeches during a tour of several southern states, in which he lays out what must be done, and what kind of citizenry and national leadership is required to get it done. Presumptive Democratic Presidential candidate John Kerry has, unfortunately, made it quite clear that he is not going to take on the beast-men—even though if he did, he would win the election! With several primary elections still ahead, a breakout of the containment of LaRouche (who won 6% in Arkansas on May 18, his highest official total this election year) could open up the Democratic Party—finally!—for a serious debate on what must be done to prevent the world from plunging any farther into a Dark Age.

International enthusiasm for the LaRouche option is documented in Muriel Mirak-Weissbach's report from a meeting in Cairo; Helga Zepp-LaRouche's participation in a Prague conference on the "Dialogue of Civilizations"; and Kathy Wolfe's intervention in South Korea on LaRouche's policies for building the Eurasian Land-Bridge.

*Susan Welsh*

# EIR Contents

## Cover This Week

*Candidate LaRouche in impromptu remarks from the floor of the Alabama New South Coalition meeting May 14.*



- 4 On the Campaign Trail Against Racism**  
Lyndon H. LaRouche, Jr.'s opening speech for a DVD which his Presidential campaign is putting into mass circulation.
  - 6 How Excluding LaRouche Lost Gore 2000 Election**
  - 7 DNC Racists Eviscerated Voting Rights Act**
  - 8 'Bring the Threat of War Under Control, Now'**  
LaRouche's press conference in Louisville, Kentucky.
  - 10 U.S. Is Suffering the Insanity of Empire**  
Remarks to the LaRouche Youth Movement.
  - 15 'I'm Trying To Save the Democratic Party'**  
Address to members of the Christian Ministerial Alliance of Little Rock, Arkansas.
  - 17 Capital Investment To Produce a Human Being**  
Speech to Arkansas legislators.
  - 27 'We Shut Down Our Jobs, And We Are Poor'**  
TV interview in Fayetteville, Arkansas.
  - 28 Get the Common Man To Vote for Himself**  
Speech to the Alabama Democratic Conference in Montgomery.
  - 29 'We Need People Who Will Stand Up'**  
To the New South Coalition in Montgomery.
- ## International
- 30 Sharon's Operation Rainbow: All Colors Are Blood-Red**  
Israeli Defense Forces' massacre in Rafah, in the Gaza Strip, has caused an international outcry.
  - 33 The LaRouche Doctrine Debated in Egypt**
  - 35 Australia Tortures Children in Camps**
  - 38 Thailand's South Erupts As Neo-Cons Eye Straits**
  - 40 Congress-Led Alliance Pulls Surprise in India**
  - 42 Rumsfeld's 'Ungoverned Areas' Spread Across the Americas; Will War Follow?**  
Synarchist bankers are deploying both left-wing and right-wing against the nation-states of Ibero-America.
  - 44 Toledo Teeters, As Soros Pushes Uprising**
  - 45 Synarchists Setting Up Terrorism in Mexico**
  - 46 Dialogue of Civilizations in the Golden City of Prague**  
The World Public Forum in Prague had the theme, "Europe in the 21st Century: a Meeting Place of Civilizations."
  - 48 Is There a Universal Image of Man?**  
Speech by Schiller Institute founder Helga Zepp-LaRouche to the conference Plenary Session.
  - 50 FDR's New Deal Is Key to Today's Financial Crisis**  
Helga Zepp-LaRouche's speech to a workshop on economic questions.

## Economics

### 54 Oil Price and Interest Rate Hikes: A Lethal Combination

Lyndon LaRouche warns that any new crisis in the Middle East could send the oil price up to \$50-60 a barrel; why the U.S. economy is particularly vulnerable.

### 57 New Silk Road Diplomacy Steps up in NE Asia

### 59 Gwangyang Port's Horizon Is Eurasian Land-Bridge

Kathy Wolfe reports from South Korea.

### 61 Russian: Crash Certain; LaRouche Has Solution

Former Russian Central Bank chief Victor Gerashchenko called for "a revival of the Bretton Woods system, with fixed exchange rates and a tie to gold."

## National

### 62 Chalabi, Torture Scandals Lead to Beast-Man Cheney's Doorstep

The Vice President's office introvertibly provided Chalabi's base of support; and the chain of command which pushed Geneva Conventions aside leads not just to Rumsfeld, but to Cheney.

### 65 LaRouche Opens Campaign Against Party Racism

A report on the candidate's battle against the Democratic National Committee racists, and the results if the May 18 primaries. LaRouche won 6% in Arkansas, his largest percentage in this election to date.

### 70 Congressional Closeup

## Book Reviews

### 66 The Vietnam Veteran in Greek Tragedy

*Achilles in Vietnam: Combat Trauma and the Undoing of Character*, by Dr. Jonathan Shay, MD.

## Editorial

### 72 Investigate New Synarchist Terror Threat

**Photo and graphic credits:** Cover, pages 5, 10, 23, 25, 27 (debate), 29, EIRNS/William Salisbury. Pages 7, 13, 27 (Wal-Mart), 67 (Vietnam War Wall), EIRNS/Stuart Lewis. Page 8, EIRNS/Stuart Rosenblatt. Page 9, 11, 38, EIRNS. Pages 16, 18, 21, EIRNS/Mike Carr. Page 30, Gush Shalom website. Page 36, www.sievx.com. Page 46, EIRNS/Christopher Lewis. Page 47 (plenum), www.wpfdc.com. Page 47 (Zepp-LaRouche), 49, 51, EIRNS/Daniel Buchmann. Page 57, U.S. Embassy, Korea. Pages 59, 60, Korea Container Terminal Authority. Page 63, Kent Harville. Page 67 (Troy), www.arttoday.com.

## On the Campaign Trail Against Racism

by Lyndon H. LaRouche, Jr.

*Democratic Candidate LaRouche's indictment of the Democratic National Committee (DNC) for having annulled the Voting Rights Act of 1965 in order to try to exclude him from the Party's leadership, is the opening speech of a DVD which his campaign is putting into wide circulation.*

*Franklin D. Roosevelt brought the "forgotten man" of the Great Depression into the Democratic Party in his 1932 campaign, to be able to rebuild the shattered American economy over the bitter opposition of Wall Street financial powers. The DNC has now abandoned the black and other minority constituencies of FDR's legacy, the lower 80% of today's household income brackets. LaRouche uniquely spoke to these constituencies' urgent necessities—and to the mission of the nation's youth in this crisis—in a string of campaign events, interviews, and youth educationals from Kentucky to Pennsylvania, Arkansas, and finally Alabama in early May; these events are highlighted in this EIR Feature.*

I'm speaking to you on Monday, May 17, the anniversary of *Brown v. Board of Education*. This past Saturday, I was in Montgomery, Alabama for two meetings of civil rights groups, who were screening candidates for their support, for the coming primary election in that state.

Naturally, the subject of *Brown v. Board of Education* was one of the themes discussed during those events. But also mentioned was the enactment of the Voting Rights Act of 1965, which President Johnson supported, and pushed through the Congress, on the basis of the incident which happened in Selma, on the road toward Montgomery that year. A dear friend of mine, Amelia Boynton Robinson, was clubbed, almost to death, in crossing that bridge in this protest in behalf of voting rights.

The scenes of that, as broadcast on national television, alarmed the nation, and induced the enactment of the Voting Rights bill that year.

What the people there did not seem to remember, is: The Voting Rights Act was *annulled* recently, on the initiative of the Democratic Party. This has several implications.

### **Why Democrats Annulled Voting Rights Act**

First of all, the motive for repealing the Voting Rights Act—which they did in effect—was to eliminate me from politics. Many people thought I was too much of a danger to the kind of politics they were pushing, and wanted me shut up,





*Civil Rights heroine Amelia Boynton Robinson, candidate Lyndon LaRouche, Talladega City Councilman Ed Tucker, and an unidentified guest at the Alabama Democratic Conference luncheon and Selection Committee meeting on May 15. "The Democratic Party has acted as racists," LaRouche says on a new campaign DVD. "They should cut it out and reform themselves. They should understand they must go back to what Roosevelt represented."*

and out of the picture, so they could go their own way. This was the accommodation of the Democratic Party to the initiatives of Newt Gingrich at that time. And the Democratic Party, back in 1996, had capitulated. I was a threat to that capitulation, and therefore, steps were taken to eliminate me.

What they did, is they went to this action, which we took to Federal Court, because they had violated—the way they excluded me—they had violated the Voting Rights Act of 1965. What happened, before a three-judge panel in the Fourth Circuit in Washington, D.C., was that the Democratic Party shifted from trying to defend its actions against me, which were illegal under the Voting Rights Act, and instead moved to change the law, to nullify the Voting Rights Act. The argument was made, that the Democratic Party was a club, and this club, like a private proprietorship, could operate on shareholder values.

Now shareholder values was the argument, in essence, which was used to exclude voters of African descent in past times—and others. The same thing was raised again now. It was then called slaveholder values, once. It's now called shareholder values. And therefore, what happened is, the Democratic Party has *overturned*—as far as *its* affairs are concerned—has overturned the Voting Rights Act of 1965, and has done that persistently.

The Democratic Party, which uses all kinds of lying phrases to try to cover what it did to me, is actually, therefore, a racist organization.

Now this, of course, affects the rights of citizens of African descent. But it also affects most of the people in the lower 80% of family-income brackets, because the upper 20%, who are trying to control the party—both parties, in fact—do not want the lower 80% to have an effective voice in national politics.

We're now in the greatest financial crisis since 1929-33. The present one, which is coming on fast, is worse than that,

as you will soon experience this. The inflation which is now going on, the collapse of the markets careening in from Europe and Japan, means that we are in trouble. Oil per barrel is over \$41 now: Probably it will go much higher. This means a crash.

Now, in the times of a crash, when banking systems go out, the question is: who is going to pay for the collapse of the financial system? Will it be the speculators, the financial speculators? Or will it be the people?

That was the issue back in 1929-33, when Hoover went to defend the bankers against the people. Franklin Roosevelt went for the people, and was elected for his support of the "forgotten man."

The deprivation of the rights of citizens of African descent, is a threat to all people in the lower 80% of family-income brackets, whatever their attributed skin color, or background. These are the people who are threatened; and the Democratic Party is, in a sense—in that specific sense—racist, because the leadership of the Democratic Party *knows* what it has done. It has overturned the Voting Rights Act of 1965, on *its* initiative, and has attempted to enforce that.

### **Economic Collapse Accelerating**

It is also wounded by the way the campaign has been run by most of the candidates: To address the concerns of the upper 20% of the family-income brackets, and to ignore, or to push aside—as Gingrich set the pace for this—to set aside the rights of the lower 80%.

That's the kind of situation we face, globally. As I just said this morning, today's news report from Europe indicates an acceleration in the rate of the collapse of the present international monetary-financial system. This situation is relatively hopeless. I can't guarantee you, or tell you, exactly what day the official crash will come; but it's coming, and it's coming soon. What we need at this time,

from the United States, is the kind of response to a crash that should have been taken by Hoover in 1929, or something thereabouts, but was taken by Franklin Roosevelt, in March of 1933.

We have to move to put this bankrupt, mismanaged financial system under reorganization, under financial receivership. We must keep the banks functioning, other institutions essential to our nation, functioning. We must keep the doors open. But the banks must be taken into receivership, and similar financial companies taken into receivership, by the Federal government, in order to protect the people, and to protect the nation.

In the same way as Roosevelt did back in 1933 and thereafter, we must resort to the Federal ability to manage the economy, to manage the currency, to create a fund of capital investment, initially for large-scale infrastructure projects, to get enough people employed, enough businesses activated, to bring the level of activity and income of the households and the states up to the point that the states can manage their budgets, and meet their obligations.

At the same time, we must bring the nation as a whole, up above the breakeven point, where we're building our way out of the crisis. This means large-scale infrastructure; it means employment in power generation and distribution of power; it means employment in water projects, of which we need

many; it means employment in mass transportation. It means also aid to education, especially to rebuilding our shattered healthcare system—which again, the HMO bill has devastated. It means also providing credit to banks which may be bankrupt themselves, but must still function as institutions for managing credit in local regions. To make sure that funds are available, credit is available, to businesses of merit in local areas, to build up private employment in the environment created by expansion of employment, in the building up of basic economic infrastructure.

That is what has to be done. So far, because the leadership of both parties—that is, the campaign leadership—has completely ducked the issues, we're now plunging into a great depression. And neither Kerry, for example, nor, of course, George Bush, has the slightest idea, or intention, of doing what is needed to get us through this kind of mess. They don't understand the problem, as I do.

Therefore, don't believe what the Democratic Party says. They've acted as racists; they should cut it out and reform themselves. They should understand that they must go back to becoming what Roosevelt represented, the party which represented the interests of the forgotten man; which builds the country, and thinks about all of the people, not just some of the people.

That is the policy you must adopt. We must do it now.

## How Excluding LaRouche Lost Gore 2000 Election

Some 53,150 Democrats voted for Lyndon LaRouche in the May 2000 Arkansas Democratic Primary—18.23% of the vote cast, which entitled LaRouche to send at least seven delegates to the Democratic National Convention. The candidate was not surprised by the vote. But the Democratic National Committee, and Arkansas Democratic bureaucrats were hysterical at the prospect of LaRouche breaking open the vacuous Convention prepared for loser Al Gore. The Democratic Party therefore proceeded to disqualify LaRouche—disenfranchising his 53,000 Democratic voters—and to give his delegates to Gore! This flagrantly violated state election law, and the landmark 1965 Voting Rights Act, passed expressly to protect minority voters from the racist exclusion policies Southern Democrats practiced for decades.

The LaRouche delegates took the matter to state court, where the Democratic Party's lawyer successfully urged the court to "put on its hood and robe" and invoke the 1996 U.S. Supreme Court *LaRouche v. Fowler* decision,

nullifying the Voting Rights Act, and making the Democratic Party again a racist, private club.

With LaRouche excluded from the Democratic Convention, the way was cleared for the DNC-directed Gore campaign to lose to the dumbest man ever to occupy the Presidency, George W. Bush—by the margin of the Florida vote, the media and pundits screamed.

Ironically, the truth is much simpler: *Gore would not have needed Florida to win, if he had won Arkansas.* He lost Arkansas in November by fewer than the 53,000 votes he'd stolen from LaRouche. Had he not disenfranchised those Democrats, he probably would have won Arkansas, and thus the Presidency.

Come 2004, for the May 18 Arkansas Primary, State Democratic Chair Ron Oliver filed a list of candidates with Democratic Secretary of State Charlie Daniels; it now included an "Uncommitted" line, besides those for LaRouche, Kerry, and Kucinich. (The Democratic chair had not put "Uncommitted" on the ballot in 2000, although the Secretary of State's Counsel Tim Humphries told *EIR* that Statute 7-8-201 required it.) In the 2004 Primary, LaRouche's vote was 6%, while "Uncommitted" siphoned off 24% of the Democratic vote. Once again, the Democratic Party is choosing to lose to Bush, by excluding LaRouche.—*Anita Gallagher*



# DNC Racists Eviscerated Voting Rights Act

by Barbara Boyd

On March 27, 2000 the U.S. Supreme Court refused to apply the Voting Rights Act to the Democratic Party's practice of refusing to count the Presidential primary votes of Lyndon H. LaRouche, Jr. By the same action, the court sustained the position of the Democratic National Committee (DNC) and a three-judge court sitting in the District of Columbia: that the Democratic Party is a "private club" and can exclude anyone it chooses—the very same argument employed by the Democratic Party throughout its racist past to exclude blacks and other minorities from the political process.

In his argument in *LaRouche vs. Fowler*, the DNC's lawyer, Jack Keeney—echoing the views of U.S. Supreme Court Justice Antonin Scalia—asserted that if the Voting Rights Act applied to the DNC and to the Party's nomination process for President of the United States, it should be held unconstitutional and nullified. Yet Congress, in passing the 1965 Act, explicitly applied it to the Presidential nominating process.

## Fowler's Exclusion Rule

The case arose in 1996, when then-Democratic Party Chairman, Donald Fowler, ordered the State Democratic Parties in Virginia, Louisiana, and Texas to disregard votes cast for LaRouche and his supporters in the Presidential primaries and caucuses in those states. As a result, Virginia Democrats dissolved a Congressional District caucus which had sufficient Democratic voters pledged to LaRouche to elect a delegate to the Democratic National Convention. In Louisiana, LaRouche received sufficient votes in the primary to elect delegates to the National Convention. Despite a state law mandating election of LaRouche delegates, Louisiana Democratic Party officials refused to hold that election, citing the Fowler edict. In Texas, where party elections were held to elect delegates to a state convention which, in turn, elected the National Convention delegation, Democratic Party officials stripped elected delegates to the state convention of their status, and substituted other delegates in their place, because the duly elected delegates were pledged to LaRouche.

In response, LaRouche and a group of voters brought suit, charging Fowler and the other responsible Democratic Party officials with violations of the U.S. Constitution and the Voting Rights Act of 1965. Thomas Penfield Jackson, the U.S. District Court Judge first assigned to the case, gave a foretaste of what was to come by refusing to convene a three-judge panel as mandated by the Voting Rights Act. Instead, Jackson



*South Carolina racist Democrat Donald Fowler, who as head of the DNC in 1996 promulgated rules that the Party was a "private club" and could exclude whom it wanted to—Lyndon LaRouche and his delegates.*

dismissed the lawsuit in response to lawyer Keeney's racist "private club" arguments; while musing at one point that it might be legal for the Democratic Party only to recognize white males.

This performance by a Judge renowned in legal circles as the dumbest in Washington, D.C., was too much for the D.C. Circuit Court of Appeals who remanded the case back to Jackson, ordering him to convene a three-judge panel. But the three-judge panel, which Jackson dominated, sustained the DNC's argument, thereby eviscerating what was left of the landmark 1965 Voting Rights Act.

The Voting Rights Act was passed to put an end to years of legal machinations and violence aimed at preventing minorities from voting. It required that the Justice Department pre-approve any procedure which might hinder the ability to vote, or to have that vote counted. Both the legislative history of the Act itself, and Justice Department regulations, make clear that it explicitly applies to party nomination processes.

The argument employed by the DNC and endorsed by the Court explicitly resurrects the argument utilized by 11 southern states for decades, to exclude black voters and other minorities. In response to attempts to enforce the 14th and 15th Amendments governing state-sponsored elections following the Civil War, the Democratic Party "privatized" its nominating process. The White Primary cases document how Southern Democrats argued that since their nominating processes were private, and they had a constitutional right to freely associate, their actions excluding blacks were without legal remedy.

Prior to *LaRouche vs Fowler*, a faction of the U.S. Supreme Court led by Justices Scalia, Rehnquist, and Thomas had long sought to dissolve the Voting Rights Act. In a 1996 statement in open court, Justice Scalia said he would approve of the establishment of all-white political parties, if they were privately funded. The DNC's actions in *LaRouche v. Fowler* made one of the Civil Rights Movement's proudest achievements a legal nullity.

## 'Bring the Threat of War Under Control, Now'

*Candidate LaRouche met the press in Louisville, Kentucky on May 7, with Democratic State Representative Perry Clark, who has endorsed LaRouche for President.*

**Representative Clark:** So, we got our thinking caps on. Bill Moyers recently said, that what we have set up is an oligarchy; we have leaders that are set up that are going to do the same thing, regardless of parties. That's where we're heading. That's a paraphrase of his. Carroll Quigley, who was a mentor of Bill Clinton, has said that the two-party system is *not* really a two-party system. Politicians are groomed for the very top, and they will do exactly the same thing. What elections have become, is unresolvable social wedge issues: on issues, all elections have boiled down to that. There is no substance. There is no meat. There is no ideas. There is no hope. I believe now's the time for candor. I believe now's the time for free, true exchange of ideas between sovereign individuals. I think Lyndon LaRouche brings that to the table. I endorse him wholeheartedly, and that'll be the end of my statement for now.

**LaRouche:** Thank you. It's good to be in this state. There are worse states to be in—mental states, especially!

But, my candidacy is rather unusual. I'm probably the only person qualified for President of the United States under these circumstances, because of the economic crisis, and other things. But, at the same time, I'm more than a candidate. I'm involved in issues, now, which are on the table now, for action

now, not after the next election.

For example, you have here, in a packet, a copy of my so-called LaRouche Doctrine, which is a unique doctrine for extricating the United States with honor, from the conflict in the Middle East. This has received large endorsement throughout the Arab world. I'm probably the only U.S. politician who can pull it off. And therefore, I'm pressing to get as much pressure as possible, to actually—by hook or by crook—to force the President of the United States, to issue an Executive Order affirming this policy. If he were, at that point, to issue such an Executive policy, and the discharge of Mr. Rumsfeld may lead toward that if it occurs, then my plan will need to go into action.

The relevant countries of Southwest Asia and others, and others who endorsed the action, would go to declare that they are going to sponsor a state of truce between the military forces of the United States in Iraq, and Iraq as such. Immediately, the Constitution of Iraq, the 1958 Constitution, would be called into play, and we would call for the immediate assembly of a provisional government of all represented factions, in Iraq, on the basis of that Constitution. We would step back, and disengage our military forces at that moment. But put them in a reserve position, because the new government of Iraq, the provisional government, coming into play, to take over the country, will need foreign assistance; and we, with our military commitment, will be cooperating with other countries from Europe and so forth, under United Nations Organization patronage, to implement the reconstruction of Iraq. This would mean pulling back most of our military engagement as such, from Iraq, but it would be a commitment, under the United Nations, to a rebuilding policy.

The other part of this thing, which makes it work, is that we have to force Israel to accept what Rabin, the former Prime Minister who was assassinated, proposed: The Oslo Accord agreement. Because, without peace between the Palestinians and the Israelis, there's no possibility of peace in Southwest Asia. Mr. Bush has to dump his policy, the present policies

announced, and go back to that policy. Bill Clinton was moving in the right direction in that, particularly with his final effort, which failed, unfortunately, but it was a good effort when it was done. So, if we can get the agreement to a two-state solution, for the Palestine-Israel conflict, based on extant UN agreements and policies, then, at that moment, we will have a situation for going through all of the countries of Southwest Asia, and setting up a security zone of their initiative, but with our support.

Remember, with the price of oil now \$40 a barrel on the inter-



*Candidate LaRouche with Kentucky State Rep. Perry Clark (left) who introduced him to the Louisville press conference (with media, right). "If I'm excluded," LaRouche said, "it will be a disaster. If I'm included, we might be able to save the situation" from general war and economic collapse.*

## Southwest Asia Map



The candidate released his *LaRouche Doctrine on Southwest Asia* on April 17, “a unique doctrine for extricating the United States with honor, from the conflict in the Middle East.” The map shows nations LaRouche identified as key partners that he, representing the United States, can work with to stop the spreading conflict.

national market—even though the Arabs do not control the price of oil; the international petroleum marketing cartel based in London does—but, obviously, if there’s a general conflagration in the Middle East, which is potential now, that will mean that the world’s *primary* source of petroleum for the world market, will tend to be shut down. That is a security threat to the United States and to the world. And therefore, the question of security, for the region, which includes Turkey, Armenia, Azerbaijan, Iran, and Arab countries, led by Egypt, would be of crucial importance for the security of the United States. It would also be one of the first important steps toward bringing the threat of international terrorism under some degree of control.

So therefore, this is something which is now. It is in the immediate interests of the United States. It was not something to wait for the next election, or next January. It must be attacked now. I’m doing that.

### Prevent an Economic Catastrophe

The second thing of importance, is the economic question. Now, the world is being fed a pack of lies, especially Americans. There is no chance of a recovery of the U.S. economy under current policy. It is not possible. We are on the verge of the biggest collapse we’ve ever experienced, much bigger than 1929-33. It is happening now: It’s just a matter of time. We have not yet experienced a crash. We are experiencing,

globally, a crumble.

I can say, frankly, that the major banks of the United States are bankrupt. The banking system of Japan is bankrupt. Therefore, we must take actions like those that Franklin Roosevelt took in March of 1933—actions, bank holiday, or whatever—to put the whole thing under government control to prevent a catastrophe. We can not have the doors of our banks closed. We must keep those doors open, at least most of them. We can not have a breakdown in payments, people’s payrolls and so forth. We must have stability.

And therefore, there must be a consciousness among politicians to stop the garbage, stop talking about “me, too,” on Bush on the Middle East. Stop talking about “prosperity is just around the corner,” and little things we have to fix it up, to improve it, put new paint on it.

*We are in a crisis.* We must bring the threat of war under control, *now*. We must also recognize, we face a dangerous, very dangerous, financial-monetary crisis. We must begin

talking about the measures, which must have public support, to deal with a crisis, as Franklin Roosevelt approached the same kind of situation, but more severe one now, today.

So, those are the two things. I’m running for the candidacy; I think that we have a disaster on our hands. Kerry’s campaign is a disaster. I don’t dislike the man in the least. I try to help him as much as I’m allowed to. We do consult with his campaign. But, it’s not taking the way it should. And so far, Republicans who I know, important Republicans who would like to vote for a good Democrat, and hope that Kerry would be the alternative, are now sorely disappointed by his recent performance.

So, I’m also in the campaign. I should be the Presidential nominee; I should be the President. I don’t see anybody else qualified. But, at the same time, I have to deal with the alternative. I have to somehow make the Democratic Party an effective party for the November elections. And Kerry, at present time, is not an effective candidate, who would assuredly win that candidacy.

So, those are the three points: Two immediate action points—the so-called Middle East crisis, and the economic crisis, both of which are not being faced realistically by politicians generally; and thirdly, the question of the coming election campaign, in which I will be a factor. If I’m excluded, it will be a disaster. If I’m included, we might be able to save the situation.

## U.S. Is Suffering the Insanity of Empire

*On May 8, Lyndon LaRouche gave this talk, transmitted simultaneously to weekend educational and recruiting sessions of the LaRouche Youth Movement in Pennsylvania and in Seattle, Oregon. This is a portion of his presentation. Sub-heads have been added.*

We're now in a situation, you have a presumptive candidate for the Democratic nomination, who is currently a global disaster. And not only is he currently a global disaster, he is *perceived* as a global disaster, even by those who are protecting his candidacy. So, at this point, it probably is the case, but for what the Democratic Party generally did with respect to me, Cheney would be out, already, a year or so ago; possibly even, we might not have had an Iraq war. Certainly, if the Democratic Party had not excluded me, we would not have an Iraq War. It couldn't have happened. Because, once the debate of the issue, the controversy over the cover-up had occurred, you couldn't go ahead with the war.

We had a bunch of gutless people, who in the fall of 2002, capitulated. And if I had been in the picture in the Democratic Party, it wouldn't have happened. They wouldn't have dared. Because some of them were intelligent enough to recognize I was putting a penalty on them all. But, they weren't afraid of me, in the party, because they were fools. I did lay down the grounds for the penalty. But they said, "We can ignore his threat of a penalty, because he's not going to be there, to collect on the penalty."

Now, you've got a point, that you have a war ideologue, which is insupportable. And you have horrors that are going on there. Now, evidence of the horror became manifest, in terms of some dirty pictures. We understand we have not gotten the full edition, which we were promised by Defense Secretary Rumsfeld, who will give you some more really ugly pictures. The worst is yet to come, he's promised. And considering the people he works with, I wouldn't doubt that. I would expect it.

But the policy was already there! You didn't need the pictures, to know the policy. You didn't need the pictures, to know that's what was happening in Guantanamo Bay. You didn't need the pictures, to know all these arrests and suspensions and roundups, like roundups after the Reichstag Fire in Germany. Göring set fire to the Reichstag, and they began rounding everybody up they didn't like. Here, in the United States, they began rounding up Muslims—just rounding them



*Lyndon LaRouche meets with several organizers of his LaRouche Youth Movement in Montgomery during his campaign swing in Alabama. The candidate's youth movement is the only mobilized youth leadership force of its kind supporting a Democratic candidate.*

up! And holding them, for various periods of time, with no civil rights, under Ashcroft, and similar kinds of things under Bush.

So, we know this was all going on! It was no mystery. But, it went on. It went on, and on, and on, largely because of the Democratic Party leadership, the Democratic National Committee. It went on, because I was excluded from the fight, officially. They thought they had me out of the picture. They didn't feel themselves accountable, to what I was saying about them.

Now, that has changed.

The pictures were simply the trigger, the detonator, on the explosive charge, which was already there. And what has helped to make this that, is, most people who know anything, know about my LaRouche Doctrine. It is influential throughout the Middle East, so-called. It is spreading around the world. Everyone sophisticated in Washington knows it's there. Our military experts *know it's right*. And so, the pressure's on.

Because, we have two issues: We have the biggest financial crisis in modern history, which most people know about, behind the scenes. They just agreed to pretend, like typical under-62-year-old people, to pretend it isn't there.

*"I don't go there! You can talk about depressions. They've come. I will ignore them! They don't exist!"* It's like the Pooka, the *New Yorker* cartoon series of Thurber. The rabbit, the mysterious invisible rabbit. The giant invisible rabbit, the Pooka. [whispering] "The depression isn't there! It doesn't actually exist! Why? [shouting] Because we refuse to acknowledge it! It won't come, either!"

Why won't it come? "Because we and the Republicans have agreed, the White House has agreed, it will not come!



*LaRouche Youth gathering support for the candidate at Arkansas campuses in late April before his campaign appearances in the state. LaRouche polled 7% of the Arkansas primary vote on May 18, despite a large vote for an “uncommitted” line put on the ballot to siphon off votes.*

Until after November. Until after the election. It will not come until after the election! We have decided!”

They have told Europeans: “It will not come until after the election. We have *fixed* it.”

They fixed precisely nothing. It’s coming on.

But, under the conditions of the continuation of the Cheney policy, conditions of warfare, it will be impossible to carry out anything resembling an effective defense, against the onrushing financial-economic collapse. It just won’t be possible. If you don’t have cooperation and trust among nations—

Let’s take one example, a little case in point: Now, in the past week, the price of petroleum, on the London petroleum marketing exchange, which sets the price at the end of the day, at the close of doing business, rose to the vicinity of \$40 a barrel. And it has not stopped there. A great part of the world’s petroleum supplies, on which we have made ourselves, like fools, excessively dependent by suppressing nuclear development; if we had done in the United States, what was done in France even, in terms of percentage of power generation and distribution from nuclear power, we would not have the degree of national insecurity we have on power generation and distribution, today.

But now, in this condition, where the game has been rigged, to make the world dependent upon petroleum supplies, as a basic fuel stock, internationally, and in which the Gulf area is the richest producer of petroleum at the lowest price on the planet—what happens if you have a general outbreak, a disruption, tantamount to what’s going on in Iraq,

in the Gulf region? Iraq is one of the major petroleum producers in the world. It’s a key part of the complex, north of the Gulf itself, it’s the most important producer of cheap petroleum supplies, because of natural conditions there. If this entire area begins to go up in smoke, can you afford to drive an automobile in the United States?

How many power stations in the United States are dependent upon petroleum? Petroleum-burning, or natural gas? How much of the industry of the United States—look at those trucks, careening along the highways, because we don’t have railroads any more, at least in most of the country? What happens to all those trucks? What happens to the physical economic structure of the world, especially Europe and the Americas, under those conditions?

Therefore, as long as you keep Southwest Asia, a strategic part of this planet, in the condition it’s in now, with an increasingly explosive condition fostered by the situation of U.S. policy in Iraq, under the conditions of an already-ripe explosion and collapse of the world

monetary-financial system, what is the strategic interest of the United States and its people, *in carrying out my Doctrine—now?*

### **A Folly Like That of Athens**

People say, “What are your chances of being nominated and elected?” I say, “Probably much better than your chances of surviving my not being elected!”

That’s the way people have to think about it. You do come, in the course of history, to points of crisis, which have been ripening all along, and which you, maybe like a Baby Boomer, an under-62er, have been pretending you could ignore. And the crisis comes, and you have to make a decision. The decision involves several things. It involves changing what you assume to be unchangeable. You say, “We will never do that! No one will ever accept that! No one will ever do what you say. So what’re you talking for? Nobody is ever going to accept what you’re going to say!” Suddenly, you come to the point, “Well, in other words, you’re saying you don’t wish to survive.” You have to *change* your values, you have to change your way of thinking, or you are *not going to survive*. That’s where we’re at.

We are at one of the great points in history, which I’ve been talking about for a long time—it was coming on; we talked about it. People said, “No, no, no, no! It’s not going to happen. We’re instant-gratification people. If it didn’t happen yesterday, it will never happen!” It goes on, and on, and on. And finally, the time comes to pay the bill. “I will never pay that bill! That is, to make the changes in policy, the changes

in my way of thinking, which you say I have to make: I will never do that! So, history will just have to accept the fact, that I'm not willing to go along with that. Therefore, you're wrong! Because we will never accept that."

Take the case of the Peloponnesian War. Athens, which had risen, in the time of Pericles, to a position of an unusual degree of strategic power in the region, as being the head of a coalition, which had, at least on the maritime side, had defeated the Persian Empire, in a rather decisive way. And, at that point, on the basis of the spread of an ideology, which is virtually identical with what is popular in the United States today, called "popular opinion"; "majority popular opinion"; "popular tastes."

These were the Athenians who said, "We are now, like Washington: We are an empire! Our last competitor, the Persian Empire, has collapsed. Sparta has accepted our leadership. We have no competitors! We can now run the world! We are now an empire!" And therefore, they went to the small island of Melos, and said, "Well, here are your orders." And the Melians said, "No. You're not treating us properly."

"Well, you do that, or we'll kill you."

And the Melians said, "We won't do it."

So, they came, and they killed the men, and many others. They committed genocide, against the population of the small island of Melos.

This act had the arrogance of the Athenians under Pericles. And they went into a general war, which became known as the Peloponnesian War. It became a war between certain groups of states in the area, aligned with Sparta, and those allied with Athens. And they weren't satisfied with that! Under Thrasymachus, who was a most notorious character, an opponent of Socrates in *The Republic*, they went into Magna Graecia—that is, the southern part of the Greek colonies in Italy and adjoining territories: Sicily and Southern Italy—and they extended the war there, under Thrasymachus.

As a result of that, Greek civilization, politically, as such, was doomed. It never recovered from that effect. And despite the aftermath of Alexander the Great—who was influenced while he lived, by Plato's Academy of Athens—despite that, this cleared the way for the emergence of the Roman Empire, or the Roman conquest and Roman Empire, especially from about 200 B.C., at the time the Romans conquered Syracuse, and killed Archimedes.

There was a turning point, down, in general trends in European civilization as a whole, until the 15th-Century Renaissance.

That is popular opinion for you. It was called, then, "sophistry." Today, in U.S. politics, it's called "spin." "I don't spin things that way." "You say this. I have a different spin!" "I have my desires! And you're not going to spin me out my desires!"

And that's the situation we have.

So, you have a population, a culture, an opinion, and trends, which are clinically insane, like those of the Athenians

of the time of Pericles, when they started the persecution of the people of Melos. We are doing, in a sense, in Iraq, what the kingdom of Pericles, or the leadership of Pericles, did to the people of Melos and other countries. And we're headed toward a similar consequence.

Now, Socrates was subjected to judicial murder, by an organization known as the Democratic Party of Athens. The tradition of democracy, the very meaning of "democracy," today, in the United States—the popular understanding of the meaning of the word "democracy," in the United States and Western Europe, *is identical* to the conception of sophistry, practiced by the Athens of Pericles. In other words, we are not only in a *parallel* situation, to that which brought the downfall of the leading culture of that period—Athens—we *are falling for identically the same reasons*. And we call it "democracy." We call it "popular opinion." We call it "public opinion." We say, you can not go against "public opinion." You can not go against the Democratic Party's "public opinion," within its ranks. You've got to stick to what the newspapers and the mass media accept. This is sophistry. This is moral stupidity.

### **Truth Is Against 'Popular Opinion'**

How much moral stupidity can you report upon, in your experience? How many people say, "You can't do it, the mass media won't support you"? How many people say, "You can't do it, public opinion won't support you"? How many people say, "You can't put the toothpaste back in the tube. We made the changes, and you can not go back and fill the tube again, and go back to what things were before"? How many people say that? How many people tell you, the system is going to *be* that way?

What are they telling you, if they are right, in their forecast of what's going to happen—what is going to happen? The United States will virtually disappear. And the rate of death in the United States, and the rate of poverty, will be far worse than anything you can imagine today.

So, they have the power, in a sense, to stick to their popular stupidity, and to behave the way they've been behaving up to now. But, can they *outlive* the results of that conviction?

In other words, they either go our way, or this nation is doomed. It is not doomed because we're so smart. It is doomed because we have chosen a rational alternative, as Socrates and Plato did, to the alternative called "democracy," in the time that the Democratic Party of Greece—so-called, by the Greeks themselves, at that time—committed the judicial murder of Socrates, in a trial, which reminds you of a kind of a political trial that occurred in the United States recently: The way the court system functions, in recent decades.

In other words, you're looking at a nation which tells you that it is doomed. When they tell you, "this is popular opinion," they're telling you, "we have decided *to die*, as a nation." And you see it in Iraq. People say, "How could they do that? What was their interest? There must be a rational



*Part of the gathering of LaRouche Youth Movement activists and recruits at the Pennsylvania weekend “cadre school” listens to the candidate on May 8.*

reason why they did it?” There was no rational reason. There was an obsession, just like Ashcroft’s religious obsession, like religious fanatics’ obsession. Do you think the Battle of Armageddon is going to mean that God is going to intervene, and these guys aren’t going to have to pay the rent next month? They believe it! They say they believe it. They get up there, and they give these long-winded speeches at these revival meetings, and they promise things exactly like that. Do you believe that any of the things these preachers say is going to happen? Do these people appear to believe that? They appear to believe it. Fanatically. They appear to believe it, with or without DeLay! That’s the kind of society we live in.

So, you are in a very interesting period in history. Can you do something, to change the course of the United States, today, as the Greeks had reason to wish they had changed the policy of Athens, back at the beginning of the Peloponnesian War? If we don’t make that change now, what will happen to us will be far worse than what happened to the Greeks in the Peloponnesian War. We will destroy ourselves.

So therefore, the pessimist is a person—among us, and around us, we run into—people who say, “Well, we’re not successful. We’re not going to be successful, because we’re going against popular opinion. We’re going against the mass media-determined opinion. We’re going against authorities, who will not support us, because we ‘offend’ them, with telling them they’re behaving like fools. We ‘offend’ them, by behaving like Socrates, and telling the truth.”

And see, the point is, some of you are younger, and you have more juice in you, and therefore, you have more guts, when it comes to defying a generation which you know, as

your parents’ generation, which you know has made a mess of this nation, and of the world. And you know that you have no future, under the ideas which are prevalent in your parents’ generation. And you’ve got some juice in you. And therefore, you’re capable of saying, “Well, I’m supposed to have a future for at least 50 years from now, or 50 or 60 years from now. What kind of a future is it? Does it even exist?”

So you have a conflict between what you perceive, being young adults, in that age-group where you have more vim and vigor than the old farts do. They don’t *have* to lack that vim and vigor. They just *chose* to lack it! They want a sense of security—which is otherwise called “stupidity” and “inertia.” “By not being forced to move, I’m secure.” “If I can stick to my old habits, I’m secure!” “If I’m within the bounds of popular opinion, I’m secure.” “If I dress properly—.”

You know, just let’s take the case of these Milanese models: You get a girl, and she’s been vomiting too much, she’s so skinny you wouldn’t see anything except a floating head, unless she were wearing some indescribably ugly rags! Torn rags! This is called “fashion”! People are trying to compete, in the United States and elsewhere, women are trying to compete—some women who are much too old to do this! As a matter of fact it’s bad for their health—are trying to do this, in order to be “popular”! To compete in popular fashion! That’s what we’re dealing with. . . .

### **The Importance of Making Trouble**

Now, I had the pleasure of addressing a Building Trades Council meeting, in Louisville, Kentucky, the day before yesterday. And I went through this with them, and I’ll just give you a summation. You’ll see it in the briefing, probably tomorrow or the next day. I said: “I am a troublemaker. And you know, that every job you go on, is usually bad. And your job is to make a bad job, which you are given to do, a good job, because, every job is defined incompetently, in one degree or another.” What you have to do, is recognize, of course, the incompetence of the assignment you’ve been given. And then, you have to discover what the problem *is*; what the trouble *is*. So, you are looking for trouble! You concentrate on looking for trouble. You expect it. You demand it! Because, you know, that this thing, that is not going to work, involves assumptions which are false. You have to find out, how these ideas, these false ideas, came into being. And you’ve got to discover the nature of the problem, and you’ve got to develop a solution for the problem, within the practical terms in which you are operating.”



That is what a typical engineer or building trades team is doing. They're given a job—"Here's a blueprint. Do it."

"Well, this thing'll never work. What's wrong with it? Why doesn't it work? What's wrong with the design? We've got to fix it. We've got the job, of doing this job. If we do it, as we are told, it's going to be a monster. It will fail. Therefore, we have to concentrate, and think: What is wrong with this? What is the trouble with it? And therefore, we have to turn a bad job, which we're given to do, into a good job, to get the result intended."

Now, what this means, is, the person who does that, is a different kind of person, than the usual punk coming out of university. They are looking for trouble. They become good students, because they are looking for trouble. They're given, "This is what you will do." "Uh-oh! Another flop! I've got to find out what's wrong with this creature, that's telling me this. I've got to find out what the truth is!"

Don't swallow it, because you're taught. I recall, years ago, my parents and others used to tell me to do something—I'd never do it. They'd say, "Wait till you're grown up. And wait until you have your degrees, and *then*, you can criticize. Until then, learn what you're told to learn! Pass the examination, and read the books, and repeat after me!"

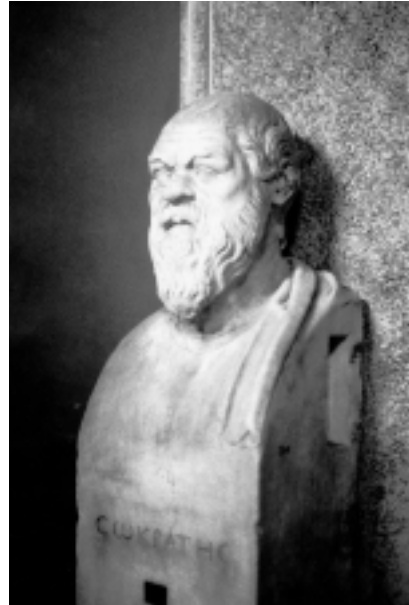
Now, a good scientist never did that. A good scientist is a rebel. "This guy's tellin' me something—huh! He said, 'do it this way'! Uh-huh! Now I'm going prove this bum is wrong." Right? "I'm going to find out what the trouble is, with the way he's *thinking!* Not *what* he's thinking, but *the way* he's thinking." Hmm?

So therefore, your intention is not, simply, operating with a certain formula, as a principle, to discover the formula by looking it up in the book. "Look in the Internet! It must be there someplace!" And then apply it!

That is not really human. We are getting more and more to the point, "We can get computers to do that, what d'we need that guy for?" We need human beings for their human potential, not for their machine-like potential. The point is, you have to be the kind of person, who is looking for trouble. You're looking for the bad job that is presented to you, and you're trying to make a good job, out of the bad job you're asked to do. And you have an attitude of always looking for the error, the falseness in the assumptions given to you. You develop the ability to smell out those errors, as typified by the Gauss 1799 paper: Wherever you find somebody arguing the way Euler did, the way Lagrange did, the way Cauchy did; whenever you find someone thinking like that, you know, you've got a mental case on your hands! This guy does not belong to this universe.

## The Passion To Change Things

Therefore, now what you have to do, is recognize, you've got trouble. There's something wrong here. Now, what is the practical implication of the fallacy of Cauchy, the fallacy of Euler? Why is Newton an idiot? Prove it! Be a troublemaker:



*"We're going against authorities, who will not support us, because we 'offend' them, with telling them they're behaving like fools. We 'offend' them, by behaving like Socrates, and telling the truth."*

Prove it!

Now, this is a way of thinking. It's a natural, *human* way of thinking, as opposed to learning how to behave. Being a troublemaker. You have the *intention*. You are copying what Kepler recognized in the universe. Or, Plato and Pythagoras recognized in the universe: That when mankind makes a discovery of principle, a natural principle, mankind has acquired a new power, from the Creator, over the universe. And this power changes man's relationship to the universe.

But, the essential thing, is not the discovery of this result. The essential thing is the passion, the sense of intention, which *drives you* to make those discoveries, and to act upon them. In other words, it's not applying the right formula to the situation, that creates a scientist (not, at least, a good scientist). What creates the good scientist, is that he is intrinsically a *troublemaker*. He knows that society is a lot of fraud. And therefore, he's always looking for what is wrong, and trying to develop in himself, or herself, a mental map of the kinds of mistakes that are made by the society now.

And therefore, whenever you run into a situation, where you find typical behavior, of a class of type that you know is wrong, you go by instinct, or at least by instinct, *to change it!* And, the one thing you want to do, is change it. Because, you know that the act you perform today may be necessary. But the *human action* is what you do *to change the universe*, by developing new powers. And how? Every time you face a challenge, which you know epistemologically to be wrong, you are going to try to find the answer, and solution. When you try to find the solution, you're going to be determined *that it be implemented*: That's your intention. You're now acting like God. You're now acting in the likeness of the Creator. You are a troublemaker, like the Creator.

And, George Bush doesn't like that very much. . . .

## 'I'm Trying To Save The Democratic Party'

*LaRouche addressed members of the Christian Ministerial Alliance of Little Rock on May 10, accompanied by LaRouche Youth Movement organizers from Houston who had been campaigning in Arkansas. We excerpt two significant questions from the ministers, and LaRouche's answers.*

**Q:** The amount of money that is given now to the major parties by the large corporations, obviously has to have some influence. Is there anything we can do?

**LaRouche:** I think you have to get out with the people. My disappointment with the candidacies now, obviously I'm trying to save the Democratic Party, and I'm trying to get as many Republicans to come over as possible. And some leading Republicans are—would do that. But they do not find the present Democratic candidacy as being much worth jumping over for. Kerry, frankly, has become a disappointment to many people.

In a time like this, you can not do, as the parties have done so far, and the candidates, they have said nothing, publicly, of any relevance to the major issues of our time. This war in Iraq, for example, is a fraud. It was a fraud from the beginning. I knew it, all the people who were in Washington, around the world, on the inside, knew it as I knew it. It was a fraud. It was done by Cheney and others, of his group, perpetrating a fraud on the government, which induced the United States, with the complicity of the Congress, to do an illegal thing, in violation of our Constitution, to go to an unnecessary, unwarranted, unjustified war.

We're now in that mess. The person who's qualified to lead this country, and to inspire our people, and our people know it, our people—you know, what's a typical Reservist, or a typical National Guard person, you know what they are. They're weekend warriors. They're poor people, by and large. They've got a job, on weekends, as weekend warriors, to pick up some extra money, which they needed, and hope to promote the influence, and get a more favorable situation in society. They're suddenly stuck over there, without adequate equipment, in a war that doesn't mean anything, a war they don't understand. And they're dying. And when they're shot, and injured, they don't get medical care any more, because the government's saving money on medical care.

We know this. All of us who are in Washington, all of us who are in the centers of power in Washington and around

the world, we know this. Why doesn't somebody simply say that, as a candidate, to the American people? If you don't tell the truth to the American people, they don't believe you. They say, "It's another politician. It's another bunch of bunk." That's what our problem is.

See, we don't think about winning the confidence of the voter. So, the voter doesn't turn out to vote, of his or her own volition, by March. The voter has to be induced to come out and vote. The voter is induced that they should not vote their conscience; they should vote the way their neighbors tell them, or their friends tell them. And they're induced to go out to vote. We have the lowest percentile of voter participations in the world. Very few—I've seen 15%, in primary campaigns, 15% of the vote turns out. The voters have no interest in the candidates. They don't believe in anything. They believe, maybe if they go along with the party, maybe they'll get something more from the politician, but they don't have a burning concern that moves them to vote.

Now, we know from the civil rights movement, we've seen the difference. We saw what happened. The have-nots, who had nothing, were the first to come out and support the efforts, King's efforts in Selma and elsewhere, the have-nots. You know how this came out. We had a movement, and the country was changed by a movement. In my view, a movement is the proper way in which politics ought to be conducted. We ought to have great understanding, so the great issues of our time, and the individual citizens participating in that discussion, should make their decision, based upon a sense of a movement to some kind of national purpose, as we've had in the past. We don't have it.

So, we have made ourselves dependent upon getting large amounts of money, to get voters out.

Now, I know it takes some money to run a campaign. But the amount of money that's being spent, on advertising, and buying votes, most of the money, is a pure waste. We don't need the money. We find ourselves dependent upon the money, because the parties say we need the money for the big advertising. But you go from area to area, and nobody's doing any real organizing around concepts and issues as such. They're organizing around, "Join the party, support the party." But they're not saying anything about the issues of our time.

My view is that if we do an effective job in addressing the people, and conveying to them what the trouble is, put it in terms they can understand, discuss with them. They don't really know much about this. They know the effects. They want to know what's going on. You don't tell them. The problem is, they're given bunk. I've watched these campaigns, I agonize over Kerry. That is, I'm determined to get the Democratic Party in, against what we've got now. And I suffer over this thing, because I see them doing *nothing* that should be done to mobilize the vote.

The voters in this country do not want this war. They do not want a depression. They want a way out. But there's



*Members of the Little Rock, Arkansas Ministerial Alliance listening to LaRouche answer their questions on May 10. He discussed the way vast amounts of money pouring into political campaigns have actually reduced voter turnout.*

nothing being said about it. So, the problem is not the money of the large corporations. We've turned the parties and the elections over to the large corporations, to the large financier interests, because we have not done our job.

### **Real Democracy?**

**Q:** I hear what you're saying, and it seems to me, it's going to be a *long* process, to transform the mindset of a whole lot of people in this country, to bring about the kind of real democracy that you're talking about. My concern, and I think the concern of a whole lot of people in this country, is, in just a few months, we must make a decision about four more years, or a change. That's my, my—it consumes me. What can I do? What can we do? Those who believe that the present leadership has taken us in the wrong direction—and if it will continue to take us in the wrong direction, it will not only bring this country low, but most of the rest of the world. So, my concern is, what can we do, and that's why I've been listening for some words as to what this movement that you speak about—where is it, and what? . . .

**LaRouche:** Let's put it this way. If George Bush is re-elected, this country doesn't have a chance. Because what's behind that—and behind Cheney, and what's behind the people around him, and the people who back him, like George Shultz, and George Soros, and people like that—is a movement which is the same movement we defeated in World War II. It was called fascism then.

This fascism never took over this country; it came close. Roosevelt saved us, and Roosevelt led the United States in the impossible job of protecting the world against fascism.

However, on the day that Roosevelt died, that very day, certain rightwing forces in the United States, which had been sympathetic to Hitler before, moved in, through Harry S Tru-

man, whom they owned; and they put us into a right-wing terror which some of us may remember. We thought we were going towards something good with Franklin Roosevelt, and then he died, and then the bombs were dropped on Hiroshima and Nagasaki, and then Truman came back and everybody was terrified of J. Edgar Hoover and the FBI.

We turned, the people who fought in the war, turned into stinking cowards, my generation. Most were turned into stinking cowards, and did as they were told, and told their children not to say the wrong thing, not to be seen with the wrong people. So, we became corrupt, and these guys who had been behind Hitler, who had only gone against him in the United States and Britain because they didn't want a German, they wanted an English-speaking Hitler, Roosevelt was able to utilize that to mobilize the world to defeat Hitler. . . .

What is happening now is, Cheney is not committed to a war in Iraq; Cheney's committed to a war around the world, with nuclear weapons! It's on the record. That's what he and his whole crowd are for. [Bush] is the Mortimer Snerd of the White House, run by Cheney. He sits on Cheney's knee, and Cheney tells him what to say. These guys are the enemy.

Now we have a chance. We have a chance to win. Do we have a guarantee to win? No. History says you never get a guarantee to win. What you have a guarantee to do, is to fight the good fight, better, and be on the right side in the good fight.

Many people have died, in fighting the good fight in history. Christ died, in fighting the good fight in history. We don't give up because people die. We give up in the fight. We conduct the fight because we know that by doing it, means we *might* succeed. If we don't do it, our descendants will lose, and lose much more than they have now. We fight because we have to fight. People don't like war. People don't like killing. They don't like to see their neighbors shot down, they don't like to get in those kinds of conflicts, and they only do so justly, when they have no alternative but to do that.

I mean, the civil rights fight's a perfect example of that. We won something in the civil rights fight. We won something. We won something big. With a few courageous people, like Martin on the night before he was shot by J. Edgar's friends, by the right-wing; he laid down his life. And his dream? His dream lives on. It's a good dream. The dream is more real than any of the events that defeated him, because that's what we'll continue to fight for. And we do it because we have to. We don't do it because we've got a guarantee, a contract in advance.

Yes, I can do more than anybody else in fighting these guys. The fact that I'm standing alive here today, demonstrates that. They came after me to kill me, a couple of times, and I mean at a high level. It was stopped, partly because I had some friends in the government, as well as outside. So, the fact that I can stand here today, with you, means we have a chance. And all I'm saying is, let's work at it.

## Capital Investment To Produce a Human Being

*On May 10, 2004, Lyndon LaRouche addressed a group of legislators in Little Rock, Arkansas, who were at a reception for him. Following his opening remarks, LaRouche answered questions for over an hour; two of these questions, and LaRouche's answers, follow his presentation below.*

*Arkansas State Rep. Joyce Elliot introduced LaRouche to the group.*

**LaRouche:** Generally what our problem is, is this: We're in a fascinating period of history, and we are in a period of history, where you can no longer draw straight trend-lines between two points. We're in a period of fundamental change, for better or for much worse. Right as we speak, we're in the crumbling phase of an onrushing, general world depression, far worse than what was experienced in the United States, between 1929 and 1933. It's happening. For example, you were talking about \$40 a barrel oil, now, in the peg price. And to some of you, you know what that means, in terms of the impact upon not only gasoline prices, and so forth, but on fuel oil prices, and power. We're much too dependent upon oil for power in this country. But, also, the markets are crumbling. The bond markets in particular, internationally, ever since that recent deal, where they separated bond prices from stock prices, to try to keep the dollar floating up there.

So, we're now on the edge of the biggest crash you ever knew, or ever heard about, at least in modern times. We have a President who is stupid, the most stupid man we've ever had in the Presidency. We've had some close calls with that, in the past. But, this is the real prize. He's actually a poor reincarnation of Mortimer Snerd. He's sitting on the knee of a man, who is actually himself a marionette; his wife Lynne Cheney, is actually the Lady Macbeth of the current U.S. government. She runs Cheney, she's made his career, she controlled him. He, in a sense, is her puppet. So, you can imagine, here she is with her strings, pulling this thing she adopted, Cheney. Cheney is holding a dummy on his lap. He doesn't use ventriloquism: he uses a teleprompter. And that's what gets the President to speak. You don't ask what the President's intention is. You ask what his teleprompter's is.

Now, quite seriously, that's our situation. And, it's not accidental. The Democratic candidate the last time around, wasn't too much shucks, either. So, we didn't have any choice at all, in terms of running leading candidates. One was dumber than the other. This one is perhaps meaner than Gore.

But, we're now in a very serious situation. We have two problems: the biggest financial-monetary crisis in modern history; it's now onrushing. It's inevitable. It can be dealt with, but it's inevitable. At the same time, we're entangled in not only an Iraq, we're entangled with a process, a commitment to war in general. The policy of Cheney and those behind him, is world war. It is perpetual warfare—that's one name for it; it's preventive nuclear warfare. And, if this current administration were reelected with Cheney in it, we would be attacking Syria; we'd be attacking Iran, North Korea, and other countries, with nuclear weapons, with so-called mini-nukes.

### A Generational Investment

Obviously, we don't have the troops, we don't have the force any more, to fight a conventional warfare, anywhere, not even in Iraq, where we are presently. But, nuclear weapons can be used. They can be dropped from the air and similar methods. And very destructive. And, we have new types, which we knew were being developed a long time ago: lower radioactivity output, but tremendous destructive force.

And that's what we would have.

Now, there is a remedy for this kind of situation. You have to realize that economy is not money, it's physical. Economy is the welfare of people: It's education, which develops the people; it's basic economic infrastructure; it's investment in capital goods of production; it's better housing—these kinds of things: The things that are necessary for human beings to be productive, and to determine the quality of their productivity. These are physical things.

Money, properly speaking is something which should only be created by a government. It has no value. Money is an idiot. It goes where it wants to go, which it has no idea where it's going. And therefore, government must control it. You must regulate the economy, in such a way, that money doesn't do silly things.

For example: The basic problem in economy, which we've forgotten about since about 40 years, when they decided to take us off an economy, is that the key thing is capital. Now, the basic concept of capital, is today, to produce an adult human being; a young adult, who's properly educated and similarly qualified for a modern economy, takes 25 years of life. Until someone reaches the age of 25, provided they have the opportunity for the education, their development of the first 25 years of their life, is essentially a capital investment of society in the person. That's something we forget. There's a capital investment in developing a person.

Then, you have the capital investment in developing and improving the land area; the capital investment in developing mass transportation and power systems, water management, all the other things that go with that. These are sometimes very long cycles. For example, TVA; it's still there. It's a more than 50-year cycle. Major water systems that were developed under Roosevelt, and before, from the junction of the Ohio



*State Rep. Joyce Elliot introduced LaRouche, when he spoke to a group of Arkansas Legislators: "I am pleased that Mr. LaRouche will speak with us today, to be a part of what we are doing to exchange ideas. Because one of the things that I think that's greatly lacking in this country, is, we tend to get an idea, and we decide it's right, and not spread our wings to even embrace anything that's new, or something that's thoughtful, beyond what we hear every day. And I appreciate the origination of his ideas, and how they make people think, and provoke us to do things perhaps in a different way, from what we've done before."*

and Missouri, and Mississippi River down. This is now decaying. The Tennessee-Tombigbee system is now decaying, what was done with it. It should have been a great promising project, which comes on the other side of the Mississippi, over here. This part is also decaying. Water systems which are essential.

We have whole parts of the United States that have never been developed, the so-called American Desert, from Montana down, all the way into Mexico, in Sierra Madre way: Never been developed. No development significantly, since about 1911, in the whole area. It's still sitting there, with all that land-area, with all those resources tucked underneath it, with all that potential, and we have not developed it; we have not brought water in there, we should have brought in a long time ago. We could have changed the character of the country. We didn't do it.

But, all of this is capital investment. It's a *physical* capital investment: It's something we do now, which is going to last for a period of up to a quarter-century or longer. It's something that we invest in. We call it capital, we call it financial capital, because we pay out now, to develop the infrastructure; and it pays us back, over a period of a quarter-century or longer. That's what a real economy is. It's increases in productivity, through increasing the productive powers of labor; it's investment in technology, science and technology, to increase man's power over nature, to deal with problems.

This is what we've gone away from. We went, 40 years ago, approximately—and I tell the story repeatedly, because I

think it's important to remember. You know, I have to capture your imagination, in a sense, to communicate. I've got to get you to think about something of the past, and think about the past coming forward to the present. Take you back—I'm not going to take you back a long time; that's what I do a lot, but just take back, since the end of the World War II: Because that's what most of us are a reflection of. Some of us lived through part of that in one way or another.

## **Economic Looting, and War**

World War II, when it started: It started at Versailles, at the end of World War I, when an idiot from Lansing, Michigan who was then Secretary of State, pronounced Germany as having the sole guilt for World War I. Now, actually, it was King Edward VII of England, who was dead at the time—was dead when the war started, but he planned it. He planned it in order to set the nations of Europe against each other's throats, to preserve the British Empire. It's that simple.

Now, at the end of that war, it was a terrible mess. France was bankrupt. Britain was bankrupt. Who was going to finance rebuilding France and England at the end of the war? Well, they decided it was Germany: They had the sole guilt, they were going to pay for everything. So, they set up the Versailles reparations system.

Now, the problem was, that Germany was also looted, as a result of that war, which had cost a lot of manpower and materiel. But, the Germans printed the money! They printed the reichsmarks, to pay the debt. The reichsmarks were paid to the British and French. The British and French had a big debt to the United States. So, the U.S. system depended upon receiving payment from the French and British, to support the New York financial market, which depended upon the German reparations payments to France and Britain (and to other countries, but that was the essentials of it).

Obviously, from the beginning, when the system was designed, the monetary was designed, it was never going to work. It couldn't work. Because Germany couldn't pay, and therefore, the United States couldn't be supported by France and Britain. So, they had a plan. They had a plan of bankers. And this plan became known as fascism. And the idea was, to use the crisis that they had built into the system, the Versailles system that could not work, to create a system of fascist governments throughout Europe. And that continued over 1922, when Mussolini was put into power, from France; and it continued through the fall of Hitler, in 1945.

At the end of the war, Allen Dulles, and similar people, cut a deal with a man who became an enemy of mine, a personal enemy of mine: François Genoud, of Switzerland, who was the negotiator between Schellenberg of the SS, and Dulles. And, what happened is, the whole kit and caboodle of the SS system, that is the hard core of it, was brought into the Anglo-American system, and it was actually made functionally active, *on the day that Franklin Roosevelt died*.

Now, when I came back from the war, I quickly saw that

there was a change, which some of you recall from experience. Under Truman, the right wing had taken over. And, men who I knew had fought in war, turned into stinking cowards, under the threat that the FBI was under their bed. Their wives told them to shut up, do anything necessary to survive and keep their jobs. To *lie*, especially lie. Some of these people went into suburbia, and they learned to lie in the suburbs. They taught their children to lie: “Don’t say anything that will get our family into trouble. Your father might lose his nice job with the defense industry contractors.” So, these young children, who were raised in the post-war period, learned to lie.

Then, after Eisenhower left office, who saved us from many bad things. He was against this evil, like many of us were. But, when he left office, Allen Dulles was turned loose, and the people around him. They started with the Bay of Pigs, and then their friends in the world organized the Missile Crisis of 1962, where people were hiding under their beds; or hiding in the barroom, hoping to find God, before the missiles struck. Then Kennedy was killed, and nobody talked about it, about who had done it. It was done by the right wing, the same crowd that Dulles had brought in from the Nazi side, at the end of the war.

At that point, the young people, who had been subjected to the kind of rearing that the cowards of my generation subjected them to, especially young people who were going to universities in the middle of the 1960s—the best universities; the ones from which you’re promoted to future careers in government and other things, positions of power: These young people, after the beginning of the Vietnam War, took their clothes off, from university, and took drugs—LSD and everything else; and they became the rock-drug-sex counter-culture.

## **Baby Boomers and Debt Bubbles**

But, they went on still, and they’re running the government, today. They’re running all the key positions today, in government. And that’s what Bill Clinton’s problem is. Bill is probably one of the most intelligent Presidents we’ve ever had. And, he has a fine feeling, has a good mind. But, on this question—you can’t move him. Oh, I sometimes move him. He sometimes is moved. But, he’s very reluctant. He’s part of his generation, he views that generation as the Golden Generation. That’s his weakness. Some of you here know him, and he has that weakness. So, he comes up on the wrong side. But, on a matter of principle, like this death penalty case, they had down here in Arkansas: A poor, lame-brained fellow, couldn’t know exactly what he was doing, he was picked up and charged with the crime of murder, and finally executed. That kind of thing. And I’ve seen him duck on that kind of issue, a number of times.

But, it’s a problem of a generation! Not Bill. Bill’s bright. Bill is probably about as moral as you find; I wouldn’t say the same about Hillary, but Bill, yes. The problem is, they don’t

face reality. And they’re going along, believing in this post-industrial system, which was developed at that time: We went from the world’s leading productive economy, into what’s called a post-industrial society.

Then, after 1971-72, what did we do? We changed the monetary system: Once we’d changed the monetary system to a floating-exchange-rate system, deregulated, then what did we do? We then went to countries, we bankrupted the countries through our control over the monetary system. We ruined their currency. We sent in the IMF and World Bank, to tell them to lower the value of their currency. We then created an artificial debt, that is, we told them to accept a debt they did not incur. We said, “Because we have lowered your currency, that means that your creditors will not be satisfied to be paid in your currency, because we cheapened it. Now, we’re going to add an additional debt, to make up for the payments to your future creditors, whom you’ll have to pay.” The countries of Central and South America have long since more than paid *every penny they ever owed* on their debt, to the international financial system. They don’t owe anything.

What we did—we dropped the value of their currencies. It was nice. Now, we ruined their economies. We shut down much of Mexico, for example, much of its agriculture, its industry, its infrastructure has been destroyed, by *our* doing that, from 1982 on. Now, we said, “Now you work for us—cheap!” Cheap.

And so, we substituted virtual slave labor, from people in these countries, for our industries. We used virtual slave labor from China. Then, you have the phenomenon here: the Wal-Mart phenomenon: Wherever Wal-Mart steps into a couple of counties, you find desolation in the industries all around it. Because, Wal-Mart says, “If you’re going to continue—. We’re dominating your market. If you want to sell to us, you have to produce at Chinese wage rates.” Shuts down the industries. Wal-Mart is like a disease, spreading across the country in that way. But, it’s typical of the system.

So, we have actually destroyed the system of economy we had, which, with all its short-comings, political and otherwise, its injustices—without that—it was the most effective, productive machine on this planet. And we have destroyed it.

Now, as a result of that, we’ve built up the debt against ourselves, especially with the courtesy of Alan Greenspan, and his financial derivatives scheme. We’ve built up a debt: We’re talking about a world economy in tens of trillions of dollars of net product annually. The turnover, in financial derivatives, which are relatively short-term side-bets on the economy, are in the order of magnitude of *quadrillions* each year. We can never pay it! The world is bankrupt. But, it’s primarily it’s a financial bankruptcy, first of all; and it’s also a physical economic bankruptcy: That is, we are bankrupt in the fact that we do not have the productive capacity in agriculture, in infrastructure and industry we once had. We don’t have it! Our people are not *productive* in the same way any more. Their productivity has been taken away. But, we

can fix that, by hard work.

But, we're also financially bankrupt: That means, that we've come to the point, that we say, "What about Franklin Roosevelt? What did Franklin Roosevelt do, in 1932, when he ran for President, and when he became President in March of 1933, what did he do?" They had a situation, which was far less severe than today. But, what he did, is a model in terms of U.S. law, in terms of principle of government, which will address the problems we have today. The Federal government must act.

### What Is 'The Pursuit of Happiness?'

Now, the principle of law is elementary: We have a unique Constitution. No other nation in the world, is a true republic, today. We, in our Constitution, are a true republic. We are a creation of Europe. Because, in a time of great difficulty in Europe, the finest minds of Europe, including the influence of the followers of Gottfried Leibniz, imported into the United States around the circles of Benjamin Franklin, the ideas of Leibniz and related kinds of things from Europe.

These ideas, which were grouped around a youth movement—the founders of the United States, except for a few old guys like George Washington, and Benjamin Franklin himself—were a youth movement! How old was the Marquis de Lafayette, when he became a general of the U.S. Army? How old was he at Yorktown, when he played a key role in defeating the British, at Yorktown, and establishing our freedom? How old was Hamilton, when he devised the techniques of implementing our Constitutional system of political economy? These were young people! Young people in the 18- to 25-year age bracket. Educated under the influence of Franklin, and his education and press system, his publications system. One of the world's leading scientists.

So, we were a nation, but we were a small nation, when we had our freedom. Then, in 1789, just as we adopted our Constitution, and as Washington became our first President, the British organized the French Revolution, which unleashed Hell in Europe. Adolf Hitler was an echo of Napoleon Bonaparte. And Napoleon Bonaparte was made possible by a Jacobin Terror, which destroyed much of Europe. And Europe has never fully recovered from the reverberations of the French Revolution of 1789-1815. Never.

So, we have a unique Constitution. No other nation on this planet has this quality of Constitution. It's based on fundamental principles of law. In the Declaration of Independence, the concept of the natural right of humanity to a pursuit of happiness, and the purpose of government, is to provide the opportunity for the pursuit of happiness, to all members of the society.

What is the pursuit of happiness, as Leibniz argued this against the writings of John Locke? The pursuit of happiness, is the recognition that man is not an animal. That man is a creature of creativity, made in the likeness of the Creator, capable of doing creative things, to improve the universe,

through discovery of principles. We are all mortal, and therefore, happiness consists in finding between birth and death, is finding a meaning in our mortal life, which comes and goes. We inherit from those who went before us, good things. We try to discover what they are. We try to use them. We try to preserve them. We try to maintain those things we have acquired from previous generations, and perpetuate them to the benefit of future generations. We try to add to that stock of creativity, and leave something to those who come behind us, with the idea, that we can die with a smile on our face, because, our life has been good; it has been useful; it was *necessary*, because it did some good, that humanity needed.

And that's the fundamental principle. In our Constitution, our Preamble, we set forth these principles of natural law. We are a sovereign people: Sovereignty is not the government's sovereignty *over] the people; the sovereignty of government is that it is an instrument of our sovereignty, as a people.* In other words, it's not something which rules us. We're not choosing a monarch. It's not a king. It's not a dictator. It is us! We are a sovereign people, and our government is our *instrument* of our sovereignty. It is the *tool* of our sovereignty. It is not something which oppresses us, and must never become so. The first obligation of government is to sustain, and promote the general welfare, of *all* of the people. The continued obligation is to promote posterity—the interest and well-being of posterity.

### The General Welfare Principle

Therefore, when you face a great crisis, where the financial system is disintegrating, as now, you do what Roosevelt did: You invoke the principle of the general welfare, as President, as the head of the Executive branch of government, the section of government that must *act*. You invoke the general welfare, to say, "We are going to *defend*, the general welfare."

Now, that means, the financial system goes into receivership, in a Chapter 11 type of receivership. We take over the Federal Reserve System, which I happen to know is bankrupt. All the major banks of the Federal Reserve System today are bankrupt: Citicorp, J.P. Morgan Chase Manhattan, so forth—they're all bankrupt, all the major banks. More than bankrupt. Beyond bankruptcy. Hopelessly bankrupt—all of them!

So, what do we do? The government takes the Federal Reserve System, which is the system of all such banks, and puts it into government receivership, like a Chapter 11 receivership procedure. We then utilize the inherent powers of government, the power of creating currency, to create a debt: A debt against capital improvements in the future, debt that is secured by the capital improvements we are going to make with that money.

We then use that money in two chief directions: One, immediately, you take the basic infrastructure needs of the nation, which have been neglected for over 40 years, and you launch large-scale projects, comparable to what the TVA project represents in our memory. You set forth power genera-





*The Arkansas legislators group in discussion with LaRouche. While he was in the state, the Arkansas Democrat-Gazette ran the refreshing headline: "LaRouche Says Bush 'Dumbest' President."*

tion and distribution. That is a quarter-century to a half-century investment. What you spend, today, will be a physical asset which secures that payment, for a quarter-century to a half-century to come.

You launch large-scale infrastructure projects, in the form of general transportation: You go to not only modern railroads, extend that to full-system railroads—we don't have to have trucks running up and down, all night. And, there's another factor in this—you improve the transportation system.

You go to the water-management system: The water-management system of the United States has to be totally brought under control. We have to open up new areas. We have to manage our water. We have to generate new sources of water, available for our needs.

We have a health-care system, we've destroyed, destroyed by the Nixon law of 1973, which turned over Hill-Burton. We don't have the health care we used to have. We no longer have, under the current implementation of HMO, we no longer have the right to life that's built into the health-care system. The physician is no longer authorized, to determine what treatment you'll get. Some accountant, working for a financial holding corporation, which controls the system, determines whether you live or die! It's that simple. And their policy is, that death should be accelerated.

There *is* no plan, no provision for preventive health care. Most of us are old enough, here, around the table, old enough to know what that means: That means that you have a physi-

cian, or a clinic, you go to; the physicians at it, say, "Well, let's take a look at you. Let's look at you at about the age of about 50, in particular, when the troubles begin to show up—the future troubles, the undetectable. Now, let's have you take a couple of tests. Come back a few times. Let's look you over. Let's do a profile on you: What kind of sicknesses you're likely to get. And let's think about how you're going to manage your life, to deal with these potential problems, before they hit you."

And, the best time, is about 10 years or so before it hits. And people have potentialities; they have potentialities, you know, which may be 20-year potentialities. But, the wise thing to do, is, you know if you have a potential problem, to get on the case, well in advance, a generation before it actually hits you. Now, this means, that you are spending more time with your physician. You're getting more testing for that reason. And you have the former Surgeon General, who's from this state, Joycelyn Elders, could give you a lecture on that subject. I had a nice talk with her, the last time I was down here, on just this area.

So, we need, not only care—immediate care—for traumatic problems; we need a preventive health-care system, which will greatly *reduce* the actual cost of health care: Because you catch a disease before it hits, you're going to save a lot of money and a lot of grief, and so forth in the process.

So, we need to build those kinds of institutions. We need to increase and improve the quality of training institutions, and the hospitals which specialize in training, of physicians,

and nurses, and others; to increase the capability of just dealing with this problem.

## Education for Human Beings

Now, education: We don't really have an education system, today. As a matter of fact, the education system today is worse than it was 20 years ago, or 30 years ago. Why? Because the philosophy of those who have run and dominated government, the large interests, is that we are treated as human cattle. When they're kind to us, they treat us as wild cattle: They come out and they shoot us, in season, or something like that. Otherwise, we are herded cattle. And if the farmer is nice, he talks to us; he comes when the cow bellows all night, the farmer comes out and quiets the cow down, by milking it or whatever. And one old lady gets angry there, she's going to get the whole crowd stirred up. But then, dear old Bossie—she's going to the shop, you know. She's going to be chopped up; she doesn't give enough milk. Her calves' get weak feet—uhh, she's finished, she's gone. She's gone.

So, we treat people as animals. We treat them as human cattle: We sent them into the shop to work; we assign roles to them; we select them, what they will be educated to become; we don't give them a choice of deciding what they'll become; we set quotas. We decide, "How many of each breed we want, for what kind of stall. One to pull the plow, the other to throw the lash to keep the donkey moving." We don't treat our people as human.

In what respect? We don't recognize the difference between man and beast. Now, you have all kinds of people going to church and so forth, but they still don't recognize the difference between what man and beast is! Why is man a spiritual being, as opposed to an animal? Because, man, and man alone, is capable of discovering an universal physical principle, or comparable principle—and changing the way human beings function, by adding a new principle to the repertoire of human behavior. What we do, is we discover principles which existed in the universe. We didn't create the principles; but we made a creative *discovery* of those principles. And when we apply those principles to the universe, we are *changing* the universe.

That's what we do with science and technology: We take a principle which existed; we discover the principle, we discover how to do use it; we apply that principle, and we increase man's power in and over nature. That's the function. We do the same thing, in terms of social relations: We create new systems of human behavior. This is typified by Classical artistic composition. We change, we change things, for the better.

But, we are not oriented, in our present educational system or our national policy, to developing those qualities in human beings, which distinguish human beings from beasts. We try to create a society which we can *manage*, in the way you would manage a herd of cattle. We don't treat each other as human, except by exception.

That's what the Humboldt system of Classical education was. To educate people to be human. Now, not everybody's going to become a genius. They're stubborn about that—"I don't wanna become a genius." But, if we produce enough people who *do* want to become geniuses, and if we give others the same kind of education, then we will produce from the geniuses, *leaders* of progress. And the others will understand, what they are saying. And therefore, we increase the ability of humanity to improve its conditions of life.

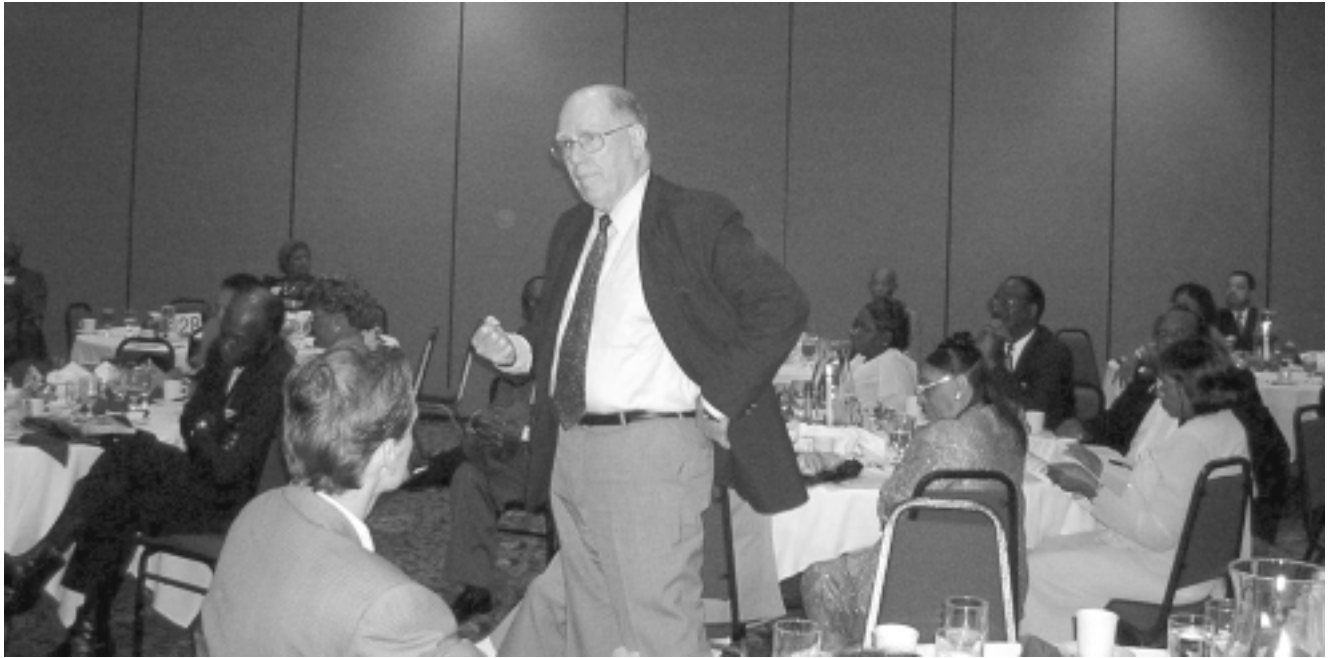
So, we do it in two ways. Start with these kinds of projects, in the area of power generation and distribution; water management, and all that that means; general transportation and what that means; health care and what that means; education and what that means, with the idea that everybody should be educated on a university level up to the age of 25. But, it should be a *real* education, not the stuff they're peddling out at high prices today. We can do that.

All right. So, we have one sector, which is the public sector, which is the area of government: There are certain things the Federal government itself should do, in terms of projects; we should rebuild, on the state level, state public utilities, regulated by the state. Where the idea is, you come in with a government investment, Federal credit; you build a utility, say, a power utility, say, in the state of Arkansas. You have a public utility organization, created by the state, by state law, which now regulates that. It regulates for several purposes: It takes it over, and manages it, and the problem is to ensure that that utility functions, for *all* off the people, *all* of the needs, of *all* the territory. You're not triaging anybody.

Secondly, you want public investment, by private citizens, in these utilities. You regulate them, to ensure that they *are* safe investments. People who do not want to risk their savings, will find, and *did find* in former times, that public utilities were good places to put a good part of their savings. And it's a good function of the state, to make sure that that place of saving is maintained. So, you're now engaging the private interests, of private people, in something which the public is providing.

## Entrepreneurship and Discovery

Along comes another category, apart from the public investment: comes the category of private entrepreneurship. Which is very poorly understood. Some people learn what it means, and more people used to understand before, than they have during the past 40 years. True entrepreneurship is found, not in the large corporation. Very rarely does the large corporation's leadership have any competence in entrepreneurship. They are *not* the source of progress. The source of progress, is in the smaller industry, which may employ from five to a couple hundred people; which are closely held corporations, or private entities, which specialize in developing technologies. They specialize in developing a product, which is a superior product. They often are the chief vendors for the large corporations, which depend upon them.



*The Alabama New South Coalition, at its banquet on May 14, greeted candidate LaRouche and asked him for a brief impromptu address from the floor. He stressed his candidacy representing “the lower 80%” of American household income brackets.*

For example, take the automobile industry, in former times, when we had an American automobile industry—which doesn’t exist any more! We have an American tinker toy industry, putting the parts together—assemblies, we don’t where they came from. Try to get a part, and repair an automobile today. Just—I defy you! Try to find the part! You have to buy the whole assembly, if you can find out where it came from. The motor company does not know where it came from. You don’t have large parts departments, as you used to have them. You can’t fix things yourself any more—it’s discouraged.

So therefore, we have to promote—ingenuity comes largely from entrepreneurship, that is, in production. You know it in the farm sector. The progressive American farmer, given an opportunity, as under the Roosevelt system, was way ahead of the Agriculture Department in innovation. These young guys, who were post-war farmers, they went to agricultural colleges; they learned the modern technologies. They were out there, aggressively practicing technology in the field, before the Department of Agriculture authorized it. They were ahead. They worked hard. They were the *typical* entrepreneur. It was out of this kind of entrepreneurship, which has promoted the general development of industry, in the United States. People went from agriculture into industry. And from the skills associated with agriculture—in *most* parts of the United States, the way it happened—and they began to develop industries. We want that kind of entrepreneur!

Now, that requires something, which this present govern-

ment doesn’t like, [which has been] the present style, of the past 40 years: We’ve got to get a lot of credit out to people, who are good propositions as entrepreneurs, in building the economy. We’ve got to have a facility, where the banking system, which is now still in receivership by the Federal government, will have credit available, through that banking facility, for local and regional uses, for entrepreneurship. That means, you create committees which you collect, and, together with bankers, in a community; and you determine what the local community, including the local government, thinks is important for that area. And if it’s a calculated assessment, that Joe, here, who’s got a shop, is worth the credit, which he proposes he have to do a job, we think that’s a good risk: that money should be delivered to him. And it’s delivered not just wildly as money, its delivered as a supervised line of credit, run through the banking system, but the whole thing is supervised by somebody locally, who is the loan committee, for that area, for this kind of investment. We did that in the Second World War. We did that with a lot of war production operations, that way.

So, what we need is, simply: The Federal government has to act in this way, take over the banking system, prevent a catastrophe—because if you try to collect all these debts and settle all the debts, you’ll have a catastrophe. You’ve got to freeze it. You’ve got to put the whole thing under protection; sort it out, as we did, back in the 1930s. More drastic now, but the same principle.

We have to have a large-scale infusion of credit. We’re

talking about, if I'm President, the first day I'm in office, I'm going to put through a bill for \$6 trillion of capital investment over the coming four years, for these kinds of projects. We've got to have 10 million more people working, than are working now. We can bring the states into balance, by, if the Federal government operates properly, we can make sure that each state has enough income, in terms of the activity of enterprises, in terms of people employed, to balance the state budget without catastrophe. We can do that. We did it before; we did it in the post-war period. We did it with the Federal defense highway system. We began to maneuver the completion of the highway system, in order to balance out short-falls in certain areas which had a fall in employment, and we'd rush in, and authorize a project, or a phase of the project to be continued in that area, to make up for the fact that you had a high rate of unemployment in that area; and that sort of thing. We did it.

And, again, the same kind of thing applies to the local industries. We do it that way! That's all it takes! But, behind it, is a long-term commitment—it's going to be a lot of hard work, but it's better than nothing, which we're getting now.

### **Morality of a Producer Society**

And, it also implies a change in our moral attitude. The degeneration that occurred, in part, is that people don't think about being productive any more. The idea of being productive, and what productive means. The idea of creating something. We've become like the Roman Empire in decay. We have become a bread-and-circuses society. Look at the entertainment industry. Look at what people spend on entertainment, not only in *money*, but in time of their life. Look at the quality of what they consider entertainment, look what it's moral quality is. We are becoming a decadent, degenerate nation.

And by organizing to save our people and save ourselves from what that implies, we have to think about the moral implications, or the *moralizing* implications, of what we're doing. And the idea, as it came with Roosevelt and I experienced back then, when I was rather much younger—of seeing the Depression, of seeing what people went through, and seeing the slow increase in morality and confidence over the years 1933-1935 in the population: to see that if government shows itself, if our sovereign government, shows itself to be a true sovereign, by taking the problem of the people and giving the people a sense of hope, a sense of a future, a sense of a way up, then their morals will improve; because morality is essentially sensing that you are human, that your happiness in the sense of being a useful person, is important; your sense of your dignity; that you are important, you're proud to be yourself; you're doing something useful; your life has a meaning to it—and your morals improve quickly, as it did then.

It wasn't perfect—I was there. I'm not going to exaggerate what it was. It was not perfect—otherwise, we would not have put up with Truman if we had been perfect. But, we did.

And, so, that's the situation. It's that kind of situation. What it takes—I think, in my experience, first of all, you have to have a sense of being yourself, in history. You have to have a sense of being in history, and are willing to take responsibility for history, to take responsibility for humanity, from where you stand, in your own way. Then, you find in that, the courage to do what you have to do. You have to have a sense of history, and something of what's happened to mankind. You have to think about the achievements of humanity. Don't forget the blemishes, but the achievements.

And you have to say, "Well, we're all going to die. While I'm alive, I'm going to do something useful. I'm going to do something, that justifies my dying with a smile on my face. And nobody's going to take that away from me."

Most people don't have that. They've lost it. We've got to give it back to them. We've got to provide them the leadership in a time of crisis, which convinces them, that that's the way they ought to look at things. And that's what makes me move.

### **The Issue of Voter Apathy**

**Q:** Mr. LaRouche, you talked about many things today,

But, in my opinion, the biggest problem this country is facing, is the apathy of our people—the very people that I work the hardest for, in my district, don't go vote! Now we got about 50% of our people that are registered to vote. We got about 50% of that registered to vote, going to vote. So, we got about 25% of our people calling the shot. Now, that makes it very easy, for the moneyed people of this country to rule the day. Now, I see it in Washington; I see it here in Arkansas, big money running our government. And if the people don't come back, and start participating, and voting for their own self-interest and looking after their own house, I think that's the biggest problem our country's facing.

**LaRouche:** I agree with you! But, I would say, "Why?"

**Q:** Well, what do we do about it?

**LaRouche:** Do exactly what I said. It's the only thing you can do. What you have to do, you have to use in history, people who have succeeded in dealing with this kind of problem. They are dealing with a moral problem. I mean, for people not to take—

What's happening? With what we can see around us, what you call apathy? Apathy's induced by the sense that they have no power, they're *told* they have no power. They're conditioned to believe in what the mass media tells them.

For instance, since 1977: The lower 80% of the family-income brackets in the United States have been pauperized. Since that period, we've had every report, since 1982, coming out of the Federal Reserve and government on inflation and other figures, is a damned lie! It's a calculated lie! There are no truthful reports coming out of the Federal government, in this area, where the Federal Reserve is involved. They're talking about, there's not much inflation: Don't you realize,



*LaRouche with campaign workers meets Alabama State Sen. Charles Steele, at the New South Coalition gathering on May 14.*

that you have as high as a 50% rate of inflation in food prices recently? In many categories here? And the government says, there's no inflation problem? We have a *hyper*-inflationary crisis breaking out!

What's happened? The way this was engineered, Truman—the reason I went back to Roosevelt and Truman—because the fascists took over, with Truman. Now, they couldn't take over all at once, because those of us who had gone through the Second World War, and through the Roosevelt experience, had certain limits to our toleration. I mean, for example, 1947, I sent a letter to Eisenhower, encouraging him to run, and I laid down the reasons why he should run, and I would stand by those reasons today. But, he didn't. He wrote back, and said he agreed with me—and he *did* agree with me! But, he ran later, after Truman had gotten us into a virtual threat of a nuclear war, with his foolishness, and the crowd of fascists that was running him!

And then, we got into this Korea mess, where his stupidity got us into the Korean War. And then, they discovered that the Soviet Union had a thermonuclear device, that was deployable, and they decided to call off—. Truman's intention, was preventive nuclear war. Truman was the Cheney of today! He had the same policy.

All right, so, we went through this kind of experience. And Eisenhower was called in, because enough forces realized how insane Truman was! They told Truman, you don't run again. You just don't run again! And Eisenhower became President for two terms. He fought to protect us from what he later called the "military-industrial complex." Which meant Allen Dulles, and John Foster Dulles, and so forth and so on. These guys, the same crowd, gave us the Missile Crisis and so forth. So we went through a cultural change, *of terror!*

Under FBI terror—so-called, still even under Eisenhower, but less so. Under Truman. We went under terror, with the Missile Crisis; terror with the assassination of John Kennedy; terror with the launching of the Indo-China War, official war, once Kennedy's back was turned—by shooting him.

And, we let our kids, who went to universities, the so-called beautiful children, the "golden children," we let them become drug addicts and degenerates. We were broken. We were broken. Everything we fought for was taken away from us, inch by inch by inch, from the Roosevelt period. By the time that poor Carter left office, we were almost finished.

The last chance we had, to avoid what has happened now, happened with me and Reagan. Reagan accepted my proposal—I don't know exactly how fast he accepted it, but I worked on it. And he adopted it: We came *close!* We came close to settling this question. If Andropov and company had accepted the discussion, which

Reagan proposed, we would not be in the mess we're in today. But, it was our last chance to reverse it, as subsequent events proved.

### **To Stop Being Fools**

So, what's happened, you think of our people, *40 years*; 40 years—60 years, practically. Sixty years since the end of the war, and 40 years since we began to go to Hell: Our people no longer have confidence in their own ability to control this government. They will tell you, you can't put the toothpaste back in the tube; you can't change things. "You'll see," they'll say, "you can't change anything. You have to accept your options."

What options do we give them? Like the Kerry thing: Now, everybody who's serious in Washington, is despondent about Kerry. They're despondent, not only on the Democratic side; but also on the Republican side. We have many Republicans that are prepared to jump ship, against Bush. That is, the sane type—the grain state, the farm state Republicans. They're prepared to jump ship, dump these nuts, and organize their people to vote for the Democratic candidate, if they could get a decent one.

But Kerry is doing me-tooism, to the Bush machine. And the reason he's doing it, is because he's controlled by the money interests. He doesn't want to offend the money interests.

So, essentially, we're in a position, where we have, by the way the things are counted—we have no representation. We have people, in the Congress and elsewhere, who are perfectly qualified to do their part of the job. *But, we do not have control of the Presidency*, as a people. And this has been going on for a long time. For 60 years, we've been betrayed. For 40 years,

we were betrayed more seriously. And the people no longer have confidence in their government. They don't *believe* in their government: They believe they have to put up with it. They believe it's a thing that controls them. But, they don't believe they have any power to change it.

I talked to today with some preachers, and some of them were saying the same thing: We have no power to change it.

My argument is: We have no *choice*, but to change it. We have no *choice*, but to fight. You look at history—you know, Christ died! You say that was nothing, because He didn't succeed right away? We would have nothing, in terms of Christian civilization, but for Christ—nothing! That's simple.

So therefore, it's like a soldier in warfare: You're a mortal person. What do you devote your life to accomplishing? And it's those who are willing to do what they have to do, with the life they have, to try to turn things around, who keep in motion the things which ultimately result in every good that's happened to mankind so far. I think we can win. From my experience, we can win. But, it takes a lot more guts. And the problem I have, there are not enough of my fellow citizens, who have the guts I wish they had.

We can win. We have the power. If the citizens decide to turn out and vote, we can win. And, our job is to convince them to stop being fools! You know—I believe, sometimes, when a man is being a fool, you have to tell him!

### Who Can Move 'The Forgotten Man'

**Q:** Well, this is an election year, and we're all left-hand hanging. And we're touching as many people as we can, like you are. And we're all out at these little festivals and everything. And the other day, I was at one, and this man said—I told him what I was all about, and he said, "But I can't vote for you, because I haven't registered." And he's one of these people, who looked very unconfident of himself. And we need to touch those people, and say, "You are *important*," and make them feel really important, so that they will go and register and vote!

**LaRouche:** Precisely. The key thing is this, the basis—look at the civil rights movement. The way it worked around Martin's time, when Martin was leading it: Now, the people who came out for civil rights, were chiefly the people who were have-nots—not the people you thought would come out for civil rights. The have-nots. At a later time, when the thing began to succeed, then a lot of people showed up. And went down on the record, as civil rights fighters. But, it was a few people, a relative handful of people, who maintained a long tradition of civil rights in this country, from generation to generation. And a few of them, as leaders, were that. And they led. And the people that responded first, were the have-nots.

The same thing was true with Roosevelt's campaign. Remember, Roosevelt, Franklin Roosevelt: When he opened his campaign for the Presidency, officially, his first primary campaign was an address he gave in West Virginia, where

he made a statement, which became famous thereafter, "the forgotten man." He promised something for the "forgotten man." The way to lead a society, is to convince the people who are the worst-off, that they will benefit from what you are doing. That you care about *them*.

### End the 'Suburban Strategy'

The way things work now, with the Democratic Party, who has adopted this policy of the so-called "suburban policy," the sort of the Democratic Party equivalent of the "Southern Strategy" of Nixon, from the Biloxi, Mississippi meetings with the Klan. And the policy is, discourage the lower 80% from thinking that they have any right to determine the policies of the Democratic Party. That's what they're doing! What they do, is they say, the upper 20%, with the big money behind them, is going to determine the way the voting system goes, and we will allow and encourage some other people to come in, on single issues. On so-called "wedge issues." Playing one against the other, to come out and vote in the polls.

So, what you see, is a convergence upon the upper 20% of family-income brackets, is running the Democratic Party, as well as the Republican Party. And they have left out—and they know it!—the lower 80%. We've left them out.

And obviously, there's nothing we can do, unless we can break that barrier. We can not win. We must fight; we must fight to keep the spark of the fight alive. But, to *win*, we must break that barrier. I think we can break it. Why? Because I know what's about to happen. And it's happening now: This system is crashing down. And all those conceited fools, who think they have it made it and fixed, are going to, within a very short period of time, realize they don't.

And therefore, we have to stand *for* the principle of the general welfare. You're not qualified to be President of the United States, unless you *care* and focus about the poorest person in the nation. What're you going to do for them? Because, if you can't include *all* of the people, in your concerns, you don't care about the nation. We've got to get past the point—this nation is powerful, whenever it struggles that way. We've always been a power, when we work that way: When we are identified with the underdog, when we were the defender of the underdog, we were powerful. When we *cease* to be that, we become corrupt and weak.

You know, our people are not imperial. Our culture, American culture, we're a melting-pot culture. We don't have *any* of the attributes of an imperial nation. What we've adopted through a few financier-related circles, who run the country, we have adopted an imperial style of policy. Which you see in Iraq. You see Cheney and the people around him, are running an imperial, military policy *just like Hitler's*, or worse! They're dumber! They're out there! But, they don't have an imperial force! This nation is not capable of fighting a war! We are gutted out. We can not put in a credible force into Iraq!

# 'We Shut Down Our Jobs, And We Are Poor'

*LaRouche was grilled by Government TV channel host Don Elkins at a televised candidates' forum in Fayetteville, Arkansas on May 12.*

**Host:** One, maybe two weeks ago . . . Vice President Dick Cheney paid a visit to northwest Arkansas. It was an official visit, we're told. It seemed more like a campaign visit to a lot of the reporters that were there; but he visited Wal-Mart, which has its world headquarters in this state. And the Vice President, referring to it, called it a "real credit to the United States of America." Do you agree with that?

**LaRouche:** No! Not at all! The others will say quite the contrary. The problem is, we've gone from being the world's leading producer nation, which we were into the middle of the 1960s, into becoming almost a predatory nation, with closing up our farms, closing up our independent industries, collapsing our air travel system, and a lot of other things—in favor of outsourcing. That is, utilizing the cheapest labor in the world, from China or from the countries below our borders, that we've pauperized. We used that cheap labor. We shut down our jobs, our industries. We shut down our farms. And we are poor.

Now, we now are depending—Wal-Mart is typical of this problem: Wal-Mart goes to a customer or a supplier, in its area, and it's a disaster: Because, it says to the customer or

the supplier, "You must supply us, at prices which compete with Mexican labor prices, or Chinese prices." Often the firm folds up. It can't meet those standards.

We need a regulated system, where we protect the level of wages, where we protect the farmer. Because, if you do not protect the price at which goods are produced, you can not produce them in our country. Then we end up, like the Roman Empire, with a society based on bread and circuses, dole, handouts, and entertainment. We are an over-entertained society; not productive. We're on the verge of crashing.

Everyone who's concerned, particularly trade union people and so forth, realize we've got to go back to a protectionist system; we've got to go back to a *fair trade policy*, a fair price policy. We've got to provide prices at which our people can produce, at which our businessmen can afford to invest, and save their capital.

If we don't do that, we're in deep trouble.

**Host:** Now, I understand that you advocate changing the nature of the American economy, from a service-based economy, which is more what we've seen now—Wal-Mart is a perfect example of that sort of thing—to one, that is more heavily reliant on the manufacturing sector. Where's the logic behind that? And how could you actually do that, with the inertia we're seeing now, in terms of moving toward a service economy?

**LaRouche** We're going to have the point, very soon, at which the entire financial system is bankrupt. The Federal Reserve System is presently bankrupt. It's being propped up by a large flow of monetary funds, from Greenspan and so forth, to keep the thing alive. But, it's bankrupt. These banks are bankrupt. Many of the leading European banks are bankrupt. Much of the international monetary system is actually bankrupt. We're flooded with money, but we're actually bankrupt.



*Questions to the candidate from the Fayetteville NBC station focussed on the collapsing economy; two dealt with the destruction wrought by Vice President Cheney's favorite company, Wal-Mart.*



Now, we're in a situation like Franklin Roosevelt faced in 1933, in March of '33: We're going to have to go to a bank holiday, a banking emergency. Put the banking system into controlled receivership, to ensure it doesn't collapse. Then, we're going to have to go to the Congress, and say, "We need"—say, for me—" \$6 trillion, for the next four years": for large-scale infrastructure development and related kinds of investment. Water management systems: For example, you've got this pending Corps of Engineers project, here in this state. It's needed. This has to be done. We need power systems, in both production and distribution. We need to rebuild our mass transit system, especially our rail system. Things of that sort. We need to rebuild our hospital system—we've destroyed it, largely, over recent years. We need to improve our school system; it's not adequate.

So, we can put money into the public sector, into long-term capital investment, where government credit is protected by this long-term guarantee, and solid investments behind this. We're going to go that way. This will build us back into becoming, again, a producer nation, rather than a consumer nation. That's the way you've got to go.

---

## In Alabama

---

# Get The Common Man To Vote For Himself

*Lyndon LaRouche spoke before the Alabama Democratic Conference in Montgomery, on May 15, 2004.*

Thank you all very much. To be quick and abbreviated:

There are two fundamental questions facing the nation and the Presidency at this time. Any discussion of any other issue which does not address these issues effectively, would be incompetent. The only two issues are: number one, the economy. The United States economy is now in the grip of the onrush of a global monetary-financial crisis beyond anyone's remembrance, even us old folks. This is *worse* than 1929-1933. It's coming on fast. Forty-one-dollar-a-barrel oil is only a symptom of what is coming. Fifty-dollar-a-barrel oil will sink the United States. There are certain other things that could do the same thing. The crash will probably come soon; it could come this month, it could come next month, it could wait until Fall. But the crash is coming, and those who don't face the reality of the crash are not in the real world, where it comes to politics.

Under these conditions, in which the entire U.S. banking system is bankrupt; the Federal Reserve System is bankrupt;

## 'We Need People Who Will Stand Up'

*LaRouche addressed the New South Coalition in Montgomery on May 14, 2004.*

I'm delighted, naturally, to be here, and I have much to say, and there's not enough time to say even what's important.

But my message is there for all of you.

I'll say one thing: In the history of humanity, there's been a long struggle to free man from a condition, in which a few have held the rest, the majority, as hunted or human cattle. This fight has not yet been won. But the particular fight we have, is to get the citizens who are in the lower 80% of family-income brackets—who are following what they're told to vote for—to get them not to be called out to vote for something, but to vote for themselves. And they have to get the spirit: That they have a *right* to vote for themselves, and demand that they be informed to the degree that they can make competent choices, and not make impulsive choices that kill us.

We are in the most dangerous period in modern history, right now. A great depression is descending upon us. A \$41.5 a barrel of oil is a warning. \$50 is a disaster.

We have a war, which is not an Iraq war: It's a *policy of war*.

We've got to fight these issues. But *I know in politics, most of our people are not moving!* They're treating themselves as self-condemned, to accept the status of being human cattle, and following a few leaders. We need the people to stand up on their hind legs, as JL [Chestnut] referred to it, on the question of the Pettus Bridge. We need people who will stand up, and know they have the right, as human beings not to be human cattle!

I'm sick and tired of seeing people being human cattle! And that's really what I'm about.

the International Monetary Fund is essentially bankrupt. We have 49 to 50 states which can not balance their budgets, and meet their obligations at the same time. You can't raise taxes to solve the problem, you can't cut taxes to solve the problem,

Therefore, the precedent we must operate upon, is the precedent of Franklin Roosevelt's approach to the Depression that he faced in March of 1933. This means the President of

the United States must, first of all, put the Federal Reserve System into receivership for bankruptcy reorganization—like a Chapter 11 receivership—to ensure that essential functions, including banking functions, continue. The President of the United States must get from the Congress a bill—and I would propose \$6 trillion dollars for that bill—for capital funds, to be used by the Federal government, for large-scale infrastructure projects, and also to provide credit through local agencies to expand business, based on the expansion of the market, caused by employment and activity in basic economic infrastructure.

This must be supplemented by measures taken now, to get us out of Iraq, and similar wars, which Brother Cheney has promised us. Cheney, if he was to remain in government, would send the United States into an attack on Syria, or send Sharon to do it. He would drop nuclear weapons on targets which he's designated in Iran. He would drop nuclear weapons on North Korea, and so forth and so on. It would be Hell on this planet. We must get Cheney out of government!

Bush is an idiot. I say that advisedly. But you have to understand the situation, you have to understand the control



*LaRouche speaks to the candidate selection session of the Alabama New South Coalition on May 14 in Montgomery. To his right are State Rep. Joseph Mitchell, Coalition President Barbara Pitts, and State Sen. Hank Sanders.*

over this puppet Bush by Cheney, is the most dangerous feature of our present situation.

If we get this out, we can get out of Iraq—not totally, but we can get out of warfare in Iraq. I have made a proposal which is being endorsed by many people, including foreign governments' influentials, people in my own country, military and intelligence; people of seniority have endorsed that what I proposed would work.

This is what should define the course of the next election.

Finally, the problem we have now, is, there's been a shift in the Democratic Party policy, away from the support of the common man, the forgotten man, the Roosevelt tradition, to the so-called suburban policy: by which the party is oriented to organizing around the upper 20% of family-income brackets, and trying to pull the rest of the vote along. We have to, instead of trying to get lots of money from millionaires, and billionaires, who want to loot us, we have to have the kind of program that brings the common man out to vote, because he's voting for himself, not because he's voting for some candidate, chosen like a movie star. That's what our problem is.

That's my policy. Anything else you want to ask me, ask me, I'll be happy to answer.



*Candidate LaRouche chats with a Democratic activist at the Alabama Democratic Committee's candidate selection meeting on May 15.*

## Sharon's Operation Rainbow: All Colors Are Blood-Red

by Dean Andromidas

Israeli tanks and helicopter gunships fired on thousands of unarmed Palestinian demonstrators protesting the Israeli attack on the Palestinian city of Rafah in the Gaza Strip on May 19, killing woman and children. The slaughter of unarmed demonstrators was just the most brutal incident in the military operation which the so-called Israeli "Defense" Forces (IDF) have given the Orwellian name of "Operation Rainbow"; but in this rainbow, every color is blood-red. A senior Israeli military source told the newspaper *Ma'ariv* that the troops "had been given orders to kill as many terrorists as possible." Among the "terrorists" killed were Ahmad Mughayer, 13, and his sister Asma, 16, who were shot dead when they went on the roof of their home to hang their laundry. Others killed during the demonstrations were Wallid Abu Khmer, 10, Mubarak Al Hashash, 11, and Ahmad Abu Said, 14.

The operation aims at creating a sanitized no-man's land along the Gaza-Egyptian border, on the pretext of preventing arms smuggling; but in reality it means the destruction of hundreds, if not thousands, of Palestinian homes. Still ongoing as of this writing, Operation Rainbow promises to leave well over a hundred Palestinians dead and has already left hundreds wounded and thousands homeless, as the IDF has already destroyed over 100 houses in less than three days.

The Israeli daily *Ha'aretz* on May 21 revealed that Operation Rainbow was approved during the April 15 meeting between President George W. Bush and Prime Minister Ariel Sharon, at which Bush gave full support for Sharon's so-called "disengagement plan" from Gaza.

Uzi Benziman of *Ha'aretz* wrote, "When Ariel Sharon met with President George W. Bush in Washington last month and obtained his support for various elements of the disen-

agement plan, he also obtained an understanding for the possibility of widening the Philadelphi corridor—i.e., demolishing hundreds of houses—in order to thwart the smuggling of weapons from the Sinai into the Gaza Strip. An intimation of this also appears in the official wording of the disengagement plan, 'in the first stage, Israel will continue to maintain a military presence along the border between the Gaza Strip and Egypt (the Philadelphi route). . . .'

In fact on May 14, three days before the operation was launched, Member of the Knesset (MK) of the Yahad party, Yissi Sarid, issued a warning that "the Israeli Defense Forces intend to demolish half of Rafah; Israel will be accused of war



*An Israeli demonstrator compares the ongoing indiscriminate killing of civilian residents of Rafah in the Gaza Strip, by Sharon's military forces, with the refugee camp mass slaughter of Palestinians which Sharon oversaw in 1982. Then, he tried to hide it; this time it is public and produced unanimous Security Council condemnation.*

crimes. The operation was planned with the tacit agreement of the United States.”

Benziman then revealed that Israeli Chief of Staff Moshe Ya’alon briefed the Israeli Cabinet on May 17, when he told the ministers that the IDF “had authorized some time ago to develop plans for widening the Philadelphi corridor, but that so far the political echelon had not decided to put any of them into action.” Obviously the “political echelon” in the White House gave the green light, since the very next day the operation was put into effect.

### Universal Denunciation

“This is a war crime. This is genocide,” charged Palestinian President Yasser Arafat and called for the “sending of international forces” to protect the Palestinians.

The UN Security Council passed a resolution expressing “grave concern” about the attacks with a vote of 14 to 0, with the United States abstaining; while UN Secretary General Kofi Anan called on Israel “to halt military operations.”

The United Nations special human rights envoy, the South African law professor John Dugard, released a statement calling for an arms embargo against Israel. “These actions constitute war crimes . . . which violate both humanitarian law and international human rights law. The special rapporteur calls on the Security Council to take appropriate action to stop the violence, if necessary by imposition of a mandatory arms embargo.”

Speaking in the name of the European Union, Irish Foreign Minister Brian Cowen declared the attacks “completely disproportionate to any threat faced by the Israeli military and that Israeli forces showed a reckless disregard for human life.”

MK Avraham Burg (Labor) said, “It is completely unacceptable to continue baptising Gaza in blood, because when Gaza is drenched in blood, it will also be the blood of our children.”

MK Mohammed Barakeh (Hadash) termed the Rafah missile strike a “massacre” and called for international intervention. “This is not just a war crime, it is genocide. . . .”

## Amnesty International Charges: War Crimes!

On May 18, while the Israeli military was destroying dozens of houses in the town of Rafah in the Gaza Strip, Amnesty International released a report entitled “Under the Rubble: House Demolition and Destruction of Land And Property,” which charges Israel with class A war crimes. The report condemns Israel’s demolition, in the last three and a half years, of 3,000 Palestinian homes, two homes a day, plus vast areas of Palestinian agricultural land, and called on Israel to halt all unlawful destruction of homes and land, including the expansion of Israeli settlements and the building of the wall in the Occupied Territories. The report also documents how this policy extends to Israel’s Arab citizens, in violation of international conventions of which Israel is a signatory.

The Israeli policy has left tens of thousands of men, women, and children homeless or without a livelihood. The report shows that planning and building policies in Israel are discriminatory, as Palestinians in the West Bank and Gaza Strip are routinely denied building permits and face the threat of demolition of their homes.

The report shows that Israel’s military/security justification is so broad that almost no Palestinian/Israeli Arab property or plot of land is secure from destruction or seizure. Under the Israeli army’s interpretation of international humanitarian law—given the spread of Israeli settle-

ments, settlers’ roads, and army positions throughout the densely populated Gaza Strip next to Palestinian refugee camps, towns, and villages—virtually every building or stretch of land in the Gaza Strip could potentially be considered a threat and a target for military demolition. According to the United Nations, more than 2,000 homes in Gaza alone have been destroyed in the last three years, and 10% of the agricultural land. In the West Bank, almost 90% of Israel’s wall is being built on occupied territory and at least 600 homes have been destroyed.

In the period 2002-03, in Gaza, there has been an estimated 1,800 acres of agricultural land destroyed, including 226,000 trees. This destruction has included the ripping up of olive, citrus, date, and almond trees (pulled out by the roots, evidently to prevent them growing again), the bulldozing of electricity poles, and the filling in or smashing up of hundreds of wells, water pumps, and containers.

The current operation aims at adding hundreds more houses to the list. World Bank President James Wolfensohn on May 18 also denounced Israel’s mass destruction of Palestinian homes in the Gaza Strip. Speaking on the sidelines of a meeting of the World Economic Forum in Jordan, Wolfensohn told the Israeli daily *Ma’ariv*: “Israel’s military operations pertaining to the demolitions of thousands of homes in Rafah are reckless, and leaves tens of thousands of people without a roof over their heads. As a Jew, I am ashamed of this kind of treatment of people.”

The report is available at <http://web.amnesty.org/library/index/ENGMDE150402004?open&of=ENG-ISR>

—Dean Andromidas

MK Azmi Bashara (Balad) said, “Sharon, [Defense Minister Shaul] Mofaz, and the Chief of Staff must stand trial at the International Court of Justice in the Hague for war crimes.”

Protest demonstrations were held throughout the occupied West Bank, and the Israeli peace movement took to the streets on the day of the massacre, demonstrating in Tel Aviv, Haifa, and Jerusalem. More demonstrations were being planned.

### Sharon’s Beast-men Friends in Washington

While Sharon set Rafah ablaze, his beastman friends are on full mobilization in his support. On May 17-18, the American Israel Public Affairs Committee (AIPAC), bastion of the right-wing Israeli lobby, held its annual meeting, featuring speeches by Rep. Tom DeLay (R-Tex.), Rep. Steny Hoyer (D-Md.), and President George W. Bush. DeLay and Hoyer announced that they are co-sponsoring a bill to codify into U.S. law, the letter that Bush delivered to Sharon on April 14, which gave Sharon the green light to annex Palestinian territories, and to deny the right of return to the hundreds of thousands of Palestinians who have been driven out of their homes.

Bush, at the AIPAC event, called for the United States and Israel to stand together in the “war against terror.” For this propaganda, Bush got 23 standing ovations, in a frenzy of “eye for an eye” blood-lust. As for the slaughter in Gaza, Bush would only say he was “troubled,” but not troubled enough to stop Sharon.

### Thousands Demonstrate Against Occupation

The bloody events in Gaza followed one of the largest Israel peace demonstrations of the decade. On May 15, over 150,000 Israelis gathered in Rabin Square in Tel Aviv. It was organized by a new coalition called Harov (Majority’s Coalition), and aimed at representing the majority of Israelis who want an end to the occupation of Gaza and the West Bank. Organizing under the slogan, “Leave Gaza and start talking,” the coalition included the Labor, One Nation, and Yahad parties, Peace Now, the Geneva Accord peace initiative, the Kibbutz movement, the Forum of Bereaved Parents, and several youth groups and other peace organizations.

Addressing the rally, Labor Party leader Shimon Peres said, “Eighty percent of our people want peace; 1% is trying to block us from achieving that. The 1% won’t succeed in returning us to wars, to the path of blood. . . . I say we need to negotiate with the Palestinians even under fire.”

Yossi Beilin, chairman of the Yahad Party, and initiator of the Geneva Accord peace initiative, got the loudest applause when he told the crowd: “Those who have refused peace have tried everything, targeted killings which are not always very targeted; re-invading the West Bank and Gaza; destroying fields, groves, and houses; burning the fact of defeat into the other side’s consciousness and doing it again and again and

again. The one thing which they did not try is to make peace. Those who say that there is no partner, are those who don’t want to talk!”

Amir Peretz, the Chairman of the One Nation party as well as the Histadrut Labor Federation, said: “Gaza is not holy land, it is a cursed land, and people lose their humanity there. . . . We should end the cruel occupation, we should disengage from Gaza, but that is not all; we should re-engage with Israeli society, with the values of humanity and social justice.”

Peace Now founder and Chairman Tzali Reshef declared, “We have not the slightest trust in Sharon. We know he wants to withdraw from Gaza in order to keep the West Bank. But we will force him to give up Gaza, we will force him to give up the West Bank. . . . Down with the rule of the settlers! We will not continue to sacrifice our sons for the sake of the settlers.”

The tremendous crowds attest to the fact that the majority of Israelis would support a peace initiative, but Israeli political observers fear the continued weakness of the leadership of the peace camp. They particularly point to the role of Peres, who was instrumental in preventing the participation of the full spectrum of the peace camp among the speakers.

Commentator Akiva Eldar wrote in *Ha’aretz* on May 18, “The relevance of 150,000 demonstrators and the mass of supporters who stayed home depends on the belief in their power to go forth to millions of homes and market to them an alternative to the government’s policy. This ability is not to be found in the hands of an 81-year-old statesman,” an obvious reference to Peres, who, Eldar writes, would jump into a unity government with Sharon as soon as he gets the chance. He said, “The peace camp needs a leader who will not be deterred by threats from the Jewish settlers in the territories about a civil war, and will refrain from seeking that hidden consensus. . . .” He invokes the spirit of Israel’s first Prime Minister, David Ben Gurion: “In 1948, Ben Gurion empowered the Israeli Defense Forces to open fire on the Irgun arms ship *Altalena*, with Menachem Begin on board.” This is a reference to Ben Gurion’s decision to crack down on the Jewish extremists who refused to accept the UN-brokered armistice that ended the 1948 Arab-Israeli War. Eldar then writes that anyone who expects the Palestinians to turn against their own people who refuse compromise, “cannot evade an *Altalena* of his own.”

The Israeli officer who attacked the *Altalena* on the orders of Ben Gurion, was Yitzhak Rabin, who, as Prime Minister, signed the Oslo Accords of 1993, and who was slain by an Israeli extremist assassin in 1995.

It should be remembered that Ben Gurion acted against his fanatical right wing in response to the combined pressure of the Soviet Union and the United States. If Israel needs a new Ben Gurion, then the United States obviously needs the leadership of Presidential candidate Lyndon LaRouche, who will exert that pressure.

# The LaRouche Doctrine Debated in Egypt

by Muriel Mirak-Weissbach

As soon as the LaRouche Doctrine proposal for establishing peace in Iraq and Palestine was issued April 17, it was warmly welcomed in intellectual and political circles in the Arab and Islamic world. Among the first to endorse the idea of a new U.S. policy for Southwest Asia outlined by Lyndon LaRouche, was Prof. Mohammed Seyyed Selim, of the Center for Asian Studies, University of Cairo. Weeks later, this author was invited to present the proposal at the Center's annual conference.

Prof. Selim, in introductory remarks, was outspoken in his praise of LaRouche's policies. Characterizing him as "the most pro-Arab" American political figure, Selim stressed LaRouche's courage, citing the fact that, after the second Palestinian Intifada began, LaRouche had supported it, "even when many Arabs did not." He also highlighted LaRouche's role in leading the opposition inside the United States to prevent the Iraq war, and lauded his "credible solutions" for the Iraq crisis, focussing on reviving the Iraqi Constitution of 1958.

As the overall theme of the conference was "The Rise of China," the author located LaRouche's Southwest Asia doctrine in the context of a much-needed new U.S. policy for Asia as a whole. In direct opposition to the current neo-con commitment to a strategy of "permanent wars," including the use of nuclear weapons, against countries "perceived" to constitute a threat to U.S. hegemony, the LaRouche policy defines American strategic interest in terms of securing stability across the Eurasian continent, through an economic development perspective. For Southwest Asia, the LaRouche Doctrine means introducing massive infrastructure projects across the region, as bounded by Syria, Turkey, Iran, and Egypt. The creation of new sources of fresh water, through large-scale desalination plants, is the backbone of LaRouche's economic cooperation plan for Palestinian-Israeli peace (see *EIR*, April 30).

After defining the proposal, the presentation focussed on the means of forcing it through in Washington: The more support garnered for the proposal in the Arab and Islamic world, the more power it will gain inside the United States, in the ongoing primary election process. The world cannot wait until November for a new U.S. policy.

The audience of professors, students, diplomats, and press questioned specific aspects of the doctrine (when the occupy-

ing forces should withdraw, how U.S. credibility for a Palestinian-Israeli peace could be established, etc.), as well as broader U.S. foreign policy (on U.S.-European relations, U.S.-Chinese relations, the structure of trade relations). But the main focus was on the political process inside the United States. One questioner stated his support for LaRouche's ideas, and "wished that more people in the U.S. would do so." What are LaRouche's chances in the elections? How do John Kerry's policies differ from those of the Republican Party (if they do)? If Kerry were to be elected, would that end the reign of the neo-cons? What would LaRouche's role be? Will the failure in Iraq lead to Bush's defeat? If a change is implemented in U.S. policy before November, would that mean Bush's re-election?

The answers to these and related questions stressed that nothing is fixed or predetermined in United States policy or politics. Anything can happen, as the faction fight inside the institutions of the United States—military, diplomatic, Congressional, and press—is demonstrating. One must understand the central role that LaRouche has been playing, which continues to define the dynamic and directionality of the fight.

## The Abu Ghraib Factor

One pointed question came from a visibly agitated participant: What really happened at Abu Ghraib? This question captures the essence of the phase shift that has taken place in public opinion in the Arab and Islamic world. If, prior to the revelations of systematic torture of prisoners, the view had been that the war was illegal, based on manufactured lies, had nothing to do with democracy, but with establishing an empire through permanent wars, and so on; after the revelations, it became clear that the character of the war party was nothing short of Satanic, and that Dick Cheney et al. can only be understood as beast-men. Participants at the conference had no difficulty in grasping this major point, and were eager to read LaRouche's *Children of Satan* pamphlets explaining it.

Abu Ghraib represents a watershed for the entire region. No one believes that young soldiers were solely responsible; such practices represent policy, which is defined at the top, by Defense Secretary Donald Rumsfeld, Dick Cheney, Paul Wolfowitz, et al., who yet remain in office and in power. Abu Ghraib also signalled to these circles that the "clash of civilizations" policy is being pursued, not only with overwhelming military might, but with expertly developed psychological warfare methods, devised to violate the fundamental tenets of a world religion, Islam. Finally, Abu Ghraib dramatized the fact that, unless the war in Iraq—and in Palestine—is stopped, and the LaRouche Doctrine implemented, there will be a new Dark Age; nothing more graphic than the photos of that Iraqi prison, could bring this point home.

It is in this context that the escalation of conflict inside

Iraq, focussed on Shi'ite centers, must be seen. Fighting has been escalating in Najaf and Kerbala, the two holiest cities for Shi'ites—but revered by all Muslims—between the occupation forces and the militias of radical Shi'ite Moqtadar al-Sadr. Instead of seeking an arrangement like the one struck in the Sunni center of Fallujah, whereby Iraqi military took over control of security, the United States has stubbornly pursued its confrontationist drive, demanding that al-Sadr be arrested or killed. The Coalition Provisional Authority of Paul Bremer maintains that al-Sadr was responsible for the killing of another Shi'ite cleric, allied to the British and Americans, one year ago. Leading Shi'ite figures, both political and religious, have told the occupation authorities that the al-Sadr case should be dropped, until such time as a legitimate Iraqi government comes into being, at which time, it may decide whether to press charges or not. The same array of forces, from both Iraq and neighboring Iran, have insisted the entire al-Sadr problem should be left to the religious leadership. This, the United States has roundly rejected.

After the revelations of torture at Abu Ghraib, al-Sadr's forces could only gain support. The radical militia leader issued a call to Shi'ites everywhere to converge on the two cities, to join their resistance. In response, the highest Shi'ite authority, Ayatollah Ali Husseini al-Sistani issued a statement with the opposite message: "The office of Ayatollah Sistani calls on citizens in all of the cities and governorates not to head to holy Najaf due to the dangerous circumstances that the holy city is passing through." It said peaceful demonstrations could be held at mosques in other city centers to "protest the violation of the sanctity of the two holy cities" and "the houses of the grand ayatollahs." This last reference is to the fact that al-Sistani's house was reportedly fired upon. The statement continues: "It's permissible . . . to demand the withdrawal of all military vestiges from the two cities and allow the police and tribal forces to perform their role in preserving security and order."

In short, al-Sistani was calling for an arrangement to be worked out, along the lines of the Fallujah model, and coherent with the approach outlined in the LaRouche Doctrine: the occupation forces must disengage from conflict with the Iraqi population, and hand over responsibility for security to the local Iraqi forces. Al-Sistani's intervention came at a point where the armed conflict inside Najaf and Kerbala threatened to violate the sanctity of the Shi'ite shrines. According to reports, fighting occurred on May 18 just 100 meters from the shrines, as fighters launched rocket-propelled grenades at U.S. tanks which had moved into the area. On May 20, it was reported that U.S. helicopters had fired missiles at al-Sadr forces located between two holy shrines in Kerbala. Heavy fighting continued that day also in Najaf. If the shrines were to be affected, al-Sistani would have no choice but to support armed resistance, and the war would enter a new phase, engaging regional powers as well.

Al-Sistani's passive resistance aims to force the United States to end the occupation, through a process coherent with international law. Thus, he has accepted the transfer plan for June 30, in point of fact, without legitimizing it; he has specified that any interim government would have limited powers, and only a democratically elected government can effectively rule. The Supreme Council for the Islamic Revolution in Iraq (SCIRI), the leading Shi'ite political group inside the Iraqi Governing Council, has been mapping out its political relationship with the occupation, according to the guidance provided by al-Sistani.

Iran, which hosted the SCIRI during its years of exile, has also been attempting to de-escalate the conflict with al-Sadr's militias. Ayatollah Haeri, the mentor of al-Sadr, recently left his residence in the Iranian theological center in Qom, to return to Iraq, in order to set up an office in Najaf, from which location he could exert influence over al-Sadr. Iranian Foreign Minister Kamal Kharrazi reiterated throughout his European tour in early May, that the United States should desist from attacking al-Sadr. Kharrazi demanded that they should leave the situation in the hands of the religious authorities, who could deal with it.

### **Mass Protests Break Out**

The convergence of the Abu Ghraib revelations and the upsurge in fighting in the Shi'ite holy cities—flanked by the Israeli atrocities in Gaza—have unleashed a new wave of mass protests across the region. In Tehran, Qom, Isfahan, and Mashhad, Iranians took to the streets beginning on May 16, and staged protests against the occupation, particularly focussed on the violation of the sanctity of the holy places. In Tehran, thousands protested on May 19, and about 3,000 gathered in front of the British Embassy, (as there is no U.S. Embassy) to throw molotov cocktails and bricks. At Inghelab Square, protestors burned Israeli, American, and British flags.

At the same time, though unnoticed by major Western press, demonstrations swept cities in Turkey and in Egypt. On May 20, Hisbollah leader Sheikh Nasrallah called on Muslims everywhere to demonstrate. In Cairo, massive police deployments could be seen, especially outside the university, after students organized protest demonstrations. On May 18, it was announced that 54 members of the Muslim Brotherhood in Egypt had been arrested, following raids against their offices in several cities. The opposition movement, which has been tolerated by the government, had been active in organizing protest demonstrations against Israeli and U.S. policy.

Such demonstrations are merely the foretaste of things to come, if a political solution for Southwest Asia is not forthcoming, from America. As rage spreads through Arab populations, government circles, intellectuals, and mass media are turning new attention to the LaRouche Doctrine, as a source of hope.



# Australia Tortures Children in Camps

by Allen Douglas

The “Three Musketeers” of the ongoing war in Iraq are the United States, Great Britain, and Australia. Australia’s role is less conspicuous, but its navy and its highly-regarded Special Air Services (SAS) have played crucial roles in the conflict; and on April 1, Australia’s Maj. Gen. Jim Molan was named the Coalition’s commander of “counter-terror” operations. No one outside the Bush government, including Britain’s Tony Blair, has more enthusiastically supported the war than Australia’s Liberal Party Prime Minister John Howard. And, like Blair and the Cheneyacs in the United States, Howard and his Cabinet have repeatedly lied and attacked dissidents in Australia’s armed forces and intelligence services, in order to keep the war going. (See *EIR*, May 7, 2004.)

While tagging along in Iraq, Australia has “led the way” with its domestic “war on terror.” Neither the U.K., nor even the United States with its infamous “Patriot Act,” have come close to the sweeping Nazi-like laws which Howard’s government has rammed through, most recently with complicity of an opposition Australian Labor Party (ALP) led by Mont Pelerin Society stooge Mark Latham. In fact, so shameless is the Howard government, that in its latest atrocity, the Anti-Terrorism Bill 2004 now before the parliament, it intends to effectively legalize, under Australian law, the regimes at Guantanamo Bay and at Abu Ghraib prison in Iraq. That bill proposes that “an offence against a foreign country” be recognized under Australian domestic law. This would include, specifically, “an offence triable by a military commission of the United States of America established under a Military Order of 13 November 2001 made by the President of the United States and entitled ‘Detention, Treatment and Trial of Certain Non-Citizens in the War Against Terrorism.’” That Military Order by President Bush established the lawless hell-hole of Guantanamo Bay, whose regime of degradation and torture was then exported to Abu Ghraib in Iraq.

Yet, that latest police-state measure still does not plumb the depths of evil represented by “beast-man” PM John Howard and his government. On May 13, the Australian Human Rights and Equal Opportunity Commission (HREOC) released a report, “National Inquiry into Children in Immigration Detention,” which summarized the HREOC’s two-year investigation into the status of children interned in the country’s seven “Immigration Detention Centers” (IDCs). That report, together with submissions to the HREOC during the course of its inquiry, documents a systematic regime of torture

against the children of asylum seekers (and their parents). This practice has been going on for years; the Howard government is fully aware of it, and Howard himself has personally indicated, in response to the HREOC report, that he intends to continue it. A nurse who served in the notorious Woomera IDC in the middle of the South Australian desert, summed up the case in her submission: “The Australian government is thereby culpable of torture of children.”

## The Detention Centers

The detention center policy was begun in 1992 under the ALP government of Prime Minister Paul Keating. Keating and his ALP predecessor PM Bob Hawke discarded the national banking, pro-sovereignty traditions held by the ALP since it was founded in the 1890s, and ushered in the globalization, privatization, and deregulation nightmare which the Howard government has only deepened since it came to power in 1996.

At their height in late 2001, the IDCs and the “offshore centers” at Manus Island in Papua New Guinea and Nauru in the Pacific, held some 2,800 immigrants in extremely harsh, overcrowded conditions. The centers—widely referred to in Australia as “concentration camps”—were run for years by the private firm, Australasian Corrections Management (ACM), a subsidiary of the notorious U.S. Wackenhut firm. (A new four-year contract has been let to a British firm.) Detainees, visitors, and human rights advocates have consistently described the camps as “worse than prisons,” with no medical care, widespread abuse by prison guards, middle-of-the night “counts,” and “isolation cells” like something out of Edgar Allan Poe’s “Pit and the Pendulum” story. The camps are ringed by barbed wire, some are in the middle of the desert, or in other far-flung locations; the government tightly controls access so that no news from inside them leaks out.

Many of the detainees are held for years, with no knowledge of when, if ever, they will be released. The Refugee Review Tribunal (RRT) which oversees their cases is composed of political appointees with no background, legal training, or experience in such matters, and it invariably rules against the immigrants. In September 2001, Howard rammed through a series of “Border Protection” laws, which removed any right of appeal of the RRT to the Federal court, so that the kangaroo court RRT has the ultimate say over the refugees’ fates.

Under these conditions, numerous detainees have committed suicide or attempted it. Incidents of “self-harm” are constant, with inmates throwing themselves on razor wire, slashing themselves, drinking detergent, or sewing their lips together in protest at the inhuman conditions in which they are held. Numerous children have emulated their parents in these practices. Psychologists and psychiatrists have testified repeatedly to the devastating degree of mental problems experienced by all the detainees, as many as 75% of whom were



*“Mr. Ruddock and Mr. Howard are guilty of crimes against humanity,” concluded Queen’s Counsel Julian Burnside. Children have been held indefinitely and abused in camps; refugee boats have been deliberately sunk at sea, including the “SIEVX,” whose 436 passengers had been forced onto it by police agents. The SIEVX, though smaller than this boat, bore twice as many people to their deaths.*

already victims of torture and trauma in the countries from which they fled, mainly Afghanistan, Iraq, and Iran. Many of them are members of persecuted minorities who faced death or further imprisonment, had they stayed. While the camps on the mainland are horrible enough, the Australian government in 2001 initiated its “Pacific solution,” by dumping hundreds of refugees on Manus Island or Nauru, where they live in utter squalor, with only brackish water to drink. On the few occasions when they were allowed outside the camps, they were sometimes beaten by poverty-stricken natives, who are enraged at anything having to do with the Australian government.

While the government has attempted to imply that its inhuman immigration policy is to “stop terrorists,” the policy of large-scale internment began before 9/11—and in spite of the fact that, of the 17,000 immigrants who arrived before 2001, only seven were found to have been criminals, and not genuine refugees. As many have pointed out, a terrorist is hardly likely to choose an unseaworthy, overcrowded boat as his passage to Australia. Additionally, under international law, all of these so-called “illegal immigrants” have the right to seek asylum wherever they can find it; in any case, the numbers involved are tiny, Australia ranking only 41st in the world as a refugee destination.

## **The HREOC Findings**

The HREOC’s inquiry was established in November 2001, to examine whether the treatment of children met Australia’s obligations under international law, particularly the Convention on the Rights of the Child. After two years of hearings and investigations, the Commission found that the detention centers violate that Convention in numerous ways; in particular, that “Children in immigration detention for long periods of time are at high risk of serious mental harm. The Commonwealth’s [Australia’s] failure to implement the re-

peated recommendations by mental health professionals that certain children be removed from the detention environment with their parents, amounted to cruel, inhumane and degrading treatment of those children in detention.”

The Commission therefore recommended that children “should be released with their parents as soon as possible, but no later than four weeks” from the report’s release, and that “Australia’s immigration detention laws should be amended, as a matter of urgency, to comply with the Convention on the Rights of the Child.” Human Rights Commissioner Dr. Sev Ozdowski charged, “This is not ancient history. We are still abusing a significant number of children in detention now.” Ozdowski appealed to the general public, “All Australians should look at these findings, read the examples and think of their children or the children of their friends and ask

themselves—how would I feel if my children were raised behind bars and their human rights abused? Almost 93% of these families have been accepted as ‘genuine refugees,’ so why do we lock them up for years behind barbed wire? The treatment of some of these children has left them severely traumatised and with long-term mental health problems. Children with emotional and physical scars will be a legacy of our mandatory detention policy.”

Almost immediately after the report was released, Howard and his Immigration Minister Amanda Vanstone, stated that they had no intention of following the recommendations, because to do so would “send the wrong signal” about Australia’s immigration policy.

## **‘Crimes Against Humanity’**

As is usual with a government body, the HREOC’s language was measured; important though it was, it understated the severity of the abuse, as well as the culpability of Howard and his government. Two other figures with knowledge of the camps were more blunt: registered nurse Barbara Rogalla, who had worked for three months inside the Woomera camp, and a well-known Melbourne lawyer, Queen’s Counsel Julian Burnside, who has defended some of the refugees.

In her submission to the HREOC, Rogalla noted that she had written to the Human Rights Commissioner back in 2000, and that “Following my letter to HREOC, riots, hunger strikes and use of the water cannon have become more frequent at IDCs. I recently visited Woomera, only to find that the camp now looks even more formidable, frightening, and offensive. The outer perimeter now extends to the Roxby Downs road, with an additional two rows of razor wire fences between which lies a haunting no-man’s land. The layout of staged high razor wires with open spaces between more than ever resembles concentration camp horror, straight out of Nazi Germany.”

Rogalla recounted some of the horrors of the detention camps, including acknowledged child sexual abuse covered up by the ACM contractor and the government. Challenged on the abuse, then-Immigration Minister Philip Ruddock claimed that these allegations “were being pushed by advocacy groups opposed to the mandatory detention of asylum seekers with children,” and therefore should be disregarded. After citing chapter and verse of the Australian government’s willful neglect of children under both the Convention on the Rights of the Child and the Convention Against Torture, Rogalla charged, “The Australian government is thereby culpable of torture of children.”

In a speech at Parliament House in 2003, lawyer Julian Burnside charged that: “Human beings—men, woman and children innocent of any crime—are locked up for months, and in many cases, years. They are held in conditions of shocking harshness. . . . The United Nations Working Group on Arbitrary Detention has described Australia’s detention centers as ‘worse than prisons’ and observed ‘alarming levels of self-harm.’ ”

Burnside then recounted how the Australian Criminal Code had recently been amended to recognize genocide and other crimes against humanity. Citing specific chapter and verse of these Australian laws, which clearly encompassed what was happening in the IDCs, Burnside—hardly a radical—concluded, “A careful analysis of the criminal code therefore suggests that Mr. Ruddock and Mr. Howard are guilty of crimes against humanity by virtue of their imprisonment of asylum seekers.”

In a debate on detention policy on Feb. 16, 2004 at the Melbourne Rotary Club with the present Immigration Minister, Amanda Vanstone, Burnside blasted the two beast-men personally responsible for the camps, Howard and Ruddock: “Our Prime Minister calls himself a Christian, is in fact immoral, hypocritical, un-Christian and—as a proponent of mandatory detention—a criminal. He must take personal responsibility for the ‘Pacific Solution,’ which is the most disgraceful enterprise ever undertaken by an Australian government. Mr. Ruddock clings to his membership of Amnesty International, in the face of sustained criticism from that organization; he chants the Liberal [Party] mantra of family values whilst locking families of innocent people behind a 9,000 volt ‘courtesy fence’ at Baxter. He pretends to be a Christian, while the leaders of all Christian churches in Australia condemn him for his policies. He is responsible for instructing counsel to argue that we do not have solitary confinement in detention centers—but if we do, the Courts must not interfere; that we must send terrified people back to torture or death; that we can lock them up for the rest of their lives if need be. For their hypocrisy, as much as for their cruelty, the Howard government deserve our contempt.”

Ruddock was subsequently appointed Attorney General by Howard, where he has overseen the most intense barrage of police state laws since Hitler’s Germany.

## Murdering Asylum Seekers?

In addition to its torture of desperate immigrants who finally reach its shores, there is a mounting body of evidence that the Australian government is directly or indirectly responsible for the premeditated sinking of one or more refugee boats, with hundreds of deaths.

In the closing months of 2001, the Howard government was in an extremely close re-election contest against Labor, which Labor was expected to win. Howard’s trump card was his “tough-on-immigrants” policy. In furtherance of it, he set up the People-Smuggling Disruption Program (PSDP) under the oversight of Ruddock’s Department of Immigration and Multicultural and Indigenous Affairs (DIMIA), and carried out by the Australian Federal Police (AFP). Under this program, the AFP liaised with, financed, and trained elements of the Indonesian police to stop refugee vessels heading toward Australia, including by sabotaging the boats *so they would sink at sea*. At a meeting with AFP officers in Indonesia in June 2001, Ruddock himself asked if it were possible to sabotage the boats.

Some of the “people smugglers” were police agents of Indonesia, or Australia, or both. There is abundant evidence that one such protected operative was Abu Quassey, who organized the voyage of what became known as the Suspected Illegal Entrance Vehicle X (or SIEVX), which sank on Oct. 19, 2001, drowning 353 men, women, and children. Indonesian police had forced 421 refugees onto the SIEVX, many of them at gunpoint. The boat was 19 meters long by a mere 4 meters wide, and could hold a maximum of 100 people; when loaded with over four times that many for its deadly voyage, it looked like a cattle car. It was so overloaded, that it clearly had no chance to make it from Indonesia to Australia.

To an investigator, everything about the disastrous voyage raised alarm bells: the involvement of the Indonesian police; the obviously unseaworthy condition of the boat; the Howard government’s almost-fanatical insistence—later disproven—that the boat sank in Indonesian waters; the mysterious failure of the huge Australian air-and-maritime anti-smuggling presence either to intercept the craft at sea, or at least rescue the survivors. Australia’s former Ambassador to Indonesia, Tony Kevin, aggressively questioned the strange circumstances of the sinking; his persistence unleashed investigative reporting from Australia, and finally an Australian Senate inquiry. Reviewing all the evidence that had emerged since the fateful night of Oct. 19, 2002, Kevin said in Perth on Feb. 8, 2003, “I believe that the premeditated sinking of SIEVX was a final deterrent solution, generated under this [PSDP] program.”

If true, it would not be surprising. PM John Howard is a second-generation synarchist. His father was a member of the fascist New Guard of Sydney in the 1930s, which planned a coup to stop ALP Federal and state governments from creating jobs and relief measures for the poor, instead of paying debts to British bankers.

# Thailand's South Erupts As Neo-Cons Eye Straits

by Mike Billington

After two decades of relative peace, the Islamic-majority southern provinces of Thailand have erupted in violence, escalating towards a potential religious/separatist revolt. While the roots of the outbreak, both foreign and domestic, remain largely a mystery, there is no question that the neo-conservative faction in Washington is prepared to take advantage of the crisis, to expand their imperial designs to include a U.S. military presence in the strategically crucial Malacca Straits.

The terrorist networks in Southeast Asia, loosely labeled Jemaah Islamiah (JI), have their roots in domestic Islamic separatist movements in the region, supplemented by returning fighters from Afghanistan and Pakistan, who were financed and trained by U.S. intelligence agencies during the war against the 1980s Soviet occupation of Afghanistan. Shi'ite Muslim sources in Thailand have identified the emergence of violence in the South as primarily serving those in the United States who have called for stationing U.S. forces in the Straits.

On April 5, U.S. Pacific Commander Adm. Thomas Fargo told Congress the United States was considering deploying marines and special forces on high-speed vessels in the Malacca Straits, a program to be called the Regional Maritime Security Initiative, ostensibly to combat transnational threats like proliferation, terrorism, trafficking in drugs, and piracy. This comes in the context of the so-called "Proliferation Security Initiative" (PSI), promoted by the leading neo-con operative within the State Department, Undersecretary of State John Bolton. The PSI aims to scrap the International Law of the Sea, allowing America and its allies to board the ships of targeted nations at will on the high seas—just as the Bush Administration has declared that it need no longer observe the international laws of war nor the Geneva Convention.

The Malacca Straits, however, are not on the high seas. Admiral Fargo told the Congress, based on his just-concluded meetings with Singapore: "There is very large, widespread support for this initiative." In fact, only the bankers' city-state of Singapore supported the proposal. The Malacca Straits are primarily within the sovereign domain of Malaysia and Indonesia, both of which issued angry denunciations of any such U.S. military deployment in their sovereign territory. The crisis in the Southern provinces of Thailand, which sit at



the northern entry into the Straits, may, it is feared, be used to justify this unwanted U.S. military presence.

The utopian, imperial "military-transformation" promoted by Secretary of Defense Donald Rumsfeld envisions rapid deployment capabilities with fewer permanent bases, but vastly expanded basing rights in strategic locations. Singapore has long offered its facilities as a U.S. staging area. Washington has been slowly expanding its military presence in Thailand, and recently leaked that it is interested in establishing bases there. Thailand, of course, provided its territory for a number of major air bases and ports used in the disastrous U.S. war in Indochina. The target this time would be "international terrorism," as represented by the instability in Thailand's South. A similar slide towards a permanent U.S. military presence is well under way in the southern Philippines province of Mindanao.

## Pattani Unity Liberation Organization

The Islamic separatist Pattani Unity Liberation Organization (PULO) flourished in the 1960-80 era, but was essentially disbanded after a peace offensive by the Bangkok government, which offered amnesty to all, and economic development for the South. The peace held for nearly 25 years, although the region remained the poorest in Thailand, even during the boom years of the 1990s. A major development project in the South, the building of a canal across the Isthmus of Kra to allow passage to Asia without sailing through the crowded Straits of Malacca, has been repeatedly postponed, despite strong support from the current Deputy Prime Minister (and former Prime Minister) Gen. Chavalit Yongchaiyudh. Such a project would economically transform the region, but has faced stiff opposition from the international financial institutions, which oppose all large-scale infrastructure projects, and also from Singapore for

geopolitical reasons.

The poverty in the South, exacerbated by the 1997-98 Asian financial crisis, and combined with anger across the Islamic world over the targeting of Islamic nations and peoples by the U.S. “war on terror,” created the conditions for the recruitment of Islamic radicals to violence. The recent crisis erupted in January with an armed raid on a military armory, making off with weapons and explosives, and the systematic torching of government buildings, including schools, across the provinces of Yala, Pattani, and Narathiwat. Efforts to identify the source of the coordinated attacks were unsuccessful. Over the next three months, over 130 people were killed, and 120 wounded, in bombings and individual random attacks on Buddhist monks, police, and other government workers. Still the culprits remained elusive. Relations between Thailand and Malaysia became strained, as Thailand accused Malaysia of allowing refuge to the terrorists, while the opposition Islamic Party of Malaysia accused Thailand of state terror. (The two countries now coordinate closely.)

The attacks culminated on April 28—perhaps chosen to commemorate an April 28, 1948 revolt by Muslim villagers in Narathiwat—when hundreds of rebels, many of them teenagers armed only with machetes, attacked police stations across the region. While five soldiers were killed, the Army killed over 100 of the attackers, including many youth. When a number of the rebels took refuge in the revered 400-year-old Krue Se Mosque in Pattani, the commander of the Thai Forces, Gen. Panlop Pinmanee, ordered a raid after a six-hour standoff, killing over 30, and provoking anguish in the region’s Islamic populations.

Deputy Prime Minister Chavalit immediately recalled General Panlop to Bangkok, accusing him of disobeying a direct order to solve the standoff at the Mosque peacefully. However, Army Chief of Staff Gen. Chaisit Shinawatra (the brother of Prime Minister Thaksin Shinawatra), defended Gen. Panlop, and accused General Chavalit of demoralizing the troops by his reprimand. The crisis is certain to create severe strains within the government and military.

Prime Minister Thaksin visited the South, including the Mosque itself, and the families of many of the slain youth. Some of the captured youth reported that they had been lured into the violence through one or more local religious leaders, who had convinced them that they would be invincible after drinking holy water. Evidence of outside influence remains sparse, although the region has long served as a trans-shipment point for weapons, many left over from the Indochina wars, to the Tamil Tigers in Sri Lanka, and the Aceh separatists in northern Sumatra.

A backlash is feared. Indian intelligence sources told *EIR* that the Tamil Tigers often instigate such suicide assaults, intending to provoke a bloody reaction, to recruit others to violence. On May 17, three Buddhist temples in Narathiwat,

near the Malaysian border, were bombed overnight. Both Government and Buddhist leaders have pleaded with Buddhists not to retaliate.

### American Special Forces

The United States has active military forces in Thailand. In 2001, a group of U.S. Special Forces were deployed to train and augment a Thai Special Forces unit called Task Force 399, deployed along the northern border with Myanmar, supposedly to combat drug traffic. However, soon thereafter, Task Force 399 engaged in over-the-border attacks on Myanmar military units, nearly provoking a war between the often testy neighbors. Prime Minister Thaksin intervened forcefully at that time to restore peace, downgrading Task Force 399 and kicking the commander upstairs to remove him from the Myanmar frontier. But the neo-conservatives dominating the Bush Administration have condemned Thailand for refusing to follow the U.S. policy of confrontation and sanctions against Myanmar.

Another U.S. Special Forces unit is active in precisely the same southern provinces where the recent violence has occurred. Also set up in 2001, the Counter-Terrorism Intelligence Centre (CTIC), made up of U.S. and Thai Special Forces, is intended to monitor movements of suspected terrorists in the region. *The Nation* in Bangkok reported April 17 that authorities in the South had suggested that the American units were involved in the recent violence, in order to push Thailand toward further military collaboration with the United States. Thai Army chief Gen. Chaisit Shinawatra, the same brother of the Prime Minister who defended the attack on the Mosque, denied any U.S. involvement in recent unrest, saying, “There is nothing beneficial for them in this.”

Diplomats of 12 Islamic nations toured the South after the bloodshed at the Mosque, promising to work for a peaceful solution to the crisis. Still lacking is a plan for the economic development of the region, preferably with Malaysia and Indonesia, as the only lasting means of bringing peace. Deputy Prime Minister Chaturon Chaisang issued a program based on the 1980s peace plan, including amnesty and development programs; but events have left it languishing. Such a solution is more urgent than ever, and Thai officials would be wise to keep a close eye on Mr. Rumsfeld’s friends in the process.

★ LAROUCHE IN 2004 ★

[www.larouchein2004.com](http://www.larouchein2004.com)

Paid for by LaRouche in 2004.

# Congress-Led Alliance Pulls Surprise in India

by Ramtanu Maitra

The four-phase (April 20-May 10) general elections to constitute the 14th Lok Sabha (Lower House of the Indian Parliament) turned out to be a stunner. When the votes were tallied on May 13, it was discovered, to the utter surprise of politicians and pundits, that the ruling National Democratic Alliance (NDA), led by the Bharatiya Janata Party (BJP), had been routed. The biggest beneficiary turned out to be the United Progressive Alliance (UPA), a group of regional parties who had formed an alliance with the Indian National Congress (INC) party.

The UPA, with 216 seats between themselves, and with promised support from 59 elected parliamentarians belonging to the Left, had the required majority to form the government. The Lok Sabha consists of 543 members, and the majority requires 273 seats to stake claim to government. In contrast to the UPA's tally, the NDA had secured only 189 seats. In the hustling, the INC emerged as the single largest party with 145 seats—an improvement of 31 seats over its 1999 performance; while the BJP, losing 42 seats, is now the second largest party with 138.

## Alliance Hiccups

After 48 hours of uncertainty and confusion, the INC president and elected Congress Parliamentary Party (CPP) leader, Mrs. Sonia Gandhi, declined the all-important post of prime minister on May 18. Subsequently, her candidate and the INC's number two, Dr. Manmohan Singh, was elected CPP leader and prime minister to lead the UPA government. At the time of writing, the UPA is in the process of forming a Cabinet. Assuming the post of prime minister, Dr. Singh, an economist who served as India's Finance Minister (1991-96) under Prime Minister P.V. Narasimha Rao and had been Governor of Reserve Bank of India (India's Central Bank) earlier, listed the agenda of the new government. Among the items highlighted were: to restore regional and ethnic harmony in the country; to pursue "economic reforms with a human face"; to remove poverty, enhance employment, raise agricultural production, and ensure health for all; and to keep the strategic public sector units, such as the Oil and Natural Gas Commission (ONGC) and Gas Authority of India Ltd. (GAIL), under government ownership.

Dr. Singh's mention of "economic reforms with a human face" is important for political reasons. The human face is

nothing but a set of safeguards designed to protect the poor from the harsh effects of reforms—like hiking user charges for power and water, lopping off subsidies because they help the rich, cutting interest rates, and so on. All these are aimed at removing the price distortions in the economy that hurt the poor. Inserting anti-privatization of the public sector units in the agenda, was one of the principal demands of the Left group which has promised to support the government in the Lok Sabha without participating in running the government. Needless to say, without the Left group's support, UPA will remain a minority government constantly teetering at the edge.

The prime minister-designate has also assured the people that his government would not abandon the NDA-initiated Golden Quadrilateral Highway project, which, when completed, will connect India north to south and east to west by four-lane highways. More than 50% of the project is finished. Singh said he would further strengthen the road network program. He also made clear that government would soon furnish details of the economic agenda spelt out in its Common Minimum Program (CMP) in consultation with allies. CMP was the economic program promised to the population by the UPA at the polls.

The poll results surprised everybody—the losers as well as the winners. While a medley of polls had suggested the NDA would come back to power with a slim majority, or fall short narrowly, no one had predicted such a complete reversal of fortune for either of the alliance groups.

The most surprising element is that the results, when disaggregated, defied all standard analysis. While it became clear that the NDA's campaign to return to power on the basis of its "success" with the Indian economy during its rule, did not go well with most of the Indian voters, the NDA was also rejected by those who benefited from the high rate of economic growth. In India, where nearly 200 million people still do not have access to safe drinking water and more than 500 million lack adequate sanitation facilities, the economy will always remain the key issue for the electorate. The NDA, citing a high rate of GDP growth, had claimed during the poll campaign that the economic reforms it had adopted were a great success. It cited a great deal of success in India's information and technology sector, privatization of a number of loss-accumulating public sector units, and rapid development of India's highway systems.

Evidently, not many chanted that mantra on their way to the polling booth. On the other hand, the direction and scope of economic reforms set in place by the late Prime Minister Rajiv Gandhi in the 1980s and flourishing under Prime Minister P.V. Narasimha Rao in the 1990s, must be both good economics and good politics. This agenda should begin with reform of economy in such a manner as to benefit the rural population the most. But the reforms, as in most Third World countries, paid less than necessary attention to the vast agricultural sector where the poor live with little formal educa-

tion, very few health facilities, and unsafe drinking water. Indian political leaders, based in New Delhi or in the state capitals, have identified economic reforms as simply measures which would unshackle business and entrepreneurial opportunities for the educated and skilled.

### Faulty Economic Reforms

A new agenda for economic reforms in India must also correct the long-standing neglect of agriculture. At the same time, the huge workforce employed in the low-productivity agricultural sector contributes to a massive waste of high quality manpower. The key to India's economy will be how the reformers, without affecting its agricultural production, will get this vast pool of manpower effectively involved in a productive wealth-generation process. It is evident that the last words on economic reforms have not been written yet, and the incoming government must take note of that reality.

But in dissecting the poll results, one comes across a sea of *lacunae*. An Indian analyst pointed out the NDA was trounced at the polls, not because its policies were favored only in the urban metropolitan areas while neglected by the impoverished sections of rural India—in reality, all the big urban centers including Delhi, Mumbai, Chennai, Hyderabad, and Kolkata, handed the NDA humiliating routs. In sharp contrast, the ruling alliance won an overwhelming majority of the seats in the most poor and backward areas of states of Rajasthan, Madhya Pradesh, Chhattisgarh, Orissa and the Vidarbha region in the state of Maharashtra.

The categorical rejection of the Telegu Desam Party (TDP), an ally of the NDA in Andhra Pradesh, is a clear-cut verdict against the form of economic reforms carried out by the state Chief Minister, N. Chandrababu Naidu, the son of a poor farmer. Former power and economic affairs secretary with the Government of India, E.A.S. Sarma, told journalists: “The vote against Naidu represents the dissatisfaction of the man on the street with TDP's policies, generally perceived to be pro-rich, pro-industry, pro-urban, and anti-poor. Most of his schemes helped the rich and the contractors with whom the TDP had a nexus.” The widespread feeling was that the generous grants and food grains from the Center didn't really reach the poor. Naidu lost touch with the grassroots, especially the farmers, and concentrated on setting up fountains in Hyderabad to beautify the city when parts of the state were reeling under a dry spell. He hiked power tariffs five times, causing widespread discontent; so even while the farmers were required to pay only 10% of the tariff that a regular consumer pays, the Opposition found the power-and-farmer issue a suitable stick to beat him up with.

While it is clear that Naidu deserved the treatment he received, some analysts perpetuated a myth that the Indian voters were primarily concerned about good administration, accountable for grassroots issues like the state of roads, availability of electricity and water, primary health facilities, and law and order.

### Endorsement of Failure

The reality, however, does not point in that direction. The state of Bihar is particularly notorious for its terrible administration and its lack of law and order. Bihar is also one of the most populous states in the Union, endowed with vast reserves of coal and minerals—and one of the poorest states in the country. In the bordering state of West Bengal, which has become de-industrialized over the years, poverty is rampant. Yet, both in Bihar and West Bengal, where the Communists were in power for the last 27 years, the electorate returned their rulers with a bang. On the other hand, in the state of Karnataka, S.M. Krishna certainly improved grassroots infrastructure both in towns and villages, but ended up eating humble pie.

The 2004 parliamentary polls will be remembered for very low voter turn-out. Only 370 million of 670 million registered voters chose to vote. Emotions against, or for, the ruling coalition were running very low and this campaign was the least heated one since 1967, observers pointed out. At the same time, the INC leadership would make a serious mistake if they try to brainwash themselves to believe that the 2004 verdict was a mandate for the Congress and represents a dramatic revival of the party.

In reality, apart from the fact that the Congress failed to win even a third of the Lok Sabha seats that went to polls, its actual voting percentage has come down compared to its vote share in the 1999 elections. Even if one explains this in terms of the party contesting less seats this time because of more electoral allies, one Indian analyst pointed out that in India's largest state, Uttar Pradesh, where the Congress contested on its own, it lost more than 3% as compared to the last parliamentary polls. Moreover, in Kerala, for the first time in its history, Congress failed to win a single seat.

The comparative statistics of the 1999 and 2004 Lok Sabha elections make interesting reading. While a number of regional parties, and the national parties BJP and INC, show a loss in vote share, those who gained vote share are other regional parties and the Communist Party of India-Marxist (CPI-M). The biggest losers were the BJP with 1.54% and the Congress with 1.48% fewer votes.

Nonetheless, to sum up the outcome, one could say that a number of factors played a role in forming this surprise result. One thing for certain is that the BJP-led NDA had failed to earn the trust of the electorate. It was vulnerable to the INC and its allies' *sotto voce* campaign that Vajpayee would win the elections for the NDA and then hand over premiership to his colleague L.K. Advani, who is deeply disliked by most. Its much-touted economic policy that favored the educated and the skilled, its policy to re-write the school textbooks emphasizing the glory of the Hindus of India, its anti-Muslim rhetoric, and its attempt to evoke the worst form of bigotry within the fundamentalist Hindus, among other policies, did not meet the approval of the majority of the Hindus, and the Indian people in general.

# Rumsfeld's 'Ungoverned Areas' Spread Across The Americas; Will War Follow?

By Gretchen Small

In November 2002, U.S. Defense Secretary Donald Rumsfeld attended the Fifth Defense Ministerial of the Americas, in Santiago, Chile, to personally deliver an ultimatum: The governments of the Americas must create a multinational military force tasked to intervene in the terrorist-infested "ungoverned areas" of the hemisphere, or the United States might do so unilaterally. Foreign intervention into "unoccupied parts of countries," whether in the Americas or elsewhere on the globe, is justified, he argued, because that's where terrorists, drug-runners, and destabilizers of democratic governments lurk.

Thus was launched the "Rumsfeld Corollary" to Vice President Dick Cheney's doctrine of imperial "preemptive" war." That is, that the "war on terrorism" justifies the elimination of national sovereignty in areas where government authority is weak or non-existent. An argument not unlike, in its logic, the Cheney-Rumsfeld doctrine that the war on terrorism justifies the violation of the Geneva Conventions, and the practice of torture.

What neither Cheney nor Rumsfeld state publicly, however, is that the same synarchist financiers who direct their drive for world empire and dictatorship, whose cannibalization of the physical economies of the region over three decades has driven these nations to the point of disintegration, also finance and deploy the left-wing synarchists who are creating the very conditions of ungovernability which provide the pretext for their planned military interventions.

"That's the way these things work: as left-right operations, with Cheney and company on the 'right,' and [Fidel] Castro and [Hugo] Chávez on the 'left,'" U.S. Democratic Party Presidential candidate Lyndon LaRouche explained, in a May 19 campaign statement warning of the terrorist threat stemming from these right-left provocations in the Americas. (See *Editorial*)

On May 6, the Bush Administration, undeterred by the disaster resulting from the war to bring "democracy" to Iraq, threw a hand-grenade into the Americas, with the release of the final report of its Commission for Assistance to a Free Cuba, outlining a strategy to: (1) "bring an end to the ruthless and brutal dictatorship" in Cuba; "assist the Cuban people in a transition to representative democracy"; and "assist the Cuban people in establishing a free-market economy." Over

the next two years, \$59 million is to be spent on this "Free Cuba" project, with other countries pressed to join yet another would-be "coalition of the willing."

The Castro regime responded in kind, as it has for nearly 50 years, mobilizing its assets throughout the Americas. For if there is one thing upon which the right and left synarchists fervently concur, it is that terror and war are the means to achieve their objectives. Since Sept. 11, 2001, Rumsfeld repeatedly has raved that the war on terrorism must go on for 100 years. So, too, Fidel Castro protegee Hugo Chávez has repeatedly raved, that should Washington move to overthrow his regime, Venezuela "has enough allies on this continent to start a 100-year war." Preparing to come to Chávez' aid are the Revolutionary Armed Forces of Colombia (FARC), South America's largest drug cartel and terrorist army, whose spokesman, Raúl Reyes—the FARC killer notorious for negotiating with former New York Stock Exchange chairman Richard Grasso—told Colombia's terrorist-linked ANNCOL news agency on May 4, that "the FARC sympathizes with the government of Hugo Chávez," which they expect to stand up to the "oligarchs."

## From Venezuela. . .

Potential target areas for supranational intervention discussed at the 2002 Defense Ministerial were Colombia, Haiti, and the Triple Border Area, where Paraguay, Argentina and Brazil meet. Other areas were also on the radar screen at that time at the U.S. Army War College, where Col. Joseph Nuñez had been tasked to draw up a proposal for a supranational force (See *EIR*, Dec. 20, 2002). Some at the Army War College at that time had gone so far as to identify the giant *favelas* (slums) of Rio de Janeiro and São Paulo as potential targets for intervention!

Eighteen months of the Cheney-Rumsfeld "Global War on Terror" later, the entirety of South America is becoming one, big, "ungoverned area." The governments of Bolivia, Peru and Ecuador are in the process of being swept away, as masses of angry, starving people, employed and mostly unemployed, finding no one to take up their cause, are being mobilized under the leadership of narcoterrorist agitators. Brazil is a powderkeg set to explode into a new "Colombia." Driving the disintegration of national governments, is the col-



lapse of the physical economies of the region, the result of more than two decades of International Monetary Fund-directed cannibalization of the region's infrastructure, productive capabilities, and peoples.

The Chávez-Castro-Cheney combination have thus brought the entire continent to the brink of generalized warfare. The most immediate flashpoint looming, is Venezuela, around the scheduled voting to "repair" the referendum on whether President Chávez should be recalled, or finish out his term. In December 2003, the opposition turned in 3.4 million signatures gathered in the recall referendum, well over the 2.4 million required by the Constitution, but the Chávez-stacked National Election Council, backed by a Chávez-stacked chamber of the Supreme Court, threw out 1.2 million signatures on a technicality. Under international pressure, the Chávez regime agreed that signers could verify their signatures in a new polling, before the final decision would be made. That verification is now scheduled for May 28-31.

The back-and-forth over whether Chávez could be removed from office by electoral means, has kept the situation from exploding out of control for the past few months. Chávez and his movement, however, have no intention of leaving government, no matter what the results. Both sides are arming for civil war, when the referendum option is finally buried, as it is expected will occur, one way or the other, around the coming vote.

The hardcore of the synarchist militants within the opposition are centered around the Democratic Bloc, whose chosen spokesman is Alejandro Peña, the self-proclaimed asset of the old Spanish Franco-ite fascist, Blas Piñar. The Bloc, which also interlocks with the radical right-wing networks of the Miami Cuban exile community, has been organizing for an armed overthrow of the regime, and in early March threatened that any soldier or officer who did not side with them, is to be considered "a traitor. . . an agent of Fidel Castro, and should be treated as such." Former National Guard Gen. Felipe Rodríguez announced to the *Miami Herald* in early April, that he had formed a clandestine *Contra* force, the "Freedom Commandos." Then came the May 6 public call for the military overthrow of Chávez from former President Carlos Andrés Pérez, a synarchist asset since his days with the Dulles brothers' notorious Caribbean Legion.

Not to be outdone, Chávez announced to a huge rally in Caracas on May 16, that he had ordered the military beefed up, a doubling of the military reservists, and the training of civilian militias by retired military officers. Under the Constitution, Chávez officials added, everyone is required to join the regime's militias.

## **To Bolivia. . . .**

Peru and Bolivia form the other immediate epicenter of crisis in the Andean region, as both nations face an integrated, coca-grower insurgency led by megaspeculator George Soros's narcoterrorist assets, spanning both countries. The immi-

nent collapse of the Toledo government in Peru is described in an accompanying article. The situation in Bolivia is no better. President Gonzalo Sánchez de Lozada, a mining baron, was run out of office in October 2003, by mass protests provoked by his disdain for the destruction wreaked by his Wall Street buddies' policies. Barely seven months later, his successor, Carlos Mesa, is hanging by a thread.

Since taking office last October, Mesa has been caught between mass protests led by Morales and crew, demanding economic relief, and Bush Administration ultimata that he make no concessions, either on coca eradication, or free trade economic policy. As soon as Mesa came in—before he had made any concessions to the popular uprisings he faces—neo-conservatives in Washington added Bolivia to the regional "axis of evil" they have constructed of Lula da Silva's Brazil, Chávez's Venezuela, Fidel Castro's Cuba, and Néstor Kirchner's Argentina.

High-level military sources in La Paz, Bolivia reported in mid-April that the U.S. Embassy there is pressing for a "constitutional" coup against Mesa. Mesa brought "recalcitrant leftists" and people close to coca-producer Evo Morales into his government, in a desperate attempt to form some base for it. The U.S. Embassy reportedly does not want a military coup, but wishes to see Mesa replaced by the head of the Senate, whom they "suggest" could then call new elections.

Funny thing: The most radical of the leftist forces, around self-declared terrorist Felipe Quispe and the Bolivian Labor Federation (COB), began a campaign for immediate elections in May. Should that occur, sources in La Paz report, Bolivia would likely become unsalvageably polarized between poor supporters of the George Soros-linked narcoterrorist leader Evo Morales, and middle-class and wealthy backers of the World Bank's favorite privatizater in Bolivia, Jorge Quiroga. Quiroga, a U.S.-educated yuppie, served as interim President from July 2001-August 2002, after then-President Hugo Bánzer developed terminal cancer.

Given the current conditions of advanced economic devastation, should Mesa be driven out, as the U.S. Embassy reportedly envisions, civil war could result. Quispe has already announced he has a "mandate to organize armed struggle, if its necessary."

Should Rumsfeld's doctrine be implemented—should U.S. troops, or the proposed force of Chilean-Argentine troops, for example, enter Bolivia, Venezuela, the Rio slums, or any other part of Ibero America, under the pretext of "restoring order" in the wake of governmental collapse—it will trigger continental war. And out of that conflagration, no government will survive—an outcome preferred far more by the synarchist financiers, than the possibility that the Ibero-American nations develop within themselves the leadership required to defend their peoples from the bankers' genocide, and join with other nations in breaking with the financial system which is crushing them.

# Toledo Teeters, As Soros Pushes Uprising

by Luis Vásquez Medina

The ousting of Peruvian Interior Minister Fernando Rospigliosi in early May, preceded by last month's march of the coca-growers (known as *cocaleros*) on Lima and the bloody uprising in the border city of Ilave, where a supposedly corrupt mayor was lynched, marked a phase change in Peruvian politics. At present, the fall of the Alejandro Toledo government is nearly inevitable. He has lost the blessing of his mentor, the drug-legalizing megaspeculator George Soros, the same person who put Toledo in the presidency in 2001. Now Soros and his cohorts in the international financial oligarchy have worse in store for Peru.

In mid-May, Lyndon LaRouche commented on the recent diplomatic incidents between Mexico, Peru, and Cuba, saying that the left synarchist Fidel Castro is working in tandem with the right synarchist networks around U.S. Vice President Dick Cheney, to feed the political turbulence in Ibero-America, in order to justify the deployment of multinational troops on the pretext of re-establishing order. This would constitute a kind of "Rumsfeld Corollary" to the Cheney doctrine of wars of aggression throughout the world, a corollary that the U.S. Defense Secretary personally presented at the Fifth Defense Ministerial of the Americas in November 2002, in Chile. LaRouche explained that the ongoing narcoinsurgency in the Andes region could serve as the perfect excuse for the synarchists controlling Washington today, to invade a zone that they themselves have made "ungovernable."

Ilave is the spark that could be the beginning of the end for the Toledo government. The murder of the mayor of that rich city bordering Bolivia had been prepared much earlier, by the narcoterrorist mafia that prowls that region of the Peru-Bolivia highlands. It is virtually impossible that Rospigliosi did not have information on the situation there; his inaction was deliberate.

Before his ouster from the Interior Ministry, Rospigliosi lit the match on the fuse, by permitting Luis Thais, president of Peru's National Council on Decentralization and Toledo's special envoy, to travel to Ilave to dialogue with the inhabitants, without any intelligence on the situation there. This poor envoy, half dead with fright and surrounded by masses of angry peasants, ended up naming Carlos Sandoval as the new acting mayor of Ilave. Sandoval is an old activist from the violent Pucallakta party, close to the Shining Path narcoterrorists. A few days later, a journalist revealed that Sandoval had

been the main instigator behind the murder of the previous mayor, and the government was forced to order Sandoval's arrest and trial. Now the population of Ilave is up in arms, demanding that Sandoval be freed and named mayor.

The national government is incapable of imposing order. The new Interior Minister, Javier Reátegui, is a neophyte in security matters, and has just returned from a visit to the region with his tail between his legs. The only thing the government can contemplate is declaring a state of emergency, which would mean deploying the army, and a consequent escalation of the violence, which could end up extending all the way to the capital city.

It would not take much to send Lima up in flames. Along with the strikes and protest meetings against Toledo's IMF-dictated austerity policies, there are now more than 7,000 *cocaleros* who have just arrived in the capital from the jungle regions in central Peru. This march has been in the works for a while, organized in effect by George Soros. For example, Soros financially controls the National Federation of Agricultural Producers from the Cocalero Basins of Peru (CONPACCP)—which led this latest march to Lima—through Hugo Cabieses, Soros' man in the Andes when it comes to drug affairs. Nancy Obregón and Elsa Malpartida, the visible leaders of CONPACCP, are simply pawns of Cabieses. Obregón, for example, was brought by Cabieses to the First International Summit on Legalization held in Mérida, Mexico in February 2003. That conference was sponsored by the Lindesmith Center, headed by Ethan Nadelman, an old Soros employee and leading figure in the global campaign to legalize drugs.

Last April, just days before the march, the pro-drug magazine *NarcoNews*, also financed by Soros, visited the coca-growing Upper Huallaga Valley in Peru, where they interviewed Obregón and other *cocalero* leaders, and wrote that "the *cocaleros*, tired of broken promises, are adopting the tactics of Bolivia." That is, violent action.

Cabieses is a long-time Soros agent. According to his own statements, his entire career has been dedicated to promoting the legalization of coca cultivation in the Andes. Together with his ally Diego García Sayán of the Andean Commission of Jurists, they have raised a continent-wide *cocalero* movement. Cabieses, who was arrested by the Bolivian government in 1998 on charges of using Soros dollars to fund an uprising by the Evo Morales-led *cocaleros* in that country, boasts of being the father of the Andean Commission of Coca Leaf Producers (CAPHC), founded in La Paz, Bolivia in March 1991. This is the continental umbrella organization of the *cocaleros*, now led by Bolivian congressman Evo Morales.

Under the Toledo government in Peru, Cabieses rose to become one of the most important officials in the "war on drugs" program, a position that he has used, literally, to put the *cocaleros* in the government palace and to extract from Toledo a promise that all coca-leaf eradication efforts will be

ended. Only pressure from Peruvian public opinion, and from U.S. antidrug agencies, succeeded in getting Cabieses ousted from his official post and has prevented Toledo from fulfilling his promise, at least so far.

Today, the *cocaleros* are once again in the streets of Lima, and have been joined by contingents of the Communist federation of workers, the CGTP, the national teachers union (SUTEP) led by the Maoist Communist Party, and the black shirt thugs of the ethno-nationalist Humala brothers. This violent group is led behind the scenes by the newspaper *La Razón*, a center of Franquista synarchism in Peru.

## Synarchists Setting Up Terrorism In Mexico

by Rubén Cota Meza

The freeze in diplomatic relations between Cuba's Fidel Castro and the Mexican government of Vicente Fox—a freeze which almost turned into a formal break in relations in early May—has raised the very real possibility of an outbreak of terrorist attacks on Mexican soil, something which U.S. neo-conservative circles have been talking up for a while. The immediate question to ask: Is something along these lines being cooked up around the anticipated visit of Fidel Castro to the Ibero-American heads of state summit, planned for May 28-29 in Guadalajara, Mexico's "synarchist capital?"

Condoleezza Rice, George Bush's national security advisor, declared to Fox News television on April 19 that the opportunity for terrorists to influence the U.S. Presidential election in November could be "too good to pass up." Vice President Dick Cheney has been insisting since August of 2003 that a new terrorist attack would occur on U.S. territory. Since then, Democratic Presidential candidate Lyndon LaRouche has been warning of the danger that Cheney and his synarchist gang would unleash some *Hispanic* terrorist incident, using some pre-fabricated left- or right-wing group. A terrorist incident on Mexican territory could become the provocation for such a scenario.

The "Mexican ingredient" was added by the so-called Binational U.S.-Mexico Commission, in a document entitled, "U.S.-Mexico border security" and released in Washington, D.C. April 27. The study mentions that water infrastructure "could prove tempting for terrorists, who might opt to cause panic on both sides of the border through attacks in Mexico."

The document was prepared by the Center for Strategic and International Studies (CSIS) in Washington, D.C., and by the Autonomous Technological Institute of Mexico (ITAM), specifically, the Center of International Studies of that univer-

sity, led by Rafael Fernández de Castro. Fernández de Castro is one of the most prominent promoters in Mexico of the Presidential campaign of former foreign minister Jorge Castañeda Gutman, the intellectual architect of the current Mexican break with Cuba. Castañeda congratulated Fox for the conflict with Cuba, while encouraging the Mexican government to esclate through various diplomatic ruses. Castañeda is a pawn of the U.S. neo-conservative elite, and its financier masters.

Fernández de Castro is the director of the Spanish-language edition of the New York Council on Foreign Relations' magazine *Foreign Affairs*. He is also co-president of the Mexican Council on Foreign Relations, the CFR's branch in Mexico. The other Mexican co-president is Andrés Rozental—Castañeda's half-brother and a leading supporter of his Presidential ambitions.

The environment of growing tension between Mexico and Cuba—fed both by the left synarchist Fidel Castro, as well as by the right synarchist government of Vicente Fox—is virtually made to order for terrorist acts which could come from either the right or the left. To wit:

- It would feed the "electoral strategy" of Dick Cheney and George Bush, based on "the war on terrorism," to make Cheney's threats over the past few months more effective.
- The chaos and tensions created by terrorist acts would be blamed on supposed "Castro-ite groups," thereby benefiting the Presidential candidacy of Jorge Castañeda.
- It would give credibility to the new anti-Hispanic "clash of civilizations" scenario of Harvard fascist Samuel Huntington.
- It would support the thesis of an Ibero-American "axis of evil," promoted by Iran-Contra criminal Otto Reich, until recently Bush's special envoy on hemispheric affairs.
- Above all, it would advance the efforts of the U.S. "chicken-hawks," to draw Mexico into a North American integrated security system, which would put an end to Mexico's sovereignty and independence. This is part of the broader continental strategy of U.S. Defense Secretary Donald Rumsfeld, to justify the deployment of multinational troops into supposedly "ungovernable" regions of the continent, as part of the so-called global fight against terrorism.

Spectacular acts of terrorism inside Mexico could well be carried out in the manner of the "strategy of tension" first tested in Italy and elsewhere in Europe. The "strategy of tension" was technically first developed in Italy during the period from 1969-1974, and lasted through the August 2, 1980 bombing of the Bologna train station. The terrorists of that period were right-wing extremists deployed by intelligence and military layers within NATO, which sought to provoke coups d'état or some sort of authoritarian turn, by inducing the population to believe that the terrorist attacks were part of a Communist insurrection of some sort. These kinds of left-right manipulations are the classical *modus operandi* of the synarchists.

# Dialogue of Civilizations In the Golden City of Prague

by Our Correspondent

A conference of the World Public Forum—Dialogue of Civilizations took place in Prague from May 4-6, on the theme, “Europe in the 21st Century: a Meeting Place of Civilizations.” About 250 politicians, church representatives, scientists, intellectuals, and artists achieved an exchange of ideas on Europe’s future during the three days of meetings.

After an official reception in the Czech Republic’s National Museum on Wenzel Square, the conference convened in the Zofin Palace on idyllic Moldau Island. All the contributions and discussions—four days after the expansion to the East of the European Union (EU)—were occupied with the new situation this has produced for Europe. The overall coordinators of the conference were the Czech Republic’s former Prime Minister Milos Zeman, and Vladimir I. Yakunin, the chairman of the board of trustees of Russia’s Center of National Glory.

Most participants reflected the implications of the shift in axioms brought about in Europe by the current period of radical change. So Milos Zeman declared in his opening speech, that one should not equate the idea of Europe with the European Union; it were better to speak of European Civilization, in which Russia, according to his conception, must be counted. This idea, that Europe is the home of many nations and peoples, in which many political, scientific, and civilizational changes are taking place—and is therefore the natural platform for the dialogue among these nations and should not be limited to the borders of the European Union—was also expressed in the conference’s concluding address.

Vladimir Yakunin reported on the progress of the “dialogue among civilizations” in the past two years’ meetings of the World Forum, whose ideas have found increasing resonance in such countries as Russia, India, Greece, Iran, Italy, Germany, the Czech Republic, and many others. He remembered also the spiritual inspirator of these dialogues, J.C. Kapur of India. Not only must the relations between the EU and Russia be built up, but equally important is the improvement of the bilateral relations of all these nations—between Russia and the Czech Republic, for example. The theme of national sovereignty remains important despite its partial loss. Yakunin stressed the role of non-governmental public institutions, particularly in discussing human rights and dignity. Unfortunately, a marked paradigm-shift has taken place, by which, for example, “love” is more and more changed to “sex”

and “calling” to “career.” The media’s role is often negative, and by the constant showing of terror, of naked bodies, of corpses and violence, has driven a systematic destruction of the boundaries of the human capability for compassion and feeling.

## The Declaration of Rhodes

The President of the Schiller Institute, Helga Zepp-LaRouche, gave an address on the theme of the universal image of man which must, in her view, underlie the dialogue of civilizations. The Declaration of Rhodes (see *EIR*, Sept. 19, 2003) has pointed to the great threat to the larger part of the human population through the effects of globalization, for which the paradigm bound up with it is responsible. The most important basis for a new human paradigm is the universal image of man on which all can agree. While for Christendom, the conception of man as man in the image of God, was clearly defined, and from it arose the inalienable rights and worth of the human being, today’s widespread views on this theme are not at all so well settled.

Mrs. Zepp-LaRouche sketched the conceptions common today, as, for example, that man is only a higher beast, an idea to which recently an entire series of so-called “philosophical



*Mrs. Zepp-LaRouche addressed the first World Forum, on Sept. 3-6, 2003 on Rhodes, Greece, where the Declaration of Rhodes called for a just new world order.*



*The Plenary Session of the World Public Forum “Dialogue of Civilizations” conference on May 4 in Prague’s Zofin Castle; and (inset) Schiller Institute Chairwoman Helga Zepp-LaRouche addressing the Plenary. Mrs. Zepp-LaRouche made two major presentations during the three-day conference; on the universal image of man, and on the imminence of a financial crash, and its solution.*

quartets” broadcast on SAT 1 television channel were dedicated; and the claims of some geneticists that human genes prove this beast-likeness. These views can unfortunately not be put aside as insignificant expressions of cultural pessimism, because they have real implications for the process of political decision-making. Whether or not human life is valued as holy and inviolable determines, for example, whether in healthcare, cost-benefit calculations ought to play a role; or whether Argentina can be forced to pay its foreign debt, even if President Kirchner has stated that this will lead to genocide against Argentines.

There are, in the European tradition, two fundamentally different views of human nature, Mrs. Zepp-LaRouche said. One, going back to Plato and the basis of Christianity, sees man as a cognitive being, who is fundamentally distinct from all other living beings, and is the unique creature who can willfully improve the basic conditions of his life. Against this, has been the oligarchical concept that human rights belong only to a small, powerful elite, while the great preponderance of any population are suited only to the status of human cattle, slaves, helots, or peons. Most recently, the human image of the English doctrine of Hobbes, Locke, but also Mandeville, is in this tradition. On the positive side have stood Nicholas of Cusa, who saw the human individual as a microcosm of Creation; Leibniz with his concept of the Monad; and Schiller with his idea that each human being can become a beautiful soul.

Archbishop Christopher of Prague seized upon the same theme from the standpoint of the Orthodox Church: that each human individual is an icon of God, and therefore has the task to develop in God’s image and likeness. It is his mission to make this image more bright and pure. Hell is a place without love. The Inferno is a place in which human beings stand back to back, neither to see nor to communicate with one another. If human beings cannot so communicate, then this is Hell. In all cultures there are such images; they are only differently

formulated, but the general idea is accessible to all. The Archbishop thanked Mrs. Zepp-LaRouche for emphasizing the spiritual character of human beings.

### **The Importance of Economic Policies**

After further speakers had addressed the plenary session—Gottlieb Guntern of the Creando Institute, the Ambassador of Serbia and Montenegro Ilich Alexander, Professor Schneider of the Science and Politics Institute, Professor van der Veer of Holland, British Lord Robert Sidelsky, Tolochko Petr Petrovich of the Ukrainian Academy of Sciences, Professor Orr of England made quite distinct presentations through several sessions—the conference divided into four working groups.

In the panel on economic issues, the former Czech Transport Minister, Dr. Antonin Peltroin, stressed the great importance of integrated economic infrastructure for the future of Europe. A series of other speakers supported that point, that the free-market economy has in no way brought social stability. Mrs. Zepp-LaRouche gave a very closely-followed presentation on the imminent systemic crash of the global financial system, and the possibility of overcoming this crash with a politics in the tradition of American President Franklin D. Roosevelt.

A great concern, expressed in a number of speakers’ contributions—for example, in the presentation by Professor Semechkin of the Russian Academy of Sciences—were the various geopolitical schemes of, for example, Zbigniew Brzezinski, to break Russia into four or five states; a development which would also mean a catastrophe for Russia’s neighbors. Such a cataclysmic eruption would also lead the EU, Japan, China, and Turkey toward a complete destabilization. Another geopolitical provocation was seen in the proposals to bring the enormous natural resources of Siberia under international control. These geopolitical scenarios spring from the same spirit that was responsible for the world war in the mid-

20th Century.

It became clear in numerous discussions around the conference, that there is a pressing need for the hope of fashioning a European future of positive dialogue, but that there is also much room for improvement. Neither the new EU members nor Russia need to be treated by the EU bureaucracy as cheap-production states or as raw materials producers; rather, their representatives have to express very clearly that they claim an equal status from the start. The different facets of the Prague conference made clear that Europe, in this time of unexampled radical change, must still do a great deal to see that the 21st Century takes a happier course than the century past.

On one thing, all the participants in Prague were in agreement: The dialogue of nations and civilizations cannot be given up. And perhaps one of the most hopeful signs for the future, was that a wide range of youth from both East and West were represented at this conference.

---

## Plenary Session

---

# Is There a Universal Image of Man?

by Helga Zepp-LaRouche

*Helga Zepp-LaRouche is founder and Chairwoman of the international Schiller Institute. She gave this speech to the Plenary Session of the Prague conference of the World Public Forum, on May 4.*

As the Rhodes Declaration dramatically pointed out: Mankind finds itself in an existential crisis, where the existence of a very large part of the human race is threatened by the presently dominating paradigm of globalization, and the need for a new more human paradigm was emphatically requested. In front of the terrible situation in Southwest Asia, and the deteriorating economic situation in many countries in the world, this becomes more urgent by the day.

Therefore, it is important to agree on the axioms which underlie the new paradigm. Obviously, the most important of these axioms is the question: What is the image of man of the new paradigm? While from the standpoint of Christianity this is clearly defined—that man is in the image of God, and derives his inalienable rights and dignity from that fact—if one looks around in the world today, that question is not so self-evident at all.

On the 16th of November last year, there was a popular

TV program on SAT-1, the German-Swiss-Austrian channel, called the “Philosophical Quartet,” with the title, “The Eatable Zoo—of the Co-Citizen Animal.” All the four participants of this talk show—the “philosopher” Sloterijk, the biographer Ruediger Safranskim, the artist Peter Kubelka, and Thilo Bode, head of an organization called “Foodwatch”—agreed, that there is no essential difference between man and animal. Also, there is presently a flood of so-called “scientific evidence,” supposedly proving that the genes of humans and animals are almost identical, that man is just a higher ape, closely related to the pig and so forth.

While one could dismiss this as mere opinion of some cultural pessimists, unfortunately, this has real implications for the real world in which we live. If man is just a form of animal, then the sanctity of life, absolutely granted by the monotheistic religions of the world, is no longer there. If man is just a higher animal, then the value of his life is a debatable question. Especially, when the increasing economic crisis demands more budget cuts, maybe human life has to be valued from a cost-accounting standpoint. That this is not a hypothetical question, we can see, for example, in the United States with the HMO-system, where cost factors decide if it is worthwhile to treat a patient with certain treatments or not.

How is this question to be answered, when the international financial institutions are demanding that, for example, Argentina pay its foreign debt in time, even if most of this debt is completely illegitimate (Argentina has paid that debt in real terms many times), and the President of that country, Kirchner, underlines that it amounts to genocide against the Argentine people, if this debt is paid. Who is right: the international financial institutions, who demand that “the system” must be maintained, and that therefore it is legitimate to demand the “pound of flesh” Shakespeare wrote about in the “Merchant of Venice”; or the President, who defends the common good of his people? Is human life sacred or not?

## Two Opposed Ideas of Mankind

In European tradition there have been two distinct traditions on this question. One, which essentially goes back to Plato, has an image of man as a cognitive being, making him absolutely distinct from all other living creatures. Here man is capable of reason, of infinite self-perfection, and with the ability to understand the laws of the universe in a better and better way. His cognitive ability enables man to continuously improve the conditions of his life through scientific discovery, and thus to increase the population potential of the Earth from a few million, circa 20,000 years ago, to presently above 6 billion people. No animal can willfully change and improve the conditions of his life. With the arrival of Christianity, the sanctity of each human life, [as in the Old Testament’s Book of *Genesis*], became explicit, even if it was not yet practically realized during the Roman Empire and the Middle Ages.

Only with the development of the idea of the sovereign nation-state in the 15th Century—the development of repre-



*Some of the delegation of European leaders of the LaRouche Youth Movement who accompanied Helga Zepp-LaRouche to Prague.*

sentative government, and the notion that a government is only legitimate if it is devoted to the common good of its people—this idea became practical. The government of Louis XI in France was the first approximation of this concept. The writings of Nicholas of Cusa were a crucial breakthrough in the development of the idea of the inalienable rights of all people, guaranteed by a republican constitution.

However, there was a totally opposite tradition in European history as well. As Friedrich Schiller points out in his *The Legislation of Lycurgus and Solon*, the city-state Sparta was an early version of the oligarchical model, where a small oligarchical elite thinks of itself as chosen, as privileged by birth or wealth, while the rest of the population, 95% or more of the people, are essentially not more than human cattle, helots, slaves, who are not really human. Therefore the oligarchs have the right to kill this human cattle, if necessary, breed them for their own benefits, cull the herd, if so desired. Since it is important to keep the privileged status of the oligarchical elite, the masses of the human cattle must be kept deliberately backward, ignorant, and bestial in their desires. In the Roman Empire, which was in the tradition of Sparta, this occurred with the help of bread and circus. Today in many countries, it is the ever more bestial entertainment industry, which plays that role.

If one reads, for example, the writings of the very influential Joseph de Maistre, who was ambassador of Savoy in St. Peterburg at the beginning of the 19th Century—how in his “Letters to a Russian Nobleman,” he defends the Inquisition of Spain and the use of torture to control the masses and keep them backward—one gets a very good insight into the mind of the oligarchical ideology. Unfortunately this is not an academic question: The fact that torture is very much alive today,

we have seen just now in Iraq.

Maistre also argues, like all of his oligarchical co-ideologues, that man is evil by nature, and therefore needs this oligarchical dictate in order to control his evil impulses.

Such was also the argument of the English Enlightenment, of Hobbes, Locke, Mandeville, etc., who all proceeded from the idea of man as being evil, by definition. The only way to keep any order in the state was, therefore, through a social contract, a strong state, as developed, for example, in Hobbes’ *Leviathan*. The most obvious self-serving argument is developed by Mandeville, who argued that private vice serves the public good. (Because there are criminals, lawyers have an income, etc.)

On the positive side, there is Leibniz, who saw each individual soul as a *monad*. In each *monad*, there is, implicitly, the entire lawfulness of the universe embedded. His predecessor, Nicholas of Cusa, saw each human being as not only as *imago viva dei*—as the “living image of God”—but also as a microcosm, whose ability to understand the laws of the macrocosm meant that they had to be coherent. Evil, for him, does not co-exist with the good forever, as the Manicheans think; but for him, it is a lack of development, which can be overcome through exactly that—development!

This Platonic tradition in European thought is, by the way, very close to the thinking during the Indian Renaissance, which started in the middle of the 19th Century; namely, that there was a cosmic order, which man has the duty to consider in his political action.

### **Idea of the ‘Beautiful Soul’**

I personally also appreciate very much the very positive image of man of Friedrich Schiller, the German “Poet of Free-

dom,” who wrote that every human being has the potential to develop to become a beautiful soul. A beautiful soul is a person, who has educated his emotions to be on the same level as reason; for passion and duty, freedom and necessity, are one and the same thing. A beautiful soul will always act on the level of the sublime, as if by instinct.

It seems to me that, given the axiomatic importance of the idea of the image of man, for all the other assumptions man develops in this world outlook, the dialogue of cultures and civilizations should start with trying to establish the highest ideal of man, that which is universal about him, and then look for corresponding concepts and ideas in each of the cultures.

When man is generally accepted as the only cognitive of all living creatures, a major step has been taken to lay the foundation to create a new renaissance, which the world urgently needs. And it must be especially the youth, the young people of the different cultures, who lift the dignity of man on the highest pedestal ever. If the young people of all countries relate to each other, referring to the best traditions of their respective cultures, then mankind will have overcome its infantile stage.

---

## Economic Workshop

---

# FDR's New Deal Is Key to Today's Financial Crisis

by Helga Zepp-LaRouche

*To the workshop on economic questions of the Prague conference, on May 6, Mrs. Zepp-LaRouche gave this presentation, "A Policy in the Tradition of Roosevelt's Global New Deal As the Way Out of the Systemic Financial Crisis."*

Especially in a moment where the integration of central European nations into the European Union gives rise to the hope of their respective peoples, that the circumstances of their lives will improve—and the desire to hear “bad news” is not exactly great—I feel that it is my duty to warn the participants of this conference concerning looming dangers in the global financial system, that will greatly effect the economic situation in Central Europe. But I want to emphasize at the beginning, that a positive solution is absolutely possible, and that there are several historical precedents which we can resort to, at least in principle.

Even if this is not admitted publicly, behind closed doors there is a very far-reaching agreement among members of governments and executives of leading banks and insurance

companies, that the global financial system is finished. The more informed of those executives are in a state of panic, that not one new “LTCM”-like crisis is threatening, but many new LTCMs. About the bankruptcy of the largest hedge fund in 1998, which at that time could only be bailed out by the 16 largest banks of the world, the BIS [Bank for International Settlements] had admitted in their annual report of that year, that what was at stake was the complete meltdown of the global financial system.

In its first quarterly report of this year, the same BIS, known to be an extremely conservative institution, warns of the extremely dramatic situation concerning all aspects of the financial system, implying, although in the typical bankers’ language, that all bubbles of the system could blow simultaneously—ranging from the stock and bond market bubble, volatility in the foreign exchange markets, unsustainable mortgage and consumer debt, to skyrocketing volumes of derivatives—amounting together to a systemic risk of unprecedented proportions. The reality is, that the derivative bubble alone has reached an order of magnitude more than the world’s GDP. . . .

## Bush's Big April 2 Fraud Backfired

In the short-term, it was the absolute intention of the Bush Administration and Federal Reserve chief Alan Greenspan, to postpone the blowout of the system under all circumstances until after November of this year, in order not to wreck the re-election chances of this administration; so the low-interest rate level was supposed to be kept, despite some warnings such as those from Fed governor Poole, that inflation could become a very serious problem, and when it had become visible, it would be too late.

When in September 1998, the LTCM collapse occurred in the wake of the GKO-crisis and the de facto bankruptcy of the Russian state, rather than working on a “new financial architecture” President Clinton spoke about in front of the Council of Foreign Relations in that month, the international financial institutions decided to prevent any major bankruptcy with a “wall of money,” meaning the massive pumping of liquidity into the system, whenever needed. The negative interest policy of the Japanese Central Bank was part of this “Washington Consensus,” feeding, via the “yen carry trade,” various bubbles in the U.S. markets. For the immediate crisis management, there was the “plunge protection team” in the form of a group of investment banks which would intervene, pumping liquidity whenever a problem loomed.

Until early April, the markets generally assumed that the Federal Reserve’s prime rate would remain at ultra-low levels for a long time to come. Investors were hoping for giant, almost risk-free profits for banks and hedge funds. They could borrow from the Fed at 1.0% interest rates and then invest the money into high-yield U.S. Treasuries, corporate bonds, emerging market bonds, stocks, and commodities.

But with things not going so well for Bush in Iraq and in





*Mrs. LaRouche talks with other participants in the Workshop on Economic Questions at Prague on May 6. She told the workshop that a U.S.-centered financial crash was at hand, but that such a crisis could also become the opportunity for a more just world economic order, if national leaders organized the New Bretton Woods strategy of U.S. Presidential candidate Lyndon LaRouche.*

the real economy in the United States, somebody concerned with the re-election campaign wanted to create some “good news.” So the Labor Department announced on April 2 a “job recovery”; namely that 308,000 new jobs had been created during March. (A closer look at these statistics reveal that seasonally-adjusted employment actually declined by 3,000 jobs in March.) However, this announcement and subsequent, surprisingly “good” retail figures on April 13. caused a (very brief) stock market surge, thus causing a fall in the bond prices, pushing their yields up accordingly. On April 14. yields of 10-year U.S. Treasuries reached 4.44%, thus 79 basis points above the mid-March low of 3.65%. European and Japanese bond markets were affected as well. This manipulation of the labor statistics for electoral reasons triggered the disconnection of the very sensitive relation between the stock, bond, and derivative markets, thus increasing the volatility between all bubbles. Also, upward changes in the bond yields directly affect gigantic volumes in financial derivatives. According to the BIS estimates, the derivatives trade reached a daily turnover of \$870 billion, not counting the so-called OTC derivative contracts, whose real volume is anybody’s guess.

The release of a much higher-than-expected 0.4% increase in March [U.S.] consumer prices (not including food and energy) caused a sudden speculation that the Fed would raise interest rates much earlier—maybe already in August—sending panic in the markets. It is generally acknowledged that already a very small interest rate increase will tend to cause the house-price and mortgage bubble to burst, causing yet another multi-trillion dollar asset evaporation, as happened in March 2000 with the “new economy” bubble’s burst-

ing. The international financial system can actually be compared with a mine field, where if one steps on one, the likelihood that the cluster risk will cause a detonation of the entire field, is extremely great.

### **Factors of the Breakdown**

For time reasons, I can only reference other elements of this systemic crisis: the unsustainability of the United States’ deficits—trade, current account, and budget; the U.S. indebtedness in all categories; the debt crisis in general; the potential unwillingness of Asian countries—with a total of \$1.3 trillion reserves—to keep financing the dollar and the U.S. deficits; etc. Other elements are the increasing confidence crisis in the top managements, given the criminal practices of those at Enron, World Comp, Parmalat, Royal Dutch Shell, to only name a few. The Iraq fiasco is another factor contributing to the confidence crisis in the Bush Administration.

It must be emphasized, that this systemic crisis is not the result of any recent mismanagement or cyclical event. It is the result of a paradigm shift in the economies of the G-7 countries, which has now been underway for almost 40 years. In the middle of the 1960s, a transformation occurred, changing the industrial economies of the United States, Western Europe, and Japan, step by step, into consumer societies; replacing, more and more, the focus on the production of real physical goods based on a high scientific and technological standard, with the utopianism of the post-industrial society and speculation. Not scientific excellence, high morale in the work process, and long-term concern for the common good of society; but short-term profit in the “shareholder society,” outsourcing in cheap labor countries, IPOs, and the idea that not work and investment bring income, but money makes money. Those who still work themselves, are actually idiots; the clever ones go into speculation—the higher the risk, the higher the profit. A “robust appetite for risk” developed, as the BIS calls it euphemistically.

When the economies of the former COMECON countries collapsed, my husband, the American economist Lyndon LaRouche, warned that if one would superimpose on the bankrupt communist economies the equally bankrupt free trade economies, that after an initial period of looting, the general collapse of the entire system would be even bigger. I presented at that time a plan, in many conferences in eastern and western European capitals: How the economies of the COMECON states—only obsolete from the standpoint of the world market, but not from the standpoint of physical economy—could be transformed in the development of the urgently required infrastructure.

Unfortunately this plan, the “Productive Triangle Paris-

Berlin-Vienna, which included Czechoslovakia, was not adopted; instead, Jeffrey Sachs' "shock therapy," the "Polish model," and the structural reform program of the IMF, was adopted. What was hiding behind these nice words, was the geopolitical design to turn especially Russia, after 1991, into a raw materials producer, and eliminate its future role as a potential superpower forever. With the disappearance of the Soviet Union, globalization could go into its final phase, and the same kind of "primitive accumulation" which had previously looted Africa, Latin America, and parts of Asia, was applied to the economies of the former COMECON.

But in today's world economy, which has been turned into a world casino, *rien ne va plus*. At this point, there are only two alternatives on the table as to what to do when the crash hits, which could be very, very soon. Either—and this is being actively contemplated by certain bankers, economists, and politicians—the governments try to save the banking system at the expense of the living standard of the population, through brutal austerity in the tradition of Hjalmar Schacht; or—and this proposal is also on the table in many countries—a solution is implemented in the tradition of Franklin D. Roosevelt.

Just to mention it very briefly, austerity, "saving," does not work. Especially under the double conditions of a global depression, and a world financial and currency crisis, the normal "market mechanisms" don't work. Cutting taxes, for example, does not encourage investment and consumer activity, when people have anxieties concerning their workplace, the security of their pensions, and rising health costs. Cutting, especially, the state budget doesn't work either, because with each cut the state eliminates work places and productive capacities; subsequently the tax income shrinks; and in the next round, the hole in the budget is worse, so one has to cut more, etc. It is a spiral downwards without a bottom.

### **Roosevelt: 'As . . . the Emergency of a War'**

On the contrary, Roosevelt proved with his "New Deal" that with dirigist measures in the tradition of the "American System" of the first American Treasury Secretary, Alexander Hamilton, it was possible to pull the United States out of the Depression. Roosevelt simply went back to the American Constitution with its General Welfare Clause, and under the extremely difficult condition of a banking collapse, a physical economic depression, and a very depressed living standard of the people, he took measures to get the economy going again. These were far more than technocratic steps, they were guided by the Leibnizian philosophy embedded in the U.S. Constitution.

In his First Inaugural Address on March 4, 1933, he stressed: "So, first of all, let me assert my firm belief that the only thing we have to fear is fear itself—nameless, unreasoning, unjustified terror which paralyzes needed efforts to convert retreat into advance. . . . The money-changers have fled from their high seats in the temple of our civilization. We may

now restore that temple to the ancient truths. The measure of the restoration lies in the extent to which we apply social values more noble than mere money profit."

He then elaborated the inalienable right to the pursuit of happiness, stated in the Declaration of Independence, which is not Lockean hedonistic pleasure-seeking, but the Leibnizian idea of a fulfilled and cognitive life. "Happiness," FDR said, "lies not in the mere possession of money; it lies in the joy of achievement, in the thrill of creative effort. Our greatest primary task is to put people to work. This is no unsolvable problem if we face it wisely and courageously. It can be accomplished in part by direct recruiting by the government itself, treating the task as if we would treat the emergency of a war."

With this attitude, he proceeded to impose supervision of all forms of transportation, communications, and utilities, such as energy, which "have a definitely public character," such as strict supervision of all banking and credits and investments. He got large infrastructure programs going, both hard and soft, such as the Tennessee Valley Authority, that produced an impressive increase in the rate of productivity of both industrial capacities as well as the labor force. It built abundant hydroelectric power, flood control, river diversion, improvements in agriculture, and new industries. It improved education, eradicated malaria, and employed large numbers of people.

The government employed millions of unemployed, primarily for the construction of infrastructure. This put in motion the so-called "multiplier effect"; the large volume of goods needed for the infrastructure projects required increased production in previously idle factories; the entrepreneurs participating in the projects had more money, could hire more people; those now employed had more buying power, spent more on food, housing, etc. So the whole economy got revitalized.

In order to finance all of this and to ensure credit flows into the economy, Roosevelt used the Reconstruction Finance Corporation as a Hamiltonian instrument, which issued the required credit. Through a whole series of regulatory measures he took control over the banking system and shifted the economy from speculation to production. He took care of the "forgotten man" by improving the social system. All these measures together are what is known as the "New Deal"—which Roosevelt planned to advocate, after the war, for the whole world. Had he not prematurely died, postwar history would have taken a different course.

### **The LaRouche New Bretton Woods**

Today, these policies are being represented in even a more scientifically-based way than was the case for Roosevelt, by Lyndon LaRouche, Democratic Presidential pre-candidate and the only serious rival to John Kerry. Mr. LaRouche has an impeccable record concerning his economic forecasts; he was often the only economist, during the last 45 years, to

foresee crucial paradigm shifts in the economy and describe their consequences, if pursued further. His proposals, for which there is in the meantime a significant international following—for example, in the Italian Parliament—are briefly as follows.

Very soon, or at the latest, when the inevitability of the global systemic crash is evident to all, there must be—on the level of heads of state—an emergency summit in the tradition of the Bretton Woods Conference of FDR in 1944. The conference must then proceed to declare that the present international system has to be replaced with a new one, which however can adopt the best features of the old Bretton Woods system as it existed in the first two decades of its existence, correcting certain unjust features it had concerning the developing sector. The largely unpayable debt of the global system must either be cancelled or reorganized. The derivative speculation must simply be taken out of the system by agreement between the governments.

There must be a return to a fixed-exchange-rate system, since no long-term international investments are possible otherwise. And most important: The credit generation must be brought back under the sovereign control of national governments. For this purpose, each country should establish a national bank: either as a Hamiltonian national bank; or like the Kreditanstalt for reconstruction in Germany in the postwar period; or as a Reconstruction Finance Corporation, which can issue not money, but credit lines for the reconstruction.

These credit lines must be highly regulated, they must be, in volume, bound by the need to create productive full employment, and must be limited only to those kinds of investments, into which one would invest if the economy was functioning very well. The most obvious areas for such investment are large-scale infrastructure programs, research and development, and other areas, which increase the productivity of the economy and serve the common good. The Tremonti Plan is a step in the right direction, but a much larger volume of credit generation is required.

The obvious focus for such large infrastructure investments is the construction of the Eurasian Land-Bridge. The industrial centers of Europe must be connected with the industrial and population centers of East and Southeast and South Asia, through so-called development corridors. Starting with the old transport lines—the Trans-Siberian Railroad and the old Silk Roads as the first three corridors—all of Eurasia should be infrastructurally connected through an integrated system of high-speed railroads, highways, waterways and computerized stations. Along these transport arteries, approximately 100 kilometer-wide corridors should be developed, in which there will be power generation and distribution and communication, creating ideal conditions for the development of industry and agriculture, as well as new cities.

Key to the success of this program is the following. If the world is to come out of its present crisis, we must replace

the paradigm currently underlying all policies. We must say goodbye to the ideas of free trade, quick profit, shareholder value society, outsourcing, cheap labor, etc. We must conceive of the transformation of the Eurasian continent over the next 25-50 years—namely, one-two generations—because that is the time needed to develop a newborn baby into a productive engineer, scientist or skilled laborer. The purpose of this approach is to increase the productivity and buying power of the respective people. And also, to create for the landlocked areas of Eurasia the same infrastructural advantages, which previously only countries, with access to the oceans and the rivers, had.

### **Path to History's Biggest Boom**

This program, which we proposed first in 1991, and about which we held hundreds of conferences all over the world, is being realized in many aspects. For example, the “Sunshine Policy” of the South Korean Government is part of it; the intention of China to develop its western regions is part of it; or the decision of India to integrate and develop its river systems. But what is needed now, is a vision, a comprehensive program, which unites all the different aspects into one Eurasian overall development perspective.

This program will pay for itself; it will pay for itself in the same way, the industrialization of Europe, the United States, or Russia in the 19th Century paid for themselves, in simply increasing the tax base and the buying power of the population over long periods of time. It can be proven with historical examples, that the wealth generated with this approach, far exceeds the volume of the initial credit lines. If we build the Eurasian Land-Bridge, it will lead to the biggest boom in world history.

This is neither market nor planned economy. The concept of physical economy in the tradition of Leibniz, Hamilton, List, Carey, Count Witte, and LaRouche is based on the fact, that the only source of wealth in society is the cognitive power of the individual. It is that quality which uniquely differentiates man from all other creatures: his ability to again and again develop adequate hypotheses about the laws of the physical universe, which lead to scientific progress which, if transformed into technologies and applied in the productive process, leads to an increase in the productivity of the economy. And this in turn, leads to an increase in the living standard of the population.

Therefore, it is in the interest of every government devoted to the common good of its people, to further and nourish these cognitive powers of its children, its youth, and its people in general in the best possible way, because that is at the same time the source of wealth of the society at large.

There is no question that the world faces a severe crisis. But solutions are at hand. And as the Chinese character for “crisis”—which is the same as for “chance”—implies, maybe we can take the coming events as the welcomed opportunity to create a more just and humane world economic order.

## Oil Price and Interest Rate Hikes: A Lethal Combination

by Richard Freeman

The escalating price of crude petroleum, the leading edge of a worldwide Weimar-style hyperinflationary process, is in the initial phase of wrecking economies from Japan and the United States, to the developing world. On May 20, Bank of Japan Governor Toshihiko Fukui stated that “oil prices and their impact are areas that we will be watching extremely carefully.” Fukui added that Japan is heavily dependent on imported oil, especially from the Middle East, and very vulnerable to a large rise in oil prices. The May 13 *Yomiuri Shimbun*, in an article entitled, “Oil Price Rise Prompts Crisis Fears,” reported that some analysts are predicting “an oil crisis reminiscent of those that stalled industrial economies during the 1970s.”

However, the most extensive damage of an oil price increase is inflicted on the United States. On May 19, the price of U.S. light crude futures contracts for June delivery closed at \$41.70 per barrel on the New York Mercantile Exchange (NYMEX) in after-hours trading, the highest such futures contracts closing since the NYMEX started trading them in 1983. The heavily indebted airline industry is in or near bankruptcy, and cannot sustain much greater price increases. On May 20, United and American Airlines announced a \$10 surcharge per passenger ticket to offset the hemorrhaging they are suffering from rising jet fuel costs. American truckers, whose diesel fuel price has risen by 40%, have staged shutdowns which have closed sections of America’s highways. Industry and the citizenry are being hit in multiple ways from the price increase, in ways that are causing extreme hardship.

Conceptualizing the already shaky condition of the American economy, Presidential candidate and economist Lyndon LaRouche had issued a prescient warning May 12 at a Fayette-

ville, Arkansas televised candidates’ forum. He declared, “The extension of this war into the so-called Middle East means a threat—with oil now going at \$40 a barrel, any new crisis in the Middle East could send the price of oil up to \$50 or \$60 a barrel. . . . When you’re talking about petroleum, . . . \$20 is about [the] level for stable effects on the U.S. economy. When oil goes up to \$40 a barrel, we’ve got trouble here. When it goes to \$50 or \$60 a barrel, we have a catastrophe.”

On May 20, Nauman Barakat, senior vice president at Refco Energy Markets in New York, predicted that the price of petroleum may reach \$50 per barrel by September.

The U.S. economy’s special vulnerability reflects several underlying factors. First, the price of oil is historically interlinked with the price of coal and natural gas: When the oil price rises, they rise in tandem. Second, the U.S. economy is possibly the most dependent upon fossil fuels of any industrial nation. When fossil fuel prices rise as a group, this triggers great instabilities in the fossil fuel-addicted economy. Third, the oil price increase feeds the hyperinflation which destabilizes the financial markets.

Moreover, the oil price increase is not occurring within a vacuum, but within a growing *systemic* financial breakdown, punctuated by rising interest rates. The increasing rates can pop the overly leveraged U.S. economic-financial system. The combination of the rising oil price with mounting interest rates will be lethal.

### Price Gyration

The governing reason for the oil price escalation is the eruption of a worldwide hyperinflation, defined by the phase change of LaRouche’s “Triple Curve” collapse function, and resulting from Federal Reserve chairman Alan Greenspan and

FIGURE 1  
**Price of U.S. Light Crude Oil Futures Traded at the NYMEX**

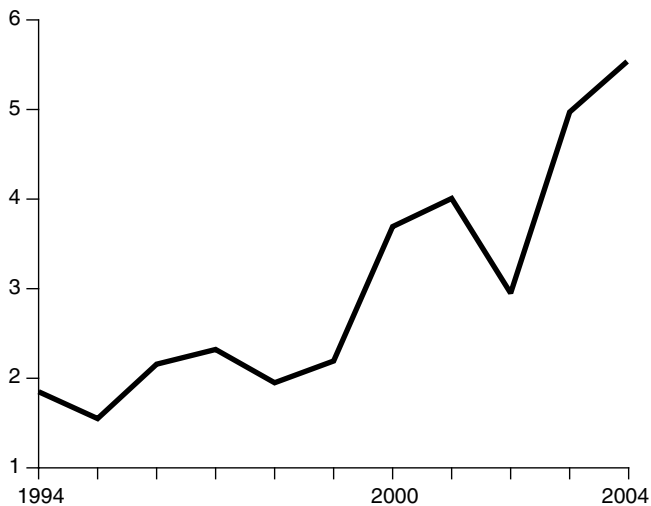
(\$ per Barrel)



Source: New York Mercantile Exchange.

FIGURE 2  
**Price of U.S. Natural Gas At the Wellhead**

(\$ per 1,000 Cubic Feet)



Source: U.S. Department of Energy.

other central bankers' propping up the bankrupt financial system through money-printing. Within this context, other forces impelling the oil price rise include the effects of America's occupation of Iraq and Israel's genocide in Palestine, destabilizing the whole of oil-rich Southwest Asia; the crucial role of speculation; and America's decision to cut back oil refinery capacity during the past two decades.

**Figure 1** shows the trajectory of the price of U.S. light crude oil futures traded on the New York Mercantile Exchange (NYMEX), which is a standard measure of the oil price. From Jan 2, 2002, the first day of trading of that year, the oil price moved upwards and downwards over 15 months, and then began a fairly steady upward climb starting the beginning of May 2003, to reach \$41.70 on May 19 of this year, almost exactly double its January 2002 level. As emphasized above, the rise (or fall) in the price of petroleum, is invariably accompanied by the rise (or fall) in the price of natural gas and coal, perhaps with a time lag. There is no clear reason, but it would appear that this occurs in part because the leaders of the natural gas and coal industries take advantage of the higher oil price to tell other economic sectors, "you have to pay a price generally equivalent to that of oil, for our commodities." In addition, speculators pour money into the exchanges to manipulate upward the prices of natural gas and coal.

**Figure 2** shows that the natural gas price trajectory is very close, in broad outline, to that of oil; it has increased by 118% since January 2002. While not shown, the trajectory of coal

is similar. The price of Central Appalachian Coal Futures traded on the NYMEX, rose from about \$29 per ton in January 2002, to \$52 per ton in May 2004, an increase of 79%. Thus, since January 2002—and largely in the past 12 months—the prices of the principal fossil fuels have doubled.

### The Fossil Fuel-Dependent Economy

Amplifying this crisis, the doubling of fossil fuel prices was inserted into an American economy trapped within a probable world's-worse dependency upon fossil fuels. The U.S. Department of Energy reports that in 2002, the United States economy consumed 97.6 quadrillion btus (quad btus) of basic "energy" stocks/supplies. Domestically-produced oil, coal, and natural gas are 55.8% of the total; imports of the same fossil fuels add 29.8% more. Combining the two in 2002, America consumed 83.5 quad btus of basic fossil fuels stocks. Therefore, a staggering 85.5% of America's energy supply comes from fossil fuels. A mere 8.4% of the total comes from nuclear power, and only 6.0% from "renewable resources," overwhelmingly hydro-electric power produced by dams.

How outmoded this is, can be seen in the fact that of the 17.7 quad btus of energy supplies consumed by America's manufacturing sector in 1998 (the latest for which information is available), only 5% derived from nuclear power and hydro-power. Some of the fossil fuels consumed in manufacturing were consumed as feed-stock—such as for petrochemicals, and plastics, fossil fuels' proper use—but a sig-

nificant amount were used as a power-source, a wasteful operation. This distortion also demands an overhaul of the transportation system. Instead of America being dependent on petroleum-powered cars and truck transport to move people and goods, were it to have a magnetically-levitated rail transport system, it could be powered by nuclear-generated electricity. America needs a crash program for nuclear energy.

The difficulties engendered when oil reaches the range of between \$35 and \$40 per barrel are clear:

- **Airlines:** The airline industry is highly indebted, and the aftermath of Sept. 11, 2001 left a legacy of reduced air travel. Now, each dollar increase in the price of crude oil cuts the airline industry's pre-tax profitability by \$500 million per year, according to a report issued by Merrill Lynch. The industry is expected to lose \$5 billion this year. The United and American Airlines surcharges on all flights are an inadequate stop-gap measure. United is already in bankruptcy; and U.S. Airways and Delta Airlines each announced in early May, that they too may have to file for Chapter 11 protection (for reasons not immediately tied to petroleum). Within this environment, the rising price of oil, passed on in the cost of jet fuel, could decimate America's entire air grid, a national security issue.

- **Trucking:** With diesel fuel prices averaging about \$2.25 per gallon and no "market influence" to force shippers to pay higher rates, independent truckers, who own their own rigs, are finding it more and more difficult to make a living. On April 30, truck drivers, angry about the skyrocketing price of diesel fuel, parked their rigs on Route I-5 in California and disrupted freight movement from both Los Angeles and Oakland area ports. This type of action may become more common.

- **Citizens:** The average price of regular gasoline reached \$2.02 per gallon on May 20; further, homes that are powered by oil and gas, face rising bills.

- **Industry and business:** Many companies are experiencing rising fuel bills. But fossil fuels are used as feed-stocks, and for example, since the beginning of the year, the price of naphtha, which is used in resins, has risen by 10-15%. The cost for the industries that make plastics, petrochemicals, synthetic rubber, etc., have risen, but a portion of this cost is passed on and must be absorbed by any company that uses plastic, petro-chemicals, etc. The cost of coking coal to make steel has risen, but with the general hyperinflation, so has the cost of iron ore and scrap steel for steel-making. The cost of wood is shooting up. The rising cost of fossil fuels, and other basic commodities, is eating away at company profits.

The current increase to a \$40 per barrel oil price—and the attendant comparable increases in natural gas and coal prices—in such a dependent economy as America's, has created great strains. But were oil to rise to \$50 per barrel, pulling up the other fuels, a large part of the U.S. economy would be functioning below breakeven.

## The OPEC Myth

To obscure what is really going on, financial circles and their press have launched a widespread undertaking to blame the rising oil price on OPEC. It is necessary to take a moment to give an idea of what truly is going on. OPEC currently produces 23.5 million barrels per day (mbd) of crude. At the moment, OPEC members Algeria, Indonesia, Iran, Libya, Qatar, and Nigeria are producing at their capacity limit. Saudi Arabia has offered to increase capacity by another 1.5 mbd, which would take it close to its capacity. Total OPEC oil production would then reach 25 mbd. The world currently consumes about 82 mbd. OPEC would produce 30% of world consumption (and an approximately equal percentage of world production).

OPEC is not the problem. Its President Purnomo Yusgiantoro stated in early May, "The main problem with the recent high prices is closely linked to geopolitical uncertainties [Iraq], inadequate refining capacity in the United States to cope with rising demand, . . . and heavy speculation on oil by investment funds/speculators. All of these are factors about which OPEC has no control." The world's largest speculative oil markets are the International Petroleum Exchange (IPE), based in London, and the NYMEX, where 90% of oil trade transactions are speculative, carried out by some of the most powerful Anglo-American investment banks and metals houses.

The level of U.S. interest rates is moving up. Federal Reserve Board chairman Sir Alan Greenspan, and the rest of the members of the Federal Open Market Committee (FOMC), at their latest FOMC meeting in early May, held the Federal funds short-term inter-bank lending rate at 1%, a 45-year low. But even without explicit Fed action, interest rates have shot up: The 10-year U.S. Treasury bond yield has risen from 3.65% in mid-March, to 4.77% on May 20. Such Treasuries act as a benchmark for all long-term interest rates, and have forced upward the home mortgage interest rate. As a result, the Mortgage Bankers Association (MBA) reports that its index of loan applications—called the Market Composite Index—reached 654 for the week ending May 14, down 41.5% from the level of 1,117 for the week ending March 12. This index tracks applications for all types of loans, whether they be for new homes or for refinancing existing homes.

More specifically, the MBA's index for mortgage refinancings only reached 2,050 for the week ending May 14, down a whopping 58.9% from 4,984 for the week ending March 12. The fall of home loans and refinancings is setting the terms for popping the speculative U.S. housing bubble. Consumer spending tied to the housing bubble will take a big hit as well.

All of this is unfolding *before* Greenspan's expected raising of rates. Once rates are pushed up in an economy overhung with \$36 trillion in debt of all types—and at minimum \$70-80 trillion in notional amount of derivatives contracts outstanding—all hell will break loose.

# New Silk Road Diplomacy Steps Up in NE Asia

by Kathy Wolfe

On May 14, South Korea's Constitutional Court threw out the impeachment of President Roh Moo-hyun and restored him to a new majority government, as his youth movement supporters tied yellow ribbons to lamp posts around the country in celebration. North and South Korea also announced for May 26 the first meeting of their two military general chiefs of staff since 1945. Members of the new National Assembly are demanding cancellation of deployment of 3,000 Korean troops to Iraq.

In the face of these developments, U.S. Defense Secretary Donald Rumsfeld announced on May 17 the redeployment of 3,600 American troops from Korea to Iraq; but such pressure may be too late. President Roh responded on May 20 by calling for a "cooperative defense" in which South Korea starts to take charge of its own security, in light of rapidly improving relations with North Korea.

In Tokyo, Japanese Prime Minister Junichiro Koizumi also said on May 14 that he would visit North Korean Chairman Kim Jong-Il in Pyongyang May 22, to bring home the families of five Japanese abducted by the North. More widely, Koizumi's aim is to restart talks on diplomatic relations in June, eventually to allow major Japanese support to upgrading North Korea's rail system and reopening the Trans-Korean Railway. Japan's Foreign Ministry has been negotiating the move with Pyongyang since April 28. Koizumi's office announced that "Japan is ready to discuss the contents of economic assistance."

This occurred as working party-level Six-Power Talks on North Korea's nuclear program collapsed in Beijing May 14. After Vice President Dick Cheney's April 9-16 Asian tour, threatening a blockade if North Korea did not "take steps" toward unilateral surrender, U.S. delegate Joseph DeTrani made the same demands in Beijing May 12-14, adding that North Korea must close all nuclear power plants, as well as arms programs. North Korean delegate Pak Myong-kuk rejected this as "a humiliating measure that can only be imposed on a country defeated in war."

The leaders of both South Korea and Japan have also stepped up plans for separate bilateral summits with Russian President Vladimir Putin this week, where a key topic will be regional detente with Pyongyang.

## **Korea's Revolution: 'Second Chance at 1989'**

The crisis tactics by the Washington neo-cons have gone



*The reinstatement of South Korea's President Roh Moo-hyun after an impeachment by Cheney's neo-con allies, and the sweeping victory of Roh's Uri Party, are proving part of a process which could change East Asian politics. Key to its success is Lyndon LaRouche's Eurasian Land-Bridge idea.*

too far, and it seems that nations of Northeast Asia are taking steps to ensure peace via economic development projects such as the New Silk Road-Eurasian Land-Bridge, diplomats said. By ensuring "permanent crisis," Cheney's fits have frozen investment in Japan and South Korea for two years, and stalled the Eurasian Land-Bridge "from Tokyo to Pusan to Paris" by preventing South and North Korea from linking their rails for traffic. Now, *EIR* has reports from Tokyo and Seoul that a fresh decision has been made to push on with the Land-Bridge.

Making this possible is the peaceful "people's revolution" just achieved in South Korea, which if it spreads to Japan, will shake the world.

The neo-cons enraged the Korean public on March 12, when President Roh Moo-hyun was impeached by a lame-duck National Assembly dominated by MPs who work closely with Cheney's American Enterprise Institute (AEI) in Washington. On top of the demand for Korean troops for Iraq, this brought hundreds of thousands into the streets. King Sejong Road, a 12-lane boulevard from the center of Seoul to major ministries, the American Embassy, and the Presidential Blue House, was occupied for weeks each night, as far as the eye could see, by a youth movement in peaceful candlelit vigils. The key to its success was something new to Korean (and Japanese) politics: non-violence. Since the Vietnam War, demonstrations in Korea and Japan have been very violent, alienating the general public from political activism. But recently, Christian leaders in Korea and allies in Japan introduced Martin Luther King's principle of non-violence, and the moral superiority of it has rallied the public as it did in East Germany in 1989.

The result: President Roh's new Uri Party won a clear majority in April 15 National Assembly elections, for detente with the North for the first time since 1945. Uri more than

tripled its strength in the 299-seat legislature to 152 from 49. This gives Korea a “second chance at 1989.” Germany missed its chance and fell under International Monetary Fund (IMF) austerity, which ruined its economy and Unification. The Eurasian Land-Bridge “New Deal” program can help Korea avoid that mistake.

Japan has been the “swing factor” for the Eurasian Land-Bridge. Its scientific and engineering capability, let alone money, may be critical to the Silk Road’s success, so the neo-cons have made all efforts to keep Japan out of the project. But despite appearances that Japan is cut off from the outside, a peace movement also has potential to spread there. Over 30,000 marched in Tokyo March 20 on the first anniversary of the Iraq war. “World Peace Now,” a network of 50 citizens groups, said that the non-violent approach, new to Japan, can bring out large numbers for the first time, where violent protests until now have failed.

Mr. Koizumi was last in Pyongyang on Sept. 17, 2002, a visit worked out with then-South Korean President Kim Dae-jung. The next day, the two Koreas cut open the DMZ for the first time in 50 years to rebuild the Trans-Korean Railway—a strategic turning point for the Eurasian Land-Bridge. A half-dozen European nations opened diplomatic relations with North Korea, which began to modernize its economy. Peace was “breaking out.”

The neo-cons couldn’t tolerate this, so only weeks later, on Oct. 4, Cheney staged a confrontation in Pyongyang, by having emissary James Kelly allege discovery of a secret North Korean uranium program. This resulted in the Bush Administration ripping up the Clinton-North Korea Framework Accord treaty and declaring the present nuclear crisis, putting the region on the verge of war since. The Japanese press went to war against North Korea. While Pyongyang meant to improve relations in October 2002, by releasing five Japanese, who had been abducted in the 1970s, to visit home, Tokyo’s neo-con controlled media began a hail of headlines demanding return of dozens more allegedly still in captivity. For 18 months, this has created what is called “the New Cold War” in Japan. The joke is that Mt. Fuji could erupt and kill 20 million people in West Tokyo—but the headlines would still be on abductions. It was almost impossible to talk of Japan joining in the New Silk Road. “Koizumi is more likely to discuss bombing railroads, than building railroads,” one Tokyo economist complained during the Iraq War.

But now, with that war going sour, the Iraqi prison scandal, and Cheney’s unilateralism causing the Beijing talks to fail both in February and again May 14, it seems the neo-cons have gone too far even for the Japanese. Tokyo civic groups even had a rally outside the U.S. Embassy May 13, to protest the abuses of Iraqi prisoners.

Those in Japan who support the Eurasian Land-Bridge know Lyndon LaRouche, and *EIR* with its 1997 *Eurasian Land-Bridge Report* very well. They understand that Japan’s

future lies with the economic reconstruction of North Korea, China, Russia and the Eurasian continent. These are the people who proposed the Asian Monetary Fund.

## Russia and China

Regional cooperation of the two Koreas, Japan, Russia and China is the key to forging a coalition big enough to allow the Land-Bridge to be built, hopefully with America joining in, but if need be, without it.

Recent improvements in Russo-Japan relations are interesting here. Japan has suddenly dropped its 50-year demand for the return of the Kurile Islands before it will do business with Russia, and trade surged 25% in 2003 due to the doubling of Japanese investment in Sakhalin oil and gas to over \$1 billion. Japanese power companies took deliveries of Russian oil and committed to buy Russian gas for the first time in 2003. Exxon-Mobil and SODECO, a Japanese government company operating the Sakhalin I fields, have proposed a 3,000 km gas pipeline via Russia to Korea. The Sakhalin II fields are due to supply Japan, under a Royal Dutch/Shell-Mitsui-Mitsubishi venture, which recently agreed to invest \$9 billion more in expansion of production capacity.

Russian President Vladimir Putin has made special efforts to restore and upgrade the Trans-Siberian Railway (TSR) and bring back Japanese and Korean cargo, which nearly disappeared when the IMF cut budget funds for infrastructure in the 1990s. Putin has been in Pyongyang twice to discuss joining the TSR to the Trans-Korean Railway. In August 2001, Kim Jong-il visited Moscow via the TSR, signing a \$500 million deal for Russia to upgrade rail lines in North Korea. In late 2003, a large 100-man Russian rail engineering team spent several months in North Korea, surveying the North Korean rail lines between Russia and South Korea to begin the upgrade process.

South Korean Foreign Affairs Minister Ban Ki-moon will visit Russia May 23-27 to arrange President Roh Moo-hyun’s first visit to Moscow and discuss peaceful resolution of the nuclear crisis. He will meet Foreign Minister Igor Ivanov, National Security Council Sergei Lavrov and Chairman of the Duma Committee on International Affairs Konstantin Kosachev. Roh was to visit Moscow in July; the impeachment debacle put that back a bit, but relations are on a fast track, and this summit is Roh’s next priority trip. En route home, Ban visits Sergei Darkin, Governor of Siberia’s eastern-most Primorski Province, to discuss economic cooperation.

President Putin meanwhile plans a summit with the Japanese head of state as soon as possible, Russian Ambassador Alexander Losyukov announced May 20 in Tokyo. Losyukov, until recently a Vice Foreign Minister who headed the Russian delegation to the Six-Power Talks on North Korea, has made some of Moscow’s strongest warnings on the danger of nuclear war in the region. His deployment to Tokyo at such a critical time is noteworthy.



# Gwangyang Port's Horizon Is Eurasian Land-Bridge

by Kathy Wolfe

A trip to Gwangyang Port at Korea's southern tip, 150 kilometers west of Busan (Pusan), shows that South Korean planners expect great success for the Eurasian Land-Bridge and a huge increase in cargo, especially once the South-North Trans-Korean Railway (TKR) is operational. The government is tripling South Coast freight capacity, expanding Busan's capacity from 7 million to 12 million 20-foot-equivalent container units (TEU) in 2011, and building the equivalent of a whole new Busan from scratch next door in Gwangyang, which is now up to 4 million TEU and due to grow to 9.3 million by 2011.

This will be the new "Gateway to the Iron Silk Road," a "mega-hub" port taking freight from all over the Pacific Basin, processing it, and sending it to Europe (as **Map 1** shows) via the Trans-China Railway (TCR), Trans-Mongolian (TMGR), Trans-Manchurian (TMR), and Trans-Siberian

(TSR) railways, or elsewhere by ship.

The city of Gwangyang, Jeolla Province, and the national economists' organization, Korea Trade Research Association (KTRA), have promoted the plan with great vision. *EIR* was invited to speak at the Third Annual Gwangyang Port Forum, held April 21-24 jointly with the KTRA's 30th Anniversary, which brought economists and officials from all over Korea and the world.

The port was conceived with just the right type of expansive national mindset needed for the "Great Project" of the Iron Silk Road. For example, Korea's new KTX bullet train runs on an upside down "Y" path from Seoul to the north, to Busan in the southeast corner of Korea, with a second branch to Mokpo in the southwest corner. But Gwangyang is almost midway between Busan and Mokpo, and not served by the KTX. This initially baffling fact was explained by an official: "All the people are in Busan and Mokpo. Gwangyang was a fishing village until recently and lacks population now to support many trains. But we wanted to locate the port on a site with the best conditions for a major shipping expansion, so we did. The people and the trains will come as it grows."

## Vision vs. Statistics

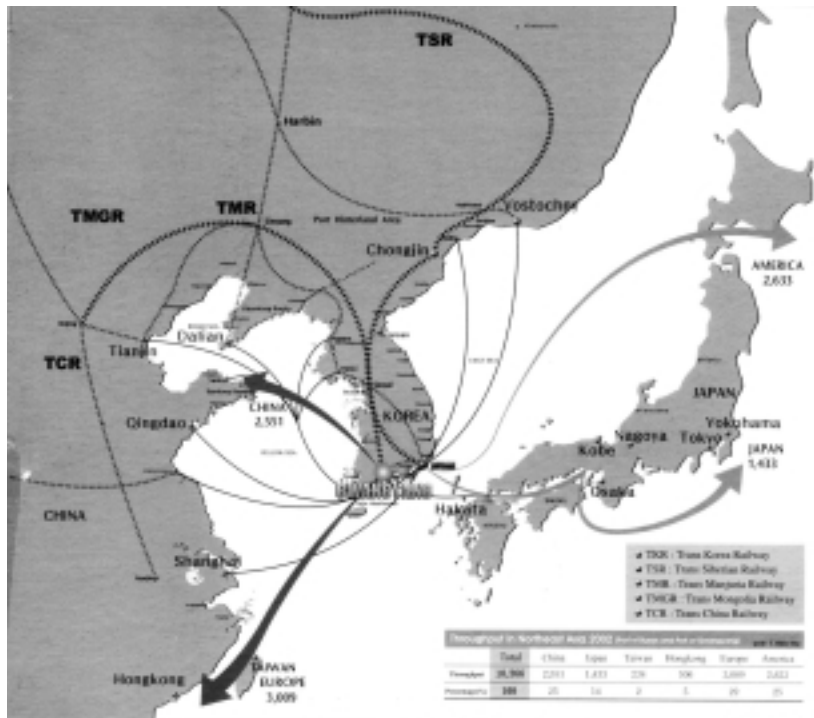
Gwangyang's port is unusually beautiful, deep and wide; lesser minds would have made of it a Caribbean-style vacation resort. The Koreans saw it as one of the safest spots in all East

Asia for today's huge container ships. From where our tour began at the northwest end (lower right in the photo), row after row of shiny new cranes stretch farther than the eye can see. Gwangyang has now built 22 of 33 berths slated for 2011; with Busan growing to 47, the total of 79 berths will surpass Shanghai's planned expansion to 70 berths by 2011. The land for the last 11 berths—to be completely automated, ship to shore—is at the photo's upper left; we saw construction in full swing.

The landfill between the container wharves and the mountains on the right hand of the photo, called the port "hinterland," is to be built into an elaborate urban, industrial, logistics, and park complex—an entire new city rising on the harbor. Surely, people will come.

The conference heard several visionary speeches, especially by Jeolla Governor Park Tae-young, Gwangyang Mayor Lee Sung-woong, and other officials; but recognizing this vision, the criticism also needs to be mentioned. Many among the more than two dozen speakers debated the wisdom of building such a huge capacity, when Gwangyang only handled 1.3 million TEU

MAP 1  
Major Routes from the Port Gwangyang





*Korea's newest port will triple the nation's South Coast freight capacity, and serve as a "Gateway of the Iron Silk Road" which will connect through Trans-Korea rails to the continental railways of Russia, China, and Europe.*

of actual freight in 2003, an under 50% capacity utilization. Many doubting Thomases said funds should be focused in Busan alone, and that it was foolish to build two ports which would only compete with each other. Others, with reverse logic, praised such a competition as a way for shippers to get rock bottom prices by underpaying the workforce and the port authority. Many speakers focused on cost statistics, debating which of the many ports in East Asia could chisel its prices down most cheaply.

I was privileged to represent U.S. economist and statesman Lyndon LaRouche, "grandfather of the New Silk Road," at the final session, with a slide show "The Future of Korean Ports with the Eurasian Land-Bridge." This, with the other speeches, was translated into Korean and published in a 605-page conference book. I asked the audience "to forget for a moment about money, and think of future generations, your grandchildren and the grandchildren of people all across Eurasia."

### **New York and Gwangyang**

A photo of Lady Liberty with a wide view of vessels in New York harbor proved an efficient opener to communicate LaRouche's Spring 2004 call in his *On the Subject of Tariffs and Trade* for a return to the science of physical economy of the American Revolution. LaRouche had just issued his pamphlet as a call for "the full re-regulation of tariffs and trade"; to junk the "post-industrial" fixation on short-term money profits and ultra-cheap prices which do not permit enough investment in infrastructure to keep a nation's population alive. "We adopted the suicidal policy of setting prices generally—for transportation, wages, agriculture—at levels below the price necessary to assure return on a 20- or 30-year long-term investment," LaRouche wrote.

*EIR's* presentation stressed this. "The container trade, at least the legal trade, does not consist of transporting crates of money," I said, using slides on Leibniz' and Hamilton's founding of an American System based on the dignity of man, on the Divine spark in each individual, in rejection of prior systems treating the workforce as beasts. I described how Hamilton advocated and Abraham Lincoln built the world's first Land-Bridge from New York to San Francisco, based on this concept of man. This system of physical economy made the Port of New York great, because great infrastructure projects made the physical output of the whole American continent grow.

If we build the full Eurasian Land-Bridge program "from Tokyo to Busan to Paris," Korea will require far more port capacity than it has already built; but if we do not, there will be not mere "over-capacity," but a global economic collapse, it was noted. A series of slides showed the post-1971 collapse of the U.S. economy under the post-industrial model, ending in a photo of an Amtrak train derailment illustrating the infrastructure crisis. This was counterposed to China's current "New Deal," which is based not on Marx, but as Chinese themselves say, on the American system of Lincoln and Franklin D. Roosevelt's "New Deal."

There followed slides on the full "Apollo Project" scope of LaRouche's vision for the Eurasian Land-Bridge, based not on building "just a few more miles of the same 19th-Century rail," but on the need for a total revolution in industrial processes such as that induced by John Kennedy's moon launch, reorienting the entire society to a mission. The audience was challenged: Bullet trains are fine, but history shows that societies which refuse to introduce next-generation technologies always fail. When Japan refused to develop their new Magnetic Levitation technology, the Chinese bought it instead from Germany.

Further slides called for Korea not only to develop Eurasia's entire rail grid, but also to build giant water transfer projects in China and even between Manchuria and Korea, as well as nuclear power projects, new bridges and tunnels, and several 2-3,000 mile oil and gas pipelines now planned to develop Russia's Far East. "Let Korea's construction and engineering companies bring mass transit and electric light, clean tap water, modern agriculture, new industries, and great universities to 3 billion people along the Land-Bridge routes," was the conclusion. The large scope of the concept drew the best response.

# Russian: Crash Certain; LaRouche Has Solution

by Rachel Douglas

Speaking to the Strana.ru web news service on May 18, former Russian Central Bank chief (1992-94 and 1998-2002) Victor Gerashchenko called for “a revival of the Bretton Woods system, with fixed exchange rates and a tie to gold,” as “not ideal, but an entirely acceptable option” for changing the international monetary system, in the face of the onrushing crash of today’s speculative financial system. He invoked the writings of Lyndon LaRouche as authoritative, regarding “the inevitable crash of the speculative global economy,” and—as paraphrased by Strana.ru—said that globalization will have to be sacrificed, in order to save the world economy.

Gerashchenko spoke with Strana.ru on the sidelines of a conference titled “The Role of the Financial System in Economic Development,” which was held May 18 at the Russian State Economics and Trade University (RGTEU). Strana.ru correspondent Nikolai Chekhovsky covers the event under the headline, “Is the System of Global Speculation on the Eve of a Crash?”

## 80% ‘Virtual’ Transactions Now

The conference was dedicated to the late Valentin Pavlov, the last Prime Minister of the Soviet Union, who died last year at the age of 66. May 18 was Pavlov’s birthday. In January 1991, Pavlov incurred the wrath of criminal cash flow manipulators, when he declared an immediate banknote reform, setting a three-day deadline for the exchange of all 50- and 100-ruble bills in the Soviet Union. Convicted of participating in the so-called “coup plot” against Soviet President Mikhail Gorbachov in August 1991 (by the committee called the GKChP, whose action failed, but precipitated the break-up of the U.S.S.R.), Pavlov was amnestied in 1994 and went on to work in banking. He was a vice-president of Russia’s Free Economic Society, where in April 1996 Academicians Gennadi Osipov and Leonid Abalkin chaired a round table with Lyndon LaRouche, called “Russia, the United States, and the Global Financial Crisis.” Pavlov’s personal endorsement, on that occasion, of LaRouche’s analysis of the relationship between financial speculation and the real economy, and of LaRouche’s proposed solutions, are included in the transcript of that 1996 event (see *EIR*, May 31, 1996).

According to Strana.ru, at the May 18 conference Prof.

Victor Iokhin of the RGTEU presented a paper on the unsustainability of a world economic system in which “80% of all money transactions in the world financial system are ‘virtual’—associated with playing the currency markets and with other types of speculation—and only 20% of the transactions are associated with the movement of real goods, services and real capital investment.” Iokhin went on to polemicize about Russia’s position in such a system being that of an increasingly deindustrialized, depopulated source of loot for “speculative capital.” Under these circumstances, Iokhin said, it would be absurd to move to convertibility of the ruble.

The concluding paragraph of Chekhovsky’s report is headlined “Back to the Bretton Woods System.” Here, he presents Gerashchenko’s remarks, as follows: “The conclusions about the crash of the world financial system, voiced at this round table, might seem too categorical or one-sided. Victor Gerashchenko, however, confirmed to Strana.ru that finances do play the dominant role in the world economy today, and that an economic model of this sort is neither stable, nor viable. Finances are important, of course, and their role is enormous, but financial movements should be subordinated to production. The Western economist LaRouche has written about the inevitable crash of the speculative global economy; and even the well-known speculator George Soros, during the past two years, maintains that the world financial system needs to be changed. How? In Victor Gerashchenko’s opinion, a revival of the Bretton Woods system, with fixed exchange rates and a renewal of the link to gold, might not be ideal, but it would be an acceptable option. Strange as it might seem, this viewpoint is supported in the West by quite serious politicians and economists. But this is only one step, although it’s a necessary one in constructing a system of obstacles to speculative capital flows, in order to save the world economy. True, the price of this salvation is that globalization will have to be sacrificed.”

## Knows LaRouche Strategy Well

It will be recalled that in October 2002, Gerashchenko appeared on a podium next to LaRouche’s associate Jonathan Tennenbaum, at a Russian government Finance Academy conference on the global financial system. On that occasion, Tennenbaum reported on a just-passed Italian Parliamentary resolution, adopted in connection with events in Argentina, calling for a new financial architecture. Gerashchenko welcomed Tennenbaum’s report and said he hoped the Russian State Duma would follow the Italian initiative.

Gerashchenko was elected to the Duma on the Rodina slate in December 2003. Most recently, at the end of April 2004, he accepted nomination as Chairman of the Board of Yukos Oil company, which is in turmoil after the jailing of its ex-CEO Mikhail Khodorkovsky. Gerashchenko’s nickname in Russian politics is “Hercules,” because he so often has had to clean the Augean Stables of the mess left by neo-liberal economic policies.

## Chalabi, Torture Scandals Lead To Beast-Man Cheney's Doorstep

by Edward Spannaus

How long can Dick Cheney last?

The now-daily torrent of high-level leaks pouring out of both military and civilian agencies, reflects the high degree of institutional determination to clean out the Cheney-Rumsfeld corruption from the military-security establishment. It also portends that the Abu Ghraib torture scandal is not going away, and that it cannot be contained at the level of a handful of privates and sergeants. The drive to oust Cheney, which was launched by Democratic candidate Lyndon LaRouche in the fall of 2002, has now taken on the character of a steamroller.

What has been exposed indisputably, is that Cheney and his cronies in Donald Rumsfeld's Department of Defense and John Ashcroft's Department of Justice, as part of their general war policy, were responsible for the Administration's policy of throwing out international laws and treaties governing the treatment of captives, and putting a gang of neo-con and Christian-Zionist lunatics, such as Generals William Boykin and Geoffrey Miller, in charge of carrying out this bestial and degenerate policy.

### Cheney's Chalabi Goes Down

Now, with the May 20 raids against the Baghdad home and offices of Dick Cheney's darling, Ahmed Chalabi, the entire edifice on which the illegal Iraq war was based is quickly crumbling. For months, there have been upwards of a dozen separate investigations of the intelligence fakery and failures leading into the Iraq war. A central source of this fraud was Chalabi's Iraqi National Congress (INC), which was paid over \$40 million in U.S. funds, largely for the Information Collection Program, to gather information from defectors and other sources. *EIR* has been reliably informed that Chalabi's INC was also involved in prisoner interrogations,

which could put them in the middle of the Abu Ghraib scandal as well.

It is universally recognized by now, that Vice President Cheney's office provided the most critical base of support for promoting Chalabi's fabricated intelligence as a justification for the war, and then for making Chalabi the most powerful member of the U.S.-picked Iraqi Governing Council (see "Ahmad Chalabi's Bay of Goats," *EIR*, April 9).

The irony here, is that U.S. funds were used to pay for fabricated information from "defectors," such as that coming from the agent called "Curveball" on Saddam's non-existent mobile bio-weapons laboratories. This phony information was then disguised as coming from multiple sources, and was used to provide the Administration's rationale for invading Iraq.

Secretary of State Colin Powell acknowledged this, when asked about now-discredited information, including the "Curveball" material, which was contained in his February 2003 presentation to the United Nations. During a May 16 interview on NBC's "Meet the Press," Powell admitted that he is "very concerned" that some of that information is now shown to be inaccurate and discredited. Powell said that there had been "multiple sourcing" for the information on the mobile labs, and "it turned out that the sourcing was inaccurate and wrong, and in some cases deliberately misleading. And for that, I am disappointed, and I regret it," Powell added, in a direct slap at the Vice President's chief of staff Lewis Libby and the others who wrote the script for the Secretary of State's UN presentation.

In addition to the case of Chalabi's fakery and the fraudulent intelligence being stovepiped into the White House, the burgeoning scandal around the torture and abuse of prisoners at Abu Ghraib also leads right to Cheney's doorstep.



*The officer promoted and pushed by Cheney's staff and Rumsfeld's Pentagon to shape the Iraq prisoner policy, Gen. William Boykin, has become well known for his evangelism on the theme that Islam is Satan; less well known, are his ties to the secretive and powerful Fellowship, previously exposed in LaRouche campaign pamphlets.*

## Origins of Abu Ghraib

On January 27, 2002, a few months after the launching of the war in Afghanistan, Vice President Cheney went onto the Sunday talk shows to weigh in regarding the fierce debate raging at that moment within the Bush Administration, over whether the Geneva Conventions and the laws of war should apply to the war in Afghanistan and to prisoners captured there. John Ashcroft's Justice Department had prepared a series of secret memoranda, arguing that the Third Geneva Convention (regarding Prisoners of War) should not apply to those captured in Afghanistan, who were being shipped to the new detention center at Guantanamo Bay, Cuba, and to secret detention facilities in third countries. Their arguments were incorporated into a memorandum for President Bush written by White House Counsel Alberto Gonzales on January 25, 2002. (According to sources consulted by *EIR*, Dick Cheney's General Counsel David Addington was equally involved in developing and approving this policy.)

Gonzales drafted a memo to this effect on Jan. 25, 2002, in which he wrote that the new conditions of the war on terrorism renders some of the Geneva Convention's provisions "obsolete" and "quaint." He also warned that, because of the unorthodox methods being pursued in the war on terrorism, Bush Administration officials could be subject to prosecution for war crimes by a future Justice Department or an independent prosecutor; Gonzales suggested that if the President declared the Geneva Convention did not apply, this could provide a defense against a future war-crimes prosecution.

According to a report in the May 24 issue of *Newsweek*, Secretary of State Colin Powell "hit the roof" when he read the Gonzales memorandum. Powell fired off a counter-memo to Bush the next day, warning of the immense damage this would cause to the United States—politically, diplomatically, morally, militarily, and legally.

The next day, on Jan. 27, Cheney went onto two Sunday talk shows to spout his anti-Powell and anti-Geneva Convention line, and to lay out the policy that led directly to the Abu Ghraib atrocities. "These are bad people," said Cheney, arguing why the Geneva Accords should not apply to prisoners at Guantanamo. "They may well have information about future terrorist attacks against the United States. We need that information, we need to be able to interrogate them and extract from them whatever information they have."

Journalist Seymour Hersh's latest, and most explosive article, in the May 24 issue of the *New Yorker*, filled out some critical elements of how the policy was implemented. Hersh showed how, in the aftermath of the Sept. 11 attacks, Rumsfeld had authorized the creation of a secret "special-access program" (SAP), within the Defense Department, of hunter-killer teams, empowered to kill, or capture and interrogate, high-value targets in the war on terrorism. Operatives were drawn from the Navy SEALs, the Army's Delta Force, and CIA paramilitary forces. They carried out interrogations in a chain of secret detention facilities around the world. Physical coercion and sexual humiliation—based on cultural profiling of Arabs—was an integral part of the program.

This program, according to Hersh's account, operating under Stephen Cambone, the Straussian-trained Undersecretary of Defense for Intelligence, was then expanded into the prisons and detention centers in Iraq in the late Summer of 2003. The secret expansion of the SAP into Abu Ghraib was carried out under the broader cover of changes in interrogation procedures at Abu Ghraib, which were recommended by the Guantanamo commander, Maj. Gen. Geoffrey Miller.

Miller's own paranoid, anti-Muslim mentality had been demonstrated in his personal orchestration of the attempted frameup of Capt. James Yee, a West Point graduate who was the Muslim chaplain at Guantanamo. Yee was arrested at Miller's direction, and was given the "Gitmo" treatment—blindfolded, ears covered, and shackled—while he was transported to the brig at Charleston, South Carolina, where he was held in isolation for 76 days on Miller's orders. Stories were leaked to the press that Yee could face multiple espionage charges carrying the death penalty.

But in March, all criminal charges were dropped against Yee, and in April, Miller was overridden by the head of the Southern Command, and even the reprimand which Yee had been given, was stricken.

## Boykin: Cambone's Jihadist

Meanwhile, back in Iraq in the Summer of 2003, the insurgency was on the rise, and Rumsfeld and his neo-con gang were clueless as to how to deal with it. Ignoring all competent advice, Rumsfeld and his deputy Paul Wolfowitz had ordered the invasion of Iraq on the fantastical assumption that U.S. troops would be greeted as liberators, and the mission would be over in a few months.

Now, operating blind, they needed intelligence on the insurgency, but they had no intelligence network in Iraq. The only way they could see to get any information, was to squeeze it out of captured Iraqis. On the recommendation of Cambone, General Miller was sent to Abu Ghraib to revamp the interrogation procedures there for the objective of rapidly obtaining “actionable intelligence.”

It was Lt. Gen. William “Jerry” Boykin, Cambone’s military assistant, who was sent to Gitmo to brief Miller and give him his orders for his mission. And when Miller returned, according to Cambone’s testimony, it was Boykin who briefed Cambone on the outcome of Miller’s trip.

Earlier, in June, Rumsfeld had given Boykin, a 13-year veteran of the Delta Force, his third star, and put him in charge of the manhunt for Osama bin Laden and other “high-value” targets. What thrust Boykin into the public spotlight last October, was the disclosure of Boykin’s public statements characterizing the war on terrorism as a conflict between Christianity and Satan.

He had organized a travelling evangelistic road show displaying pictures of Osama bin Laden and Saddam Hussein.

“Why do they hate us?” Boykin would ask. “The answer to that is because we are a Christian nation.” They will only be defeated, Boykin proclaimed, “if we come against them in the name of Jesus.”

This is, by now, well-known. What is not well-known, is that Boykin is a member of the “Fellowship”—the super-secret pseudo-Christian cult described in the LaRouche campaign’s *Children of Satan II* report, which is heavily based in the military and among public officials, including many members of Congress. According to a knowledgeable intelligence source, Boykin’s Fellowship credentials would have ensured that his appointment would not be derailed by Congress.

According to one source, the word among people who know Generals Miller and Boykin, is that they are “two peas in a pod.” Miller is known as a “Prayer Breakfast type”—not surprising, since it is the Fellowship which operates the National Prayer Breakfast network.

What a perfect pair of Holy Warriors, ideally suited to oversee Beast-Men Cheney’s and Rumsfeld’s policy for the brutalization and humiliation of Islamic captives.

## Nazi Precedent for Pentagon

White House General Counsel Alberto Gonzalez stated in a memo to President Bush on Jan. 25, 2002 that “The nature of the new war [on terror] places a high premium on the other factors, such as the ability to quickly obtain information from captured terrorists and their sponsors in order to avoid further atrocities against American civilians. In my judgment, this new paradigm renders obsolete Geneva’s strict limitations on questioning of enemy prisoners, and renders quaint some of its provisions.”

Adolf Hitler motivated his “new paradigm” for a war on the Soviet Union with similar reasoning. As William L. Shirer reported in *The Rise and Fall of the Third Reich* Hitler outlined this during a meeting with the heads of the three armed services and key Army field commanders early in March 1941: “The war against Russia will be such that it cannot be conducted in a knightly fashion. This struggle is one of ideologies and racial differences and will have to be conducted with unprecedented, unmerciful, and unrelenting harshness. All officers will have to rid themselves of obsolete ideologies. . . . German soldiers guilty of breaking international law will be excused. Russia has not participated in the Hague Convention and therefore has no rights under it.”

On May 13, 1941, Field Marshal Wilhelm Keitel, the head of the Armed Forces High Command (a position like

that of the chairman of the Joint Chiefs of Staff today), issued an order, in the name of Hitler, which severely limited and degraded the functions of the military court martial system:

“Punishable offenses committed by enemy civilians [in Russia] do not, until further notice, come any longer under the jurisdiction of the courts-martial.

*“Persons suspected of criminal action will be brought at once before an officer. This officer will decide whether they are to be shot.*

*“With regard to offenses committed against enemy civilians by members of the Wehrmacht, prosecution is not obligatory, even where the deed is at the same time a military crime or offense” (emphasis in original).*

The Army was explicitly instructed to go easy on any such German offenders, “remembering in each case all the harm done to Germany since 1918 by the ‘Bolsheviki.’ ”

Units with secret, special responsibilities facilitated torture in Russia in 1941, as in Iraq in 2004. A second ominous directive was issued by Field Marshal Keitel on May 13, 1941, also in Hitler’s name. It stipulated that SS head Heinrich Himmler was entrusted with the performance of “special tasks” to pave the way for the political administration of Russia. These “special tasks, which result from the struggle which has to be carried out between two opposing political systems,” required that Himmler have full freedom to act “independently” of the Army, “under his own responsibility.”

—Steve Douglas

# LaRouche Opens Campaign Against Party Racism

by Nancy Spannaus

LaRouche Campaign radio ads began going out across Alabama on May 20, exposing the racism of the Democratic Party leadership, and putting out the message that the party had better reform itself *now*, if it is not to be destroyed in the upcoming Presidential election. The ad campaign follows a high-profile appearance by Democratic Presidential candidate Lyndon LaRouche in Montgomery, Alabama on May 14 and 15, which included a press conference and events with two of Alabama's most prominent civil rights organizations, the New South Coalition and the Alabama Democratic Conference. LaRouche is one of three candidates on the ballot in the June 1 Alabama primary, along with John Kerry and Dennis Kucinich.

LaRouche's contention that the Democratic Party will either go down to smashing defeat, or win a victory that will represent no victory at all for the American people, is borne out by the results so far in the primary elections. Ever since DNC Chair Terry McAuliffe got his wish in having the nomination nominally locked up by John Kerry in early March, and Kerry began to be run de facto by party "professionals," voter participation in the primaries has plummeted. While the Democrats went after the big money where it's still available, in the suburban areas, they ignored the general electorate. As a result, voter turnout in Arkansas, for example, ranged from 13-24%, while in Kentucky, it varied in the abysmal range of 7-14%!

Yet the only way that the Democratic Party could possibly win the election on an effective program of reversing the economic depression, dealing with the financial breakdown, and stopping the war policy, is by mobilizing the vast sections of the population who have been turned off by politics—and convincing them to vote *for themselves*.

## LaRouche's Vote

LaRouche was on the ballot in Arkansas, Kentucky, and Oregon on May 18, and will be competing as well in the Idaho primary May 25, the Alabama and South Dakota primaries June 1, and the New Jersey and Montana primaries June 8.

His largest percentage vote came in Arkansas, where he won 6%, or 14,800 votes. As many local news outlets reported, this was a higher vote than that of Dennis Kucinich. In certain counties, LaRouche's total reached as high as 10-14%.

In addition to the low turnout in Arkansas, fostered by the Democratic machine, the outcome there was also greatly affected by the fact that an "uncommitted" line had been added in many jurisdictions around the state. This "uncommitted" line received 24% of the total vote, with the result that "front-runner" Kerry got only 66% of the vote overall.

It is a strong hypothesis that the "uncommitted" line was added to the ballots in order to suppress LaRouche's vote, since the Arkansas Democratic Party was desperately concerned to try to prevent a repeat of the major LaRouche vote in 2000. In that Presidential race, he polled over 18% in Arkansas against Al Gore in a one-on-one race. By Democratic Party rules, a 15% vote in a Congressional District entitles a candidate to a national Convention delegate.

In Oregon, LaRouche was backed by more than 8,000 Democratic voters, about 2%. This state had been a major focus of the Kucinich campaign, which garnered about 15%. As one of the LaRouche youth who had been campaigning in Oregon over the last weeks put it, it was clear that every one of the more than 8,000 Oregonians who voted for LaRouche, was not simply protesting, but voting *for* the FDR Democrat.

In Kentucky, where the ballot still contained dropouts such as Dean, Edwards, Lieberman, Clark, and Sharpton, LaRouche was credited with 1815 votes, or 0.8%.

## The Fight Ahead

While continuing a major focus on the fight to remove Dick Cheney and his neo-con cronies from the Bush Administration, and to win support for his LaRouche Doctrine for peace in Southwest Asia, LaRouche is continuing to conduct an on-the-ground fight in Alabama, South Dakota, and New Jersey, all states in which he has a long-standing presence as a fighter for economic and social justice. The LaRouche Youth Movement is active in all of these states, carrying out major literature distributions, but also engaging the public, and youth, in profound discussion about the need to change their approach to politics.

In Alabama, home of close LaRouche associate and civil rights heroine Amelia Boynton Robinson, the civil rights movement is a major constituency for LaRouche. It was there, in January of this year, that he gave his much-celebrated speech in honor of the immortality of Dr. Martin Luther King, which speech is now circulating on a DVD in more than 50,000 copies. The LaRouche youth report that they are getting a very positive response from local party activists.

At the New South Coalition and Alabama Democratic Conference, LaRouche addressed hundreds of African-Americans, including the screening committees for both organizations. His speeches evoked a strong positive response, and obviously touched the core of why many have not turned out to vote for him. When citizens begin to take themselves, and their future seriously, they will have no other choice.

---

## Book Review

---

# The Vietnam Veteran In Greek Tragedy

by Dean Andromidas

---

### **Achilles in Vietnam: Combat Trauma and the Undoing of Character**

by Dr. Jonathan Shay, MD  
New York: Scribner, 1995  
272 pages, paperback, \$14

---

“The greatest Classical dramas, such as Aeschylus’ *Prometheus Bound*, Shakespeare’s *Julius Caesar* and *Hamlet*, or the dramas of Friedrich Schiller, typify the way in which the principles of Classical drama, especially Classical tragedy, may bring to the surface some of those important, deep, usually hidden assumptions and principles which had otherwise escaped conscious recognition. The part which the crucial importance of a sense of immortality in leaders plays in avoiding an otherwise inevitable tragedy of that leader’s culture, in *Hamlet*, is an appropriate illustration of the point. The Classical humanist tradition in physical science, is rich in examples of this same principle.”

—Lyndon H. LaRouche, “Europe and the U.S.A Today,” *EIR*, Oct. 24, 2003

A masterwork is not too strong a word to identify *Achilles in Vietnam* by Dr. Jonathan Shay, who is neither a Classicist nor a literary writer, but a clinical psychiatrist at the Department of Veteran Affairs Outpatient Clinic in Boston, where he treats Vietnam combat veterans suffering from post-traumatic stress disorder (PTSD).

Dr. Shay draws the parallel between the experience of veterans of the Vietnam War, and that of Achilles in Homer’s *Iliad*. Just as the ancient poet composed an epic revealing how the personal tragedy of Achilles, stemmed from the failures of the generation of Hellenes, Dr. Shay demonstrates that the responsibility for the tragedy of Vietnam’s veterans must be shared by an entire generation of Americans. Moreover, Dr. Shay demonstrates that the only effective treatment for his patients is to apply the principles of ancient Greek tragedy because, as LaRouche writes, “it may bring to the surface

some of those important, deep, usually hidden assumptions and principles which had otherwise escaped conscious recognition.”

It is not sufficient to say this is a book for those interested in the plight of the Vietnam veteran, or the Classicist interested in a remarkable interpretation of Homer’s great work. Anyone who wishes to understand the greater tragedy of the “Baby-Boomer generation,” which should include every American citizen, should read this book. In light of a new American Vietnam War now taking place in Iraq, reading this book becomes urgent. Although *Achilles in Vietnam* was published in 1995, a full decade ago, it is still available.

Shay’s drawing of the parallel with Homer is a remarkable demonstration of the universal truth of the natural law embodied in a work that is nearly 3,000 years old.

Dr. Shay did not approach his subject as an academic Classicist, nor as a “professional” psychiatrist—which is the secret of his success. His approach had a “mission orientation,” which has now gone beyond the realm of “professionally” dealing with his patients. The mission was the treatment of Vietnam veterans suffering profound psychological and emotional wounds caused by a war so evil, it destroyed the very souls of its combatants. Dr. Shay found the professional term “post-traumatic stress disorder” (PTSD) to have severe limitations in healing his patients. Therefore, Shay reached out to the first of all Greek tragedies, the *Iliad*, as a guide for his therapy, which is every bit an act of love—or to use the more appropriate Greek word, *agapē*—as an act of an internist or specialist in internal medicine, endeavoring to cure his suffering patients. And it is perfectly lawful, that through this exercise, he has expanded his mission from the treatment of his patients, to the much broader undertaking of ensuring that this nation never allows such a tragedy to repeat itself.

### **Vietnam and Troy**

LaRouche has identified the paradigm shift of the 1960s, as key to the failings of the Baby-Boomer generation that now holds the reins of political and economic power of this nation. The United States underwent a shift from being a producer society, committed to creating a future for the next generation, to becoming a “rock-drug-sex counterculture,” living for the “here and now,” and thereby dooming future generations to a dark age. That paradigm shift followed the terror of the threat of thermonuclear destruction during the Cuban Missile Crisis, and the assassination of President John F. Kennedy. But these were only passing acts of terror compared to the escalating, non-stop terror the Vietnam War wreaked on this generation. Although only 10% of the Baby-Boomer generation was directly involved in that war, the entire generation shared in its demoralization, which has inevitably led to its immoral political behavior. Nowhere do its effects appear more dramatic and more poignant, than in the Vietnam combat veteran.

Although Shay does not refer to the paradigm shift nor identify those responsible, as such, he nonetheless identifies





*“Shay masterfully draws the parallel between the degeneration of the character of his patients as a result of their experience in the Vietnam War, with ‘the wrath of Achilles’ [shown in revenge-battle with Hector of Troy] of the Iliad.” His book “serves as a powerful warning of what this nation can expect when Iraq War veterans return to the United States.”*

in the plight of his patients the hand of a political and military leadership whose policies created one of the most evil wars of the 20th Century. Shay also identifies the singular limitations of PTSD as a diagnosis and prospective for treatment, because it normally refers to a reaction to a catastrophic experience. What afflicted the Vietnam veterans was far more profound, because it undermined the veterans’ very “character,” as Shay writes. And thus, the standard tools of psychiatry for dealing with disorders of the “character” or the soul—including anti-depressant medications, group therapy, etc.—were completely insufficient.

Hence, Shay reached out to the insights of Homer’s *Iliad*. He masterfully draws the parallel between the degeneration of the character of his patients as a result of their experience in the Vietnam War, with “the wrath of Achilles,” the central theme of the *Iliad*.

### **The Iliad**

To fully appreciate Shay’s work, one should read the *Iliad*. Here we present a brief outline. Homer begins his epic poem in the tenth year of a war, which began as the fulfillment of an oath of honor by all of Greece to protect and restore the marriage of the beautiful Helen, to Sparta’s King Menelaus; the task of upholding the oath fell on Menelaus’ brother Agamemnon, commander of the Greek armies, after Helen had been abducted by Prince Paris of Troy (“Ilium,” whence the name of the poem). But, through the folly of mortal men and immortal gods, it has become a brutal conflict that has dragged

on for too many years. The Greek force is suffering greatly from a plague cast upon it by Apollo.

The story is set by a dispute between Agamemnon, the all-powerful “king of men” and leader of the Achaean host, and Achilles, one of the great captains of the Greek host. A Greek soothsayer revealed that Apollo sent the plague, having been beseeched by one of his local priests whose daughter had been carried off as a prize for Agamemnon, whose army had sacked the priest’s village. Agamemnon, at first, refused the priest’s blandishments to return the girl, but finally did so to end the plague sent by Apollo in his attribute as the “Mouse God,” as Homer calls him. Agamemnon, having released his prize girl, then demands that Achilles compensate him by handing over the prize girl Achilles had gotten. After a bitter argument, Achilles does so, and, with this irreparable insult to his honor, stomps off, withdrawing himself and his forces.

Pouting in his camp with his men, “the god-like Achilles” (as Homer calls him) nurses his hurt pride, the infamous “wrath of Achilles.” His wrath systematically leads to his moral degeneration: Achilles beseeches his mother, the goddess Thetis, to ask her father Zeus to avenge the affront to Achilles’ honor, to which Zeus obliges, decreeing that the Achaeans will never achieve victory over Troy unless Achilles returns to the battle. For destiny has it that only Achilles can kill Troy’s “manslaying” Prince Hector. So, it comes down to Achilles’ choice: Withdraw from battle and return home, to live out his life to old age and historical oblivion, while leaving the Greek forces to bitter defeat and destruction;

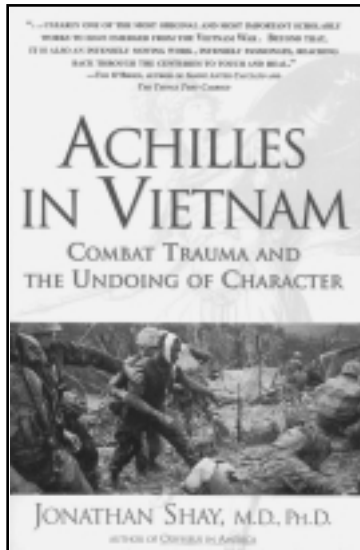
or, win victory, with the knowledge that although he will die on the battlefields of Troy, he will bring the cruel war to a close and achieve an immortality no god could have, the immortality before the tribunal of history.

His descent into immorality is fueled by a rageful satisfaction at seeing his comrades lose battle after battle, as the fickle gods intervene, each for his own side, dispensing with living human beings like so many chess pieces. But, then his beloved friend Patroclus, seeing the Greek host on the verge of defeat at the hands of the all-powerful Hector, dons Achilles' armor, which rallies and remoralizes the Greek forces; Patroclus drives the Trojans back almost to the city walls, only to be cut down at the last minute by the mighty Hector.

Achilles' unfathomable remorse over Patroclus' death further stokes his rage. He decides to enter the battle, not to end the war, not to achieve a true immortality of a peacemaker, but to seek a revenge that nothing can quench but his own death.

#### Four Millennia Later

Almost four millennia later, Shay sees Achilles' affliction in his own patients. Many of Shay's patients' trauma follows a common pattern. Unlike the draft-dodgers, many of these GIs believed the propaganda about the war and volunteered out of the sense of duty to their nation. Many were from deeply religious backgrounds, with common-sense notions of right and wrong; almost none of them joined the military with psychological proclivities to become highly capable killers. A large number feel deep remorse that they had this cold-blooded capability, so at odds with their civilian upbringing; while others are unable to come to terms with it. For them all, it has shattered their lives. As with Achilles, they found themselves in the midst of an unjust war, which transformed, or deformed, their lives beyond their most horrible nightmares; and as with Achilles, they experienced the sense of thorough betrayal—not a simple, personal betrayal, but a betrayal of their trust, a betrayal of their moral sense of right and wrong. A betrayal not by the enemy, but by their own commanders and the political leadership of the United States, who dispensed with the lives of human beings with the nonchalance of the gods of Olympus. The betrayal of these men was coupled with the task of merely surviving in a horrific



war. Like Achilles, they too capitulated morally to the situation.

For the North Vietnamese and Viet Cong, it was a war of liberation against an immensely powerful enemy, who could only be defeated through “asymmetrical warfare,” using tactics that American GIs often referred to as “mind-fucking.” Thus, the Vietnamese perfected the booby trap or ambush to a science, which drove their enemy to madness. This madness, in turn, not only led to the deaths of many Americans, as their capability to think was relentlessly undermined by the uncertainty of knowing when, where, and how to expect the next attack; but for those who learned how to survive, the madness stalks them to this day. For, the path open to them was a deadly sharpening of their tactical response, which inevitably led to their being instruments in a policy of genocide and mass murder. Their Vietnamese enemy was dehumanized and reduced to “Commie bastards” or “yellow vermin,” who deserved death, whether they were North Vietnamese Army regulars, Viet Cong guerrillas, or the old men, women, or children in so many South Vietnamese villages. The Vietnam veteran was left with a madness so compelling, so seemingly beyond his control, that he seemed to be cursed by a Greek god, as in the tragedies of Aeschylus, Sophocles, or Euripides—of the capricious gods in Homer's epics.

This is the important difference with the *Iliad*. For Homer makes no moral distinction between a Greek and a Trojan soldier: Whenever any one of these dies, Greek or Trojan, Homer composes a personal biography of the fallen man, sometimes in two lines, sometimes in a hundred. The poet will identify the mourning father, the grief-stricken widow, her fatherless children, as the poet incarnates the enormity of the whole war's tragedy in the death of each individual, whose personal tragedy is a microcosm of the great tragedy.

Shay also identifies, in this narrative of the combat veteran, that there is a Patroclus: the soldier's “buddy,” his comrade-in-arms, his companion in the fight for survival both physically and morally. It is when this buddy, this true soul-mate, is killed, often through a devilish ambush or booby trap, that the veteran “snaps” and goes into what Shay describes as the “berserk state.” In this state, the soldier seeks deadly revenge, and through that revenge, his own death. He no longer wishes to return alive from this war.

But for the soldier who physically survived, the sense of an inner death remains, and here Shay has used the lesson of the tragedy. Achilles, too, went into his “berserk state” after the death of his beloved Patroclus, in which he took to the battlefield and inflicted merciless, brutal, and bloody revenge on anyone who crossed his path. For Achilles, slaying the mighty Hector, the act that would seal the fate of Troy, was not enough. He had to take his revenge even on Hector's bloody corpse, chaining it to his chariot and dragging it around Patroclus' funeral pyre, before leaving the unrecognizable remains for the dogs. This rage, meant to inflict the worst

dishonor on Hector—and on all of Troy—did its worst damage to the very soul of Achilles, shocking even the Greek forces, who are unable to gloat over the death of their worst enemy. Even the gods become sickened, and choose to answer the pleas of Hector’s father, King Priam, whom they protect, when he goes to Achilles to retrieve Hector’s corpse. Only Priam’s pleas break through Achilles’ madness, so both may give honor to their loved ones who died on the field of battle. Thus Homer ends the *Iliad*, with the funerals of Patroclus and Hector.

## Living Death

Unlike Achilles, who will eventually die on the battlefield, the Vietnam veteran lives. He lives on the borderline between terror and death.

Shay sees his task, and the task of this nation, as to rebuild the veterans’ “character,” to bring their very souls, back into their hearts, and in the process reform our nation, which bears the responsibility. He calls for an American “equivalent to Athenian tragedy”: “We must create our own new models of healing which emphasize communalization of the trauma. Combat veterans and American citizenry should meet together face to face in daylight, and listen, and watch, and weep, just as citizen-soldiers of ancient Athens did in the theater at the foot of the Acropolis. We need a modern equivalent of Athenian tragedy. Tragedy brings us to prefer attachment to fragile mortals whom we love, like Odysseus returning from war to his aging wife, Penelope, and to refuse promised immortality (*Odyssey* 5:209).”

I would add that the question of “healing” must, above all, deal with the question of true immortality which is central to Homer’s *Iliad* and *Odyssey*. It is also central to the question for a nation that must send young men to war, where they are asked, if necessary, to sacrifice their lives without sacrificing their souls. Homer always forces his reader to ask himself: What is immortality? Is it everlasting life as we see these gods on Mount Olympus, who seem to spend their eternal existence on rivalries among themselves, often at the expense of the human race? Or, is there another, far more potent form of immortality, that only man, who unlike the gods, will die, can achieve? For man can freely choose to dedicate his life and, if necessary, his death, for something more precious than life itself.

Achilles is a half-god, whose mother, the goddess Thetis, is obsessed by the fact that her mortal son must die. In different accounts of the legend, she tries to make the infant Achilles immortal by immersing him in the River Styx in infancy, or holding him over a fire of immortality; but she misses the spot at the base of his heel, where she is holding him; this is the famous Achilles’ tendon where Paris aimed his deadly arrow. Thetis would rather see Achilles return to Greece and die a ripe old age, “a burden to the earth,” as Achilles would put it, than have him die a young man, on the battlefields of Troy.

But what is this immortality, that is worth more than life

itself? Is it the narrowly defined sense of “honor,” as Achilles defines it, by refusing to fight because Agamemnon had blemished his honor? It is not enough to die the glorious warrior—as did Hector, who leads the Trojan host, knowing full well that the war is lost, because his only purpose is to defend an unjust act by his brother Paris. And it certainly is not for revenge, as Homer has Achilles fail in this effort, as he re-enters the battle to avenge Patroclus. Homer, being the first of the great Greek poets, never answers that question directly, but his great epic forces his reader to ponder that most profound of questions.

The tragedy does not lie with Achilles, or Hector, but with the doomed civilization for which they lived and died. As we know from the *Odyssey*, the Greeks defeated Troy, but there was no Treaty of Westphalia, no peace on the principle of the “advantage of the other.” Following their victory, the Greeks completely destroyed the city of Troy, killing all the men, and driving the women and children into slavery. The triumphant Greeks returned to their homes, only to see Greek civilization collapse within one generation of their victory. And here is the true tragedy.

Homer wrote his great epic in the midst of a dark age which, he and his contemporaries knew, began after the “victory” of the Hellenes over Troy. Therefore, through his poem, he hoped to foster a new renaissance—one that would eventually give birth to the great law-giver Solon, the tragedian Aeschylus, and the philosophers Socrates and Plato.

Readers may find shortcomings, mistakes, and even what they might consider fundamental flaws in Dr. Shay’s book. They might question his understanding of Homer, or wish that Shay were more politically outspoken about those responsible for this war. Nonetheless, at a time when the Bush Administration’s unjust war in Iraq has managed to do more evil in a few months, than it took three Presidents years to accomplish in Vietnam, Shay’s book is a “must read.” *Achilles in Vietnam* serves as a powerful warning of what this nation can expect when Iraq War veterans return to the United States.

Dr. Shay has written a sequel to *Achilles in Vietnam*, appropriately entitled *Odysseus in America: Combat Trauma and the Trials of Homecoming* (New York: Scribner, 2003) where he compares Odysseus’ struggle to return home with that of the Vietnam combat veteran. This author is preparing a review of that work, as well.

WEEKLY INTERNET  
AUDIO TALK SHOW  
**The LaRouche Show**  
EVERY SATURDAY  
3:00-4:00 p.m. Eastern Time  
<http://www.larouchepub.com/radio>

## House Passes Medical Liability Reform

On May 12, the House voted 229 to 197 to place limits on certain kinds of damages arising out of medical malpractice lawsuits. The Help Efficient Accessible, Low-cost, Timely Healthcare (HEALTH) Act of 2004 would also place strict limits on how much time a plaintiff has to file a suit, and establish very high standards for the payment of punitive damages. The bill also includes what House Judiciary Committee chairman James Sensenbrenner (R-Wisc.) described as "reasonable" limits on non-quantifiable damages, and on the contingency fees lawyers can charge. Sensenbrenner said that the bill is modeled after reforms enacted in California in 1975, and added that the Congressional Budget Office has concluded that, under the bill, health insurance premiums would be 25-35% lower than they are now.

Democrats, however, did not buy into the GOP's notions of how to solve the malpractice liability crisis. Rep. John Conyers (Mich.), the ranking Democrat on the Judiciary Committee, noted that the bill overrides the law in every state in the country, when it caps damages, lawyers' fees, and other things. Conyers said that the bill, "instead of helping Americans that seek health-care remedies and remedies for bad medical practice and to help the medical profession, itself," the bill actually will enrich insurance companies, HMOs, pharmaceutical companies, and manufacturers of medical products. "In other words," he said, "all the bad, unpleasant, negative parts of our health-care system are being protected."

Rep. Sherrod Brown (D-Ohio) was even stronger in his denunciation of the bill. He accused the Republicans of laying the blame for the medical liability crisis on the victims of

medical malpractice. "The bill does not have one provision acknowledging the insurance industry's accountability for skyrocketing premiums," he said. He charged that the insurance industry has been trying to recoup its losses in the stock market over the past ten years, on the backs of medical providers. He further charged that the Republicans have refused to even talk about reforms to make the insurance industry more accountable. "In this bill," he said, "businesses are never at fault, patients are greedy, the U.S. Congress knows better than a jury of your peers in your community, and state laws are cast aside without a second thought."

## Dorgan, Waxman Target Iraq Oversight Contracts

Senators Byron Dorgan (D-N.D.), and Ron Wyden (D-Ore.) and Reps. Henry Waxman (D-Calif.) and John Dingell (D-Mich.) sent a letter to Secretary of Defense Donald Rumsfeld, blasting the practice of outsourcing oversight of reconstruction contracts in Iraq to other companies. In the May 18 letter, they wrote, "These contractors are being asked to carry out essential government oversight functions, including defining and prioritizing project requirements and actually overseeing the work of construction contractors." They noted that the seven contractors involved, have business relationships with the companies they are supposed to be overseeing. These oversight contracts also provide for award fees to the oversight contractors based in part on the assessment of the performance of the construction contractors they are charged with overseeing. "This creates a financial incentive for the oversight contractor to give high marks to the work of the construction

contractors," they charge.

Speaking to reporters, Dorgan announced that he and Wyden would be offering an amendment to the Fiscal 2005 defense authorization bill "to void these contracts and say that it is the Pentagon's responsibility, the government's responsibility to oversee these contracts." He added that "we know there's already evidence of fraud and abuse. It ought to require us to tighten" oversight, "not loosen it. It ought to require us to be very vigilant at oversight, not ask private companies that have fundamental conflicts of interest to do oversight. . . . It's the responsibility of government." The amendment Dorgan and Wyden plan to introduce would require the Defense Department to terminate all seven contracts, worth \$129 million, beef up contractor oversight, and make sure there are no more such contracts.

## House Panel Votes To Delay Base Closings

The House Armed Services Committee on May 13, reported out its version of the Fiscal 2005 defense authorization bill, with a number of provisions that run counter to Bush Administration policy. The most significant of these is a provision delaying the 2005 commission on military base closings. In its summary of the bill, the committee stated that because of the stress on the military services due to current operations and the planned realignment of U.S. forces in Asia and Europe, "more time is needed before making irreversible decisions to close or realign military installations."

The bill would suspend the base closing process until the DoD submits mandated reports to Congress on its plans to change basing locations and rotational policies overseas, infra-

structure requirements related to military transformation, and anticipated infrastructure needs to support surge requirements for future conflicts. The Senate bill, reported out a week earlier, includes no such provision, and there is doubt as to whether it will survive the conference committee. Sen. Susan Collins (R-Me.), who supports delaying the base closing process, said in a statement, "I believe it faces an uphill battle in the Senate." She added that the current process is flawed and that "now is not the time to close and reorganize our military bases when the country is in the midst of a war and our future infrastructure needs are unclear."

The bill also includes provisions increasing the end strengths of the Army and the Marine Corps by 30,000 and 9,000, respectively, over the next three years; funding to support the Air Force's plan to lease and buy Boeing air refueling tankers; and funding to support the production of up-armored humvees at a rate of 450 per month. The House also added a provision instructing the Pentagon on how to spend the \$25 billion in supplemental spending it is asking for the war in Iraq, rather than giving the DoD the blank check it demanded.

## **D**emocrats Announce Health Insurance Plan

Senate Democrats, not to be left out of the debate on expanding access to health insurance, announced their own plans on May 12. Minority Leader Tom Daschle (S.D.) charged that the Republican plan, announced just the day before, recycles old programs, including medical liability reform, that do little to reduce the number of uninsured, which, he said, has been increasing at a rate of almost 100,000

per month since President Bush took office in January 2001. He claimed that the Democrats' plan "is guaranteed to reduce costs and expand access."

A portion of the Democrats' plan was introduced, legislatively, the next day by Sen. Bob Graham (Fla.) in the form of a bill to fully fund and expand the State Children's Health Insurance Plan. Graham said that his bill "would allow states to expand health coverage under the SCHIP program to all uninsured children, regardless of their family income." The full funding in the bill would "assure the long-term stability" of the SCHIP program, by reversing the \$1 billion per year decline in Federal funding of each of the last two years. He called it "the first step" to achieving full coverage.

Besides expanding SCHIP, Daschle said that simply making existing programs work better is one of the "fastest and easiest ways" to address the problem of the uninsured. These include allowing all veterans access to Veterans Administration health care, extending the military TRICARE program to members of the National Guard and Reserves, among others. "We have programs in place," he said, "that, if they were working properly, would dramatically address this issue of the uninsured and quality of care in this country."

## **I**mpasse Broken on Judicial Nominations

Senate Democrats and Republicans announced a truce in their sometimes bitter partisan war over judicial nominations on May 18, after a meeting at the White House with White House Chief of Staff Andrew Card, Senate Majority Leader Bill Frist (R-Tenn.), and Senate Minority Leader Tom

Daschle (D-S.D.). Daschle promised to stop blocking judicial nominations in return for a promise from Card, that President Bush would refrain from making any more recess appointments of judges during the remainder of the 108th Congress. Daschle's commitment is to move, by the July 4th recess, 25 nominations that have been on the calendar but blocked. That agreement does not extend to seven other nominations the Democrats consider controversial and have already been subject to cloture votes, however. Daschle told reporters after the meeting, that the Democrats' position on those nominations "has not changed, and will not."

Frist called the agreement fair and balanced. "We've worked on it for days, and both sides are satisfied," he said. He also noted that the Bush Administration "made that decision that they, at this juncture, have no plans to use that constitutional opportunity and right, and therefore are willing to put it on the table in order to have 25 judges" that would otherwise be blocked.

Daschle noted that the blocking of nominations came after the White House had made two recess appointments of controversial nominees who were being blocked in the Senate. "The first time was bad enough," Daschle said, "but to do it a second time—we had no choice but to warn the White House that that would virtually terminate any real prospects for consideration of additional nominees." Sen. Patrick Leahy (D-Vt.) said on the Senate floor that "it was the White House's refusal to reach a reasonable accommodation of the concerns of many Senators about the unilateral approach of the President regarding his recess appointments to the Federal courts that complicated our efforts to reach agreement regarding votes on less controversial nominees."

# *Investigate New Synarchist Terror Threat*

According to reports monitored in the international media, former Spanish Prime Minister José María Aznar took the occasion of a mid-May visit to the United States, to warn of a new terrorist attack against the United States, in which the terrorists would “make their presence felt in the U.S. elections, just as they did in Spain.” “The terrorists will do all they can to disrupt the elections in the USA,” Aznar said, according to the Spanish newspaper *El Pais*. Some sources indicated that Aznar expected the attack to come by mid-June.

Such a prediction, which echoes that made by Vice-President Dick Cheney in August 2003, demands that the U.S. Congress immediately launch an investigation into what is behind Aznar’s warning. Given Aznar’s pedigree, coming from the Spanish party made up of “former” Franquista elements, it is urgent that he himself be put on the line to back up his statements. What does he know? Where did he learn it? There is a clear danger that he is acting as part of a synarchist operation, which seeks to carry out, in the words of Lyndon LaRouche, “a Hermann Göring-style stunt to fix the elections.”

Aznar received an extraordinary reception in the United States, where he was stumping in favor of continuing the perpetual war which the Cheney forces began in Iraq. After receiving the Global Citizens Medal from Chapman University in California, the former Prime Minister travelled to Washington, D.C., where he had private meetings with Donald Rumsfeld, President Bush, Vice-President Cheney, and Condi Rice. What transpired in these discussions, highly unusual occurrences given that Aznar no longer has an official position, is not known.

But the other aspect of Aznar’s oddly definitive threat, is its coherence with the typically synarchist left-right operation that’s now being stirred up around Cuba and Venezuela, among other places in Ibero-America.

In a statement issued May 19 to governments throughout the Americas, Democratic Presidential

candidate Lyndon LaRouche warned that this left-right synarchist activation, could be coordinated with a plan to launch some kind of a terrorist operation of Spanish-speaking characteristics in the U.S. Such an operation would go along with the Samuel Huntington thesis, which calls for anti-Hispanic conflict in the United States, and a related border crisis with Mexico.

Cheney and company would be manipulating the “right” side, and Cuba’s Fidel Castro and Venezuela’s Hugo Chavez would be manipulating the “left,” LaRouche said. Both sides have agreed to make Cuba a hot spot, to try to polarize the continent—a surefire recipe for violence.

Over the last year, LaRouche has already exposed the synarchist forces behind Cheney, as the instigators of the Iraq War, and warned of the regroupment of the international synarchist terror movement, particularly among the Spanish-speaking right-wing crowd, from which Aznar comes. These synarchist forces, some of which are in the Administration, such as Generals Boykin and Miller, and some of which are outside, represent the key threat to the United States,

In seeking to prevent a new terror outbreak, LaRouche issued the following warning:

“Our warning is that governments should not allow themselves to be taken into manipulation by right-left provocations, orchestrated in part from Cheney’s crowd, as well as the Spain-pivoted synarchist mob deploying throughout the Americas at this time, which I have warned about repeatedly since August 2002.

“These are the same people. Therefore this security question, this security threat to the U.S. and to other nations, must be understood, and action on this must proceed now. We must not pussy-foot around this. These elements are a potential threat to the U.S. and other nations; these elements must be exposed now, and, by exposing them, neutralize them.”

Meanwhile, the U.S. Congress should launch its own investigation. Haven’t our institutions been lied to enough? Isn’t it time we got to the bottom of such de facto threats from the likes of Cheney and Aznar?

# SEE LAROUCHE ON CABLE TV

## INTERNET

• ACCESSPHOENIX.ORG  
Click on *Live Webcast*  
Fridays—6 pm  
(Pacific Time only)  
• BROOKLYNX.ORG/BCAT  
Click on *BCAT Live Stream for Ch. 34/67*  
Tue: 12 Noon & 8 pm  
(Eastern Time only)  
• MNN.ORG  
Click on *Watch Ch.34*  
Alt. Sundays—9 am  
(Eastern Time only)

## ARIZONA

• PHOENIX—Ch.98  
Fridays—6 pm  
• PHOENIX VALLEY  
Quest Ch.24  
Fridays—6 pm

## CALIFORNIA

• BEVERLY HILLS  
Adelphia Ch. 37  
Thursdays—4:30 pm  
• BREA—Ch. 17  
Mon-Fri: 9 am-4 pm  
• BUENA PARK  
Adelphia Ch. 55  
Tuesdays—6:30 pm  
• CARLSBAD  
Adelphia Ch.3  
1st/3rd Wed: 10 pm  
• CLAYTON/CONCORD  
AT&T-Comcast Ch.25  
2nd Fri.—9 pm  
Astound Ch.31  
Tuesdays—7:30 pm  
• CONTRA COSTA  
AT&T Ch.26  
2nd Fri.—9 pm  
• COSTAMESA Ch.61  
Wednesdays—10 pm  
• CULVER CITY  
MediaOne Ch.43  
Wednesdays—7 pm  
• E.LOS ANGELES  
Adelphia Ch. 6  
Mondays—2:30 pm  
• FULLERTON  
Adelphia Ch.65  
Tuesdays—6:30 pm  
• HOLLYWOOD  
Comcast—Ch.43  
Tuesdays—4 pm  
• LANCA/PALM  
Adelphia Ch.16  
Sundays—9 pm  
• LAVERNE—Ch.3  
2nd Mondays—8 pm  
• LONG BEACH  
Analog Ch.65  
Digital Ch.69  
CableReady Ch.95  
Alt. Fridays—1:30 pm  
• MARINA DEL REY  
Adelphia Ch.3  
Thursdays—4:30 pm  
MediaOne Ch.43  
Wednesdays—7 pm  
• MID-WILSHIRE  
MediaOne Ch.43  
Wednesdays—7 pm  
• MODESTO—Ch.2  
Thursdays—3 pm  
• OXNARD  
Adelphia Ch.19  
Americast Ch.8  
Tuesdays—7 pm  
• PLACENTIA  
Adelphia Ch.65  
Tuesdays—6:30 pm

• SANDIEGO Ch.19  
Wednesdays—6 pm  
• SANTA ANA  
Adelphia Ch.53  
Tuesdays—6:30 pm  
• STA.CLAR.VLY.  
T/W & AT&T Ch.20  
Fridays—1:30 pm  
• SANTA MONICA  
Adelphia Ch. 77  
Thursdays—4:30 pm  
• T.JUNGA—Ch.19  
Mondays—8 pm  
• VENICE—Ch.43  
Wednesdays—7 pm

• VENTURA—Ch.6  
Adelphia/Avenue  
Mon & Fri—10 am  
• WALNUT CREEK  
AT&T Ch.6  
2nd Fridays—9 pm  
Astound Ch.31  
Tuesdays—7:30 pm

• WHOLLYWOOD  
Adelphia Ch.2  
Thursdays—4:30 pm  
• W.SAN FDO.VLY.  
Time Warner Ch.34  
Wed.—6:30 pm

**CONNECTICUT**  
• GROTON—Ch.12  
Mondays—5 pm  
• MANCHESTER Ch.15  
Mondays—10 pm  
• MIDDLETOWN—Ch.3  
Thursdays—6 pm  
• NEW HAVEN—Ch.29  
Sundays—5 pm  
Wednesdays—7 pm  
• NEWTOWN/NEW MIL.  
Cablevision Ch.21  
Mondays—9:30 pm  
Thursdays—11:30 pm

**ILLINOIS**  
• QUAD CITIES  
MediaCom Ch.19  
Thursdays—11 pm  
• PEORIA COUNTY  
Insight Ch.22  
Sundays—7:30 pm  
• SPRINGFIELD Ch.4  
Mon-Fri: 5-9 pm  
Sat-Sun: 1-5 pm

**INDIANA**  
• BLOOMINGTON  
Insight Ch.3  
Tuesdays—8 pm  
• DELAWARE COUNTY  
Comcast Ch.42  
Mondays—11 pm  
• GARY  
AT&T Ch.21  
Monday-Thursdays  
8 am - 12 Noon

**KENTUCKY**  
• BOONE/KENTON  
Insight Ch.21  
Mon: 4 pm; Sat: 5 pm  
• JEFFERSON Ch.98  
Fridays—2 pm

**LOUISIANA**  
• ORLEANS PARISH  
Cox Ch.78  
Tuesdays & Saturdays  
4 am & 4 pm

**MARYLAND**  
• ANNE ARUNDEL  
Annapolis Ch.20  
Millennium Ch.99  
Sat & Sun: 12:30 am

All programs are *The LaRouche Connection* unless otherwise noted. (\*) Call station for times.

• MONTGOMERY Ch.19  
Fridays—7 pm  
• P.G.COUNTY Ch.76  
Mondays—10:30 pm

**MASSACHUSETTS**  
• BRAintree  
AT&T Ch.31  
BELD Ch.16  
Tuesdays—8 pm  
• CAMBRIDGE  
MediaOne Ch.10  
Mondays—4 pm  
• WORCESTER—Ch.13  
Tue—8:30 pm

**MICHIGAN**  
• CALHOON  
ATT Ch.11  
Mondays—4 pm  
• CANTON TWP.  
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  
• GRAND RAPIDS  
AT&T Ch.25  
Fridays—1:30 pm  
• KALAMAZOO  
Thu: 11 pm (Ch.20)  
Sat: 10 pm (Ch.22)  
• KENT COUNTY  
Charter Ch.7  
Tue—12 Noon,  
7:30 pm, 11 pm  
• LAKE ORION  
Comcast Ch.65  
Mondays & Tuesdays  
2 pm & 9 pm

• LIVONIA  
BrightHouse Ch.12  
Thursdays—4:30 pm  
• MT.PLEASANT  
Charter Ch. 3  
Tuesdays—5:30 pm  
Wednesdays—7 am  
• PLYMOUTH  
Comcast Ch.18  
*Zajak Presents*  
Mondays: 6-8 pm

• SHELBY TWP.  
Comcast Ch.20  
WOW Ch.18  
Mon/Wed: 6:30 pm  
• WAYNE COUNTY  
Comcast Ch.68  
Unscheduled pop-ins  
• WYOMING  
AT&T Ch 25  
Wednesdays—10 am

**MINNESOTA**  
• ANOKA  
Comcast Ch.15  
Thu: 3 pm & 9 pm  
• BURNSVILLE/EGAN  
ATT Ch.14,57,96  
Tuesdays—5:30 pm  
Saturdays—9 pm  
Sundays—10 pm  
• CAMBRIDGE  
US Cable Ch.10  
Wednesdays—2 pm

• COLD SPRING  
US Cable Ch.10  
Wednesdays—5 pm  
• COLUMBIA HTS.  
MediaOne Ch.15  
Wednesdays—8 pm  
• DULUTH—Ch.20  
Mondays—9 pm  
Wednesdays—12 pm  
Fridays 1 pm  
• FRIDLEY—Ch.5  
Thursdays—5:30 pm  
Saturdays—8:30 pm  
• MINNEAPOLIS  
PARAGON Ch.67  
Saturdays—7 pm  
• NEW ULM—Ch.14  
Fridays—5 pm  
• PROCTOR/  
HERMANTOWN—Ch.12  
Tue: 8:30 pm, 11 pm

• ST.CLOUD AREA  
Charter Ch.10  
Astound Ch.12  
Thursdays—8 pm  
• ST.CROIX VLY.  
Valley Access Ch.14  
Thursdays: 4 & 10 pm  
Fridays—8 am  
• 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  
• ST.PAUL (S&W burbs)  
AT&T-Comcast Ch.15  
Tue & Fri: -8 pm  
Wednesdays—10:30 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  
Wednesdays—10 pm

**NEVADA**  
• CARSON—Ch.10  
Wednesdays—7 pm  
Saturdays—3 pm  
• RENO/SPARKS  
Charter Ch.16  
Wednesdays—9 pm

**NEW JERSEY**  
• MERCER COUNTY  
Comcast\*  
TRENTON Ch.81  
WINDSOR Ch.27

• MONTVALE/MAHWAH  
Time Warner Ch.27  
Wednesdays—4 pm  
• NORTHERN NJ  
Comcast Ch.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  
• LOS ALAMOS  
Comcast Ch.8  
Mondays—10 pm  
• SANTA FE  
Comcast—Ch.8  
Saturdays—6:30 pm  
• TAOS—Ch.2  
Thursdays—7 pm

**NEW YORK**  
• AMSTERDAM  
Time Warner Ch.16  
Wednesdays—7 pm  
• BRONX  
Cablevision Ch.70  
Fridays—4:30 pm  
• BROOKLYN  
T/W Ch.34  
Cablevision Ch.67  
Tue: 12 Noon & 8 pm  
• BUFFALO  
Adelphia Ch.20  
Thursdays—4 pm  
Saturdays—1 pm  
• CHEMUNG/STEBEN  
Time Warner Ch.1  
Mon & Fri: 4:30 pm  
• ERIE COUNTY  
Adelphia Intl. Ch.20  
Thursdays—6:30 pm  
• ILION—Ch.10  
Mon & Wed—11 am  
Saturdays— 11:30 am  
• IRONDEQUOIT Ch.15  
Mondays—7:30 pm  
Thursdays—7 pm  
• JEFFERSON/LEWIS  
Unscheduled pop-ins  
• MANHATTAN—MNN  
T/W Ch.34; RCN Ch.109  
Alt. Sundays—9 am  
• NIAGARA COUNTY  
Adelphia Ch.20  
Thursdays—10:35 pm  
• ONEIDA—Ch.10  
Thu: 8 or 9 pm  
• PENFIELD—Ch.15  
Penfield Comm. TV\*  
• QUEENS QPTV Ch.34  
Fridays—5 pm  
• QUEENSBURY Ch.71  
Thursdays—7 pm  
• RIVERHEAD Ch.70  
Thu—12 Midnight  
• ROCHESTER—Ch.15  
Mondays—3 pm  
Mondays—10 pm  
• ROCKLAND—Ch.71  
Mondays—6 pm  
• STATEN ISL.  
Time Warner Cable  
Thu—11 pm (Ch.35)  
Sat—8 am (Ch.34)

• TOMPKINS COUNTY  
Time Warner Ch.13  
Sun—1 pm & 9 pm  
Saturdays—9 pm  
• TRI-LAKES  
Adelphia Ch.2  
Cablevision Ch.71  
Sun: 7 am, 1 pm, 8 pm  
• WEBSTER—Ch.12  
Wednesdays—9 pm

**OHIO**  
• CUYAHOGA COUNTY  
Ch.21: Wed—3:30 pm  
• FRANKLIN COUNTY  
Ch.21: Sun—6 pm  
• LORAIN COUNTY  
Adelphia Ch.30  
Daily: 10 am; or  
12 Noon; or 2 pm;  
or 12 Midnight  
• OBERLIN—Ch.9  
Tuesdays—7 pm  
• REYNOLDSBURG  
Ch.6: Sun—6 pm

**OREGON**  
• LINN/BENTON  
AT&T Ch.99  
Tuesdays—1 pm  
• PORTLAND  
Tue—6 pm (Ch.22)  
Thu—3 pm (Ch.23)  
• SALEM—Ch.23  
Tuesdays—12 Noon  
Thursdays 8 pm  
Saturdays 10 am  
• SILVERTON  
Charter Ch.10  
Mon,Tue,Thu,Fri:  
Betw. 5 pm - 9 am  
• WASHINGTON  
Comcast Ch. 23  
Wed: 7 pm; Fri: 10 am  
Sun: 6 am; Mon: 11 pm

**RHODE ISLAND**  
• E.PROV.—Ch.18  
Thursdays—6:30 pm  
• STATEWIDE  
RI Interconnect  
Cox Ch.13  
Full Ch.49  
Tuesdays—10 am

**TEXAS**  
• AUSTIN Ch.10  
T/W & Grande  
Wednesdays—7 pm  
• DALLAS Ch.13-B  
Tuesdays—10:30 pm  
• EL PASO COUNTY  
Adelphia Ch.4  
Thursdays—8 pm  
Thursdays—11 am  
• HOUSTON  
Time Warner Ch.17  
Saturdays—9 am  
Mon, 12/29: 4 pm  
Wed, 12/31: 4 pm  
Tue, 1/6: 4 pm  
Wed, 1/14: 8 pm  
• KINGWOOD Ch.98  
Kingwood Cablevision  
Saturdays—9 am  
Mon, 12/29: 4 pm  
Wed, 12/31: 4 pm  
Tue, 1/6: 4 pm  
Wed, 1/14: 8 pm  
• RICHARDSON  
AT&T Ch.10-A  
Thursdays—6 pm

**UTAH**  
• E.MILLARD  
Precis Ch.10  
Tuesdays—5 pm  
• SEVERE/SAN PETE  
Precis Ch.10  
Sundays & Mondays  
6 pm & 9 pm

**VERMONT**  
• GREATER FALLS  
Adelphia Ch.8  
Tuesdays—1 pm

**VIRGINIA**  
• ALBERMARLE  
Adelphia Ch.13  
Fridays—3 pm  
• ARLINGTON  
ACT Ch.33  
Mondays—4 pm  
Tuesdays—9 am  
• BLACKSBURG  
WTOB Ch.2  
Mondays—6 pm  
• CHESTERFIELD  
Comcast Ch.6  
Tuesdays—5 pm  
• FAIRFAX—Ch.10  
Tuesdays—12 Noon  
Thursdays—7 pm  
• LOUDOUN  
Adelphia Ch. 23/24  
Thursdays—7 pm  
• ROANOKE—Ch.19  
Tuesdays—7 pm  
Thursdays—2 pm

**WASHINGTON**  
• KING COUNTY  
AT&T Ch.29/77  
Mondays—7 pm  
• KENNEWICK  
Charter Ch.12  
Mondays—12 Noon  
Thursdays—8:30 pm  
• PASCO  
Charter Ch.12  
Mondays—12 Noon  
Thursdays—8:30 pm  
• RICHLAND  
Charter Ch.12  
Mondays—12 Noon  
Thursdays—8:30 pm  
• SPOKANE—Ch.14  
Wednesdays—6 pm  
• WENATCHEE  
Charter Ch.98  
Thu: 10 am & 5 pm

**WISCONSIN**  
• MADISON—Ch.4  
Tuesdays—3 PM  
Wednesdays—12 Noon  
• MARATHON COUNTY  
Charter Ch.10  
Saturdays—9:30 pm  
Fridays—12 Noon  
• SUPERIOR  
Charter Ch.20  
Mondays—7:30 pm  
Wednesdays—11 pm  
Fridays 1 pm

If you would like to get  
The LaRouche Connection on your local  
cable TV system, please  
call Charles Nottley at 703-  
777-9451, Ext. 322. For  
more information, visit our  
Website at <http://www.larouchepub.com/tv>

# Electronic Intelligence Weekly

## EIW

An online almanac from the publishers of **EIR**

**\$360** per year Two-month trial, **\$60**

Call **1-888-347-3258** (toll-free)

**www.larouchepub.com/eiw**

I would like to subscribe to **Electronic Intelligence Weekly** for

1 year \$360  2 months \$60

I enclose \$ \_\_\_\_\_ check or money order

Please charge my  MasterCard  Visa

Card Number \_\_\_\_\_

Expiration Date \_\_\_\_\_

Signature \_\_\_\_\_

Name \_\_\_\_\_

Company \_\_\_\_\_

E-mail address \_\_\_\_\_

Phone ( \_\_\_\_\_ ) \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Make checks payable to

**EIR News Service Inc.**

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



# FIDELIO

Journal of Poetry, Science, and Statecraft

*Publisher of LaRouche's major theoretical writings*

Spring/Summer 2004

## *Religion and National Security: The Threat from Terrorist Cults*

Lyndon H. LaRouche, Jr.

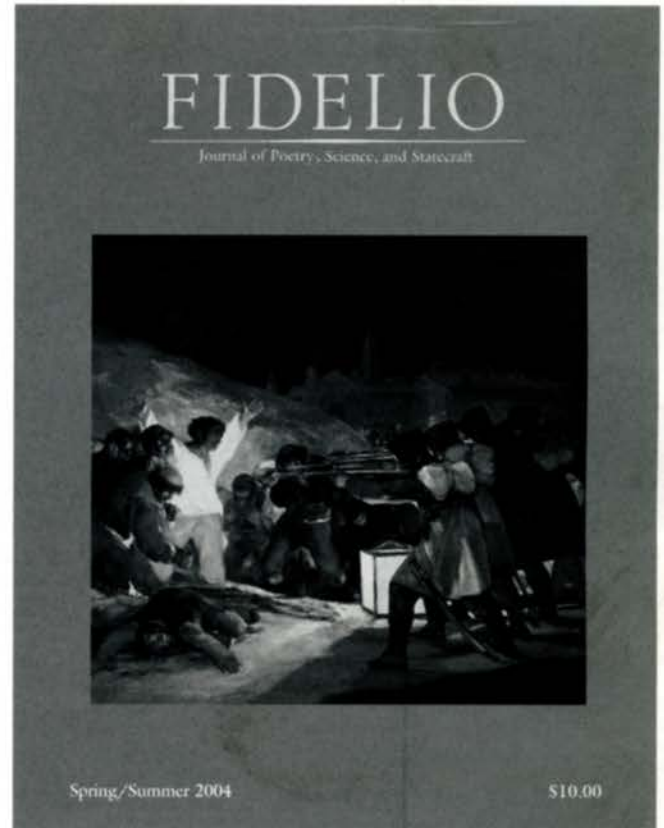
The Synarchist threat from the presently continuing Martinist tradition of the French Revolution period is, once again, a leading issue of the current time. This was, originally, the banker-backed terrorist cult used to direct that great internal, systemic threat of 1789-1815 to France, and to the world at that time. This same banker-cult symbiosis was behind Mussolini's dictatorship, behind Francisco Franco's dictatorship, and behind Adolf Hitler's role during 1923-45.

## *Spain's Carlos III and the American System*

William F. Wertz, Jr. and Cruz del Carmen Moreno de Cota

## *Clifford Odets' 'The Big Knife' and Trumanism*

Harley Schlanger, Robert Beltran



Sign me up for **FIDELIO** \$20 for 4 issues

NAME \_\_\_\_\_

ADDRESS \_\_\_\_\_

CITY \_\_\_\_\_ STATE \_\_\_\_\_ ZIP \_\_\_\_\_

TEL (day) \_\_\_\_\_ (eve) \_\_\_\_\_

Make checks or money orders payable to:

**Schiller Institute, Inc.**

Dept. E P.O. Box 20244 Washington, D.C. 20041-0244

[www.schillerinstitute.org](http://www.schillerinstitute.org)