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With Obama Still in Power, It *Can* Happen Here **by the Editors**

In 1935, as the Hitler-Mussolini terror rampaged across Europe, American author Sinclair Lewis looked around at his fellow citizens, and decided he had to act. The result was "It Can't Happen Here," an ironical novel about how Americans, in their determination to be ``realistic," let a dimwitted President preside over a fascist coup in the U.S. Today, we face an eerily similar, but much more serious threat.

Oct. 18—The 1932 election of Franklin Delano Roosevelt as President of the United States drove the leading factions of Wall Street and the City of London into a killer frenzy. The failure of JP Morgan banker and Democratic National Committee chairman Jacob Raskob to block FDR's nomination, and the failed assassination attempt against the President-elect during an appearance at a rally in Florida, just weeks after his landslide victory, set the United States on a collision course with Wall Street and London's chosen European fascist leaders, Benito Mussolini and Adolf Hitler. London and Wall Street went on to sponsor a full-blown military coup d'état attempt against Roosevelt, an attempt that was exposed by the patriot, Gen. Smedley Butler, and subsequently crushed. The American Liberty League, a Morgan-DuPont financed cabal of pro-fascist bankers and industrialists, waged war against Roosevelt throughout the 1930s, right up to the attack on Pearl Harbor.

As Lyndon LaRouche recently observed, FDR took his oath of office in early March 1933—just weeks after the Reichstag fire had propelled Hitler onto the path to become dictator for life. Europe was on the path to war, and the gas ovens and death camps of the Third Reich were but months and years away. It was only the election of FDR that blocked London and Wall Street from imposing the same fascism, sweeping across the European continent, upon the United States....

Separate In-Depth articles from ***Executive Intelligence Review*** **Vol. 38, No. 41**

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This Week's Cover

- **With Obama Still in Power, It *Can* Happen Here**

Today, the conditions of global financial and monetary breakdown that brought European Fascism to power in the 1920s and '30s, on behalf of a caste of desperately bankrupt financiers and oligarchs, exist once again—this time, on a far more desperate, and global scale.

- **The Coup Structure That Cheney Built, and How It Grew under Obama**

When President Barack Obama took office in January 2009, hopes were high that he would, as promised, dismantle the structures of surveillance and repression which had been set up in the aftermath of the 9/11 attacks. However, those hopes have now been smashed to bits, as Obama has not only kept this apparatus in place, but expanded it.

- **Unmanned Aerial Drones:**

Weapons of War, or Tool of Repression?

- **Wall Street Backed the Plot To Kill FDR**
 - **Appendix:**
Private Armies, Captive People
- **Threat to National Security:**
Rohatyn, Shultz, Cheney 'Privatization' Scheme
- **The Northern Command Crosses the Rubicon**

World News

- **Putin in Beijing:**
Russia and China Pursue Ties in Space, Nuclear, Transport
The 16th Regular Russian-Chinese Prime-Ministerial Meeting between Premier Wen Jiabao and Prime Minister Vladimir Putin on Oct. 11-12, resulted in 17 bilateral cooperation documents, and an affirmation of 'strategic partnership' between the two great Eurasian powers.
- **Quality of Ideas To Shape Mass Strike**
The rallying of hundreds of thousands of people in the streets of an estimated 1,500 cities worldwide, demonstrates that the global mass-strike process is alive and well. And the demand for Glass-Steagall is emerging as the central focus of the demonstrations.
- **Obama's Permanent Warfare Policy Leaves U.S. with Permanent Casualties**
The 21st Century, so far, has known nothing but war, and the two U.S. Presidents in this period, Bush and Obama, have been willing participants in the perpetual war policy which has produced a large population of what might be called the mentally maimed, among combat veterans.

Economics

- **Bank Bailouts Lead Europe Deeper into the Crisis**
Despite the brief euphoria among the governments and banks in the Eurozone over the latest bank bailout fund, the European elites are well aware that they are faced with a systemic crisis.
- **European Troika Is Committing Genocide Against the Greeks**
A report appearing in the prestigious medical journal The Lancet reveals that Greeks are 'losing their lives' as a result of the cuts in health care that are being dictated by the Troika, the debt collectors of the European Commission, the European Central Bank, and the International Monetary Fund.
- **LaRouche's Seven Necessary Steps:**
Step Six—Reawakening the Potential of the Workforce for Transport, Nuclear
- **Monsanto, Bill Gates, et al.—**
Food Police for Genocide
Over the past 40 years of globalization, a few mega-firms in the agro-chemical cartel have asserted an unprecedented degree of control over seeds and crop genetics.

History

- **Key Policy Paper Uncovered:**
How Ben Franklin Organized Our Economic Independence
A tight-knit group of American nationalists led by Benjamin Franklin circulated a policy paper at the 1787 Constitutional Convention in

Editorial

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This Week's News

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U.S. Economic/Financial News

[Household Income Fell More in 'Recovery' Than in 'Recession!'](#)

[California Dems Blame Obama for Inaction on Home Foreclosures](#)

Household Income Fell More in 'Recovery' Than in 'Recession!'

Oct. 11 (EIRNS)—A new study by former U.S. Census Bureau officials shows that median household income fell more in the so-called "recovery" than it did during "the recession," according to Jillian Berman in today's Huffington Post.

Gordon Green and John Code, two former Census workers, showed that between December 2007 and June 2009—termed "the U.S. economic recession"—real incomes fell 3.2%. During the touted "economic recovery" between June 2009 and June 2011, real incomes fell 6.7%, the study found—more than double that rate! This is median household income adjusted for inflation.

Income figures are affected by jobless Americans who collect unemployment for a maximum of 99 weeks. They then lose any unemployment benefits, driving their incomes to zero, and that pulls down the national average income. The median income for U.S. males was worse in 2010 than in 1968 on an inflation-adjusted basis.

In some states, the so-called "recession" as well as the "recovery" only increased an income decline that prevailed for a longer time; e.g., in Wisconsin, the median household income plunged 14.5% between 1999 and 2010.

Meanwhile, lying has consistently risen. Bloomberg reported that last week's jobs report, which showed "forced part-time" work increasing four times as much as overall employment, demonstrated that the economy is growing slowly, not contracting.

California Dems Blame Obama for Inaction on Home Foreclosures

Oct. 13 (EIRNS)—An angry letter from the 33 Democratic Congressmen from California was sent to Obama Oct. 11, detailing the devastating home-foreclosure crisis and unacceptable action by mortgage servicers, saying, "...we have not seen successful efforts from your Administration in response."

The letter, also addressed to the Federal Housing Finance Agency (FHFA), is getting wide attention, as the Oct. 13 new figures from RealtyTrac show the rate of home mortgage foreclosures rising for the third month-on-month in a row.

Earlier this Summer, the Obama Administration made noises indicating that it would be doing something about this, come Fall. Now, September is gone; not even a pretense-action has come out.

One of the co-signers of the letter to Obama, Rep. Mike Thompson, wrote on Oct. 12, "More than 2 million homeowners in California owe more on their homes than their homes are worth, which equals 30% of all California homes with mortgages...."

"Nothing the FHFA or the Administration has done is working, and Californians are the ones who are suffering.... Doing nothing is not an option..."

Global Economic News

Korea-Russia Railroad Brings Pusan to Amsterdam Closer to Reality

Change in Monsoon Pattern: Floods Disrupt Industry in Southeast Asia

Max Bank, 12th Danish Bank, Has Crashed

Korea-Russia Railroad Brings Pusan to Amsterdam Closer to Reality

Oct. 14 (EIRNS)—North Korea and Russia held a test run of their renovated cross-border railway on Oct. 13. The track once again links Russia's Far Eastern border town of Khasan to North Korea's northeastern port city of Rajin (Rason) after three years of renovation, mostly financed by Russia.

Hundreds of North Korean and Russian officials attended the ceremony in a North Korean border railway station to celebrate this opening step towards the realization of the long-held vision to make North Korea's Rajin port a regional hub for Europe-bound freight shipments. "Rajin port will be a new center that will attract cargo from the Asia Pacific region," said Valery Reshetnikov, senior vice president of Russian Railways, which was deeply involved in the railway renovation investing over a quarter of a billion dollars in the project.

Russia will eventually link the 54-kilometer-long railway line with the Trans-Siberian Railway to transport Asian cargo to

Europe, an option that would significantly reduce shipping time and costs. As part of the project, Russia is scheduled to complete the building of a container terminal at the Rajin port by next year, and has been in discussions with both North and South Korea about the establishment of a gas pipeline, and eventually a rail line, extending the route from Vladivostok to South Korea, completing the northern route of the "Eurasian Land-Bridge"—a project which has long been one of Lyndon and Helga LaRouche's global priorities.

Change in Monsoon Pattern: Floods Disrupt Industry in Southeast Asia

Oct. 13 (EIRNS)—A change in the seasonal monsoon pattern has brought widespread flooding to much of Southeast Asia. The annual rains are heavier, came earlier, and look to stay longer than normal. Thailand, Cambodia, Vietnam, Laos, and the Philippines have all seen deaths, widespread property damage, lost crops, and now disruption of manufacturing.

Significant parts of the rice crop, along with other produce, have been lost, as reported earlier. Lost crops and supply disruption have resulted in large increases in the prices of ordinary goods, from bottled water to lettuce.

Now many major factories, including Toyota, Sony, Pioneer, and others, both within the region and outside of it, are closed or working reduced hours. There are factories which are themselves under water, but there are many others whose workers cannot get to the site, or at which the flow of parts in and out is disrupted by flooded roads, damaged bridges, mudslides, etc.

Plants in Japan and India are now being affected as supplies of components from Southeast Asia are reduced or stopped. At least one executive has compared the disruption to supply lines as similar to what occurred after the March 11 Japanese earthquake.

It is far too early to determine overall damages, because further rains are still expected in some areas, while many rural areas are isolated and won't be reachable until the waters abate.

Max Bank, 12th Danish Bank, Has Crashed

Oct. 10 (EIRNS)—On Oct. 9, the regional Max Bank crashed—the 12th bank to crash since the financial crisis. The immediate cause was that the financial oversight institution demanded greater solvency, which the bank could not meet. The longer-term cause was bad speculative real estate loans from before the onset of the financial crisis.

On Oct. 10, it was announced that the healthy part of the bank was taken over by another regional bank, Sjaelland Bank, and that the bad customers were transferred over to the state bad bank institution Financial Stability.

Finn Østrup of the Copenhagen School of Business pointed out on TV2 News that this was the first bank to crash under the new "4th bank package," designed to eliminate losses by foreign investors, which had given Danish banking a bad name. To restore foreign confidence, the losses were transferred to the taxpayers, in the form of the state offering a monetary incentive to induce another bank to take over the healthy customers. He said that this was not viable in the long run, because it didn't deal with the underlying cause—bad speculative real estate loans, and an unknown amount of bad loans to farmers. The Danish bank sector is in bad shape, he said, and we see many crashes in the future.

While Østrup did not call for Glass-Steagall, he argued that Denmark should follow the solution being called for in the euro countries—the state should require increased bank solidity, and those who cannot meet it should be taken over by the state.

United States News Digest

Harry Belafonte: 'Obama Has Failed the Test'

Walls Closing in on Obama: Fast & Furious, Solyndra

Obama on the Couch: Desperately Seeking Cheney

Senators Complain About FEMA Underfunding

Labor Spokesman: Glass Steagall? "We Have to Put that Back"

Harry Belafonte: 'Obama Has Failed the Test'

Oct. 16 (EIRNS)—In an interview with Robert Portman for DailyBeast.com, published today, occasioned by the release of his new memoir *My Song*, the 84-year-old Harry Belafonte relished his memories of Franklin Roosevelt, Eleanor Roosevelt, Paul Robeson, Bobby Kennedy, and Martin Luther King, Jr., among others, while saying of Obama:

"Yes, I understand that he fought hard to be head of this nation, and we gave him his desire. But it is silly, if not completely uninformed and malicious, to think that certain political expectations from a politically progressive perspective were not blown up to the heights.... But even if we had looked more deeply, he still would have been our choice, based upon who was running against him. Now, we come to the moment when he has failed the test. That doesn't mean he can't change the mark.

"But there's no question that he has a *failing grade* in the way he's handled his platform. *Absent in the arsenal of possibilities is a moral compass*. If that compass was fully engaged, he could have stepped above the political fray, and made courageous statements about laws regarding homeland security such as the Patriot Act that are still on our books. He could have stepped to the table and not just have reversed those laws but refused to have them applicable during his administration, and instructed the Justice Department to cooperate.... [Emphasis added.]

Walls Closing in on Obama: Fast & Furious, Solyndra

Oct. 15 (EIRNS)—The walls are closing in on Obama in both the Solyndra and Fast & Furious investigations.

* In the Fast & Furious case, CNN anchor John King aired a March 2011 TV interview with Obama, in which the President claimed that he and Attorney General Eric Holder had already tasked the Justice Department Inspector General to investigate Fast and Furious. That was as long as two months before Holder told Congress that he only "heard about Fast and Furious for the first time over the last few weeks."

On Oct. 12, the night that a subpoena was delivered targeting Holder, top levels of the Justice Department, and the White House, John King interviewed Rep. Jason Chaffetz (R-Utah) and Rep. Elijah Cummings (D-Md.) about whether Holder was lying to the Committee of which Cummings is the ranking member.

Chaffetz said, "...remember, we have got two dead agents, we have 2,000 weapons that are unaccounted for, and I feel like we have been misled because for the attorney general to come to Congress and say, well, he just heard about it a couple

weeks ago, and the documents show otherwise, it doesn't added up."

* In the Solyndra investigation, the White House has flatly refused to turn over any more documents—including e-mails to and from Obama's Blackberry—to the Congress. On Oct. 5, Rep. Cliff Stearns (R-Fla.) and Energy Committee Chairman Fred Upton (R-Mich.) requested all communications among White House staff and officials relating to Solyndra.

But on Oct. 14, White House Counsel Kathryn Ruemmler sent a letter to Stearns and Upton flatly refusing to provide any more White House documents on the grounds that the Congressional request "implicates longstanding and significant institutional executive branch confidentiality interests." The letter has not been released but was leaked to a number of Washington media. Ruemmler claims that the Congress has plenty of documents to work with—70,000 pages, including 900 White House pages—and "There is nothing in the documents produced by DOE, OMB, Treasury or the White House that the White House intervened in the Solyndra loan guarantee to benefit a campaign contributor," reported CNN, the first to report on the letter.

Ruemmler's letter did not assert executive privilege says *Politico*, and the Congress has the option of issuing subpoenas.

Obama on the Couch: Desperately Seeking Cheney

Oct. 15 (EIRNS)—President Obama "suffers from father hunger," according to the forthcoming book, *Obama on the Couch*, to be published this week. Dr. Justin Frank, author of the famous *Bush on the Couch*, says in his new book, that the abandonment of Obama by his father and stepfather has shaped his entire psyche. *U.S. News & World Report* has a short item in its Washington Whispers column and it is posted prominently on Drudgereport this morning. "The abandonment by his father when he was an infant and by his stepfather at age 10 has left President Obama with a 'father hunger' that influences everything from why he distances himself from pushy supporters, to his strong desire to compromise and bring people together, to his aggressive campaign to kill Osama bin Laden," the Washington Whisper column reports.

"In *Obama on the Couch*, George Washington University professor Justin Frank also reveals that Obama has spent much of his life seeking out father figures, but most, like Rev. Jeremiah Wright and Vice President Biden, have disappointed him." The Whisper column quoted from Frank's book: "Obama searched for a father, for someone to relate to who could help him—a strong man who knew what to do."

One astute observer hypothesized that, at long last, President Obama has found the father figure he can emulate and resolve his deep-seated obsessions: Dick Cheney! From his abandonment of plans to shut down Guantanamo Bay, to his extension of the Patriot Act, to his assassinations of Osama bin Laden and Anwar al-Awlaki, Obama has won the former Vice President's praises—something he is having a hard time winning from the Democratic Party that put him in office, and is now having severe buyer's remorse. *Obama on the Couch* will be released to book stores Oct. 17.

Senators Complain About FEMA Underfunding

Oct. 15 (EIRNS)—The current and previous Presidential administrations came under fire on Oct. 12, during a hearing of the Senate Homeland Security Appropriations Subcommittee, for years of chronic underfunding of Federal disaster response. Sen. Thad Cochran (R-Miss.) complained that the budgetary "underestimating syndrome" makes it impossible for Congress and the American public to understand the magnitude of disaster response and recovery needs. Cochran said that based on current budgetary practices, the Federal Emergency Management Agency's Disaster Relief Fund could face a \$16 billion shortfall by 2016.

Cochran was joined in his concerns by FEMA administrator Craig Fugate. "To be honest ... I'm very concerned [that a lack

of funding] will compromise our ability to respond," said Fugate. He added that his agency not only needs funds for recovery from past disasters, such as the wave of floods, tornadoes, and hurricanes that swept through the country this year, but also to prepare for disasters to come. He reported that the agency spent \$7.3 billion in fiscal year 2011 on disaster response and recovery, a figure that makes a mockery of the \$6.4 billion that the administration has requested for 2012, and the \$2.6 billion that Congress has so far appropriated.

Labor Spokesman: Glass Steagall? "We Have to Put that Back"

Oct. 13 (EIRNS)—Today, the co-author of a new report, refuting the lie that public sector workers are the cause of state and local budget deficits, said of Glass-Steagall, "We have to put that back."

Sylvia Allegretto, of the University of California at Berkeley, where she is an economist and deputy chairman of the Center on Wage and Employment Dynamics, was speaking on a telephone press conference by labor advocates, hosted by the Economic Policy Institute in Washington, D.C. Allegretto spoke in reply to a question from *EIR*'s Marcia Merry Baker.

Allegretto's initial presentation of the new report stayed within the confines of opposing the false charges that public sector workers' collective bargaining, pensions, wage-scales, etc., were responsible for unbalanced state and local budgets. The report instead cites as causal, the impact of the housing bubble and "Great Recession."

When Baker said that the housing bubble itself is but a part of decades of casino economics, now at an end, and that we have to force a radical policy shift with H.R. 1489 to re-instate Glass-Steagall, to create credit for large-scale projects and jobs, and emergency grants for bankrupt state and local governments, Allegretto responded in agreement and in detail.

She spoke of the crisis now, where 30-40,000 state and local jobs are being lost each month. "We have to put a fire-wall between commercial and casino banking. There are great differences between the two. "Yes, re-establishing Glass-Steagall would really help."

Ibero-American News Digest

- [Bury Chile's Private Pension System!](#)

Bury Chile's Private Pension System!

Oct. 16 (EIRNS)—A coalition of citizens, legislators and trade unions are demanding the scrapping of Chile's private pension, or AFP system, and a return to the state-run system that existed prior to 1981, when the fascist Pinochet dictatorship privatized it.

At the time, millions of Chileans were forced into the privatized system, while the military junta confiscated billions of dollars deposited in the public system. Only the Armed Forces were given the option of remaining in the public system.

The coalition charges that Chileans were defrauded by José Piñera, Pinochet's Labor Minister in 1981 (and brother of the current President Sebastián Piñera), who promised that under the private AFP system, they would receive pensions equivalent to 75% of their salaries. Instead, the average worker enrolled in the private system today, receives a pension that is three to four times *lower* than what they would have received under the state system.

As Christian Democratic Sen. Mariano Ruiz Esquide put it, there is no reason for workers' savings and pensions to be managed by private financial institutions, and subjected to the volatile goings-on of the market.

In 2005, the LaRouche movement, with the help of allies in Chile, successfully sabotaged George W. Bush's attempt to impose the same private Chilean Social Security model on the United States.

Western European News Digest

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U.S. Occupy Wall Street Comes to Europe

Oct. 15 (EIRNS)—Occupy Wall Street demonstrations and support rallies took place in scores of cities across Europe today, with an estimated 1,000 people in London, 5,000 in Frankfurt, 6,000 in Berlin; there were also 8,000 in New York City, and at least 5,000 in Washington, D.C. turning out. In New York City, Austin, San Francisco, and Berlin, LPAC and BüSo organizers had a significant presence and impact. So far, despite some arrests in Denver and some other U.S. cities, the only reports of any kind of serious attempted violence came from Rome, where an estimated 200 Black Bloc anarchists broke away from the main demonstrations and trashes stores, set cars on fire, and clashed with police.

LaRouche Movement Intervenes in 'Occupy' Actions

Oct. 15 (EIRNS)—The Italian LaRouche movement (Movisol) is intervening today in the "Occupy" demonstration in Bologna, with a "New Lira" leaflet. The largest demonstration is taking place in Rome, while there is no demonstration in Milan. In Rome, more than 100,000 people are expected.

The main organizer of the demonstrations is the "Federazione della Sinistra" (FDS) organization, which is Rifondazione Comunista and the Green Party together. However FDS national coordinator Massimo Rossi told *EIR* that they imitate the OWS model and they expect a broader group of youth to join, not only FDS, unions and leftist organizations.

Rossi also told *EIR* that he supports the idea that Glass-Steagall should become the main issue in the movement program internationally.

Schiller Institute Occupy Denmark Speech Gets Media Coverage

Oct. 15 (EIRNS)—Schiller Institute Vice President Feride Istogu Gillesberg's speech about Glass-Steagall was highlighted in the Danish daily *Berlingske Tidende's* Internet coverage of the Occupy Denmark demonstration today. After reporting that the main slogan was "We Are the 99%," the article had the subhead, "Roosevelt Had the Solution": "One of the speakers at the City Hall Square's highest step was Feride Istugu [sic] Gillesberg, vice president of the Danish branch of the Schiller Institute, an international political and economic think tank.

"'We are here today to support the American population, who are demonstrating right now. On my travels in both Boston and New York, I have experienced that what the demonstrators are demanding is a so-called Glass-Steagall solution. That is, the policy that Franklin D. Roosevelt carried out back in the 1930s. Those banks that invest locally should be maintained, but the banks that just speculate must be left on their own,' she said."

Bank Separation Becomes Hot Debate Issue

Oct. 14 (EIRNS)—Even though Glass-Steagall as such is hardly mentioned, numerous institutions and individuals have come out for banking separation in Europe, reflecting the broad public attention to the issue, an attention created in many cases by the ongoing LaRouche Movement's campaigning for Glass-Steagall.

The most positive of these initiatives probably is the one from ACUS, the Austrian influential Joint Working Group of Christians and Social Democrats, which has been much inspired by LaRouche ideas, and has called for the separation of banks along with the creation of a real-economic credit system, saying that Austrian Finance Minister Maria Fekter has endorsed that but so far not acted. The call is published in the context of the Oct. 15 international day of action against the banking system, ACUS director Michael Lauer wrote.

Two days ago in Paris, Adrian Blundell-Wignall of the Organization for Economic Cooperation and Development (OECD) criticized the lack of commitment on the European continent and in the United States to push banking separation.

In Germany, the Greens have now also discovered banking separation: For their November national party convention in Kiel, they propose a clause calling for the carving up of the super banks into a whole array of smaller, regional banks. The Greens call it the "Green New Deal."

Fascist Soros-Clones Demand Euro Dictatorship

Oct. 13 (EIRNS)—Over 100 European economists from the George Soros extended family of British Imperial fascists issued a desperate letter to "Eurozone Leaders" demanding an end to what remains of national sovereignty, and the implementation of a "Common Treasury" with the power to "ensure that member states adhere to fiscal discipline." In the meantime, they scream, unless many more trillions of euros are coughed up to bail out the banks through an expanded EFSF, the collapse of the euro could "undermine and perhaps destroy the global financial system."

In addition to Soros (listed as "Hungary/US"), the list includes:

* Anders Aslund, author of "shock therapy" while advising Russia and Ukraine;

* Daniel Cohn-Bendit, a leader of the 1968ers as "Danny the Red," now switched to "Danny the Green" and co-chair of the Spinelli Group of the Euro Parliament pushing federalism in Europe;

* Howard Davies, director of the London School of Economics (LSE) who was forced to resign for the LSE's ties to Qaddafi;

* Anthony Giddens, Director of LSE and creator of Tony Blair's "Third Way" to fascism;

(Heather Grabbe, head of EU Affairs for the Soros Network; among others.

EU Monetarism Sinking Portugal into Third World Condition

Oct. 15 (EIRNS)—Britain's *Guardian* correspondent John Henley reports on the Portuguese situation:

"There is real hardship," Henley writes, "Lisbon's Banco Alimentar, or food bank, the largest in Europe, distributes 12,000 tons of food a year to about 250 local charities, helping to feed up to 160,000 people last year. The number has been rising sharply over the past two years, said José Almeida, a retired mining engineer who helps run it. Those asking for food, he said, 'are not the ones you'd usually expect.' He added: 'Couples who both had good jobs, and a high standard of living ... then one's made redundant [laid off] and they can't keep up the cars, the mortgage, the school. They turn to charity.' Last year lawyers, engineers, even a judge sought help, he said."

"The worst will be next year," predicted Ana Lobo, in Lisbon. "Now, it's almost still summer. In January, when it's cold and dark, [prices on] electricity, public transport, bread, will go up. Taxes too, a lot. And pensions and benefits will be cut. Then it'll really hit."

FDP Intra-Party Bailout Referendum Kicks Off

Oct. 11 (EIRNS)—Anti-bailout activist Frank Schäffler (Free Democrat) presented 3,850 signatures to his party's headquarters in Berlin yesterday, 600 more than required to force an intra-party referendum on the ESM (European Stability Mechanism).

The FDP party executive will check the signatures, but it is taken for granted that by Oct. 24 at the latest, the intra-party referendum will be announced for November, so that the result should be in before Christmas. The FDP party executive, the majority of which is opposed to Schäffler's initiative, will mail out his call together with their own counter-call.

Upon delivering the signatures, Schäffler told the media in Berlin that his impression is that a majority of FDP party members are opposed to the bailouts, and that his view that the bailouts are just like pouring more and more gasoline onto the fire, is shared by many in the party, as well as in the population in general. Instead of "rescuing" ailing banks, organized insolvencies should be carried out, with the state giving priority to banking functions that serve the real economy.

Russia and the CIS News Digest

Huge Attention in Russia to LaRouche's Record

V. Ivanov: NATO Refused To Cooperate with Russia against Dope

Huge Attention in Russia to LaRouche's Record

Oct. 10 (EIRNS)—As the systemic blowout of the monetarist system grows in intensity, Russians are remembering what they heard from Lyndon LaRouche, whether yesterday, or 20 years ago, and talking about it in many places. Typical was discussion over the weekend in the top-ranked economics blog called Aftershock, where host Alexsword posted Russian Railways CEO Vladimir Yakunin's speech at the Rhodes Forum—Dialogue of Civilizations. As *EIR Online* reported last week, Yakunin discussed the utter failure of "globalization" and the destructive "world casino" that the global financial system has become. Exchanges in the Aftershock discussion included this one: "Alex, ... no questions on Yakunin. Especially since everybody knows that he, too, pays attention to LaRouche." Alexsword: "Yakunin not only reads LaRouche, but has said he talks to him, and I would say that he thinks in the same conceptual framework."

A post by the blogger Stalin_Ist under the provocative headline, "M. Qaddafi Is Pro-American!" was reprinted on dozens of sites. This article was on the anti-Wall Street, anti-Federal Reserve upsurge in the United States, which the author called "a stunning victory for Lyndon LaRouche." If the United States acts badly in the world, he wrote, "it is because they are performing the role assigned to them by England, from the Queen's palace in Great Britain," and the Federal Reserve System is a major instrument of this purpose. The author said that he has known of the Fed's role since "long ago," because LaRouche's friend Prof. Taras Muranivsky briefed him on it.

Calling the Fed "an enemy of humanity with its masters in London," the author wrote that forces typified by the Fed, and the London circles behind it, "are the ones who have ordered, designed, and directed the war in Libya, while the participants in this crime, like Obama or Sarkozy, are their pitiful court lapdogs." Therefore he has no doubt that Qaddafi supports the just struggle of the people of the United States against the Fed.

Also noteworthy is what one Muscovite put out in a Twitter message several days ago: when visiting lecturer Bill Engdahl was asked about LaRouche at a Moscow event on the world crisis, held by the Club of the Public Chamber Club last week, and responded with the cowardly slander that LaRouche was a "sham opposition" figure, there was immediate "consternation in the hall"—because so many people in the Russian audience knew what LaRouche really stands for.

V. Ivanov: NATO Refused To Cooperate with Russia against Dope

Oct. 12 (EIRNS)—In comments to the Interfax news agency on Oct. 8, Victor Ivanov, director of Russia's Federal Narcotics Control Service, accused NATO of refusing to cooperate with the Russian government in fighting drug trafficking from Afghanistan, despite promises to do just that. The cooperation is unproductive, said Ivanov; formally it exists, but as a practical matter we see that what they [NATO nations] say is very different from what they do.

Ivanov pointed out that since the mid-2000s Moscow has provided NATO and the U.S. intelligence on narcotics trading and possible insurgents in Afghanistan and surrounding nations. The intelligence reportedly came primarily from a network of Kremlin spies and informants operating throughout Central Asia. Russia is a major route for illegal narcotics moving to Europe, and an estimated 100,000 Russian citizens die annually of drug addiction-related causes, with most deaths linked to heroin brought into the country from Afghanistan. Russian officials have repeatedly accused NATO of failing to act on Kremlin intelligence pinpointing drug traffickers and drug manufacturing labs in Afghanistan.

"They [NATO] have helicopters and attack jets right there [in Afghanistan]; I wanted to find out, why does it take so long to get them to do something?" Ivanov said. Brussels officials have said an aggressive campaign to destroy the crops of tens of thousands of Afghan poppy farmers could damage NATO's efforts to control the Taliban-led insurgency.

On Oct. 10, Russian Foreign Minister Sergei Lavrov, addressing a conference on communicable diseases in the Eastern Europe and Central Asia region, said the United States is aggravating the HIV/AIDS problem in Russia and the West by

refusing to use its forces to destroy opium crops in Afghanistan. "It is hard for us to understand why our American partners don't want the International Security Assistance Force to do this," he said. "This issue is crucial to the fight against the drug threat and, consequently, the spread of HIV/AIDS."

Southwest Asia News Digest

The Case of Iran & Obama's Private Armies

Is Alleged Iranian Plot Part of Obama's Coup-attempt?

The Case of Iran & Obama's Private Armies

Oct. 17 (EIRNS)—The following item by Leandra Bernstein was posted on the LaRouchePAC website on Oct. 13:

"In the case of the attempted assassination of Saudi Ambassador to the United States, Adel Al-Jubeir, presumably by two Iranian citizens, there is one factor that has not been adequately acknowledged. Namely, any confrontation between the United States and Iran is inherently a confrontation with China and Russia.

"Early reports on Oct. 13 noted that the Obama Administration gave word to every U.S. ambassador abroad that they should put the Iranian case before their host governments and make the case for tough retribution. Obama and other members of his Administration have already stated their intent to unite the world in dealing with Iran. [U.S. Ambassador to the UN] Susan Rice was right on time earlier today for yet another shrieking fit before the United Nations, to which both Russia and China responded cautiously, essentially saying, slow down. However, it is only a matter of time before Russia and China are confronted, based on their mutual resistance to a long-sought-after international incident with Iran, and their ongoing relationships with Iran in trade relations, and the Iranian nuclear power program, respectively.

"This amateurish and highly suspicious escalation against Iran comes scarcely one week after both Russia and China vetoed the call in the UN for sanctions on Syria, with Russian officials, including Vladimir Putin, denouncing the measures as yet another push for regime change, citing the war in Libya as a case in point.... The escalation, which inevitably implicates Russia and China, falls right in the middle of an ongoing Hitlerian coup attempt by President Obama (i.e., think British-orchestrated World War). As Lyndon LaRouche said on Saturday on this website, "We're on a time-scale not only of an immediate breakdown crisis of the entire world economy—especially the trans-Atlantic region—but also the attempt, and plans already in motion, preparations already being installed, for early implementation, for establishing a Hitler-style coup inside the United States, top-down."

Is Alleged Iranian Plot Part of Obama's Coup-attempt?

Oct. 17 (EIRNS)—On Oct. 11, U.S. Attorney General Eric Holder, at a press conference in Washington, unfolded an Iranian plot conspiring to assassinate the Saudi ambassador to the U.S. Holder said the conspiracy was conceived, sponsored, and directed from Iran, and he pointed specifically to senior levels of the country's Islamic Revolutionary Guard Corps' Quds Force. Holder, however, did not produce the "irrefutable" evidence about Iran's role.

Is this, then, an aspect of what Lyndon LaRouche had warned of earlier: a coup-attempt by the desperate President Obama? *EIR* cannot yet answer that question, but the skepticism is mounting that this is merely part of that British-directed coup attempt.

According to a well-informed Washington intelligence source, the Iranian plot is about equivalent to the foiled "shoe bomber" attack by al-Qaeda networks that emanated from London. Never in the current case was the alleged target, Ambassador Adel al-Jubeir, in actual danger. Yet the Attorney General and the President have weighed in, threatening Iran with retaliation before anything has been proven. In addition, the accused assassination planner is a well-known bumbler in his community (see below).

Well-qualified experts have questioned the story from the outset. For instance, Robert Baer, a former CIA case officer in the Middle East, said that the "Quds Force has never been this sloppy, using untested proxies, contracting with Mexican drug cartels, sending money through New York bank accounts, and putting its agents on U.S. soil where they risk being caught.... The Quds Force is simply better than this."

On Oct. 12, the *Guardian* of London, in an article titled, "Unanswered questions over the alleged Iranian assassination plot," said the plot has the ring of a far-fetched Hollywood thriller. Pointing out the transfer of \$100,000 to a New York bank account from Mexico as one of the pieces of evidence cited by the Attorney General, the *Guardian* wrote: "The key evidence that the alleged plot was serious was the \$100,000 wire transfer. It came from a foreign bank account, but that cannot be an Iranian account because such transfers are impossible under US law. The money must have come from a third country, but which? And how can the US authorities be so sure the foreign accounts were under the control of the Quds force?"

Almost every aspect of the development and discovery of the alleged plot raises questions. The accused, Mansor Arbabsiar, is a used-car salesman who approached a person he believed was a member of the Zeta Mexican drug cartel, who was actually a DEA agent. The *Wall Street Journal* reports that the authorities described the informant as a paid source who was facing drug charges by authorities in a U.S. state, and that the charges were dismissed following his cooperation on unrelated drug investigations. Furthermore, the plot itself seems to have been encouraged by U.S. Federal agents, who, according to the *Journal*, developed a sting operation over a period of months, helping set up details of a plot to bomb a fictitious Washington restaurant. No explosives were ever obtained, nor was an attack imminent.

The timing of the announcement is also questionable, especially since Obama was reportedly informed of the case as early as June of this year.

Even the U.S. government's propaganda news service, Voice of America, questioned the case.

In an Oct. 17 report, VoA reported:

"One of his [Arbabsiar's] former business partners, David Tomscha, describes Arbabsiar as a simpleton who failed at even menial tasks. He would always lose keys; he was always disorganized with the numbers, he might try to sell you a car and say it was a 1989 [model and year] and it might be an '85.... I don't know if it was that he was trying to cheat you or that he just could not remember, said Tomscha.

"In spite of his irresponsible nature, Tomscha says Arbabsiar was well liked by most people who knew him here....

"But Tomscha says the lure of money may have taken hold of Arbabsiar. 'I cannot believe he could set anything up.... I am sure he is was not the mastermind,' he noted.

"Most of the other people who knew Arbabsiar agree that the man they knew would not have been capable of carrying out any kind of plot."

Asia News Digest

Obama's Drone Attacks Are Killing Machines

Precursor: Japan Quake May Have Struck Atmosphere First

Obama Issues Threats to North Korea; Lee Offers Development

Clinton Points to America's Asia-Pacific Future

Obama's Drone Attacks Are Killing Machines

Oct. 10 (EIRNS)—The number of deaths inside Iraq, Afghanistan, and Libya, where the Obama Administration is involved in declared or undeclared warfare, is growing rapidly. Although Washington claims that the drone attacks are killing only the terrorists, there is no doubt that hundreds of civilians have become victims of this killing machine. Where next?

The Obama Administration has two drone programs: one in declared war zones such as Iraq, Afghanistan, and Libya, and in undeclared war zones, including Somalia and Yemen; and another program, directed by the CIA and not publicly acknowledged, operating mostly in Pakistan.

Obama's government launched 44 distinct drone strikes in Pakistan in 2009, far more than in previous years. The "pinnacle" of America's drone achievements was in August, when they killed Tehreek-e Taliban Pakistan (TTP) leader Baitullah Mehsud. Pakistan claims that these drone attacks killed as many as 700 civilians as well. Since then, the number of drone attacks have grown rapidly, causing deaths and destruction.

The number of civilian deaths caused by drone strikes is hotly contested. What is important to note is that drone attacks have increased steeply during the last two years on President Obama's watch. In June 2011, John O. Brennan, Obama's top counterterrorism advisor, said that for almost a year, "there hasn't been a single collateral death because of the exceptional proficiency, precision of the capabilities we've been able to develop." Brennan later backed off that statement somewhat, but other officials say that that claim still holds. Since May 2010, CIA officials believe, the drones have killed more than 600 militants and not a single noncombatant.

This assertion has met with deep skepticism from many independent experts. Assessments of the results of the attacks differ. Daniel Byman from the Brookings Institution suggests that drone strikes may kill "10 or so civilians" for every militant killed. In contrast, the New America Foundation has estimated that 80% of those killed in the attacks were militants. The Bureau of Investigative Journalism, which claims extensive research on the subject, found that at least 385 civilians were among the dead, out of a total of between 1,658 and 2,597 killed.

See InDepth for "Unmanned Aerial Drones: Weapons of War, or Tool of Repression?"

Precursor: Japan Quake May Have Struck Atmosphere First

Oct. 10 (EIRNS)—"Before finding this phenomenon, I did not think earthquakes could be predicted at all," Hokkaido University geophysicist Kosuke Heki told OurAmazingPlanet. "Now I think large earthquakes are predictable."

The phenomenon to which Heki referred, is that the devastating earthquake that struck Japan on March 11 this year may have rattled the highest layer of the atmosphere even before it shook the Earth. The discovery could one day be used to provide warnings of giant quakes.

The magnitude 9.0 quake that struck off the coast of Tohoku in Japan ushered in what might have so far been the world's first complex megadisaster, as it unleashed a catastrophic tsunami, and set off microquakes and tremors around the globe. Scientists recently found that the surface motions and tsunamis this earthquake generated, also triggered waves in the upper atmosphere. These waves reached all the way to the ionosphere, one of the highest layers of the Earth's atmosphere.

But now Heki reports that the Tohoku quake also may have generated ripples in the ionosphere *before* the quake struck. Disruptions of the electrically charged particles in the ionosphere lead to anomalies in radio signals between global positioning system satellites and ground receivers, data that scientists can measure. Heki analyzed data from more than 1,000 GPS receivers in Japan. He discovered a rise of approximately 8% in the total electron content in the ionosphere above the area hit by the earthquake—about *40 minutes before* the temblor. This increase was greatest around the epicenter, and diminished with distance away from it.

Heki concluded that this means earthquakes may be forecast, if nations are able to monitor changes in the ionosphere near earthquake regions in real time.

Obama Issues Threats to North Korea; Lee Offers Development

Oct. 14 (EIRNS)—There was a clear contrast between President Obama's imperial war-mongering and South Korean President Lee Myung-bak's effort to bring "peace through development" in regard to the North Korea issue during their joint press conference on Oct. 13.

The two Presidents praised the close U.S.-R.O.K. relationship and the passage of the U.S.-Korea Free Trade Agreement (KORUS-FTA) in the U.S. Congress this week. But when it came to North Korea, Obama said they "continue to pose a direct threat to the security of both our nations," and that their "provocations will be met not with rewards, but with even stronger sanctions and isolation."

During his opening statement, President Lee said simply that "we will continue to work towards denuclearization in the peninsula," but when asked by a Korean reporter about the high-level discussions by the Russians with both North and South Korea on building a gas pipeline through the North to the South, Lee took the opportunity to expound at length on the importance of the project, and the great benefits for all parties involved:

"Now we are discussing, right now, with the North Koreans whether the Russian gas, which is quite affordable, can travel through North Korea and be imported and be used in South Korea. This is beneficial, first of all, for Russians because they can sell their natural resource. For North Korea it would be beneficial because they could use this natural resource and also beneficial for South Korea as well."

Lee made several caveats, that the issue is far from settled, but, in a diplomatic manner, rejected Obama's confrontation in favor of cooperation.

Sources in the Blue House in Seoul have confirmed to *EIR* that the renewed Russian initiative to bring Russia, North Korea, and South Korea (and implicitly China as well) together as part of the regional development of the Far East, coheres with the interest of Seoul to shift the entire strategic situation in East Asia through joint economic development.

Clinton Points to America's Asia-Pacific Future

Oct. 11 (EIRNS)—Last week the Obama Administration told the World Trade Organization that 200 Chinese subsidy programs violated WTO rules, and today the U.S. Senate voted 63-35 to impose duties on imports from China if the President finds they are "manipulating" their currency. Both Obama's policy and the Senate action contrast sharply with the policy posed by Secretary of State Hillary Clinton in a major article in *Foreign Policy* magazine published Oct. 11: "Some in our country see China's progress as a threat to the United States; some in China worry that America seeks to constrain China's growth. We reject both those views. The fact is that a thriving America is good for China and a thriving China is good for America."

Clinton writes that one of the "most important tasks of American statecraft over the next decade" is to "lock in a substantially increased investment—diplomatic, economic, strategic, and otherwise—in the Asia-Pacific region. The Asia-Pacific has become a key driver of global politics."

She contrasts this orientation to America's traditional ties to the "transatlantic network of institutions," writing that, "The future of politics will be decided in Asia, not Afghanistan or Iraq, and the United States will be right at the center of the action."

Also, Kurt M. Campbell, U.S. Secretary of State for East Asian and Pacific Affairs, speaking in Bangkok on Monday, made a similar argument. "The United States is in the process now of one of the most important transitions, that is, repositioning and rebalancing American foreign policy priorities in our history ... [towards] Asia and East Asia as a whole."

Campbell visited Beijing today as part of an Asia tour.

Africa News Digest

Obama Puts American Boots on the Ground in Libya

Obama's Africa Deployment Will Embroil U.S. in Perpetual Conflicts

Obama Puts American Boots on the Ground in Libya

Oct. 14 (EIRNS)—President Obama yesterday jumped at the chance to expand his foreign military adventures, by sending an initial 14 contractors with military backgrounds to Libya to search for shoulder-fired missiles that were not secured and accounted for after Qaddafi was overthrown by NATO.

Andrew J. Shapiro, Assistant Secretary of State for Political-Military Affairs, said yesterday that the State Department would soon increase the number of former military personnel, now acting as contractors, to 50. While the number of missiles is not known, Shapiro asserted that thousands of shoulder-launched missiles have gone missing in Libya, and that the missiles "could pose a threat to civil aviation," although he admitted there have been no attacks with loose missiles yet.

Thousands of Libyan hand-held missiles were reportedly destroyed by the NATO air campaign during its six-month operation to overthrow Qaddafi. However, the U.S.A. and other NATO sources are saying that the weapons sites were not secured and guarded after the Qaddafi overthrow, and that an unknown number were taken by Libyan rebel militias who

flocked to the unguarded storage areas after Qaddafi was defeated.

The seizure of these missiles should have been foreseen since the same thing happened in Iraq after Saddam Hussein was overthrown. The widespread story of their proliferation has become a godsend for Obama and his British backers for three reasons: 1) the unresolved issue provides a pretext for NATO to maintain its war mobilization in Libya, and gives Obama a foot in the door to maintain and increase the number of U.S. military contractors on the ground; 2) it gives the Obama Administration credence when it tells the eight countries in the neighborhood of Libya, as it did last Summer while the military campaign against Qaddafi was still being waged, that they must cooperate with the U.S.A. and NATO in what they call their war on terror; and 3) although the missiles are old and no longer a threat to military aircraft, Shapiro pointed out that civilian aircraft are vulnerable—an implied threat against the U.S. civilian fleet—which gives Obama a pretext to maintain a military alert status which would facilitate his drive for a coup in the United States.

Obama's Africa Deployment Will Embroil U.S. in Perpetual Conflicts

Oct. 14 (EIRNS)—President Obama today announced, in a letter to Speaker of the House of Representatives John Boehner and President Pro Tempore of the Senate Daniel Inouye, that he had already begun the deployment of American troops into Central Africa.

According to Obama's letter, "On October 12, the initial team of U.S. military personnel with appropriate combat equipment deployed to Uganda." The purpose of the force that is to increase to 100, according to Obama, is to remove Ugandan warlord Joseph Kony, leader of the Lord's Resistance Army (LRA), and his top commanders, who have conducted atrocities in the 1980s, initially in Uganda, then in South Sudan, Central African Republic, and the Democratic Republic of Congo (DRC) for more than 20 years.

Spoken as if he would tolerate no objections, Obama stated that, "I have directed this deployment, which is in the national security and foreign policy interests of the United States, pursuant to my constitutional authority to conduct U.S. foreign relations and as Commander in Chief and Chief Executive."

Kony and the LRA are no longer in Uganda, having already been flushed out by Ugandan security forces, and have not carried out any attacks for years. The remnants of the LRA have fled to remote areas in the DRC, the Central African Republic, and South Sudan, according to reports.

A report last year by ENOUGH, a project of the Center for American Progress stated that Kony does not have complete command and control over each LRA unit any longer. Since ENOUGH's purported *raison d'être* is to attack genocide and crimes against humanity, it would not be making this assessment public in a report unless it were true, and corroborates reports that the LRA remnants, now estimated to total 200-400, are operating as autonomous units under warlords not controlled by Kony.

The deployment is preparing for U.S. military interventions and occupations in Africa. Obama said that "elements of these U.S. forces will deploy into Uganda, South Sudan, the Central African Republic, and the Democratic Republic of the Congo."

Kony has been a protected asset of the financial oligarchy. Efforts by the Ugandan government to capture him have always been stymied by his being tipped off. His location in Central Africa is easily known to advanced sector intelligence agencies through monitoring of his satellite phone.

When the government of Uganda tried to negotiate with Kony, offering amnesty in return for shutting down his operation,

the British-founded International Criminal Court forbade Uganda from doing so.

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