stunned silence, except for one Senator, who happened to be sitting next to me; and he said, "You're absolutely right."

But no one else conjectured any other thinking on that point. There was a stunned silence for a moment, and then we went on with the meeting.

EIR: Were you able to discuss it further, later on?

Clark: I had, with some of the individuals there—one of them is a very good economist, I believe—and he believed that what I had said was probably true, also. But he was cautious to say that.

We had a very interesting point in there, too. We had two of the state's chief economists, speaking to us. And they were talking about our bonded debt, and how the bond-rating agencies set your—give you a grade for your bond debt capabilities. And we had a fairly high bond rating in the state based on several of the categories. But one of the categories they judge you on is your actual manufacturing base, as a percent of your [tax revenue] income in your state.

EIR: And how to they judge that?

Clark: They judge you negatively for having a good manufacturing base! They judged it against us, for having "too many eggs in a basket," which was our manufacturing base!

What I told them, was that this was absurd and wrong-headed; I can't even imagine that.

EIR: Has there been a downgrading of the debt of the state? Clark: Not at this time. They won't tell you up front—that if we choose certain economic policies—none of the rating agencies will tell you up front, whether that will be beneficial or detrimental to you. They won't tell you until after you have made the move. It's an interesting game in itself.

EIR: And Medicaid was one of the subjects under discussion, what to do about the shortfall?

Clark: Yes, it always comes up. . . . Because some people want to build court buildings, while others want to make sure the elderly are taken care of by Medicaid. It's a balancing we have to do.

But it's an impossible balance, without having an inflation-free dollar on a fixed exchange rate. And that was my point.

WEEKLY INTERNET AUDIO TALK SHOW

The LaRouche Show

EVERY SATURDAY 3:00-4:00 p.m. Eastern Time http://www.larouchepub.com/radio

MEK Terrorist Front Ups Anti-Iran Propaganda

by William Jones

Alireza Jafarzadeh, former spokesman for the Iranian opposition group, the National Council of Resistance of Iran, a front group for the banned Mujahedin-e-Khalq (MEK), held a Washington, D.C. press conference on Aug. 26, trying to buttress the war drive against Iran, with a series of new "exposés" of a clandestine Iranian nuclear-weapons program. Conveniently timed with the escalation in the propaganda campaign to build support for a U.S. military strike against Iran, Jafarzadeh used the modicum of credibility that his group had gained in 2002, when it revealed the existence of the Iranian uranium conversion plant at Natanz (which existence had previously eluded the International Atomic Energy Agency) to make another effort for the war drive. Jafarzadeh, who has jettisoned his MEK moniker and metamorphosed into the president of something called Strategic Policy Consulting, Inc., put forth a number of claims aimed at discrediting the Iran regime.

One might well ask, why take these fellows seriously at all? The MEK, which has been placed on the State Department's list of terrorist organizations, has long been involved in attempting to overthrow the Iranian regime. In the 1970s, it was even involved in the assassination of U.S. officials. Its members fought under Saddam Hussein in the war against Iran and were key in Saddam's attempt to undermine the Iranian war effort.

And yet, when the United States occupied Iraq, the MEK was treated with kid gloves. Gen. Geoffrey Miller, who designed that infamous "spoon-bender" psy-ops interrogation program, applied so successfully at both Guantanamo and Abu Ghraib, had the MEK in Iraq categorized as "protected persons." Unlike the prisoners at Guantanamo, they were brought under the Geneva Convention and given that coveted "protected persons" status, which meant that they could not be punished collectively and did not have to leave occupied Iraq. Although it was claimed initially that they were restricted to Camp Ashraf in Iraq, it is now reported that teams of MEK have been trained and deployed, possibly together with Special Operations troops, for on-the-ground surveillance in eastern and southern Iran, ostensibly in search of possible Iranian nuclear sites.

Using a large chart containing a map of Europe and the Middle East, and tracing a trajectory going from Iran to central France, Jafarzadeh announced that the Iranians now possessed Russian-made KH-55 cruise missiles capable of reaching Europe. These missiles, Jafarzadeh proclaimed, had been

70 National EIR September 2, 2005



Fox New

From his role as former spokesman for the terrorist MEK, to his present job as a consultant for Fox News and president of the Strategic Policy Consulting Inc, Alireza Jafarzadeh still peddles the same line: regime change in Iran.

illegally sold to Iran by Ukraine. This "exposé," however, was a bit less dramatic than Jafarzadeh made it seem. Already in April, in an interview with NBC News, Ukrainian President Victor Yushchenko confirmed that these missiles had been sold to Iran prior to his taking office. Even earlier, European and U.S. intelligence services had been aware of the secret sale of these weapons to Iran. Jafarzadeh also claimed that Iran had now developed (or was near developing) facilities to produce these missiles, and that the missiles had been made capable of carrying a nuclear warhead.

The purported Iranian "nuclear weapons program," Jafarzadeh was also keen to point out, was under the control of the Revolutionary Guard military apparatus. He said that the program had begun in 1986 with a visit by Pakistani nuclear physicist A.Q. Khan, and that the visit had led to the training of Iranian nuclear scientists in Pakistan. Although the fact of the visit, if true, has not been widely known, the relationship of the A.Q. Khan networks to the Iranian nuclear program is a matter of public record. Most recently, it had been revealed by the IAEA that the traces of bomb-grade uranium found on equipment in one of the Iranian nuclear facilities, and widely touted as proof of a clandestine Iranian weapons program, were, in fact, of Pakistani origin. The equipment that was shipped from Pakistan through the A.Q. Khan networks had been contaminated from the Pakistani weapons program, not from some secret Iranian program.

The gist of Jafarzadeh's "revelations" seemed to have one goal: to discredit any negotiations with the new Iranian Administration of President Mahmoud Ahmadinejad. This should not be surprising, because it has long been the goal of the MEK to replace the regime of the mullahs with one of its own. Fomenting U.S. military action against Iran, is, in their playbook, tantamount to supporting a popular revolt, in which they hope they will play the major role.

Most military and intelligence officials regard this as utter

nonsense, but the "spoon-benders" around Vice President Dick Cheney don't often have a very good grasp on reality. Witness the comments of Gen. (ret.) Paul Vallely, a key player in the "spoon-benders' stable," and, together with Jafarzadeh, one of the "darlings" of Rupert Murdoch's Fox News, for which they both serve as "consultants." In an *EIR* interview Aug. 15, Vallely said, "At some point in time you've got to bring down the hammer. If not, we're going to be under this continued terrorism threat." The "hammer" that Vallely was referring to were missile strikes, including tactical nuclear missile strikes, against Iran's nuclear facilities.

Under grilling from *EIR* at the press conference, Jafarzadeh denied that he was pushing for U.S. military action against Iran, while at the same time admitting that he saw no possible diplomatic solution to the crisis. If there is not a "diplomatic" solution, what then remains *but* military action? And yet military action by the United States against Iranian facilities, would have far graver implications for the world than anything the Bush Administration has done so far. As Lyndon LaRouche pointed out at a private diplomatic seminar in Washington on Aug. 17, "If Iran is attacked, with what we have already done in Iraq and Afghanistan, the reactions around the world will be incalculable."

But relying perhaps on their invisible "psychic" powers rather than any "reality check," Vice President Cheney and his "spoon-benders" seem quite prepared to open up that Pandora's box on an unsuspecting world.

America's Untold Story

How the trans-Atlantic republican movement waged a continuous fight for freedom, beginning with John Winthrop's Massachusetts Bay Colony in 1630.

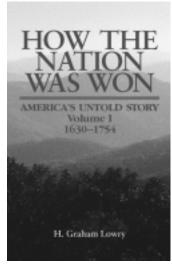


ORDER FROM:

Ben Franklin Booksellers, Inc.

Toll free (800) 453-4108 (703) 777-3661 fax (703) 777-8287

Shipping and handling: Add \$4 for the first book and \$.50 for each additional book. Virginia residents add 4.5% sales tax. We accept MasterCard, Visa, American Express, and Discover.



EIR September 2, 2005 National 71