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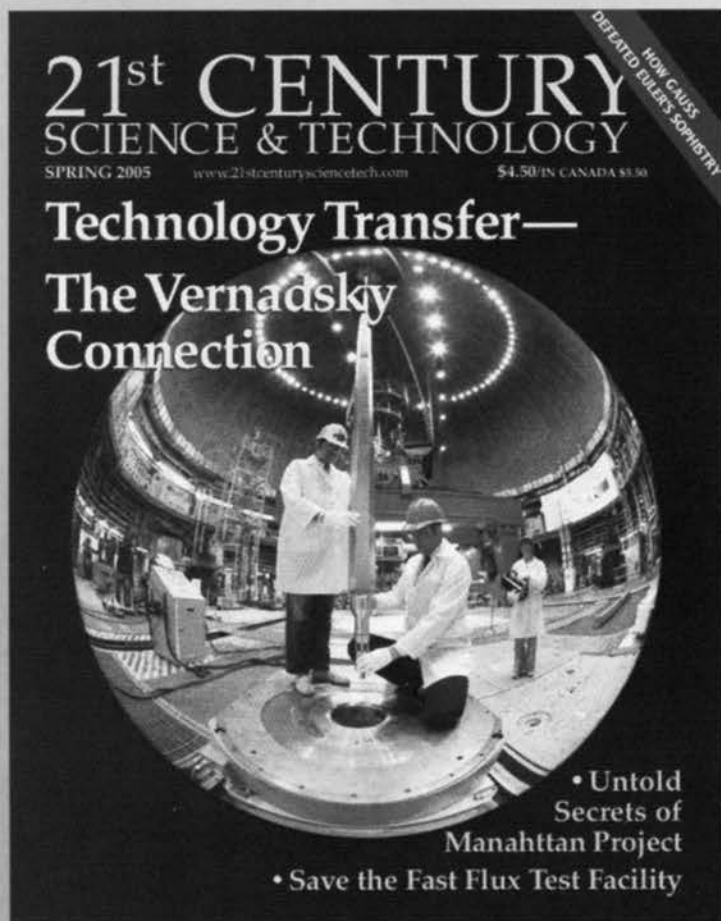
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New Leadership from Argentine President Kirchner
The Armenian Genocide: An Approach to True Justice

**Dems' Mobe, GOP Resistance
Drive Cheney to Desperation**



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Featured in the Spring 2005 issue

A PRECIS

• The Peaceful Concept of Technology Transfer

by Lyndon H. LaRouche, Jr.

In this summary, prepared for circulation at a conference in Bangalore, India, on May 26-27, 2003, economist and statesman LaRouche lays out the cultural preconditions for a new kind of technology transfer that will lead to world prosperity.

• Some Words About the Noösphere

by Vladimir Vernadsky

Vernadsky's 1943 work develops his conception of the human mind as a geological force.

A TRAGEDY IN THREE ACTS

• The Beast-Men Behind the Dropping of the Atomic Bomb

by L. Wolfe

Drawing on original research, historian L. Wolfe shows that the dropping of the bomb on Japan was the result of a conspiracy of political and moral opponents of Franklin D. Roosevelt, aiming to control the post-War world with the ultimate weapon of terror.

A FIRST HAND REPORT

• The Manhattan Project as A Crash Science-Driver Program

by Dr. Robert J. Moon

A moral decision by American scientists to slow production of plutonium is one of the untold secrets of the Manhattan Project, revealed here for the first time by a leading nuclear scientist who was a key participant in the Project.

SCIENCE AND THE LAROCHE YOUTH MOVEMENT

• How Gauss Defeated Euler's Sophistry

by Michael Kirsch

The paradigm shackling the minds of people today, such as free-trade economics, has similar roots to the mental disease which shackled 18th Century mathematics. The author reports how a study of Carl Friedrich Gauss's 1799 paper on the Fundamental Theorem of Algebra can free the mind from such slavery.

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From the Associate Editor

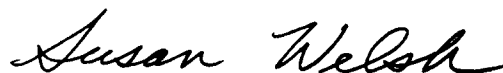
Watching President Bush's April 28 news conference left one feeling like one had just passed through the looking-glass with Alice, into a Wonderland where everything is backwards and upside-down. (Or, in Bush's case, perhaps it's, "One pill makes you larger; another pill makes you small. But the ones that Mother gives you don't do anything at all. Ask Alice. . .") Journalists joined the President in pushing the lie that "the Democrats are conducting partisan politics, contributing to an atmosphere of rancor in Washington."

How's that again? The Democratic Party, galvanized by Lyndon LaRouche's leadership, is re-emerging after a long sleep, as the party of President Franklin D. Roosevelt, defending the achievements of his New Deal against an unprecedented partisan/ideological assault by the GOP advocates of von Hayekian radical free trade. The Democrats are fighting on the crucial ground of defending Social Security, but not only that: They are taking on the constitutional issues involved in the brawl over judicial nominations and the filibuster, as well as the Tom DeLay ethics charges. All this *really* has Bush and Cheney scared, as our cover story reports.

In our *Feature*, Edward Spannaus provides crucial historical background material to the new assault against the Constitution. In fact, as he shows, it's not so new at all: It dates back to the creation of the Confederacy in 1861.

It is highly interesting to see that these debates are playing out internationally as well (and you won't see coverage of this outside of *EIR* and other LaRouche publications). In Germany, a debate is raging over the FDR legacy, as against the destruction of Germany's post-war "social state" by the neo-liberals. Germany's news media have been tightly controlled since World War II, and the name "LaRouche" is almost never mentioned (except for the occasional B.S. about "a right-wing American millionaire"); but now, Lyndon and Helga LaRouche are a focus of the discussion, since everyone knows who is organizing in Europe for the "FDR model."

Also, don't miss the speech by Argentina's President Kirchner (in *Economics*), whose battle against the IMF took on a new flank—not coincidentally, during a state visit to Germany.



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Democratic Congressmen join a rally against Social Security privatization, in Washington on April 26. House Minority Leader Nancy Pelosi is speaking, with Senate Minority Leader Harry Reid looking on.



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Referring to those pushing the “nuclear option” and the “Constitution-in-Exile” notion, Lyndon LaRouche charged: “This is the Confederacy plain and simple. They not only hate the Constitution; they hate the Declaration of Independence as well.” Edward Spannaus reports.

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Attack on Judiciary Takes Aim at U.S. Constitution

by Edward Spannaus

Listening to House Majority Leader Rep. Tom DeLay (R-Tex.) and his “faith-based fascist” friends, one would think that the Federal courts are on a crusade to persecute Christians and “people of faith,” and that only by banishing the filibuster from the U.S. Senate can true Christian government be restored in the United States. The prohibition of the “filibuster” (the Senate’s tradition of extended debate) for judicial nominees, is generally referred to as the “nuclear option,” although its proponents piously prefer to call it the “constitutional option.”

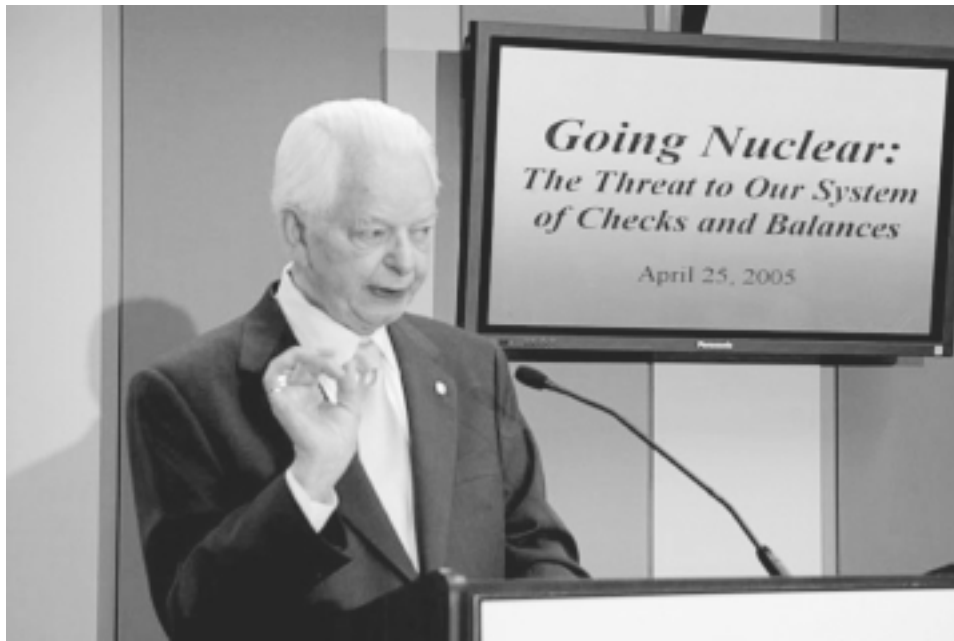
“Constitutional”? Nothing could be further from the truth—unless perhaps it’s not the Federal Constitution, but the Confederate Constitution of 1861, to which they allude. This we shall explore, in due course.

‘Enemies of Our Republic’

On Sunday TV talk shows in recent weeks, Sen. Joseph Biden (D-Del.) has been emphasizing that the fight over Bush’s judicial nominees has nothing to do with religion or abortion, but that the issue is doing away with the New Deal. The most controversial of those nominees who have been re-submitted by Bush, have a “radical view relative to the role of the states,” Biden said on Fox News on April 17. “This is a states’ rights argument going back to 1860.”

EIR’s founder Lyndon LaRouche had some stronger words on April 24, in referring to those pushing the “nuclear option” and the “Constitution-in-Exile” notion—as we will describe it below.

“This is the Confederacy plain and simple,” LaRouche charged. “They not only hate the Constitution; they hate the Declaration of Independence as well. These people are traitors to the U.S. and if they prevail, then the U.S. will be destroyed. They are traitors by intent, and traitors in fact. They are enemies of our Republic from within. If the ‘nuclear option’ and these judicial appointees are rammed through by some fraud, this will call into question the credibility of



Sen. Robert Byrd blasted the “nuclear option” at an April 25 forum sponsored by the Center for American Progress. Eliminating the filibuster is the first step to eliminating all our liberties, he said.

the entire Federal court system. What is being done here by Cheney, Addington, and Frist is clearly unconstitutional by intent and effect, and if the courts put up with this in any way, they lose all credibility.”

Target: The New Deal

Earlier on April 24, Senator Biden was on ABC’s “This Week,” and had pointed out that 205 of the 215 nominees that President Bush sent to the Senate, have been confirmed. “Seven of the ten that were stopped are justices like Justice Janice Brown of the Supreme Court of the State of California, who calls the Supreme Court decisions in 1937, the decisions of a ‘socialist revolution’ in 1937. She talks about needing to do away with the New Deal. She raises questions, as does the leading architect, the leading supporter at the American Enterprise Institute [AEI], of the constitutionality of the Social Security system.”

Biden’s reference was to AEI’s Michael Greve, who has declared: “I think what is needed here is a fundamental intellectual assault on the entire New Deal edifice. We want to withdraw judicial support for the entire modern welfare state.”

What Biden was apparently drawing upon, was a major article which had appeared in the Sunday *New York Times Magazine* on April 17, written by George Washington University law professor Jeffrey Rosen. The subject was “an increasingly active conservative judicial movement,” which sometimes refers to itself as the “Constitution in Exile” movement—so-called, because it claims that the Constitution has been “in exile” since 1937, the year when the Supreme Court reversed itself and began to uphold legislation enacting the

New Deal programs of the Franklin D. Roosevelt Administration.

This movement bases itself on a radical, Lockean ideology of states’ rights and contract law. To many in this grouping, the “Golden Age” is the era from 1896 through the 1920s, when the courts routinely struck down laws which were claimed to restrict economic competition and “freedom of contract” (that is, laws which were intended to promote the general welfare).

The most famous Constitutional battle of that period, prior to the fight over New Deal legislation, was in the 1905 case *Lochner v. New York*, in which the U.S. Supreme Court struck down a New York State law limiting bakers’ hours of work to 10 hours a day, or 60 hours a week. The Supreme Court called this an interference in the “liberty of contract.”

(It is notable that, on April 22, 2005, AEI held a forum on “*Lochner* at 100,” at which Rosen and Greve both spoke. Greve and another panelist tried their hardest to defend the indefensible, and to salvage something out of the now-universally-discredited *Lochner* decision.)

To Coin a Phrase

It was Douglas Ginsburg, a judge on the D.C. Circuit Court of Appeals (and a Supreme Court nominee withdrawn by President Reagan after Ginsburg’s marijuana-smoking was disclosed), who apparently first used the term “Constitution in Exile.” Writing for a journal of the right-libertarian Cato Institute, Ginsburg was hammering on the Supreme Court’s retreat from the “non-delegation doctrine”—the idea that Congress cannot delegate its law-making power to any other body or agency. Ginsburg seems to regard the high

point of the non-delegation doctrine as the Supreme Court's striking down of the National Industrial Recovery Act in 1935, and he considers the Supreme Court to have been in retreat since then. Ginsburg's summary statement is as follows:

"So for 60 years the non-delegation doctrine has existed only as part of the Constitution-in-exile, along with the doctrines of enumerated powers, unconstitutional conditions, and substantive due process, and their textual cousins, the Necessary and Proper, Contracts, Takings, and Commerce Clauses. The memory of these ancient exiles, banished for standing in opposition to unlimited government, is kept alive by a few scholars who labor on in the hope of a restoration, a second coming of the Constitution of liberty—even if perhaps not in their own lifetimes."

The Court's 'Wrong Turn'

The current guru of the movement is University of Chicago law professor Richard Epstein, notorious for arguing that many of the laws underpinning the modern "welfare state" are unconstitutional. Rosen describes Epstein as peddling a legal theory far more radical than that of Justice Antonin Scalia; on the Supreme Court, Clarence Thomas is its closest adherent.

Biden had questioned Thomas about his interest in Epstein during Thomas's contentious 1991 confirmation hearings. In 1995, Thomas wrote an opinion which echoed the "Exile" movement's and Epstein's bizarre theories (and which caught our attention at the time).¹ The case was *U.S. v. Lopez*, which invalidated a 1990 law making it a Federal crime for anyone to possess a firearm within 1,000 feet of a school. The Court said that Congress, in enacting the statute, had exceeded its authority under the interstate commerce clause of the Constitution. Thomas went further than the others, suggesting that current law regarding the Commerce Clause is "an innovation of the 20th Century," that everything was fine up through 1935, for which proposition Thomas cited Supreme Court rulings invalidating New Deal regulations of commerce, on the grounds that such regulations invaded the province of the states. The "wrong turn," Thomas declared, "was the Court's dramatic departure in the 1930s from a century and a half of precedent."

In Epstein's view, any government that interferes with unrestrained economic liberties is repressive, and that includes the United States government. "When Epstein gazes across America, he sees a nation in the chains of minimum-wage laws and zoning regulations," Rosen wrote. "His theory calls for the country to be deregulated in a manner not seen since before Franklin D. Roosevelt's New Deal."

Epstein's favorite hobby-horse, about which he has writ-

1. See "The Rehnquist Court Joins the Conservative Revolution," *EIR*, May 12, 1995.

ten extensively, is the "Takings Clause" of the Constitution—referring to the provision of the Fifth Amendment which states that "nor shall private property be taken for public use, without just compensation." Epstein argues that the Takings Clause bars *any* redistribution of wealth, and that it calls into question zoning laws, workmen's compensation laws, transfer payments, and progressive taxation; this is what he calls "the recipe for striking down the New Deal."

Rosen's article cited a former Bush Administration official as saying that many people in the White House believe in the principles of the "Constitution-in-Exile" movement, without necessarily using the name. The one White House official mentioned, is David Addington, Vice President Dick Cheney's legal counsel, who is reported to have pressed the Justice Department to object to laws and regulations which the Constitution-in-Exile movement finds objectionable.

Which Constitution Are They Defending?

When the "Constitution in Exile" grouping complains that the U.S. Supreme Court, from its 1937 ratification of FDR's New Deal measures forward, is trashing the "real" Constitution, whose paramount purpose was to protect property rights, they inadvertently raise the question: Which Constitution are they talking about? The only Constitution which did what they claim, is the 1861 Constitution of the Confederate States of America (C.S.A.).

Let's take a look at how the two Constitutions compare:

At first glance, the Constitution of the Confederate States of America is not all that different from the Constitution of the United States. For reasons of expediency, the framers of the C.S.A. Constitution took the text of the U.S. Constitution as the template from which they cut out their own version. Thus, the differences are illuminating—not only as to the nature of the Confederacy, but also as to the nature of the republic they were fighting against. The reality is, that the C.S.A. framers took the U.S. Constitution, and gutted it of its best and noblest features.

One need go no further than the Preamble to know exactly what the issues were between the U.S.A. and the C.S.A. Simply compare the two:

U.S.A.: "We the People of the United States, in Order to form a more perfect Union, establish Justice, insure domestic Tranquility, provide for the common defense,

“People like Addington hate the Federal government, hate Congress,” said the former official. “They’re in a deregulatory mood,” and they believe that the second term of the Bush-Cheney Administration “is the time to really do this stuff.”

Which Constitution?

This gang talks about “restoring” the exiled Constitution, but the Constitution that they want to restore, bears no resemblance to the Constitution of the United States, as it was enacted in 1787-89, and as was implemented in the first decades of the 19th Century, and again under Abraham Lincoln.

Rather, the Constitution for which they seem to yearn, is actually the 1861 Constitution of the Confederate States of America, which stripped out all the provisions relating

to the obligation of the central government to promote the general welfare, or to regulate economic activity for the common good.

This came up at an April 25, 2005 forum at the Cato Institute in Washington, during a panel discussion called “In Defense of an Independent Judiciary.” The panel was organized and chaired by Roger Pilon, Cato’s constitutional expert.

The focus of discussion was judicial review (whereby the courts review the constitutionality of legislation and Executive actions); at the outset, Pilon said that the panel would not be on the filibuster or the “nuclear option.” But he then proceeded to discuss, in rather unfavorable terms, recent actions by Tom DeLay, and other inflammatory statements about religion and the filibuster—all the while making it clear that he does support the “nuclear option” itself.

promote the general Welfare, and secure the Blessings of Liberty to ourselves and our Posterity, do ordain and establish this Constitution for the United States of America.”

C.S.A.: “We the people of the Confederate States, each state acting in its sovereign and independent character, in order to form a permanent federal government, establish justice, insure domestic tranquility, and secure the blessings of liberty to ourselves and our posterity—invoking the favor and guidance of Almighty God—do ordain and establish this Constitution for the Confederate States of America.”

Here is the essence of the battles which wracked American politics and law in the early 19th Century. Was the union a compact among sovereign states, or was it formed by the people, acting in their sovereign capacity? Was the purpose to form “a more perfect Union,” and to “promote the general Welfare” for posterity, or was the purpose simply to enter a social contract to form a Federal government?

These issues were definitively, but not irreversibly, resolved in the Supreme Court under John Marshall (Chief Justice from 1801 to 1835), and his closest ally, Joseph Story. Over intense opposition, Marshall and Story enshrined the Hamiltonian system into U.S. constitutional law—national banking, promotion of internal improvements (“infrastructure”), and promotion of manufactures through protective tariffs.

The Core of the American System

Thus, the C.S.A. Constitution threw out everything identified with the “American System.” The C.S.A. Constitution:

- prohibited any measures (bounties, duties or taxes on importations) which would be used “to promote or foster any branch of industry”;
- prohibited appropriation of funds “for any internal improvement intended to facilitate commerce,” (except for lights, beacons, and buoys on waterways);
- removed the power of taxation to provide for the general welfare;
- gave the Congress the power to establish a post office and postal *routes* rather than post *roads* and required that the post office’s expenses be paid out of its own revenues.

There were other changes, some primarily administrative with respect to the appropriation process, and others of more substance, such as explicit acknowledgement of slavery (which was never expressly mentioned in the U.S. Constitution).

In form, the judiciary system stayed the same. But, states could impeach Federal judges or other officers who operated solely within that state. Provision was made for a Supreme Court, but it was never established. So despite the formal inclusion of a “supremacy” clause, the states retained judicial supremacy.

Thus, it is easy to see why the C.S.A. Constitution of 1861 is much more compatible with the views of the Constitution-in-Exile movement, than the U.S. Constitution of 1787. With its weak Federal government, and the prohibition of “American System” economics—government promotion of the general welfare through the fostering of infrastructure, industry, and agriculture—the New Deal would have been forbidden. Fortunately, the C.S.A. Constitution *has* been in exile, for 140 years, and thus shall it remain.—*Edward Spannaus*

Pilon and others then proceeded to discuss judicial review, citing Alexander Hamilton writing about it in *Federalist* No. 78, and how Chief Justice John Marshall implemented it in the early 19th Century.

The question period opened with *EIR* raising the question of the Constitution-in-Exile movement, and its view of the “Golden Age” of the judiciary as from 1896 through the 1920s. *EIR* pointed out that John Marshall’s conception of judicial review was very different from that of the “Golden Age”; Marshall was using judicial review to enforce the Hamiltonian system of the national bank, protective tariffs, and internal improvements. “When people talk about the Constitution being exiled,” this author said, “my question is, ‘Which Constitution?’ It’s not the Constitution of John Marshall. But if you look at the Confederate Constitution of 1861, it stripped out the general welfare, internal improvements, etc., and it also stripped out any concept of judicial review.”

An obviously uncomfortable Pilon answered: “As one who has been in the ‘Constitution-in-Exile’ movement from the beginning—insofar as it is a ‘movement’—the idea of returning to a ‘Golden Era’ of the Court could not be further from what we who are a part of this movement, want. The jurisprudence of that era had its own problems; certainly they pale in comparison with the jurisprudence which followed the court-packing scheme [1937]. But those of us who are part of this movement would like to see the Constitution of liberty secured, which is different from the Constitution which has been applied in any era of our history.”

That is a remarkable statement, which confirms that Pilon is absolutely not talking about the U.S. Constitution as it has ever existed; most notably is he *not* talking about the Constitution of Benjamin Franklin, George Washington, and Alexander Hamilton.

The ‘Nuclear Option’

In the *New York Times* article, AEI’s Greve is portrayed as not very optimistic about the movement’s prospects with the current Supreme Court. Rather, he says, “Judicial appointments are what matters most of all.” Greve cites Bush’s renomination of the rejected judicial nominees “as a way of saying, ‘Let’s cram the same judges back in their faces.’ That’s intended as a sign they mean business.”

Of those who have been renominated, Greve particularly praises William Pryor of Alabama, gushing that “he’s sensational,” and “gets almost all of it.” Two others regarded as especially in tune with the “Exile” movement, are William Myers, formerly of the Interior Department; and Janice Rogers Brown of California.

Myers, a former lobbyist whose nomination was voted out on March 17, is an extreme property-rights advocate, who despises almost all government regulation. He calls Federal land regulation “tyrannical,” which could lead to a “modern-day revolution” in the western states.

Brown’s nomination was one of those voted out of the

Senate Judiciary Committee on April 21, on a straight party-line vote. She is notorious for her scathing characterization of 1937, when the Supreme Court started to uphold FDR’s New Deal programs, as “the triumph of our socialist revolution.” She claims that the New Deal “cut away the very ground on which the Constitution rests,” and she praises the Supreme Court’s invalidation of laws setting maximum hours of work and minimum wage levels, in the “Golden Age.”

What Senate Majority Leader Bill Frist (R-Tenn.), working hand-in-glove with Dick Cheney, are now planning, is to ram through a rule-change which would ban the filibuster for judicial nominees. The only reason this hasn’t been done so far, in the view of most observers, is that they don’t think they have the 50 Republican votes that they need. Fifty is the minimum, in which case Cheney, as presiding officer of the Senate, would cast the 51st, tie-breaking vote.

To do this, Frist & Co. would have to, in fact, break their own rules. The Senate Parliamentarian has already let it be known that he will rule that any effort to ram through such a rule change by a simple majority vote, would violate the Senate’s own rules and procedures. And as Senate Democratic Leader Harry Reid (Utah) said on April 28, any such proposed change, should be referred to the Senate Rules Committee.

Heading Toward Dictatorship

The dean of the Senate, Robert Byrd (D-W.Va.) is warning that the “nuclear option” could result in the loss of liberty and, in effect, a one-party dictatorship.

“Once the nuclear option is launched, there is no stopping it,” Byrd said, in a speech delivered at the Center for American Progress on April 25. “At the bottom of the rubble will lie freedom of speech: dead, dead, dead.”

Byrd warned that we are “on the edge of destroying the checks and balances of our Constitution.” He emphasized the constitutional role of the Senate, as the body in which minority rights are protected, and asked, what happens if the President’s party controls the Senate? Where’s the check on the raw exercise of power? The answer is that it’s the filibuster: The requirement of 60 votes provides an effective check on the abuse of power. Byrd repeatedly stated that we don’t have a king, with unlimited power.

“The filibuster is the final bulwark to prevent a President from stacking the courts,” Byrd said, adding that if this happened, “other liberties enumerated in the Bill of Rights could be washed away. Freedom of speech, freedom of religion, all could be gone, wiped out by a partisan court beholden to no one but the President of the United States.”

“This is scary,” Byrd declared. He surmised that a lot of what is now going on, can be explained in terms of the advanced age of several of the justices of the Supreme Court, and rumors about the Chief Justice’s health. “The White House does not want a filibuster in the Senate to derail a future choice for the Supreme Court,” Byrd stated.

Why They Hate 1937

by Edward Spannaus

“It should be remembered that of the three fundamental principles which underlie government, and for which government exists, the protection of life, liberty, and property, the chief of these is property.”

—Judge Josiah A. Van Orsdel, of the U.S. Circuit Court of Appeals for the D.C. Circuit, in invalidating the 1918 Minimum Wage Act for the District of Columbia

Whether this was intentionally written as a perverse parody of I Corinthians 13:13, we do not know. But that it is a repudiation of our Declaration of Independence’s commitment to “Life, Liberty, and the pursuit of Happiness,” in favor of the evil John Locke’s substitution of “property” for the Leibitzian commitment to Happiness, we can be certain.

That unhappy doctrine was, unfortunately, the credo of the U.S. Supreme Court in the decades leading into the Great Depression and Franklin Delano Roosevelt’s New Deal.

Some of the most prominent—and notorious—examples, are the court’s rulings in:

- *U.S. v. E.C. Knight* (1895), nullifying the *Sherman Anti-Trust Law* in the case of the sugar monopoly;
- *Lochner v. New York* (1905), invalidating a New York State law setting maximum hours of work;
- *Adair v. U.S.* (1908), allowing employers to fire workers for joining a union;
- *Coppage v. Kansas* (1915), upholding the “yellow-dog” contract, in which it was a condition of employment that a worker could not join a union;
- *Hitchman Coal & Coke v. Mitchell* (1917), that courts could use the injunction to enforce “yellow dog” contracts;
- *Hammer v. Dagenhart* (1918), that Congress could not control traffic among the states in goods made by child labor;
- *Truax v. Corrigan* (1921), that no state could stop its own judges from granting injunctions in labor disputes; and,
- *Adkins v. Children’s Hospital* (1923), invalidating a minimum wage law for women and children in the District of Columbia.

This is the “Golden Age,” which the restorationists of the “Constitution-in-Exile” movement wish to bring back.

And this was still, by-and-large, the dismal situation when Franklin Roosevelt took office in 1933, and proceeded to immediately utilize the great purposes and the expansive powers of the U.S. Constitution to attack the economic collapse, to attempt to restore industry and agriculture, and to uplift the population.

The Supreme Court’s Roadblock

It wasn’t until 1935 that challenges to New Deal legislation reached the Supreme Court.

In January, in the “hot oil” case, the Court invalidated legislation authorizing an industrial code setting production quotas for the petroleum industry, as an unconstitutional delegation of power by Congress to the President.

In early May, the Court declared that the 1934 Railroad Retirement Act, which created a pension plan for rail workers, was unconstitutional, and that Congress had exceeded its powers under the Commerce Clause.

Then on “Black Monday,” May 27, 1935, the Court struck down the Frazier-Lemke Act, which provided mortgage relief to distressed farmers. At the same time, it invalidated the 1933 National Industrial Recovery Act, in the *Schechter* (or “sick chicken”) case, on grounds both of the non-delegation doctrine, and the Commerce Clause.

With this, “all hell” broke loose in the lower courts. Over 1,600 injunctions were issued by Federal judges restraining Federal agencies from carrying out acts of Congress. Among these were an injunction obtained by the Duke Power Co., barring Federal loans for the construction of hydroelectric plants, and an injunction obtained by the Georgia Power Co. and others, enjoining the Tennessee Valley Authority from constructing transmission lines, negotiating contracts, or selling power to any additional customers.

In January 1936, the Court invalidated key provisions of the Agricultural Adjustment Act which had succeeded in raising farm incomes from the acute depressed levels hit in 1932.

This was the first case in which the Supreme Court had based a ruling, although negatively, on the General Welfare clause of Article I, Section 8 of the Constitution, which gives Congress the power to collect taxes and duties to provide for the common welfare of the United States.

Solicitor General Stanley Reed had argued that the General Welfare clause should be broadly construed to encompass whatever was conducive to the national welfare. But the high Court held that agriculture was “a purely local activity,” and that therefore regulation of agriculture was outside the powers of Congress, and must be regarded as a power reserved to the states.

Then the Court struck down the most important of the “little NRA” (National Recovery Administration) bills, the one which had re-enacted the bituminous coal industry code after the National Industrial Recovery Act (NIRA) had been invalidated. The ruling also struck down its labor provisions, protecting the right of collective bargaining, and extending other protections to coal miners.

During 1936, the Court struck down the Municipal Bankruptcy Act, and then closed the year by striking down the New York Minimum Wage Law for Women; it did so with language intended to deter any state from attempting to pass any legislation of this type again.



President Franklin Roosevelt's restoration of the General Welfare principle in government, is the real target of the Confederate lobby behind the Bush Administration's push for the "nuclear option."

FDR's Second Inaugural Address

This was the dire situation facing Franklin Roosevelt as he embarked upon his second term. His Second Inaugural Address, delivered on Jan. 20, 1937, is best known for his exclamation that "I see one-third of a nation ill-housed, ill-clad, ill-nourished."

But at the outset, FDR described the situation at the time of his first inauguration, four years earlier:

"Instinctively we recognized a deeper need—the need to find through government the instrument of our united purpose to solve for the individual the ever-rising problems of a complex civilization. Repeated attempts at their solution without the aid of government had left us baffled and bewildered. For, without that aid, we had been unable to create those moral controls over the services of science which are necessary to make science a useful servant instead of a ruthless master of mankind. To do this we knew that we must find practical controls over blind economic forces and blindly selfish men.

"We of the Republic sensed the truth that democratic government has innate capacity to protect its people against disasters once considered inevitable, to solve problems once considered unsolvable. . . . We refused to leave the problems of our common welfare to be solved by the winds of chance

and the hurricanes of disaster. . . .

"This year marks the 150th anniversary of the Constitutional Convention which made us a nation. At that Convention our forefathers found the way out of the chaos which followed the Revolutionary War; they created a strong government with powers of united action sufficient then and now to solve problems utterly beyond individual or local solution. A century and a half ago they established the Federal Government in order to promote the general welfare and secure the blessings of liberty to the American people.

"Today we invoke those same powers of government to achieve the same objectives."

FDR also went directly to the issue of greed and the free market:

"We have always known that heedless self-interest was bad morals; we know now that it is bad economics. Out of the collapse of a prosperity whose builders boasted their practicality, has come the conviction that in the long run, economic morality pays. We are beginning to wipe out the line that divides the practical from the ideal; and in so doing we are fashioning an instrument of unimagined power for the establishment of a morally better world."

'Promote the General Welfare'

Two weeks later, FDR proposed his plan to reform the Supreme Court, which he soon took directly to the people, in a Fireside Chat on March 9.

FDR began by describing what had happened when the constitutionality of his 1933 monetary and gold measures was challenged. When this came before the Supreme Court, its constitutionality was upheld only by a 5-4 vote, FDR said. "The change of one vote would have thrown all the affairs of this great Nation back into hopeless chaos. In effect, four Justices ruled that the right under a private contract to exact a pound of flesh was more sacred than the main objectives of the Constitution to establish an enduring Nation."

He went on to warn that there was a danger of another 1929, and said that national measures were necessary prevent this and to complete the recovery program, and that these were measures that only the national government could undertake.

To help people understand this, FDR urged that they reread the Constitution. "Like the Bible, it ought to be read again and again."

"It is an easy document to understand when you remember that it was called into being because the Articles of Confederation under which the original 13 states tried to operate after the Revolution, showed the need of a national government with power enough to handle national problems.

"In its Preamble, the Constitution states that it was intended to form a more perfect Union and promote the general welfare; and the powers given to Congress to carry out those purposes can be best described by saying that they were all the powers needed to meet each and every problem which then had a national character and could not be met by merely local action.

“But the framers went further. Having in mind that in succeeding generations, many other problems then undreamed of would become national problems, they gave to Congress the ample broad powers ‘to levy taxes . . . and provide for the common defense and general welfare of the United States.’ ”

That was “the clear and underlying purpose of the patriots who wrote a Federal Constitution to create a National Government with national power, intended, as they said, ‘to form a more perfect union . . . for ourselves and our posterity.’ ”

But this was now being thwarted by the Supreme Court, which, the President said, “has been acting not as a judicial body, but as a policy-making body.”

“We must find a way to take an appeal from the Supreme Court to the Constitution itself,” Roosevelt said. His proposal was to infuse new blood into the Federal courts by expanding the Supreme Court, to “save our national Constitution from hardening of the judicial arteries.”

An Historic Reversal

As it turned out, Roosevelt’s call to arms, rather than the details of his plan, was sufficient. Within weeks, the Supreme Court abruptly shifted course, and upheld a minimum wage law. On the same day, it upheld the collective bargaining provisions of the amended Railway Labor Act, and also the amended Frazier-Lemke Act for the relief of farm debtors. A few weeks later, it upheld the National Labor Relations Act, also known as the Wagner Act, using a reinvigorated Commerce Clause.

And in May 1937, as the end of the 1936-37 term neared, the Court issued two rulings on the same day, which affirmed New Deal programs, for the first time, on the basis of the General Welfare clause.

First, the Court upheld the unemployment tax and compensation provisions of the Social Security Act, in deciding the case *Steward Machine Co. v. Davis*. Associate Justice Benjamin Cardozo cited the magnitude of unemployment, noting that the states had been unable to give the requisite relief, and that the unemployment problem “had become national in area and dimension.”

“There was need of help from the nation if the people were not to starve,” Cardozo wrote. “It is too late today for the argument to be heard with tolerance that, in a crisis so extreme, the use of the moneys of the nation to relieve the unemployment and their dependents is a use for any purpose narrower than the promotion of the general welfare.”

At the same time, again citing the General Welfare clause, the Court upheld the old-age benefits provisions of the Social Security Act. In this case, *Helvering v. Davis*, Justice Cardozo expressly adopted the Hamiltonian view of the general welfare power, as opposed the narrower view espoused by James Madison.

“The conception of the spending power advocated by Hamilton and strongly reinforced by Story has prevailed over that of Madison,” Cardozo wrote. He said that in response to

the nationwide calamity that began in 1929, Congress had enacted various measures conducive to the general welfare, including old-age benefits and unemployment compensation. Only a national, not a state, power can serve the interests of all, Cardozo declared.

“We have always known that heedless self-interest was bad morals; we know now that it is bad economics. Out of the collapse of a prosperity whose builders boasted their practicality, has come the conviction that in the long run, economic morality pays. We are beginning to wipe out the line that divides the practical from the ideal; and in so doing we are fashioning an instrument of unimagined power for the establishment of a morally better world.”—FDR’s Second Inaugural Address, Jan. 20, 1937

“The hope behind this statute is to save men and women from the rigors of the poor house as well as from the haunting fear that such a lot awaits them when journey’s end is near,” Cardozo wrote. And, citing the mass of study and research which had gone into the drafting of the Social Security act, Cardozo declared: “The court did not improvise a judgment when it found that the award of old-age benefits would be conducive to the general welfare.” Noting the dangers that would arise in a system of old-age pensions that varied from state to state, he concluded: “Only a power that is national can serve the interests of all.”

Thus, in a matter of weeks, the Court had not only reversed many of its most destructive rulings from the previous two years, but it had also overturned its earlier invalidation of wage and hour legislation from the early years of the century, and decades of pronouncements which had left the Federal government powerless to promote economic growth and the general welfare.

As Robert H. Jackson (later a Supreme Court Justice), noted in a 1941 book, the Supreme Court had retreated—“to the Constitution.”

Portions of this article are taken from a longer article on the history of the General Welfare clause, published in New Federalist, May 15, 2000 and in EIR, May 4, 2001.

U.S. Senators Speak Out Against Nuclear Option

Sen. Joseph Biden

Senator Biden (D-N.J.) made the following remarks on ABC's "This Week With George Stephanopoulos," on April 24.

Stephanopoulos: He [Senate Majority Leader Bill Frist] also says, Senator Biden, that never in 214 years, never in the history of the United States Senate had a judicial nominee with majority support been denied an up-or-down vote until two years ago. Your response?

Biden: That's not true. There was an attempt to deny, there was a filibuster against Justice Fortas. Justice Fortas of the Supreme Court of the United States. It was ultimately that Justice Fortas ended up withdrawing. There was a filibuster. It lasted for, I think, 24 hours over a period of five days. That's simply not true, number one.

Factually, let's put in perspective what we're talking about here, George. The President of the United States has sent up 215 judicial nominees. We have confirmed 205 of the 215.

And the fact is, seven of the ten that were stopped, three had to do with a Michigan fight. Seven of the ten that were stopped are justices like Justice Janice Brown of the Supreme Court of the state of California who says, she calls the Supreme Court decisions in 1937 the decisions of a socialist revolution in 1937.

She talks about needing to do away with the New Deal. She raises questions, as does the leading architect, the leading supporter at the American Enterprise Institute of the constitutionality of the Social Security system and so on.

These are judges, the seven who were stopped—they're not about abortion. One of them, the issue came up about parental consent. The other six have extremely radical views about the so-called Takings Clause, the non-delegation doctrine.

And if you read what they've written and you read what others have written about those issues, you're talking about stopping the ability of county zoning facilities to be able to tell you you can't build a factory in the middle of a neighborhood unless you compensate the factory. This is radical stuff. . . .



Sen. Robert C. Byrd

From Senator Byrd's (D-W.Va.) remarks at a forum by the Center for American Progress on April 25:

"That 150 lawyers should do business together [in the U.S. Congress] ought not to be expected." Those are the words of Thomas Jefferson.

Now comes the so-called nuclear option, or constitutional option, to prove him right. This poisoned pill, euphemistically designated "the nuclear option," has been around a long time—since 1917, in fact, the year the cloture rule was adopted by the U.S. Senate. It required no genius of Brobdingnagian proportions to conjure up this witch's brew. All that it takes is 1) to have the chair wired; 2) to have a majority of 51 votes to back the chair's ruling; and 3) a determined ruthlessness to execute the power grab. . . .



The filibuster is the final bulwark preventing a President from stacking the courts (as FDR tried to do in 1937) if his political party holds a majority in the Senate. Without the ability by a minority to defeat cloture by a supermajority vote, that slim wall holding back the waters of destruction of a fair and independent judiciary, ruptures. Other liberties enumerated in the bill of rights can then also be washed away by a President who stacks the courts to reflect a political agenda. Freedom of speech, freedom of religion, all could be gone, wiped out by a partisan court, beholden to one man: the President.

The threat of the so-called "nuclear option" puts us on a dangerous course. Yet, incredibly, today we stand right on the brink, maybe only days away, from destroying the checks and balances of our Constitution. What has happened to the quality of leadership in this country that would allow us to even consider provoking a Constitutional crisis of such major proportions? Where is the gentle art of compromise? . . . As I have said earlier, the nuclear option has been around for years. It could have been employed at any time. Yet, no leader of either party chose to go down that path because the consequences are so dire. Why have we arrived at such a dangerous impasse? . . .

It is very important to remember that the Senate has formalized ways of considering changes to our rules. Changes require 67 votes to curtail a filibuster of rules changes. If this nuclear option is employed in the way most frequently discussed—i.e., a ruling from the chair that a supermajority requirement for cloture on a filibuster in respect to amending the rules is unconstitutional, if sustained by 51 votes, cloture will require only a simple majority vote with respect to Federal judgeships. There is nothing, then, except good sense, which seems to be in very short supply,

to prevent majority cloture of any filibuster on any measure or matter, whether on the Legislative or the Executive calendar. Think of that! Rules going back for over 200 years and beyond, with roots in the early British Parliament, can be swept away by a simple majority vote. Because of demagoguery, lack of leadership, raw ambition, hysteria, and a state of brutal political warfare that wants no truce and brooks no peacemakers, we may destroy the U.S. Senate, leaving in our wake a President able to select and intimidate the courts like a King, and a system of government finally and irretrievably lost in a last pathetic footnote to Ben Franklin's rejoinder for the ages, "a Republic, if you can keep it." This is scary!

Sen. Patrick Leahy

Senator Leahy (D-Vt.) made the following statement on the Senate floor on April 22:

Partisans these days are seeking to rekindle the flames of bigotry for short-term political gain. That is more than just wrong, it is despicable. To raise the specter of religious intolerance in order to try to turn our strong, independent Federal courts into an arm of a political party is an outrage. It is shocking that some would cavalierly destroy the independence of our Federal courts and with it the best protection Americans have of our freedoms. . . .



This week I renew my call to all Senators—and in particular to my friends on the other side of the aisle, the Republicans—to denounce the religious McCarthyism that is again pervading this debate. I am sad to see so many Senators stay silent when they should disavow these abuses. Why Republicans do not heed the clarion call that our former colleague, Sen. John Danforth, an Episcopalian priest, sounded a few weeks ago, I don't know.

The demagoguery and divisive politics being so cynically used by supporters of the President's most extreme judicial nominees needs to stop. These smears are lies and, like all lies, depend on the silence of others to live and to gain root. It is time for the silence to end. The Bush Administration has to accept responsibility for the smear campaign. They have to end it. This kind of religious smear campaign doesn't just hurt Democrats, it hurts the whole country. It hurts Christians and it hurts non-Christians. It hurts all of us, because the Constitution requires judges to apply the law, not their personal views.

Remember that all of us, no matter what our faith—and I am proud of mine—are able to practice our religion as we choose or not to practice a religion. The beauty of the First Amendment is we can practice any religion we wish

or none if we wish. It is a fundamental guarantee of our Constitution. The Constitution's prohibition against a religious test in Article VI is consistent with that fundamental freedom. . . .

Those who would try to drag us back into religious intolerance for short-term political gains subvert the Constitution and damage the country. There are those who say that we are against people of faith if we have opposed a handful of the President's nominees. By their false logic, the 205 judicial nominees nominated by President Bush whom Democratic Senators have helped to confirm would seem not to be people of faith, if that is our litmus test. Of course, that is as false and ridiculous on its face as are the slurs being insinuated against those who have opposed the few other nominees who have not been confirmed.

Those who hurl these false charges never mention that the same Senators they are slandering have supported hundreds of nominees who are people of faith. They never hesitate to stoke the flames of bigotry and to encourage their supporters to continue the smear in cyberspace or the pages of the newspapers or through direct mail or radio ads.

Maybe this slander is the only thing that tests well in their political polls so that even though untrue, it is the one thing they can agree upon. Sort of the equivalent of the weapons of mass destruction, the justification for attacking Iraq: It turned out it wasn't true, but it was certainly convenient.

Not only must this bogus religious test end, but Senators should denounce the launching of the so-called nuclear option, the Republicans' precedent-shattering proposal to destroy the Senate in one stroke while shifting more power over the Senate to the White House, to destroy the kind of checks and balances the Senate has historically had.

Sen. Harry Reid

From a speech by Minority Leader Reid (D-Utah) on the floor of the Senate on April 26:

. . . Ninety-five percent of President Bush's nominees have been confirmed, but that isn't good enough. The Majority Leader wants to break the rules and turn the Senate into a rubber stamp for the President. Ultimately this is about removing the last check in Washington against complete abuse of power—the right to extended debate.



Once that last check is gone, the radical right will be able to place one of their own on the Supreme Court. This is all about the Supreme Court. . . . The radical right wants a different kind of Supreme Court—one that would roll back equality, liberty and the rights of all Americans. . . .

More GOP Fractures Emerge As Dems Batter Bush Policy

by Jeffrey Steinberg and Paul Gallagher

After a series of stunning political setbacks in both Houses of Congress, the Bush Administration has launched a no-holds-barred campaign of intimidation against Republican lawmakers, and against a highly mobilized Democratic Party, in what is increasingly evolving into a desperate effort to prevent George W. Bush from becoming the earliest “lame duck” second-term President in U.S. history.

Sources familiar with what they call a White House reorganization say that President Bush is so dysfunctional that Vice President Dick Cheney has assumed virtual control over all policy initiatives. His former role as “chief enforcer” of Republican Party Congressional discipline has been taken up by top Bush political advisor Karl Rove. According to these sources, Rove has solicited Abraham Foxman, the head of the Anti-Defamation League of B’nai B’rith (ADL), to run slander operations against targeted Democrats.

Rove, the sources report, has been working overtime for the past week, battling with leading Congressional Republicans who have shown signs of breaking with the White House on a wide range of issues, including: the controversial nomination of John Bolton as U.S. Ambassador to the United Nations; the so-called “nuclear option,” banning filibustering of judicial nominees; and some of the most draconian of the Bush-Cheney Schachtian budget cuts to social services, starting with Medicaid.

Rove jumped into the fray on April 25, when word leaked out of a pending deal between Senate Majority Leader Bill Frist (R-Tenn.) and Minority Leader Harry Reid (D-Nev.) to eliminate the “nuclear option,” which would have changed Senate rules to allow a majority vote to block a filibuster. According to Senate sources, Frist contacted Reid when it became clear that the Republicans did not have the votes to force through the rules change. A deal was in the works when

Rove, sources said, intervened and ordered Frist to drop the negotiations.

Rove also reportedly met with three Republican members of the Senate Foreign Relations Committee who have voiced concern over the nomination of neo-con thug John Bolton as United Nations ambassador. Senators Lincoln Chafee (R.I.), Chuck Hagel (Neb.), and George Voinovich (Ohio) all joined with Committee Democrats last week in postponing the vote on Bolton’s nomination, to allow three weeks of additional investigation into a number of serious allegations of misconduct by the former arms control chief.

Voinovich has already been targeted with White House-instigated television and radio ads by right-wing political action groups, labelling him a “traitor” for stalling the Bolton vote. Other Republicans have reportedly been warned by Rove and others that they will face the “Voinovich treatment” if they continue to buck the White House on Bolton and other looming issues. The Rove-Cheney recipe for holding the broken GOP coalition together through brute force, however, will only accelerate the political realignment. To the extent that the Republican Party remains dependent on the extremist right for its voter base, it cannot turn to any sane, moderate Republicans for the 2008 Presidential campaign.

What the White House Fears

As the GOP fissures widen, a united Democratic Party is defeating President Bush’s drive to divert the Social Security payroll tax to Wall Street. Fascist Chile-modelled “privatization” of Social Security is being swamped by a move of Democrats, moderate Congressional Republicans, and their voters, against Cheney and Bush’s policies in general, and toward a serious bipartisan effort to save the U.S. economy.

In a dramatic show of force, there was an extraordinary

demonstration outside the Capitol on April 26, in opposition to a Bush-mandated Senate Finance Committee hearing on privatization. It was perhaps an unprecedented sight in Congressional history: 125 Democratic Members of the House and Senate marched together before a 3,500-person rally outside the Capitol, to sign a "Declaration of Unity To Protect Social Security and Stop Privatization." (Scores more returned to Washington to sign it later in the day.)

"We've hit a wall," said one pro-privatization, conservative Republican Senator to the media after an April 26 hearing on Social Security in the Senate Finance Committee. Its chairman, Sen. Charles Grassley (R-Iowa), under White House duress, was trying to bring forward legislation to convert Social Security payroll-tax contributions to Wall Street investment accounts; but not a single Democrat supported him, and several Republicans, including Olympia Snowe of Maine and Larry Craig of Idaho, are opposed.

The White House refused, out of fear, to send any official to the hearing to discuss the specifics of Bush's privatization scheme, so Grassley claimed that the hearing was on Social Security's long-term solvency; but all the privatization schemes proposed for it, would make Social Security *insolvent*, as Democratic Senators clearly showed.

Senator Dick Durbin of Illinois began by saluting the crowd, "I'm an FDR Democrat, and I'm proud of it!" This FDR identification, associated with the LaRouche wing of the party, is spreading, after decades of Democrats running from Roosevelt's legacy. Senators Harry Reid (Nev.), Barack Obama (Ill.), Charles Schumer (N.Y.), Kent Conrad (N.D.), and House Minority Leader Nancy Pelosi (Calif.) and Charles Rangel (N.Y.), among others from the House, addressed the rally. Rangel said that if Congress were to allow Bush to take Social Security, "The only winner is Wall Street."

Meanwhile, Bush's Bolton nomination is now in real jeopardy. The *Los Angeles Times* confirmed on April 27 that on ten separate occasions, Bolton asked the National Security Agency (NSA) to provide intercept data on U.S. government officials who were in contact with foreign governments. There is widespread speculation that among the officials Bolton tracked via NSA taps, were former Secretary of State Colin Powell and former Deputy Secretary of State Richard Armitage.

Sources familiar with the scandal say that even the reckless Bolton, who is a lawyer, would not have acted alone in such a risky venture, and that Bolton was acting as a cut-out for senior officials in Dick Cheney's office, including, perhaps, the Vice President himself. The fact that Bolton's State Department arms control deputy, David Wurmser, was "on loan" in Cheney's office from early 2003 until he formally joined the Vice President's staff in September 2003, suggests one possible modus vivendi for the Bolton-Cheney snooping.

Powell privately responded to queries on Bolton by Chafee and Hagel, and it is now anticipated that Powell could be asked to testify before the Senate Foreign Relations Com-

mittee about his appraisal of Bolton. That alone could sink the nominee.

DeLay Is Ethically Challenged

The White House took another big hit on April 27 when the House of Representatives, by an overwhelming vote of 406-20, reversed the new Ethics Committee rules that would have allowed the Committee's five Republican members to block any investigation. Previous rules, now restored, assured that a tie vote would trigger an investigation. The issue centers on the corrupt House Majority Leader Tom DeLay (R-Tex.), who is under investigation by a Texas grand jury and several Federal law-enforcement agencies for taking payoffs from lobbyists, and other crimes.

Rove and Cheney were confronted with a *fait accompli* on the ethics issue, but it has reportedly caused a big split between the White House and Speaker of the House Dennis Hastert (R-Ill.), who apparently reached the deal with the Democrats and did not alert the White House in advance.

President Bush jumped feet first into the DeLay controversy on April 26, when he announced that he would extend his 60-day campaign tour, promoting Social Security privatization, for another 60 days, starting May 1, and that he would add a defense of Tom DeLay to his stump agenda. At an appearance in Galveston, Tex., this week, Bush was joined by DeLay, and the two men flew back to Washington together on *Air Force One*.

Bush is faced with an impossible dilemma: The Administration must hold together the shattered coalition that delivered Bush the November 2004 election, and that means the White House must continue to pander to the radical right wing, including the Christian fundamentalists, who view DeLay as their hero. But the more the President panders to these religious fanatics and anti-government fundamentalists, the more he will drive moderate Congressional Republicans into an anti-Bush coalition with a highly disciplined Congressional Democratic caucus.

This emerging combination was also evident on April 26 when, by a 348-72 vote, the House of Representatives passed a bipartisan non-binding resolution calling for the Administration's \$16 billion in Medicaid cuts to be restored (the Senate had already done the same), and for the creation of a bipartisan Congressional commission to come up with a plan to save Medicaid. It is plain to all sensible lawmakers that Medicaid and Medicare—and not Social Security—confront a crisis in maintaining health-care infrastructure vital to national security.

Lyndon LaRouche publicly told the Democrats, way back on Dec. 6, 2004, that stopping Bush from stealing Social Security was their crucial flank to seize the political initiative. He now says that the complete discrediting of Bush on the economy is at hand, and that a bipartisan, Congress-led economic recovery policy can be put into action, in place of Cheney-Bush lunacies.

Out of the ‘Rubber Room’

As for George W. Bush, the Oval Office (Rubber Room) occupant hit Galveston, Texas on April 26 on his non-stop “60-Days” drive for Social Security privatization. Galveston hit back, with an editorial in the *Galveston County Daily News* emphasizing that the “Galveston Plan” of private retirement accounts—which Bush had come to push—is no model of replacement for Social Security.

That same morning, the *Des Moines Register* hit Bush’s point-man on privatization, Sen. Grassley, in his home state with a statewide Iowa poll and a lead editorial entitled, “Forget About Personal Accounts.” The poll was devastating: 68% of Iowans oppose Bush’s privatization scheme, and only 26% support him on it. “The Iowa results mirror national polls,” the newspaper said. “The more Bush tries to sell personal accounts, the less the public likes them—and the more the President’s approval ratings fall.”

Clearly unhappy that the White House had demanded he hold the Senate hearing, Grassley marked it with angry outbursts, calling the historic rally at the Capitol “political theater going on outside,” and attacking the Democrats for partisanship. But Grassley’s witnesses were completely partisan; they were right-wing, anti-government radicals, typified by Peter Ferrara, formerly of Cato Institute, and author of the Ryan-Sununu privatization bill which is being pushed by the right-wing Republican Study Group in the House.

Senator Conrad led the Democrats’ presentations with extensive economic charts, with which he challenged the Social Security solvency forecasts themselves. If economic growth were to reach 3.4% instead of an abysmally low, Depression-rate of 1.8%, Conrad showed, 90% of the projected Social Security shortfall out to 2079 would disappear.

A New ‘Reichstag Fire’?

The danger in this situation, as one senior continental European source pointed out, is faced with the collapse of popular support for the Administration, that the forces behind the Bush-Cheney regime could seek a new “Reichstag fire” solution—a contrived incident which leads to more dictatorial power. At this moment, the only issue that bolsters support for the Bush-Cheney regime is the war on terrorism—initiated by the “Reichstag Fire”-type events of 9/11.

But all is not well on the counter-terror front, either. American troops remain horribly bogged down in Iraq. The State Department failed this week to suppress the annual report on terrorism, after Congressional Democrats, led by Rep. Henry Waxman (D-Calif.), made an enormous public stink about the attempted cover-up. The report, released April 27, showed a tripling of serious terrorist incidents in 2004, compared to the previous year. Serious incidents in Iraq jumped from 27 in 2003 to 201 in 2004. And those numbers, experts report, are themselves significantly watered down.

Bolton Nomination: More Than Meets the Eye

by Ray McGovern

Ray McGovern spent 27 years as a CIA analyst, during which time he worked on National Intelligence Estimates, and was involved in preparing materials for, and briefing senior White House officials as part of the President’s Daily Brief. He is a founding member of Veteran Intelligence Professionals for Sanity and now works at Tell the Word, the publishing arm of the ecumenical Church of the Saviour in Washington, D.C.

This article appeared first on TomPaine.com.

President George W. Bush and Vice President Dick Cheney are casting the trials of John Bolton, their nominee for ambassador to the UN, as a partisan political squabble. It is much more than that. It is rather a matter of life and death for the endangered species of intelligence analysts determined to “tell it like it is,” no matter what the Administration’s policies may be. For them the stakes are very high indeed.

The Bush Administration strongly resists the notion that the intelligence on Iraq, for example, was cooked to the White House recipe. And with the president’s party controlling both houses of Congress and the president appointing his own “independent” commission to investigate, Bush and Cheney have until now been able to prevent any meaningful look into the issue of politicization of intelligence.

But the Bolton nomination has brought it very much to the fore, and there will be serious repercussions in the intelligence community if, despite his flagrant attempts to intimidate intelligence analysts, Bolton is confirmed by the Senate.

‘L’Affaire Bolton’

For many, the term “politicization” is as difficult to understand as it is to pronounce. Indeed, it is impossible to understand, when one assumes, as most do, that all institutions in Washington, D.C. have a political agenda. Suffice it to say here that, in order to do their job properly, intelligence analysts must, at one and the same time, be aware of what is going on at the policy level, but be insulated from political pressure to conform intelligence to policy. That way, intelligence analysis can be based on fact (as in “We have no good evidence that Iraq has weapons of mass destruction”), rather than fiction (as in, “Iraq’s weapons of mass destruction pose a grave threat requiring immediate action”). Helpful insight into politicization can be found in John Prados’ article of last Thursday, “Boltonized Intelligence.”

For those who may have tuned in late, in February 2002



Bush nominee for UN Ambassador John R. Bolton. "There will be serious repercussions in the intelligence community if, despite his flagrant attempts to intimidate intelligence analysts, Bolton is confirmed by the Senate," writes former CIA analyst McGovern.

then-Under Secretary of State John Bolton sought intelligence community clearance for his own home-grown analysis regarding Cuba's pursuit of biological weapons and the possibility it might share them with rogue states. (One can only speculate on his purpose in exaggerating the threat.)

Small problem: Bolton's intended remarks went far beyond what U.S. intelligence would support. Christian Westermann of the State Department's Bureau of Intelligence and Research (INR), and counterparts from other agencies, refused to let Bolton represent his views as those of the intelligence community, and proposed instead some alternative, less alarming language. At this Bolton became so dyspeptic that he summoned Westermann to his office for a tongue-lashing and then asked top INR officials to remove him.

For those wondering if this constitutes politicization, a recently declassified e-mail message made available to the Senate Foreign Relations Committee and the New York Times, should dispel any doubt. On Feb. 12, 2002, after a run-in with Westermann, Bolton's principal aide Frederick Fleitz, sent Bolton this e-mail:

"I explained to Christian that it was a political judgment as to how to interpret this data (emphasis added) and the I.C. [intelligence community] should do as we asked."

Fleitz added that Westermann "strongly disagrees with us."

Good for Westermann, we can say as we sit a comfortable distance from Bolton. But more than seven months later, Westermann was still paying the price for his honesty and courage. In an e-mail of Sept. 23, 2002 to Tom Fingar, deputy to then-INR director Carl Ford, Westermann complained that

"personal attacks, harassment, and impugning of my integrity [are] now affecting my work, my health, and my dedication to public service." Fingar replied that he was "dismayed and disgusted" by the "unwarranted personal attacks."

Bolton and the Cheney/Rumsfeld School of Intelligence

Were it not for the numbing experience of the past four years, we intelligence professionals, practicing and retired, would be astonished at the claim that how to interpret intelligence data is a "political judgment." But this is also the era of the Rumsfeld maxim: "Absence of evidence is not evidence of absence," and the Cheney corollary: "If you build it, they will come"—meaning that intelligence analysts will come around to any case that top Administration officials may build. All it takes is a few personal visits to CIA headquarters and a little arm-twisting, and the analysts will be happy to conjure up whatever "evidence" may be needed to support Chenevque warnings that "they"—the Iraqis, the Iranians, it doesn't matter—have "reconstituted" their nuclear weapons

development program. Cheney is Bolton's patron; Bolton is well tutored.

But how could Cheney, Rumsfeld, and other senior Administration officials be assured of the acquiescence of the intelligence community (except for mavericks like analysts from INR) on issues like weapons of mass destruction in Iraq? True, former CIA director, "Slam-Dunk" George Tenet, proved entirely malleable, but he could not have managed it alone. Sadly, he found willing collaborators in a generation of CIA managers who put career above objectivity and bubbled to the top under directors William Casey and his protégé Robert Gates. In other words, Tenet was the "beneficiary" of a generation of malleable managers who benefited from the promotion policies of Casey and Gates starting in the early eighties.

How the Corruption Began

Casey, who saw a Russian under every rock and could not be persuaded that Mikhail Gorbachev was anything but a dirty Commie, started the trend by advancing those—like Gates—who pretended to be of like mind. (With a degree in Russian history and experience as a Soviet analyst, Gates knew better.) But as chief of analysis under Casey, he toed the line and made sure that others did too. Casey eventually made Gates his principal deputy, but the young protégé's role in the Iran-Contra affair prevented him from becoming director when Casey died. Nonetheless, Gates' meteoric career became an object lesson for those willing to make the compromises necessary to make a swift ascent up the career ladder.

Why dwell on Gates? Because 1) he is the one most re-

sponsible for institutionalizing political corruption of intelligence analysis; and 2) John Bolton's confirmation hearing provides an eerie flashback to the ordeal Gates went through to get confirmed as CIA director. The parallels are striking.

The dust from Iran-Contra had settled sufficiently by 1991, when President George H. W. Bush nominated Gates to head the CIA. Then all hell broke loose. Playing the role discharged so well earlier this month by former INR director Carl Ford in critiquing Bolton, a former senior Soviet analyst and CIA division chief, Mel Goodman, stepped forward, and gave the Senate intelligence committee chapter and verse on how Gates had shaped intelligence analysis to suit his masters and his career. Goodman was joined at once by several other analysts who put their own careers at risk by testifying against Gates' nomination. They were so many and so persuasive that, for a time, it appeared they had won the day. But the fix was in.

With a powerful assist from George Tenet, then staff director of the Senate intelligence committee, members approved the nomination. In his memoir Gates makes a point of thanking Tenet for greasing the skids. Even so, 31 Senators found the evidence against Gates so persuasive that, in an unprecedented move, they voted against him when the nomination came to the floor.

The First Mass Exodus and Those Who Stayed

The result? Many bright analysts quit rather than take part in cooking intelligence-to-go. In contrast, those inspired by Gates' example followed suit, and saw their careers flourish. So much so that when in September 2002 Tenet asked his senior managers to prepare a National Intelligence Estimate parroting what Cheney had been saying about the weapons-of-mass-destruction threat from Iraq, they saluted and fell to the task. Several of them traced their career advancement to Robert Gates.

Folks like John McLaughlin, who now "doesn't remember" being told about the charlatan source code-named "Curveball" in time enough to warn Colin Powell before he made a fool of himself and his country at the UN, while the whole world watched. Folks like National Intelligence Officer Larry Gershwin, who gave a pass to Curveball's drivel and similar nonsense; and Alan Foley, who led the misbegotten analytical efforts on the celebrated but non-nuclear-related aluminum tubes headed for Iraq, and fictitious Iraqi efforts to acquire uranium from Niger. Folks like the CIA Inspector General, John Helgeson, who bowed to pressure from the White House and from McLaughlin, to suppress the exhaustive IG report on 9/11, which is a goldmine of names—of both intelligence officials and policymakers—who bungled the many warnings that such an attack was coming. Folks like the senior intelligence official who told me last month, "We were not politicized; we just thought it appropriate to lean forward,' given White House concern over Iraq."

The cancer of politicization spreads quickly, runs deep, and—as we have seen on Iraq—can bring catastrophe.

And that is precisely why the stakes are so high in re: Bolton. When Gates became CIA director, the honest analysts who left were replaced by more inexperienced, pliable ones. It is no exaggeration to say that recent intelligence fiascos can be traced directly to the kinds of people Gates created in his image and promoted to managerial positions.

Redux Before a Senate Committee

And now? Never in the history of U.S. intelligence has there been a more demoralized corps of honest intelligence analysts. Leaders with integrity are few and far between. So when a Carl Ford throws down the gauntlet in defense of a Christian Westermann, we need to sit up and take notice. If "serial abuser" (Ford's words) John Bolton wins confirmation, there will be an inevitable hemorrhage of honest analysts at a time when they are sorely needed. It will be open season for politicization.

Does the White House care? Not at all. With more docile intelligence analysts in place, Bolton and others will be even freer to apply "political judgment" to interpreting intelligence, with no second-guessing by recalcitrant experts. It will certainly be easier to come up with the desired "evidence" on, say, weapons of mass destruction in Iran.

And Then There Was Voinovich

Thankfully, integrity is a virtue not altogether lost. The bright light of the past week came when, to everyone's surprise, Senate Foreign Relations Committee member George Voinovich (R-Ohio) decided he simply could not follow his Republican colleagues who had decided to hold their noses and give Bolton a pass. That blocked the nomination from going forward to the Senate until additional information on Bolton can be assessed.

Cheney reacted quickly and forcefully against a suggestion by Senator Lincoln Chafee (R-R.I.) that the Republican committee members might consider whether to recommend that the nomination be withdrawn, and it appears the White House will use the coming weeks to pull out all the stops in harnessing the faithful. Already, well-financed hit squads are running radio spots in Ohio saying Voinovich has "stabbed the President and the Republicans right in the back."

Asked why he wanted more time to weigh the charges against Bolton, Voinovich answered with a sentence not often heard in Washington political circles, "My conscience got me."

Can conscience prevail over politics? Voinovich has proved it is still possible. Let us hope that he and his committee colleagues will approach the decision on Bolton with an open mind. For integrity in intelligence is now on life support. Approving the nomination of quintessential politicizer Bolton would pull the plug and ensure amateurish, cooked-to-taste intelligence analysis for decades to come.

Congress Needs To Fix The U.S. Economy, Not Social Security

This testimony was delivered to the U.S. Senate Committee on Finances, Hearing on Social Security Solvency on April 26, on behalf of the Lyndon LaRouche Political Action Committee; www.larouchepac.com.

Chairman Grassley, Ranking Member Baucus, and Members of the Committee:

1. Wall Street's needs and demands for Social Security's cash flow, do not point the way to Social Security's continued solvency.

The George W. Bush Administration's Social Security privatization scheme, and the privatization legislation outlined by some of the Committee's witnesses, are intended to abolish Social Security as a pay-as-you-go retirement insurance program, and to divert the largest public tax revenue stream in the world, to Wall Street.

The diversion is modelled, by George P. Shultz, by the Cato Institute, and others, on that of the fascist Pinochet dictatorship of Chile in 1981. That diversion ballooned the Santiago stock exchanges for a decade, but eventually left Chile's retirement funds in foreign banks; while leaving at least a majority of Chile's retirees today in poverty, and dependent on government welfare. All three major U.S. stock indices today are below their levels of 1999; after the dollar's decline is taken into account, they are below their levels of 1997. Dominated by hedge funds, financial stocks, and the soon-to-end U.S. real estate/housing bubble, the markets are facing a blow-out provoked by another plunge in the dollar. Their interests, the financial backers of the Club for Growth and Cato Institute, are demanding that President Bush and Vice President Cheney push through the diversion of Social Security funds to Wall Street. They oppose Social Security on economic principle; as does Federal Reserve Chairman Alan Greenspan, who has repeatedly told Congress this year that Social Security contributions do not constitute real national savings because they are not being invested in corporate assets.

Wall Street investment banks are anticipating, if Social Security is privatized, payroll tax diversions providing as much as 25% of all net flows into stock and bond funds over the next 25 years; this bail-out is entirely aside from the fees they could charge and collect on these private accounts, some-

times estimated at \$10 billion a year or more.

Congress should reject the corruption of devising a bill to make Social Security into a Wall Street bail-out to stave off collapse on dollar markets.

2. Corporate pension funds have disappeared; Wall Street's "Enron" losses have shrunk savings and put remaining pension plans \$450 billion in the red. More than half of Americans will only escape poverty in retirement with guaranteed Social Security benefits. Don't make Social Security Bush's "Enron II."

The rapid shrinkage of employer pension funds under the hammer-blows of falling stock markets and "emergency-low" interest rates; and the disappearance of personal savings under the added blow of falling real wages and household incomes, makes it insane to contemplate putting the last retirement leg standing—Social Security payroll contributions—into Wall Street-invested accounts. 120,000 defined-benefit employer pension plans were operating in the United States in 1986; only 31,000 remain today, according to the Pension Benefit Guarantee Corporation, providing guaranteed pensions to only 16% of the American workforce.

These 31,000 remaining corporate pension plans were, collectively, \$450 billion in underfunded deficit at the end of 2004. The largest remaining plans—those in the auto sector of the economy—are now threatened by the potential bankruptcy of the biggest automakers. Some 52% of workers have less than \$25,000 in savings of all kinds—in terms of retirement, effectively nothing—including 40% of those over 45. Surveys by consultant firms like Towers Perrin show that the Wall Street markets have been, in recent years, quietly but efficiently raising the average retirement age—currently back up to 63—as well as the planned retirement age of workers of the Baby Boom generations.

Wall Street is the last place to turn for the chimera of "increasing real returns" on Social Security payroll taxes and benefits. Just as the Baby Boom generation's lured investors were taken into the 1990s stock bubble and then wrung out, losing their non-Social Security savings; so privatization would use today's younger generation of working families, sucking in their savings to keep the housing/hedge fund bubble from a Wall Street collapse, but for only a short time.

3. Congress should not “plan for a century of economic Depression”—the effect of acting on SSA’s projections—but instead, act to avert Depression and dollar collapse.

The only threats to Social Security’s future are the President’s threat to privatize it; and the economic policies of the globalized, floating-exchange-rate financial system. These policies have been destroying productive manufacturing employment, that conveyed high wages and retirement benefits other than SS; and forcing down real wages, as America has turned from producer to consumer/retail society.

These trends have worsened during this Administration: Real wages have risen less than 1% annually, and fell in the past year; 2.7 million manufacturing jobs were lost. As a direct result, Social Security payroll revenue rose only 9% from 2001-2004, after rising 18-20% in every other three-year period since 1983.

With the wage- and productivity-collapse of our last, biggest, and most capable remaining industrial sector—auto—now immediately threatening, Congress must act to reverse the collapse of U.S. economic infrastructure and agro-industrial power, and revive it.

If it does so, Social Security—whose revenues are a function of the rate of high-wage, productive job growth—will have no short- or long-term solvency problems.

The “solvency projections” of the Social Security Administration are worse than useless, in that they simply assume the continuation throughout the Century of the present trends of collapse of the U.S. productive economy. Accepting these projections amounts to Congressional planning for a century-long Depression: Employment growth stops, falling to 0.2-0.3% annually; productivity growth and GDP growth fail, at 1930s levels; real wages stagnate; birth and immigration rates well below the current rates bring the growth of the labor force to a crawl. If Social Security will eventually be bankrupted by such miserable economic conditions, the Federal budget, U.S. debt, the housing bubble, and the dollar would all have blown out long before.

Act to change these conditions, and to rescue and expand the productive economy.

4. The thorough defeat in the Congress of the privatization—looting—of Social Security, opens the door to a bipartisan, Congressional economic policy of recovery, from industrial collapse and crushing trade and budget deficits.

A policy like Lyndon LaRouche’s proposed long-term “Super-TVA” infrastructure reconstruction and recovery program, creating millions of new productive jobs, would also perpetuate the Social Security surplus for decades.

In April, LaRouche PAC has put into circulation two presentations of the specifics of this perspective, by LaRouche, outlining the scope of the breakdown crisis, and what must be done. One is the mass circulation “An Emergency Reconstruction Policy: Recreate Our Economy!” It is circulating

nationally as a pamphlet, which includes the record of the extraordinary action just taken by the Italian House of Deputies, calling on the Italian government to convene a conference of governments to enact a New Bretton Woods.

The second is a memorandum, “Emergency Action by the Senate,” directed specifically to this body, in its Constitutional responsibilities to act for the General Welfare and the saving of strategic U.S. economic capabilities when the President is *non compos mentis* to do so. This memo—a copy is attached to this testimony—addresses the special advise-and-consent role of this chamber regarding the Executive Branch, which at present is fueling the U.S. economic crisis, and not acknowledging it.

5. LaRouche Memorandum: The problem before the Senate, and Congress, is not fixing Social Security; it is acting to stop a chaotic collapse of the dollar, with policy actions like those of President Franklin Roosevelt in 1933.

Today’s monetary crisis is summarized by LaRouche in his “Recreate Our Economy!” pamphlet:

“The world is presently dominated by the floating exchange-rate form of present monetary-financial system, the present International Monetary Fund (IMF) system. This system, is, in fact, presently bankrupt, hopelessly bankrupt in its present form. It is kept alive, in the sense of a life-support system, chiefly, by a skyrocketing mass of sheer financial-derivatives and other fraud, including the forms of Enron-like, or comparable practices addressed by the New York State prosecutors.

“Typical of the principal means being used currently to postpone the general financial collapse for just another few steps ahead, are the flow of funds now being diverted to support needed for the British and U.S. mortgage bubbles. Typical of the onrushing disasters are the continuing efforts of President George Bush to carry out the mission assigned to him by the Federal Reserve System, to loot the U.S. Social Security system, and that gigantic effort to grab future control over all of the world’s principal mineral resources which is reflected in such forms as the present petroleum-price bubble.

“This monetary-financial system is the greatest single obstacle to organizing a recovery from the presently onrushing financial crash. If that obstacle is not overcome very soon, the world as a whole is already on the brink of a planetary new dark age. Any recovery of the presently collapsing U.S. national economy depends upon immediate, and extensive reforms of that monetary-financial system. . .”

In fact, there is a growing recognition of the crisis as outlined here. As LaRouche began his April 13, memorandum to the Senate: “1.1. An increasing number and variety of relevant specialists have been joining an international chorus which is warning, in effect, that an ongoing, systemic economic collapse of the world’s presently reigning, monetary-financial order, has now entered its terminal phase. As some leading voices in government, and relevant others, have indi-

cated, since September 1998, the world has entered a period of historic crisis, when the time has come that nations must act in support of a common interest, to create a new financial architecture for the world at large.”

This recognition of the need for extraordinary action is shown, for example, in the April 6, 2005 passage of a resolution by the lower house of the Italian Parliament, drafted by LaRouche’s representatives. The Chamber of Deputies cited in its findings, the dangers of the vast global overhang of unpayable derivatives, debts, and financial obligations of all kinds, especially in the United States banking sector.

The resolution calls on the Italian government, “To act in the relevant international venues in order to create a new financial architecture, aimed at avoiding future financial crashes and the repetition of speculative bubbles, and thus dedicated to the main objective of supporting the real economy; and to take all necessary initiative to reach, as soon as possible, together with other nations, the convocation of an international conference at the level of Heads of State and Government, to create a new and more just global monetary and financial system.”

6. “The GM Panic”: Take action to save the auto sector’s vital industrial capabilities from decimation, and rebuild economic infrastructure, particularly rail transport.

Taking into account the scale of monetary-financial crisis, and the decrepit state of the U.S. physical economy, LaRouche lays out specifics—with rail development as a central feature—in a section titled, “What We Must Do” of his “Recreating Our Economy” paper. First, get to work on shelved, but “ready-to-go” projects of all kinds.

“The Federal state, county, and local governments of the territory of the U.S.A. have a vast accumulation of worthy projects in major maintenance and building of basic economic infrastructure. Many among these are authorized for expenditure as soon as funding is brought forward. The implementation of a sizeable portion of these hundreds of billions of dollars’ worth of large accumulation of absolutely necessary and worthy public or private U.S. domestic investments in basic economic infrastructure, would be sufficient to bring the current level of net national income far enough above national breakeven-point, to allow us to bring the presently onrushing monetary-financial crisis of the U.S.A. under control.”

Under this kind of rev-up, we will need to “choose a combination of such options which do not conflict fatally with one another in their competition for our scarce present resources.” From our aging locks and dams systems, to rail, to water and sewer systems, to all aspects of infrastructure, there are needs for inputs from our shrunken industrial sector.

“For example, one of the largest components of our national productive capacity, both for the so-called private and public sectors, is concentrated in the machine-tool-centered capacity of our current aerospace and auto industry. At a time

when it would be futile to attempt to maintain current levels of sales of new automobiles, we must think in terms of keeping the high-technology aspect of those industries fully operating, by diversifying the work-load to include urgently needed national programs in infrastructure, such as a new, urgently needed, national grid for passengers and freight, as a shift from the threatened early physical breakdown caused by post-World War II overemphasis on highway transportation.

“The general objective of initial, stop-gap adjustments of that type, is to concentrate on mobilizing useful programs which are intended to preserve and strengthen the vital high-technology end of our national productive capacity, by mobilizing what are presently threatened with becoming lost productive resources, while we still have the option of keeping those vital capacities alive.

“Thus, although the presently skyrocketing petroleum price is not a reflection of current shortages in petroleum supplies, but, rather, a reflection of wild-eyed speculation in monopolistic efforts to buy up the world’s future petroleum stocks, we must begin to shift out of excessive dependency on combustion of petroleum products as a source of power for our nation, and the world at large. At the same time, the highway congestion and related logistical problems of our excessively highway-dependent national economy, require a marginally very large and rapid shift into mass-transport of goods and people, and a shift toward regionally produced hydrogen-based fuels to replace today’s relative dependency on consumption of petroleum and natural gas as fuels. . . .

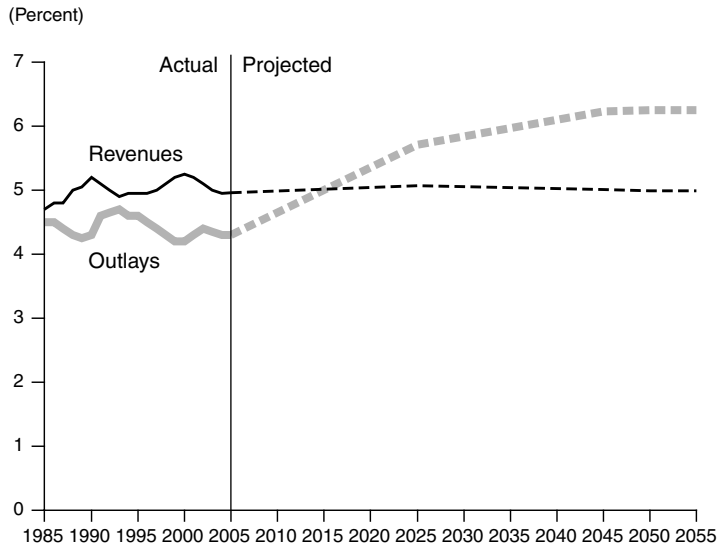
“We need, immediately, large-scale programs of development of basic economic infrastructure which combine the utilization and expansion of cadres of highly skilled operatives and technologies, but which also absorb large numbers of otherwise unemployed semi-skilled and unskilled labor as an integral part of the same programs. The maintenance and expansion of the ranks of the highly skilled production operative, and the upgrading of the unskilled and less skilled through the same programs which are led by the most skilled, strikes the balance needed for large-scale expansion of productive, rather than services employment, on which the initial phase of a recovery-effort must be premised.”

7. Social Security and a Marshall Plan, or “Super-TVA,” of great infrastructure projects.

Social Security’s future revenues are not predictable, as study of the graph of their actual course from 1984-2005, in the Figure, will convince you. Rather, Social Security payroll tax revenues are *creatable* by acting on the economy.

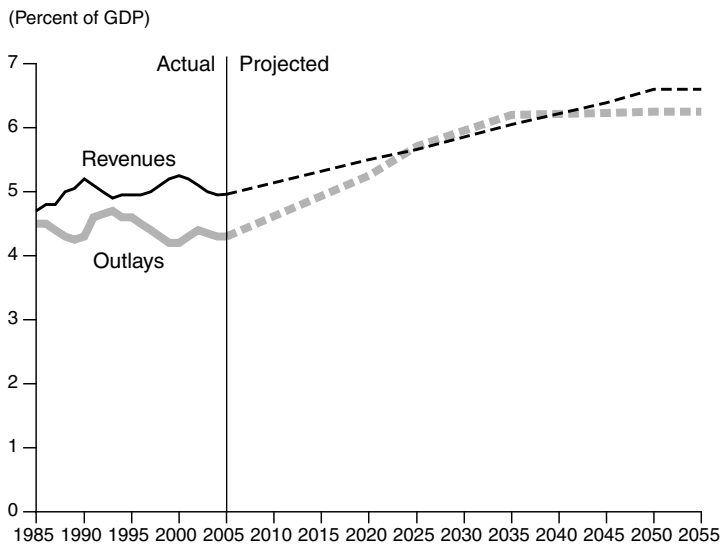
Figure 1 shows, regarding Social Security’s tax revenues relative to GDP: Between 1984 and 2005, there are two periods of five years or so, in which employment in the U.S. economy grew by 1.5% annually, or more. (They roughly overlap Presidents Reagan’s and Clinton’s second terms.) During each of those periods, Social Security tax revenues as a portion of GDP rose, by 0.3-0.4%—a fairly sprightly jump.

FIGURE 1
Social Security Revenues and Outlays as Percent of GDP, 1985-2055



Source: Congressional Budget Office, "Outlook for Social Security, June 2004."

FIGURE 2
Forecast of Revenues and Outlays, If New Job Creation Is Always 1.5%/Year or Higher, 2005-50



Sources: Congressional Budget Office, "Outlook for Social Security, June 2004"; EIR.

And there are two shorter periods, in each of which U.S. employment grew by substantially less than 1.5% a year (1.2% for 1990-94, and 0.4% from 2000-04). During each of those two periods, the payroll tax as a percent of GDP took an unsightly tumble by about 0.3%.

Over the 15-year period 1985-2000 (i.e., leaving out the jobs bloodbath under Bush "43"), employment and the U.S. labor force grew by an average of just about 1.6% a year—27.7% over the whole 15 years. And the Social Security payroll tax revenue as a portion of GDP, grew by .55% during that time, from 4.7% to 5.25%.

As of 2005, jobs growth of 1.5% means about 2 million net new jobs a year.

Suppose a bipartisan U.S. leadership, after stopping Bush and Wall Street from stealing Social Security, launches—as a recovery policy from the looming dollar collapse—what Lyndon LaRouche has called an FDR-style "Super-TVA" policy of Federal credits for productive, skilled employment, mainly through high-technology reconstruction of our economic infrastructure. Minority leader Harry Reid has called for "a Marshall Plan for American infrastructure." And suppose such a recovery policy successfully launches an economic growth which keeps productive employment rising at 1.5% a year or better, to the middle of this century. That would mean creating about 2.6 million new jobs a year by 2020, some 3.3 million a year by 2035, and 4 million a year by mid-Century.

Immediately, with that kind of job creation, there are 15 million American workers "sitting on the sidelines" right now—unemployed, dropped out of the labor force, forced to work temp or part-time. If even two-thirds of those Americans were productively employed "FDR-style" in a jobs-creation recovery, they represent five years worth of the needed growth of the labor force to put Social Security further into surplus, on top of the natural labor force growth and immigration.

If the same relationship of jobs growth, to Social Security revenue growth, which obtained from 1985-2000, were extended to the 2050 horizon, the **Figure 2** shows what could happen. Social Security wouldn't need its surpluses to pay benefits. They could, in fact, be used as the reserve basis for some of the large volumes of Federal credits which would drive such a "Super-TVA."

Figure 3 demonstrates the same principle in terms of simple changes, in the direction of growth, in the Depression-like assumptions made by the Social Security Administration, and the differences those changed assumptions make, to the solvency of Social Security.

8. The American Public rejects privatization.

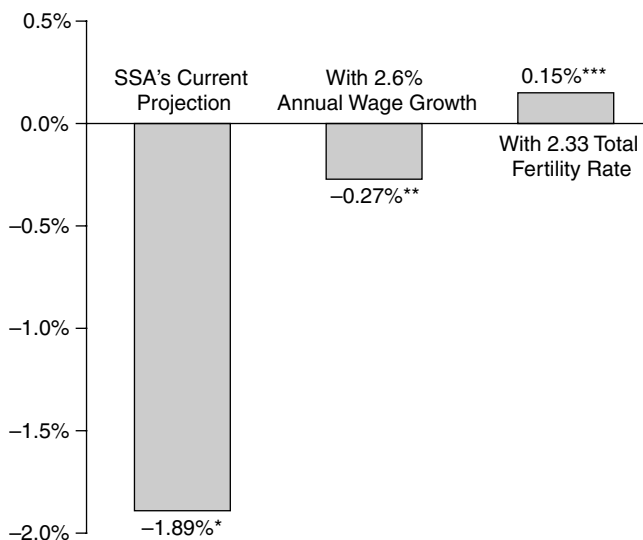
By now, a very large number of opinion surveys have converged to show that the American public does not support—in fact, by substantial majorities, opposes—the specifics of the Social Security privatization plans being presented by your witnesses today:

- The Ryan-Sununu bill scheme, devised by the Institute

FIGURE 3

Social Security Trust Fund's Actuarial Balance, Surplus or Deficit, 2005-79

(Percent of Taxable Payroll)



*\$3.7 trillion actuarial deficit

**\$529 billion actuarial deficit

***\$294 billion actuarial surplus

U.S. Social Security Administration, Office of Actuary; 2004 SSA Trustees Report; *EIR*.

for Policy Innovation, would require a huge new Federal borrowing, of “transition costs,” in the order of \$5-7 trillion over its first ten years, in order allegedly to avoid benefit cuts while diverting at least the entire employee’s Social Security payroll tax to Wall Street accounts. The Treasury’s borrowing trillions on Wall Street, in order to divert trillions in taxes to Wall Street, is economic lunacy, and Americans reject it.

- The Johnson bill, based on the Cato Institute’s “6% Solution,” similarly involves trillions in new Treasury borrowing; as well as indexing of benefits to the CPI in order to cut benefits; also rejected by the American public. The cutting of benefits is not necessary to make Social Security solvent; it is an artifact of the Depression-like assumptions on which the long-term projections of solvency—since 1998 and currently—are based.

- Robert Pozen’s “progressive indexation” scheme, which involves very substantial benefit cuts from which poorer workers will allegedly be spared, was frankly described, by Jagdeesh Gokhale of the Cato Institute at a March 9 forum in Washington, as “eventually making Social Security a means-tested welfare program.” Making Social Security into welfare, was emphatically opposed by President Franklin Roosevelt at its inception.

Waxman: Bush’s Stand Is Morally Wrong

Rep. Henry Waxman (D-Calif.), the ranking member of the House Committee on Government Reform, sent an open letter to President Bush on April 28, slamming him for saying that “there is no trust fund” for Social Security.

“The implication of your statements is breathtaking,” Waxman writes. “In effect, you are saying that your Administration does not intend to repay the trillions of dollars being borrowed from the Social Security trust funds. Your position is wrong morally and legally, and it breaks a 70-year commitment that the payments Americans make into the Social Security system will be held in trust for Social Security beneficiaries, not diverted to tax cuts for the super rich or to other government expenditures.”

The letter is in three parts: first a history of the enactment of Social Security in 1935, and the promises made by President Franklin D. Roosevelt; second, a review of what was done in 1983 by Congress, with President Reagan, to make the changes that allowed Reagan to say, “We promised to protect the financial integrity of Social Security. We have.” Third, how much the American working population has put into Social Security in FICA taxes—running a very solid surplus, which has now been squandered by Bush.

Waxman also documents how Bush’s tax cuts, “passed by Congress in 2001, 2002, and 2003 were the largest single drain” on the trust fund. These cuts “consumed approximately \$750 billion over the last four years, more than the entire Social Security surplus over that period.” By 2015, Bush’s tax cuts would cost \$2.25 trillion of the \$3.1 trillion Social Security surplus between 2001 and 2015.

Bush’s renegeing on the trust fund obligation basically steals the benefits that Americans “have paid for and earned.” Waxman tells Bush to “repudiate these statements now.”

He notes that Bush is the only President to ever have questioned the commitment of the U.S. government to repay Social Security. But the most devastating blow comes from President Roosevelt himself, whom Waxman quotes: “We put those payroll contributions there so as to give the contributors a legal, moral, and political right to collect their pensions and unemployment benefits. . . .”

However, *EIR* notes that Waxman omitted to include the devastating end of that quote, where FDR said, “The payroll tax is there so that no damn politician can steal my Social Security program.”

House Passes Energy Bill

On April 21, the House voted 249 to 183 to pass the Energy Policy Act of 2005. The bill doles out \$8 billion in tax breaks, most of which go to the oil and gas industry, and it repeals the Public Utility Holding Company Act (PUHCA). The bill was touted by Republicans as reducing U.S. dependence on foreign oil by increasing domestic production, but Democrats repeatedly pointed out that President Bush's own Department of Energy is reporting that the legislation will do little to reduce prices at the gas pump, and may actually increase them.

The origins of the bill were noted by Rep. John Dingell (D-Mich.), the ranking Democrat on the House Energy and Commerce Committee. Instead of working with the Democrats to write a bipartisan bill, Dingell said, the Republicans "chose . . . to push an outdated energy bill which had its origins in the secret Cheney Energy Task Force and was negotiated in secret conference meetings which excluded the Democrats." Rep. Henry Waxman (D-Calif.) told the House, "The bill fails to address the market abuse and manipulation that caused the California energy crisis, costing consumers in California and western states billions of dollars."

The Democrats weighed in strongly against the repeal of the Public Utility Holding Company Act, legislation that provided the foundation for a stable, reliable, regulated supply of electricity for 60 years, until the energy pirates began their assault on it in the mid-1990s. Dingell offered an amendment that, among other things, would have stripped out the repeal and strengthened the regulatory authority of the Federal Electricity Regulatory Commission, including by vastly increasing fines for market ma-

nipulation. Dingell told the House that without PUHCA, Enron "would certainly have purchased more utilities than it did, sunk its tentacles even more deeply into the electric industry, and skinned more consumers and innocent buyers of electricity." Rep. Charles Bass (R-N.H.) complained that the Dingell amendment sought to impose "excessive penalties" and puts under "continuous investigation" utilities charging market-based rates. Dingell's amendment was defeated by a vote of 243 to 188.

GOP Surrenders in House Ethics Fight

On April 28, the House voted 406 to 20 to return the ethics rules back to what they were prior to the beginning of the 109th Congress. The vote followed a battle over the House ethics rules that began when Republicans forced through changes which had the effect of making an investigation of the ethics charges swirling around Majority Leader Tom DeLay (R-Tex.) much more difficult. Speaker Dennis Hastert (R-Ill.) signalled the upcoming GOP surrender in an April 27 letter to Minority Leader Nancy Pelosi (D-Calif.). In the letter, Hastert tried to justify the changes as protecting "fairness" for all members of the House, but the refusal of Rep. Alan Mollohan (D-W.Va.), the ranking Democrat on the House Ethics Committee, to accept compromises offered by the GOP to get the committee functioning, "leads me to fear that we have reached a point where the fairness or the merits of the rules changes seem not to even be the issue."

One of those compromises was offered on April 20, when four of the five GOP members of the Ethics Committee, chairman Doc Hastings (Wash.),

Judy Biggert (Ill.), Melissa Hart (Penn.) and Tom Cole (Okla.), announced that they were willing to begin an investigation of the ethics charges against DeLay, if the Democrats would allow the committee to organize. Hastings said that he had had several discussions with ranking Democrat Mollohan about the Democratic objections to the rules, and that he had offered Mollohan his personal commitment that an ethics complaint would never be dismissed without a vote. He also called "baseless" the claim that the changes made in the House ethics rules at the beginning of the 109th Congress were made to protect one man. The offer to investigate DeLay "should remove any doubt about the intent of these rules," he said.

Mollohan called the bluff, saying that allowing an investigation as a special case, rather than changing the rules back so that the investigation would be automatic, was not enough. The Democrats had refused to allow the committee to proceed unless the rules changes were reversed. Minority Whip Steny Hoyer (D-Md.) called the Republican offer "a charade and an absolute nonstarter. The issue is bigger than the Majority Leader—it is about the integrity of the entire House, now and in the future."

Senate Passes War Supplemental Spending Bill

By a unanimous vote of 99-0, the Senate, on April 21, passed the Fiscal Year 2005 Iraq war supplemental bill. As passed by the Senate, the bill appropriates a total of \$81.26 billion, about \$140 million less than the House-passed bill, and \$740 million less than the White House request. The vast bulk of the bill, \$74.8 billion, goes to the Defense Department to cover the

costs of the wars in Iraq and Afghanistan, as well as increased military benefits, including an increased death gratuity, health benefits, and \$151 million to bolster Army National Guard and Reserve recruiting.

Most of the rest of the bill goes to other costs for the war on terrorism, and also included is \$907 million for Indian Ocean tsunami disaster relief.

In three weeks of floor action, the Senate added numerous amendments to the bill, but notable among them was one by Sen. Richard Durbin (D-Ill.) to prohibit the spending of any funds in the bill “to subject anyone in the custody of the United States to torture or cruel or inhuman or degrading treatment.” “The prohibition of torture and other cruel treatment is deeply rooted in American history,” Durbin said. The Framers of the Constitution, “made clear they intended the Bill of Rights to prohibit torture and other cruel forms of cruel punishment. It was un-American then; it is un-American now.”

Senate Democrats Move on Their Agenda

Senate Democrats took advantage of the Senate rules, on April 25, to put on the calendar nine bills that reflect their agenda. The move is, in part, preparation for the possibility that Senate Majority Leader Bill Frist (R-Tenn.) will pull the trigger on the so-called “nuclear option.” By exploiting the Senate rules to put legislation on the calendar, the Democrats will be able to call on the Senate to take up the bills, thereby giving them another maneuver by which they can slow down business on the Senate floor.

“Across the country, people are worried about things that matter to their families—the health of their

loved ones, their child’s performance in schools, and those sky-high gas prices,” said Senate Minority Leader Harry Reid (D-Nev.). “But what is the number one priority for Senate Republicans? Doing away with the last check on one-party rule in Washington to allow President Bush, Senator Frist, and [House Majority Leader] Tom DeLay to stack the courts with radical judges.” He warned that if Frist pulls the trigger, “Democrats will respond by employing existing Senate rules to push forward our agenda for America.”

The nine pieces of legislation include bills to address reducing the number of abortions, giving qualified disabled veterans both retirement pay and disability pay, budget discipline, reducing gasoline prices, strengthening Head Start and child care programs, guaranteeing overtime pay and raising the minimum wage, preventing Enron-style electricity market manipulation, and helping military families.

Diminishing Industrial Base Becomes a Concern

During debate on the Fiscal 2005 war supplemental appropriations bill, on April 20, Sen. Edward M. Kennedy (D-Mass.) noted the differences between the war mobilization of 1939 to 1943, and the support for the wars in Iraq and Afghanistan today. He reported that the Government Accountability Office recently reported that it took the industrial base one and a half years to increase the production of armored humvees from 51 per month to 400. “Imagine that,” he said. During World War II, as a result of President Franklin Roosevelt’s gearing up of the economy, “we were producing a victory ship a day, over 350,000 planes a year, and it took us a year and a half

to move from 50 to 400 [humvees] a month.” Kennedy blamed the Department of Defense for not making the production of armored humvees a priority, despite the obvious need for them in Iraq. “Obviously,” he said, “the Pentagon was still being influenced by its cakewalk mentality.” The Senate wound up voting 61 to 39 to add \$213 million to the war supplemental bill for additional armored humvees.

The civilian leadership at the Pentagon undoubtedly bears particular responsibility for the armor problems in Iraq. At virtually the same time that Kennedy was making his remarks, the Readiness Subcommittee of the Senate Armed Services Committee was hearing a story about shortages of all kinds of equipment. Lt. Gen. John Sattler, who commanded the III Marine Expeditionary Force (MEF) in Iraq, reported that military equipment is being subjected to about ten years’ worth of wear and tear during one year of operations in Iraq. In response to a question from Sen. Daniel Akaka (D-Hi.) on how that was affecting readiness, Sattler explained that when the III MEF left Iraq, it turned over most of its equipment to the II MEF, which replaced it. That meant that when the III MEF arrived back at its home base at Camp Pendleton, Calif., it had no equipment to train on.

The Marines are now in the process of “cross-levelling” equipment, moving it around among stateside bases in order to give the III MEF enough equipment for it to resume training. Even after that process is complete, there will still be equipment shortages that will have to be made up through procurement, Sattler explained. If there were a new contingency requiring deployment of combat forces, he said, the III MEF wouldn’t be able to go because it doesn’t have the necessary equipment.

Kirchner Assumes Leadership As Global Crisis Worsens

by Cynthia R. Rush

Argentine President Néstor Kirchner is demonstrating a new quality of leadership and combativeness in response to the accelerating disintegration of the global financial system. The Argentine leader has consistently attacked the International Monetary Fund (IMF) and the speculative vulture funds for

which it speaks, for looting and plunging Argentina into economic devastation and indebtedness in the 1990s. And he has refused their demands to reopen the bond swap to restructure \$82 billion in defaulted debt, even though legal action taken by two vulture funds, NML Capital and EM, Ltd., now threatens to disrupt the restructuring process altogether.

But in the speech he gave on April 14 in Berlin (see *Documentation*), before the Social Democratic Party-linked Friedrich Ebert Foundation, Kirchner displayed a qualitatively different way of fighting—and one which is unnerving international centers of usury.

He forcefully announced that the fight for a new world economic order, and the incorporation of international scientific and technological cooperation, would be the cornerstone of Argentine foreign policy. In effect, he said, the world needs a new financial architecture.

Argentina has lived through a terrible crisis, he said. But there are other countries which are in far worse situations, and are being practically wiped out by the IMF's "adjustment policies," he said. That is why, he added, "I think the generation that we represent, those of us . . . who got involved in politics because we believed that the world could change . . . must really have the courage and decisiveness to help create



Argentine President Néstor Kirchner (left) greets German Chancellor Gerhard Schröder during a visit to Germany in April. "Argentina has reaffirmed its determination not to renounce its autonomy in decision-making, and to participate in an active and constructive way on behalf of the new world economic order," Kirchner declared.

that new world economic order, which offers us the possibility of living in a much more stable and just world.”

It is time for the entire world to react to the global crisis and the world dictatorship run by the “technocracy” of the IMF and other multilateral lending agencies, Kirchner said. There must therefore be a “strong and rational debate” on the need for modernizing these multilateral agencies, “starting with the IMF.”

The responsibility which Kirchner has assumed is not unrelated to the role that statesman and U.S. Democratic Party figure Lyndon LaRouche has historically played in Argentina, particularly since the December 2001 debt default. There is almost no speech in which LaRouche hasn’t pointed to Argentina as an example of IMF and vulture fund destructive lunacy, which wiped out the nation’s impressive levels of industrial development, high living standards, and scientific and technological achievements.

Now, in an international environment shaped by LaRouche’s fight for a New Bretton Woods and the primacy of the general welfare in all policymaking, Kirchner and his allies have taken their fight to a qualitatively higher level.

This was reflected in the article by former Argentine President Eduardo Duhalde, published in the Buenos Aires daily *Clarín* April 25. Duhalde charged that the Organization of American States (OAS) and other regional bodies were failing to deal with the current crisis in Ecuador, whose government fell on April 20, because they refused to look at the “unviability” of the dollarization model imposed on that nation by the same financial interests which had imposed it on Argentina, destroying industry and unleashing “the tragedy.”

“It was foreseeable that this economic model threatened to bring about an implosion, and that it would bring Ecuadorians to the brink of civil war,” Duhalde said. “The fragility of democracy, the weakening of the institutions, and the discrediting of politics, were similar to the panorama in the collapsed Argentina.”

Investigate the Vulture Funds!

Argentine legislator Leopoldo Moreau of the Radical Civic Union (UCR) made a similar combative intervention on April 25, when he introduced a bill demanding a Congressional investigation of the vulture funds. Argentines have a right to investigate these entities Moreau stated, including: their behavior since the 2001 default, where they reside, what laws they have broken, and whether they work in collusion with the IMF and other multilateral lending agencies.

Argentines must unite to stand up to the “blatant pressure of the International Monetary Fund which acts as a lobbyist for the so-called vulture funds,” the feisty deputy warned. Describing how the speculators are trying to “twist the arm” of the Kirchner government to force it to reopen the bond swap, Moreau attacked the “evident hypocrisy of IMF officials.” The Fund, he charged, demands that Argentina’s “orderly [restructuring] payment plan be changed . . . to attend

to the needs of a handful of unscrupulous agents who operate under cover of mysterious names with typically mafioso behavior.” Now, he concluded, it is time to determine whether there are “acts of corruption” which link these speculators “to officials of international agencies.”

Documentation

Kirchner: ‘Create a New World Economic Order’

Here are excerpts of the speech given by Argentine President Néstor Kirchner on April 14, at the Friedrich Ebert Foundation in Berlin, Germany. Subheads have been added.

I would like to reflect with you on the relationship between Argentina and Germany, evaluate its potential, and analyze in what way our two countries and their respective regions may intensify their cooperation. . . .

From its inception, Argentina, like the rest of Latin America, was the product of a cultural encounter among native peoples and European immigrants. The cultural, physical, and social *mestizaje* gave birth to a new world, with its own identity. . . .

We cannot fail to mention the contribution of so many Germans to Argentina’s evolution and progress: navigators, merchants, scientists, and educators, and those who helped to organize the universities, technical schools, and research institutes, the businessmen who helped developed the banking sector, communications and industry, and the thousands and thousands of Germans from Saxony, Rhineland, Brandenburg, and Bavaria who crossed the ocean to work on our plains, lands, forests, and in our cities. . . .

In terms of its foreign policy, Argentina has reaffirmed its determination not to renounce its autonomy in decision-making, and to participate in an active and constructive way on behalf of the new world economic order—a new world order that will allow the developing nations to increase job creation, increase the income levels of the poor, and give them greater access to education, health, housing and vital services. . . .

The absence of multilateralism in international relations places the world on the verge of becoming a jungle, without laws or rules, equating one’s physical ability to intervene almost with the *right* to intervene. . . .

Latin America and Europe, Argentina, and Germany, are called upon to coordinate their action to responsibly affirm their common values and interests within the international

and regional agencies and concretize new advances in these different fields of action. . . .

The adoption of universal models, generally promoted by international credit agencies, has long since been overcome by the development of our own positions and approaches appropriate for our own countries. But since these imported and imposed models are ones which only seek to reinforce the belief that indebtedness is more important than the productive development [of the debtor], they commit mistakes which are enormously costly and lead to the gigantic discrediting of those policies which, sooner or later, will force the restructuring of those agencies.

The Necessity of Restructuring the IMF

The necessity of restructuring these multilateral credit agencies, beginning with the IMF, is demonstrated when we hear its technocracy making new demands, just when we are advancing towards a solution to our problems. We have seen different governments in different countries fail by the dozens because they applied those prescriptions and trapped themselves in an unfortunate vicious cycle. . . .

And just when that portion of our national income that might be allocated to debt service begins to grow, [the IMF] dedicates ever more time to trying to attract speculative capital from the financial markets so as to increase our indebtedness, paying less attention to the growth and needs of our people. So the government ruling at that time, and the state itself, lose credibility in the eyes of the majority of their citizens, and sustainability is denied to any plan or program. Under these conditions, we can't grow or pay the debt.

Next came the theoretical self-criticism of the Fund's technocrats, while the number of poor multiplied. Having applied those prescriptions, my country has just emerged from one of the worst socio-economic catastrophes of its existence, which exploded at the end of 2001, the product of a political-economic model at the service of interests alien to the common good, which favored the proliferation of the corrupt, genocidalists and thieves. . . .

These multiple failures prove that no macroeconomic stability is sustainable if it is based on other instabilities, such as macro-social upheaval or gigantic indebtedness. Sustainable growth with social inclusion, production, and employment requires investments designed to create new opportunities. Argentina requires support for its development strategy, aimed at obtaining genuine sources of funding for our citizens. . . .

The primacy of private interests over the general interest was the expression of a specific model of society which led to poverty in its general sense, uncertainty, isolation, fear, and impoverishment of life at all levels. . . .

Upon coming out of default, Argentina formulated a serious and consistent strategy for reducing our debt, as per our ability to pay, and without compromising the potential for structural growth. . . .

Our government has decided to prioritize public investments, and technological and scientific research, reversing the process of recent decades when mistaken policies ignored research and led to a significant brain drain.

Scientific and Technological Cooperation Is Primary

That is why we've incorporated international scientific and technological cooperation as a primary instrument of our foreign policy. In terms of the country's existing human resources, the presence of a network of Argentine scientists and technicians working abroad, especially in Europe, and the negotiations begun with the Federal Ministry of Research and Education, and the Max Planck Foundation, and the German academic exchange service are creating promising frameworks to increase German-Argentine cooperation. . . .

For us to share with you today this presentation, this mutual bilateral and broad dialogue is really very important. It is very important to take into account what is happening in the world today, and the lack of understanding of multilateral credit agencies and other international agencies regarding the situation that the world in general, and our region in particular, is forced to live in today. Every time we try to question, and every time we say that these agencies are ignoring the reality in which society and the world must live today, immediately we get the line, "Oh, these are populist rulers." Every time we try to apply popular—not populist—policies, and actually resolve people's fundamental problems, we get this labelling coming from the technocratic centers that have only served to consolidate exploitation, speculation, marginalization, and exclusion in the world.

That is why it's now time to raise our voices forcefully, with the potentiality that the world needs.

I was handed an Argentina devastated by an economic program supported by the International Monetary Fund, which at that time, put Argentina's rulers on display as an example, saying "this is the path that the nations of the world should follow." And see how well Argentina was governed with a program as incomprehensible as convertibility [that pegged the peso to the dollar in a one-to-one relationship—ed.], an indebtedness to sustain that convertibility which reached 170% of Gross Domestic Product, and with a corruption that was scandalous and unprecedented in Argentina.

Today, when we defend our national interest, when we try to get the necessary legislation and take steps to put the corrupt where they belong, in prison . . . when we try to deal with the indebtedness left us as a result of astounding speculative policies, in which international banks participated to consolidate the sale of Argentine bonds that were absolutely worthless at the time, but were sold as the very best bonds. And when we're left with the sad task of explaining what that era was like and what Argentina can pay today, those very same sectors and the very same people who still work at those

agencies . . . say that Argentina is applying policies which today's world cannot accept.

This is what happened with our debt [restructuring] bond swap, where we attained a 76% [bondholder acceptance rate], but they still get all heated up about questioning the swap, which obviously did mean a writedown of \$67 billion, but in which we negotiated properly, and stood up to society and the world. We said: Argentina wants to be a serious country and can pay this much. Argentina is a country that was destroyed and looted, and yet, those interests are still alive and well.

And the same happens in other countries. Argentina is a potentially strong country. Even with mediocre governments, it has great potential for moving forward. . . . We're a country with strong human resources, but there are other countries in the world which are in much worse situations, and are being practically wiped out by adjustment policies they don't understand, can't comprehend, and for which nations are subjected to terrible conditions of marginalization. . . .

'The World Must React'

This is why the world must react; why multilateral credit agencies must be modernized, and why there must be a strong and rational debate on this subject. I always say that the experience of what happened in the recent discussion on Iraq, in which multilateralism was absolutely pushed to one side, isn't the only problem that points to the need for many solutions in the world today. That's why I think that the generation that we represent, those of us who believe that the world can change, who got involved in politics because we believed that the world could change, and who suffered persecution, authoritarianism, and the practice of disappearances, as occurred to us in Argentina, and which you [Germans] suffered in a far worse form here—we must really have the courage and decisiveness to help create that new world economic order, which offers us the possibility of living in a much more stable and just world.

We emerged from a framework of a relative truth to preach our truth, to tell you what we feel and what happened to us, willing to back up our debate with facts, with ideas that will lead us to a constructive and positive truth.

But it is important to know that the [IMF] technocracy which today practically runs the world—while countries often almost just let these things happen to them—can really push us to the breaking point. That's why the European Economic Community, the Mercosur (Common Market of the South), and the South American Community of Nations have so many things to do together.

We have come, God willing, to sow the seed together with you of a different [world] order, with the hope that this generation can be the inflection point to build a society that will more closely resemble those of us who think that the world shouldn't be just for a few but for everyone, without any type of segregation. And the possibility of realizing that must exist. . . .

Mexican Right Readies Its Own Funeral

by Rubén Cota Meza

President Vicente Fox's crude, even childish, attempt to eliminate Mexico City Mayor Andrés Manuel López Obrador—the current front-runner in all the polls—as a contender for the 2006 Presidential elections, through an absurd legal technicality, has triggered a political upheaval not seen in Mexico for years. What seemed to be a heady victory for Fox, when a majority of the Mexican Chamber of Deputies (360 to 126) voted on April 7 to strip López Obrador of his immunity from prosecution as an elected official, and to dismiss him from his post, proved to be a political disaster for Fox by April 24, when between 750,000 and 1.2 million Mexicans joined a "silent march" to Mexico City's central plaza, to protest the attack on López Obrador.

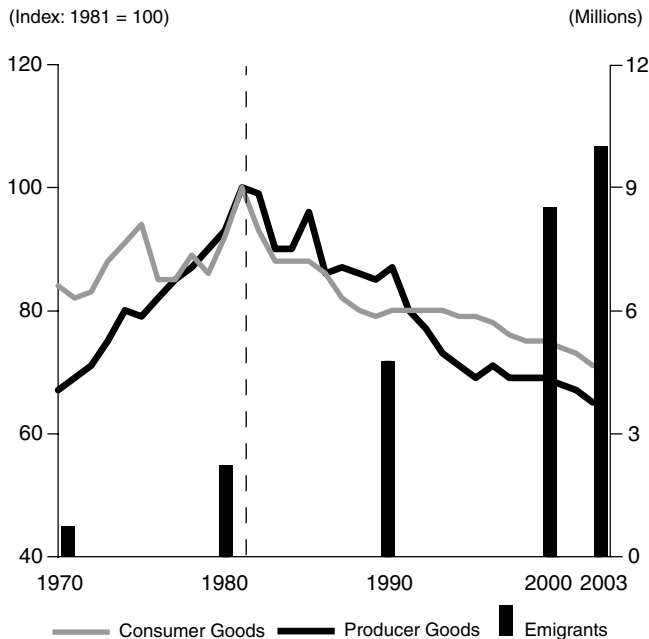
The stripping of the Mayor's immunity by Congress, was the first step in the effort to charge the mayor of Mexico's capital city with contempt of court, for the ridiculous reason that a city construction crew had supposedly refused to heed a judge's order suspending construction of an access road to a private hospital.

Ironically, the successful maneuvers of Mexican President Vicente Fox, and of his right-wing National Action Party (PAN), in complicity with a majority of the opposition PRI party, to strip López Obrador of his privileges, reflect not any political strength of these right-wing forces, but rather their desperation at the political collapse of the second George W. Bush Presidency, the rebellion of other Ibero-American governments against the tyrannical dictates of the International Monetary Fund, and so-called "globalization." It also reflects the pathetic illusion of these same forces that Mexico still holds some sort of privileged position as neighbor *Número Uno* of the United States—an illusion which Fox has held out to the rest of Ibero-America as the road to follow, over "the bridge" of NAFTA, the "bridge to prosperity." Today, the leading countries of Ibero-America are fleeing the path that Mexico has pursued toward its own self-destruction, while the Mexican right wing and the opportunists inside the PRI are clinging to it.

In any case, the loser is Vicente Fox. López Obrador has insisted that he will not seek an injunction nor seek release from jail by posting bail, but would instead go to jail and, from there, run his bid for the Presidential candidacy of the PRD (Party of the Democratic Revolution).

Mexico's Physical-Economic Collapse Drives Emigration to the United States

(Index: 1981 = 100)



Sources: INEGI (Mexico); EIR.

The PAN Put up the Bail Money!

If the judge finds the charges against López Obrador to be unfounded, the Mexico City mayor is strengthened. If he goes to jail, it will increase the perception within the population that he is being tried for political motives, and will improve his standing as a political force—precisely the opposite of what Fox and his gang are hoping to achieve. However, the circus has reached such proportions that immediately after formally filing a federal court order against López Obrador, the Attorney General's office announced that the Mayor could appear before the judge without having to go to jail. The reason is that he "already has been released" because "two citizens" had put up bail for him, based on Article 416 of the Federal Code.

It turned out that the two who preemptively paid López Obrador's bail were local officials of Fox's PAN party, state Congressmen Gabriela Cuevas and Jorge Lara!

What this persecution and harassment of the Mexico City mayor reflects, is the desperation of the Mexican right to preserve a failed economic model. The North American Free Trade Agreement (NAFTA), which was presented to the world as "the model to emulate" in 1990 when the PRI government of Carlos Salinas de Gortari negotiated it with George Bush, Sr., has since fallen on its face, with the December 1994 monetary crisis in Mexico, and the subsequent collapse of the Mexican economy in 1995. After the assassination of PRI

Presidential candidate Luis Donaldo Colosio in March of 1994, the way was cleared for Ernesto Zedillo to capture the Presidency. Zedillo immediately moved to bail out the private banking system, by assuming as public debt the enormous financial losses that had resulted from the banking system's own failed policies.

Zedillo privatized the pension system in 1997, as a means of injecting liquidity into those same bankrupt banks, at the cost of the forced "savings" of Mexico's workers, and ended up leading his own political party to defeat in the 2000 elections. This delivered power into the hands of the PAN, whose origins stem from the Synarchist Franco-Austrian assault against Mexico known as the "empire" of Maximilian Hapsburg.

Now, as the administration of the Synarchist Vicente Fox draws to a close, the Mexican economy finds itself in a worse paralysis than that of 1995-97, because of the exhaustion of the population after more than 20 years of merciless looting. And the financial and monetary situation of the country is on the verge of a new blowout, similar to that of 1994.

Even the supposed "miracle" of the *maquiladoras* has ceased to function, and that sector is undergoing a major contraction.

As the economic crisis looms closer, President Fox is revealing himself as increasingly disconnected from reality, issuing wild and grandiloquent statements. For example, he is insisting that the country "has made a quantum leap" in education, even as more and more children and youth are abandoning the classrooms in search of making some sort of income under conditions of virtual slavery. Nor is he concerned about the serious evaluations and criticisms of international organizations, which issue near-daily warnings of the precarious conditions of Mexican health, employment, education, and other demographic characteristics. "Without the poor," Fox says, "this country wouldn't have the energy it has."

In the midst of this situation, and in the face of the political decline of the second George W. Bush government, the Mexican right-wing does not have the Presidential succession sewn up in the traditional Mexican way, and has therefore opted to eliminate one of the contenders. At the same time, they are perhaps hoping to manipulate radical sectors of the "left" into unleashing the kind of violent backlash that produced the "fear vote" that put Ernesto Zedillo into the Presidency, after the "armed insurgency" of the EZLN and the political assassinations of 1994.

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Economic Mission for Congress: To Save Auto, Build Rail

by Richard Freeman

“Every GM plant in the United States is capable of retooling for whatever is needed to be produced,” said a United Auto Workers (UAW) official at General Motors’ Mansfield, Ohio plant, discussing Lyndon LaRouche’s call for emergency government action to re-tool the American auto sector—which is being dismantled at break-neck speed. Discussion with half a dozen skilled auto workers and engineers during the past month indicates that they understand the necessity of preserving the auto sector’s advanced machine-tool capability, and provide an unique insight into how the retooling process actually functions. They also reflected the spirit of progress and willingness to fight, essential to save the auto sector.

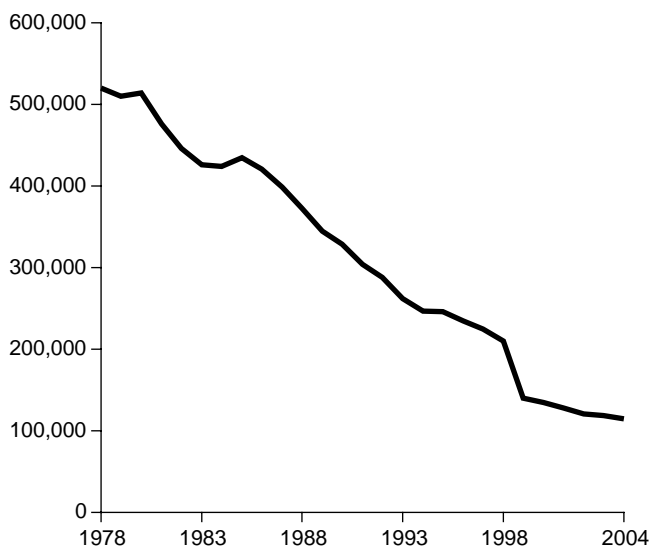
“I would like to work with Mr. LaRouche in figuring how we can re-tool, because this would save jobs, and the plant could produce some good things,” said an official representing workers at several plants of Delphi, the largest auto parts producer in the world.

The urgency of timely, forceful action is underscored by the fact that GM may not even survive in its current form until the end of the Summer. Possessing \$301 billion in debt, its credit rated by Standard and Poors at “BBB-, negative,” inches above junk bond status—GM teeters on the brink of bankruptcy. It has already permanently closed two plants this year, and has either classified, or is close to classifying three additional plants as “indefinitely idled”—shut, producing nothing; the workers are paid 95% of their wages; up for permanent shutdown when the GM-UAW contract, which prohibits the permanent closing of these plants, expires in 2007. On April 20, Ford Motor Company Chief Financial Officer Don Leclair announced, “We have more capacity than we need.” He indicated that Ford is looking outside for “low-cost manufacturing opportunities,” such as in China. Delphi has indicated that it may close or sell 12 of its 23 U.S. plants, some as early as this Summer.

The City of London and Wall Street banks are demanding the break-up of GM. In April, Deutsche Bank analysts Rod Lache and Michael Heifler released a report “predicting” that GM will likely be forced to undertake a major restructuring that could mean the closure of four assembly

FIGURE 1
The Decimation of General Motors’ Hourly Workforce in America

(Number of Workers)

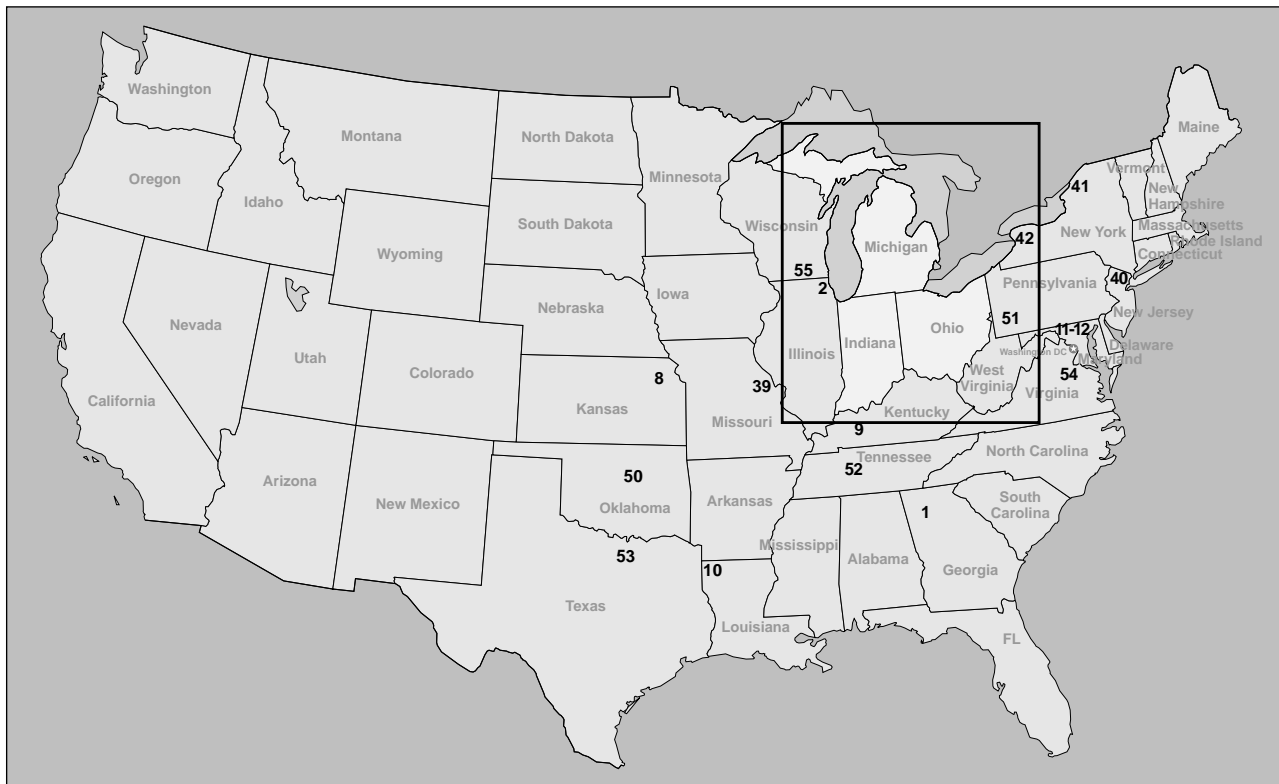


Sources: General Motors; *EIR*.

plants and the elimination of 20-30,000 jobs in North America. They also called for sharp cuts in auto workers’ health benefits.

To insure the United States’ physical-economic survival, LaRouche, in his April 13 “Emergency Action by the Senate” proposal (*EIR*, April 22), called for government action to re-tool the advanced machine-tool design capacity, and to re-deploy the productive labor force of GM and the auto sector in general. The converted portion of the sector would produce goods to reconstruct America, with capital goods for an inventory of urgently needed infrastructure projects, including high-speed rail and magnetically levitated train systems, as we will see below.

LaRouche Says: GM's Critical Capacity Must Be Saved From Shutdown



GM's Breakdown

General Motors, owned and later controlled by the Morgan and du Pont banking forces since the 1920s, has been shrinking itself for 25 years. Although it has possessed advanced machine-tool capabilities and a skilled workforce, it has often had as its top management, executives—such as Alfred P. Sloan—who were more concerned with financial matters, and the outward appearance of cars, than with production. The auto sector was hit by the Wall Street-City of London banks' imposition of a "post-industrial society" policy in the mid-1960s (see **Figure 1**). This policy worsened when President Richard Nixon, on orders from George Shultz and Paul Volcker, broke up the Bretton Woods system by taking the dollar off the gold reserve in August 1971.

From the 1980s onward, two interconnected processes drove GM: the frenzied drive to increase "shareholder values" through cost-cutting; and GM's "globalization," under which it set

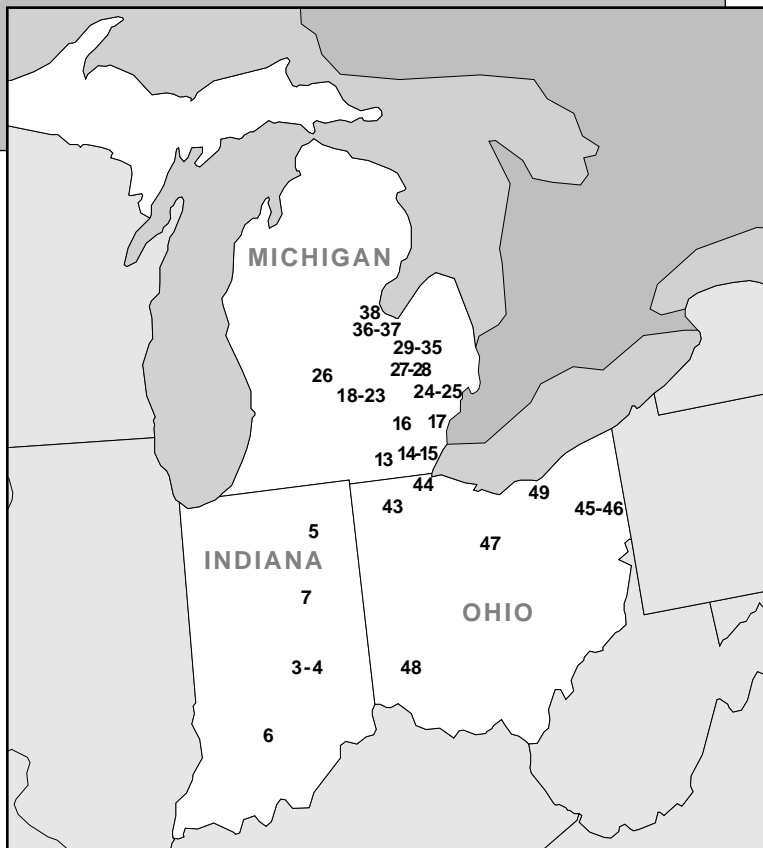


TABLE 1

GM Production Facilities, 2005

No.	State	City	Type of Facility	Hourly Workers	Salaried Workers	Plant Square Feet (Millions)
1	Georgia	Doraville	Assembly	2,856	220	3.6
2	Illinois	LaGrange	Electro-Motive	823	769	1.3
3	Indiana	Indianapolis	Transmission	2,500	1,300	3.5
4		Indianapolis	Metal Center	1,473	159	2.1
5		Fort Wayne	Assembly	2,716	184	2.5
6		Bedford	Foundry (PT)**	747	133	0.9
7		Marion	Metal Center	1,442	172	2.1
8	Kansas	Fairfax	Assembly	2,650	200	2.5
9	Kentucky	Bowling Green	Assembly	1,014	116	1.0
10	Louisiana	Shreveport	Assembly	3,000	200	3.1
11	Maryland	Baltimore *	Assembly	883	120	3.0
12		Baltimore	Transmission (PT)	376	68	0.4
13	Michigan	Ypsilanti—Willow Run	Transmission(PT)	3,419	338	4.8
14		Romulus	Engine (PT)	1,800	225	2.1
15		Romulus	Transmission (PT)	390	30	0.4
16		Livonia	Engine (PT)	344	88	1.0
17		Detroit/Hamtramck	Assembly	2,500	220	3.5
18		Lansing	Car Assembly—Body	2,170	349	2.6
19		Lansing	Car Assembly—Chassis	2,442	0	4.1
20		Lansing	Assembly	336	62	1.0
21		Lansing—Delta Twnshp	Assembly	130	16	0.6
22		Lansing—Grand River	Assembly	1,303	185	2.0
23		Lansing	Metal Center	1,514	144	1.7
24		Warren	Technical Center—Engineering	2,400	16,000	10.0
25		Warren	Transmission (PT)	1,200	200	2.1
26		Grand Rapids	Metal Center	2,199	245	2.0
27		Pontiac	Assembly	5,200	257	2.9
28		Pontiac	Metal Center	1,945	228	3.7
29		Orion	Assembly	2,078	179	4.0
30		Grand Blanc	Metal Center	1,330	80	1.7
31		Flint	Metal Center	2,000	215	1.9
32		Flint	Tool & Die Metal Fabricating	334	31	0.3
33		Flint	Truck Assembly	3,320	294	3.7
34	Flint—South	Engine (PT)	608	93	0.7	
35	Flint—North	Power Train	2,262	360	n/a	
36	Saginaw	Malleable Iron (PT)	292	41	0.3	
37	Saginaw	Metal Casting (PT)	1,728	227	1.9	
38	Bay City	Power Train	837	120	1.0	
39	Missouri	Wentzville	Assembly	2,101	188	3.7
40	New Jersey	Linden	Assembly	1,654	88	2.6
41	New York	Massena	Power Train	462	91	0.9
42		Tonawanda	Engine	2,415	343	3.1
43	Ohio	Defiance	Foundry (PT)	2,174	296	2.0
44		Toledo	Transmission (PT)	3,185	273	1.8
45		Lordstown	Assembly	3,408	273	3.6
46		Lordstown	Metal Center	1,661	191	2.2
47		Mansfield	Metal Center	2,300	230	2.1
48		Moraine	Assembly	3,821	344	4.1
49		Parma	Metal Center	2,130	222	2.3
50	Oklahoma	Oklahoma City	Assembly	2,534	200	3.9
51	Pennsylvania	Pittsburgh	Metal Fabricating	541	72	0.8
52	Tennessee	Spring Hill	Assembly	5,067	709	5.2
53	Texas	Arlington	Assembly	2,634	195	3.8
54	Virginia	Fredericksburg	Power Train	219	29	0.3
55	Wisconsin	Janesville	Assembly	3,600	300	4.8

*This Baltimore facility was closed as of April 2005.
Sources: General Motors, Inc. data; EIR.

**Power Train

up production, at slave-labor wages, in developing countries. During the late 1980s and the 1990s, GM built several dozen plants in Mexico (including for Delphi, its spinoff). It has seven plants constructed or planned in China.

This drove GM to slash its workforce, which occurred in two phases. In 1978, GM had 520,000 hourly, or “blue collar” workers, most of whom were engaged in production. By 1991, it had cut this hourly workforce to 304,000. Then, in 1992, GM had a crisis which put it on the ropes. It intensified outsourcing, plant closings, and layoffs. From 1991-2004, GM closed eight production facilities, and reduced its workforce to 117,000. Thus, between 1978 and 2004, GM fired (or attrited) 403,000 workers, 78% of its hourly workforce.

In a retooling policy as proposed by LaRouche, it would be worthwhile to bring back some of these workers, to benefit from their skills. Some who worked during the 1980s and 1990s, may have reached the retirement age. Assuming, conservatively, that even half these workers were able-bodied and younger than the retirement age, 200,000 workers would be qualified to be brought back to work, provided one could open some of the closed GM facilities, and expand the employment at some currently open GM facilities, which in several cases are carrying out work in only a portion of the plant’s entire floor space.

Announcements that GM plants would be producing again—although different products—and rehiring workers who once worked there, would attract a crowd, since many dismissed workers found employment only at non-productive, lower-paying jobs. These dismissed workers would need 8-13 week retraining courses, to expand their skills—also true for current workers.

This makes it critical that the bankers’ plans for further dismantling of GM be stopped. **Figure 2** and **Table 1** show the configuration and location of GM’s current 55 facilities: 54 are production facilities, and the remaining one is GM’s Technical Center (number 24 on the map). Of the production facilities, 23 are assembly plants where the final car, or the final body or chassis is assembled. There are also 16 powertrain (PT) production facilities, which are factories that make engines, transmissions, and related components. Many of the remaining GM facilities are stamping plants.

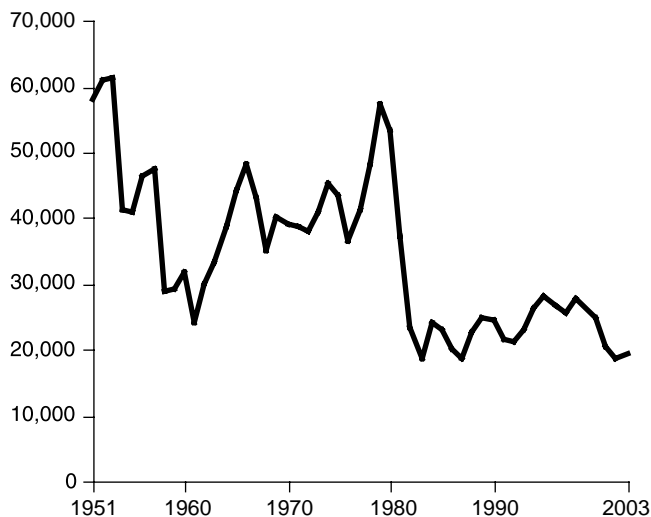
The GM Technical Center, located in Warren, Michigan, employs 18,400 workers, the majority of whom are engineers. Their expertise, which is heavily in car design and styling, could be very valuable with retraining.

There is an all-out push to shut down many of these facilities. GM has already closed its Baltimore, Maryland assembly plant, as well as a foundry in Saginaw, Michigan. However, GM is aggressively seizing upon a provision in the contract with the UAW, which says that the company can “idle plants indefinitely,” and is moving to place its Linden, New Jersey assembly plant, its Lansing, Michigan assembly plant, and a Muncie, Indiana transmission plant in that classification. GM

FIGURE 3

Railroad Equipment Manufacturers' Production Workers

(Number of Workers)



Sources: U.S. Department of Labor, Bureau of Labor Statistics, *EIR*.

could idle these plants for two years, and shut them forever when the contract expires. The April 26 *Detroit News*, in an article entitled “GM May Close More Factories,” designated five more GM assembly plants for possible classification of “indefinitely idled,” including production facilities in Orion, Michigan; Wentzville, Wisconsin; two in Spring Hill, Tennessee; and Doraville, Georgia. All told, that’s 10 of GM’s 54 production facilities. That is why LaRouche has said that GM’s production facilities must be saved from shutdown in the immediate future.

Machine-Tool Principle

A walk through any auto production facility will very quickly come upon machine tools. A facility may possess 20-30, or several hundred, or in one case 1,450. The machine tools are usually deployed in clusters—so what is being worked on is passed from one machine tool to the next—and the plant may be thought of as an ordered configuration of machine tools.

The machine-tool design principle is the driving force of an economy. It starts with scientific discovery of fundamental physical principle. This discovery is incorporated as a design within the machine tool, which transmits it to the economy. A succession of machine-tool designs results, each with more power to positively transform the economy. At the same time, these scientific discoveries shape the minds of members of the labor force, increasing their cognitive ability and associated

skill level. When the two processes are brought together—the advanced mind working with the advanced machine tool—actual productivity growth generates the upward movement of the economy. Each skilled worker and machinist grasps this principle more or less—if not fully consciously, then intuitively. His or her activity in production is guided by this understanding.

What will be produced at each GM plant that would be retooled will have to be decided by those who are directing the process. No pre-selected list exists. The machinists, skilled workers, and engineers who engaged in this process with the LaRouche movement, contributed their ideas. They are committed to achieving the retooling, and they have developed insight into how the process would work, based on decades of experience with this process.

Eugene Morey, president of United Auto Workers Local 849 in Ypsilanti, Michigan, which represents employees of Ford's primary parts supplier, Visteon Corporation, said in a discussion on LaRouche's re-tooling 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/struts at this plant, also horns. Today we specialize in starters and ignition coils. Obviously, we know how to retool to change over from the products we used to produce."

Morey described how the plant regularly draws together workers, engineers, and management, to discuss what products it could produce, and to make bids for new work. A highly skilled machinery repairman himself, he described how the deliberation process could contribute. Once it has been decided to build a certain product, he and engineers will select "equipment makers who make the equipment we will need. We will look at the machine tools they have made, and then suggest to the equipment makers the modifications we want in the machine. We will work with that person. Once the construction of the new machine tool is partly done, we will . . . make sure it meets standards." Morey's plant has 30 machine shops, several of them small, which they work with. This is precisely the sort of collaboration that is vital to the re-tooling.

Morey said, "We can have the engineering and skilled workforce to produce new things. With the right machines and workers, you can produce almost anything that is needed."

Needed Projects

An array of projects to rebuild and improve America's collapsing infrastructure, cry out for construction. Many are off-the-shelf; and some are authorized as soon as funding is brought forward. A retooled auto sector, covering important portions of GM, Ford, and the parts suppliers, could produce the requisite quality and immense volume of capital goods and

transportation systems needed.

1. America's rail system is in crisis. There is a great need to shore up and improve Amtrak, America's main passenger intercity rail system. This also is true of sections of America's freight railroad system. The neglect is highlighted by the fact that the workforce that makes rail equipment has been chopped up (see **Figure 3**).

Simultaneously, America should embark on the construction of high-speed rail, and ultimately, magnetically levitated train systems. **Figure 4** shows the U.S. Department of Transportation's designated High-Speed Rail Corridors, 11 in the Continental United States and one in Alaska (not shown). The 12-corridor system would cover 12-15,000 miles in the most densely populated parts of the country. The passenger rail side of the system should travel at 150 mph on double-tracked lines.

As the system would be electrified for great efficiency, this would require the mass-scale building of electric-powered locomotives. It would also require the construction of rail passenger cars, signalling systems, etc. There is also great need to build the rolling stock for intra-city and commuter rail systems.

2. The rebuilding and forward development of America's physical economy—including the tremendous electricity requirements for an electrified rail system—necessitate mass construction of nuclear power plants, featuring high-temperature gas-cooled reactors. An engineer told *EIR* that while retooled auto plants may be able to produce nuclear containment vessels, they certainly can produce transmission lines, sub-stations, and everything needed for an electricity grid.

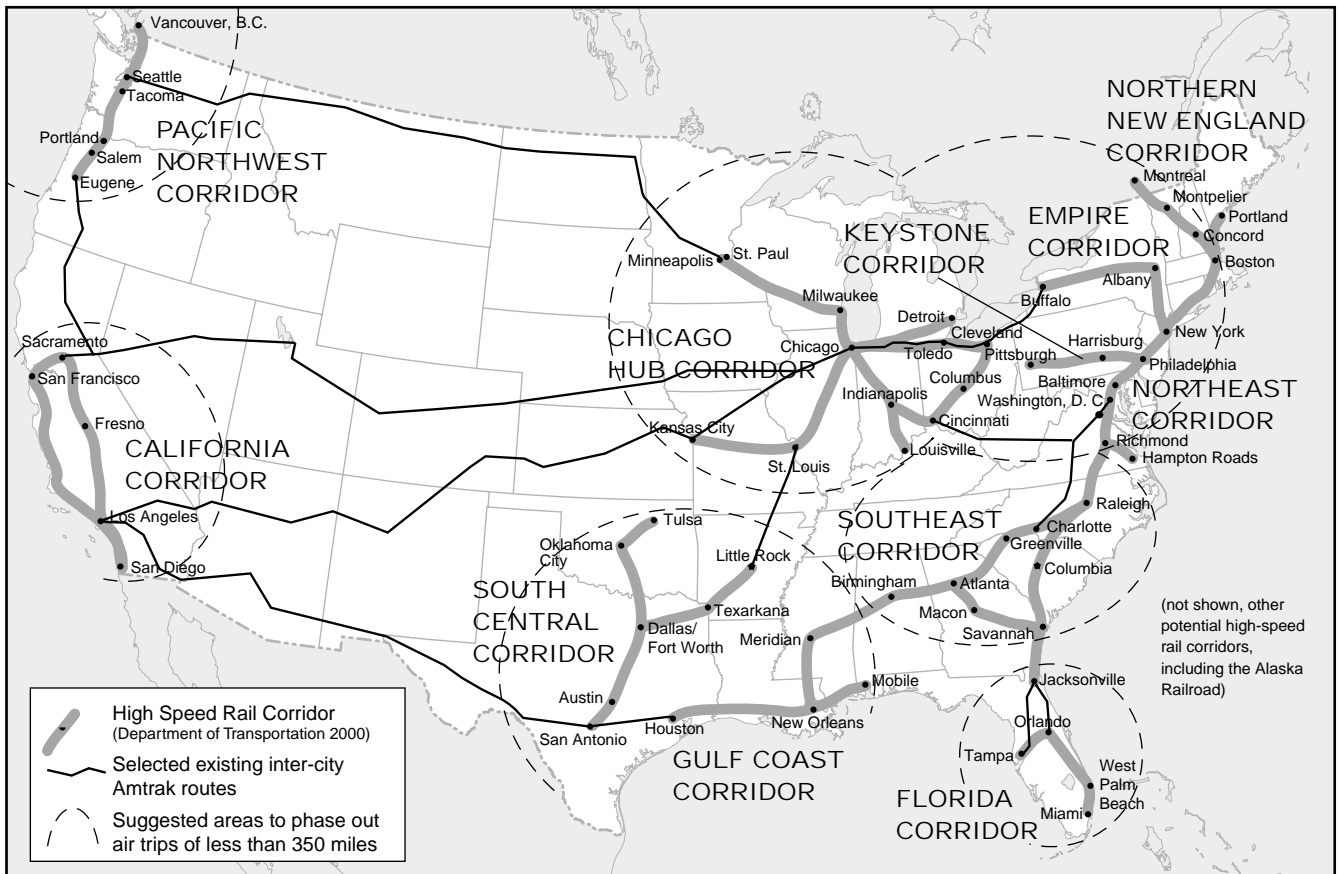
3. The U.S. inland waterways are, due to age and obsolescence, on the verge of breakdown. The April 22 *EIR* published (page 52) a map of nine of the approximately 40 "critical ready-to-go waterways projects" that await appropriated funding. These projects are lock-and-dam systems, some of which require one or several mitre gates. *EIR* is investigating how retooled auto plants could produce water infrastructure.

4. Since 1979, U.S. machine-tool production has plummeted by two-thirds; the retooled auto sector could overcome this shortage by producing machine tools and necessary heavy capital goods. There is a direct lesson from the economic mobilization for World War II of 1939-44, in which the key bottleneck was the lack of machine tools to precisely produce other machinery. President Roosevelt solved that problem by directing the Reconstruction Finance Corporation to build new machine tool-plants and capacity.

5. Tractors could be built by the auto sector for U.S. use, but in such a mobilization hundreds of thousands of tractors could go to Africa, Asia, and Ibero-America. Henry Ford's original Ford Motor Company had an entire division producing tractors.

FIGURE 4

United States: High-Speed Rail Corridor Designations



The Mission Ahead

The need to build the above projects, combined with the threatened shut-down of auto plants, defines the urgent necessity for retooling. It will also evoke the best thinking and qualities of the workers. The UAW official at Delphi, cited above, explained that when there is a product change, his plant has undergone retooling, an occurrence that is familiar to auto workers. He described that they must engage in a deliberative process. “First, we need to know what is the product to be produced. Second, we look at the plant’s capabilities as far as equipment is concerned, so we know our ability to produce it. Third, you’re going to arrange money for an initial investment.” Told of LaRouche’s plan for long-term credit at 1-2% interest rates, he said, “That’s what would do it. That would work.” He added, “We have taken so many courses on lean manufacturing, we would know how to arrange and re-arrange a plant. We have plenty of available space.”

The Mansfield, Ohio UAW representative at GM brought another insight to the discussion. His factory, which stretches over 54 acres, employs in-house 22 transfer presses, which are

immense machine-tools—weighing between 100 tons and several thousand tons apiece—which have significant technological capabilities, and would be key in retooling. He described the retooling process: “It starts in the die shop. We’ll get drawings for a product that will be produced. Our die makers will cast a block [of metal] and then cut it down to make a complete set of dies.” He added, “We have 350 to 400 workers in this die shop. Some are among the sharpest skilled tradesmen in the world.” This group of 350-400 tool and die workers, were it on its own, would be a very large machine-tool shop all by itself.

Each of the workers in this discussion with the LaRouche movement, is at a plant with extensive capabilities, and each possesses a knowledge of what the re-tooling process involves. In the course of the discussions, once they conceptualized that LaRouche’s retooling proposal was eminently doable, they were excited to realize that the auto sector does not *have to* shut down. By accelerating adoption of LaRouche’s emergency plan, we can give thousands of skilled and semi-skilled employees the opportunity to do what must be done.

Debate Government's Role in Saving Rail

Faced with the Bush Administration's determination to shut down the U.S. national passenger rail system, AMTRAK, U.S. Congressmen and Senators on both sides of the aisle, have plunged into an intensive debate over the role of government in relation to rail infrastructure. Hearings held April 21 in the Surface Transportation Subcommittee of the Senate Commerce Committee featured a surprising convergence of views between Committee Chairman and conservative Mississippi Republican Trent Lott, and FDR Democratic Senator from New Jersey, Frank Lautenberg. Both agreed that necessary infrastructure, such as passenger rail, cannot be expected to pay for itself, and must be supported as an essential service by the Federal government.

A more limited debate occurred before a subcommittee of the House Appropriations Committee on April 27. Following that, the House Committee on Transportation and Infrastructure voted out a bipartisan bill (H.R. 1630) to fund AMTRAK at a level slightly higher than the \$1.8 billion AMTRAK President David Gunn had testified was essential—at \$2 billion a year, for each of the next three years.

This Committee of the House also passed bipartisan legislation which calls for Federal funding of high-speed rail, including some magnetically levitated lines. The Railroad Infrastructure Development and Expansion Act for the 21st Century (RIDE 21) would “pump \$60 billion into new and improved rail infrastructure across the country . . . help create thousands of new jobs while preserving the rights of rail workers under existing collective bargaining agreements.” Funding would be provided by bonds floated by the states, or interstate compacts.

The RIDE 21 bill (H.R. 1631) will now be sent to the full House for debate and a vote. Ranking committee member James Oberstar (D-Minn.) welcomed the high-speed/maglev bill saying, “It is shameful that the United States, the world's leading economy, is a third-world country when it comes to passenger rail.” He went on to praise high-speed rail for its relieving effects on congested highways and airports.

The bills will now have to be scheduled for debate by the full House of Representatives, and whether to schedule such a debate is up to the GOP leadership. Were the bills voted up and adopted, the U.S. Senate would also have to craft and adopt similar legislation before anything could be sent to the President for signature. As of now, the Senate has not drafted any such legislation for either rail system. The House bills are budget-setting bills, and were they adopted, there still would have to be a process to get the funds appropriated for spending.

In fact, the LaRouche movement's intervention into the Congress, including through the written testimony reproduced below, aims at forcing an even more ambitious plan. The Senate Subcommittee debate indicated bipartisan openness to such an approach.

In his conclusion, Lautenberg said that rail service, like essential air service, is necessary. “That's what government is for,” he said.

Lott responded in effect: I have to agree. The Federal government has a role in doing things which individuals, communities, and states cannot do for themselves. I look forward to working with you [Sen. Lautenberg] in the Congress to solve these problems.

Lott, who treated the Administration representative who came to present the destroy-AMTRAK plan with scorn, asked each witness for his view of the proposal to create a national transportation funding authority, which would finance development of new transportation infrastructure by sale of bonds offering Federal tax advantages. After their answers, Lott responded, “I await your answers, because this is what we'll do.”

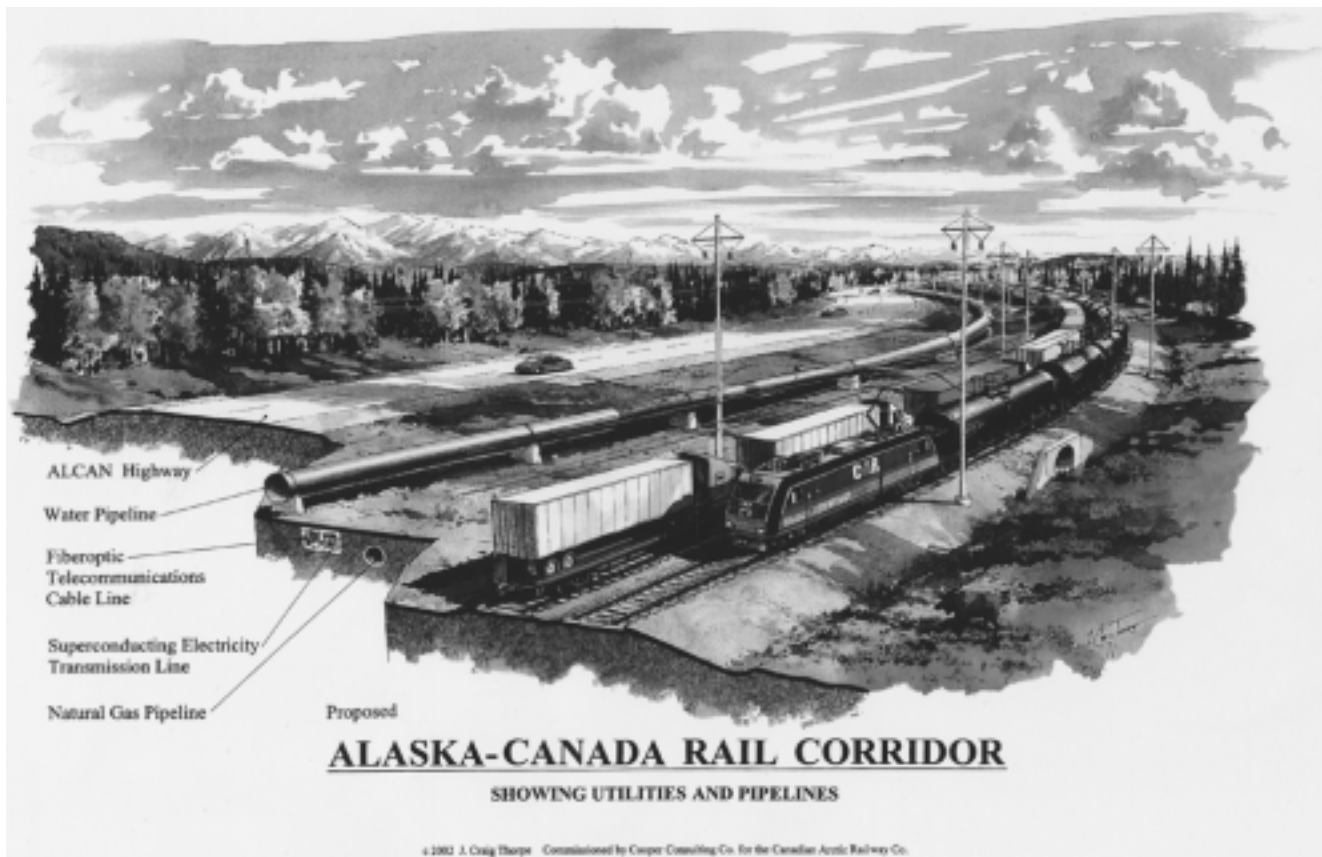
LPAC Testimony to Congress

Fund National Rail To Rebuild Economy

A hearing of the Subcommittee on Transportation, Treasury, and Housing and Urban Development, the Judiciary, District of Columbia, of the House Committee on Appropriations, on the topic of the Federal Railroad Administration and AMTRAK, took place on April 27, 2005. The Lyndon LaRouche Political Action Committee (www.larouhepac.com), submitted testimony for the hearing entitled The U.S. Economy is in a Breakdown Crisis: Fund a National Rail System As Part of Emergency Measures To Rebuild the Economy. The LaRouche PAC testimony was prepared by Marcia Merry Baker and Mary Jane Freeman, on April 20. The submitted testimony follows:

Dear Chairman Knollenberg, Rep. Olver, and Members of the Committee:

The question of funding and continuing AMTRAK pose two inter-related matters to this hearing, and to the 109th Session of Congress at large: 1) The U.S. economy, and world dollar-based financial system is now breaking down; and 2) infrastructure-building—in particular rail transportation, which on its own merits should never have been down-



An artist's view of the proposed Alaska-Canada international rail line, interconnecting to the lower 48 States. The corridor, with electrified rail, accommodates natural gas and utility lines. This view has long been proposed by Dr. Hal Cooper, who most recently participated in an Alaska-Canada Railway Corridor Conference" on April 7-8, in Prince George, British Columbia. Also in April, a new Joint Rail Advisory Committee was formed by the state of Alaska and the Yukon Territory, to conduct a feasibility study for an Alaska-Canadian rail.

scaled—is essential for a reconstruction-based economic recovery.

What is required, in acting to save and expand passenger rail services, including re-regulation and development of a fully upgraded and intermodal freight system, is the kind of readiness by Congress to intervene across the board in the key sectors of the U.S. economy now facing collapse. In tandem, national and international measures can be taken to create debt reorganization and other measures to deal with the dollar system crisis at hand.

Central to upgrading rail—and at the heart of an economy—is our industrial output capability embodied in the auto/aerospace sector, in terms of the whole complex of machine tools, the highly skilled workforce, and vehicular output capacity. The policy response to the current acute financial crises of General Motors, Ford, and supply line companies, such as Delphi, Visteon, etc., must not be the Wall Street reflex reaction demanding mass lay-offs and shutdown of capacity. Rather, we must initiate the re-tooling of this sector for the production of rail components, among other things.

We call on Congress to act: immediately approve what AMTRAK CEO David Gunn judges to be the proposed bare minimum to continue AMTRAK operating, while moving in the broadest way to set in motion a full-scale rebuilding program for passenger and freight rail, including both high-speed and magnetically levitated rail lines, and the long-delayed intercontinental connections to Alaska, and southward throughout the Americas.

As of April, we have put into circulation two documents on just this perspective, by Lyndon LaRouche, outlining the scope of the breakdown crisis, and what must be done. One, for mass circulation, is *An Emergency Reconstruction Policy: Recreate Our Economy!* And the second is a memorandum, *Emergency Action By the Senate*, given the special advise-and-consent role of this chamber regarding the Executive Branch, which at present is fueling the U.S. economic crisis, while denying its existence. These documents are available for your Committee Members, and the record, and we here quote from them on the relevant points of the immediate matter to hand.

Already, hundreds of rail and other industrial experts, from the shop floor to elected officials, are coming forward prepared to collaborate in nuts-and-bolts ways, with Federal government initiatives on carrying out an emergency rebuilding program.

As for the contrary opinion that a national passenger rail system is somehow “optional” or “anachronistic” for a nation—these views are the kind of thinking which, over the past three decades of post-industrial, free-market globaloney, have perpetrated the economic breakdown process in the first place. If this view is allowed to prevail, and the nation is plunged into chaos, the way is paved for fascism.

Context: Monetary, Economic Breakdown Crisis

Today’s monetary crisis is summarized by LaRouche in his *Recreate Our Economy!* paper:

“The world is presently dominated by the floating exchange-rate form of present monetary-financial system, the present International Monetary Fund (IMF) system. This system, is, in fact, presently bankrupt, hopelessly bankrupt in its present form. It is kept alive, in the sense of a life-support system, chiefly, by a skyrocketing mass of sheer financial derivatives and other fraud, including the forms of Enron-like, or comparable practices addressed by the New York State prosecutors.

“Typical of the principal means being used currently to postpone the general financial collapse for just another few steps ahead, is the flow of funds now being diverted to support the British and U.S. mortgage bubbles. Typical of the onrushing disasters are the continuing efforts of President George Bush to carry out the mission assigned to him by the Federal Reserve System, to loot the U.S. Social Security system, and that gigantic effort to grab future control over all of the world’s principal mineral resources which is reflected in such forms as the present petroleum-price bubble.

“This monetary-financial system is the greatest single obstacle to organizing a recovery from the presently onrushing financial crash. If that obstacle is not overcome very soon, the world as a whole is already on the brink of a planetary new dark age. Any recovery of the presently collapsing U.S. national economy depends upon immediate, and extensive reforms of that monetary-financial system. . . .”

In fact, there is a growing recognition of the crisis as outlined here. As LaRouche began his April 13, memorandum to the Senate: “1.1. An increasing number and variety of relevant specialists have been joining an international chorus which is warning, in effect, that an ongoing, systemic economic collapse of the world’s presently reigning, monetary-financial order, has now entered its terminal phase. As some leading voices in government, and relevant others, have indicated, since September 1998, the world has entered a period of historic crisis, when the time has come that nations must act in support of a common interest, to create a new financial

architecture for the world at large. . . .”

This recognition of the need for extraordinary action is shown, for example, in the April 6 passage of a resolution by the lower house of the Italian Parliament, which cited in its findings, the dangers of the vast global overhang of unpayable derivatives, debts, and financial obligations of all kinds, especially in the United States banking sector. The resolution calls on the Italian government, “To act in the relevant international venues in order to create a new financial architecture, aimed at avoiding future financial crashes and the repetition of speculative bubbles, and thus dedicated to the main objective of supporting the real economy; and to take all necessary initiative to reach, as soon as possible, together with other nations, the convocation of an international conference at the level of Heads of State and Government, to create a new and more just global monetary and financial system.”

Fully Fund AMTRAK, Launch Vast Expansion

Once the context of the reality of the epic scale of the economic crisis is acknowledged, the nature of emergency intervention becomes clear. What is required for AMTRAK, is to stop the cutting, and fully fund it for present requirements of operations and capital improvements of a national rail system—restoring it back at least to the Y2000 grid or thereabouts, re-instating the Ohio, Florida, Louisville, Kentucky, and other lines recently eliminated.

This will result in a vast new demand for skilled jobs in construction, tooling, and input supplies, and huge demands for steel, rolling stock, etc. For example, for a new national double track rail line, some 720 tons per mile are needed for rails alone, not counting bridges, culverts, etc., which, if included, bring the total up to the 1,500-ton level. A mile of magnetically-levitated line needs 5,000 tons of steel. Instead of utilizing a paltry 500,000 tons a year, as during the 1990s, in the U.S., millions of tons of steel would be required for rail building and upgrade.

Hold-the-line bipartisan support for funding for AMTRAK is rightly implied in the new draft H.R. 1630, introduced April 13, calling for \$2 billion over each of three years to finance capital and operating expenses, but the funding level can and must be increased to ensure development of the U.S. national rail system. A forced bankruptcy of Amtrak is a fool’s errand which must be resisted in the interest of the General Welfare and national security of the nation.

Secondly, get moving on restoring an expanded passenger rail system, to serve all regions of the nation, and interconnect with Canada/Alaska, Mexico, and southward. In tandem, under re-regulation, there must be a vastly upgraded freight system put back into place.

For all these modernizations, phasing in electrification is called for, which in turn, sets up the demand to resume large-scale nuclear power construction. By definition, any high-speed or magnetically levitated line must be electrified.

The outlines of a national system of high-speed intercity corridors have been devised for years. Most recently, they are implied in the new bill introduced April 13 into the House HR 1631, the Railroad Infrastructure Development and Expansion Act for the 21st Century (RIDE 21), described by Railroad Subcommittee chair Rep. Steven LaTourette (R-Ohio), as intended to “pump \$60 billion into new and improved rail infrastructure across the country . . . [to] help create thousands of new jobs while preserving the rights of rail workers under existing collective bargaining agreements.”

Maglev train development is included. Development of high-speed rail corridors, increased funding for developing the technology, and acquisition of locomotives, rolling stock, track, and signal equipment are included. Another crucial inclusion is an increase in the Railroad Rehabilitation and Infrastructure Financing loan guarantee program from \$3.5 billion to \$35 billion.

However, the key feature that must be changed in this bill is that Federal, not state-based decisions must guide the overall national outline of the system—by definition, in order not to be a piecemeal, de-centralized morass. And secondly, funding must be arranged through Federal low-interest credits, private bidding, and such traditional tried-and-true practices of infrastructure building in the United States, and not be attempted through local and state bonding, given the financial collapse conditions of our localities at present, which must be acknowledged and relieved.

LaRouche: ‘What We Must Do’

Taking into account the scale of the monetary-financial crisis, and the decrepit state of the U.S. physical economy, LaRouche lays out specifics—with rail development as a central feature—in a section titled, *What We Must Do* of his *Recreate Our Economy* paper. First, get to work on shelved, but “ready-to-go” projects of all kinds, for their economy-revving impact.

“The Federal state, county, and local governments of the territory of the U.S.A. have a vast accumulation of worthy projects in major maintenance and building of basic economic infrastructure. Many among these are authorized for expenditure as soon as funding is brought forward. The implementation of a sizeable portion of these hundreds of billions of dollars’ worth of large accumulation of absolutely necessary and worthy public or private U.S. domestic investments in basic economic infrastructure, would be sufficient to bring the current level of net national income far enough above national breakeven-point, to allow us to bring the presently onrushing monetary-financial crisis of the U.S.A. under control. . . .”

Under this kind of rev-up, we will need to “choose a combination of such options which do not conflict fatally with one another in their competition for our scarce present resources. . . .” From our aging locks and dams systems, to rail, to water and sewer systems, to all aspects of infrastruc-

ture, there are needs for inputs to reinforce the foundation of our economy so that our citizens are re-employed in productive jobs and we are made ready to meet the challenges of the 21st Century.

“For example, one of the largest components of our national productive capacity, both for the so-called private and public sectors, is concentrated in the machine-tool-centered capacity of our current aerospace and auto industry. At a time when it would be futile to attempt to maintain current levels of sales of new automobiles, we must think in terms of keeping the high-technology aspect of those industries fully operating, by diversifying the work-load to include urgently needed national programs in infrastructure, such as a new, urgently needed, national grid for passengers and freight, as a shift from the threatened early physical breakdown caused by post-World War II overemphasis on highway transportation.

“The general objective of initial, stop-gap adjustments of that type, is to concentrate on mobilizing useful programs which are intended to preserve and strengthen the vital high-technology end of our national productive capacity, by mobilizing what are presently threatened with becoming lost productive resources, while we still have the option of keeping those vital capacities alive.

“Thus, although the presently skyrocketing petroleum price is not a reflection of current shortages in petroleum supplies, but, rather, a reflection of wild-eyed speculation in monopolistic efforts to buy up the world’s future petroleum stocks, we must begin to shift out of excessive dependency on combustion of petroleum products as a source of power for our nation, and the world at large. At the same time, the highway congestion and related logistical problems of our excessively highway-dependent national economy, require a marginally very large and rapid shift into mass-transport of goods and people, and a shift toward regionally produced hydrogen-based fuels to replace today’s relative dependency on consumption of petroleum and natural gas as fuels.

“There are also other major objectives to be served by such a reform, but what I have just said gives you the gist of the matter. . . .

“We need, immediately, large-scale programs of development of basic economic infrastructure which combine the utilization and expansion of cadres of highly skilled operatives and technologies, but which also absorb large numbers of otherwise unemployed semi-skilled and unskilled labor as an integral part of the same programs. The maintenance and expansion of the ranks of the highly skilled production operative, and the upgrading of the unskilled and less skilled through the same programs which are led by the most skilled, strikes the balance needed for large-scale expansion of productive, rather than services employment, on which the initial phase of a recovery-effort must be premised.”

Congressional action to fully fund AMTRAK, and start a railroad renewal and expansion is key to our national economic survival.

Ex-Greenpeace Activist Backs Nuclear Power

Dick Taverne is a member of the House of Lords in Great Britain. A former member of Greenpeace and Friends of the Earth, he realized that the attitudes of his past associates in the environmental movement are geared toward anti-science. He then wrote a book about environmentalism titled March of Unreason: Science, Democracy, and the New Fundamentalism, published by Oxford University Press in March 2005.

He is not the only leading environmentalist to change his mind recently. James Lovelock, the originator of the Gaia hypothesis, that the Earth is a self-regulating body, broke ranks with the rabid environmentalists to back nuclear power, as a way to defeat (alleged) global warming. Since his August 2004 statement, many others have issued statements backing nuclear power and the development of biotechnology. These include: Patrick Moore, one of the founding members of Greenpeace; former Anglican Bishop Hugh Montefiore, the former lead trustee of Friends of the Earth; and green godfather Stuart Brand of the Whole Earth Catalog, who wrote in a recent article that the environmentalist movement is going to have to rethink its attitudes toward nuclear power, biotechnology, and population growth. These environmentalists are now seeing that Parson Malthus was totally wrong: that through the development of technology, larger populations can be sustained.

Lord Taverne was interviewed on March 21 by Gregory B. Murphy.

EIR: Could you tell us about your background and how you got involved in this fight for science—radiation, nuclear power, biotech—against pseudoscience and crazy popular opinion?

Taverne: Well, I'm not a scientist myself. My background was originally the law, and then, I was a member of the House of Commons, and then I had connections with industry. Then I was appointed to the House of Lords. But in recent times, really the last ten years, I've gotten increasingly concerned about the relationship between the science and public policy, and about public attitudes to science. I'm married to a scientist. And one of the things which always surprises me is that

when people say, "I know nothing about science"—it's not so much an admission; it's almost stated as a boast.

There is at the moment a sort of anti-science current running. There's a distrust of experts. We had some unpleasant experiences with BSE [bovine spongiform encephalopathy, or "mad cow" disease], and before that, with thalidomide. And there's a general feeling of suspicion towards science and expertise, and people are particularly impressed by a lot of the sort of "back-to-nature" fashions, which promote complementary medicine, alternative medicine.

They're also very keen on organic farming; the buying of organic farming is growing by leaps and bounds. And they've become very hostile to modern developments like genetic engineering, at least as far as plants are concerned; they accept it in medicine, because of the obvious benefits.

And I think this mood of hostility to science, could be very dangerous in the long run, both because it could destroy an industry in which Europe has had great traditional strength—Britain's plant science has always been extremely high quality—and so could be economically damaging, and because it's also dangerous to abandon respect for evidence, and go for intuition, and the sort of vague hankering after mystical, medieval times when man lived in unity with nature.

EIR: Could you tell us a little bit about your book?

Taverne: I start by looking at the time of the Enlightenment, and how this mood of optimism then, turned to a sort of contemporary mood of greater pessimism, which is more evident in Europe, I think, than it is in the United States. And I say that there were several causes for that.

I think there was the reaction to nuclear weapons—the feeling that the world could be destroyed. But the main force, in a way, was an extreme environmentalism. It started with Rachel Carson, and her book *Silent Spring*. It was a very inspiring book, but she overdid it. She said, amongst other things, that DDT caused cancer, and this led to a worldwide ban on DDT, which had the most disastrous effects. I mean, DDT was the most successful agent ever invented for fighting vector-borne disease. Malaria was virtually exterminated, eradicated, in many of the areas where DDT was being sprayed. Now that it's no longer sprayed, malaria is killing a million people a year.

So, extreme environmentalism—not sensible, pragmatic environmentalism, which I support—extreme environmentalism came to the fore, and it has found its expression through a lot of the green movements, which are very strong in Europe, and have just turned people's backs on science.

My first example is alternative medicine. Homeopathy, for example, is nonsense on stilts. It's based on the doctrine of "like cures like," for which there is no scientific evidence. And then, because that means treating people with poison and making people ill, it has a law of infinitesimals, which says that you have to dilute substances, and the greater the dilution, the greater the benefit. And you get dilution to one to the



After being an activist with Greenpeace and other environmentalist causes, Lord Taverne came to realize that their anti-nuclear scare stories were not scientifically grounded. "There are a lot of phony scares about nuclear power," he said. "Of course, you've got to be very careful about radiation; but in small doses, it's quite interesting, radiation can actually do you good!"

power of 30, which, of course, means the original substance has completely disappeared, so that all that works, in the end, is the placebo effect.

Then there's the craze for "organic farming." Now, organic farming may sound very good, and in Britain, certainly every TV chef, every celebrity chef, assumes organic is the only way to eat. Supermarkets tell us to buy organics—it's good for their profits because it costs more—and yet, what is it based on? It's based on an original sort of mysticism, a special feeling for the soil, and there is Rudolf Steiner, who believed in feeding the soil with cow horns stuffed with entrails, and believed in biodynamic cultivation, and planting according to phases of the Moon.

But it's based on the absolutely basic chemical fallacy that synthetic chemicals are bad, and natural chemicals are good. There are numerous synthetic chemicals which are very valuable; sulfonamides are one. Lots of synthetic chemicals are very beneficial, and lots of natural chemicals can be very damaging: Lots of damaging, poisonous, natural chemicals occur in nature.

And every time it's been tried, in blind tests, where people have actually been subjected to it, it's been found wanting. Our foods-standards agencies, several times, have been asked to rule on organic foods, and they say it's got no higher nutritional content. But it's very fashionable.

But the absolutely key issue on which I concentrate, is the central battlefield where the forces of reason and unreason meet: genetically modified crops. Now there's a terrific campaign against that in Europe, and it's not based on evidence.

I mean, you in America have been eating genetically modified products for well over seven or eight years, and I haven't even noticed lawyers bringing lawsuits. And if American lawyers don't sue, there must be something right!

There's *no* evidence [that genetically modified foods are harmful]. The international Academies of Science, from America, from Britain, from Brazil, from Mexico, India, China, and the Third World Academy of Sciences, they've all examined the questions as to whether there's danger to health, and they've come to the conclusion that no damage to human health has been proved. And there are now 70 million hectares, worldwide, farmed with genetically modified crops.

But then people say it's dangerous for the environment. There's no evidence for that, and certainly there's lots of evidence of good for the environment. It uses fewer herbicides; it means that there will be a reduction in pesti-

cides, because they're pest-resistant crops. It's very good for poverty in the world. The GM cotton is now grown by something like 6-7 million poor farmers, and their income has gone up, and their health has improved because they don't have to spray pesticides; and the environment has gained from fewer pesticides.

So, there's everything to be said in favor of genetically modified crops, but Europe is agin' it. So, I think that is a terrible indictment of this new anti-science mood, and I think it's high time we woke up to it and realize that this is one of the technologies that's going to benefit the future. It's going to help—it's not going to cure, but it's going to help reduce hunger in the world; it's going to help reduce disease in the world, through plant-based vaccines, and golden rice, and exciting new developments like that. And it could also fight poverty amongst farmers, where some of the worst poverty exists.

Of course, it has to be watched, of course it has to be regulated, but, potentially, it's a very hopeful crop.

And, then again, I also look in my book at the "precautionary principle." Now, it's often invoked, and seldom defined. And when you probe the definitions, it's all about not meeting the needs of present generations without prejudicing the needs of future generations. Nobody defines what those needs are! We don't know what the needs of future generations are going to be.

And if you look at the definition of the precautionary principle, it's either so obvious that it doesn't need stating, like: "If there's evidence of danger, be careful." Well, who

wouldn't agree? Or it's so vague that it's meaningless. Or it's defined in such a way that almost any perception of danger could invoke it, in which case it becomes a great principle against innovation, and a great danger to enterprise, and to creativity.

So I do think there's a lot wrong with current attitudes toward science, and I think there's a danger that if this prevails—say it applies to new technologies like nanotechnology—Europe could become a bit of a backwater in science. We should learn the lesson from medieval Islam, which was once the center for all enlightenment in the world—mathematics, modern medicine, astronomy—Islam between the 9th and the 12th Centuries, was the center of science. And then the dogmatists came along, who believed in the literal interpretation of the Koran. They wouldn't have any influx of outside ideas, and Islam became, for centuries, a backwater.

There's another example from history, which Jared Diamond quotes, that the Chinese, at the end of the 15th Century, were the leaders of the world's shipbuilding; they had 400-foot junks, whereas the puny European ships were just over 100 feet long. They could have dominated the Indian Ocean. But a faction came to power that outlawed shipbuilding!

Now, there's a faction that's coming in, that is very influential in Europe, which is outlawing genetically modified crops.

So, I think there are great dangers.

EIR: What is the percentage of public funding for organic farming over public funding of research into biotechnology research, trying to grow the crops, and development there [in Britain]?

Taverne: I can't give you the percentages. I can give you some sums. They are modest, in the way of support for organic farming. The government gives some \$20 million a year to persuade people to convert to organic farming. It isn't a big sum, but the principle is so stupid. Why support something which is so much more inefficient than other forms of farming, and which has really got no real merit in it? It's based on myth.

As far as public support for research into biotechnology is concerned, there's still quite a lot of public support, but it is declining. This is a world phenomenon. And most of the research which is being done, of course, is being financed by companies. We've got a very strong science base in this, but it is in danger of suffering because of the fact that most agribusinesses are moving out of Britain, and out of Europe.

EIR: It sounds very similar to how they tell the farmers here to switch from producing crops with a small production tax credit, to turn their farm into a wind farm, with these windmills. It's a 1 or 2% tax break, but if it weren't for that, the wind industry would basically blow away.

Taverne: The same is true in this country. I think it would blow away, too, And I wouldn't actually mind seeing the back

of it. Because, I believe that, if we are going to try and limit carbon emissions, and, on the whole I think it's a sensible thing to do, then we should go for nuclear power.

EIR: That's my background. I was in the Navy's nuclear power program here in the United States.

Taverne: Well, there are a lot of phony scares about nuclear power. Of course, you've got to be very careful about radiation; but in small doses, it's quite interesting, radiation can actually do you good! I've looked at the statistics for workers in nuclear shipyards, in the United States and Canada, and, also generally worldwide, of people who work in the nuclear industry. And the interesting thing is, that they actually have lower average rates of cancer than the control groups—which is something that the Japanese have recognized, but most other people haven't.

EIR: That's very true, and *21st Century Science & Technology* magazine as covered the low-level radiation phenomenon quite extensively.

Taverne: I'm glad to hear it. I've been regarded as a bit of a maverick in Britain by raising this in debates in the House of Lords, and writing articles about it in the newspapers.

EIR: The other thing is, that the nuclear industry here in the United States, and probably over there in Europe also, won't send experts out to talk, to defend a contract for a plant. They allow the environmentalists to come in with "Chernobyl wiped out so much," and Three Mile Island, and "Radiation's-gonna-get-you stories." I equate that with what's happening in the United States around this biotechnology. There's a lot of mysticism about the language—genetically modified foods, and these different things—so it gives a little leeway to the "eco-fundamentalists," as you describe them, to come in with their anti-science.

Taverne: That is absolutely right. One of the interesting things is, the way in which the anti-science lobbies (I call them the eco-fundamentalists) have captured the language. I mean, "frankenfoods," what a brilliant term! They have really been extremely clever, the way they've used language. "Terminator seeds"—well, these are sterile seeds to stop cross-pollination, and they were never actually produced. In fact, people have suggested we should now start developing seeds which have genetic incompatibility, to prevent cross-pollination. Well, of course, genetic incompatibility is precisely what terminator seeds were designed to achieve. But "terminator"—that sounds really scary.

After all, cross-pollination takes place in nature all the time, but [with the eco-fundamentalists] it's not called cross-pollination, it's called contamination, which suggests that you're spreading poison. There are all sorts of ways in which subtle language changes are being used by the eco-fundamentalists, and I think we should be aware of that, and have our eyes open. . . .

EIR: The other question I had for you, was how you've equated this eco-fundamentalism to the right-wing fundamentalists in the United States, with their mysticism and religious outlook.

Taverne: . . . I regard them as very similar. The reason I call them eco-fundamentalist—I mean, technically, I suppose “fundamentalist” should be kept for people who have a sacred text, which they say is literally true. So, Creationists are fundamentalists, because they argue that it doesn't matter what the evidence says about evolution; it's written in the Bible that it was created in what ever it was—7,000 years—and you cannot contradict the word of the Bible, because it's the literal word of God. Well, you can't argue with people like that.

You can't argue with the eco-fundamentalists either. One of them, who was the director of the Greenpeace movement in Great Britain, was cross-examined by a committee in the House of Lords, and he was asked, “Is there any evidence that could change your mind?” And he said, “No, there isn't. I'm absolutely certain this is wrong.”

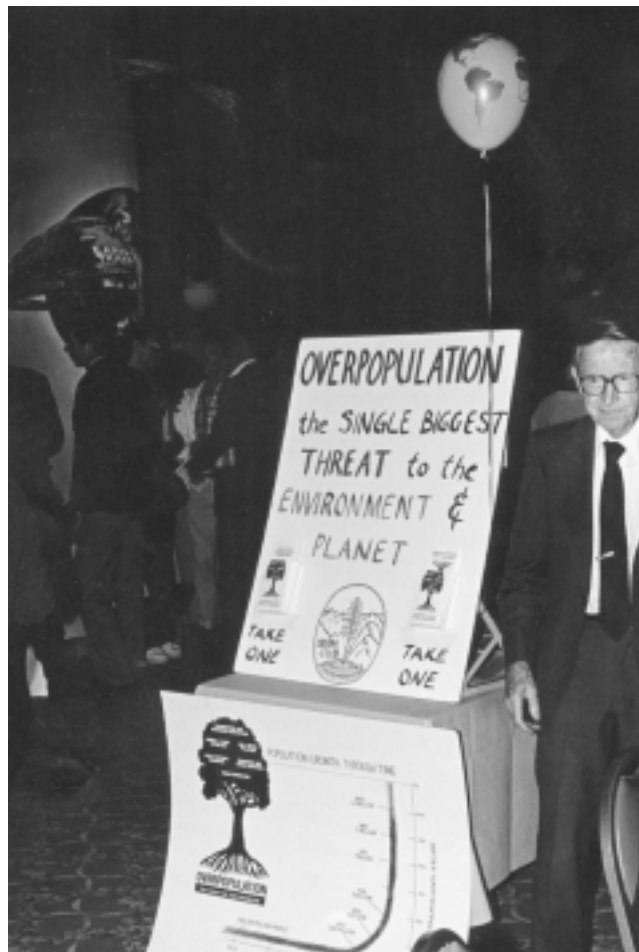
Well, that's like being a Creationist. And that's why I've likened the two. And also, when you get to some of the fundamentalists—not the Creationists, but the others—they take to violence in order to suppress choice. In our case, we had people who trashed crops—crops which were supposed to be tested to see whether they had a good or bad environmental effect, were not allowed to be grown, because these new crusaders rode out in their white suits—it wasn't quite medieval armor, but it was white suits, as it were—to suggest that they were subject to extreme danger of attack by the enemy, with poisons. They rode out and were trashing these crops, breaking the law.

I say they were not altogether unlike people who use force to try and close down abortion clinics. So, I think that religious fundamentalists, and eco-fundamentalists, don't believe in argument, and they don't believe in science, and they are prepared to use undemocratic methods in order to achieve their aims.

EIR: I've run into a few in my time, both the eco-fundamentalists and the religious fundamentalists, and you're fighting a losing battle if you're trying to argue to bring a sense of reason into their mind.

Taverne: But the trouble is, on the whole, the press don't treat Greenpeace and Friends of the Earth in that way; they regard them as really rather noble movements that are trying to save the planet. They tend to regard them as the “goodies,” and the others, perhaps, as the “nasty polluters.” There's a certain media bias against biotechnology in this country.

EIR: Yes, I remember the uproar back in August, when James Lovelock came out saying the best way to get rid of this problem with global warming, is through development of nuclear power. Greenpeace, Earth First, and all those guys came out. They had been holding him up as if he were a high



The underlying fraud of the zero-population-growth movement is the Malthusian argument that population growth will outstrip natural resources. This ignores the basic principle of human creative, technological advance. Here: a crusader at a Globescope conference in Los Angeles.

authority, but now he was seen as the lowest-level person imaginable, to be sent to Hades.

But the problem in the United States, with what he said, is that now the nuclear power industry is using Lovelock's statement as their buttress, instead of coming out with the truth about how radiation is *not* going to get you. That's the key. And, we've had good scientists that work at different labs in the United States, who are signed on to that pragmatic outlook, about “defeating global warming,” as a way to get nuclear power going, instead of talking about nuclear being the great advancement that helps society.

Taverne: But dissidents are treated as heretics, and I'm waiting for the big attacks on my book. GM Watch has already started. I'm waiting for it. Somebody said, “Oh, you're publishing a book. You'd better batten down the hatches and prepare for stormy weather.” . . .

EIR: On global warming, there's a great speech that the au-

thor Michael Crichton gave. . . . You know how the people in the CETI [Communication With Extraterrestrial Intelligence] program—communicating to “people” off planet—how that became “the thing,” and then Sagan’s “nuclear winter,” and then that immediately got picked up by the fundamentalist crowd of the environmentalist movement, into becoming the global warming issue, which all of a sudden took off. But the best part, I thought, was his analogy about how these computer models work. In 1901, if you did a computer model and it went until 2001, there would be horse-drawn carriages, cars would be very limited, there’d be no nuclear power, because the computer model misses the main thing: creativity and the power of the human mind to make discoveries to better the environment, and society.

Taverne: Yes, I agree. I’ve got some lovely projections. I don’t give the obvious one about the head of IBM, who said the world would need only three giant computers. There’s a wonderful example in the 1930s, of a famous economist who protested about plans to build new ships that would cross the Atlantic, say, an hour faster, than what was already a very short time: at the cost of using intensely, a very rare resource—coal—with the effect that future generations might not be able to cross the Atlantic at all. That makes a marvelous example of how people’s projections of future technology, future shortages, future developments, are nearly always wrong.

EIR: Another point you brought up earlier, is that you said that most people, and young people in particular, hold it as a badge of honor that they know nothing about science.

Taverne: Yes.

EIR: Lyndon LaRouche has a youth movement that’s working on going back to the original discoveries, like Sadi Carnot’s book, the first breakthrough book on thermodynamics, and actually trying to work through what the discoveries are, to rebuild that within the younger people, to get them to think about science again, where your discoveries are being made, that will revolutionize the economy and society.

Taverne: Well, that’s great. I’ve started a new organization in Britain called Sense About Science. It started only a couple of years ago, and one of the things that we’re doing is that we are setting up a membership scheme for young scientists who’ll go out and talk to schools—people who are just doing their Ph.D.’s—and it’s getting a very enthusiastic response from young scientists, but also to get back to schools, and get people to realize what the excitement of science is. I wasn’t brought up in the sciences, and I wish I had been. I wish knew some science; I’m woefully ignorant.

EIR: But at least you ask the questions.

Taverne: Yes, and I’ve been looking at what the issues are, and trying to judge the evidence. . . .

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Germans Debate FDR Model, Defense of Social State

by Rainer Apel

Something highly interesting is happening in Germany: Coming as a big surprise to most, Franz Müntefering, the chairman of the Social Democratic Party (SPD), hinted that his party is considering dropping the “Third Way” neo-liberal “new economy” policies named after Britain’s Prime Minister Tony Blair, and addressing instead the growing unemployment crisis and the bankruptcy of the real economy. In a speech in Berlin, April 13, Müntefering presented the ongoing work of the new party programmatic platform, attacking the neo-liberal ideology in words not heard from SPD officials in years:

“Many attack the institution of the state, calling for the lean state, and would not mind if it starved to death. Yes, they even want that to happen. This marks a watershed for the political course of our country. Skepticism about the state is an error. Despising the state is a danger. Only with the modern state, has the precondition for democracy been created. It provides the institutions with which societies can organize their living together. They guarantee peace and security. And, based on constitutional rights, they guarantee freedom. Our state is a state based on law. It sets law and supports law with its democratically legitimized power.

“Our state has the monopoly of power. No one else has a right to power. Domestic peace and security of the law are central public benefits. Our state also provides the other public benefits: an education system, health, finances, infrastructure. Our state is a social state. The mission of the state is the just order of relations between the citizens. The social state is not expendable.” Neither is the state a repair shop, he pointed out; it has the mission of shaping the development of society as a whole.

Müntefering added that the state must intervene in all areas that are vital for society: 1) to secure municipal investments; 2) to secure the social security systems; 3) to make investments, securing a future over the long term; 4) to invest

in basic research, in energy, transport, medicine, and not to wait to see whether the free market shows an interest in these areas.

All of these basic principles of government are under heavy attack in Germany, as they are in the United States, from free-market ideologues. Up to now, the SPD, like the U.S. Democratic Party, has offered no significant opposition. That opposition has come almost exclusively from the LaRouche forces: the Civil Rights Movement Solidarity party (BüSo), which is headed by Helga Zepp-LaRouche, Lyndon LaRouche’s wife.

‘A Swarm of Locusts’

The public response to Müntefering’s speech was rather mild, because most people think that SPD leaders (like leaders of other established parties) talk a lot, but don’t mean it. Then, four days later, Müntefering gave an interview to *Bild am Sonntag*, the Sunday edition of Germany’s largest mass-circulation daily, *Bildzeitung*. There, he said on April 17, that the worst threat to industry and jobs is a certain species of financial investors. “They stay anonymous, faceless, descend upon firms like swarms of locusts, eat them up and move on.” These are people with no respect at all for rules and limits, and it is “against this form of capitalism that we are fighting,” Müntefering said, adding that one “must not leave the world in the hands of the money.”

This “locust” remark provoked a hysterical response from the entire camp of neo-con and neo-liberal experts, politicians, newspaper editors, and others. What enraged them in particular, was the fact that Chancellor Gerhard Schröder on April 18 gave full support to Müntefering, having his official press spokesman Hans Langguth state that he shares the view that there is a social responsibility that capital is obliged to uphold—as is laid down in the 1949 Constitution of Germany.

Hostile cartoonists depicted Müntefering together with

Karl Marx and V.I. Lenin, to insinuate that the SPD wanted to revive the socialist or even communist states of the past, because the party and its government are certain to lose the upcoming elections anyway. As far as the elections are concerned, that is true; the rest is utter nonsense.

Attack on the New Deal, LaRouche

Ironically, it was the *Frankfurter Allgemeine* daily, the leading mouthpiece of the German banking and political elite, that decided to (for once) tell its readers the truth about what the real issues are, in three articles, on April 20, 22, and 24. This series breaks an almost universal press blackout in the leading German press on the activities of the LaRouche movement.

In a commentary announcing the review of a new, libelous book on Franklin D. Roosevelt, the daily, under the headline “Blue Eagle—Polite Fascism: The SPD Revives the New Deal,” viciously assailed the SPD, comparing its current campaign to that of President Franklin D. Roosevelt. The “defamations and the pushing of enemy images” under Roosevelt, akin to what the SPD is doing today, are the “real threat” to democracy, the daily wrote. It ended with the following paragraph: “This is the same scheme with which Helga Zepp-LaRouche’s Civil Rights Movement Solidarity [BüSo] has recently gone to SPD party congresses, to garner support, while her husband, the right-winger Lyndon LaRouche, is pushing for the revival of the New Deal in America.” On April 22, the daily published a book review, this time saying that the “LaRouche couple” is at the center of reviving the Roosevelt model. The slander that Roosevelt’s New Deal was a “soft” version of fascism, was repeated on April 26, by Hans-Olaf Henkel, a former president of the German industry association BDI and a leading neo-con propagandist. In a television interview, Henkel denounced Müntefering’s remarks, saying they reminded him of the Nazis’ 1930s propaganda against foreign capitalists. This just illustrates the degree of hysteria that has grabbed the neo-cons (on both sides of the Atlantic).

In a statement issued on April 22, BüSo Chairman Helga Zepp-LaRouche noted that the forces behind the *Frankfurter Allgemeine* are clearly reacting to the political revitalization of the Democratic Party, catalyzed by her husband in America, and to the current BüSo election campaign in the German state of North Rhine-Westphalia (the elections there are on May 22). The BüSo has featured precisely those issues—defending the constitutionally mandated “social state” in Germany and promoting New Deal-type state investment—which are now being echoed by the SPD leadership, although still in general terms. She also noted that, in 2000, the same daily had refused to print a paid advertisement for a “New Bretton Woods,” which she had sponsored, and which was signed by hundreds of parliamentarians, ex-government officials, trade unionists, and economists from around the world.

The BüSo is carrying out a very successful intervention,



Social Democratic Party Chairman Franz Müntefering took a bold step forward, with his attack on the rapacious looting of the physical economy and labor force by financial investors.

together with 15-20 activists of the LaRouche Youth Movement (LYM) mostly from Germany and other European countries, but also from the United States. The LYM, which emerged as the scourge of the neo-cons in the election campaign in the eastern German state of Saxony in the Summer of 2004, has since January been campaigning in North Rhine-Westphalia (N.R.W.). Three editions of an “Open Letter to the Voters of N.R.W.,” written by Zepp-LaRouche, have been distributed throughout the state, at election campaign events of the other parties—notably the SPD—and at universities, factory gates, and elsewhere. The traditional mine workers’ hymn “Glück auf” is sung by the LYM, with the text modified for political campaign purposes, and this, as well as other politically pointed songs, have caught the attention of citizens who have been “turned off” by the usual boring speeches of politicians. Especially a BüSo cartoon, depicting opposition Christian Democratic candidate Jürgen Rüttgers being “pumped up” by California’s Gov. Arnold Schwarzenegger, has had enormous impact in N.R.W., among Social Democrats who are asking themselves why they didn’t come up with the idea to hit Rüttgers with his Arnie connections, but also among many Christian Democrats who reject the policies of their party leadership. Most recent opinion polls show that more than two thirds of Christian Democratic Union (CDU) party members and voters agree with what Müntefering said.

The BüSo has growing credibility among voters, who doubt the sincerity of all the established politicians. Certainly it is the BüSo alone which has solutions to offer. For example, the BüSo ran a TV campaign ad in N.R.W. on April 25, arguing for the revolutionary underground cargo system “CargoCap,” developed by engineers at the University of Bochum. This idea is catching on in the labor movement, in particular. The same BüSo ad informed the voters about the New Bretton Woods initiative by the Italian Parliament, and the catalytic role that Lyndon LaRouche had in that. The broadcast could



This cartoon is being circulated in North Rhine-Westphalia by Helga Zepp-LaRouche's BüSo. It depicts N.R.W. Christian Democratic leader Jürgen Rüttgers being "pumped up" by Arnie Schwarzenegger. Rüttgers is saying, "What one lacks in brains. . ."

be watched also in the rest of Germany, via cable and satellite.

The BüSo campaign includes the circulation of a paperback on the German neo-cons and their Anglo-Dutch-U.S. connections, while also addressing the concept of the Common Good, of having a strong state intervention into the present world economic depression, with public infrastructure programs in the Roosevelt New Deal tradition. This particular aspect was the origin of the third freak-out article in the *Frankfurter Allgemeine*, on April 24, which alerted its readers that the "problem" goes beyond what is generally addressed in the debate on Müntefering, namely that there is something really dangerous in his defense of Article 14 of the German Constitution: Its paragraph 2 states explicitly that "[private] property carries an obligation. Its use shall serve the Common Good." This, the daily warned, calls into question the liberal conception of property, of the cold rationality of the money economy as it was laid down under Roman imperial law (!)—in other words: before the American Revolution, which defined an anti-oligarchical orientation. The article noted with horror that Article 14 and 15 even explicitly allow expropriation

of property (with compensation), if necessary to serve the Common Good.

With that, all of Germany, beyond the boundaries of N.R.W., has entered a long-overdue public debate on what the foundations of the German state and society are and shall be. Once that essential feature of the German Constitution is addressed (which the neo-liberals and neo-cons always try to avoid), it becomes evident that even after several decades of paradigm shift from the producer to the consumer society, there still is broad support for the concept of the state serving the Common Good. Reawakening this dormant sentiment, is what the neo-cons fear just as the Devil fears the cross. The Common Good principle is a consensus among members of the SPD and CDU alike, as is illustrated by two interviews that appeared after this third *Frankfurter Allgemeine* article. On April 25, Franz-Josef Möllenberg, national chairman of the German food industry workers union NGG and a member of the SPD, told the daily *Süddeutsche Zeitung*: "What is at stake, is the social element in the social market economy. That is no class struggle, but the mandate of our Constitution: The Federal Republic is a social state, property implies an obligation, and the dignity of man is untouchable. He who thinks that is too radical, has a problem."

And in the April 26, issue of the Austrian business weekly *Trend*, Heiner Geissler (CDU), a former Family and Health Minister, said that there are many entrepreneurs of globally operating firms that "act as freely as the mafia, the dope dealers, the terrorists. . . . At this moment, this anarcho-capitalism, this resurrected early capitalism, is the dominant ideology." Geissler said that since the abolition of the Bretton Woods agreements in the early 1970s, a giant financial industry has emerged. "The right approach is an ordered competition, the ordered market," he added. "We are today miles away from that.

Capital has to serve man, not vice versa, he said. "Today, human lives are sacrificed for capital revenue. Modern capitalism is a modern form of totalitarianism. An economic totalitarianism that walks over corpses. It benefits only a few, who earn more and more, but it is to the disadvantage of more and more human beings."

The Hartz IV and other budget-cutting policies pursued by the present SPD-led government and supported by the CDU opposition, are doomed to fail, Geissler said. "You cannot pursue a policy that is alienating millions of citizens. . . . There are no useless citizens, in a democracy. That is the great error of the market fetishists. The citizens will either use their vote, or will abstain from the next elections, or even vote for a radical party."

Franz Müntefering added a third blow, with an interview on April 27 in *Bildzeitung*. "What I'm focussed on," he said, "is a fundamental question: Must the state really stand by idly, powerlessly watching sound firms getting razed to the ground, workers getting laid off because of illegal dealings, and profiteers stuffing their pockets?"

Neo-Cons Throw New Provocations at Iran

by Muriel Mirak-Weissbach

Sensitive talks are going on between Iran and the European Union troika—the “EU-3” of Great Britain, France, and Germany—regarding Iran’s nuclear energy program. Iranian negotiator Hassan Rowhani, head of the Supreme National Security Council and a Presidential candidate in the upcoming elections, said on April 21, that the Geneva talks were proceeding well, and Iran was confident that an agreement could be reached over the crucial issue of Iran’s uranium enrichment program. Iran, which insists its program is designed solely for civilian energy production, demands that it be allowed to maintain the technological capabilities to enrich uranium, in accordance with the Non-Proliferation Treaty, and the additional protocols it signed with the International Atomic Energy Agency. The Europeans insist on guarantees that the enrichment capacities will not be used to produce weapons-grade uranium. Higher level talks are scheduled for April 29, and a final outcome is expected by June.

The apparent general consensus among the Bush-Cheney-Rice junta, is that the Europeans should be given until June, to continue their negotiations—essentially, as one strategic institute specialist told *EIR*, give the Europeans time to fail. Once their failure has been registered, other options can be brought into play. The neo-cons are committed to take Iran off the map, as a “rogue state,” member of the “axis of evil,” or “outpost of tyranny.”

Both Condoleezza Rice and President Bush have been evasive regarding specific options, saying that they would let the negotiations proceed, and then make crucial decisions. When Israeli Prime Minister Ariel Sharon, a foremost Iran-basher, met with Vice President Cheney in Washington in mid-April, Iran was at the top of their agenda. Informed Israeli sources told *EIR* that Cheney and Sharon discussed when to strike Iran, and that Cheney told Sharon that the United States would wait until the Europeans had failed in their negotiations. At that point, the U.S. would decide to act itself against Iran, or allow Israel to strike Iran.

Other Israeli sources have stressed that Sharon’s procrastination on a withdrawal from Gaza has to be seen in this context: He is postponing any serious withdrawal moves, waiting for his new Chief of Staff, Dan Halutz, to assume office—someone who would be key to an anti-Iran move.

Sharon himself has been issuing ambiguous statements

about the matter. In a CNN interview April 13, he said he believed that Iran was working on a nuclear weapon, but that it has “technical issues” to solve, before it could move forward. He refused to give any estimated time frame for when he thought Iran would have the weapon. Asked whether Israel would bomb Iran’s plant, as it had bombed Iraq’s in 1981, he said: “The problem is different and much wider. And I think that here it should be a coalition of democracies who believe in the danger, led by United States, in order to put pressure upon Iran.” Sharon stated outright, “It’s not that we are planning any military attack on Iran.” And he repeated on April 21, that he thought the “stage” was not right for a military attack, at the moment.

The Neo-Con Options

There are several options being considered by the neo-con nuts in Washington. The most aggressive is the bombing of Iran’s nuclear energy plant at Bushehr, which could be carried out by Israel. Because such an attack would not go over well in Moscow, as Russia is Iran’s partner in this reactor and several more plants that are planned, a second option is regime change.

To this end, U.S. neo-cons have been nurturing the idea that they can buy up political assets inside Iran, and manipulate them to organize a “revolution” inside the country against the regime. Their plans are undoubtedly based on the unfortunately successful CIA covert operation in 1953 in Iran, which led to the overthrow of the nationalist government of Mohammad Mossadegh—who had fought to defend Iran’s national control over its oil resources—and the installation of the U.S.-controlled regime of Shah Reza Pahlevi.

The news that the U.S. government has officially decided to fund opposition groups inside Iran should be taken seriously. For the first time in 25 years, the U.S. State Department announced that it was allocating \$3 million, to support opposition groups inside Iran—the first time that funds will be going directly into Iranian hands. This is in addition to funding for “private” radio and television stations, to the tune of \$15 million a year, for Farsi broadcasts into Iran. According to a note on the website of the State Department’s Bureau of Democracy, Human Rights, and Labor, the Department is soliciting proposals from “educational institutions, humanitarian groups, non-governmental organizations, and individuals inside Iran to support the advancement of democracy and human rights.”

There are significant overlaps between this operation, and U.S. support for the Iraq-based Iranian terrorist group, the Mujahadin e Khalq (MEK/MKO), which has planned and carried out assassinations of Iranian officials. Iran plans to take legal action against this funding, because it directly violates the U.S. agreement signed with Iran in 1981, known as the “Algeria accords,” which ended the hostage crisis that began in 1979. On April 12, the Iranian news service IRNA reported that an Iranian government spokesman said, without

specifying any details, that the “foreign ministry will take necessary legal action” against Washington.

On April 10, Mohammad Javad Zarif, Iranian Ambassador to the United Nations, described the U.S. plan as “a clear violation of the Algiers accords,” noting that the U.S. had agreed “not to intervene directly or indirectly, politically or militarily, in Iran’s internal affairs.”

U.S. Support for Terrorists

The MKO/MEK is an anti-Iranian terrorist organization, identified as such on the State Department’s list of terrorist organizations and also so designated by the European Union. For years, the group has been engaged in sabotage operations, including assassinations of Iranian government officials. It had its base in Iraq, under the protection of Saddam Hussein; and since the U.S.-led invasion and occupation of that country, the MKO/MEK has become an asset of the United States, enjoying its protection in northern Iraq. Were the U.S. neo-cons so stupid as to attempt an insurrection inside Iran against the government, they would try to use the MKO/MEK as their battering ram.

In this light, recent campaigns in Europe and in the United States to legitimize the MKO/MEK, take on significance. On April 14, Congress passed a new sanctions bill against Iran, and on the same day, the MEK/MKO held a “convention” in Washington, D.C.

The Middle East Subcommittee, chaired by “Clash of Civilizations” promoter Rep. Ileana Ros-Lehtinen (R-Fla.), passed the Iran Freedom Support Act; which codifies sanctions against Iran under a previous bill, and targets investments in Iran, by requiring investigations of these projects. The bill also threatens to withhold foreign assistance from countries that invest in Iran’s energy sector “by defining this as direct support for Iran’s regime.” Ros-Lehtinen, who also sponsored the Syria Accountability Act, is a long-time supporter of the MEK.

The same day, at Constitution Hall in Washington, D.C., 300 members and supporters of the MEK, and its “legal” front group met to pressure the Bush Administration to take it off the “terrorist list.” Advertisements were taken out in major newspapers appearing in Europe, like the *International Herald Tribune*, calling for the group to be removed from lists of terrorist organizations in the EU. One such ad reported that a group of 500 parliamentarians had convened in London on March 22, to forward this demand.

Informed sources stress that the MKO/MEK has absolutely no following inside Iran. However, the idea that one should shrug off the danger represented by this group—and the U.S. neo-cons’ mobilization of it—would be a fatal flaw. One should recall the role of one Ahmed Chalabi in Iraq: He and his Iraqi National Congress, which were outfitted and financed by the United States as a subversive operation against Saddam Hussein, had (and still have) no following inside the country. Nonetheless, it was Chalabi’s faked intelli-

gence about Iraqi weapons of mass destruction, provided by Chalabi’s associates (dubbed as “defectors and dissidents”), which provided the basis for the intelligence fraud that led to the war and invasion. The MKO/MEK have also been functioning as “intelligence sources” for information regarding alleged Iranian nuclear weapons programs.

The Ethnic Card

On April 16, al-Jazeera television reported that clashes had broken out between Iranian military forces and ethnic Arab Iranians, who were calling for an independent state in southern Iran, in Khuzestan province. Not surprisingly, there was a British hand in this new conflict. The demonstrations were organized by the London-based Popular Democratic Front of Ahwazi Arabs in Iran. A representative of the group, speaking to al-Jazeera from London, said there were movements within and outside Iran pressing for independence of the region, which is home to at least 3 million Iranians of Arab descent. “The demonstrations to mark 80 years of Iranian occupation were peaceful, but the Iranian authorities confronted the people with violent means and military force,” he said. Iranian military units had besieged several ethnically Arab villages after the demonstration, the spokesman said. The demonstrators are reported to have rioted, set cars on fire, vandalized shops, and so forth, and more than 250 arrests were made.

The London-based group claimed that there was an Iranian government plan for “ethnic cleansing,” to forcibly relocate about 3 million Arab Iranians from the Ahwaz region to other areas inside the Islamic republic. The group circulated a copy of a letter, allegedly signed by former Iranian Vice President Muhammad Ali Abtahi, which outlined a plan to change the composition of the population in Ahwaz by relocating non-Arabs to the city to make them the majority. The letter, widely circulated in Ahwaz and other cities in Khuzestan, has since been denounced as a forgery. Who organized the forged letter and the subsequent riots, is unclear, although the London-based group acknowledged its role.

Khuzestan is an oil-rich province that borders Iraq, on the Persian Gulf. If one wanted to destabilize the current Iranian government, one way to do so, would be through such ostensibly “ethnic” uprisings. Given the ongoing U.S. occupation of neighboring Iraq, one can pose the question of whether forces inside Iraq are involved in this operation.

A parallel operation was launched, as reported by *Gulf News* on April 14, involving Kurdish guerrillas. *Gulf News* claimed to have an exclusive story, which *EIR* has not yet been able to confirm, regarding militiamen who are training for a full-scale war, to overthrow the regime in Iran. The group is called Komala, and is reportedly training hundreds of men and women, with AK47s and machine guns in northern Iraq—the same region where the MKO/MEK guerrillas are protected.

Anti-Colonial ‘Spirit Of Bandung’ Revived

by Mike Billington

Fifty years ago, 29 nations of Asia and Africa met in Bandung, Indonesia, for an Asian-African Summit, described by its host, Indonesian President Sukarno, as the first meeting of former colonial peoples without the presence of representatives from the colonial powers. From this meeting, in 1955, emerged the “Spirit of Bandung,” which contributed to the rapid conclusion of the decolonization of Africa and Asia, and the founding a few years later of the Non-Aligned Movement (NAM). From April 22-24, 2005, representatives from over 100 nations, including over 50 heads of state, met in Jakarta, and in Bandung, for the first major meeting of Asian and African nations since that famous 1955 Conference.

In 1955, the challenges facing the de-colonized nations were formidable. But the leaders were not oriented only to their own internal problems, but rather, perceived their crucial role, as non-aligned nations, in preventing the Cold War (which had already provided the British with a smokescreen for reoccupying the colonies lost during the war) from becoming a new world war. President Sukarno, in his opening speech, asked: “What can we do? We can do much! We can inject the voice of reason into world affairs.”

Most importantly, Sukarno singled out the best from America’s history, speaking about the American Revolution as “the first successful anti-colonialist war in history,” but also noting: “That battle, which began 180 years ago, is not yet completely won.”

A New Colonialism

The crisis facing the world today is far worse than that of 1955. In the words of former Indonesian Foreign Minister Ali Alatas: “Although the 1955 Bandung Spirit had inspired Asian and African countries to obtain their independence, 50 years later many nations of the two continents still had no economic freedom. Political independence without economic independence can in no way free the teeming millions of the developing world from the poverty trap they are in.”

While the host of the Bandung Conference in 1955 called on the American revolutionary spirit to guide them, today the participants were compelled to resolve on “the need for countries to strictly abide by the principle of international law, in particular the Charter of the United Nations”—a clear reference to the U.S. policy of pre-emptive war, and the Bush Administration’s de-

fiance of international law. Also, while extolling the formal independence of the former colonized world, the Declaration notes “we have not yet attained commensurate progress in the social and economic spheres.” Indeed, the Conference was held in the midst of an economic and financial crisis threatening to explode the dollar-based system upon which the fragile economies of the developing nations depend.

And yet the Conference itself was an expression of both the recognition of the severity of the world crisis, demanding the unity of the nations of Asia and Africa, and of hope that solutions can be found. They created a “New Asian-African Strategic Partnership” (NAASP), to coordinate cooperative efforts covering political, economic, and social relations, with a summit of heads of state to be held every four years, and ministerial meetings regularly.

The new “Spirit of Bandung,” however, was more evident on the sidelines of the meeting than in the formal sessions and communiqués. Getting together as national leaders, independent of the new colonial lords of globalization and pre-emptive war in Washington and London, provides the opportunity for what Sukarno called “the voice of reason in world affairs.”

Several crucial examples: For the past several weeks, thousands of Chinese carried out raucous and destructive demonstrations in several Chinese cities against Japanese government and business institutions. The cause was identified as Japan’s continued failure to treat the history of the wartime occupation of China honestly in school books, or to fully apologize—although they may have had more to do



Japanese Prime Minister Junichiro Koizumi (left) and Chinese President Hu Jintao took advantage of the Bandung conference of Asian and African leaders to deal with their recent crisis and pledged cooperation on development issues.

with China's concern over Japan's possible support for the recently increasing U.S. confrontational approach toward China. At the Asian-African Summit, Japanese Prime Minister Junichiro Koizumi issued a "heartfelt apology" for the wartime actions, and held a private meeting with Chinese President Hu Jintao, arranging for a series of follow-up meetings between officials. Those factions, in both countries, which see the urgency of united actions for development in the current global crisis, took the lead. (See accompanying article.)

Similarly, with the tensions on the Korean peninsula increasing, as the Bush Administration has attempted to force South Korea to accept U.S. dictates and insults to the North (including even the issuance of contingency plans for war), the leaders of North and South Korea used the opportunity of the New Bandung Spirit to hold two meetings in Indonesia—the first since 2000. South Korean Prime Minister Lee Hae-chan met briefly on April 22 with North Korea's official head of state, Kim Yong Nam, to discuss joint efforts to preserve ancient Korean historical sites and to unite to counter Japanese claims on the islets. A second meeting was held on April 23 to discuss the stalled six-party talks.

The only explicitly political complaint agreed to by all participants in the final Declaration was in regard to Palestine. Representing the sentiment of over three-fourths of the world's populations, it stated: "We express our abhorrence that, fifty years since the 1955 Bandung Conference, the Palestinian people remain deprived of their right to independence."

Economic Defense

There were also discussions of "south-south" economic cooperation. The emerging role of China as a foreign investor in developing nations was evident, as China is trying to find useful things to do with its huge dollar reserves. President Hu Jintao stayed over in Indonesia for a two-day state visit following the Bandung Conference, signing a declaration for a "strategic partnership" between the two nations. This includes plans to triple trade within three years, to \$20 billion, and infrastructure investments of \$300 million. Indonesian Economics Minister Aburizal Bakrie reported before the Conference that China planned to invest \$10 billion in Indonesia over the coming years.

This Chinese-Indonesian agreement follows the similar, but even more historic, accords between India and China during a summit in New Delhi on April 9-12.

President Hu will be travelling to the Philippines after his Indonesian visit, where investment contracts worth \$1.5 billion will be signed, including the construction of a power plant, rail development north and south of Manila, and oil exploration off the Palawan Islands.

Asian and African leaders pledged to vastly increase trade and development between the two continents, as a means of countering the impact of globalization.

Japan-China Relations Need 'New Westphalia'

by Kathy Wolfe

Saner heads in Japan and China acted to cool tensions April 22-24 during the Bandung Asian-African Summit in Jakarta, with an eye to the goal of Eurasian-wide economic development. Chinese President Hu Jintao held his first head of state meeting with Japanese Prime Minister Junichiro Koizumi. Koizumi, after a drubbing by pro-Asian diplomats in Tokyo, issued an apology for World War II in his conference speech. "In the past, Japan, through its colonial rule and aggression, caused tremendous damage and suffering to the people of many countries," Koizumi said. "With deep remorse and heartfelt apology always engraved in mind, Japan . . . again states its resolve to contribute to world peace and prosperity in future."

China's government, calling for calm, managed to cool anti-Japanese demonstrations April 23-24, in contrast to the previous two weekends, in which hundreds of thousands of Chinese smashed Japanese Embassy, business, and other property in a dozen cities across China. They protested Tokyo's recent publishing permission for a Japanese textbook—whose last edition approved in 2001 was adopted by fewer than 1% of schools—which calls the 1937 rape of Nanjing an "incident." China reports that 300,000 were butchered.

"No one condones lawless violence," a Korean diplomat told *EIR*, criticizing the serious beatings of Japanese college students in Shanghai and elsewhere, "but all Asian nations are concerned about American efforts to push Japan into an anti-China attitude."

Indeed, Hu and Koizumi's approach contrasted with U.S. threats during the Bandung conference. Following the dangerous collapse of talks with North Korea, Secretary of State Condoleezza Rice threatened on April 20 that if Pyongyang did not surrender arms unilaterally, she would haul them before the UN Security Council or take "other measures" such as embargo or worse. Her State Department greeted the opening of Bandung by sending an "emergency warning" on April 22 to Beijing, Seoul, and Tokyo, that North Korea may be about to test a nuclear bomb.

The root of Japan's frictions with China, Korea, and other neighbors, is in Washington. Sudden flaring of Asian tension is especially suspicious, just after Koizumi and the central banks of China, South Korea, India, and Russia all warned in March that the dollar cannot long continue as the world reserve currency, if the United States does not change its economic and financial policies.

Palestinian Social and Political Expectations

Dr. Ashrawi, a prominent spokesman for the Palestinian cause, is an elected member of the Palestinian Legislative Council (PLC). She was the Palestinian Minister of Education and Research (1996-98), and founded the Palestinian Initiative for the Promotion of Global Dialogue and Democracy (MIFTAH), as well as the Palestinian Independent Commission for Citizens' Rights. A Christian, she holds a doctorate in Comparative literature from the University of Virginia.

The speech excerpted here was given on April 11 at the Palestine Center in Washington, D.C. Subheads have been added, and some of the questions have been abridged.

... Let me go back and talk about the transition we underwent, and the great euphoria people expressed at the passing of President Arafat, the election of President Mahmoud Abbas (Abu Mazen), and the last of the convenient scapegoats for Israel and for the U.S., and as well for many Palestinians. The passing of Arafat in many ways signals the end of an era in Palestinian politics, Palestinian history, Palestinian reality: the era in which you have a strong, one-man show, an historical leader, a person of tremendous stature, charisma, who, in a sense, was given quite a lot of space to make many mistakes. But these things were always forgiven, because he played such a major role in embodying the national identity and national struggle of the Palestinian people.

Many people predicted chaos with his passing. They said, "The Palestinians will fall apart," and so on. We insisted on proving them wrong because we acted, as I said, institutionally and constitutionally. We respected the Constitution: for 60 days there was a transition period in which the institutions functioned and the speaker of the PLC, the Legislative Counsel, took over in the interim. And then we had elections, and in January, Mahmoud Abbas was elected with a clear mandate, because his program, his platform was quite clear—and he was quite consistent about this—one that is committed to nonviolent resistance and to a negotiated end to the conflict. And in a sense, the people who elected him did so in order to give this political approach a chance, in order to know that the Palestinian people are committed to ending the conflict. And of course he managed to bring about a unilateral cease-fire, so to speak, a cessation of violence by the Palestinians, while we're still waiting for a real cessation from the Israeli side. Like all cease-fires, it can function only if it's reciprocal, that is, a corresponding move on the other side.

A January 2004 U.S. Army study forecast that Japan may opt to ally with Eurasia, due to recent Washington policy. Tokyo could drop the U.S.-Japan Security Treaty, it warned, as it can't stomach the new U.S. military doctrine of "first strike." The study, "Paths Diverging?" called for pressure on Japan to confront China, otherwise Japan may make new alliances with China, Russia, and Asia. Defense Secretary Donald Rumsfeld and ex-deputy Paul Wolfowitz, after hot arguments with Tokyo counterparts, forced Japan to mention Taiwan in a recent communiqué. While only a press statement, this was inaccurately reported as an amendment to the U.S.-Japanese security treaty, which would mean Japanese interference into the internal affairs of China. China was duly affronted.

The Western media is also hyping conflict among Japan, China, and South Korea over raw materials. The *New York Times* on March 29 claimed that China and Japan came close to coast guard hostilities over the Chunxiao gas fields between Shanghai, China and Okinawa, Japan. South Korea and Japan are in a war of words over Tokdo Island, where Korea Gas Corp. said on March 18 that it would develop \$150 billion in gas reserves. Even after Russia agreed last year to build two transcontinental oil pipelines from Lake Baikal to both China and the Sea of Japan, the German weekly *Der Spiegel* alleged on April 16 that China and Japan could go to war over Siberian resources or Chunxiao gas.

Chinese and Indian diplomats told *EIR* that while China-Japan relations need repair, war talk is media hype—and there is diplomacy behind the scenes on cooperation to "deal with" the dollar. "All of Asia is now working together to solve the problem of the dollar," said an Indian source. "China, Japan, and many others are withdrawing money from the dollar. China and Japan have developed a very big trade, so big that the U.S. is worried that Japan may move over to the anti-dollar group. The U.S. is trying hard to woo India and Japan out of this, telling them to be a counterbalance to China."

"Anti-Japanese passions are just an alibi by Chinese students, to make the government allow protests," said a China scholar. "They are really protesting the offenses of globalization, of McDonalds, Wal-Mart, and the wide income inequality inside China, against real estate speculators who take the farmers' best land," and other serious criticisms of China's adaptation to Wall Street.

Lyndon LaRouche on April 24 said he was encouraged by the Hu-Koizumi meeting, which signalled that sane forces inside Japan, China, and Korea are ready to move toward their natural interests in a Eurasian alliance, with Russia and India as well. What is needed, LaRouche said, is a "New Westphalia" approach to development of natural resources in the region, modeled on the 1648 Peace of Westphalia, which stopped wars in Europe and allowed an economic renaissance. China, Russia, Japan, and others should join together with India and the other Bandung nations for a common approach, in the interest of the general welfare.



*Dr. Hanan Ashrawi:
The U.S.
Administration
“adopted the neo-con
agenda of exporting
the democratic
revolution: that’s
what’s wrong with the
Arab world, right?
They forgot about the
occupation! That got
them in serious
trouble.”*

A Very Tough Challenge

Now Mahmoud Abbas is facing a very tough challenge. Domestically, he has to face many issues. He has, of course, to face the legacy and undo a little of the damage, the legacy of Yasser Arafat. He has to work within institutions and in accordance with the law, in order to carry out a serious reform plan that is based on Palestinian priorities, on the basis of a homegrown authentic reform agenda. And this he has to do as a result of Palestinian needs and Palestinian pressures, not as a result of Israeli needs or American pressures. Reform was not invented in Washington or even in Tel Aviv. . . .

President Mahmoud Abbas has to carry out his reform agenda and he has to deliver to the Palestinian people. He has to show that his *modus operandi*, his commitment to a negotiated settlement and nonviolence, will produce results. This means that he needs of course a corresponding action [from the] Israelis, and of course recognition from the Americans. He also internally has to maneuver through the minefield of factional politics, while we undergo a transition from factional politics into, I hope, a multiparty, political, pluralist, democratic system. And this is going to take some time; there were lots of internal negotiations and dialogue, and so on, in order to achieve consensus among the Palestinian factions. And the elections in July will give us a more accurate assessment of the political terrain in Palestine. But right now, we are still working within factional politics. . . .

He has to build institutions; he has to hold people accountable who have been guilty or found guilty, or been accused of abusing their position and public funds and public trust, and so on. So, there are allegations now that are being pursued. And he has to reform the security. And the security system has become the major focus of the American endeavor, as well as Israeli demands, when it comes to the reform agenda. And he also has to deliver to the Palestinian people’s hope that there is a possibility of a resolution, and that there is a

partnership and a negotiating process.

Unfortunately, the pendulum has swung to the other extreme. At one point, the beginning of the peace process, it was the peace process that was important—remember, in the early ’90s—and not the nation-building process, democratic institution-building, and so on. Now it’s the opposite. The Palestinians have to become Finns according to the [the Bush Administration—ed.]. We thought we would be, maybe, Swedes. But we have to deliver a perfect system of good government, with accountable institutions and so on, and we have to do it instantly and under extremely adverse conditions, particularly a very unaccountable occupation—a military occupation. We are still under occupation.

So, we have to show that we are democratic, that we can carry out serious reforms, in order to demonstrate that we are good little boys and girls and we’re worthy of being talked to. And it’s extremely difficult if you do not have a political option. Right now, everybody’s talking about reform and nation building, but we don’t see the opening. We don’t see the avenue for a serious, credible, legitimate, substantive political process that would tell the Palestinian people there is light at the end of the tunnel; there is hope that there can be an end to this occupation and there is hope for a two-state solution. And it is absolutely serious.

So Abu Mazen needs to be empowered by having, again, corresponding action and recognition that there will be a peace process. The American re-engagement has to demonstrate that there can be a serious American commitment to a negotiating process. And that if the interdependence of the nation-building process and peace-making process is recognized, they can proceed simultaneously.

Bush and Sharon

Right now, we are seeing a repetition, unfortunately, of a very serious mistake made earlier [by the United States and Israel] when there was a previous cease-fire, when Abu Mazen was Prime Minister, and there was no recognition [of his efforts], there was no cooperation. We’re seeing now, again, Sharon coming to Washington with a list of grievances and gripes, and complaining and repeating the same mantra, “There is no Palestinian partner, the Palestinians cannot deliver security to Israel,” and so on. While Israel continues undermining Palestinian security, behaving like an occupying force and power, with no curbs, with no accountability. This is extremely serious, because of the interruptive plan called unilateral disengagement. And now from Crawford you will hear a lot of praise about its formulation—it is really interruptive, in order to circumvent the Road Map, with all its problems. And it is by definition unilateral. Whenever you have anything unilateral, by definition it means you are negating the other side, and you are using power politics to dictate to the other side. So unilateral disengagement that has become the key to American engagement and to Israeli political action is, in a sense, a negation of a partnership for peace, or a negotiating process based on dictating the outcome on the basis of

power by the occupiers on the occupied.

And of course, it gets rid of what Sharon calls a demographic threat and a security threat in Gaza. It gets rid of 1.3 million Palestinians, and it gets rid of the security threat there. But at the same time, he has transformed Gaza into a massive collective prison, because you are going to have Israelis controlling the air space, the territorial waters, and the land-crossing point, which means an instant transformation of Gaza into a prison, a pressure cooker that's liable to blow up, particularly if it's isolated from the rest of the world. And with Israel giving itself the right to carry out military actions, or incursions, or whatever, as it sees fit according to its security. . . .

In the meantime, Sharon is demanding payback in the West Bank. He's here to get commitment or recommitment from this Administration on his plan to expand settlements. . . .

Sharon is here with a major shopping list that's liable to really undermine the peace process and destroy the prospects of peace in the future. This is not mentioning, of course, another list of targets including Iran, and another sort of repetition of the WMD scare. . . .

Right now, we are seeing what I call the politicization of Hamas and the Islamic groups. If conditions continue to deteriorate on the ground, with the siege ongoing, with the economy destroyed, with the building of the wall, with the siege of Jerusalem, with more land confiscation and expansion of settlements, you will see a real breakdown, but you will also see the Islamization of the Palestinian political system.

Things could go either way now. And I hope that we are able to produce a genuine peace process, with impact on the ground, with applicability on the ground, capable of changing the realities and changing the dynamics, with re-engagement by the U.S., by the international community, in a way as to empower voices of peace and moderation reform in Palestine, rather than once again create another letdown and therefore generate another period of violence and revenge and pain. . . .

Dialogue

. . . Q: Do you think that Mahmoud Abbas will appoint a competent, independent, special counsel to look into all issues of political, economic, and financial corruption, starting with Arafat and the PLO? And do you think that he would ever reform the security?

Ashrawi: It's a tall order. It's not that easy to carry out. Right now there are several people—and this to me is serious; it indicates seriousness of intent—there are people whose cases have been referred to the Attorney General. People who are working in the Finance Ministry, among others. . . .

But at least there are people who are trying, from civil society, from the government, and from the PLC. It's going to take concerted effort. But given the fact that we are still in a state of siege, given the fact that Israel still exercises power

as a military occupying force, it's going to be extremely difficult to set up a sort of pristine, pure system with an absolute rule of law and total accountability. We need to ensure that the conditions on the ground are also conducive to creating such a system, rather than conducive to establishing more power systems and more vested interests and more abuse of position, and of course facing more obstacles. The security needs to rebuild their headquarters, they need to have prisons. All of these were shelled and destroyed during the Israeli incursions.

So it's going to take time, but we don't have much time, frankly speaking. However, the intention is there, and some resistance by people who know that they will lose power. . . .

Can Bush Be an Honest Broker?

Q (from NBC News): Do you see President Bush as so pro-Israeli as to not be trusted as an honest peace broker? What must President Bush do to convince you of his sincerity that he is pursuing a just peace?

Ashrawi: Well, inasmuch as we know that the individual, the President, makes a difference in terms of policy, but there has been a longstanding policy where the U.S. and Israel enjoy the strategic alliance, as they said. And Israel enjoyed massive funds from the U.S. They get \$3.5 billion a year, in actual cash, in addition to an equal or double that amount in actual services and preferential treatment. So, in a sense, yes.

The U.S., I've always said—by no stretch of the imagination can you ever accuse the U.S. of being even-handed when it comes to the Palestinians. But now they understand that it's in their interests to curb Israeli violations, because U.S. standing, U.S. credibility, U.S. interests, U.S. influence in the region, has been undermined by Israel's behavior on the ground: the excesses, the violations, the violence, the occupation. And it is in the interest of the U.S. to have a viable peace. So there has to be a policy shift. We're not saying that now you take the side of the Palestinians and you discover that we've been very badly treated. But you understand that it is the responsibility of powers to bring about a just and viable peace that will produce stability and security, and will counter violence, extremism, fundamentalism, and even terror. Because the Palestinian cause is a very crucial, vocal cause, and it is a source of tremendous sense of injustice and pain and anger and so on in the region, and its solution will bring stability to the region, will rectify a great deal of the damage done to American standing, and will allow us to move ahead.

So we expect the American President to curb Israeli violations now, to develop, let's say, the political backbone to tell Israel, "You've gone too far," and not to fall into the trap of constantly repeating Sharon's statements and priorities and adopting the Israeli diction, to intervene to re-engage positively, to put an end to all unilateral behavior by Israel, including the settlements, the wall, lifting the siege, and creating also a climate in which there would be serious negotiations. We expect, if Dr. Rice is willing to come and engage herself personally, or to appoint a high-level envoy in addition to

William Ward, to deal with issues, not just security and economic reform, but also with a political process. That's what we expect.

The Palestinian Elections

Q: You offered to tell us about the elections. I'm not asking you to predict, but . . . what do you think the new elections are likely to emphasize?

Ashrawi: I don't know that I can give you a detailed blueprint of the political map, but I can say that of course it is shifting. The major political faction or party is Fatah, of course, and it is undergoing its own internal restructuring in the organization, and problems, of course, because Fatah was blamed for all the problems with the Palestinian Authority. And now they've lost a great deal, in terms of their own base among the Palestinians, because it was seen as the party that adopted the political course of action, the peace plan and so on, and of course it didn't succeed. . . . Hamas was strengthened as a result, it doesn't mean that the Hamas membership increases that much. But as people who are doing something about the occupation, there was an increase in support for armed resistance for a while, which is not true now. This swelled the ranks of Hamas for a while; it went up from 8-10% earlier on, reaching almost 30%. And Fatah, which was up in the 40s, the high 40s, at one point, is down to below 30%. So there is a shift in public opinion. . . .

Fatah is in a process of internal crisis and reformulation. Part of it has a lot to do with the old guard and the new guard. The old guard, in a sense, superimposed the mentality of the occupation on nation-building, and in a sense there was a tremendous sense of resistance to this type of behavior, that we need more nation-building, accountability. And at the same time, there was a demand by the young guard to be included, not to be excluded or disenfranchised. And therefore, there is a demand for primaries and internal elections in Fatah before the July elections. The Fatah confidence congress will be held in August (elections are in July). So people are demanding at least internal elections *before* July, in order to select the most suitable candidates. This of course will help the young generation, will help the young guard more. The old guard I think, has recognized the need for a graceful exit. You've done your job; time to retire. It's not a bad thing, you know, for people to relinquish power.

So we need to make room for the young, for women, to empower the public as a whole. To own the agenda, and not to feel that they have a leadership that is exercising power on the basis of control and proprietorship, but a democratic system of government that is inclusive and that is based, as I said, on the rule of law, and that would give the young a chance to participate.

So if nothing is done between now and July, if we allow the momentum to continue, if Israel continues to build the settlements and the wall, and destroy the economy and the services of the Palestinians—I mean, you can be a genius, but under siege you cannot provide medical health services or

educational services, if you can't leave your village and your town and your city, and if your economy is destroyed. There are certain objective conditions that we need. . . .

We're trying for the elections in July, to have a list of democrats and reformers running together. So we're trying to form a sort of broad, loose coalition for a bloc of reformers and democrats in addition, because we don't believe in polarization on this. We think that we are a pluralistic society, and maybe this is a way of preparing for future party politics. But, we're willing to also help and support individuals within their own communities who run on the basis of the district constituencies.

So the Palestinian political map is still taking shape. It could go either way. But it's clear that Hamas and Jihad, having decided to enter the political arena, will have an impact. The size and the definition of that impact still remains to be seen. . . .

America, and the Two-State Solution

Q: I'm a student at Georgetown Center for Contemporary Arab Studies. I wonder if you consider it a mistake that the Palestinian movement has put all its eggs in the American basket: We are counting on the U.S. to deliver the peace process. I wonder if that's a futile exercise.

There also is the question of the two-state solution. I think within about 4-5 years, the two-state solution will be dead. What is your criterion for when you would be willing to say the two-state solution is dead? . . .

Ashrawi: Well, unfortunately the U.S. is a power that you cannot ignore in the region. Don't we all wish that the U.S. were even-handed, that it would understand the need to play a more objective or even-handed role in peacemaking? Don't we wish that the Quartet [U.S., Russia, European Union, United Nations] would develop a will of its own and decide that it's going to take matters into its own hands and work with us on a peace process?

Now, there's no such thing in our process as a unilateral solution, because that means we are going to have a solution by the occupier, a power solution, which is gradually taking place. That's unilateralism. The imposition of the will of the powerful on the weak, and the imbalance of occupier and occupied coming into full fruition. And therefore, they will do whatever they want, unchecked. There's no such thing as a bilateral solution, because again you have an imbalance of power and it means that Israel would use its force, use its power against the Palestinians—which it has been using for a long time—to build more settlements, take more land, inflict more pain.

So the solution is by definition multilateral, because we rely on the law, UN resolutions, international humanitarian law. These are our protections. . . .

Right now the U.S. is the major player, whether we like it or not. We have to be realistic. When we go to the European Union, they tell us, "We will not work at cross purposes with the U.S. We will not oppose the U.S." They always take their

cue from the U.S. They are willing to act politically only within the domain as defined by the U.S. So whether you like it or not, no matter how much you try to empower the Europeans, tell them, "You are more powerful than you think you are, we need you to act"; they've been relegated to the role of signing checks for development, and so on, but not taking serious political decisions. Even the UN knows that. The gatekeepers have been Israel and the U.S. through the peace process. . . .

If we had the luxury to pick and choose who the superpower is, or who can bring about peace, then we certainly would pick a more friendly superpower. But since this is the way things are, we have to be engaged, we have to engage the U.S. at all levels. You cannot just say: "I'm going to boycott the U.S. They're biased, they don't like us, they're being nasty, they're supporting Israel with money, with weapons, with everything, so we're going to disqualify them." We cannot. We have to engage them constantly at all levels, from grassroots organizations, to think-tanks, to the media, to Congress, to the Administration, in order to create joint discourse, and of course to activate public opinion.

I think American public opinion once it understands more, is more fair, it's more even-handed than what they give it credit for, particularly the Representatives on the Hill, who start making decisions on international policy, regardless of their own constituents. But everywhere I go, the American public is quite receptive, quite positive, quite glad, and we have to activate that, and influence American decision-making.

We cannot boycott the U.S. Maybe we need to educate them. Maybe we need a road map to the U.S. Administration, so that it will understand what is needed, in the region. I mean, they adopted the neo-con agenda of exporting the democratic revolution: that's what's wrong with the Arab world, right? They forgot about the occupation! That got them in serious trouble. So maybe they will learn by mistakes; maybe we should be there also to help. . . .

As far as the two-state solution, when shall we say it is dead, I don't know. I still think that things like physical things, like the wall, and even settlements, can be removed. I still believe so, if there's the political will to do so. I still think that there has to be intervention to stop Israeli violations. . . . I think the binational state is not a political option. It's not a political program. How am I going to get Israeli counterparts beyond the few people who have de-zionized their ideologies to abandon Zionism and say, "Okay, we want a binational state, not a purely Jewish or predominantly Jewish state in Palestine." How are you going to tell the Palestinians, "You don't need your own state now? You don't need self-determination and sovereignty and freedom? Now, let's work so that you will work for one state"—which means we're going to condemn the Palestinians to living under occupation, as second- or third-class citizens, with no rights whatsoever, for a long time, which means again that the process of redevelopment and regression will run its course in Palestine. Which

means that the Israeli occupation and Sharon will steal more land, more water. And of course, since he is not an innocent bystander, will effect even more and more emigration, brain drain, and expulsion in Palestine.

One reason he wanted to get rid of Gaza is to get rid of the demographic threat. So if we follow his logic that the Palestinians are a demographic threat, which to me is inherently racist, or that the Palestinian woman's womb is the ultimate ticking time bomb, which is also sexist—if you follow that logic, then it means we enter into a mad competition as to who's going to have more children. But of course, they have the power, and they're the ones who are going to make life impossible for us. Get rid of maximum demography while annexing maximum geography, and they will render the so-called binational solution inoperable, because there is no democracy.

What's going to happen is, you are going to see the outcome, the de facto outcome of no peace, no two-state solution, is an apartheid state, where you have pockets of Palestinians in reservations isolated from each other with no rights. Maybe connected, as Sharon likes to say, by engineering means, overhead bridges, underground tunnels, and so on. Really isolated, disconnected, degenerating from a nation with a national identity, institutions, and so on, into population centers that are losing their education and health standards, and so on, and becoming just a repressed minority, easily swallowed within the belly of Israel, frankly speaking. . . .

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"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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THE ARMENIAN GENOCIDE

True Justice Requires The End of Geopolitics

by Muriel Mirak-Weissbach

Was there an Armenian genocide?

On April 24, this became again a burning political question, as Armenians worldwide commemorated the 90th anniversary of the tragic events.¹ Wherever there are large Armenian communities, such as in the United States and France, as well as, of course, in Armenia, calls were raised for governments to officially recognize the genocide. For its part, Turkey will continue to deny that genocide occurred, and will exert political pressure on governments to prevent any official recognition.

Such a state of affairs is a tragic testimony to the pitiful moral level to which political discourse has descended. How can the world accept, that the question of the fate of well over 1.5 half million persons, as well as relations among important states in a geostrategically critical region of the world—Turkey, Armenia, and Azerbaijan—be kicked back and forth like a political football? Is it not time for the truth to be told, and justice, finally, done?

This year, the 90th anniversary, is the most appropriate moment for all sides to acknowledge the historical record. For that to occur, it is imperative that competent historians, on both sides, work together to sort through the primary source material, to ascertain the truth. Recent reports indicate that precisely such a collaborative effort between Armenian and Turkish historians is under way. This is not only a matter of settling “who did what to whom”; but, who pulled the strings on the higher level of policymaking. As is the case in virtually

every atrocity marking the catastrophic 20th Century, so with the Armenian-Turkish conflict, it was geopolitical interests, centered in Great Britain, which manipulated both sides.

Grasping the fact that both sides were manipulated by such evil geopolitical forces, is the first step towards coming to terms with the historical record. The next step entails overcoming the past conflict, by redefining relations between the formerly hostile peoples, from a higher standpoint.

The 1648 Peace of Westphalia is the proper reference point for such reconciliation. That historical breakthrough, which put an end (at least temporarily) to a century of senseless religious warfare, was based on the commitment of all sides, to forgive and forget, all atrocities and wrongdoings; most important, all sides pledged to pursue the “advantage of the other,” that is, to define their foreign policy orientation in terms of enhancing the development of the other, as the means to achieve one’s own informed self-interest. Such a conceptual breakthrough is the most effective means to defeat the geopolitical mind and its stratagems.

A Personal Record

Was there an Armenian genocide? I can answer, without hesitation, yes. The authority I have are the personal recollections and writings of my mother and father, both Armenians, who were orphans of the genocide.

Artemis Yeramian Mirak’s Story

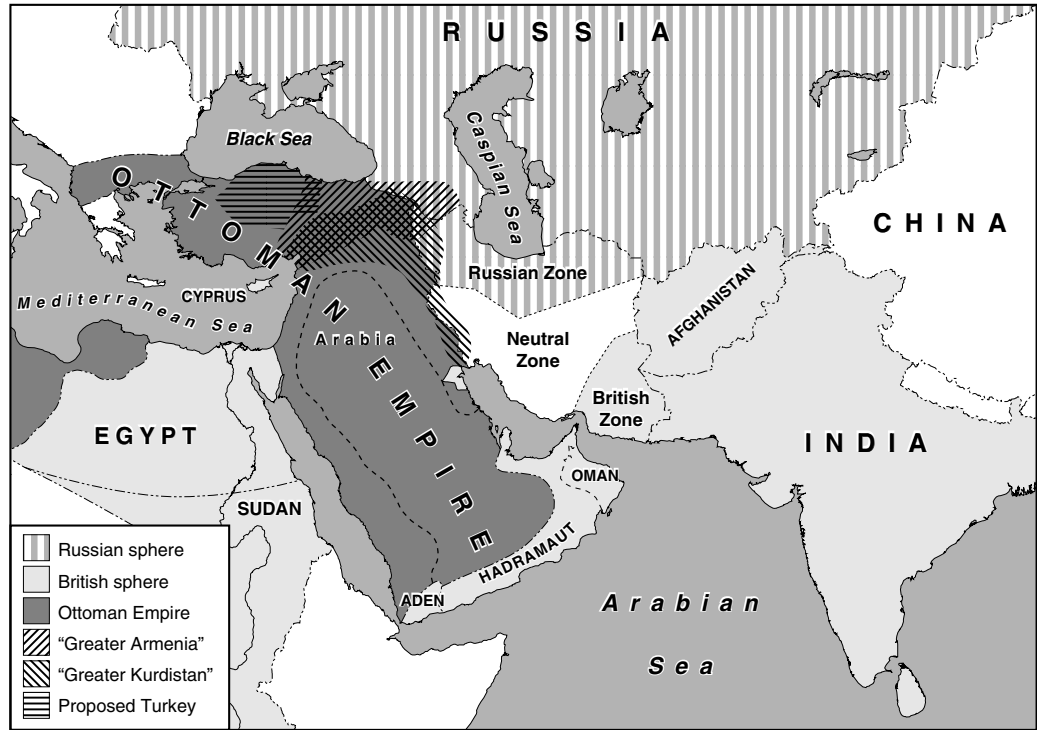
In an autobiographical account, my mother, Artemis Yeramian Mirak, wrote the following:

“I was born on November 15, 1915, in the small village

1. The date April 24 was selected as the anniversary, to commemorate the arrest, on that date in 1915, of hundreds of prominent Armenian leaders in Constantinople. They were jailed in the interior of Anatolia, and killed. The date is seen as the beginning of the genocide.

FIGURE 1

Self-Contradictory British Schemes for Breaking Up the Ottoman Empire



Like a two-bit real estate huckster, Britain offered overlapping chunks of territory to different rival ethnic groups within the rotting Ottoman Empire, guaranteeing decades of inter-ethnic strife. Turkey was to be reduced to a small area along the Black Sea coast.

called Tsack, near the town of Arabkir. My father, who had been away to the United States for 15 years, had returned to his native land in 1910, to be with his family, and perhaps persuade his father and mother to leave Turkey and go to America. He was married to Mariam Dedekian, one of the prettiest girls in the village. They both came from middle class families. They were landowners, and my grandfather, Krikor Yeramian, was the town treasurer, who would lend money to young men to go to America, to work and make money, and help their families at home. He was very secure and comfortable in his native land, so why should he go off to a foreign land? So he persuaded my father, Garabed, the only son, to stay in Turkey, and raise a family and live together.

“My mother, Mariam, . . . had children, but none of them lived. When I was born, my grandmother Maigir made a novena, *Ooquth* in Armenian. She went and collected forty different pieces of silver from the silversmith or neighbors, and had a bracelet made to be worn by the infant. Of course, it was blessed by the church priest and my mother inscribed ‘Artemis’ on it, and when I was christened, the word, *Abrisse*—“May you live,” was added. They also had a pinafore made with forty different kinds of fabrics. The baby wore the dress over and over again. My family was very happy to have a living child, even though I was not a boy. Boys were always more desirable, because they carry the family name.

Anyway, I lived.

“In 1913, the Turkish government closed all its doors. No one could leave the [Armenian] country, no communication with the outside world. No letters came in or went out of the country. This was the beginning of the plan, the ‘genocide.’

“I was just an infant when the mass killings started, 1915-1916. Our village people were gathered in the church hall; all the men, women and children were kept there for days. Then the gendarmes, the Turkish soldiers, took groups at a time, to a distance of five or ten miles and shot them to death. My mother, my grandmother, and other women, and children, were grouped, and shot to death. My mother held me, her infant baby Artemis, to her breast, so that the baby would die with her, but the bullet missed me.

“Digin [Mrs.] Bakerian survived the massacre. She saw me, knew I was alive, but where could she go with a little baby? If it cried, she would be caught, so she left me there with the dead bodies. She made her escape to the nearest village and was saved by Turkish neighbors.

“A few days later, a Turkish shepherd grazing his sheep, heard an infant crying among the dead bodies. He picked up the little infant and carried her, and left her on the steps of a Turkish mosque. I don’t know for how many days this infant was left outdoors. Then, one day came a gendarme of this town, called Omar. He took pity, seeing this infant, and carried her home, and asked his wife, Gulnaz, to take her in. They

had no children. She refused to take her in; she was not going to take care of a *giavour* child, a Christian, and she said she was too old to take care of an infant. Finally, she consented to keep her overnight.

“The next morning, she took the child and left her at the doorstep. While talking with her neighbors, sitting there, what happened was, the little one crawled over to her and held onto her skirt. Right then and there, tears came to Gulnaz’s eyes, and she vowed that Allah had sent this child to her, and that she would love me and care for me as long as she lived. They named me Noveria, and I was known by that name.

“She loved me dearly, and I grew up and called her ‘Anna,’ which means ‘Mother’ in Turkish. I had the best of everything: beautiful clothes—I was the only baby who wore red buckled shoes—and the best of food. I spoke only Turkish. I remember at dinnertime, that is, the evening meal, the *Kazah*, would sing the evening prayer from the minaret, and then we would start to eat our meal. This was a ritual.

“I didn’t know I was an Armenian child; they kept it secret from me. Then, about 1917, or so, the Armenians who had survived returned to their homes. There was nothing left but bare walls. In order to live, some of these women went out to the Turkish homes, to do housework, and got food in return. It happened that one of my aunts, Margret Dedekian, came to our house. She recognized me immediately, but Gulnaz Hanim denied that I was an Armenian child. Then, after a fashion, she told the ladies how she had found me. She showed them the little pinafore dress, all stained with blood, and my silver bracelet. There was a warm friendship between these ladies. My relatives did their housework, and went home happy, knowing that I, too, was alive, and well taken care of.

“They went back to their village and told my cousin, Joovar Millian, that Artemis was alive, and living with a Turkish family.

“Shortly after 1917, the Armenians who had survived the Genocide were allowed to travel freely. My cousin Joovar came to visit me, but I did not know who she was. . . .

[Following the death of her adoptive father, Omar, her adoptive mother Gulnaz remarried.]

“Perhaps a year or two passed. My cousin still visited me, and they were all on friendly terms. When Omar was alive, he had warned my cousin Joovar, she should never, never think of taking me away from him; he would have killed her instantly. His warning didn’t scare her, she kept coming as often as possible. When he died, things changed: the new husband of Gulnaz didn’t care about me, as he had children of his own. They talked it over with my cousin Joovar. If she wanted me, she could have me.

“Also, at that time, the Turkish government passed a new law, saying, if there were any Armenian children living with Turkish families, they should be returned to their Armenian relatives—mothers, sisters, brothers, or cousins—who could claim them rightfully by law. This was in good faith; out of all evil, some good comes.

“So my Anna dressed me in pretty clothes, a beautiful silk dress and red shoes. She and her husband took me to Tsack village. We rode on horseback. I rode in the front of the saddle with my mother, and her new husband led us. I don’t remember how long a journey it was. We reached the village at dusk, and it happened to be the day before Easter. All the people in the village came to welcome us, with home-made goodies, *cheoreg*, cheese, eggs, and *Kharma*, cooked lamb. We had a great dinner. What a celebration! Everyone here was Armenian, and I could not understand one word of Armenian. . . .”

Her distant relatives later took her with them to America.

John Mirak’s Story

In 1988, my father reacted to a new book issued by a historian who denied the existence of the genocide, by drafting this letter to him:

“My name is John Mirak. I was born in Arabkir, Turkey in 1907. My family residence was a village near Arabkir. As there are many villages in the surrounding area, in 1914 a large plaque was hung in the center of the town, which meant that the Turkish government was at war approximately six months after. All the Armenians were told to surrender their weapons so there would be peace in our area, and the Armenians obeyed this order. Some time had passed; approximately 1915 a group of Turkish soldiers on horses entered the village and rounded up all the able-bodied men, including my father, the priests, the teachers, bound their hands and marched them out of the village, about ten miles, next to the Euphrates River. They killed some and drowned the rest. This was called the First Barkna (in Turkish) meaning, First Massacre.

“The Second Massacre took place about six months later. They took all boys, girls, and women 12 years or older, about four miles out of town and killed them. My family and my cousins were included.

“The Third Massacre took place approximately the middle of 1916. It included all the old people, men and women, and children. They gathered them and locked them in the church for four days and on the fifth day they brought them to the center of the town. I then ran to my house which was about 100 yards away. As you enter the house, my grandmother was there lying on a couch, she was very ill. I ran in the back stable to hide. I then heard Topal Nury come and ask my grandmother where I was. She told him she did not see me, he then left. Topal Nury was the Chief Executioner of the whole region of that part of the Turkish Province.

“Topal (in Turkish) means ‘lame,’ so it must have been a nickname.

“The . . . final massacre took place less than a mile outside of town. Because of their inability to walk any further, they were all killed there. Approximately a month later I was near the village square with our neighbor Turkish woman. Topal Nury arrived on a horse and he grabbed me and shouted, ‘You were the one that escaped.’ Then the Turkish woman looked at him and shouted back and said, ‘Haven’t you killed

enough? Why don't you leave the boy alone to care for his grandmother who is dying and his young infant brother.' So he left me alone. Within a week my grandmother died. I asked the lady's husband if he would help me to bury her, and he was kind enough to dig a grave in our land and bury her. A week later I went to him again to bury my brother who was less than a year old, and who died from starvation. I was the only Armenian in the village left. Another kind Turkish woman who felt sorry for me gave me shelter and food, and I worked for her for a few months.

"Then it was 1917; by that time a law was passed that no Turkish individual could keep an Armenian child against their will. Then one day my aunt appeared from the blue sky looking for her three children, which were killed in the Third Massacre. She heard that I was alive and came to take me. I was afraid to leave the Turkish woman, but she said for me to go with my aunt and not to be afraid. We then walked all day and night to reach Arabkir. After we arrived there we found two other Armenian women. The only means of food we had was American-sponsored Near East Relief every week. I used to go and get an allowance of wheat for two, and that was enough for the week. The man in charge of Near East Relief was Mr. Knapp. We all thought he was God. We were in Arabkir for almost a year. I had distant relatives in Aleppo, Syria. We wrote to them and they helped us to get there by caravan. We lived with them for about a year, then I had to go to an orphanage, and my aunt stayed with them, but her husband, my uncle, was in America, in Boston. He came in 1912, she finally wrote to him about us and he was able to bring us to America. We landed in Ellis Island in New York on Jan. 20, 1921. . . ."

The Historical Context

These autobiographical sketches document two facts: first, that genocide against the Armenians occurred. No child could invent such stories. Second, that the tragic events were not the expression of anti-Armenian racism on the part of "the Turkish people." I would not be alive and writing this today, had not that Turkish shepherd heeded the cries of that Armenian infant among the field of dead bodies, and taken her to the mosque; or if the Turkish woman Gulnaz had not interpreted the child's longing for protection as a sign from Allah. I would not be here if that other Turkish woman had not told the gendarme to leave my father alone, or if yet another Turkish woman had not given him food and shelter.

Thus, the tragic events cannot be explained in terms of a sociological process driven by ethnic/religious animosity between Turks and Armenians. To understand what generated those events, we have to widen the focus and look at the broader historical context.

Armenian historians distinguish three periods in the genocide: under Sultan Hamid, under the Young Turks (Committee of Union and Progress, CUP), and under the nationalists.



A group of Armenian children in front of their primary school, in the village of Mashgerd, in eastern Turkey, before World War I. Four of them, marked with an X, survived. The boy in the back row, the eighth from the left, is John Mirak.

Under Sultan Abdul-Hamid II, the first recorded massacres occurred, in 1894-96 (the worst in 1895), during which tens of hundreds of thousands of Armenians died. The victims were able-bodied men, who were killed in an effort to suppress Armenian nationalist ambitions and political groups promoting them.

The second phase, known as the Genocide, was launched by the Young Turks who had seized power in 1908. They ordered and organized the deportations of Armenians—all Armenians: men, women, children, after having executed men who were in the Ottoman Army. The modus operandi of these killings is that described by my parents: Groups were taken to remote areas, especially far from the eyes and ears of the press (journalists were not allowed outside Istanbul), and, on order of the Young Turks, gendarmes organized the deportations.

It was Mehmed Talaat, Minister of the Interior, who ran the operation. Trains, cattle cars, packed to the gills with Armenians, transported them to ferries, to cross the Sea of Marmora, and thence to the Syrian desert, where whoever had thus far survived, perished from thirst and hunger.

Between 1915 and 1917, it is estimated that 1.5 to 1.8 million Armenians, out of a population of 3 million, had died, their churches, homes, libraries, and other earthly belongings, destroyed. There were few documented cases of active resistance, the most famous of which occurred at Musa Dagh in 1915; there Armenians fled to the mountains and resisted for 53 days, until a French ship was able to take 4,000 of them to safety.

At the end of World War I, when Germany (ally of the Ottoman Empire) had been defeated, the Ottomans signed an armistice. The CUP left government; many Young Turk leaders, including Talaat, fled. Many were tried in absentia and condemned.

The third phase identified by Armenian historians, is that of the nationalist government after 1922, whose expansion-

ism pressured Armenians to flee, though not through organized massacres or deportations.

Geopolitical Manipulation

Why did “the Turks” do these terrible things? As the accounts by my mother and father attest (which could be augmented by the reports of hundreds of thousands of other survivors), it was not “the Turks.” If not the Turks, then who?

The attempted elimination of the Armenian population and nation occurred in the transition from the collapse of the decadent Ottoman Empire to the birth of the modern Turkish nation-state. The name of that transition process was World War I, the first of a series of catastrophic geopolitical adventures of the 20th Century.

The Ottoman Empire, at least by the time it was in its death throes at the end of the 19th Century, was manipulated by the Great Powers. Its finances, its military, its communications were all in the hands of European powers. When in the 1880s, the British liberals condemned the Sublime Porte (the government of the Ottoman Empire) for reported suppression of Christian minorities, Britain withdrew its protection and influence, and the German Empire became the new protector.

Under the regime of the Young Turks, foreign manipulations continued, albeit in a different form.

Who were the Young Turks?² The Committee of Union and Progress (CUP), the official name of the party, had grown up in Salonika, which served as the headquarters for many secret societies seeking to elude control by the Turkish authorities. Mehmed Talaat, the most important figure in the CUP, had his headquarters there, along with Djemel Bey, an army recruit, and army officer Ismail Enver. The CUP organized a revolt in Salonika, taking over administrative offices there and elsewhere, and established power in 1908-09. The Sultan abdicated in favor of his brother, and the Young Turks assumed important government posts.

The key figure in the Salonika operation was Emmanuel Carasso, who was not a Turk, but an Italian official of the B'nai B'rith and founder of the Italian freemasonic lodge known as “Macedonia Resurrected.” It was Carasso who provided the premises for Talaat’s group to meet. All the Young Turks were members of the secret masonic lodge, which had been set up by Giuseppe Mazzini and Emanuele Veneziano. Talaat became Grand Master of the Scottish Rite Masons in the Ottoman Empire, in 1907. The man who ran their newspaper, *The Young Turk*, was Vladimir Jabotinsky, a Zionist movement leader who would later found the infamous Irgun terrorist gang in Palestine. An associate of Carasso was multi-agent Alexander Helphand (Parvus), financier of the 1905 and 1917 Russian revolutions. After 1905, Parvus became the economics editor of the Young Turk newspaper *The Turkish Homeland*.

2. See. “Lord Palmerston’s Multicultural Human Zoo,” *EIR* April 15, 1994; *EIR*, April 12, 1996, and Sept. 10, 1999.

The Palmerston ‘Zoo’

The Young Turks were the outgrowth of a British project launched in the 19th Century by Lord Palmerston, to establish national liberation movements (Mazzini’s Young Italy, Young Germany, Young Turkey, etc.) as battering rams against rival empires. British involvement in the 20th-Century Young Turks was direct and massive. The British Sir Wyndham Deedes volunteered to serve in the Ottoman gendarmes, which were commanded by European officers. In 1910, he became a leading figure in the Young Turk government, working in the Interior Ministry, which later came under the control of Talaat, who organized the massacres. In 1913, the Young Turks pulled a coup d’état: Enver Pasha occupied the War Ministry, Djemel Pasha became Military Governor of Constantinople, and Talaat held the real power at the Interior Ministry.

The CUP promoted the ideologies of pan-Turkism and pan-Islamism. The former was the idea that all nations and regions of Turkic populations, in Asia and Russia, should be united. The idea was developed by a Hungarian Zionist, Arminius Vambery, who was an advisor to the Sultan, while at the same time, serving as a secret agent of Palmerston, and the British Foreign Office. Pan-Islamism, which implied conflict with Russia, was the brainchild of British agent Wilfred Blunt, in the 1870s. Blunt, a forerunner of today’s Zbigniew Brzezinski, viewed Islam as a means to destroy Russia.

While the British were posturing in favor of Turkic nationalism and pan-Islamism, they were at the same time supporting anti-Turkish movements: For example, the Arab nationalist revolt led by British agent Lawrence of Arabia, or the Serb, Albanian, Bulgarian, and other nationalist movements against the Ottoman Empire. The British also supported some Armenian nationalist movements and had cooked up the notion of a Greater Armenia, including historical Armenian lands from Turkey, Iran, and Russia. At the same time, the British encouraged Kurdish nationalists, and promised Kurdish leaders much of the same territory. Some Armenian nationalists enjoyed support from Russia as well.

When, in World War I, Russian armies prepared to invade Turkey through the Caucasus, crossing Armenia, the Turkish government declared that the Armenians were pro-Russian, a kind of fifth column, and deployed units of Kurds to the area. The order for deportations followed.

Despite the control over the press, news of the massacres leaked out, and European embassies in Turkey had to act. German Ambassador van Wangenheim wrote in June 1915 to Berlin, that Talaat had acknowledged that the mass deportations were not “for military considerations alone.” In July, the same diplomat reported that no doubt the Sublime Porte was trying to “exterminate the Armenian race in the Turkish Empire.” German Pastor Johannus Lepsius tried to intervene, in vain; Germany remained an ally of the Ottoman Empire.

The perfidy of the European powers is most aptly summed up in their reported response to a secret proposal by Djemel Pasha, who was trying to distance himself from the massacres.

Operating out of Damascus since 1915, Djemel proposed to the Allies that they back him in a bid to march on Constantinople and take power. Djemel used a representative of the Armenian Revolutionary Federation, the Dashnaksutium, as his liaison. This liaison, Dr. Zavriev, informed the Russians of Djemel's plan to overthrow the Ottoman government. The plan, according to Russian Foreign Minister Sazanov, foresaw "a free and independent Asiatic Turkey (consisting of Syria, Mesopotamia, a Christian Armenia, Cilicia, and Kurdistan as autonomous provinces), whose supreme ruler would be Djemel as Sultan." Russia would be given Constantinople and the Dardanelles. Reportedly, Russia favored the plan and expected the Allies to comply. However, France rejected the idea in March 1916, because it wanted Cilicia and Greater Syria under its control. The British also declined. David Fromkin, who reported on the proposal in his *A Peace to End All Peace*, writes: "Djemel's offer afforded the Allies the one great opportunity to subvert the Ottoman Empire from within; and they let it go."³

Breaking the Turkish-Armenian Clinch

Now, 90 years later, the ghost of the genocide continues to haunt Armenian-Turkish relations. Armenians continue to demand acknowledgement of the genocide, and Turks continue to deny that it occurred. The official Turkish version is that the deaths were a by-product of dislocations during the war, and that Armenians had been involved in subversion.

In addition to the genocide issue, there are other bones of contention between Turkey and Armenia, especially the status of Nagorno-Karabakh, now under Armenian control. Armenia refuses to return to Azerbaijan the areas surrounding it, which Armenia occupied, until the status of Karabakh is determined, perhaps through a referendum on independence. Turkey has supported the Azeri position. Recently, the foreign ministers of Azerbaijan and Armenia met in London, seeking to prepare a summit meeting between Azeri President Ilham Aliiev and Armenian President Robert Kocharian, in May.

In solidarity with Azerbaijan, Turkey closed its eastern border in 1993, thus erecting an economic blockade against Armenia. This blockade continued despite the cessation of hostilities on May 12, 1994, and continues to the present day. In 2003, there were signs that the border might be opened, after the United States put pressure on Ankara to do so. Reportedly, the Bush Administration used the threat of promoting Congressional action to recognize the genocide, as blackmail. However, by September 2003, Washington needed

3. David Fromkin, *A Peace To End All Peace: The Fall of the Ottoman Empire and the Creation of the Modern Middle East* (New York: Avon Books, 1989).

Turkey's support as the Iraq situation deteriorated, and the threats of action on the genocide issue disappeared. Azerbaijan also continued to reject lifting the embargo. The Armenian Revolutionary Federation (Dashnaksutyun), a party in Kocharian's government, held the position that normalization of relations could occur only after Turkish recognition of the genocide.⁴

If there is to be a way out of this tragic clinch, it must be sought from the standpoint of a higher political-moral concept. We must reach back to the great historical precedent of the 1648 Treaty of Westphalia, to overcome the paradox of Turkish-Armenian relations today.

At that time in 1648, the peace treaty came into being thanks to the brilliant diplomatic initiatives of France's Cardinal Mazarin. It signalled a milestone in the history of human affairs, as it redefined the religious conflict, which had ravaged Europe for over 100 years, from the higher standpoint of the common good of all mankind. The main principles of the treaty were two: that each must act to promote the interest, or advantage of the other; and that all atrocities must be consigned to the past, under the motto of forgive and forget (see box).

Why should this not be the framework within which the issue of Armenian-Turkish hostilities can be resolved? There was no declaration of war between Armenia and Turkey 90 years ago. Yet, the events of those years cannot be understood except in the context of World War I, which was an exercise in savage geopolitical competition among great powers, first and foremost Great Britain, which share in the responsibility for the genocide.

Is it thinkable that Turkey and Armenia (as well as Armenians in the diaspora) could agree to a Peace of Westphalia? No doubt it is possible and necessary. At a Schiller Institute conference in Germany, in September 2004, Armenian Parliamentarian Hrant Khachatryan shared the podium with Turkish intellectual Altay Unaltay, in a panel dedicated to the strategy of tension in the region. On the sidelines of the conference, we engaged in deep discussions of the genocide issue, and came to the conclusion that the historical reality must be acknowledged: that it happened, yes, but not in a vacuum. If responsibility is to be attributed, not as a matter of retribution or revenge, but as a matter of setting the historical record straight, then the entire process, including the role of the Great Powers in the war, must be examined. A joint effort by Armenian and Turkish scholars, working on primary source records, should struggle to come to an assessment, not only of what happened, but how and why. Above all, it must be established that there was no collective guilt of "the Turks."⁵

4. David Phillips, chairman of the short-lived Turkish-Armenian Reconciliation Committee, gave this account, as reported by Eurasianet.org, April 2, 2005.

5. Progress is being made on such joint research projects. The Turkish Historical Society, which recently completed a research project aimed at refuting

The Treaty of Westphalia

The Treaty, dated Oct. 24, 1648, brought an end to Europe's Thirty Years' War. Here are excerpts.

Peace Treaty between the Holy Roman Emperor and the King of France and their respective Allies.

In the name of the most holy and individual Trinity:
Be it known to all. . . .

I. That there shall be a Christian and Universal Peace, and a perpetual, true, and sincere Amity, between his Sacred Imperial Majesty, and his most Christian Majesty; as also, between all and each of the Allies, and Adherents of his said Imperial Majesty, the House of Austria, and its Heirs, and Successors; but chiefly between the Electors, Princes, and States of the Empire on the one side; and all and each of the Allies of his said Christian Majesty, and all their Heirs and Successors, chiefly between the most Serene Queen and Kingdom of Swedeland, the Electors respectively, the Princes and States of the Empire, on the

other part. That this Peace and Amity be observ'd and cultivated with such a Sincerity and Zeal, that each Party shall endeavour to procure the Benefit, Honour and Advantage of the other; that thus on all sides they may see this Peace and Friendship in the Roman Empire, and the Kingdom of France flourish, by entertaining a good and faithful Neighbourhood.

II. That there shall be on the one side and the other a perpetual Oblivion, Amnesty, or Pardon of all that has been committed since the beginning of these Troubles, in what place, or what manner soever the Hostilities have been practis'd, in such a manner, that no body, under any pretext whatsoever, shall practice any Acts of Hostility, entertain any Enmity, or cause any Trouble to each other. . . . That they shall not act, or permit to be acted, any wrong or injury to any whatsoever; but that all that has pass'd on the one side, and the other, as well before as during the War, in Words, Writings, and Outrageous Actions, in Violences, Hostilities, Damages and Expences, without any respect to Persons or Things, shall be entirely abolish'd in such a manner that all that might be demanded of, or pretended to, by each other on that behalf, shall be bury'd in eternal Oblivion. . . .

Peace Through Joint Economic Development

How can a Peace of Westphalia approach be applied to the current situation in the region?

As the historical record is being set straight by competent historians on both sides, direct negotiations should seek to establish normal relations, through lifting the embargo, and settling remaining border disputes. Trade between Turkey and Armenia is vital for both, and for the region. As Armenian Social Security Minister Aghvan Vartanian put it in July 2003: "We must normalize our relations with Turkey, Azerbaijan, and all our neighbors. This is a necessity because no country in the region can develop itself isolated from [its neighbors]. We are convinced that there is no alternative to regional cooperation."

Armenia, as a landlocked country, needs trade routes through Turkey. The Turkish-Armenian Business Development Council (TABDC), a non-governmental organization, has reckoned that, if only the Gyumri (formerly Leninakan) border is opened, trade between the two could double. Turkey would benefit from trade through Armenia, by gaining access

Armenian claims of genocide, has endorsed the idea of an international effort. Prof. Yusuf Halacoglu, of the Society, stated in January 2005 that a commission should be set up including scholars from Turkey, Armenia, the United States, Britain, and France. In 2004, scholars from the Society met with the Armenian Academy of Sciences and the Genocide Museum in Yerevan, to found that Vienna Armenian-Turkish Historians' Platform (VAT). They started exchanging documentary material, but further meetings were for some reason cancelled.

to markets in the former Soviet Union. If the border to Azerbaijan were also opened, Armenia's GDP would increase by one-fourth, according to Nicolas Tavitian, of the TABDC in Brussels. Tavitian noted: "The reason why Armenia is so important for Turkey is that all [main] existing [export] infrastructures are going through that country. All that existed under the Soviet Union—be it roads or railways—was going through Armenia."⁶

The solution to the problem, is to revive and expand these road and railway routes. As part of the Eurasian Land-Bridge (**Figure 2**) which links Asia to Europe, there are several routes to be developed.

Iran Has an Important Role To Play

Work on these grand railway projects is under way, and the most important regional role is being played by Iran. Since the independence of the former Soviet republics in 1991, Iran has based its foreign policy on rapid rail infrastructure, forging cooperative agreements with all its neighbors. Iran has become the gateway for the Central Asian republics to the Persian Gulf, and has consciously promoted this role, including in relations with Armenia. Relations between the two countries have been improving over recent years, reaching a peak in September 2004, when Iranian President Mohammad Khatami visited the Armenian capital of Yerevan. In addition

6. Eurasianet.org, July 26, 2003.

FIGURE 2

Eurasia: Main Routes and Selected Secondary Routes of the Eurasian Land-Bridge



to a new highway being launched to expand bilateral trade, there are discussions about a railway program, as well as contracts for an Armenian-Iranian pipeline. The 142 kilometer gas pipeline, to be completed in 2006, will provide Armenia with 36 billion cubic meters of gas over 20 years, as well as gas from Turkmenistan. In exchange for the gas, Armenia will deliver 1,000 megawatts of electricity to Iran, with the construction of two high-voltage power lines. Another pipeline, for oil, should be built from Julfa in Iran to Armenian Megri. In this year or next year, Armenia hopes to build two hydropower plants on the banks of the Arax River, between the two countries.

Iran is not only geographically and economically an important factor in the Armenian/Turkish/Azeri conflict; it is potentially the political key to resolution. The Iranians, who have excellent relations with Armenia, as well as with Turkey and Azerbaijan, have offered to mediate in solving the Karabakh conflict, as well as in easing tensions related to other issues. Given that it is not a party to any of the conflicts, Iran could play an important role as a neutral mediator.

Lyndon LaRouche, in his proposal for a solution to the Iraq crisis, defined the need for a security arrangement in Southwest Asia as primary: especially Turkey, Syria, Iran, and Egypt (as leader of the Arab world), should be the corner-

stones of such a regional security arrangement. In addition, he specified, security of this region depends on ensuring non-interference from outside interests, in the ongoing process of cooperative agreements among Armenia, Iran, and Azerbaijan.

These are the parameters for a true Peace of Westphalia in the region, bolstered by a nested series of bilateral and multilateral agreements for regional infrastructure development. Only thus can the heritage of imperialist, geopolitical manipulation of nations and peoples be overthrown, and true sovereignty gained by all.

The question is: Are there political leaders on both sides capable of rising above the propaganda, lies, prejudices, and blackmail associated with the genocide issue—all serving geopolitical interests—to seek the historical and moral truth? Are there political leaders today capable of saying: We have no guilt today for what was perpetrated by historically specific forces 90 years ago? Can they say: We have no collective guilt, but we do have the moral responsibility to honor the sacrifice of those victims, not by exacting revenge on the current leadership or future governments in Turkey, but by honoring the culture they represented, and striving to revive the spirit of cohabitation that existed between the two peoples, before the British geopoliticians entered the scene?

The American Revolution's Crossing Into Nationhood

by Stu Rosenblatt

Washington's Crossing

by David Hackett Fischer

New York: Oxford University Press, 2004

576 pages, hardbound, \$35

David H. Fischer's book on George Washington's heroic crossing of the Delaware River and the subsequent campaigns in late 1776 and early 1777 is an important and timely addition to American historiography and military strategy. His account is both a serious appreciation of the amazing stratagem that led to the preservation of our nation in its very infancy, and a much-needed correction to the many myths and half-truths that have circulated concerning Washington's remarkable military achievement.

Fischer develops with great depth the campaigns and flanking maneuvers that established Washington's credentials in fact as "first in war." This Jersey campaign, both the controlled, fighting retreat, and then the bold counterattacks, are a classic example of strategic defense, an anticipation, if smaller in scale, of the Russian campaign against Napoleon.

Lyndon LaRouche recently compared Washington's New Jersey campaign with the great examples of military *Entschlossenheit* of Frederick the Great, U.S. Grant, George Patton, and others. Washington and his very able corps of general officers, led a small and barely trained army of volunteers against the most powerful military machine in the world, the combined forces of the British Empire and the Hessian Landgraf. He defeated them in three successive battles in just

over a week, and followed these victories with a three-month-long campaign of asymmetric warfare, creating the basis for winning a protracted war.

Fischer's book unearths much new and valuable material either never published or never put in its true historical context. He also debunks numerous falsehoods, not the least of which is the spurious charge that Washington able to defeat the Hessians at Trenton in large measure because of the German army's drunkenness. This lie was circulated immediately after the battle by the "official" British historians seeking to deflect blame from themselves for the disastrous loss on Christmas Day.

Fischer never treats the Delaware Crossing as a single event. He sees the entire four-month campaign in New Jersey as a unity, a continuously escalating military-strategic operation, and in fact locates the *punctum saliens* of Washington's entire drive in the less well-known Second Battle of Trenton which took place on Jan. 2.

This review will address the key contributions Fischer has made to correct the smokescreen erected surrounding the military and political history of the period, and will identify some of the major achievements of Washington, his generals, and the talented "youth movement" that comprised the army.

Debunking the Myths

Fischer's book tackles and discredits the numerous myths that have circulated ever since the heroic crossing of the Delaware and the surprise attack on Trenton on Christmas Day, 1776. He demonstrates that Washington's success was not due to luck of circumstances, but rather to superior military deployment and keen insight into the strategic consequences



Emmanuel Leutze's depiction of "Washington Crossing the Delaware" captures the drama of the Revolution's determination. Contrary to myth, General Washington thoroughly understood and deployed the concepts of strategic defense, a republican idea that the British, by nature, had to reject, thereby losing the war against forces inferior in number and firepower.

of his actions. From the outset, Washington was fighting an enemy superior in numbers, in many cases at a 2:1 disadvantage, and in classical military training. Yet Washington and his remarkable staff outmaneuvered their enemy at every point.

Fischer starts from the assumption that the First Battle of Trenton was not the most important event of the campaign, or even totally decisive. Rather, he situates it as the initial point of an escalating counterattack against the British and Hessian occupation of the Jerseys, New York, and Rhode Island.

In his description of the Trenton battle, Fischer dispels the myth of a rugged crossing, followed by a surprise attack on a clear day against an enemy that had been carousing and drinking the previous day, as both British authors and American Howard Fast have reported. Giving due praise to the toughness and courage of the Hessians, Fischer instead describes the cumulative effect that two weeks of non-stop attacks by a combination of Washington's regulars and the Jersey militias had on the Hessians' morale and mental acuity. Washington's Christmas Day attack came on the heels of relentless militia probes that left the Hessians battle-wearied, but, as Fischer documents, not inebriated.

The weather, beginning with the Christmas Eve night of the crossing and continuing into the battle, engulfed Washington's march in a violent Nor'easter, packing powerful winds, hail, and blinding snow. The intense storm masked his approach, contrary to the fantasies of British authors who seek to blame the Hessians for the American success. Moreover, as Fischer details, the British and Hessian high command failed to heed the call of Hessian Col. John Rall, commander of the Trenton garrison, for reinforcements on the eve of the

battle. The British contempt for the Continentals' fighting capability caused them to commit the worst of military blunders—underestimating your opponent—and thereby prevented them from sending troops to the besieged garrison, thus sealing Rall's defeat.

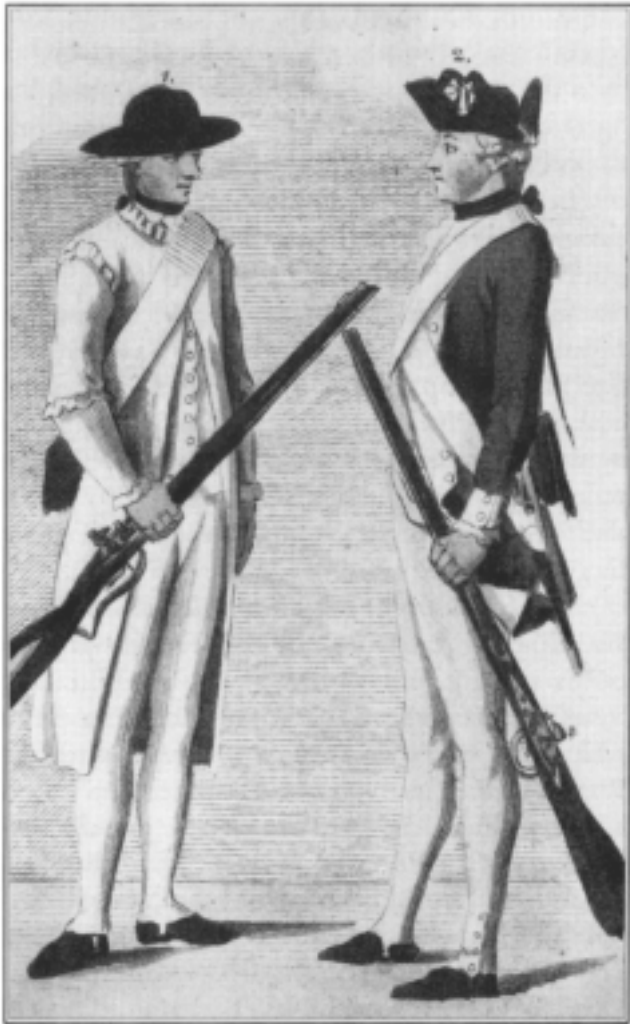
Difficult as the first crossing was, the return crossing of the now-iced-over Delaware was even more arduous. Washington's decision to cross back to Jersey one day later was even more stunning.

Realizing the likelihood of a British counterattack, after their humiliating loss on Christmas Day, the exhausted Continental Army, now down to 3,300 troops as against the 12,000 British-Hessian force, spent two frozen days ferrying across the river from Dec. 29-31. However, Washington's bold leadership inspired militias from all over the Mid-Atlantic region to join him, and his numbers swelled to nearly 7,000 on the eve of the Second Battle at Trenton Village.

Reflecting his long years of military campaigning and having precise insight into the likelihood of a British headlong attack against him, Washington staked out a strong defensive position in front of the Assumpink Creek and awaited the British assault. In a military move that foreshadowed Lazard Carnot's later usage of massed artillery for offensive operations, Washington positioned his field guns in perfect interlocking fields of fire, thus making up for his lack of numbers.

Fischer proves that the second conflict of Trenton was the *punctum saliens* of the campaign, for the British held numerical superiority and had veteran troops arrayed against the barely tested Continentals. This fact has been barely covered in history books, and Fischer's rectifying this mistake is quite simply admirable.

Washington's troops defeated each attempt of the British



“Pennsylvania Associators,” as this branch of the irregular militia was known, wore plain brown or gray uniforms without distinction as to social ranking. Their worth lay in their dedication to mission, not what title preceded their birth.

to cross the bridges and attack his army. Three times Washington repelled the British, thus sealing his victory in the battle. With their backs to the icy Delaware River, and no chance of escape, had the Continentals lost that fight, they would have been destroyed. One Rhode Island private captured the drama: “On one hour; yes, on forty minutes, commencing at the moment when the British troops first saw the bridge and creek before them, depended the all-important, the all-absorbing question whether we should be independent States or conquered rebels.”

Fischer then brings to light another extraordinary moment of this campaign, in chronicling Washington’s amazing night march from Trenton to Princeton on Jan. 1. Washington realized that British General Cornwallis would outflank him following the British defeat that day, and so, that evening, Wash-

ington created a diversion, enabling him to steal a night march of his entire army up to Princeton, six frozen miles away from Trenton. His troops marched with no sleep, his baggage train was routed elsewhere to ensure total mobility, and Washington was forced to construct a bridge over which to haul his cannon en route to Princeton. On the morning of Jan. 3, Washington engaged the British rear echelon at Princeton under the startled command of Gen. Charles Mawhood. Many of Washington’s troops had undergone two successive night marches, for others, three, foreshadowing Sherman’s and Grant’s marches 90 years later.

In a fierce fight against British regulars, Washington personally led his troops on the battlefield and achieved yet another remarkable victory. Not pausing to savor his success, Washington marched his troops first to Rocky Hill and then to Morristown, outpacing the now-confused and shocked British army.

Whereas even the second-best historians focus on the twin victories at Trenton and Princeton, Fischer points out how Washington used the victories to his advantage, by following up in what Fischer calls the Forage Wars. His book is unique in giving high significance to these sustained battles. From January until late March 1777, Washington’s Continental Army, with perhaps 2,500 active troops, collaborated with the insurgent New Jersey militias to relentlessly wage attacks on the numerically superior British and Hessian troops camped in the Amboys, the winter base from which the enemy deployed to forage for supplies while awaiting the “spring campaigns.” The ongoing conflicts, which comprise a classic use of People’s War, rose to the level of significant battles. Washington won most of the skirmishes, which demonstrated the growing confidence and military prowess of Washington’s regular and irregular troops.

Finally, contrary to the popularized mythology, the significance of the array of campaigns between December and March was not “symbolic.” Washington’s army inflicted very real material and psychological damage to the occupying armies. In August 1776, the combined troop strength of the British-Hessian force was 31,000 effectives. By April 1, 1777, this force had been reduced to 23,000, but due to wounds and illness, only 14,000 were actually fit for duty! Supplies were low, uniforms were in disrepair, and the once-proud invading army was on the defensive.

Highlights of the Campaign

Moreover, Fischer brings to light some of the major accomplishments of Washington’s campaign. He does grasp, and his work conveys the power of ideas and how they affected the citizen-soldiers and the new nation as a whole. Exemplary is his presentation of the role of Thomas Paine. He communicates Paine’s relationship to the army, the impact of his *American Crisis* paper on the battles in December and beyond. Fischer also explores Paine’s role in shaping Ameri-



British Maj. Gen. James Grant was in charge of the British and Hessian forces in New Jersey in that fateful December of 1776. Fischer writes, "This officer was highly skilled in the art of pleasing his superiors, but was despised by men who served under him. He had a particular contempt for his American enemies and German allies."

can policy toward the conduct of the war and the army in those very crucial months.

He also provides masterful descriptions of Washington's intensely relaxed war councils, conducted in the spirit of Friedrich Schiller, the Americanist "Poet of Freedom," and the crucial contributions of many of his key generals throughout the campaign. Fischer sharply contrasts how ideas flowed freely in Washington's war councils, to the arbitrarily rigid, oligarchical method of Cornwallis and the Howe brothers, which resulted in the dismal failures of the imperial armies.

Fischer also really expands upon the military achievements of the Continental Army. He appreciates Washington's method of *Auftragstaktik*, continuously improvising within the bounds of his situation, to shift the dynamic of the war against the superior British. He points to the remarkable night march to Princeton to demonstrate Washington's use of speed to outflank the enemy. Similarly, Fischer demonstrates how Washington had a growing appreciation for military intelligence of all types, and points out the striking evolution, from his amateurish operations in New York, which cost Nathan Hale his life, to developing very sophisticated networks in the Jersey campaign. Fischer even revisits the likelihood that Betsy Ross was an American intelligence agent who played

an important "diversionary" role that helped to guarantee the success of the Battle of Trenton.

A military historian, Fischer highlights the truly remarkable work of Gen. Henry Knox, self-taught in his understanding of artillery firepower and deployment, in developing the American artillery forces as an indispensable component in the success of the Revolutionary War effort. Knox actually gave the Americans a numerical advantage in deployment of field pieces over the British, and he deployed them with deadly accuracy. The precise use of American artillery provided the margin of difference in both Battles of Trenton, and the Battle of Princeton. This use of "force multipliers," to use a modern term, guaranteed the overall success of the campaign. Not lost on Fischer was the genius of Capt. Alexander Hamilton, head of the New York artillery, who deployed magnificently in all the battles.

Equally of extreme importance is Fischer's unearthing of seemingly spontaneous role of the Jersey, Pennsylvania, and other militias. The real impetus for the crossing at Trenton was the campaign, already several weeks old, of the Jersey militias prior to Washington's staff ever conceiving of the brilliant attack. The second battle at Trenton was initiated by the Pennsylvania Associators of John Cadwalader, and later joined by Washington. The Forage Wars were already well under way by the Jersey militias before Washington sent in his Continentals to help direct the effort. The American Revolution in this, its infant phase, exemplified a "mass strike process" as Lyndon LaRouche has written about it in history.

In closing, Fischer goes to great lengths to demonstrate the humanitarian goals of the Revolution itself. Although he does not seem to really appreciate the deeper republican values or ideas that guided the Revolution, which is a serious shortcoming of this book, he does grasp the powerful humanitarian ideals of the revolutionaries. They were out to create a republic at odds with the decadent, inhuman world of the European oligarchy. For the Founding Fathers, all men, even the enemy, were created in the image of the Creator, and were equal.

Fischer is truly moved by the commitment of all the leaders, from John Adams to George Washington, that the American military not replicate the bestial behavior of the British and Hessian armies in perpetrating "European-style" atrocities on both civilian collaborators of the rebels and on the enemy combatants. Fischer details Washington's unhesitating compassion toward all captured soldiers, British or Hessian, and his understanding that they were, in many cases, conscripted into the vile undertaking. At every point, Washington went out of his way to not only treat the enemy in a civil manner, but also to try and recruit them to the American cause. By the war's end, notes Fischer, 23% of the Hessian troops in America chose to make the United States their home.

A fitting close to a very useful book.

Up From Another Kind of Slavery

by Mike Billington

Life After Life: A Story of Rage and Redemption

by Evans D. Hopkins
New York: Free Press, 2005
287 pages, hardbound, \$25

Early in 1994, about four years into the ten-year stretch I served as a political prisoner in Federal and Virginia detention facilities, I met a young man named Evans Derrell Hopkins, known as “Hop” to all his fellow inmates. Hop was serving a life sentence for an armed robbery, in which no one was hurt. He believed he’d been given the draconian sentence because he had shown contempt for the all-white jury “of his peers,” who viewed this former member of the Black Panther Party as an enemy of society.

When I met Hop, he had already become an established commentator, with articles published in the *Washington Post* and several other leading newspapers and magazines, mostly on issues of black culture in America and the prison system, with a special insight on matters related to the death penalty. At the time, he had begun to do research on the question of innocence among convicted felons, a condition which had exploded into public consciousness thanks to the introduction of DNA tests on evidence from otherwise closed cases, discrediting the “finality” of jury convictions, especially in capital cases.

My case had a certain notoriety, as I had been given a 77-year sentence, the most severe of the numerous prosecutions of LaRouche associates, ostensibly for borrowing money from supporters for use in our political campaigns, but actually (as was obvious to nearly everyone worldwide) as a warning to the population to stay away from LaRouche. Hop sought me out when he heard I had arrived at Nottoway Correctional Center, as a possible subject for his own “innocence project.”

Fast Friends, Critics, Editors

We became fast friends, spending three years living in the same cellblock. We were both making our first efforts at writing a book during those years, and we ended up serving as each other’s critics, editors, and, to some extent,

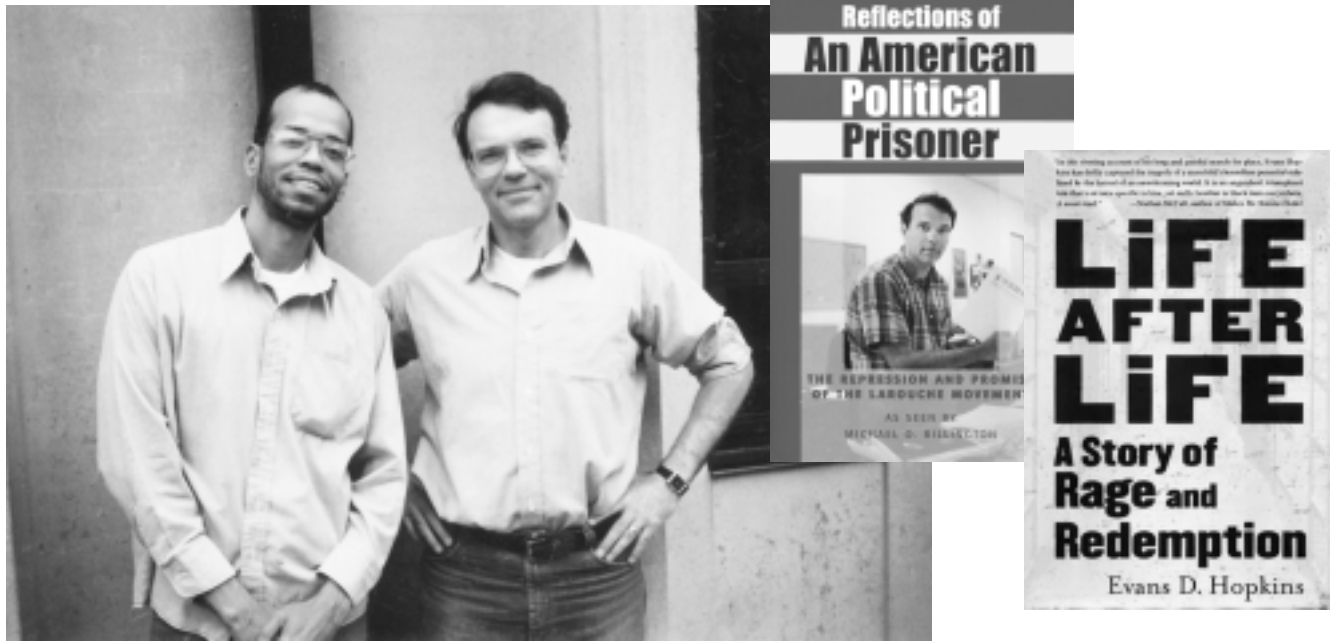
co-thinkers. My book, eventually published as *Reflections of an American Political Prisoner: The Repression and Promise of the LaRouche Movement*, was intended to convey a personal perspective on the history of the movement led by Lyndon LaRouche, especially to younger people who would come in touch with LaRouche in the future, drawing on my 25 years of collaboration with him and his associates. Hop’s book, which has now been published as *Life After Life: A Story of Rage and Redemption*, was also intended to address the youth—those young black men on the street, who, he hoped, could be influenced by his work to find a way to avoid becoming one of the tens of thousands of souls now being herded into the “human warehouses” of the American penal system.

The most poignant moments of Hopkins’ book are his reflections upon these youth. He writes, taking a passage from his own prison notebooks: “There is no true cause, or movement, for the youth of today, just an undefined membership in an amorphous generation of rage. And with the ready availability of all sorts of weaponry, the situation is ten times more lethal. Caught up in an alternative economy based on drugs and vice, while following irrational dreams fostered by the culture of entertainment, they become grist for the criminal justice mill—bodies for the prison-industrial complex, if not the coroner’s wagon.”

Hopkins describes his own experience in the Penitentiary, beginning in 1981, as the “quintessential angry young black male.” He describes his journey from rage to redemption, giving large credit to the college courses prisoners were then offered through Pell Grants, and the numerous classes and workshops made available to him, in poetry, film, literature and writing, from volunteers invited into the prison, which helped him develop his worldview, and change his life, despite the horrendous environment.

By the mid-1990s, Hopkins writes, with parole abolished in Virginia, and with all outside education and special programs abolished, “the focus of the prison system was now on punishment alone. Thousands of young men entering prison, many with long, no-hope sentences (given even to teens as young as 13 and 14), would never get that ‘last chance to change’ I was able to put to good use.”

Ironically, as Hopkins notes in his book, the two of us had been in the same place at the same time as we both set out on our political careers: Oakland, California, in 1971. Hop had joined the Black Panthers in his hometown of Danville, Virginia, where he was an honors student in his high school, and a promising tennis player being trained by the coach of Arthur Ashe. He chose to leave that behind to confront the raging political crisis in America, and soon found himself at Black Panther Party headquarters in Oakland, writing for the Party newspaper. (I had gravitated toward Berkeley after four years in the Peace Corps, in the spirit of opposition to the Vietnam War I had seen close up in Thailand. I came across LaRouche’s work at that time.)



Mike Billington (right) and Evans “Hop” Hopkins, during their incarceration in Virginia’s Nottoway prison. Each was writing a book about his experience, and, Billington writes, “we ended up serving as each other’s critics, editors, and, to some extent, co-thinkers.”

Hopkins’ book includes a painfully honest portrayal of the degeneration of the Black Panther Party into factional strife, drug dealing, and crime. He does not leave out the U.S. government Cointelpro operations aimed at facilitating just such a result, but neither does he exonerate many of the Party leaders, especially Huey Newton, for their culpability. His primary intention, however, is to present his *own* weaknesses in dealing with rage, a rage which essentially negated his adopted mission to challenge the injustice in American society. Again quoting from his prison notebooks, he reflects on that rage, as he sees the same fire burning in the young men entering the prisons: “I tell the young bloods, when I have occasion to talk to them, ‘You start out hating white folks, thinking it’s all right to rob them, kill them if necessary, next thing you know you think it’s all right to kill your brother, if you feel he has wronged you.’ ”

Meeting Marianna Wertz

Hopkins dates his ability to transform his talents into weapons of love, rather than rage, to his association with LaRouche’s Schiller Institute, whose Secretary-Treasurer, the late Marianna Wertz, he met during her and her husband’s frequent visits with me in prison. Hopkins reports that Marianna took up a regular correspondence, “challenging me on many of my set beliefs.” She introduced him to St. Augustine, Gottfried Leibniz, Friedrich Schiller, and “stressed the idea that beauty was a necessary condition of man, that in order to survive and flourish we had to maintain a sense of optimism,

and ‘relish our roles in bringing about a more perfect world.’ ” Hop describes his escape from an existentialist hell: “I was now able to look upon the world as a beneficent place, discarding my long-held view that everything around me was inimical to my existence.” His sense of mission as an artist, he writes, was transformed, beyond race, beyond rage, to be “firmly grounded in *agapē*, a redemptive love for all humanity.”

Hopkins was released on parole in 1997. He describes the difficulties confronted in adjusting to society after 16 years in prison, but he makes clear that his own driving passion to develop his talents, with substantial aid from the prison’s educational programs (which have now been eliminated!), saved him from despair, or the return to drugs and crime, that are the fate of all too many felons after their release.

The U.S. Bureau of Justice Statistics report released in April 2005 shows that the number of men and women incarcerated in U.S. prisons and jails is soaring, reaching 2.1 million in 2004—the highest per-capita rate in the world—with 61% of them minorities. Under current laws, many of them will not have the opportunities which Hopkins did. Hopkins’ book is a self-reflective study of the possibility of true redemptive transformation within a prison environment, but it is also a stark warning to American citizens and legislators of the moral depravity, and the potential danger to society, of the present deteriorating correctional system. Hop, I am certain, will persevere as a warrior for positive change in America.

A New Bretton Woods Now!

As a follow-up to the appeal launched in July 2000, in favor of reorganizing the world's financial system, which appeal was endorsed by many international leaders, including former heads of government, MPs, trades unionists, businessmen, civil rights, and church figures, the Schiller Institute's Chairman Helga Zepp-LaRouche has now issued an updated appeal. The text below is currently being circulated worldwide, and will appear, with the signatories' names, both on Internet sites and in newspapers. We call upon our readers to circulate and support this initiative, in view of the immediate crisis we face.

The paradigm shift of the last four decades, a period in which the world economy increasingly abandoned manufacturing and gave itself over to untrammelled speculation, is now drawing to an end. The world financial system is about to implode. Gross production worldwide stands at a mere \$40 trillion, over which looms a gigantic debt bubble 50 times that size, *viz.*, \$2,000 trillion worth of financial liabilities. The impending bankruptcy of General Motors and, potentially, of the entire U.S. automobile industry, is but one of many factors that could well lead to the collapse of the U.S. dollar, and thereby, that of the entire financial system.

To prevent the world's people from suffering the untold harm that the breakdown of the system would unleash, we the undersigned demand that an emergency conference be convened, to agree upon a new financial architecture along the lines of the Bretton Woods System launched at Franklin D. Roosevelt's initiative in 1944. We stress that Lyndon LaRouche is the economist who has best grasped the causes of the systemic crisis, and who has, moreover, put forward a package of measures that would adequately deal with it: a new New Bretton Woods agreement.

We the undersigned further stress that the Italian Parliament has taken up LaRouche's proposal, and on April 6, 2005, voted up a Resolution calling for "an international conference at the Head-of-State level, in

order to lay the basis for a new and just world monetary and financial system."

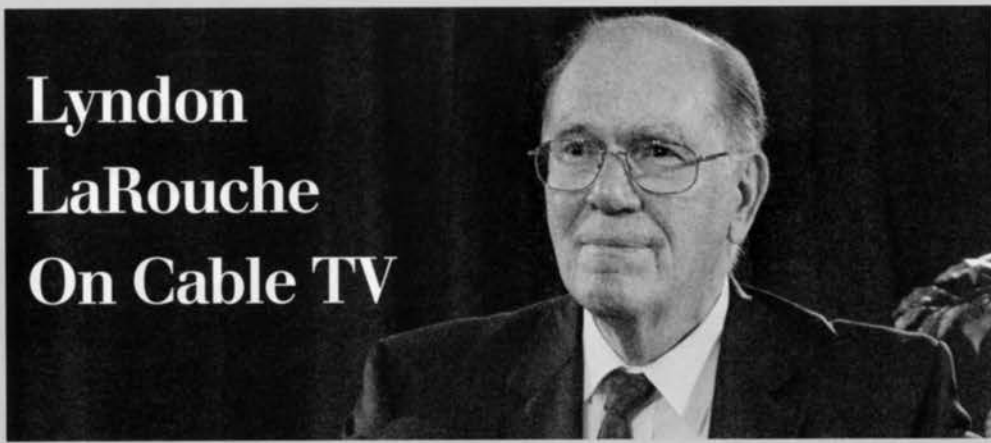
The following measures must be implemented if we are to alter the mistaken course that we have followed since President Nixon did away with fixed exchange-rates in 1971, a course that has led to the present upsurge of a grotesque and predatory form of capitalism, thanks to unchecked "globalization," after the fall of the U.S.S.R. The New Bretton Woods Conference shall decide as follows.

1. There shall immediately be re-established fixed exchange rates.
2. A treaty shall be enacted between governments, forbidding speculation in derivative products.
3. The debt shall either be cancelled, or reorganized.
4. New credit lines shall be opened by the State, to create full employment by investing in critical infrastructure and technological innovation.
5. The building of the Eurasian Land-Bridge, as the keystone for rebuilding the world economy, is the vision that will bring about not only a new *Wirtschaftswunder* (economic miracle), but peace in the 21st Century.
6. A new Peace of Westphalia will ensure that for no less than the coming half-century, raw materials shall be extracted and processed for the benefit of every nation on this planet.

We the undersigned believe that so-called "globalization," this predatory form of capitalism, has shown itself beyond all doubt to be bankrupt on every front, whether economic, financial, or moral. It is Man who must stand at the center of the economy, and accordingly, the economy must serve the common weal. The purpose of a new world economic order is to guarantee the inalienable rights of Man.

Signed,
Helga Zepp-LaRouche
Chairman of the Schiller Institute
Chairman of the Civil Rights Movement
Solidarity in Germany (BüSo)

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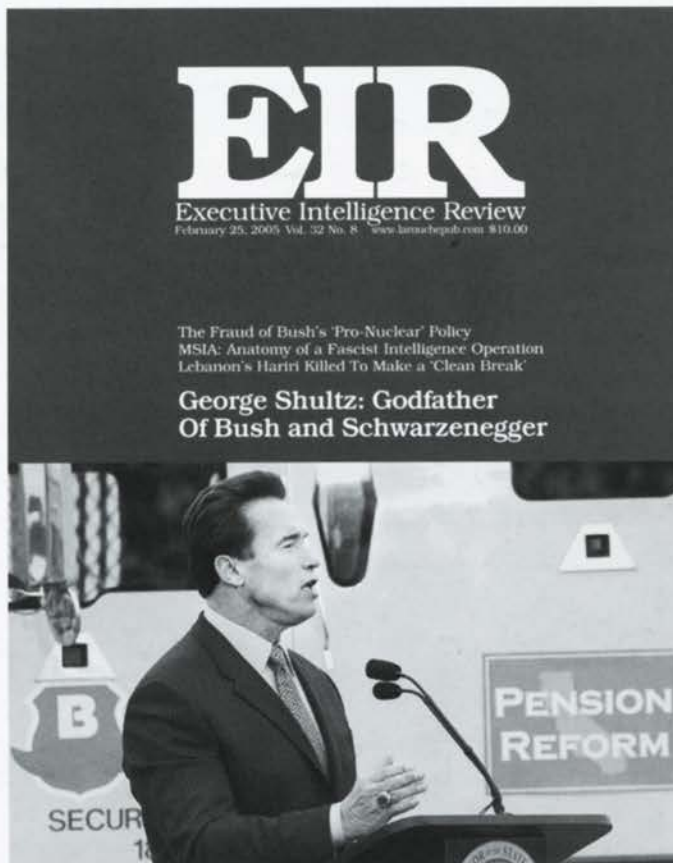
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