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LaRouche: Russia & Iran on Strategy
Racist Gore's Secret History as an FBI Hit-Man
Experts Debunk the Lies of Global Warming

Why We Keep Losing Wars



EIR

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From the Assistant Managing Editor

Leading this week's issue, is our Strategic Overview, which is bookended by two new pieces by *EIR* founder, Lyndon LaRouche: The first "Why We Keep Losing Wars," warns that unless the United States breaks with the age-old imperial game, "Let's you and him fight"—currently practiced by our historical enemy, the British Empire—the U.S.A. will soon cease to exist. The second, on Iran and Russia, elaborates this idea for current history, and advises that those who would wish to extinguish the spreading fires of war in the South-west Asia cockpit, must move quickly to bring about back-channel discussions among the relevant powers in the region and beyond.

And in our Feature this week, a team of *EIR* and LaRouche Youth Movement researchers supply the latest round of powerful ammunition needed to finally put to rest the "Big Lie" that green fascist Al Gore has been spreading, especially since his Academy Award-winning celluloid hoax was inflicted on an unsuspecting public. As *EIR* has, each week, been documenting, there is a growing backlash against the fraud of "Global Warming," which Fat Al and his fascist backers, George Shultz, Felix Rohatyn, and Tony Blair have been pushing. As we show in this week's Feature, the Global Warming hoax is both a genocidal policy, aimed at reducing the population of the planet, especially among the darker-skinned people of the poor nations, and a financial swindle of staggering proportions, which Gore et al., are cashing in on, big-time.

At the center of this filthy operation, is Middlebury College, located in bucolic Vermont, with its century-long promotion of Nazi eugenics, now exposed by our research team. And an *EIR* investigative team has uncovered Gore's early history as an FBI hit-man against the black community in Nashville.

Two leading scientific experts, Paul Driessen and Dr. Paul Reiter, both of whom appeared in the widely viewed British Channel 4 documentary, "The Great Global Warming Swindle," are interviewed in our Science & Environment section.

Not to be missed is the return of the Banking column, this week on the "Trillion-Dollar Zombie" bank mergers (the bigger they are. . .). As the antidote, read how FDR dealt with the housing crisis during the Great Depression, by reorganizing the banking system.



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The Blair government's stooges Cheney (left) and Gore (right) are leading the U.S. into the strategic quicksand.



Cheney: DoD/Staff Sgt. Garry Hilliard, US Army; Blair: Council of the EU; Gore: Carbon Disclosure Project

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Paul Reiter heads the Insects and Infectious Disease unit of the Pasteur Institute in Paris. Prior to 2003, he spent 22 years at the Division of Vector-Borne Infectious Disease of the Centers for Disease Control and Prevention.

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Paul Driessen is the author of *Eco-Imperialism: Green Power, Black Death*, and a senior policy advisor to the Congress of Racial Equality (CORE).

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Correction: In the article, "Carbon Trade Swindle Behind Gore Hoax" (Vol. 34, No. 13, March 30, 2007, pp. 29-34), the company cited as a participant in the Chicago Climate Exchange (CCX), and run by the Wyly family of Texas, was identified as "Green Mountain Power Company," instead of "Green Mountain Energy." In fact, both companies are members of the CCX, but Green Mountain Energy is associated with the Wyly family today. In 1997, Green Mountain Energy, originally headquartered in Vermont, but today in Texas, was formed as a joint project of Green Mountain Power and Sam Wyly, the Texas billionaire friend of the Bush family; but Green Mountain Power subsequently withdrew.

Why We Keep Losing Wars

by Lyndon H. LaRouche, Jr.

Lyndon LaRouche issued this statement on March 28, 2007.

In the U.S.A.'s foolish plunge into an 1964-1972 Indo-China war, the U.S. forces won the battles, but lost the war for no more relevant reason than choosing that war. The war in Iraq which Prime Minister Margaret Thatcher foisted upon a credulous President George H.W. Bush, was much less a disaster, only because George H.W. Bush was wisely advised not to go deeper into Iraq. But, after the end of that war, Europe and the U.S.A. (both) promptly entered and lost the Balkan Wars which never should have been started. The new, spreading war in Southwest Asia, into which the British Blair government has lured such among its silly dupes as President Bush and its stooge Vice-President Cheney, has already been the worst folly of all, but is about to become much worse unless Cheney is quickly expelled from office.

This fact is underlined by reading of the meticulous March 26, 2007 After-Action Report by General Barry R. McCaffrey USA (ret). To sum up the essence of his report, the U.S. military forces are winning the battles, but our nation is being successfully destroyed by the criminality of London's Blair, a Blair Fabian government which has been leading Vice-President Cheney, and sundry other accomplices by their silly noses, leading our republic for "just one more step into the global strategic quicksand," into its imminently threatened self-destruction in the same fashion that London lured Napoleon Bonaparte into the guerrilla warfare trap in Spain.

Some of us are reminded of a grim joke, the Marine Colonel who led his regiment in the successful frontal attack on an opposing machine-gun nest, but lost the troops of his regiment in the attempt. The question asked of that colonel afterward, was: "Why didn't you flank them?" That colonel was a genius, compared with the Bush Administration's strategic planners of today.

The question the foolish U.S. Senators, and others, should be asking themselves, is: "Who is it who has virtually drugged our Congress, again and again, into battles which our forces win abroad, but lose at home?"

Who were the confounded idiots in the U.S. Senate, and

elsewhere, who cheered for shutting down the U.S. economy permanently, at the behest of British agent Al Gore, all for the sake of abandoning our republic's sovereignty, to make us all slaves of a new world-empire, the new Tower of Babel called "globalization"?

Who are the idiots who are prepared to run for President of the U.S.A. under an alliance with those carrying that banner of treason which the Prince of Wales' patsy, and long-standing bearer of a deeply embedded family racist tradition; that of the Prince of Wales' intimate crony, the half-witted, but vicious, and babbling Malthusian Al Gore, whose lying "Global Warming" swindle is pushing all available, campus and other idiots among us, into bringing about the national suicide of the U.S. republic? That is the suicide which is being pushed by that Middlebury Monster and former associate of Chile's Pinochet and George Shultz, Felix Rohatyn.

The great lesson from the history of strategy since Greece was destroyed by its victory in the Peloponnesian War, is that the dangerously evil people in world history are those, like the British Empire, who have learned to win wars by getting other people to destroy themselves in fighting the kinds of wars designed to effect the mutual ruin of the combatants, such as our foolish plunge into the Indo-China war, the Balkan wars, and the Southwest Asia warfare unleashed by Britain's favorite, Henry A. Kissinger, in Lebanon, in April 1975, a war still raging today.

We do not need new enemies in Southwest Asia, when we have more than enough high-ranking scoundrels and fools successfully misleading us, in high-ranking circles here at home.

The great strategic issue facing the U.S.A., as the world as a whole today, is the conflict between the patriots, and those who defiled the U.S. Constitution on which our sovereignty is based, for foreign alliances and wars in complicity with those who wish to rid us of our sovereignty in favor of a global "Tower of Babel," and degrade us from a science-driven economy of progress, into a kind of people whom self-respecting cave-men, and perhaps even monkeys, would justly regard with disgust.

McCaffrey Critiques Bush War Without End

by Carl Osgood

Prussian military theorist Carl von Clausewitz wrote that the only ends of strategy “are those objectives that will finally lead to peace.” American strategy since the death of Franklin D. Roosevelt has repeatedly failed that test. As Lyndon LaRouche has noted, this was clearly the case in Vietnam, where America lost because it chose to fight that war; and while George H.W. Bush avoided that outcome in Iraq in 1991, he left behind an unsatisfactory situation, which George Shultz’s Synarchists used to successfully manipulate his son into a disastrous war in 2003, which, after four years, has no end in sight. Indeed, it has already spread beyond Iraq into the Horn of Africa, and the Cheneyacs are threatening to take it into Iran, Syria, and Sudan, and to do that without a strategy “that will finally lead to peace.”

The current situation in Iraq is the setting of the widely circulated March 26 After Action Report by retired Gen. Barry McCaffrey, who has travelled, to Iraq to assess the situation there, every four months or so, on behalf of a grouping at the U.S. Military Academy. In his report-back, McCaffrey paints a very grim picture of the present situation on the ground. McCaffrey writes that Iraq “is ripped” by a low-grade civil war, “which has worsened to catastrophic levels”: There are thousands of attacks on U.S. troops per month, from both Shi’a and Sunni; 3 million Iraqis are displaced or have fled the country; and the Maliki government has lost credibility among the Shi’a population, is despised by the Sunni “as a Persian surrogate,” and is seen as untrustworthy and incompetent by the Kurds. There is no function of government that operates effectively across the country, and the government cannot spend its own money effectively.

“No Iraqi government official, coalition soldier, diplomat, reporter, foreign NGO, nor contractor can walk the streets of Baghdad, nor Mosul, nor Kirkuk, nor Basra, nor Tikrit, nor Najaf, nor Ramadi without heavily armed protection,” McCaffrey writes. The Iraqi Army is too small, is badly equipped, and suffers from high rates of AWOL and desertion. Enemy insurgents and sectarian militias probably number more than 100,000 fighters, and in many ways are more capable of independent operations. In spite of the huge casualties that have been inflicted on the insurgent forces, the various groups, “without fail apparently re-generate both leadership and foot soldiers. Their sophistication, numbers and lethality go up not down as they incur these staggering losses.”

McCaffrey’s assessment of the U.S. military is equally bleak. “U.S. domestic support for the war in Iraq has evaporated and will not return,” he writes, further noting the \$9 billion monthly cost of the war, and the problems of recruiting, retention, and readiness. “The current deployment requirement of 20+ brigades to Iraq and 2+ brigades to Afghanistan is not sustainable,” he warns. McCaffrey also notes that up to nine National Guard combat brigades will be involuntarily called up for second tours. “Many believe that this second round of involuntary callups will topple the weakened National Guard structure,” he warns.

In summary, he says, “the U.S. Armed Forces are in a position of strategic peril.” A disaster in Iraq, he warns, will result in a struggle that will endanger U.S. interests in the region for a generation, and “we will also produce another generation of soldiers who lack confidence in their American politicians, the media, and their own senior military leadership.”

McCaffrey’s latest assessment stands in stark contrast to one he delivered less than a year ago, on April 25, 2006. In that earlier report, McCaffrey was generally optimistic that an Iraqi government, national army, and police could be formed the way the Bush Administration has attempted, but it would take two to five years to create an army that can stand on its own, and up to ten years to do the same with the police. He warned, however, that, “If we do not see the successful development of a pluralistic administration in the first 120 days of the emerging Jawad al-Maliki leadership—there will be significant chance of the country breaking apart in warring factions among the Sunnis and Shi’a—with a separatist Kurdish north embroiled in their own potential struggle with the Turks.”

McCaffrey is not without optimism that the current situation in Iraq can be salvaged, and uses adjectives as “awe-inspiring” and “magic,” in praising the performance of U.S. troops in action. However, recognizing the political situation in both Iraq and in the U.S. for what it is, McCaffrey concludes by calling for a variant of the “LaRouche Doctrine” approach to this disaster. He warns that there is very little time to get Iraq right. He says that while it is unlikely that the Democratically controlled Congress can force Bush to withdraw, the next President will have 12 months, perhaps less, to “get Iraq straight before he or she is forced to pull the plug.” Therefore, U.S. military planners should assume that we’ll be out of there in less than 36 months from now.

The only way out, however, is by reconciliation. “There will be no imposed military solution with the current non-sustainable U.S. force levels,” McCaffrey admits. The U.S. must also focus on the creation of a regional dialogue, led by Iraqis, with active U.S. participation. While diplomacy is unlikely to produce results in the short run, McCaffrey writes that, in the coming five years, “it will be a prerequisite to a successful U.S. military withdrawal that we open a neutral and permanent political forum in which Iraq’s neighbors are drawn into continuing cooperative engagement.”

Brits Drive World War III Provocations in Gulf

by Jeffrey Steinberg

A growing number of American, Russian, Arab, and Israeli specialists are convinced that the world has moved ominously closer to a global confrontation, to be triggered by an American or Israeli/American attack on Iran, that could come in the immediate days or weeks ahead, and almost certainly by the end of the year.

The view that the world is “a sneeze” away from a strategic showdown in the Persian Gulf gained significant strength on March 23, when 15 sailors and Marines from the British Navy ship *HMS Cornwall* were arrested by the Iranian Navy, after they sailed into contested waters in the Gulf while conducting a search operation on an Iranian merchant ship.

Perfidious Albion

The role of the British in the fueling of a global showdown inside the Persian Gulf cannot be ignored or underestimated, except at grave risk. American military strategists interviewed by *EIR* expressed astonishment at the way that the British Navy had *apparently* bungled the search incident and the engagement with the Iranian Navy. But given Britain’s century-long presence as a colonial power in the greater Southwest Asian region, its still meticulous intelligence mapping of factions and clans in every corner of the Arab and Persian world, and its tradition of naval power projection, it is hard to easily conceive of the incident as merely the foolish blunder of a “declining power”—as opposed to a calculated move to turn up the heat, and then leave it to the Americans to directly confront Tehran.

The incident gravely escalated the level of tensions between Iran and the Western powers, at the very moment that the U.S. Navy was conducting live maneuvers in the Persian Gulf waters, just outside Iranian territory, involving two carrier groups; and the United Nations Security Council was unanimously passing a new series of admittedly weak sanctions against Iran over its alleged nuclear “weaponization” program.

Did the British intentionally “blunder” into an incident that had the potential to be the “Gulf of Tonkin” incident setting off a chain-reaction of events leading to general war?

While no definitive answer can be given to that question at this time, several U.S. analysts took careful note of an article that appeared in the March 17, 2007 edition of *The Economist* in a special report celebrating the 50th anniversary

of the European Union. The article revealed the state of mind of a significant faction within the City of London-centered Anglo-Dutch financial oligarchy, for which *The Economist* speaks. Under the title “The European Union at 100—Is the Best Yet To Come?,” the anonymous author engaged in a game of futurology about the global strategic alignment in 2057, the year that the EU turns 100:

“The EU is celebrating its 100th birthday with quiet satisfaction. Predictions when it turned 50 that it was doomed to irrelevance in a world dominated by America, China and India, proved wide of the mark. A turning point was the bursting of America’s housing bubble and the collapse of the dollar early in the presidency of Barack Obama in 2010.” The spinmeister author went on to report a massive expansion of the EU, including Israel, Palestine, and Russia, and the ultimate success of the euro as a leading global currency. At the end of the day, Europe had re-emerged as the leading global power, with the United States a crumbling and isolated basket case.

Putin Is Furious

American intelligence sources report that Russian President Vladimir Putin is furious at the Iranian government, for failing to appreciate the full strategic scope of the confrontation unfolding in the Gulf, targeted principally against Tehran. According to the sources, the Russian leader views the unfolding showdown in the Gulf as a step towards a much larger global confrontation, targeting Russia, China, and India.

Putin, according to the sources, wishes to see the situation in the Persian Gulf cooled out to avoid the military showdown that leading hawks in the Bush Administration, led by Vice President Dick Cheney, are out to provoke. Last November, Cheney’s unscheduled trip to Riyadh, Saudi Arabia aimed to draw the Kingdom into a long-term showdown between Sunni and Shi’ite Muslims, exploiting King Abdullah’s and other Arab leaders’ anxiety over Iran’s re-emergence as a singular regional power, in the aftermath of the United States’ disastrous invasion and occupation of Iraq.

For Putin, the old judo master, the best strategy is to “run out the clock,” avoiding giving Cheney and Bush any pretext for confrontation before they leave office—particularly a confrontation on Russia’s southern border. Thus, his frustration



US Navy/Specialist 3rd Class Ron Reeves

American, French, and British ships operating with the Stennis Carrier Strike Group in the Persian Gulf, March 25. The build-up in the Gulf, and the British-orchestrated showdown with Iran, place the world a "sneeze" away from a strategic conflict.

with Iranian President Mahmoud Ahmadinejad, who has a penchant for reacting to every Anglo-American provocation with a predictable counter-provocation.

It is in this context that the British *Cornwall* incident must be judged.

Russian Warnings of Imminent Attack

Putin's own concerns about an imminent war have been echoed, repeatedly, in the Russian media over the past several weeks. One sensational article by military commentator Andrei Uglanov, published in the tabloid newspaper *Argumenty Nedeli*, headlined that an attack would be launched on Iran at precisely 4 a.m. on April 6. The date is significant because it is Good Friday in both the Orthodox and Western churches this year. The story played up Vice President Dick Cheney's recent AIPAC (American Israel Public Affairs Committee) speech, promising that "all options are on the table" against Iran. Uglanov claimed that the air campaign against Iran was code-named "Operation Bite."

On March 21, Gen. Leonid Ivashov, former head of the Russian Defense Ministry's foreign relations department, gave an interview to RIIA Novosti, in which he gave credence to Uglanov's warnings of an imminent strike against Iran, stating his own conviction that an American air attack on Iran is a done deal. RIIA Novosti reported that, "Ivashov did not exclude that the Pentagon may use tactical nuclear weapons." Ivashov cited the recent withdrawal of an amendment to the supplemental Iraq War budget in the U.S. House of Representatives, that would have mandated that President Bush come to the Congress before any military aggression of any kind

against Iran, as alarming further evidence of a war consensus in Washington.

And again on March 27, Novosti cited an unnamed Russian military intelligence source, stating that, "the latest military intelligence data point to heightened U.S. military preparations for both an air and ground operation against Iran." The intelligence official said that the U.S. Naval presence in the Persian Gulf was back to levels that were reached on the eve of the March 2003 invasion of Iraq. Indeed, on April 2, the *USS Nimitz*-led carrier group was scheduled to leave San Diego, bound for the Persian Gulf, ostensibly to replace the *USS Eisenhower*. By early May, the *Nimitz* is expected to arrive in the Persian Gulf, thus creating the possibility of the United States having three carrier groups in the region. The Pentagon insists that the *Eisenhower* is scheduled to leave the Gulf waters prior to the arrival of the *Nimitz*, but any kind of crisis could lead to the orders being rescinded or delayed.

Furthermore, according to a well-placed Israeli source, the Russians are not merely talking up the war danger, but are quietly airlifting modern military equipment into Syria, in anticipation of a possible renewed Israeli military offensive against Hezbollah positions inside Lebanon, that would also include attacks against Syria.

The Re-Balkanization of the Balkans?

Russian President Putin's concerns over a possible global showdown in the Persian Gulf have also been fueled by saber-rattling from London and Washington over the Kosovo situation, along with the Bush Administration's announced plans to place ABM equipment in Central Europe in the future.

A report to the UN Secretary General on Kosovo's future was recently completed by UN Special Envoy Martti Ahtisaari, calling for *de jure* independence. Russia has said it will veto such a proposal if it is presented at the Security Council.

In response, former U.S. Balkan envoy Richard Holbrooke penned a provocative op-ed in the March 13 *Washington Post*, threatening that if there is "a Russian veto in the Security Council, or an effort to water down or delay Ahtisaari's plan, the fragile peace in Kosovo will evaporate within days, and a new wave of violence—possibly even another war—will erupt. Accusing Russia of "defying" the United States, Holbrooke, who makes no secret of the fact that he covets the post of Secretary of State if the Democrats win back the White House in November 2008, demanded that President Bush "weigh in strongly with Putin," warning that "if Russia blocks the Ahtisaari plan, the chaos that follows will be Moscow's responsibility and will affect other aspects of Russia's relationship with the West."

Soon after the Holbrooke fit, *The Economist* chimed in with an editorial, in its March 24 edition, saying "Kosovo is heading for independence, whatever the Russians say or do."

Former Russian Prime Minister Yevgeni Primakov, now a top foreign-policy advisor to President Putin, penned his own reply to Holbrooke and the Brits in the *Moscow News* of March 23, under the headline "Opening Pandora's Box in Kosovo?" Primakov, just back from a trip to Belgrade, Serbia, made direct reference to Holbrooke's op-ed, writing, "While I was in Belgrade, Richard Holbrooke made a statement, predicting that delay in resolving the Kosovo issue would lead to more bloodshed. 'This is not an analysis, but a scenario,' a senior Serb government official said." Primakov went on to warn of a Kosovo conflict triggering a renewed Balkan war, spreading to Bosnia, Croatia, and Serbia—what Lyndon LaRouche called the "re-Balkanization of the Balkans."

Bibi's Latest Moves

Well-placed Israeli sources within the Kadima ruling coalition party have also warned *EIR* that former Likud Prime Minister Benjamin Netanyahu is making serious political moves to return to power, and that he has assured Vice President Cheney that, if he takes over again, he will be prepared to launch military strikes against both Iran and Syria—in full coordination with Washington.

The sources warned that within weeks, the government of Prime Minister Ehud Olmert is likely to fall. Sometime in the second half of April, the Winograd Commission, appointed last September by Olmert to probe the disastrous July 2006 war in Lebanon, will issue an interim report. The report will focus on the roles of Olmert, Defense Minister Amir Peretz, and former Chief of Staff Gen. Dan Halutz in the military fiasco. The Winograd Commission is widely expected to call for Peretz's resignation as Defense Minister, and to trigger such a deep crisis that Olmert will be forced out.

According to an April 1 Jewish Telegraph Agency wire,

Likud chief Netanyahu is already negotiating with Kadima Knesset members to back his move to stage a no-confidence vote. With 61 votes, Netanyahu would claim the Premiership, or call for early elections.

The Israeli source reports about renewed Netanyahu-Cheney collusion are unquestionably true. On March 12, Netanyahu was in Washington for the annual convention of American Israel Political Affairs Committee. He used the occasion to hold a private behind-closed-doors meeting with the Vice President, the content of which, according to the Israeli sources, was a deal to hit Iran.

In his brief speech at AIPAC, Netanyahu resumed the theme of his 2006 speech: It is 1938, and Iran is Germany. Netanyahu railed that the entire world is "imperiled" by Iran's quest for a nuclear bomb. "Ahmadinejad is going for genocide, and we have to stop genocide," Bibi screamed, to roaring applause from the crowd. And in a not-so-veiled threat of Israeli attacks against Iranian sites, Netanyahu continued, "no one will protect the Jews if the Jews don't protect themselves."

LaRouche Skeptical About Arab Peace Initiative

In an apparent counterpoint to the rising war danger in the Persian Gulf, the Arab League convened in Riyadh, on March 28-29, and offered a public olive branch to Israel. In his opening speech to the gathering, Saudi King Abdullah called for regional solutions to the manifold crises hitting the Middle East, declaring that "the winds of hope will blow on the [Arab] nation, and then, we will not allow forces from outside the region to determine the future." Denouncing the U.S. presence in Iraq as "illegitimate foreign occupation," where "ugly sectarianism threatens civil war," the King demanded justice for the Palestinian people. The conference as a whole endorsed the 2002 Abdullah Plan, which offered a framework for peace with Israel.

The summit meeting was attended by a number of observers, including Iran's Foreign Minister Manouchehr Mottaki, who met with 14 heads of state and other senior officials, including the Saudi King, Syrian President Bashar Assad, and Pakistani President Musharraf.

While the presence of Mottaki and the overall push for regional peace and stability, on the surface, cut against the British drive to foment a permanent Sunni versus Shi'ite conflict, LaRouche cautioned that the prominent role of Saudi National Security Advisor Prince Bandar bin-Sultan, the longtime Saudi Ambassador in Washington and an ally of Cheney, led him to view the summit outcome with great reservation. Given the forces consciously driving for war, in both London and Washington, the actions at the summit were hardly a check on the war drive. And with Prince Bandar in the middle of the effort, LaRouche warned, "something stinks."

Muriel Mirak-Weissbach and Rachel Douglas contributed substantially to this article.

Russia and Iran on Strategy

by Lyndon H. LaRouche, Jr.

March 30, 2007

Just as the stubborn incompetence shown by nearly all of the world's economists today, is a reflection of their reliance on Cartesian mechanical-statistical methods, instead of competent, Riemannian principles of dynamics: a similar problem often infects the foreign-policy and related strategic outlooks of most nations of the world, still today. The failure of some influential Iranian circles to understand the irritation shown by Russia's President Putin, is an example of that same, currently prevalent problem of reliance upon mechanistic thinking, rather than dynamic conceptions, in strategic matters. That represents the same type of error in method which is presently common to failed economic forecasting.

Observers have noted a certain strain in the relations between Russia and Iran, over the issue of Iran's rejection of Russia's flexible response to the current Anglo-American use of Iran's alleged nuclear-weapons-program provocations, as a pretext for escalating the already ongoing spread of generalized asymmetric and other warfare within the Southwest Asia theater.

There are two points which President Putin's Russia seems, clearly, to grasp, but which some influential circles within Iran, as also elsewhere, have, unfortunately, missed. Iran is not to be singled out on this problem of method; what passes for strategic thinking in most circles in western and central Europe, as in most relevant leading circles in the U.S.A., reflects the exact same error of method shown by some important circles in Iran.

To restate the point just made: The marginal error expressed, on this account, by the views of some Iranian factions, is part of a mosaic of what are, otherwise, similarly dangerous errors of assumption by representatives of many nations. This includes, most emphatically, the cases of some relatively simplistic parodies of so-called "strategic thinking" among relevant leading professional politician circles, such as within the U.S. Congress, and among the leading Presidential candidates, within the U.S.A. itself.

The first of the points to which I refer: is that *a prudent commander must always understand who the real enemy is*. The real enemy is often the clever one, the one often disguised as an ally.

So, Bismarck rightly fought a war of defense against the aggression of British puppet Napoleon III, but, rightly opposed, if unsuccessfully, the Prussian monarchy's foolish refusal to end the war at the point of Napoleon III's defeat. The Kaiser's error was in thus committing a fully enraged, future France to play the role of London's puppet in geopolitical warfare, World Wars I and II, against continental Eurasia.

So, Germany's foolish and duped Wilhelm II and the other nephew of Edward VII, Czar Nicholas II, allowed themselves to make war against each other, at the pleasure of a decadent Austro-Hungarian Kaiser, all this in service of London's intention to have Russia and Germany destroy one another, and themselves, in geopolitical World Wars I and II, organized from imperial London. To bring about the calamity called "World War I," the Kaiser himself cleared the way to war with Russia, through dumping the Chancellor Bismarck who was opposed to Germany's being trapped into supporting Habsburg follies in the Balkans.

The second of the two points, is that *a prudent commander never permits his enemy to lure him, half-wittingly, into taking ground at a place and time which the adversary has shrewdly chosen for his relative advantage*. For example: The only important, true enemy of Iran resides both in London, and, therefore, also, among the London-steered allies of former U.S. Vice-President Gore. Prime Minister Tony Blair's London is also, the actual enemy of the U.S.A. in Southwest Asia. What is now behind Blair is the actual enemy, of us, and of the people of Southwest Asia; Tony Blair's faction is the force either to be defeated, or made peaceful by gentler means.

On these two accounts, President Putin's policy respecting Iran's current response on the issue of Anglo-American efforts to extend the already ongoing general warfare in Southwest Asia, has been prudent, and some Iranian resistance to President Putin's counsel has been a potentially ominous, tactical blunder, the error of overlooking the dynamical character of the relevant, global strategic situation as a whole.

I explain, beginning with a presently still very relevant example from recent history.

Franklin Roosevelt's War

Adolf Hitler had been brought to power under the sponsorship and direction of the British monarchy and its Anglo-Dutch Liberal and French Synarchist accomplices, including

leading pro-Mussolini and pro-Hitler financier circles within the U.S.A. President Franklin Roosevelt, understanding this to be the global strategic situation, played upon complications affecting Britain, to draw relevant earlier, British and other backers of Hitler, into the most difficult wartime alliance of Roosevelt, Churchill, Stalin, and others, which defeated the Nazi aim at world conquest for a fascist world system under Hitler's reign.

However, speaking historically, the premature death of President Franklin Roosevelt, allowed the balance of power inside the U.S.A. itself, to be shifted away from Roosevelt's intended post-war uprooting of all vestiges of imperialistic colonial submission, toward a resumption of pro-imperialist power which U.S. President Dwight Eisenhower denounced as a "military-industrial complex." The insurrection staged by that "complex" resulted in the 1967-1972 shift of world power from the American System of political-economy typified by the Bretton Woods fixed-exchange-rate system, to a 1971-1981 London-dominated Anglo-Dutch Liberal shift into the ruin of the remains of the U.S. agro-industrial economy, thus driving the U.S.A. into an ultra-decadent, anti-science, anti-technology form of "post-industrial" wreckage called "globalization." That "globalization" is the essential, global enemy of our U.S.A.

The change in direction which was introduced under British leadership at the moment of the death of President Franklin Roosevelt, was the first crucial step, by the pro-British, London-connected U.S. financier factions, toward an intended return to the domination of the world by the Anglo-Dutch Liberal system of imperial monetarism. That Anglophile faction's intention, then, is expressed today by a system presented under the rubric of stateless "globalization," the system typified by former U.S. Vice-President Al Gore's ultra-malthusian "global warming swindle."

Thus, the trend presently typified by the long-standing, close affinity of folly between Al Gore with Britain's Prince Charles, has now brought the world economy to a monetary-financial and physical-economic breaking-point, at which existing forms of sovereign national government are pitted in mortal struggle, against the combination of worldwide financial collapse and physical economic breakdown, caused by the present spread of the effects of a form of intended global imperialism expressed as neo-malthusian "globalization." The continued existence of the sovereign nation-state as an institution anywhere, now demands a return to a science-



National Archives

FDR and Churchill nearly came to blows over the American President's determination to end British Empire colonial domination throughout the world. The two leaders are shown here at the World War II Casablanca conference in January 1943.

driven scientific and technological policy of practice by sovereign nation-states, everywhere.

Implicitly, at least, Russia's President Putin understands this. His government's repeated emphasis on the model of U.S. President Franklin Roosevelt, is crucially indicative. The essential enemies of civilization are typified today by the forces associated with the ideology expressed in its disgusting extreme by Prince Charles's Albert Gore. That is the enemy to be defeated.

To bring about that urgently needed defeat of Gore et al. now, the U.S.A. must be won over politically to the cause of its return to the policy-outlook represented by former President Franklin Roosevelt. Under that condition, the possibility of saving civilization during the foreseeable generations to come, demands an immediate, global coalition of forces built up around leading agreements reached among four keystone nations: an agreement on returning to what had been U.S. President Franklin Roosevelt's pre-Truman intention for the post-1945 world: a cooperating system of respectively sovereign nation-states, united by a American-style, single, fixed-exchange-rate system covering, and promoting the development of the entirety of the planet.

Therefore, to put the point in the simplest decent way: strategically, all issues must be defined in respect to the necessary pathways of action through which to reach the point at which that decision, for a just new, world economic system of cooperative development, can be reestablished as the ruling system of relations among nations and peoples throughout



Presidential Press & Information Office

The U.S.A., Russia, China, and India must take the lead, as partners, in establishing a lasting peace, based on a just, new world economic system. Shown here, the meeting of (left to right), Presidents Hu Jintao, Vladimir Putin, and Prime Minister Manmohan Singh.

the planet. The rallying of the U.S.A., Russia, China, and India, as leading sponsoring partners for a true United Nations program, is the indispensable pre-condition which must not be sacrificed for any other issue.

The Global Economic Crisis

Some leading circles within the U.S.A.'s leadership have repeatedly asked me the following type of question:

"We tend to agree with your strategic assessment of the global economic and monetary-financial situation. However, the situation is not politically ripe for the kind of reforms which, we agree, would be necessary for the future recovery of our economy. Can you not define a more modest, interim step, which we might use as a stop-gap?"

My best-informed questioners of that sort know, in fact, that the present world monetary-financial system is not merely bankrupt, but entering a state like that of Weimar Germany's monetary-financial system of late 1923. Only a new system, backed by U.S. gold, saved Germany (temporarily) then; only an equally sudden and drastic change, would save the U.S. economy from something far worse than an economic depression, a general breakdown-crisis, now. The present monetary-financial system can no longer be reformed; it must be replaced by a system operating as a bankrupt system, under the protection of receivership, under the provisions of the Preamble of the U.S. Federal Constitution.

My questioners' concern is that the political machinery of the U.S. government is "not ready" to accept my leadership in designing and launching such a needed reform, even if there is not an available alternative, even for the continued existence of the U.S.A. as a nation.

The needed political element, on which such a U.S. reform would depend, in practice, is represented chiefly by the prospect of bringing together the governing forces of the U.S.A., Russia, China, and India, to serve as the principal committee of sponsors and initiators, of a general, virtually instantaneous reform of the world's economic system. An agreement of the type I know to be scientifically feasible, among those four leading powers, an agreement to a return to President Franklin Roosevelt's intention for a vigorously anti-colonialist, post-World War II Bretton Woods fixed-exchange-rate system, would immediately rally the principal amount of trading potential of the world, to a sufficient extent, to make necessary interim, emergency steps workable.

We must recognize that the genocidal lunacy of madman Al Gore's "globalization" schemes, can not be tolerated. We must recognize that the use of Southwest Asia as a cockpit for Anglo-Dutch Liberal schemes designed as

a factor of strategic disruption, must be shut down, and that in a way in which only a core agreement among the U.S.A., Russia, China, and India could mobilize on short notice.

Thus, bringing the U.S.A. to a posture of immediate back-channel discussions among the representatives of the four indicated powers, and their obvious, closely associated smaller partners, is the essential, urgently needed remedy for both the current global economic-breakdown-crisis now in progress, and for assembling the strategic political will to shut down now all continued efforts at stirring the fires for worldwide war in the London-managed cockpit of Southwest Asia.

Therefore, we must define that historic ground as the choice of the battlefield on which to fight, and the issue on which we are fully prepared to fight to early victory for the benefit of humanity as a whole. In the meantime, avoid all wars which would divert the course of world affairs along different channels of history than that.

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Racist Gore's Secret History As a Tennessee FBI Hit-Man

by Anton Chaitkin

Al Gore got into national politics as a police agent, rewarded with a seat in Congress for running a racist FBI frame-up against an African American political leader, who was trying to stop Nashville police from destroying the community by allowing unhindered narcotics trafficking and prostitution.

Years later, during Sen. Al Gore's abortive 1988 Presidential race, a biography promoting his campaign suddenly appeared, written, strangely enough, by a former Federal Bureau of Investigation official, Hank Hillin (*Al Gore, Jr.: Born To Lead*, reissued in 1992, as *Al Gore, Jr., His Life and Career*). Until 1999, the FBI man's book was the only published account of Gore's life. Hank Hillin told this reporter that he has known Gore and his family since Gore was four years old, and he described how Gore was brought in to work in the Tennessee arm of the FBI's terror campaign against black elected officials.

The pattern of hundreds of FBI/Department of Justice operations, beginning in the late 1950s, in which minority officials were illegally targeted, fell under the FBI internal designation, "Operation *Frühmenschen*" (German for "early" or "primitive men"). This racist doctrine, guiding FBI prosecutions of minorities, was first publicly identified by Rep. Mervyn Dymally (D-Calif.). On Jan. 27, 1988, Dymally, then the chairman of the Black Congressional Caucus, put into the Congressional Record a sworn affidavit from former FBI special agent Hirsch Friedman, originally filed in Federal court in Atlanta; it stated:

"The purpose of this policy was the routine investigation without probable cause of prominent elected and appointed black officials in major metropolitan areas throughout the United States. I learned from my conversations with special agents of the FBI that the basis for this policy was the assumption by the FBI that black officials were intellectually and

socially incapable of governing major governmental organizations and institutions."

John Seigenthaler, publisher of the Nashville *Tennessean*, hired the 23-year-old Gore in 1971, as a reporter, on the police beat. Seigenthaler, like FBI official Hillin, had earlier worked in the U.S. Justice Department with the anti-labor dirty operations around Justice Department official Walter Sheridan, a leader of the faction covering up the assassination of President John F. Kennedy.

Gore, the Police Agent

Al Gore first became famous in 1974, when he and his boss Seigenthaler cooked up a sting against Morris Haddox, a black City Council member and a thorn in the side of the Nashville establishment. Less than two months before the Gore covert attack, Haddox had declared that it was the practice of the police to allow dope dealing and prostitution to run completely unchecked in the black community, and he vowed to block consideration of other legislative matters until the City Council took up a reform of this criminal malfeasance.¹

1. Two local newspaper articles, both printed Nov. 12, 1973, make clear the fascist motivation for the sting: The Nashville *Banner*, under the headline, "Councilman Haddox Calls for Showdown With Police," says Haddox declared he would block legislative bills affecting his district of Nashville, until the police department was reformed. He spoke of the case of a black female drug addict, who was reportedly sodomized by 25 police officers, at the same time that the police were not enforcing the drug or prostitution laws in the black community. The *Tennessean*, headlined "Haddox Puts Policing Ahead of Legislation," by Wayne Whitt, has a photograph of Morris Haddox, with caption quote: "People deserve better." The article describes Haddox's threat to stop legislation unless the police department was made to enforce the law, and stop allowing unhindered prostitution and the sale of dangerous drugs in the black community.



These newspaper articles document the racist campaign against Nashville City Councilman Morris Haddox in which Al Gore played a key role.

Though nominally only a reporter with a private newspaper, Gore personally arranged with Hillin’s partners in the Tennessee Bureau of Investigation (TBI) to set up a radio transmitter on the person of a stooge, who was furnished with money to ensnare Councilman Haddox. The bribery indictment of Morris Haddox was announced in a *Tennessean* article on Feb. 7, 1974, under the byline of Albert Gore, Jr. The article included a photo of that sideburned reporter and undercover police spy, exultant, and accompanied by three photographers.

Rallies supporting Councilman Haddox were held in black churches. A statewide black political convention unanimously condemned Gore and Seigenthaler for the frame-up. The *Tennessean* of Feb. 11 quoted African American college teacher James Mock, denouncing those “playwrights who set up their scenario in the black community and had Mr. Haddox play it out . . . attacking the whole political structure of our black community.”

A Feb. 12 *Tennessean* article by Al Gore, headlined “FBI, IRS, Alerted in Council Probe,” explained that the FBI—the Hillin task force—was taking an official role in the legal attack on the Nashville Metro Council.

Although Haddox was later acquitted by a jury, Gore’s printed smears drove Haddox out of political life. Two decades later, Haddox came back into the Nashville council, Gore’s attack having faded from public memory.

In 1987, during his campaign for the 1988 Presidential nomination, Gore boasted to the *Des Moines Register* that his reporting “got a bunch of people indicted and sent to jail.”

Newspapers around the country picked up and exposed this falsehood, and the embarrassment contributed to Gore’s 1988 defeat.²

Publisher-spook John Seigenthaler arranged for his employee Al Gore to run for a seat in the U.S. House of Representatives that opened up in 1976; Gore would be sponsored by the banker-faction behind Walter Sheridan. Gore left the newspaper after winning the election, to take his seat in Congress—which had earlier been occupied by his father, Albert Gore, Sr.

Gore’s FBI-stooge job, and his resultant elevation to Congress, was in line with his imperial racist family background. He had grown up mostly in Washington, D.C., attending private school as the insufferably arrogant son of a rich, white, Southern politician. His father was in the orbit of Cordell

2. Following the Haddox frame-up, the Hillin-Seigenthaler gestapo went into action against Democrat Ray Blanton, who was elected Tennessee’s governor in 1974. Blanton opposed their racism and police-state schemes, and attempted to launch an inquiry into the frame-up of James Earl Ray in the 1968 murder of Martin Luther King, Jr.—which is still unsolved. Hillin told this reporter, “I was assigned to bring Blanton down.” The resultant four-year witch-hunt and imprisonment of the innocent Blanton (conviction later overturned) are recorded in the pages of Hillin’s first book *FBI Codename TENNPAR*, which made Hillin famous, and paved the way for his Gore biography two years later. A star player on the Hillin-Seigenthaler team, as celebrated in *TENNPAR*, was the KKK-style Memphis Federal prosecutor Hickman Ewing. Soon after wrapping up the Blanton case, Ewing began a smear and prosecution campaign against Memphis’s black Congressman Harold Ford, that lasted ten years; Rep. Ford was acquitted. Ewing went on to serve as an operative in Kenneth Starr’s assault against President Bill Clinton.



Curtis Palmer

John Seigenthaler, publisher of the Nashville Tennessean, hired Gore in 1971, as a reporter, on the police beat. The two racists then set up a sting of Councilman Haddox, who had become a thorn in the side of the Nashville establishment.

Hull, the aristocratic Tennessean who became Secretary of State under President Franklin Roosevelt and bitterly opposed FDR's endeavors on behalf of the colonial peoples challenging British imperial racism.

In 1964, Gore Sr., then a Senator, sold out President Lyndon Baines Johnson and the Civil Rights movement by voting against the landmark Civil Rights Act (July 2, 1964), which dealt a death-blow to Jim Crow by outlawing racial segregation throughout the nation. Gore, Sr., also tried unsuccessfully to cripple the bill with an amendment stopping the cutoff of Federal funds to states that would defy the law, and perpetuate racial discrimination.

At the time of his son's frame-up of Morris Haddox, Gore Sr., by then out of politics, was vice president of Armand Hammer's Occidental Petroleum Company, and chairman of Hammer's Island Creek Coal Co. The Gore family was then making its fortune in the oil industry, from Hammer's intrigues on behalf of British strategic operations. The senior Gore was also at the time on the faculty of Nashville's Vanderbilt University, the national center for the "respectable" revival of the 19th-Century Ku Klux Klan.

While working for Seigenthaler and the FBI anti-black strike force, Al Gore, Jr. was attending Vanderbilt University's Divinity School! This was the home base of the "Fugitives" and the "Nashville Agrarians," the gnostic cultists who revived the Southern Confederacy's "Lost Cause" as a neo-feudal attack on minorities, labor, and modern industrial civilization.

With this point of view, Gore, Jr. made his way to power, having joined his father's British employers in their war against the Democratic Party tradition of Franklin Roosevelt, and against populations of color all over the world.

Dems Blasted Gore for Murder in Africa

by Scott Thompson and Michele Steinberg

In 1999, Al Gore's racism against Africa cost him a lot of support—as many Democrats and their political allies blasted the then-Vice President for condemning millions of Africans to a horrible, lingering death, by denying them access to generic drugs to treat AIDS/HIV. But then, as now, Gore was more oriented to his friends in the British Empire—Prince Philip, Prince Charles, and the other eco-fascists who cheer as deadly viruses reduce the human population.

That same year, the United Nations reported that every day, 5,500 African men, women, and children were dying from HIV-AIDS infection. This was considerably more than those allegedly "ethnically cleansed" in Kosova, which was given mass-media attention during that time, but the same media was as silent as the grave about HIV-AIDS deaths in Africa, where steps might have been taken to slow the death rate.

Could any human being sit by and permit such a holocaust to occur, if there were a way to stop it? What kind of person would prevent a solution? According to documentation supplied by the AIDS Drugs for Africa Coalition, one man had taken steps to stop Africa—particularly South Africa, where 3-6 million people are already infected with HIV-AIDS—from getting access to low-cost, life-extending generic drugs. That man is then-Vice President Al Gore, Jr.

In June 1999, following a meeting that he attended at the White House on the AIDS crisis in Africa, and on the State Department's campaign to stop South Africa from using generic anti-HIV/AIDS drugs, Steve Love of the Center for the Study of Responsive Law blasted the Vice President: "Al Gore is responsible for this situation, because he is head of the Commission on Binational Relations with South Africa. At the meeting, he said that he had only allowed there to be moderate sanctions imposed against South Africa, because they have a law calling for the production of affordable, generic AIDS treatment drugs, rather than the tough sanctions that have been called for by the drug companies. Jesus Christ, what is Gore talking about!? People are dying in big numbers, and they view people who are infected as already dead, so why give them any treatment? It is terrible and immoral!"

On June 30, 1999, State Rep. Harold James, then head of



UNICEF

Was Al Gore responsible for orphaning these two boys from Botswana, when he moved to prevent the South African government from manufacturing generic anti-AIDS drugs?

the Pennsylvania Legislature's Black Caucus, and one of the most widely known African American leaders in the United States, issued a statement asking, "Will millions die in South Africa because of Al Gore's policies?"

James's statement read in part: "Disturbing reports have come to public attention recently, concerning the apparent role of Vice President Al Gore in denying affordable AIDS medications to . . . South Africa. . . . Why would Al Gore take actions, which would unnecessarily increase the suffering and deaths from AIDS in Africa?"

"In 1997, the government of South Africa passed legislation allowing the domestic production of generic versions of AIDS drugs, and the purchasing of cheaper types of AIDS drugs on the world market. The law also requires a reasonable fee to be paid by domestic producers to the drug companies which hold the patents. The pharmaceutical industry is worried that if South Africa and other Third World countries go ahead with these plans, their ability to charge vastly inflated prices . . . may be undercut. . . ."

On July 21, 1999, Democratic Party ally, now Sen. Bernie Sanders (I-Vt.), sponsored a House amendment that would have prohibited the U.S. State Department from punishing countries that take action, legal under World Trade Organization rules, to make affordable AIDS drugs available to their populations. The House rejected the measure by a vote of 307-117.

In his statements, Sanders called the AIDS epidemic "one of the great moral challenges of this century." He urged his colleagues, "Get the U.S. government on the right side of this issue and help save millions of lives." Sanders was backed by Democratic Rep. Marion Berry of Arkansas, who asked,

"What good are life-saving drugs if they are not affordable for the people who need them? We should not punish countries for trying to save their citizens' lives."

Genocide

The issue was clear: According to spokesmen for AIDS Drugs for Africa, in 1998 and 1999, Vice President Gore delivered threats to South Africa Deputy President (now President) Thabo Mbeki, that the United States would cut off all U.S. economic aid unless South Africa abandoned plans to manufacture and import cheaper generic drugs to treat HIV/AIDS.

As a result, members of the AIDS Drugs for Africa coalition dogged the Vice President, as he campaigned for the Presidency, shouting slogans such as "Al Gore kills for greed." The latter is a reference to the contributions that were filling Gore's Year 2000 Presidential campaign coffers from large pharmaceutical companies, that were using a multiplicity of means to stop South Africa from implementing a program to produce affordable generic drugs that can arrest the progress of the HIV-AIDS infection, drugs known as protease inhibitors.

The solution was at hand, and Gore blocked it, according to Steve Love:

"It's hard to appreciate the horror of the situation. Millions of South Africans will die because of what Vice President Gore has done."

"South Africa is prepared to pay reasonable royalties," Love added: "And, the conditions that South Africa has offered meet those of the WTO [World Trade Organization]. One out of every five young South Africans is infected by HIV/AIDS and will die. But, Vice President Gore has kowtowed to the pharmaceutical companies, so that he can raise campaign contributions . . . 'genocide' is an appropriate term."

But there was more than concern about patent infringement behind Gore's action. Then, as now, Gore embraced genocide against the Third World under the guise of "ecology." In his praise for Paul and Anne Ehrlich's book *The Population Explosion* (Simon & Schuster, New York, 1990), Gore fully endorsed their demand for radical population-reduction measures in the world's poorest countries. The Ehrlichs argue in their book, that AIDS is merely the latest of numerous pandemic diseases that have resulted from "overpopulation," which, incredibly, they claim exists in Africa, where they believe AIDS originated. Not only did Gore write an endorsement for the Ehrlichs' book jacket, but he fanatically repeated these sentiments in his own 1992 "deep ecology" diatribe, *Earth in the Balance*.

Greed

Today, Al Gore is the manager of a hedge-fund, based in London, where pharmaceutical lobbyist of yesteryear, Peter

Knight, is president of Gore's company, Generation Investments. In 1999, as now, Gore loved the color green—as in money—which flowed from the pharmaceutical giants into his campaign—the very pharmaceuticals that were lobbying for harsh measures against South Africa.

In a June 25, 1999 editorial, the *Washington Post*, came out against South Africa's law allowing the sale and use of generics. It stated: "U.S. pharmaceutical companies see the law—which allows South Africa's Health Minister to bring in less expensive imported AIDS drugs or locally produced generics—as an infringement on their patent protection. They have pushed aggressively for help in Congress and at the White House, even proposing that foreign aid to South Africa be cut off."

According to the "Ouch! Report" No. 25, entitled "Al Gore, AIDS Drugs and Pharmaceutical Money: Gore's Patented Moves," issued that same month, Gore was already starting to rake in his filthy lucre:

"While AZT, for example, can be purchased on the world market for 42 cents for 300 mg, it retails in the U.S. for nearly \$6 a pill," the report stated.

"Despite the fact that the WTO explicitly allows members to take such steps in the face of a national emergency or for public non-commercial use, the U.S. has placed South Africa on a 'watch list' as a free-trade violator and denied it special tariff breaks on its exports. . . .

"The Gore campaign is also well-positioned to reap a bumper crop of pharmaceutical cash. Anthony Podesta, a close friend and top adviser to Gore, is one of the PhRMA's [Pharmaceutical Research & Manufacturers' Association's] chief lobbyists. His firm was paid \$160,000 by PhRMA to lobby on patent issues, among other matters, between January 1997 and June 1998. He was also retained by Genentech, a major biotech firm with intense interest in protecting its patents, to the tune of \$260,000 for the same period. . . . Peter Knight, Gore's head fundraiser, made \$120,000 lobbying for Schering-Plough, another deep-pocketed drug company, in the first half of 1998. . . .

"These people know who to dial for dollars.

"One last sign that the pharmaceutical industry is warming to Gore: \$11,000 in contributions to Gore 2000 from PhRMA, Pfizer, Bristol-Meyers Squibb, Genentech, and Glaxo-Wellcome lobbyists in the first three months of 1999. . . . Most of this money rolled in after consumer and AIDS activists started putting pressure on Gore's office to change his South Africa policy. . . ."

How Many Died?

At a rally on June 28, 1999, in Philadelphia, some 3,000 members of the coalition AIDS Drugs for Africa took part in a protest demonstration against Gore, who was in the city campaigning for the Democratic Presidential nomination. Growing numbers of people had caught on to the fact that it was genocide to deny South Africa, or any other poor country access to the generic HIV-AIDs drugs.

No one can estimate how many died because of this policy. On July 1, 1999, Agence France Presse reported that nearly 3.6 million people in South Africa were infected with the HIV-AIDS virus, according to statistics gathered by the Medical Research Council (MRC), which found that the number of people, at that time, carrying the fatal disease had increased 30-fold since 1990. As of now, it has reportedly increased 55-fold since 1990.

According to the MRC study, the percentage of pregnant women in South Africa infected with HIV rose from 0.76% in 1990, to 22.8% in 1998—an absolutely staggering rate of increase. The MRC findings support government statements that South Africa had—and has—one of the world's fastest-growing HIV epidemics.

Xinhua, the China news agency, reported in 1999, that Nigeria has an estimated 571,036 cases of HIV-AIDS infection, averaging—like South Africa—1,500 new infections daily, according to the National Coordinator of the National AIDS Control Program, Nasir Sani-Gwarzo. An estimated 139,282 Nigerian adults died of AIDS in 1998.

Despite these numbers, Al Gore has never repudiated his genocidal policies, as can be seen by his current activities in promoting his global warming and carbon swap swindles, which will add to the grim total of deaths caused by AIDS/HIV, in Africa and around the world.

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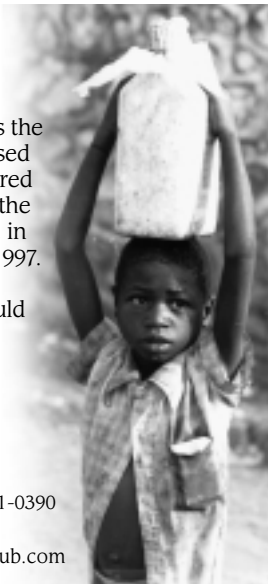
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Middlebury College, Felix Rohatyn, And the Green-Brown Cult of Al Gore

by David Dixon, LaRouche Youth Movement

An ongoing investigation by the LaRouche Youth Movement into the apparatus of international speculators, radical environmentalists, and quackademic pseudo-scientists behind the global warming swindle, has turned up a very nasty command center at Vermont's Middlebury College. In effect, over the past five years, Middlebury has been turned into an assembly-line for the manufacture of "grassroots" environmental countergangs—all tied to the Academy Award-winning charlatan-in-chief of the present drive for carbon swaps and other environmentally friendly financial scams, Al Gore.

At the same time, some of the major funding for the Middlebury green social-engineering scheme comes from leading right-wing tax-exempt foundations, including several associated with George Shultz and Richard Mellon Scaife, the latter being the moneybags behind the entire 1990s "Get Bill Clinton" assault on the U.S. Presidency. It should come as no surprise to the former President and First Lady that Al Gore has teamed up with the Richard Mellon Scaife gang in peddling yet another Academy Award-winning political fiction.

While Middlebury has long been in the lead in promoting "environmental studies" and similar academic hoaxes—and was a nexus of late 19th- and early 20th-Century promotion of the "race science" of eugenics—things really turned brown and nasty in the New England woods in January 2002, when one of Wall Street's leading Synarchist bankers, Felix Rohatyn, plunked down several million dollars and literally bought the Middlebury College School of International Relations, renaming it the Rohatyn Center, and turning it into a propaganda hub for such British imperial ideas as the East India Company-modelled privatization of national security and, above all else, the apocalyptic threat of global warming.

One year after Rohatyn's return to his alma mater (Rohatyn graduated from Middlebury in 1949), Richard Fuld, the chief executive officer of Lehman Brothers, the fourth-largest brokerage house on Wall Street, was named to the college's board of trustees. Rohatyn himself was soon back on the board, as well; and in August 2006, Rohatyn further teamed up with Fuld when he shut down his own investment bank, Rohatyn Associates, and accepted the appointment as chairman of Lehman Brothers' international advisory board, and became senior advisor to CEO Fuld.

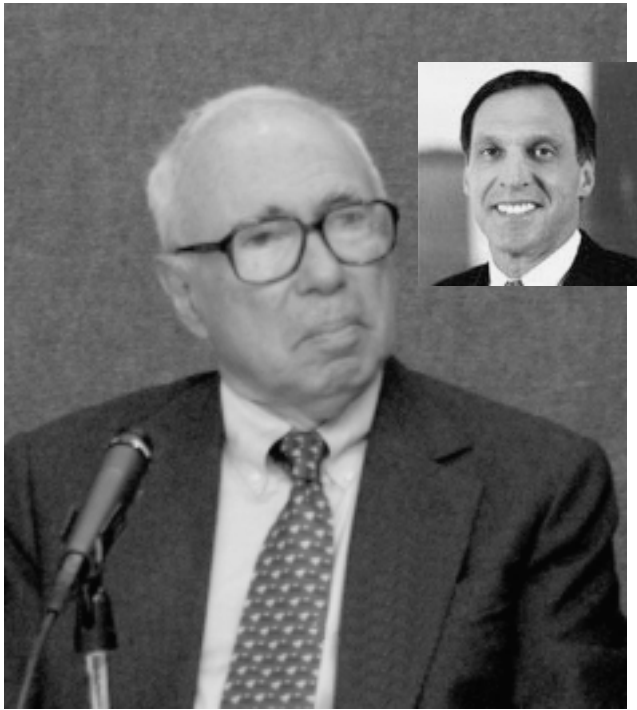
The Rohatyn-Fuld team has turned Lehman Brothers into one of the greenest of the Wall Street speculative funds, creating a climate council, to steer Lehman's investments in the planned future carbon-swaps bubble and other similar green hoaxes still on the drawing board. The Lehman Brothers Climate Council is headed by Theodore Roosevelt IV, a direct descendant of the turn of the 20th-Century U.S. President Teddy Roosevelt—himself an ardent "conservationist" and slavish promoter of the idea of an Anglo-American world empire. TR's great-grandson Teddy IV is an intimate of Al Gore on the Alliance for Climate Protection, one of the well-funded front groups peddling the global warming hoax, and lobbying for the creation of the carbon-swaps speculative bubble.

McKibben and Isham

Two Harvard-trained operatives arrived at Middlebury at around the same time that Rohatyn and Fuld launched their not-so-hostile campus takeover. Bill McKibben, one of the most rabid environmentalists and Malthusians on the scene today, who is actually credited with putting out the first book-length screed about the menace of global warming, is a resident scholar at Middlebury. McKibben's opening salvo in the climate-change swindle, was published in 1989, under the bizarre title *The End of Nature*. It was based on a series of articles McKibben had originally written for *The New Yorker*, where he worked after leaving Harvard.

Striking a pessimistic tone that would make Spengler or Nietzsche proud, McKibben had written: "Our comforting sense of the permanence of our natural world, our confidence that it will change gradually and imperceptibly if at all, is the result of a subtly warped perspective. Changes that can affect us can happen in our lifetime in our world—not just changes like wars but bigger and more sweeping events. I believe that without recognizing it we have already stepped over the threshold of such a change, that we are at the end of nature. By the end of nature, I do not mean the end of the world. The rain will still fall and the sun shine, though differently than before. When I say 'nature,' I mean a certain set of human ideas about the world and our place in it."

Further on, in *The End of Nature*, McKibben elaborated,



EIRNS/Dan Sturman

Fascist financier Felix Rohatyn is a major financial backer of British imperial ideas, including global warming pseudo-science, at Middlebury College. He has brought in his associate at Lehman Brothers, Richard Fuld (inset), as well.

“The greenhouse effect is a more apt name than those who coined it imagined. The carbon dioxide and trace gases act like the panes of glass on a greenhouse—the analogy is accurate. But it’s more than that. We have built a greenhouse, a *human creation* where once there bloomed a sweet and wild garden.”

In a very recent article, published in the March/April 2007 issue of *Mother Jones* magazine, McKibben let it all hang out, exposing himself not only as a rabid Malthusian, but as an explicit follower of the hedonistic philosophy of the British East India Company’s 18th Century figure Jeremy Bentham. Paying homage to both Adam Smith and John Maynard Keynes, McKibben wrote, in “Reversal of Fortune”:

“The formula for human well-being used to be simple: Make money, get happy. So why is the old axiom suddenly turning on us? For most of human history, the two birds More and Better roosted on the same branch. . . . But the distinguishing feature of our moment is this: Better has flown a few trees over to make her nest. And that changes everything. Now, with the stone of your life or your society gripped in your hand, you have to choose. It’s More *or* Better.

“Which means, according to new research emerging from many quarters, that our continued devotion to growth above all is, on balance, making our lives worse, both collectively and individually. Growth no longer makes most people

wealthier, but instead generates inequality and insecurity. Growth is bumping up against physical limits so profound—like climate change and peak oil—that trying to keep expanding the economy may be not just impossible but also dangerous. . . . On the list of major mistakes we’ve made as a species, this one seems pretty high up. Our single-minded focus on increasing wealth has succeeded in driving the planet’s ecological systems to the brink of failure, even as it’s failed to make us happier. How did we screw up?”

Action Anthropology

McKibben’s henchman at Middlebury, fellow Harvard grad Jonathan Isham, came to the college, and to the greenhouse gas cause, by a far more circuitous route. Isham currently holds the Luce Professorship of International Environmental Economics at the Rohatyn Center, an appropriate posting, given that the endowment is named after Henry R. Luce, the son of the founding publisher of *Time* magazine and a leading American Synarchist figure of the mid-20th Century, whose magazine unabashedly promoted the Italian Fascism of Benito Mussolini.

After graduating from Harvard in 1984 with a B.A. in social anthropology, Isham spent four years in the Peace Corps, in his own words, promoting “more fuel-efficient cook stoves.” Isham got his M.A. in international economics and social change from the Johns Hopkins School of Advanced International Studies (SAIS), after which he worked as a full-time consultant to the World Bank, conducting anthropology studies in Africa, India, and Sri Lanka. He then completed his Ph.D. from the University of Maryland, and migrated to Middlebury in 1999—by which time he had become a full convert to the Green Revolution.

Beyond his green credentials, Isham is part of a legion of “action anthropologists,” largely trained at the University of Chicago, Harvard, and the Sorbonne, who combine cultural profiling with radical political activism, which sometimes shades directly into overt terrorism and violent separatism. Indeed, Isham boasts that, on the basis of his World Bank experiences in Africa, he came to Vermont, and conducted some of the most in-depth social profiling of the state’s population, producing “scholarly” studies with titles like, “The Greening of Social Capital: An Examination of Land-Based Groups in Two Vermont Counties,” and “Killington Mountain Resort: A Case Study of ‘Green’ Expansion in Vermont.”

Later this Spring, Isham and McKibben will publish a collection of essays by leading climate-change propagandists, *Ignition: How the Climate-Change Movement Can Spark a Clean-Energy Revolution and Restore the Power of Community*. Isham and Sissel Waage edited the book, which is to be published by Island Press, the publishing arm of the Center for Resource Economics in Washington, which was originally a project of the Tides Foundation, another major source of funding for the global warming hoaxers.

Isham is unabashed about the fact that he and McKibben



Jonathan Isham (left) and Bill McKibben, both Harvard graduates, are turning Middlebury into one of the nation's major hubs for organizing "global warming" zombie groups. Isham plays the role of social engineer, while McKibben acts as the local cult icon.

have targetted the student body of Middlebury for an "action anthropology" experiment: The creation of a string of global warming pseudo-gangs, to be dispatched around the United States, to create a hard-core campus-based apparatus of true-believer student "activists."

The division of labor between Isham and McKibben is that of social engineer and local cult icon, respectively. The ultimate guru of this global warming pseudo-religion is Al Gore, whose favorite nickname is "the Goracle," an explicit reference to the priesthood at the Temple of Delphi, who ruled ancient Greece as a financier oligarchy.

The Middlebury Experiment

From January 25-27, 2005, the Rohatyn Center hosted a conference headlined "What Works? New Strategies for a Melting Planet." The conference promo boasted, "We are thrilled that so many inspiring leaders are here for three days, to share, test and build strategies for the new climate movement." Apart from the Rohatyn Center, the conference was funded by the Mellon Foundation, the Brendon P. Bechtel Foundation, and the Schumann Foundation.

The conference was kicked off by Isham and the closing remarks were delivered by McKibben. Among the speakers at the conference were John Passacantando, executive director of Greenpeace USA, and Eban Goodstein, founder of the Green House Network, and co-founder with Jon Isham of Focus the Nation. The conference was organized around a series of Tavistockian "small group" sensitivity sessions, and the entire event was videotaped.

Indeed, Isham is a leading proponent of the Tavistockian scheme called "social capital," which aims to map forms of social networking, from "bonding to bridging to linking." "Linking," in Isham's cosmology, refers to having "friends in high places."

The "What Works?" conference coincided with a Winter semester course by Isham, called "What Works? Building the New Climate Change Movement." Soon after the Rohatyn Center conference, a number of Isham's students "decided" to form a campus climate-change activist group, which they dubbed the Sunday Night Group. McKibben became the faculty consultant to the group, which had no official campus standing, but soon grew to include over 100 students.

Between Isham's class curriculum and the activities of the Sunday Night Group, the Middlebury students recruited by the Isham-McKibben team were soon deployed around the state on a series of political deployments—now conducted in league with well-funded national greenie outfits like Environmental Defense, the Energy Action Coalition, and the Green House Network. A Spring 2005 issue of *Environmental News*, the newsletter of the "environmental programs at Middlebury College," reported on some of those activities, including a lobbying campaign, aimed at forcing Sen. John Sununu (R-N.H.) to cosponsor legislation for mandatory carbon emission caps with sponsors Sen. John McCain (R-Ariz.) and Sen. Joe Lieberman (I-Conn.); and marketing research internships with Ben & Jerry's ice cream.

The first major out-of-state venture by Isham and McKibben's Sunday Night Group was "The Road to Detroit." In the Summer of 2003, the Environmental Studies Department students at Middlebury built a bus that was fueled by recycled vegetable oil and diesel. It was replaced a year later by a bus fueled by biodiesel, which was donated to the Sunday Night Group, when they proposed to conduct a bus trip to Detroit, to promote alternative fuels. "The Road to Detroit" was bankrolled by some of the biggest national environmental groups, including the Rainforest Action Network and the Energy Action Network. Rainforest Action Network is a project of the Tides Foundation, already mentioned above as one of the largest sources of tax-exempt funding for the greenhouse gas hoax.

One of the founders of the Sunday Night Group, May Boeve, an advisor to Focus the Nation, is now conducting postgraduate work, on a project to vilify the Big Three U.S. auto companies.

On Labor Day 2005, 1,000 people, led by McKibben, marched from Middlebury to Montpelier, the state capital, demanding that all candidates in the 2006 midterm elections adopt the agenda of global warming radicals.

Within days of the election, a meeting took place at Middlebury, between McKibben and two leaders of the Sunday Night Group, Jeremy Osborne and Jon Warnow. The purpose was to expand the "Middlebury experience" nationally, by setting an April 14, 2007 date, for a series of nationwide demonstrations and direct actions. The effort was to be coordinated with Energy Action's project, Campus Climate Challenge, a group run by Billy Parish, who co-authored "The Road to Detroit" with the Middlebury Sunday Night Group.



Two of the activist groups, or shocktroops, being organized to try to force through the genocidal program of energy cutbacks mandated by Gore's "global warming" hoax, are "Focus the Nation," and "Step It Up," whose websites are shown here. Don't let them turn your children, or friends, into campaigners for genocide.

Out of the November 2006 meeting came the launching of the nationwide organization, Step It Up, whose website states that the goal of the group is to achieve an 80% cut in carbon emissions by the year 2050—precisely the deindustrialization and genocidal scheme presented by Al Gore to a credulous U.S. Congress on March 21.

In coordination with McKibben's Step it Up project, a second Middlebury-sponsored nationwide effort was launched on Oct. 2, 2006. According to an official press release issued by Middlebury College, "A nationwide initiative to educate the country about global climate change got its official start, Saturday, Sept. 30, at Middlebury College. The effort, called 'Focus the Nation,' seeks to coordinate teams of faculty, students and staff at more than a thousand colleges and high schools in the United States, jump-starting a national discussion on the goal of 'stabilizing the climate in the 21st century.' The project is designed to culminate on Jan. 31, 2008—in the middle of the presidential primary season—with one-day, national symposia held simultaneously on campuses across the country. . . . Middlebury's Isham believes that Focus the Nation might well 'become the Earth Day 1970s' catalyzing event that turns the national conversation about global warming from fatalism toward determination."

Focus the Nation is co-directed by Isham and Eban Goodstein, a professor at Lewis and Clark College in Oregon, who spent a period of time as a guest lecturer at Middlebury as the project was being launched.

At the beginning of January 2007, both Isham and Goodstein travelled to Knoxville, Tennessee, to participate in the global warming training session directed by Al Gore. Since that time, Isham has been a direct operative for Gore's Climate Project.

An Inconvenient Truth

Middlebury College boasts that it is the most ecology-friendly campus in the country. Soon after Rohatyn and Fuld joined the board of trustees in 2005, the school voted to spend \$11 million to construct a biomass plant to provide energy for the campus, using woodchips, grass pellets, etc.

However, no where in the college literature is it mentioned that the state of Vermont gets over 76% of all of its electricity from nuclear power, making Vermont the number one state in the U.S.A. in nuclear power usage. One nuclear power plant alone, the Vermont Yankee facility, provides more than a third of the state's electrical power. On its website, is the statement that the electricity generated at Vermont Yankee produces "zero greenhouse gas emissions."

The Freaks Who Created Al Gore

by Anton Chaitkin, with
Leandra Bernstein of the LaRouche
Youth Movement and
Michele Steinberg

Al Gore is a Nazi. He is a racist, eugenicist freak whose dreams of a one-world government to eliminate the poor and dark-skinned peoples have landed him a comfortable seat in the lap of the British Fabian imperialist establishment. If Al Gore is not rejected, immediately, by the people of our nation, the United States would become like a forced abortion, among the millions already being performed by Gore's genocidal providers of so-called international aid. What British agent Gore is doing right now, in working for the British government, is an echo of the birth of the evil Eugenics Movement in the British Empire, which was then exported to both the United States and Germany.

If this shocks you, read the history below. The truth is, *there is no more truth to Global Warming than there was to the eugenics theories of the 1920s*, which were used to sterilize tens of thousands in the U.S.A., and as the basis for Nazi genocide. But happily, Gore's Global Warming "*Gleichshaltung*" (Nazi consensus) has been broken in the last two weeks, and it is time to end Gore's hoax.

Today, Vermont's Middlebury College is the home of fascist financier Felix Rohatyn, and Al Gore's green assault on the campuses (see article this issue). But already in the 1920s, Rohatyn's Middlebury College was in the circles advocating *forced sterilization* of Native Americans and the "feeble-minded" as part of the Eugenics Movement. Then—as now—their policy was genocide. In 1925, Middlebury College President Paul Dwight Moody, was in close collaboration with Henry F. Perkins, the head of the notorious Eugenics Survey of Vermont—the organization that ran the drive to put through the Nazi forced sterilization law of Vermont, in 1931.

For over 60 years, the "elites" of bucolic, green Vermont have tried to cover up the ugly secret that they ran a sterilization campaign in the prisons, hospitals, children's shelters, and mental institutions that targeted minorities like the Abenaki Indian tribe, which was all but wiped out, and the French-Canadians.

The truth peeked out from under the floorboards in 1999 with the publication of the book called, *Breeding Better Vermonters: The Eugenics Project in the Green Mountain State*, by Nancy Gallagher, which tells the dark tale of Perkins,

the Vermont Eugenics Survey, and the blatant racism of the Vermont "elite." Perkins' study resulted in the passage, in 1931, of a law in Vermont for the mandatory sterilization of the "feeble-minded." For the Survey, this definition was based only on hereditary factors in profiling families—such as a generational history of criminality—not on whether a specific individual was mentally ill, or "slow."

Many contemporary reviews of Gallagher's book say that the Survey was responsible for the ethnic cleansing of French Canadians, gypsies, and the Abenaki Indian tribe, which became so dispersed that it no longer qualified as a tribe. Some criticize Gallagher for not going further and finding the victims of the Survey.

And Middlebury College's elite had a role in cleansing Vermont of the "degenerates," as Perkins called them. According to Professor Rob Prince of the University of Denver who reviewed Gallagher's book:

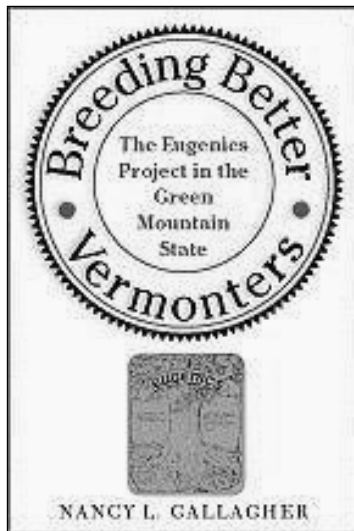
"One example . . . of Vermont's elitist attitudes came from Middlebury College president, Paul [Dwight] Moody. Commenting to Henry Perkins, the state's leading eugenicist, Moody said 'the whole of the French Canadian population could be wiped out of Middlebury and no one would miss it.' "

"Perkins' views followed the same logic," Prince says. "Of French-Canadians, he shares with us, 'You cannot believe a thing they tell you . . . they are pretty genial folk but many have a pretty low I.Q. . . . the French are a complacent people; it would be impossible to have a French Mussolini (quite a tragedy no doubt), for instance. that kind of drive is lacking.' Thus spoke Henry Perkins to his trusted aide and researcher, Harriet Abbot. . . ."

These were not "commoners." Middlebury's Moody was the son of Dwight Moody, one of the most powerful religious revivalist preachers of the late 19th Century, whose followers included Charles Guiteau, who assassinated President James Garfield in 1881. This is also the family of the "Moody Bible Institute," which survived the Garfield affair, and today runs propaganda campaigns under religious guise in dozens of countries, and has built a massive radio and "televangelist" operation.

Perkins became the president of the American Eugenics Society, the notorious organization that collaborated directly with the Nazi race scientists. Harriet Abbot, Perkins' aide, was trained by the eugenics movement in its Cold Spring Harbor, New York headquarters, and had come from the Vermont Children's Aid Society to work on the Vermont Eugenics Survey (source: University of Vermont archives).

The Survey was racist through and through. According to Homer St. Francis, the chief of the Abenaki Indians, he found names of at least 50 of his tribe members in the official records of the sterilizations done by Perkins' Vermont Nazis, but believes that there are many more victims. On Sept. 8, 1999, St. Francis was quoted in the London *Guardian* saying, "It made me sick just to read those lists. . . . Why don't they call it by its right name—genocide." Professor Prince also



judithsgenealogypage.4t.com

The role of Middlebury College officials in carrying out forced sterilizations was revealed by author Nancy Gallagher in 1999. Shown here are some of the targets, in the Abenaki Indian tribe, which Vermont's forced sterilization law nearly wiped out.

reported that St. Francis “believes that two sisters and a brother suffered this fate, with his brother being offered sterilization as a condition of release from prison. . . .”

There is much more to be uncovered about this evil project, and Middlebury's role in it, and this article is only the beginning. On March 20, 2007, the *Vermont Cynic*, newspaper of the University of Vermont, where Henry Perkins was a professor of zoology, wrote that, “According to Perkins, ‘statistics showed Vermont to be almost at the top of the list of physical and mental defectives. It has been suggested that this may be due to the large number of French Canadians in the population.’” The *Cynic* also reported that, “The pamphlet of the purposed [sic] laws, ‘Proposals for Improving Social Legislation in Vermont: Improved Laws rather than More Laws for the Commonwealth,’ even had a swastika on the cover.”

Another document on the website of the Vermont Historical Society reports that during the time of the Eugenics Survey, in the 1920s, there was a massive rise in the number of Vermonters attending meetings of the Ku Klux Klan, which “persecuted African Americans, Jews and Catholics.”

Ironically, the History Department of Middlebury College has been found promoting papers that whitewash at least aspects of the Eugenics Survey, especially Harriet Abbot's Children's Aid Society (source: University of Vermont, Bryan Award of 2004).

What helped generate this crazed demand for eugenics and racial purity, was a massive influx of immigrants. In six years, from 1912-1918, the U.S. brought in more than 7 million immigrants from 43 countries, creating what race scientists and eugenicists viewed as a “demographic crisis.” The

Assistant Surgeon General of the U.S. Public Health Service stated in 1915: “As a consequence of the war, many undesirable persons are not being admitted to our country. If the war continues for a long time we may expect a gradual decrease in our institutional mental and physical defectives, now being cared for at the expense of states and municipalities, but what will be the result when the war ends?”

Beginning shortly after the close of World War I, individual U.S. states began passing eugenics laws, allowing for the practice of euthanasia, and forced sterilizations of “degenerates,” “idiots,” the “feeble-minded,” and “over-sexed,” none of whom—it was said—could be helped through education. In 1924, under a new state law, 3,000 men and women were forcibly sterilized in Connecticut alone. In 1931, Perkins succeeded in having a sterilization law passed in Vermont.

The British Empire and the ‘Master Race’

In 1912, an International Congress on Eugenics, or race purification, was held at London University in England. The keynote speech was given by Sir Arthur Balfour, the original founder of the Eugenics Movement in the 1880s, who had been British Prime Minister under King Edward VII. Balfour told the Eugenics Congress, “We do not say survival is everything; we deliberately say that it is not everything—that the feeble-minded man, even though he survives, is not so good as the good professional man . . . broadly speaking, man is a wild animal . . . man is to become a domesticated animal.”¹

1. Records of the First International Eugenics Congress, London, 1912, in the New York Public Library Annex



Library of Congress

Gore's racist tradition derives from such prominent British eugenicists as Arthur Balfour, a former British Prime Minister, and a founder of the Eugenics Society in the 1880s. Balfour considered man a "pretentious intruder" upon nature, and no better than an animal to be culled.

Dr. Alfred Ploetz, President of the German Society for Race Hygiene, warned the Eugenics Congress: "The preservation of the Nordic Race is . . . seriously menaced." The low white birthrate "gives no favorable outlook for the white race, in its great combat for lasting supremacy. . . ."

Pro-British-Empire Americans took part in the Eugenics Congress. One of its vice presidents was Gifford Pinchot, the recent founder of the U.S. Forestry Service; Pinchot coined the term "conservation" of natural resources, from the term "conservator"—the title of the British overseer of India's native forests. Pinchot was also a member of Arthur Balfour's international spook organization, the Society for Psychic Research.² Pinchot's passion was to speak to the dead, and to prevent the unfit from living.

Another vice president was David Starr Jordan, the first president of Stanford University and the president of the eugenics section of the American Breeders' Association. Stanford University had been founded after a seance convinced railroad man Leland Stanford that his dead son wanted it founded; psychic researcher and Cornell University founder

Andrew White then chose Jordan as Stanford's first president. David Starr Jordan used his position, and the new university, to push the international defense of the imperiled Nordic Race, communication with the dead, and the founding of the ultra-environmentalist Sierra Club. Jordan was a principal Sierra Club founder and the Club's publication editor.

Another vice president of the Eugenics Congress was Charles B. Davenport, director of the Eugenics Records Office in New York, financed by the Averell Harriman family. Davenport would later lecture the Italian Fascist dictator Benito Mussolini on the dangers of race-mixing.

The most important vice president of the 1912 Eugenics Congress was Winston Churchill, then First Lord of the Admiralty. As Home Secretary in 1910, Churchill had called for the forcible sterilization of 100,000 "moral degenerates." His fanatical proposal was kept secret in England until 1992. He had written, "The unnatural and increasingly rapid growth of the feeble-minded classes, coupled with a steady restriction among all the thrifty, energetic and superior stocks constitute a race danger which it is impossible to exaggerate. I feel that the sources from which the stream of madness is fed should be cut off and sealed up before another year has passed."³

Eugenics Congress keynote speaker Arthur Balfour, in his 1895 book *The Foundations of Belief*, purported to explain the message of science. He put forth without apology a viewpoint that was (at that time) so alien to the American outlook, so repulsive to the human way of viewing man's condition and prospects, that one must be struck with alarm, when one realizes that Balfour's siding with Nature, as against Man, the "pretentious intruder," is the core philosophy of the 20th-Century environmentalist movement. Balfour wrote:

"Man, so far as natural science by itself is able to teach us, is no longer the final cause of the universe, the Heaven-descended heir of all the ages. His very existence is an accident, his story a brief and transitory episode in the life of one of the meanest of the planets. Of the combination of causes which first converted a dead organic compound into the living progenitors of humanity, science, indeed, as yet knows nothing. It is enough that it is from such beginnings—famine, disease, and mutual slaughter, fit nurses for the future lords of creation—have gradually evolved, after infinite travail, a race with conscience enough to feel that it is vile, and intelligence enough to know that it is insignificant.

"We survey the past, and see that its history is of blood and tears, of helpless blundering, of wild revolt, of stupid acquiescence, of empty aspirations. We sound the future, and learn that after a period, long compared with the individ-

2. Annual Reports of the Society for Psychic Research, 1884-1907

3. Winston Churchill to Prime Minister H.H. Asquith, 1910; quoted by Clive Ponting, in *The Guardian Outlook*, June 20, 1992

ual life, but short indeed compared with the divisions of time open to our investigation, the energies of our system will decay, the glory of the sun will be dimmed, and the earth, tideless and inert, will no longer tolerate the race which has for a moment disturbed its solitude. Man will go down into the pit, and all his thoughts will perish. The uneasy consciousness, which in this obscure corner has for a brief space broken the contented silence of the universe, will be at rest. Matter will know itself no longer. Imperishable monuments and immortal deeds, death itself, and love stronger than death, will be as though they had never been. Nor will anything that is better or worse for all that the labor, genius, devotion, and suffering of man have striven through countless generations to effect.”

Compare these words of Balfour with those of another 20th-Century European politician:

“In attempting to rebel against the iron logic of Nature, man comes into conflict with the principles to which he owes his very existence as a human being. Thus his action in defiance of Nature is bound to lead to his own downfall. To this we hear the objection . . . ‘But man conquers Nature!’

“Millions thoughtlessly babble this . . . nonsense, and end by really imagining themselves as a sort of conqueror of Nature. . .

“But quite apart from the fact that man has never once yet conquered Nature, but at most has caught hold of and tried to lift one corner and another of her vast, gigantic veil; that in fact he invents nothing but merely discovers things; that he does not rule Nature, but has only risen, by knowing certain natural laws and secrets, to dominate other living creatures that lack this knowledge. . . .”

Thus wrote Adolf Hitler, in *Mein Kampf*.

Huxley’s Race Purification

From his command center in England, it was Julian Sorrel Huxley who guided the race-purification movement from the 1920s Ku Klux Klan period, through British-concocted Hitlerism, through World II towards the era of globalism, the green movement, and intended genocide. Huxley was a longtime leader of the Eugenics Society of Great Britain; he was president of the Society as late as 1962.

After a tour of the United States in 1924, Julian Huxley wrote a series of articles for the British publication *The Spectator*, in support of racist anti-immigration laws then being implemented in the United States. The articles caused a great stir on both sides of the Atlantic because of the prominence of the author and his famous atheist-liberal family; his grandfather was Charles Darwin’s controller/publicist, Thomas H. Huxley, and his brother was New Age drug-cultist Aldous Huxley.

Julian wrote:

“The negro mind is as different from the white mind as the negro from the white body. The typical negro servant, for instance, is wonderful with children, for the reason that she

really enjoys doing the things that children do.” Huxley then listed the negro’s supposed infantile traits.

In support of the use of “intelligence tests” to excuse racial injustice, Huxley wrote: “You have only to go to a nigger camp-meeting to see the African mind in operation—the shrieks, the dancing and yelling and sweating, the surrender to the most violent emotion, the ecstatic blending of the soul of the Congo with the practice of the Salvation Army. So far, no very satisfactory psychological measure has been found for racial differences; that will come, but meanwhile the differences are patent.”

Citing “biological authorities, such as [U.S. eugenics leader Charles] Davenport,” Huxley declared that intermarriage between the “negro and Caucasian type . . . gives rise to all sorts of disharmonious organisms. . . . By putting some of the white man’s mind into the mulatto, you not only make him more capable and more ambitious (there are no well-authenticated cases of pure blacks rising to any eminence), but you increase his discontent and create an obvious injustice if you continue to treat him like any full-blooded African. The American negro is making trouble because of the American white blood that is in him.”

Huxley noted “with relief” that because of their high mortality rate, “Afro-Americans” did not increase their numbers faster than whites.

Huxley proposed that miscegenation could only succeed between closely related types, so southern Europeans—supposedly closer (than nordics) on the evolutionary ladder to blacks—would more naturally intermarry with blacks (source: *The Spectator*, Huxley’s article “America Revisited III. The Negro Problem,” Nov. 29, 1924).

In a 1924 letter to the editor of the *New Statesman* (source: collected *New Statesman*, under the title “Eugenics and Heredity,” p. 282), Huxley wrote that cultural advantages cannot benefit people of the inferior races: “Baboons or Australian savages can have all these advantages, and will not blossom beyond their limits—limits set by their inheritance.”

Huxley was a longtime leader of the Eugenics Society of Great Britain; he was president of the Society as late as 1962. His protégé and former student, the psychiatrist Carlos Paton Blacker, was secretary of the Eugenics Society during the 1920s and 1930s.

The Mental Deficiency Committee of Huxley’s Eugenics Society determined in 1929 that there were over 300,000 “feebleminded” persons in England. In the *Weekend Review*, Sept. 6, 1930, Huxley wrote on behalf of the Committee for Legalizing Eugenical Sterilization: “The case for sterilization of certain classes of abnormal or defective persons appears to me overwhelming.”

Huxley attacked public health and medicine because they kept people from dying, “especially at infancy”—people who in his view *should* die in order to improve the human stock. He attacked education because its allegedly temporary effect disguised the underlying inferiority of the lower orders of



Vermont's Middlebury College is the home of fascist financier Felix Rohatyn, and Al Gore's green assault on the campuses today. But already in the 1920s, Middlebury College President Paul Dwight Moody, was in close collaboration with Henry F. Perkins, the head of the notorious Eugenics Survey of Vermont—the organization that ran the drive to put through the Nazi forced sterilization law of Vermont, in 1931.

society. He wrote to the *New Statesman*: “The selection for survival has been enormously weakened by modern medicine . . . sanitation . . . welfare . . . pity,” and he warned of the trend “for the poorest and, on the whole, least desirable elements of the population to have the largest families” because of modern conditions.

As the Eugenics Movement's Nazi Party branch strove for power in Germany, Julian Huxley went to East Africa as a delegate of the Colonial Office Advisory Committee on Native Education. Huxley realized that a weakened Britain could not hold the world's “colored” people in imperial bondage by openly calling for the mass murder of the colonial subjects. His public statements began to be toned down, along the line he would use in the UNESCO (United Nations Educational, Scientific and Cultural Organization) years.

In *Africa View* (1931), Huxley wrote that “the statement [is] often made, that the negroes in the United States have not made contributions to the national life proportionate to their number, and that those American negroes who have attained distinction almost invariably possess an admixture of white blood. . . . The first part of this criticism must be discounted owing . . . to color prejudice. . . . There would appear to be more truth in the second assertion.”

The new, “anti-racist” Huxley declared that “there is not the least reason why races should not differ in the average

of their inborn mental capacities as they do in their physical traits.” He cited Charles Davenport, who showed “that the negro average of pure intelligence was definitely but rather slightly below the white, and that the negro was rather more emotional and excelled in certain tests indicative of artistic appreciation.” He claimed that average intelligence fell off among African boys at puberty because of their preoccupation with sex.

Huxley now admitted that Africans had made mental progress, but he claimed that this was due to the fact that “the Bantu, and still more the Hamitic peoples, have a considerable proportion of more or less ‘white’ and definitely Caucasian blood in their make-up.”

The “new” Huxley now put forward the line which Al Gore, the environmentalist, and London-centered bankers would later use as justification to murder billions in the Third World who were to be denied credit and modern technology.

Huxley assailed the development of Africa on the grounds that it would destroy the “variety” of African “subspecies” of humanity, and would interfere with the tribalism to which imperialism had reduced Africa. People should not be “insisting on large-scale production to suit the needs of Europe and big business, reducing the proud diversity of native tribes and races to a muddy mixture, their various cultures to a single inferior copy of our own.”

Huxley asserted that Africans should not be allowed to possess powerful modern technology, because they were biologically inferior, such power was not appropriate for them. Huxley “proved” this with a wildly illogical use of recent discoveries about mankind's African origins. He claimed that there is “a certain amount of evidence that the negro is an earlier product of human evolution than the Mongolian or the European, and as such might be expected to have advanced less, both in body and mind.” And in the tropical countries, “there seems to be little driving force of selection to push the level of mental qualities upwards.”

By contrast, the English lower classes, the “short types,” were alleged to be genetically “better-suited to town life or factory conditions . . . in an urban-industrial civilization.”

Sir Julian Huxley later co-founded the World Wildlife Fund—a principal agency of the British Royal Family for the extermination of Africans in particular. It is from their pit that Al Gore's racism is presently directed.

Danish Schiller Institute's Maglev Proposal Sets Debate

by Michelle Rasmussen

The Schiller Institute in Denmark's proposal for the national section of a future, fully-developed Eurasian Land-Bridge, using magnetic levitation (maglev) technology, has made a splash in the Danish media. It has garnered coverage in numerous Internet publications, as well as major print media, during late March.* The press has highlighted the proposal to construct a direct maglev link between Denmark's two largest cities: Copenhagen, the capital, located on the island of Zealand; and Århus, located on the Jutland Peninsula, separated by the Kattegat Sea. The prospect of reducing the current three-and-a-quarter hour trip to only 25 minutes, has ignited the excitement of people all over the country.

There is a real potential for Denmark to adopt the Schiller Institute program. In the joyous period after the fall of the Berlin Wall in 1989, when plans for infrastructural union between East and West were being talked about, including LaRouche's "Productive Triangle" proposal, far-sighted Danish politicians decided to finally build three great projects, conceived as a package, which had been dreamed about for a long time.

Two of them are now in use: the Great Belt Bridge (between the Danish island of Funen, and the Jutland Peninsula to the west), and the Öresund Bridge (between Copenhagen, Denmark, and Malmö, Sweden). These infrastructure projects were among the very few which were actually built in Europe after 1989, and have become a source of cultural optimism in the Danish population, and enhanced nationwide economic productivity. Denmark has also been pressuring Germany to agree to build the third proposed project, a connection between Denmark and Germany, across the Fehmarn Belt in the Baltic Sea. As Lyndon LaRouche has observed,

* See the Schiller Institute in Denmark's homepage, in Danish and English, at: www.schillerinstitut.dk.

"The Danes want to teach the Germans to 'play bridge!'"

With the proven success of the great project concept, the Schiller Institute is now calling for Danish politicians to lead the way in Europe, and take the next leap into the future—the maglev future.

The Schiller Institute (SI) will testify before the Danish Parliament's Traffic Committee later this month. A written proposal has already been submitted for consideration, available on the parliament's homepage, as an official document.

A Mass-Based Campaign

The mass-circulation of the SI national maglev plan in campaign newspapers, has shown the ability to introduce great ideas to the general population through this method. The article "Denmark and the Eurasian Land-Bridge," outlining the plan, was contained in the SI's first mass-distribution campaign newspaper of July 2006. It was handed out to 50,000 people, comprising 1% of the Danish population of 5 million, mostly in Copenhagen and Århus, over the following couple of months.

The circulation of these ideas helped to create the environment in which the mayors of Denmark's six largest cities proposed a plan, in November 2006, to improve the travel time between their cities. This would bring the transport time between Copenhagen and Århus down to two hours.

In December, the second SI campaign newspaper was published, also in 50,000 copies, with a headline article, "From Crusaders to Bridge Builders," urging quick acceptance of a proposal to construct a bridge/tunnel across the Fehmarn Belt between Denmark and Germany—currently the subject of dragged-out, negotiations between the two governments.

In February, the SI sent their two campaign newspapers and a letter, stressing the importance of adopting the included

FIGURE 1

The Proposed Copenhagen to Århus Maglev Line



Schiller Institute/Poul E. Rasmussen

infrastructure proposals, to all of the 98 mayors of Denmark's newly redistricted municipalities. Positive, written responses were received from several of them. On March 19, *Jyllands-Posten (JP)*, Denmark's largest newspaper, had banner headline coverage of traffic researcher Uffe Jacobsen's proposal, to drop the proposed Danish-German Fehmer connection, due to hesitation on the German side, and to build an internal Danish connection across Kattegat Sea instead.

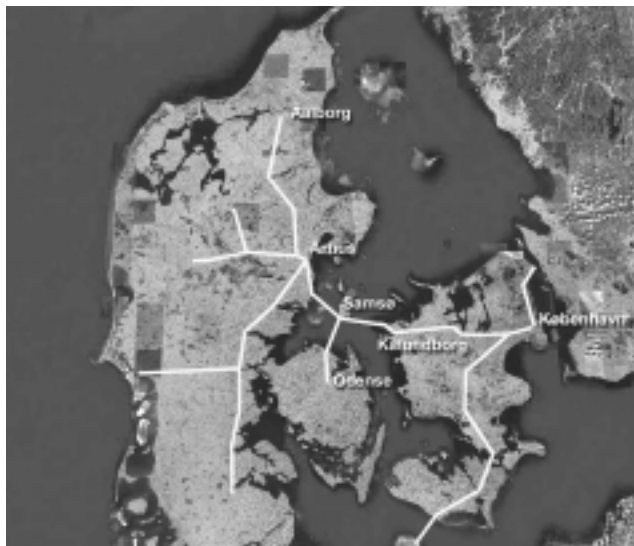
Then, the next day, *JP* online published an interview with the chairman of the Schiller Institute in Denmark, Tom Gillesberg, highlighting the SI's proposal to build a 25-minute Copenhagen-Århus maglev link, with the Kattegat connection. *JP* included a picture of the SI's proposed "Maglev Danmark" timetable. Regarding the Fehmer connection, the SI has argued for constructing both projects, including maglev tracks. It has called on the German government to realize that such a future-oriented investment, will allow economic benefits that outweigh the costs, through increased transportation efficiency.

A follow-up article in *JP*, on March 21, included a positive response to the maglev idea, from Nicolai Wammen, the Social Democratic mayor of Århus, who stated, "It will give great flexibility in relation to, for example, living in Århus and working in Copenhagen. If the travel time is brought substantially down, whole new possibilities are created, in connection with meetings, education, family visits, cultural experiences and shopping, between the two Danish growth centers. It will have colossal significance."

Since then, the story has been picked up in numerous other media. *Berlingske Tidende*, a major Danish daily, interviewed SI's Gillesberg, and included his call for financing

FIGURE 2

The 'Great H' Maglev Route



Schiller Institute/Poul E. Rasmussen

the project through a state capital budget investment, to be spread over 50 years. *Ing.dk*, the Internet version of *Ingeniøren* (Engineer) wrote, "The SI's vision doesn't stop with a single connection between Århus and Copenhagen. The dream is a European network of maglevs, and Denmark should lead the development." *Berlingske Tidende* included a quote from the SI's second campaign newspaper, " 'Denmark should, just like future American governments, establish strong ties to Germany and the Eurasian countries, and join in building up the Eurasian continent. We should act as bridge-builders, and offer engineering troops, instead of fighting troops.' " They identify the SI as "an international political movement, which closely cooperates with the American economist, and former Democratic Presidential candidate, Lyndon LaRouche."

The National Maglev Proposal for Denmark

The SI proposes that Denmark build a national maglev network, using technology similar to the Transrapid, designed by the German company Thyssen, ironically, now only in commercial use in China, from Shanghai to the Shanghai Airport. The 30 km trip takes only 7 minutes and 20 seconds, with a top speed of 431 km/hour. The speed could even be increased to 500 km/hour with existing technology.

The Danish government ought to take the leap to maglev, and introduce this future-oriented technology, which can shift transportation from the highways, to public mass transportation, by making it much faster, cheaper, and more convenient than travel by car. The SI suggests starting with a passenger/freight connection between Denmark's two largest cities—Copenhagen-Århus, across the Kattegat Sea, by way of the island of Samsø (**Figure 1**). An express train would only take

25 minutes! This would cause the greatest non-linear, phase-shift in the nation's physical economic density, by creating a single cohesive metropolis, and would integrate the Danish economy to a degree unmatched by any other industrial national economy today.

The line would then be continued to the northern Jutland city of Aalborg, resulting in a 43-minute trip from Copenhagen to Aalborg. Thereafter, the other major Danish cities would be linked up, resulting in a "Great H" formation, with around 635 km of double maglev tracks (**Figure 2**). This would make a trip across country, shorter than a current trip from Copenhagen to the suburbs. The North-South line on the Jutland mainland, would go from Aalborg, southwards, through Århus, past the southern Danish border, to Hamburg, Germany. The North-South line in the eastern part of Denmark, would become the gateway to the other Nordic countries. From Copenhagen, it would go north to Helsingør (known around the world as Elsinor, from Shakespeare's *Hamlet*), through a new Helsingør, Denmark-Helsingborg, Sweden tunnel, to be divided into two routes—one to Stockholm, the capital of Sweden, and the other to Oslo, the capital of Norway. South of Copenhagen, the line would continue across the projected Fehmer Belt connection to Hamburg, Germany, with a connection to Berlin. This would result in travel times of only a little more than an hour, between inner-city Copenhagen, and the three other capitals! Fast intra-European connections, would make the maglev much more convenient than travel by air.

Capital Budget Financing

The project should be financed along the lines of LaRouche's capital budget concept. The costs to build the project, should be distributed over a 50-year period. A Danish Maglev Corp. would be established, along the lines of the public corporations which built the Great Belt and Öresunds bridges, with one important exception. The major portion of the construction costs ought to be paid through the national budget, not user fees, in order to insure ticket prices low enough to encourage widespread usage. This would, in turn, save maintenance costs for the highways and regular train network, by transferring as large a percentage of traffic to the maglev as possible. Low prices would cause the greatest increase the national physical economic density, by bringing the country closer together, thereby producing the greatest economic benefit.

Denmark could take the initiative in Europe, to start what could become a European-wide network, to be linked to the Eurasian Land-Bridge, a concept developed by Lyndon and Helga LaRouche, starting from the already existing maglev line in China, and its projected extension. Here is the chance for a small country, with 5 million people, together with a large country, with over 1.3 billion people, to join hands across the entire Eurasian continent, to realize Leibniz's idea of a "Grand Design."

Professor Sam Aluko

Obasanjo Let in IMF To Destroy Nigeria

Professor Sam Aluko, Nigerian economist and prominent opponent of the murderous diktats of the International Monetary Fund (IMF), has issued an incisive critique—excerpts of which are reproduced below—of the failed direction of Nigeria's economy by President Olusegun Obasanjo. There is speculation that the Nigerian Presidential elections, scheduled for April 14 and 21, could be destabilized either by violent demonstrations by supporters of Vice President Atiku Abubakar, who has been kept off the ballot as a Presidential candidate for the Action Congress party, or by the escalating conflict in the horridly underdeveloped Niger Delta region.

As a result, some fear that Obasanjo may try to remain in office under some type of interim rule under "crisis management" emergency conditions. More likely, Obasanjo will find a way to ensure that his hand-picked replacement, Umaru Yar'Adua, the Presidential candidate of the ruling People's Democratic Party (Obasanjo's party) defeats Gen. Muhammadu Buhari of the All Nigeria People's Party.

While there is legitimate concern to have an orderly transition from Obasanjo's two terms in office, to a new administration, Aluko identifies the central issue for the future existence of Nigeria to be the miserable failure of performance during the last eight years, which has delivered only increased poverty, and a further decline in essential services and vital categories of infrastructure. Aluko points out that what is now being heralded as the stunning accomplishment of Obasanjo's second term—the so-called success of his "economic reforms"—were, in fact, imposed on Nigeria by the IMF and World Bank.

Yet, it is admitted, even by all the President's economic team, that these "macro reforms," which have made Nigeria a slave to the British-directed globalization free-trade empire, have had *no* measurable effect on improving the miserable conditions of life for over 100 million Nigerians, who somehow manage to exist on \$1 to \$2 a day. In fact, the government and its reformers tell Nigerians in a matter-of-fact tone, that they will simply have to wait for their lives to improve, since it will take five to ten years or more for these reforms to "work." Will there be a Nigerian nation, and how many people will die over the next decades?

As difficult as it is to believe, electrical energy output, for example, has declined from the anemic level it was at during the Administration of Gen. Sani Abacha. While government officials report a mere 4,500 megawatts for the entire popula-

tion of almost 140 million Nigerians today, reports from inside Nigeria are that less than 2,000 megawatts is closer to the truth, with virtually every household in Nigeria suffering hours of energy blackouts daily. Aluko reports, along with other Nigerians, that all real-life physical indicators of the economy have worsened, including an increase in crime, since the end of the Abacha regime.

To receive the Good Housekeeping seal of approval from the IMF, and favorable credit ratings from both the Fitch and the Standard & Poor rating agencies, during the Obasanjo Presidency, Nigeria forked over \$12.4 billion in lump-sum payments to the banks as part of a write-off its debt to the Paris Club, and agreed to the privatization of 116 enterprises, and deregulation of its telecommunications, power, and downstream petroleum sectors. Nigeria also agreed to a new set of IMF conditionalities and IMF surveillance in order to receive support from the international financial community.

Aluko shows that these reforms are not only in violation of the Nigerian Constitution, but inimical to the welfare of the majority of its citizens. The most important question to be asked concerning next month's election is: Will it lead to a "fundamental change" in economic policy, and not just a new figurehead for the bankers' policies?—Larry Freeman

Below are excerpts of the Jan. 20, 2007 critique by Professor Sam A. Aluko, of the economic policies implemented by Nigerian President Olusegun Obasanjo of the People's Democratic Party (PDP), and the Nigerian National Assembly, since Obasanjo's May 1999 inauguration. The original format, numbering, spelling, and punctuation are retained.

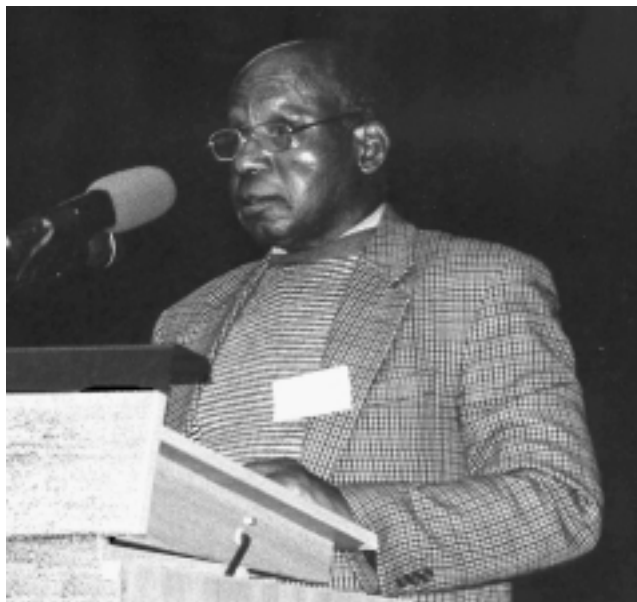
Notes on the Nigerian Economy: 1999-2007

(1) The economic philosophy of the PDP is hinged on the market: "that government has no business in business". Therefore, all the existing government projects, plants, enterprises, refineries and shareholdings in industries, trade and agriculture must be sold and privatised so that government, particularly the Federal Government, can concentrate on governance. So, the Bureau of Public Enterprises (BPE) has been very active, since the Obasanjo Regime came on board on May 29, 1999, in selling off publicly owned enterprises, including houses and other landed properties owned by the Government. Such a philosophy violates the Nigerian Constitution.

1999 Constitution and The Privatisation Orgy

(2)(i) Chapter 1, Part 1, Article 3 of the 1999 Constitution of Nigeria provides that, if other law is inconsistent with the provisions of the Constitution, the Constitution shall prevail, and that law shall to the extent of the inconsistency be void.

(ii) Chapter 11 of the 1999 Constitution contains the *fundamental objectives and directive principles of state policy*.



EIRNS/Dean Andromidas

Professor Aluko, shown here at a Schiller Institute conference in Germany in 2001, points out that the development policy of the World Bank and IMF—which these institutions term the "Washington Consensus," are "not meant to provide an effective framework for combating poverty, nor for generating rapid economic growth."

(iii) Article 16(1) of Chapter II provides that "*The state shall, within the context of the ideals and objectives for which provisions are made in this Constitution*":

16 (1) (a) "*harness the resources of the nation and promote national prosperity and an efficient, a dynamic and self-reliant economy;*"

(b) "*control the national economy in such a manner as to secure the maximum welfare, freedom, and happiness of every citizen on the basis of social justice and equality of status and opportunity;*"

(c) "*without prejudice to its right to operate or participate in areas of the economy, other than the major sectors of the economy, (the state) shall manage and operate the major sectors of the economy;*"

(d) "*without prejudice to the right of any person to participate in areas of the economy within the major sectors of the economy, (the state shall) protect the right of every citizen to engage in any economic activities outside the major sectors of the economy.*"

16 (2) "*The State shall direct its policy towards ensuring*":

16 (a) "*the promotion of a planned and balanced economic development.*" (There is no planned economic development today of 4-year, 5-year, 10-year, or 25-year Development Plan as was the case between 1946-1985. Planning the economy of Nigeria ceased with [former President and Commander-in-Chief of the Armed Forces Ibrahim] Babangida's introduction of the IMF-World Bank imposition of a Struc-

tural Adjustment Programme (SAP) in 1986. The planlessness has been more greatly emphasised in deregulation, privatisation, down-sizing of the public service, and reform agenda of the Obasanjo regime. Obasanjo now seeks to force planlessness on the nation henceforth through [the] succeeding surrogate regime of the PDP.

(b) “that the material resources of the nation are harnessed and distributed as best as possible to serve the common good.”

(c) “that the economic system is not operated in such a manner as to permit the concentration of wealth or the means of production and exchange in the hands of a few individuals or of a group.” The on-going privatisation of public enterprises and their sale to a few privileged Nigerians and foreigners are violations of these provisions of the 1999 Constitution.

(d) “The destruction of the houses of Nigerians in the Federal Capital Territory, Abuja, and the sale of the Federal Government houses in which many civil servants, parliamentarians, and other Nigerian citizens live is a violation of the provision of Article 16, Section 2(d) which provides that “suitable and adequate shelter . . . shall be provided for all citizens (of Nigeria).” Also, the reversal of the pension benefits of public servants and the deduction from their monthly wages for pensions, in place of the earlier non-contributory pensions; the non-payment of pensions and gratuities, as and when due; the retrenchment and retirement of public servants; the non-creation of employment opportunities and the non-payment of unemployment benefits to the unemployed, are violations of Article 16 Section 2(d) of the Constitution, which also provides that, “suitable and adequate food, reasonable national minimum living wage, old age care, and pensions and unemployment, sick benefits and welfare of the disabled are provided for all citizens (of Nigeria). The pension reform of Obasanjo is a violation of Article 173 of the Constitution which protects the existing pension rights of public servants

Dereliction of Responsibility by the PDP-Dominated National Assembly, with Respect to the Population’s Economic Welfare.

3. In order to protect the economy from being operated against the collective interest of Nigerians by a dominant minority, Section 4 of Article 16 provides that, “the major sectors of the economy shall be construed as reference to such economic activities as may, from time to time *be declared by a resolution of each House of the National Assembly to be managed and operated exclusively by the government of the federation,*” and until a resolution to the contrary is made by the National Assembly, *Economic activities being operated exclusively by the government of the federation on the date immediately preceding the day when this section comes into force, whether directly or through the agencies of a statutory or other corporation or company, shall be deemed to be major sectors of the economy, which shall be managed and planned*



State Department photo/Michael Gross

Privatization of projects and industries that had been established by the government, and the elimination of a government-directed economic planning perspective, as carried out by President Obasanjo, shown here at the 2004 UN General Assembly, violate the Nigerian Constitution, and have led to an increased impoverishment of the population, according to Professor Aluko.

by the State, that is, by the governments of Nigeria.

4. It is obvious that the on-going privatisation of the enterprises of government also violates this provision, since the National Assembly has not acted in consonance with this section, in spite of the BPE Act No. 4, enacted by the National Assembly in 2002. Nigerians should continue to shout that the on-going privatisation policy of the Federal Government is a violation of all the relevant provisions of the 1999 Constitution with respect to the management and control of the Nigerian Economy.

Neo-Colonialism and the PDP Regime

10. The majority of Nigerians supported the emergence of President Olusegun Obasanjo and the PDP into the governance of Nigeria in 1999, partly because of the assumed nationalistic stance and achievements of Obasanjo as Military Head of State during 1976-79. His 1976-79 regime championed the freedom from colonialism of many African countries, particularly of South Africa, Zimbabwe, Mozambique, Namibia, etc., with money, men and materials. Nigeria became the haven for freedom fighters in Africa. The 1976-79

regime nationalised the British Petroleum Company (BP) and renamed it, African Petroleum Company (AP). It nationalised land by passing the Land Use Decree. It passed the indigenisation Decree by which Nigerians became the managers of not only the commanding heights of the economy but also it provided them with wherewithal to manage and promote small and medium enterprises. It established the Bank of Commerce and Industries (BOI), the Nigerian Industrial Development Bank (NIDB). It promoted legislation for the establishment of more commercial and Merchant Banks that later increased the number of banks from 21 in 1979 to 89 in 1999. Through these measures and the planning processes generated by them, the Nigerian economy grew at an annual average of 7-9% during the early 1980s. The regime championed the establishment of the second Port Harcourt Refinery, the Kaduna Refinery, and the Warri Refinery to increase the number of refineries to four by 1983.

11. However, since the second coming of Obasanjo and the PDP regime in 1999, reverse nationalistic stance has become the order of the day. Rather than pursue nationalistic economic and political policies to the benefit of Nigerians, the regime has completely sold out to the western imperialistic nations, to the extent that Nigeria, today, is less independent, economically and politically, than it was in 1960 or in 1979. A few examples will suffice.

Economic Deregulation and Privatisation

12. President Obasanjo has completely imbibed the imposition of what has become known, world-wide, as the “Washington Consensus,” propagated by the World Bank, the IMF, and the Western Powers, in order that they will continue to control and direct the economic policies of countries that have no independent economic policies of their own.

(a) *The Washington Consensus*: The phrase, “Washington Consensus,” is term in development policy proposed in 1990 by the Washington-based financial institutions of the World Bank, the IMF, and their subsidiary agencies to signify neo-liberal, neo-colonial, market economic policies which are not meant to provide an effective framework for combating poverty, nor for generating rapid economic growth. Rather, they are designed to tie perpetually the economies of client economies to the apron-strings of the metropolitan “Western economies.” The main planks of the “Washington Consensus” were propounded by John Williamson, a World Bank Consultant, and is a synonym for neo-liberalism and market fundamentalism. In its broad terms, the principles enunciated in the consensus were, then, designed principally for the Latin American countries. The Washington Consensus contains ten broad propositions:

(i) Fiscal discipline via a Fiscal Responsibility Bill.

(ii) Redirection of public expenditures towards areas that offer both high economic returns and the potential to improve income distribution, such as primary health care, primary education, and infrastructures away from public responsibility to

the private domain.

(iii) Tax reform, so as to lower marginal rates and reduce the tax burden in favour of the rich.

(iv) Interest rate liberalisation, so as to enable banks and other financial institutions to charge the ‘market’ determined rates of interest.

(v) Free and market-determined exchange rates, including recurrent currency devaluations, particularly in the dependent economies.

(vi) Trade liberalisation and the abandonment of trade regulation by the developing economies in favour of the metropolitan economies of the West.

(vii) Dependence on inflows of foreign direct investment as the main engine of growth of the developing economies.

(viii) Privatisation of publicly owned enterprises and the reduction or minimisation of government role in the economy.

(ix) Deregulation of the economy, particularly the abandonment of economic planning based on time sequences 4-year, 5-year, 10-year, or other types of perspective planning.

(x) Security of property rights in favour of the rich or endowed few, so as to prevent the imitation of the Japanese type of development.

13. The ten propositions were regarded as reforms which should be imposed on pliant countries that agree to be tied to the apron-strings of the developed economies. The original proponents of the Consensus have now admitted that the imposition of [the] majority of the propositions is harmful to developing economies, particularly currency devaluation, privatisation, trade liberalisation, deregulation, market determined economic policies, and dependence on the free flow of direct foreign investment. All the Latin American countries for which the consensus was originally designed have rejected the main pillars of the consensus. Some of the Latin American countries, like Venezuela and Bolivia are now nationalizing private foreign enterprises. The original proponents of the ten principles have admitted, in various fora and in publications at conferences, that the proposals are not immutable and should not be apishly adopted. The East Asian countries have also rejected the consensus since the 1996 Asian Economic Crisis, and have denied the role of direct foreign investment as the main pillar of their continued development programme. It has been further admitted that:

(a) Privatisation has become controversial in many parts of the world and has been rejected as a right-wing anti-people economic policy.

(b) Deregulation is equally not a policy that reverberates in the more rapidly developing economies of South East Asia (South Korea, Thailand, Singapore, Malaysia, Indonesia, Hong Kong and Taiwan—the Asian Tigers), where the economic policies pursued run much in the opposite direction.

(c) The Consensus is a conservative, right-wing capitalistic, rather than a progressive policy. It is more suited to devel-

oped, than to the developing economies.

(d) The consensus is a geographically and historically specific reform agendum for Latin America in 1989, and not meant to be adopted hook, line, and sinker by other geographic areas of the world where the economic situations are different. The proponents of the consensus have confessed that they had not considered the African or the Asian economic scenes when they propounded the consensus; and that some have interpreted the Washington Consensus (wrongly) as an economic manifesto valid for all places, and at all times. They admit that it has become foolish to advocate (as Obasanjo has been doing) rapid liberalisation and privatisation, and that it is a new economic imperialism. The proponents also admit that liberalisation does not necessarily imply a swing to market fundamentalism and a minimalist role of government. Thus, countries that adopt the Washington Consensus are more World Bank/IMF minded than the two institutions themselves, and are thus slaves to policies that had not been tested to have succeeded anywhere in the developing world.

(e) *Washington Consensus and Poverty Reduction*: It is now generally admitted that market fundamentalism, neo-liberalism, privatisation, and the minimization of the role of the government in the economy do not offer effective agenda for reducing poverty, because they do not build the human capital. On the other hand, the Washington Consensus policies are inimical to the cause of poverty reduction in developing countries and exacerbate the poverty of the poor. Also, that, pursued as Nigeria has been doing, the policies could precipitate an economic tragedy of the type that occurred during the South East Asian crisis, of the total collapse of the economy. The type of privatisation being pursued by the Obasanjo regime allows the plundering of the national assets for the benefit of an elite few. It is also agreed that no universal economic model, like the Washington Consensus, should be imposed on a country desirous of rapid economic growth. It offers very little, and warrants little or no support as a sufficient economic policy directive for a serious pro-people policy. It does not promote equitable income distribution, nor rapid economic growth, nor a decent economic

and social environment. Instead of sticking slavishly to the principles enunciated in the Washington Consensus, a new economic policy should be advocated that more adequately reflects the goals of development by enhancing the chances of local rather than foreign ownership of the means production, conducive to rapid, equitable growth. In many parts of the world today there is visceral hatred for free markets of the type being advocated by the Obasanjo regime. It is only practised by the lackeys of the IMF/World Bank and their Western sponsors. Much of the revenues derived from privatising public enterprises is not directed to the build-up of human capital to stimulate productivity in the economy. Rather, it goes *pari passu* with retrenchment of workers, instead of for the employment of more workers to propel the economy.

Concluding Comments

25. The purpose of this write-up is to show that some of the reforms being touted by the Obasanjo regime are not only unconstitutional, but are also inimical to the continued growth of Nigeria's economy and to the welfare of the majority of our citizens. They are also foreign-inspired and not home-grown as Nigerians are being made to believe. Nigeria is thus increasingly being dominated by external influences to the disadvantage of Nigeria. We have a puppet government, masquerading as a nationalist and reformist government. Even the NEEDS (National Economic Empowerment and Development Strategy), which is the economic blue print that encapsulates all the so-called reforms, was prepared on the directives and with the assistance of the World Bank/IMF. Little is heard of NEEDS of recent, and it is likely going to die with the exit of this administration. It is the anti-welfare stance of the Obasanjo regime that made fuel prices rise from Naira 18 per litre of PMS in 1999 to N65 per litre (now over N100 per litre) today, Diesel price rose from N17 per litre in 1999 to N95 per litre today, when available, and kerosene rose from N16 per litre in 1999 to more than N100 per litre today. It is kerosene that the rural population of Nigeria needs most. It has become unavailable. It is necessary that Nigerians be told the source, manner, and consequences of the on-going reforms, so that they are not deceived into believing the false propaganda that had been the bane of the reformers! Even the GSM [Global System for Mobile Communications] introduction was not introduced by the Obasanjo regime, but by the previous regime. It is a good communication network, but the regime had virtually destroyed the land-telephone system in order to privatise it. In other countries, the land telephone system is the main communications system, with the mobile phone system as a subsidiary and emergency outfit to the land telephone system. It is therefore, necessary for the opposition parties, wanting to replace the PDP, in the 2007 elections to have their own alternative blue print that will be more in tune with the economic needs and the aspirations of Nigerians.

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Lessons From FDR's Handling Of the Housing Crisis

by L. Wolfe

1. Introduction

Among the many lies told by the Cheney-Bush Administration is that the policies that have created the now-exploding housing bubble have created the largest spurt in home ownership in the nation's history. While it is true, that in absolute numbers, until this moment of collapse, there are more U.S. homeowners now than ever before, the greatest rate of growth in American homeownership occurred over an approximate 40-year period, ushered in by President Franklin Roosevelt's rescue of the dysfunctional and collapsing housing industry and homeowners under the threat of foreclosure during the 1930s, and ending in the early 1980s with Wall Street's looting and destruction of dedicated credit delivery system established for the housing sector (**Figure 1**).

As you read this, new waves of foreclosures are rippling through the housing sector, whose real product is not homes, but the mortgages for overpriced properties, and the financial paper that has been spun off them. Although these waves of foreclosures have not yet approached the proportions of the disaster faced by FDR—when more than half of all mortgages were in distress and a third in the foreclosure process—the incompetence of those dealing with the problem, including

many well-meaning Democrats, could rapidly push conditions to far worse than those of the 1930s. With this in mind, we explore FDR's approach to the problem, to point to the direction for a solution to our current housing crisis.

2. Facing a Disaster

Much like our recent past, the 1920s were a period of massive speculations of all types, in which such speculative activities masqueraded as "prosperity." During this same period, there was a modest, but important growth in home building and ownership, especially in areas outside cities that were made newly accessible to their urban cores by the automobile.

Home purchases were financed by mortgages issued with five- or ten-year maturities, at 8% interest or higher, depending upon the assessment of risk and asset strength, and requiring down payments of 35% of the purchase price, and a balloon payment at maturity. Then, as now with short-term mortgages or riskier adjustable rate mortgages (ARMs), the homeowner depended on ever-increasing valuations of his property and a stable income stream to secure refinancing.

Until 1927, all home mortgages were issued by non-commercial banks, mostly Savings & Loan associations, because commercial banks were prohibited from such activity. The S&Ls were, in reality, banking cooperatives, in which the depositors were the effective owners, and whose operation depended very much on the local bank officer and bank board, and their ability to make sound judgments.

At the insistence of Wall Street in 1927, the commercial banks, both Federally chartered and state-chartered, were allowed to jump into the lucrative housing market. With greater access to lending capital, such banks made loans at a feverish pace, pushing up the price of housing, especially in the suburban Northeast. In addition, the commercial banks, without roots in the communities, could afford to "cherry pick" mortgages, taking the best prospects away from the S&Ls, which were left with the riskier loans.

When the Coolidge-Hoover financial bubble burst in the 1929 Crash, the housing sector imploded, mostly on the S&Ls. Widespread unemployment left many homeowners unable to roll over their short-term mortgages when the balloons came due. Meanwhile, the

FIGURE 1
U.S. Home Ownership Rate, 1900-2006



Source: U.S. Census Bureau

deflation drove down property values to a fraction of the value of mortgages.

For a while, the S&Ls, especially in the rural areas and small towns, tried to postpone foreclosures; but, with their small asset-base, which was dependent on people's savings accounts, they were unable to absorb the losses, and the foreclosures began. At the same time, the larger commercial banks pulled back on their lending, and the housing industry collapsed in a heap, with foreclosures ultimately threatening *half* of all homeowners, and even more in rural areas hardest hit by deflation.

The S&L banker was caught in a self-destructive cycle: Strapped for operating capital, he was forced to turn on the only real source of his potential prosperity, his mortgagees: The more foreclosures, the lower property prices fell, and the more the banker lost against his loans; the more his mortgagees suffered, the worse the condition of the bank.

There were some 16,000 S&Ls serving an equal number of communities at the start of the Great Depression in 1929; by the end of 1932, more than 1,700 had closed their doors, with another 5,000 threatening to do the same. In many of those communities, all lending and credit issuance had ceased; economic activity was grinding to a halt.¹

Before the crash, more than 5,700 new mortgages were being issued by all lenders each year; by 1933, that number had fallen to less than 900.²

As foreclosures rose among homeowners, so did the number of evictions for urban tenants. Rental prices had been high throughout the 1920s; they did not drop appreciably with the onset of the Depression, even as the incomes of the tenants fell precipitously. And with the rise in evictions, came the rise in urban homelessness and the shanty towns of cardboard houses. It was estimated that by 1932, the number of those either ill-housed or homeless amounted to more than one-third of the nation—a figure that FDR would cite as a basis for his attack on poverty during his Administration. For the President knew, that no civilized nation could long survive with so many of its citizens suffering this way.

3. Developing an Approach

During his 1932 campaign, FDR repeated a pledge that, if elected, he would do something about the foreclosure and housing crisis. The foreclosures had to be stopped, he said, without tipping his hand on how he would accomplish this. Some time between the election and the March 1933 inauguration, a strategy emerged. As with many FDR "strategies," it was not focussed on one particular program or plan, but in multiple approaches that the President hoped were complementary and would be effective.

All the approaches were, however, unified around a set of



FDR Library

During his 1932 campaign, FDR pledged that, if elected, he would act to stop the mass foreclosures of homes and farms. By the time of his March 1933 inauguration, a strategy emerged. The President is shown here giving one of his famous Fireside Chats.

principles, which defined FDR's understanding of the relationship between housing and the economy:

1. What was important was the physical home and the homeowners—the families—who occupied dwellings, not the monetary values of either the property or financial paper that secured it. The financial paper and the speculation around it were crushing both the home and the homeowner; balance had to be restored, and the speculative, inflated values of mortgages written down.³

2. The government would not bail out the old mortgages, but would instead move to take pressure off the homeowner, by underwriting and insuring new mortgages issued at low rates appropriate to such Federally insured paper. This would take pressure off the banks and halt the foreclosures.⁴

3. Credit is what makes the housing sector go, and the community-based credit-issuance system of the S&Ls as dedicated lenders for home mortgages had been destroyed by allowing the predator commercial banks into the henhouse. The commercial banks had to be thrown out of the market and kept out, while a Federally regulated and insured S&L system had to be reborn and expanded.

4. This reform of housing credit had to be accomplished in the context of an overall government-directed reform and control of the credit markets and banking. Only the government could force this reorganization; to assume that the banks would, of their own free will, do it themselves, was ludicrous. In their world, the people with power and money, keep their money and steal from anyone they can; that is why they

1. Thomas Marvell, *The Federal Home Loan Bank Board* (New York: Praeger, 1969).

2. *Ibid.*

3. Gail Radford, "The Legacy of New Deal Housing Reform," Speech at Roosevelt University, Oct. 31, 1999.

4. *Ibid.*

would, sooner or later, once again destroy the thrifts, unless the government prevented it.

5. FDR was under pressure from his advisors to initiate a massive government-sponsored home-building program to create jobs and stimulate the economy. While Roosevelt supported such programs in cases where the private sector wouldn't do the job, he thought the private sector was perfectly capable of doing the job; it merely needed to be steered in the right direction: The key was the provision of credit, and the key to the provision of credit, was the S&Ls. As long as government regulators protected the S&L bankers, then FDR realized that the worst urges of the commercial banks could be, if not totally quelled, at least kept to manageable proportions.⁵

6. Despite the cries from many quarters for a foreclosure moratorium to be declared or enacted by the Federal government, FDR saw no real need for one. Provided the banks were placed under Federal supervision (as they were under the "Bank Holiday"), and provided steps were taken to rewrite mortgages for the long term (20-30 years) and have them Federally insured, the waves of foreclosure could be broken, without what he thought was legally dubious legislation.⁶

4. What FDR Did

A key component of what was to emerge as President Roosevelt's housing program was borrowed from a structure established towards the end of the Hoover Administration. With bipartisan backing, Hoover had pushed through Congress the Federal Home Bank Act of 1932, which created the Federal Home Loan Bank Board (FHLBB), to supervise and regulate the activities of the thrift sector. But Hoover seemed to be leaning toward using the structure to administer a Federal bailout of bad loans, which FDR would have none of. In his eyes, such an action would merely bail out the financial paper, while correcting none of the problems that created the crisis.

In his inaugural address, Roosevelt promised swift and bold action to halt the spreading foreclosures and to deal with the crisis in the banking sector, of which the S&L crisis was no small part. That action was to come immediately, with the

5. *Ibid.* While FDR held these views at the start of the New Deal, toward the end of World War II, he began to favor more aggressive government intervention, especially in blighted urban areas.

6. Randall R. Rucker and Lee J. Alston, "Farm Failures and Government Intervention: A Case Study of the 1930s," *American Economic Review*, Vol. 77 (1987). While our report focusses on non-farm housing, most of the impetus for foreclosure moratoria came from the farm sector. Although the actions we discuss halted most the foreclosures in that sector as well, the populist impulses sought greater safety and led to the passage, in more than 20 states, of anti-foreclosure legislation. The only Federal action, the initial 1935 passage of the Frazier-Lemke Farm Foreclosure Act, led to the courts overturning the legislation and it being more narrowly redrafted. Meanwhile, through the Agricultural Adjustment Administration, funding mechanisms were established to buy up, rewrite, and insure threatened mortgages.



Library of Congress

FDR vowed to address the needs of a nation he famously described in 1936 as "ill-clothed, ill-housed, and ill-fed." Too many Americans were living in substandard housing, such as this "Hooverville," in central Ohio (photo by Ben Shawn).

enactment of a bank holiday, under a Presidential declaration of emergency, later to be affirmed by the Congress. The entire banking system was essentially placed under Federal supervision, with the idea that it would be reorganized, with bad loans written off and certain harmful practices halted, one of which was foreclosures.

This prevented matters from getting worse for homeowners, but offered no long-term prospect of a solution. To accomplish the latter, FDR's people redefined the role of the FHLBB, and in June 1933, through the Home Owners' Loan Act, gave it a new agency to administer—the Home Owners Loan Corporation (HOLC).⁷ With most, if not all S&Ls, even those operating and open for business, still under Federal supervision, the HOLC was given the power to market more than \$2 billion in government bonds to purchase delinquent mortgages from the S&Ls before they went into default.⁸

If that was all it did, then the HOLC would have become the bailout agency for the banks that was desired and proposed by the Hoover people. But, under FDR's mandate, the new agency now turned around and offered direct aid to the beleaguered homeowners, whom the banking industry would have cut off from credit. The HOLC offered fully amortized mortgages, in 20- and 30-year terms, at a rate lower than their existing mortgages, with flexible initial payment terms. Beyond that, again under direct orders from Roosevelt's people, the HOLC loaned homeowners additional cash, also over the long term, at very favorable rates to meet crises, including the payment of local taxes.

Every loan situation was handled by the HOLC on an individual basis, with its agents making personal visits and

7. Kristin Crossney and David Bartelt, "The Legacy of the Home Owners Loan Corporation," in *Housing Policy Debate 16*, Fannie Mae Foundation, 2005.

8. *Ibid.*

helping clients organize their lives. Acting from the perspective that the only real basis for repayment came from the ability of the client and his family to survive and prosper, the agents used their wide discretionary powers to help clients find work, to collect insurance claims and pensions, to attract tenants for rentals, to qualify for public assistance, and even to locate foster children that could be taken in for a fee.

Most HOLC mortgages were offered at the then-unheard-of rate of 5% or less, up to 80% of the assessed value, which often meant rewriting loans for more than the original amount of the imperiled loans. They were directed mostly at single-family homes (although technically, its loans were available to units housing up to four families), with values under \$20,000.⁹

One year after it opened for business, the HOLC, which was allocated \$200 million by Congress as start-up capital, with the authority to issue \$2 billion in government-backed, tax-exempt bonds, received applications from 40% of all mortgage holders, and accepted half of them. As FDR had intended, the main beneficiaries of HOLC activity were people with incomes of between \$50 and \$150 per month—people who, had they been left to the private market, would have lost their homes. By establishing that government loan assistance must go to the people who needed it the most, and not to those deemed “good risks” by insurance companies and commercial bankers, the HOLC helped FDR re-establish the banking principles that he had seen the S&L community bankers practice to great effect.¹⁰

Despite being widely criticized by Wall Street, the HOLC remains a remarkable success story. Its loans, including mortgages which Wall Street bankers thought unwritable, had the same minimal failure rate as the “prime rate” loans issued by those banks to its best customers.

By 1936, when, by order of Congress, it stopped new lending, the HOLC had written and held more than 1 million mortgages, valued at more than \$1 billion. The HOLC’s actions, which took troubled loans off the books of the S&Ls and rewrote them, laid the basis for the rebirth of a reinvigorated S&L system, with its mission redirected as a dedicated lender for new housing. Most of the HOLC lending had been directed at stabilizing the loan market and blocking foreclosures on existing loans; the S&Ls were charged with writing new loans for new housing to expand the homeownership rates, which had declined marginally from around 48% to

9. *Ibid.*

10. *Ibid.* Perhaps the best image of this “community banker” was to be found in the 1946 Frank Capra movie, “It’s a Wonderful Life,” in which the typical S&L banker is played by Jimmy Stewart. The story focusses on the banker, faced with the inability to pay his depositors and shareholders, who, despairing, considers taking his own life at Christmastime. He doesn’t, when an angel shows him what the world would have been like without him and his role as the community’s banker. As he comes to his senses, he and the bank are rescued by the goodwill and financial collections of his depositors.

43% between 1930 and 1934.¹¹

To set this process in motion, Congress passed the National House Act in 1934. The Act created the National (later Federal) Housing Authority, which had the power and authority to issue full insurance for home mortgages, and the Federal Savings and Loan Insurance Corporation (FSLIC), which through the issuance of Federally guaranteed bonded debt, would guarantee all deposits, then, up to \$5,000, in S&Ls. Roosevelt had championed the concept of deposit insurance as a means to restore confidence in the banking system and bring the money back from under people’s mattresses and back into banks, where it could be prudently loaned. Wall Street, for its own purposes, had backed FDR’s early creation of the Federal Deposit Insurance Corporation (FDIC), to insure the deposits of the banks in the Federal Reserve system; these same banks balked at supporting the same treatment for S&Ls, when it became clear that, thanks to FDR’s bank regulations, the big banks and commercial banks were going to be frozen out of the soon to be profitable again home lending business.

The reopened S&L industry took its mission to heart, writing new loans in the same way that the HOLC had handled the old debt, with concern for the individual and his family, and with renewed sense of community. What started emerging in 1936, was a fully Federalized S&L system, under the overall direction of the FHLBB, with branches of the Federal Home Loan Bank in regions across the country, owned by the S&Ls, that cleared the paper of these institutions, much as the Fed did for the commercial banks with its reserve banks.

The President and his Fed chief, Marriner Eccles, urged the creation of a private re-lending corporation, which would issue bonds and take in the now Federally insured mortgages, and thereby provide new capital for the S&Ls to re-lend. The creation of such an institution was authorized in the 1934 legislation that created the FHA, but the commercial banking interests made it clear that they weren’t interested in helping. By 1938, with the capital needs of the S&Ls growing, Roosevelt and Eccles could wait no longer, and they created the Federal National Mortgage Administration or as it is more commonly known, Fannie Mae. It is important to note that Fannie Mae was supposed to hold those mortgages, and collect on them as due; it was not supposed to market them to other banks, except under specific limited circumstances, and it was never supposed to be allowed to bundle them for resale or worse, to market the bundled mortgages as securities.¹²

With the government creation of Fannie Mae, FDR’s dedicated credit stream for the housing market was complete. As Figure 1 indicates, this credit system, anchored by the community bankers of the S&Ls, poured billions of dollars

11. *Ibid.*

12. “Government Sponsorship of the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation,” (Washington, D.C.: U.S. Department of Treasury, 1996).

into the housing market, producing a spectacular, more than 30-year growth in homeownership, while keeping the housing market insulated from speculation, and prices relatively stable (absent inflation).

5. Destroying FDR's Dedicated Lending Program

Wall Street never accepted, nor could it ever accept the principle that the Federal government could create and supervise a dedicated housing lending system. However, with FDR's great popularity, while he was alive the bankers were reduced to carping on the sidelines, and criticism of the occasionally inefficient administration of what were generally popular programs.

It is clear from initiatives taken towards the end of World War II—such as the “Economic Bill of Rights,” which identified the right to decent, affordable housing as a basic human right, and the “GI Bill of Rights,” which authorized the provision of funds to make homeownership more accessible to returning servicemen and women by offering a VHA-administered program that would subsidize and reduce down payments on new home purchases—that Roosevelt remained committed to using government-directed credit to expand housing opportunity. However, while the VHA program went forward and programs for public housing committed to before FDR's death were fulfilled, no expansion took place.

FDR's legacy remained the dedicated credit mortgage system, anchored by the S&Ls; it was that system that Wall Street targeted, becoming ever more relentless as the time and emotional distance from the New Deal and the Great Depression grew. For example, there was widespread belief in the widely circulated charge, more recently thoroughly discredited, that the HOLC, and indirectly, the S&L mortgage system, were responsible for racially inspired lending that red-lined and destroyed America's inner cities.¹³

By the late 1960s, despite its great success, the final assault on the S&L system was launched, aimed at its destruction. The first, small but significant step, was taken when the Johnson Administration's Comptroller General required the Bureau of the Budget to count the scores of billions of dollars of mortgages held by Fannie Mae as a government expense and liability, rather than an asset; this, despite the fact that failure rates on these loans were minuscule. The action immediately ballooned the Federal budget deficit in the middle of

Johnson Administration's escalation of the Vietnam War. The President's advisors urged him to spin off Fannie Mae as a government-sponsored quasi-private entity, owned by shareholders, and with a small but symbolic line of credit direct from the U.S. Treasury. This set Fannie Mae, which could now lend to any mortgage lender/broker, effectively in competition with the S&Ls that it had been created to serve.

Under the Nixon Administration, this split-off of what had been a dedicated re-lending agency for the S&Ls, into a private competitor for the same market, was formalized, and in 1972, a Milton Friedman-inspired scheme created a new re-lending agency, the Federal Home Loan Mortgage Corporation, or as it is more commonly known, “Freddie Mac.” The Friedmanite new wrinkle to the process is that “Freddie” was allowed to purchase loans and resell them in the markets, thus opening the housing lending market to “securitization.”¹⁴

Fannie and Freddie soon supplanted the S&Ls as the principal mortgage lenders, as funding mortgages through loosely regulated mortgage brokers became the “quick and dirty” route to mortgage lending, rather than trying to mobilize deposits, as the highly regulated S&Ls did. Where the S&Ls long-term-fixed-rate, government-insured mortgages were once the “gold standard” of bank assets, the S&Ls soon found themselves in a deliberately set up competitive vice, in which their assets were declared by an insane market to be liabilities. When interest rates fell, borrowers refinanced their mortgages with the cutthroat low-rate lenders, taking assets away from the S&Ls; when interest rates rose, S&L depositors demanded higher rates or dividends on their money, threatening to take, and often taking their money elsewhere; to keep depositors, the S&Ls now paid more money out than they were taking in on their mortgages—a surefire ticket to banking oblivion.

Starting in the mid- to late-1970s, the cry came up for the total dismantling of the now “obsolete” S&L dedicated lending system, including in the Fred Hirsch book for the Council on Foreign Relations's “1980s Project,” which included the end of the S&L system as part of its proposed “controlled disintegration” of the financial system. The new Fed chairman Paul Volcker, implementing the Hirsch thesis, jacked up interest rates to stratospheric levels in excess of 20%, and the S&Ls now were induced to demand the end to the legislation that made them different from other banks, thus asking for their own ultimate extinction.¹⁵ With support from many S&Ls, the Congress passed the 1980 Depository Institutions Deregulation and Monetary Control Act, which laid out steps towards the total elimination controls on interest rates that banks and S&Ls could pay, and authorized S&Ls to take on checking accounts: FDR's dedicated lending system had been kicked to the side of the road, soon to become

13. Crossley, *Op cit.* This extensive study of HOLC records concludes that, while the risk assessment maps that marked in red (hence, red-lining) districts where loans were riskier, certainly existed, there is no evidence that the HOLC applied racial or other criteria in its lending, and that the maps were not circulated to other financial institutions. The restrictions in lending in those areas were a product of more generalized practices among lenders, which the HOLC did not correct. Perhaps an even more important, if in some quarters, unintended effect of policies stressing single-family homeownership, was that after the war, this lending helped bring about the growth of suburban sprawl.

14. *Op cit.* Fannie Mae Foundation.

15. Fred Hirsch, Michael W. Doyle, and Edward L. Morris, “Alternatives to Monetary Disorder,” Council on Foreign Relations, Project 1980s (New York: Magraw Hill, 1978).



National Archives



Stuart Lewis

As in the 1930s, today we are faced with new waves of foreclosures, which can only be stopped by placing the entire banking system under Federal supervision, for purposes of reorganization. But it will take the kind of leadership and political will that FDR exemplified for his time, and that Lyndon LaRouche can provide today.

banking “road kill.”

Deregulated, and now in competition with Wall Street’s banks and others, the S&Ls soon became insolvent. Wall Street moved in for the kill by kicking open the doors of the S&L industry to some of the more sleazy members of the banking profession, while stuffing down the throats of the desperate S&Ls, high-yield financial “toxic waste” such as junk bonds and speculative real estate developments. The FHLBB, now under the control of Heritage Foundation-type deregulators, sanctioned by the Garn-St. Germain Act, allowed for accounting shenanigans that avoided the recognition of losses, and allowed for the wild expansion of asset bases even as the S&Ls plunged deeper into insolvency. New sleaze-balls and outright crooks borrowed money to purchase bankrupt S&L charters, thinking that the Federal guarantees on what remained of their mortgage base and accounts meant, no matter what mess these crooks created, that the government would bail them out.

While the most noxious of these crooks were sent to jail, this amounted to a coverup of what had actually happened—a vendetta against President Roosevelt’s S&L home-lending system and its principle of regulated, dedicated lending, had destroyed a workable system. All that remained was for its carcass to be sold off, with taxpayer help, to the banks who had let loose this destruction. That was handled through the so-called Resolution Trust Corporation, following a script written for it in 1985 by the Heritage Foundation to put the obsolete S&Ls out of their misery.¹⁶

By 1987, with the S&Ls at death’s door, the way was cleared for the new Fed chairman, Ayn Rand cultist Alan Greenspan, to unleash the greatest debt-farming scheme in history, using mortgage-backed bundled securities to flood

the housing market with wave upon wave of speculative credit, jacking up the price of housing, and creating the housing bubble which is now collapsing. None of that would have been possible in the regulated climate for housing and the dedicated lending system created by FDR.¹⁷

6. What Needs To Be Done

Lyndon LaRouche has repeatedly argued that we must go back to things that worked in our former financial system, and one of those things was, most decidedly, the dedicated lending system that President Franklin D. Roosevelt created, anchored by the S&Ls.

We will need to reorganize the entire banking system, but when we do

that, we must remove all the flotsam and jetsam now known as “mortgage lenders” or “mortgage brokers,” and reestablish something resembling the dedicated and highly regulated lenders of FDR’s S&L system. We should, as Roosevelt did, keep Wall Street and its commercial banks out of the mortgage business. This means also restoring a community-based banking system, as the key decision-making mechanism on mortgage lending.¹⁸

Right now we are faced with waves of foreclosures, in part triggered by the unscrupulous lending practices of the post-S&L era. The foreclosures will be immediately stopped by placing the entire banking system under Federal supervision, for the purposes of reorganization. In that process, we will rewrite mortgages and establish benchmarks and fair prices for housing, based upon appropriate regional and other considerations, and pegging mortgages to this. There will be, as FDR demanded, no bailout of banks or bankers, but help will be given to homeowners to acquire fair, Federally insured mortgages, of a 30-year, fixed-rate type. All short-term lending, and variable-rate mortgages, will be eliminated by regulatory decree. A new HOLC, using government credit to provide capital for this vast underwriting task, would be helpful, as was the former version, in a similar, if less dire situation, some 60-odd years ago.

The time has come to fulfill Franklin Roosevelt’s promise that no one in this nation, no family or individual, should live in substandard housing, and no one should be forced to pay the banks or landlords their pound of flesh to do so.

17. See Richard Freeman, “U.S. Mortgage Crisis Can Trigger Collapse of the Global Casino,” *EIR*, March 23, 2007.

18. See the transcript of Lyndon LaRouche’s March 7 address to an international webcast, titled, “Implications of the Gore Hoax for International Policy,” *EIR*, March 16, 2007. The video and audio are available at www.larouchepac.com.

16. Bert Ely, “Confronting the Savings and Loan Industry Crisis,” paper drafted for the Heritage Foundation, Aug. 13, 1985.

The Trillion-Dollar Zombies

The consolidation of global banking has produced unprecedented disasters.

The merger discussions between Barclays Bank of London and ABN Amro of Amsterdam appear designed to set off a new round of banking consolidation in Europe, and if some of the rumors are to be believed, perhaps even across the Atlantic.

The Barclays-ABN Amro merger, should it occur, would be the largest in the history of banking, combining two trillion-dollars-in-assets institutions into a giant, with assets somewhere in the range of \$3 trillion. That is about a third larger than Citigroup, which today leads the pack, with \$1.9 trillion.

Barclays, according to the *Forbes* magazine 2006 list of global companies, led the world, at that time, with some \$1.6 trillion in assets, 1 of 15 companies—all financial institutions—with assets of over a trillion dollars. Rounding out the top five were UBS of Switzerland, Citigroup, ING Group of The Netherlands, and Mizuho Financial of Japan. ABN Amro was 14th, with just over \$1 trillion.

The impact of the Barclays-ABN Amro talks was summed up succinctly by the *Daily Telegraph* of London, which bragged March 20, that the “long overdue” issue of European banking consolidation was back on the table. “The creation of national champions, such as France’s BNP Paribas and Germany’s Deutsche Bank, has led to a degree of state protectionism and a lot of management hubris,” and a takeover of ABN Amro “would blow the argument for protectionism out of the water.”

Those blunt comments go right to the heart of the matter, which is the

battle for survival between the imperial parasites of the Anglo-Dutch financial system, and the nation-states. In the parasites’ view, structures which protect the population from imperial looting cannot be tolerated, and must be stamped out. Only global institutions, divorced from any nationalistic impulses, can be relied upon to do the sorts of things of which Bertrand Russell said, “may be unpleasant, but what of it?”

One need look no further than the list of top U.S. bank holding companies, to see what has been done here. The top three banks, Citigroup, Bank of America, and J.P. Morgan Chase, are all members of the trillion-dollar club, and in the top 12 are included the U.S. subsidiaries of four foreign banks, two British, one German, and one Dutch (ABN Amro) bank.

The big three in the United States are themselves increasingly global in scope. Citigroup held only one-third of its \$712 billion in deposits in domestic offices at the end of 2006, with the rest held in foreign offices and specialized international subsidiaries. J.P. Morgan Chase had 27% of its \$649 billion in deposits overseas, and Bank of America, 14% of \$694 billion.

The change in U.S. banking has been dramatic; for example, as recently as 1990, Citicorp, as it was then known, was the biggest bank in the nation, with just \$217 billion in assets. Much of the growth of these big banks has come from gobbling up strings of other banks, many of which did their own gobbling before they were themselves eaten.

What is known today as J.P. Mor-

gan Chase, used to be known as Chemical, before it took over Manufacturers Hanover, Chase Manhattan, and J.P. Morgan. The Hanover Bank, a predecessor of Manny Hanny, was named after Britain’s King George I. The Morgan banking empire was actually founded in Britain, and moved to the United States.

Bank of America traces its roots to the National Bank of North Carolina, which took over several big Southern bank groups and some failed Texas banks, and finally as NationsBank, took over the San Francisco-based Bank of America, and kept the better-known name. The original Bank of America began life as A.P. Giannini’s Bank of Italy, which is said to have handled Mussolini’s financial interests in the United States.

Citigroup, the biggest of them all, was formed by the 1998 takeover of Citicorp by Travelers, an insurance company which also owned the Solomon Smith Barney investment bank. The combination was flatly illegal at the time, but was allowed anyway, reflecting the way in which the big banks play by a different set of rules.

We are now being told by Wall Street and its mouthpieces that the United States is losing ground to London as a financial center, and that we must loosen our rules to be more “competitive.” Nothing could be further from the truth. Our trillion-dollar zombies are already hopelessly bankrupt, sucking deposits out of bank branches all across America and using those funds to speculate in the *casino mondiale*. Making them more competitive parasites will just make the situation worse.

Globalization is a euphemism for British-style imperialism, and the creation of ever-larger, ever more imperial banks is a key part of the scam. In subsequent columns we will examine the issue more closely.

Business Briefs

Tax Havens

Britain Declares Its Offshore Status

Anxious to get a substantial chunk of carbon trading by hedge funds, Britain is advertising its "offshore" status, according to the London *Financial Times*. British Chancellor of the Exchequer Gordon Brown on March 21 gave carbon trading by hedge funds the official British blessing—a Treasury rule exempting them from taxes! Carbon credits held by funds in offshore centers will now be treated as exempt from any tax on profits.

To keep all their "profits" from so-called carbon trading, hedge funds had been having to figure out ways to get around the tax—how very wearying. Now they can legally enjoy the usual UK offshore tax evasion. "It is hugely beneficial because it [no taxes on profits] is going to bring a lot of liquidity," said Ernst and Young Accounting partner Julian Young. "It is clearly a good thing for climate trading and a good thing for fund managers."

Man Group immediately formed a "Green Man Group" announced by outgoing CEO Stanley Fink: "While the science of global warming is quite scary, there are opportunities there." GLG Partners launched another hedge fund "to buy and dispose of carbon credits." How? RAB Capital's Special Situations hedge fund bought 2.25 million acres of Ethiopian forest "on which it hopes to generate carbon credits."

Deregulation

Electricity Free Market Hit as Illegal

Attorneys General from four states argued in court that electricity deregulation is illegal, according to a *Baltimore Sun* article on March 27. Marjorie Kelly and Richard Rosen, both from the Tellus Institute, report on the lawsuit which will be argued in Federal appeals court against the radical dereg Federal Energy Regulatory Commission (FERC), which has been destroying Franklin Roosevelt's Federal Power Act utility regulation, over the past 20 years. The authors point out that this is a "broader stealth attack

on the New Deal, and it is part of a larger attempt to have markets take over critical public services, such as water, education, and electricity."

Consumers whose utilities have been deregulated, paid 55% more for electricity than those in regulated states last year, they report. The lawsuits assert that the 1935 Federal Power Act required the government to see that rates are "just and reasonable." FERC has done only the bidding of the Enrons and other power pirates. The states in the suit are Rhode Island, New Mexico, Colorado, and Utah. They could soon be joined by Maryland, Connecticut, and Delaware, where rates will zoom up, as soon as rate caps expire. Former FERC staffer Lynn Hargis, now an energy attorney, remarked: "The last time we relied on the market to set electricity prices, it was the Great Depression."

Economy

U.S. Income Disparity Exceeds 1928 Levels

According to the March 29 *New York Times*, Prof. Emmanuel Saez, UC Berkeley, and Thomas Piketty of the Paris School of Economics, concluded that while total reported income in the U.S.A. increased almost 9% in 2005, the most recent year for which data is available, average incomes for those in the bottom 90% fell by \$172, or 0.6%. Yet the incomes of the top 1%, rose to an average of more than \$1.1 million each, an increase of more than \$139,000, or about 14%.

The income of the top 300,000 was equal to that of the combined lowest 150 million Americans, and on average 440 times as great per person. The income of the top 10% was 49% of all income in 2005, the greatest since 1928, when it was likewise 49%. The top 1% got 22% of all income in 2005, the highest share since 1928, when they got 24%. The income of the top one-tenth of 1%, and of the top one one-hundredth of 1%, each grew by about 20% over one single year in 2005: up \$908,000 to \$5.6 million for the first group, and up \$4.4 million to \$25.7 million for the second group.

The IRS admits that its income data, which were used in the study, markedly understated larger incomes.

Property Speculation

French Housing Bubble Is Set To Burst

Ambrose Evans-Pritchard wrote in the March 28 British *Telegraph* that "French property construction plummeted 15.1% in February and home prices have begun to slip." French house prices had grown 210% since 1995, compared with 190% in the United States. Last year, it slowed to 7.2% and in January became negative: -0.6%. Jean-Paul Six, chief economist for Standard & Poor's, said that this is "the delayed effect of rising interest rates." Spain is also vulnerable, with more than 93% of mortgages on floating rates. "It is worse than in the United States," said Manuel Romera, director of Instituto de la Impresa in Madrid.

France's mortgages are mostly on fixed rates and there is no sub-prime market. However, according to OFCE research institute, house prices are 25% overvalued. In Italy, house prices have increased 92% in ten years, and last February, for the first time, the number of cities with declining prices was more than those with increasing prices, according to *L'Espresso* March 28.

Securities

Sub-Prime Securities Worst in U.S. History

Sub-prime mortgage-backed securities sold in 2006 may be the "worst-performing in recent history," says Standard & Poor's, with delinquencies on the underlying loans "consistently higher" than in the prior five years, according to Bloomberg March 28. Some 13% of sub-prime mortgage loans made in 2006 are delinquent, according to S&P, with 6.65% of the total classified as "seriously delinquent," or more than 90 days late. S&P raised its estimate for losses on bonds backed by the loans to as high as 7.75% from a previous peak assumption of about 6.5%.

S&P said this revision could have a "material" impact on the ratings of collateralized debt obligations (CDOs), or securities consisting of slices of other higher-rated mort-

gage bonds. Residential mortgage bonds represented a whopping average of 73.8% of CDOs of asset-backed securities collateralized by so-called mezzanine structured finance tranches in 2006, up from 42% in 2003.

Hedge Funds

Does *Financial Times* See Hedge Fund Collapse?

The London Financial Services Agency was expected to open investment in hedge funds to the general public on March 27. In the March 27 *Financial Times* there is a very cautiously worded look at what the opening of the hedge fund market to investors means. The recent IPOs of Fortune and Blackstone should "tell us something," says author Roger Ehrenberg. The IPOs will generate a ton of cash for the funds, but these funds are not like cash-starved tech start-ups of the IT bubble; they are supposedly already swimming in cash.

"This is a classic case of too much liquidity chasing too few opportunities," says Ehrenberg. "When debt investors wake up to the fact that they are systematically underpricing risk, the highly leveraged deal structures simply will not work."

He indicates that KKR, Texas Pacific Group, and Apollo are also considering going public. Why? "They see the private equity bubble and want to extract value before it pops."

Financial Markets

U.S. Housing Collapse Is Contagious

The housing collapse is "a train wreck in slow motion . . . accelerating and turning into a contagion," according to *Barron's Weekly*, March 26, which ran two interviews with insiders, each warning about spreading collapse created by the falling housing market. Robert Shiller, author of *Irrational Exuberance*, published in March 2000 at the beginning of the IT crash, has added new chapters to the latest editions of the book,

and is now forecasting a similar fate for the housing market. Shiller has tracked home selling prices over years, and compared them to construction prices, as a baseline. He sees a collapse of prices of 20-30%, spread over the next 10 years. The second interview is not quite as optimistic. According to insider fund manager Sy Jacobs, "the problems in subprime are not self-contained. It is a pinprick to a larger problem. . . . Subprime will bring down mortgage lending, housing and in turn, the economy and the market."

In the meantime, Jacobs, who manages a \$45 million fund, has found ways to game the market, not only by short selling subprime lenders, but most recently, short selling credit-ratings agencies, themselves major beneficiaries of the CDO (collateralized debt obligations) market, as well.

Corporate Fraud

U.S. Homebuilder Hit by FBI Probe

Beazer Homes USA, Inc., the sixth-largest U.S. homebuilder, has been hit by an FBI probe. Beazer has been asked by U.S. attorneys for documents on its mortgage business. Beazer, a Fortune 500 company with assets of \$4.5 billion and revenues of \$5.5 billion in 2006, saw its stock fall 9% on March 28, and another 8% in after-hours trading, according to the *Financial Times* March 28. It had already suffered hefty losses in the fourth quarter of 2006.

Beazer said it believed the U.S. Attorney's request was triggered by articles published in the *Charlotte Observer*, which detailed allegations of questionable loans Beazer arranged for low-income buyers, and unusually high foreclosure rates in Beazer's subdivisions in the area of Charlotte, North Carolina. These foreclosures rates have averaged 13% since 2000.

"The FBI is conducting a potential fraud investigation regarding Beazer," the FBI said in a statement, distributed by its Charlotte, North Carolina, field office March 27. The investigation is being conducted jointly with the Department of Housing and Urban Development and the Internal Revenue Service.

Briefly

FREDDIE MAC reported losses of \$480 million in the Fourth Quarter of 2006, as against a profit of \$684 million in the same quarter of 2005. The loss was caused by the fall in value of its derivatives amidst a collapsing housing market.

ARE CLIMATE CHANGE derivatives coming next? This is not a joke. Just this month a climate-change risk-assessment service called Climate Appraisal Services was set up to rate the risk of sea level rise caused by climate change to home and business owners. The risk-assessment service will use the Intergovernmental Panel on Climate Change's computer models and data as the basis for the risk assessment.

SUBPRIME AUTO loans begin to go bad. Oregon's CNW Research estimates that issuance of such loans rose from \$6 billion in 1999, to \$11.6 billion in 2006, and that a total of about \$34 billion is now outstanding. As a percentage of all autos made each year, they rose from 9.4% in 1999, to 13% in 2006. Some lenders, like Wells Fargo, are trying to cut back, while others are issuing more such risky auto loans to replace lost business in real-estate mortgages.

THE HEDGE FUND bubble grew, and concentrated, during 2006. A London group, Hedge Fund Intelligence, put out a report March 30 saying that total hedge fund assets grew 30% to \$2.08 trillion in 2006. But the increase in the number of hedge funds was 800 (1,500 launched and 700 went under), a growth of less than 10%. Hedge funds are getting much bigger, and the bubble is concentrating; about 350 hedge funds and "funds of hedge funds" control more than 75% of the whole \$2-plus trillion market.

"GREENPEACE FOUNDER defends peaceful use of nuclear energy," read a recent story in *Folha de São Paulo*, quoting Patrick Moore. Moore is also quoted in Channel 4's "The Great Global Warning Swindle."

Russia-China Partnership Plans To Go Into Space

by Mary Burdman

It could well turn out, that the most important result of the visit of Chinese President Hu Jintao to Moscow and Kazan in Russia on March 27-29, was the agreement between China's National Space Administration and the Russian Federal Space Agency to launch a mission to Mars, as early as October 2009. The Chinese Space Administration called the agreement, signed by its head, Sun Laiyan, and Russian Federal Space Agency (Roskosmos) head, Anatoli Perminov, and witnessed by Russian President Vladimir Putin and Hu Jintao, "an important milestone in Sino-Russian space cooperation." A Russian Phobos Explorer spacecraft will carry a Chinese satellite to the Martian moon Phobos. This Explorer, which is to carry equipment that the Hong Kong Polytechnic University helped to develop, would then bring soil samples back to Earth. The China National Space Administration stated that the agreement "indicates the two sides have taken a key step forward to working together on a large space program."

Chinese astronomer Tong Huiquan of the Nanchang Institute of Technology told Agence France Presse March 29: "No one has more experience in space exploration than the Russians, and there's no question that their technology is far ahead of China's. But China's economy is doing better than Russia's, and China can provide Russia with some economic assistance, so it's fair to say it's a win-win situation." The mission will be used to study the origins of the Solar System and Earth.

Strategic Cooperation

This year, 2007, marks ten years of the Sino-Russian "strategic partnership." In April 1996, Russia and China, with Kazakhstan, Kyrgyzstan, and Tajikistan, signed the initial joint security agreement which became the Shanghai Cooperation Organization in 2001. With an exchange of Presidential visits in 1997 and 1998, Russia and China launched their partnership, confirmed in their "Good Neighborly Treaty of Friend-

ship" of 2001. What could, historically, become one of the key developments of this strategic partnership, occurred in November 1998, when then-Chinese President Jiang Zemin gave a landmark speech at Novosibirsk, calling for scientific cooperation at the highest level to become the foundation of Chinese-Russian relations.

Jiang Zemin's 1998 speech was greeted by American System economist Lyndon LaRouche as marking a potential revolution in world development, to mobilize Russia's unique scientific capability, in cooperation with the leadership of China, the most populous nation on Earth, to transform the vast Eurasian landmass. But its promise has yet to be realized. Now, as LaRouche has recently, repeatedly emphasized, the United States, the world's only true republic, must again take up the world leadership it assumed under Franklin Roosevelt, and work with Russia and China, as well as India, as the only nations on the planet capable of acting to get the world out of its current disastrous condition.

While the discussions between Hu and Putin were not on the level of the Jiang Zemin speech, there were approximations of the ideas laid out in 1998. A *People's Daily* commentary of March 29, by Xu Tao, head of the Office of Russian Studies at the China Institute of Contemporary International Relations, one of China's highest-level policy institutes, emphasized the effects that recent world financial crises, such as those of 1997-98, have had on Chinese-Russian economic relations. While much has been done to build up economic ties, Russia's own industrial decline has been a big curb.

"Russia's machinery and electronics exports dropped drastically in the post-2001 years, ebbing to \$202 million in 2006. This phenomenon has negatively affected the healthy, sound growth of Sino-Russian trade," Xu Tao wrote. Last year, Putin told Russian and Chinese officials and entrepreneurs that it is a matter of urgency to change the current trade of oil and other Russian raw materials for Chinese consumer



Presidential Press & Information Office

Russian President Vladimir Putin (left) and Chinese President Hu Jintao (right) reached a number of historic strategic cooperation agreements during Hu's visit to Moscow March 27-29.

goods. Russia itself has recently determined to reverse its own "uneven" national industrial structure and its entire international trade, Xu Tao wrote.

Beyond Oil for Consumer Goods

Before he went to Russia, Hu Jintao told a group of leading Russian journalists in Beijing on March 20, that Russian and Chinese cooperation is critical for international stability, and relations between the two are now "at their highest." Beijing and Moscow are "closely cooperating on crucial international problems such as the nuclear problem of the Korean Peninsula and the Iranian nuclear problem, which certainly plays a serious role in maintaining peace and stability around the world," he said. The two countries should "intensify their practical cooperation in the economy, the energy sector, science, technologies, and other areas in the spirit of mutual benefit." The official reason for Hu's visit was to inaugurate the Year of China in Russia, following on its counterpart in China in 2006.

Hu also emphasized that trilateral cooperation among China, Russia, and India is "beneficial for the development of these three nations and that of the world at large." Their trilateral cooperation "is not aimed against any third party," he emphasized, but they share interests and outlook, including advocating "a multi-polar world; they want international issues and interstate disputes to be settled on the basis of universally accepted norms of international law and seek a consolidated role for the United Nations." The other critical basis for Eurasian cooperation is the Shanghai Cooperation Organization, which is now preparing a document on admitting new members; India is as yet still an observer.

China's own key economic task is "raising the living standards of our citizens." China faces "many problems that hinder" this, he said, including the "big press[ure] of employment," and "a lack of regulation in redistribution of incomes." The social welfare of the villages—where some 800-900 million Chinese live—especially "urgently demands further de-

velopment," he said.

Economic cooperation with Russia can change this situation in China. Putin and Hu Jintao opened the biggest exhibition of Chinese technology and products ever set up in a foreign nation on March 27, but while joint trade has risen six times or more from just \$6 billion ten years ago, it is dwarfed by Chinese processing trade exports to the United States, and Russian oil and other exports to Europe. Russia is China's eighth-largest trade partner and China is Russia's fourth-largest. Yu Guangzhou, China's Vice Minister of Commerce, said in Beijing March 21 that machinery and electronic products are too small a part of bilateral trade, and mutual investment has not grown fast enough, and Konstantin Vnukov, director of the first Asian department at the Russian Foreign Ministry, told the Moscow press that the "issue of improving the trade structure is on the agenda."

In Moscow ten days later, Yu Guangzhou said that the Chinese National Exhibition in Moscow was a "massive boon" for bilateral trade. "To enlarge Sino-Russian trade in machinery and electrical products, the two sides should cooperate in priority areas such as electricity, nuclear energy, space, telecommunications, electronics, shipbuilding, and automobiles," Yu announced. China is urgently trying to expand its imports, to some \$1 trillion worth by 2010, to counter its huge trade surplus with the United States, and Russian machinery can gain a big market.

Regional Cooperation

The Russian and Chinese Presidents issued a joint declaration at the end of their talks March 27, in which they agreed to continue intensive cooperation in international affairs. In reference to the SCO, Putin said, "We are positive that our joint efforts will help enhance the security of Russia and China, and will promote stability in Central Asia, in the Asia-Pacific Region, and in the world as a whole." Their declaration stated: "Russia and China believe that Iran's nuclear problem must be resolved purely through peaceful means and negotiations," and "Russia and China reiterate their positions in favor of the Korean Peninsula's non-nuclear status, which is of vital importance to peace and security in the Asia Pacific Region." The two Presidents called for creating a special UN committee to draft an agreement to prevent the weaponization of space.

The Eurasian Land-Bridge

Eurasian infrastructure apparently was on the "back burner" during Hu's visit to Russia, but the issue remains urgent nonetheless. Eastern Siberia's economy is falling apart, and the population is leaving in droves. Russian officials fear that the vast Primorsky Territory will remain totally underpopulated. Yet this huge area contains great potential wealth. While there are fears among Russians of Chinese migration, the region has in the past been a magnet for urgently needed immigrants from European Russia, China, Korea, and many other places, eager to take part in fast-growing industries and agriculture. The best way to develop this re-

gion, would be in cooperation with its neighbors: the United States, and China.

In addition to Russia agreeing to continue supplying China with 15 million metric tons of oil a year, to be shipped via Russian Railways, Russian rail director Vladimir Yakunin spoke in Moscow about a large-scale rail container project to transport cargo containers between Asia and Europe, through Russia. Yakunin was quoted by *Kommersant* March 27, saying: "We won't be able to compete with shipping amount-wise, but we'll have better speed and accuracy. We want to begin with 30,000 containers annually, raising it to 250,000 in three years at most."

Russia and China have also made an agreement to cooperate in developing Russia's Far Eastern and China's Northeastern regions. Russia's Vneshekonombank, China's State Bank for Development, and the administration of the Krasnoyarsk Territory in Siberia have signed a regional investment cooperation agreement. This includes construction, energy, transport, and other areas. Last July, Chinese and Russian scientists began a joint expedition to map out the vast mineral resources of Siberia, with the hope, on the Chinese side, that this would give them new methods for seeking such resources in Northern China. The Chinese delegation included members of the five institutes of the Chinese Academy of Sciences.

In Moscow, Hu Jintao met Russian Prime Minister Mikhail Fradkov March 27. Hu called for coordinating strat-

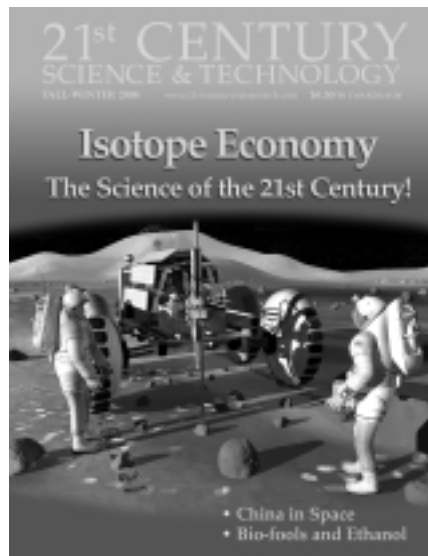
egies on economic and regional development and creating a plan "for medium- and long-term scientific cooperation," and faster development of key projects in space, nuclear energy and other energy resources, new materials, chemical engineering, bio-technology, communications, and information technology. In early March, Fradkov had visited Russia's Far East, to promote an effort to save this region from economic and demographic implosion. In Vladivostok March 1, Fradkov called for investing "several trillion rubles" to develop infrastructure and industry in the Far Eastern and Trans-Baikal regions, possibly including building a long-envisioned rail tunnel from the mainland to Sakhalin Island. Two weeks later, in Yakutsk, in the vast Sakha Republic in northeastern Siberia, Fradkov again called developing the area's transport infrastructure a strategic issue for all Far Eastern Russia, while visiting the city of Yakutsk.

Hu also went to Tatarstan, a center of Russian oil and petrochemical, machine-building, and other industries. Hu and Mintimer Shaimiyev, president of Russia's Republic of Tatarstan, agreed that regional cooperation is an important part of the strategic cooperation that the two countries are engaged in. "President Putin and I have agreed to give priority to the enhancement of regional cooperation between the two countries," Hu said. The two agreed to strive for cooperation in infrastructure, scientific research, and in the manufacturing, processing and petrochemical industries.

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Climate Swindle Will Boomerang on Locusts

by Helga Zepp-LaRouche

It was none other than Adolf Hitler who observed that a big lie will be believed sooner than a small one, and that the extent of a lie must be so enormous, so that it overwhelms the imagination of most people, and they will swallow it. But Leibniz was of the opinion that the nature of man is such that the evil in him will call forth an even greater power of good. And Abraham Lincoln also said that one can fool all of the people some of the time, and some of the people all of the time, but not all of the people all of the time. At this point, there is much that speaks to the fact that Leibniz and Lincoln were right: The huge lie of the climate swindle is about to become the greatest boomerang in history.

In this case, the extent of the swindle is gigantic: if the propagandists for the so-called man-made climate change and for the so-called efficiency of biofuels were successful, this would mean the mass murder of billions of people. But precisely because the consequences of this policy are so huge, an opposition-movement of politically highly diverse parties is developing against these two eco-lies, which their inventors would never have dreamed of.

Because while Al Gore and those hedge funds that specialize in CO₂ emissions credits are busy rejoicing over the horror scenarios of global warming that have been foisted on the population, especially the children and youth, and training a whole army of parrots, who mechanically recite Gore's "power-point presentation," the opposition is growing worldwide. The movie produced by the British TV station Channel 4, "The Great Global Warming Swindle," which features the doubts of renowned scientists about the actual basis for cyclical swings in climate, is finding enormous interest on the Internet.

Meanwhile, more than 17,000 American scientists, among whom, two-thirds have top academic degrees, have signed a petition to the American government, rejecting the Kyoto Protocol and similar documents, on the basis of the indefensibility of their assertions. Richard Lindzen, a climatologist from MIT, attacked Gore as a pompous idiot, who simply must be crazy. Gore "is promoting hysteria, which is never good for democracy, and second, he has strong financial interests. He is simply not independent," said Lindzen, according to the Swiss *Weltwoche*. Actually, Gore, who is himself a member of the board of directors of a hedge fund, has an obvious conflict of interest. And the author Paul Driessen remarked in an interview with *EIR* (this issue), that the emis-

sions-trade, pure and simple, will shut down any development in the poor countries. "When you don't have these modern technologies (like electricity), your life span is cut almost in half," Driessen explained. . . .

The neo-liberal Czech President Vaclav Klaus has met the CO₂ hysteria of the European Union with several declarations that, in reality, the environmental movement represents the greatest danger for mankind. The Ugandan dictator Yoweri Museveni called the global warming campaign an assault by the industrial nations on Africa. The head of the Russian Environment Agency, Alexander Bedritsky, called the possibility of global warming a great gift from nature to frozen Siberia. You can be absolutely sure that this debate will develop into an avalanche which will bury the eco-lies.

The inventors of the eco-lies should be especially unhappy about one of them: namely, that, in light of the obvious consequences being genocide against the poor in the developing countries, the historical continuity of the ecology movement with the eugenics movement of the 1920s and '30s is being put on the agenda. Sir Julian Huxley, who coordinated the British eugenics project in the 1920s, and helped establish the laws for involuntary sterilization of "inferior races" in the United States, confirmed after World War II that you had to call eugenics by another name, because it had been discredited by the Nazis, and at that point couldn't be put into effect for a long time, for political and psychological reasons. Therefore one must now call it "conservation," "environmental protection," or "ecology."

But the historical roots of green fascism in the ideas of Friedrich Nietzsche, Ernst and Friedrich George Jünger, the whole Conservative Revolution with its cyclical worldview, and the green elements of the ideology of the Nazis will now be investigated, and publicized, as the ahistorical, hedonistic managers of the locust funds could not have imagined in their worst dreams. The lies about man-made climate change will prove to be the greatest boomerang in history.

All That Greeneth Is Not Gore

by Rainer Apel

The government, the establishment's political parties, and the mass media of Germany are investing an enormous effort (and huge sums of money) into the promotion of Al Gore's global warming swindle. Peter Struck for example, the chairman of the Social Democrats' group in the national Parliament, took the entire group to a showing of the Gore movie, "An Inconvenient Truth," in Berlin, on March 5. A week later, Environment Minister Sigmar Gabriel announced that the

ministry will distribute 6,000 free DVDs of the movie to German schools, and as a kick-off, 5,200 teachers were given a free showing of the movie in 27 German cities, on March 18. On the same day, Gabriel joined Dennis Meadows of the Club of Rome on a panel at an event arranged by Siemens, which included 900 prominent figures, in Munich, where film footage from the Gore movie was shown. On March 26, Hamburg Mayor Ole von Beust, one of the very first prominent Christian Democrats to confess, in the Autumn of 2006, that he had been recruited by Gore's "arguments," accompanied the first several hundred of 30,000 pupils from the city's schools who are to watch the Gore movie for free, during the two weeks following.

There is no mystery about who is pulling the strings behind the promotion campaign for Gore's cause in Germany. The distribution of the "Inconvenient" DVD was co-funded by a Munich firm, Goetz Partners, which has close business relations with leading hedge and equity funds such as Cerberus and Blackstone, while the showing of the movie in Hamburg was funded by the Rickmers shipyard, which, through the firm Nord Capital, is also linked to the hedge- and equity-fund sector.

LaRouche Youth Mobilize vs. Gore Fraud

Impressive as this promotion campaign may seem, it does meet strong, and increasing, resistance in Germany. The LaRouche political movement, especially the LaRouche Youth (LYM), has escalated its mobilization against Gore, with a nationwide leafletting drive that began on March 23. One-hundred-thousand leaflets, denouncing the scare-mongering campaign by Gabriel, and exposing the scientific fraud behind the Gore swindle will be distributed. The leaflet, written by Helga Zepp-LaRouche, national chairwoman of the LaRouche movement's BüSo (Civil Rights Solidarity) party, zeroes in on the racist nature of Gore's global warming hoax, with its genocidalist implications for large parts of the world's population. Offices of Parliament members, other institutions, and press offices are called every day, and, in addition to intense street organizing by the LYM in Berlin, Hamburg, Stuttgart, and other cities, there are daily interventions into panel discussions on the "warming" issue. This political intervention is crucial, because it punches holes into the harassment net that has been thrown over the critical scientists who oppose the Gore swindle, so that they can now raise their voices in some of the leading media.

One of the first scientists who went public in Germany against Gore, was Horst Malberg, professor emeritus, and long-time director of the Institute of Meteorology at the Free University of Berlin. Professor Malbert, speaking at an event in Bad Hersfeld March 5, asserted that man cannot be blamed



Prof. Horst Malbert has pointed out that paintings during the 14th-18th Century "Little Ice Age" reflected the global cooling which took place. Shown here, Pieter Bruegel's "Hunters in the Snow" ("Winter") of 1565.

for global warming, because science provides a different picture. Malberg elaborated with diagrams, that since the last great Ice Age, there have been climatic shifts again and again, in Central Europe. Around the year 1200 A.D., when the Vikings sailed westwards, it was warm, therefore, the island they discovered was called Greenland. In 1320, the so-called "Little Ice Age" began, with harsh winters for the next 400 years—as depicted in old paintings, especially those by the Dutch painters (see illustration). There is no constant conduct of the Sun, Malberg said; the climatic shifts of the past 200 centuries can all be traced back to Sun-spot fluctuations. If at all, man today can be blamed for no more than 30% of the entire warming of the globe. And after all, warming is not such a bad thing, as it implies many benefits for man. This latter theme was taken up on March 26, by Alexander Breditsky, director of the Russian environmental agency Rosgidromet, who said that the rise of average temperatures is a real benefit of nature for the farmers in Northern Siberia, who are now able to grow heat-loving plants in regions which have been frosty over past years.

The Truth Breaks Into the Media

The first mainstream media coverage in Germany of the Gore critics appeared on March 23, with a prominent article in the leading daily *Frankfurter Allgemeine*, under the headline, "Is Climate Change Nothing But a Big Swindle?" The article recalls the insane 1970s discussion about "global cooling," and noted that not even the Intergovernmental Panel on Climate Change (IPCC)'s massive international offensive has silenced the many critics in the scientific community. These critics, the article notes, charge that the billions of dollars that

people like Gore want to pump into climate protection, should instead be going toward solving real global challenges like children's hunger and infectious diseases. It summarized some of the arguments against Gore presented in the British Channel 4 TV documentary "The Global Warming Swindle."

On March 27, the same daily ran another article, authored by Christian Bartsch, a leading meteorologist of Germany, who wrote that, "fear-promoting horror scenarios lead to the wrong direction." Bartsch continued, "We are living in a warm period of an ice age. Warmer and colder periods follow each other in the history of the Earth. The CO₂ level is independent from that." He also cited the 1996 findings of the Danish scientists team (Knud Lassen and Eigil Friis-Chistensen) on Solar eruptions as the actual cause of global warming, and mocked the IPCC as a body that has, since 1990, insisted that the global climate "obeys its postulates." The IPCC is, however, Bartsch added, a political, not a scien-

tific institution, and the ongoing global warming campaign is a political one, moreover one that is offering not the slightest perspective of a longer-term energy policy, but instead insists on turning off safe nuclear reactors.

Bartsch also blasted the biofuels nonsense as absorbing significant global shipping capacities, because of imports of palm and soybean oil; rain forests are axed away to make room for the planting of oil palm trees; and farmers in Europe are forced to burn wheat because that brings them more subsidized income from the European Union than traditional grain production. Bartsch concludes with the ironic forecast that, despite today's global warming folly, a time may come when global temperatures will fall again, and there will be a new campaign of "scientists" blaming man for that, too.

With the LaRouche movement's continuing intervention, we can be sure that the ongoing "global warming" swindle and its "green fund" initiators are exposed to the light of day.

Cheney's and Gore's Friends In London Slander LaRouche

The following statement was issued on March 25 by EIR News Service.

Lyndon LaRouche denounced a smear story, published in the the London *Observer* March 25, as yet another desperate effort by the British Fabian "friends of Dick Cheney and Al Gore," to bail out their American assets by targeting LaRouche and his international collaborators. The latest libel, by the *Observer* poison pens Mark Townsend and Jamie Doward, and a London gathering, which was scheduled for March 27, both indicate that the recent exposés by LaRouche and associates, of the \$200 billion global warming swindle, associated with Gore, Cheney, and both the Thatcher and Blair governments of Britain, have significantly damaged the scheme.

As documented in the book *Children of Satan*, the decision to launch a libel campaign against LaRouche and his German associates, around the suicide-death of Jeremiah Duggan, was an outgrowth of a trans-Atlantic policy battle that erupted at the time of the disastrous Anglo-American invasion of Iraq.

Then, as now, opponents of the British Fabian-steered Dick Cheney and Tony Blair war party were challenging the permanent war agenda, and were drawing upon LaRouche's expertise and international mobilization capabilities to counter the disastrous actions of Washington

and London. Just months after the launching of the Iraq War, another leading war critic, British scientist Dr. David Kelly was found dead, the purported victim of a "suicide," at the moment that the same British Fabian media apparatus had identified him as the source of evidence that Blair's top aides had "sexed up" a dossier on Iraq's alleged weapons of mass destruction, that was key to the London-Washington propaganda drive for war. Subsequently, Dr. Kelly's charges were proven more than accurate, despite a British government-charged commission's findings to the contrary.

Now, LaRouche noted, European circles who oppose the global warming scientific hoax and the murderous radical deindustrialization policies that flow from the hoax, are marshalling against Al Gore, Gordon Brown, David Miliband, and other 10 Downing Street propagandists, and are again finding common cause with LaRouche. The documentary, "The Great Global Warming Swindle," recently aired on Britain's independent Channel Four television network, and shown on Capitol Hill, and the surfacing of policy circles in Denmark, in support of a Schiller Institute-drafted plan for a maglev project connecting two major Danish cities, are all indicative of the intensive policy brawl occurring around life-and-death issues. All of this is also taking place at the moment that the international post-Bretton Woods financial system is in its final phase of disintegration.

It is in response to these developments, LaRouche charged, that the usual suspect London promoters and protectors of both Vice President Cheney and former Vice President Gore, have again chosen to act with their customary reckless disregard for the truth in the Sunday pages of the *Observer*.

Spain's Fascists Host Venezuelan Extremist

by Gretchen Small and David Ramonet

Venezuelan extremist Alejandro Peña, head of the minuscule Fuerza Solidaria party, visited Spain on March 6 to pay personal homage to the fascist movement led by former Franco official Blas Piñar. Peña held a conference at the headquarters of Fuerza Nueva Editorial, the organization created by Blas Piñar 40 years ago, as “the” legitimate heir to the Spanish Falange version of fascism. Peña’s conference was titled “Toward an Hispanic-American National Force.” To get an idea of what kind of “cultural center” the Fuerza Nueva forum is, consider that another conference, held there March 15, was titled “From the Cristeros to Today: The Christian Struggle in Mexico,” sponsored by one Austreberto Martinez Villegas, who is listed as “delegate to the National Synarchist Union of Mexico.”

As far back as 2003, *EIR* exposed Peña’s role in the Fascist International that Blas Piñar was reconstructing. Piñar’s Fuerza Nueva, in alliance with the Spanish Falange (Falange Española), in November 2002, organized a meeting of co-thinkers from Europe and Ibero-America. Among the attendees were Italy’s Forza Nuova, France’s National Front (the party of notorious racist and xenophobe Jean-Marie Le Pen), Germany’s National Democratic Party (NPD), Portugal’s National Party, Britain’s Final Conflict-Third Position (followers of Romanian Nazi Corneliu Codreanu, founder of Iron Guard), and Argentina’s Popular Party for Reconstruction (PPR), among others. On that occasion, Peña sent a warm personal message as a “former Presidential candidate,” wishing them great success.

Since 1998, when Hugo Chávez won the Presidency of Venezuela, Peña has been a one-note band, insisting, at every opportunity, that only a civil war can save Venezuela from Chávez, and affirming that he was “inspired” by Franco’s coup against the Spanish Republic that launched the Spanish Civil War. So there is nothing surprising about his hobnobbing with Spain’s unrepentant fascists.

During the 1990s, Peña had been one of the principal agents for Fernando Quijano’s penetration operation inside the international organization associated with Lyndon LaRouche, both in Europe and Ibero-America.

On several occasions, Peña was deployed by Quijano

to Chile to develop contacts with Pinochet’s circles and former military officers, in an effort to organize a continental fascist movement based upon the example of Franco’s Civil War, which would promote military coups throughout the region.

But the Peña operation is not a thing of the past; it is active *today*, as his recent travels indicate. Clearly someone has thrown some money and publicity into building up this self-proclaimed leader of a party, which received only 0.04% of the vote, as some kind of international figure. Since January, Peña has travelled to El Salvador, the United States, Argentina, Italy, and Spain.

A Tool of the Committee on the Present Danger

Peña’s trip to Washington, D.C. in January 2007 reveals that it is the crowd around George Shultz and his World War III-promoting Committee on the Present Danger which is now using Peña. Peña was hosted in Washington by the CPD-allied Center for Security Policy, introduced there by the Menges Hemispheric Security Project, the CSP operation in Ibero-America. The project’s name comes from the late Constantine Menges, who ran CPD operations in Ibero-America, such as promoting the short-lived coup attempt against President Chávez in April 2002.

During Peña’s stay in Washington, he also held a meeting for Venezuelan students at American University, where he formed a “chapter” of his Fuerza Solidaria. But only the Moonie-run *Washington Times* paid attention to his visit.

The gambit to “mainstream” this two-bit Venezuelan fascist (who can’t manage to keep his arm down), into Italian politics, however, ran aground. Peña was received in Rome on March 8 by high-level Vatican officials; he had an official meeting with the secretary-general of the Christian Democratic Union, Lorenzo Cosa, with whom he issued a joint statement; and he was prominently interviewed by a popular national radio show, Radio Radicale, and the national newspaper *Il Tempo* as if he were the leader of the opposition to Chávez.

Peña was introduced in Italy by another Venezuelan opposition figure, former Venezuelan ambassador to Rome, Pedro Paúl Bello. Bello would not appear with Peña in Venezuela so conspicuously. But in Rome, Bello helped arrange Peña’s meetings.

However, when a young Italian professor, Gennaro Carotenuto, posted an exposé of how Peña was an avowed neo-fascist, sponsored by the Cheney crowd, the game fell apart. Christian Democratic Union leader Cosa, when informed by Carotenuto of the Venezuelan’s background, publicly distanced himself from Peña, stating: “I did not know that Peña was anti-Semitic and a *golpista* [coup-monger]. . . . We will not support a coup in Venezuela.”

By the time Peña arrived in Spain, Carotenuto’s article, translated into Spanish, was already circulating there.

National News

Senate Hearing Shows Gonzales on the Ropes

With the White House facing rapidly eroding support among its one-time Republican allies, some GOP “dead-enders” attempted to sabotage and then shut down the March 29 Senate Judiciary Committee hearing on the firing of U.S. Attorneys, in which the sole witness was Attorney General Alberto Gonzales’s former chief of staff, Kyle Sampson.

These desperation moves parallel the White House’s refusal to allow top White House aides to appear publicly and testify on the record in Congressional hearings.

First, with tremendous attention focused on the hearing, and a packed hearing room, the Senate Republican leadership called a series of totally-unnecessary roll-call votes on the defense supplemental appropriations bill, forcing Senators to run back and forth to the Senate floor, so that for the first hour or so of the hearings, there were only one to three Senators present.

Then, shortly after the afternoon hearing session began, a Republican Senator invoked a seldom-used Senate rule to prevent the hearing from continuing while the Senate was in session, which threw the whole proceeding into an uproar. After the hearing was able to reconvene again about half an hour later, committee chairman Patrick Leahy (D-Vt.) said he had never seen this particular scenario used in his 33 years in the Senate.

After the morning session had concluded, Charles Schumer (D-N.Y.) declared, with good reason, that “the credibility of the Attorney General has been shattered by what happened in that hearing room.”

For despite Gonzales’s denials of involvement in the decision to fire eight U.S. Attorneys, Sampson testified that he had discussed it with Gonzales at least five times, and Sampson also testified that although he had made certain recommendations, the final decisions were made by Gonzales.

Of the committee’s Republicans, there are now only two—Orrin Hatch of Utah, and

John Cornyn of Texas—who fully defend the Administration. Two other normally die-hard Administration supporters, Jeff Sessions of Alabama and John Kyl of Arizona, were openly critical of the Administration’s handling of the situation: Kyl said that, despite the local U.S. Attorney’s policy differences with the Administration, “I expressed shock and dismay at the decision” to dismiss him, and Kyl tried to get top DOJ officials to reverse the decision.

Schumer Moves To Protect Family’s Homes

Sen. Chuck Schumer (D-N.Y.) has estimated that 1.8 million families in America, including 91,325 in New York, are at risk of foreclosure when their mortgage loan rates are reset within the next two years. He says he has developed a plan to protect borrowers in the future by creating a national regulatory system for mortgage brokers and loan officers, including those at non-bank companies.

States Try To Bail Out Home Mortgage Disasters

With news that as many as ten states are now either floating bonds to “help distressed homeowners refinance” or exploring ways to do so, Lyndon LaRouche stressed on March 28 that this path of action—in effect, states attempting to bail out the collapsing \$12 trillion U.S. residential mortgage bubble—will quickly lead to disaster.

States cannot do anything of the kind without ruining their credit and economies, LaRouche said; he emphasized that *only* the Federal government can issue sovereign credit in this Constitutional system, and thus only the Federal government has the authority and powers to overcome a financial crisis of this magnitude.

LaRouche approved the action of Massachusetts Secretary of State William Galvin—who testified to the Massachusetts

legislature March 27 and demanded “emergency legislation” halting foreclosures statewide. This is absolutely necessary, and a proper state power, LaRouche said. Galvin told the Massachusetts legislators, “You are literally talking about tens of thousands of people in this state, who I would call the ‘pre-homeless.’ ”

But, there are already half a dozen states plunging into the hole of bailing out mortgages by refinancing for mortgageholders with state money raised by taxable bonds, the Ohio policy, which is suicidal. Massachusetts is one of them; others are Maryland, Rhode Island, and Virginia. Others on the brink of doing so are California, Colorado, Washington, and Wisconsin.

Ethanol Prompts Largest Corn Acreage Since 1944

Sucked in by the prospect of massive profit, U.S. farmers will plant 90,454 million acres of corn this year—the most since 1944, according to the U.S. Department of Agriculture. Since the total planted acreage remains the same, soybean sowing will be reduced by 11% percent to 67.14 million acres, an 11-year low, Bloomberg reported March 30.

What drives the farmers into this insanity? The USDA says the farmers are shifting acres to corn to “take advantage” of a 74 percent jump in corn futures over the past year, which has caused meat producers such as Tyson Foods Inc. to raise prices, and has cut margins for grain processors such as Bunge Ltd. Grain prices are now experiencing a 10-year high.

The USDA report is based on a survey of the planting intentions of more than 86,000 farmers during the first two weeks of March.

Farmers also said they would reduce spring wheat acreage 7.3% to 13.81 million acres from 14.9 million acres last year.

The legally mandated use of food for fuel, which has prompted the expanded planting of corn for ethanol, has already caused increases in prices of other food stocks.

International Intelligence

Argentina To Show Ecuador How To Outflank the Banks

Argentina will advise the Ecuadorean government on debt restructuring and economic policy, to jump-start Ecuador's economy, which suffers from the combined effect of foreign indebtedness and a large budget deficit. According to an official Argentine government website, the high-powered Argentine delegation that visited Quito March 22-23, led by Finance Minister Felisa Miceli, signed several agreements with their Ecuadorean counterparts to share Argentina's experience in restructuring its foreign debt, and to offer advice on managing financial resources, trade, and tariff policy; strengthening the role of state banks; and gearing up the country's productive capabilities as quickly as possible, to begin to reverse the country's extreme poverty.

Foreign bankers couldn't have been pleased with the remarks of Ecuador's Finance Minister Ricardo Patino who, when asked whether the Correa government might consider the same type of debt restructuring that Argentina implemented, with a large write-down, coyly replied, "I don't know. We'll see how things go over the next few weeks."

Iran Joins South Asian Cooperation Association

Iran has joined the South Asian Association on Regional Cooperation (SAARC) as an observer. SAARC consists of seven South Asian nations—Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan, and Sri Lanka. It was set up at late Indian Prime Minister Rajiv Gandhi's initiative in 1987.

Welcoming the Iranian observer status, Indian Foreign Secretary Shivshankar Menon said the Iranian application has been circulated among the SAARC member countries and will be formalized through a series of meetings in the coming days, *India Defence* reported March 30. As chairman of the SAARC, Menon pointed out, "India likes the idea of more involvement in

SAARC by our friend (Iran)." Menon indicated that the SAARC countries are now considering Afghanistan to be included as a full member nation as the eighth country in the upcoming summit.

Iran's inclusion as an observer in the present situation sends a message, one analyst pointed out. It shows that the South Asian nations have taken note of the threat to Iran's sovereignty posed by UN Security Council's resolutions, and the hostile postures of Britain and the United States.

Ibero Nations Investigate 'Operation Condor' Crimes

Scientists in Chile have exhumed the body of former President Eduardo Frei Montalva, who died in 1982, and found traces of mustard gas in his body, confirming long-held suspicions that Frei had been murdered—most likely by the Nazi doctors who worked for the Augusto Pinochet dictatorship and its secret police DINA, *La Nacion* reported March 11.

In January, Frei's son Eduardo Frei Ruiz-Tagle, also a former President, filed a petition asking a Santiago judge to rule his father's death a homicide. According to Frei family lawyer Alvaro Varela, scientists hired by the judge discovered that only minutes after Frei died, unidentified doctors entered and locked his hospital room, drained fluids from his body, and removed most of his organs. Frei was not the only such case. High-ranking Army officers who opposed Pinochet's atrocities died suddenly under unexplained circumstances.

In Uruguay, a prosecutor is considering whether to issue a formal request for Henry Kissinger's arrest and extradition, on charges of having overseen the atrocities committed under Operation Condor, *La Republica* of Montevideo reported March 26.

And *La Republica* of Madrid reported March 28 that the Spanish government has agreed to the request by Paraguayan investigator Martin Almada that it open its files on Operation Condor, which Spanish law has barred opening until 30 years after the end of the Francisco Franco dictatorship in 1975.

According to Almada, the plan is to open up all the files relating to the dictatorships established in the Southern Cone of South America: Argentina, Brazil, Bolivia, Chile, Paraguay, and Uruguay.

Castro: Food-to-Fuel Plan Would Kill Three Billion

"More than three billion people in the world [would be] condemned to premature death from hunger and thirst," if food is used for fuel, the definitely not-dead Cuban President Fidel Castro charged in an article posted as the lead story of Cuba's newspaper, *Granma*, March 29. "The sinister idea of converting food into fuel was definitively established as an economic line in U.S. foreign policy March 26," when President Bush held forth with auto company executives, Castro wrote.

Without stating why, Castro argued that energy cut-backs are necessary worldwide, and producing ethanol from sugar residue is fine. But, he said, what is a "tragedy," is "the idea of converting food into fuel."

If one ton of corn can only produce 109 gallons of ethanol, on average, 320 million tons of corn would be required to produce 35 billion gallons of ethanol, he wrote, adding that the entire U.S. corn harvest was 280 million tons in 2005.

Add in the fuel and electricity needed to produce all that ethanol; consider that other "rich" countries are planning to use wheat, sunflower seeds, soy, and other foods for fuel production, "and you will see that people among the hungry masses of the Earth will no longer eat corn. Or something worse: lend funding to poor countries to produce ethanol based on corn or any other food, and not a single tree will be left to defend humanity from climate change."

Tamil Tiger Air Force Bombs Sri Lanka Air Base

Despite a news blackout by Colombo, ground reports indicate that the Tiger Air Force's attack on the Sri Lankan Air Force

Briefly

(SLAF) base at Katunayake, outside Colombo, in the early hours of March 26 under the cover of night, had a debilitating effect. The operation did not cause any civilian casualties, but did severely damage, if not destroy, at least half of the aircraft holdings of the SLAF, according to Tamil Net March 27.

The attack could be a one-time incident, but when an insurgent or terrorist organization acquires an independent air strike capability, the task of countering it becomes much more difficult. As it is, Colombo's ability to make intelligence penetration inside the Tamil Tigers is virtually nonexistent.

Since the Sri Lankan government has been bolstered by providing a virtual naval base to the United States, and access to another port to the Chinese, it has become ruthless in dealing with the Tamils. In recent months, since the ceasefire talks collapsed, Colombo has unleashed its army on the areas where the Tamils are in majority, and where Tamil Tigers are ensconced. The result has been slaughtering of Tamils, whom Colombo always identifies as "Tamil Tigers."

Oligarchy Projects Vision Of World 50 Years Hence

The British Fabian Society's *The Economist* ran a fantasy projection March 17 of the world in 50 years, exposing the oligarchy's intention to destroy the United States and the rest of the world. On the occasion of the 50th anniversary of the European Union, founded in 1957, *The Economist* envisioned "how it might be in 50 years" as follows:

"The EU is celebrating its 100th birthday with a quiet satisfaction. Predictions when it turned 50 that it was doomed to irrelevance in a world dominated by America, China, and India proved wide of the mark. A turning point was the bursting of America's housing bubble and the collapse of the dollar early in the presidency of Barack Obama in 2010."

After praising the "reforms" in Germany and France under Angela Merkel and Nicolas Sarkozy, the article praises the leadership

of Prime Minister David Miliband, the Gore ally who is currently British PM Tony Blair's Secretary of State for Environment, Food, and Rural Affairs. The only dark spot in the five decade stretch was Russian President Vladimir Putin's threat to invade Ukraine, but, luckily, "the EU pushed the Obama administration to threaten massive nuclear retaliation," and not only was Putin stopped, but the czar was restored and Russia now "has an impeccable democratic government."

Thus fantasize the fascist utopians.

German Managers Demand Climate Swindle, Bubble

A new grouping of leading German corporate managers has issued a three-page report promoting the man-caused global warming hoax. The paper has been presented to German Chancellor Angela Merkel, the March 23 *Spiegel* online reports. It calls for a drastic reduction of CO₂ emissions; the introduction of energy efficiency techniques; and for a so-called powerful technology offensive. Quite openly, the declaration says the managers want "to use their international business relations," to push forward international climate agreements. The grouping calls itself "2 Degrees German Managers for Climate Protection," referring to the 2 degrees Centigrade, that they want to prevent global temperature from increasing.

The initiative came from Michael Otto, a long-time member of the malthusian WWF's executive advisory board, who also heads his own Michael Otto Environmental Foundation. He made a special point about new "short-term business opportunities, if regulatory investment blocks for climate protection" are eliminated: in other words, another mega-speculative bubble.

Participating in this "2 degrees" action are the top managers from Deutsche BP, Asset Management Worldwide ALLIANZ, EnBW, Vattenfall, Deutsche Bahn, and Deutsche Telekom, and Hubert Burda, president of the German newspaper publishers association. The German aerospace industry and the auto producers are not involved.

MANY RUSSIANS see President Vladimir Putin in the tradition of FDR. In a special March 25 commentary on the occasion of the Russian President's seventh anniversary in office, the state radio, RUVR, noted the considerable progress made in Russia in economic, social, and strategic terms, during those seven years. And many draw comparisons between Putin and Franklin D. Roosevelt, because both took office when their nations were in a precarious condition, and turned things around.

PALESTINIAN PRESIDENT Mahmoud Abbas called on Isreal to embrace a "Sea of Peace" from Western Africa to Southeast Asia, as leaders of the 22-member states of the Arab League arrived in Riyadh, Saudi Arabia March 27, to begin its annual summit.

FRENCH PROSECUTORS have indicted 42 individuals, including former Interior Minister Charles Pasqua and the son of former President François Mitterrand, for illegal arms trafficking and other charges, Reuters reported March 28. Culminating a seven-year investigation, prosecutors said that arms traders Pierre Falcone and Russian-Israeli billionaire Arcadi Gaydamak had bought their way into setting up a network of political contacts to favor their activities in Angola from 1993 to 2000, selling heavy weaponry to the Angolan government for a total of nearly \$791 million.

THE PERMANENT PEOPLE'S Tribunal in the Hague has found Philippine President Gloria Macapagal Arroyo and President George Bush guilty of crimes against humanity for the death squad killings in the Philippines, according to a March 26 release from the tribunal. Although the tribunal has no official authority, its moral and political impact will be felt.

INTERVIEW: PAUL REITER, Ph.D.

Global Warming Won't Spread Malaria

Paul Reiter, a medical entomologist, heads the Insects and Infectious Disease unit of the Pasteur Institute in Paris. Prior to 2003, he spent 22 years at the Division of Vector-Borne Infectious Disease of the Centers for Disease Control and Prevention. He is one of the scientists featured in the film "The Great Global Warming Swindle," produced by Wag-TV in Great Britain.

Dr. Reiter was interviewed March 23 by Greg Murphy.

EIR: For our readers to get an idea of who you are, please describe a little of your background, and how you became involved with the IPCC [Intergovernmental Panel on Climate Change] process.

Reiter: First of all, my whole career has been in mosquito-borne diseases—some other diseases as well—but basically, the ecology, the natural history, the transmission, and the control of diseases like dengue, yellow fever, West Nile virus, and all those kinds of things. I've been involved in malaria as well. Vector-borne diseases covers the lot of it.

We're quite a small corner of science; we all know each other, and we meet at the same meetings. So, about 12 or 13 years ago, it was really surprising to us that we started to see articles appearing even in relatively respected journals like *The Lancet*, which were predicting doom and gloom on vector-borne diseases from global warming. People were saying that in the future you might have malaria moving into southern Europe. I, for one, had some correspondence in *The Lancet*. I said: "This is rubbish."

In fact, what very few people realize outside of our field

(and certainly not the people who are pretending to know), is that malaria was once rampant throughout Europe, the United States, and into Canada, and that major problems with malaria existed even into the 20th Century. For example, in the 1940s in the Russian/Finnish War, malaria in Finland was one of the major causes of morbidity in troops. Even before then, in the 1920s, there was a massive epidemic of malaria—a devastating epidemic—in 1922 and 1923—which went right up through Siberia, and into Archangel on the White Sea, close to the Arctic Circle.

So, I got frustrated with all this, and about seven years later I wrote an article that's quite well cited, titled "From Shakespeare to Defoe: Malaria in England in the Little Ice Age." If you have a look at that, you'll see the whole history of a time when it was really freezing in the wintertime in Britain, and yet there were Eskimos—I mean Inuit, that's the politically correct term—Inuit landing in their canoes in Scotland. And the Thames was freezing over; the King was having parties on the Thames.

At that time, I think it was in 1995, I looked at the web, and on nine major websites on global warming, I found that eight of them had malaria and dengue as the top dangers of climate change; things like "sea level rise" were at the bottom of the list. I've kept up the pressure on these people, and really denounced them in many places. And in the end, it's sort of become less popular, now it's further down on the list. But it keeps coming up, and as you say, it came up in this article from Buenos Aires, I think you were referring to. It was talking about, I think, mainly about dengue [and global warming] in Bolivia, and it's just complete bull.

So, now to your question about how I got into the IPCC.

EIR: Yes, how did they select the authors?

Reiter: That was an interesting thing. You know, they



Courtesy of Tech Central Station



From P. Reiter, "Climate Change and Mosquito-Borne Disease," *Environmental Health Perspectives Supplements*, Vol. 109, No. S1, March 2001.

Malaria in cold climates: The map shows the distribution of malaria in Sweden in the late 19th Century, with endemic and epidemic areas. The isotherm shown (inset) was the approximate northern limit of transmission. Note the location of Archangel, Russia, site of a major malaria epidemic in the 1920s.

boasted that they had 2,500 of the world's top scientists. Well, to begin with, it's the United Nations, so they essentially are encouraged to select scientists from many nations. They say it's 2,500 of the world's top scientists—you should check this—from 160 different countries. You and I know that there are many countries that don't have the world's top scientists. And, in fact there are very few that do.

And so, that's one selection criterion. But the others are much more, shall we say, insidious. Put it this way: I was nominated by the U.S. Government for Chapter Eight of Working Group Two of the IPCC, which is "public health impact and adaptations." You can find details of this, by the way, if you look on the House of Lords [web] page.

EIR: You were talking about how you became part of the IPCC process.

Reiter: For the 2001 report, I was a contributory author. And we had these meetings that were absolute bullshit. I mean they had an agenda, and that was it. And in the end, I decided to concentrate on the U.S. Government Climate Change Research Program—the same kind of review—which I was also on, and to resign from the IPCC.

They sort of accepted it after a while. Tony McMichael, who was the guy who was in charge then, accepted it with regret. And when I finally saw the final draft of the group, my name was still on it. And I thought, no, if I resigned from it, I

don't want my name on it, because otherwise it just essentially gives my blessing on the whole thing. And I told them: "I'm not interested. I don't want to be listed."

And they said: "Well, the rules are that you do have to have your name on it. You've contributed."

I said: "No, I haven't contributed anything, and I don't want my name on it. And if you put it on then I'm going to make a big fuss and I'll go to a lawyer." And so, they took it off, regretfully. And I think that happens a lot.

EIR: Yes, in the film "The Great Global Warming Swindle," you mentioned. . . .

Reiter: There's one case in which I believe the details are the same: Chris Landsea, the guy on hurricanes. Isn't that the same? He had pushed to get his name taken off it.

EIR: Yes, he wrote a very eloquent open letter to the IPCC, basically saying the same thing, which was that they were pushing an agenda instead of the science.

Reiter: There's another thing that I think is very wrong with the IPCC. When we did the U.S. Government Climate Change Research Project, our deliberations were in the public domain. In other words, when we had an exchange of views you could find it on the web—I think you can still find it on the web somewhere. So it was open.

Also, the peer review process with the IPCC is completely contrary to the normal scientific peer review.

You know, if I send an article for publication, the editor, if he accepts it—you know the process—sends it off to maybe three people in my field, sometimes up to five, sometimes just two. And they give their opinion whether it should be accepted, or modified, or refused—rejected. But the reviewers are anonymous. Right? So they can write freely about it—we're always trying to guess who they are.

But with the IPCC, it's the opposite. The discussions that go on are not public domain. But when you write as a reviewer, they know who you are. You have to put your name on the review. So that already taints what goes on. . . .

The IPCC sent me the first draft for review, even though my understanding was—I may have been wrong—that the first draft final date had actually passed. So I worked very hard on it, worked for about three days, through a weekend—and I essentially very carefully wrote 140 careful discussions of the ridiculous things that they'd been saying. And, to my surprise, when the second draft came, they had taken up a lot of these suggestions, which were completely contrary to what they'd been saying in the 2001 or 1995 IPCC reports.

So my suspicion is, that I had been so vociferous in this, hammering at them for so long (and the House of Lords Report, for example, puts all the details that I just told you in their big report), that they probably think: We've got to shut this guy up. We'll essentially do all the things that are logical in this, and that'll be the end of it. We've got plenty of other things to deal with. We've got sea level rise, and the bloody pollen issue, (and Christ knows what else that they've been

pushing recently).

Anyway, that's the story with the IPCC. But, the selection process is quite clearly biased. I can tell you another thing. There was a British-government-organized meeting called "Avoiding Dangerous Climate Change." Did you know about it?

EIR: No.

Reiter: It was in Exeter in January 2005. . . . So, I wrote to Exeter with my abstract, because they called for abstracts, and I decided: "Well, if they're going to do any shenanigans on this, I'm going to send it in four times." So I sent it to them, and then said: "Oh, I made a mistake here . . . please could you change it?" And I did various things like that. So I sent it to them four times, right? Nothing happened. So, in about December—the thing was in January—I wrote to them and said: Well, has my abstract been accepted, because I need to make my travel plans. And what did they reply?

EIR: I can't guess.

Reiter: "We've never received anything from you." So I was furious. I said: "Look, here are the four things that I sent you."

And they said: "Oh, we're really sorry, but it's really quite late to do anything. But you can do a poster session."

So, I did a poster and brought it along, and found that the posters—there were maybe five or six posters—weren't a poster session at all. It was a period of coffee, and you could have a look if you wandered by. But, mine was placed parallel to a wall about a meter-and-a-half from the wall so you couldn't read it; it was too close. In other words, it was hidden.

And these are all the people that are in charge. So, quite frankly, it's absurd. And, you know, what really angered me so much, what really made me agree to do that "Great Global Warming Swindle" film, was Gore's film, Gore's documentary. I've read a lot about Soviet propaganda within the Soviet Union, the way that they used to, essentially say: "The science is unanimous; the glorious people will solve all the problems." And I don't see any difference, except maybe the technology is better. I don't see any difference between the Gore film and some of that propaganda.

EIR: The whole thing is that they push the idea that the consensus is made, the science is settled, there is no more need for discussion; but yet you have people like Svensmark and others who put out papers with research showing that cosmic rays have a major impact on the climate.

Reiter: But we're never quoted; they're so selective. I'll tell you another thing: Have you looked up the House of Lords Report?

EIR: I've got it, but I haven't read it.

Reiter: If you look in the main part of the House of Lords Report, you will see that there are people from all spectrums, or all sides of the discussion, that have their depositions. And

from that they synthesize a thing which is even-handed. And what they basically came up with is the Summary, which is very honest. (I can send it to you.) One of the things they said was "We are concerned about the selection methods used by the IPCC." Now, that report was very carefully done, and was supposed to come out on the evening, or the day before the Gleneagles [G-8 summit] meeting, you remember, when Tony Blair. . . .

EIR: Oh, yes, when Bush ran over the Scottish policeman with his bike?

Reiter: Did he? Oh, that's right. Well, yes, but the sad thing was, that the day before the House of Lords report was supposed to come out, those bombings happened in London. So that completely covered the press. It was sort of like your 9/11—I don't know, the whole world's 9/11. So, it just got lost in the wash.

Excerpts From Reiter's Testimony In the House of Lords Report

Prof. Paul Reiter submitted written testimony on March 31, 2005 to the House of Lords Select Committee on Economic Affairs, which was included in the committee's report, titled "The Economics of Climate Change." Here are selections from his testimony, grouped by each IPCC Assessment Report.

IPCC Second Assessment Report, Working Group II

This chapter appeared at a critical period of the climate change debate. Fully one third was devoted to mosquito-borne disease, principally malaria. The chapter had a major impact on public debate, and is quoted even today, despite the more informed chapter of the Third Assessment Report (see below).

The scientific literature on mosquito-borne diseases is voluminous, yet the text references in the chapter were restricted to a handful of articles, many of them relatively obscure, and nearly all suggesting an increase in prevalence of disease in a warmer climate. The paucity of information was hardly surprising: not one of the lead authors had ever written a research paper on the subject! Moreover, two of the authors, both physicians, had spent their entire career as environmental activists. One of these activists has published "professional" articles as an "expert" on 32 different subjects, ranging from mercury poisoning to land mines, globalization to allergies, and West Nile virus to AIDS.

But then the Stern Report came out, commissioned by Blair. And you know, in my field it's absolute bloody rubbish. It talks about 80 million new cases of malaria south of the Sahara. This is the latest thing: They've dropped talking about malaria and other tropical diseases coming to temperate regions, and now they keep moaning on and saying that the people that will suffer the most are the poorest, when in fact they're not to blame, because it's all of us driving around in four-wheel-drives that are doing the damage. You know the picture.

So, they concentrate on malaria in sub-Saharan Africa. Well, it's complete bullshit. You know, for a start, as you can imagine, most of Africa is hot. Right? You don't have to emphasize that to most people. In most of Africa, malaria is, what we call, stable. In other words, every year there is transmission. Those people who've survived a malaria attack (and of course, most of the mortality is in young children),

when they survive, they have a certain immunity, which means that generally, they can be re-infected, and the parasite often makes them feel very ill, but they survive.

So, in the places where we have stable malaria, you have transmission going on every year. Everybody gets infected by it. You have places where people will get 300 bites from infected mosquitoes, those that have the parasite in them. So, if the temperature goes up by, say, five degrees, or whatever they're going to say, it isn't going to make an ounce of difference. I mean, it's like having a glass of water and you try and fill it when it's already full. It's just not going to take any more water. So, that's that bullshit.

Then there's the bullshit about highland malaria. This is something that Gore really pissed me off about. I'm getting angry now.

EIR: That's good. Well, you just vent it out.

Among the contributing authors there was one professional entomologist, and a person who had written an obscure article on dengue and El Niño, but whose principal interest was the effectiveness of motor-cycle crash helmets (plus one paper on the health effects of cell phones).

The amateurish text of the chapter reflected the limited knowledge of the 22 authors. Much of the emphasis was on "changes in geographic range (latitude and altitude) and incidence (intensity and seasonality) of many vector-borne diseases" as "predicted" by computer models. Extensive coverage was given to these models, although they were all based on a highly simplistic model originally developed as an aid to malaria control campaigns. The authors acknowledged that the models did not take into account "the influence of local demographic, socio-economic, and technical circumstances."

Third Assessment Report, Working Group II

The third assessment report listed more than 65 lead authors, only one of which—a colleague of mine—was an established authority on vector-borne disease.

My colleague was a top civil servant. He felt obliged to sit the IPCC project out, and to attempt to force a compromise. In a sense I believe he (we) succeeded. The 2001 report is much more comprehensive, more accurate, and gives a much better perspective of the diseases and their dynamics.

Thus, despite the improved quality of the Third Assessment Report, the dominant message was that climate change will result in a marked increase in vector-borne disease, and that this may already be happening. The IPCC message has been repeated in the publications of other

Agencies, often with inaccuracies that appear to have their origin in the Second Assessment Report. Thus the U.S. Environmental Protection Agency persists in making the statement: "Global warming may also increase the risk of some infectious diseases, particularly those diseases that only appear in warm areas. Diseases that are spread by mosquitoes and other insects could become more prevalent if warmer temperatures enabled those insects to become established farther north; such 'vector-borne' diseases include malaria, dengue fever, yellow fever, and encephalitis."

IPCC Fourth Assessment Report, Working Group II

It will be interesting to see how the health chapter of the fourth report is written. Only one of the lead authors has ever been a lead author, and neither has ever published on mosquito-borne disease. Only one of the contributing authors has extensive bibliography in the field of human health. He is a specialist in industrial health, and all his publications are in Russian. Several of the others have never published any articles at all.

It is often stated that the IPCC represents the world's top scientists. I copy to you the bibliographies of [the two lead authors], as downloaded from MEDLINE. You will observe that [the first] has never written a single article, and [the second] has only authored five articles. Can these two really be considered "Lead Authors" with experience, representative of the world's top scientists and specialist in human health?"

I also pointed out that one Lead Author is a "hygienist," the other is a specialist in fossil faeces, and both have been co-authors on publications by environmental activists.

Reiter: What Gore did was to say that this fellow Paul Epstein (I'm sure you know that name [Associate Director of the Center for Health and the Global Environment at Harvard Medical School]). Paul Epstein was one of a group of people who started this off. We had an exchange of letters in *The Lancet* in 1994, or thereabouts. First there was an article that said there would be malaria in the U.S.A., and in southern Europe. And I told the authors this was bullshit, because there once was malaria as far as Ontario.

And, the next thing Epstein came up with—and he did it all over the place—was that malaria, and mosquitoes, are moving to new altitudes in the highlands of Africa. Well, I happen to know Kenya very well, and I know the history of malaria there. So, I was really, really pissed off when he kept doing this. And, I wrote something about it which was also published in *The Lancet*, with a graph showing the altitudes of malaria between 1880 and 1945—because it was well documented (you know, the colonials used to document everything)—and then the so-called recent increases in elevation. And, in fact, all the recent claims were well below the transmission levels before 1945.

So, then, Epstein wrote back and said: Well, Paul Reiter just doesn't get the point, you know, and the fact is that plants are moving up, and etc.

So, I wrote back and said: It's quite true, I don't get it. In fact, I quoted—I think it was Patrick Michaels who first used this thing—I quoted *Alice in Wonderland*, where Alice says, "I see nobody in the road." And the Red Queen says, "You're so lucky, to be able to see nobody, and at that distance, too!"

And people told me I've been really stupid to write that. But I don't think so at all.

EIR: No, that was absolutely correct.

Reiter: So, that's the way it's gone. Gore shows an animation—you've seen his film, I'm sure.

EIR: Unfortunately, I have.

Reiter: It's nauseating. Gore shows a little animation of mosquitoes moving up a mountain. And it's almost the same sort of format as Paul Epstein's diagram of the same thing in *Scientific American* in 2000. There were actually six people given special credit at the end of his film, and one of them is Paul Epstein, and another one of them is Eric Chivian [Epstein's colleague at the Center for Health and the Global Environment].

EIR: Yes, this same crowd that's pushing the idea that malaria's increase because of global warming is going to hurt the poor Africans and the underdeveloped areas, are also the same people who are opposing using DDT to get a handle on that.



Paul Epstein's mosquito misinformation in the service of Al Gore.

Reiter: Absolutely, and even more so. . . .

But just going back to Gore: Gore says what Epstein and Jonathan Patz [Associate Professor of Environmental Studies and Population Health Sciences at the University of Wisconsin-Madison], and all those people have been saying for ages, which is that Nairobi and Harar were founded at altitudes where it was healthy—in other words, above the malaria levels. But now, with global warming, the mosquitoes have moved up to their altitude, so there is malaria in these cities. Well, I know Nairobi very well—Nairobbery, as we used to call it—and I lived in Kenya. Nairobi is close to—essentially, close to—the Rift Valley, where you have a very steep escarpment. It goes down a few thousand feet, certainly three or four thousand feet, very, very steep, a tremendous sort of crack in the Earth there.

And, the British government was building a railroad from Mombasa to Kampala, in Uganda. And when they got up to the edge of the Kukuyu Escarpment, they decided to make a hub for the construction of the railroad. But everybody was coming down with malaria. It was a marshy place—Nairobi means sort of "place of still water" in the Masai language. And it was infested with mosquitoes. The doctors on the project said that they shouldn't have the hub there, because it was just too sick—the whole place—but they didn't change it.

Nairobi was well known for its malaria. In fact, after World War I, when a lot of white people started settling in the Kenya highlands, which are much higher than Nairobi, they had big problems with malaria; they had at least ten major epidemics. And those continued until the advent of DDT in the 1950s. Nairobi is at 1,600 meters, and Eldoret, in Londiane and the farming country around there, goes up to 2,500 meters. I think the maximum for malaria transmission in those times was about 2,250 meters, much higher than Nairobi. So the whole thing is a lie.

But, you know, Epstein has had his way, and Gore has got his Oscar.

Gore's Policies Keep Africa in the Dark

Paul Driessen is the author of Eco-Imperialism: Green Power, Black Death (Bellevue, Wash.: Merril Press, 2003), a senior policy advisor to the Congress of Racial Equality (CORE), and a senior fellow with the Committee for a Constructive Tomorrow. He writes and speaks frequently on energy and environmental policy, and he appeared in the recent British television documentary, "The Great Global Warming Swindle."

Driessen was interviewed on March 26 by Wesley Irwin of the LaRouche Youth Movement.

EIR: In the introduction to your book, it says that among other things you've done—being a senior policy advisor to certain areas of the Congress; being part of a number of different public policy institutes that focus on energy, environment, economic development; and also being the author of this book *Eco-Imperialism: Green Power, Black Death*—you're also a former member of the Sierra Club and Zero Population Growth.

Driessen: That's right. I'm also an Eagle Scout and helped organize the very first Earth Day on my college campus.

EIR: Clearly your views on things have changed greatly. Why is that?

Driessen: In a nutshell, because I gradually realized that these groups often misrepresented the facts and paid little or no attention to the impacts their policies had on people. Their agenda was uppermost. Take DDT, for example. Environmental Defense, Sierra Club, and other groups knew that scientific studies did not back up their claims about the allegedly toxic effects of DDT on bird eggshells, eagles, and people. They knew the ban on DDT was causing the deaths of millions from malaria. And yet, to this day, they have bogus and far-fetched claims about this life-saving chemical on their websites.

(Some studies say DDT may be "associated with" low birth weights in babies and early lactation failure in nursing mothers, for instance—as though those speculative risks are worse than the very real risks that mothers and babies will die from malaria, which DDT can prevent.)

Over and over, I caught the Sierra Club, Greenpeace, and

other groups saying things that just were not honest or accurate. They used photographs that were taken in one place and claimed they were taken someplace else; or published a close-up shot of a drilling rig site, with trees cut and the ground graded and leveled—when a wider angle would show one acre of disturbance in a thousand acres. Or a photo they claimed was a devastating clear-cut, was actually a forest area that had burned down because careless campers had let their fire get out of control.

Greenpeace flat-out lied about Shell Oil's plans to sink an oil platform as an artificial reef. And a lot of leaders and members sounded delighted when hundreds of loggers were put out of work and entire rural communities were destroyed.

Even after they were told their facts were wrong, they didn't change. Their lies would simply move faster than the truth. In Latin America, Amnesty International and several environmental activist groups were attacking various oil company operations. One group would say a particular picture was a Unocal operation. Another would say it showed how irresponsible Occidental Petroleum was. In reality, the picture showed some sloppy operations by state-owned PetroEcuador. They've always got some oil, timber, or mining company in their cross-hairs, to sucker people into sending them money, and to advance their anti-industry, anti-foreign investment agendas—and the facts, or people's dreams of a better life, just aren't going to get in the way.

The director of the Sierra Club's wilderness program in Colorado actually told me that the real purpose of the wilderness designations was to eliminate opportunities to develop energy and minerals. He said Americans use too much, consume too much, and aren't going to change voluntarily. So we have to force them to change, by taking the minerals away—and the best way to do that is put them in wilderness, so that they're off limits to exploration and development.

They show incredible disregard for the rights, aspirations, and even lives of the world's poorest people. They constantly hammer on the supposed risks of using chemicals, fossil fuels, and biotechnology—and never mention the far greater risks that those technologies would reduce, or the lives they can save. And they have tax-exempt status, and get literally billions of dollars a year from foundations, and even government agencies, to promote their agendas and lies, despite their lethal consequences.

Their disregard for the poor, especially dark-skinned people in developing countries, is frightening. They've never apologized once for the deaths their anti-DDT policies have caused, never even admitted they were wrong, never offered any form of aid or compensation to victims or their families, and certainly they've never been held accountable. During the World Trade Organization conference in Cancun a few years ago, the head of a major Mexican environmental group told a friend of mine: "We don't care at all about the poor. We don't want them to become rich or middle class, because then they will become consumers and that means you have to



David Brooks

take more resources out of the ground to meet their demands, and that's bad for the Earth. It's better to keep them poor."

My Zero Population Growth days involved a lot of concern about the supposed population bomb, and then I started reading things from Julian Simon and other people, who raised questions that Paul Ehrlich [author of *The Population Bomb* and other environmentalists just couldn't answer. It became apparent that there was an environmental agenda that I was very uncomfortable with: keeping poor people poor, being so concerned about population that they were promoting anti-DDT, anti-biotechnology, anti-fossil fuel development, anti-economic development policies, that ultimately meant the poor were going to be kept poor, diseased, and dying prematurely.

Jacques Cousteau said we have to find a way to "eliminate" 350,000 people a day to stabilize global populations. And Prince Philip said he wanted to come back as a particularly deadly virus, and take out large segments of the Earth's population. Club of Rome co-founder Alexander King wrote, "My chief quarrel with DDT in hindsight is that it greatly added to the population problem." And former Sierra Club president Mike McCloskey said, "by using DDT, we reduce mortality rates in underdeveloped countries without considering how to support the increase in populations."

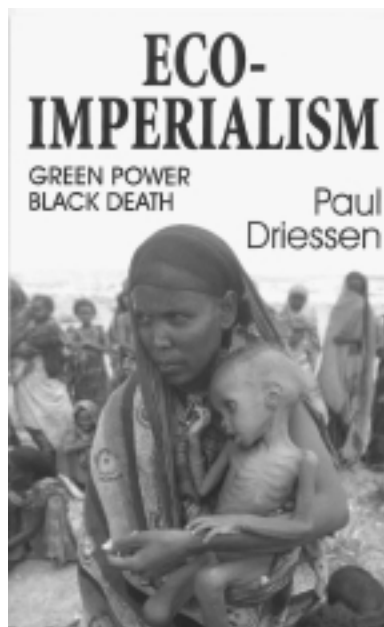
These kinds of things just left me with a bad taste in my mouth.

EIR: As they should anyone, I think.

Driessen: You would think.

EIR: You also work for the Congress of Racial Equality (CORE). And when you bring up Paul Ehrlich and Prince Philip, I remember in the Ehrlich book, *The Population Bomb*, he suggests that we decrease population growth by actually targeting the black and brown populations of the planet. He's very explicit about it. In the case of Prince Philip, with his World Wildlife Fund, one of the things that *EIR* has previously put together is a report that shows that much of the so-called "protected lands" of Africa, are controlled by the World Wildlife Fund from the standpoint of strategic control over raw materials and resources—not allowed to be accessed by the people of those countries, which helps also keep population growth in check. Do you see tendencies in other areas to go after population control, or even a decrease in population along racial lines?

Driessen: They're rarely as open or blunt as Cousteau, Prince Philip, and Ehrlich were in the past. But if you just look at the environmental movement's policies, you see programs they would never get away with in Canada, Australia, the United States, or Europe, if they resulted in even a dozen deaths. They're trying to shut down the use of genetically modified (GM) crops in poor countries, where nutrition is marginal at best, people are starving, and GM crops would grow better, resist insects and plant diseases, require less wa-



Driessen's Eco-Imperialism describes the life-and-death consequences for Africa, and poor people in general, of greenie policies.

ter and pesticides, and bring in bumper crops. Even without the modern high-tech farming practices we use, biotech crops could and do make a huge difference.

But Sierra Club and Greenpeace have launched campaigns that are based on lies about the dangers of GM food and claims that planting any GM crops (or using DDT to stop malaria) would threaten these poor farmers' exports to Europe. They tell people: "If you plant GM crops, your exports to Europe, the mainstay of your economy, will dry up. If any crops in your country are bio-tech, there could be pollen contamination, and Europe is going to ban all your crops." And then they use their political muscle to stir up more European Union paranoia about GM food, DDT, and even air transport of crops from Africa.

I think we're beginning to see a change in attitude by people in these poor countries. South African farmers, for example, have been planting Bt corn, and their yields have risen so far—ten times or more—that they are making money for the first time, have more corn than they can sell, and are planting other crops they couldn't afford to plant in the past. They've also cut way back on their water and pesticide use, and their exposure to pesticides. They get much higher yields, much higher quality, at less human and environmental risk.

But there's sizable pressure against GM crops and DDT. They didn't get the ban on DDT until long after we had used it to eradicate malaria in Europe and the United States. But once malaria was gone, environmentalists, politicians, and regulators began to worry about things that only people in wealthy, healthy, disease-free countries can afford to worry about. And they exported their obsessions and paranoia, by getting them into international treaties and trade programs. They even tried to get DDT banned completely from the

health-care arena. Only because of Amir Attaran and a few other health-care activists from Africa and Britain, during a Stockholm Convention summit, did DDT remain available for disease control.

But the radical greens still fight DDT to this day, even after it has been approved by the U.S. Agency for International Development and World Health Organization, even after it has been shown, over and over, that the chemical is safe for people and the environment, and that it does what no other chemical in existence, at any price, can do: keep 90% of mosquitoes from even entering a home, for six to twelve months with a single spraying, and prevent those that do enter from biting, and thus reduce the malaria rate by 75% or more.

And the countries are beginning to use DDT again, to spray the indoor walls of houses. They're saying, "We're not worried about unlikely risks of using DDT. We're worried about dying of malaria, we're worrying about 3,000 women and children dying every day from malaria—"

EIR: Every day!

Driessen: *Every day.* So African countries are saying, "Why do you want us to worry about something as speculative as 'lactation failure,' where you don't have any scientific evidence and just make these crazy claims? And we're not supposed to use a weapon that could save people's lives, prevent brain damage from malaria, get people healthy enough so they can work instead of being sick in bed, taken care of by other people who otherwise would be working productively?"

And then you get to the other issue that I've been writing about, and that is, electricity. In sub-Saharan Africa, some 95% of the people don't have electricity. In one week, Al Gore uses more electricity than 25 million Ugandans use in a year. And yet the radical greens battle every mode of electricity generation, except the most nominal, irrelevant generators. Rainforest Action Network and other activists are constantly pressuring banks and construction companies not to build coal- or gas-fired power plants in Africa or other developing countries.

Friends of the Earth and the International Rivers Network battle hydroelectric projects, like the Bujagali dam in Uganda, because it will interfere with kayaking. And Greenpeace and Sierra Club hate nuclear power.

EIR: Isn't their argument, or the argument you hear a lot of the time, that by man changing nature in that way, we are interfering with the so-called natural process on the planet; that it's somehow unnatural for us to be using these man-made innovations to change the Biosphere in which we live?

Driessen: Yes, that is clearly part of what they say. But it goes deeper than that. They also say human beings are a "cancer" on the planet, that we're really *not* part of the eco-system, that we interfere so much with natural planetary cycles, that we should be restricted in number, scope, and influence.

And yet, I have not seen a lot of them in the environmental



WHO/P. Viot

A baby with advanced malaria at Garki General Hospital in Abuja, Nigeria. Ninety percent of malaria deaths in Africa are children under five.

movement, whether they're Al Gore or some Hollywood glitterati, or the head of the Natural Resources Defense Council, say they're ready to live in a mud hut in Africa for even a month or two. Some friends of mine in South Africa have offered to put Drew Barrymore and Cameron Diaz and their "Trippin" crew up for a month in a state-of-the-art mud hut, out in the middle of nowhere, so they can live the cute, indigenous lifestyle that they extol and want to perpetuate. They can go without lights and refrigeration; drink the same filthy water that's loaded with parasites and bacteria; go without bug repellants and DDT, and battle malarial mosquitoes all night long; eat the same meager, insect-infested organic food the locals eat. And when they come down with malaria, they can walk, just like the locals, 20 miles to the nearest clinic, and hope that nurse has something other than chloroquine to treat their malaria.

If they survive, they might come back changed people. I don't see any of them volunteering to do something like that, even for one month. But they're happy to keep these people in that state of permanent poverty.

As my friend June Arunga from Kenya says, "indigenous lifestyles" just mean indigenous poverty, indigenous malnutrition, indigenous disease, and childhood death. And that's really what it comes down to: When you don't have these modern technologies, your lifespan is cut almost in half.

EIR: Let's talk about some of these modern technologies. There are a number of people out there, who aren't necessarily part of this Hollywood clique or this upper echelon of the financial bracket (like Al Gore, as you mentioned), who are hypocritically putting forth these sorts of policies. I mean, there are people who see that perhaps we are consuming more resources than we may be replenishing at this point, and they might be saying: "Don't we have to do a better job of so-

called protecting the Earth. And if that's the case, why can't we develop Africa with so-called 'smarter' technologies?"

They would say, "Can't we put a solar panel on every hut? And give Africa wind power?" And, with the Gore testimony on Capitol Hill last week, certainly a number of people are now suggesting this for the United States. Does that policy make sense to you?

Driessen: Absolutely not.

Just think about it: 95% of Africans have no electricity. It would certainly be an improvement to have a little solar panel on a hut and maybe a couple of wind turbines for the village. But in essence, what you're telling them, is, "You can't have electricity, except on the most *minimal* scale. You can never have it for a modern home, hospital, clinic, office, school or society." If you put a solar panel on a hut, for example, the people might have enough electricity to power a couple of light bulbs, a radio, a 1- or 2-cubic-foot refrigerator, and a hot plate—but that's it!

And it would be intermittent. It would only work when the Sun is shining. You may have a battery backup, but just to have a solar panel and battery to operate a couple of light bulbs, a radio, and a tiny TV, it's going to cost you about \$1,500 per hut. Wind turbines are also very expensive and, whenever the wind stops blowing, whatever you've got hooked up to that turbine shuts down. Just imagine yourself strapped on an operating table with your chest cut open, in the middle of open heart surgery . . . and the wind stops blowing, or the Sun stops shining. There goes your electricity.

You cannot *possibly* get enough affordable, reliable, abundant electricity off of these so-called "appropriate, renewable" resources. They just aren't going to be there at the levels or with the reliability that we in this country, or anywhere in the developed world, demand.

That said, there can be a place for wind and solar power—as an interim improvement in remote African villages, for instance, or to supplement household electricity in the U.S. Wind power can add juice to an electrical grid in the U.S., whenever the wind is blowing, but you just can't rely on it as a primary source, because it is too expensive and unreliable.

EIR: This brings up an interesting point. Last week a number of leading Senate Democrats voiced a certain consensus that serious changes need to be made in our own energy policy and so-called sustainability here in the United States. This brings to mind what Lyndon LaRouche and others have called the "Great Global Warming Swindle" or the "Al Gore Hoax."

So, I want to hone in for a moment, on Al Gore: What is your take on his theory that man-made carbon dioxide emissions are going to create a 20-foot rise in sea level, that will wipe out Manhattan and create hurricanes like Katrina, that have the potential to wipe out life as we know it on the Earth?

Driessen: Well, I think the whole thing is ludicrous. Even the alarmists in the UN don't buy into this hysteria. Their



WHO

Women with severe cases of malaria in an African hospital. There are 3,000 deaths of women and children per day in Africa—while environmental activists organize against the use of DDT for indoor house spraying, which is the most effective way to stop malaria's spread.

latest report is suggesting an 18-inch rise in sea levels over the next century is the most likely scenario. Gore's 20 feet is pure Hollywood scare-mongering. Certainly, we're experiencing some global warming, and certainly in certain places especially, humans are having some effect on local weather and climate, and so forth. But to suggest that human carbon dioxide is responsible for this stuff is crazy.

EIR: What is responsible?

Driessen: Well, let's go back for a second. Look at carbon dioxide: The total amount of carbon dioxide in the atmosphere is 0.05%—the equivalent of about 1.9 inches on a 100-yard football field. And less than one-twentieth of that total is man-caused. The rest comes from plants, decaying plant matter, and the oceans.

More importantly, Al Gore has the theory backward. Gore claims that rising carbon dioxide causes warmer planetary temperatures. In reality, according to the ice core data and other records going back thousands of years, the planet warms first and then—400 to 800 years later—the carbon dioxide increases. As the oceans warm in response to various natural forces, they cannot hold as much carbon dioxide as when they're cool, so they release some of their built-up stores of carbon dioxide into the atmosphere.

Even Gore had to admit, in response to a question after his testimony, that sometimes temperature increases have preceded CO₂ increases. Even his own graph, the one he uses in his lectures, the one featured in the "Great Global Warming Swindle," shows this time lag. The temperature goes up and, several hundred years later, up goes the carbon dioxide. The temperatures go down and, several centuries later, the carbon dioxide levels go down.

EIR: So, you're saying the reason for the increase in carbon

dioxide is the heating of the oceans, which is caused by something else?

Driessen: Which is caused by global warming, which is caused by a variety of natural forces. As solar radiation changes, the amount of heat energy reaching the Earth increases. Changing cosmic ray levels from the Sun affect cloud formation here on Earth, and thus the amount of sunlight reaching the surface. The tilt of the Earth's axis and shape of the Earth's orbit around the Sun also change over thousands of years. And the atmosphere and the oceans themselves are dynamic, turbulent, chaotic liquids, moving and changing on their own.

And so, you combine all of these forces in ways that we certainly don't understand very well—as real climatologists like MIT's Dick Lindzen will tell you—and you get a climate that changes constantly, repeatedly, to varying degrees, in long and short cycles, due to natural forces, and with only very limited inputs from humans. But Al Gore—the passionate true believer, well-rehearsed, with friends and protectors in Hollywood and Congress—still insists that we are about to have a climate cataclysm, brought on by the very technologies that improve and enrich our lives.

So, the bottom line is this: Even if we did something as stupid as what Al Gore is talking about—and put a ban on the construction of new coal-fired power plants here in the United States—it would make no difference whatsoever. It certainly wouldn't stabilize carbon dioxide levels, because they're already going up, as warmer planetary temperatures warm the oceans and release more CO₂—and as China, India, Korea, Malaysia, Indonesia, Brazil, and other countries burn more coal and other fossil fuels, to fuel their growing economies and lift their people out of poverty.

Within a year or so, experts say, China will exceed the United States as being the world's biggest emitter of carbon dioxide—and I'm certainly not going to tell China or India or any other poor nation, especially in Africa, that they cannot aspire to and enjoy better lives, even if it means more carbon dioxide.

Moreover, carbon dioxide is not a pollutant. It's a plant nutrient. It makes plants and crops grow better, and need less water. And, I'm firmly convinced, CO₂ levels in the atmosphere are not the cause of climate change. The *Sun* and other natural forces are what drive climate change cycles, just as they have for millions of years. They haven't taken a holiday, just because we started burning fossil fuels.

EIR: So Al Gore is even more extreme than the other alarmists?

Driessen: That's right. All kinds of environmentalists, politicians, and grant-seeking scientists want to talk about climate catastrophes that are vastly overblown—a figment of their imaginations, Hollywood special effects, and a few computer models that spew out crazy scenarios. But no real climatologist is talking in these terms; even the IPCC has reduced its forecasts for temperature and sea level increases. Aside from



UNICEF/John Issac

“Indigenous lifestyles just mean indigenous poverty, indigenous malnutrition, indigenous disease, and childhood death.” How many supporters of indigenous life would like to spend most of their day collecting water to drink and firewood for cooking, as these Ethiopian women must do?

some hysterical types, almost no one but Al Gore is talking about massive inundations of Manhattan and Bangladesh, or other climate Armageddons straight out of “The Day After Tomorrow” and “Convenient Lies and Half-Truths.”

Plus, it's really hard to believe that even Al Gore believes his own rhetoric. He uses huge amounts of electricity and natural gas—20 times more than the average American—and he refuses to cut back. He's flying all over the planet, often in private jets, spewing out greenhouse gases. He refused to take an energy pledge that Sen. Jim Inhofe offered him last week, refused to agree to use no more energy than the average American. But he wants Africa to rely on wind and solar power, and he thinks everybody else should cut back to the level of the new middle classes in India or China, which still use only a fraction of what Americans, Canadians, and Europeans do.

EIR: One of the things that we've uncovered through our *EIR* research is that Al Gore is also the head of a financial management company, which was set up in 2004, which is going to make a killing off the so-called “carbon swap” and the financial speculation associated with that, if a carbon tax and carbon swap system were put in place internationally.

Driessen: That's correct. Basically, the rule of thumb is, follow the money. Follow it for Al Gore, follow it for the environmental groups, follow it for the scientists, who are going to get *billions* of dollars in grant money from the U.S. government, the Canadian government, the European Union, the UN, and so forth. If they start talking like climate catastrophe skeptics, that money is going to dry up.

Look at Al Gore. Not only does he have this company that's going to rake in millions of dollars by selling and trading

these various emissions credits, but he gets free emission credits from his company—he doesn't even have to *buy* them! And he only started using these emission credits this year, just before his movie came out.

So, again, the hypocrisy is boundless, it seems.

EIR: So if you've got money, you're an exception to the rule.

Driessen: As Marie Antoinette allegedly said, "Let the peasants eat grass, like my horses." If you've got money, and you're important, you can buy the credits to sustain your grand lifestyle.

"What right does anyone have to tell a poor country it can't develop, because we're concerned (all of a sudden, now that we're rich) about climate change?"

And that raises another question. Who are they buying the credits from? Who are they paying not to use electricity, not to have energy? In many cases, what it's going to come down to is, they're going to pay a billion dollars here and there to somebody like Robert Mugabe in Zimbabwe, and he's going to take that money, put it in a Swiss bank account, and tell his people: "We've accepted money as part of an emission trading arrangement, to save Africa from climate chaos. Now you are going to have a sustainable energy future. You get to have a couple of wind turbines and little solar panels on your huts. Aren't you happy?"

So my question is: What right does anyone have to tell a poor country it can't develop, because we're concerned (all of a sudden, now that we're rich) about climate change, and your political leaders are trading emission credits with rich country folks like Al Gore, who can't be expected to cut back on their energy use. It's fascinating and hypocritical, and, unfortunately, Democrats in Congress did their level best to keep these issues from coming up. Nobody was allowed to ask Al Gore really tough questions, and nobody on the Democratic side wanted to touch any of these issues.

EIR: Even the *New York Times* ran a front-page story a couple weeks ago, about how extremist Al Gore really was. In his book *Earth in the Balance*, you can see his extreme views about energy, population growth, and so forth. What can you say about things he proposed to the Senate?

Driessen: I would love to see them actually start enacting some of proposals that Gore is recommending: That everybody has to get rid of their incandescent bulbs, and buy new ones that are far more expensive and don't put out as much light. That they have to cut way back on coal-fired electricity

generation, which would mean big increases—10, 20 maybe even 30%—in their electrical bills, which would gouge consumers and really hammer minority families and people on low and fixed incomes.

And for what? So that politicians can say they did something about climate change—about this Hollywood Frankenstein monster they created. Anything they do—aside from committing political suicide by requiring that we slash greenhouse gas emissions by 80 to 95% by 2050, will not stabilize atmospheric CO₂ levels. So all we're talking about is \$400-billion-dollar-a-year environmental *symbolism*.

Even if you assume CO₂ levels are driving climate change—even if you bash and trash out economy, spend countless billions, and cause jobs to migrate to India and China, because they're the only places companies can still get abundant, reliable, affordable energy—you're not going to affect the climate. The climate's going to continue to do what it always has. It's going to change naturally.

EIR: I think that gets at the real intent of what Al Gore is trying to do, Gore's so-called solution for the United States. As you mentioned, he's called for banning the incandescent light bulb, lowering carbon emissions overall by 90%. He wants to set up a "Connie Mae," which I guess is a "Fannie Mae" for energy *conservation* and carbon emission credits. He seems to be proposing that we cut down a lot of power lines, and put solar panels on every house in America, as part of the new financial bubble. And he's saying this at the very time that the housing bubble seems to be rupturing, and we have growing financial instability in that sector.

Driessen: On one level, I'm in favor of little things that people might want to do. If they want to switch light bulbs, that's fine. It's not going to make a lot of difference, but it can help.

Where I have a problem is when the government *mandates* them. Not only does that destroy personal freedom and put bureaucrats and radical green activists in charge of all our energy and economic decisions. It also means government picks the energy and economic winners and losers, subsidizes certain politically favored sectors, often against politically disfavored sectors—or just companies that are less adept at lobbying and currying political favors. It means your lobbyist becomes more important than your R&D department.

Moreover, and here's where the rubber meets the road: 80% of our energy right now comes from fossil fuels; about 53% of our electricity is generated by burning coal. How Al Gore thinks we're going to cut our CO₂ emissions over the next 30 or 40 years by 90%—without destroying our economy and impoverishing families—I sure don't know. And even if we do, it's not going to cause the rest of the world's emissions to go down. It's a lose-lose proposition. All pain for no gain.

Just look around you. What's going to happen as the U.S. population increases, and demand goes up? What's going to happen to your electricity bill, if demand soars and we can't build new coal-fired power plants? I haven't heard Gore say,

“I think we need to build 50, or 100, or 200 nuclear power plants.” I haven’t heard him say, “We’re going to stop burning coal, but we’re going to drill for oil and natural gas off our shores, in the Great Lakes, in the Rockies, in the Arctic National Wildlife Refuge.” He wants to force us—you and me, not him—to switch to wind and solar, which brings us right back to this energy sufficiency, affordability, and reliability issue. The wind stops blowing, the Sun stops shining, and you get brownouts and blackouts. It’s tough enough to run a hut with a couple light bulbs off a solar panel and a wind turbine. How do you run a modern nation this way?

When you look at the amount of electricity we use in this country, to improve living standards, improve people’s health, increase life spans, power wondrous new technologies—enjoy a standard of living that Al Gore is certainly not going to give up! Nor are these environmentalists or the Hollywood crowd ready to give all this up. How do you power a modern society with wind turbines—even with a million or 50 million—blanketing an area the size of Virginia, slicing and dicing birds and bats by the millions, destroying beautiful scenic vistas, and making unbelievable noise . . . to provide expensive intermittent electricity?

And how many of these clever, environmentally conscious but economically and energy-illiterate politicians have figured out that—if you want a forest of wind turbines and an ocean of solar panels—you need gas-fired power plants for backup, because they’re the only thing that can kick in instantaneously when the wind stops blowing, or the Sun stops shining. And that means you’ve got to drill for natural gas, which they absolutely oppose.

EIR: Isn’t it also true that you couldn’t actually manufacture a windmill or a solar panel with the amount of power produced by a solar panel or a windmill? That it actually takes nuclear or fossil fuel power to generate enough energy to even create a solar panel.

Driessen: You’re talking about the energy it takes to get the minerals out of the ground, to mill and process them into steel and other components, and then build that windmill or solar panel?

EIR:: Right, that process.

Driessen: Yes, it does take a lot of energy. And this is where these guys just don’t think things through. Many of them—the politicians, activists, and journalists—would fail miserably trying to run a company, especially a utility or manufacturing company. But they want to be in charge of the people who are in charge of those companies.

Go back a second to my point about gas-fired power plants. If you mandate wind power, you need gas-fired power plants and natural gas to operate those plants. Who in the Democratic Party or the environmental movement is now going to support drilling for natural gas, so that they can get this utopian wind-energy system they keep dreaming about?

Which Senator is going to run his or her office solely off wind or solar power? Which one is going to be the first to volunteer for open heart surgery run entirely off a solar panel or wind turbine?

Your point about the energy needed to manufacture wind and solar systems is extremely well taken: The energy level required to make these alternative energy systems is far higher than they can put out. Right now, you take one 50-megawatt power plant in California, a gas-fired power plant: It’s putting out more electricity in the course of a year, than all 13,000 of California’s first-generation wind turbines. The gas-fired power plant is on about 20 acres; the wind turbines are on 106,000 acres. Those are significant environmental impacts—and then you have to add in the bird and bat kills, and transmission lines to carry electricity hundreds of miles from the wind farm to the major city.

EIR: I read in your book, that in some places, the raptors are actually being driven out of their natural habitat, or are just chopped up, by these windmills.

Driessen: I’m not sure to what extent you can say they’re being driven out, but certainly they’re being chopped up. Sierra Club and Audubon Society don’t call wind turbines the “Cuisinarts of the Air” for nothing. As we expand these wind systems, we’re going to be talking about tens of thousands of birds and bats, and a huge number of raptors that come in looking for prey and whack, we get peregrine paté.

So, again, there is no free lunch. There is an environmental cost to all of this, a human cost to all of this, a huge economic cost to all of it. Don’t let us get conned by Al Gore, whose bogus solutions are going to place most of the burdens squarely on the shoulders of the poorest families in our country; and whose proposed bans on fossil fuels and other electricity-generating systems are going to keep the poorest people on the planet impoverished, diseased, destitute, without jobs, without a functioning, modern economy, and dying many years before their time. It’s simply unconscionable. If you want to talk about the morality of climate change, *that’s* the morality of climate change. It’s the *immorality* of telling people they can’t have energy, they can’t take their rightful places among the Earth’s healthy and prosperous people.

We must not, and need not, go down that route. We have the time, technology, creativity, and humanitarian instincts to think this through, determine whether we really have a climate problem—another natural cycle or something else—and then take the wise steps to address the problem or adapt to it.

EIR: Well, Paul, being a member of the Democratic Party and being raised in Seattle, Washington, the greenie headquarters of the world, these are issues that I have wrestled with for a long time, and I appreciate your shedding some light on these subjects, because they’re not easy questions, but I certainly think that the work that you’re doing brings us closer to the truth on these matters.

Editorial

Who Will Replace George Bush?

The British controllers of George Shultz and Dick Cheney have done their job: The Presidency of George W. Bush is dead meat, politically, and everyone knows it, both internationally and nationally. As the recent hearings on Capitol Hill showed, a large portion of the Republican Party is seeking a means of distancing itself from the President—simply for its own political survival.

One is reminded of the sudden shift of the mob in the case of Julius Caesar. Suddenly, Republican Senators who were cheering wildly, are lining up to stab the fallen leader. In fact, it cannot be ruled out that Vice President Dick Cheney becomes the guy who plunges the last dagger in. Suddenly, we would have a new kind of fascism, under a government run by the thug who brought you Abu Ghraib, and the greatest foreign-policy disaster the United States has ever had: the war in Iraq.

The headline story about the Administration's failure—the one about how Bush's long-time confidante Alberto Gonzales has lied through his teeth, while carrying out a political purge operation from the Attorney General's office, is not insignificant, of course. Qualified Washington observers have determined that the question of Gonzales leaving office is only a matter of "when," not of "if." The precedent of Nixon's Attorney General John Mitchell being driven from office, when he tried to protect his boss, cannot be lost on anyone.

But it's not outrage at Gonzales which is driving the revolt among the Republicans. It's Bush they see as a failure, a poisonous toad that can't be touched.

The fact is, that President George W. Bush is disintegrating as a personality—and every day that he is challenged for his failures in Iraq, and elsewhere, he goes a step closer to emotional meltdown. And don't think that people in Washington, as well as internationally, haven't noticed. Bush could well qualify to be replaced under the 25th Amendment—and that is the danger.

Because *first*, as LaRouche has consistently warned, Dick Cheney has to be removed as Vice President. We cannot afford the risk of waking up one morning, and finding Dick Cheney as President of these United States.

And what about the Democrats? You could say that they are in the front-running position, by default. But basically, since the stunning victory which they achieved, by aid of the mobilization of the youth vote, back in November 2006, the Democrats have blown it. They have virtually destroyed their own advantage, by embracing Al "Hedge Fund" Gore. They have hung Al Gore around their neck as an albatross.

Do you have any doubt that Gore, if he remains in a commanding position in the Democratic Party, will bring down the Democrats down? Just look at what's happening already.

On Friday, March 30, Germany's leading mass tabloid *Bild-Zeitung* published a major assault on Al Gore's global warming hoax, with a big page-one headline: "Climate Alarm Only an Eco-Lie?" This is a *big* development, and it comes on top of similar attacks on Gore's hoax in the major Establishment newspaper of Germany, the *Frankfurter Allgemeine Zeitung*. What's clear is that some of the powers-that-be in Germany have decided to move against Gore—and that is not something which can be ignored.

And the German events are only the beginning. In the context of the relentless international campaign which the LaRouche Movement is running against the scientific fraud, and Malthusian genocide, of Al Gore, there has been an increasingly visible upsurge of opposition to the Green assault globally. Helga Zepp-LaRouche outlines some of this motion in her latest leaflet (see article in this issue), but there are new elements of the anti-Gore campaign every day. There's good reason that the bloated former Veep won't permit press to enter some of his otherwise high-profile events.

Gore is going down, as the racist genocidalist and liar he is. He's going to take his supporters with him. The only hope for the Democratic Party is to face the truth about Gore, dump him, and turn to the FDR-style program and politics which are represented by LaRouche and his youth movement. That is the future—and under those conditions, we can replace Cheney, and then Bush, with the confidence that humanity, and our United States, will thrive.