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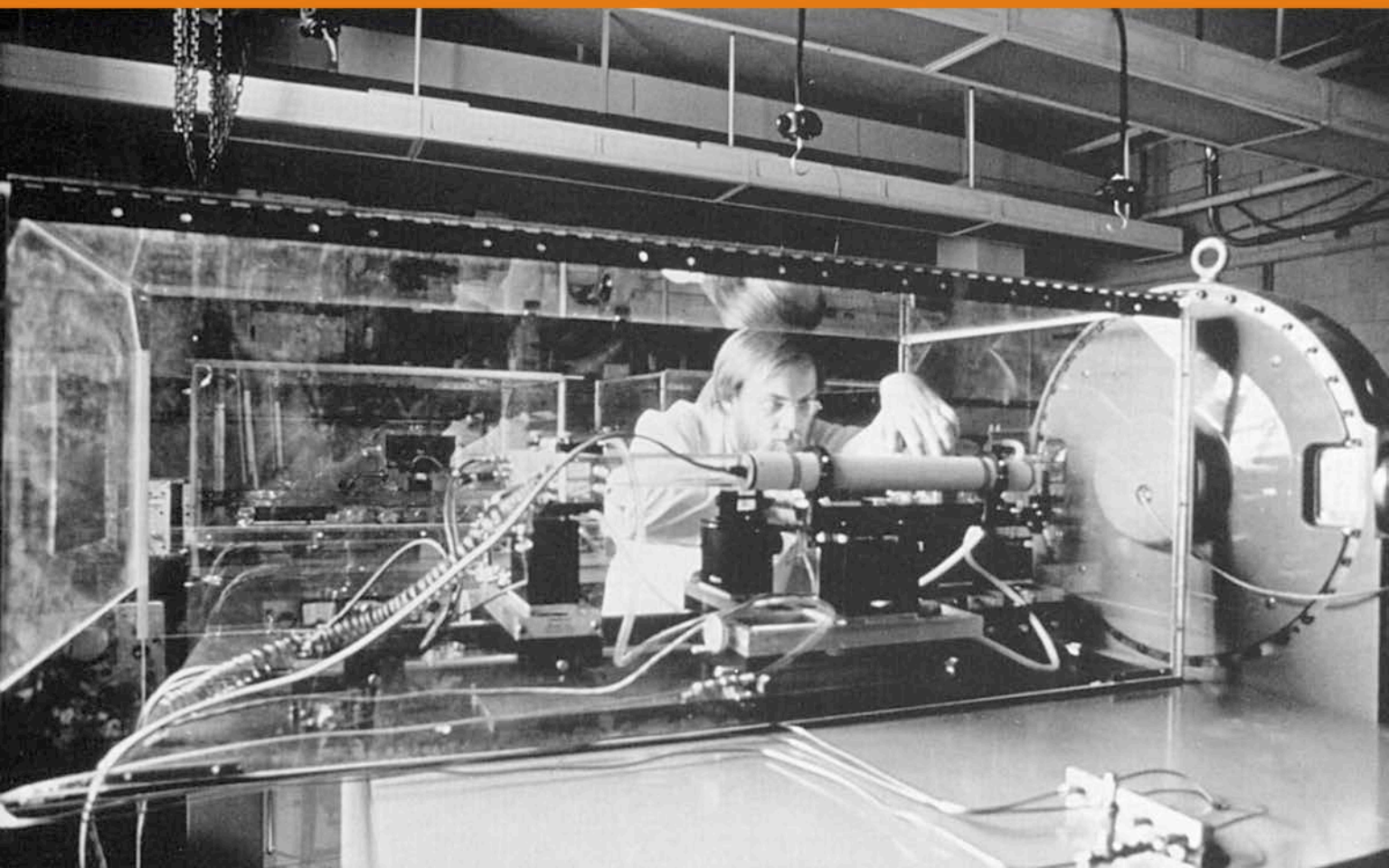
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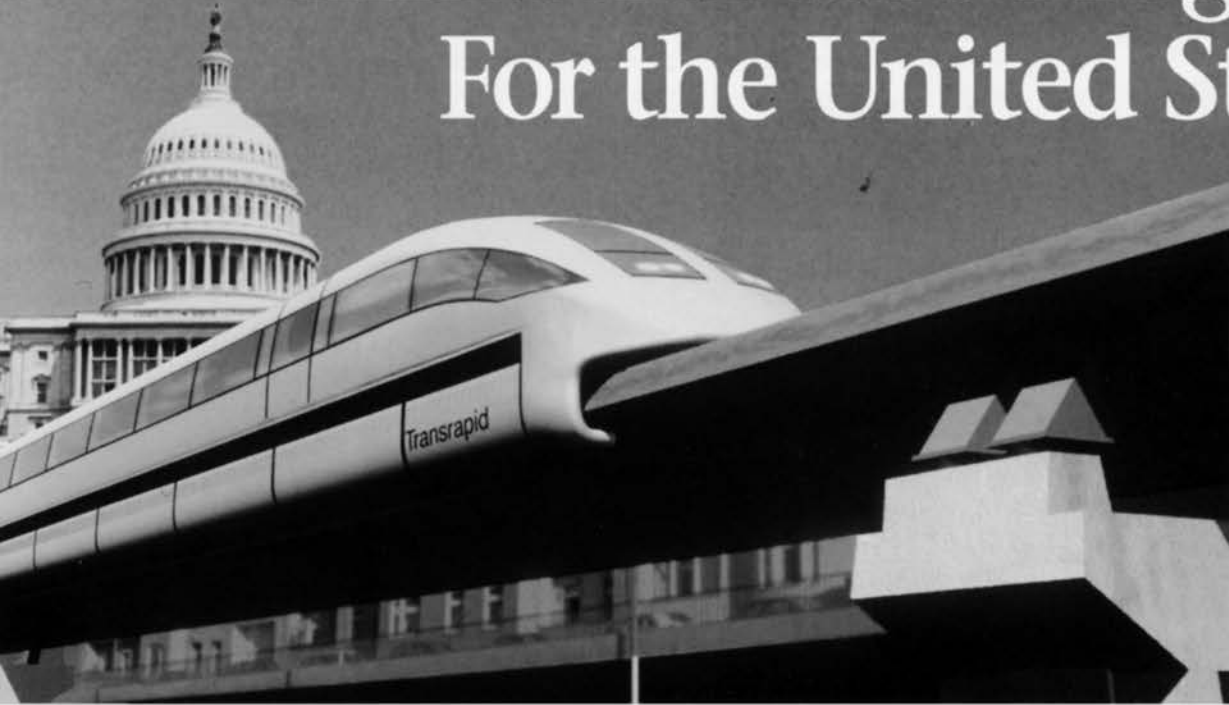
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LaRouche Intervenes To Save U.S. Industry

**Situating Health-Care Policy:
What Is Infrastructure?**



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e-mail: 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

Executive Directors: Anno Hellenbroich, Michael Liebig

In Montreal, Canada: 514-855-1699

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.

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From the Associate Editor

The world situation reminds me of the periods that followed the fall of the Berlin Wall in 1989, and the signing of the Israeli-Palestinian Oslo Accords in 1993: Certain positive developments have created the potential for a breakthrough toward peace and economic prosperity, but only if the opportunities are quickly seized. Specifically, as Lyndon LaRouche emphasized on both occasions, concrete actions toward the development of the physical economy of the relevant nations must be taken swiftly: “The bulldozers must begin moving earth.” In both those earlier conjunctures, the opportunity was lost, with tragic results.

Today, as our *Editorial* outlines, the lunatic Bush Administration is on the defensive. Its fascist drive for Social Security privatization is foundering; the lies that underlie its foreign and military policies are exposed for all to see. The Democratic Party is reinvigorated, and doors that were previously closed, are opening to cooperation with LaRouche.

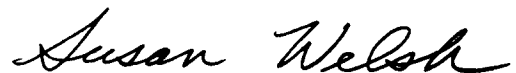
This is the context for the webcast strategic address that LaRouche will give from Washington on April 7, at 1:00 p.m. Eastern Daylight Time (www.larouchepub.com).

Our issue this week provides essential discussion materials on economic and foreign policy, to feed into that webcast, and to make sure that a vigorous drive for reindustrialization of the United States begins immediately.

LaRouche’s *Feature* on health-care policy—“What Is Infrastructure?”—gives the essential principles that must be understood by those setting out to restore a bankrupt economy. The needed changes to correct the current crisis “are knowable, and, to a large degree, known,” he writes; “the will to make the changes is lacking.” That will requires the revival of the sense of optimism associated with the leadership of President Franklin D. Roosevelt.

Our *National* section gives the parameters for such a crash mobilization to rebuild the U.S. economy, drawing in political leaders, industrialists, trade unionists, engineers, and scientists.

In *International*, we have exclusive reports on the developments in Kyrgyzstan and Lebanon, which can portend major shifts in the global strategic geometry—for better or worse.



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SITUATING HEALTH-CARE POLICY

What Is Infrastructure?

by Lyndon H. LaRouche, Jr.

March 24, 2005

Perhaps the most dangerous kind of ignorance met today from among both today's leading U.S. policy-shapers and the breed of post-industrial businessmen, is their tendency to substitute the current, crudely mechanistic populist ideology of most of today's corporate financial accounting practice, for the practice of real, American System economics. *That mile of difference is the crooked sixpence in Wall Street's style today.*

Consequently, the severity of those blunders which have had cumulatively long-term effects on the U.S. economy since the late 1960s, has been increased greatly by the crudely reductionist philosophical trend in the thieving, wild-eyed, Enron-style mentality expressed in so much of today's corporate financial-accounting. Typical of this trend at its worst, has been the increasingly mad-dog quality of influence of Mont Pelerin Society varieties of monetarism.¹ The impact

1. To understand the systemic roots of the criminality shown in cases akin to Enron, we must trace that trend in thievery largely to the growing, brutish kind of ideological influence of Friedrich von Hayek's leadership of hard-right-wing pace-setters such as the Mont Pelerin Society and American Enterprise Institute. The predatory ideology expressed by such institutions as those, had become increasingly fashionable over the course of the post-Franklin Roosevelt period in our history, especially since about the time of the election of President Richard M. Nixon. The essence of that Society's dogma, as emphasized by the late von Hayek himself, is Bernard Mandeville's doctrine that "public benefit" finds its origin in "private vice," as expressed by such lunacies as the gambling manias which motivated the predatory activities of the "Artful Dodgers" Michael Millken and Enron, of hedge-fund rackets generally, and, as Milton Friedman emphasized in an April 16, 1980 television interview with Phil Donahue, drug-trafficking. Many of the most predatory executives are parading to prison today because they practiced business according to the Mont Pelerin Society's Mandeville doctrine. This is the form of vice on which Alan Greenspan's career as Federal Reserve Chairman has been premised, from inception to present date.

of these contemporary cults of confusion, is shown most vividly in the impact of the widening discrepancy between financial and physical capitals. Under today's ideology of financial capital, we have promoted, or simply condoned the negligent, miserly, penny-wise, pound-foolish way in which today's largely misguided people and their governments have come to think about the subject of basic economic infrastructure.

Health care and sanitation, both as activities of government and private agencies, are functions of society which, by their nature, occupy a special place in that category of economy, a place defined as *basic economic infrastructure*. We must understand the former relative successes of the U.S. economy in this category prior to the 1971-1973 period of the shift toward today's cruelties and disasters, the shift which came boldly to the surface as the shift under President Richard Nixon. We must see the effect of the shift, as launched under Nixon, from the vantage-point of a contrasting, earlier system based on the highly successful, Hill-Burton (see **Figures 1.1-1.4**) standards for health care, a shift into what is now so clearly the presently manifestly catastrophic failures under HMO standards of practice. If we are to correct the presently catastrophic effects of that change under Nixon, policy-shapers must locate the interdependent roles of health care and sanitation in terms of the functional place and role of both of these functions, combined, not as the role of something off by itself; it must be understood as an integral part of the basic economic infrastructure within the larger economic system of the national economy as a whole.

To guide us in that urgently needed reform of our national policy, we must provide appropriate kinds of emphasis on the true meaning of our Federal Constitution's requirement that government be obedient to the implications of the obligation of promoting the general welfare. Therefore, as we are to be

FIGURE 1.1
**1969: 14 States Had Federal Legislated
 Minimum Hospital Beds Per 1,000**

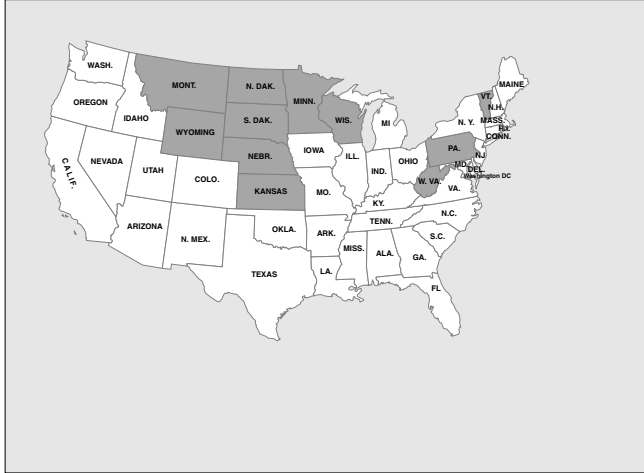


FIGURE 1.2
**1980: 22 States Had Federal Legislated
 Minimum Hospital Beds Per 1,000**

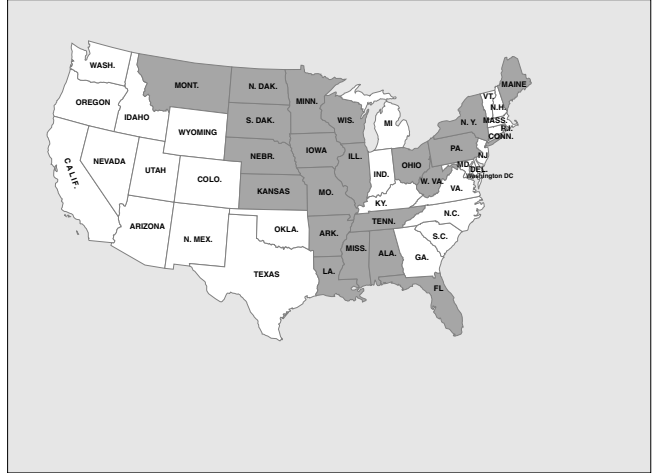


FIGURE 1.3
**1990: 13 States Had Federal Legislated
 Minimum Hospital Beds Per 1,000**

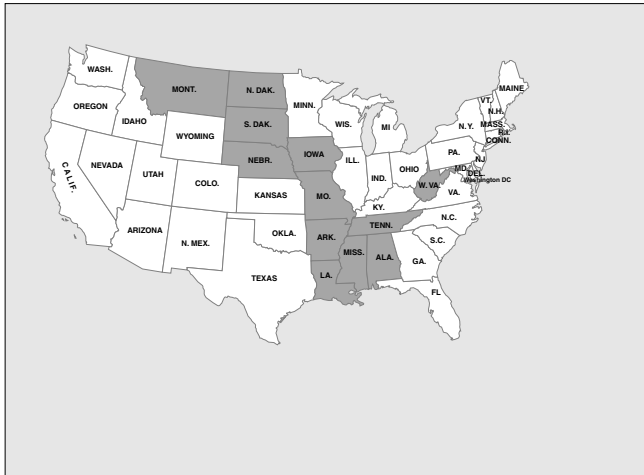


FIGURE 1.4
**2000: 5 States Had Federal Legislated
 Minimum Hospital Beds Per 1,000**



The Federal Hill-Burton law of 1946, “The Hospital Survey and Construction Act,” mandated a minimum standard of hospital beds per 1,000 people. The system has been dismantled.

guided by that supreme intent of U.S. Constitutional law, we must locate the function and place of law governing health care and sanitation within the general ordering of development and maintenance of national basic economic infrastructure. Government is accountable, both formally and morally, both for what it does, and what it fails to do. Government is also accountable for the effect of the ruinous conditions which changes in government administrative functions and statutes have imposed upon private practice, as under the changes in Federal health-care law launched in 1973.

So, as a result of changes in national economic policy,

including those made since 1973, private pension and related systems are beginning to collapse around us, like bowling pins. We have entered a time, in which the performance of the U.S. private financial sector in managing pensions and health care has become a conspicuously catastrophic, systemic failure. “Private” pension accounts are no longer a sound investment for any among those of our people who can ill afford to lose their investments. While this onrushing collapse of the Wall Street system may have been the result of what might be described as light-mindedness, or moral flaws in the managing or crafting of the private retirement

schemes, the more general reason for the collapse lies in the top-down mismanagement of our economy in a way which reflects the presently failed ideology of the now crisis-stricken financial sector as a whole.

The fact of the matter is most plainly typified by the success of Franklin Roosevelt's launching of the Social Security system, as contrasted to present conditions of onrushing general financial collapse of today's poorly managed, private investment sector. Whereas Federally managed Social Security has become what President Franklin Roosevelt had intended, not only the best, most secure type of pension available; but, at the present moment of plunging economic catastrophe, *unmutilated Social Security, as long as it is left untouched by the private hands of man or monkey, is now becoming the only available resource for nearly everybody*, as private pension plans are either collapsing, or on the verge of doing so, during the very near future. *Government bound by law, unlike private pension schemes based on Wall Street's presently increasing impulses for wild-eyed prankishness, is not going to vanish mid-way on the way to the claimant's retirement.*

What is true for Social Security, is also implicitly true for health-care systems, in which performance by former Hill-Burton Law standards beats, by a far stretch, all notable rivals in terms of overhead charges and cost-benefit performance.

Given, especially, the presently onrushing international financial crises, what we now need, urgently, is a new Federal health-care law which does for health care what such misbegotten creations as HMO and related systems have so conspicuously ruined. We need a system which affords the population assured attention to the health of the patient as a whole person, including increased attention to professional assistance in arranging preventive health care, rather than accepting what are defined as authorized cures ticked off from a corporate accountant's laundry list of authorized diseases.

We also need a clear conception of the way in which the functions of a Federal health-care law fit into the framework of its important contribution as a factor of U.S. economic recovery and long-range growth, a factor which our government must now introduce as an urgently needed change from the mounting list of negligent and other failures among current U.S. policies. This is a factor which can be defined only from the vantage-point of the conception of the indispensable, overall, functional role of basic economic infrastructure, in a system of long-term growth of the economy and its per-capita productivity as a whole.

Now that my recent, previously published reports, as in my report on the subject titled "Cauchy's Infamous Fraud," have documented the principled nature of the broad, underlying issues of today's immediate crisis of economic policy, I am situated in a position with greatly increased moral and intellectual authority, and, therefore, also responsibility, for narrowing the focus of our attention to health care, by focusing my efforts here upon those specific, interdependent sub-

jects of health-care and sanitation policies in which my leading qualifications as an economist are crucial. To bring the matter properly into focus, I must prepare for that, by, first, situating the issues of health care and immediately related subjects within the larger framework of the concept of basic economic infrastructure generally, as I do now.

1. Infrastructure and Health Care

A common electric toaster, or similar kitchen appliance, is not, in and of itself, infrastructure. Usually, the utility into which the toaster is plugged for its power, belongs to the category of basic economic infrastructure. The argument for that point was already clear to the initial colonists of the Massachusetts Bay Colony and Virginia, in their own terms of reference at that time, as they struggled to create the preconditions required for the continued economic existence of their original settlements. It was clear to Pennsylvania, up through the time that Treasury Secretary Alexander Hamilton wrote his 1791 Report to the U.S. Congress *On the Subject of Manufactures*.

However, today's more poorly informed people are often duped into thinking of man's looting, or not looting nature's streams, forests, etc., as something to be measured in terms of private ownership of existing such deregulated resources. Contrary to widespread popular illusions today, the reality of the progress and continuance of man's existence on this planet, per capita and per square kilometer, is both the improvement of nature by man, or the repair of the damage to both original conditions, and, also, those kinds of man-made improvements of that environment which raise the potential of areas above the levels found in what might be naively assumed to be the pristine state of nature.

The needed improvements fall into two broad classes. In the first classification, we have maintenance and improvement which have the form of helping nature to do as good or better than could have happened without man's intervention. The portion of infrastructure which fits into apparent agreement with that definition, corresponds to the form of what scientist V.I. Vernadsky classed as the *Biosphere*. The other things which are needed to complete the picture for infrastructure, are things which are an artificial, but integral part of the essential environment for a certain human standard of living and progress, such as mass-transportation by rail,² electrical-

2. Highways are necessary, but the combination of negligence and take-down of our nation's former national railway grid, has been one of the greatest, most costly cases of stupidity mixed with financial greed expressed by corporations which we have permitted to be inflicted on our nation. The use of the high-technology development and production capacities of the automotive sector for developing a modern national rail-system grid, to reduce dependency upon highways, would be one the most beneficial, and crucial shifts in allocation of productive resources in any well-conceived national recovery program today. Many factors, including the soaring cost of petroleum, make this an urgent, as well as extremely beneficial, change in economic priorities.

power systems, and so on. These other things belong clearly within the category which Vernadsky defined as the *Noösphere*. These two, combined, man-managed features of the general environment, constitute the national and world economies' *basic economic infrastructure*.

Implicitly, on principle, *basic economic infrastructure* corresponds to a physical cost to society which must be met even before a single turn of the wheel could occur for parts of the economy other than *basic economic infrastructure* itself. That is to say, that the quality of development of economic infrastructure, such as non-highway-based mass transit, defines the potential of the economy into which privately managed activities are inserted. The raising of the level of potential through augmentation or other improvement of infrastructure, will prompt an increase in the expressed productive powers of labor, even without any other technological enhancement of productivity within the private sector. Lowering the potential represented by the infrastructure, would lower the net productivity of the private sector of the economy as a whole.

In the American System of political-economy of our republic's founders, the national economy is divided into two large categories of economic function: basic economic infrastructure, which is primarily, if not exclusively a general responsibility of government, and what is usually distinguished as an area of private enterprise. Treasury Secretary Hamilton's 1791 *On the Subject of Manufactures*, is the most convenient starting-point for a classroom or comparable discussion of this division within the bounds of the best features, and best intentions of our rather distinct American System, in our economic history to date.

From the standpoint of Riemannian mathematical physics, as I have emphasized the relevant connections in my "Cauchy's Infamous Fraud,"³ and stated this point again, here, it is the state of development of a society's basic economic infrastructure which defines a level of potential which pre-determines the *potential* quantity and quality of the standard of living and output which might be achieved in the development of the physical economy of the society as a whole. In other words, we must dispense with, and supersede the misleading notion of "value added," as used in U.S. national income and product accounting of the post-World War II period. We must shift from *local value added*, to *increment of national potential*, the latter a concept of *Leibnizian potential* coherent with what mathematical physicist Bernhard Riemann defined as "Dirichlet's Principle."⁴

Thus, it is an essential obligation of government, to assess how well an economy is performing. This means that we must

3. *EIR*, April 1, 2005.

4. My use of the term "potential" throughout this report, is Leibniz's. The use of Leibniz's term in this location, signifies Riemann's refinement of Leibniz's concept, Riemann's notion of what he identifies as "Dirichlet's Principle." See "Cauchy's Infamous Fraud," *EIR*, April 1, 2005.

determine how high a level of physical output, per capita and per square kilometer, the nation will be able to sustain, under a continuation of present trends in infrastructure and other policy. Or, how a change in infrastructure policy might improve the economy's potential per capita and per square kilometer of its total territory. This must be assessed in respect to both infrastructure development and technological directions, not just this year and next, but as far as the useful life of capital investments in infrastructure one or two generations, and sometimes more, into the future.

To make competent assessments of performance of a national economy, for example, the basic, minimal unit of measure is a generation. This must be measured as the span of development of a new-born generation, from its birth to reaching adult economic maturity. For example, in today's U.S.A. or Europe, this standard corresponds to a young adult of perhaps twenty-five years, the typical age of the category among university graduates, or equivalent, who have developed professional capabilities of practice by relevant current standards. In the case of today's U.S.A. or western Europe, for example, pensions and health care are matters which must be managed with efficient foresight, over a span of the three generations or more, which is today's ordinary life-span of the individual.

The most critical factor in determining what that society's potential is, as weighed in terms of one to two generations ahead, is *the trend of growth in potential*, as associated with the factor of what is fairly identified for discussion as "technological progress." In our policy-making, we must answer the question: What is the degree of development, *using American System standards of reference*, of both basic economic infrastructure and the properly defined equivalent of the "private sector," which is required for the U.S.A., now, to meet the resulting requirements for our nation's foreseeable role in the world of one, two, and more generations ahead?

For example, the basic goals of the development of the nation of China today can not be less than the span of two generations, at a minimum. This is a critical factor in that nation's future history, since an intensive development of China's total territory, through infrastructure-building and technological transformations, must bridge the road to the beginning of the next generation to come to maturity, and a second generation to consolidate the benefits of the transformation accomplished during the first such generation. How does this apply to a proper choosing of standards of health-care organization and performance, in our nation, or theirs? Treaty agreements and related policies among nations who cooperate for the Westphalian goals of "the advantage of the other," demand this approach. So, we must look ahead within the bounds of our own requirements at home, in ways which are premised upon a competent assessment of such matters of the nations with which we must cooperate.

Look at a sample from the relevant historical record.

‘Primitive Accumulation’ Against Health Care

From known economic history, such as that of ancient Mesopotamia of the Sumerians, and also later, all known cultures prior to the appearance of the American System of political-economy so far, have turned out, in the end, to be premised on assumptions which included a major, catastrophic failure of their cultural design. The apparent cause of the collapse of economies, even entire cultures, was expressed most plainly, in each case, as a factor which is termed by modern economists of various ideological stripes as *primitive accumulation: a drawing down, as by depletion, of the physical potential on which a continuation of the present physical level of that society depends.*

Primitive accumulation is not measured in currency-values; it is measured, primarily, in terms of physical-economic values.

For example, today, national product is usually measured in money-terms. For many categories of policy-shaping, this choice of measurement is often a serious mistake. Thus, whereas the monetary-financial system’s reports may insist that the U.S. economy has been growing, on the average, since the 1970s, when we look at the physical realities of the state of physical infrastructure and the physical standard of living of the lower eighty percentile of our population’s families, the U.S. economy has been in a long wave of decline. Since the sweeping changes in policy during 1970s, decades of decadence have swept our nation toward the brink of the collapse which has overtaken us under President George W. Bush, Jr. If this trend continues, the fate of Belshazzar’s ancient Babylon will have already overtaken us, thus, soon.

This recurrence of the problem of primitive accumulation has not only been extended from the ancient past into modern times. The rate of such attrition was greatly accelerated, since the 1964-1982 shift, from the growth policies which had been formerly associated with Franklin Roosevelt and his continued influence, into promotion of the radically monetarist policies which were institutionalized under the current, 1971-2005 floating-exchange-rate IMF system. Unless we now dump that latter, 1971-2004 system for something equivalent to the original Bretton Woods system, *and also make corrections to eliminate primitive accumulation*, the fate of Babylon, or worse, awaits both U.S. and global civilization today.

As part of this picture, the collapse of the interdependent U.S. systems of health care and public sanitation, through effects of primitive accumulation, over the recent period of more than three decades,⁵ has brought us to the point that we will continue to face a mounting general public-health catastrophe for the general population of the U.S.A., unless a reversal of the thinking associated with the 1973 change in

5. Such as the change in health-care policy under Nixon, and the 1975 “Big MAC” operation, launched through the influence of Felix Rohatyn, in New York City.

health-care policy is set into motion now.

The change must be, in essence, a change from the HMO direction, a direction which was a trend toward limiting treatment to a corporate accountant’s select, current day’s price-listing of authorized individual diseases, a trend toward a role which may be seen as the medical equivalent of automobile-repair mechanics, to turn back to the mission of defending and promoting the health of the human being, whether in that person’s role as a patient, or simply part of the general population which includes those receiving or not receiving current medical professional assistance.⁶

This threatened national catastrophe in health care and sanitation, must be understood as a special feature of a broader issue, the general breakdown, through mismanagement and neglect, of national basic economic infrastructure as a whole. Only then, after situating the choice of mission of health care within the mission of basic economic infrastructure for the development of the economy as a whole, could we reach competent judgments on the required internal features of a competent choice of health-care system, as such. That connection is the specific point of emphasis in this relatively brief report summarizing the argument.

2. Forests, Streams, Power, and People

There are two distinct, but inseparable aspects in a competent national health-care policy. It is more easily recognized, that the well-being of the individual is essential; but, it must also be recognized that the *morally determined* performance-capability of the individual should be the primary concern of society for that individual. The latter concern is, as I shall point out now, an integral feature of the role of health care and sanitation within the functions of basic economic infrastructure.

It must be recognized, as the effect of the sheer terror of “death with dignity” shows, that the effect on folks brow-beaten into “living wills,” for example, should have been obvious from the start. The ability of the citizen to perform for his or her society, is conditioned to a very large degree by the way the citizen sees the practiced attitude of his or her

6. The current practice of corporate health-care management follows the pattern of outsourcing of products for the U.S. market to the places where successively cheaper labor can be found, moving production, thus, from cheap, to cheaper, to cheapest markets abroad. We should be reminded of the way in which Mexico’s economy has been ruined, to the effect of providing the U.S. ever-cheaper labor from desperately unemployed poor smuggled illegally into the U.S. market today. We are destroying the medical profession, and health-care system, inch by inch, or more rapidly, by such corporate cost-consciousness today. We are not cheapening costs of health care; we are eliminating the existence of deliverable health care at the source. By such cost-conscious methods, we are accelerating the elimination of what some, such as Colorado’s former Gov. Richard Lamm, might consider “useless eaters” from his Wellsian “Brave New World’s” list of voters.



Alternating strips of alfalfa with corn on the contour, to protect this crop field in Iowa from soil erosion, is a means by which man helps nature do better than it could have without man's intervention.

society to that individual and family which is threatened by the prospect of avoidable death or simply serious illness. The standard for putting an animal out of its misery, if applied to human beings, puts the human target of that ideological standard of practice into the same category as a mere animal, and also imposes a loss of the sense of humanity in the persons who do that targeting of their fellow human being. Both the victim, and the persecutor are dehumanized. Our society, our nation, has been dehumanized over the recent two generations in that manner and degree which the malthusian ideology of the "living will" expresses.

As I have often emphasized in other published locations, a mere mathematician can observe the movement of the planet; only a mind like Kepler's could recognize the power which moves that planet. The essential importance of the role of, and care for the individual member of society, lies in that which motivates the individual's distinctly human powers to act in ways which are to the benefit of his society. This power of motivation is therefore an essential feature of the proper role of health care and sanitation within society's basic economic infrastructure.



Mass-transportation by rail, as shown in this picture of the Dulles rail corridor outside Washington, D.C., exemplifies the second class of infrastructural improvements which man creates.

Thus, the moral, or immoral effect of economic policy, as in the recent thirty years of U.S.A. health-care and sanitation policies, may be seen as a politically crucial psychological factor, but it is a psychological factor with a relatively strong, and, often, early economic consequence for the society as a whole. It is the shared moral sense, throughout each and all of the ranks of the individual members of our society, of the need to rise again, for yet one more fight against even seemingly impossible odds, which sparks that one more reactivation of the creative mental powers which makes the margin of difference between a good and a decadent nation. The presence, or lack of that spark of the will to fight, is the factor on which an efficient national sense of purpose in progress, or, in war, depends. It is those creative mental powers of the human individual, combined with the related, accumulated intellectual resources of that individual, which is the driving force, the motivation of the potential for progress within a population as a whole.

The malthusian attitude expressed by the doctrine of euthanasia is not merely a psychological factor. It is an opinion with a very strong, efficient, and early physical consequence for society as a whole. It is an attitude whose practical result is a trend toward treating one's neighbor, and also one's self, as virtually a mere beast.

Thus, the first principle of healthy basic economic infrastructure of any economy, is this moral factor of a type specific only to the human individual. It is the cultivation, the nourishment of those creative powers of the individual, on which creativity and related emotional force for creative initiatives depends. To dull those nobly creative passions within our people, as the idea of a "living will" implies this, is to lessen

their status, and the capabilities of our society, as to what human beings can truly be.⁷

Education in the Role of Health Care

At the close of the U.S. Civil War, some influential liberals among those who had opposed chattel slavery, worked to prevent education of the children of slaves above the level required for the intended, menial forms of employment of their class. The tendency to limit the goals of public and higher education in analogous ways, as in the current Federal policy of “leave none behind,” is an echo of that same policy for “downsizing” the education of the descendants of former slaves. A very significant portion of our citizens of African descent (and also Spanish-speaking groups are suffering the different, but comparable effects of policies of peonage), typify the problem which is yet to be corrected today. The chains of servitude are removed from the wrists, and placed upon the habits intended to shackle the minds.

On this account, health care as an institution has two prominent, distinct, if interrelated roles within the framework of the policies and practices of educational institutions. One is cultural, education itself; the second is defined as the important role of educational institutions because of their relationship to children, adolescents, and young adult populations of higher educational institutions. The institution of public education, both because of its immediate relationship to the portion of the population in schools, or about to enter them, is an obvious lesson from our national experience. This affects the young directly, but, therefore, also the families they represent. The relationship of the cultural side of education is located, essentially, in respect to the quality of intellectual and related development which the effect of health-care policies should support.

On the one count, it must be our efficient policy to ensure that educational institutions, especially public institutions, fulfil their potential role as vehicles for linking health care and sanitation to the population in general. The other count pertains not merely to the health of the individual and community, but pertains to the standard of intellectual and related development which health-care policy and practice must support in the population as a whole.

As society progresses, in technology and other ways, not only must we raise the target-level of increased life-span and ability to function. We must raise the cultural and economic potential of the average individual. We must, thus, deploy the capabilities of health care and sanitation to raise the effective level of investment in the individual’s ability to respond to, and practice the higher levels of technology of society. We

7. I saw this fact reflected in the faces of veterans of the age of my generation, in a New Hampshire veterans’ hospital, during the 1970s. The decline in support for those hospitals was an inescapable fact written in the faces and tone of voice of a large ration of both patients and physicians with whom I met during that visit as a candidate.

must, in the second instance, promote and defend society’s “investment” in the rising levels of development of the individual, as we have done in good times, with public education, and with increased emphasis on higher education.

So, we see, among the relatively poorer parts of the world’s population, lower life-expectancies, higher birth-rate, and greater vulnerability to the effects of the spread of disease and pestilence than that to which we had become accustomed during a time prior to the recent decades’ cultural and economic collapse in Europe and the Americas.

With the down-shift in average quality of employment in the U.S., since the so-called “cultural paradigm-shift” of the mid- to late-1960s, and beyond, the actual productive potential of the U.S.A., and much of the European populations, has been on a long-term trajectory of decline. A similar trend is found through the Americas generally, as the physical qualities of average technological levels of work-skills and capital-intensity have declined to a degree which must be described, without fear of exaggeration, as catastrophic. The overall effect is fairly described as equivalent to reversal of cultural evolution, a cultural-evolutionary down-shift of the quality of net physical performance represented by the population and its means of production combined. The collapse of general economic infrastructure in the Americas and Europe, is a conspicuously included result of that trend. It is a result which must be not only reversed; but, that reversal must carry the cultural potential of the populations, per capita and per square kilometer, to higher levels of quality than had ever existed before.

This needed effect requires a quality and degree of motivation sufficient to bring the needed improvement about. The emphasis must now be on the quality of the individual we produce, and the quality of the circumstances in which that individual works and lives. The standards of health care and sanitation must be raised to meet that higher standard. To do this, it is not sufficient to chart the pathway we must travel; we must motivate that motion within the individuals.

The resistance to the shortfalls in society’s performance on these accounts, as that correlates with the challenges of health care and sanitation, requires a higher quality of development of populations, with better health, longer life-expectancies, and far greater ratios of physical capital investment per capita and per square kilometer as time passes. The result of that necessary trend throughout our planet, presents us with the mental image of the rising potential which must be represented by the typical individual member of society. Therefore, the included function of health-care and sanitation policies must be to promote that increase in motivated potential of the individual, using *potential* in the sense of Leibniz’s usage.

Our Streams and Forests

We are faced presently with a threatened loss of access to safe fresh water at the faucet, at the same time the complex

system of water management, on which we depended for many purposes, is collapsing of neglect. "Globalization" has been associated with a process of increasing the risk to our food supply through reducing the number of varieties of a crop in order to concentrate reliance on a reduced number of types selected to fit the schemes for supranational corporate control of standardized products. At the same time, increasing percentiles of the total population are unable to meet the cost of a decent standard in their cost of living.

This is a circumstance which warns us that we must now reverse, significantly, the recent decades' faddish trend into "privatization." Effects, as in areas such as health care and sanitation (such as clean-water supplies) can not be left to blind faith in the infallibility of corporate arrogance. Under the Federal Constitution of the American System of political-economy, the privilege of private practice is bounded by the general requirement of promotion of the general welfare of the whole nation and of all of its people. What is required to meet that standard, must be done, and we must pay a reasonable price for what must be done.

There are two factors which must be taken into account when we prepare to estimate the required improvements in the condition of those aspects of our environment which we should associate with a man-improved Biosphere. We must start by studying the Biosphere as scientist V.I. Vernadsky's work implies. We must consider both the fossils produced by the living Biosphere, as also the living aspect. Generally, the accumulations of both those fossils and the living portion of the Biosphere must grow to fit mankind's changing quality and quantity of requirements. However, the rate and quality of changes must be changed to compensate for the requirements of the increase of the human population, and those increases and expansion of varieties of requirements of that population which are prompted by qualitative and quantitative technological factors of change. We are, or should be, in the process of changing our planet, chiefly through the combined effect of both quantitative and qualitative changes in the Biosphere and Noösphere.

In both factors, the society's and the individuals' motivation to accomplish those changes are crucial. To supply that motivation, we must support and develop the quality of informed and motivated individual which is required to cause those changes to be defined and put into effect for practice. Otherwise, as a large accumulation of necessary, but waiting, adopted designs for such maintenance and improvements will tend not to occur. "Yes, we could have prevented our society from collapsing as it did. We already knew what needed to be done; but, it was not on our list of priorities for implementation at that time."

We know, for example, that increase of the portion of the day required for commuting results in a lowering of our national productivity, and worsening of the conditions of life and physical-economic productivity of our labor

force. To correct that defect, we must situate sufficient choices of workplaces closer to places of residence of the labor-force's households. Schools, health-care facilities, shopping facilities, and other essential facilities and their related activities, must be either within reasonable walking distances, or, to virtually the same effect, accomplished through readily available modes of public transportation. We must organize our towns, cities, and the relationship of countryside, with its agriculture, to city, to similar effect. However, unless the motivation is present to bring such conditions into being, the kind of awful waste represented by keeping the citizenry on the highways or buses during a large part of the living day, will lower the standard of living of the population, and collapse the efficiency/productivity of the economy accordingly. Such is the kind of waste created by promotion of excessive dependency on highway transport, instead of modern forms of rail or equivalent. The needed changes to correct this wastefulness are knowable, and, to a large degree, known; the will to make the changes is lacking.

That needed will and the promotion of optimism about mankind which nourishes that will, are the precondition for success. The degree of optimism about human nature's potential, which we may promote through aid of insightful views on the subjects of education, health care, and sanitation, are an indispensable factor in promoting the needed motivation for causing what must be done to occur.

In the upward motion of the U.S.A. under the leadership of President Franklin Roosevelt, the tendency for "will do because we can do" was the happiest feature of the way we treated the problems of economy and war. Under the impact of what became known as that "cultural paradigm" down-shift typified by the post-World War II Congress for Cultural Freedom, our population lost much of that motivation on which our rise to the challenge of greatness during the course of the FDR years had depended. This kind of motivation must be built in, in effect, into our idea about human beings expressed in the way we care for the needs of health care and sanitation, as also in education. We must return to the founding principle of our Federal Constitution, to rejoice in the obligation to promote the general welfare.

We were really not very good then, although we managed, on the average, to do the job required of us as a nation. The difference today is, that, then, we were better.

To make that journey, we must find the motivation to take those steps. The source of that motivation lies in the way we, in practice, express an optimistic view of human life, as in a prescience of the immortal future which lies where we have lived, in our future.

We have a long way to go to reach the level of capabilities we could take for granted three or so decades ago. Don't sit complaining about that unpleasant and shameful reality of today; get up and start moving.

LaRouche: Project Democracy Was ‘Coup-Coup’d’ in Kyrgyzstan

by Jeffrey Steinberg

On March 28, Lyndon LaRouche issued his personal assessment of the ongoing events in the Central Asian, former Soviet Republic of Kyrgyzstan, characterizing the political crisis that erupted there the week of March 21 as a Moscow-orchestrated “coup-coup” against the Bush-Cheney Project Democracy apparatus that was deeply involved in the so-called “rainbow revolutions” in Georgia and Ukraine.

The U.S.A.-centered Project Democracy apparatus includes the likes of George Shultz, Zbigniew Brzezinski, Madeleine Albright, and the entire neoconservative apparatus ensconced in the Pentagon civilian bureaucracy and the Office of Vice President Dick Cheney.

The Events

On March 24, Kyrgyz President Askar Akayev fled the capital, Bishkek, in the face of opposition demonstrations. In a matter of hours, three bold actions had taken place, that led to the Akayev departure and the regime change:

First, former Kyrgyz security chief Gen. Felix Kulov, a longtime KGB asset, was freed from jail. He would play a pivotal role in all the succeeding events.

Next, a group of no more than 200 demonstrators took over the “White House”—the government headquarters building. Eyewitnesses to the events, interviewed by *EIR*, confirmed that security personnel guarding the building disappeared as soon as the demonstrators arrived, thus offering no interference with the takeover.

Finally, the same group of demonstrators took over the national television station.

The Kyrgyz Supreme Court nullified the results of the recent parliamentary elections of Feb. 27 and March 13, and appointed Kulov and former Prime Minister Kurmanbek Bak-

iyev to head up a new interim government. After several nights of looting and violence, widely viewed as linked to drug-mafia networks that operate in Kyrgyzstan’s southern region, which abuts the Fergana Valley, order was restored to the Central Asian republic. Former President Akayev, who initially fled to Kazakhstan, later arrived in Moscow. He has not yet resigned his post, and has challenged the legitimacy of what one observer described as a “palace coup by a faction of the security services.”

The Reaction

Following these rapid-fire events, other so-called opposition figures expressed shock at the Kulov-Bakiyev takeover, complaining openly that the government change occurred “too quickly,” “depriving” the Kyrgyz people of the kind of slow-motion putsch that had played out in Georgia and Ukraine, under the close sponsorship of such outside meddling agencies as the Soros Open Society Institute, the Eurasia Foundation, the International Republican Institute (IRI), Freedom House, and the National Democratic Institute for International Affairs (NDI). All of these organizations, according to one well-placed U.S. intelligence official, are now scrambling to figure out what happened, and how they were outflanked so quickly.

In effect, LaRouche concluded, Russian President Vladimir Putin, a renowned black belt in judo, decided to launch a stealth intervention, to preempt the already unfolding Western coup schemes. It was a classic judo move—precisely the kind of asymmetric warfare response to a pattern of U.S.-led Western provocations in Russia’s Near Abroad that LaRouche had been anticipating from Moscow. As LaRouche put it bluntly, the Project Democracy effort got

“coup coup’d.”

Indeed, opposition leaders involved in the March 24 preemptive events, had travelled to Moscow in the weeks preceding the government change, and had met with Kremlin officials. President Akayev, a former student of noted Soviet-era dissident Andrei Sakharov, and a reform-minded politician who openly promoted Kyrgyzstan’s role in a new Eurasian Silk Road, had been warning for months that there were plans afoot for his ouster from power. There had been no shortage of warnings, widely acknowledged in Moscow, that Kyrgyzstan had been already targeted for the next Anglo-American sponsored “rainbow revolution.”

‘The Hindu’ Corroborates

On March 29, the prestigious Indian daily, *The Hindu*, published an article by former foreign service officer M.K. Bhadrakumar, which provided added details, corroborating key elements of the LaRouche assessment. The author began by asserting, “In Kyrgyzstan, there have been deviations from the revolutionary script choreographed in Washington and finessed in Georgia and Ukraine.” For one thing, he noted, “the two main protagonists—the leaderships in Bishkek and Moscow—prepared themselves for the revolution.”

Bhadrakumar continued, “A crucial factor has been Moscow’s approach to the impending revolution. It was flawless. Moscow had evidently drawn its conclusions about what happened in Ukraine. It had no problems with Mr. Akayev remaining in power, but never displayed its options. It took care not to be vilified as being against democracy and liberty in Kyrgyzstan. In fact, Moscow even hosted visits by the Kyrgyz opposition. This inability to monopolize the Opposition deprived the U.S. of a crucial pre-requisite of the ‘color’ revolution—a unified opposition, as in Georgia or Ukraine, under a single leader.”

As Bhadrakumar noted, shortly after Bakiyev was appointed as the interim leader, Russian President Putin declared, “We know these people pretty well and they have done quite a lot to establish good relations between Russia and Kyrgyzstan.”

‘Storm Over Asia’

Despite the setback to the Project Democracy gang, via the Russian-backed “coup-coup,” the situation on the ground in Kyrgyzstan is still unfolding, and the “usual suspects” in Washington and London have in no way abandoned their longstanding plans to unleash what LaRouche labelled, in a prophetic 1999 documentary, a “Storm Over Asia.”

Both the Soros foundations and the Eurasia Foundation have been heavily investing in the opposition in the southern part of the country, an area increasingly dominated by growing drug mafias linked to the drug lords of Afghanistan, and strong Islamist networks, like the IMU (Islamic Movement of Uzbekistan) of the neighboring state. Kyrgyzstan neigh-

bors the autonomous region of Xinjiang in China, as well as the Uzbekistan Fergana Valley, the latter recently described by George Soros as the most valuable piece of real estate on the planet.

The Russian move, LaRouche advised, may emerge as part of a larger effort by Moscow, Beijing, and Tehran, to encircle and contain the trouble emanating from the NATO-occupied Afghanistan, which has once again emerged as the opium hub of Eurasia.

Documentation

LaRouche’s 1999 Video: ‘Storm Over Asia’

In late 1999, Lyndon LaRouche produced a two-hour documentary video, titled *Storm Over Asia*. LaRouche’s opening words in that 1999 production offered a prophetic warning of events that are playing out, today, across the vast region of the Caucasus and Central Asia.

The documentary began with scenes of warfare in Chechnya and along the India-Pakistan border. Then LaRouche declared:

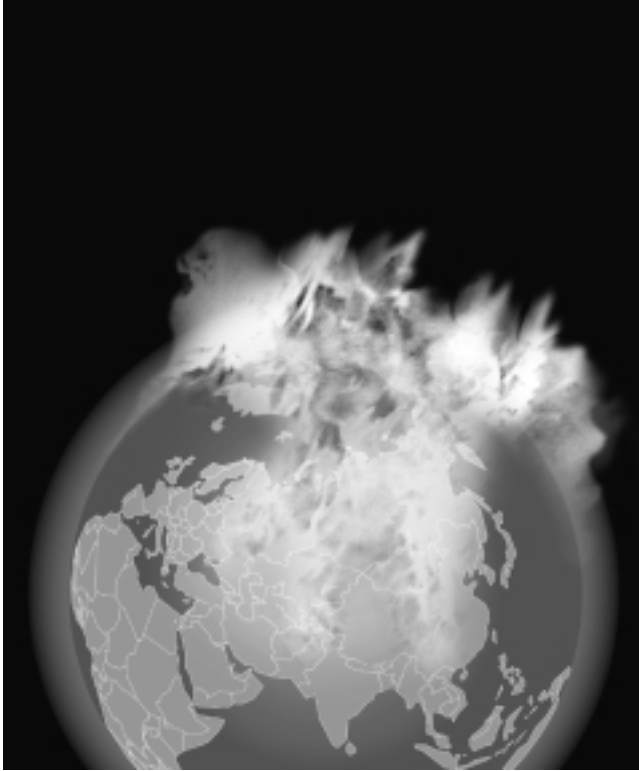
“What you’re seeing is a war in the North Caucasus region of southern Russia. What you’re also seeing, is a war which has broken out simultaneously in the border between Pakistan and India.

“The forces behind these attacks on Russia and on India are the same. They are a mercenary force which was first set into motion by policies adopted at a Trilateral Commission meeting in Kyoto in 1975: policies originally of Brzezinski and his number-two man there, Samuel P. Huntington; the policies which were continued by then-Trilateral Commission member, that is, back in 1975: George Bush, before he became Vice President.

“These were policies which were continued by George Bush as Vice President. Under Bush, this became known as the ‘Iran-Contra’ drug-financed operations of mercenaries deployed with private funding all over the world: recruited from Islamic and other countries, and targeting Russia’s flank.

“This mercenary force, created then, still exists. The primary responsibility for creating the force, was the government of the United Kingdom—most notably, most emphatically, the government of Margaret Thatcher, a policy which has been accelerated and continued in full madness by the present Prime Minister, Tony Blair, of the United Kingdom.

“This war, if continued, using mercenaries, can lead to



Lyndon LaRouche's 1999 documentary video, "Storm Over Asia," foretold the clashes that are now occurring in Central Asia, as a result of the geopolitics of Washington and London.

nuclear general war. The major powers principally threatened today by this mercenary operation, are two of the world's largest nations: China and India; China on its western borders, India on its northern borders.

"Iran is also threatened; but, more notably, Russia. If these nations are pushed to the wall by a continuing escalation of a war which is modelled on the wars which the British ran against Russia, China, and so forth, during the Nineteenth Century and early Twentieth Century, this will lead to the point that Russia has to make the decision to accept the disintegration of Russia as a nation, or to resort to the means it has, to exact terrible penalties on those who are attacking it, going closer and closer to the source, the forces behind the mercenaries—which includes, of course, Turkey, which is a prime NATO asset being used as a cover for much of this mercenary operation in the North Caucasus and in Central Asia.

"This is our danger. The weapons the Russians have, are no longer the large armies, the capabilities we thought of under the old Ogarkov Plan of the 1980s. Those vast armies are dissipated, weakened. Russia is ruined almost, by a vast economic destruction, caused by IMF policies, and related policies. But Russia still has an arsenal, an arsenal of advanced weapons, and laboratories which can match the weaponry—most advanced weaponry—being developed in the United States, Israel, Britain, and elsewhere.

"If Russia is pushed to the wall, or decides to disintegrate willfully, or fight back, the likely thing is, it will fight back. It will use the weapons it has. It does not have the weapons to win a war, but it has the weapons sufficient to impose a powerful, deadly deterrent on the nations behind the mercenary forces which are presently attacking it. There lies the danger.

"Unfortunately, most people in the United States are living under the delusion, that with the collapse of the Soviet Union, the combined military power of the United States and its British Commonwealth allies—including Australia, New Zealand, and so forth, countries that are really under the British Queen personally, as the United Kingdom is—believe that these forces, Anglo-American forces, are so powerful, that they can ignore the United Nations Security Council, and conduct wars on their own, with impunity. . . .

[Omitted here are sections 2) War and Economic Crisis; 3) How I Addressed This Danger of War; 4) A Community of Principle as Policy. We resume with an excerpt from section 5—ed.]

5. The War-Danger Today

"Now, Russia, as you shall hear in a moment, has been deliberately, willfully ruined and looted. It is not Russian gangsters coming out of Moscow who have put their money in banks in New York, and elsewhere; it is American gangsters put into power by the British, and by George Bush, back in 1991, when he appointed Bob Strauss as U.S. Ambassador to Moscow, who have hired Russians, retained Russians, *to loot Russia*. And they take part of the proceeds, which they pocket as commission for stealing from Russia and other countries, they deposit it in various banks, like the British monarchy's Antigua bank.

"Antigua is totally under the British Crown, the British monarchy. And more people speak Russian in the business there, than any other language. Why do they speak Russian? Because they're Russian gangsters who keep their money there, and deploy their money through there. So, the gangsters which we hear about in the United States, the Russian gangsters, are British and American-controlled gangsters. They are thieves for the U.S. mafia.

"So, these forces have looted Russia. And these are the forces these guys want to play with.

"So that we've come to the point, that the Russian system is collapsing. The Russian people have a choice of taking back their country, getting rid of that—this gangster process, constituting government again, to meet the demands of the general welfare of Russia and its posterity; of cooperating with nations such as China, India, and other countries, Iran and other countries; Western Europe and other countries: to promote the general welfare and the sovereignty of nation-states.

"And that, *that*, the authors of Globalization, which is a codeword for oligarchy, don't like. . . ."

Will the Kissinger Legacy Again Kill Lebanon?

by Jeffrey Steinberg, Michele Steinberg, and Dean Andromidas

In April 1975, Lyndon LaRouche was in Iraq, attending a joint celebration of the Syrian and Iraqi Ba'ath parties. At one point, he told a group of participants that he anticipated the imminent outbreak of a civil war in Lebanon, as the direct result of Henry Kissinger's manipulations. The group was so struck by LaRouche's warnings, that they scheduled, for the next day, a more extensive briefing by the American political economist.

LaRouche had been invited to Baghdad in response to his release, earlier in the year, of "The Middle East Peace and Development Plan of 1975," which proposed to set the foundations for Arab-Israeli peace via large-scale regional development projects, including water management, transportation, energy, education, health care, etc., utilizing the combined scientific, technological, and material resources of all the nations of the area. LaRouche called on the Persian Gulf states, freshly awash in petrodollars, to create a Middle East Development Bank, to channel a portion of their oil revenues into longterm, low-interest development credits.

A large group of diplomats, government officials, academics, and other guests of the pre-Saddam Hussein Iraqi Ba'ath Party government was flown by helicopter to an oil production facility, Public Station IV, where the day-long dialogue proceeded. LaRouche identified the RAND Corporation's "chicken game" scenario of manipulated conflict as key to comprehending Kissinger's schemes to provoke sectarian violence in Lebanon. Before the Ba'ath celebration ended, on April 13, 1975, word arrived of the outbreak of civil war in Lebanon.

In response to the recent Bush Administration efforts to once again blow up the situation inside Lebanon and Syria, LaRouche has emphasized that no solution to the Lebanon crisis is possible, without a clear understanding of the events of the past 40 years. To fail to learn the lessons of that sorry chapter in Southwest Asian history is to be condemned to repeat them. Condoleezza Rice, the evil spiritual stepdaughter of Kissinger and his close ally George Pratt Shultz, is, in fact, running a replay of the U.S. actions that helped plunge Lebanon into a 15-year civil war, from which the country is still recovering. For now, the leaders of the various religious communities inside Lebanon are holding together, struggling to avoid a replay of their collective tragic past.

Before Kissinger. . .

LaRouche's 1975 proposals for Mideast peace through cooperative economic development echoed earlier efforts in the same direction by Presidents Lyndon B. Johnson and Dwight D. Eisenhower, and President Richard M. Nixon's Secretary of State William P. Rogers.

Although June 1967 is universally remembered for the Six Day War, in which Israel defeated Egypt and other Arab states, another event occurred later that same month, which offered a striking alternative to the decades of conflict that followed in the Middle East from that 1967 war.

In June 1967, former President Eisenhower and former Atomic Energy Commission Chairman Lewis L. Strauss issued "A Proposal for Our Time." The document, about which Eisenhower wrote in a June 1968 *Reader's Digest* article, called for a revival of Eisenhower's December 1953 "Atoms for Peace" plan, calling for the peaceful use of nuclear power. In the 1967 Eisenhower-Strauss document, the proposal was for the "atomic desalting of water." As Eisenhower wrote in *Reader's Digest*, "The purpose of the plan is not only to bring large arid regions into production and supply useful work for hundreds of thousands of people, but also, hopefully, to promote peace in a deeply troubled area of the world through a new cooperative venture among nations." Eisenhower cited work, already in the planning stages, for the construction of the first nuclear-powered desalination plant, on Bolsa Island off the coast of California. "Even this large Bolsa Island plant," Eisenhower wrote, "would be small in comparison to the installations envisioned for the Middle East. Our proposal suggests three plants—two on the Mediterranean coast and one on the Gulf of Aqaba—with a combined production of more than a billion gallons of fresh water per day. This is more than twice the average daily flow of the three main tributaries of the Jordan River."

The former President added: "The Middle East plants, like the Bolsa Island installation, would be dual-purpose: In addition to water, they would produce an enormous amount of electric power. Some of this would be used in pumping water to areas as distant as Syria and Jordan, and perhaps under the Suez Canal to parts of Egypt. The rest would be utilized for the manufacture of needed fertilizers and other industrial purposes; a plentiful supply of electrical energy would bring to the Middle East vast new complexes of indus-

Lebanon Facing Condi's Whip

The biggest danger to peace in Lebanon is coming from the George Shultz-controlled "war party" inside the Bush Administration. They are using Lebanon for another agenda—the destruction of Syria, under a policy known as the "Clean Break," named for the policy paper written by U.S. neo-cons for right-wing Israeli Prime Minister Benjamin Netanyahu in 1996. Three overlapping groupings are involved: Vice President Dick Cheney's office; Shultz protégé Condoleezza Rice's "democracy mafia" (actually run by Cheney's daughter Liz, who is Assistant Secretary of State for the Near East and South Asia); and, the Pentagon neo-conservative chickenhawks, who brought about the Iraq War.

Up till now, this anti-Syria war gang has used UN Security Council Resolution 1559, which demands the

withdrawal of all Syrian troops from Lebanon, as the basis for threats against both countries. But, with the rapid removal of some Syrian forces already accomplished, and statements from Syrian President Bashar al-Assad that the withdrawal is going ahead fully, the U.S. war party has had to come up with another excuse: an investigation of the alleged (but so far unsubstantiated) Syrian role in the assassination of former Lebanese Prime Minister Rafik Hariri on Feb. 14, and the continuing mantra from Washington that Syria is pressuring President Emile Lahoud to cancel the upcoming elections.

However, the Lebanese people now have something new to fear: a military intervention by U.S. and French troops under the banner of the UN, supposedly to "protect Lebanon," while investigating the Hariri murder. One opposition leader bluntly told *EIR* that he doubts Bush's "sincerity" in always mentioning Lebanon. "There is another agenda for him—we know that. Bush is pushing 'demockery,' not democracy," he said.—*Michele Steinberg*

try, just as it has to many other parts of the world.

"The proposed plan," Eisenhower continued, "would thus help to solve the problem of the more than a million Arab refugees. When the Republic of Israel was established in 1948, hundreds of thousands of Arabs living there left their homes and moved into refugee settlements in neighboring Arab states. There, in camps, most of which are a disgrace to the civilized world, many of these people exist in idleness and poverty, with little hope, supported largely by a UN dole. Large numbers of them could be employed in building the new installations and water conduits and in preparing the land for irrigated crops. Later, a great many could doubtless be settled on the new farming areas in the Arab countries."

The Eisenhower-Strauss plan revived President Johnson's 1965 "Water for Peace" initiative, which was based on work at Oak Ridge National Laboratory on nuclear desalination. The LBJ plan envisioned what were called "nuplexes," agro-industrial hubs, built around the nuclear desalination plants. From May 21-23, 1967, the U.S. State Department hosted a conference on "Water for Peace," attended by over 6,400 participants from 94 countries, including Israel, Egypt, Jordan, Yemen, and Saudi Arabia.

When Richard Nixon took office in January 1969, he named one of Eisenhower's top Cabinet officials, former Attorney General William P. Rogers, as his Secretary of State. Rogers, painfully aware of the continuing Israel-Egypt low-intensity conflict over the Suez, wasted no time in trying to revive the Johnson and Eisenhower peace initiatives. On March 13, 1969, he summoned Israel's Ambassador, Yitzhak Rabin, to the State Department, to discuss his proposals for a comprehensive Arab-Israeli peace, based on mutual security guarantees, and a return to the pre-Six Day War borders, guar-

anteed by the stationing of United Nations peacekeepers.

On Dec. 9, 1969 Secretary Rogers delivered a speech at the Galaxy Conference on Higher Education in Washington, in which he elaborated on his peace proposal, which was then labeled "The Rogers Plan." Israel, still basking in the triumph of the Six Day War, issued a Cabinet decree on Dec. 22, rejecting the Plan. However, the real subversion of the Secretary's efforts was taking place in the corridors of power in Washington and London.

Behind the scenes, Henry Kissinger, then the National Security Advisor to President Nixon, was plotting against Secretary Rogers, and Rogers' two closest Cabinet allies, Assistant Secretary of State Joseph Sisco and Defense Secretary Melvin Laird. Rogers had been engaged in sensitive détente talks with Soviet Ambassador Anatoli Dobrynin on a package of issues, including the Vietnam War, the Middle East, and nuclear weapons. In a good-faith gesture, Nixon had frozen delivery of Phantom jets to Israel, to give Moscow a chance to pressure Egyptian President Gamal Abdel Nasser into backing the Rogers Plan. Following a June 1970 trip to Cairo by Sisco, Nasser formally endorsed the Rogers Plan, with enthusiastic Soviet backing. Kissinger opposed the whole détente effort, arguing to Nixon that Moscow harbored secret plans to conquer the world, starting in the Middle East. The kind of "softness" shown by Rogers, Laird, and Sisco, Kissinger argued, was just what the Soviets were looking for.

Suddenly, a string of terrorist attacks took place in the Middle East. Jordan's King Hussein, then under strong London influence, launched his infamous "Black September" crackdown on the Palestinian Liberation Organization (PLO) inside the Hashemite Kingdom; Syrian tanks moved towards the Jordanian border; Israel offered to provide Jordan with

military assistance in the event of a Syrian invasion. But the Israeli support came at a price: Tel Aviv demanded that Nixon guarantee Israel an American nuclear umbrella, in the event the Soviets stepped in to defend Syria. Nixon caved in to Kissinger and Israel's demands, and the Rogers Plan was suddenly dead in the water.

On Sept. 22, 1973, after several more years of byzantine skirmishes, William P. Rogers was fired as Secretary of State and replaced by Henry Kissinger. Exactly two weeks later, the Yom Kippur War began, and any prospects of Middle East peace, based on economic cooperation, were finished.

The Strategic Backdrop

The Kissinger-Rogers factional wars of the first Nixon Administration occurred against the backdrop of two other major strategic developments, in which Kissinger figured prominently. First, on Aug. 15, 1971, President Nixon took the U.S. dollar off the gold-backed fixed-exchange-rate system, thus ending the Bretton Woods System established by Franklin Delano Roosevelt in 1944.

According to the eyewitness accounts of Nixon's Secretary of the Treasury John Connally, the order to dump Bretton Woods came from three top Nixon officials: Kissinger, Paul Volcker, and George Shultz. The era of unbridled speculation was on.

The second, less publicized event was Kissinger's promulgation of National Security Study Memorandum 200, a 1974 classified document that defined the U.S. control over world strategic raw materials, and the targeted depopulation of major regions of the developing world, as the top national security objective of the United States. In effect, Kissinger's NSSM-200 pledged the United States to promote Malthusian population wars, in regions rich in strategic raw materials.

As Kissinger was beating back the Rogers Plan, and imposing an alternative, imperial national security agenda in Washington, a senior British intelligence Arab Bureau hand, Dr. Bernard Lewis, was deploying to the United States, to join Kissinger, and Kissinger's NSC successor in the Carter Administration, Zbigniew Brzezinski, in the Mideast schemes. Lebanon was the first target.

On April 13, 1975, four members of the Lebanese Phalange were killed during an attempted assassination of the group's leader Pierre Gemayel. The attack was blamed on Palestinians, and in retaliation, Phalangists assaulted a bus carrying Palestinian passengers, killing 26 people. Within days, the entire country was at war. Kissinger called former U.S. Ambassador to Jordan L. Dean Brown out of retirement, and named him special envoy to Lebanon. Over the ensuing months, the Kissinger/Brown "shuttle diplomacy" pitted one faction against another, drawing both Syria and Israel into the struggle, as if some perverse RAND Corporation scenario, based on the Thirty Years' War, were being tested out.

Today, the same recipe for disaster is being tested, once again. In the weeks since the Feb. 14, 2005 assassination of former Lebanese Prime Minister Rafik Hariri, a series of

bombs have been planted in Christian neighborhoods around Beirut, killing dozens of people.

In an exclusive interview with *EIR* two weeks ago (*EIR*, April 1), the Maronite Patriarch of Lebanon, Cardinal Nasrallah Boutros Sfeir, specifically embraced the idea of the Treaty of Westphalia, which ended Europe's Thirty Years' War (1618-18). Cardinal Sfeir, in his Easter homily a week later, invoked the principle of "the benefit of the other"—the key provision of the Treaty of Westphalia—and called for unity among the religious communities of Lebanon, while citing Hezbollah as an organization that must be included in any true peace accord. The Patriarch made those statements about Hezbollah, to counter fraudulent American media accounts of his visit to Washington, where he purportedly endorsed a Bush Administration demand for the disarming of Hezbollah. A move to forcibly disarm the Shi'ite group, which enjoys extensive popular support in southern Lebanon, and the backing of both Syria and Iran, would be one sure-fire way to ensure a new eruption of sectarian violence in Lebanon and throughout the region.

Leaders of the Christian, Shi'ite, Sunni, and Druze communities have been staging round-the-clock meetings, to avert a new plunge into devastating civil war. But will this be sufficient to offset the efforts to re-ignite the flames of sectarian violence? Especially when those efforts are coming from the State Department of George Shultz and Henry Kissinger acolyte Condoleezza Rice?

COVERUP EXPOSED!

The Israeli Attack On the 'USS Liberty'



"The Loss of Liberty," a video by filmmaker Tito Howard, proves beyond any doubt that the June 8, 1967 Israeli attack against the *USS Liberty*, in which 34 American servicemen were killed and 171 wounded, was deliberate. The video includes testimony from Liberty survivors, many Congressional Medal of Honor winners, and from such high-ranking Americans as Adm. Thomas H. Moorer, Adm. Arleigh Burke, Gen. Ray Davis, and Secretary of State Dean Rusk.

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Cheminade Says 'No' to European Constitution

A national referendum on the European Constitution is to take place in France on May 29, and no one dares predict, as yet, what the outcome will be. Although the leadership of the major political parties has called for a "yes" vote, there is tremendous popular opposition to it. The former head of the Socialist Party, Henri Emmanuelli, created a sensation on March 2, by announcing that he would campaign against the Constitution, and he has since been joined by other leaders of the left wing of the Socialist Party. Since then, the "no" vote has been consistently rising, and the latest polls show that 55% of the French intend to vote against the Constitution. It is well known, that if the European Constitution is rejected in France, it will have no future.

Jacques Cheminade, head of the LaRouche movement in France, Solidarity and Progress, issued a statement at the beginning of March, which is being widely distributed, in particular among the strike movements, on why his party is resolutely against the proposed text. We reprint the leaflet below.

There is an easy way to summarize the situation in France and in Europe in 2005: The financial profits made by the main companies in the CAC 40 (French blue-chip index) are exploding, but the money is not going into investments, research, education or public health, and certainly not into the pockets of wage-earners. The system of predatory financial capitalism imposes yield rates of 15% per year, which is then redistributed to the shareholders and top managers. Globalization is the law of a jungle where looting the labor force is the name of the game. . . .

By demonstrating for jobs, for your purchasing power, or for a better future for your children, you are demanding a change. But, in return, you receive only empty words. Some tout "Europe," but the merchandise they sell is adulterated. Others speak of "revolt," but propose no project, no design.

Is that reason enough to be discouraged? No. Provided we elevate the debate, because staying within the bounds of defending what is right can only lead to defeat. We must fight to create the political conditions in which what is right becomes possible.

We should first get rid of the adulterated merchandise. The Europe proposed to us in the May 29 referendum is an obscene caricature of the one of our dreams; it is a subjugated and impotent Europe. The European Constitution is a trap,

which would perpetuate present injustices:

1. Part III, which has over 300 articles, includes all the policies presently adopted by the European Union. In other words, it sets in stone the current rules of the game. Europe would be delivered over to free competition, that is, a financial dictatorship.

2. Reference to a "social market economy" (Article 1-3-3) is omitted in Part III, where it becomes "an open market economy with free competition" and the "social" part has been eliminated. The word "market" appears 78 times, "competition" 27 times, and "social market economy" once!

3. The European Central Bank System, led by the European Central Bank, has one and only one objective: "price stability." It is forbidden for any national government or European institution to try and influence the European Central Bank. This ushers in a financial dictatorship, free from any political overview or control by the citizens.

4. Competition has the absolute priority. Article III-156 prohibits "restrictions on both movement of capital and payments between member States and between member States and third countries." The free flow of capital, that is, the law of the jungle, is protected by the Constitution.

5. The principle according to which the European budget must be balanced is made perpetual. Public stimuli are banned!

6. In articles III-166 and III-167, public services and utilities are subject to the primacy of the "rules on competition." Without State aid, public services will have to finance their own costs; to survive, they will have to increase prices or reduce what they offer. That means social austerity.

7. European defense must "respect the obligations" flowing from the North Atlantic Treaty (Article 1-41-2). The clause concerning mutual aid between member States is subordinated (Article 1-41-7) to "commitments under NATO which, for those States which are members of it, remains the foundation of their collective defense and the forum for its implementation." The purpose of such aid is not to defend Europe but to allow interventions "outside the Union" (Article 1-41-1).

8. "Enhanced cooperation" among some member States could offer a way out of the trap. But, in practice, it is nearly impossible. To use this means, one third of the member states (10 out of what are soon to be 29) need to participate in it, and a proposal of the Commission is indispensable to start the whole process. Moreover, approval of the European Parliament is required. And on top of that, such cooperation may only bear upon issues related to competition or to monetary policy! Thus, tax harmonization, industrial policy, and the environment are de facto excluded.

9. Finally, it would be extremely difficult, if not impossible, to revise the text, because a unanimous decision would be required to do so. Therefore, EU policies can not be changed. That means condemning future generations to financial austerity, social regression, and industrial contrac-



The LaRouche Youth Movement campaigns in Paris for Lyndon LaRouche's New Bretton Woods System, the positive alternative to the current depression.

tion, all under the fig leaf of a Charter on Fundamental Rights, which creates not one single new right.

Another Perspective

It is not enough to say “no” to such a Europe. Revolt is a dead-end street if there is no great enterprise behind it. That is what we propose.

We need a vast program for infrastructure development in Europe and Eurasia; we need an industrial strategy and a policy for training and aiding the labor force (education, culture, research, health care). That must be the starting point for Europe, the physical, concrete economy, if it is to get off on the right foot.

To change the economic course now, to stop the war drive and guarantee social progress, six things should be done. We need:

1. A vast heavy investment program amounting to at least 1 trillion euros annually, within the European Union and beyond, reaching to Eurasia, Africa, and South-West Asia. That is the Land-Bridge policy, joining Western Europe via Russia and Turkey, to China and India.

2. A huge European research program, to which each member country would contribute 5% of its GDP, with a start-up fund of 200 billion euros. . . .

3. Cancel articles 104 and 109 of the Maastricht Treaty and the French Act of Parliament No. 93 dated Dec. 31, 1993 . . . which “prohibits overdrafts or any other type of credit to the Public Treasury or any other public agency or enterprise” and thus does away at one fell swoop with the

State’s right to issue credits for major infrastructure programs, or an industrial strategy.

The ludicrous stability pact must be rejected, and replaced by a Development Pact, based on controlled arrangements between the issuance of State credit, and large-scale industrial/infrastructure projects. The State’s powers must be used to eliminate speculation and to put into financial bankruptcy speculative agencies.

4. On a European-wide level, public health and wages policy must be defined on the basis of the highest, not the lowest-common denominator. Tax policy for business must be harmonized as well, in keeping with the required project for Europe.

5. The European Central Bank system must thus be replaced by an association of national banks in each State, that will pool their resources for the common good, and shall be answerable to the citizenry. This is critical if the national

States are to wrest their power back from the financial cartels.

6. A new Bretton Woods Agreement must be reached, to clean up the dollar system, and establish fixed parities between the world’s currencies, with a reference to gold. This will create stability for future planning, and rule out such speculative bubbles as those on the derivative and mortgage markets.

We must act urgently. Just as in the 1930s, drastic austerity policy is the weapon now wielded in a vain attempt to save the collapsing monetary and financial order. Then, as now, that policy leads to fascism and also, to war. The policy now pursued in France and Germany is very like that of Bruning (1930-1932) and Laval (1931-1932 and 1935-1936), that paved the way for Hitler and Petain. . . .

To vote *no* to the European Constitution is not just a vote for a fresh policy outlook, or for better-qualified jobs. It means a break with the financier’s and accountant’s worldview, and taking measures that will change, transform, and improve mankind’s lot. We are fighting the world over for this conception, in particular in the United States, where the stakes are crucial, and where we have a LaRouche-Roosevelt faction in the Democratic Party and a Youth Movement committed to the principle of discovery.

“Nothing is permanent but change,” wrote Heraclitus of Ephesus, as he was recently quoted by a group of French senators calling for a “European neo-Colbertism.” We still have a long way to go. The very basis of our present policy must be changed. . . .

Germany's Colonel Hübschen Proposes Urgent Change in Policy Toward Iraq

Col. Jürgen Hübschen, retired from Germany's Air Force, was German defense attaché in Baghdad from 1986-89. He worked in Latvia for several years with the Organization for Security and Cooperation in Europe (OSCE), and served in the German Defense Ministry until March of last year. He gave this briefing on March 19 to EIR staff in Leesburg, Virginia. Editor Nancy Spannaus also interviewed him during his visit (see p. 24). An earlier interview with him was published in EIR, Aug. 6, 2004.

Iraq's Neighbors

It's a pleasure and an honor to have the opportunity to give some of my visions of the area of the Middle East. When you try to talk about the owner of a house, it's quite interesting to look, first of all, a little at his neighbors. This I will do briefly, starting in Turkey.

In Turkey, you have huge water projects in the east of the country, the Euphrates and the Tigris—and the Euphrates water is the only water supply for Syria. Turkey is having [to pass over its] good business with Iraq, and Iraq is essential for Turkey, because to deal with the countries on the Arab Peninsula, you have to cross Iraq. There are two huge Iraqi pipelines going through Turkey to the Mediterranean Sea.

There is very close cooperation in the arms industry sector with Israel. They are even discussing a water pipeline to Israel. Turkey is a very important bridge between Europe and Asia. Turkey has about 10 million Kurds living in its country. Turkey's relationship to the United States of America has been heavy-burdened since the war against Iraq. The Turks are looking forward very much to becoming a member of the European Union. They already have quite a lot of Russian weapons systems.

Now, we make a right turn and go to Iran. We have the fundamentalists there; and there's a lot of oil, much more oil in Iran than is discussed in the world.

Iran is a member of the club "axis of the devil." Iran has a huge atomic program, which, according to all knowledge we have, is explicitly according to the [Nuclear Non-Proliferation] Treaty. That is one of the big differences with the United States. There is a good relationship between Iran and Russia, and there is an even better relationship between Iran and China. Iran has a very strong arms industry, and very

effective armed forces, including submarines.

And now, look at the map, where you have the Strait of Hormuz: That means that Iran is the big power on the eastern coast of the Persian Gulf. Iran is dominated by a Shi'a population, and they have Shi'a cells all around the world. There are Shi'a minorities also in the countries of the Arabic Peninsula. If you look at Saudi Arabia, the Shi'as live especially in the area where Saudi oil is exploited. We also have the Alawites in Syria, who are very close to the Shi'a. Iran has strong connections to the Hamas, and to the Hezbollah.

The U.S. Armed Forces, for the time being, are now within the range of Iranian weapons systems, all around: in Iraq, in Afghanistan, in Kuwait. We have to take that into consideration. Iran also has quite a lot of Kurds, and Iran is, if it is your friend, a very important country concerning the exploitation of oil in Asia. Because, if you can use Iran and reach the Persian Gulf, then you know how to export the oil.

Now turn to Kuwait: That is a country America made become a democracy a couple of years ago. It paid a little bit, as far as I know. The border between Kuwait and Iraq is not defined yet. Kuwait blocks the Iraqi exit to the Persian Gulf. It doesn't make any difference who's in charge in Baghdad; it is absolutely mandatory to have a guaranteed exit to the Gulf, because the islands there in the Kowr Ab Allah [channel]—Warbah and Bubiyan—belong to Kuwait, and there's no guarantee that Baghdad can reach the Gulf. In Kuwait, we also have a lot of American Armed Forces stationed.

Next, we come to Saudi Arabia, also a country with a long border with Iraq. Saudi Arabia is even more far away from being a democracy than Kuwait. We had these very impressive elections in Riyadh three weeks ago; they elected seven people, and only men were allowed to vote. And as far as I understand, President Bush is announcing that as a beginning of democracy also in Saudi Arabia—not very convincing. This system is totally degenerated! There's no doubt about that. This goes back centuries. It is a very fragile system; it has very strong connections to al-Qaeda. And Wahhabism in Saudi Arabia is a very special Islamic school. And wherever we have had huge terrorist attacks in the past, there were links to this Wahhabism school. I talked already about the Shi'a minority.

We all know, Saudi Arabia has a lot of oil. Saudi Arabia



Col. Jürgen Hübschen (ret.) called for the creation of an international task force for the reconstruction of Iraq, in which each country would specialize in one area—railroads, dams, health care, civil administration, and others.

also still has a lot of its money in the United States. And if they take that out, that might also affect the economy here.

Saudi Arabia already has weapons systems from China. You know, we're always thinking that Saudi Arabia is a country that is only close to the West, but it is not true. The medium-range missiles they have come from China. In Saudi Arabia, we have the Aramco computer, that is the computer managing the oil business all over the world. It is close to Dharhan, and that is also the reason why, during the Operation Desert Storm, the American forces landed first in that region: to make very clear what was really important for the United States.

Going, quick-step, to Jordan: Jordan is economically very weak. It is on the American tap, so to speak—if you close that tap, it's gone. We have American troops also stationed in Jordan. The population in Jordan is about two-thirds Palestinian; that makes it very special, concerning the conflict between Israel and the Palestinians. There's a peace treaty with Israel. Jordan is a very important country for conducting business with Iraq, for the time being. There is the airport in Amman, and the harbor in Aqaba. And also, Jordan gets its oil from Iraq.

Traditionally, there are extremely good connections between Iraq and Jordan. We should never forget that the former King Hussein, the father of the present King, was a real personal friend of Saddam Hussein. . . . The former King of Iraq and the former King of Jordan were brothers, and that is also something which is quite important for the future of this area.

Syria and Iraq

Coming to Syria: which also belongs to the "axis of devils": We should never forget that we have in Syria, the same political system we had in Iraq, the Ba'ath Party. And the relationship between Syria and Iraq in the past was only bad because Saddam Hussein, and [Hafez] Assad, the father of

Bashar, hated each other! And in this area of the world, that is very important: If the leaders don't like each other, the countries fight each other. That's the way it is. But you should never forget: If a third party comes from outside, then they come together like members of the same—as they call it—Arab *Ummah*, as their family. And then they turn on the third party.

You know that in Iraq, we had the Ba'ath Party. And we all know that most people call them "insurgents"; I call them "people in the resistance," because if you're always talking about "insurgents," it implies that everything is illegal, and I think it is not. There are groups you announce to be "insurgents"—these are the ones with links to al-Qaeda or Zarqawi or whatever. But, the quite normal Iraqis—that's totally different.

I phoned a friend of mine last Sunday, an Iraqi doctor. He lives in Germany, but his whole family lives in Iraq, a very old Sunni family. And he told me that his family lost *four* members, all killed by Americans, just by mistake, because these young American soldiers don't know better—they're in an absolutely awful position!

And what about the people from your National Guard and from the Army Reserve? That is not their job! They are not trained for that! And I served for almost 40 years, so I know what I am talking about! That is a crime, taking these people, to do such a job.

Now, you have an idea that I'm also mostly really involved in this business—because it's *wrong*, what we are doing. Definitely wrong.

I talked about the Alawites in Syria; the family of Assad, belongs to the Alawites, which is the part of the Muslims very close to the Shi'a. We still have Syrian troops in Lebanon. We appreciate that, by the way; the West appreciated that, for a very long time. We just have a new point of view now. The Golan Heights is still occupied. UN Resolution from 1967 says that the Israelis have to withdraw from there. So, it's not very convincing, when we tell the Syrians now, "There's a resolution from *last Autumn*, which has to be fulfilled by May of this year!" That is always the double standard we are working with, with the different scales we use, to our own benefit. And these people in that area, they are not so stupid that they don't realize that, believe me.

Syria has excellent connections to Russia and also to Iran. There's an Iraqi oil pipeline going from Iraq, through Syria, to the Mediterranean Sea. Syria depends on Euphrates water, more or less totally, the water which is coming from Turkey.

The Syrians were allies of the Americans in Operation Desert Storm—we should remember that. And when Assad, the father of Bashar, was in charge, he made a deal with the Americans, which most people forgot: He said, "Okay, I will be with you against Saddam Hussein." And then, in October 1990, the Syrian Air Force bombed Beirut—and that was all done with protection of the West. And they kicked out the Christian General Aoun, who is now in exile in Paris. Some-

Southwest Asia



Iraq and surrounding countries. "When you try to talk about the owner of a house," said Colonel Hübschen, "it's quite interesting to look, first of all, a little at his neighbors."

times—and you [at *EIR*] are doing that all the time—it's worthwhile to remember what happened in the past.

Lebanon became basically a Syrian province, with the permission of the United States.

Iraq: 25 Years of War

So, now we come to the country itself: Iraq is the only country in the region which has the three important resources you need, to be a country with a future. They have oil; they have water; and they have people. You can look around. If you don't have that—in Saudi Arabia, you have oil, but you don't have the people; and sure, with the water, it's the same problem. You go to Egypt (we didn't talk about that); in Egypt, there's no oil, but lots of people. And so, Iraq is really special.

The war we are fighting today, by my personal assessment, started in 1980. The war in 1980, when Iraq invaded Iran, was done with the support of the Americans, who probably even supplied the trigger. If you remember under American auspices, in the American Embassy in Tehran—they replaced the Shah with Khomeini. I mean, Khomeini was in charge, and they said, "Oh hell! What happened?" And they tried to get rid of him, and they used Saddam Hussein to get rid of Khomeini. There's no doubt.

So, Iraq and Saddam Hussein won this war militarily, with the support of the Americans, especially with American intelligence. And then, afterwards, when we didn't hear the

artillery any more, we were not interested in that region any more. Then came the next step, when Saddam Hussein attacked Kuwait. That was a crime, no doubt. But there's a lot to say about how it happened and why it happened. I'm personally convinced that Saddam Hussein, when he arrived, so to speak, in Kuwait, and the international reaction heated up, said—"Oh shit!" Yes! How to get out, again? For an Arab dictator, it's absolutely important to save face. But they didn't give him any chance.

And then people, not having the right picture, were saying, "Okay, and now we go to Baghdad and we kick him out." The smart people said, "No, no, no, no, no—why kick him out? Keep him in power, because he is the buffer between us and Iran." So, they did that, and the war kept going by containment—silent war, continuously bombing the Iraqi air defenses.

And that came to the end of the '90s, up to 2000-01, when the American Administration realized that it wasn't working any longer, in the sense, that Hussein was no longer really to the benefit of America. Because they had used him: They had used him as a threat to the countries on the Arab Peninsula; and they sold weapons—I don't know, I think for \$50 billion—to the sheikhs on the Gulf. You can go and look: They have more tanks than they can man! And they have aircraft, but they are not combat-ready. You know, it is not enough to get an aircraft in the air, and then look around—"It's a nice day!"—and go back. You have to be

able to do something, and they cannot.

As to the sanctions, everybody in the world realized, that the sanctions hit the people in Iraq, and not the system. For the dictator, it was not a problem. And in 2000, it became more and more business-as-normal: Many countries opened embassies in Iraq again. Royal Jordanian [Airline] flew from Amman to Baghdad on a regular basis. So, there was really the chance that this dictator would survive, again! *Without any lasting profit for the Americans.*

And so, it was about time to kick him out. And they used the lies to do it. We all know the story, and now, we are sitting there [in Iraq]. The country is definitely, totally destroyed. And there's no concept, how to build it up again. One-hundred-fifty thousand American soldiers are at war with an enemy they cannot define, 360 degrees around them, day and night. For a soldier, that is impossible to stand; and for a young soldier, it is unfair that he has to stand that. . . . And some people told me here, that they are collecting the wounded [American soldiers] somewhere, because it's bad for the morale of the population to see them. [From the audience: "They fly them in at night, away from view."] Yes, and that is for a soldier a very emotional business. Soldiers only fight because they love their country. And if they have a feeling that the ones who sent them to war, are now ashamed that they are there and coming back—dead or wounded—that is just ridiculous.

Requirements for an Exit Strategy

What I think is, that we have to give up the good, old American tradition not to question the war as long as the troops are in the field. Because, the best thing that could happen to the troops in the field is, that somebody shows up and gives an alternative: Gives an alternative and an *exit strategy*. Because now, *there is no exit strategy!*

I think the idea is, that the Americans and the multinational force should be withdrawn to the border of Iraq. Because, there are lots of problems there. The terrorists are coming in through the borders—from Syria, from Iran, from Saudi Arabia. That can be done, and that has the advantage, that the American troops will not be seen in the country any more. Because, unfortunately, the image of the American soldiers changed, in less than four months, from liberators to occupiers.

And that can't be changed any more! That's over! The way they behaved, the way they showed up at the checkpoints. And for the Iraqi government (hopefully, we will have one soon), it is important that everybody sees that this is really now an independent government. That means it has to be separated. *We can't have an American Embassy with 3,000 people! That's ridiculous! Three thousand members of an embassy!* It has to be reduced to the tasks of an embassy. And the Iraqi Cabinet, the Iraqi government, they have to be separated, so that everybody sees: Okay, this is the American Embassy, and this is our government.

And the symbols of dictatorship have to be blown up! To me, it means you take Abu Ghraib, and take the people out of Abu Ghraib, and *blow it up*. So, that the people in Iraq see, okay, that's the end. Because, Abu Ghraib was a *symbol* for the dictatorship of Saddam Hussein. And we kept it in use. And then we had this torture problem, so the Iraqi people say, "Hey! It's not only the same building. It's still the same business, that's done there!"

Imagine that, in a country where America was *loved*, was *admired*. People dreamed about America! That's all over! And they don't know now, that this is not the real America—they don't realize that it's only Bush and the neo-cons. They are talking about "America."

And we have to create—this is my proposal—we have to create some kind of a task force of countries to take over sponsorship for Iraq. That means, for example, the Germans: They built a lot in infrastructure in Iraq. They could take a sponsorship for infrastructure, for the railroad system and dams. The Dutch could do the health sector—I don't care. The Japanese could do—whatever—the civil administration.

Because, this country is totally broken. And this signal I am talking about, has to be sent *now*. We have to support the ones trying to rebuild and build up Iraq. And for that, it is necessary that all of us step back into the second row. First of all, America. Support them, but don't dominate them. Don't make them as we are—what for? Let them stay different! They have their dreams. They have their culture. They have their thinking about the future—*let's support that.*

Repair European-American Relations

And now, a short word to Europe and America: I'm not an expert on that; I'm just a European. But, when I arrived on Monday afternoon, as a former career officer working with the Americans my whole life; having so many American comrades; having seen—never, ever—a difference between a German and an American officer, because we were sitting together, working together, *defending together*. And now, I show up at an American airport, and they take my fingerprints! That's too much! You get to the point where you'd like to just turn around, and go back! They take my picture, they take my fingerprints—am I a criminal, or what? Huh? So, they can have a file now, a file on Jürgen Hübschen? And probably next time, they'll find out that I've been *here*, and they won't let me in any more! (That would be a big compliment, by the way!)

So, that means, what we have to do, is, we have to find a way, to show Europe, there is another America. And that it is worthwhile to stay in touch with this other America. Because we can't build the future only by America or by Europe: We can only build the future of the world together; and we should include all the countries which are interested in joining us, especially also Russia.

Thank you, very much.

No Future for Europe or America Without Cooperation Between Them

EIR Editor Nancy Spannaus interviewed Col. Jürgen Hübschen (ret.) on March 21, while he was in the United States for meetings, including discussions with EIR (see transcript, above). He served as military attaché at the German Embassy in Baghdad, worked for many years for the Organization for Security and Cooperation in Europe (OSCE), and has long-term experience working alongside his NATO colleagues from the United States who were based in Germany.

EIR: Colonel, I'd like to ask you questions in two areas: One has to do with relations between the United States and Europe, in which the second Bush Administration has indicated that they are going to turn over a new leaf; that the charm offensive is on; and that they actually realized that they needed Europe in order to carry out their objectives. And you, as a 40-year veteran of the military, have had a great deal of cooperation with the United States. I'd like to get your reflections on what is actually going on, and what you think about it.

Hübschen: That's a very nice question. First of all, when you ask me, "What's going on?" that *is* the question. What is really going on in America? And first of all, I have a personal—a very personal—position. As you said, working with American friends for decades, and then coming into a country of friends, and they take your fingerprints and they take your picture at the airport, that gives you a feeling of being some kind of criminal, or something like that. And I was close to turning my neck and going back! Because it is something basically you cannot stand, especially if you are a retired officer, and standing for law and order for your whole life.

And that is my very personal impression.

EIR: You're referring to when you recently came into the United States for this visit. Did they know your status, when they did this?

Hübschen: I don't know if they knew or not. But they did the same with the family in front of me, with three little children, and they took even the fingerprints of the lady. So, it was more than strange to me. And this is also not the behavior of a free country, representing the whole Western world.

EIR: Do you see such changes in relations with Americans in Germany itself also?

Hübschen: There's an overall, let me call it a kind of "strange" feeling. The people are not sure any more what's going on with America. America was always a country the Germans were looking at, dreaming about a little bit. And for the kids, a scholarship in America, that was *the* scholarship.

That's over. Five years ago, or let's say six years ago, they lined up for scholarships, and you had to make the decision, who is allowed to go. And now, it's not urgent any more for them. They are looking for scholarships now in South America, or somewhere in Europe, or they are even going into the Asian region. America is not on top of the list, as it was!

And that's just bad: Because, first of all, the Germans have to be very, very grateful to America, because America made us what we are now. And then, we worked together for more than 50 years, such close friends! Not because we *had* to cooperate—we *wanted* to cooperate. And now, there is this big change.

And the critical point is, that, I think in Germany the people are not sure any more, if the "real" America [still exists]. They only see this "new America," or this "other America," or however you call it; and they think, "Okay! That's it!" And when Bush got re-elected, it became worse.

EIR: Despite the fact that the official position was, we're going to be friends, now.

Hübschen: Right! Right! And everybody considers the previous attitude a mistake. You can make a mistake. Everybody's making mistakes every day. So, my friends said, "Okay! For the first four-year period, they were just wrong." Or that there was some kind of cheating, because that's also possible, you know. By TV and radio, and whatever!

EIR: Well, not to mention the Supreme Court.

Hübschen: Right, yes. But then, when Bush got re-elected—nobody was expecting that.

EIR: And I imagine, Colonel, that your friends are not wild-eyed left-wing radicals.

Hübschen: No, not at all! Not at all! We are patriots, in the good meaning of the word.

By the way, to my opinion, that does not mean using the Patriot Act. That's a different story, too. . . .

EIR: To get back to U.S.-European relations: What is your view of what kind of cooperation *should* be going on? Obviously, the German government and a lot of Europe opposed the war. We, at *EIR*, obviously believe this was an illegal war, and so forth. But, that having been done, and putting aside for the moment, the question of holding people responsible for that with potential criminal proceedings, how would you see what the German patriots—in the military, in the government, such as yourself—would be looking to do with the United States?

Hübschen: I think it's very difficult, because the official contacts between the two countries are made by the officials. And my impression is, that they are on a minimum level—it is just what has to be done, not to be impolite.

And what we have to do is, not keep going and complaining about the past. As you said, there were a lot of mistakes. The war was illegal—no doubt about that. But we should look forward, how we can build the future. And how could we reconstruct, so to speak, our relationship and our friendship. And that can only be done, I think, by non-governmental or governmental organizations *besides* the government, between people working for some organizations, that they show up in America, and the Americans show up in Europe.

We have to establish, let's call it, "parallel links" between the countries, so that we still have a chain of information, we can discuss how we can create a better atmosphere, and also how we can promote things in the economic sector (which I'm not an expert in).

EIR: So you're really looking at the shifts happening, not so much from government policy—partly because of who the government here is right now, I suppose—but in terms of cultural exchange or change.

Hübschen: Yes. I think it's everything. We have to come back to the point that it is nothing special that the American President is visiting Germany and the other way around. I can barely remember when our Chancellor was here in America the last time. I don't know.

But I have never seen a visit of an American President like the last visit.

You know, I'm almost 60 years old. I saw Presidents come to Germany, like John F. Kennedy; I saw Johnson; I saw Nixon; I saw Clinton; I saw the father of the acting President. I have seen them all! And it was always kind of a festival in Germany, when the American President came in—especially Kennedy, because he was a—

EIR: A show-man, in a certain kind of way. And it was a time of crisis, too.

Hübschen: Yes, but also everybody was looking at him as being tough, you know. He represented somehow a new generation, and it was just great! Also for us. Because, when he came to Germany—it was '61; I was 16 years old, and he was

a symbol for the American dream, definitely.

But now, there's a President coming in, and they *depopulate* an area! When he came to this Mainz area, *nobody* was there! Nobody went on the street—

EIR: Because they weren't permitted to?

Hübschen: They were not permitted. It was a totally restricted zone. And I know, from one of my sons who is in the TV business, that cameramen from his TV station, they stood there, they had an accreditation to do it, and they were asked by American security people to move. And they said, "Why should we move? We want to take pictures of the American President." It was just in front of this Gutenberg Museum, the cultural part of the visit. And so, they said, "You're not supposed to stay here. And if you don't leave, we'll cut your cables." A clear-cut threat!

At the Opel factory, they stopped the production line—totally.

EIR: Because people couldn't get to work, I gather.

Hübschen: No, in advance! They said: "Okay, we stop it, and you have to show up on Saturday and then run your normal shift." Because they didn't like having the people there. And it was so complicated to reach the factory, as you said.

Absolutely strange. And this was the visit of the leader of the biggest friend Germany has. How can that happen?

And then, the next day, or it was even the same day, President Bush flew to Slovakia, and he was in the middle of the crowd. That inflamed me, because, it was possible, demonstratively possible, to be inside the crowd, the fans, obviously without any risk, and yet in my country, they had to depopulate the area, obviously because from the American point of view, it was a risk to be with Germans.

EIR: You're not allowed to disagree with the President of the United States.

Hübschen: I know that they broke into one apartment of a lady. She had a protest banner in her window—and she was not even in the apartment. And the German police broke in and took it off.

EIR: Quite an example of democracy, at the hands of the United States!

Hübschen: The German police, afterwards, got into trouble, because they were not supposed to do it. It was just a misunderstanding on the part of one policeman, that we shouldn't do anything which upsets the visitors. Very strange. That's not democracy. . . .

EIR: It's our intention, of course, to get the American leadership changed, in such a way that that will make a difference in a very rapid way. And we hope to encourage people in Germany, that there is another America, for sure.

Hübschen: There is no future, if I may add that: There is no future for Europe, without America. And there is no future for America, without Europe.

EIR: You know, given that you say that, I want to address something which is a populist line that goes all around the United States: that the foundation of the European Union is—in the eyes of a whole lot of wild fundamentalists—the “Antichrist.” And the EU is established in order to try to destroy the United States, and this is what is “really going on” behind what’s happening in Europe right now.

Hübschen: I don’t agree on that. But what the Europeans are trying is, to become an ally on the same level with the big brother on the other side of the ocean. That’s what they do, and that is also something the Americans were asking for, all the time. They said, “You have to take your responsibility. We have to share the burden.” “Europe”: That means Norway, Spain, Germany, France, Great Britain—which is not so easy, compared with America, which includes Texas, and Virginia, and Alaska, and so on—that is not the same. Because, ultimately, you can kind of give orders, to your own states.

But, in the European Community, you can’t give any orders, you have to find some kind of consensus. And so, sometimes the result is not satisfying. But, I think they have already achieved a lot.

EIR: So, you think actually among the majority of the European population, they still do have not only a desire, but an understanding that they have to find a United States they can cooperate with, as opposed to simply what you might call “*Schadenfreude*” for the situation in the United States?

Hübschen: No, no, definitely not. Where we have to put our effort, is really to make clear that “America” is not the same as the acting government! We made the same mistake with Iraq: Iraq and Saddam Hussein, we didn’t keep them separate. Saddam Hussein was not Iraq. Iraq, that is the people, 25 million people with their dreams and their hopes—as it is in America: *America is not Bush and the neo-cons.*

EIR: So, you got us to Iraq. Let’s do a little bit there. . . . What you see as the possibility of getting out of this quagmire, as someone who has lived in Iraq for a number of years, and knows the culture?

Hübschen: The people in Iraq—you can say, all the Arabs—are very proud. And dignity and honor, these kind of values, they are very, very important to these people. So, if they have the feeling that there is somebody who is dominating them, it is totally unacceptable.

And they got this feeling. The American troops came in, and most of the people I spoke to said, they were welcomed as liberators.

EIR: You still speak to people in Iraq?

Hübschen: Yes. Definitely, they were welcomed as liberators. And now, they are occupiers.

And so, it is urgent to make it very clear that we have, call it now, the American-led multinational forces on the one side, and the independent Iraqi government on the other side. Because they had the election, and they will have their Cabinet sooner or later—and it shouldn’t bother us too much that they opened the Assembly and still don’t have a Cabinet. It takes time, it’s not that easy. There are too many interests. We should support that, very, very strongly. And that means, keep it separate.

We have this so-called Green Zone, and in the Green Zone, we have all these installations situated. There is the so-called American Embassy. I call it “so-called,” because with 3,000 people, it can’t be an “embassy.” And you also have the Iraqi government, the interim government, established there. So, it’s very difficult for the people to see, who is really ruling the country. They are talking about the “brown-eyed Iraqi” and the “blue-eyed Iraqi”: The “blue-eyed Iraqi” is the American. And up to now, it was that way, that you saw first the blue-eyed Iraqi, and next to him, the brown-eyed Iraqi, and everybody was only talking to the Iraqi with blue eyes. And if we turn that around now, that the brown-eyed Iraqi is in front, and behind is the blue-eyed Iraqi, that doesn’t help. That doesn’t help—because, the people see, he’s still sitting behind him, and he’s telling him what he has to say. So, we have to keep that separate.

And that means, different infrastructure. And we have to abandon all these symbols of dictatorship and tyranny, like Abu Ghraib, for example. Remove the prisoners from Abu Ghraib, and blow it up. So that the people in Iraq realize, “Oh, something is changing!” Remove all the Texas barriers and road blocks, even if it implements for a short period of time an additional risk. But it gives the people the impression that a new time has really started. “We can move around for business, as well as for visiting our relatives.”

Give up the checkpoints! We don’t have checkpoints in Germany. You don’t have checkpoints in America. And if Iraq is now a free country, why have them?

That is the one aspect. The other aspect is the American troops in the country. And as a old soldier, I feel, with these American troops, I have so many American comrades—and for me there was never a difference, and for *all* the German officers, there’s no difference whether the one next to you is an American officer or a German officer, or even Turkish or Danish! It’s all NATO, with one mission! No problem. And we have to keep that. That’s very, very important.

But back to Iraq: The American soldiers *can’t win this war, in the way they have to fight it.* One big group is too young, and the other group is not trained at all, the National Guard, the Army Reserve. That’s not fair, to send this kind of troop for a one-year mission to Iraq. They didn’t sign up for that, they definitely did not. And so, that harms their morale



President John F. Kennedy's visit to Berlin in 1961 drew a tremendously warm response from the German population—in stark contrast to Bush's visit this year. On the right, Bush is with Chancellor Schröder at the welcoming ceremony. The public was kept at a distance.

and also their ability to fight this kind of war.

So, my idea is, take the American soldiers, or the multinational forces, to the borders, and protect Iraq from the outer limits, so that no further terrorists can enter the country. That is the one advantage. And, the other advantage is, that the Iraqi people don't see them, every day, everywhere.

EIR: Running their lives, yes.

Hübschen: Right. And I think that is the way to do it.

And for the reconstruction, the rebuilding of the country, I think it is an idea, to create somehow a kind of task force, where different countries of the world take sponsorship for Iraq. For example, the Germans did a lot of infrastructure in the '80s in Iraq. The famous Haifa Street everybody's talking about—I think today in the *New York Times* there's a report about Haifa Street—it was totally constructed by the Germans. So, the Germans could be approached to take care for rebuilding, for example, the railroad system, which was also built by German companies.

EIR: Here, we have to take care of Dick Cheney to do this, because, of course, as I recall, the Japanese for example came in to do things on the electric system, and Halliburton wouldn't let them.

Hübschen: Right, and that has to be stopped. That is the same as the oil industry: There are so many Iraqi engineers, they can rebuild their own industry. The problem is the spare parts—those can be provided, easily, from all of our countries. I think that is a way. . . .

I see a chance to do it, through the Arab League. And the

leading country in the Arab League, is Egypt. And as far I know, your organization has perfect contacts to the Egyptian government. And that might be an approach. Talk to the Egyptians; the Egyptians are bringing it to the Arab League; the Arab League is bringing it to the Iraqi government, and the Iraqi government puts it into a formal request. And if we agree, and we have a task force, then there should be an office on a permanent basis in Iraq, and we should make it clear, every day, that we are there to support and not to dominate any more.

EIR: The Germans had people in position with the UN associations for Iraq on food and aid before Saddam Hussein was toppled—I think Hans Sponeck was one of them. And I was wondering if you're familiar with these people, and if you have any reading, of your own or from them, on the actual situation with civilians that occurred both over the long-term sanctions regime, or since that time?

Hübschen: Sponeck resigned from the UN; he gave up, because he said, the sanctions committee is an instrument of imperialism. The Iraqi nation was destroyed by military actions on the one hand, but even more, by the sanctions. Because the things they needed haven't been provided, except food, and a little bit of medicine—but not the whole medical sector. I know from Iraqi doctors, that *hundreds* of Iraqis died, because the medical equipment wasn't available. For example, if you have problems with your kidneys, and you need dialysis, they couldn't do it; they couldn't treat cancer patients in a proper way, because they didn't have the chemical ingredients, because the Americans put it in the category

of “dual-use.” And then, *thousands* of kids died in Iraq.

EIR: Did you actually observe this, while you were living there, in '86-'89?

Hübschen: No, in those days, not at all. Not at all! Iraq was on the *top* of the Arab countries. The sheikhs from Saudi Arabia, they flew for medical treatment to Baghdad. Then, they were really on top. They were also on top concerning equality in treating women. In Saudi Arabia, you are not allowed to have a driver's license as a woman, even today. In Iraq, women occupied key positions: 60% of the students at the university had been girls!

It was really totally different. And now, the situation is, as far as I know, that about 60% of the people still rely on state food programs, and about the same amount of people are jobless. You probably might not have an idea, how many people under a dictatorship are working in jobs directly related to the ruling system, that was close to 70%. Incredible.

EIR: I guess you saw that in East Germany, too.

Hübschen: Yes, definitely.

And so, when they decided to disband the armed forces, the border guards, the police, and kicked out all Ba'ath Party members, that was the *end* of Iraq.

EIR: Right, because no one had a job.

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My last question is something that is a little out of place, but you made the point in private discussion here, that the kind of cooperation we need *must* also include Russia. And I wonder if you want to say a few words about that.

Hübschen: Yes, definitely.

I worked for five years for the OSCE [Organization for Security and Cooperation in Europe] in Vienna, and I monitored on behalf of the OSCE a treaty, or an agreement, between Russia and Latvia. And so, in those five years, I got some ideas about the Russians.

Russia is facing a very tough time, for the time being, because it has the feeling of being pushed back, for more than 12 years now, which represents a real high risk to everybody. Look at the map. Just look at the map: Where Russia is; how large Russia is.

EIR: And how many nuclear weapons Russia has.

Hübschen: Yes, and that's a point: Russia is the only country which is still able to destroy the United States—and the other way around. The principle of Mutual Assured Destruction is still valid. It's still valid.

And so, if you want to implement a new world order, you have to think about Russia, because it is a really important part of it. And see security in a wider way: Security, that means economics; that means social aspects; that means cultural aspects; and military aspects. And all of that, that's security policy. And that's what you need to establish a system which leads our world in the future. And mandatory are: America, Europe, and—I know that Russia is part of Europe, but it has to be mentioned in addition, because it is so big.

EIR: Right, and it is, in a sense, a bridge to Asia.

Hübschen: It is.

EIR: As you were speaking, I was thinking back to the time of Clinton, when, the one thing he did that totally freaked out the British, was saying that he was putting aside the special relationship with Britain, and his real friend was Helmut Kohl, and the German-American relation. But, in a way, he saw the relationship with Germany as a bridge to reestablishing the United States' partnership with Russia.

Hübschen: Which is possible. Definitely possible.

EIR: Which is a historical potential, because it happened from the very time of the founding of the United States. But also, absolutely essential for bringing the world out of the kind of economic and strategic crisis that's it's fallen into now.

Hübschen: Yes, we talked about the atomic weapons in Russia. But, we also should keep in mind what kind of resources are in Russia.

EIR: And that would take us to a whole other discussion. So, I'll thank you right now, for this time.

Hübschen: It was a pleasure; thank you.

The Not-So-Hidden Protectors Of Italy's Alessandra Mussolini

by Claudio Celani

We have often warned, in these pages, that there is a plan to promote neofascist parties as major players in European politics. This plan has recently taken a leap forward in Italy, where the granddaughter of Benito Mussolini has received an enormous political boost on the eve of the regional elections. By the time this article is published, the reader will probably know the result of those elections, scheduled to take place April 3-4, but independent of that result, Alessandra Mussolini has already achieved her goal of being "the real leader of the Rightwing in Italy," as a well-informed observer put it to this reporter.

A well-orchestrated scandal has succeeded in giving her unprecedented, cost-free, media promotion. On March 12, an administrative court accepted a challenge filed against Mussolini's party, Alternativa Sociale (AS), in the Lazio region. Last fall AS was credited with 9% of the vote in Lazio, thus being likely to determine the defeat of current governor Francesco Storace, a former comrade of Mrs. Mussolini's in the Alleanza Nazionale (AN) party, and to give the victory to the candidate of the center-left coalition. The challenge alleged that several hundred signatures collected by AS to file a candidate slate were falsified. As a result, the AS slate was banned from the Lazio region, and from two of the other 13 regions where elections are scheduled.

Immediately, Mrs. Mussolini accused Governor Storace of having organized a machination against her. Her allegations were supported by reports that the data presented in court had been collected by a hacker who had used computers belonging to the regional government. The hacker had penetrated the central electoral offices, in the Interior ministry, and stolen the data. Interior Minister Giuseppe Pisanu's son is a candidate on Storace's slate.

Mrs. Mussolini was able to turn the legal defeat into a political victory, by exposing the plot against her, and tapping the widespread anti-establishment, populist mood which is growing in the Italian population. She appealed to the higher court, the Consiglio di Stato and, while waiting for the verdict, parked a camper in front of the court building and staged a hunger strike. Now, hunger strikes in Italy are, like many other things, flexible. Anything not exceeding 4-6 cappuccinos a

day can qualify as a hunger strike. And this was the case for Mrs. Mussolini's. The Consiglio di Stato ruling came on March 22. During the entire period, Mrs. Mussolini's case was the number one issue in domestic politics, both in the print and in the electronic media. Finally, the Consiglio di Stato overturned the initial verdict: the first court had not proceeded according to rules, and therefore the AS slate was valid. Automatically, Mussolini's candidate slates were readmitted as well in the other two regions which had banned them.

The suspicion is strong (and shared by our source) that the whole matter had been staged in order to give Mrs. Mussolini high visibility, and make her a "victim" of the "Palazzo," the centers of power, in the eyes of the voters. Already last autumn, when AS won 9% of the votes in a local elections in Naples, spokesmen for Berlusconi's party had proposed a political alliance with Mussolini, but the idea was fiercely opposed by their government ally AN. Now, it's been reported that Berlusconi himself has dined with Mussolini, in order to seek such an alliance, but again, the opposition inside his coalition was too strong. However, if Mussolini's party shows enough electoral strength to prove indispensable to a defeat of the opposition in the general elections next year, the door is open for a coalition.

Who Is Behind Mrs. Mussolini?

There is nothing mysterious, or connected to the *Zeitgeist*, in the rise to power of historical fascism; similarly, there is nothing mysterious in the growth of movements such as Mussolini's party, Alternativa Sociale (AS), a party filled with neofascists, anti-semites and veterans of the Strategy of Tension terrorist era. Today, as in the past, powerful international financial circles are behind the project of promoting political parties in the image of the "beastman," as instruments capable of guaranteeing their interests and their policies in a systemic crisis. Such circles—which Lyndon LaRouche calls "synarchist," referencing the French Synarchist Movement of the Empire, an umbrella organization of European fascism in the early 20th century—are behind the pre-emptive war policies and related economic policies of US Vice-President Cheney

and the “beastman” of California, Arnold Schwarzenegger, who is becoming the model for neo-con European leaders.

The case of the rapid growth in “popularity” of Mussolini’s party in Italy is a crucial case in point. According to our sources, Mussolini’s career was decided upon and launched by the powerful Dell’Utri family, a Sicilian clan whose leader, Marcello dell’Utri, is also the person who decided upon and launched the political career of current Italian Prime Minister, Silvio Berlusconi. Mrs. Mussolini’s mother, Annamaria Scicolone, is a close friend of Maria Pia La Malfa Dell’Utri, wife of Marcello’s twin brother Alberto Dell’Utri. The La Malfas are a famous Sicilian political dynasty: Maria Pia’s father, Ugo La Malfa, was an official of the synarchist Banca Commerciale Italiana, and a key representative of the banking community as cabinet member of several Italian postwar governments. Marcello Dell’Utri, a friend of Berlusconi’s in his youth, was a business partner of the current Italian Premier long before Berlusconi became a media magnate. Eventually, he became manager of Berlusconi’s money-making machine, Publitalia, which he turned into a political party overnight, in 1994, convincing a reluctant Berlusconi by faking a national candidates’ slate with names taken out of telephone books.

Dell’Utri represents an intersection of interests, where freemasonic lodges meet traditionalist catholic circles, in the vicinity of organized crime. Last December, a court in Palermo sentenced Marcello Dell’Utri to nine years in jail because of Mafia connections. The conviction is now in an appeals court. Dell’Utri has insisted he is the victim of a legal persecution, and has compared himself to Socrates. Through a cultural organization he himself founded, called “I circoli,” Dell’Utri sponsored a staged version of Plato’s “Apology of Socrates,” which collapsed when the leading actor, after the Palermo sentence, announced on stage that he was withdrawing from the job.

A member of the European Parliament, Dell’Utri is a staunch supporter of globalization and free-market policies. He was the main opponent of former Finance Minister Giulio Tremonti, who represented the “colbertist” faction in Berlusconi’s Forza Italia party, and successfully forced Tremonti to resign last spring, by intriguing together with Central Bank defender and Deputy Prime Minister Gianfranco Fini.

Two years ago, Dell’Utri founded a cultural magazine, called *Il Domenicale*, and launched a project to train youth cadre in “liberal” ideology, to become the future leadership of the party and the nation. His magazine announced the ambitious project of becoming the forum for dialogue between the two alleged liberal traditions of Italy: the “aristotelian-thomistic one” which they identify with, and an unspecified “other” liberal tradition, which is presumably the freemasonic one represented in Italian history by Giuseppe Mazzini and others. Or, one could say, the left-wing and the right-wing versions of the synarchist, beast-man tradition otherwise called fascism.

Old Wine in New Bottles

If the Mussolini project goes through, and next year Berlusconi is elected Prime minister again, thanks to Mrs. Mussolini’s votes, we could have a situation with hard-core neofascists in cabinet posts; maybe as deputy police or defense ministers. As we have reported previously, in fact, Alessandra Mussolini is only the lead candidate for a coalition of neofascist parties, whose most “distinguished” representative is Roberto Fiore, a former fugitive from Italian justice who became a millionaire in London, protected by MI6.

Fiore left Italy in 1980, in the aftermath of the Bologna train station bombing, to escape a death threat which originated from obscure circumstances of contiguity with the perpetrators of that terrorist attack. Eventually, an arrest warrant was issued against him, and his organization, called “Third Position,” was disbanded as a terrorist organization. Italian officials tried repeatedly to obtain Fiore’s extradition from London, but their requests were regularly rejected by the Thatcher and Major governments, with formal pretexts.

In London, Fiore strengthened his connections to the religious right and associated himself with representatives of the anti-ecumenical faction in the Catholic Church, the so-called Society of Pius XI led by schismatic Bishop Marcel Lefebvre. At the same time, he cultivated his ties to Spanish fascist leader Blas Piñar, and founded an organization carrying the same name as Piñar’s “Forza Nueva.” From London, he directed the Italian-based Forza Nuova organization, at the same time financing legal assistance for old fascist comrades who had problems with Italian justice. He built the base of his organization among soccer hooligans, introducing British-style methods and rapidly taking over soccer-fans’ organizations in Rome and throughout Italy.

After the statute of limitations expired, in 1997, Fiore went back to Italy, and started to work to unify all radical rightwing groups. Such a united front policy reflected a European-wide thrust, decided centrally, and formalized in a congress which took place in Madrid, under the sponsorship of Blas Piñar. Among the participants were France’s Le Pen, who played a direct role in putting together the squabbling Italian groups, and Germany’s National Democratic Party (NPD) leader Udo Voigt. Fiore and Voigt developed a close collaboration, with Fiore participating to NPD meetings in Germany, and Voigt visiting Forza Nuova’s meetings in Italy.

It is clear that the synarchist elites are preparing pawns to be deployed in the near future, as they themselves know that the systemic crisis is going to explode. This does not necessarily mean that such people as Fiore or Voigt would play the main roles, since other populist figures are getting ready as well, but it indicates that all elements are being put in place in order to set the stage. This project has to be stopped not only with correct information, but also and foremostly, by pushing for an alternative to the neo-liberal policies which are creating the conditions for fascist regimes.

International Intelligence

Kuomintang Leaders Make Historic Visit to China

Leaders of the Kuomintang (KMT) Party in Taiwan on March 28 began their first official visit to Mainland China since 1949. Party vice-chairman Chiang Pin-kun led a 30-member delegation in a five-day visit to Guangzhou and Nanjing, and then Beijing, to pay respects to Dr. Sun Yat-sen, founder of the Chinese Republic, and to the KMT martyrs of the April 1911 Huanghuagang Uprising, which was led by Dr. Sun. The delegation was visiting to mark the Qingming Festival, which is the time to pay respects to the dead. After Guangzhou, they planned to go to the beautiful Mausoleum of Sun Yat-sen in Nanjing, the *China Daily* reported.

This is the first visit of KMT officials since the Revolution of 1949, when the Peoples' Liberation Army defeated the KMT forces in China. The KMT is now leading the opposition in Taiwan, and this visit is intended to ease relations across the Taiwan Straits. On his arrival, Chiang Pin-kun said: "We hope to help ease cross-strait tensions to ensure people's well-being, . . . [and] to do what the government [led by the pro-independence DDP] does not do and cannot do." Before he left Taiwan, Chiang said: "We oppose Taiwan independence. We advocate peace across the Strait and oppose the mainland using force."

In Beijing, the KMT delegation was scheduled to meet senior Communist Party leaders, and was expected to discuss the possible visit of KMT leader Lien Chan to mainland China. In Guangzhou, the delegation visited the Huanghuagang Martyr Cemetery, where 86 of the supporters of Sun Yat-sen, killed in the uprising, are remembered.

A leading issue of Chiang Pin-kun's visit was improving economic relations. On the agenda were expanding exports of Taiwan agricultural produce to the mainland, and increasing direct air links across the Taiwan Straits. During the Spring Festival this year, direct charter flights were started for the first time, and these may be expanded to other festivals and even regular weekend service. Chiang also wants to negotiate

opening direct cargo transport links, since so many Taiwanese have set up manufacturing facilities on the mainland. In Guangzhou, the biggest center of Taiwanese investment in China (worth some US\$35.6 billion), Chiang met with leaders of the Taiwanese community. The *China Daily* quoted Frank Tsai, executive director of Airmate Electrical (Shenzhen) Co. Ltd., saying that "As a leader of Taiwan, [President and DDP leader] Chen Shui-bian should focus his efforts on boosting economic development and trying to ensure Taiwanese people live better lives, instead of frequently challenging the mainland's bottom line."

Kofi Annan Outlines Plan for UN Reform

UN Secretary-General Kofi Annan on March 21 called on world leaders to approve the most sweeping changes of the United Nations since it was founded 60 years ago.

The recommendations for these changes were contained in a 62-page report entitled "In Larger Freedom: Towards Development, Security and Human Rights for All," and was released on March 20, six months before world leaders meet at the UN headquarters for a summit called by Annan.

In presenting the report to the 191 members of the UN General Assembly, Annan stated that the reform proposals were a package, and not an *à la carte* menu, from which nations could choose only those aspects they fancy. "This hall has heard enough high-sounding declarations to last for some decades to come. We know what the problems are, and we all know what we have promised to achieve. What is needed now is not more declarations, but action to fulfill the promises already made."

The report calls for revitalizing the General Assembly. One of the proposals is for the creation of a Human Rights Council, elected by two-thirds of the General Assembly, to replace the Geneva-based Commission on Human Rights. Another key proposal calls for an expanded, more representative Security Council, and two op-

tions in this regard are proposed. One would add six new permanent members (expanding the Council from 15 to 24 members), and the other would create a new tier of eight semi-permanent members: two each from Asia, Africa, Europe, and the Americas.

The report outlines three pillars that Kofi Annan believes are required in the coming ten years; Freedom From Want; Freedom From Fear; and Freedom To Live in Dignity. The report concludes: "To make the right choice, leaders will need what the United States President Franklin D. Roosevelt, whose vision was so central to the founding of the United Nations, called 'the courage to fulfill their responsibilities in an admittedly imperfect world.' "

Right-Wing Rabbis Put 'Denura' Curse on Sharon

Israel's Yosef Dayan, former close advisor to the late Jewish terrorist Meir Kahane, has been given permission to enact a *pulsa denura*—Aramaic for "lashes of fire"—or curse of death on Israeli Prime Minister Ariel Sharon, the *Jerusalem Post* reported on March 30. It was Dayan who had pronounced such a curse prior to the assassination of Prime Minister Yitzhak Rabin in 1995. He was given permission by Yeshua Ben Shushan, a cabbalistic rabbi who in 1980 was arrested for being part of a plot to blow up the Dome of the Rock on the al-Haram al-Sharif/Temple Mount in Jerusalem.

Dayan and Ben Shushan both believe in creating an Israeli monarchy, and since Dayan claims a lineage that goes back to King David, one may surmise whom he would like to be king.

Ben Shushan is one of the leading lights of the Israeli right wing. When he is not plotting to blow up mosques, he spends his time looking for a red heifer, so he and his crowd can start building the Third Temple in Jerusalem. According to him, it was the lack of a red heifer which was one of the "spiritual difficulties" which led to the failure the earlier plot to blow up the Dome of the Rock, one of Islam's holiest sites.

LaRouche Intervenes in GM Crisis: Save U.S. Industry

by Marcia Merry Baker

At the time of a March 23 LaRouche PAC Town Hall Meeting in Detroit, Lyndon LaRouche launched a drive for collaboration on a “reconstruction agenda” for the United States, to save the nation’s industrial capacity in the face of the breakdown impact of the threatened financial collapse of General Motors/GMAC, the world’s largest automaker and a \$300 billion financing operation. LaRouche is calling for action, based on the conceptualization of the science of infrastructure for an economy, to start the *re-industrialization* of the United States, which will be of crucial benefit internationally as well.

What’s at stake in the GM crisis, is not simply ill effects from one more big-bang blow-out, like the global tremors from the 2003 Italy-based Parmalat dairy/financial bust, but the core manufacturing capacity remaining in the United States—its workforce and households, plant and equipment, communities and potentials. The GM/GMAC complex, with a debt total in the range of \$302 billions and a negative cash flow, is facing falling auto sales, imminent degrading of its debt to junk-bond status, Wall Street-ordered downsizing—the GM locomotive division was sold off in January—and the pending bankruptcy of its component suppliers. Ford’s total debt is \$174 billion, with some \$37 billion due this year in refinancing or pay-up. Likewise, its parts suppliers, mainly Visteon, are operating on a week-to-week basis.

The two maps here show the drastic decline in the percent of the U.S. workforce involved in manufacturing of all kinds, by county, over the 25-year period from 1975-2000.¹ During the 2001-2005 George W. Bush/Dick Cheney years, the process has accelerated. The darkest tones indicate the greatest concentrations in manufacturing as of 1975, from the textile

mill counties of the South, to the traditional heavy industry factory centers in the North Central states. Over the years of increasing globalization, and rigged “free” trade, these manufacturing activities were re-located to cheaper operations, mostly outsourced. Accordingly, there was a decline in the condition of the home communities, from infrastructure, to living standards of households.

Now the very core of what’s left of heavy industry in the United States—the auto sector—is sliding towards wipe-out. We are on the verge of losing industrial “fundamentals,” as one retired high-ranking military officer described the crisis, in agreement with LaRouche’s re-tooling mobilization.

Reconstruction Thinking

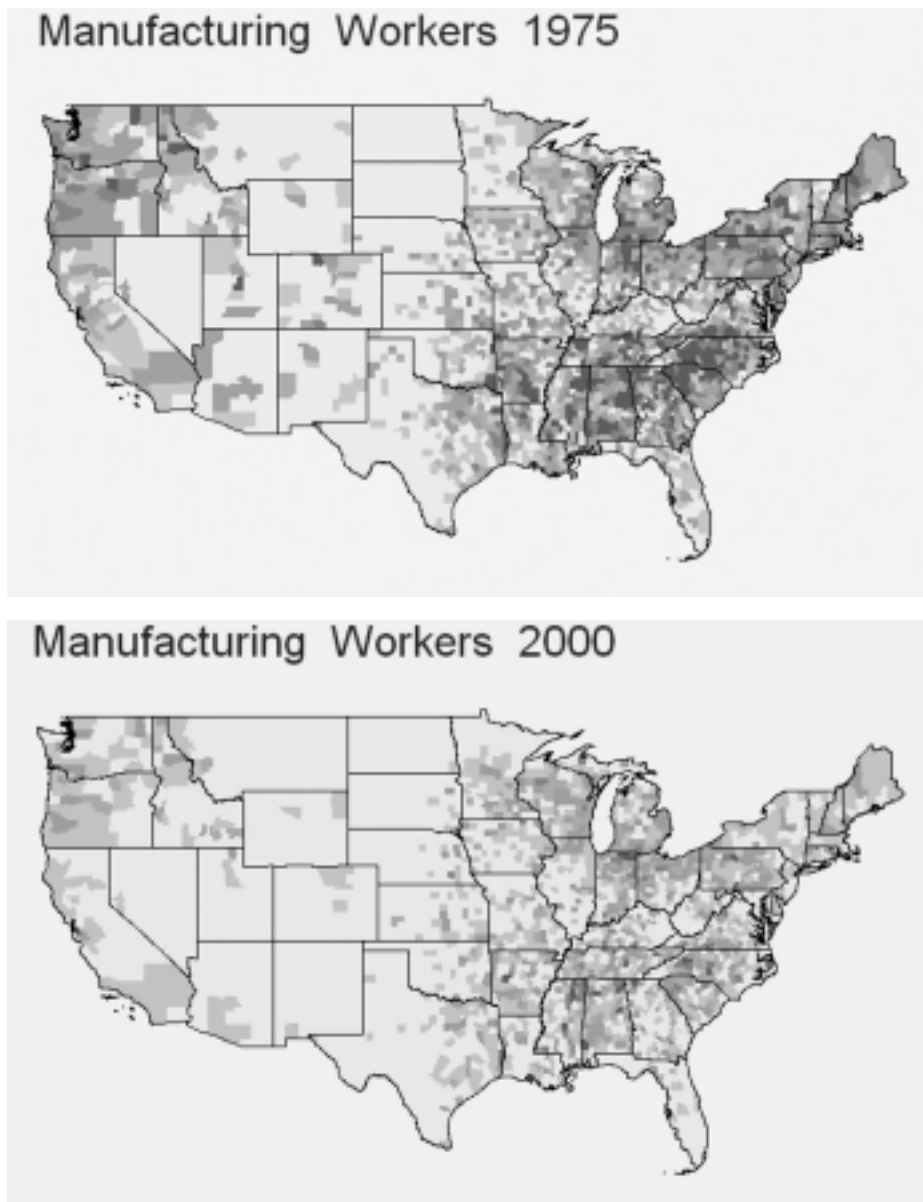
Besides saving manufacturing as such, LaRouche points out that the same kind of “reconstruction thinking” is required for other areas of the economy now in utter breakdown crisis, such as Medicaid. There must be collaboration and intervention to restore provision for health care and sanitation, and that means *physical infrastructure*. He addresses the full scope of this in his paper, “Situating Health-Care Policy: What Is Infrastructure?” (see *Feature*). LaRouche intends next to issue a paper on the principles involved in saving industrial capacity in the face of the GM crisis.

The response to LaRouche’s initiative has been immediate and optimistic. The first reaction among lifelong, highly-skilled individuals in the auto sector in Michigan has been, to put it simply, “We can do what’s needed,” referring to the prospect of re-tooling current auto industry plants for production capacity inputs to large-scale infrastructure-building—rail systems, power plants, bridge and dam components, facilities for health care and affordable housing, etc.

Some indicative specifics in Michigan:

1. See a color map sequence of the manufacturing decline on *EIR OnLine* at www.larouchepub.com. For information, johnhoeffe@larouchepub.com.

Decline in Manufacturing Workforce, 1975-2000



Source: Bureau of Labor Statistics. Map produced by MapInfo.

The map shows, by county, the percent of the workforce involved in manufacturing, with the darkest tone indicating the highest percentage. The data is from the Standard Industrial Classification series of the Bureau of Labor Statistics. The decline of manufacturing is evident throughout all geographic concentrations, from textiles in the South, to aluminum in the Northwest, to steel, auto and machine tools in the Northeast and Upper Midwest.

- Hamtramck. At the plant of American Axle, which does 80% of its business with GM, the employment has dropped from 10,000 workers in 1985 down to 2,100 today; but the potential for gear-up still exists. At present, the plant produces axles and drive shafts, but with its numerically-controlled machine tools, and cadres of engineers, “job setters” (who set

up the machine tools) and workers, new products are very possible. One UAW leader summed it up, “Were the government to offer to our company to produce, say, for a monorail, and if that benefitted the company, we could do that.” Nearby is another plant, American Axle Forge, with similar versatility, yet facing complete shutdown.

- Ypsilanti. At the plant of Visteon—spun off from Ford in 2000 for financial-accounting reasons—the employment has dropped from 3,800 twenty years ago, down to 850 today; yet plant experts see gear up as very possible. One said of LaRouche’s retooling proposal, “We could just as well produce at this plant, components for high-speed rail systems, and a maglev system, as we could produce automotive components. Look, we used to produce shock absorbers and struts at this plant, also horns. Today, we specialize in starters and alternators. Obviously, we know how to retool to change over from the products we used to produce, which is different than [production of] starters. . . . We have the engineering and skilled workforce to produce new things. With the right machines and workers, you can produce almost anything that is needed.”

Intercontinental Rail Systems

One, most obvious focus for conversion in the endangered auto sector, is for inputs to restore a nationwide rail system for both passengers and freight, with intercontinental connections. In con-

trast to the Bush FY 2006 budget proposal ending all funding for Amtrak, bi-partisan bills have been repeatedly introduced into Congress in recent years, for proceeding with a set of upgraded high-speed passenger rail corridors, in several versions, including maglev. But under the prevailing neo-con thinking—either in agreement, or under intimidation—these

measures were never passed. For example, in 2001 two bills of this type were before Congress: the “High-Speed Rail Investment Act of 2001;” and the “Rail Infrastructure Development and Expansion Act (RIDE).”

With Federal action blocked, state leaders have still kept the prospect alive and under discussion in their regions. For example, in Nevada, former state Senator Joe Neal (D) last year presided over a detailed review of the benefits of maglev to Nevada and the West.

Also in response to LaRouche’s re-industrialization dialogue, long-time transportation consultant Hal Cooper has summarized some of the merits and priority features involved in getting to work on a nation-serving system. Foremost, is that high-speed rail means *electrified rail*, a modernization which the United States used for local mass transit close to a hundred years ago, then abandoned for both urban and interstate railroads! Cooper points out, “The overall problem is that the [current] transportation system is primarily based on petroleum as an energy source. This is a horrible mistake. America has a bi-modal transportation system, based on highways and airports. This is wrong.”

Converting transportation to modern, high-speed, and electrified systems—including especially, magnetized levitation rail—thus sets up an urgent need for new power generating capacity; namely, a full-scale nuclear program. In turn, this all sets up an enormous and urgent demand for re-tooling and vastly expanding the auto sector output potential.

Secondly, Cooper indicates some of the priority routes for freight, as well as the need for a national passenger system.

- New Alaska port/rail line to Canada and to the continental U.S.A. Currently, the California ports of Long Beach and Los Angeles are completely congested with Pacific trade flows, despite the 20-mile long Alameda Corridor of express rail-to-port infrastructure that was built a few years ago to relieve clogging. One-quarter of all incoming goods go through this system. There is talk of building a new, adjacent corridor. But faster, cheaper, and with greater overall benefit, would be to establish a new Asian-trade facility to a deep-water, ice-free port in Alaska; and a rail infrastructure corridor to Canada and the United States. Such a site is near Anchorage, on the Cook Inlet, at Port MacKenzie, in the Borough of Matanuska Susitna.

How long would it take to build? Cooper said, “Seven or eight years, but if we used a crash program, like Roosevelt, in five years. This is a necessity. Moreover, compare that to the idea of building another corridor extending out of Los Angeles, which doesn’t make sense, and that could take years and years.”

- Shenandoah Valley, Virginia/Interstate Route 81. To relieve congestion on this north-south, heavy freight-hauling highway route (extending from Winchester in the north to Roanoke and points south), a plan exists to extend the Norfolk-Southern Rail Road northward parallel to I-81.

However, it has been blocked by neo-cons and non-think highway advocates, who speak instead of adding two more lines to widen the existing four-lane Interstate. Cooper points out the stupidity of this. To extend the Norfolk Southern rails northward would cost about \$950-980 million, and take from five to seven years. By contrast, the plan to widen I-81 from four to six lanes would cost \$4.6-5.8 billion, and take 18-20 years.

LaRouche’s Authority

“Mr. Infrastructure,” is what one Republican, Navy logistics man calls LaRouche, since learning of his ideas over the period of the George W. Bush Administration and Iraq War. In fact, as the global financial system began to crack up over the past four years, LaRouche has not only been confirmed in his long series of successful forecasts and warnings; he has redoubled his efforts to deepen people’s understanding of the principles of “Science and Infrastructure” (a November 2002 paper), as the starting point for the needed response to the systemic crisis. His new series of papers elaborates these points.

LaRouchePac intends soon to publish a mass-circulation pamphlet, *LaRouche’s Forecasts and Reality, and the Options Now Available*. Included will be timelines of LaRouche’s forecasts, and the sequence of actual events in the financial system and economy, in particular since his January 2001 forecast of what the consequences would be of George W. Bush’s election.

Even before the open recognition of the GM/GMAC crisis this year, LaRouche opened the dialogue on what kind of response is required. On the campaign trail in November 2003, LaRouche spoke with industrial and community leaders in St. Louis and Detroit, about the perspective of reconstruction to save industrial capacities. On Nov. 20, 2003 in Detroit, he said: “We have an automobile industry, which has outlived its usefulness in its present form. So therefore, now we have to take the production capability of Michigan, Ohio, and Indiana, and use that productive potential before we lose it altogether, in devising a new variety of product required. . . . The area used to have engineering facilities, machine-tool capacities. It was not the automobile manufacturers that were essential to the industry; it was the machine-tool vendors who supplied the components of the system. This is the area, where a lot of the jobs have gone out. We now get imported assemblies from poor countries, for automobiles, rather than making the components ourselves.

“So, therefore, we have to rebuild that, and we have to orient our production capacity to national priorities, the way we went for the aircraft industry before, the automobile industry before then, and the railroads. So now we need a national transport system, which will do all kinds of things. . . . What we need is rapid-transit systems as a way of reintegrating and reconstructing our economy.”

Contact marciabaker@larouchepub.com.

Gen. Sanchez Memo: One More Link From Rumsfeld and Cambone, to Abu Ghraib

by Edward Spannaus

A newly-released memorandum on prisoner interrogation methods, written in 2003 by the top U.S. commander in Iraq, establishes yet another link from the policies set by Defense Secretary Donald Rumsfeld and other top Pentagon civilians, directly to the abuse and torture of prisoners that occurred at Abu Ghraib and other detention centers in Iraq. The content of the memo also suggests that the commander, Lt. Gen. Ricardo Sanchez, may have perjured himself in testimony before a U.S. Senate committee last year, when he flatly denied approving of the exact methods of interrogation which he listed and approved in the newly-disclosed document.

The memo referred to was written by General Sanchez on Sept. 14, 2003—less than a week after the commander of the U.S. prison camp at Guantanamo Bay, Cuba, Maj. Gen. Geoffrey Miller, had completed a visit to Iraq, where he visited Sanchez's command headquarters, as well as Task Force 20, one of Rumsfeld's Special Operations Forces (SOF) hunter-killer squads.

Miller had been sent to Iraq by the Undersecretary of Defense for Intelligence, Steven Cambone, and by Cambone's fanatical Muslim-hating deputy, Gen. Jerry Boykin, for the purpose of injecting the interrogation methods used at Guantanamo, into the interrogation process in Iraq. Miller himself described his mission as being to "Gitmo-ize" the Iraq interrogation operations, and he told top officers in Iraq that "you have to treat these detainees like dogs."

One knowledgeable source has told *EIR* that Rumsfeld was constantly on the phone with Miller during Miller's time in Iraq; for part of that time, Rumsfeld himself was in Iraq, and personally visited Abu Ghraib prison on Sept. 6; Miller left on Sept. 9.

Miller had brought with him Rumsfeld's policy guidelines for Guantanamo, issued in April 2003, in which Rumsfeld had approved 24 specific harsh interrogation techniques. These were in turn based on the report of the Pentagon Working Group on Detentions, which had been set up by Rumsfeld in January 2003, after questions had arisen within the military about the legality of interrogation techniques approved by Rumsfeld for use in Afghanistan and Guantanamo. (See *EIR*, March 18). The Working Group was wracked by bitter controversy, and lawyers from the military services were frozen out of the group's deliberations.

Pressure on Interrogators

Clearly, the Sanchez memo was not something created on the General's own initiative: It followed directly from Miller's visit. The battlefield context is also relevant: Over the summer of 2003, U.S. forces were faced with a growing insurgency and resistance, which Rumsfeld and the Pentagon civilian leadership had stubbornly refused to anticipate. Ground commanders in Iraq were under heavy pressure, directly from Washington, to obtain more "actionable intelligence," and these pressures were magnified as they were transmitted to interrogators in the field. In August for example, an aide to Sanchez sent an e-mail to Military Intelligence personnel, declaring that "the gloves are coming off," and that "we want these individuals broken."

Sanchez's memorandum is entitled "Interrogation and Counter-Resistance Policy," and it says that it is "modelled on the one implemented for interrogations at Guantanamo Bay, but modelled for applicability to a theatre of war in which the Geneva Conventions apply." (The reference to the Geneva Conventions is a bit of "cover-your-ass" sophistry, since a number of the methods listed would not be permitted under the Geneva Conventions, even for non-prisoners-of-war.)

In reference to this self-serving statement about the Geneva Conventions, the Schlesinger Report on DOD Detainee Operations alluded to the existence of informal and unofficial channels of communication, explaining that "there was also a store of common lore and practice within the interrogator community circulating through Guantanamo, Afghanistan, and elsewhere."

Among the techniques explicitly approved by Sanchez, were: Fear Up Harsh; Fear Up Mild; Sleep Adjustment; Dietary Manipulation; Environmental Manipulation; Isolation; Presence of Military Working Dogs ("Exploits Arab fear of dogs. . ."); Yelling, Loud Music, Light Control, and Stress Positions.

According to the ACLU, which obtained the Sanchez memo in an FOIA lawsuit, 12 of the techniques cited "far exceeded the limits established by the Army's own Field Manual," referring to Army Field Manual 34-52 which governs the Army's conduct of interrogation operations. They also violate the Geneva Conventions, which protect all persons in a zone of conflict from "cruel, inhuman, and degrading" treatment.

Did Sanchez Commit Perjury?

On March 30, the ACLU sent a letter to Attorney General Alberto Gonzales, asking him to open an investigation into possible perjury by Sanchez, in sworn testimony given to the Senate Armed Services Committee on May 19, 2004. At that hearing, Sen. Jack Reed (R-R.I.) asked Sanchez about an article in *USA Today*, saying, “It’s been reported that you ordered or approved the use of sleep deprivation, intimidation by guard dogs, excessive noise, and inducing fear as an interrogation method for a prisoner in Abu Ghraib prison—is that correct?”

Sanchez responded: “Sir, that may be correct that it’s in a news article, but I never approved any of those measures to be used within the CJTF-7 [Combined Joint Task Force-7] at any time in the last year.”

When pressed by Reed, Sanchez repeated: “I have never approved the use of any of those methods within CJTF-7 in the 12-and-a-half months that I’ve been in Iraq.”

In the letter to Gonzales, the ACLU notes: “The need for General Sanchez and all high-level government officials to tell the truth could not be more important. The nation cannot afford to have anyone coverup their wrongdoing when such a horrific abuse was the result.”

The ACLU also renewed its request that Gonzales recuse himself from this investigation and appoint a special counsel, because of his own involvement in the formulation of the policies which led to the abandoning of the Geneva Conventions and the abuse of prisoners.

Worse Than Abu Ghraib

More information continues to seep out concerning the torture and abuse of prisoners at Guantanamo, which, in the view of military law experts consulted by *EIR*, is much more damaging than what happened at Abu Ghraib, because the Guantanamo abuses were clearly deliberate, systematic, and planned out by high-level officials.

More than 500 hours of videotapes of prisoner interrogations at Guantanamo exist, according to an Australian lawyer who formerly represented David Hicks, an Australian citizen held at Guantanamo. The lawyer, Stephen Kenny, said that he believes that “these videos, if they are ever released, will be as explosive as anything from Abu Ghraib.” The existence of the tapes came to light after a member of the U.S. military, who was posing as a prisoner in a training exercise for the military’s Immediate Reaction Force, was beaten so badly that he reportedly suffered permanent brain damage. Kenny said that a “secret military review” found 10 cases of abuse in only 20 hours of tape.

Further accounts of torture and abuse came from Kristine Huskey, a lawyer at the Washington office of Shearman & Sterling, who represents a group of Kuwaiti prisoners at Guantanamo. Huskey told a conference at American University’s Washington College of Law on March 24, that her clients have “had their bones broken, they have been sodom-

ized, and have been threatened with sodomy.”

More evidence of military opposition to the torture policies promoted by Rumsfeld and Miller has come to light, with the disclosure that top U.S. Navy officials were so outraged at abusive methods, that they considered pulling Navy interrogators out of operations at Guantanamo during 2002. The *Boston Globe* reported on March 16, that in December 2002, a Navy psychologist had reported that interrogators at Guantanamo were using “abusive techniques.” In another incident around the same time, the Defense Department’s Joint Investigative Service, which includes Navy investigators, formally “disassociated” itself from the interrogation of a particular detainee, who had been subjected to what they considered particularly abusive and degrading treatment.

This led the Navy to consider pulling out of these interrogation operations altogether. U.S. Navy General Counsel Alberto Moro reportedly told colleagues that the techniques being used were “unlawful and unworthy of the military services.”

And on March 31, National Public Radio reported on yet another military investigation of interrogation methods at Guantanamo, which was triggered by FBI memos reporting on torture and abuse of detainees—which had gotten so bad that the FBI refused to allow its agents to participate in interrogations.

The likelihood of continued abuses is raised by the increasing number of prisoners being held by the U.S. in Iraq and Afghanistan, according to a report released on March 30 by Human Rights First (HRF). The U.S. is now detaining a record 10,200 people in Iraq, more than twice that of five months ago. The number of detainees held in Afghanistan is also on the rise, having risen from 350 in June 2004, to an estimated 600 currently. No numbers for Afghanistan are available since January 2005, because the Department of Defense has introduced a policy of classifying information related to U.S. detentions in Afghanistan, including the number of detainees held, and the specific legal basis for their detentions.

The HRF report also cites the continued reliance on makeshift “transient” detention facilities—which often are nothing more than a series of trailers surrounded by barbed wire. “Many of the worst alleged abuses of detainees, including deaths in custody, have occurred in these facilities, where visits from the Red Cross are limited,” the report says.

The failure to follow the Geneva Conventions, and the abuses of prisoners, has not only put U.S. forces at risk, but it has undermined U.S. intelligence and counterinsurgency efforts, the HRF report notes, quoting a U.S. intelligence officer who had been in Afghanistan as warning: “The more a prisoner hates America, the harder he will be to break. The more a population hates America, the less likely its citizens will be to lead us to a suspect.”

Contact edwardspannaus@larouchepub.com.

Schwarzenegger Chooses Demagoguery To Impose Shultz's Fascist Agenda

by Harley Schlanger

On Sept. 18, 2003, as the campaign to recall Gov. Gray Davis was heating up, Arnold Schwarzenegger appeared at the California State Railway Museum, to establish his credentials as a “reformer.” The site was chosen to make the link between Schwarzenegger and Hiram Johnson, who was elected governor as a reform candidate in 1910. Johnson won by campaigning against the leading special interest of his day, the Southern Pacific Company. It was under his guidance that the state Constitution was amended to allow voters to govern through “direct democracy,” using the tools of: recall, to remove corrupt politicians; initiative, to pass legislation directly by yes or no vote; and referendum, to repeal legislation by direct vote.

Schwarzenegger's handlers arranged this appearance to convince voters that he was a reformer who would fight for the “people” against the “special interests,” in the tradition of the Progressive movement, which had elected Johnson in 1910. The former Hollywood star played his role to the hilt: “The special interests in those days ran over people,” he said, reading from a “Reforminator” script. “Hiram Johnson stopped them. That's why I wanted to come here.”

Throughout the campaign, he returned repeatedly to that script. I must “Terminate Davis,” he would growl at rallies, because he is a captive of special interests. I am not part of the system, he would lie; I am an outsider, who owes nothing to the special interests which have failed in Sacramento. To reform this system, you need an outsider who can't be bought; I have enough money, so no one can buy me!

After spending millions of dollars to win the election—the bulk of which came from corporate cartels with a vested interest in cutting taxes and eliminating government spending for health care, education, and human services—Schwarzenegger went on to denounce educators who insisted that he deliver funds he had promised to the schools, as being part of the “special interests” he claimed the voters had elected him to defeat. The demand from nurses that he fulfill his pledge to reduce the patient-to-nurse ratio was rejected by him as another example of a “special interest.” They don't like me, he said, mockingly, because “I am always kicking their butts.”

Yet, despite his best efforts to get support for his “reforms” from legislators by alternating between schmooze-

feasts with them, and denouncing them in menacing action-hero tantrums, he began 2005 with little progress in his first year in office.

Arnie's Cowardly Reforms

With the state debt growing, after he convinced voters to pass an initiative to borrow \$15 billion to pay for old debt, and the budget deficit widening, there was more of the same from the Governor, who seems to have never met an excuse he would not use. The debt: That's the fault of Davis, he snarled. He blamed the legislature for the deepening budget deficit, especially the Democrats, whom he slandered as “girlie men,” “evil,” and “addicts.”

To address the budget crisis, he has chosen to place an initiative on the ballot which would establish a mechanism for automatic, across-the-board budget cuts, whenever revenue falls below budgeted expenditures. If it passes, the main areas subject to cuts will be education, health and human services, and infrastructure improvements, and legislators will have no recourse to restore funding.

To cut spending further on education, he is pushing an initiative for “merit pay,” a vaguely defined plan which is supposed to weed out “bad” teachers, while rewarding “good” ones. Whether teachers are “bad” or “good” will be determined by students' scores on standardized tests, which is, in reality, no basis for judging teachers. Further, he has refused to specify how the state would pay for merit raises for the “good” teachers!

A third reform is the special favorite of his chief controller, George Shultz, who wishes to privatize the public employee pension system of the state for the same reason he coordinated the privatization of the retirement system in Chile under Gen. Augusto Pinochet's fascist military dictatorship: to divert the funds from public management, into the hands of Wall Street speculators. Despite the efficient and competent management which has characterized the handling of the state retirement systems in California, Arnie insists that the state shift to private, individual 401(k) plans for those employees hired after 2007, and is backing petitioning to put this policy on the ballot for a vote.



Gov. Arnold Schwarzenegger's "rule by referendum" castrates the Legislative branch, replacing the republican core of American government with so-called "direct democracy."

Finally, when his efforts to elect more Republicans to the legislature failed, in November 2004—not one Republican he backed defeated an incumbent Democrat—he demanded an initiative on the ballot to have a Tom DeLay-style redistricting, arguing that it would make elections “more competitive.”

As his poll numbers have begun dropping, as the power of celebrity seems to be wearing thin, the Governor has launched increasingly demagogic attacks on unions and public employees, such as firefighters and policemen, accusing them of standing in the way of the “will of the people.” The unions, he bellowed, “want to stop progress, and we have to stop that, create a balance. They’re beating up on businesses and chasing everyone away from the state.”

An Echo of Hitler

As *EIR* has asserted, the script from which Governor Schwarzenegger is reading bears more than a passing resemblance to that given to Adolf Hitler by his economic czar, Hjalmar Schacht. The designation of Arnie as “Hitler on Steroids” is not based only on his admission of his great admiration for Hitler and his “leadership principle,” the *Führer Prinzip*, the myth of the popular leader who uses his superior strength and will to fight against the powerful on behalf of the people. It should be noted that long before Arnie dubbed himself the “People’s Governor,” Goebbels had proclaimed Hitler the “People’s Chancellor.”

Nor is it simply that, in his zeal to act on behalf of the real special interests—the pharmaceutical firms, real estate speculators, and the corporate cartels which control the banks, investment houses, entertainment, and telecommuni-

cations sectors—Arnie is terminating programs which benefit the poor, the elderly, the sick and disabled, treating them as parasites and “useless eaters” who are expendable, exactly as Hitler did on behalf of the cartels which put him in power. In his State-of-the-State address in January 2005, Schwarzenegger acknowledged that he knows “there are lives behind the numbers” in the budget cuts, but that he must be “fiscally responsible,” i.e., sacrifice those lives to pay off the debts.

In the article following, Steve Douglas shows that Arnie’s preference for the tools of so-called direct democracy, the recall, initiative, and referendum, is an echo of Hitler’s use of plebiscites to provide a popular cover for his imposition of anti-democratic policies, the aim of which is to obliterate the process of legislative

deliberation. Schwarzenegger’s assaults on the legislature and his effort to circumvent the give-and-take of the legislative process mirrors Hitler’s attacks on the Weimar parliamentary system, and his contempt for the political parties in Germany in the 1920s and early 1930s.

But before the use of the plebiscite by Hitler, there was another tradition of “direct democracy” which provides a model for Schwarzenegger’s anti-republican predilections, that of Gov. Hiram Johnson and the Progressive movement.

Hiram Johnson: A Treasonous Tradition

Johnson was part of the Lincoln-Roosevelt League, committed to fighting against the political power of the Southern Pacific Company. The SP truly was a “special interest.” Its robber baron owners used their money and near-monopoly control of rail transport and land to determine who could do business in the state. From 1880 until 1910, virtually every governor and a majority of the members of the legislature were either on the payroll of the SP, or recipients of bribes from its lobbyists. No legislation could be passed unless it had been approved by SP officials. Under their direction, more than three-fourths of the public lands in the state was in the hands of the SP and allied corporations and land speculators.

Johnson was elected on a platform of breaking the control of the SP over the state. His campaign motto was that this election was one between “the great moral masses [and] the corrupt but powerful few.” In his inauguration address on Jan. 3, 1911, he proclaimed that his first duty as governor was “to eliminate every private interest from the government,



Teddy Roosevelt (left) and California's Hiram Johnson. Johnson ran for Vice President with Roosevelt on the Bull Moose ticket in 1912. Elected governor of California in 1910, Johnson championed the government by plebiscite which was later adopted by both Adolf Hitler and Arnold Schwarzenegger.

to make the public service of the state responsive solely to the people.”

He continued: “How best can we arm the people to protect themselves hereafter?” The initiative, referendum, and recall, he said, “do give the electorate the power of action when desired, and they do place in the hands of the people the means by which they may protect themselves.”

On Oct. 10, 1911, California voters passed 20 constitutional reforms, including recall, initiative, and referendum. In 1914, six initiatives were approved by voters and, from 1911 to 1978, a total of 42 initiatives were passed.

However, most of the positive changes which occurred while Johnson served as governor were not the result of ballot initiatives, but came through the legislative process. These included utility and railroad regulation, tough wage and hour laws for working people, workers' compensation, pensions for teachers, and free textbooks for children.

In other words, the system worked, without resort to the measures of so-called direct democracy. It was within the electoral process that the power of the SP was derailed, through a political mobilization which elected legislators who rejected the concentration of power in the hands of a small group of oligarchs. Johnson should have known this was possible—after all, he and the anti-SP majority were elected in the general election, by the voters.

Why, then, did he and his fellow Progressives insist on pushing through recall, initiative, and referendum?

California historian Kevin Starr offers some insight into this process in his book *Inventing the Dream: California Through the Progressive Era*. The members of the Lincoln-Roosevelt League were not civic-minded republicans out to rescue the state from a bona fide special interest. They were “Tory reformers, Teddy Roosevelt Republicans to a man.” Included among them were land speculators, who objected to the monopoly control of the SP, though not the right to make fortunes through speculation. Starr summarizes their outlook as one which was “abhorrent of both the corporate oligarchy and labor unions, forward-looking and reform-minded, yet at the same time nostalgic for the lost myth of American self-reliance and individualism.”

Progressivism, Starr writes, drew its strength “from the native-born Protestant Republicans of the Southland. . . .”

Johnson, the great hero of the Progressives, ran for Vice President with Teddy Roosevelt on the Bull Moose ticket in 1912, ensuring the election of the Nashville Agrarian Democrat Woodrow Wilson as President. Johnson shared with Wilson a nostalgia for the Confederacy, as both were great admirers and promoters of D.W. Griffith's racist paean to the Ku Klux Klan, the film *The Birth of a Nation*.

One of the initiatives which did pass, with Governor Johnson's full support, was a 1920 initiative which strengthened the Alien Land Law, denying ownership of land to Japanese and other Asian immigrants.

Johnson ended his career as a U.S. Senator from California; he was one of the leading opponents of Franklin Roosevelt's New Deal.

The Constitutional Alternative

Since 1978, forty initiatives have been approved by the voters of California. The argument for them, as in the case of those backed by Schwarzenegger, has generally been that the legislative process no longer works, and the only way to break the gridlock is to let the “people” decide.

This tradition of “hyper-populism,” as Peter Schrag, editorial columnist for the *Sacramento Bee*, calls it, has produced a series of disastrous initiatives which became the law. These include anti-tax initiatives, such as Proposition 13, which limited property taxes and is a major part of the reason for inadequate funding of public education today; term limits, a major cause of legislative problems due to inexperience among elected representatives; restrictive, even racist, anti-immigra-

tion policies, such as Proposition 187, which passed in 1994, but was struck down by the courts (Prop. 187 was pushed by former Gov. Pete Wilson, whose former staffers run Schwarzenegger's day-to-day operations. Arnie acknowledged that he remains a supporter of Prop. 187); and judge-proof sentencing, such as the three-strike law, passed through an appeal to hysteria over law-and-order issues.

The increase in the number of initiatives, Schrag writes in his thoughtful book *Paradise Lost*, means that "many are of such consequence that the real policy decisions are now being made in the plebiscitary process and not in the halls of the legislature or the office of the governor." This confirms the fear expressed in a *New York Times* editorial written on Oct. 18, 1911, just after the passage of the constitutional reforms pushed by Johnson. Titled "Anti-Democracy in California," the editors wrote that initiative pretends to give greater right to the voters," but actually "deprives them of the opportunity effectively and intelligently to use their powers." Though designed to counteract the power of political machines, they note that "the strength of the machines lies in the inattention and indifference of the voters."

Thus, a confused, frightened and irresponsible electorate can be manipulated, by a well-financed campaign backed by a popular figure, who can effectively play on their confusion and fears, to pass legislation which actually goes against their best interests and the General Welfare.

The Founding Fathers of our nation understood this danger, and therefore made it very difficult to amend our Federal Constitution. Their opposition to direct democracy is made clear by James Madison (Publius), in the *Federalist Papers*, Number 49, in which he presents the argument for a republican form of government.

Madison warns that "executive power might be in the hands of a peculiar favorite of the people" (such as Arnie), which could lead to an outcome determined not by the "true merits of the question." Instead, the public decision "would be pronounced by the very men who had been agents in, or opponents of, the measures to which the decision would relate. The *passions*, therefore, not the *reason*, of the public would sit in judgment. But it is the reason, alone, of the public, that ought to control and regulate the government. The passions ought to be controlled and regulated by the government."

Madison would see right through the populist fascist fraud that Arnold Schwarzenegger is, as Governor of California. The would-be Terminator of our republican, constitutional system must be stopped, while there is still time. The daily deployment of the LaRouche Youth Movement in the state is mobilizing the population to recognize the danger of Schwarzenegger's attempted end-run around the institutions of republican democracy, and challenging citizens to stand up against the real special interests, i.e., those allied with Shultz, which stand behind Arnie's attempted fascist coup.

Referendum: Hitler's 'Democratic' Weapon To Forge Dictatorship

by Steve Douglas

Arnold Schwarzenegger's professed admiration for Adolf Hitler has assumed many manifestations since he became the "Governator" of California. One such is his brutal bullying of the state legislature; he clearly has little or no more regard for it, as a body of representative government, than Hitler had for the German Reichstag (parliament). Another such expression is Schwarzenegger's use of the referendum, as a way of bypassing that uncooperative legislature (see accompanying article). Arnold's populist, fascist, demagogic rants against "special interests" and "big government," together with his claim to represent the true interests of the "people," are very reminiscent of Hitler's carefully crafted polemics against "political insiders" and "self-serving political hacks" that put their petty interests above the interests of the people and the nation, which were directed at an increasingly economically and psychologically desperate German population between 1930 and 1933. Indeed, in the last 18 months before he was finally installed as Chancellor on Jan. 30, 1933, as his Nazi Party was making ever greater gains at the polls, Hitler sounded more like a 21st-Century Cheney-Bush neo-conservative than a 20th-Century gutter-scum anti-Semite intent upon mass murder and global war: He promoted "family values," "moral renewal," "military greatness," and "peace through strength," even as he bitterly attacked the Versailles Treaty, the League of Nations, and terrorists/Communists that threatened Germany's way of life, and "the politicians" who were too absorbed in their own special interests to address the needs of the nation.

Hitler was particularly harsh in his attacks on the Social Democratic Party (SPD) which was the largest party in Germany during most of the Weimar Republic, and the Catholic Center Party, which was frequently aligned with it. He denounced the Center Party's "political bosses" as "cowardly hypocrites" who operated under the "camouflage of Christianity," as they "poisoned and contaminated" the morals of the people. His 1932 election poster exhorted: "Catholics, save your Church! Christians, rescue the Christian idea of God! Smash the (Weimar/Versailles) System! Smash the Center Party, the Social Democracy, and thereby Bolshevism!" What righteous language from a Christian-hating, agnostic anti-Semite!

The Chaos That Was Weimar

After Germany was defeated in World War I, the imperial government was disbanded, and the parliamentary system of the “Weimar Republic” was imposed in its place. The Treaty of Versailles which ended World War I, stipulated that Germany bore sole responsibility for the outbreak of the war; that it had to pay massive reparations of \$33 billion or 132 billion gold marks to the Allies; that the Rhineland had to be demilitarized; that the Saarland would be detached from Germany; that the German Army would be limited to 100,000 men; that the boundaries of Germany were redrawn, etc. In short, the draconian conditions of the Treaty virtually guaranteed the eruption of a new conflict.

Economic and financial chaos abounded. The German mark, which had been valued at 4 to the U.S. dollar in 1919, fell to 75 to the dollar in 1921, and 400 in 1922. By the beginning of 1923 it was 7,000 to the dollar; by July 1 it dropped to 160,000; by Aug. 1 it was 1 million; and by November it took 4 billion marks to buy 1 dollar! It was in the midst of that chaos, that the Nazis mounted an unsuccessful coup attempt in the German state of Bavaria in 1923. During his short stay in jail thereafter, Hitler resolved that his quest for dictatorial power would succeed, only insofar as he adhered to—or at least appeared to adhere to—legal means of political practice.

So it was, that Hitler’s Nazi Party embarked upon an electoral strategy that served to pave his road to power. In the Reichstag election of 1928, the Nazis garnered only 810,000 votes and 12 seats in the Reichstag. They were the ninth and smallest party in the nation, at that time. By way of comparison, the Communists won 3,265,000 votes and 54 seats in that election. But in September 1930, one year after the Wall Street stock market crash, one year into a deepening world depression, and after six months of brutal austerity and budget cutting by the regime of Chancellor Heinrich Brüning, the Nazis exploded onto the electoral scene. In that Reichstag election, Hitler’s minions received 6,409,600 votes and won 107 seats in the Reichstag, thereby becoming the nation’s second largest party.

As unemployment figures soared to over 6.5 million (or 25% of the workforce), and family incomes plunged by 40% relative to their 1929 levels, the Nazis made phenomenal gains in July 1932, when they won 13,745,000 votes and 230 seats in the Reichstag. At that point, the Nazis were the largest party, and the Social Democrats, with 133 seats, fell to the rank of the second.

As the number of Nazi deputies in the Reichstag grew, so did the Reichstag’s dysfunctionality. Between 1920 and 1930, the legislature met approximately 100 times per year. Between October 1930 and February 1931, the Reichstag met in 50 tumultuous sessions that were constantly disrupted by complementary and coordinated demonstrations conducted by the Nazis and their allegedly mortal enemies, the Communist Party deputies. That is, the same Hitler whose campaign

speeches denounced the “self-absorbed party hacks who were paralyzing government,” was directing his Nazi deputies to exacerbate that same paralysis. In February 1931, the Reichstag resolved to adjourn for six months, as the parties of the extreme right and left walked out in protest of rules changes that were designed to make it more difficult for them, or any party, to disrupt the functioning of the body as a whole. Between March 1931 and the next big election victory of the Nazis in July 1932, the Reichstag met only 24 times; and between August 1932 and Hitler’s installation as Chancellor on Jan. 30, 1933, it met only 3 times.

With regard to Hitler’s appointment by President Hindenburg as Chancellor, it must be remembered that it was not simply the Nazis’ showing at the polls that prompted the aging Field Marshal Hindenburg to make his fateful decision. In fact, he had sworn not long before, that he would never let “that Austrian corporal become Chancellor.” It was the conspiratorial actions, machinations, money, and political blackmail operations of Prescott Bush (Dubya’s grandfather), Montagu Norman of the Bank of England, Averell Harriman, and other leading lights of the Anglo-American establishment, that were decisive in forcing that “regime change” through.

One-Party Dictatorship

Hitler immediately insisted upon new Reichstag elections, in the hope that his Nazi Party could secure an absolute majority. In the course of the campaign, Hermann Göring, Hitler’s top associate, designated successor, and head of the Prussian state police apparatus, secretly organized an arson attack against the Reichstag building on Feb. 27, and declared this to be proof of a Communist plot to overthrow the state. President Hindenburg signed the *Notverordnung*, empowering Hitler to rule by Emergency Decree. Still, even in that super-charged atmosphere of national emergency, when the Reichstag elections were held on March 5, the Nazis could secure only 44% of the vote.

Hitler convened the new Reichstag on March 21, 1933, expressly for the purpose of getting it to pass the *Ermächtigungsgesetz*—Enabling Law—that would grant him parliamentary approval to rule by emergency decree. The leaders of the (majority) non-Nazi and anti-Nazi party parliamentary factions foolishly agreed to “negotiate” with Hitler on this issue, in a deluded effort to “delimit” and “circumscribe” his emergency powers. Within days of the reconvening of the Reichstag, the Enabling Law was passed, and Hitler was affirmed as the “legal dictator” of Germany, while still nominally serving at the behest of the President. Within less than four months, every party which had “negotiated” the Enabling Law with Hitler was either banned, or “voluntarily dissolved.” On July 14, 1933, Germany formally became a one-party dictatorship, when Hitler decreed the law which stated:

“The National Socialist German Workers’ Party constitutes the only political party in Germany.



Hitler's election campaign posters in 1932. His populist attacks on "political bosses" and "special interests," and his use of the referendum to bypass the legislature, sound very familiar to current California residents.

"Whoever undertakes to maintain the organizational structure of another political party or to form a new political party will be punished with penal servitude up to three years or with imprisonment of from six months to three years, if the deed is not subject to a greater penalty according to other regulations."

Hitler finally had the absolute majority in the Reichstag which he had so desperately craved. What did he do with it? The Reichstag proceeded to meet only 12 (!) times between March 1933 and Sept. 1, 1939, when Hitler precipitated the outbreak of World War II with his attack on Poland. It enacted only four laws during that entire period; it conducted no debates, and never heard speeches made by anyone except Hitler.

The Reichstag really outdid itself, however, on April 26, 1942, when, less than six months after Hitler had declared war on the United States, and less than one year after he had attacked the Soviet Union, it gave the *Führer* absolute power of life and death over every German, and simply suspended all laws which might stand in the way of that:

In the present war, in which the German people are faced with a struggle for their existence or their annihilation, the *Führer* must have all the rights postulated by him which serve to further or achieve victory. Therefore—without being bound by existing legal regulations—in his capacity as Leader of the nation, Supreme Commander of the Armed Forces, Head of Government and supreme executive chief, as Supreme Justice and Leader of the Party—the *Führer* must be in a position to force with all means at his disposal every German, if

necessary, whether he be common soldier or officer, low or high official or judge, leading or subordinate official of the party, worker or employer—to fulfill his duties. In case of violation of these duties, the *Führer* is entitled after conscientious examination, regardless of so-called well-deserved rights, to mete out due punishment and to remove the offender from his post, rank, and position without introducing prescribed procedures.

How Dick Cheney, George Bush, and Arnold Schwarzenegger must be green with Reichstag envy!

Hitler's Plebiscites

It was in that overall political and strategic context that Hitler conducted his plebiscites, or referendums. He used these as a way of maintaining the illusion that democratic processes were still at work in Germany, when, in reality, a one-party dictatorship and police state prevailed. The plebiscites also provided an avenue through which Hitler could cement his psychological and emotional bond with the population, by mobilizing them around single issues. A plebiscite or referendum is, by definition, a yes or no vote, on a single issue. In that respect, it is "democracy" made to order for the mob. In a referendum, people aren't encouraged to think through complex, interrelated problems, or judge the character and cognitive capabilities of a number of candidates competing for an office in a representative government: They are incited to vote "yes or no" on a particular issue. Thus, it is not surprising that plebiscites were a preferred form of political practice in the Roman Empire. In fact, a form of plebiscite

was practiced daily in the Roman Coliseum, as the spectators/mob would signal “thumbs up” or “thumbs down”—“yes or no”—to help determine whether Christians or gladiators would live or die after combat. Nor is it surprising that it was the fascist dictator and Caesar-worshipping Napoleon who revived the use of the plebiscite in modern times, when he had himself confirmed as First Consul in France on Feb. 7, 1800. On that remarkable democratic occasion, 3,011,007 French voters said “yes” to Napoleon becoming their new ruler (dictator), and 562 said “no.”

Hitler did not enjoy quite the level of “support” that Napoleon marshalled, but he came close. There were four major referendums that Hitler conducted. The first was on Nov. 12, 1933, in which the German people were called upon to ratify Hitler’s decision to withdraw from the Geneva Disarmament Conference and the League of Nations. Ninety-six percent of registered voters turned out to vote, and 95% of them ratified the withdrawal. It was even reported, that 2,154 of 2,242 inmates at the Dachau concentration camp voted “yes” to withdrawal!

The second referendum was held on Aug. 19, 1934, wherein the subject was the ratification of Hitler’s (illegal) usurpation of power, as Führer/Chancellor, in the aftermath of President Hindenburg’s death. Ninety-five percent of the registered voters went to the polls, and 90% of them (over 38 million people), voted “yes.” This, of course, was a radically different result than Hitler had achieved 18 months earlier, when, running against other parties, his Nazis received only 17,077,180 votes, or 44% of the total votes cast. Hitler’s vastly higher vote was attributable, at least in significant part, to the fact that *he was not running against any opposition*, as his Nazis had been on March 5, 1933: A referendum does not mandate, require, or even necessarily allow for an organized political opposition—it simply requires a “yes or no” answer to a single question. That is why both Napoleon and Hitler were so enamored of them.

The third plebiscite was held on March 29, 1936, for the purpose of ratifying Hitler’s military occupation of the Rhineland, which, according to the Treaty of Versailles, was to have remained demilitarized. Ninety-nine percent of registered voters went to the polls, and 98.8% voted “yes” to the occupation.

The fourth plebiscite was held on April 10, 1938, in order to ratify Hitler’s *Anschluss*, or annexation of Austria. Over 99% of registered voters voted “yes” on that question.

It is no wonder why Hitler preferred plebiscites. What is Arnold Schwarzenegger’s excuse?

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Catholics Start Drive To Stop Death Penalty

by Nina Ogden

On March 21, at the National Press Club, Cardinal Theodore McCarrick, Archbishop of Washington D.C., launched the Catholic Campaign to End the Use of the Death Penalty. The Cardinal said, “For us this is not about ideology, but respect for life. We cannot teach that killing is wrong by killing. We cannot defend life by taking life. In his encyclical ‘The Gospel of Life,’ the Holy Father challenges followers of Christ to be ‘unconditionally pro-life.’ He reminds us that ‘the dignity of life cannot be taken away, even in the case of someone who has done great evil.’”

The Cardinal noted that the press conference was scheduled for the beginning of the Christian Holy Week, when “Catholics and all Christians are reminded of how Christ died—as a criminal brutally executed.”

McCarrick said, “The Catholic campaign will challenge the temptation to answer violence with violence. It will confront the notion of ‘an eye for an eye’. The Cardinal noted that the campaign to end the use of the death penalty “brings together our social justice and pro-life efforts.”

A Useful Contrast

It is useful to think back just a few short months ago to the days leading up to the Presidential election of November 2004, when the words “pro-life,” or “same-sex marriage” were the hottest of hot button phrases, and candidate George W. Bush was using the phrase “culture of death” in every campaign speech he could make to the religious right. Clearly Pope John Paul II’s profound concept of a culture of life had become swallowed up in the political spin cycle.

A month before the election, John Carr, Secretary for Social Development for the U.S. Conference of Catholic Bishops, presented the Conference’s view on political responsibility in a statement titled, “Faithful Citizenship: A Catholic Call to Political Responsibility.” Carr said that since the September 11 attacks, there is a more urgent need for the church to refocus on its mission as proclaimed in the fourth chapter of Luke: to bring glad tidings to the poor, proclaim liberty to captives, and restore the sight of the blind. He said he often meets Catholics who talk about rights or responsibilities, but not both. “It begins fundamentally with the right to life, but also includes what makes life truly human,” Carr said. “It’s morally wrong that 44 million Americans don’t have health care coverage. We have the responsibility to secure those rights for ourselves and others.” Carr emphasized. “When so many of our leaders have



Cardinal Theodore McCarrick announced the Roman Catholic Church's campaign to end use of the death penalty at a Washington, D.C. press conference on March 21.

their fingers to the wind, we need to change the wind.”

The most corrosive aspect of that windy campaign came shortly before election day when a highly publicized debate broke out about whether a call by a few bishops who wanted to deny communion to Catholic Democratic Party Presidential candidate John Kerry, and other Catholic politicians who had not voted against abortion, should be followed by all bishops. Cardinal McCarrick, chairman of the Task Force on Catholic Bishops and Catholic Politicians, reported two weeks after the election that “the media or partisan forces tried to pit one bishop against another.” He reported that the common statement of the Bishops’ Conference emphasized that individual bishops and their parishioners “can come to different prudential and pastoral judgments on public policy.” He reported that “the Holy See has been both sympathetic and supportive of our efforts. They publicly expressed the view that our efforts were ‘very much in harmony’ with their principles.” He said, “We will work for human life and dignity, for justice and peace. This is who we are and what we believe.”

With his usual diplomacy, Cardinal McCarrick did not report that those media and partisan forces had unrelentingly targeted him for his work in calming down the overheated situation. Neither did he note that the main bishops they were trying to pit against each other were himself and Cardinal Ratzinger, who spoke for the Vatican in saying that the views of the Holy See and the U. S. Bishops Conference were “very much in harmony.”

Respecting All Human Life

This background was not discussed in the March 21 press conference to end the use of the death penalty. And by no

means is the campaign against the death penalty being launched for any opportunistic reason. In fact, the Bishops’ Conference has opposed the death penalty for twenty-five years, and the Catholic Church changed its official teaching to one of opposition to the death penalty in 1992. Rather, the context in which the campaign to end the use of the death penalty is being launched, is the attempt to bring together a deeper understanding of those rights and responsibilities which John Carr spoke about a month before the election. The fact that it will become almost impossible for such life-and-death questions to be used as a political football by those partisan forces discussed by Cardinal McCarrick in November, is a pleasant by-product of the campaign.

At the March 21 press conference to end the use of the death penalty, a reporter asked Cardinal McCarrick if there was a difference between the Church’s position on abortion and euthanasia, and that of opposition to the death penalty. The Cardinal explained that the difference is, that the

Church’s opposition to abortion and euthanasia is a matter of tradition, but that its new campaign against the death penalty “brings greater urgency and unity to this respect for human life in all stages and in all circumstances.” He emphasized that “This campaign will unite the social justice and pro-life commitments in the Church.” and that the campaign would “bring unity to the Church.”

Pollster John Zogby addressed the press conference, along with Cardinal McCarrick, Kirk Bloodworth, the first wrongfully convicted death row inmate to be released on the basis of DNA evidence, and Bud Welch, father of an Oklahoma City bombing victim. Zogby reported that his polling shows “a seismic shift in attitude among Catholics against the death penalty.” When this news service asked about this seismic shift, in the last question of the press conference, Zogby said, we are living through “cataclysmic changes,” and cited a “huge uptick” of opposition to the death penalty, even among “so-called conservative Catholics.” He said that the major reason Catholics gave for opposing the death penalty was “respect for life.” Many of those opposed to executions were concerned about what the use of the death penalty “does to us as a people and a country.”

Zogby’s “seismic shift” poll was taken in November 2004, in the aftermath of the intense campaign carried out by the LaRouche Youth Movement and many other Democrats, aimed at bringing the United States back to the idea of the Common Good.

The March 21 press conference indicates that this political shift has not only not been reversed, but that the potential for splitting the Catholic Church on the questions of life, has been dramatically reduced.

Transcripts of Cheney's Meetings Suppressed

Contrary to its standard practice, the White House has not released the transcripts of two town meetings on Social Security privatization held by Vice President Dick Cheney on March 24, one in Battle Creek, Michigan, and the other in Pittsburgh, Pennsylvania. This was reported by the Center for American Progress, which says that press coverage of the events may suggest the reason.

In Battle Creek, Cheney was joined on the stage by Rep. Joe Schwarz (R-Mich.), who said before the event that "he was not convinced that allowing personal retirement accounts will help solve the problem." Schwarz also said that he and the White House have "some disagreements on how we get there," when it comes to Social Security reform.

At the Pittsburgh event, at LaRoche College, Cheney faced skeptical questioning, according to local press reports. "Cheney pointed to the experience of federal workers who have the option of placing part of their retirement savings in somewhat similar accounts," the *Pittsburgh Post-Gazette* reported on March 15, adding, "Kim Miller, a resident of Mt. Lebanon, "said that she had been a federal employee and invested in the Thrift Savings Plan, 'and I didn't do well at all.'"

Wolfowitz Attacked Nuclear Desalination

Among the many crimes of outgoing Deputy Secretary of Defense and incoming World Bank Chairman Paul Wolfowitz, was his doctoral dissertation—an attack on nuclear desalination. This technology is the cornerstone of Lyndon H. LaRouche's Oasis Plan for a Middle East peace.

According to *The Rise of the Vulcans: History of Bush's War Cabinet*, by James Mann, Albert Wohlstetter, Wolfowitz's

mentor for his dissertation, urged him to write on this subject. This was in the late 1960s, when Wohlstetter had just returned from Israel, where he had seen documents on a proposal by the American construction and engineering firm Kaiser Engineers, to build a nuclear desalination plant in Israel. Wohlstetter, according to the story, feared that such a project would lead to nuclear proliferation among the Arab states, as well as Israel.

Mann writes, "Wolfowitz's doctoral thesis amounted to an extended argument against the idea of nuclear powered desalting stations, on the grounds that the benefits were exaggerated and the risks of nuclear proliferation were too great. He wrote about the difficulties of conducting effective international nuclear inspections, the risk of clandestine diversion of nuclear materials and the dangers of helping a nation to improve its technological and scientific capability in the nuclear sciences."

EIR will have more to say on this subject in a forthcoming issue.

Dismantling Amtrak Is Not 'Reform'

On March 28, the National Association of Railroad Passengers (NARP) delivered a letter to Transportation Secretary Norman Mineta, challenging the Administration's "reform" of the Amtrak budget and agenda. According to the letter, "NARP welcomes an intelligent discussion aimed at developing an intercity rail network" for the nation. . . . If this Administration is truly serious about improving intercity passenger train service," it needs to reform "the environment in which Amtrak operates rather than dismantling [it]. It is not necessary to burn the village to save it. A modern rail passenger network will not emerge from the ashes of Amtrak. . . .

"Without Amtrak, we lose the ability to operate over the nation's rail network. . . . We also risk losing infrastructure, rolling stock, equipment, facilities and a skilled workforce that will cost billions to replace—

if it can be replaced at all."

In fact, the national passenger rail network has already been stripped to the bone, leaving vast swaths of the United States with no viable transport system except for highways. Rural America has been especially hard hit in this regard.

An NARP officer told *EIR* that Administration officials complain about NARP's criticism of "the plan," rebuking anyone who criticizes it without reading it first. Only one problem: The plan is nowhere published! As with Social Security privatization, the Bush Administration has not made its "reform" plan for Amtrak available, except to propose zero dollars and state that bankruptcy is its way to "reform."

In 2003 the Bush Administration submitted to Congress a bill, which, if one is to infer from it what is planned, there would be a transfer of "all planning responsibilities to the states," despite the fact that "most travel crosses state lines and interstate commerce is a constitutionally mandated federal responsibility," the NARP letter states.

NARP has detailed plans for what, how, and where to focus development of the nation's rail service.

Senator Reid Reissued Call for 'Marshall Plan'

Senate Minority Leader Harry Reid (D-Nev.) told the U.S. mayors earlier this year, that he was reintroducing his "Marshall Plan for the U.S." package that he had shelved after the terrorist attacks of Sept 11, 2001. Indeed, he made it part of his answer to Bush's 2005 State of the Union message.

According to an earlier address to the mayors in October 2001, that package had included \$5 billion for investment in highways and bridges, \$5 billion for transit systems, and \$16.2 billion for rail systems, including enactment of the "High Speed Rail Investment Act." Conference of Mayors President Marc H. Morial of New Orleans sent a letter to every member of Congress expressing support for Senator Reid's package.

Maastricht Anti-Growth Pact Castrated by European Leaders

by Rainer Apel

The March 22-23 summit in Brussels, of the European Union's 25 heads of state and government, endorsed the "reform" of the EU supranational Maastricht "Stability Pact," as agreed to by the Eurozone Finance Ministers on March 20. The Pact, the key cause of the years-long depression of the European economies, should have been abolished, which would have restored national sovereignty in economic decision-making. But although not abolished, the Pact was softened up and diluted to such an extent that it has been castrated, even though it is not "fully dead."

The real-life test for overcoming the "Pact" would have been a vast, publicly financed investment program, as envisaged by the 1994 Delors Plan, the 2003 Tremonti Plan, or the LaRouche movement's Eurasian Land-Bridge package, which in Germany alone would generate approximately 10 million new, productive jobs. Nothing in that direction emerged from the latest EU summit.

Maastricht 'Pact' Has Been Faltering

Two years ago, Italian Minister of Economics and Finance Giulio Tremonti proposed to launch large-scale cross-border and national infrastructure projects, the funding of which was not to be under the tight budget control of the Maastricht watchdogs. The "Tremonti Plan" as it was called then, was not supported by the governments of the two largest member countries of the EU, France and Germany, which went public with their own proposals. Their "alternate plans" stressed the (German) scientific and (French) military sectors of the economy, for which they also proposed investment projects outside of the Maastricht system. The Tremonti Plan was buried, after several weeks of intense discussion, under the influence of the strong monetarist supremacy in the EU financial institutions, but the French and German plans continued to be enough of a nuisance to the EU bureaucracy to sound alarm bells that "France and Germany intend to

undermine Maastricht."

The governments of France and Germany indeed made a first move against the Maastricht system, when in November 2003, they vetoed fiscal sanctions that were threatened against them by the EU Commission, for disrespecting the Pact's 3% GDP rule for new borrowings, which decrees that a country's deficit cannot grow by more than 3% of GDP. This affair already showed that the Pact was on the way out. The majority of economics editorials in the European media carried almost daily warnings that France and Germany were out to destroy the Pact.

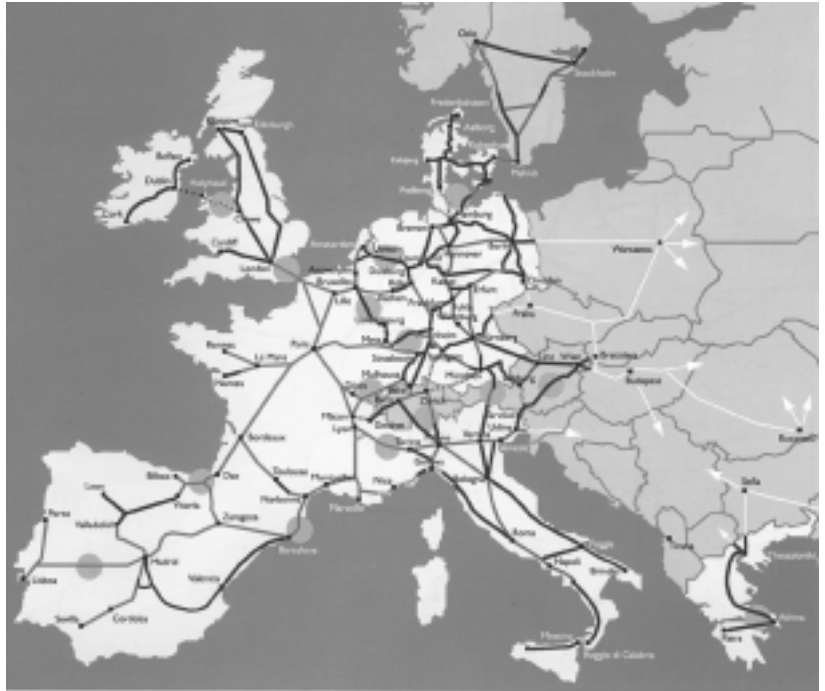
Since the end of 2003, Europe has been characterized by intense efforts to keep the Maastricht system somehow intact, even though at the same time, the virus of disloyalty to it kept spreading. In March 2005, 12 out of 25 EU member states already were above the Pact's 3% of GDP rule; another six or seven states were expected to become "violators" because of the generally worsening fiscal situation in the EU, before the end of the year; only six countries were still respecting the rule. It is most revealing that none of the major countries of the EU respects the Pact any longer, and it is just as indicative that immediately preceding the March 22-23 EU summit, the governments of the five leading national economies (Britain, France, Germany, Italy, Spain) agreed to block any sanctions initiative which might be launched by the EU Commission, against any of the five governments. This agreement was an unwritten one, but leaks to the media about it did not fail to have their impact on the decisions of the Brussels Summit.

Coup de Grâce for Maastricht Stability Pact

The summit's *Presidential Conclusions* contain some important points, reflecting major input from French President Chirac—notably his economic advisor Jean-Louis Beffa—and German Chancellor Schröder.

The EU *Presidential Conclusions* emphasize:

The Delors Plan for Trans-European High-Speed Rail



The 1994 Delors Plan represented a step toward the kind of infrastructure development the European Union requires. But still, the EU is doing nothing in this direction.

- The objective of a 3% GDP public/private investment in Research and Development (R&D). It also notes the special importance of the “European space program” and the International Tokamak Energy Reactor fusion reactor project (ITER is the experimental step between today’s studies of plasma physics and tomorrow’s electricity-producing fusion power plants), and calls for the creation of a “European Technology Institute.”

- The “need for a solid industrial fabric” and the “necessary pursuit of an active industrial policy.”

- The “need for efficient infrastructure,” pointing to “priority projects in the fields of transport and energy networks.” The document adds that “infrastructure investment will boost growth and bring greater economic, social, and environmental cohesion.”

- That “small and medium-sized enterprises” play a key role for growth and employment, participate in developing the industrial fabric,” pointing out that they are also key for R&D-driven technological innovation.

- That the EU-wide internal market for services must be compatible with “preserving the European social model” and “maintaining the present level of social protection.” This draws a line of defense against the EU Commission’s plans (the Bolkestein Directive, named after a former Commission member) to go for full deregulation of the service sectors in Europe.

- The “need for respecting the prerogatives of national governments in determining their structural and budgetary policies,” emphasizing “the national ownership of the fiscal framework.”

All these are, so far, mere declarations of intent, but they result in a neutralization of the Pact to the extent that hysterical protests by leading neo-liberal media, politicians, “experts,” and the European Central Bank continue to dominate the summit coverage even two weeks later.

At this point, the situation is still in flux, and anything could happen, including the dumping of the draconian “stability pact” altogether.

Both Chirac and Schröder, who govern countries with more than 10% unemployment—which keeps rising—face a major political-social backlash against the past years’ neo-liberal policies promoted by the EU Commission. Schröder faces elections in the most populous state of Germany, North Rhine-Westphalia (20% of the national electorate) on May 22. Its outcome will decide whether his government in Berlin will survive or not.

On May 29, Chirac faces the referendum on the EU Con-

stitution in France, where the opposition to it was already at 52%, at the time of the Brussels Summit, and keeps increasing by almost 2% every few weeks. Both governments are being forced to take note of the fact that the domestic price of staying loyal to the Pact is getting too high.

In both instances, voters may “punish” the incumbent government for mass unemployment, shrinking wages, and austerity “reforms.” It is, therefore, not out of the question that the governments of France and Germany will use some of the maneuvering room gained against the Pact at the Brussels Summit, to launch national programs of special conjunctural incentives—which would not solve the economic crisis, but would be enough to show that something could be achieved, if the Pact were abandoned.

It is interesting that one of the leading German neo-cons, Bavarian State Governor Edmund Stoiber, failed to rally a “no” by the European conservative parties at a special gathering in Brussels, on the eve of the summit: None of the other conservative leaders wanted to join Stoiber, in his all-out denunciation of the summit document castrating the Maastricht Pact. The best thing that France, Germany, and other EU member states can do now, is not to wait, but utilize the acute frustration of the population, and go ahead with the kind of investment programs which the summit document permits them to launch. It would be a first step in the direction of a better economic and fiscal policy.

Bird Flu: A Pandemic Waiting to Happen

by Colin Lowry

Faced with the looming threat of a new flu epidemic, the World Health Organization (WHO) called an unprecedented influenza summit meeting of health officials and vaccine companies in November 2004, to start work on preparing a vaccine and antiviral medicine production. Since then, the avian influenza virus has shown no signs of going away, as outbreaks in domestic chicken farms have recurred in Asia, and more cases of human infections continue. At present, the avian influenza, type H5N1, has infected 69 people in Thailand, Vietnam, and Cambodia, causing 46 deaths.

This very lethal influenza virus has only to acquire the ability to spread easily from person to person to become the most deadly flu pandemic ever recorded. However, most of the world remains sorely unprepared to deal with the public health crisis that the new flu pandemic will bring. The U.S. government has done nothing to address the lack of hospital and clinic capacity that would be required to deal with a pandemic, although a typical flu season already overwhelms the hospitals in many areas of the country.

Flu vaccine production in the United States depends on only two companies, neither of which could produce enough vaccine to protect the U.S. population. Antiviral medicines, which may be the only effective treatment in the absence of a vaccine, are in short supply, and WHO recommendations to increase the production of these medicines and to stockpile supplies have been mostly ignored here.

What Makes Avian H5N1 So Dangerous?

H5N1 influenza is a type A influenza virus, which is the most highly unstable, and prone to genetic mutation. In addition to mutation, the virus can reassort genetically, by combining with another influenza virus. In this way, the virus can pick up new genes from other viruses in a sort of swap of genetic material. The virus is further defined by the variety of surface antigens for Hemagglutinin (H) and Neuraminidase (N) it contains. Although avian influenza viruses usually cause disease only in birds, H5N1 jumped the species barrier in 1997, and caused the first documented human infections, with severe disease and deaths. This outbreak in Hong Kong in 1997, started with a highly pathogenic H5N1 on poultry farms and in live bird markets, which was then transmitted directly from birds to human beings, resulting in 18 cases and 6 deaths. A wider epidemic was averted by the decision to destroy the province's entire poultry population.

An unusual feature of the H5N1 human cases was the presence of primary viral pneumonia, which is usually not seen, or only as a secondary bacterial infection in an influenza patient. The quick action of the Hong Kong authorities to cull the poultry flock probably saved the world from an immediate pandemic then, but the virus itself simply retreated into the wild waterfowl population, and slowly began to mutate.

The Hong Kong outbreak put the world on notice that H5N1 avian flu had pandemic potential, and scientists began to track and study this virus. In southern China, samples of the virus were taken from wild ducks and geese over the years 1999-2002. The wild ducks themselves showed no signs of disease, but were found to excrete large amounts of virus. These viral isolates from the ducks were then experimentally introduced into chickens, which caused severe disease and often death. The H5N1 viral isolates were also tested on mice, to see if the virus was somehow acquiring the ability to infect mammals. Over the three-year period, the virus did indeed gain greater infectivity in the mice, and caused progressively severe disease with increasing mortality. This startling finding shows that the virus may be reassorting with other mammalian influenza viruses, picking up genes needed to infect mammals more easily.

Pigs are sometimes susceptible to avian influenza, and it may be that in areas where pigs and ducks are kept in close proximity, this type of viral mixing may have occurred. Because wild ducks are resistant to H5N1, they act as a large mobile reservoir for the virus, which is almost impossible to control or eliminate. Compounding the difficulties of control efforts, is H5N1's ability to survive in water for up to four days, and in contaminated manure for three months.

Pandemic Waiting in the Wings.

In 1997, H5N1 initially caused only mild disease in chickens, but after months of mutation, it became a highly deadly virus that could kill a chicken in 48 hours by causing internal bleeding and organ damage. As quickly as it hit bird flocks in 1997, it disappeared from view for almost six years. Then, in December 2003, a large poultry farm near Seoul, Korea, reported large numbers of chicken deaths, and avian influenza was the suspected cause. Days later, two more farms were hit by the same influenza. Laboratory tests of the samples revealed that it was H5N1 subtype, just like the Hong Kong outbreak in 1997.

In January 2004, Vietnamese health officials reported a cluster of cases of severe respiratory disease in 11 children, of whom 7 eventually died. A little later, large numbers of poultry died from H5N1 in southern provinces, but there was no evidence at that time that suggested a link between H5N1 and the respiratory disease in the children. Several samples from the fatal cases were sent to the WHO reference laboratory for testing and identification, and in a week it was confirmed that the children had been infected by avian H5N1.

In early February 2004, H5N1 swept through poultry

farms in Japan, and Vietnam's epidemic had already infected 3 million poultry. Thailand soon followed with announcements of large outbreaks, and its first human cases of H5N1 infection in two young boys. At this point, H5N1 epidemics in birds had spread to Cambodia, Laos, Indonesia, and China. By March 2004, 120 million birds died or were destroyed in Asia as a result of the H5N1 virus. Never before had avian influenza caused outbreaks in so many countries at once. Massive control efforts had an effect by April, and outbreaks declined sharply. But as can be expected from the history of influenza epidemics, a second wave of outbreaks can produce an even more tenacious flu virus.

This started to be seen in July and August, with fresh outbreaks in Cambodia, China, Indonesia, Thailand, Vietnam, and Malaysia, which had been untouched in the first wave. The second outbreaks infected about 1 million poultry, but they were also followed by new human infections, including some fatalities. In September 2004, Thailand reported its first probable case of person-to-person transmission in a family cluster. This was the event that prompted the WHO to sound the alarm that the world was on the brink of the next flu pandemic that could kill millions.

Other events in Thailand showed that H5N1 was expanding its mammalian host range, when 147 captive tigers became ill from eating infected chicken. Tigers and other cats were not considered susceptible to infection with other influenza A viruses, so this marked a disturbing trend. By October, migratory birds were discovered that were dying from H5N1 in Asia, signalling another change in the composition of the virus.

Pandemics of the Past

To get a picture of what a new influenza pandemic would look like, it is useful to look back at the three pandemics that have occurred in the last century. The most severe pandemic took place in 1918, and estimates are that 40-50 million people died from the flu worldwide in less than one year. The flu started out in the spring in Europe and the United States, and travelled back and forth among the troops. It was not particularly deadly in this first wave. But by August, something had changed drastically, and young, previously healthy people were now dying in a matter of days in the United States, France, and Africa.

The second wave left no country untouched, and it caused symptoms so severe, including bleeding of the lungs, that influenza was not even considered as a cause when it first appeared. Unlike typical influenza epidemics that cause deaths in the very old and very young, this influenza caused the most deaths in the 15-35 age bracket. Primary viral pneumonia was common, and secondary bacterial pneumonia was very difficult to treat, as antibiotics were not available in 1918. It is estimated that 25-30% of the world's population fell ill from this influenza during 1918-19. Analysis of samples of the virus from 1918 recently showed that it was of type H1N1,



A poultry market in Asia. Right now, the United States is not ready with a vaccine or the public-health infrastructure to combat what could potentially become the most lethal human flu epidemic ever recorded, as the H5N1 avian flu spreads to human beings.

and that it may have adapted over time from an avian flu virus. It is still not known what made the virus so deadly.

In 1957, the world was hit by what was called the Asian Flu, which started in Hong Kong and China in February and spread all over the world within six months. This was a much milder flu virus than 1918, and the pattern of deaths was mostly in the elderly and very young. Vaccines were being made against this flu virus in the United States, Britain, and Japan by the Fall of 1957, but limited production capacities made their introduction too late to do much to thwart the epidemic. As a result, about 70,000 people died of the flu in the United States in the 1957 pandemic.

Again, in 1968, the pandemic started in China, and rapidly spread to the rest of the world. However, this was an even milder flu virus than 1957, and it was of a similar subtype, so most of the population had some resistance to it. In the United States, about 34,000 deaths occurred from the flu that year, mostly in the elderly.

Unprepared for a New Pandemic

Most health experts believe it is only a question of time before H5N1 becomes able to spread from person to person, kicking off the next deadly flu pandemic. The present form

of the virus has shown near 70% lethality in people, but it is likely that the virus would lose some of this lethality as it acquires improved transmissibility. Still, it will be very dangerous, and the fact that no H5 subtype virus has ever circulated in the population, means that potentially, the entire human race will be vulnerable to it. This provides even more incentive for the development of a vaccine to protect the population.

Technically, there are some problems to be overcome, as the current H5N1 virus is so deadly to chickens, that the standard method of growing the virus in chicken eggs may have to be changed. Cell culture methods could certainly work, but the majority of vaccine manufacturers lack cell culture facilities of the scale needed to mass produce an influenza vaccine.

So far, the U.S. government has done nothing to address the lack of any plans to produce a vaccine against H5N1 influenza. Sen. Charles Schumer (D-N.Y.) proposed on March 6 that the Federal Government issue a guarantee of \$200 million to ensure that vaccine manufacturers here produce the vaccine without the fear of losing money. He also called on the Centers for Disease Control to begin stockpiling antiviral medications that could be used to treat the flu in the event of a pandemic.

The total vaccine production capacity globally today is only 300 million doses per year, but WHO experts say that more than 1 billion vaccine doses would be needed to control a new pandemic. In the United States, only two companies, Aventis Pasteur and Chiron, produce flu vaccine, and their production capacity is sufficient only to produce enough vaccine in six months to cover about 10% of the U.S. population.

Obviously, the United States needs to increase its vaccine production capacity to deal with the threat posed by avian influenza, and Senator Schumer's proposal is a step in the right direction. However, the nation is also vulnerable in its lack of surge capacity in hospitals and clinics, to be able to handle the tremendous increase in hospitalizations required in a pandemic. To solve this, requires a long-term perspective of rebuilding our public health infrastructure, including new hospitals and public clinics, and well-trained public health personnel who can contribute to an increased disease surveillance network.

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OECD Conference Backs Nuclear Energy

by Emmanuel Grenier

Seventy-four countries and ten international organizations came together in Paris on March 21-22, for an "International Conference on Nuclear Energy for the 21st Century," organized by the International Atomic Energy Agency (IAEA), in collaboration with the Organization for Economic Cooperation and Development (OECD) and its Nuclear Energy Agency.

The vast majority of the participants affirmed the desire to have nuclear energy, and also hydroelectric energy, make a major contribution to meeting energy needs and supporting world development. Because nuclear and hydroelectric energy sources would figure prominently in the international effort to reduce greenhouse gases, they were no longer the object of ideological exclusion, as has been the case up until now.

Such a meeting, and such conclusions, were unimaginable merely five years ago. In fact, it is the first time, since the launching of the Atoms for Peace program in 1954, that an international conference of this magnitude has been convened.

Patrick Devedjian, the French Minister of Industry who keynoted the conference, wanted the conference message to "reach out in particular to developing countries." In an interview in the French daily *Figaro*, Devedjian stated that nuclear power was "unavoidable" both in the context of the intransigently high price of oil and gas, and the challenge of limiting greenhouse gases.

Questioned at an OECD press conference on the lack of ministerial representation from those European countries that had announced their intention to abandon the nuclear power option, (Germany, Belgium, Austria, Italy, and Holland), Devedjian noted "a certain contradiction in these countries: They shun nuclear power at home, but wish to associate themselves with the relaunching of nuclear industry in France, especially via the development of a prototype of the EPR [the jointly sponsored European Power Reactor], and to develop the electrical grid to benefit clients of France."

Without a commitment to make nuclear energy the primary response to the energy challenges of the century, the conference, to a large degree, revolved around tactical considerations. Nuclear power, in effect, delivers electricity at a competitive and stable price, without emitting CO₂. Otherwise, in the majority of countries, it bolsters the security of their energy supplies.

ElBaradei: ‘Nuclear a Serious Option’

The necessity for nuclear energy was the theme underscored during the conference by the Director of the International Atomic Energy Agency, Mohamed ElBaradei. “It is clear that nuclear energy has regained credibility as a serious option,” he said. “The tragedy of the Chernobyl accident in 1986 dealt a severe blow to nuclear energy,” he admitted, because the leaders “did not sufficiently make public all the measures that were taken after Chernobyl to ensure that another nuclear accident would not happen.” But ElBaradei considers that era as finished. “The new prospects for nuclear energy, especially in the long term, will be further improved by the vigorous enactment of the Kyoto Protocol,” which calls for limits on power sources that produce CO₂ emissions.

The new IAEA energy projections forecast a global nuclear energy production of 427 gigawatts in 2020, or an additional 127 power plants of 1,000 megawatts or more over previous estimates. China plans to increase its nuclear energy production for electricity from 6.5 gigawatts today to 36 gigawatts in 2020, he said. The capacity of India will be “increased by a factor of 10 by 2022, and by 100-fold within a century,” ElBaradei stressed, and nuclear energy production in Russia will surpass the “22 gigawatts now produced, to 40-45 gigawatts in 2020.”

ElBaradei graphically made the point about the need for nuclear electricity in his speech, talking about his recent visit to Ghana and Nigeria. There, electrical consumption per person is, respectively, 300 and 70 kilowatts per year, he said. That corresponds to an average supply of 8 watts per Nigerian, not even enough to supply a light bulb! He compared this figure to that of France, where per capita consumption exceeds 7,300 kilowatt-hours per year.

“If we were to consider the ‘objectives of development for the millennium,’ proposed five years ago—such as the eradication of poverty and hunger, universal access to potable water, and the improvement of sanitary services—it is clear that the global supply of energy, and in particular, electricity, is crucial to the capability of the international community in attending to each of these objectives. . . . Here, in the ‘City of Lights,’ it would be easy to forget that for 1.6 billion persons in the world, there is no access to modern energy services.”

During the press conference, however, the pack of Anglo-American media were concerned only with the control of nuclear proliferation and negotiations with Iran, hounding ElBaradei on the supposed danger of that country—just as they had hounded him before the Iraq war about the supposed weapons of mass destruction in Iraq. The journalists’ questions were all on the risk of nuclear terrorism or on the dangers of nuclear energy, ignoring the global context within which ElBaradei had placed the debate.

The Problem of Nuclear Waste

On the subject of radioactive waste, which remains the Achilles heel of nuclear energy, ElBaradei began by recalling

that the total quantity of nuclear waste is tiny (12,000 metric tons), especially in comparison with the 25 billion metric tons of carbon waste put into the atmosphere each year by burning fossil fuels. In his opinion, the problem of sequestering and storing this waste is an already existing technology, “but public opinion will remain skeptical—and the storage of nuclear waste will most likely remain controversial—until the first geological storage sites become operational and the technologies well established.”

Recent developments in Finland, Sweden, and the United States give ElBaradei great hope, he said. In Finland, which launched construction of the first European central nuclear waste storage depot since 1991, the Government and the Parliament approved in principle a resolution for the construction of a terminal storage site for spent nuclear fuel. Construction will begin in 2011, and the first shipment will arrive in 2020. As for the United States, the site at Yucca Mountain in Nevada was finally granted approval in 2002 by the President and the Congress. Operations are scheduled to commence in 2012.

Along with these projects, ElBaradei noted, new advanced reactors are in construction or in the design stage. The Russian Federation has already proposed the KLT-40, a floating reactor of 60 megawatts, which can be easily transported by barge, based on the reactors now used by Soviet submarines and ice breakers. South Korea has decided to build, in 2008, a one-fifth-scale demonstration model of their 300-megawatt, SMART pressurized water reactor. The advantage of this reactor is that it can be reconfigured as a seawater desalinization plant.

Lastly, he said, South Africa has surmounted the first obstacles in developing the demonstration unit of their well-known Pebble Bed Modular Reactor, PBMR, a modular high-temperature reactor (HTR) with an output of 168-megawatts. China is equally active in tackling the HTR, and is working on its own pebble-bed design. Lastly, in the long term, the Generation IV research program has established an effective international effort on various types of reactors, including the fast-flux type (breeder reactors). These reactors will be in use by around 2030.

Nuclear Requires a New Bretton Woods!

One issue marred the discussion: the problem of financing these nuclear reactors, which require long-term investments and very low interest rates. If China already has the wherewithal to finance such a program, it is clear that the financial structures which allowed nuclear development in the United States, in France, and in Germany, are now lacking under the budget cuts mandated by ultraliberalism, speculators’ short-term profits, and the anti-nuclear forces. But, however much the anti-nuclear fanaticism remains a permanent worry, it is probable that the greatest obstacle to a nuclear renewal will be the financial order. Without an international reform of the type proposed by Lyndon LaRouche (the New Bretton Woods), there is no real future for nuclear energy.

How the Pinochet Model Was Imposed On Peru's Social Security System

by Manuel Hidalgo

Franklin Delano Roosevelt's powerful example in fulfilling the general welfare mandate of the U.S. Constitution, under Alexander Hamilton's concept of the American System of economics, had its impact on Peru. This is reflected not only in various development programs at the time, but also in the 1941 creation of the Workers' Hospital, the 1958 founding of the Employees' Hospital, and in the unification of the country's pension systems as the Social Security System of Peru, later renamed the Peruvian Institute of Social Security, or IPSS.

In 1942, Peruvian President Manuel Prado was the first President of the Americas to visit Roosevelt. He aligned Peru unequivocally against the fascist Axis Powers, and he was one of the Ibero-American leaders who acted most decisively to establish a Rooseveltian model for social security at home.

The IPSS, which initially covered only public sector workers, was charged with administering a Health Fund, for medical care, and a Social Security Pension Fund, both of which were created between 1960 and 1962. Although the IPSS pension fund was initially protected and earmarked for use only to pay pensions, it was soon made available for the operating budget of IPSS itself. The argument was that the monetary stability, which had been experienced from the time of the original Bretton Woods system through the mid-1970s, would continue, and lead to economic development, which, in turn, would attract more and better-paid workers into the system, which would increase total contributions to the IPSS. But economic hit men, such as George Shultz and Henry Kissinger, destroyed that hoped-for stability, with their international assault on the Bretton Woods system, and in its place they pushed the 1973 Pinochet coup, and the infamous Chile model it ushered in.

In 1974, the Pension Fund was made a functional part of the government's operating budget. Later that decade, private sector workers, who had not been part of the IPSS until then, were incorporated into the pension system, with the same benefits as those who had been contributing all along. On a number of occasions, the state was unable to make its payments into IPSS on behalf of public employees. When Peru signed its first "Letter of Intent" with the International Monetary Fund (IMF) in 1976, fiscal austerity programs were im-

posed, forcing an increase in payments on the foreign debt, and a consequent reduction in the federal operating and infrastructure budget.

Where did the government find the funds to fill in the holes in its budget? From the IPSS Pension Fund, of course. With workers' pension money going to finance the government's operating budget, pension payouts were consequently reduced, especially from the 1980s onward. Thus began the step-by-step dismantling of Peru's social security system.

This looting was assisted by the post-Bretton Woods floating exchange rate policy imposed by George Shultz, which included the massive devaluation of the Peruvian currency, changing it from from the Peruvian *sol*, to the *inti*, and eventually to the *new sol*. For example, monthly payments to a pensioner who retired, say, in the late 1980s, would now be equivalent to 3 cents of a *new sol*, or less than one American cent! Between 1980 and 1994, accumulated inflation reached the stratospheric level of 1,911,353,512%—or 1.9 billion percent! Supposed cost-of-living adjustments of pensions, although promised, were a chimera; they were never fulfilled. The last word on that subject always fell to the IMF.

Creation of the Private Pension System

Although the situation with IPSS was very bad, the concept of social security—both institutionally and legally—remained solid. But then Carlos Boloña Behr, Economics Minister under the Alberto Fujimori regime, delivered a serious blow, when he launched the Private Pension System (SPP) in late 1992.

In 1990, the bankers' preferred candidate for President of Peru, Mario Vargas Llosa, brought Pinochet's former Labor Minister, José Piñera, and a slew of neo-conservatives, into Peru to promote the Chilean model of ultra-liberal shock treatment for the economy. When Vargas Llosa was defeated at the polls by Fujimori, who had campaigned in opposition to economic shock policies, the bankers maneuvered to ensure that their program would be enforced anyway. They deployed Javier Pérez de Cuéllar (former UN Secretary General), Hernando de Soto (president of the leading Peruvian neo-conservative think-tank, the Institute for Freedom and De-

mocracy, or ILD), and Carlos Rodríguez Pastor (banker and former Economics Minister), to capture the new government. They brought Fujimori to New York to negotiate Peru's so-called "reinsertion" into the IMF, in explicit violation of the voters' mandate.

The triumvirate already had Boloña, who was working for the ILD at the time, as their man. But in 1990, the triumvirate decided that the person for the job of Economics and Finance Minister was Juan Carlos Hurtado Miller, who had done post-graduate studies at Harvard the previous year, and had written a thesis on "adjustment." Hurtado Miller's Harvard advisor was none other than Jeffrey Sachs, inventor of the Bolivian model of "stabilization" (which, not coincidentally, brought about a dramatic rise in coca production), who had visited Peru just months before the inauguration of the new government. During the following weeks, in August of 1990, Hurtado Miller imposed a 7,000% price hike, a freeze on salaries, and the beginning of mass layoffs of public employees.

In February 1991, when his "Fujishock" program was completed, Hurtado was replaced by Boloña, who through a flood of legislative decrees, imposed a series of "structural reforms": privatization, allowing anti-protectionist free-trade policies, deregulation, his infamous labor flexibilization plan, and dismantling of the development bank and the mutual and cooperative credit system. In three years, 120,000 public employees were forced off the state payroll, through a World Bank-financed program of buying their resignations.

"We are prepared to privatize social security, the pension funds, education, and health," and not just mining and oil, Boloña announced at an Oct. 16, 1991 meeting of the IMF and World Bank in Bangkok. And, in fact, by December 1992, through a legislative decree, the Private Pension System was created, administered by private companies known as Pension Fund Administrators, or AFPs, which are currently owned by such foreign banks as Spain's BBVA and Santander banks, Citibank, and Italy's Wiese Intesa (See Box 1).

The state-run IPSS was not shut down. Rather, its affiliates were given the "choice" of staying with the public system, or switching to the new private system. However, an unrelenting campaign against the public IPSS system, already afflicted by the past decade's freeze on pensions, succeeded in scaring a million and a half workers (by and large, those with relatively higher salaries) to move over to the private AFPs, while those with lower salaries (who were of less interest to the AFPs) remained with the IPSS.

The terror tactics included a notorious statement by the president of the AFP Association in July of 1995, that the state pension system was little more than "a CLAE," a reference to the scandalous Peruvian pyramid scheme that collapsed in 1992, leaving 160,000 defrauded of their savings. On Dec. 12, 1992, Boloña created the Peruvian Normalization Office (ONP), and progressively transferred responsibility for payment of public pensions to that agency, increasingly limiting

TABLE 1

Foreign Control of the Peruvian Privatized Pension Funds (AFPs)

Name	Control
Horizonte	BBVA (Spain)
Integra	Intesa (Italy), ING (The Netherlands)
Profuturo	Citibank (United States)
Unión Vida	BSCH (Spain)

the IPSS function to health-care management. In 1998, the IPSS was forced to transfer all of its funds, reserves, and assets, to the ONP. Later, the Fujimori government changed the name of the IPSS, retiring it completely from pension management, and dubbing it Essalud, which inherited the IPSS's cash-starved hospitals and clinics.

The most highly touted aspect of the reform was individual capitalization of contributions to the private pension system, which jettisoned any concept of the solidarity that had been the bedrock of the original public system. With the brutal "labor flexibilization" policy, without which privatization of the pensions would have been impossible, the trade unions were dramatically weakened. And the Peruvian left—which might otherwise have led public opposition to the pension reform—was generally discredited by its failure to distance itself clearly from the narcoterrorist Shining Path. Shining Path did Boloña's dirty work, by assassinating—among others—the country's most prominent trade union leader, Pedro Huillca.

Thus, opposition to the reforms was effectively silenced, in faithful imitation of the brutal underpinnings of the Chile model.

Consequences of Social Security Privatization

The creation of the AFPs put in the hands of the foreign banks a sum of about \$7 billion in forced and captive workers' savings. This, in turn, gave the AFPs a major influence over economic decision-making, to the point of being able to name directors to the boards of many major companies, which gave them additional leverage for the accelerated cartelization of the economy. This also meant the transfer of more than \$1.8 billion in state funds to the AFPs, using a mechanism called "recognition bonds," which were issued by the State and handed over to the AFPs, in amounts equal to the accumulated pay-ins to the old IPSS by the workers who were transferring to the AFPs.

Although the Private Pension System has some 3.3 million affiliates, only 40% of them are up-to-date in their payment to the system, which means that few of the remaining 60% will ever see a pension when they retire. They will lose their partial pay-ins to the AFPs, and will end up on the rolls

Hernando de Soto and The Economic Hit Men

In 2005, the Cato Institute, the leading U.S. mouthpiece of the Mont Pelerin Society—which has José Piñera as the co-president of its Project on Social Security Privatization—gave its annual award to Hernando de Soto, president of the Institute for Freedom and Democracy (ILD), and George Bush, Sr.’s favorite “Third Worldist” economist. The award ceremony boasted as its star none other than George Shultz, the economic hit man who did the most to destroy the original Bretton Woods system, and godfather of the Pinochet Model. In the past 25 years, the ILD has been one of the closest allies and beneficiaries of the networks of neo-conservative synarchist financiers.

In the 1980s and 1990s, the ILD received massive funding from Project Democracy, the same apparatus which, through the Iran-Contra operation, filled U.S. cities with crack cocaine. With the support of the National Endowment for Democracy and of the Hudson Institute (especially when it was run by Elliott Abrams, and of private foundations linked to the Cato Institute, such as Smith Richardson), the ILD organized its economic hits to discredit and intimidate opponents in electoral and other campaigns.

If it was Pedro Beltrán who brought the Mont Pelerin Society’s Ludwig von Mises to Peru for the first time in 1950, it was the ILD which brought Milton Friedman to Peru in 1981, together with Elliot Richardson, David Becker (also of the Cato Institute), Javier Pérez de Cuéllar,

Mario Vargas Llosa, and top Peruvian oligarch and businessman Manuel Ulloa, among others. This was the same Ulloa who (unsuccessfully) sued Peruvian LaRouche associates to try to stop the sale of the Spanish-language edition of the book *Dope, Inc.* and who, as Economics Minister in the 1960s, put Carlos Rodríguez Pastor and Pedro Pablo Kuczynski in the Central Bank.

De Soto, together with Rodríguez Pastor and Pérez de Cuéllar, not only organized Peru’s “reinsertion” into the IMF, but proposed putting Peru’s main coca-growing valley under an Autonomous Authority of the Upper Huallaga which, according to press accounts, de Soto hoped to head. The Autonomous Authority’s policy was the same as that of Gen. Alberto Arciniega, the political-military chief of the Upper Huallaga zone: Make a deal with the drug traffickers, supposedly so that they would stop financing the Shining Path and MRTA terrorists. When Alberto Fujimori refused to give the Autonomous Authority a green light, De Soto openly broke with him.

Boloña refers to De Soto’s role in his book: “The developments of April 5, 1992 [when Fujimori shut down the Peruvian Congress] threatened the reinsertion. We were on the verge of becoming political pariahs. We nonetheless managed to avoid this, thanks to Fujimori’s commitment, made May 18, 1992 in the Bahamas, with regard to the election of the Constituent Congress, an idea whose formulation I shared with Hernando De Soto. This commitment (with the Bush, Sr. government) enabled us to keep open the doors of reinsertion until Dec. 30, 1992, a period during which Boloña imposed the reform, including the privatization of pensions, through 745 legislative decrees.”

—Manuel Hidalgo

of those applying for state-run minimum pensions—which will be a real social time-bomb, when it hits in.

The government has done everything possible to prop up the AFPs, which are assured of multi-millions in risk-free profits. For example, retirement age was raised, and the state committed itself to providing a minimum pension for those workers who have not paid in their full quota to the AFPs by their retirement. The social debt resulting from the state’s earlier spending of the funds accruing to the social security pension fund, which were paid in by workers and employers over the years, has reached \$36 billion. When Pedro Pablo Kuczynski, Peru’s current Economics Minister and friend of Rodríguez Pastor, was asked about this social debt, he said blithely that it would not be paid!

Furthermore, even the already reduced public system pensions have continued to shrink—although, to accomplish this, the government has resorted to changing the Constitution itself. The current regime of Alejandro Toledo and his minister

Kuczynski, took a step that even Boloña had not dared: They got the Congress to annul the cost-of-living adjustment of pensions that Law 20530 had given to a group of pensioners, by first annulling the Constitutional protection that was based on considering pensions an “acquired right” of the retiree. Today, pay-outs are not a “right,” but are subject to so-called financial “sustainability”—that is, the system is now subject to the arbitrary whim of the bankers. The group of pensioners previously protected by Law 20530 was the only one with some form of cost-of-living protection. This latest pension reform was approved on Nov. 12, 2004, and the pensioners’ federations, CONUPEP and CENAPP, have begun a campaign to force the courts to overturn the decree as unconstitutional.

Boloña, Buchi, and Piñera

Carlos Boloña, a rabid supporter of the Chile model, used public funds to promote the private pension system, and spon-

sored the visit of Pinochet's former ministers José Piñera and Hernán Buchi to Peru. Boloña even wrote a book in 1991, together with Buchi, on the Chilean reforms and their parallel in Peru. In that book, *Cambio de Rumbo* (Change of Direction), he gives thanks to his "good friends Hernán Buchi and José Piñera, as well as to Hernando de Soto and Carlos Rodríguez Pastor.¹ Javier Pérez de Cuellar wrote the book's prologue.

Boloña faced a lawsuit because, after using his ministerial post to promote the privatized pension system, he went on to become the director of one of the private AFPs, Horizonte, which at the time was owned by the Banco Interandino of Carlos Rodríguez Pastor (who then sold his part to Spain's BBV bank), and by the Chilean AFP Provida. Provida, Chile's largest AFP, counted among its stockholders the Genesis Chile Fund, whose director is José Piñera. In other words, Piñera and Boloña were partners, although by an indirect route.

Boloña, who founded the Institute of Free Market Studies, which promotes the ideology of Von Hayek, von Mises, and Milton Friedman, with financing from the International Republican Institute, travelled to Russia to promote the Chile

model there. On that trip, paid for by the U.S. Agency for International Development in April 2000, Boloña was accompanied by the godfather of the Chile model and trainer of the so-called Chicago Boys, Arnold Harberger of the Cato Institute and the Mont Pelerin Society. That same month, José Piñera, now with the Cato Institute, also travelled to Russia.² Boloña was also key in arranging the Peruvian government's payment of more than \$160 million in dubious debt to Hank Greenberg's insurance company, AIG; AIG's lawyer is none other than Henry Kissinger.

Boloña was the Presidential candidate of Vamos Vecino, a political group affiliated with former President Fujimori's advisor Vladimiro Montesinos, who is currently jailed and on trial on charges of corruption and drug trafficking. Boloña himself was just sentenced to four years in prison for one of the charges.

Boloña once said, "I panic at the word 'inequality' . . . human beings are unequal in their physical and mental attributes, and that is why equality among them should be equality before the law, and not equality of results or opportunities. Human beings are and always will be unequal."

1. *Change of Direction: An Economic Program for the Nineties*. Carlos Boloña Behr (Lima, Peru: Institute for a Free-Market Economy, SIL, First Edition, 1993).

2. "'Chile Model' Crazy Besiege Moscow" by Rachel Douglas, *EIR*, May 12, 2000.

Challenges of Human Space Exploration

by Marsha Freeman

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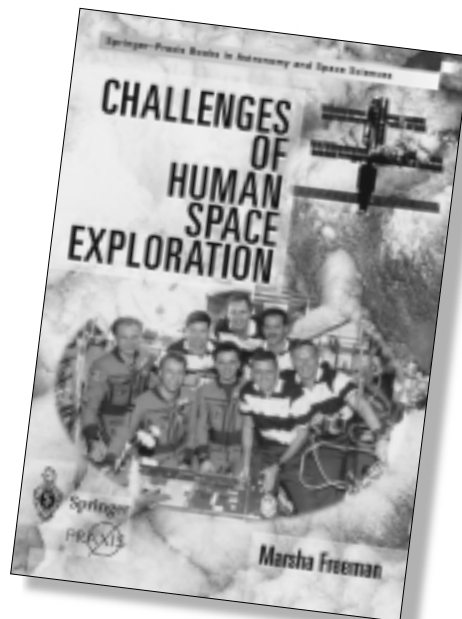
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Secret Warfare: From Operation Gladio to 9/11

An Interview With Dr. Daniele Ganser

Dr. Ganser is the author of NATO's Secret Armies: Operation Gladio and Terrorism in Western Europe (London: Frank Cass, 2005). He is leading a research project at the Center for Security Studies at the Swiss Federal Institute of Technology in Zurich. He was interviewed on March 3 in Basel, Switzerland, by Michael Liebig and Claudio Celani. See EIR, Jan. 7, 2005 for a commentary on Ganser's book.



EIR: How did you come to the idea of writing a book on *NATO's Secret Armies*? Who encouraged you and who discouraged you?

Ganser: I had finished my university studies in history in 1998 and I was looking for a Ph.D. research topic. At that time, I did research on the 1962 Cuban Missile Crisis, with a specific focus on whether the United Nations, the world peace organization so to speak, could have done anything to prevent the "cold" nuclear confrontation, which almost turned "hot." When I compared the role of the United States government in diplomatic terms, with the parallel covert operations of the CIA, I discovered that the United Nations was helpless, when confronted with covert actions. So, by 1998, I was very interested in covert actions. William Blum, who has written on secret warfare in the United States, advised me to look at Operation Gladio. To do this, said Blum, one would need to have worked on covert operations, and one would have to be able to speak not only English, but German, Italian, French, Spanish, and more languages. I said: "I'll do it." And, nobody discouraged me.

Prof. Georg Kreis of Basel University, my dissertation advisor, was initially skeptical on researching secret warfare, especially covert operations during the Cold War. As the relevant data are classified, I might not have enough primary data for my research. So, we decided to look at how democracies react when they discover a military-intelligence scandal like Operation Gladio. That would give us some data, and from this, I would proceed.

EIR: Your requests to NATO, the CIA, and MI6 for information on the Stay Behind/Gladio structure were met with incredible reactions. Sixteen years after the fall of the Berlin Wall, they are still denying the existence of the SB/Gladio structure. Why, do you think, are they doing so?

Ganser: Well, first I checked how NATO, the CIA, and MI6 reacted in 1990, because that was the year when Gladio's existence was revealed to the public. As for NATO, first they came out in a press conference declaring: NATO has never engaged in secret warfare; unorthodox warfare is none of our business. But the next day, they had another NATO spokesman declaring: What had been said the previous day is wrong, but we cannot provide further information, because it's all classified. So, NATO in 1990 actually admitted that they had engaged in secret warfare, but refused to provide any details.

In the late 1990s, I contacted NATO Archives on SB/Gladio, and they told me they had no relevant records. Then I requested very specific information, because I had done a lot of research by then. NATO Archives responded they had no records on the Allied Clandestine Committee (ACC) and Clandestine Planning Committee (CPC). I got back to them and said: You must have something; but they repeated: No, we do not have anything. Then somebody advised me to hand in a request for archive material on Gladio through the Swiss

Embassy, because Switzerland, in the context of Partnership for Peace, has a link to NATO. They actually did, but, again, the answer was negative.

After this disappointing experience, I looked at how the CIA handled Gladio in 1990. In Italy, former CIA director Stansfield Turner was asked by a journalist about Gladio, and answered “No questions on Gladio.” When the journalist insisted, he ripped off the microphone and walked out of the room. The *Washington Post* had an article in 1990 on Operation Gladio, which quoted an unnamed CIA representative who said: We have nothing to do with it, this is just an Italian mess. He also said that allegations that Gladio existed also outside Italy are wrong, and any link to terrorism was pure fantasy. I contacted the National Security Archive in Washington, whose people are very well known for specializing in FOIA [Freedom of Information Act] requests. Indeed, there had been an FOIA request on Gladio already in 1990; they got the reply you often get when you ask about covert operations: The CIA cannot confirm nor deny any specifics as to your request.

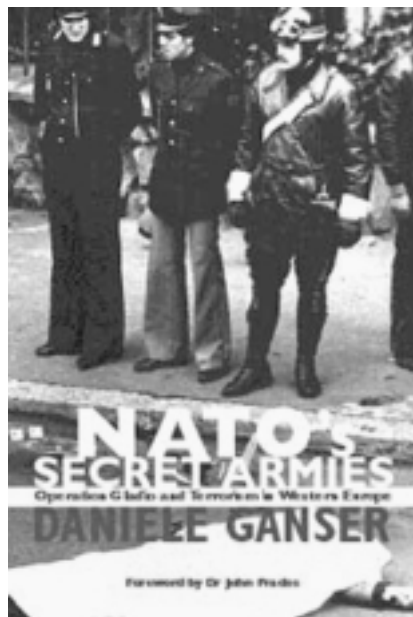
In 2000, ten years later, I handed in my request, asking the CIA for data on Gladio; I provided ample documentation that I knew that the CIA was involved, because in the meantime, several CIA operatives, some of whom I met in Washington, had spoken out. Basically, the reply I got was: No, we cannot give any details, but you have the right to appeal. So, I appealed and the appeal was accepted, then they wrote back: Your appeal will be handled on a “first come, first served” basis. Three years later, I’m still waiting; nothing has come from the CIA.

Now, as concerns MI6: In 1990, the MI6 officially “did not exist.” I talked to Christopher Andrews, Nigel West, and others in the British academic community, who had written on MI6. It was perfectly clear that MI6 had been active in SB/Gladio, but it was not possible to get any information from MI6 headquarters in London. When I was in London in 2000, I went to the MI6 headquarters and I said I wanted to talk to someone who knows about Gladio; it was more of a joke, because I knew they would say “No.”

But, there’s a funny thing. At the Imperial War Museum in London, they opened a special exhibition in 1995, “The Secret Wars,” in which there are displays on the Stay Behind operation. So I got in touch with the man who had set up the exhibition at the Imperial War Museum. He told me there was no way I would get anything from MI6. You may look at Special Operations Executive (SOE), Britain’s “secret army” which Churchill had created during World War II, he advised me. SOE was closed down after the war but remained a sort of a blueprint for NATO’s Stay Behind structure.

So, if you want me to summarize: NATO said “no comment,” the CIA said “no comment,” and MI6 said “no comment.” They did not specifically say, “We never did it.”

EIR: Why are they stonewalling today, more than a decade



Dr. Ganser's book broke the coverup on Operation Gladio's secret warfare, which EIR had hitherto been virtually alone in exposing. "Not many people dare speak about these issues," he said.

after the end of the Cold War?

Ganser: The core problem really is terrorism. One of NATO's “new missions” today is fighting terrorism; look at Afghanistan, Iraq, and elsewhere. But, the SB/Gladio data show that at least elements of some of the “secret armies,” in which NATO was involved, were linked to sponsoring terrorism. So, SB/Gladio is a very delicate issue for NATO. So delicate, that NATO simply does not want to talk about it. Some NATO officers did speak off the record on SB/Gladio. Their first point is: What's wrong with preparing for a Soviet attack? But their second point is: If, indeed, there had been links to terrorism, in the sense of Strategy of Tension manipulations, that would be buried very, very deep.

EIR: Could you elaborate on the problem of documentary evidence on one side, and off-the-record, “oral” sources on the other side? You do have to rely on circumstantial evidence in your work on Gladio. How would you define the methodology of your work?

Ganser: The core data was from Parliamentary investigations: 1) in Switzerland, the Parliamentary Committee on P26, the Swiss Stay Behind organization; 2) the Italian Parliamentary Investigating Committee on Gladio; and 3) the Belgian Senate Investigation into SDRA8 and STC Mob. As a rule, these parliamentary reports are dumped in cellars and rarely does anybody look at them. They are written in a dull style, there are no pictures, no colors, and it's difficult to find them in the first place. Dusty old stuff for historians like me, therefore. But, I have read them very carefully and I have compared the data they contain.

In the second step, I ran computer checks through digital media archives, using keywords from the parliamentary re-

ports. This kind of work could not have been done before media archives were digitalized. I ran my keywords through the digital archives of the *Guardian*, the *New York Times*, Italian magazines, *El Pais* in Spain, the *Neue Zürcher Zeitung* [NZZ] in Switzerland, and some 20 other newspapers. With names, figures, and very specific terms. This took me almost two years: cross-comparing and analyzing data from 15 countries. I had a map in my office, where I put colored pins on the countries, where various forms of SB/Gladio operations had existed. My approach started with the data from Italy, Belgium, and Switzerland, but progressively I found a network all over Europe.

What I discovered was not nice at all. You know, I was not exactly happy to discover that the phenomenon I was researching was much bigger than I had thought in the first place, for I was just a Ph.D. student. Also due to the many different languages, 12 or 13, I became somewhat worn out. For whenever I had to add yet another country to my map, in each case, I had to study 50 years of post-war history of that country, while I realized at the same time that I could not possibly be an expert in the, at times, highly complex history of all these countries.

EIR: What was the significance of oral sources, off-the-record discussions for your work?

Ganser: I focussed on written documents and the literature—that's 90% of my work; 10% is discussions with people I thought would give me more information. I have talked to CIA operatives in Washington, but mostly to academic experts. In any case, there are not many people who know something about Gladio and want to speak about it publicly.

EIR: How would you describe—you use this formulation in your *NZZ* article—the “double nature” of the Stay Behind/Gladio structures?

Ganser: Indeed, that's the core issue. It can be firmly stated that the Stay Behind structures trained for operations after a Soviet invasion and occupation of Western Europe. This cannot be disputed; all my data confirm this. But there's a more difficult, far-reaching question: Was there a *second function* of the SB/Gladio structures? And some sources say: Yes, there was a second function, and this function was to “influence” the democracies of Western Europe, irrespective of the threat of a Soviet invasion. So, the one function, which I called the “post-invasion task,” was a military task within the Cold War confrontation with the Soviet Union; whereas the “second task” was a domestic manipulation or “control” operation in the absence of an invasion. It was very difficult to pin down the “second task,” really.

EIR: What is the significance of the Field Manual 30-31B,¹

1. Field Manual 30-31B, issued in 1970, emphasized that military and other secret service leaders in various host countries should be recruited as U.S.

which the CIA said was a Soviet forgery?

Ganser: The Field Manual 30-31B is a Pentagon document, so the Pentagon should comment—not the CIA. It was produced in 1970, during the Vietnam War, and signed by General Westmoreland. Field Manual 30-31B very much reflects the idea that the whole globe is a war zone. What it said, is that some Western or pro-Western governments might not adequately stand up to the Communist threat. This document does not name countries, and does not specifically focus on Europe. In countries where the government is, so to speak, “asleep,” U.S. military intelligence must link up with local military intelligence. The task at hand is to make the local government “wake up.” To that end, special units that secretly cooperate with the Pentagon can covertly stage terrorist attacks. These terrorist attacks, within a Strategy of Tension, would then be attributed—in a “false flag” mode—to the Communists. And, there are clear indications that this is what happened in at least some European countries. So, this Field Manual 30-31B seems like a blueprint for the “domestic control task”/Strategy of Tension, utilizing SB/Gladio structures.

EIR: You have documented that SB/Gladio assets were used in Strategy of Tension operations in Italy, Belgium, Greece, and Turkey. What is the role of the formal, official SB/Gladio command structure at NATO and at the national level—defense ministry, military command bodies, intelligence services—in Strategy of Tension operations?

Ganser: Not an easy question. What is clear is that military establishments have a top-down, hierarchical command structure—whatever happens. As far as the SB/Gladio organization was concerned, the top level was the Pentagon, hence the Secretary of Defense, the Chairman of the Joint Chiefs of Staff, and, if you want, the President above them. Then, below the Pentagon, in the U.S. command chain came the Supreme Allied Commander Europe (SACEUR) at NATO headquarters in Brussels. At NATO headquarters, further down, you had the military intelligence representatives of Western European states, who gathered in the Allied Clandestine Committee (ACC) and in the Clandestine Planning Committee (CPC). All this is documented.

Below that level, each country pursued its own policy in respect to its SB/Gladio structure. The national military intelligence service would approach people and recruit them for the network. A lot of these people were just very conservative, anti-communist patriots, who would never get involved in a terrorist operation. Many were not even aware that the Pentagon or the British Ministry of Defence was their ultimate master. Their point of reference was the local military intelli-

(or NATO) agents, but that if the host country governments “show passivity or indecision in the face of communist subversion,” then U.S. Army intelligence may launch top-secret “special operations” to convince public opinion of the reality of the “insurgent danger.” No English original of the Manual was ever found, only Italian translations of parts of it, and some investigators doubt its authenticity—ed.

gence chief, whom they might have known from joint military service.

But then we have a blank. We do not know the all-important *link* between the “clean” SB/Gladio structure and those who carried out terrorist acts. How does this “link” relate to the official chain of command? We have in Italy the testimony of Vincenzo Vinciguerra, who admitted having carried out, in 1972, the Peteano terrorist attack. After his arrest, Vinciguerra stated that “parts” of the Italian state and “parts” of what he called “the Atlantic Alliance” secretly supported such terrorism in order to discredit the political left. Whether people like him received their instructions from NATO’s SHAPE [Supreme Headquarters Allied Powers Europe], or from the Pentagon, will be very difficult to establish. There will be next to no written sources, while oral testimony from officials will follow “plausible denial” tactics.

EIR: You would rule it out?

Ganser: Well, the rule with Gladio is that you cannot rule out anything, that’s exactly the point. After all, secret armies have existed for 40 years in all countries of Western Europe, outside of any control of parliamentary democracy. If that’s possible, you can’t rule out anything.

EIR: Vinciguerra’s testimony is controversial. Not for what he said, but for the interpretation. He referred to a paramilitary secret structure, composed of men in uniform and civilians, but he did not mention the name Gladio. According to Prosecutor Guido Salvini, who has conducted the latest investigation on Piazza Fontana,² Vinciguerra might refer to a subversive group called “Nuclei di Difesa dello Stato,” and not to the official Gladio structure.

Ganser: As I said, there’s a “gap,” there’s a *gray zone* which needs further investigation. On the one hand, we know that there were right-wing terrorist attacks; on the other side we know that NATO, the CIA, and the Italian military secret service operated a secret Gladio army in Italy. That much is clear. Now to the “gray zone”: It is true that Vinciguerra did not mention the name “Gladio” at the time, nor did he say he had received the orders for his terrorist acts from Gladio commanders. But, the full list of Gladio members is still not available, nor with whom they cooperated. So Salvini, who is an outstanding expert in the field, concludes that the “Nuclei di Difesa dello Stato” could have been the “missing link.” See, it’s like a very long chain, and we are trying to piece together the elements of that chain, but as it’s an international secret network, that’s pretty difficult.

EIR: Do you have any indications of “sideways” access—outside the formal chain of command—of elements in SB/Gladio structures for terrorist operations?

2. The Piazza Fontana bombing, on Dec. 12, 1969, killed 16 people and wounded 58.

The Strategy of Tension

Operation Gladio was first exposed in 1990 in Italy, but existed elsewhere in Europe as well, having been built up by Anglo-American intelligence at the beginning of the Cold War, as the core of a potential guerrilla force able to operate behind enemy lines—referred to as a “stay behind” force—in case of a threatened invasion and occupation of Western Europe by the Warsaw Pact. In the case of Italy, it was documented that Gladio was also involved in the “Strategy of Tension” of right-wing terrorist bombings, aimed at maintaining political control on behalf of certain political networks.

Claudio Celani wrote a four-part series on the “Strategy of Tension: The Case of Italy,” in *EIR* (March 26, April 2, April 9, and April 30, 2004), which was reprinted in a LaRouche in 2004 Presidential Campaign Special Report, *The Synarchist Resurgence Behind the Madrid Train Bombing of March 11, 2004*. He traced the “Strategy of Tension” from Operation Gladio; to the 1969-80 terrorist bombings; the murder of Aldo Moro in 1978; the Propaganda-2 freemasonic lodge and SISMI military intelligence service; and the emergence of new fascist parties in the aftermath of the early 1990s “Clean Hands” demolition of the Italian post-war political system.

Ganser: Well, the data point to right-wing terrorist groups. Why would a military intelligence service link up with right-wing terrorist groups? Why would they do that? Because they want to carry out special operations for which they cannot employ their own service’s staff. That’s what I see, in some respect, did happen in Belgium with the Brabant massacres, or in Italy with Piazza Fontana, with Brescia, with Peteano. And this is what I see in Turkey, where the Turkish military secret service penetrated and recruited or linked up with ultra-nationalist extremists like the “Gray Wolves.”

EIR: Have you found any indications of entities outside the military or military intelligence command structure, linking up with assets within the SB/Gladio structure, like the Propaganda 2 freemasonic lodge in Italy?

Ganser: The answer is difficult. You had defense ministers in the P2 lodge—they were obviously part of the command structure. At times, you had the chiefs of the military intelligence services belonging to P2—they were at the same time part of the Gladio command hierarchy. Other P2 members never show up in any Gladio data. But, somewhere in the military command chain, you do get very close to terrorism.

Also criminals and organized crime structures come in. You know, I specialized in ancient history at one time. The Romans were very much afraid of their own army, that the army would get corrupted through its power and then destroy the Republic. When I saw some of the corruption and crime in the field of covert actions, I thought, "It's literally 'classic'!"

But there are other segments of the military, who still adhere to a strict code of honor, some of them might speak out more in the future, distance themselves from the criminal elements, and give their side of the story. In fact, former Gladio commander Gen. [Gerardo] Serravalle, who published a booklet on the topic, seems to be such a personality.

EIR: Did you find in your work any links of financial institutions, of any type, to the SB/Gladio structure?

Ganser: No, but I did not look for them.

EIR: For a subject as sensitive as Gladio, is Switzerland a convenient or a difficult environment for doing this kind of work?

Ganser: Switzerland is rather a convenient, than a difficult environment, for two reasons. First, the Swiss distrust power politics—and great powers. Switzerland is a small country, and small countries traditionally distrust great powers—be they the Germans, French, Russians, Chinese, or the Americans. The small players want these big players to respect the rule of law, for that's their shield and protection. And when these big players manipulate and disregard international law, as they often did in the last century, when they lie and kill, the Swiss do not like that. They, like other small players, sense the danger and, at times, therefore, try to expose the machinations as well as the coverup. Today, such efforts are facilitated by the Internet and the exchange of information among people from all corners of the globe. Ten years ago that would have been much more difficult.

The other positive side about Switzerland is that it has three languages—actually four, but basically German, French, and Italian. I was born in the Italian-speaking part, I got my education in the German-speaking part, and I spent my holidays in the French-speaking part. That was very helpful for my work later. I did most of my studying in English-speaking countries, which was also very helpful for my research. If you read books in many different languages, you will realize that they portray events from different perspectives. Just compare Spanish books on the Cuban Missile Crisis, with books in English on the same subject, or books in Russian. I could only compare English and Spanish, but they were already worlds apart.

The distrust of power in Switzerland, by the way, is not limited to foreigners, but is also very much there among the Swiss. The Swiss government is the only government which must have all the major parties represented in the government; the ministerial posts have to be divided among the four major

parties. I know of no other country in the world with such a governing system. This distrust is so deep-seated, that the Swiss people say about Bern, Switzerland's capital: We hope the parties block each other, otherwise they'll grab the power and run away with it. This distrust goes probably back to the Hapsburgs; it goes a back a long, long way. The Swiss would never allow one Swiss party to dominate the executive, let alone also the legislative and the judiciary; obviously Montesquieu would turn in his grave.

EIR: Let us talk about Italy, which seems to be unique in Western Europe, as the Strategy of Tension unfolded there with unparalleled ferocity, compared to other NATO countries. The presence of the largest Communist Party in Europe, the PCI, would be an explanation for this. Do you think that the PCI was really such a threat to democracy and the Western Alliance?

Ganser: We know now, after the Cold War is over, that Moscow had paid large amounts of money to the Italian Communist Party or to factions inside the PCI. That was part of the situation in Europe during the Cold War. So you have to ask the question: What would have happened if, for example, in Italy or France, the Communists had gained so much at the polls, that they could have entered the government—meaning Communists in the Interior Ministry, Foreign Ministry, or even the Defense Ministry? I think, a Communist defense minister would have been seen as a real threat to NATO. I'm not sure whether—actually I doubt it—that he would have transferred military secrets to Moscow—that obviously depends on the character and integrity of the person—but he could have. So, I do understand that Washington and London would have seen that as a real threat; a threat from inside so to speak.

EIR: But the PCI did undergo quite a transformation during the 1970s, which culminated in its official recognition of NATO. So, was the PCI really a threat then? Don't you think that there were other reasons, maybe unspoken reasons, behind the Strategy of Tension in Italy?

Ganser: Sure, the PCI and its members did change in the course of the Cold War. But, speaking of the 1960s and 1970s, the Communists saw how the United States had attacked Vietnam—after having fabricated a lie with the Gulf of Tonkin episode. So, there was massive distrust toward the United States from the PCI, this cannot be ignored. Look at some countries like Germany or Switzerland; they outlawed the Communist Party.

At the same time, and that's documented in the SB/Gladio data, in Greece the Socialists Andreas Papandreou and George Papandreou, his father, also clearly stated that they did not trust NATO at all. And they were no Communists. Or, take de Gaulle, he was certainly no Communist, but he quarrelled with the U.S. and NATO so much that he eventually forced NATO out of France.

EIR: In Italy, there have been at least four known attempted military coups in the post-war period—they were all connected to projects to implement “neoliberal-globalist” as opposed to “national-étatist” economic policies. Even the assassination of Aldo Moro fits into this pattern, if one considers the economic policy changes that occurred after 1978. Do you see this as a characteristic feature of the Strategy of Tension in Europe?

Ganser: I think that economic matters do play a major role in covert operations. I have studied the evidence in respect to the 1959 Castro revolution in Cuba. The American investors there were very, very afraid of losing their money—and the U.S. launched covert operations to get rid of Castro. The same is true with the Russian Revolution in 1917: France and England (with some U.S. support) tried to overthrow the young Communist regime, but their operations all failed. If there’s a prospect of private property getting nationalized, investors will become very brutal—look at what happened to Mossadegh in Iran in 1953. They will not refrain from anything, and, if they can get governments to run covert operations against a regime they see as threat to their economic interests, they will do just that. So, certainly, from that perspective, there was an economic dimension in the Strategy of Tension, also in Italy.

EIR: It does not need to come to nationalization, for covert operations to be launched. We are speaking here about economic policies that take into account social welfare and national economic development—simply the opposite of the neoliberal policies, which today are the basis of globalization.

Ganser: It’s true, covert action is sometimes also launched in the absence of nationalizations, hence following social reforms for instance, as in Chile in 1973. And it is true that, in the context of globalization, any resistance to what one may call the “profit system” is being attacked also “by other means”—not just by political or academic arguments. There are the cases of Cuba or Chile in 1973, or even Italy. There’s this very interesting book by John Perkins,³ but he is being discredited because he also has some rather esoteric views.

The debate, whether “the free market,” which is often not so free, generates economic growth, and moreover solves our moral problems, in the sense how we human beings behave toward each other, and hence helps to create a “better world,” is being fought out in many newspapers and books. It’s a most interesting discourse.

EIR: Let us connect this to the Gladio question. Terrorist operations, involving SB/Gladio assets in the context of the Strategy of Tension, had a dual thrust: a) blind terrorism, as in the case of Piazza Fontana or the Bologna train station, and

3. *Confessions of an Economic Hit Man: How the U.S. Uses Globalization To Cheat Poor Countries Out of Trillions* (San Francisco: Berrett-Koehler, 2004).

b) the physical liquidation of prominent political-economic figures representing a very specific economic and political point of view, like Moro or the bankers Jürgen Ponto and Alfred Herrhausen in Germany. What are your thoughts on this?

Ganser: From the data on SB/Gladio that I have seen, I cannot confirm that Ponto and Herrhausen—I would add Olof Palme here—were targeted and killed by “NATO’s secret armies.” It is even most difficult to reconstruct the killing of Aldo Moro: Why was he killed and who pulled the strings? At the same time, I do not exclude that “NATO’s secret armies” were vehicles, the utilization of which made possible that these assassination operations were carried out so efficiently. That really needs further investigation. I would never exclude that the secret armies could have been involved; one can hardly exclude something as long as so little data on the phenomenon has been made available.

The death of Olof Palme in 1986, and the death of Aldo Moro in 1978, those were to Sweden and Italy what the J.F. Kennedy’s assassination in 1963 was to the United States. Maybe the Herrhausen assassination in 1989 was the same to Germany. Did they find out who killed Kennedy? No. Some think it was crazy Oswald acting alone; others think the truth was covered up.

EIR: Let us stay for a moment with Moro. Do you have any insight on the subject of the “insertion” of SB/Gladio elements into left-terrorist groups?

Ganser: If you infiltrate a group and then carry out terror operations with that group, without that group knowing that it has been infiltrated and is being “steered,” that is one of the strategically most sophisticated operations imaginable. To any strategist, that is “beautiful,” just as it is ugly from a moral perspective. On the question, who infiltrated or who might have infiltrated the Red Brigades, I am not an expert, even though one name has been raised quite a few times: Mario Moretti, an ex-neofascist. In the documents that I have seen, Moretti was not being named as one of the Gladiators—but not many Gladiators have been named anyway.

Maybe one should look at Belgium, where the Combatant Communist Cells (CCC) seem to have been a leftist organization which was created in order to be the deposit of evidence of terrorist attacks—which others carried out. The same was with the Piazza Fontana bombing, where the evidence was planted with Giangiacomo Feltrinelli, the left-wing editor.

EIR: Have you seen the *EIR* material on irregular warfare, Strategy of Tension, or the Moro or Herrhausen cases, much of it already published in the 1970s and 1980s? What are your thoughts about it?

Ganser: I have seen some of the *EIR* material now—and it’s rather unique. I cannot say whether everything that’s in these texts is correct or not, because it is a very large field that’s covered there. I had not known *EIR* before you contacted me

The Stay Back/Gladio data show that at least elements of some of the “secret armies,” in which NATO was involved, were linked to sponsoring terrorism. So, Stay Back/Gladio is a very delicate issue for NATO. So delicate, that NATO simply does not want to talk about it.

and sent me some data. But I have to say that not many people dare speak about these issues. Even if you carefully read leading newspapers, you are never going to get to these questions. The page “secret warfare” is missing in all major media outlets, but they do have several pages on trivia. Therefore, I think it is quite important indeed, that *EIR* deals with these questions, which very much influence our lives. I was really surprised as well, that *EIR* had published these analyses and so much data already 20, 25 years ago.

EIR: In your *NZZ* article before Christmas [Dec. 15, 2004], you compared the way international terrorism—mostly “Islamic terrorism”—is currently deployed to be part of the Strategy of Tension. Can you explain that further?

Ganser: People very often ask me: It is very interesting what you write about what happened in the 1970s, but I am living now, what is going on now? My usual answer to that is that SB/Gladio, as such, is not operative anymore, but what obviously is still going on is secret warfare. We have secret warfare going on here and now.

I’ll give an example: the wars in the Balkans during the 1990s. In August 1995, the Croatian Army successfully drove the Serbs off occupied Croatian territory. But, in this Operation Oluja, they were covertly assisted by Military Professional Resources Incorporated (MPRI), an American private military company. Many people did not know of that at the time, and I myself was very surprised to find out about this Operation Oluja, which later was rated a war crime by the International Criminal Tribunal in The Hague. We know very little of how PMCs—Private Military Companies—are linked to covert action and, at times, war crimes, despite the fact that they operate on all continents today. Then, we had the Kosovo operation, when, on March 24, 1999, the NATO bombing of Serbia started. I looked at what exactly the OSCE did in the weeks before, because William Walker, the U.S. representative to the OSCE, had been linked to covert operations in Latin America. The data I found showed that Walker had the Racak massacre in Kosovo manipulated in order to spread a “genocide claim.” That also impressed German Foreign Minister Joschka Fischer, despite the fact that the data on the ground did not support this claim. Truth is very often the first victim of war.

EIR: And what about 9/11?

Ganser: Obviously, for the international research community, the real big thing, right now, is 9/11. Many academic researchers across the globe, and also in the U.S., are asking many questions: Did the Bush Administration deliberately allow the 9/11 attacks to happen, in order to have a pretext for attacking Afghanistan and Iraq, to be able to increase military spending, and to cut back on civil liberties in the U.S.? This is the so-called LIHOP theory—Let It Happen On Purpose.

Or were Bush and his Administration totally surprised by Osama bin Laden, as they claim? This is the so-called SURPRISE theory, which dominated the early media reports.

Or did Osama bin Laden have nothing to do with the attack at all, while conspirators at the Pentagon carried out the operation, as well as the subsequent anthrax attacks? This is the so-called INSIDE JOB theory, which builds on the 1962 “Operation Northwoods” plans of the Pentagon to blow up planes and stage terror attacks in Florida in order to create a pretext for invading Cuba and overthrowing Castro.

Academics who study secret warfare find themselves between these three theories—LIHOP, SURPRISE, and INSIDE JOB. They all are “conspiracy theories,” by the way. Researchers try to find out which theory is best able to account for all the known facts. I must say that 9/11 is an extremely complicated crime and therefore many academics, including myself, have a hard time to figure out which of the three theories fits the true story. So most of us waited to see how the official U.S. investigation into 9/11, the Thomas Kean and Philip Zelikow report, would deal with these three theories. But unfortunately, the 600-page report, published in July 2004 and accepted by Bush as the “official story” of what happened in respect to 9/11, does not even mention the LIHOP and INSIDE JOB theories! It presents SURPRISE as the only possible explanation.

Now, Philip Zelikow is a respected professor of history; as a fellow historian I was therefore very surprised to find that his report is totally unbalanced. Of course, Zelikow is aware of the LIHOP and INSIDE JOB theories, no doubt. How can he author a book on 9/11, which claims to search for the truth, but which totally ignores these theories? He could of course have presented them to the reader and then deconstructed them with the facts available. That’s the normal academic procedure; that would have been all right. But in the utterly unbalanced way this book has been written, it could not be

accepted as a Ph.D. thesis or maybe not even as a Masters thesis at a university. Because it not only fails to mention LIHOP and INSIDE JOB as competing theories, but leaves out all data which support the latter two theories: The collapse of WTC7 (World Trade Center building 7) is not mentioned; the controversial Pentagon picture is not mentioned let alone debated; the BBC report, that six alleged hijackers are still alive, is not mentioned nor debated; the alleged funding of Mohamed Atta by the Pakistani ISI intelligence service is not mentioned; nor the protests of FBI agent Coleen Rowley that there were lies and coverups. The explanations given for NORAD's [North American Aerospace Defense Command] failure to intercept the attacking planes, and for the put options, plus insider trading, are also less than satisfying. So we are back to square one, with three competing theories, while the official U.S. investigation looks very much like a coverup. By the way, the official U.S. investigation is carefully dissected in a just-released book by Prof. David Ray Griffin, an American, like Zelikow. It's very much a battle of the best and the brightest minds in the U.S. now as to what really happened on 9/11.

EIR: Do we understand you correctly, that you do not accept the official U.S. government version of 9/11 as represented by the Kean report?

Ganser: The Kean report is poor, no doubt. Does that mean that SURPRISE is dead? Not necessarily. All three theories are still in the air and require further testing. The problem is, however, that trust in the White House has been decaying rapidly during the last years. When President Bush and Vice President Cheney were saying Saddam Hussein was behind 9/11, experts were quite surprised that the White House could so recklessly spread such a far-reaching lie. I mean, we have had more than 100,000 civilians killed so far in the war in Iraq, so this issue is extremely serious. Then we had the "Niger Uranium" story, yet another lie, as former U.S. Ambassador Wilson showed. And now the Kean report on 9/11, which looks like a coverup. All that is not reassuring at all.

Academics in the U.S. and across the globe must make a real effort to break through such a web of lies, but that will be difficult, above all because many have simply settled for SURPRISE without knowing the debate at all.

EIR: So, you are engaged in a research project on 9/11?

Ganser: Yes, I have agreed to teach a class on 9/11 at Zürich University. My students want to know what really happened on 9/11. They are in their 20s and they really want to know: Is it true that the Pentagon staged the attack on itself? That sounds like a man shooting his own foot, only to say afterwards: Oh, somebody shot me and now I have to kill the "perpetrator." Or, was the Pentagon really surprised at being attacked by Osama bin Laden, who was so much smarter than anybody else, including the U.S. government with its vast capabilities? My students want to know about SURPRISE,

LIHOP, and INSIDE JOB. It's a lot of work, but very interesting.

EIR: The actions or non-actions of the U.S. government need not necessarily mean that the U.S. government as such was behind 9/11. Could there have been a secret structure that was trying to force the U.S. government in a certain direction via 9/11? The best reference historically would be the Secret Army Organization (OAS)—the secret structure within the French state apparatus in the early 1960s. And here we have here an overlap with our main subject, SB/Gladio. What are your thoughts on this?

Ganser: I'm not sure the parallel is a good one. Do I know of a secret, hidden group above or within the U.S. government? No, I don't. If your speculation is correct and there is such a structure, then, I think, there would have been cooperation from within the government with it. I'm a historian and my points of reference are the President, the Vice President, the Secretary of Defense, etc.—and their actions. Of course, historians are well aware that power can also be organized in different and more hidden forms, but I still think closely studying not only the words, but above all the actions of a government, produces the best insights.

When you talk about driving the U.S. government into a certain direction, I would say, yes, of course. There are hundreds of lobbying groups, and, the way I see it, strategic energy policy seems to play a big role. There's much debate on the "peak oil" thesis. It's being said that maybe half of the oil we have on Earth is already used up, so we are running out of oil, while for the future we expect global population to rise to 10 billion and China and India are coming in big, consuming energy. It's quite imaginable that there's a power group, maybe outside, maybe inside the White House and the Pentagon, saying: We must check the power of China, India, the European Union, and make sure we control the oil reserves. As long as we have the military force to control energy resources, we better use it—under whatever pretext.

Brzezinski, for instance, urged in his 1997 book *Chessboard* that the U.S. must try to control what he called "Eurasia"—the landmass of Europe and Asia. Eurasia has historically held the key to global power, so no global power [can be maintained] without control of Eurasia, Brzezinski said, and he's probably right. Of course you can't talk geostrategy to the larger U.S. population, or the European Union (EU) population for that matter, and therefore the U.S. could not start new wars, unless, as Brzezinski put it, "a truly massive and widely perceived direct external threat" materialized which could scare the U.S. Congress and population into new wars.

Again, as I said, it is important that we study covert operations. I did my part on SB/Gladio, which is history now. But studying Gladio can instruct our thinking. The forms of secret warfare change with time, but the strategy, the methodology remains very much the same.

A Lame Duck

Not yet three months into his second Administration, George W. Bush is beginning to qualify as a lame duck. Just as Lyndon LaRouche had said was necessary.

The surest sign of this fact is the status of the President's self-proclaimed "issue" for his second term, Social Security privatization. Bush has done nothing but grandstand for his Social Security scheme, with radio ads, town meetings, and public statements, since the first of the year. The result? It's falling flat on its face, and he's getting more insane by the moment.

Bush's fundamental problem on Social Security, is the one no one dares to talk about: the aggressive campaign by Democrat Lyndon LaRouche and his youth movement to unabashedly identify the Social Security heist as the Shultz-promoted fascist scheme it is. In the context of that campaign, the Democratic Party has shown itself much tougher than expected in resisting the Republicans' cajoling and thuggery on this issue, and the Democrats have launched a virtually unprecedented mobilization of their constituency to boot. And in this environment, many leading Republicans have refused to kowtow to Karl Rove and Dick Cheney's pressures as well.

It started with Republican Rep. Bill Thomas, the chairman of the House Ways and Means Committee, who said right off the bat in January that the privatization scheme was a "dead horse." He had his "mind changed" shortly afterward. Then there was Majority leader Sen. Bill Frist a couple months ago, saying that he didn't think a Social Security "reform" bill could make it through Congress this year; he was forced to eat his words the next day. Then came Sen. Charles Grassley, the head of the Senate Finance Committee, who, on the day before Bush arrived in Iowa March 30, put it this way: "I said I intend to bring this [Social Security reform] up, even if the President is not successful. Now, have I said I'd fall on my sword? I haven't said that yet." Then on April 1, Speaker of the House Dennis Hastert, who controls the pace of legislation through the House of Representatives, cast doubt on Bush's call for completion of a Social Security bill this year, in an interview in the April 2 edition

of the *National Journal*.

Bush's plan is in deep, deep trouble. His threats, and those of Vice President Cheney, don't seem to be getting him anywhere. Some of his closest allies, like the Governor of North Dakota, leave town when he comes to their state to campaign for Social Security "reform." He's losing his clout.

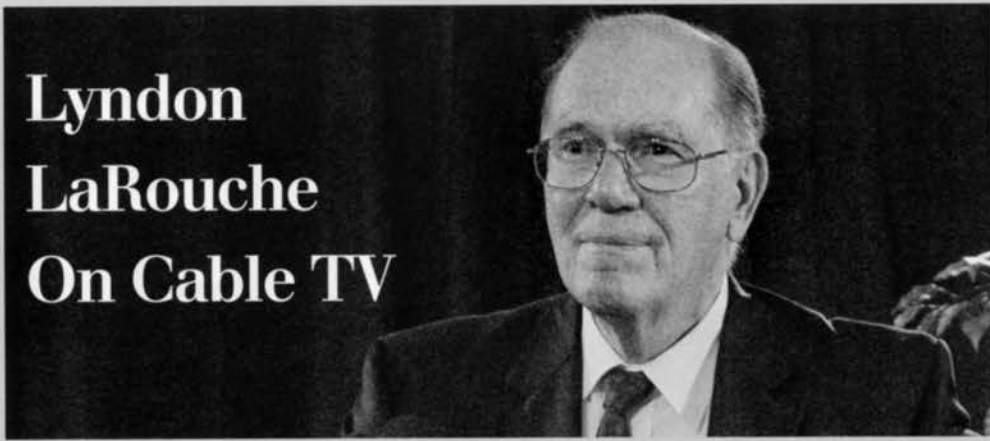
Nor is this just the case domestically. Bush's troubles on Social Security have been covered in the international press, and it seems that some of the aura of invincibility for the "one world superpower" is beginning to wear off. Just look at the recent events in Kyrgyzstan, and the defiance of the U.S. demands for action against Venezuela in Ibero-America. Some international leaders seem to have gotten the idea that they don't have to bow down and obey.

Making Bush a lame duck is not enough, of course. The world cannot survive with the lunatic crew still in control at the White House. What is required is a bipartisan coalition that will force a sane policy through in Washington, particularly on economic policy.

It is from this standpoint that LaRouche has initiated a process of discussion of a new "reconstruction agenda," within the circles of trade unionists, Democratic Party officials, scientific professionals, and policymakers of both parties. LaRouche's message has been straightforward: This is no time to sit around and wait for the Bush Administration to finish off the remaining core of U.S. industrial capability, and discredit itself by so doing. Responsible political people have to act *now* to discuss and debate proposals for economic revival, which will put the skilled manpower and industrial apparatus now being thrown on the scrap-heap, to work immediately. Set a process of recovery into motion *now*, so that as the dramatic financial crises hit, a positive alternative has already been put into place.

LaRouche will be addressing just how to create this alternative at his next webcast, scheduled for April 7 at 1 p.m. Eastern Daylight Time. *EIR*'s website, www.larouchepub.com, will carry it live, and you won't want to miss it.

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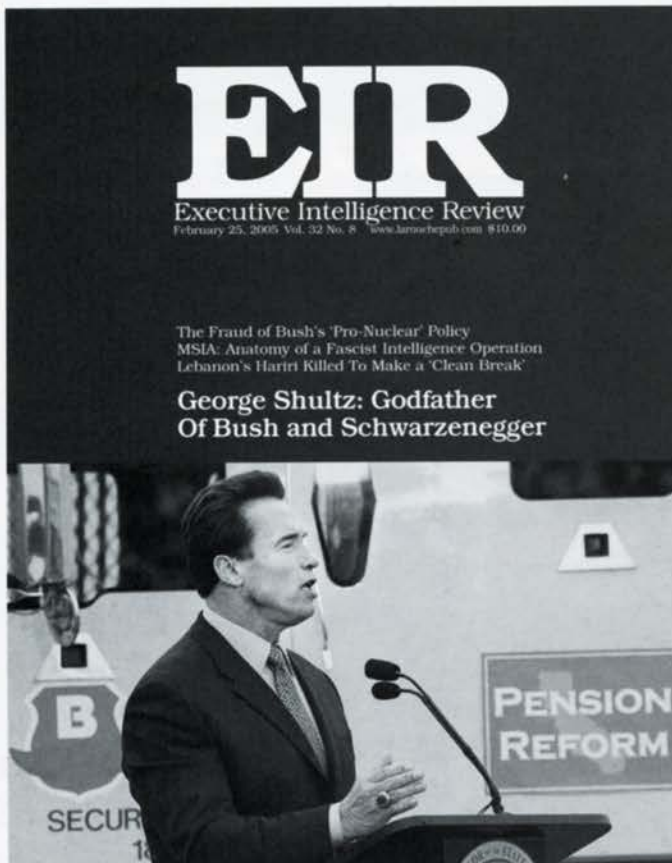
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