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—Lyndon H. LaRouche, Jr., webcast, July 25, 2007

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—EIR Editorial, Aug. 31, 2007

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—President George W. Bush, Dec. 20, 2007

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EIR

From the Managing Editor

Last week, we reported the emergence of a Russia-India-China partnership of potentially enormous strategic scope. Yet not a word of this has appeared in the major media in the United States! Instead, we are barraged with the latest "updates" in how Hillary Clinton's Presidential campaign has supposedly "collapsed"—despite her continuing victories and her obvious determination to carry the fight to the Democratic convention.

In this issue, we report new developments in this emerging Eurasian alliance, as the three above-mentioned countries, with support from others, move in opposition to the fascist drive coming out of Britain in particular. We detail the diplomacy and economic plans of the new Russian government, as well as the hopeful start of direct talks between Israel and Syria; the Iranian government's international cooperation proposals; and an interview with Dr. Mohammed Reza Khatami, a leading Iranian political figure and the brother of the former President.

The focal point of nations' efforts to defend themselves against British geopolitics remains the food crisis: the price explosion and actual shortages, due to British free trade. Helga Zepp-LaRouche reports in *Economics* on the blunt statements of world leaders ranging from European former heads of state and government, to Egyptian President Mubarak, to Russian Prime Minister Putin. The key point of intervention will be the UN Food and Agriculture Association (FAO) conference in Rome in early June.

Is there is any chance that U.S. policy can be turned, so as to join in the anti-free-trade policies that the rest of the world (except the Anglo-Dutch Liberals) is clamoring for? See *National* for our coverage of the primary election campaign, and Lyndon LaRouche's forecast that, by the time the Democratic Party convention begins in August, the global financial-economic catastrophe "will be the dominant issue in the minds of all American citizens."

With the implications of this forecast uppermost in mind, LaRouche contributes his latest installment on the subject of "Insight." He is thereby steering the LaRouche Youth Movement to produce—soon!—an historical study of *ideas in history*, focussed on the period between the 1890 firing of German Chancellor Otto von Bismarck, and the 1945 death of President Franklin Roosevelt. LaRouche will have more to say on this subject in a forthcoming feature on "Science & the Making of History."

Susan Welsh

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Cover This Week

Insight: The blind poet Homer contemplates the image of Aristotle, whose mind is blinded by sight; Rembrandt (1653).

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Correction: In last week's issue, the article "Britain's War vs. the de Gaulle-Adenauer Common Agricultural Policy," had an error on page 31. The quote from a French Senator should have said that "the British producers, in essence, get their income from 'deficiency payments' (a mechanism of direct aid given when market prices are *lower* than production costs)" (emphasis added).

SCIENCE IN ITS ESSENCE

On the Subject of 'Insight'

by Lyndon H. LaRouche, Jr.

May 9, 2008

In my ***Sir Cedric Cesspool's Empire***,[1] *I emphasized the importance of the concept of "insight" as key for, among other things, understanding the mechanisms of evil which characterized the most notable writings of the leading Fabian Society figure H.G. Wells. Here, I return to that notion of* ***insight*** *for conceptualizing the root-causes of the present plunge of world civilization, into the prospect of an immediate new dark age of mankind, a prospect caused by the role of the same standpoint of Wells in his threatening the planet as a whole, with what has now become its currently accelerating plunge toward an abyss.*

> *In real life, one never really knows what has been done, until one knows not only why and how it was done, but is capable of replicating the formation of the concept.*

As I have indicated within written and oral reports published earlier: looking back from today, the most crucial event in my life, has been my surefooted rejection of the concept of Euclidean geometry on the first day of my encounter with it in my secondary classroom. The most crucial implication of that for my later life, has been, that, in rejecting Euclidean geometry as intrinsically incompetent, as I did that day, I had actually made a decision which was to shape the essential features of my life over the seventy years which have followed that event.

To repeat what I have said repeatedly on the subject of that event, over the intervening years, the following should be noted as an entry-point into the discussion to follow here.

My fascination with the Boston, Massachusetts Charlestown Navy Yard, had been centered in the ongoing construction-work there. This had forced my attention to the fact of the challenge of understanding the geometric principle of construction through which *the ratio of mass and weight of supporting structures to the support of the total structure*, is ordered. This repeated experience, on both my several relevant visits there, and my haunting possession of the fact of that experience, had already established the meaning of "geometry," as *physical geometry*, for me, that already prior to my first encounter with secondary school geometry.[2]

The continuing importance of my flat rejection of so-called Euclidean geometry at first classroom encounter with it, is typified by considering the way in which this reverberating experience led, a decade and more later, to my flat rejection of the sophistry of Professor Norbert Wiener's presentation of so-called "information theory," of the still wilder insanity of John von Neumann's notions of "economics," and von Neumann's matching, pervert's view of the principle of the human mind. These latter goads, and related experiences, prompted me, in 1953, to discover and adopt the appropriate consequence of Leibniz's work, as the standpoint of Bernhard Riemann's 1854 habilitation dissertation.

In that light, this adolescent experience, with its outcome, is the best illustration from my experience of the proper technical meaning of the term "insight."[3] In fact, it was an integral

1. See ***EIR***, May 9, 2008.

2. This development was associated, during that same period of my life, with my father's principal intention in selecting those visits, the ritual tour of the U.S.S. Constitution; my own attention was focused on the mysteries of the construction in other parts of that yard.

3. Wolfgang Köhler: please forgive me; it was necessary!

EIRNS

The LaRouche Youth Movement "Basement Team" is now approaching the study of Riemann's 1854 habilitation dissertation, after having completed three previous projects: the Pythagoreans through Leibniz; Cusa through Kepler; and Carl Gauss (see http://wlym.com/~animations/). Shown: Young scientists of the LYM, working in the Basement, at Round Hill, Va., February 2007.

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EIRNS/Tarrajna Dorsey

feature of the process which had led me, during adolescence, to adoption of the work of Gottfried Leibniz as the chief reference-point of my intellectual life, then, and, implicitly, to the present day.

From that point in my youth, onwards, the chief philosophical reference-points in my intellectual development, were wrestling against the sophistry of Immanuel Kant's series of "Critiques," and the systemic sophistry of both Aristotle and his follower Euclid. It was against that background—those rejections, which had been fully established already for me during the course of my adolescence, that I came to recognize, and to rely upon the concept of *insight per se: Insight* as being the Platonic domain of *hypothesizing the higher hypothesis,* a concept of the nature of the human species and its individual member, which is central to all of the discoveries of principle by Plato.

The LYM Science Project

Presently, three relevant, major projects by the LaRouche Youth Movement (LYM) have preceded that association's presently approaching treatment of the implications of Riemann's 1854 dissertation.

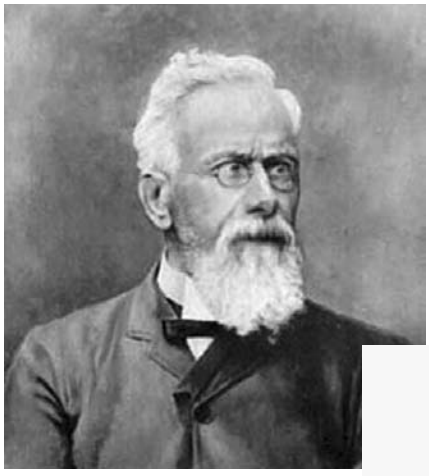
The first of those three had been based on a West Coast team, which had worked through some crucial features of the ancient origins of modern European science, as located in the related work of the Pythagoreans, Plato, and the modern reflection of this treatment of *dynamics* in the work of Leibniz.

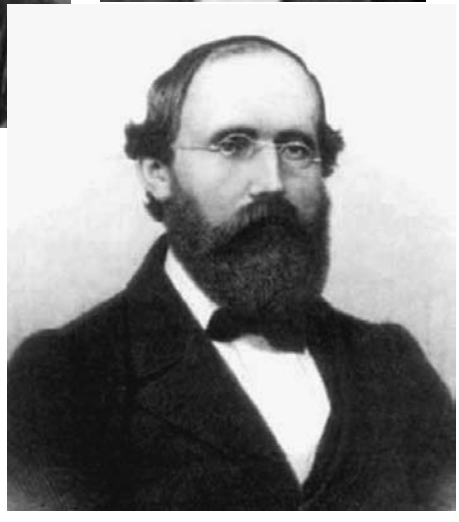
A second team had worked through the main features of the founding of modern European science by Cardinal Nicholas of Cusa's and by Leonardo da Vinci's follower, Johannes Kepler. The LYM's thorough-going, published report on the

Kepler project, is a uniquely competent treatment, as similarly expressed in the work of Albert Einstein, as by relevant others, but is not competently taught in known university programs otherwise available today.

In the second study, that of the uniquely original discovery of gravitation, by Kepler, the difficulty, highly relevant to the matter of *insight*, is that secondary sources on Kepler's work have been (see http://wlym.com/~animations/), chiefly, viciously fraudulent evasions of the actual development of Kepler's original and crucial discovery of a principle of Solar gravitation, a discovery which is maliciously denied to exist, as such, in conventional academic and related programs today. This is the aspect of Kepler's work which was strongly upheld by Albert Einstein, against those Twentieth-Century Max Planck-hating thugs of the modern positivist tribes associated with the pathetic Ernst Mach, and with the worse Bertrand Russell of ***Principia Mathematica*** notoriety.

In the third case-study, the work of Carl F. Gauss, I had proposed to the incoming team, from the outset, that Gauss rarely presents the history of his actual processes of discovery, but, rather, presents the results, and also provides a plausible approach to study of the way in which *he might have effected* the relevant discovery. *The mission assigned to the incoming team was, therefore, to discover how Gauss's mind actually worked in his making his key discoveries.* Obviously, that assignment for the incoming team had been crafted by me as a challenge within the realm of epistemology, the domain of *insight* properly defined.





The LYM's work on Gauss "has produced some uniquely useful findings" which provide an approach to "the unique revolution effected by Bernhard Riemann, from the point of his 1854 habilitation dissertation . . . through those challenges which Riemann posed to such among his successors as the Italy school of Betti and Beltrami." Enrico Betti (above), Eugenio Beltrami (above right) and Bernhard Riemann.

This frankly original approach to the study of Gauss's work, has produced some uniquely useful findings, findings which provide a uniquely original approach to taking up the unique revolution effected by Bernhard Riemann, from the point of his 1854 habilitation dissertation, the change which launched the Riemann revolution in science, through those challenges which Riemann posed to such among his successors as the Italy school of Betti and Beltrami.

To explain the significance of those listed, four initial stages of work for understanding human scientific creativity in general, I proceed now with reference to the relevant implications of what I define, once more, *ontologically*, as the principle of *insight*.

This will clear the pathway for the study of the uncompleted projects of Riemann, as the case is only illustrated by the work of Betti and Beltrami, as by the challenges posed by V.I. Vernadsky and Albert Einstein, later. Here, comprehension demands the more precise treatment of the notion of *insight* which is included in the following pages.

The importance of treating that subject in this fashion here, is to be located, in significant part, in the fact that the third in a continuing series of science projects conducted by teams from the LYM is nearing the point at which the team's study of the mystery of Carl F. Gauss's career is now entering its completion, a point at which a comprehensive treatment of the work of Bernhard Riemann will be undertaken by a new team, the essential contributions to advancing the frontiers of modern science to be found in the work of Bernhard Riemann and his immediate associates and other collaborators.

1. Man as Man, or Beast?

The quality of *insight*, as I define it, again, here, is a specific potentiality which is fairly defined as being *unique to all those individual human beings who are not victims of relevant physical or psychological damage*.

The present definition of human, as distinct from beasts, is the *specific* power of the human species to alter its behavior, as a species, to the effect that the potential relative population-density of the members of a culture is increased willfully, as this is illustrated not only by a human culture's ability to increase its potential relative population-density willfully, but

by the manifest transmission of such *specific qualitative* changes from one, to other members of the human species, as, for example, through stimulation of discovery of a physical principle by individuals presented with the appropriate intellectual stimulus.

This quality is demonstrated, crucially, by the *willful* increase of the relative population-density of the human species, as expressed in *the quality of anti-entropic increase* of the mass of the Earth's Noösphere, that relative, functionally, to the specific masses of the Biosphere and the mass of matter originally generated as part of the abiotic domain.

Thus, there is no species of ape, or other beast, which is capable of meeting the standard of this test.

On this account, there is only one human race, and no essential human differences in species, or variety, within the ranks of humanity so defined.[4] This functional distinction in the potentials of human behavior, whether expressed by individuals, or by societies as a whole, is properly approached for examination from the vantage-point established by Plato, both respecting Plato's refined definition of the concept of hypothesis, and the systemically related subject of the quality of the individual human soul, as that subject was treated by Plato and Plato's follower Moses Mendelssohn.[5]

In general, the Classical term *hypothesis,* when employed in any approximation of a meaningful, Platonic way, is already a reflection of specifically human potential for creativity. The simplest expression of that distinction is the difference between reason and Sophistry. For the purposes of our discussion here, Sophistry is typified by the reductionist method, opposed to reason, which was shared among Aristotle, Euclid, and the hoaxster Claudius Ptolemy, as typical of the Aristotelean form of the method of lying called "Sophistry," or, in current argot, "spin."

The typical expression of corruption of the human mind in contemporary, globally extended European culture, is *Anglo-Dutch Liberalism*, otherwise known as the legacy of the New Venice faction of Paolo Sarpi. The extremely degenerate expressions of Liberalism (e.g., *empiricism*) today, are extreme expressions of Liberalism's intellectual degeneracy such as positivism and existentialism.[6]

Therefore, we shall proceed with our exposition here by taking up the case of Aristotle's follower Euclid, as in the case of the work titled ***Euclid's Elements***.

Minds Blinded by Sight

The Aristotelean form of Sophistry represented by the Euclid of ***Euclid's Elements***, is premised upon so-called *a-priori* presumptions, assumptions which are associated with reliance upon the believed absurdity that "seeing is believing."

For example, it would be impossible to discover the universal principle of gravitation, as characteristic of the organization of the Solar System, except by relying, as Johannes Kepler did, upon the clear evidence of a systemic contradiction between the Solar System viewed from the standpoint of an assumed paradigm of sight, rather than the fruitfully paradoxical solution provided by contrasting the characteristic of hearing, as Johannes Kepler did, with the characteristic, linear presumption usually associated with a naive notion of the characteristic of sight.[7]

The entirety of the purely arbitrary presumptions underlying ***Euclid's Elements,*** was located in a naive presumption respecting *the assumed ontological elementarity* of the characteristic of vision.

Thus, true *insight* sees vision as such as representing the primitive level, sees that one's opinions on this level, are products of a foolish belief in the reality of simple sense-experience. The lowest level of actual human intelligence, the level of *actual insight*, is the recognition of the fact that one's opinions respecting sight alone, are being formed in the grip of a kind of form of mass-insanity such as "sense-certainty," which is to be recognized as a *mind blinded, thus, by blind faith in sight.*

For matters of science, and also history, naive seeing as such must be superseded by *insight*.[8]

Kepler's discovery of the principle of general gravitation, provides a typical kind of crucial proof of the fallacy of sense-certainty. In his ***Harmony of the World***, the discovery of general gravitation within the Solar System required the juxtaposition of two notions of senses, those of sight and hearing (i.e., harmony), for the derivation of a general principle of gravitation among the planets. This leads to the recognition that our powers of sense-perception are to be regarded as the natural experimental instruments which "come in the box of accessories": when the infant is delivered from "the manufacturer."

A similar insight into the fallacy of "sense-certainty" was expressed by the ancient Pythagoreans and Plato, as

4. Any deviation from that rule is "racism, *per se*," which is, in itself, the expression of an impulse tantamount, under natural law, to crimes against humanity.

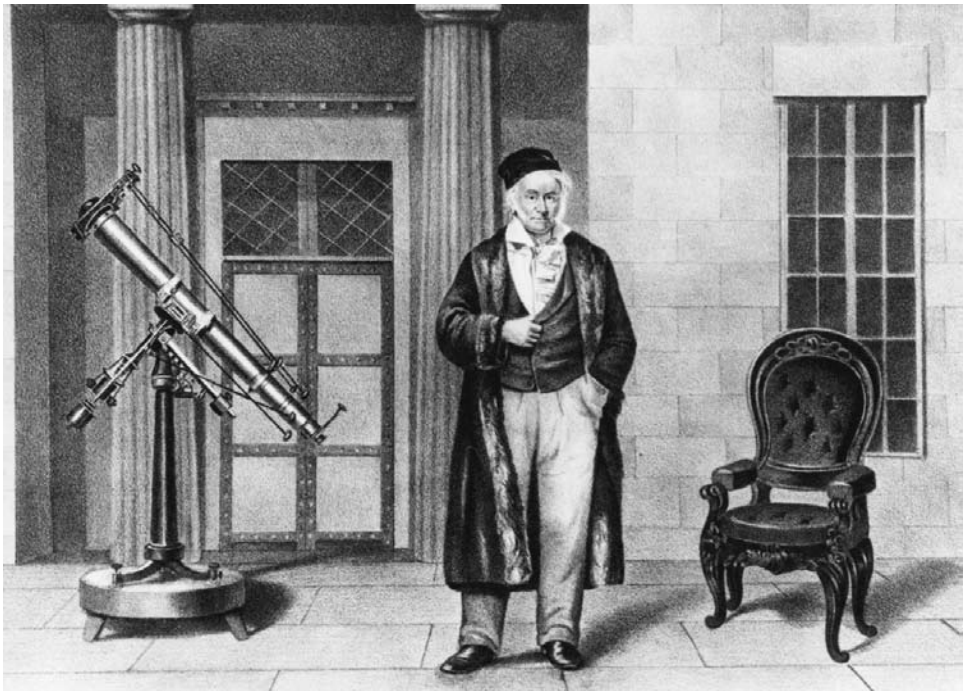
5. I.e., both Plato's ***Phaedo*** and the treatment of ***Phaedo*** by Mendelssohn. This is also the method of Nicholas of Cusa, as in ***De Docta Ignorantia***, his follower Leonardo da Vinci, Johannes Kepler, Pierre de Fermat, Gottfried Leibniz, and Bernhard Riemann.

6. Typically, mathematical formulations, such as mere statistics, are substituted for actual physical principles, and even for simple truth.

7. Kepler's reflection on the apparent role of the series of Platonic solids in locating the organization of the planetary orbits, led him, by aid of reflections on the preceding work of Nicholas of Cusa, Luca Pacioli, and Leonardo da Vinci, to recognize the composition of those Solar bodies then known to him as being an harmonic ordering. It was this recognition that led Kepler to his principled discovery, through recognition of the paradoxical juxtaposition of the assumptions of sight and the assumptions of harmonically ordered hearing.

8. As in the distinction of Max Planck's actual discovery from that positivists' perversion (e.g., Ernst Mach, et al.) known as "quantum mechanics."

this was typified then in a crucial way by the construction of the doubling of the cube by Plato's friend from Italy, the Pythagorean Archytas. Similarly, the significance of Eratosthenes' praising that construction, was shown afresh through Europe's Eighteenth-Century conflict between the work of Gottfried Leibniz and the Anglo-Dutch Liberals (a.k.a. empiricists) Voltaire, Abraham de Moivre, D'Alembert, Leonhard Euler, and Euler's dupe, Joseph Lagrange.[9] The modern history of that conflict begins with the Eighteenth-Century algebra of Ferro, Cardan, Ferrari, and Tartaglia, on the subject of quadratic, cubic, and biquadratic geometries, and continues through, and beyond, the work of Carl F. Gauss in such matters as the evolution of his treatment of his Fundamental Theorem of Algebra and related matters.



Courtesy AIP Niels Bohr Library

"Gauss's intention," LaRouche writes, "however bounded by the ugly peer-review pressures of his time and place as a young adult, onward, is nevertheless to be seen as persistent in his effort to provide his more sensible readers crucial evidence leading them, hopefully, toward the relevant conclusions which Gauss dares not state explicitly." Here is Carl Gauss, with his telescope.

Gauss's Personal Situation

Carl Gauss suffered the misfortune of having come to maturity in the aftermath of the French Revolution, a time which Friedrich Schiller identified as expressing a lost, great moment of opportunity in history (the American Revolution and the great work of Abraham Kästner, Gotthold Lessing, Moses Mendelssohn, Gaspard Monge, Lazare Carnot, et al. as a moment which had fallen prey to "a little people." Thus, although Gauss's achievements themselves were to be essentially a continuation of the legacy of Cusa, Leonardo, Kepler, Fermat, and Leibniz, Gauss's professional career depended upon his avoiding the appearance of support for all things which might suggest indifference to the alleged genius of the hoaxster Galileo, Sir Isaac Newton, and of such Eighteenth-Century enemies of Leibniz and Leibniz's follower Abraham Kästner as Voltaire, de Moivre, D'Alembert, Euler, Lagrange, and their Nineteenth-Century successors such as Laplace, Cauchy, Clausius, Grassmann, and Kelvin.

Thus, once more, the early Nineteenth Century had brought on a period in which the minds of most were blinded by sight.

Thus, when I first introduced the LYM's current "basement team" to the challenge of their present work (presently nearing completion) on the work of Gauss, I forewarned them, that, whereas Gauss's work is brilliant, and his post facto account of the discoveries plausible; such was the nature of his time, that his actual method of discovery was tucked, as in the case of his personal preference for non-Euclidean geometry, behind a protective screen of intellectual camouflage.

The implied duty laid upon him, or his successors, on account of that carefully crafted, protective screen, included the complementary obligation to uncover what lay, awaiting today's attention, behind the camouflage imposed by those hoaxsters who represented the reputed embodiment of the alien, Newtonian tyrant. However, today, the present result of adopting that implied mission, is, that, to the degree Gauss's discoveries are now being presented as finished reports from the standpoint of Bernhard Riemann's frankness in this matter, the results, thus far, are, increasingly, most agreeable.

Thus, the true genius of Carl Gauss could be recognized by students today, only when the fact is considered, that much of what Bernhard Riemann said and wrote, was indebted to what Gauss, in his adult years, rarely dared to say publicly. Therefore, to really understand Gauss, it is necessary to know Riemann, and then to see how much of Riemann's wonderful work, his habilitation dissertation and beyond, had been made

9. Lagrange, in the last years of his life, edified the tyrant Napoleon Bonaparte, an effort used by Napoleon to disperse the leaders of the Ecole Polytechnique into technical duties in the tyrant's military service. It was Laplace and Cauchy who destroyed the educational program of the Ecole, on orders from London.

European science emerged from the navigational systems of the ancient, seafaring martime cultures, i.e., Sphaerics*: The settlement of Sumer and its culture, is indicative. Shown, a 13th Century B.C. Sumerian Ziggurat, which served as an astronomical observatory, near Susa, in today's Iran.*

possible by what Riemann recognized as having been lurking within the shadows of what Gauss had permitted himself to say.

Gauss's repeated treatments of the subject of his doctoral dissertation, on the subject of The Fundamental Theorem of Algebra (as complemented by the related paper on the law of quadratic reciprocity), are to be recognized as a recurring theme in much of the span of Riemann's work.[10]

2. The Infinitesimal

That much said thus far: shift the choice of subsuming topic, back from the account of Gauss's role as such, to the *ontological* implications of *insight per se*—the point of reference, *the ontological standpoint*, at which Gauss's published accounts of his discoveries, are, for reasons noted above, often met at their relatively weakest expression. Gauss's recurring, fresh treatment of the subject of his first three statements of what he would come to call his "Fundamental Theorem of Algebra," and the intimately related, higher subject of "the law of quadratic reciprocity," is typical.

Nonetheless, Gauss's intention, however bounded by the ugly peer-review pressures of his time and place as a young adult, onward, is nevertheless to be seen as persistent in his effort to provide his more sensible readers crucial evidence leading them, hopefully, toward the relevant conclusions which Gauss dares not state explicitly.[11] Once Riemann's 1854 habilitation dissertation and his treatment of Abelian functions are taken into account, and the preceding writings of Gauss viewed from this standpoint, the debated matter of Gauss's *ontological* intention, contrary to D'Alembert, Leonhard Euler, and the crooked British imperial assets Laplace and Cauchy, et al., should be clear to any qualified student of such matters.[12]

Gauss's treatments of the subject of the Fundamental Theorem of Algebra and its crucial, correlated reflection of that "Theorem," as reflected in what he defines as a "law of quadratic reciprocity," point the alert student toward the ontological issue which he wishes to argue, but, considering the auspices, he dares not do that *too* explicitly. *The often referenced parallel, related case of what is actually anti-Euclidean geometry, is to be considered in this light, as being a correlative of that view of the Fundamental Theorem.*

The relevant argument to that effect, is as follows.

Once we acknowledge, as the Pythagoreans and Plato already knew, that the objects of sense-certainty are never better than shadows cast by an unsensed, but nonetheless efficient reality, and, when the same matter is then reviewed from the standpoint of Riemann's work, the issues are much clearer.

The crucial point, as I have repeatedly emphasized in earlier locations, is the fact that the enemy of Leibniz, of Gauss, of Riemann, et al., in science, has been the pack of hoaxsters typified by the Eighteenth-Century Liberals such as Antonio Conti, Voltaire, de Moivre, D'Alembert, Leonhard Euler, and

10. Gauss's Fundamental Theorem was first presented in 1799, uttered as a direct rebuttal of Euler's 1760 publication on that subject and the closely related matter of the law of quadratic reciprocity. In all of his published work on this subject, the underlying theme which Gauss references, but does not state explicitly, is the Leibniz notion of the *ontologically* infinitesimal, a connection made implicitly clear in Gauss's work.

11. See Bernhard Riemann, ***Über die Hypothesen. Welche der Geometrie zu Grunde liegen*** (New York: Dover reprint edition, 1953): Sections numbered I. (Begriff einer *n*fach ausgedehnten Grösse), p. 273, and II. Massverhältnisse, deren eine Mannigfaltigkeit von *n* Dimensionen fähig ist…), p. 276.

12. With the defeat of the Emperor Napoleon Bonaparte, the French intention of electing Lazare Carnot President of a French Republic was defeated by action of the relevant British occupation authority, the Duke of Wellington, sticking a wretched Bourbon on a London-controlled French throne. Under this British reign over occupied France, the scoundrels Laplace and Cauchy were installed to uproot the educational program of the Ecole Polytechnique's Gaspard Monge. Monge was dumped, and his associate Lazare Carnot went to die as an exiled hero, in Magdeburg. The mental disease called positivism, thus grabbed control, but for a relatively few stubborn heroes, of the official French scientific intellect. Cauchy's role as a hoaxster, and plagiarist of the work of Abel, was finally exposed by examining Cauchy's post-mortem files. Carnot was a fellow member, with Alexander von Humboldt, of the Ecole.

Euler's dupe Joseph Lagrange. With that British victory over France which Britain secured through, successively, the siege of the Bastille, the French Terror, Napoleon Bonaparte's reign, and the British monarchy's triumph at the Congress of Vienna, young Gauss had now entered the Nineteenth Century, entering a world in which official science was oppressed by the top-down enforcement of that moral, intellectual corruption known as the Liberalism of Euler and Euler's followers.

If we, then, take into account the specific issues of scientific method posed, still today, by that same Liberal political corruption, of the reigning official opinion in science of that time, and ours, too, we are enabled to distinguish what Gauss clearly intended, from what the same fear of reactions by powerful adversaries prevented him from stating clearly, as was the case in his suppression of reports of his own discoveries in anti-Euclidean geometry. To present this case, it is necessary to restate here the related point made in locations published by me earlier.

The Roots of Science

When we trace the history of European science from its roots, in *Sphaerics*, from the ancient maritime culture which settled Egyptian civilization (including that, notably, of Cyrenaica), we must recognize what can be competently termed "science" as being rooted essentially in the development of the navigational systems of the ancient, seafaring maritime cultures of the great periods of glaciation, rather than such silly, but popular academic myths as attempting to trace civilization from "riparian" cultures as such. It was the observation of both seemingly regular and anti-entropic cycles in the planetary-stellar system, which is the only supportable basis for the notion of "universal," as that term could be properly employed for grounding the notion of science *per se* today.

The case of the settlement of Sumer and its culture, from the sea, by a non-Semitic people's sea-going, Indian Ocean culture's colonizing of southerly Mesopotamia, is indicative.[13] In any case, the very idea of science would have no secured basis in knowledge unless very long spans of ocean-going maritime cultures were taken into account for crucially relevant features of ancient calendars.

In short, the notion of *universal*, which does not exist as a functional conception in Liberalism, is the essence of any competent effort at developing actual scientific knowledge. Only long-ranging ancient maritime cultures could have been impelled to produce the elementary considerations underlying the *Sphaerics* from which all of competent strains in European, or other science has been derived. The idea of a universal physical principle, on which all competent science is premised, could not come into existence for mankind in any other way, unless we were to presume the source of this opinion to be, arbitrarily, colonists arriving from "outer space." I emphasize, that the true concept of *universal*, does not actually exist as a scientific conception within the bounds of empiricism or its spin-offs.

What we know with certainty, respecting contrary views on the possibility of the existence of a practice of science, is that the contrary views are all either implicitly "malthusian," or are products of a type of culture, such as the typical "oligarchical model," congruent with malthusianism. I emphasize, that all such latter types known to us generally now, belong to a category known to ancient through modern European cultures as "the oligarchical model," a model to be recognized as being congruent with Aeschylus' representation of the Satanic-like figure of that Delphic Olympian Zeus. This was the Zeus, who, in Aeschylus' account, banned the knowledge of science (e.g., "fire") from the minds of those mortal men and women such as Lycurgan Sparta's helots, the lower, subjugated social classes.

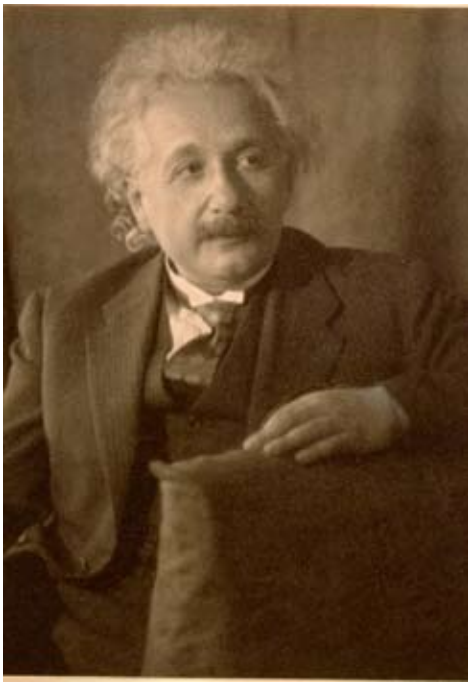
It is to be emphasized now, as we contemplate the global wave of mass-starvation which has been caused by the spread of the mass-murderous, neo-Malthusian model of that British lackey otherwise known as former Vice-President Al Gore, that virtually all of the great crises of known civilizations have been the result of those same policies of practice which are fairly identified as pro-Satanic attempts to ban scientific knowledge and its practice from the great majority of the world's human populations.[14] Such has been the accelerating decline of the physical economy of the U.S.A., per capita and per square kilometer, since the terrible developments and aftermath of 1968.[15]

The upshot of that line of inquiry, is that we exist within a stellar universe which is governed by what Albert Einstein, for example, emphasized as being *universal physical principles of change*. These principles are presented to us in this capacity, as they were to long-ranging ancient maritime cul-

13. Suspected to have been an offshoot of a maritime culture of the Dravidian, or closely related language-group. Herodotus indicates a kindred maritime-cultural origin for Ethiopia. So, Bal Gangadhar Tilak back-traced the origins of Sanskrit to a colonization, across land, from the north coast of Siberia, through mid-Asia, into Iran and northern India (***Orion***, and ***Arctic Home in the Vedas***).

14. Former U.S. Vice-President Al Gore, a British agent against the U.S.A.'s American System of political-economy, who walks in the footsteps of the de facto traitor to the U.S.A., and sometime U.S. Vice-President Aaron Burr, is a typical advocate of the "oligarchical model." President Andrew Jackson of "Trail of Tears" notoriety, had been an accomplice of Burr's anti-U.S. conspiracy, and had served as U.S. President as a lackey and accomplice of Land-Bank swindler and later U.S. President Martin van Buren.

15. It is not merely the actions of the trans-Atlantic "sixty-eighters" and the U.S. Richard Nixon Administration which have caused the pattern of accelerating physical decline of the economies of the Americas and Europe since 1968. Trends do not perpetuate themselves, except as the relevant trend takes life, as a form of "tradition," within the culture of those who are shaping the policy-making proclivities of the society. To free the U.S.A., in particular, from the grip of forty years of self-destruction, we must free control over our society's policy-shaping from the hands and minds of those who embody the "68ers" tradition.



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The power of insight, as expressed in the discoveries of Albert Einstein (right), following in the footsteps of the great Johannes Kepler (left), "is, manifestly, uniquely specific to the human species, that we are enabled to adduce the eternal motion of that great unseen entity which has left those footprints upon our heavens."

tures, presented so in their astronomical expression, as *a combination of both ostensibly regular and anti-entropic universal physical principles of change*. Some cycles, such as the equinoctial cycle, are long-ranging, and may appear to be fixed. However, contrary to the neo-Aristotelean fraudster Claudius Ptolemy, and to Clausius, Grassmann, and Kelvin, the universe is not, ontologically, a domain of cycles of repeatedly fixed no-change: the universe is essentially anti-entropic.

In the latter case, that universe of change, the universe is finite, but anti-entropic, in the respect that nothing exists outside it. Thus, rather than the foolishness of a ignorant believer's assumption of an Euclidean or Cartesian, limitless space, the universe is not Euclidean, nor Cartesian, but a *dynamic* system in the sense of *dynamic* employed by the ancient Pythagoreans and Plato, or such as Leibniz, Riemann, Max Planck, and Einstein, in modern science. This notion of a physically efficient universality which I have just presented here so, is, as Albert Einstein emphasized, indispensable for modern universal science; without this notion, no competent notion of the work of Kepler, Fermat, Leibniz, Gauss, or Riemann can be reached.

This notion which I have just so emphasized, is crucial for understanding the great Nineteenth-Century crisis in science which Gauss and Riemann addressed. The interwoven conceptions of a "Fundamental Theorem of Algebra" and "law of quadratic reciprocity" in the work of Gauss, are typical of this. Riemann's remedy for what is lacking in the work of Gauss, addresses precisely this conceptual problem, a problem which continues to underlie not only the ongoing essential work of all modern science, but the systemically dynamic form of social crisis menacing the very existence of world society today.

Our Universe

That aspect of the efficiently existing universe which is accessible to our sense-perceptual powers, is the passing *footprints* of those powers which generate such shadows themselves. As Albert Einstein made this point in his own fashion, it is through the relevant power of *insight*, like that of Kepler's uniquely original discovery of universal gravitation, which is, manifestly, uniquely specific to the human species, that we are enabled to adduce *the eternal motion* of that great unseen entity which has left those footprints upon our heavens. Such is the implication of Riemannian dynamics, as also that of Leibniz before him.

As emphasized here earlier, the fact that the organization of the Solar System is fairly regarded as in conformity with Kepler's harmonic approximation, as Albert Einstein emphasized the principle involved, defines a universe which is *ontologically finite*. That is to say, that principles, such as the principle of gravitation as discovered by Kepler, principles which envelop our universe, are discoverable, and provable, only through the kind of method of *dynamics* which Gottfried Leibniz revived from the earlier discoveries of the Pythagoreans and Plato. We owe comprehension of the implications of that fact, as Albert Einstein emphasized, chiefly to the work of Johannes Kepler and Bernhard Riemann. However, that discovery had already been made implicitly by Cardinal Nicholas of Cusa, in such among his works as the seminal ***De Docta Ignorantia***, but it had also been known, earlier, by the Pythagoreans and Plato.

To restate this same point: the principled form of action which is expressed to our senses as a predicate of universal principles, is the universal principle on which all manifest forms of apparently principled actions depend for their expression. The universe of experience is defined, thus, as Einstein defined it, as self-bounded. Thus, it is a finite universe in that sense, but without any external boundary but the principle of anti-entropic, creative powers associated with the notion of a Universal Creator.

The human faculty upon which such higher-ranking knowledge of that higher, efficiently necessary existence depends, is the object of *insight* in the fullest sense of Plato's presentation of that notion. Thus, all competent modern science depends upon the view of this matter by Nicholas of Cusa.

To summarize that point: the notion of an ontologically existing universe, as opposed to some Euclidean or kindred sort of Sophist's fantasy, depends upon the notion of universal lawfulness, as Einstein's view of Kepler's work illustrates the crucial point of all this present discussion.

To illustrate that point, take the case of the history of the modern European discussion which led into Gauss's first statement of what was to become known as his view of the challenge of the Fundamental Theorem of Algebra. Go back to the previously referenced, Sixteenth-Century treatment of the subject of the relations among quadratic, cubic, and biquadratic residues, as by Cardan et al.

The ontological implications of this Sixteenth-Century treatment of those matters must be considered against the background of Archytas' duplication of the cube. Against that historical background of *Sphaerics*, the principled nature of the systemic fallacy of the method employed by Cardan et al. should have been obvious. What should have been the obvious remedy for that had been supplied, during the Fifteenth Century by the work of Filippo Brunelleschi,[16] Nicholas of Cusa, and Luca Pacioli, as also by the surviving known fragments of the work of Leonardo da Vinci. In brief, the necessary approach would have been the same concept of *physical geometry* on which I had insisted during my adolescence, or, much more appropriately, Riemannian physical geometry, rather than the ivory-tower formalities of an implicitly pro-Euclidean algebra.

In other words, when the empiricist followers of Descartes and Antonio Conti employed the fallacy of the hoaxsters de Moivre and D'Alembert, in crafting the hoax of so-called "imaginary numbers" for the fraudulent attack on Leibniz by themselves, Leonhard Euler, et al., they were not merely constructing a fraud against physical science. They were behaving as a-priorist incompetents in refusing to grasp the readily accessible, *physical-geometry* implications of the uniqueness of Archytas' method for constructing *a process of* duplication of the cube, rather than the intrinsically incompetent. Sophist method of Aristotle, Euclid, and Claudius Ptolemy.

Admittedly, this erroneous presumption reflected a crucial oversight which had been made by the Sixteenth-Century set of Cardan et al., prior to the experimentally crucial discovery of least action by Pierre de Fermat. However, the discoveries by Kepler and Fermat were an integral feature of both the uniquely original discovery of the calculus (ca. 1676) by Leibniz, but, more emphatically, Leibniz's taking into account the crucial principle of Fermat in Leibniz's own crafting, in collaboration with Jean Bernouilli, of the concept of a universal physical principle of least action.

This "imaginary number" fraud by de Moivre, D'Alembert, Euler, et al., was not merely a reflection of their apparent ignorance of elementary principles of physical geometry known since no later than Archytas and Eratosthenes. It was to be seen as an echo of the "malthusian" oligarchical-model hoax expressed by the Olympian Zeus of Aeschylus' ***Prometheus Trilogy***.

When that aspect of the matter is taken into account, the difficulty which threatened Carl Gauss in the matter of the Fundamental Theorem of Algebra, ought to become transparent. Gauss's third statement of that case ought to have made it clear, retrospectively, to all modern mathematical physicists re-considering Gauss's proof, once the publication of Riemann's habilitation dissertation had made clear the essential issue lurking in the shadows of Gauss's own argument.

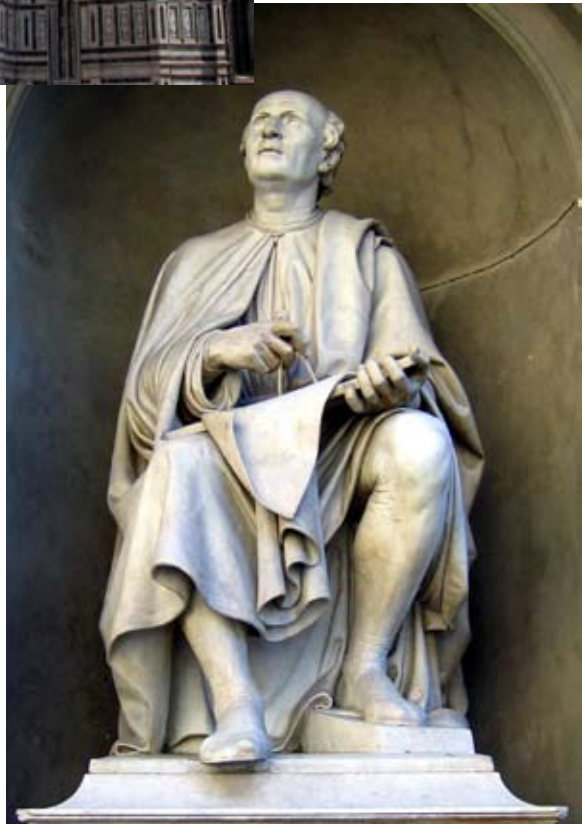
From the appearance of Riemann's habilitation dissertation and his Theory of Abelian Functions, onward, the deeper implications of the history of modern science since Nicholas of Cusa's ***De Docta Ignorantia*** should have been clear, as Albert Einstein located the root of competent modern physical science in those methods which Kepler had attributed to Cusa's work, the work which, chiefly, founded competent forms of modern European science.

Such is the nature of true *insight.*

3. Insight Reviewed

At the close of July 2007, the world as a whole entered a phase-shift into chronic hyperinflation, into what has been, ever since that date, a general breakdown-crisis of the present world system as a whole. Since that time, the entire world's presently existing, post-August 1971 monetary-financial system, has been doomed to its extinction, in one way, or another. There are alternatives, but these mean abandoning what has become the 1971-2008 world monetary-financial system. It means putting the present system under a juridical system of reorganization-in-bankruptcy, and replacing it with an echo of the principles and intentions of President Franklin Roosevelt's policy for a Bretton Woods world monetary system free of

16. As in Brunelleschi's employment of the catenary as a principle of physical geometry which had been the required principle of design for the construction of the cupola of Santa Maria del Fiore.



Filippo Brunelleschi (1377-1446) employed the catenary as a principle of physical geometry, for the construction of the cupola of Santa Maria del Fiore, in Florence, Italy. His statue is located within sight of the great dome.

those vestiges of British imperialism which, unfortunately, reign, and ruin us all, still today.

It is important to recognize that we are obliged to use that term, "British Imperialism," because that is the name by which it goes. The content of what that term connotes, is an international financial tyranny whose appropriate technical term of description is Anglo-Dutch Liberalism, which means the present form of organization of a network of financier and closely associated interests which was built up in northern maritime Europe by Venice's Paolo Sarpi and his followers. "British" in "British Imperialism" marks that empire-in-fact, the leading single imperial power in the world today (since the 1971-1972 betrayal of the U.S.A. by the Administration of President Richard Nixon), which had first been established as the imperial power of a private company, the the British East India Company through the implications of the Paris Peace of February 1763.

Such is the great challenge to the creative powers of the members of mankind today.

Thus, on July 25th, I spoke: "…this occurs at a time when the world monetary system is now currently in the process of disintegrating. There's nothing mysterious about this; I've talked about it for some time; it's been in progress, it's not abating. What's listed as stock values and market values in the financial markets internationally is bunk! These are purely fictitious beliefs. There *is* no truth to it; the fakery is enormous. There is no possibility of a non-collapse of the present financial system—none! It's finished, *now*! The present financial system cannot continue to exist *under any circumstances, under any Presidency, under any leadership, or under any leadership of nations.* Only a fundamental and *sudden change* in the world monetary-financial system will prevent a general, immediate, chain-reaction type of collapse. At what speed we do not know, but it will go on, and it will be *unstoppable*! And the longer it goes on before coming to an end, the worse things will get. And there is no one in the present institutions of government who is competent to deal with this. The Congress—the Senate and the House of Representatives—is not currently competent to deal with this. And if the Congress goes on recess, *and leaves Cheney free,* then you might be kissing the United States and much more good-bye by September.

"This is the month of August; it's the anniversary of August 1914. It's the anniversary of August 1939. The condition now is worse, objectively, than on either of those two occasions. Either we can make a fundamental change in the policies of the United States now, or you may be kissing civilization good-bye for some time to come…."[17]

17. From the original transcript of my remarks on that occasion. (For the complete transcript of LaRouche's July 25, 2007 webcast, see ***EIR***, Aug. 3, 2007.)

The Individual in History

As I have said repeatedly, of late, *the history of mankind is not event-driven; it is man-driven. The most essential decisions which drive the actually crucial changes in the course of history have often been what was deemed impossible by conventional opinion-makers earlier.* It is not what happened in yesterday's usually fraudulent leading press reports which drives history; it is men or women of a special kind of influence, such as our Benjamin Franklin, or the great historian and dramatist Friedrich Schiller, who choose to lead nations in one direction or another. It is rarely a matter of choosing from among multiple choices on the table; the most momentous turns in history have been the changes, changes made by the initiative of a seemingly tiny minority, changes like the founding of our Constitutional republic which had seemed, in July 1776, to the world at large, not merely impossible, but an ill-fated conceit of a few.

The greatest decisions in history are made by men or women, as individuals, decisions which have seemed virtually impossible to conventional institutions and public opinion even a relatively short time before. All great turns in history of that quality come as the unique innovation in thought and will by relatively rare individuals. So, President Abraham Lincoln saved our republic, virtually despite itself; so, the greatest poets and scientists did what no one else had dreamed before.

The greatest of all such deeds occur in such times as those of which the great English Classical poet, Percy Bysshe Shelley wrote in his ***In Defence of Poetry***. There are times when much of a people is overcome by a marvelous increase in the power of imparting and receiving profound and impassioned conceptions of man and nature, as by the inspiration of the then already deceased Friedrich Schiller in calling forth the great initiative of the German people led by Scharnhorst in organizing, according to the principle of strategy defined by Schiller's studies of the religious wars in the Netherlands and the Thirty Years War, to accomplish the otherwise seemingly impossible defeat of the tyrant Napoleon Bonaparte in Russia and in that tyrant's desperate effort to return to France to raise a new army and a new general war.

So, a Genoese sea-captain working in the service of Portugal, the greatly talented and inspired Christopher Columbus, was led by his continuing study of the testament of the founder of modern science, Cardinal Nicholas of Cusa, one of the greatest geniuses of all modern history, to devise a plan for realizing Cusa's program, for great strategic voyages across the great oceans, to rescue a corrupted European culture by extending its reach to distant lands. This was Cusa's intention, as actually adopted, with full consciousness of that intention, by Columbus from about 1480 onward, which created the Americas, and brought about that subsequent colonization of New England which gave birth to what became our United States.

This was the object of the actual founding of our republic, the U.S.A., whose morality was defined, first, by the crucial passage of a work denouncing the evil slaver John Locke, the passage, "the pursuit of happiness," from Gottfried Leibniz's ***New Essays on Human Understanding***, which is the core principle of our Declaration of Independence and the root of the principle of moral law of our republic which is elaborated, as in the spirit of the Peace of Westphalia, as also reflected in the great Platonic and Christian principle of *agapē*, in the Preamble of our Federal Constitution.

Thus, the true history of mankind is only that which is defined by the actuality of the perfectly sovereign creative powers which can be expressed only by the individual creative personality. These are the same creative powers, unique to sovereign individual minds, which are expressed by uniquely great discoveries of scientific principle, as by the Pythagoreans, Plato, Cusa, Kepler, and Leibniz, or Classical qualities of artistic principle, such as those of Friedrich Schiller, or the combination of initiatives rooted in a concurrence of scientific craft and moral inspiration in the achievement of Christopher Columbus.

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The Genoese sea-captain Christopher Columbus, working in the service of Portugal, devised a plan for realizing the program of Nicholas of Cusa, for great strategic voyages across the oceans, to rescue a corrupted European culture, in what eventually became the founding of our United States.

The contrary implication to be considered, against that background, is that the chief source of the ugliest failures of humanity is a certain kind of popularized stupidity of the type demanded by the Olympian Zeus of Aeschylus' ***Prometheus Bound***, as demanded by the creature of the British Foreign Office's Jeremy Bentham, Thomas Malthus, or as the lame-brained perversions uttered by that pathetic puppet known as the incumbent President of our U.S.A. Popular opinion, such as that induced by our presently, inherently corrupt and lying major news media, is the deadliest of the Trojan Horses inserted into the domains of mankind today.

In that sense, the issue of the development of the creative powers of the individual young member of society is, in the final analysis, the most crucial political, and also moral issue of the existing cultures of this planet, most notably our presently dumbed-down, Boomer-ridden U.S.A. Our present educational systems have assisted greatly in making our people stupid enough to be influenced by the opinions uttered by the proverbial "paid prostitutes" of our presently popular "yellow" press.

The Relevant Paradox

The power of creativity, as I have presented the case summarily in the preceding chapters here, is, as I have already emphasized, not only a built-in natural potential of the human individual, a potential absent in all animal species; it is unique to all persons who are not victims of relevant damage to their potential range of human powers. In broad terms, therefore, every individual should be developed as a truly creative personality.

As the case may be, as cows do not make for intelligent citizens, it is wrong to attempt to train people to become cows, as the latter has been done, in effect, to most of the human population in most known cultures to present date. The subject, therefore, is, once more, the case of the suppression of knowledge of "fire" by order of the archetypical Malthusian (or, present-day Malthusian and lying former Vice-President Al Gore). Only under artificial conditions such as those prescribed by Britain's leading anti-humanist, the World Wildlife Fund's Prince Philip, is the natural, human intellectual potential of the person suppressed in ways—pro-Malthusian ways—which turn children into the virtually half-witted cattle of today's neo-Malthusian movements.

Consider what caused the legendary Olympian Zeus to cook up this anti-human role of "environmentalism." There are two, complementary motives.

First, actually creative and brave people will not willingly submit to either a legendary Olympian Zeus, or a Prince Philip or Al Gore. Second, since mankind's creativity is typically expressed through its realization as scientific and related progress in developing prevalent human conditions, the continuation of the progress which man's true nature demands, "uses up natural resources" in ways which only the natural advances in the science-driven and related creative productive powers of mankind could remedy.

On the latter account, of the Earth's total mass, the portion corresponding of pre-biotic masses is shrinking as a percentile relative to the product of living processes, while the rate of increase of the portion of the mass *generated by* human activity is increasing, relative to both abiotic residues and residues of other kinds of living processes.

Thus, to keep large populations sufficiently stupefied to be reigned over by the tyrannical likes of the Olympian Zeus, it is necessary (for the sake of that tyranny) to keep subject populations as stupid as possible, and, therefore, to prevent actual increases in the productive powers of human labor, or, even, as has been done in the U.S.A., and in western and central Europe since 1989, to reverse previous economic progress absolutely.[18]

For that reason, nominal American citizens such as former Vice-President (and traitor) Aaron Burr and former Vice-President-turned-British-lackey Al Gore do not like honest patriots of our U.S.A. very much.

However, on the opposite side of that matter, the potential for developing true scientific creativity, and also artistic creativity in the individual member of society, is there. It exists, and can be promoted, if we come to understand this subject-matter, and are willing to make its achievement the essential goal for the development of our future individual citizen.

My own dedication to that mission is multifarious; but, my most essential, relevant skill is in the field of those expressions of physical-scientific creativity which are coincident with my special competence in the domain of physical economy. To this end, I have promoted an approach to the students' replication of the development of the principal valid currents of physical science, ranging, explicitly, and most typically, from the Pythagoreans and Plato through Cusa, Leonardo, Kepler, Fermat, Leibniz, Gauss, the Monge-Carnot phase of the Ecole Polytechnique, Dirichlet, and Riemann. Those who work in relevant forms of teams, to relive the acts of discovery which are most relevant for re-experiencing first-hand knowledge of the most-relevant discoveries, can generally succeed in one significant degree or another.

With great science and great Classical art, combined, we can generate among us new generations sharing the quality of temperament we should require for those generations of our new citizens. The benefit would be, not only skills, but the fostering of the truly creative powers of the human mind, upon which progress depends.

Best of all, once one knows that expressed quality of potential in oneself, which distinguishes one from an ape, or brutalized slave, insight comes naturally, because it is natural, for as long as people are developed for what the human individual is, and is intended to become.

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18. As in the pattern set by the predatory, dictatorial, Thatcher-Mitterrand "conditionalities" imposed upon Germany.

The End of Free Trade: Revolt Begins Against British Policy

by Helga Zepp-LaRouche

Mrs. Zepp-LaRouche is the founder of the Schiller Institute and the chairwoman of the Civil Rights Solidarity Movement (BüSo) in Germany. Her article has been translated from German.

Not a moment too soon, a group of seven former European heads of state, five former finance ministers, and two former presidents of the European Commission, including former EU Commission head Jacques Delors, former French Prime Minister Michel Rocard, and former German Chancellor Helmut Schmidt, have gone public with an open letter to the EU Presidency and the EU Commission. They warn that the systemic collapse of the global financial system—a collapse which had been foreseen by "farsighted individuals"—brings with it the threat of unprecedented poverty, the proliferation of "failed states," migration of entire populations, and further military conflicts. The financial world, they argue, has accumulated a massive amount of "fictitious capital" (!), with very little improvement for humanity. Among the immediate countermeasures they propose, is creation of a European Crisis Committee, and the convening of a world financial conference to "reconsider" the current international system and the globalized world order.

Although their letter, which was made public on May 21, does not expressly state so, its unusually sharp tone clearly reflects that the signers are aware of the imminent danger of the eruption of a new fascism: "But when everything is for sale [for profit—HZL], social cohesion melts and the system breaks down." And even though the letter's call for an emergency conference does not use the term "New Bretton Woods system," its tenor clearly reflects the years-long campaign which the LaRouche movement has been waging for just such a conference. It is also an implicit admission that, in view of the current systemic collapse, the entire design of the Lisbon Treaty, with its cementing into place of a neo-liberal policy, is a non-starter.

The reaction came promptly from one of the most notorious mouthpieces for the British Empire, Ambrose Evans-Pritchard. Writing in the *Daily Telegraph*, he characterized the letter's "fulminating text" as the clearest proof of the existence of a European-wide publicity campaign for a "super regulator," who would protect citizens from the social risks of modern capitalism. And that, in turn, threatens to reduce Britain's Financial Services Authority to "a regional branch," and would thus "pose a grave threat to the City of London" (!).

Mr. Evans-Pritchard deserves our thanks for his frankness! He couldn't have been more direct: Any impediment to vulture capitalism in defense of the citizenry, represents a threat to London, which wants to remain the undisputed headquarters of the British Empire (see, for example, "Britannia Redux," in *The Economist*, Feb. 3, 2007), and certainly not a "regional branch."

The champions of what 19th-Century German-American economist Friedrich List termed the "British free-trade doctrine," also must surely be irked that this "fulminating text" has been made public just at the point when the World Trade Organization (WTO) is attempting to bring the so-called "Doha Round" to a conclusion, so that, in conjunction with the EU, the last remaining measures to protect physical production and citizens' general welfare, could be entirely eliminated in favor of unrestricted profit maximization. And the last thing they need right now, is a new round of the "financial locust" debate earlier sparked by former German Vice-Chancellor Franz Müntefering—only now with 14 former top po-

litical leaders backing it. Already before the 14 former leaders had issued their letter, an open confrontation had broken out between Pascal Lamy, director-general of the WTO, and French Agriculture Minister Michel Barner, with the latter rising to the defense of the last remnants of protectionism provided by the European Common Agricultural Policy (CAP), and even proposing the CAP as a model to be followed by Africa and Latin America.

The former UN Special Rapporteur on the Right to Food, Jean Zeigler, in his 2002 book *The New Rulers of the World and Those Who Resist Them*, describes how at the time of writing, the WTO had already registered over 60,000 transnational firms for trade, finance, services, etc., but that world trade is dominated by only 300-500 firms in the United States, Europe, and Japan. He calls the WTO a "fearsome machine in the service of pirates." And it is precisely this war machine which is now attempting, in cahoots with the EU—yet another non-elected, and therefore non-accountable bureaucracy—to achieve optimum conditions for speculators to make a profit.

When one hears that the United States or the EU are negotiating, Zeigler says, in reality it is the planet's 200 most powerful transcontinental corporations which are setting the tone; and that is why the WTO has always been dominated by the transcontinental corporations' rationales, and never by the interests of peoples and their respective states.

This unbridgeable conflict of interest between people on the one side, and the British imperialist, free-trade doctrinaire vulture capitalists on the other, who are threatening entire continents and are plunging ever greater masses of people into poverty, has never been clearer than it is right now, at a time when even the financial media are mooting that central banks could go bankrupt, and that the taxpayers will have to pay for speculative losses suffered by private firms.

Separating the Wheat from the Chaff

And surely, the wheat never been more cleanly separated from the chaff than it is today, as far as heads of state are concerned. By their own words ye shall know them: The British Empire's neo-liberal free-traders speak of "sustainable development," "renewable energy sources," "appropriate technologies," etc., whereas the defenders of the general welfare speak of "food and energy security," and the need for expanded production.

And so, the Schiller Institute's worldwide campaign for placing a doubling of food production onto the agenda of the UN Food and Agriculture Organization's conference in early June, is now intersecting a sense of responsibility being shown by a quite a few heads of state in the face of the worldwide crisis.

In a speech which has been completely blacked out by the Western media, Egyptian President Hosni Mubarak told the World Economic Forum in Sharm el-Sheikh on May 18, that the world must take responsibility for the poor—not only in the developing countries, but also for the poor in the rich industrialized nations. And therefore it is utterly irresponsible to speculate on food and to use it for producing fuels, which simply ends up making food still more expensive. He promised that he will make this important issue a topic at the FAO conference (see *Documentation*).

Eurasia Defends Itself

But the most important strategic shift by far, is the one currently under way in the aftermath of the newly upgraded strategic partnership among Russia, China, and India, which was agreed upon at a meeting of those three countries' foreign ministers in Yekaterinburg, Russia, on May 15. Underlying this strengthening of their strategic triangle, is the British Empire faction's intent to isolate each nation, so that it may be first destabilized, and then destroyed. Included in this, is London's longstanding campaign against Russian Prime Minister Vladimir Putin, as well as the campaign against China around the Dalai Lama and the Uighurs in Xinjiang. Because, as they rightly fear: Russia, China, and India not only represent together more than one-third of humanity, with the world's fastest-growing economies, but these countries are also now demonstrating clear determination to work jointly to establish a new international order.

In keeping with this, the new Russian President Dmitri Medvedev took his first foreign trip to Kazakstan and China, his top agenda item being extensive cooperation, which, in the words of former Indian Foreign Minister Salman Haidar, is going to tap the full potential of mutual relations among India, Russia, and China.

Shortly before, at an agricultural conference on May 19 in Yessentuki, Russia, Putin declared that food security, stable prices, and developing the agricultural sector are going to be his government's top priorities. Russia not only has the potential to become self-sufficient, he said; it can simultaneously become a food exporter, and can become a major player on the world food market. Putin's remarks at the conference, along with those of Agriculture Minister Alexei Gordeyev, left no doubt that Russia—a country which today must import about 40% of its food, thanks to the "shock therapy" of the 1990s—will use all necessary subsidies and protective trade measures, and is prepared to ignore the WTO's rules, in order to achieve its goal.

Putin emphasized that in view of the steep rise in food prices on world markets, agriculture has been moved to the top of his government's agenda, because it so strongly influences Russia's domestic situation, and because it especially afflicts the poorest layers of the population. Putin laid out five objectives for Russian agriculture: 1) increase gross output, through increasing the area under cultivation, as well as yields; 2) technological re-equipping of agriculture and the food-processing industry, using long-term credit; 3) achieve price stability by using anti-monopoly regulation and subsidies; 4) risk management; and 5) constant monitoring of the food products markets, and automatic regulation, using import and export tariffs. Putin also ordered a re-evaluation to deter-

mine whether Russia's existing agricultural trade agreements are in harmony with its national interests (see *Documentation*).

A Question of Morality

It remains an open question, whether the governments of Europe's nations have the intelligence and moral integrity to follow Russia's example, or whether they will allow the negotiations between the WTO and the EU, and the policies of European Commissioner for Agriculture Mariann Fischer-Boel and of British Commissioner of the EU for Trade Peter Mandelson, to cause Europe's farmers to suffer losses which agricultural experts estimate will be on the order of 30 billion euros ($47.4 billion). The Irish Farmers Association, for one, has announced that it will refuse to accept the WTO agreement. And we can assume that the policies set forth by the EU in these negotiations, will only serve to massively heat up the ferment in favor of a "no" vote against the Lisbon Treaty in Ireland's upcoming referendum.

The battle between the proponents of "British imperial free trade" and the defenders of the general welfare and of food security, is the most important conflict facing us today, because the future of civilization hangs in the balance. On the positive side, we can note resolutions passed by the state House of Representatives in Alabama, and submitted to the Michigan House, which call upon the U.S. Congress to take measures to double food production, to halt production of biofuels, to pay farmers parity prices for food products, and to cause the United States to immediately withdraw from the WTO and NAFTA.

It it furthermore extremely significant that for the first time in the post-war era, Japan has now broken from the "Washington consensus" and is preparing joint measures with a number of African organizations, to set a Green Revolution in agriculture into motion, on the model of what was done in the 1970s.

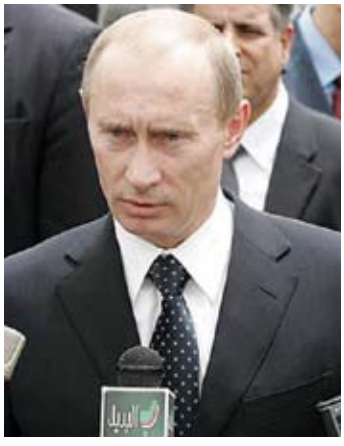
The FAO conference in early June provides us with an excellent opportunity to correct the failures of globalization, and to take up measures aimed at doubling food production as rapidly as possible. For, if the use of food to produce biofuels is a crime against humanity, then speculating on food is doubly so, and must be outlawed with stiff criminal penalties.

The British imperial free-trade system is more bankrupt today, than the Communist system was in 1989-91, and there can only be one answer to it: The New Bretton Woods system which Lyndon LaRouche had the foresight to propose years ago, must be immediately discussed and adopted at an emergency conference of the world's leading nations. The "fictitious capital" must be removed from the system, and the economy must once again become dedicated to securing humanity's long-term existence. One part of the Establishment is beginning to understand this. Therefore, if we are to preserve the world's population from immense suffering, there is no time to lose!

Documentation

Putin Vows, Russia Will Become a Food Exporter

Russian Prime Minister Vladimir Putin made these remarks to a meeting on agriculture on May 19, in the town of Yessentuki, Stavropol Territory. The speech was translated from Russian for EIR. *For more on this conference, see article, p. 34.*



Vladimir Putin

As agreed, we are going to be dealing with the problems of agriculture and the agroindustrial complex as a top priority, among other questions. Today we are holding the first conference on this topic. You are aware that the steep rise of prices on world food markets has seriously affected the situation in our country, too. Pensioners, families with many children, and other socially vulnerable groups in the population, for whom food is their biggest item in their family budgets, have felt this the most.

Under these conditions, we need to pay close attention to the development of our agroindustrial complex (APK) and to increasing the stability of our domestic food market.

Russia's agrarian potential is truly unique. It makes it possible not only to meet our own needs, but to make our presence known as a major player in world food markets.

A serious basis for this has already been laid, including through implementation of the National Project. Development of the APK has really become a priority for the Federal and regional governments. Many billions of rubles have been invested in the sector.

You know, the Minister of Agriculture and I were recalling just now, how in the late 1990s, ninety percent of the agricultural enterprises in the country were loss-making. 90%! Today there are still quite a few—around 25%. But it was 90%! And the most important thing now, is that the state of mind of people living and working in rural areas has begun to improve.

An important step was the adoption of a Federal Law on the Development of Agriculture, and the five-year State Program.

Our key objectives are to ensure the steady development of agricultural areas, raise the quality of rural life, and achieve substantially increased efficiency of the APK, and competitiveness of our agricultural production. That means protecting ourselves from world market fluctuations.

Our policy must guarantee access to food and stable prices, for the population, while creating incentives for efficient agrarian production.

I would like to mention the following key points.

First. We must substantially increase production of the main types of agricultural production. Above all this concerns meat, milk, and grain. And grain needs the most attention, since it is the main raw material for all of agriculture.

In world practice, production of one ton of grain per capita is considered optimal. We have increased our grain production and already have an export capability which is not bad. But, to reach that world level, we need not only to increase the area under cultivation, but also to work seriously on raising yields and efficiencies in grain production.

Second. Technological re-equipping of the sector. For this purpose, we should develop effective leasing schemes and expand the use of long-term credit.

Third. It is important for us to achieve price stability for the main types of resources used in the APK. I am not saying anything new here: This means, above all, motor lubricants and fertilizer. To achieve this we need to improve the effectiveness of anti-monopoly regulation and subsidies.

Fourth. A modern risk-management system. The State Program provides for developing agricultural insurance.

Fifth. We need modern market techniques for reacting to conjunctural changes that affect the main types of agricultural products. This requires a system for constant monitoring. And if prices exceed established limits, there should be automatic measures, and I mean purchasing interventions, and regulation using import and export tariffs. This array of instruments exists and is in use, but unsystematically, and often very late, unfortunately.

Under rapidly changing conjunctural conditions and rising prices on world food markets, the Ministry of Economic Development and the Ministry of Industry and Trade must make an inventory of all of our foreign trade agreements in the agroindustrial area and, jointly with the Ministry of Agriculture, present specific proposals to improve our foreign economic policy in this area. Being guided, of course, exclusively by the interests of our domestic producers and consumers.

In this connection, we need to update our regulatory base for production and sale of food products, and adopt modern technical regulations.

Lastly, steady development of the APK and the food market require that we shape an effective trade policy, one which allows us to reduce costs along the pathway a product takes from the producer to the consumer.

We shall formulate the relevant orders, based on the results of today's meeting.

Egypt's Mubarak Will Take Biofoolery to FAO

Speaking at the World Economic Forum in Sharm el-Sheikh, Egypt on May 18, Egyptian President Hosni Mubarak said the burning of food in the current global food emergency must end, and he promised to take up the issue at the June 3 meeting of the UN Food and Agriculture Organization (FAO) in Rome. Mubarak's call to arms against biofuels has been almost completely blacked out of the Western press, in favor of reporting the ranting speech, at the same conference, of President George Bush, lecturing the Arabs on "democracy."

Agência Brasil

Hosni Mubarak

The following are excerpts from Mubarak's speech, translated from Arabic by EIR*:*

The Davos conference is returning to Sharm El-Sheikh, as the Middle East and the world are facing a crossroads, amid difficult regional and international conditions. The world is facing an acute economic crisis that started with the collapse of the U.S. mortgage credit market, together with which the expectations for the rates of growth of the world economy declined. Severe inflationary currents are sweeping the world, where we are witnessing unprecedented record hikes in prices of energy, basic foodstuffs, and raw materials. These are throwing the greater part of their impact and consequences on poor nations, and the people of least income within each nation. . . .

Ensuring food security for the poor is an essential challenge. It is a great responsibility towards the poor and those of lower income, including those in the rich, developed nations. And this target must not become a subject for speculation that raises the price of food, or other tendencies that use the food of human beings as fuel in car motors. Is it reasonable that some would go ahead with the production of biofuels, with support from the governments for its producers? Is it reasonable or even acceptable that agricultural crops are used for the production of ethanol, making the crisis of food prices worse?

The international community is in need of reassessing the

real cost of the production of biofuels, including all the social and environmental effects, and the consequences for the food security of humans. The need for an international dialogue is becoming urgent, where the exporters and importers of energy and food from developing and industrial nations meet around one table: a dialogue which would present solutions ensuring the meeting of the needs of the world population for food, and would provide, at the same time, the necessary supplies of energy internationally. A dialogue which will result in solutions that we all agree on and commit ourselves to.... We are facing a vicious cycle, imposed by the correlation between food supplies and energy, whereby each of the two factors becomes both a cause and an effect, simultaneously, for the current crisis of the world economy. The two are threatening to turn the crisis into a permanent one, unless we move swiftly to contain them.

I will carry this call for dialogue on this important international issue to the coming meeting of the FAO in Rome next month. And I am looking forward to seeing this meeting place both the developing and industrial nations on the right track.

Kirchner: Argentina Could Feed 500 Million People

Below are excerpted remarks by Argentinian President Cristina Fernández de Kirchner, speaking May 16 at the "Poverty, Inequality, and Inclusion" panel of the Fifth European Union-Latin American Summit, held in Lima, Peru, May 16-17, 2008. The speech was translated from Spanish for EIR.

presidencia.gov.ar

Christina Fernández de Kirchner

...What we have called neoliberal policies, which were showcased in our region over the previous decade, ... caused the virtual disappearance of the State, and in the particular case of my country, pushed us to a 22-23% unemployment rate, ... a 54% poverty rate, and 28% indigence rate.... I also think that many times the particular processes that occurred in the region led us to conceive of the State ... not as the omnipresent State of earlier times ... but a State that intervenes to balance out the imbalances that the market can't address. I think that we've learned the tough lesson: that both the State and the market have to coexist, but that it's the State that definitely has to do those things the market can't. This is essential....

We've already warned that neoliberal policies, otherwise known as the Washington Consensus, were a dismal failure throughout the region, leaving an unprecedented social tragedy in their wake, which now presents us with a new challenge in this 21st Century....

The day I took office, I asserted that the problems of the 21st Century would be energy and food....

And, if the food crisis weren't bad enough, on top of that we've had to deal with the issue of financial speculation, which unleashed additional problems we hadn't faced before. Isn't it strange—that we've had an international order that valued the protection and autonomy of our central banks, with a rigorous oversight of everything that is the formal international financial system. Yet despite that, a system of [private] funds developed right next to—or parallel to—that system, and while nobody knew where they were, or how they were used, they created one of the biggest crises in memory. Now it turns out that for the longest time, that capital was involved purely in financial speculation, operating inside financial entities. But now, they've shifted into the domain of food, because obviously that's where the higher profits are. Since it's difficult to know, or know with certainty, what the status is of each financial entity, [these funds] find it easier to take refuge in fixed or tangible assets, such as commodities, etc.

We now see that the causes of the food crisis are the same ones behind [the growth of] poverty and indigence: [prioritizing] speculation above production, and profit above productive labor. Since [the speculators] are no longer getting results in the financial arena, they've moved into food, without governments or multilateral lending agencies offering any clear or specific policies—and *they* were supposed to be monitoring this. This isn't just a matter of feeding the hungry. If we don't deal with the causes that led to this situation, we're only going to be able to offer palliatives. I think that one of the keys to approaching the problem of indigence and poverty is to see them as phenomena caused by bad economic and financial policies—apart from the responsibiity that each government may or may not have had in the deepening or exacerbation of these crises....

I think what's important now is for us to determine how we got into this situation, not just to place blame, but to be able to find the tools and policies to reverse it....

More than 100 years ago, my country was a raw materials producer, and in that capacity became the seventh largest economy in the world. But this isn't the position we wish for ourselves today, because we know that the producer only of raw materials operates only in very short economic cycles. We know that the key for our countries is to have a lot of value added, so as to be able to generate jobs and internal [income] distribution, to make this process sustainable....

Today, as a commodities producer, we find ourselves in a privileged position, and I think this is an opportunity both for us and for you: for you, because you can't produce food on the

scale that we can, and for us, because we need technology and investment. For example, with its 40 million people, my country has the ability to produce food for 400 or 500 million people. We can't do that only with raw materials, but also with a lot of value added to become, for example, a food multinational. We are well situated, because of our geographical location, climate diversity, and state-of-the-art technology in agro-industry.

Australia's CEC Issues Call on Food Crisis

The Citizens Electoral Council (CEC), Lyndon LaRouche's co-thinkers in Australia, issued this statement on May 19, titled "Australia Must Act Now To Address Global Food Crisis." It is being circulated as a petition throughout the country, with contact information for all the Federal and state agriculture, fisheries, water, and related ministers.

The world is in the midst of an horrific global food crisis. The UN Food and Agriculture Organization (FAO) lists 82 nations as in "food deficit," 37 of which it classifies as "in crisis," while 850 million people are in dire need and over 2 billion suffer daily hunger. UN Secretary-General Ban Ki-moon has issued an urgent appeal for aid, warning that, "Without these funds, we risk the specter of famine, malnutrition, and unprecedented social uprising." Food riots have already broken out in over 40 countries.

Australia can and must play a big role in addressing this crisis. We are amongst the world's largest exporters of dairy, barley, wheat, beef, and lamb, and, up until recently, rice. A few years ago, we produced enough rice to feed almost 40 million people a meal a day for 365 days, and Australian rice was exported to 72 countries. We are the world's second-largest wheat exporter, with 14% of the global export market, and we export about 20% of the global feed barley trade. We are also the world's second-largest exporter of both beef, and lamb and mutton. Our dairy exports make up 12% of world dairy trade.

Within the next four weeks, almost all broadacre farmers in Australia will make decisions on how much acreage they will sow, and thus, how much food will be harvested not long after. Leaving aside intermediate and longer-term measures, we must commit to the following immediately:

1. The Government must move to purchase existing wheat and other food reserves, to provide immediate food aid to the FAO and the World Food Program.

2. The Government must cease all subsidies for biofuel production, and instead send the equivalent quantity of food/grain overseas to countries in distress.

3. The Government must immediately regulate domestically manufactured fertilizer prices, and subsidise imported fertilizers (relative to world prices), so that farmers pay no more than what they did in January 2006, when the current hyperinflationary spiral really took off.

4. The Government must slash the cost of all petroleum products for the agricultural sector, by suspending the hyperinflated international pricing for domestically produced oil, and by eliminating the fuel excise.

5. The Government must immediately regulate domestically manufactured agricultural chemicals, especially weedicides and herbicides, and subsidise imported agricultural chemicals, to January 2006 prices. These chemical costs have soared, just like the cost of fertilizer and petrol. The hyperinflated costs of these three items, together with the slashing of water allocations in the Murray-Darling Basin, form the immediate chokehold stopping Australian farmers from making a dramatic contribution to the world food crisis.

6. The Government must guarantee a minimum floor price for the resulting harvests.

7. The Government and quasi-governmental agencies must immediately cease all "environmental flows" of water in the Murray-Darling Basin, and cease government purchases of water, which is driving the cost of it to $1,000 per megalitre or more, this in one of the richest agricultural areas in the entire world, which provides more than 40% of our agricultural production, and over $20 billion per annum in agricultural exports.

8. The Government must take immediate steps to keep our pig, sheep, and dairy industries alive and producing, by imposing a significant tariff on pork imports, by subsidising hay and other feed grain for our diminishing sheep flock, and by reinstating water allocations to dairy farmers in the Murray-Darling Basin.

There is no excuse for inaction on any of these points. Given that the budget surplus estimate for 2008-09 is $21.7 billion, the Government has more than adequate funds to implement all of the above. And, if it can create a $20 billion investment fund largely for the benefit of British mineral cartel giants Rio Tinto and BHP, as it has just done, it can certainly find the resources to feed starving human beings.

We, the undersigned, endorse the above measures and call on the Federal and State Governments to respond immediately.

Posturing in the Congress: Ankle-Biting the Genocidalists

by John Hoefle

With oil and food prices soaring, the U.S. Congress held a set of hearings in late May to investigate. That's the good news. The bad news is that the hearings were largely useless because they did not address the cause of the soaring prices, preferring instead to examine some of the effects. One of the hearings examined the question of financial speculation in the commodities markets, while the other two focussed on the reasons for high oil prices. These matters are certainly worth investigating, but they can only be competently addressed within the context of the collapse of the global financial system, which is driving the rush into commodities speculation, and driving up prices. Because that context was missing from the hearings, they accomplished little more than calling attention to problems of which people are already painfully aware.

The sharp rises in the prices of food, oil, and other commodities are due to the collapse of the global securities markets, and the enormous losses that collapse has imposed on the balance sheets of speculators of all stripes, from banks to hedge funds to money market funds, and pension funds. The speculators, desperate to find a place to make money to plug the holes in their own books, are increasingly turning to two areas of the "market" where buying and selling is still occurring: food and oil.

The reason why the food and oil "markets" are active, is because people still have to eat, and the functioning of the economy still requires transportation. We put the word markets in quotation marks because basic human necessities should not be treated as grist for financial speculation. Pricing the necessities of life out of the range of a growing portion of the population is unacceptable, and must be stopped. Killing the poor to save the rich is a crime against humanity.

The Three Monkeys

The first of the hearings was held by the Senate Homeland Security and Governmental Affairs Committee, on the question of "Financial Speculation in Commodity Markets: Are Institutional Investors and Hedge Funds Contributing to Food and Energy Price Inflation." The committee, headed by political transvestite Joe Lieberman, was rigged from the start, stacked with what one might call "market friendly" witnesses, including the proverbial three monkeys (see, hear, and speak no evidence of manipulation) from the Commodities Future Trading Commission (CFTC), a speculators' trade group, and the Council on Foreign Relations (CFR).

Jeffrey Harris, the chief economist of the CFTC, was the first of the monkeys to speak (excluding Lieberman, who is more of an ass). Harris claimed that the commodities markets "play a critical role in the U.S. economy," and that "overly restrictive limitations … would likely have negative consequences for commerce in commodities and ultimately, for the nation's economy." Harris went on to note that "commodity exposure substantially reduces portfolio risk when combined with equity and/or debt investments" and that "on average, portfolio volatility was reduced by ten percent by diversifying into commodities."

The next time you are in the checkout line at the grocery store, or filling your tank at the gas station, you should take great comfort in knowing that you are doing your part to reduce portfolio volatility for speculators. I'm sure the speculators appreciate your pain. You might even consider bleeding a little extra, just to help out.

Thomas Erickson, the chairman of the Commodities Markets Council (CMC), proved to be an even bigger jerk, expressing the view that "given time to respond, market participants will adapt." That might sound a bit callous, but Erickson is also a vice president of Bunge, one of the powers in the international grain cartel, a group not known for its humanitarian impulses. Perhaps he didn't really mean to suggest that once all the people who could not afford food died off, things would settle down. That might be unpleasant, but it is hardly a reason to interfere with what he termed "legitimate 'financial hedging.'" Sometimes, sacrifices have to be made.

Representing the CFR was its director of international economics, Dr. Benn Steil, who asserted that there is "very little evidence" of manipulation in the commodities markets, claiming that "commercial rather than speculative position changes are driving price changes." The CFR is not exactly known for its expertise in commodities, so it is fair to suspect that Steil was at the hearing representing the financial markets, and adding its weight to the "mind your own business" arrogance which dominated the hearing.

Oops, Something Interesting

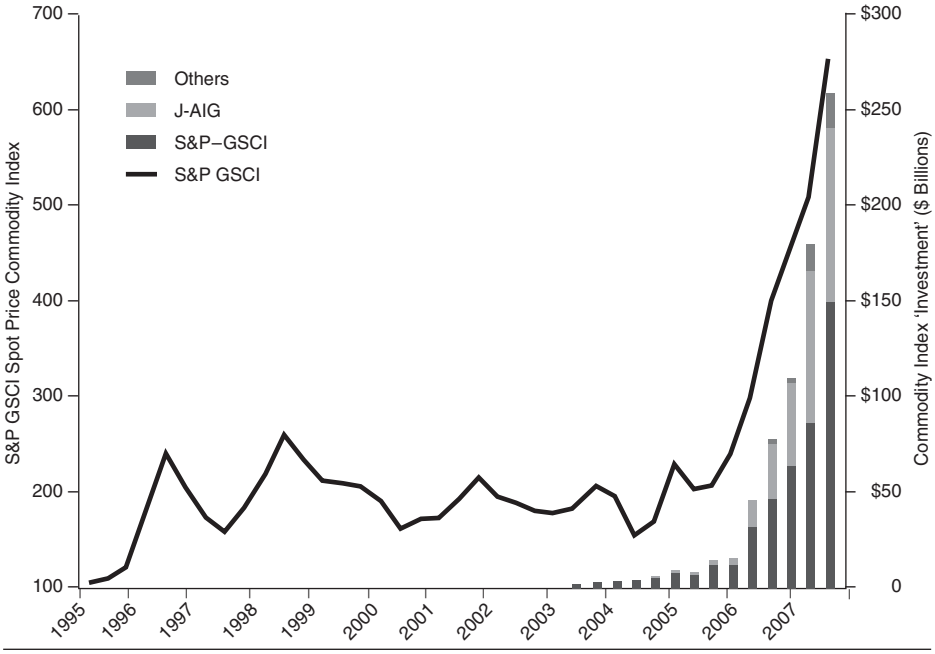
The most interesting testimony was from Michael Masters, a hedge fund manager and commodities speculator, who

asserted that institutional investors were driving up commodities prices. He produced a chart (**Figure 1)** which showed the relationship between the rise in commodities prices, as represented by the S&P Goldman Sachs Spot Price Commodity Index (S&P GSCI), and the influx of funds from institutional investors into the commodities market. Masters called these institutions "index speculators" because they allocate their funds across the 25 key commodities futures in the major commodities indices, and that those funds have grown from $13 billion at the end of 2003, to $260 billion as of March 2008, or 183% in five years.

Compare Masters's chart with the rise in the price of crude oil (**Figure 2)** and the similarities are obvious. Part of the reason, is that oil and oil-related products make up nearly 80% of the S&P GSCI and a third of the Dow Jones-AIG Commodity Index. Things begin to get interesting, however, when you compare these curves to the sharp drops in activity in the securities markets. Activity in the market for private label mortgage-related securities (that is, those not issued by agencies such as Fannie Mae and Freddie Mac) have collapsed in recent months (**Figure 3)**, as has the market for collateralized debt obligations (CDOs) (**Figure 4)**. Both of the securities charts show the issuance of new securities collapsing dramatically, in the same period that oil and the commodities prices shoot upward.

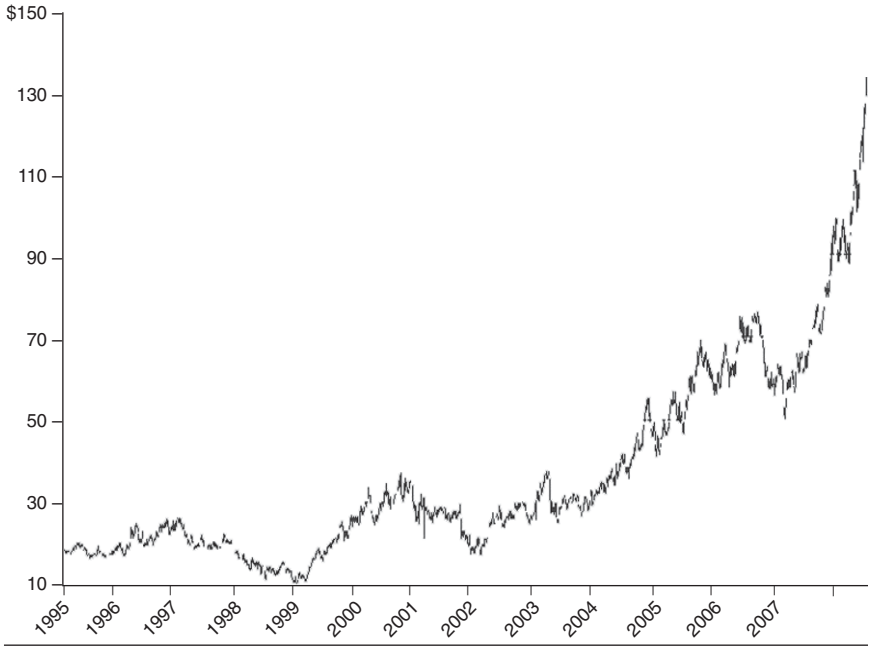
What this means is fairly obvious: As the securities markets blew up, speculators surged into the commodities markets, driving prices into the stratosphere. The high commodities prices, including those of food and oil, are the result of the collapse of the global financial system, and the failure of the Bush/Cheney Administration and the Congress to do anything to protect the population from its effects. In effect, it is open season on ordinary people, as the system is warped to protect what FDR called the "economic royalists."

FIGURE 1
Commodity Index Investment Compared to S&P GSCI Spot Price Commodity Index



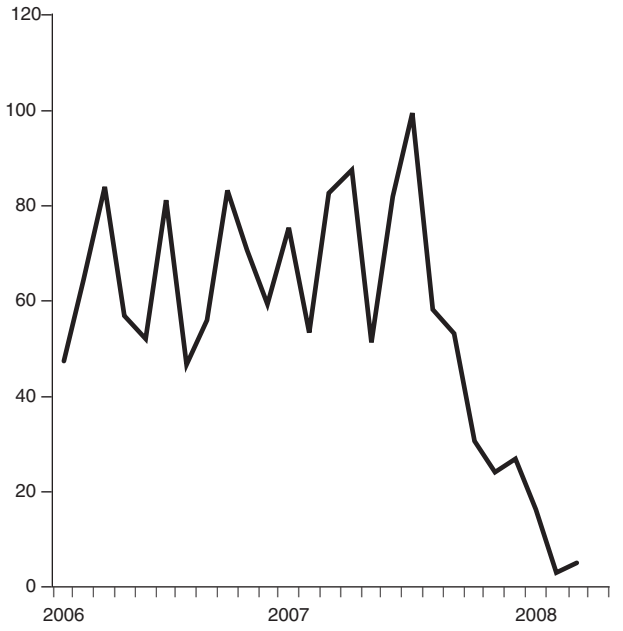
Source: Goldman Sachs, Bloomberg, *CTTC Commitment of Traders CIT Supplement.*

FIGURE 2
Price of Crude Oil
($ per Barrel)



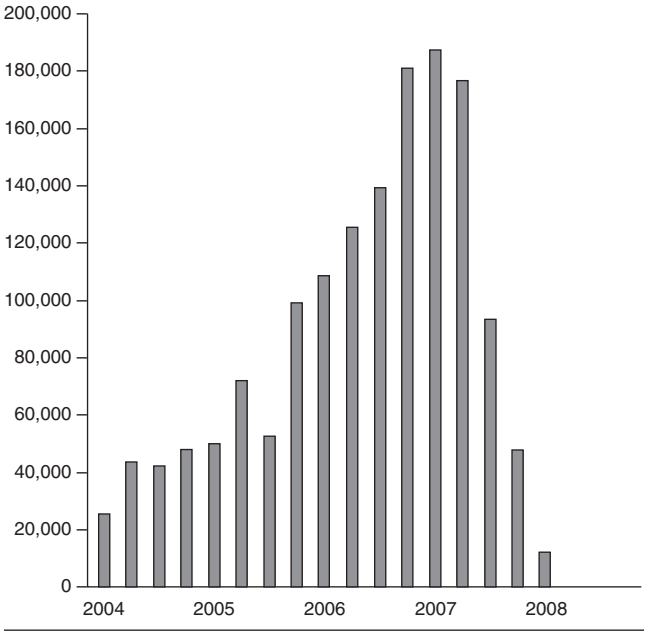
Source: New York Mercantile Exchange.

FIGURE 3
Non-Agency Mortgage-Related Securities Monthly, 2006-2008
($ Billions)



Source: Securities Industry and Financial Markets Association (SIFMA).

FIGURE 4
Total Collateralized Debt Obligations (CDO) Issuance by Quarter
($ Millions)



Source: Securities Industry and Financial Markets Association (SIFMA).

Crude Performance

One would think that Congress, with all the resources at its disposal, could uncover this picture, but judging by the hearings on oil, they apparently can't. The Senate Judiciary Committee hearing on May 21 and the House Judiciary Committee hearing the following day, consisted of little more than hauling oil company executives in to be grilled by Democrats and defended by Republicans. While it might be satisfying to watch the oil execs get grilled, the hearings accomplished nothing, because they were focussing on the wrong subject.

The oil companies are certainly guilty of price-gouging and making obscene profits, but they are only part of a larger system, and attacking them alone accomplishes little. The oil cartel executives, all reading off the same page, blamed the super-high price of oil on a market over which they have no control, in a world dominated by "an international cartel of oil-producing countries." To listen to them talk, you'd think they were victims, struggling heroically to provide energy to an ungrateful world.

Take the plight of Shell Oil Co., the U.S. arm of Anglo-Dutch energy giant Royal Dutch Shell, for example. John Hofmeister, the retiring president of Shell Oil Co., claimed that oil is "a highly competitive industry." He cited as proof, the "competition emerging with brands such as WaWa, Sheetz, and Turkey Hill." It's a wonder that Royal Dutch Shell can even stay in business, faced with such competition.

Things are so bad, testified Chevron vice chairman Peter Robertson, that "energy companies are making very little money on retail gasoline."

Shell's Hofmeister did allude to the falling value of the dollar as a factor in the higher oil prices, adding that "global investment funds are rebalancing their portfolios to include a higher portion of commodities, including oil and natural gas."

Stop the Insanity

If the Democrats in Congress really want to shake things up, they should haul the Queen of England and some of the grandees of the City of London before one of their committees, and grill them. As we have covered in past articles, the oil market is dominated by the giant oil companies which collectively form the London-centered oil cartel. Oil in the ground is worthless without the capability to transport, refine, and market it; and the oil cartel dominates that capability. The cartels of the British Empire—among them oil, grain, and finance—are all part of a conspiracy to depopulate the world through their control over the supplies and prices of the necessities of life. If Congress is serious, it should stop the ankle biting, and go after the British Empire.

Farmer Says: Stop Cartel Destruction Of U.S. National Food Capacity

California farmer Frank Endres farms in Tehama County in the northernmost part of the Sacramento Valley, raising cattle, producing barley for dairy feed, and growing other crops. He was interviewed May 21, by Marcia Merry Baker, as part of the Schiller Institute's international mobilization to double world food production, meet current emergency needs, and end the World Trade Organization (WTO) and free trade.

EIR: The degree of cartel domination of agriculture and food is now at an unprecedented stage of control and destruction.

Endres: One of the things that's been happening—and it's in all segments of agriculture, it goes through our general economy at the same time—is that the government has refused to enforce the anti-trust laws. In doing so, they've allowed a tremendous amount of consolidation in the food industry. You have other corporations from other from other nations now that control a very large amount of each commodity

We're presently in a battle, along with the cattle organization called R-CALF USA, against the JBS livestock company out of Brazil, that has just bought out three large meatpackers and cattle-feeding operations in the United States, which is going to give them, now, over 35% of control over the livestock slaughter in this country. Our action against this is at the Justice Department right now, and a lot of the livestock people and other farmers are very, very concerned about this, because this JBS holding company has been investigated and fined for taking a monopoly position and controlling the price of cattle in Brazil. And it's really upset the livestock people down there.

Now they've moved into this country and bought out three of these large companies, which will give them a commanding share of the livestock market here. They bought Smithfield's beef division, and Five Rivers cattle feeding operations. They are going to have a one-time capacity of over 875,000 head of cattle in their feeding operations. This is very, very dangerous, that they have that much control.

What these acquisitions do, is further bankrupt the livestock producer. You can't produce calves in this country with a factory-type operation; you've got to have family-owned farming operations and ranching operations all over the country, in order to produce the start of the whole livestock industry, and that's the feeder calves. And so JBS is going to put a monopoly control on that, and it's going to continue to keep the prices depressed.

Right now, the price on most calves is about 40% of parity, or 40% of what we need to pay our bills. And there is no reason for this. We have a shortage of calves actually, in this country. If you take the amount of calves for the past ten years, and the livestock that we produce, the consumption of beef in this country outstrips the production that we have of beef cattle. We don't raise enough beef in this country to feed the people. We are forced to import beef to keep the people fed. [See **Figure 1.**]

Cartel Control of Seedstocks

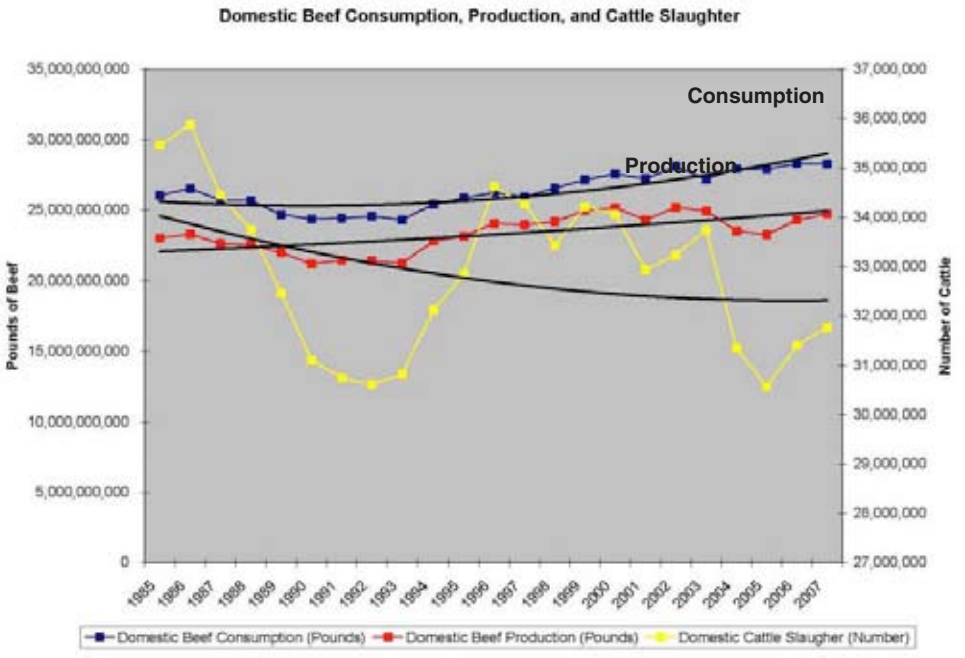
EIR: If you look at what's happened with import-dependency internationally, it was imposed under the free trade era—the World Trade Organization, NAFTA, and all the rest. Now, dozens of nations in Africa are told, "Sorry, the food on the 'markets' you were supposed to rely upon, just isn't there. You should starve." Given that, one of the most evil kinds of consolidation of food control by cartels, is their grip over seedstocks and genetics.

Endres: This is a very controversial thing, because the big multinational corporations are pushing these GMO [genetically modified organisms] crops, and they are trying to get farmers to go ahead and utilize these, and some farmers do, and seem to think that they get a little better yields. And they can use different herbicides and not hurt the crops, because they have been genetically modified. And some farmers really go for this. But a lot of them don't, and they are beginning to kind of rebel against this.

Some of your major companies are really controlling the seeds. And it puts a really high cost into raising crops that use these genetically modified organisms.

EIR: Of course, we know that the U.S. never had any such patenting of food seeds in the past. It was alien to the American System tradition. So this has all come about in the last 30-40 years of the free trade lies. Monsanto, Syngenta, DuPont/Pioneer, and the rest hold food patents amounting to the right to the means of life.

FIGURE 1



U.S. beef consumption outstrips domestic beef production, and the further monopolization of the industry will depress prices and put more family farms out of business. Right now, the price on most calves is only about 40% of parity, Endres says.

Source: R-CALF USA.

Endres: That's right. It's quite interesting that a few years ago, the farmers in India rebelled against some of the American grain companies going over there, which were attempting to patent some of the old-line seeds that the farmers had had there for years. They rebelled. They had quite a demonstration there. They burned some of the offices of American grain companies.

California Dairymen Forced to Dump Milk

EIR: To continue on your original point about the menace of the consolidation of control over food, and the disruptions in the meat and dairy sectors, you have Nestles, Altria/Kraft, Unilever, Suiza, and a very few others in control.

In your state—the leading one of the nation for dairy—there is the line that there is a "glut" of raw milk, and it can't be processed. But the reality is that the capacity to produce that product, and the milk itself is in dire need, and could be used for emergency needs in many locations. This could be done with restoring dairy support and regulation, instead of the anything-goes, ultra-monopolistic situation.

Endres: Here in California, we have had increased production, and we don't have the processing facilities to handle it. Over the past three months, farmers have had to dump their milk, to continue milking their cows. In other words, their milk tanks get full, and oftentimes, they don't have any place to go with that milk. So they've had to resort to dumping.

Now by dumping, that means that they will either have to take the milk and deliver it out of state, at a discount price. Or they will have to sell it to what is called calf ranches, which give them next to nothing for the milk. Or if they can't get the milk transported in time, by the time their cows come around to get milked again, and if their milk tanks are full, and if they can't get it picked up by the trucking companies, they have to literally dump it in the sewer. At one time there were approximately 128 loads that were dumped. Those are large 7,000-gallon tank trucks.

What happens is that, when these trucks have to go deliver milk out of state to get rid of it, the turnaround time is doubled, and those trucks can't get back in time to pick up the next milk up at the dairies. And the milk goes out of condition if they don't pick it up in so many hours.

There's a shortage of trucks, there is a shortage of processing facilities, and that needs to be corrected.

EIR: If there was a will to intervene on this and correct it, because there is a national and international mission to meet food needs, then we could do the job, right? We could get people innovating, with the know-how to arrange for cooling, storage, and handling, and the rest, even if there are problems.

Jeff Vanuga/USDA/NRCS

Dairy cows in Sacramento Valley, Calif. Milk has been going to waste in the state, because there aren't enough processing facilities to handle the increased production.

Even now, the processing plants may not be on full shifts, and that kind of thing could be changed.

Endres: That's right. It has to be more of an organized type of thing. There is a situation where some of these plants shut down over a long, three-day holiday. They will shut down for three or four days. And a lot of places have full tanks, and they can't process the milk fast enough. So it starts backing up clear down the line, and it ends up at the dairyman. He can't deliver his milk.

EIR: That brings us back to what characterizes the last 35 years of shift into mega-farms, and away from a system of individual family-scale farms, with sufficient processing plants and skilled labor in the same community, to work for everyone's benefit. Instead, the farms and local processing have been shut down, and mega-milk farms established in different states, providing input to cartel processing plants. Remaining family-owned dairy farms are left in the lurch. Right now, cheap-labor mega-milk operations are being set up in Idaho and Indiana—with financing from Europe. All this, instead of what they used to call "milksheds" around population centers.

Endres: That's kind of true here, because where the dairies are located—they've closed one processing plant down in southern California that was built about 25 years ago. They just shut it down. It was originally owned by, I believe, a Swiss company, that came in and built a brand new plant there.

EIR: So if it is still standing, and the equipment hasn't been sold off, it's part of what you could still have as processing capacity.

Endres: Oh, yes. That's desperately needed. Of course, a lot of dairies are moving out of southern Californa, and they are coming up here in the central part of California and northern California.

Farmers' Costs Are Skyrocketing

EIR: For the non-farmer, could you make clear the situation about the ferocious spikes in your input costs for farming?

Endres: The government is reporting that we farmers have record income right now. And the people in town, they see this, and they say: "Boy, those farmers, they must all be doing pretty good."

But they don't see the other side of the coin. And that is, that we have record expenses against that record income. We are really no better off than we were before this price rise.

We are paying double for our diesel fuel. Fertilizer costs have doubled. Implement parts and everything that we have to have to keep our farms operating, have either doubled or tripled in cost. So these good prices that seemingly the farmers are getting, are being all eaten up by these additional expenses.

EIR: These unpayable costs, plus the impact on the farmer of so-called "global sourcing" of food of all kinds, means that California, the leading U.S. farm state, is hit from all sides. Your agriculture is the most diverse in the world.

Endres: We have a lot of specialty crops here.

EIR: And yet you see the forced importing of all kinds of food from everywhere—Indonesia, Chile, India, China, South Africa, because of these international cartel companies controlling food flows, behind the talk of "free" trade.

Endres: What's happening here is seen, for example, in the flower industry, which used to be really flourishing in California. It was supported a lot by family-sized producers. Now because of free trade, they are bringing flowers in from Peru and Chile, and bringing them here at costs way below the cost of raising the flowers in this country, so a lot of those people have had to quit raising flowers, because they can't get a price that meets their cost of production. So the competition from

some of these countries where they have extremely cheap labor, is used against everyone. And of course, that's the same thing that goes on in all the other industries too—steel, auto, and everything else.

We are paying double for our diesel fuel. Fertilizer costs have doubled. Implement parts and everything that we have to have to keep our farms operating, have either doubled or tripled in cost. The good prices that seemingly the farmers are getting, are being all eaten up by these additional expenses.

Farmers Want To Feed Their Nation

EIR: Now we have reached a turning point. If people stand by—elected officials, ordinary citizens—just stand by while millions of people don't have food, because we have let this food crisis situation evolve under the excuse that we should have foreign supplies—

Endres: It's a very foolish thing to be in this position. And it's getting worse. Our population is increasing rapidly in this country. A lot of people don't realize it, but the United States is the third most populous nation in the world. The People's Republic of China is number one, India is number two, and the United States is number three. Most people don't realize that our population in this country is increasing at the rate of 1.5 to 2% a year. And we are outstripping our ability to feed the poeple in this country.

Heaven forbid, if on top of the diversion of corn from food production to ethanol, we had a drought in the Midwest this year, we would really be in bad shape in this country.

EIR: And already the corn planting was late because of the heavy rains. That does not mean that the crop will be in trouble, but it indicates how precarious the situation could be.

Endres: That's right. When we look at food production—especially in the Midwest, we always look at the interior, in Iowa, and what is happening to the farmers in that small area of the country. But it takes the outlying areas of Montana, and the Dakotas, and all these—what they call the minor areas of the country—it takes all these to keep the food pipeline barely full. You can't ignore these areas.

You can't base our food production just on what the farmers in that central area of Iowa and Nebraska and Indiana and Illinois, and some of those rich states, can produce, because they cannot produce enough to feed the people in this country. It takes agriculture all over this entire nation, producing at capacity, in order to barely keep the people fed here.

U.S. Leaders: Double World Food Production!

In the face of hyperinflation and shortages that are causing hunger and even starvation in many countries, the UN Food and Agriculture Organization (FAO) will meet in Rome on June 3-5. Schiller Institute founder Helga Zepp-LaRouche has issued a call to the conference to support measures to double world food production, and to eliminate both the World Trade Organization, and the diversion of food to biofuels. Her full statement is at www.larouchepac.com/node/10606. The LaRouche movement internationally is mobilizing constituency leaders to support this appeal. Here are resolutions and signers from the United States, as of May 23.

Resolutions

Michigan House of Representatives: A resolution to memorialize the U.S. Congress to adopt new agricultural policies that maximize food production, and to call for the United States to withdraw from the WTO and the North American Free Trade Agreement (NAFTA), was introduced into the Michigan State House of Representatives on May 22, by Democrat **LaMar Lemmons**. House Resolution 0379, which has four cosponsors, has been referred to the Committee on Agriculture.

The resolution notes that "the world is undergoing a food crisis of unparalleled proportions," that "free trade policies, as promoted by the World Trade Organization, NAFTA, CAFTA, and other institutions, are responsible for the United States and other nations possibly losing the ability to feed their populations," and that the crisis has been exacerbated by the conversion of farmland to biofuels.

After citing the fact that "doubling U.S. food production, ceasing payments to farmers and others that encourage the production of corn for ethanol rather than food, and paying farmers parity prices to carry out these policies would both feed our own people and could be used to help feed many other parts of the world," the resolution reads:

"Resolved by the House of Representatives, That we memorialize the Congress of the United States to adopt emergency measures that would double U.S. food production and to cancel immediately its membership in the World Trade Organization and the North American Free Trade Agreement, and instead, move to initiate normal bilateral trade agreements

with other sovereign nation-states, consistent with past national policy."

Alabama House of Representatives: A resolution introduced by **State Rep. Thomas Jackson**, House Agriculture Committee chairman, passed on May 19. (See full text in *EIR*, May 20.)

U.S. Current and Former Elected Officials

Former State Rep. Catherine Barrett, Cincinnati, Ohio
Mayor Andrew M. Cohen, Menlo Park, Calif.
Marcia Goodman-Hinnershitz, City Council, Reading, Pa.
Kareem Johnson, Council vice president, Coatesville, Pa.
Former State Sen. Joe Neal, North Las Vegas, Nev.
State Sen. Joey Pendleton, Minority Whip, Ky.
Mayor Thomas Trigona, Johnstown, Pa.
Former State Rep. LaMar Lemmons III, Detroit, Mich.

Other U.S. Signers

Gary Barnett, United Autoworkers, chairman, UAW CAP Franklin Co., Columbus, Ohio
Noel Cowling, Texas farmer/activist, former advisor to the National Farm Organization, member of the American Agriculture Movement
John Jeffries, International Association of Machinists, executive board member and former president, IAM local 830, Louisville, Ky.
Cathy M. Helgason, M.D., professor of neurology, University of Illinois College of Medicine, Chicago, Ill.
Dr. Luise Light, former U.S. Department of Agriculture director of Dietary Guidance, Bellows Falls, Vt.

Statements

Fred Huenefeld, Louisiana, the chairman of the Boeuf River Soil and Water Conservation District, trustee of the Louisiana Realtors Political Action Committee, and a board member of Schiller Institute, released this statement of endorsement on May 14:

"This is of the utmost urgency: Since 2007, there have been food riots in more than 40 nations.

"According to Rajat Nag, managing director general of the Asian Development Bank, 1 billion Asians are already at serious risk from the hunger crisis, and in Africa, Ibero-America, and among the poor on the other continents, an additional 1 billion face the same fate.

"Jean Ziegler, United Nations special rapporteur on the Right to Food, pointed to an additional aspect of the crisis: namely, the use of food for bio-fuels is a crime against humanity.

"And that is only the beginning. Because as long as the current policy of the rich nations—the free-trade doctrine of the World Trade Organization, the European Union Commission, and so on—continues, the food cartel and speculators will take advantage of the conditions created by the escalating, systemic crisis of the world financial system. They do this to maximize their profits and to feed price inflation, without the farmers reaping any benefit therefrom.

"It [is] imperative that leaders of [the] world perceive principles laid out in The American System of Political Economy and return to Fair Trade doctrine as stated in [the] U.S. Constitution under Article 1, Subsection 5, Section 8: Regulate Value of Money and of Foreign Coin and Fix Standard of Weights and Measures.

"Study history and understand how we can have unlimited prosperity and happiness in the most wonderful nation in [the] world, and there is no need for a single human to go hungry. A society must raise the standards of living of its citizens, yet we have failed to do so for the last 30 to 40 years.

"Now, having a growing number of bankruptcy cases, 257 major lending companies have imploded within the last year. Our trade deficit is growing annually. We are moving our production overseas. When we study the past and apply it to the present, we can predict the future for the good of mankind.

"We need a worldwide mobilization for the most rapid possible doubling of agricultural production. With our knowledge of how to produce, and with correct economic policy, this can be accomplished.

"We urge citizens to endorse this call, circulate it for more citizens to get involved, have your elected representatives issue a public statement endorsing this call.

"The U.S. Declaration of Independence says, 'We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable Rights, that among these [are] Life, Liberty and the pursuit of Happiness.'

"This declaration of human rights must hold true still today for all human beings on this planet. What we need today is men and women who fight with passion and love for the idea of a just world order based on the American System of economics. Under this, the community of nations can live together in peace and human dignity with life, liberty and happiness.

"Above all, people should have enough to eat, and poverty should be abolished. We have all the technological means to bring that about.

"Whether we can make this vision a reality, or whether we instead speed humanity into a collapse, is how each one of us will be measured by history."

The Shock Front Has Hit: Remittances Plunge; Millions Will Starve in Mexico

by Dennis Small

Lyndon LaRouche repeatedly stated, during his April 2008 visit to Monterrey, Mexico, that the United States must return to a Franklin Roosevelt-style Good Neighbor policy with Mexico, such as helping with the completion of the PLHINO great water project in the Northwest of Mexico. With millions of Mexicans about to be expelled from the U.S., with no jobs currently awaiting them at home, and with food prices soaring internationally and putting food out of reach for millions, it is in the vital interest of the U.S. to help create productive jobs for them, with viable projects

FIGURE 1
Mexico: Leading States in Emigration and Remittances

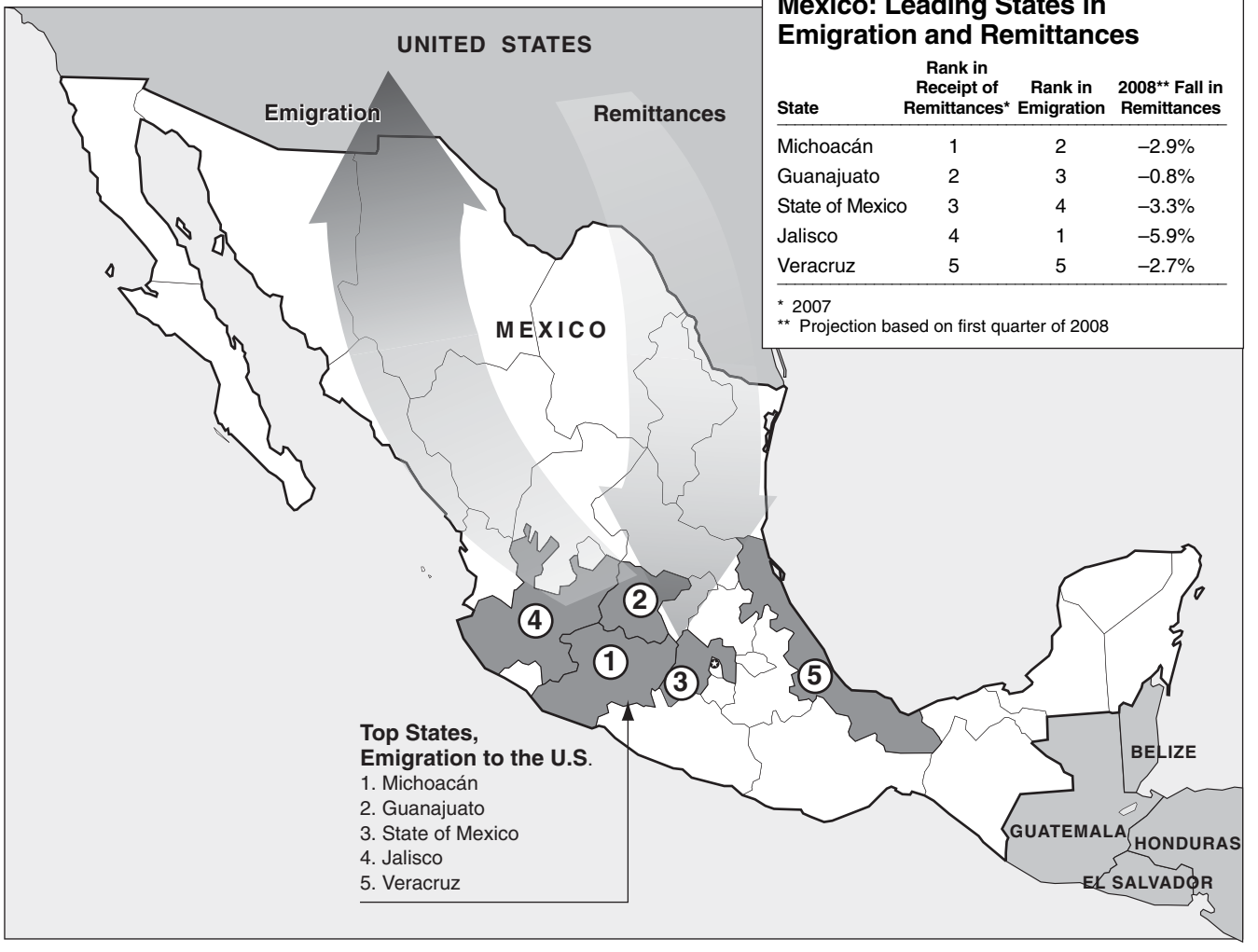


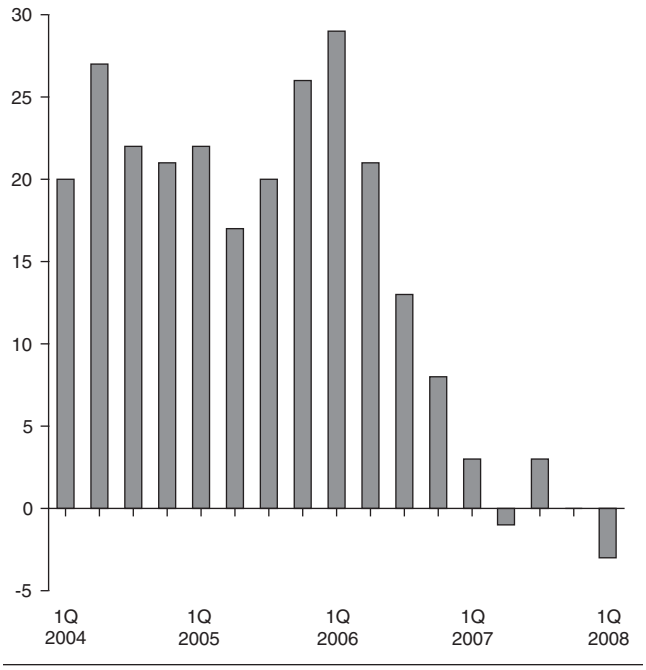
TABLE 1
Mexico: Leading States in Emigration and Remittances

State	Rank in Receipt of Remittances*	Rank in Emigration	2008** Fall in Remittances
Michoacán	1	2	–2.9%
Guanajuato	2	3	–0.8%
State of Mexico	3	4	–3.3%
Jalisco	4	1	–5.9%
Veracruz	5	5	–2.7%

* 2007
** Projection based on first quarter of 2008

Source: INEGI (Mexico); Banxico (Mexico).

FIGURE 2
Mexico: Growth of Workers Remittances
($ change, per quarter)



Source: Banxico (Mexico)

such as the PLHINO (Northwest Hydraulic Plan), which could quickly open up some 800,000 hectares of land to productive farming, producing enough food to feed millions of Mexicans.

The PLHINO alone would, of course, not solve the unemployment and hunger problems of Mexico's 110 million people, but it is exemplary of the method that *will* work to turn around the British Empire's policy of genocide. That is why LaRouche so strongly promotes the project—and it is exactly why the PLHINO is violently resisted by the British Empire's agents, such as Prince Philip's vampire bat-promoting World Wildlife Fund (see *EIR*, May 2, 2008).

But if current policies continue, the U.S.-Mexico border region is going to explode.

The flow of tens of billions of dollars in remittances sent home to Mexico and other Ibero-American countries by migrant workers in the United States, is drying up, according to official statistics provided by Mexico's central bank (Banxico), and a recent study issued by the Inter-American Development Bank (IADB). After rising at the rate of nearly 20% per year from 1994 to 2006, remittances stalled out in 2007, and in the first quarter of 2008, *fell* by 3%, compared to the same period in 2007 (**Figure 1**).

Total remittances to Ibero-America were about $46 billion in 2007, with a little over half of that amount ($24 billion) going to Mexico. Entire communities, states, and even nations, have become dependent on the flow of remittances, as genocidal free trade and globalization policies forced huge numbers of people from these nations (30% in the case of El Salvador; over 10% in the case of Mexico) to flee to the United States in desperate search of survival for themselves and their families back home.

Now, the collapse of the U.S. "importer of last resort" means that starvation and chaos will be visited on the nations of Ibero-America—exactly as LaRouche warned would occur, if the insane British economic policies were not changed. A recent Banxico study reported that 86% of all remittances are used by the families back in Mexico for basic "sustenance," i.e., survival.

The recent quarterly trend in remittances sent to Mexico tells part of the story. As **Figure 2** shows, the quarterly growth rate of remittances plummeted from 21% in the second quarter of 2006, to 3% in the first quarter of 2007, down to a 3% *contraction* in the first quarter of 2008.

But the reality is actually much worse than these *average* figures suggest. According to the IADB, although the total dollar amount of remittances to Ibero-America has stagnated, or fallen somewhat, the *number* of workers who send money back home "regularly" fell dramatically from 12.6 million in 2006, to 9.4 million in the first quarter of 2008—that is, 3.2 million workers *stopped* sending money regularly. In percentage terms, 73% of all Ibero-American-born adults in the United States were sending money home regularly in 2006; but in 2008, that proportion had fallen to only 50%. This is a tectonic shift in economic activity of nearly 25% of the Hispanic migrants in the United States, who have simply stopped sending money home.

According to the IADB, 3.2 million fewer remitters translates into some 10 million people back home who no longer receive support for their "sustenance." The agency estimates that some 2 million families will, as a result, fall below the poverty line, mainly in Mexico.

Ironically, this will lead to more people trying to flee their countries to come to the United States in search of survival—at exactly the point that the economic collapse and vicious anti-immigrant policies in the United States are expected to lead to the expulsion of up to 2 million people in the near term.

The shock front has hit.

Food Hyperinflation Means Starvation

About 20% of all foreign-born Hispanics employed in the U.S.A. were working in the construction sector in 2006; among recent arrivals (since 2000), the percentage was even higher, at 30%. Guess what happened then?

As a result of the global financial blowout, and the resulting U.S. mortgage/housing crisis, about a half-million jobs disappeared in construction between 2006 and the first quarter of 2008. Of those, Hispanics lost 324,000 jobs.

Overall, according to the IADB survey, 40% of Hispanic workers in the U.S. are now earning less than they did in 2007, and another 33% are earning about the same. That means that nearly three-quarters of all Hispanics today earn the same or less than they did in 2007, while the price of food, gasoline, housing, and other essentials has skyrocketed as a result of the hyperinflationary blowout—meaning that *real wages* have collapsed for 73% of these workers.

Small wonder, then, that 3 million workers can no longer send any money back home.

Heading Home to Hell

Add to this, the rise of fascist anti-immigrant hysteria—and local and state legislation—in the U.S., and you have an explosive mix. The Pew Hispanic Center reports that fully half of the 47 million Hispanics in the U.S. (including foreign-born and U.S.-born) fear deportation, either of themselves, a family member, or a friend. And the IADB says that 28% of Ibero-American-born adults surveyed are thinking of returning to their countries of origin. LaRouche Political Action Committee field organizing across the U.S. indicates that the percentages of those planning to return are probably substantially higher than that, as the crisis worsens.

But what they are heading home to, is utter hell.

A recent study by the UN Economic Commission on Latin America and the Caribbean (ECLAC) found that overall food prices across the region had risen by about 15% in 2007. That resulted in some 15 million people dropping below the poverty line. At the same time, 15.7 million who were already in "poverty," were reduced to "extreme poverty"—otherwise known as indigence, or the inability to obtain sufficient food for survival.

In other words, every 1% increase in average food prices translates into an additional 1 million extremely poor, hungry people in Ibero-America.

According to Cruz López Aguilar, the head of Mexico's largest peasant association, the National Peasant Confederation (CNC), "We're facing a price tsunami" on the food front. Over the last few months, the price of corn in Mexico has risen by 31%, rice by 74%, and wheat by 130%, according to the May 9 daily *La Jornada*.

Lawfully, these figures closely reflect the Chicago Board of Trade figures for March's speculative price increases of 80% for rice, and 140% for wheat. Mexico, nearly self-sufficient in food 20 years ago, before the policies of free trade and globalization were imposed on the country, today imports 23.6% of its corn, 50.2% of its wheat, and 75% of its rice.

Food price rises translate into starvation, as any idiot—other than perhaps a Harvard economist—ought to be able to figure out. LaRouche put it succinctly, in surveying the shock front: "This is genocide, period."

Luege Tamargo: WWF's Hitman Against Mexico

by Gretchen Small

The growing movement demanding that the Mexican government begin construction of the Northwest Hydraulic Plan (PLHINO) has smoked out a major security threat to the nation of Mexico and to the United States: The individuals in charge of the Mexican ministries and agencies responsible for agriculture, water, and immigration—the three areas most directly affected by the shock front now engulfing the economy—are part of a network of fascists working directly under the British Crown's genocidal Worldwide Fund for Nature (WWF).

This nest of WWF British agents is not only acting to block the government from taking measures to defend its people; these agents are also using the desperation created by their policies to organize a mass-based fascist party.

Like the princely founders of the WWF, these agents are no recent converts to fascism. The National Synarchist Union (UNS), founded in Mexico in 1937 under the direct supervision of Adolf Hitler's Nazi Party, has been revived from its crypt for this operation. The intent in 1937 was to turn Mexico into a beachhead for a Nazi military invasion of the United States during World War II.

At the center of today's threat stands José Luis Luege Tamargo, the director-general of the National Water Commission (CONAGUA) and long-standing collaborator of the WWF, who has vowed to stop the PLHINO from being built.

Mexico will not long survive as a nation, should Luege Tamargo continue to control Mexico's water resources. In an April 6 TV interview posted to CONAGUA's website, Luege Tamargo declared that he intends to lower water consumption in all of Mexico, including by using his control over water *to further collapse the cultivation of the nation's two most staple foods, corn and beans*! Mexico must concentrate on "high-value" export crops, he asserted, so as to not "waste" its scarce water on anything as minor as growing food for its people.

To impose any such policy in a time of mass hunger, is a deliberate attempt to foment chaos, revolt, and mass death.

Let Them Drink Blood?

But mass death is what the WWF has been promoting since it was founded in 1961, under the direction of the people-hating Duke of Edinburgh, Prince Philip, and his Dutch cohort, the former card-carrying member of the Nazi Party, Prince Bernhard of The Netherlands. The WWF's unscientific drivel on saving any species but the human, is patently a fraud,

but it has its purpose: reducing the world's population. So arrogant are they, that the WWF is promoting the "adoption" by humans of blood-sucking vampire bats.

The Malthusian axioms guiding this oligarchic agency are laid bare in its international projects targetting agriculture and the management and use of water. The WWF-International's Agricultural Initiative declares flat out that farming is a threat to the "environment" because "agriculture allowed and even encouraged population growth"!

Cutting off water for agriculture has thus become a major WWF project. Human beings shall be condemned to die in floods or drought, if these self-made gods of Olympus succeed in their stated intention of blocking "massive engineering schemes" to divert water from one river basin to another—as the PLHINO proposes. The WWF Global Freshwater Programme declares that its mission is to prevent new water management projects and take down many already built; block desalination (denounced as the "dams" of today); permit only those irrigation strategies which "conserve" water; and discourage water use by turning control over water to the "markets"—that is, to the oligarchs behind the WWF—so that water costs too much for human beings to use.

Financed and patronized by some of Mexico's top plutocrats (from the world's richest man, Carlos Slim and family, to the Servitje family of the Bimbo bread company and Banamex's Alfredo Harp Helú), the WWF in Mexico has set out to grab strategic control over this vital resource, using Mexico's Water Basin, Gulf of California, and Chihuahua Desert programs, in particular. (Among the three river basins targetted as priorities for the establishment of model WWF-control programs is the San Pedro-Mezquital river in Durango-Nayarit, which is the southernmost of the seven rivers to be connected through the PLHINO.)

In 2003, WWF-Mexico launched a campaign to change "the culture of water" in Mexico, to brainwash people into accepting the lie that fresh water cannot be economically created and should not be managed, and that its use has to be sharply restricted. In 2004, these lunatics succeeded in amending Mexico's National Water Law to recognize *The Environment* as "a user" of water, that "as such be represented in participating bodies."

Enter Luege Tamargo. Luege's known collaboration with the WWF began with his appointment as Federal Prosecutor for Environmental Protection (PROFEPA) in 2003 by President Vicente Fox. In 2005, he was promoted to Minister of Environment and Natural Resources (SEMARNAT), and in December 2006, Fox's successor, Felipe Calderón, named Luege to head CONAGUA (a ministerial post).

The WWF now had its man in place to go for the kill on Mexico.

Luege Tamargo made clear in his April 6 interview, that the National Hydric Plan he prepared is premised on the WWF's gnostic view of water as a fixed being, which must be "respected." Luege emphasized the importance of his changing the name from the usual National *Hydraulic* Plan to a *Hydric* Plan, because in his view, the word "hydraulic" embodies the mistaken concept of water *usage*, rather than respecting the natural water cycle (rain, evaporation, etc.), and protecting water basins. "The issue of water is 100% environmental," Luege stated.

Luege's water plan is conceived as a step towards a national "Territorial Ecological Plan," intended to radically reshape Mexico's physical economy and geography, in which the primary permitted activity would seem to be that of eco-tourism, where Mexican peasants shine the shoes of those rich enough come to watch butterflies in Mexican nature preserves.

As Luege explains, the plan would dictate where agriculture, forestry, fishing, etc. could be carried out, and even where people may live, according to the oligarchs' ecological lunacy—and profiteering. After all, one way to impose the WWF's "water culture," is to price it out of people's reach. For Luege Tamargo, water is a business, and permitting private interests to charge higher rates for water will cut consumption.

Synarchists Step Forward

Sometime in 2007, Luege's longtime political protégé and personal secretary, Congressman Rene Bolio Halloran, who worked with Luege in the National Action Party (PAN) and accompanied him from PROFEPA to CONAGUA, left his job at CONAGUA, quit the PAN, and organized a new political party. Joining Bolio as the lead organizer of the project was Enrique Pérez Luján, head of the Nazi-founded National Synarchist Union (UNS). Bolio denied widespread reports that the Servitjes and Slims—the WWF's patrons in Mexico—were financing the party; the UNS is putting up the money, he said.

The base of the new party, officially registered in January 2008 as the Solidarity Party, was drawn largely from the UNS and members of the hard right wing of the PAN party, from which Bolio and Luege come. Luege, like Agriculture Secretary Alberto Cárdenas Jiménez and National Immigration Institute head Cecilia Romero, the two officials with whom Bolio also worked most closely in the PAN party, have remained silent about the Synarchist PAN split-off.

The PAN executive was reported to have called in Luege and others to explain where they stood on Bolio's actions. Luege reportedly claimed not to be involved but this is not very credible, especially because the Nazi UNS, as you would expect, shares the same genocidal environmentalist outlook of the WWF. Sounding like a WWF tract, or a speech by Luege, the UNS program asserts that the greatest risk to humanity "comes from human activity itself," because Man has come to view himself as "Prometheus the Conqueror." This outlook must be replaced, says the UNS, by "a new Alliance with the Earth our Great Mother, Pacha Mama, Gaia."

The vampire bats, it seems, have been set loose.

New Russian Leaders Turn To Economic Security, Eurasia

by Rachel Douglas

Russian President Dmitri Medvedev and Prime Minister Vladimir Putin have begun working in their new positions, with a new configuration of the Russian government that was unveiled beginning May 12. Putin's economic policy engagements during the first week of his new government point up the potential, under conditions of global systemic economic crisis, for Russia's actions to help shift the world decisively in the direction of peace through development.

The new government's first steps in economic policy take on even more importance in the context of the surfacing of the new strategic alliance among Russia, India, and China, at the meeting of foreign ministers of those nations at Yekaterinburg, Russia, on May 14-15. At that meeting, hosted by Foreign Minister Sergei Lavrov, a member of the new cabinet's Presidium, the three nations—which represent one-third of all humanity—took a profound step to respond directly, in a coordinated fashion, to the Anglo-Dutch oligarchy's war drive, formulating a coordinated policy rejecting the illegal Kosovo declaration of independence, and strengthening their mutual relations. The measures announced by Putin fit perfectly into this new cooperative alliance, which is geared to counter the increasingly aggressive British targetting of all three nations.

Putin addressed back-to-back conferences on agriculture and on transportation infrastructure, making equally dramatic presentations at each:

On May 20, he announced the most ambitious of all investment programs ever adopted by the Russian government, namely, government spending of 4.7 trillion rubles out of a total 13 trillion ruble ($548.5 billion) transportation infrastructure development package. Putin's own words, and remarks by other officials the same week, confirm that the perspective includes essential elements of the large-scale railroad-building program, announced in 2007, and of the Eurasian Land-Bridge, long advocated by economist Lyndon LaRouche, Schiller Institute founder Helga Zepp-LaRouche, and their political movement.

At a conference on agriculture, held the previous day, Putin and Minister of Agriculture Alexei Gordeyev made clear that Russia will use subsidies and protective trade measures—measures that go against the "free trade" rules of the World Trade Organization (WTO) that Russia is still attempting to join—to defend food production as a matter of national security.

Medvedev's activities, too, as well as the announced Russian personnel and institutional changes themselves, draw attention to the high level of military-strategic tension in the world, as well as the tension within Russian policymaking, in the face of the British imperial strategic assault, and the world economic breakdown crisis.

On May 15, all Russian national TV channels showed Medvedev on tour in the Ivanovo and Kostroma regions west of Moscow. He visited two top military facilities and two monasteries. Near Teykovo, Ivanovo Region, Medvedev reviewed a regiment of Topol-M intercontinental ballistic missiles—"unmatched by any technology in the world," as the host officers put it—at their base, deep in a pine forest, where Gen. Nikolai Solovtsov, commander of the Strategic Missile Corps, briefed the President.

Addressed throughout the televised clips as "Comrade Supreme Commander-in-Chief," a grave-faced Medvedev said, over lunch with the personnel: "Our objective is to

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Russian President Dmitri Medvedev (left) and Prime Minister Vladimir Putin, shown here in Moscow April 23, are working with other Eurasian nations to shift the world toward peace through development.

make sure that in the immediate period ahead, and in the years ahead, that the Strategic Missile Corps receives all of the financing it requires, in order to meet today's level of threat, and the situation that actually exists on the planet today." The new Russian President went on to visit the Kostroma Military Academy, where he viewed nanotechnology and ABC defense labs, and laser-guided weapons training.

A New Government

Back in Moscow that day, Putin presided over the first working session of the new Cabinet of Ministers, which he had publicly presented to Medvedev on May 12 (remarking that the two of them had deliberated on the personnel and organizational changes over a two-month period). He announced that the government will be managed by the new 15-person Presidium, meeting weekly, that consists of himself, the two first deputy prime ministers, the five deputy prime ministers, and the ministers of health and social development, regional development, agriculture, economic development, foreign affairs, internal affairs, and defense.

Televised coverage of the cabinet meeting featured Putin criticizing Minister of Economic Development Elvira Nabiullina for setting too "modest" targets for the increase of manufacturing products as a share of industrial output, as well as of exports.

In the top government posts are longtime close associates of Putin, several of whom have moved with him from the Kremlin Presidential Administration to the government:

• First Deputy Prime Minister Igor Shuvalov, formerly Kremlin aide to Putin, chief advisor on his annual messages to the Duma, and Russia's liaison to the G-8.

• First Deputy Prime Minister Victor Zubkov, the former tax-collection chief who served as prime minister for the past eight months. Zubkov will handle agriculture (in which he began his career).

• Deputy Prime Minister Alexander Zhukov has kept his post in charge of socio-economic policy.

• Deputy Prime Minister Igor Sechin, one of Putin's longtime Kremlin aides with an intelligence background, and chairman of Rosneft oil company, has come out of the shadows to take a government chair in charge of energy, natural resources, and "all industry except for the defense industry."

• Deputy Prime Minister Sergei Sobyanin, a former Kremlin chief of staff, will now administer the government staff.

• Deputy Prime Minister Alexei Kudrin has stayed in this position, and continues as finance minister.

• Deputy Prime Minister Sergei Ivanov, coming down a notch in government rank, will handle defense and defense-industry matters.

• Sergei Naryshkin, another close Putin associate, has become Medvedev's chief of staff at the Kremlin.

Several of these officials, and others whose ministerial assignments were changed, represent groups within the security and intelligence community—the so-called *siloviki*—that were visibly warring against each other during 2007. Nikolai Patrushev, a close ally of Sechin, gave up the post of Federal Security Agency (FSB) chairman to become head of the Security Council. Putin has evidently kept various factions on his team, while arranging the government agencies so as to give him a more streamlined machine.

Among the institutional changes was the re-division of the Minister of Industry and Energy into two separate ministries, with the Ministry of Energy being run by Sergei Shmatko, a military-educated nuclear power industry specialist, who has recently managed Russia's construction of nuclear plants in other countries. Alexander Bortnikov, Patrushev's successor as head of the FSB, has worked for the past five years as chief of economic security for the Russian security service.

Russia Can Be Food Self-Sufficient —and Export!

The promotion of Shuvalov and retention of Kudrin and Nabiullina in the cabinet led some observers to describe the economic section of the new government as even more neoliberal than before. Yet, it is apparent in the crucial case of food production, that sticking to generally accepted monetarist rules of behavior would leave Russia vulnerable to an onslaught of hyperinflation from abroad, compromising the national security—and this is something that this security and intelligence-oriented leadership is not eager to do.

Declaring food security, food price stabilization, and development of the agriculture and agro-industrial sectors to be a top priority of his government, Putin said, at the May 19 conference on agriculture, that Russia has every potential to be food self-sufficient, while simultaneously becoming a food exporter—"a major player in the international food market."

Gordeyev told the meeting, held in the town of Yessentuki, Stavropol Territory, in the southern grain belt, that the Russian Federation is currently importing 40% of its food. Especially high is the level of meat imports (41% of consumption), due to the destruction of Russia's herds during "shock therapy" deregulation during the 1990s. Gordeyev reported that 30% more acreage than last year has been planted with grain crops so far this Spring. He stressed that yields are also going to be better this year, because more fertilizer is available as a result of the government's having raised export duties on fertilizer last year.

Specialists at the Russian Ministry of Agriculture, under Gordeyev, have opposed Russia's joining the WTO, on grounds that doing so would hamper the recovery of agriculture and damage the country's food security.

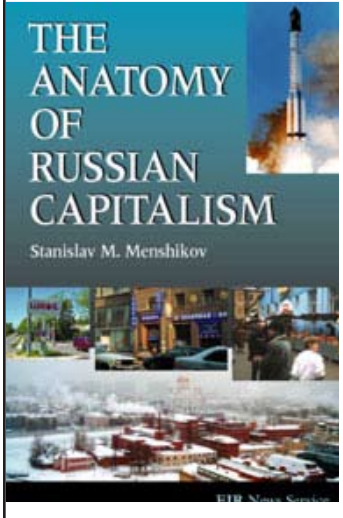
In his speech, Putin said that agriculture has moved to the top of the incoming government's agenda, because of what's happening on world food markets: "the steep rise in food prices on world markets, which has seriously affected the situation in Russia." He pointed out that the poorest layers of the population have felt this the most—"pensioners, families with several children, and other socially vulnerable groups of the population, for whom food is their main household budget item." To protect the population, said Putin, the government must ensure price stability in the agro-industrial sector as a whole, through more effective anti-monopoly regulation and the use of subsidies.

Putin laid out five interim objectives for Russian agriculture: 1) increase gross output, especially of grain, through increasing the area under cultivation, as well as yields; 2) technological re-equipping of agriculture and the food-processing industry, using innovative land and technology leasing schemes and long-term credit; 3) achieve price stability, especially for motor lubricants and fertilizer, using "anti-monopoly regulation and subsidies"; 4) better risk management and agriculture sector insurance; 5) constant monitoring of the food products markets, "and if prices exceed established limits, there should be automatic measures, and I mean purchasing interventions, and regulation using import and export tariffs."

Said Putin, "Russia has truly unique agricultural potential, which should enable us not only to fully meet our own needs, but to make our presence known as a major player on the world food market."

Gordeyev underscored that importing food, including meat and dairy products, cost Russia $27.6 billion in 2007. These parameters have continued to rise in recent years. "Gordeyev considers it a necessity to increase government subsidies for agricultural producers," reported Prime-TASS. He posed this in terms of the need for urgent measures to cut food imports, in view of the world situation. Gordeyev told the meeting that Russian agricultural output can and must grow at double or more the rate of world growth in agricultural output (2.5-3 times faster, for grain and meat over the next ten years, he specified).

Both officials linked the progress achieved so far to the operation of the National Project for agriculture, which is one of the four National Projects that Medvedev was on top of as a deputy prime minister. This included incentives for leasing arrangements in agriculture, and other ways of channeling investment and support to the sector—after the livestock devastation, the removal of huge swathes of land from



This English translation of the work of Russia's authoritative economist, presents a critical analysis of the complex economic processes in Russia during the last 15 years.

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cultivation, and the disappearance of thousands of villages during the 1990s.

Transport Infrastructure: Biggest Project Ever

The next day, May 20, at the Transport-2008 conference in the Black Sea coastal city of Sochi, site of the 2014 Winter Olympics, Putin announced that he was set to approve the 13 trillion-ruble program for the development of Russia's transport system in 2010-15. "I have in mind the most ambitious of all investment programs ever adopted by the Russian government," Putin was quoted by Itar-Tass. Russia could transit five to ten times more trade between Europe and Asia than it now does, if it had a modern transport system, he said. "The volume of its funding will top 13 trillion rubles, including 4.7 trillion from the federal budget.

Putin said that Russia must change its development methods, to realize this enormous program. He called for ensuring concerted development of all types of transport, and making transport development coherent with the comprehensive programs for the development of regions and industries. "It is only possible to build an integrated transport system this way, which will have no bottlenecks," Putin said. "The underdeveloped transport infrastructure has become a brake on the economy and interferes with its transition to the innovation way of development."

The federal budget has already appropriated 300 billion rubles for developing the transport system this year, and this will rise to 584 billion rubles in 2010, and 770 billion by 2011. The vast development program provides for "building or reconstructing over 17,000 kilometers of federal, regional, and local roads, and more than 100 runways, while the aggregate capacity of seaports will rise by more than 400 million tons of cargo annually," Putin said. "Over 3,000 kilometers of new railways will go into operation, and sections with limited traffic capacity will be scrapped completely. We should start introducing programs for high-speed passenger trains."

Putin said that Russia has to "change [its] approach to realizing federal programs and aim at advanced design methods, so as to fully implement our plans. This means that each investment project included in the program, should have a clear economic feasibility and substantiated period for being carried out. Specific people should bear responsibility for the project's implementation," he emphasized.

The overloaded roads are putting a burden on the economy and costing too many lives, he said. Development of big mineral deposits and other resources is being hindered by poorly developed transport in some regions, and the different transport types are not well enough integrated, Putin said. He called it "vitally important" for Russia to switch from just maintaining its transport system, to its "qualitative development on the most sophisticated technological basis. The growing possibilities of the state and of national business make this possible." He called for the involvement of private business, and improving "all forms of private-state partnership"; for adopting "overdue amendments to the law on concession agreements," and for business receiving "more efficient support from all state institutions of development." He also said that employers could be serious partners of the state in training skilled personnel for the transport industry.

Industrial Policy vs. World Market Prices

Before the agriculture and transport events in the South, Putin and key members of his cabinet also took up shipbuilding, one of the Russian industries most damaged during the 1990s. He visited the famous Admiralty Wharves shipyard in his native St. Petersburg, accompanied by Deputy Prime Ministers Sergei Ivanov and Igor Sechin, who will chair the state-owned United Shipbuilding Corporation. Ivanov announced that Russia will spend 136 billion rubles ($5.7 billion), over 60% of it from the federal budget, on reviving its shipbuilding industry in 2009-16. Finance Minister Kudrin, Defense Minister Anatoly Serdyukov, and Minister of Industry Victor Khristenko took part.

At the Sochi fair, Putin visited the booth of the Industrial Ural-Polar Ural megaproject, a rail and resource development scheme designed by Academician Alexander Granberg and his colleagues at the Council for the Study of Productive Forces (SOPS) for the northern section of the Ural Mountains, for detailed discussion of federal financing for this project. Sakhalin Region Gov. Alexander Khoroshavin stated, at a May 19 conference in Khabarovsk, that the bridge-tunnel crossing between Sakhalin Island and the mainland has also been officially included in the federal program. (Khoroshavin advocates a second tunnel, from Sakhalin to Japan, which would link Japan to the Trans-Siberian Railroad.) Thus, some of the key Eurasian Land-Bridge projects, toward which Russia had moved during 2007 with the unveiling of the national plan for rail development until 2030, are not only still on the agenda, but are being prioritized under the new government. (See *EIR*, Sept. 7, 2007, "Russia: The Economic Contours of a Policy to Save the Nation"; and *EIR*, Sept. 28, 2007, Kiedrich conference report, "The Eurasian Land-Bridge Becomes a Reality.")

Certain recent decisions in Russia go in a different direction, however. For instance, the outgoing government's final resolutions mandate that rates for the services and products of the government-owned natural monopolies—electricity, natural gas, and rail fares—be raised at least 60-100% in the next three years, to match world market prices, which, however, threaten to rise even higher, to hyperinflationary levels. Russian economists have pointed out that such price jumps will severely curtail the ability of Russian industry to implement the ambitious infrastructure development plans, industrial recovery, and the announced attempt to shift to an innovation economy based on high technologies. Thus, the stage is set for possibly still more dramatic changes in Russian economic policy, in the near future.

A Victory for Lebanon and For Peace in Southwest Asia

by Christine Bierre

The Lebanese opposition and majority at a meeting with other Arab leaders in Doha, Qatar, announced on May 21 that they had reached an historic agreement on Lebanon. The results constitute an important victory for Lebanon, for both Muslims and Christians, declared Michel Aoun, the president of one of the two largest organizations of the Lebanese opposition, the CPL, in a statement to OTV television. All the demands of the opposition were met at this conference. First, Gen. Michel Suleiman, the head of the army, and the consensus candidate for the Presidency, was accepted by all parties, as part of the larger agreement: On May 24, by an overwhelming majority, Suleiman was voted President of Lebanon, to assume office immediately.

However, his election is premised, as the Lebanese opposition had demanded it be, on two conditions: 1) the nomination of a national unity government, where the opposition will have a one-third blocking minority; and 2) the adoption of a new electoral law, preceding new legislative elections. It was decided at Doha, that a government comprised of 30 ministers would be constituted, among which, 16 would go to the present majority, 11 for the opposition—Hezbollah, the CPL of Michel Aoun and Amal—and 3 would be named by Suleiman himself.

As for the new electoral law, it was decided, as the opposition had demanded, that Lebanon would return to the 1960 electoral law. Sheikh Hamad ben Jassem Al-Thani, the Qatari prime minister, who announced the agreement at a press conference, also stated that the Lebanese factions had decided to abstain from using weapons for political purposes and to respect Lebanese sovereignty. Nabih Berry, the president of the parliament, and a close ally of the opposition, was happy to announce, as well, that the Beirut sit-in organized in November 2006 by the opposition, will be lifted at the same time.

A Lebanese source close to the opposition rejoiced over the agreement, saying that, "with it, a page is definitely turned since the 1967 Israeli War, because since that time, everything that happened in Lebanon has been the result of a regional power play by the various international forces. This agreement is the first one to have been reached since then in the interest of Lebanon and by Lebanese forces."

If the relief is general, the situation ahead will not be easy. This is an agreement that solves constitutional questions, a Hezbollah source told Scarlett Haddad of the Beirut daily *L'Orient le Jour*, but the political problems remain to be solved. There remains a battle over determining who the prime minister will be, and who will get what ministries.

A Strategic Defeat for the Anglo-American War Party

What led to this whopping defeat of the Bush-Cheney forces controlled by the trans-Atlantic imperial faction run out of Britain? Beyond the show of strength of the Lebanese opposition internally, the pawns of the Bush-Cheney offensive collapsed under the weight of their own folly. Well-informed Lebanese and French sources report that Bush's speeches at the Israeli Knesset on May 15, and at the World Economic Forum in Sharm el Sheikh, Egypt one week later, enraged their last moderate allies in the region—Egypt, Saudi Arabia, and Jordan—provoking a rapprochement between them and the so-called radicals, Syria, Iran, and Hamas.

According to the French intelligence website Bakchich.com, it was Bush's unqualified support in those speeches, for Israel and against both friend and foe within the Arab and Muslim world, which led to the total discrediting of the Bush option, which was to maintain all of the regional frictions and conflict near the boiling-point, and pave the way for perpetual war in the region, the number one goal of the British.

Thus, Bush launched an indirect charge against Egyptian President Hosni Moubarak, for having imprisoned cadre of the Muslim Brotherhood, and of the liberal movement Kifaya. But what really infuriated the moderate Arab states, according to this same source, was the avowal by Bush that he would not be able to deliver on his promise to create a Palestinian state, before the end of his term in office, in January 2009.

The outrage was such, that at the World Economic Forum, Mubarak's son, Jamal, was overheard saying that there was nothing now to stop Egypt from reaching a rapprochement with Iran. Others were threatening to restart Egypt's own nuclear power program, and some were even contemplating talking to the Russians. In the same vein, Bakchich.com reports that soon we might expect the opening of the border be-

tween the Gaza Strip, governed by Hamas, and Egypt, because Hamas leaders have become regular visitors to the Egyptian foreign affairs ministry, and of the Mokhabarates, the military intelligence services of Gen. Omar Soleimane, potential successor to Mubarak.

Lebanon may be the beneficiary of the strategic shift now underway. Saudi Arabia, Egypt, and Jordan reconciled with Syria, will have to pay the bitter price of having to force their Lebanese protégés of the majority to make concessions to the Damascus-allied opposition. Never, underlinescould this regional configuration of forces, which favors the "radical currents," have emerged without the insane behavior of George W. Bush in Israel and in Egypt.

Also important to understand how this victory occurred, is the fact that the United States made no apparent effort to sabotage the Lebanon accord, a sign of a renewed power struggle between the Bush-Cheney apparatus and what remains of the neoconservatives on the one side, and traditionalist American forces opposed to those policies, around figures like Defense Secretary Robert Gates and the majority of the U.S. Joint Chiefs of Staff and the CIA, on the other. While it appears that these forces have won this battle, all observers agree that the war will not be definitely won, until Bush and Cheney are out of the White House, in January 2009.

According to Washington sources, the backdrop to the fight inside the Bush Administration is Vice President Cheney's continuing push for military action against Iran, before Bush-Cheney leave office. Under "Global Strike," the Strategic Command program, initiated by former Defense Secretary Donald Rumsfeld, under the so-called "revolution in military affairs," the United States could launch long-range bomber attacks on Iran, on a moment's notice. It is the continuing possibility of this scenario that has prompted Gates and others to warn that a new war in the Persian Gulf would be "catastrophic."

The other great loser in this affair is France, which was totally absent throughout the crisis, and is now paying for its allegiance to the imperial faction in London, and its Cheney allies in Washington. Not only did France join in the virulent attacks against Iran and Syria, and heap support on the Lebanese pro-Bush Siniora government, but, following the end of its mission in Lebanon, it dismantled the experienced team of diplomats and intelligence officers around Jean Claude Cousseran which, at the beginning of the Sarkozy Presidency, had assembled all the conditions for a just solution of the crisis in the region.

How France Shot Itself in the Foot

In a recent article, *Le Canard Enchaîné* reported that the French government was totally out of touch with the recent Lebanese crisis, thus paying for its support for the London-Cheney offensives in the region. "No important information reached Paris, either from the French embassies in Beirut or Damascus, nor from the DGSE [foreign intelligence] correspondents. Better, if one dares to use that word, the French diplomats were reduced to having to phone Lebanese journalists or their Parisian colleagues to try to get some information! In a similar vein, they didn't see anything coming last month, when Saudi Arabia," mandated by the trans-Atlantic British empire faction, "pushed the Lebanese government to take on Hezbollah, taking the risk of igniting a new confrontation between Sunnis and Christians, on the one hand, and Shi'ites, on the other."

Le Canard notes that, this time around, it was the Qatari Emir who led the peace negotiations, and not "by accident. His diplomats, and even he, himself, talk to everybody—to the Syrians, Hezbollah, the Iranians, to Hamas. Another advantage: The relations of the Emir with the United States are rather good. With France also: He played an active role, including financial, during the liberation of the Bulgarian nurses held in Libya." Indeed, to make sure that the final Lebanon deal was not sabotaged after the fact, the Emir of Qatar flew to Riyadh, to meet with Saudi Arabia's King Abdullah, to personally secure Saudi backing for the agreement.

The fact is, as one Beirut-based intelligence source reported, Hezbollah's brilliant flanking of the Siniora/Hariri provocations, at the beginning of May, delivered a strategic defeat to those trying to provoke a new Lebanese civil war. The fact that Hezbollah demonstrated an ability to take over West Beirut in a 24-hour period, but worked closely with the Lebanese Army, in turning control over to the sovereign military force,

LaRouche Cites Turkish Role in Diplomacy

Lyndon LaRouche on May 23 underscored the significance of the Turkish mediation in the recent Israeli-Syrian talks, citing the late Turkish leader Mustafa Kemal Atatürk's (1881-1938) role in combatting the Anglo-French Sykes-Picot Treaty, which sought to carve up the former Ottoman Empire into French and British colonial spheres of control, in the aftermath of World War I. Atatürk countered the Anglo-French machinations by negotiating a firm border agreement with Syria. This assertion of the sovereign power of the governments of the region set a precedent which is now, once again, being pursued, to secure a permanent peace between Israel and Syria.

constituted a devastating defeat for the trans-Atlantic war party and their Lebanese assets. It was that decisive defeat of the provocation that laid the basis for the Qatar-mediated breakthrough.

France Loses Twice

France is also paying for its bad foreign policy choices with the Turks. "The Sarkozy team, very hostile to the entry of Turkey in Europe, is no longer popular with Ankara," says *Le Canard*. "The Turkish leaders are still not authorizing overflights by airplanes delivering equipment and men to the members of the French deployment in Afghanistan. And when a negotiation between Syria and the Israelis, via Turkey, emerged, Ankara made it a point not to inform Paris."

The Syria-Israel talks, brokered by the Turkish foreign ministry for over a year, were also announced the same day that the Qatar-mediated Lebanon breakthrough was achieved. Israeli and Syrian foreign ministry officials were in Turkey for three days of indirect talks, in recent days, and all three countries declared that those talks were productive.

Iran Makes Proposals for International Cooperation

This is an unofficial translation of the letter sent to UN Secretary General Ban Ki-moon by Manuchehr Mottaki, Minister of Foreign Affairs of the Islamic Republic of Iran. Following the letter is the full text of the Iranian package of proposed international cooperation. The translation comes from the Institute for Science and International Security.

13 May 2008

Excellency,

As I informed you in my previous communications, the Islamic Republic of Iran, as a responsible Member State of the United Nations Organization, and based on its international rights and obligations, has always emphasized the importance of multilateralism. Unfortunately, a few countries, with political motivations and objectives, have raised some ambiguities over Iran's exclusively peaceful nuclear program and have used the UN Organs as a tool, thus, undermining the integrity and credibility of the United Nations.

Whereas the International Atomic Energy Agency (IAEA) has, time and again, confirmed the non-diversion of Iran's nuclear program, and based on the agreed work plan between Iran and the Agency the remaining issues are completely resolved, and while the nuclear program of the Islamic Republic of Iran and all nuclear activities of our country are currently under the full-scope safeguards of the IAEA, the UN Security Council has persisted on its illegal measures.

I have already brought to Your Excellency's attention, in details, my Government's arguments and reasoning regarding the unlawfulness of the intervention of the UN Security Council in Iran's peaceful nuclear program. Indeed, the Islamic Republic of Iran still maintains that constructive interaction and reasonable and just negotiations, without preconditions and based on mutual respect, is the basic solution for the promotion and improvement of international situations and circumstances. On the same basis, the Islamic Republic of Iran is ready to negotiate with the 5+1 Group within a specific framework on issues of mutual interest. The Islamic Republic of Iran is of the view that resorting to the two-track approaches that comprise intimidation and negotiation not only will not help resolving issues, but will indeed further complicate the situation.

The Iranian nation is a peace-loving nation that has spared no efforts to contribute to global peace and stability. Iran's capabilities and power can contribute to regional and international peace and stability. The Islamic Republic of Iran believes that sustainable regional and international peace and stability, economic relations, free trade, energy security, combating terrorism and narcotic drugs, as well as peaceful uses of nuclear energy provide appropriate common grounds for long-term and sustainable cooperation.

Given the present circumstances at the regional and international levels, the Islamic Republic of Iran considers the introduction of a new and comprehensive initiative, aimed at achieving sustainable and constructive interaction, as an imperative. On its part, the Islamic Republic of Iran, following thorough and proficient studies and considerations, has carefully prepared a package containing important initiatives and proposals in different political, security, economic and nuclear fields, to be submitted to countries of the 5+1 Group. This package has been prepared as a basis for comprehensive and thorough negotiations with the said countries, based on collective commitments as well as justice, sovereignty and mutual respect. We are of the firm belief that the present package will provide an exceptional opportunity for real and serious cooperation among the concerned parties.

I would like to emphasize on this important point that the principled approach of the Islamic Republic of Iran towards this package is a strategic one. Therefore, I hope that the concerned parties would acknowledge the importance of the proposed package and its substance, as a comprehensive solution to the regional and global problems and challenges. The package can be a basis for long-term cooperation. I hope the concerned parties would welcome it and would deal with it constructively.

Manuchehr Mottaki
Minister of Foreign Affairs
of the Islamic Republic of Iran

The Islamic Republic of Iran's Proposed Package for Constructive Negotiations

Stressing the respect for the principles of justice, abidance by law, recognition of the rights of nations, respect for the sovereignty of states, reinforcement of regional and international peace, abstaining from monopolistic actions and threats, respect for democracy, human values and cultures of different nations, and rejecting injustice and lawless behaviors towards the rights of nations;

The Islamic Republic of Iran believes that there is an extensive range of issues such as security issues, regional and international developments, nuclear energy, terrorism, democracy, etc., that provide a substantive potential for cooperation.

To the above are added other fields that include drug control, environmental conservation, and economic, technological, commercial—especially energy—cooperation, that provide other excellent possibilities and avenues for constructive cooperation.

Therefore, in view of the developments that have unfolded internationally and across the region, there is a need for a new and a more advanced plan for interaction. In this new round of negotiations, the main objective of the Islamic Republic of Iran is to reach a comprehensive agreement, one that is based on collective goodwill—that will help to establish long-term cooperation between the parties, and will contribute to the sustainability and strength of regional and international security and a just peace.

We also believe that in its later stages, the negotiations have the capacity to invite other capable and interested states to join it and explore the possibility of cooperation within parameters of the package. The main outcome of this new round of negotiations would be an agreement on "collective commitments" to cooperate on economic, political, regional, international, nuclear and energy security issues.

Therefore, we are willing to start wide-ranging and comprehensive negotiations on the following issues:

A. Political and Security Issues:

1. One of the most important concerns of humanity is the need to protect the rights and dignity of the human being and respect for the culture of other nations. A dialogue, for the appropriate realization of this, is necessary.
2. Talks on bolstering a just peace and advancement of democracy in the region and around the world. The talks will he based on:
   —Respect for the rights of nations and their national interests;
   —Support for the national sovereignty of states, based on democratic methods;
   —Prevention of terrorism and its contributing factors.

On the above basis, the Islamic Republic of Iran is willing to enter into talks on cooperation to strengthen a just peace and bolster the stability and the advancement of democracy in regions that suffer from instability, militarism, violence and terrorism. Such cooperation can take place in different parts of the world—more specifically in the Middle East, the Balkans, Africa. and Latin America. Cooperation to assist the Palestinian people to find a comprehensive plan—one that is sustainable, democratic and fair—to resolve the 60-year-old Palestinian issue can become a symbol of such collaboration,

3. Fighting common security threats, and talks and collective collaboration on combating the factors which contribute to and create security threats, including:
   —Terrorism
   —Drugs
   —Illegal immigration
   —Organized crime

B. Economic Issues:

1. Cooperation on the provision of energy and its security—in the fields of production, provision, transportation and consumption.
2. Cooperation on trade and investment.
3. A common effort to help fight poverty in less developed countries and to reduce the divide between social classes.
4. Reducing the impact of sharp price fluctuations and retooling global monetary and financial arrangements to benefit the nations of the world.

C. The Nuclear Issue:

With regard to the nuclear issue. Iran is ready—in a comprehensive manner, and as an active and influential member of the NPT and the IAEA—to consider the following issues:

1. Obtaining a further assurance about the non-diversion of the nuclear activities of different countries.
2. Establishing enrichment and nuclear fuel production consortiums in different parts of the world—including in Iran.
3. Cooperation to access and utilize peaceful nuclear technology and facilitating its usage by all states.
4. Nuclear disarmament and establishment of a follow-up committee.
5. Improved supervision by the IAEA over the nuclear activities of different states.
6. Joint collaboration over nuclear safety and physical protection.
7. An effort to encourage other states to control the export of nuclear material and equipment.

D. Within the parameters of this package, the Islamic Republic of Iran is ready to start serious and targeted negotiations to produce a tangible result. The negotiations can be evaluated after a specific period of time (a maximum of 6 months) to decide about its continuation.

We Need a Dialogue for Peace Based on Ethics and Justice

Dr. Mohammed Reza Khatami, a physician and Iranian political leader, is the brother of former President Mohammed Seyyed Khatami. He was interviewed by EIR*'s Hussein Askary, in Stockholm on May 13, 2008, where Dr. Khatami was attending the Conference of the European Renal Association-European Dialysis and Transplant Association (ERA-EDTA), May 10-13. The interview was conducted in English and Farsi, and has been edited by* EIR.

EIR: *Salaam*, Dr. Khatami, and welcome. You are here as a physician, but your name is associated with political developments in the Islamic Republic of Iran. So, I would like to ask you: Who is Dr. Mohammed Reza Khatami?

Dr. Khatami: In the name of Allah, the Merciful and Compassionate, thank you very much for this interview. I was born in 1959. And I was from the beginning of my life active in political and social events in Iran, because my family was very active in both politics and religious issues in Iran. But I selected medicine as my profession, and I continued my education up to very high ranking in the subspecialty of nephrology.

But, because my background was in politics, I never left politics. And when I was in high school, I was very active in politics and social events. And, at the time of the Shah, my family was against the Shah. So I learned many things in my family about politics. And all the family followed national and international events. So, we grew up with this background.

EIR: Who in your family was political, exactly? The name Khatami—

Dr. Khatami: My father was very active. He was an Ayatollah in Yazd, and he was one of the close people to the Ayatollah Khomeini; and my sister, and my brother, who was the previous President of Iran, Mohammed Khatami, and also all others in the family. Two sons of my sisters are members of Parliament; my brother-in-law, the husband of my sister, is now the Imam in Yazd.

EIR: Your wife is the granddaughter—

Dr. Khatami: My wife is very active, yes, granddaughter of Imam Khomeini. And she is very active in the field of NGOs, nongovernmental organizations—she's very active in the field of women's movements and youth movements in Iran. So, I'm very busy in this type of activity.

EIR: Presently, what is your position?

Dr. Khatami: When I was young, I was very active in the student associations in the university, and after that, when I continued my education, I was very active in some organizations inside Iran. And I was injured in the war imposed by Iraqis against Iran. After that, I was one of the main consultants of Mr. Khatami, when he was not President yet. And we started the campaign for him, for the Presidential election and ruling the government.

And so after that, I went to the Parliament as a first elected member of Parliament in Tehran,[1] and I was Deputy Speaker of the Parliament for four years.

EIR: Were you the head or a member of a political party?

Dr. Khatami: Yes. We established the party after Mr. Khatami won [the 1997 Presidential election], because we felt that what is lacking in political activities in Iran, is some institutions, like parties or other institutions. So, I, and other people who think like me, established a party, with the name Mosharekat Party, which means Participation Party. And this party had a majority in the Sixth Parliament [year 2000]. But we had some conflict with other parts of the government, so for the next election, the Seventh Majlis election, they disqualified many members of the party from taking part.

EIR: These are the elections which were held in April?

Dr. Khatami: The last one, not this one—the election before that. So, now we are active in all parties, we have many branches in different towns and cities of the country, and the main supporters of our parties are intellectuals, and the young generation.

EIR: How large a percentage of the Iranian population are young people?

Dr. Khatami: It depends on how one considers the young.

1. Dr. Khatami received the highest number of votes ever in Tehran.

EIRNS

EIR*'s Hussein Askary (left) interviewed Dr. Mohammed Reza Khatami (right), former Deputy Speaker of the Iranian parliament, and brother of the former President of Iran, in Stockholm on May 13.*

If you consider the young people less than 30 years old, about 75% of Iranian people are young.

EIR: So, it's a very young nation.

Dr. Khatami: Yes. If you consider less than 20, about 50% of the people are young. So I think Iran is one of the youngest countries in the world.

EIR: But, with an old history.

Dr. Khatami: Yes.

Iran: A Complex Situation

EIR: As you know, the situation in Iran, and around Iran, is more complicated than it is described in the Western media. Because you have internal political differences. But at the same time, Iran is, as a whole, being threatened by sanctions and war, by certain factions in the United States and Britain; you have the aspiration of millions of young Iranian people for development, progress, prosperity, and freedom.

So, how do you see all these different elements around you, being a political leader? And what are the political differences that exist now in Iran? As we have seen in the recent election, lots of people were disqualified. And it is described from the outside as "factional conflicts," among the moderates, among the hard-liners, but these are very vague, not clear. What do you think is the real problem?

Dr. Khatami: Yes, it is a very complex situation in Iran. And one thing that I can say is that all factions in Iran follow the independence and freedom, and the values of Iran.

EIR: Sovereignty.

Dr. Khatami: Yes. This is the most important thing.

But the way that they select for gaining this end is different: For instance, the reformists generally think that the best way for reaching this end is freedom and democracy and trust to the nation. But the other people—I mean conservatives—think that because there are many attempts to change the regime in Iran, to put pressure on Iran, that they should trust only a very special part of the people inside the country. So there is a big difference between the conservatives and reformists.

EIR: Yes. And so, perhaps pressure from outside consolidates the power of the hard-liners.

Dr. Khatami: Yes, yes. This is the big problem that we have. I think not only the military pressure, and the invasion, but also the economic sanctions, make the situation inside Iran worse, not only for Iran, but for the world! Because it pushes the people of Iran to be more radical, to be more against the foreigners, and it is the worst thing that can happen in Iran. But if we were left on our own, and if this pressure were to become less, I think the Iranian people would have the opportunity, and the potentiality to grow more and more, and to be a model of an independent, developing country inside the region.

And I think this is something that the Western countries, including the United States, or Israel, do not like. Because I think their interest in the region is so great, that they prefer to have some dictatorships, some dependent regimes in the region, and they help them. And, unfortunately, they misuse some concepts, like terrorism, or radicalism, for oppressing the independent countries, and the people who want to be free from all pressures around them.

Accusations vs. Iran: Exporting Revolution

EIR: What do you think about the accusations against Iran, that it's intervening in Iraq; in Lebanon, supporting Hezbollah; intervening in Palestine, supporting Hamas, and other groups? There was a statement by former President Khatami,

recently, which created a bit of a crisis.[2] Do you think there's anything real to that?

Dr. Khatami: His statement was not about the real situation in Iran—that export of revolution is not about telling some people how they can use weapons or something like this in power; but it's the manner and the ethics, and ideas and goals of the revolution: that if you can build a nation according to these goals, it's the best demonstration for other people of how they can build up their nation and their society. It was not about a specific situation in Iran.

But, nobody can ignore that the Iranian people support Palestinians, support Iraqis, support all people, under pressure of the United States and other Western countries, to grow up, to rise, and to have independence. But it is completely different from what the United States thinks.

EIR: It's not through weapons—

Dr. Khatami: No, no, no. We think that, for instance, the Hezbollah is a legal representative of one of the most important parts of the Lebanese nation. It is a party; it has its representatives in the parliament, and has a major voice in the politics of Lebanon. And nobody can ignore its role in the resistance against Israeli occupation.

On the other hand, for instance, the Hamas was a legal government inside Palestine, and we had very good relations with them, as we have with other countries, like Afghanistan, like other countries.

But, on the other hand, many Arab countries, Muslim countries, help the Palestinian people, with money, with food, with many other things. And I cannot ignore that the Iranian people also help the Palestinians and their representatives with money and so forth. But! It doesn't mean that we are interfering with the internal affairs of the Palestinians or Iraqis.

In the case of Iraq, now, the Iraqi government is one of the best friends of the Iranian people. And the relation between the Iranian government and the Iraqi [government] is unique in the world. And we realize that our interest in Iraq is their stability, is their freedom, is democracy, and an independent government. So we help them in this regard. But—again!—we cannot ignore that there are many cultural and ethnic relations between the Iranian people and the Iraqi people: Shi'a people have some view of Iran, and they take many things and ideas from Iran. It doesn't mean that the Iranian people are interfering in the Iraqi situation.

EIR: But there are people like the Vice President of the United States, Dick Cheney: He is very often in the region, and he is—and this has been proven—he is trying to build a Sunni alliance against a Shi'a alliance. A Sunni alliance of Saudi Arabia, Egypt, against Iran, Syria, and—. Is that true?

Dr. Khatami: I think it is an old tactic for colonialism: Put discrimination and differentiation between the people in the region.

EIR: Divide and conquer.

Dr. Khatami: For instance, at the moment, they are dividing the Lebanese people between Shi'a and Sunni. We know that most Sunni people support Hezbollah [which is Shi'ite], for resisting the Israelis.

It's a well-known tactic for governing the region. Nobody in the region accepts these accusations. But I think something is behind the curtain: Because America, with its very strong power and high prestige in the world, is not able to suppress a terrorist group, as they call it, in Iraq. So they should say something to their nation. It is not the mistakes of the Iranian people or the people in their region. I think [the U.S. Administration] sends a message to the American people so that they can justify "why we are not successful in Iraq."

I think, if they really had any heavy documentation against Iran, they would have made many military actions against Iran. But, because they do *not* have this documentation, they prefer to accuse Iran, and to say something that is not the truth, and [in Farsi] "just to bring some comfort to the heart!"

British Imperial Policy vs. The LaRouche Doctrine

EIR: It goes back to the British Empire, the Sykes-Picot agreement dividing the countries: "divide and conquer" strategies. This is, as you say, an old colonial tactic. But how do you see that—because it's not really in the interest of the United States to destroy its army in Iraq, or have a war with Iran; but it might be other interests who want to create that. But it's not in the interest of the American people or the American nation, as a whole.

I'm coming to this issue, because there are people in the United States who are fighting against Dick Cheney and these imperial plans, but they're also presenting alternatives and ideas. You know, Mr. Lyndon LaRouche, who's a former Presidential candidate and a political leader. He presented what he called the "LaRouche Doctrine" [for Southwest Asia] three years ago: To solve the situation in Iraq, you have to have other countries in the region involved, like Iran, Syria, Egypt, and then the United States and Russia, to work together, to stabilize the situation, and find a package for the whole region. And that will include: having justice for the Palestinian people, because you cannot solve Iraq if you don't solve the Palestinian problem, in which you have a just peace and a two-state solution. On top of that, you have to

2. Former President Khatami reportedly gave a speech in late April in which he criticized those who wanted or want to "export the Iranian Islamic revolution" by violence. He was cited saying that it would be better if Iranians themselves behaved on the basis of the principles of the revolution, and became an example to other nations through their development of ideas, morals, and principles in their own society. This was interpreted by the former President's hard-line enemies as an attack on both the late Ayatollah Khomeini and current Supreme Leader Ayatollah Khamenei. What Khatami said exactly was never published.

Russian Presidential Press and Information Office

International dialogue is the only workable approach to resolving the problems between Iran and the international community, Dr. Khatami stressed. Here, Ali Larijani, former Secretary of the Iranian National Security Council (center) shakes hands with President Vladimir Putin in November 2006.

have some sort of economic package for the region, a Marshall Plan for economic development, concentration on the development of nuclear power, water—because water is needed a lot in the region—and infrastructure development. And through that, you have to build peace through economic development.

This is what Mr. LaRouche calls a "Westphalian principle"—from the Peace of Westphalia in Europe in 1648, when the religious wars in Europe were ended. And the idea was that in the true Christian manner, to have peace, you have to look at the advantage of the other nation, as being as important as your own advantage. And this, today, can manifest itself through economic development, economic cooperation, where all the nations are working together.

How do you see such ideas, especially as they come from Americans, an American statesman such as Lyndon LaRouche, and other political forces in the United States who are for this type of idea? Do you see positive things coming?

Dr. Khatami: Yes, sure, it's a positive thing; but I think it's not complete. Because, you know, at the moment in the world, there is one idea that is ruling the world totally, no difference in the West or East, and that is, materialism. This is the problem that we have. So we should look at the problems in a figurative, in a complex vision.

First of all, I think we have a three-pole. First is power politics, something like this. Second is wealth, capital. And the other thing that is very important is justice. We should look at every phenomenon on this three-pole: If you have power, without justice, it is impossible to use this power in a right way. You want to be superior to others, and you invade many other countries, as the United States of America does at this moment. If you have some finance capital, and you do not have this idea of justice, it's going in the wrong way. It is very important.

One thing that is shared among these three poles, is ethics, I think. It is very important.

EIR: Yes. Morals.

Dr. Khatami: Morals, morals—values and ideas. That I think, in my opinion is coming from religion—it is very important to say. So, at the moment, because ethics and justice are missing in the United States, in the Western countries, it is makes no difference which candidate comes to power, Democrat or independent—

EIR: You mean in the United States?

Dr. Khatami: Or in other Western countries. Because they do not like to interpret every phenomenon according to these principles. So, the idea is good, and it's positive, but I think we should have some argument, some discourse, to find what is lacking in our world at the moment. But I think it is ethics and moral values. And if this principle is *added* to this project, I think it will be very successful, because the people in the world are very angry about their situation, and they want to catch some new ideas, some new ideas—for instance, as infrastructure in the economy is not meaningful for them, because many of their leaders inside the country and outside the countries say that we need infrastructure and energy, railways, something like this. They hear many of these things, but if it mixes with some moral values, some ethical values, it will be very sweet for them! And I think the value of this path will be higher and higher in the future.

A New Bretton Woods: Is It Enough?

EIR: Today we have an international financial and economic crisis, and, as you say, people are angry about their situation. This crisis is manifesting itself in the rise of food prices, rise of oil, raw material prices. How would you respond to the idea of bringing nations together, heads of states, if possible, to an international conference, to discuss a new, international economic order, something which Mrs. Helga Zepp-LaRouche is calling a "New Bretton Woods conference," where nations can meet together, and say: "This system is not working, we need justice and economic development. How do we do this?" Do you think this should come together?

Dr. Khatami: It's good, but it's not enough. What are the principles of the United Nations? To gather the leaders, the

heads of states to discuss the crisis in the world—that's a fine solution for that.

EIR: But they have to take decisions, too.

Dr. Khatami: Yes, they take decisions. So, it is not enough. I think we have a long way to go; we should be patient, and not in hurry. Solving the problems in the world, is not as easy as we think. We should change the *idea* of the people: the way that we look at the problem; it is really important. For instance, if we gather the heads of state, what can we do, other than what the United Nations can do? It's impossible.

And the other thing that we consider is that, in general, the power is located on one side, in the United States, and you point at the five permanent members of the Security Council: If they want to do anything, they can. And if they do not want to, *nobody* can do it! It is the reality in the world, and it is not justice.

So, we should think about these problems more carefully and deeply. I don't know, how much time is needed to change the situation, but I'm sure it is not so easy, and it will not happen soon.

So, gathering the head of states is not bad, but I want to say that I'm not confident that this action can solve the problem. We should broadcast a new message to the people of the world, and by appealing to the people, and by giving the new ideas and message to the people, the nations—

EIR: Exactly.

Dr. Khatami: —to *urge them* to put more pressure on the states, on the governments, *to change their minds* and their ideas, and to see a better world in the future.

EIR: Yes, we do that.

Dr. Khatami: So, I'm going to read this action [Call for a New Bretton Woods conference]. But I'm not really confident that these actions will solve the problem.

EIR: Yes. It's very important, the idea of dialogue among political leaders, between peoples, between parliaments. There was an idea previously, but I think it was sabotaged, to have a parliamentary dialogue between the United States and Iran: Would you accept an invitation to go to the United States to talk to people in Congress?

Dr. Khatami: Yes! I agree to every dialogue; I think in dialogue nobody loses anything. It is very important: And we can change the ideas, and we can know every other side very much better. It is very important, but I think it is not the only thing. The dialogue, if you sit down, and then go away, it does not solve anything: You should be ready to change your idea, to accept the facts, to accept the reality in the world; it is very important. I think that, unfortunately, United States politicians do not have this idea: They think that dialogue is only for opening embassies, and coming back to Iran and having their interests from Iran. No. Dialogue means, you should be ready to accept the reality and fact, *and* to help the other side to solve its problems—it is very important.

For instance, we were ready to talk with the American people, but at that time, some of their politicians said [Iran belonged to] the "axis of evil."

A Dialogue Among Equals

EIR: But you know, President Bush—today, his popularity in the United States is only 17%. He's not the most popular person.

Dr. Khatami: Yes, I know that. But, I think dialogue means, between two persons who are *equals*, not one who is superior, who imposes his idea on the other one. It is very important, that we accept, and say, "Welcome to this dialogue, between Iranians and different parties."

EIR: Did you try to invite any people from the U.S. Congress to Iran, for example?

Dr. Khatami: You know, when I say, "me," and "I," and "they," it doesn't mean that's the government—

EIR: No, that's true. But when you were in the parliament.

Dr. Khatami: For instance, the President, [Mahmoud] Ahmadinejad, invited many Americans to Iran, when he came to the United States last year, to the United Nations General Assembly. But, you know, unfortunately, we have many discussions in Iran. Iran is a little bit—undemocratic country. So, I want to invite many people outside Iran to come to Iran, to dialogue with each other. But I think the government will not accept that. So the best way is to have dialogue outside Iran and outside the United States, and this is not limited to the politicians and the people who are in the government. We prefer and we offer them to have dialogue among the people who are active in cultural issues, artists, in sports, in social things.

EIR: But you also have a large number of former Presidents, like Mr. [Jimmy] Carter. He was in the region, he's doing a lot of work. There are others, diplomats.

Dr. Khatami: Yes, yes. I forgot that Mr. Khatami was in the United States. He *had* a dialogue with President Carter.

So, the way is open, and I think we should have the will to do that.

EIR: Very good, very good. I think this will definitely open the way for more dialogue, and we will be happy to see you, whether in the United States or here in Sweden, next time. Or another country, and fighting for justice and peace and prosperity for nations.

Dr. Khatami: Yes, the first thing is, is we should know each other very well; it is very important. Then every way is open.

Anglo-Dutch Plan To Carve Up Sudan

by Douglas DeGroot

The Anglo-Dutch financial cartel, frantic because the global financial system is collapsing at a faster rate than they expected, have speeded up their plans to prevent African nations from collaborating with Asia, a collaboration which gives them a chance to evade the destructive clutches of the Anglo-Dutch imperial financial establishment. Sudan, a critical target for the Anglo-Dutch because of its close cooperation with China, and its strategic location in Northeast Africa, was hit with destabilizations in May in different parts of the country, which the Anglo-Dutch expect will lead to Sudan, geographically the largest nation in Africa (bigger than western Europe), being bogged down in British-manipulated conflicts on several fronts, pulling surrounding nations into the conflicts, and ultimately leading to Sudan being carved up.

The escalation began dramatically on the evening of May 10, when, according to their own account, hundreds of rebels of the Darfur-based Justice and Equality Movement (JEM) attempted to attack the capital, Khartoum. On May 13, fighting flared up in Abyei, a town in an oil-producing area, between forces of North and South Sudan. Abyei's status was not finalized at the time the North-South civil war ended in 2005, with the signing of the Comprehesive Peace Agreement (CPA). After the new round of fighting began May 13, it escalated, and could lead to a return to civil war between the North and South.

The sudden escalation in Sudan follows still-ongoing destabilizations that began earlier this year in Kenya and Zimbabwe. The Anglo-Dutch are implementing a policy of permanent conflict, to reassert their control over Africa and other areas of the world. Their intention for Africa is a dark age, with no surviving sovereign nations, and with the continent's exploited population living in dark-age conditions, as is already being demonstrated in the parts of the Democratic Republic of Congo's eastern region that are not controlled by the government, but by militias, armed ultimately by the Anglo-Dutch imperial cartel. In this area, mineral resources are being mined under horrendous, primitive conditions. These dark-age conditions will make the colonial period seem mild.

Permanent war in Sudan, which the Anglo-Dutch cartel is fostering, would ultimately lead to the destruction of northeast Africa and the Horn of Africa.

The Anglo-Dutch cartel revealed its intention to carve up Sudan in its mouthpiece, the City of London's *Economist*, which stated on May 15: "With violent unrest continuing sporadically in west, south and even east, Sudan . . . is finding it as hard as ever to stay together."

Attempted Attack on Khartoum

In an unprecedented move, the JEM drove a convoy of fighters and armed vehicles all the way across Sudan, from western Sudan, and made an attempt to attack Khartoum. The convoy got as far as Khartoum's twin city, Omdurman, on the evening of May 10. Some reports indicated that 200 guerrillas were killed by Sudanese attacks on the column before it got to Omdurman, and by the time government forces had subdued the attackers on May 11, another 100 had been killed. Some British media claimed that 65 had been killed. Sudanese officials announced they had arrested 300 rebels. Sudan President Omar al-Bashir charged that the JEM received support from the government of neighboring Chad, which raises the danger of a border conflict in the western-Sudan, eastern-Chad area.

The JEM attack made no military sense, unless seen in the context of the drive to dismantle Sudan. Reports in the British and anglophile press indicate that the attempt on the capital could lead to fighting spiralling out of control in the northern and eastern parts of the country. There are also references to possible attacks on the Meroe Dam, which is being built on the Nile River in northern Sudan, in collaboration with the Chinese.

JEM leader Khalil Ibrahim vowed to keep up his offensive against the government, saying he can exhaust the military by fighting it all across Sudan: "We are more spread out and we move fast."

In response to the attack, President Bashir said that "international powers have a secret agenda for undermining the unity of Sudan," and noted that "it has become apparent that the rebel Khalil wishes to achieve political ends that are not associated with the Darfur case." Bashir said the JEM and an allied rebel faction "are exploiting the suffering of the people of Darfur to fulfill their ambitions to take over the government."

The British are expecting the government and rebels to act according to profile, leading to the implementation of the British-designed scenario. British press accounts claim that the JEM attack could make the Darfur conflict more violent, and the British are expecting that the Sudan government will renew military attacks on the Darfur rebels.

JEM leader Khalil, a protégé of Sudan's leading Islamist ideologue, Hassan al-Turabi, vowed that further attacks would occur around the country. Although based in Darfur, the JEM claims to have a national cause, charging that the government is not sharing the national wealth with regions of the country outside of Khartoum. On May 12, Turabi, a high-level, long-term British Muslim Brotherhood asset, who was arrested and detained for a day after the invasion,

said the attack was "positive," and may encourage other disgruntled Sudanese to rise up against the government. Ten members of his Popular Party Congress were also detained.

Turabi had once been an ally of Bashir, and helped Bashir seize power in 1989. He was the ideologue in the government who tried to turn Khartoum into the center of global political Islam. He arranged for Osama bin Laden to come to Sudan for a period in the early 1990s.

Turabi's policy for South Sudan, which is not Islamic, was to keep control of the area by force. He backed imposing Sharia—Islamic law—on its population, and organized Islamic militias from Darfur, which also included people recruited from across the border in Chad, in an attempt to forcibly subdue the South.

During the 1990s, the Bashir government decided to jettison this approach, and instead make a political settlement with the South, which would provide a more suitable environment for exploiting Sudan's oil deposits. Turabi, who had extensively cultivated networks of people in the security and military sectors while he was in the government, was dumped by Bashir in 1999. In a development which was encouraged by the U.S. government, negotiations between North and South led to the signing of the CPA. Under this agreement, Sharia would no longer apply to non-Islamic people against their will. The government of Southern Sudan would control the South; certain contested border regions, such as Abyei, would have to be worked out; and after a census, a referendum would take place in the South in 2011, to determine whether the South wanted to secede from Sudan, or remain part of the country.

The CPA agreement ended the North-South civil war which had raged for most of the 50 years since Sudan's independence from Britain on Jan. 1, 1956.

After he was sacked in 1999, Turabi was imprisoned for a year, because he tried to make an alliance with the military wing of the party in the South, the Southern People's Liberation Movement/Army (SPLM/A), against the government which had dumped him. His protégés then set up the JEM, whose members included some of the same people who had been in the militias that had been used to combat the South, when Turabi had been in the government.

In 2003, the JEM unleashed a military attack on local security and police institutions in the Darfur region. This destruction of institutions in Darfur made it impossible to govern the region and to guarantee its security, and created the conditions for the protracted Darfur rebellion, in which several different rebel groups have participated.

High-level experts have reported to *EIR* that the Darfur issue does not represent a threat to the existence of the government. It is a propaganda issue for the Anglo-Dutch and their U.S. satraps, used to isolate the government, and with which to hit China for its connection to Sudan. High-level Sudanese sources report that neither side wants to start up the North-South civil war again. However, they say that if the CPA fails, civil war will be on again.

Sudan did not receive cooperation from the Western industrial nations as a payback for ending the civil war. Such cooperation would have made it easier to develop the rest of the country, thereby building Sudan into a cohesive nation. Instead, Sudan has been hit by a protracted propaganda war for an unnecessary desert conflict in Darfur that was started by the British Muslim Brotherhood apparatus. The government in Khartoum gets all the blame, and those who masterminded and started the conflict are never mentioned.

Abyei Violence Could Threaten the CPA

Will the fighting that began in Abyei on May 13, a few days after the JEM attempt to attack Khartoum, be a breaking point for renewal of the civil war? The violence there is the first sustained armed conflict between the North and the South since the CPA was signed. Last year, the SPLM temporarily suspended its participation in its activities with the government, over the issue of determining the Abyei borders. The *Economist* on May 22 eagerly entitled its article on the subject: "The South is on the brink too."

Since the borders of Abyei are still in dispute, there are troops from the North and the South there. Working out the status of Abyei was one of the most contentious issues during the negotiation of the CPA. At stake is the control of income from oil (although production is declining, since the reserves in the area may be nearing depletion), as well as control of the oil pipelines from oil fields around Abyei. There is also a long-standing conflict between agriculturalists and herders in the area.

The unrest reportedly started when a Northern soldier was killed (possibly by a provocateur) at a checkpoint; this in turn was followed by a reported attack on the town of Abyei by Northern troops, resulting in a lot of damage, and causing many civilians to flee.

On May 20, the fighting flared up again, amidst mutual recriminations from both sides. The UN reports that up to 60,000 people have fled the fighting.

This will have an immediate effect on the food supply, since in the last three months, 60% of those who had left Abyei in the past, had returned from refugee camps, and were beginning to work the ground to prepare for planting crops. If they are forced to flee again, the issue of food shortages for them will be heightened. Humanitarian operations, such as the World Food Program (WFP), have announced that they will be cutting their food deliveries to Southern Sudan by up to half, starting this month, which will make the situation yet more volatile. The humanitarian agencies are citing the rising costs of food (for example, the cost of millet, a staple, has doubled since April 2007), and security problems, as being the reasons for their cutback.

U.S. Investigation Takes Direct Aim at Anglo-Saudi 'Al-Yamamah' Pot of Gold

by Jeffrey Steinberg

Career prosecutors from the U.S. Department of Justice are escalating their investigation into the British arms cartel BAE Systems, centered on billions of dollars in alleged bribes, paid to top Saudi officials, including the former Saudi Ambassador to Washington, Prince Bandar bin-Sultan. According to sources close to the investigation, in addition to charges of violating the Foreign Corrupt Practices Act, Justice Department investigators are now considering adding RICO (racketeering conspiracy) charges, based on BAE evasion of U.S. tax payments.

In further signs of escalation of the targetting of BAE, the Justice Department has issued subpoenas against five executives of the company. On May 12, two executives, CEO Mike Turner and outside director Sir Nigel Rudd, were detained as they arrived in the United States, at Houston and Newark international airports, respectively. Both men had their laptop computers, cell phones, and personal papers briefly confiscated, and they were served with subpoenas to appear before a U.S. grand jury. Sir Nigel Rudd is the chairman of BAA, an airport management firm, and deputy chairman of a leading City of London bank, Barclays. Around the same time that Turner and Rudd were searched and served, the homes of three U.S.-based BAE executives were raided.

Although the BAE probe is ostensibly centered upon the alleged bribes to Prince Bandar and other top Saudi officials, U.S. intelligence sources confirm that there are two other, far more significant issues, that are driving the investigation.

Unanswered Questions

The first issue is the still-unanswered questions about Prince Bandar and Saudi intelligence's suspected role in, and knowledge of the 9/11 attacks, and the possibility that some of the BAE bribe money was actually used to fund the hijackers. The 9/11 Commission obtained evidence that $50-75,000 was provided by Prince Bandar and his wife, Princess Haifa, to two men in California, both believed to be Saudi intelligence officers, who, in turn, shared some of the funds with two of the Sept. 11, 2001 hijackers.

Sources report that a 28-page section of the official U.S. Congressional Joint Intelligence Committee study of the 9/11 attacks, dealing with the Bandar funds and the role of the Saudi intelligence service, was redacted from the declassified final version, "on national security grounds." U.S. Senate Intelligence Committee investigators were reportedly blocked from interviewing FBI agents who had probed the activites of the two suspected Saudi intelligence officers, causing further anger and suspicion, that the full 9/11 story has yet to be told. "The 9/11 issue is still radioactive among many U.S. intelligence and law enforcement officials," one senior U.S. intelligence source acknowledged.

The second issue is the Anglo-Saudi covert fund, accumulated under the "Al-Yamamah" deal, brokered by Prince Bandar with then-British Prime Minister Margaret Thatcher in 1985. Under the oil-for-arms deal, which continues in effect to this day, Britain's MI6 foreign intelligence service has accumulated an offshore, off-the-books fund, estimated at more than $100 billion, according to current and former U.S. government officials interviewed by *EIR*. Those funds have been reportedly used to promote wars and destabilizations around the globe, dating back to the Afghanistan War of the 1980s, when BAE funds were covertly funneled to the Afghan mujahideen, and were used to purchase Soviet-made weapons for the government of Chad, during its war with Libya.

A recent authorized biography of Prince Bandar boasted about the "Al-Yamamah" slush fund, including the fact that some of the funds went to the purchase of U.S. weapons by Saudi Arabia—through BAE and the British government—bypassing U.S. Congressional oversight.

The Bandar issue is particularly sensitive for the White House, given the Prince's longstanding close ties to the Bush family. Despite these connections, career prosecutors are moving aggressively forward with the BAE probe, in another indication that the ability of the Bush-Cheney White House to ride herd over the key agencies and departments of government, has been significantly weakened.

And there are signs that the U.S. Senate may be getting into the act, as well.

On May 21, the Senate Foreign Relations Committee held hearings on a pending U.S.-British trade treaty, which would grant British defense firms full access to Pentagon

contracts, on an equal standing with American defense firms, and would lift licensing requirements on U.S. arms sales in Britain. While the chairman of the Committee, Joseph Biden (D-Del.) and the ranking Republican, Richard Lugar (R-Ind.), both indicated that they supported the treaty in principle, they both agreed that the State Department had not provided the Committee with sufficient details on the treaty's implementation regulations, and they have postponed, for at least another three months, any action on the matter. Given that BAE Systems is already the largest foreign contractor with the U.S. Department of Defense, the ongoing Justice Department probe could have dramatic implications for the future of the bilateral treaty—and U.S.-British relations in general.

Indeed, sources close to the Pentagon report that a number of no-bid contracts, given to BAE through the U.S. Army's TRADOC (Training and Doctrine Command), have recently been cancelled, and are now being reopened under competitive bidding procedures, through other Pentagon offices. One source told *EIR* that "the backlash against BAE inside the building, and among American defense contractors, competing with BAE," is tremendous. "You have not seen the last of this story," he emphasized.

'Al-Yamamah' Revisited

As *EIR* first revealed in June 2007 ("Scandal of the Century Rocks British Crown and the City," June 22, 2007; and "Will BAE Scandal of Century Bring Down Dick Cheney?" June 29, 2007), Prince Bandar negotiated the first of at least four Al-Yamamah deals with BAE in 1985. Under the arrangement, the Saudis would provide BAE with an average of 600,000 barrels of oil per day, delivered to supertankers at Saudi ports, in return for weapons, training, and maintenance. Between 1985 and 2007, the Saudis paid the equivalent of $25 billion in oil (based on annual "lift cost" data compiled by British Petroleum). In return, they received an estimated $40 billion in military equipment and services, plus tens of billions of dollars in kickbacks to select Saudi princes, businessmen, and Ministry of Defense officials, involved in the procurement program.

According to official British government accounts, BAE and the British government's Defense Export Sales Organization (DESO), contracted with British Petroleum and Royal Dutch Shell, to handle the sale of the Saudi oil on the international spot market. According to the same British Petroleum database, the total current dollar value of the oil sales, between 1985-2007, was in excess of $160 billion.

Former U.S. Treasury Department officials, further, cautioned that the $160 billion figure is a vast underestimation of the total size of the covert slush fund, because some of the money was invested in offshore hedge funds and other speculative funds, which turned massive profits. According to one U.S. intelligence source, Prince Bandar used $750 million of his Al-Yamamah kickback to purchase shares in the Carlyle Group private equity fund. As of 2007, that investment was worth nearly $4 billion.

Prince Bandar's 2006 semi-authorized biography, *The Prince—The Secret Story of the World's Most Intriguing Royal*, by his longtime British friend William Simpson, described the "unique" features of the Al-Yamamah barter deal in stunningly blunt language. Simpson recounted his interview with Tony Edwards, a defense industry executive who headed the DESO for a number of years and administered Al-Yamamah:

"Edwards admitted that for the Saudis the use of oil meant that the contract was effectively an off-balance-sheet transaction; it did not go through the Saudi Treasury. Edwards also confirmed that one of the main attractions for the Saudis in this unique arrangement was British flexibility. . . . The phenomenal amount of money generated from the sale of oil comes through DESO, before being paid to British Aerospace."

Simpson continued, "The ingenious diversity of Al-Yamamah, together with the British government's discretion and liberal approach to a unique finance deal, largely founded on the undisputed collateral of the huge Saudi oil reserves, could explain the financial black holes assumed by a suspicious media to be evidence of commissions."

But, Simpson explained, "Although Al-Yamamah constitutes a highly unconventional way of doing business, its lucrative spin-offs are the by-products of a wholly political objective: a Saudi political objective and a British political objective. Al-Yamamah is, first and foremost, a political contract. Negotiated at the height of the Cold War, its unique structure has enabled the Saudis to purchase weapons from around the globe to fund the fight against Communism. Al-Yamamah money can be found in the clandestine purchase of Russian ordnance used in the expulsion of Qaddafi's troops from Chad. It can also be traced to arms bought from Egypt and other countries, and sent to the Mujahideen in Afghanistan fighting the Soviet occupying forces. Arguably," he concluded, "its consummate flexibility is needed because of inevitable opposition to Saudi arms purchases in Congress. . . . The oil barter arrangement circumvented such bureaucracy."

What has some U.S. military and intelligence officials deeply disturbed, however, and what is one factor driving the current Justice Department probe, is the question of whether some of the Al-Yamamah money got into the hands of the 9/11 hijackers—and whether that was the result of a terrible oversight, or something more sinister.

Bandar, Bayoumi, and Basnan

Certain undisputed facts have been established, through the FBI, joint Congressional intelligence, and 9/11 Com-

mission probes into the World Trade Center and Pentagon attacks of Sept. 11, 2001.

At least two of the 9/11 hijackers, Nawaf al-Hazmi and Khalid al-Mihdhar, were provided with financing, logistical assistance, and other support by a team of Saudi intelligence officers, based in the San Diego and Los Angeles areas. Saudi intelligence officers Omar al-Bayoumi and Osama Basnan also were the recipients of somewhere between $50,000 and $73,000 from the Saudi Embassy's bank accounts in Washington, D.C., maintained by Prince Bandar and his wife, Princess Haifa, the sister of the former head of Saudi intelligence, Prince Turki bin-Faisal.

According to FBI surveillance records and interviews with some of the accused Saudi intelligence officers, in early January 2000, al-Hazmi and al-Mihdhar arrived in southern California from overseas. In early February of that year, Bayoumi travelled by car from San Diego to Los Angeles, to meet with Fahad al-Thumairy, an official at the Saudi consulate's Islamic Affairs Office and a prayer leader at the local Saudi-funded King Fahd Mosque, who would be later denied re-entry into the United States, due to suspected terrorist ties. From his meeting with al-Thumairy, Bayoumi drove to a restaurant, seven miles from the consulate, and had a "chance encounter" with the two future 9/11 hijackers. From that point on, right up to the day of the 9/11 attacks, both Bayoumi and Basnan helped al-Hazmi and al-Mihdhar to open bank accounts, find housing, get Social Security numbers and driver licenses, and even register for flight training.

According to Philip Shenon's authoritative account of the 9/11 investigation, *The Commission—The Uncensored History of the 9/11 Investigation*, Bayoumi was bankrolled through a "ghost job" at an aviation company contracted by the Saudi government. Once he established the ties to the two future 9/11 hijackers, Bayoumi's income dramatically increased, both through a pay raise at his "ghost job" and through a steady stream of cash, provided by Osama Basnan, the other Saudi intelligence officer.

Basnan's source of funds was the Saudi Embassy in Washington, from where he regularly received cashier checks. Ostensibly, Basnan had written to Prince Bandar in April 1998, seeking funds to get medical assistance for his wife. Prince Bandar promptly sent a check for $15,000. By December 1999, just days before the two 9/11 hijackers arrived in the San Diego area, Basnan began receiving monthly cashier checks for $2,000 to $3,500—from Princess Haifa. The checks were made out to Basnan's wife, Majeda Dweikat, and were frequently signed over to Bayoumi's wife, Manal Bajadr.

Basnan was known to law enforcement officials in both California and Washington as a protected asset of the Saudi government. He was arrested at one point in West Covina, Calif. on drug charges, which were quashed, through the intervention of the Saudi government. He also had several run-ins with law enforcement in the Washington, D.C. area.

Two months before Sept. 11, 2001, Bayoumi helped al-Hazmi and al-Mihdhar to enroll in a flight school in Florida. He then left the United States and resettled in England. Within days of the 9/11 attack, Bayoumi was interrogated by New Scotland Yard, and his apartment was searched, revealing a list of phone numbers of officials at the Saudi Embassy in Washington. Soon afterwards, he disappeared.

On the night of Sept. 10, 2001, al-Hazmi and al-Mihdhar arrived in Virginia, and checked into the Marriott Residence Inn in Herndon, Va., near Dulles International Airport. They were accompanied by a third hijacker, Hani Hanjour. The next morning all three men would hijack American Airlines Flight 77 and crash it into the Pentagon.

Curiously, the night before the 9/11 attacks, another Saudi was staying at the same Marriott Residence Inn. Saleh ibn Abdul Rahman Hussayen, who would be soon given a top post in the Saudi Ministry of Islamic Affairs, in charge of two of the holiest mosques in the kingdom, arrived in the U.S.A. on Aug. 20, 2001, to tour the country and meet with some of the leading Islamic fundamentalist imams. Shortly after the 9/11 attacks, Hussayen was interrogated by FBI agents, over his having intersected the paths of the three hijackers. But the questioning was cut short, when Hussayen feigned a seizure, and was rushed to a nearby hospital, where doctors concluded that there was nothing wrong with him. Hussayen was ordered to stay in the United States, for further interrogations, but the first day that planes again began flying overseas from the United States, he left the country.

The Saudi Embassy bank accounts at Riggs National Bank, and, later, at HSBC (originally the Hong Kong and Shanghai Banking Corp., of British Opium War infamy), were the accounts through which Basnan received the payments from Prince Bandar and Princess Haifa. Bandar has insisted that the payments were innocent charitable gifts, and had nothing to do with Saudi intelligence operations inside the United States.

American investigators, now probing the BAE affair, are painfully aware that the same embassy accounts received the wire transfers from the BAE accounts at the Bank of England, paying Bandar for his role in the BAE-Saudi Al-Yamamah deal. According to one U.S. law enforcement source, the Justice Department is considering money-laundering charges, on top of the Foreign Corrupt Practices and RICO charges against BAE. Were a money-laundering probe to be opened, it would raise the question of how the Al-Yamamah funds, passed on to Prince Bandar, were spent. And that might get to the heart of one of the darkest secrets of the 21st Century.

Democratic Presidential Race: 'It Ain't Over Yet'

by Debra Hanania Freeman

Despite the desperate assertions and wishful thinking of the pundits, as well as of the Obama campaign, that the race for the Democratic Presidential nomination is all but over, voters in both Kentucky and Oregon turned out to vote in large numbers on May 20, delivering another landslide victory for Hillary Clinton in Kentucky. In Oregon, although Barack Obama won (as expected), he did so with a far narrower gap between himself and Mrs. Clinton than had been projected.

Clinton's continued command of the popular vote and her stated intention to stay in this fight, forced Obama to back off from his earlier plan to claim the nomination. Lyndon LaRouche issued the following statement regarding Clinton's determination to stay in the race in the aftermath of the Kentucky and Oregon votes:

"The onrushing collapse of the global floating exchange rate monetary system is accelerating, in a hyperinflationary mode. Nothing is being done by any governments around the world to stop it. Today, in May, with petroleum prices soaring past $130 a barrel, with prices of food and other basic commodities skyrocketing, with the collapse of the international banking system moving apace, it is certain that the situation we shall encounter in June, July, and August will be far more severe than the crisis we face at this moment, as bad as it already is.... By the time of the Summer Democratic Party convention, the reality of this global financial and economic catastrophe will be clear to all, and will be the dominant issue in the minds of all American citizens. It is from that standpoint, and that standpoint alone, that one must judge the candidates and their prospects in November" (see box).

Former President Bill Clinton made a similar point in a conference call with his wife's campaign strategists, in which he strongly asserted that there is absolutely nothing to be gained, either for the Democratic Party or for the nation, if Hillary were to withdraw now. "It's only May and people are already paying over $4 for a gallon of gas," he said. "What do you think the price is going to be in July? That's just one example for you. This population is going to be beside itself looking for answers. Hillary's focus on the economy has gotten her this far in this campaign and it is what is going to win her the nomination. We can't stop now. The American people need us to not stop now."

It is indeed true that it is Clinton's focus on the economy and her consistent appeal to the lower 80% of the American people that has continued to bring out record numbers of voters, despite the pleas of the press and much of the Democratic Party establishment, and it is what continues to show that Clinton would beat John McCain 49-41% in November. Even liberal blogger Arianna Huffington, who is certainly no Clinton supporter, has been forced to remark that Hillary has found her own message, and in so doing, has rejected "the message Mark Penn's poll numbers told her to adopt."

"And in doing so," Huffington continued, "she has redefined and taken over the Clinton brand. Forget the past. Forget welfare reform, free-trade *über alles*, and third-way DLC [Democratic Leadership Committee]-economics. Since hitting her stride in Ohio, Hillary has transformed the Clinton brand into one that represents working-class Americans." Huffington noted that if Hillary were to fail to take the Presidency, she would nevertheless become "a commanding progressive force in the Senate."

Although Huffington's comments, especially coming from a source not politically friendly to Clinton, do represent what LaRouche called "a highly significant assessment," Clinton is clearly not thinking in terms of what she will do back in the Senate, but what she will do as President. Right now, she is mounting a gritty fight in the remaining primaries

in Montana, South Dakota, and Puerto Rico, and, at the same time, she is aggressively seeking support from the 212 superdelegates who are as yet uncommitted to any candidate. And, in a fight that may prove to be decisive for the future of the Democratic Party, the issue of the seating of delegates from Michigan and Florida will go into its first round when the Democratic Party's Rules and Bylaws Committee meets in Washington, D.C. on May 31, to decide whether, or how, to allocate the delegate votes from the two states.

The FDR Fight Over Florida

Democratic National Committee (DNC) chairman Howard Dean petulantly stripped those states of their delegate votes for holding their primaries earlier than the party wanted. Clinton, who won both states' primaries, has repeatedly called for the panel to seat the delegations. During her Kentucky victory speech, she told her supporters, "I'm going on now to campaign in Montana, South Dakota, and Puerto Rico. But I'm also going to be standing up for the voters of Florida and Michigan. Democrats in those two states cast 2.3 million votes and they deserve to have those votes counted."

Although it is true that the seating of the Florida and Michigan delegations would significantly cut into Obama's lead in pledged delegates—cutting it, by some estimates, to only one—there is a far larger issue at stake.

In Florida, where more than 1.7 million Democrats went to the polls in good faith, a broad coalition of Democratic voters, which calls itself "FDR," for Florida Demands Representation, is appealing for national support. Close to 400,000 Democrats from outside of Florida have signed a letter to the Committee, stating: "I, along with millions of other Democrats across the nation, feel the DNC's punishment of the Florida Democratic electorate is alienating and disenfranchising its own members. The DNC's refusal to seat Florida delegates and COUNT its popular vote is an act of sabotage against Florida's Democrat Party and the Democratic Party nationally."

The letter implores the Committee members to re-examine their rules and procedures, stating: "It is clear the rules are broken and they can be fixed in time. But the imminent damage by not listening to the will and the voices of millions of voters may never be overcome if the delegates from Florida are not seated and the votes of Democrats continue to be ignored."

FDR has staged demonstrations across the state of Florida and plans a major demonstration at the May 31 meeting in Washington. The group also took its fight directly to Obama during his campaign swing through Florida this week. Demonstrators greeted the Senator at his numerous campaign stops, holding signs reading "Florida to Obama: No You Can't."

FDR state chair Jim Hannagan has stressed that the group, which endorses neither Democratic candidate, believes that by not recognizing the Florida primary vote, the DNC is dam-

LaRouche: Financial Crash Will Dominate Election

Lyndon LaRouche, chairman of the LaRouche Political Action Committee, issued the following statement on May 21, in the aftermath of the Democratic primaries in Kentucky and Oregon.

In my capacity as the chairman of a significant political action committee, I must focus my comments on the top-down reality of the present situation. The onrushing collapse of the global floating exchange rate monetary system is accelerating, in a hyperinflationary mode. Nothing is being done by any governments around the world to stop it. Today, in May, with petroleum prices soaring past $130 a barrel, with prices of food and other basic commodities skyrocketing, with the collapse of the international banking system moving apace, it is certain that the situation we shall encounter in June, July, and August will be far more severe than the crisis we face at this moment, as bad as it already is.

We have been gripped by a global, hyperinflationary crisis since approximately July 25, 2007, three days after my announcement of that condition. We are now approaching an actual breakdown-crisis, more or less like that hyperinflationary crisis which struck Weimar Germany in the Autumn of 1923. Whatever the actual date of the global breakdown event, we are entering a new phase in the present world, hyperinflationary depression. Up until this moment, all policymakers in London, on Wall Street, and in Washington, are being insane, in their denials of this reality. By the time of the Summer Democratic Party convention, the reality of this global financial and economic catastrophe will be clear to all, and will be the dominant issue in the minds of all American citizens. It is from that standpoint, and that standpoint alone, that one must judge the candidates and their prospects in November.

Everything else, when held up against this onrushing systemic crisis, is gimmick and scandal. It has no intrinsic significance. Until and unless foolish politicians, such as Representative Barney Frank, come to their senses to adopt the measures which I have provided to rescue the U.S.A. from this mess, the economic crisis is the intrinsic factor on which the life or death of this nation now depends.

Florida Democrats, more than 1.7 million of whom voted in the primary, are now fighting to have their votes counted at the Convention. A coalition of those voters has formed an organization called "FDR," for Florida Demands Representation, which is appealing for national support. Their website (www.floridademandsrepresentation.org/) is shown here.

aging the Party, perhaps irreparably. Hannagan says that FDR has had no response yet from Obama; but that Clinton's speech in Palm Beach on May 21 represented the kind of elevation of the debate that FDR seeks from both candidates. Clinton located the Constitutional rights of Floridians in the context of the long process of ending slavery and winning the right to vote for all Americans. Hannagan insisted that the Democratic primary process must be permitted to play out until the Convention in August, noting that even a great leader like Abraham Lincoln did not win the nomination on the first ballot.

Ironically, one of the "compromise" proposals favored by those close to Dean would seat the Florida delegation, but grant them only 1/2 a vote. LaRouche condemned Dean's apparent plans to arbitrarily give Florida half of the delegates to the convention, as a return to slavery:

"At least slaves were counted as 3/5 of a citizen, for purposes of distribution of Congressional seats, before President Abraham Lincoln's Emancipation Proclamation. What Howard Dean proposes is a return to conditions worse than slavery, where Florida's several million Democratic voters are counted as 1/2 a citizen.

"Has Howard Scream forgotten about the Emancipation Proclamation? Or is he just issuing a 'clarification of interpretation' that slavery still has its place within the Democratic Party, when it comes to the voters of Florida?"

It is unlikely that the issue will be settled at the May 31 meeting, because the decision by the Rules Committee, whatever it is, is subject to appeal to the Credentials Committee and, ultimately, to the floor of the Convention itself.

Obama's Imperial Problems

Despite Obama's public attempts to stake his claim to the Democratic nomination, more and more problems for his candidacy are being exposed. For one, Obama's top foreign policy advisors are working hand-in-glove with leading neocons—and McCain advisors—to forge an imperial policy of forcible interventions into sovereign nations such as Myanmar, Sudan, and Zimbabwe. (See "Will Obama Reject the Pinochet Team?" in this section.) Obama should remove these neocons from his campaign.

And although the press reports that the Obama campaign is flush with money, the latest fundraising numbers show that the Obama campaign spent more than it raised in April—a first for them in 2008—as it poured money into Pennsylvania, Indiana, and North Carolina. Despite outspending Clinton in Pennsylvania and Indiana by more than 2 to 1, Obama lost both contests.

This poses a particularly significant problem for Obama, whose effort to persuade superdelegates to declare for him not only includes increasingly heavy-handed pressure, but often is accompanied by outright bribery (see "If He's So Confident, Why the Desperate Behavior?", www.larouchepac.com/news/2008/05/18/if-hes-so-confident-why-desperate-behavior.html), leading the Obama superdelegates to be dubbed "the best delegates money can buy."

But, Obama's biggest weakness continues to be his inability to mobilize the Party's blue-collar base. Clinton's recent landslide victories in West Virginia and Kentucky make clear that while the press loves Obama, the lower 80% of the electorate loves Hillary. And, that isn't going to change, as long as Clinton continues her focus on vital economic issues. In fact, her overwhelming popular support may make it impossible to settle the nomination battle before the August Convention.

LaRouche has emphasized that, if Senator Clinton continues her active candidacy into the August convention, she will win the nomination, and then go on to soundly defeat John McCain in the general election in November. LaRouche has warned for months that Obama is not electable, and that leading City of London financial circles had backed Obama, only to knock Clinton out of the race. Ultimately, they intend to assure that he is never elected President. Increasingly, Democratic leaders and elected officials are quietly coming to see that LaRouche's warnings were correct.

Will Obama Reject The Pinochet Team?

Barack Obama's top foreign policy advisors are working hand-in-glove with leading neocons—and McCain advisors—to forge an imperial policy of forcible interventions into sovereign nations such as Myanmar, Sudan, and Zimbabwe. The question is: Will the Senator move now to dissociate himself from these bad apples?

A May 19 op-ed by *Washington Post* deputy editorial page editor Jackson Diehl, defended the campaign of Obama advisors Anthony Lake and Ivo Daalder to establish a "Concert of Democracies," to sanction military invasions of countries in Africa and Asia. A call by an *EIR* investigator to Obama headquarters on May 21, elicited a statement from a spokeswoman, who said she would refer the question to the appropriate persons in the campaign, and get back to the caller. There has been no response as of May 23.

The case against the Lake-Daalder team of promoting a British imperial view is open and shut. Lake, a former member of the Clinton Administration, has been in a partnership with the architect of the Cheney-Bush Presidency, George P. Shultz, for the past five years. The two serve as honorary co-chairs of the Princeton Project on National Security, which came out, in the Fall of 2006, for an Anglo-American-led Concert of Democracies to carry out preventive and preemptive wars of regime change around the world, outside the United Nations Charter. Daalder, a fellow at the Brookings Institution, has teamed up with leading neocon Robert Kagan (an informal advisor to John McCain) to promote interventionism as well, in the form of the Concert of Democracies.

Their outlook, and relationship with Shultz, an architect of the 1973 Pinochet coup in Chile, prompted Lyndon LaRouche to dub the advisors "Obama's Pinochet Team."

"To bring an intimate collaborator of George Shultz in, as his chief national security advisor, is the height of poor judgment on the part of Senator Obama," LaRouche observed. "Doesn't he know about Shultz's role in the Pinochet dictatorship in Chile? Doesn't he know about Operation Condor, and the legions of Nazi war criminals, who were set loose by Shultz, and his fellow Pinochet booster Felix Rohatyn, as death squads all over the Hemisphere and in Europe?"

While the Princeton Project policy was put forward as an alternative to the Bush-Cheney unilateral approach, it is actually a virtual printout of British imperial strategy. Its global Concert of Democracies proposal "would provide an alternative forum for liberal democracies to authorize collective action, including the use of force, by a supermajority vote." The idea, in specific, was to get around the reluctance of the United Nations, particularly permanent Security Council members Russia and China, which have veto power, to violate national sovereignty.

Under the heading of "building a Liberal Order," the Princeton Project demands the following reforms of the UN: "expanding the Security Council to include India, Japan, Brazil, Germany, and two African states as permanent members without a veto; ending the veto for all Security Council resolutions authorizing direct action in response to a crisis; and requiring all UN members to accept 'the responsibility to protect,' which acknowledges that sovereign states have a responsibility to protect their own citizens from 'avoidable catastrophe,' but that when they are unwilling or unable to do that, that responsibility must be borne by the international community."

Until the doctrine, otherwise recognizable as the Blair Doctrine for "humanitarian intervention," can be implemented, the Lake-Shultz group argues that the United States and its allies do it themselves.

The 'Concert of Democracies'

The Concert of Democracies idea directly echoes the "League of Democracies" plan put forward by Anglophile Clarence Streit in 1938. Streit was an American leader of the Milner Group, run by Lord Lothian, a top strategist for the pro-Nazi faction in Britain, who directed Streit to create a propaganda network inside the United States in favor of an Atlantic Union. In his book, *Union Now: A Proposal for a Federal Union of the Democracies of the North Atlantic,* Streit called for the United States, its currency, and its military to be amalgamated with the British Empire, as the "nucleus of a world government," that would impose its will by armed force.

Streit was the father-in-law of fascist financier Felix Rohatyn (his first wife was Jeannette Streit), who, with Shultz, helped organize the Pinochet takeover of Chile.

While it is not known whether Obama has called for the Concert of Democracies policy directly, Republican candidate John McCain did so in his March 26 speech to the Los Angeles World Affairs Council. McCain has been endorsed by Shultz.

It is crystal clear that the Lake-Shultz approach translates today into a total violation of national sovereignty of developing nations, which Lake, according to Diehl, accuses of being responsible for blocking "more efficient peacekeeping operations," and causing "the rising temperatures of our seas, and multiple other transnational threats." Enforcement of that approach means genocide.

Will Obama now clean up this problem in his campaign and dump these British agents?

The Bush Family's Funding of Hitler

> Some seem to believe that we should negotiate with the terrorists and radicals, as if some ingenious argument will persuade them they have been wrong all along. We have heard this foolish delusion before. As Nazi tanks crossed into Poland in 1939, an American senator declared: "Lord, if I could only have talked to Hitler, all this might have been avoided." We have an obligation to call this what it is—the false comfort of appeasement, which has been repeatedly discredited by history.
>
> *—President George W. Bush, to the Israeli Knesset, May 15, 2008.*

No one can be sure what George W. Bush knows or does not know, since his mental incapacity might render him blameless. The fact remains that he is the scion of a family—and heir to its horribly ill-gotten fortune—beginning with his great-grandfather George Herbert Walker, and his grandfather Prescott Bush, which played a key role in the rise to power of Adolf Hitler and his Nazi Party. As documented in the best-selling book, George Bush: The Unauthorized Biography, *by Anton Chaitkin and Webster Tarpley (ProgressivePress.com; Joshua Tree, Calif.: 2004), Grandfather Bush, in combination with the pro-fascist U.S. banker Averell Harriman and German steelmaker Fritz Thyssen, along with a gang of Anglo-American Hitler-backers, not only financed the Nazis' rise to power, but made sure that opposition to Hitler, both in the United States and in Germany, was suppressed.*

Bank of England governor Montagu Norman, the top leader of the British-led project to install the Hitler regime in Germany, used the Bush family-created New York bank as his personal agency for the entire project, especially after Norman's own family bank, Brown Brothers, merged with the Harriman-Bush W.A. Harriman & Co. in 1931, to form Brown Brothers Harriman.

In the wake of Bush's ravings, quoted above, there has been a flood of coverage, from authors ranging from New York Times *columnist Frank Rich, to investigative journalist Robert Parry, to the blogosphere, referencing the Bush family's infamous history of financing the Nazis. We can say with confidence, that what is correct in this coverage derives from* The Unauthorized Biography, *which circulated in 50,000 copies in the early 1990s, in an edition published by EIRNS, and continues to be a hot item today.*

Here are excerpts from The Unauthorized Biography, *Chapter II: "The Hitler Project":*

Bush Property Seized—Trading with the Enemy

In October 1942, ten months after entering World War II, America was preparing its first assault against Nazi military forces. Prescott Bush was managing partner of Brown Brothers Harriman. His 18-year-old son George, the future U.S. President, had just begun training to become a naval pilot. On Oct. 20, 1942, the U.S. government ordered the seizure of Nazi German banking operations in New York City which were being conducted by Prescott Bush.

Under the Trading with the Enemy Act, the government took over the Union Banking Corporation, in which Bush was a director. The U.S. Alien Property Custodian seized Union Banking Corp.'s stock shares, all of which were owned by Prescott Bush, E. Roland "Bunny" Harriman, three Nazi executives, and two other associates of Bush.

The order seizing the bank "vests [seizes] all of the capital stock of Union Banking Corporation, a New York corporation," and names the holders of its shares as:

"E. Roland Harriman—3991 shares" [chairman and director of Union Banking Corp. (UBC); this is "Bunny" Harriman, described by Prescott Bush as a place holder who didn't get much into banking affairs; Prescott managed his personal investments]

"Cornelis Lievense—4 shares" [president and director of UBC; New York resident banking functionary for the Nazis]

"Harold D. Pennington—1 share" [treasurer and director of UBC; an office manager employed by Bush at Brown Brothers Harriman]

"Ray Morris—1 share" [director of UBC; partner of Bush and the Harrimans]

"Prescott S. Bush—1 share" [director of UBC, which was co-founded and sponsored by his father-in-law George Walker; senior managing partner for E. Roland Harriman and Averell Harriman]

"H.J. Kouwenhoven—1 share" [director of UBC; organized UBC as the emissary of Fritz Thyssen in negotiations with George Walker and Averell Harriman; managing director of UBC's Netherlands affiliate under Nazi occupation; industrial executive in Nazi Germany; director and chief foreign financial executive of the German Steel Trust]

"Johann G. Gröninger—1 share" [director of UBC and of its Netherlands affiliate; industrial executive in Nazi Germany]

"all of which shares are held for the benefit of . . . members of the Thyssen family, [and] is property of nationals . . . of a designated enemy country. . . ."

By Oct. 26, 1942, U.S. troops were under way for North Africa. On Oct. 28, the government issued orders seizing two Nazi front organizations run by the Bush-Harriman bank: the Holland-American Trading Corporation and the Seamless

Steel Equipment Corporation.

U.S. forces landed under fire near Algiers on Nov. 8, 1942; heavy combat raged throughout November. Nazi interests in the Silesian-American Corporation, long managed by Prescott Bush and his father-in-law George Herbert Walker, were seized under the Trading with the Enemy Act on Nov. 17, 1942. In this action, the government announced that it was seizing only the Nazi interests, leaving the Nazis' U.S. partners to carry on the business....

President Franklin Roosevelt's Alien Property Custodian, Leo T. Crowley, signed Vesting Order Number 248 seizing the property of Prescott Bush under the Trading with the Enemy Act. The order, published in obscure government record books and kept out of the news, explained nothing about the Nazis involved; only that the Union Banking Corporation was run for the "Thyssen family" of "Germany and/or Hungary"—"nationals ... of a designated enemy country."

By deciding that Prescott Bush and the other directors of the Union Banking Corp. were legally front men for the Nazis, the government avoided the more important historical issue: In what way were Hitler's Nazis themselves hired, armed and instructed by the New York and London clique of which Prescott Bush was an executive manager? Let us examine the Harriman-Bush Hitler project from the 1920s until it was partially broken up, to seek an answer for that question.

Origin and Extent of the Project

Fritz Thyssen and his business partners are universally recognized as the most important German financiers of Adolf Hitler's takeover of Germany. At the time of the order seizing the Thyssen family's Union Banking Corp., Mr. Fritz Thyssen had already published his famous book, *I Paid Hitler,* admitting that he had financed Adolf Hitler and the Nazi movement since October 1923. Thyssen's role as the leading early backer of Hitler's grab for power in Germany had been noted by U.S. diplomats in Berlin in 1932....

But two weeks before the official order, government investigators had reported secretly that "W. Averell Harriman was in Europe sometime prior to 1924 and at that time became acquainted with Fritz Thyssen, the German industrialist." Harriman and Thyssen agreed to set up a bank for Thyssen in New York. "[C]ertain of [Harriman's] associates would serve as directors...." Thyssen agent "H.J. Kouwenhoven ... came to the United States ... prior to 1924 for conferences with the Harriman Company in this connection...."

When exactly was "Harriman in Europe sometime prior to 1924"? In fact, he was in Berlin in 1922 to set up the Berlin branch of W.A. Harriman & Co. under George Walker's presidency.

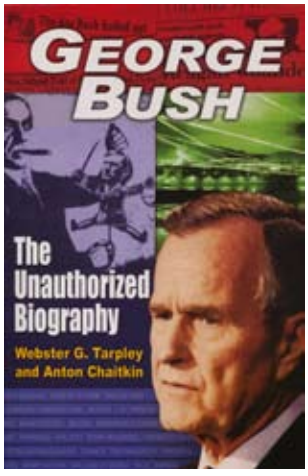
The Union Banking Corporation was established formally in 1924, as a unit in the Manhattan offices of W.A. Harriman & Co., interlocking with the Thyssen-owned Bank voor Handel en Scheepvaart (BHS) in the Netherlands. The investigators concluded that "the Union Banking Corporation has since its inception handled funds chiefly supplied to it through the Dutch bank by the Thyssen interests for American investment."

Thus by personal agreement between Averell Harriman and Fritz Thyssen in 1922, W.A. Harriman & Co. (alias Union Banking Corporation) would be transferring funds back and forth between New York and the "Thyssen interests" in Germany. By putting up about $400,000, the Harriman organization would be joint owner and manager of Thyssen's banking operations outside of Germany.

How important was the Nazi enterprise for which President Bush's father was the New York banker?

The 1942 U.S. government investigative report said that Bush's Nazi-front bank was an interlocking concern with the Vereinigte Stahlwerke (United Steel Works Corporation or German Steel Trust) led by Fritz Thyssen and his two brothers. After the war, Congressional investigators probed the Thyssen interests, Union Banking Corp. and related Nazi units. The investigation showed that the Vereinigte Stahlwerke had produced the following approximate proportions of total German national output: 50.8% of Nazi Germany's pig iron; 41.4% of Nazi Germany's universal plate; 36.0% of Nazi Germany's heavy plate; 38.5% of Nazi Germany's galvanized sheet; 45.5% of Nazi Germany's pipes and tubes; 22.1% of Nazi Germany's wire; and 35.0% of Nazi Germany's explosives.

This groundbreaking 1992 exposé of the Bush family dates back to Prescott Bush's support for Hitler. It is an X-ray of the Presidential dynasty, and the Anglo-American private forces dominating both major political parties.



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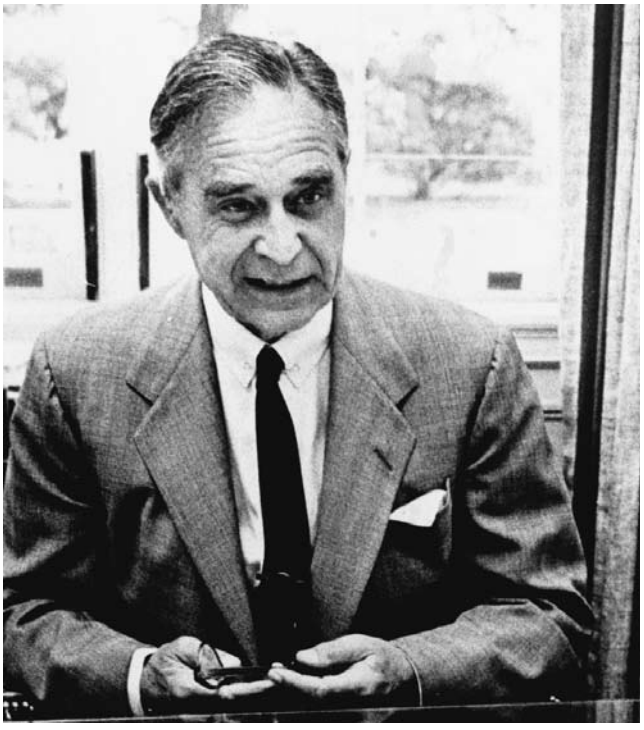

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Prescott Bush, managing partner of Brown Brothers Harriman and grandfather of George W. Bush, financed the Nazis' rise to power.

Prescott Bush became vice president of W.A. Harriman & Co. in 1926. That same year, a friend of Harriman and Bush set up a giant new organization for their client Fritz Thyssen, prime sponsor of politician Adolf Hitler. The new German Steel Trust, Germany's largest industrial corporation, was organized in 1926 by Wall Street banker Clarence Dillon. Dillon was the old comrade of Prescott Bush's father Sam Bush from the "Merchants of Death" bureau in World War I.

In return for putting up $70 million to create his organization, majority owner Thyssen gave the Dillon Read company two or more representatives on the board of the new Steel Trust.[9]

Thus there is a division of labor: Thyssen's own confidential accounts, for political and related purposes, were run through the Walker-Bush organization; the German Steel Trust did its corporate banking through Dillon Read....

The great financial collapse of 1929-31 shook America, Germany and Britain, weakening all governments. It also made the hard-pressed Prescott Bush even more willing to do whatever was necessary to retain his new place in the world. It was in this crisis that certain Anglo-Americans determined on the installation of a Hitler regime in Germany.

W.A. Harriman & Co., well-positioned for this enterprise and rich in assets from their German and Russian business, merged with the British-American investment house, Brown Brothers, on January 1, 1931....

Hitler's Ladder to Power

Adolf Hitler became Chancellor of Germany January 30, 1933, and absolute dictator in March 1933, after two years of expensive and violent lobbying and electioneering. Two affiliates of the Bush-Harriman organization played great parts in this criminal undertaking: Thyssen's German Steel Trust; and the Hamburg-Amerika Line and several of its executives.

Let us look more closely at the Bush family's German partners.

Fritz Thyssen told Allied interrogators after the war about some of his financial support for the Nazi Party: "In 1930 or 1931 ... I told [Hitler's deputy Rudolph] Hess ... I would arrange a credit for him with a Dutch bank in Rotterdam, the Bank für Handel und Schiff [i.e., Bank voor Handel en Scheepvaart (BHS), the Harriman-Bush affiliate]...."

The overall total of Thyssen's political donations and loans to the Nazis was well over a million dollars, including funds he raised from others—in a period of terrible money shortage in Germany....

Control of Nazi Commerce

...In many ways, Bush's Hamburg-Amerika Line was the pivot for the entire Hitler project.

Averell Harriman and Bert Walker had gained control over the steamship company in 1920 in negotiations with its post-World War I chief executive, Wilhelm Cuno, and with the line's bankers, M.M. Warburg. Cuno was thereafter completely dependent on the Anglo-Americans, and became a member of the Anglo-German Friendship Society. In the 1930-32 drive for a Hitler dictatorship, Wilhelm Cuno contributed important sums to the Nazi Party.

Albert Vögler was chief executive of the Thyssen-Flick German Steel Trust for which Bush's Union Banking Corp. was the New York office. He was a director of the Bush-affiliate BHS Bank in Rotterdam, and a director of the Harriman-Bush Hamburg-Amerika Line. Vögler joined Thyssen and Flick in their heavy 1930-33 Nazi contributions, and helped organize the final Nazi leap into national power.

The Schröder family of bankers was a linchpin for the Nazi activities of Harriman and Prescott Bush, closely tied to their lawyers Allen and John Foster Dulles.

Baron Kurt von Schröder was co-director of the massive Thyssen-Hütte foundry along with Johann Gröninger, Prescott Bush's New York bank partner. Kurt von Schröder was treasurer of the support organization for the Nazi Party's private armies, to which Friedrich Flick contributed. Kurt von Schröder and Montagu Norman's protégé Hjalmar Schacht together made the final arrangements for Hitler to enter the government....

Certain actions taken directly by the Harriman-Bush ship-

Library of Congress

E. Roland ("Bunny") Harriman (left), who brought Prescott Bush into Skull and Bones, and his brother Averell. Roland chaired Thyssen's Union Banking Corp.

ping line in 1932 must be ranked among the gravest acts of treason in this century....

The U.S. embassy in Berlin reported back to Washington that the "costly election campaigns" and "the cost of maintaining a private army of 300,000 to 400,000 men" had raised questions as to the Nazis' financial backers. The constitutional government of the German republic moved to defend national freedom by ordering the Nazi Party private armies disbanded. The U.S. embassy reported that the Hamburg-Amerika Line was purchasing and distributing propaganda attacks against the German government, for attempting this last-minute crackdown on Hitler's forces....

Prescott Bush's American Ship and Commerce Corp. notified Max Warburg of Hamburg, Germany, on March 7, 1933, that Warburg was to be the corporation's official, designated representative on the board of Hamburg-Amerika.

Max Warburg replied on March 27, 1933, assuring his American sponsors that the Hitler government was good for Germany: "For the last few years business was considerably better than we had anticipated, but a reaction is making itself felt for some months. We are actually suffering also under the very active propaganda against Germany, caused by some unpleasant circumstances. These occurrences were the natural consequence of the very excited election campaign, but were extraordinarily exaggerated in the foreign press. The Government is firmly resolved to maintain public peace and order in Germany, and I feel perfectly convinced in this respect that there is no cause for any alarm whatsoever."

This seal of approval for Hitler, coming from a famous Jew, was just what Harriman and Bush required, for they anticipated rather serious "alarm" inside the U.S.A. against their Nazi operations.

On March 29, 1933, two days after Max's letter to Harriman, Max's son, Erich Warburg, sent a cable to his cousin Frederick M. Warburg, a director of the Harriman railroad system. He asked Frederick to "use all your influence" to stop all anti-Nazi activity in America, including "atrocity news and unfriendly propaganda in foreign press, mass meetings, etc." Frederick cabled back to Erich: "No responsible groups here [are] urging [a] boycott [of] German goods[,] merely excited individuals."...

In May 1933, just after the Hitler regime was consolidated, an agreement was reached in Berlin for the coordination of all Nazi commerce with the U.S.A. The Harriman International Co., led by Averell Harriman's first cousin Oliver, was to head a syndicate of 150 firms and individuals, to conduct all exports from Hitler Germany to the United States.

This pact had been negotiated in Berlin between Hitler's economics minister, Hjalmar Schacht, and John Foster Dulles, international attorney for dozens of Nazi enterprises, with the counsel of Max Warburg and Kurt von Schröder.

John Foster Dulles would later be U.S. Secretary of State, and the great power in the Republican Party of the 1950s. Foster's friendship and that of his brother Allen (head of the Central Intelligence Agency), greatly aided Prescott Bush to become the Republican U.S. Senator from Connecticut. And it was to be of inestimable value to George Bush, in his ascent to the heights of "covert action government," that both of these Dulles brothers were the lawyers for the Bush family's far-flung enterprise.

Throughout the 1930s, John Foster Dulles arranged debt restructuring for German firms under a series of decrees issued by Adolf Hitler. In these deals, Dulles struck a balance between the interest owed to selected, larger investors, and the needs of the growing Nazi war-making apparatus for producing tanks, poison gas, etc....

Dulles wrote to Prescott Bush in 1937 concerning one such arrangement. The German-Atlantic Cable Company, owning Nazi Germany's only telegraph channel to the United States, had made debt and management agreements with the Walker-Harriman bank during the 1920s. A new decree would now void those agreements, which had originally been reached

White House photo/Eric Draper

The legacy of their Nazi-funding ancestor has never been acknowledged, much less denounced, by U.S. Presidents George H.W. and George W. Bush, shown here with a soldier at Fort Hood, Texas, April 8, 2007.

with non-Nazi corporate officials. Dulles asked Bush, who managed these affairs for Averell Harriman, to get Averell's signature on a letter to Nazi officials, agreeing to the changes. Dulles wrote:

"Sept. 22, 1937

"Mr. Prescott S. Bush

"59 Wall Street, New York, N.Y.

"Dear Press,

"I have looked over the letter of the German-American [sic] Cable Company to Averell Harriman.... It would appear that the only rights in the matter are those which inure in the bankers and that no legal embarrassment would result, so far as the bondholders are concerned, by your acquiescence in the modification of the bankers' agreement.

"Sincerely yours,

"John Foster Dulles"

Dulles enclosed a proposed draft reply, Bush got Harriman's signature, and the changes went through.

In conjunction with these arrangements, the German Atlantic Cable Company attempted to stop payment on its debts to smaller American bondholders. The money was to be used instead for arming the Nazi state, under a decree of the Hitler government.

Despite the busy efforts of Bush and Dulles, a New York court decided that this particular Hitler "law" was invalid in the United States; small bondholders, not parties to deals between the bankers and the Nazis, were entitled to get paid.

In this and a few other of the attempted swindles, the intended victims came out with their money. But the Nazi financial and political reorganization went ahead to its tragic climax.

For his part in the Hitler revolution, Prescott Bush was paid a fortune.

This is the legacy he left to his son, President George Bush.

How the Harrimans Hired Hitler

It was not inevitable that millions would be slaughtered under fascism and in World War II. At certain moments of crisis, crucial pro-Nazi decisions were made outside of Germany. These decisions for pro-Nazi actions were more aggressive than the mere "appeasement" which Anglo-American historians later preferred to discuss.

Private armies of 300,000 to 400,000 terrorists aided the Nazis' rise to power. W.A. Harriman's Hamburg-Amerika Line intervened against Germany's 1932 attempt to break them up.

The 1929-31 economic collapse bankrupted the Wall-Street-backed German Steel Trust. When the German government took over the Trust's stock shares, interests associated with Konrad Adenauer and the anti-Nazi Catholic Center Party attempted to acquire the shares. But the Anglo-Americans—Montagu Norman, and the Harriman-Bush bank—made sure that their Nazi puppet Fritz Thyssen regained control over the shares and the Trust. Thyssen's bankrolling of Hitler could then continue unhindered.

Unpayable debts crushed Germany in the 1920s, reparations required by the Versailles agreements. Germany was looted by the London-New York banking system, and Hitler's propaganda exploited this German debt burden.

But immediately after Germany came under Hitler's dictatorship, the Anglo-American financiers granted debt relief, which freed funds to be used for arming the Nazi state.

The North German Lloyd steamship line, which was merged with Hamburg-Amerika Line, was one of the companies which stopped debt payments under a Hitler decree arranged by John Foster Dulles and Hjalmar Schacht....

Kuhn Loeb and Co.'s Felix Warburg carried out the Hitler finance plan in New York. Kuhn Loeb asked north German

Lloyd bondholders to accept new lower interest steamship bonds, issued by Kuhn Loeb, in place of the better pre-Hitler bonds.

New York attorney Jacob Chaitkin, father of co-author Anton Chaitkin, took the cases of many different bondholders who rejected the swindle by Harriman, Bush, Warburg, and Hitler. Representing a woman who was owed $30 on an old steamship bond—and opposing John Foster Dulles in New York municipal court—Chaitkin threatened a writ from the sheriff, tying up the 30,000 ton transatlantic liner *Europe* until the client received her $30. (*New York Times*, January 10, 1944, p. 31, col. 3)

The American Jewish Congress hired Jacob Chaitkin as the legal director of the boycott against Nazi Germany. The American Federation of Labor cooperated with Jewish and other groups in the anti-import boycott. On the other side, virtually all the Nazi trade with the United States was under the supervision of the Harriman interests and functionaries such as Prescott Bush, father of President George Bush. [And, grandfather of present President George W. Bush—ed.]

Meanwhile, the Warburgs demanded that American Jews not "agitate" against the Hitler government, or join the organized boycott. The Warburgs' decision was carried out by the American Jewish Comittee and the B'nai B'rith, who opposed the boycott as the Nazi military state grew increasingly powerful.

The historical coverup on these events is so tight that virtually the only exposé of the Warburgs came in journalist John L. Spivak's "Wall Street's Fascist Conspiracy," in the pro-communist *New Masses* periodical (Jan. 29 and Feb. 4, 1934). Spivak pointed out that the Warburgs controlled the American Jewish Committee, which opposed the anti-Nazi boycott, while their Kuhn Loeb and Co. had underwritten Nazi shipping; and he exposed the financing of pro-fascist political activities by the Warburgs and their partners and allies, many of whom were bigwigs in the American Jewish Committee and B'nai B'rith.

Given where the Spivak piece appeared, it is not surprising that Spivak called Warburg an ally of the Morgan Bank, but made no mention of Averell Harriman. Mr. Harriman, after all, was a permanent hero of the Soviet Union.

John L. Spivak later underwent a curious transformation, himself joining the coverup. In 1967, he wrote an autobiography (*A Man in His Time*, New York: Horizon Press), which praises the American Jewish Committee. The pro-fascism of the Warburgs does not appear in the book. The former "rebel" Spivak also praises the action arm of the B'nai B'rith, the Anti-Defamation League. Pathetically, he comments favorably that the League has spy files on the American populace which it shares with government agencies.

Thus is history erased; and those decisions, which direct history into one course or another, are lost to the knowledge of the current generation.

Canadian Polar Bears Not 'Endangered'

by Gregory Murphy

The polar bear has managed to survive and thrive for about 250,000 years, through both an Ice Age, and the last Interglacial period (130,000 years ago), when there was virtually no ice at the North Pole. But on May 15, the U.S. Department of the Interior, bowing to Al Gore's "save the polar bear" mania, ruled that this resilient species is now officially "endangered."

Canada, where the majority of the world's polar bears reside, declined to follow the United States in this political decision. After reviewing the same information as the U.S. Department of the Interior, Canada's independent Committee on the Status of Endangered Wildlife in Canada decided *against* listing the polar bear as endangered.

What does Canada know that Al Gore and his gaggle of environmentalists have ignored?

Where Is the Science?

A polar bear expert, just retired from his environmental post with the Canadian government, described some of the reasons for the different approach:

Inuit hunters, he said, who traditionally harvest polar bears as an important part of their economy, "have not reported a decline in polar bears; only two scientific studies have reported a decline in polar bear numbers.... Seven other population studies conducted during the period of ice decline identified viable populations capable of sustaining approximately historical harvest rates."

The scientist continued: "Most of the world's polar bears live within, or are associated with, the Canadian Arctic Archipelago, which has not experienced the same loss of ice as the Arctic Basin or Hudson Bay." He noted that there has been a decades-long decline in sea ice in some areas of the Arctic, which has been to the detriment of some polar bear populations.

"However," the scientist said, "the climate models that project a continued decline in sea ice, make that prediction based on a relationship between CO_2 and global temperature that does not seem to be holding up. There has been no increase in global temperature since 1998, and world temperatures have actually declined, if one looks only at the interval 2003 to 2008. Recent continued sea ice declines appear to be caused by an unusual influx of warm waters from the north Pacific and north Atlantic, not greenhouse gases.

M. Taylor

Polar bears treating the dump in Churchill, Manitoba, Canada, as an all-you-can-eat buffet. The photo shows that polar bears don't listen to Al Gore and neither should you, when he spins his genocidal tale of how the bears will starve if the Arctic sea ice continues to melt. Historically, polar bears have moved farther inland, away from melting Arctic ice, in search of food and places to den.

The cold Winter of 2008 restored Winter sea ice coverage to normal levels, except in areas that had more than normal ice this year."

"We will certainly do the experiment to find out who is right," the scientist said. "Carbon dioxide levels will continue to increase, and we shall see the effect on global temperature and sea ice. If the climate modellers and some polar bear biologists are right . . . polar bears will decline in distribution, abundance—and harvesting may no longer be sustainable in some or all populations.

"However, if the weather becomes colder, the sea ice returns to former levels, and/or polar bears retain their current distribution and productivity," he said, "then this decision will have been a premature and ill-conceived overreaction to a natural environmental fluctuation."

"If this turns out to be a mistake," the scientist said, "I hope there will be as much interest in accountability as there was in 'saving the planet.' If mistaken, this decision will harm Inuit hunters by unduly reducing their traditional economy, because the designation has implicit trade sanctions."

'Endangered' Status Could Harm Bears

Ironically, as the scientist pointed out, the designation of "endangered" could work to the disadvantage of those polar bears, by restricting the ongoing study of bear populations.

"If unnecessary, the hardship this decision will cause could reduce the credibility of scientific perspectives and undermine the cooperation from indigenous hunters that has been the keystone to the polar bear conservation success story, since the International Agreement for the Conservation of Polar Bears was signed in 1974.

"The decision may actually work against conservation, by focussing resources and attention away from the information needs and co-management process that are most important to continued conservation of polar bears."

Polar bears look cute in photos, but in real life, they view both human beings and bears from outside their family circle as just another meal. Polar bears live about 25 to 30 years, and adult males can grow to a height of 8-8.5 feet and can weigh 880-1,350 pounds. Adult female polar bears are half the height of males, and usually weigh about 330-550 pounds.

Polar bear fur works like a life-preserver, so, contrary to Al Gore's fairy tale, the bears can swim distances up to 200 kilometers without much difficultly. This makes polar bears not only smarter than Al Gore, but better swimmers as well.

Polar bear researchers have said that the bears moved to the Arctic ice, and developed the technique of using the ice as a way to trap their prey. This development is an advancement over the polar bear's nearest relative, the grizzly bear, and shows that the polar bear is highly adaptive to changes in its environment.

For more about the polar bear economy and politics, see "Polar Bears Are Smarter Than Al Gore," by Gregory Murphy, www.21stcenturysciencetech.com/Articles%202007/GW_polarbears.pdf. See also "Demographic and Ecological Perspectives on the Status of Polar Bears," by Dr. Mitchell Taylor and Dr. Martha Dowsley, http://scienceandpublicpolicy.org/images/stories/papers/reprint/taylor_polar_bears.pdf.

Casualty of War: Has NASA Lost Its Mind?

by Dennis Mason,
LaRouche Youth Movement

There are those who have said that we should focus on the problems on Earth, rather than reach for the stars. The arguments go: It costs too much to hurl a bunch of junk into orbit; it would take too long to get to Mars; there are starving people here on Earth, and so on. It may well be that these people cheer the fact that we will have, upon the mothballing of the shuttle Discovery, no way to deliver a payload of any large size into space.

Losing this capability is one problem, but a larger problem exists: a problem termed "human capital," by a source we talked with, who works with NASA (the National Aeronautics and Space Administration).

We use rockets to deliver our science projects into space, he said, but NASA has realized that they no longer have a living science of rocketry. To try to amend this problem, several Apollo-era technicians, gentlemen in their 80s, were brought in with their old notebooks, and more importantly, their living knowledge of rocketry, to give interviews, and talk with the current engineering force. These interviews were recorded, as part of NASA's attempt to capture the knowledge that they know they should already have in their pockets, but have lost.

There is a similar program to try to head off the same sort of institutional amnesia in respect to the Shuttle scientists, as these guys head into retirement. According to this source, the number one concern right now at NASA isn't funding, but, the nöetic capacity of the program as a whole. They've recognized a loss of knowledge they used to have, and there are fewer and fewer new scientists coming in to take the place of the retiring Baby Boomers. The source went on to say that "the few engineers coming out of our universities are pretty messed up by the education system."

We can see that, as NASA represents the front end of the scientific machine-tool capacity of the United States of America, its loss of cognitive potential has dynamic effects downstream. The scientific programs of the university system, without any real mission objective, have clearly been withering away to Cartesian nothingness.

Our industrial operatives are stuck machining the same pieces over and over and over again. Without the science-driven optimism of a real, physical economy, we're on the verge of losing much more than our machine tools; we're losing the machining *capability* required to carry out the projects necessary to raise, once again, our potential relative population density above the actual population density.

This has been the British imperial plan. The convincing of the Baby Boomers of an "Earth first" ideology, of a so-called "green society," has had the result of a reversal of the policies of the American System, to the effect of destroying our United States both physically, and nöetically. The irony here, is that what is necessary to feed the 6.7 billions of people on Earth, in both body and mind, requires the upstream, ocean-voyage outlook that NASA represents. The problems of resource development, advanced agriculture, and water generation, among others, require the leading-edge institutional science capability imbedded in NASA, an institutional capacity that the British Empire has hated, and attacked, beginning with the Apollo Project of the 1960s and '70s.

The war being fought by the LaRouche Political Action Committee, against the British System, will determine the fate of humanity as a whole, for generations far into the future. The policies of Lyndon LaRouche are not just good ideas, but the necessary steps to take in order for mankind to leave its infancy, and take our rightful place as the gardeners of, not just Earth, but the universe as a whole.

NASA

NASA "minds" in May 1965, viewing an early flight of the Saturn SA-8 rocket at the Kennedy Space Center. Pointing is Dr. Kurt Debus, Director of the Kennedy Space Center. At his right is Dr. Hans Gruene of the Kennedy Space Center. Seated behind him is Dr. Werner Von Braun. To the right of Dr. Von Braun is Dr. Eberhard Rees from the Marshall Center.

In Memoriam

A Westphalian Life: Msgr. Elias El-Hayek

Monsignor Elias El-Hayek, a dear friend of Lyndon LaRouche and his movement, died of a heart attack in Lebanon on May 20, the day that the leaders of his beloved nation were signing an agreement in Doha, Qatar, which would lead them away from the brink of civil war.

Monsignor Elias El-Hayek (1923-2008)

The statement by Arab League Secretary General Amr Moussa at the announcement of the Doha Agreement, "We have proven that the historic Lebanese formula of 'no victor and no vanquished' is the only formula that can lead us to safe shores," reflects the life's work of Msgr. El-Hayek. Throughout the stormy years of post-civil war Lebanon, he assured everyone that his nation would never allow itself to be dragged into civil war again. The "no victor, no vanquished" formula was Msgr. El-Hayek's way of translating the idea of the Peace of Westphalia onto Lebanese soil.

Msgr. El-Hayek, a Chor-Bishop in the Maronite Rite of the Catholic Church, was a renowned scholar who published innumerable articles on the Syriac and Greek origins of the early church. A professor of philosophy and law in Lebanon, the United States, and Canada, he played a leading role on the Human Rights Tribunal which examined the case of Lyndon LaRouche. He was an active participant for many years in Schiller Institute initiatives for the creation of a just new world economic order. He was an irreplaceable advisor not only on Lebanese affairs, but on the political and cultural history of the entire region. He was a tireless proponent of an ecumenical approach to faith and reason, in the lands which had long been manipulated through religious conflict.

During the Israeli war against Lebanon in 2006, Msgr. El-Hayek was persuaded to leave Lebanon to use his influence in Washington for the cause of his country. This was based on his experience in the period of the civil war in Lebanon, when he established a Lebanese lobby in Washington to seek American help in bringing peace to the warring factions.

This writer was honored to be one of the invited guests at the celebration of the of the fiftieth anniversary of his ordination, held in Montreal in 2000. In the Mass, which was celebrated in Aramaic, Arabic, French, and English, the congratulations of Pope John Paul II were joyfully conveyed. In the grand banquet following the Mass, a Lebanese poet improvised, in Arabic, for two hours, on the theme of the saga of the Chor-Bishop's fruitful life. One subject of the oration was El-Hayek's audience with Pope John Paul II in May of 1980, during the Lebanese civil war. When Msgr. El-Hayek asked the Pope to pray for Lebanon, John Paul II replied, "I pray for Lebanon every day. But you, what are you doing for Lebanon?"

On May 23, as Msgr. El-Hayek's funeral mass was being celebrated in Lebanon, the Bishop of the Eparchy of St. Maron, Gregory Mansour, told this writer, "Monsignor El-Hayek was the consummate teacher, named the first rector of the Maronite Seminary in Washington, D.C, in 1961. His work was foundational for seminarians and the church. His sense of humor, intellect, and human traits will be sadly missed."

Bishop Mansour heard of Msgr. El-Hayek's death as he was travelling to Washington with the Maronite Patriarch, Cardinal Peter Sfeir. The Patriarch was in Washington to meet with President Bush and present him with a memorandum which discussed the need for the reestablishment of diplomatic relations between Lebanon and Syria, and the effort to stop Israeli overflights. Msgr. El-Hayek would often say that when he and the Patriarch, who were childhood friends, were despairing over the future of their nation, they would trade jokes about what we might understand as the long negotiations for the Peace of Westphalia, but in the Lebanese idiom, in which the leading characters were always a stubborn donkey and a frustrated peasant from their hometowns.

After what is known as the Second Lebanese war, although many hoped he would remain in the United States, Msgr. El-Hayek returned to his home in the mountain village of Bijji, where he was born in 1923. "I want to die in Lebanon making peace and a future for coming generations," he told his friends.—*Nina Ogden*

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- SAN FDO. VALLEY (East)
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- SAN FDO. VALLEY (West)
  TW Ch.34: Wed 5:30 pm
- SANTA MONICA
  TW Ch.77: Wed 3-3:30 pm
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- WASHINGTON CC Ch.95 & RCN Ch.10: Irregular Days/Times

FLORIDA
- ESCAMBIA COUNTY
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  CC./RCN/WOW Ch.21: Irregular
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  IN Ch.22: Sun 7:30 pm
- QUAD CITIES
  MC Ch.19: Thu 11 pm
- ROCKFORD CC Ch.17 Wed 9 pm

IOWA
- QUAD CITIES
  MC Ch.19: Thu 11 pm

KENTUCKY
- BOONE/KENTON COUNTIES
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  US Ch.10: Wed 6 pm
- COLD SPRING
  US Ch. 10: Wed 6 pm
- COLUMBIA HEIGHTS
  CC Ch.15: Wed 8 pm
- DULUTH CH Ch.20: Mon 9 pm; Wed 12 pm, Fri 1 pm
- MARSHALL Prairie Wave & CH Ch.35/8: Sat. 9 am
- MINNEAPOLIS
  TW Ch.16: Tue 11 pm
- MINNEAPOLIS (N. Burbs)
  CC Ch.15: Thu 3 & 9 pm
- NEW ULM TW Ch. 14: Fri 5 pm
- PROCTOR
  MC Ch. 12: Tue 5 pm to 1 am
- ST. CLOUD AREA
  CH Ch.12: Mon 9:30 pm
- ST. CROIX VALLEY
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- ST. PAUL CC Ch.15: Mon 10 pm
- ST. PAUL (S&W Burbs) CC Ch.15: Wed 10:30 am; Fri 7:30 pm
- SAULK CENTRE
  SCTV Ch.19: Sat 5 pm
- WASHINGTON COUNTY (South)
  CC Ch.14: Thu 8 pm

NEVADA
- WASHOE COUNTY
  CH Ch.16: Thu 2 pm

NEW HAMPSHIRE
- MANCHESTER
  CC Ch.23: Thu 4:30 pm

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- BERGEN CTY TW Ch.572: Mon & Thu 11 am; Wed & Fri 10:30 pm
- HADDON TWP
  CC Ch.9: Sun 10 am
- MERCER COUNTY CC
  Trenton Ch.26: 3rd & 4th Fri 6 pm
  Windsors Ch.27: Mon 5:30 pm
- MONTVALE/MAHWAH
  CV Ch.76: Mon 5 pm
- PISCATAWAY
  CV Ch.22: Thu 11:30 pm
- UNION CC Ch.26: Irregular

NEW MEXICO
- ALBUQUERQUE
  CC Ch.27: Thu 4 pm
- LOS ALAMOS
  CC Ch.8: Wed 10 pm
- SANTA FE
  CC Ch.8: Thu 9 pm; Sat 6:30 pm
- SILVER CITY
  CC Ch.17: Daily 8-10 pm

NEW YORK
- ALBANY TW Ch.18: Wed 5 pm. TW Ch.572: Mon & Thu 11 am; Wed & Fri 10:30 pm
- BETHLEHEM
  TW Ch.18: Thu 9:30 pm
- BRONX CV Ch.70: Wed 7:30 am
- BROOKLYN
  CV Ch.68: Mon 10 am
  TW Ch.35: Mon 10 am
  TW Ch.572: Mon & Thu 11 am; Wed & Fri 10:30 pm
- CHEMUNG
  TW Ch.1/99: Tue 7:30 pm
- ERIE COUNTY
  TW Ch.20: Thu 10:35 pm
- IRONDEQUOIT
  TW Ch.15: Mon/Thu 7 pm
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- ONEIDA COUNTY
  TW Ch.99: Thu 8 or 9 pm
- PENFIELD TW Ch.15: Irregular
- QUEENS TW Ch.35: Tue 10:30 am; TW Ch.572: Mon & Thu 11 am; Wed & Fri 10:30 pm
- QUEENSBURY
  TW Ch.71: Mon 7 pm
- ROCHESTER
  TW Ch.15: Sun 9 pm; Thu 8 pm
- ROCKLAND CV Ch.76: Mon 5 pm
- SCHENECTADY
  TW Ch.16: Fri 1 pm; Sat 1:30 am
- STATEN ISLAND
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- AMHERST TW Ch.95: Daily 12 Noon & 10 pm
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- OBERLIN Cable Co-Op
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OKLAHOMA
- NORMAN CX Ch.20: Wed 9 pm

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- PORTLAND CC
  Ch.22: Tue 6 pm. Ch.23: Thu 3 pm

RHODE ISLAND
- E. PROVIDENCE
  CX Ch.18: Tue 6:30 pm
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TEXAS
- HOUSTON CC Ch.17 & TV Max Ch.95: Wed 5:30 pm; Sat 9 am
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  CX Ch.78: Tue 7 pm; Thu 2 pm

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- WENATCHEE
  CH Ch.98: Thu 1 pm

WISCONSIN
- MARATHON CH Ch.10: Thu 9:30 pm; Fri 12 Noon
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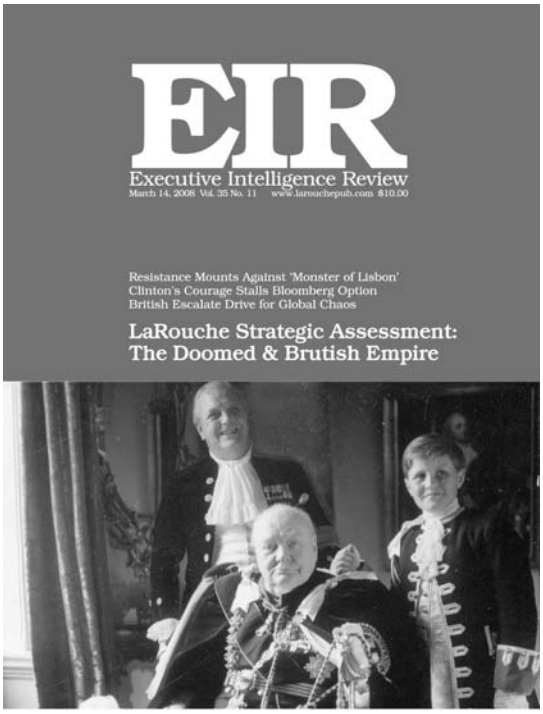

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