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This Week You Need To Know

The Warhawks' Weak Flanks

Lyndon LaRouche has been emphasizing, at every opportunity, that the war on Iraq *can* be stopped. The consequences of failing to do so, are incalculable: an attack on Iraq will trigger a Thirty Years' War—a Clash-of-Civilizations, religious-war conflict that is likely to engulf the entire Middle East, and much of Asia and Africa.

From this standpoint, it is important to note that the Administration's war drive has suffered two major setbacks over the past ten days—first, the drubbing in the Feb. 14 UN Security Council meeting, and then the unprecedented demonstrations and protests against the war over the Feb. 15-16 weekend—and it has also been slowed by Turkey's stalling on providing the basing rights needed for U.S. forces to invade Iraq from the north.

These actions have bought precious time in delaying the start of this potentially catastrophic adventure. Every day the war is delayed, makes it more feasible finally to stop it. If the war drive can be jammed up for two or three weeks more, then it is likely that weather conditions will prevent it from being launched until after the summer's heat has dissipated.

The most assured means of stopping the war drive, is to alleviate the heavy pressure on the President, which is coming from the Chickenhawks and their allies. Lyndon LaRouche has identified a number of initiatives which could decisively shift the environment around the White House:

(1) *Nuclear weapons*: The same utopian Chickenhawk crowd which has wanted a war against Iraq for years, is actively pushing for the preemptive use of tactical nuclear weapons against Iraq and other "rogue states" alleged to be in possession of so-called weapons of mass destruction. The possible use of tactical nuclear weapons to hit deeply buried military targets in Iraq, or WMD sites, is being openly discussed, and has been the subject of a number of articles by *Los Angeles Times* military columnist William Arkin, as well as articles in the London *Guardian* and the *Washington Post* over the past week.

The immediate origins of this doctrine date from 1991, after the first Gulf War, when a group of nuclear zealots began promoting the development of a new generation of tactical nuclear weapons. Three types of new nuclear weapons were proposed: "mini-nukes," "micro-nukes," and "tiny nukes."

This was part and parcel of the Cheney-Wolfowitz-Libby advocacy of a new strategic doctrine, set forth in the now-infamous Dick Cheney Defense Department 1992 document, "Defense Strategy for the 1990s: The Regional Defense Strategy," which endorsed the development of non-strategic nuclear weapons for theater use. "In the decade ahead, we must adopt the right combination of deterrent forces, tactical and strategic ... to mitigate risk from weapons of mass destruction and their means of delivery, whatever the source," the Cheney document proposed. "For now this requires retaining ready forces for a survivable nuclear deterrent, including tactical forces. In addition, we must complete needed force modernization and upgrades."

The same Cheney-Wolfowitz-Libby document that first floated the idea of preemptive war against any potential future

military adversary, fully embraced the idea of the use of nuclear weapons against so-called "Third World tyrants."

This news service has been advised that there is deep concern and alarm on Capitol Hill, particularly in the Senate, over this effort to lower the threshold for the use of nuclear weapons. Senator Ted Kennedy has gone after this notion in a recent *Los Angeles Times* op-ed. The launching of a major fight around this issue could significantly weaken the war party around the White House, by exposing the lunatic premises underlying the Chickenhawks' frantic push for a war on Iraq.

[It's getting scarier and scarier...](#)

(2) *Ashcroft*: A second vulnerability is the role being played by Attorney General John Ashcroft—the leading representative of the "Christian Zionist" fanatics in the Bush Administration. Ashcroft is out of control in his drive to destroy long-standing due process rights and Constitutional protections. LaRouche has called on President Bush to fire Ashcroft, for the very same reasons that LaRouche warned about Ashcroft during the fight over his confirmation as Attorney General in January 2001. Ashcroft's police-state measures have drawn fire from Republicans as well as Democrats on Capitol Hill, and it is another arena in which bipartisan pressure could break open the situation around the President and the White House.

(3) *Tony Blair*: The weakest link in the international war drive is Tony Blair, who faces overwhelming opposition to his pro-war stance from the British population and especially from his own party. Already weakened by the collapse of the British economy and his government's inability to do anything about it, Blair could fall any day, and this would leave Bush without any major ally in his fantastical "coalition of the willing."

The resistance to the war drive shown by France, Germany, the Vatican, and a host of nations around the world, has bought some precious time for those of us in the United States who are determined that this war can still be stopped. Shifting the environment around the White House, and weakening or entirely knocking out key elements of the imperial war party who have President Bush in thrall at the moment, is the most efficient means to stop the war drive in its tracks.

[Historic Presidents' Day Conference Convened in Reston, Virginia...See, Hear and Read the Archived Presentations](#)

U.S. Economic/Financial News

Trade Deficit Hits New Record in December 2002

The U.S. trade deficit in goods and services hit a record in December 2002 of \$44.24 billion, up from \$40 billion in November. For the year 2002 as a whole, the trade deficit jumped to a record \$435.22 billion, the U.S. Department of Commerce reported this month.

The physical goods trade deficit, for merchandise alone, reached an unprecedented \$48.37 billion in December 2002, up from \$44.27 billion in November. For the year 2002 as a whole, the U.S. physical goods trade deficit leapt to \$484.35 billion. This corroborates Lyndon LaRouche's assessment that the U.S. has been reduced to an imperial society, living off the loot extracted from the world's nations.

During 2002, the U.S. export level of physical goods actually fell to \$682.59 billion, from \$718.76 billion in 2001. The U.S. export of capital goods (primarily computer accessories, telecommunications equipment, and semiconductors) fell by \$31.1 billion, accounting for most of the overall decline in exports. The U.S. import level of physical goods rose slightly,

from \$1.145 trillion in 2001, to \$1.167 trillion in 2002. The United States' combined import of consumer goods, and autos and parts, rose by \$37.5 billion over 2001 levels.

U.S. Physical Goods Trade Deficit	(\$ billions)
1997	191.27
1998	196.65
1999	246.93
2000	452.42
2001	427.17
2002	484.35

Wall Street Journal: Fannie and Freddie Pose Systemic Risk

The Feb. 19 *Wall Street Journal* lead editorial warned of the dangerous situation that prevails at the two giant institutions that dominate the U.S. secondary housing market, Fannie Mae and Freddie Mac. Though the *Journal's* own agenda for Fannie and Freddie calls for their privatization, its assessment of the two institutions' precarious financial situation is accurate. *EIR* has shown that Fannie Mae and Freddie Mac, along with some small secondary housing market institutions, have \$5 trillion in obligations, on top of the \$6 trillion in home mortgages, which brings the total exposure of U.S. housing financial paper to \$11 trillion.

The editorial draws upon a report, presented Feb. 4 by the Office of Federal Housing Enterprise Oversight, OFHEO, which supervises Fannie and Freddie. The *WSJ* warns:

"Fan and Fred's debt is everywhere—held by U.S. banks, big and small, by foreign banks, by institutional investors like pension funds, and by individuals. Trouble at Fan and Fred could provoke a financial contagion that would spread rather quickly. Moreover, Fan and Fred are among the largest users of derivatives contracts that are concentrated among a handful of counterparties who are, of course, both vulnerable to systemic risk and purveyors of it.

"Perhaps the scariest part of OFHEO's report, however, is its assumption that, in the case of a crisis caused by Fan and Fred, the government would have to act to prevent contagious illiquidity from causing an economic meltdown. The only question for OFHEO seemed to be when the Federal Reserve would have to act, not whether it would....

"Both [Fannie and Freddie] enjoy a AAA rating despite the fact they are running with leverage of somewhere between 29-to-1 and 31-to-1—far higher than the 12.5-to-1 required by regulators for banks.... If Fran and Fred were completely private financial institutions ... they would have to almost double their capital to more than \$99 billion from \$52 billion now....

"The broader point is that here are two companies at the center of America's financial system running with higher leverage, big derivatives positions, and inadequate disclosure, and exposing the economy to systemic risk."

Debt Crisis in U.S. Power Sector Reaches Critical Mass

The debt crisis in the U.S. gas and power sector has become more acute during the past year, with U.S. gas and power companies having an outstanding debt of \$477.6 billion, the *Financial Times* wrote Feb. 18. Of this debt, nine energy-trading companies owe \$116.7 billion, including companies such as Dynergy and El Paso, both of Texas, and North Carolina-based Duke Energy. The problem for these nine companies is that, whereas their collective stock valuation

\$103 billion in December 2001, just before the collapse of Enron, it is now down to \$28 billion. Most of these companies' credit ratings have been reduced to "junk" status, but they still owe money to the banks and to their bond-holders.

"The debt problem in the power sector has reached critical mass," reports Karl Miller, senior partner at Miller, McConville, Chisten, Hutchinson & Waffel, a New York-based acquisition company. "The companies simply do not have the cash flow to service the debt. They have collateralized most of their other assets to live through 2002 and early 2003, in essence providing a very short-term fix to a serious, long-term industry problem."

Big U.S. banks, led by JP Morgan Chase and Citigroup, have been forced to start taking big loan loss provisions against their energy loans. A select layer of the biggest European banks, such as ABN Amro, Barclays, Bayerische Landesbank, BNP Paribas, Commerzbank, Credit Suisse, Deutsche Bank, Royal Bank of Scotland, Societe Generale, and West LB, also have significant energy-loan exposures to the American gas and power companies.

Home-Price Inflation Continued in Fourth Quarter 2002

The national median price for an existing single-family home rose from \$148,500 in the fourth quarter 2001, to \$161,600 in the fourth quarter 2002—an 8.8% rate of annualized increase. The National Association of Realtors (NAR) reports that this is the biggest increase for a quarter since 1981. Thirty-nine of the 120 metropolitan areas that the NAR monitors, registered home-price increases in the double-digit range during the fourth quarter 2002. Federal Reserve Board chairman Sir Alan Greenspan has engineered the process of home hyper-inflation: funnelling large amounts of money into the housing sector, one of whose purposes is that individuals might borrow against the artificially appreciated value of their homes, and use a significant portion of that cash for consumer spending.

The biggest home price inflation occurred in the Northeast and the West.

Table 1
Median Sales Price of Existing Single-Family Home
For U.S. Metropolitan Areas

Region	Q4 2001	Q4 2002	% Change
Northeast	\$150,600	\$170,000	12.9%
Midwest	126,600	137,900	8.9%
South	140,300	151,100	7.7%
West	194,400	215,400	10.8%

Twelve major U.S. metropolitan areas saw home-price inflation of at least 17%, between the Q4 2001 and Q4 2002: including Sacramento, Calif., 26.7%; San Diego, Calif., 26.6%; Providence, R.I., 24.6%; Melbourne/Titusville, Fla., 20.9%; Fort Lauderdale, Fla., 20.8%; Orange County, Calif., 20.4%; New York, N.Y./Northern New Jersey, 20.2%; Milwaukee, Wisc., 19.7%; Los Angeles, Calif., 19.0%; Portland, Me., 18.0%; and New Haven/Meriden, Conn., 17.5%.

At the end of the fourth quarter 2002, the median price for an existing single-family home in San Diego was \$379,300; in Boston, \$383,300; and in San Francisco, \$516,400.

New York City 'In Grip of Recession,' Says Times

"New York City is in the grip of a recession," wrote the *New York Times* Feb. 19. While the rest of the country is "debating whether the economy is recovering or heading into ... the dreaded 'double dip'" downturn, in "New York Cit

question. The economy here is in recession." December's unemployment rate in the city averaged 8.4%—in Brooklyn it was 10.2%—and now "tens of thousands of people have exhausted their unemployment" benefits. The 20% rise, over last year, of households *not* on welfare which are receiving food stamps is another marker.

The cause of this recession, reports the *Times*, is the "dire straits" of the financial industry, "possibly the most important to the city's income." *EIR's* Jan. 17, 2003 issue documents that the post-1975 "Big MAC" takedown of the City's economy led to this unsustainable dependency on a consumer-bubble economy, and that a depression, rather than a recession, exists.

To show that the plunge in Wall Street's revenues and profits have brought on the city's fiscal crisis, the *Times* reports "bonus payments" to Wall Street workers dropped to \$7.9 billion in 2002, down from \$12.6 billion in 2001, and \$19.4 billion in 2000—or a 60% decline in two years. Taxes on those bonuses—the primary income of brokers, etc., not their nominal salary—and on stock-market profits "used to bring hundreds of millions of dollars into city ... coffers." In conclusion, the *Times* notes that the stock market has dropped for three straight years, "the only time this has happened since World War II," and that in December, usually a good month for the market, in 2002 the market did its "poorest since 1931."

World Economic News

Machine-Tool Production Plummets Worldwide; China Now Biggest Machine-Tool Consumer

Worldwide machine-tool production for 2002 plunged by 16%, according to preliminary figures presented on Feb. 17 by the German machine-tool association VDW. The global output of machine tools, which peaked in 1989 at the equivalent of 40.9 billion euro, plunged to 32.8 billion euro in 2002, compared to 39.1 billion euro in 2001, and 40.1 billion euro in 2000. In Germany as well, machine-tool production fell by 17% last year. However, as the production decline in Japan, at -31%, was even more dramatic, Germany is now clearly the biggest producer of machine-tools worldwide. The output of U.S. machine-tool producers crashed further last year by 37%, and now amounts to just half the output of Italian producers.

While the consumption of machine tools by German (-20%) and U.S. (-40%) corporations fell sharply last year, China for the first time emerged as the largest consumer of machine tools in the world. The German machine-tool association emphasizes in its report that China offered the only ray of hope last year: While exports to every other important market were shrinking, exports of German machine-tools to China last year increased by 32%.

Production of machine tools (billion euros)		
Country	2001	2002
Germany	8.6	7.2
Japan	8.5	5.9
Italy	4.2	4.0
China	2.9	3.2
USA	3.2	2.0

Consumption of machine tools (billion euros)		
Country	2001	2
China	5.3	6.0

Germany	6.4	5.1
USA	5.8	3.5
Italy	3.4	3.1
South Korea	2.1	2.0

The year 2002 figures in the two tables are projections based on the results in the first three quarters.

German Government, Bundesbank Consider Banking Collapse Scenarios

The German government and the Bundesbank (the German Central Bank) are developing scenarios for a banking collapse, according to the German financial weekly *Focus-Money* Feb. 19. *Focus-Money* reports on a special gathering Feb. 16, at the Chancellor's Office in Berlin. Chancellor Gerhard Schroeder, Economics Minister Clement, and Finance Minister Eichel had invited top managers of German banks to discuss issues, such as the worst crisis of the German banking system in 50 years. It was decided at the meeting that Eichel, in close cooperation with the Bundesbank, will have to work out scenarios and possible counter-measures concerning major disruptions in the banking sector, including the collapse of a larger financial institution. The German Finance Ministry declined comment on the report.

'Worst Year in History' for Germany's Second-Largest Bank

The chief executive officer Dieter Rampl of HypoVereinsbank (HVB), Germany's second-largest bank, noted in a statement that last year was the "worst and most difficult year in the bank's history." During the fourth quarter alone, the Munich-based bank produced a loss of 926 million euros, the biggest quarterly loss reported by any German bank since World War II.

HVB had a particularly high exposure to failed German corporations as well as to victims of the summer 2002 floods. For the first time in more than half a century, HVB had to eliminate its dividend payments. The bank announced plans to cut 9,100 jobs.

Financial Times: Time for Central Bankers Is Running Out

The time for central bankers is running out, and governments might soon take over the banking systems, states a London *Financial Times* editorial by Alan Beattie Feb. 21: "Central bankers these days must sometimes feel like the bewildered French commanders in 1940 who sat in the bunkers of the Maginot Line as German tanks simply swept around it. Having spent the 1980s and 1990s constructing a bulwark against price inflation, central banks are finding that securing victory against one old adversary does not guarantee economic peace. The three-year slide in world stock markets, the worst since the Great Depression, is threatening new sources of economic turbulence."

After reviewing the options left for central bankers to fight the implosion of stock prices, including calls by Wall Street on the Federal Reserve to take "extraordinary measures," Beattie notes that "there are even more dramatic changes possible if these measures are not enough." He points to California fund manager Paul McCulley of Pimco, the biggest bond fund in the world, who "speculates that central banking is on the brink of a regime change. The equity bubble that made it so cheap to raise capital was accompanied by huge corporate leveraging and over-investment." These debt bubbles could soon burst as well.

"If central bankers continue to insist they are powerless to prevent equity bubbles and their consequences, Mr McCulley says, responsibility will be removed from them. He suggests that governments, as the only potential source of sustainable borrowing and spending in the economy, could take the

Such predictions "seem alarmist and apocalyptic" at this point, says Beattie. However, should stock markets continue to go down and drag economies down with them, central banks might be shaken to their very core. "That distant rumble just discernible from inside the bunker could be the sound of trouble ahead."

Southern Sudan To Receive Increased Development Aid from Bush Administration

Under President George W. Bush's proposed new budget, Sudan "may receive nearly \$50 million in U.S. development aid next year, which would be five times the amount it got last year. Almost all that money is intended for projects in rebel-held areas," wrote Kevin Kelley in Nairobi's *The East African* of Feb. 10. Kelley draws on information from John Prendergast, a Sudan specialist and Khartoum-hater at the U.S. National Security Council in the late 1990s, who is now an analyst for the International Crisis Group.

Prendergast said the increase was part of the strategy to end the civil war in Sudan by demonstrating strong support for the rebels; *The East African* adds, "And momentum toward a peace settlement does appear to be growing, according to many independent analysts, including Mr. Prendergast. He says the southern rebels and the Khartoum government are now likely to reach a settlement within the next few months."

Huge Congo River Hydro-Power Project To Double Capacity in Southern Africa

Led by Eskom (South Africa's government-owned power company), the 12 countries of the Southern African Power Pool (SAPP) are in the process of forming a company—Western Power Corridor (Westcor)—to generate hydroelectric power and provide power transmission and telecommunications, *Business Day* of Johannesburg reported Feb. 13. Meetings to that end were held in the week ending Feb. 14.

The projected capacity, 39,000 MW, is huge by African standards, and will nearly double existing capacity of 43,000 MW of hydroelectric and thermal combined, in the SAPP countries.

The electricity will be generated at the Inga Grand site on the Congo River in the Democratic Republic of Congo. Inga is downstream from Kinshasa, just before the Congo River becomes the boundary between Zaire and Angola.

Nelson Ijumba, dean of engineering at the University of Durban-Westville, said Feb. 12 that the project would unfold in phases. Initially, it will provide 3,000-5,000 MW, distributed over 3,000 kilometers to member countries.

Inga Grand is one of five NEPAD (New Partnership for Africa's Development) projects that Eskom intends to lead. The planning for the project has been progressing for several years, with some support from the U.S. Agency for International Development and Purdue University in the United States. SAPP was formed in 1995 and now includes 12 countries—all of southern Africa up to and including DR Congo and Tanzania.

Zoellick in China, Attempts To Crack Chinese Markets

President George Bush's trade representative Robert Zoellick was in China two weeks ago to discuss World Trade Organization "obligations" and to try to open Chinese markets. Zoellick began meetings Feb. 17 with Chinese trade officials, to try to further open China's market for U.S. agricultural products.

Zoellick issued a statement before he left Washington, saying that the Bush Administration had made a priority of

"facilitating" China's accession to the WTO during the Administration's first year.

Zoellick said he has "concerns" that in some areas, especially agriculture, the U.S. is not getting the access China promised and which the WTO mandates.

Zoellick will also go the cities of Chongqing, Shenzhen, and Hong Kong. Chinese-U.S. trade was worth \$97.18 billion in 2002, up 20.8% year-on-year.

On Feb. 8, the Bush Administration released its "Economic Report of the President," which singled out China for attack for allegedly violating WTO-mandated free trade.

China's Industrial Production, Foreign Direct Investment Grow

China's industrial production rose 14.8% in January over January 2002; December's growth was 14.9% over December 2001, according to its National Bureau of Statistics. These gains were reportedly driven by production of motor vehicles and telecommunications equipment.

Its Ministry of Foreign Trade and Economic Cooperation reports that foreign direct investment (FDI) into China grew in January 2003 over the previous two months, when it waned. FDI was \$3.59 billion in January, while contracted foreign investment (future investment) rose 65% to \$9.24 billion that month. Nearly 70% of FDI in China goes to the heavy manufacturing sector.

United States News Digest

Roundup: Resistance to War Builds in United States

As of Feb. 14, some 93 state, county, and city governments in the United States had passed resolutions against an Iraq war. These included both houses of the Maine Legislature, and Hawaii's House of Representatives. Also, the cities of Atlanta, Chicago, Gary, Des Moines, Baltimore, Detroit, Jersey City, Newark, Santa Fe, Rochester (NY), Cleveland, Philadelphia, Austin, Washington, D.C., and Milwaukee.

Meantime, from across the political spectrum, and from some surprising quarters, came stern warnings to the Bush Administration to back off and—in the words of Zbigniew Brzezinski writing an op ed in the Feb. 19 *Washington Post*—"accept disarmament as the outcome," if Iraq complies.

Brzezinski targetted the Likudnik "Clean Break" network in the Defense Department and elsewhere, as screwing up world support for the United States, and attacked the Bush Administration's imperial preemptive war doctrine; its Biblical mumbo-jumbo defining terrorism as "evildoers who hate freedom"; and the international exposé of the "Clean Break" document that LaRouche's campaign led around the world (although Brzezinski, of course, mentions neither LaRouche nor the name "Clean Break").

Brzezinski did write:

"Matters have not been helped by the evident, if unstated endorsement by President Bush of Israeli Prime Minister Ariel Sharon's notion of how to deal with both the Palestinians and the region as a whole. The European press has commented more widely than the U.S. press on the striking similarity between current U.S. policies in the Middle East and the

recommendations prepared in 1996 [the 'Clean Break' report—ed.] by several American admirers of Israel's Likud Party for then-Prime Minister Netanyahu." He adds, "That these admirers are now occupying positions of influence in the administration is seen as the reason the U.S. is so eager to wage war against Iraq, so willing to accept the scuttling of Oslo...."

Brzezinski says that to get out of the threat it has created to U.S. world leadership, the Administration must cut out the "tit for tat polemics directed at allies"; "acknowledge that the quest for peace" in the Mideast requires disarmament of Iraq and the Israeli-Arab peace process; give the UN inspectors several months to complete their work.

Meantime, on *NBC's* "Meet the Press" Feb. 16, Gen. (ret) Wesley Clark defended the Europeans against the Administration's bully tactics. Asked whether the French-German-Russian resistance to a U.S.-led war on Iraq were payback for the heavy-handed tactics of Bush foreign policy, Clark responded, "...I do agree with that. I think that's exactly what they've seen and felt in Europe from this Administration. It's an Administration which really hasn't respected our allies."

Two days later, on Feb. 18, the *New York Times* editorially warned Bush against breaking with the United Nations, and pointed to the handwriting on the wall—the Feb. 15 worldwide demonstrations for peace: "Anti-war demonstrations across the world last weekend revealed widespread public misgivings.... Significantly, Europe's biggest demonstrations were in Britain, Spain, and Italy, the three countries whose leaders have shown the most inclination to join Washington in military action. Large majorities in America as well as Europe say they want military action against Iraq to proceed only with Security Council endorsement.

"Mr. Bush should heed these views and work with the Security Council to win support for a new resolution. The potential consequences of war with Iraq are far too serious to take on without broad international and domestic support."

The *Times* also noted that the "coalition of the willing" won't pay the bills; "no one should mistake the coalition that Mr. Bush is assembling for the UN Security Council."

Finally, conservative Pat Buchanan is warning of a 50-year war, if the Iraq invasion goes ahead. He says an unnamed "terrorism expert" told him that "we must expect to live with terror alerts for the rest of our lives, as this war will last as long as the Cold War itself."

Washington Post: Resentment at U.S. Has Boiled Over

The Feb. 16 *Washington Post* reported that resentment over U.S. strongarm tactics has boiled over, and that was behind the flare-up at the Feb. 14 UN Security Council meeting. The *Post* said that whatever progress Secretary of State Colin Powell appeared to have made, has been complicated by the growing resentment over "the Bush Administration's heavy-handed and bullying tactics over the past two years."

Even though Iraq's behavior was the official subject of the meeting, U.S. behavior became an important subtext, as the audience broke UN rules and applauded the French and Russian delegates.

"The U.S. team often acts like thugs," said a diplomat from a country which officially supports the U.S. "People feel bullied, and that can affect the way you respond when someone makes a request."

In the context of discussing Donald Rumsfeld's attack on the "Old Europe," an official in the Bush Administration was quoted as saying: "There are people here [in Washington—ed.] who are trying to destroy institutions that have served us

well since World War II—and still have some utility—and they have no obvious replacement but raw American power."

Bush, Ridge Should Read 'The Boy Who Cried Wolf!'

Law enforcement officials in Washington, D.C. and New York revealed that "a key piece of the information leading to recent terror alerts was fabricated" by a detainee, reported *ABC News* on Feb. 14, two days into the "Orange Alert." "The informant described a detailed plan that an al-Qaeda cell operating in either Virginia or Detroit had developed a way to slip past airport scanners with dirty [i.e. radioactive, or chemical or biological] bombs encased in shoes, suitcases, or laptops." But the information turned out "to be fabricated," after the source was subjected to a lie-detector test. Former CIA counter-terrorism chief Vince Cannistraro, now a consultant to *ABC News*, said, "This person did not pass." But the polygraph was not given until after the alert was publicized.

Homeland Security Director Tom Ridge came under hostile questioning about this, but defended the high alert, because the warning did not rest on "just one source." Ridge was asked if the government did not "unnecessarily scare the population." This is not the first time that a captured accused terrorist or criminal has "made up a huge story and scared a lot of people." A previous case occurred Christmas Eve, when Bush personally announced a nationwide manhunt for five "Middle Eastern men" entering the country from Canada. The story turned out to be false, and the alert level was lowered.

Rumsfeld Doesn't Exclude Experimentation with Mini-Nukes

The French *Reseau Voltaire* online newsletter published on Feb. 18 an analysis on the two new elements of the American strategic strategy: 1) the preemptive war doctrine, and 2) the "shock and awe" doctrine. The newsletter located the origin of the preemptive-war doctrine with Vice President Dick Cheney. "Shortly after the first Gulf War, the United States drew the lessons of the U.S.S.R. collapse and of their capacity to lead a world coalition. They concluded that they had become the only superpower and that they could expect to remain in that position if they were be able to stop all other powers from developing. That principle ... was theorized on demand of then-Defense Secretary (today the Vice President) Dick Cheney. On the 18th of February 1992, an ad hoc study group composed of Paul Wolfowitz ... Lewis Libby ..., Eric Edelman ... and Zalmay Khalilzad, met to elaborate that doctrine."

The online newsletter attacked the other new principle of the U.S. war doctrine, "shock and awe," a doctrine which states that "it is not so much the actual destruction which is important" in war, "as the terror that it inspires." This doctrine was theorized in 1996 by Harlan K. Ullman (Colin Powell's professor at the National War College) and James P. Wade, referring explicitly to the Nazi Blitzkrieg and the U.S. use of atom bombs on Hiroshima and Nagasaki.

This doctrine is behind the idea of deploying nuclear mini-bombs in Iraq, against Hardened and Deeply Buried Targets (HDBTs). In a partially declassified document entitled National Posture Review, of which the secret part was leaked to some Congress members and published by the *Los Angeles Times*, Donald Rumsfeld explicitly authorized the use of small nuclear bombs against several states, among which is Iraq. While that project was first denied by the Bush Administration, Rumsfeld talked about it again in a speech at the National Defense University, and reconfirmed at a later hearing in Congress.

The online newsletter stated, however, that the Chiefs of Staff have not made a final decision on application, because of the danger that use in any part of Iraq could have repercussions on U.S. troops based in Kuwait. Of course, only the President of the United States can authorize any such use.

Dennis Kucinich Forms Presidential Exploratory Committee

The coming split in the Democratic Party forecast by Lyndon LaRouche, was demonstrated in the announcement Feb. 17 by Congressman Dennis Kucinich (D-Ohio) of an Exploratory Committee for the Democratic Presidential nomination.

In his kickoff speech to a labor forum in Iowa that day, Kucinich, 56, called himself "an FDR Democrat" who is "running to return the Democratic Party to its roots." He voted against giving President Bush authority to take military action against Iraq in the fall. He told his audience that his first act as President would be to nullify the North American Free Trade Agreement (NAFTA); that he is "running to guarantee health care through Medicare for all"; "for livable wages and a full-employment economy;" and running "to oppose this unjustified war in Iraq." He has been a leader in the Congressional "Steel Caucus," having unsuccessfully attempted to save steel production under union conditions.

Kucinich, always a left Democrat, was almost recalled as Mayor of Cleveland in 1978, when he defaulted on city debt to the banks, rather than sell off the municipally owned power company, as the banks demanded. He was defeated in various elections from 1980 until 1994, when he won a seat in the Ohio Senate, based in part on having saved Cleveland citizens millions by not privatizing the city's power plant. Kucinich said he would decide in June whether to continue his candidacy.

Shuttle Columbia Board Gets Down To Work

Admiral Gehman, the chair of the independent board investigating the Columbia Space Shuttle accident, reported today that over the past week, the Board talked with hundreds of NASA and contractor employees who work on the Shuttle. He said they were "impressed by the dedication, seriousness of all the people we met," at the NASA centers and the Michoud External Tank manufacturing facility. The Board is recruiting its own team of outside experts to deal with the extremely complex investigation. Last week, former Air Force Secretary and aerodynamics expert Sheila Widnall was added to the Board.

Asked if the Board might, depending upon its findings, recommend whether or not the Shuttle program should continue, Steven Wallace, from the Federal Aviation Administration, quoted President Bush's statement that the space program will go on, and Vice President Cheney's remarks about the next generation of explorers—a determination to continue with manned space flight which coheres with American public sentiment, but not with the hysteria-mongering of the press (including the *New York Times* of Feb. 18).

The Board members—whose experience is mainly based on investigations of civilian and military aircraft accidents—come from a culture where you find the problem and fix it, and don't have a national debate about whether or not you need commercial or military airplanes.

On Feb. 27, the Board will hold its first public hearing; witnesses will read factual material into the public record, and invited experts, not associated with any government program, who have contacted the Board, and who have something pertinent to present, will be there.

In a survey conducted Feb. 10-14 of more than 100,000 educators worldwide by the National Science Teachers Association, 91% said that teachers should be on future Shuttle missions, and more than 76% said they would fly themselves. Since the January start of NASA's Educator Astronaut program, more than 4,500 teachers have been nominated.

In a video teleconference with NASA employees on Feb. 20, NASA Administrator Sean O'Keefe was asked about "the media reports that there will be a push in Washington" for unmanned space exploration. Visibly angered, O'Keefe said that "We are in a phase in which folks offer a lot of opinions." There are suddenly a "lot of experts who know what really happened," to Columbia, he said sarcastically. This debate, of manned versus unmanned missions, "comes up about every

occasion where there's a challenge, a crisis, a tragedy." It isn't an "either/or proposition," he said.

One influential source of this spurious debate is the press, and exemplary was the Feb. 18 *New York Times* article "NASA Is Held Down by Its Own Bureaucracy," by James Glanz.

That article, which perpetuated various myths about what happened to the U.S. space program since the end of the Apollo lunar landings, was based on a lack of understanding of history, an inherent anti-science bias, and a fallacy of composition.

The *Times* claimed, "The end of the Cold War left the space program without the allure of competing with the Soviet Union." In fact, the race with the Soviets became secondary to the goal of landing a man on the Moon by the mid-1960s, when no one in this country would have believed that space exploration would be halted after Apollo, whether we won the "race" or not. By 1965, with no post-Apollo goals for NASA, layoffs began; there has not been a long-term goal in space since Apollo.

The *Times* claimed, "When the United State chose the Shuttle over continued exploration in space, NASA lost much of its appeal for young researchers." In fact, the Shuttle was originally conceived by Wernher von Braun and Krafft Ehrlicke, and designed at NASA, to be the first step in permanent manned exploration; to service a space station from which man could travel anywhere. It was the financial constraints, leading to design compromises, that demoralized people working on the Space Shuttle, not the technology.

U.S., China Join International Fusion Project

At the 8th ITER Negotiations Meeting, held last week in St. Petersburg, Russia, China formally joined the international fusion project, and the U.S. re-joined, after having left in 1998. The ITER representatives from Russia, Europe, Japan, and Canada formally welcomed these two additional participants, stating that "history was made at this meeting," as both "confirmed their countries' commitment to participate in ITER." This is the first large international science and technology project in which China is a participant.

The head of the Chinese delegation, Luo Delong, from the Ministry of Science and Technology, stated at the meeting that China, "as one of the largest developing countries in the world, has a great need to pursue alternative energy sources. China believes that ITER can potentially lead to new forms of energy and contribute to the peaceful and sustainable development of the world in the long-term."

At the meeting, Japan, Canada, and the European Union confirmed their nations' offers to host the \$8-billion fusion tokamak experiment, which venue will be decide in the coming months. The next meeting will be held in Vienna in May.

Ibero-American News Digest

LaRouche Movement Leader Exposes Chickenhawk War-Drive on Mexican National Radio

LaRouche associate Marivilia Carrasco, the leader of the MSIA (Movimiento Solidaridad Ibero Americano) in Mexico, was interviewed for the second time in a month on national radio station, *Radio Red*, on Feb. 14. The hour-long live interview, which exposed the U.S. Chickenhawk drive for war for the first time on Mexican national radio, was to be rebroadcast on Feb. 16, to give it maximum exposure. The MSIA is the organization of Lyndon LaRouche in Ibero-America.

Carrasco emphasized U.S. Presidential candidate Lyndon LaRouche's message that the war against Iraq is preventable, and presented a tutorial on the forces behind the U.S. Chickenhawks, like Vice President Dick Cheney, Secretary of Defense Donald Rumsfeld, et al.

Interviewer Ramon Pieza asked what could serve as a counterweight to this militarist offensive, which gave Carrasco the opportunity to explain the importance of the LaRouche proposal of a Eurasian Land-Bridge, and the Paris-Berlin-Moscow alliance which China and India have now joined.

Brazil Joins 'Old Europe,' Moscow, vs. War in Iraq

Brazil will do "everything in its power to bring about a peaceful solution" to the Iraq crisis, Foreign Minister Celso Amorim told Russian Foreign Minister Igor Ivanov when they met in Moscow on Feb. 17, a spokesman for *Itamaraty* announced afterwards. Amorim told reporters that Brazil opposes any new UN Security Council resolution, because it would only serve to justify military action against Iraq. *Estado de Sao Paulo* of Feb. 18 notes that Amorim has made it clear that Brazil is aligned with the French-Russian-German opposition: He spoke with French Foreign Minister Dominique de Villepin on Feb. 13, and he was to meet German Foreign Minister Joschka Fischer in Berlin on Feb. 18.

Sources in Planalto, the Presidential seat, are putting out the word that Brazil could organize South American resistance to the war, *Estado* added.

Argentine President Eduardo Duhalde, for his part, stated on Feb. 17 that Argentina would not participate in any unilateral U.S. attack on Iraq. War will not solve any problem, Duhalde stated.

Mexico Under Enormous U.S. Pressure To Support Iraq War

President Vicente Fox has emphasized that Mexico—currently a member of the Security Council—believes that only the UN can authorize war, and that Mexico prefers a peaceful solution. But how they will vote, remains a battleground.

U.S. Ambassador to Mexico Tony Garza threatened, in a Feb. 20 interview with U.S. reporters, that while there would be no "direct reprisals" if Mexico did not support the U.S. in the Security Council on Iraq, many U.S. Congressmen would stop supporting Mexico on even "relatively straightforward issues related to Mexico." Garza's embassy in Mexico City had organized a videoconference Feb. 13 for former Defense Department official Kenneth Pollack, in which the latter threatened that, while the U.S.-Mexican relationship is important, the Bush Administration would "want to punish any country which does not want to go along with us, as a way of saying to other countries: 'If you don't cooperate with the U.S. in its most important matter, you will pay a price.'" Mexico is vulnerable, and al-Qaeda could hit there too, Pollack added.

The next day, Deputy Defense Secretary for International Security Policy Jack Crouch used an interview with Mexico's *Reforma* daily to pitch the need for improved Mexican-U.S. cooperation in fighting "terrorism." Praising the creation of the Northern Command, Crouch stressed that North America should be viewed as "a geostrategic whole."

Mexico's National Federation of Chambers of Commerce (Concanaco) issued a cowardly statement Feb. 12, pleading for Mexico to support the war, for economic reasons.

As of Feb. 16, the Fox government was still undecided on what to do on Iraq. Said President Fox's spokesman Rodolfo Elizondo on Feb. 16: "Mexico doesn't want to risk too much, but we don't want it to seem that we are aligned with the U.S. We must be careful."

FARC Seizure of U.S. Hostages Could Fuel Chickenhawk War Drive

The seizure by Colombia's narcoterrorist FARC of three American hostages has created a potential new flashpoint for war-seeking U.S. Chickenhawks. One hundred U.S. Special Forces troops are currently deployed in the jungles of Colombia, alongside thousands of Colombian Army troops, in a search for three Americans taken hostage by the FARC after their plane crash-landed Feb. 13 in the southern province of Caqueta during drug-surveillance operations for the U.S. Defense Department. Another American who had been on the plane was executed by the terrorists, as was a Colombian military intelligence officer accompanying the Americans. The hostages remain unidentified by U.S. authorities, who have only confirmed that the Americans are not Drug Enforcement Administration agents.

Three U.S. Congressmen—Thomas Davis (R-Va.), James Moran (D-Va.), and Mark Souder (R-Ind.)—spent two days in Colombia last week, where they met with U.S. embassy and Colombian officials, and gave a press conference urging a "dramatic response" from the Bush Administration to the kidnapping. "I don't think rescue by itself is a sufficient response," said Moran, who said U.S. Ambassador to Colombia Anne Patterson had sent a recommendation to President Bush which calls for "major and appropriate" action, as yet undefined. A "military response" has not been ruled out, said an unidentified U.S. official cited by the *New York Times*.

Chavez Political Police Seize Opposition Leader

Venezuela's political police, who are under the control of Jacobin President Hugo Chavez, arrested Carlos Fernandez, head of the country's national business association, Fedecamaras, at gunpoint, at 1 a.m. on Feb. 20, while he was dining with a group of businessmen in a restaurant in Caracas. Charges against him include civilian rebellion, sabotage, treason, incitement of crime, and other unspecified charges related to the general strikes and coup attempt against Chavez in April and December 2002. An arrest warrant was also issued for the head of the Venezuelan Labor Federation (CTV), Carlos Ortega.

Coming on top of the Feb. 17 discovery of the bodies of three dissident soldiers and a girl who had been kidnapped on Feb. 15, the Chavez regime's provocations are playing into the hands of the neoconservative radical faction in the opposition movement, who launched an organizing drive Feb. 3 for a Pinochet-style military "solution" to the Chavez problem. The Chavez police admit that the four who were found dead had been bound, gagged, and tortured before being executed, but they rule out any "political motive" behind the killings.

The backdrop to this is an economic crisis worsened by Chavez's use of exchange and price controls against the opposition business sector, which could shut down crucial food-processing companies, resulting in more layoffs and severe food shortages. Dollars have been unavailable to the private sector since Jan. 22, and Central Bank officials reported last week that none will be available until the beginning of March, at the earliest. Hospitals, clinics, and cancer programs are warning that the supply of many imported medicines which must be paid for with dollars, will run out before March.

Argentine President Duhalde Says IMF Wrecked Bolivia

As one Ibero-American nation after another falls into economic collapse and ungovernability, Argentine President Eduardo Duhalde, in a Feb. 14 speech, laid the blame for the latest victim, Bolivia, squarely on the doorstep of the International Monetary Fund: "The IMF forced them to lower salaries by some 12%, and it resulted in people in the street, brothers confronting brothers, and a government only months old which is reeling." And he added: "This is the same thing that happened here."

The death toll from nearly 48 hours of riots and looting provoked Feb. 12-13 by the IMF's demand that the Bolivian

government impose a 12.5% income tax across the board, has now risen to 32, with at least 134 wounded. President Sanchez de Lozada had to be spirited out of the Presidential Palace in an ambulance, in the midst of the upheaval. While he now says he has a retooled budget "not devised by the IMF," and has backed off from some of the harsher IMF austerity dictates, he wants to downsize the government, in an attempt to reduce the budget deficit from 8.6% of GDP to 5.5%

Total economic collapse is looming. There was a run on the banks on Feb. 12, as rumors swept the country that the government would freeze bank deposits (a "*corralito*," à la Argentina)—which the government adamantly denied. The government planned to send its Finance and Social Development Ministers up to Washington immediately, with emergency requests for more aid.

The most prominent leader of the opposition to the government is the Jacobin head of the coca-growers, Congressman Evo Morales, whose demand that President Gonzalo Sanchez de Lozada resign, has been echoed by several political parties, as well.

The White House issued a statement of "deep concern" over the crisis, and affirmed its "strong support" for the President; the State Department issued a statement urging "all Bolivians to respect the constitutionally elected government." The cause of the problem, however, is precisely what President Duhalde said: the IMF policies which the Bush Administration has insisted be maintained.

Duhalde Denounces Privatization of State Banks as 'Treason'

Privatizing Argentina's state banks would be tantamount "to treason against the Fatherland," declared President Eduardo Duhalde, as reported in *La Nacion* Feb. 18. "Argentina cannot privatize its [state] banks." Referring to both legislation approved in Congress, and to the call for "restructuring" public-sector banks included in the recently signed letter-of-intent with the IMF, Duhalde said, "I think Argentina won't permit the privatization of its public banks." Earlier attempts to privatize the state-run Banco de la Nacion were met with nationwide opposition, even from free-market advocates.

Western European News Digest

European Union Declaration on Iraq Policy

What follows is the full text, from *BBC*, of a statement by European Union leaders issued Feb. 17 after a summit on the Iraq crisis, attended by UN Secretary General Kofi Annan. It represents a compromise, but, as German Chancellor Gerhard Schroeder stressed, it does not alter the positions of France and Germany. Important is the reference to "what the people of Europe want," as expressed in the mass demonstrations on Feb. 15.

"War is not inevitable. Force should be used only as a last resort The way the unfolding of the situation in Iraq is handled will have an important impact on the world in the next decades.

"In particular, we are determined to deal effectively with the threat of proliferation of weapons of mass destruction.

"We are committed to the United Nations remaining at the center of the international order.

"We recognize that the primary responsibility for dealing with Iraqi disarmament lies with the Security Council. We pledge our full support to the Council in discharging its responsibilities.

"The Union's objective for Iraq remains full and effective disarmament in accordance with the relevant [UN Security Council] resolutions, in particular Resolution 1441. We want to achieve this peacefully.

"It is clear that this is what the people of Europe want. War is not inevitable. Force should be used only as a last resort. It is for the Iraqi regime to end this crisis by complying with the demands of the Security Council.

"We are committed to working with all our partners, especially the United States, for the disarmament of Iraq, for peace and stability in the region, and for a decent future for all its people. We reiterate our full support for the ongoing work of the UN inspectors. They must be given the time and resources the UN Security Council believes they need.

"However, inspections cannot continue indefinitely in the absence of full Iraqi cooperation.

"This must include the provision of all the additional and specific information on the issues that have been raised in the inspectors' reports.

"Baghdad should have no illusions: It must disarm and cooperate immediately and fully. Iraq has a final opportunity to resolve the crisis peacefully.

"The Iraqi regime alone will be responsible for the consequences if it continues to flout the will of the international community and does not take this last chance.

"We recognize that the unity and firmness of the international community, as expressed in the unanimous adoption of the Resolution 1441, and the military build-up, have been essential in obtaining the return of the inspectors. These factors will remain essential if we are to achieve the full cooperation we seek.

"We will work with the Arab countries and the League of Arab Nations.

"We will encourage them, separately and jointly, to bring home to Saddam Hussein the extreme danger of miscalculation of the situation and the need for full compliance with Resolution 1441.

"We support Turkey's regional initiatives with the neighbors of Iraq and Egypt.

"In this regional context, the European Union reiterates its firm belief in the need to invigorate the peace process in the Middle East and to resolve the Israeli-Palestinian conflict. We continue to support early implementation of the roadmap endorsed by the Quartet. Terror and violence must end. So must settlement activity.

"Palestinian reforms must be speeded up and, in this respect, President Arafat's statement that he will appoint a Prime Minister is a welcome step in the right direction.

"The unity of the international community is vital in dealing with these problems. We are committed to working with all our partners, especially the United States, for the disarmament of Iraq, for peace and stability in the region and for a decent future for all its people."

Chirac Lashes Out at Gang of Eight and Vilnius 10

French President Jacques Chirac launched a blistering attack Feb. 17 on Eastern European nations who signed letters

backing the U.S. position on Iraq, warning that their action could jeopardize their chances of joining the European Union. "It is not really responsible behavior," he told a news conference. "It is not well-brought-up behavior. They missed a good opportunity to keep quiet."

This riposte came in response to the actions of EU candidates Poland, Hungary, and the Czech Republic, who joined pro-U.S. EU members such as Britain, Spain, and Italy last month to form the "Gang of Eight," signing an open letter supporting Washington's line on Iraq. Paris was further upset when 10 other Eastern European nations (the "Vilnius 10") signed a similar letter a few days later.

"Concerning the candidate countries, honestly I felt they acted frivolously because entry into the European Union implies a minimum of understanding for others," Chirac told reporters after an emergency EU summit on Iraq (the statement from that summit is reproduced in full at the beginning of this DIGEST).

He warned the candidate countries that the pro-U.S. position they had taken could be "dangerous," because the parliaments of the 15 EU nations still have to ratify last December's decision to enable 10 new members to join the bloc on May 1, 2004. Chirac particularly warned Romania and Bulgaria, which are still negotiating to enter the bloc in 2007. "Romania and Bulgaria were particularly irresponsible to [sign the letter] when their position is really delicate," Chirac said. "If they wanted to diminish their chances of joining Europe"—i.e., the European Union—"they could not have found a better way."

Although Spanish Prime Minister Jose Maria Aznar and British Prime Minister Tony Blair were the driving forces behind the letter backing America, and EU members Italy, Denmark and Portugal also signed up, Chirac reserved his wrath for the candidates, explaining, "When you're in the family you have more rights than when you're knocking on the door."

Significantly, the Eastern European candidates were not invited to the EU summit on Iraq, at Chirac's insistence. Tony Blair sent the Eastern European countries a letter apologizing for not having been able to get them in to participate.

European Union Members Back Chirac Against Eastern European Mice

The failing British wire service *Reuters* on Feb. 18 ran the petulant reaction of Tony Blair and the insulted East European mouse-ministers to French President Jacques Chirac's blistering attack on the latter, under the headline, "Chirac Under Fire After EU Unites To Warn Iraq." (Chirac had blasted the Eastern European nations, the so-called Vilnius Ten, for their temerity in issuing a letter supporting the U.S. position on Iraq.)

But *Reuters* also paraphrased European Commission President Romano Prodi as saying the Eastern European governments, candidates for admission to the European Union, "had to realize the EU was a political union and not just an economic club, but he was sure they would get used to it."

An unnamed European diplomat is reported to have said that "Chirac's feelings were shared by some other member states, who believed the [Eastern European] candidates had been manipulated by Washington to divide Europe and marginalize France and Germany in their anti-war drive. 'Chirac expressed aloud what many feel in the Chancelleries. That they were naive enough to fall into the trap caused the discontent.'"

German Chancellor Wants Control of WMD in Other States, Too

German Chancellor Gerhard Schroeder wants control of weapons of mass destruction (WMD) to be imposed in other states, too—not just Iraq—with inspections being the priority. At a joint Berlin press conference with visiting Egyptian President Hosni Mubarak Feb. 19, Schroeder reiterated his position against war, urging intensified inspections instead.

Schroeder also said that the non-military removal of weapons of mass destruction by United Nations inspections in Iraq was a model for establishing control of such weapons potentials in other states. "International law, which is the basis for such arms inspections, applies to all nations, not just Iraq," he said, although he identified no other states, with the exception of North Korea, where Schroeder said the establishment of a new inspections regime was urgent, to help contain the crisis.

German Oriental Institute Targetted by Slanders for Its Anti-Bush Position

On Feb. 16, the new issue of the German weekly *Der Spiegel* attacked a leading researcher at the renowned German Oriental Institute, Iraqi-born Al Kazaz, for his views critical of the U.S.—views which the *Spiegel* article called pro-Saddam Hussein.

At a Hamburg press conference, Udo Steinbach, director of the Institute, denounced the article and defended Al Kazaz, whom he characterized as one his "most qualified, most knowledgeable colleagues." Steinbach said that in his personal engagement for the protection of Iraq against a new war, Al Kazaz shows a "humanitarian motivation primarily," because he has been familiar with the situation of the Iraqi civilian population during the 12 years since the last Gulf War in 1991.

At an event of the Atlantic Academy Rhineland-Pfalz Feb. 17, Steinbach said that the Bush Administration wants the Iraq war by hook or by crook, for geopolitical reasons. He said that one aspect of the present U.S. approach to Iraq is the unfinished agenda of 1991, which the younger Bush inherited from his father. But he added that the real motive behind the war buildup has little to do with that, nor with Sept. 11, but rather with the geopolitical design for firm U.S. control of the combined Mideast/Gulf/Central and South Asia region. Tony Blair is sailing along with Bush, Steinbach asserted, because he is under the influence of certain Empire-minded people inside the British power apparatus who want to revise the British decision of 1967 to pull out from the Gulf, and to return to that region, to the Emirates, in some form or the other. Iraq is not even the real target, he asserted: Iran is, and the mobilization against Saddam Hussein just serves as an avenue towards the coming conflict with Iran.

Anglo-American Circles Mobilize German Assets Against Schroeder's Iraq Policy

As part of the Anglo-Americans' effort to block Gerhard Schroeder's policy for peace, not war, in Iraq, a herd of Atlanticists being trotted out with the line is: Schroeder is selling out Europe to Russia. Thus, former Chancellor Helmut Kohl warned against further strife in German-U.S. relations, saying: "If the German government further damages trans-Atlantic relations, the arithmetic of power in Europe will shift to Russia's benefit."

Historian Arnulf Baring comments: "Schroeder is swapping the Americans for the Russians, without further ado." Referring back to earlier historical periods, when Russian-German relations were close, Baring says, "Since [the end of the Cold War], the Soviet [Russian] leadership has had one aim in particular: to force the Americans out of Europe." Baring believes that European integration has already failed, since the "entrance of Russia."

A day after 500,000 demonstrated in Berlin in support of Schroeder's policy, the German newspaper of record, *Frankfurter Allgemeine Zeitung*, in its Feb. 16 issue came out with a front-page story, "Bio-Terror: Danger Kept Secret"—a blast at the Schroeder government. The story is that last summer, the government had hard information about Iraq's possession of biological weapons, but kept it secret. Cited is a government paper from Aug. 9, 2002, which warned against a possible use of smallpox, and stated that, outside of official laboratories in the U.S. and Russia, there were also illegal caches of the virus in Russia, North Korea, and Iraq. On the basis of this paper, the Health Ministry ordered massive amounts of vaccine.

Interior Otto Minister Schily stated categorically, that the Health Ministry paper had been wrongly formulated, and that

what was involved were samples of camel smallpox virus, which the Iraqis had been experimenting with in the 1990s. This was known, he said. He rejected the accusation that the government had been covering up any evidence against Saddam Hussein, saying there was no indication that the human virus could be developed out of the camel virus.

Finally, according to a Feb. 16 report in *Bild am Sonntag*, the Opposition is considering a "constructive vote of no confidence" against Schroeder. Christian Democratic Union deputy chairman Christoph Boehr told *Bild*: "Schroeder is sitting on top of a pressure cooker. He's begging for a constructive no-confidence vote" by his actions. The last Social Democratic Party parliamentary faction meeting, he said, had shown that "every vote for reason" in the SPD had been smashed. Earlier that week, CDU chief Angela Merkel had called Schroeder "a danger for the German Federal Republic," and Christian Social Union state leader Michael Glos had declared, "I think they have to go—no matter how." He added, "At any democratic price." Similar statements are quoted from other regional CDU political figures.

It should be recalled that Richard Perle had told the German press that the relations between the U.S. and Germany could be repaired only under a different German government. Regime change in Baghdad, apparently, is to begin with regime change in Berlin.

Italian Finance Minister: We Need Protectionism

Speaking in Pesaro on Feb. 13, Italian Finance Minister Giulio Tremonti announced that Italy, during the coming semester of European Union chairmanship, will propose the reintroduction of import tariffs. "We must not be afraid of talking about tariffs. Maybe it is true that globalization will make all of us richer in the future. But we risk arriving there dead. We must defend Italian products."

"I realize," Tremonti said, "that the stereotype of a conservative government includes the mythology of free market. We leave this mythology to others. Maybe it is not 'politically correct,' maybe it is not 'global' or 'no global' fashion, but the Italian government intends to raise its voice on this issue also in the EU." Tremonti rejected the idea that in the era of globalization only large corporations can survive. "A small enterprise is not a fault, it is a richness." And he criticized banks which do not help small enterprises: "[Italy's] Mezzogiorno is practically the only European region without a real bank."

Meanwhile, official figures show that Italian industrial production declined 2.1% in 2002.

ThyssenKrupp Downgraded to Junk Status

Standard & Poor's on Feb. 21 announced that it has cut the long-term credit rating of Germany's largest steel producer by two notches at once, from "triple B" to BB+, a rating that belongs to "junk" territory. ThyssenKrupp stocks in the first hours after the news plunged by 7%, the risk premium on its corporate bonds almost doubled from 2.4% to 4.7%. Many investment funds in the world are not allowed to hold "junk bonds" and are now forced to sell off ThyssenKrupp corporate bonds. Any new bond emission by the company would now require the promise of much higher interest rates. The only other "junk-rated" component in the DAX-30 is Fresenius Medical Care, the producer of medical instruments and technology.

ThyssenKrupp became the first European company to be hit by a new policy at S&P regarding pension liabilities. S&P recently decided to strike out at all corporations that do not follow Anglo-Saxon orthodoxy in financing pension obligations. According to this model, a corporation has to cover future pension obligations by setting up special funds, which then invest in stocks or bonds. Most German corporations still stick to "pay-as-you-go" pension systems, and these are building special reserves for the pension obligations, backed up by fixed assets such as real estate and machines, rather than financial assets. In early February, S&P put out a list of 12 European companies which, according to the new policy,

are threatened by a downgrade.

ThyssenKrupp management "strongly" criticized the S&P decision and described it as "incomprehensible." Since the last S&P rating in 2001, the company's pension obligations, about 7 billion euros, have not changed at all. At the same time, ThyssenKrupp has reduced its net debt from 7.2 billion euros to 4.9 billion euros. The company states, "The facts concerning ThyssenKrupp have not changed; the only thing that has changed is S&P's view of the way it assesses pension obligations." The management said it might take legal action against the S&P decision. However, it will not cut down on planned investments.

ThyssenKrupp is part of the consortium building the Transrapid magnetic levitation rail system in China and Germany.

Russia and Central Asia News Digest

Moscow Anti-War Rally Calls for LaRouche

Among the many millions of people who demonstrated around the world on Saturday, Feb. 15, against an Iraq war, was a group that picketed the U.S. embassy in Russia. Members of the Narod Rossii (People of Russia) organization joined that rally with signs in English: "America Needs Not Bush But LaRouche," and "Instead of the War—LaRouche's New Bretton Woods."

This news service has received photos of the rally, showing Russians carrying these signs alongside Russian-language slogans like "Putin, Get Tougher on America; People of the World Trust Russia" and "May the Killers Be Damned!"

Russian Analyst: Bush Should Dump Rumsfeld and Cheney Now

"Bush should dump Rumsfeld and Cheney now; they are to blame for getting the President into this terrible mess," said the vice-director of the U.S.-Canada Institute of the Russian Academy of Sciences, Victor Kremenyuk, in a Feb. 19 interview with the Russian information service *strana.ru*. The statement is interesting above all because it probably reflects discussions inside the U.S., that Russian informants have been picking up.

Kremenyuk noted that "the war-pushers Rumsfeld and Cheney have put Bush into a very difficult position." On the one hand, "Germany, France in NATO, and Germany, France, and Russia in the Security Council, have made it clear that if the U.S. goes for a unilateral military action, the price will be extremely high." On the other hand, it is politically very difficult for Bush to pull back now. But, Kremenyuk said "I am not sure Bush Jr. will really go ahead with it," because this would mean "losing Europe, Russia, China and the entire Arab world." Plus "it is completely obvious, that the U.S. economy is in big trouble." Under these circumstances, and in light of the coming election, "Bush needs to get rid of the old crew of Rumsfeld-Cheney, and put in a young, new command, that can give the Republicans a new breath of fresh air."

Asked why Bush Sr. doesn't intervene to stop the war drive, Kremenyuk said he was "absolutely sure" that it was Bush Sr. who pushed the "Axis of Evil" policy and the Iraq war policy onto Bush Jr. After all, "Sept. 11 was like manna from heaven for Bush Sr." Now it is time for Bush Jr. to dump these policies, Kremenyuk said.

Ivanov Presents Joint Russian-French-German Approach to Iraq

Writing in the Feb. 13 *Financial Times*, Russian Foreign Minister Igor Ivanov said, "Russia, France, and Germany recently presented a common approach to the settlement of the situation in Iraq. Many observers view this initiative as a new

phenomenon in world politics, which goes beyond the Iraqi crisis.

"That three countries that were once on opposite sides of the Cold War divide now support a joint initiative on such an acute international crisis, shows just how rapidly and completely the international system has changed since the late 1980s. Historically, of course, the interests of Russia and West European countries have often coincided. After all, Russian culture and civilization are European....

"The settlement of the Iraqi crisis is a significant problem.... The world community, via the United Nations Security Council, has set itself a clear task to find out whether Iraq possesses weapons of mass destruction. Like the overwhelming majority of states, Russia believes this task can and should be fulfilled by peaceful means. Force should only be used as a last resort to settle this issue. It is clear that an armed attack against Iraq would destabilize the Middle East and the world in general. Such instability would compromise the common struggle against international terrorism, and there is no excuse for that.

"Attempts to portray this initiative as an anti-American maneuver are completely unfounded. Those who make such suggestions are either unable to discern new trends in world politics or are unable to abandon a Cold War mentality with slogans such as 'Those who are not with us are against us.' Actually, the Franco-German-Russian statement emphasizes our readiness to discuss different ways to solve the Iraqi problem with the U.S. and other countries in the spirit of partnership and mutual respect.

"Moscow, Paris, and Berlin seek to preserve the unity of the international community, particularly within the framework of the UN Security Council, rather than to undermine it.... The Iraqi problem is not the only one facing the international community. All states must work hard to respond to new threats and challenges. The current magnitude of those threats warrants common action. No single state can deal with them alone.

"It is this objective that underlies the joint statement by Russia, France, and Germany. We hope that it will be heard and understood correctly."

Russian Government Attacks 'Massive' Armtwisting of Iraq Inspectors

Russia's Foreign Minister, Igor Ivanov, issued a statement to the press in Moscow charging the Anglo-American war party (while not naming names or specific governments) with "exerting massive pressure on the inspectors." He said this is done apparently with the aim of either forcing the UN weapons inspectors to quit, pull out of Iraq (as in 1998), or to deliver reports that would strengthen the arguments for military actions.

In an interview with Italian newspaper *Corriere della Sera*, Ivanov spoke of the use of Russia's veto at the UN. "It's an extreme measure to be used in a responsible way," he said. "We are not against a second resolution in principle, but we must see what purpose it would serve. To be clear: if the resolution aims to reinforce the mandate of the inspectors, we will be ready to look at it. If it is designed to allow the use of force, we believe it would be detrimental." He concluded, "Russia's intention is not to divide the Security Council but, on the contrary, to maintain maximum unity."

The Fondest Idea of Count Sergei Witte

The Russian government is now carrying out one of the fondest ideas of the great Count Sergei Witte, the leading Russian statesmen of the late 19th and early 20th centuries, for a greatly upgraded Russian-German-French relationship, a leading figure of the USA-Canada Institute in Moscow told *EIR* Feb. 14. Asked what he anticipated the Russian government would do, at the UN Security Council, if an Anglo-American resolution is introduced authorizing the use of force, he responded,

"Follow Berlin and Paris. This is the policy of Sergei Witte."

Asked what he meant by referring to Witte, the Russian statesman from more than 100 years ago, the strategist responded: "Witte's dream, during the war with Japan and at other times, was for an alliance with France and Germany. Witte was the biggest genius in the history of Russian politics. He concentrated mainly on France, but his interest was not only France, but also Germany."

He added, "President Putin is looking very much at Witte. So are other people in and around the Kremlin. The focus now, is on Berlin and Paris.

"I am in a minority among Russian strategists, who are absolutely convinced that an Iraq war will *not* happen. I simply can not imagine it; I think we are witnessing a gigantic American bluff," commented the strategist. He added: "The Americans know, whatever they may say in public, that an Iraq war now, would not be like the Gulf War of 1991, nor like the first months of the Afghanistan war. The Iraqi population, of 22 million, will not desert to the steppes. The Americans will suffer casualties, much more than the very few dead in these earlier wars. That is one factor."

The source went on: "The other factor is *Turkey*. A war will split Turkey into two parts, the Kurdish issue will break up the country, if this war happens. I absolutely agree with LaRouche, that the Turks are happy about the French-Belgian-German obstruction in NATO, since they don't want this war."

In his view, "The reality is that the Americans wanted to launch this war in April of last year, and that would have been the right time, but Cheney made that tour of the Arab countries, and didn't get the reaction he wanted. In my view, everything since that, is one of the greatest bluffs in history.... In practice ... Iraq will enter the American sphere of influence, which doesn't make me happy, but it won't happen with a war. In any case, be aware that the international agenda will soon be faced with a far more important matter, namely, North Korea, and we Russians are preparing that diplomatically, and are being very cautious."

Central Asia Opposes War Against Iraq

Despite the presence of the U.S. military in Kyrgyzstan and Uzbekistan, the Central Asian leaders have spoken out against the U.S. plan to attack Iraq. Kyrgyz Foreign Minister Askar Aytmatov on Feb. 12 joined the chorus of critics of Washington's Iraq stance, announcing Bishkek's support for a diplomatic initiative by Russia, France, and Germany to avert war. Both Kyrgyz and Kazakh diplomats have stated that the Iraq crisis should be handled within the UN Security Council.

According to media reports, Central Asia's great concern about the Iraq war is that the breaking out of a war would decrease U.S. interest in the reconstruction of Afghanistan. A stable, relatively prosperous Afghanistan is what Central Asia requires for maintaining its own stability.

At present, the Central Asian states are struggling to keep in check the underground radical Islamic groups, including Hizb-ut-Tahrir. On Feb. 12, Kyrgyz security officials had voiced concern about an increase in Hizb activity in Kyrgyzstan.

Russia Considering Ruble-Based Monetary Union

In an article entitled "Moscow's New Secret Weapon," the *Moscow Times* of Feb. 20 reported that the Russian government is considering making the ruble fully convertible, and using it as the basis of a currency union with Kazakhstan, Kyrgyzstan, Tajikistan, and Belarus. Prime Minister Mikhail Kasyanov reportedly discussed the idea of a unified currency

system for the Eurasian Economic Union, at its summit on Feb. 19 in Moscow.

Cooperation in Space Exploration Between Russia and Europe

After many months of negotiations, Russian Foreign Minister Igor Ivanov and the Director General of the European Space Agency, (ESA) Antonio Rodota, signed an agreement on space cooperation in Paris Feb. 12. It supersedes a 1990 agreement between ESA and the Soviet Union, and could have significant economic and strategic ramifications. The United States has been, up until this time, the major bilateral partner of both ESA and the Russian Space Agency.

All of the launch sites on Russian territory are at high northern latitudes. Use of ESA's equatorial launch site at Kourou, French Guyana, next to Brazil, would allow Soyuz rockets to carry more payload, by taking advantage of extra momentum gained from Earth's full rotational speed at the equator. ESA indicated that it is also interested in including the Russian space agency in its long-term planning effort begun last fall, dubbed "Aurora."

Apollo Astronaut Says Bush Should Ask Putin for Help

Apollo 12 astronaut Alan Bean has proposed that President Bush personally ask Russian President Putin for help keeping the International Space Station manned and functioning, while the Space Shuttle fleet is grounded. Paraphrasing President Franklin Roosevelt's comments about the World War II Lend Lease program, Bean noted, "If your house is on fire, it's okay to ask your neighbor for help—he'll loan you the hose."

Bean spent months in the Soviet Union as a back-up crew member for the 1975 American-Russian Apollo-Soyuz mission. He said that the Russians "will respond" to such an appeal. Such high-level diplomacy, Bean says, "would change the opinions of the American people, and, particularly of the Russian people."

Temporary Measures To Keep Space Station Manned Taken by Russian Government

The grounding of the Space Shuttle fleet has left the Russian Soyuz vehicle as the only way to transfer the crew aboard the space station, and the unmanned Russian Progress vehicles as the only way to deliver supplies. Russia was already prepared to launch three Progress ships this year (the first launched two weeks ago), and two Soyuz craft (the first in April) to bring a fresh emergency return vehicle to the station, each with a lifetime of six months. Without the Shuttle, an additional Progress would be needed, and five or six would be needed in 2004, were the Shuttle fleet still grounded.

The Russian Space Agency (RSA) does not have the funds to produce the extra vehicles. In addition, if the April launch is used to bring an astronaut and a cosmonaut to the station for a long-term stay, and not simply to rotate the old Soyuz for a new one, the Russians will lose millions of dollars that the European Space Agency planned to pay them for a short visit to the station by a European astronaut. The Russian Space Agency's budget depends upon payments for foreign "guest cosmonauts."

On Feb. 20, reports *Agence France Presse*, RSA head Yuri Koptev stated that a proposal has been made to ESA for one of their astronauts to take the place of a Russian cosmonaut on a long-term (four-month-plus) stay on the space station, in return for a "certain financial contribution" needed to service the facility if the Shuttle fleet remains grounded. Koptev said such a proposal was supported by NASA, which cannot give the Russians any money, thanks to the Iran Nonproliferation Act, which would require a Presidential waiver.

Chernoy Promotes Russian Version of 'Christian Zionism'

Marc Rich's trainee Mikhail Chernoy, who created Russian Aluminium, the number two producer in the world, organized a Moscow conference on Dec. 19, 2002, to create the Russian Orthodox Church equivalent of "Christian Zionism."

The movement was launched around a new book, put out by the Mikhail Chernoy Foundation in Israel, called *Babylon and Jerusalem: the Biblical View of the Middle East Conflict*, which they believe will lay the basis for "a strategic alliance between Russia and Israel." The Chernoy foundation is headed by Dmitri Radyshevsky, a Russian graduate of the Harvard Divinity School.

In presenting the book, Radyshevshky told the Russian Orthodox Church, "One cannot believe in the Bible and its promise of Israel's rebirth as key to the Messianic Era and at the same time support creating a state for Arafat." The book includes articles by Jan Willem van der Hoeven, founder of the fundie International Christian Embassy in Jerusalem, and by rightwing fanatic, and Netanyahu frontman, Avigdor Lieberman, head of a Russian emigré party, Yisrael Beiteinu (Our Home Israel).

Mideast News Digest

Vatican and Iraq Seek Peace in Baghdad/Rome Meetings

Following an historic meeting between Pope John Paul II and Iraqi Deputy Prime Minister Tariq Aziz in Rome on Feb. 14, Vatican Envoy Cardinal Etchegary travelled to Baghdad for a meeting with Iraqi President Saddam Hussein, held for several hours on Feb. 15. Cardinal Etchegary carried with him a letter from Pope John Paul II. The exchange of meetings occurred to the consternation of U.S. "Chickenhawks," who had attempted to prevent the Vatican meetings through the U.S. embassy in Rome (see last week's [INDEPTH](#)).

Before departing for Baghdad, Cardinal Etchegaray stated, according to a Vatican declaration, "In the name of the Pope, I dare appeal to the conscience of all those who have to decide on the future of peace in the coming days. In the end, it will be conscience that will decide, for it is stronger than any strategy, ideology, or even religion." Etchegaray had earlier appealed to all men of good will, to "believe in peace until the last second."

On Feb. 15, Tariq Aziz, a Chaldean Christian, visited the tomb of St. Francis in Assisi on Feb. 15, after his meeting with John Paul II, and prayed for peace. "The Iraqi people want peace. Millions of people in the world are demonstrating for peace," Aziz said.

Aziz also gave a press conference, where he warned that an Iraq war "would be seen as a crusade against Muslims and have bitter consequences," according to the *New York Times*. Describing the U.S. war as "imperialist and aggressive," Aziz said: "If other countries, especially here in Europe—the Christian countries—if they participate ... it will be interpreted by the Arab and Muslim world as a crusade against the Arabs and against Islam."

Regarding weapons inspections, Aziz said Iraq was willing to continue to comply: "We are doing our best, and we are open for more cooperation. We will do whatever possible in our hands—in our capability—to help them reach the ultimate truth about the absence of weapons of mass destruction in Iraq," Aziz said. "It's an aggression, an imperialist aggression.... The main objective of this aggression is to colonize Iraq, to occupy Iraq, impose a pro-American rule on Iraq, dominate the oil of Iraq, and also reshape the whole region of the Middle East according to the American interests and to the interests of Israel."

Former Russian Prime Minister Calls for UN To Impose Israel-Palestine Solution

On Jan. 21, according to a report in the *Palestine Chronicle*, former Russian Prime Minister Yevgeny Primakov, speaking from Jedda, Saudi Arabia, in his present capacity as president of Russia's Chamber of Commerce and Industry and an adviser to Russian President Vladimir Putin, stated that it had been the international community that created Israel and imposed it on the Arabs, and now the time had arrived for "The Quartet" (U.S., EU, UN, Russia) to impose through a similar process a Palestinian state upon Israel.

Primakov elaborated that he supported the peace policy of Saudi Crown Prince Abdullah, stating that Israel must unconditionally withdraw to its pre-1967 borders, while a Palestinian state was created, and the Arab states recognized Israel.

Otherwise, the news report said that, "As to an attack against Iraq, Primakov warned that it would redivide the world into two blocs, as was the case during the Cold War." Cognizant of Samuel Huntington's Clash of Civilizations theory, Primakov said that he feared this time a Gulf War divide would "be on the basis of religion and civilizations"- between "Islamic and non-Islamic states."

"...It could even break up countries themselves," he warned, citing such as Russia with its 20 million Muslims, and those states in Europe with growing Muslim populations.

Primakov criticized Washington for not listening to Iraq's Arab neighbors. While some Islamic states would be happy to see the end of Saddam Hussein, they could not support an attack because of the "potentially revolutionary consequences" it might have for them.

Weapons Inspectors Criticize U.S.-U.K. Intelligence

CBSNews.com revealed the truth about U.S.-U.K.-fabricated "intelligence" on Iraq, in an Internet posting on Feb. 21, which quoted one member of UNMOVIC as saying that their "hot tips" had been "garbage and garbage and garbage." Cited were the false trails on the construction of new Iraqi nuclear research sites, Presidential palaces, the aluminum tubes (which were found without question to be for missiles, not uranium enrichment), and other examples.

The report also noted that UNMOVIC Executive Director Hans Blix said that he would rule out the Al-Samoud II missile program, because it has a range 15 miles beyond the permitted 93 miles. The Iraqis argue that this is because the missile had been measured without the heavy guidance system or warhead.

Sharon Rejects 'Road Map' and Escalates Genocide

Israel's English-language daily *Ha'aretz* reported on Feb. 20 that while Israeli Prime Minister Ariel Sharon always says that he agrees "in principle" to the Bush Administration's "Road Map" for a settlement between Israel and Palestine, he would emasculate it with "100 corrections." Sharon claims that the present "Road Map" no longer represents the substance of President George W. Bush's June 24 speech regarding Middle East peace because it is filled with compromises due to the interference of the other "Quartet" members, namely, Russia, the European Union, and the United Nations.

Among his "100 corrections" that would compel the Palestinians to make all the concessions before Sharon does anything:

- *Palestinians must give up the right of return.

- *Palestinian Authority (PA) President Yasser Arafat must be thrown out of power and the entire government of the PA be

changed.

*Palestinians must disarm totally, and give up sovereignty to their airspace and land to Israeli Defense Forces actions, because only Israeli borders would be inviolate.

*Palestinians would be forbidden to enter treaties with "enemies of Israel."

*The two-year timetable has to be thrown out, and only Israel can determine when to move from one stage to another.

*Any mention of the Saudi peace initiative also has to be thrown out.

While this coup against The Quartet's "Road Map" was underway, Sharon continued his genocidal policies in the West Bank and Gaza Strip. The Israeli military has divided the Gaza Strip into three sections, and has virtually occupied Gaza City, the largest Palestinian city with 300,000, in a bloody nighttime IDF maneuver that killed at least 11 people and wounded over 25 Palestinians, mostly civilians.

Also, in the West Bank city of Nablus, which has been dubbed a "terror capital" by the IDF, 16 people were killed. In Nablus there has been a constant level of arrests, and assassinations that have nothing to do with "stopping terror". Last Sunday, Feb. 15, the IDF killed three bystanders and wounded 23 others, while seeking to "arrest" a "wanted man."

Meanwhile, after meeting with leading representatives of the European Union and the United Nations, two of the sectors of The Quartet, in Ramallah on Feb. 14, Arafat told reporters that "I have decided to appoint a Palestinian Prime Minister, and I will ask the Palestinian Legislative Council to take the necessary measures to that effect." On Feb. 18-20, The Quartet met in London, but so far its discussion of implementation of the "Road Map" has not been reported, except that the UN announced that UNWRA was under-funded by \$94 million to provide even the most basic food for the Palestinians, who have begun to starve between IDF closures and curfews.

EIR's Hussein Askary Presents LaRouche Analysis in Arab Press

On Feb. 14, *Al-Arab International* in London and *Al-Bayan* in Dubai published an article by *EIR's* Hussein Askary debunking the myth that the reason for U.S.-U.K. designs for war against Iraq were just to dominate Gulf oil.

The article provides Democratic Party Presidential pre-candidate Lyndon H. LaRouche's view on the whole strategy of the war in the hands of the Anglo-American imperial faction: "...There is the American Intellectual Tradition, which is being uniquely represented today by Lyndon LaRouche, who is also the man behind the Eurasian Land-Bridge strategy. LaRouche, an American patriot, economist, and Presidential candidate, has dedicated himself to the American Intellectual Tradition, the tradition of the American Revolution which freed America from British colonialism, defeated slavery, built the greatest economy in the world, and became the beacon of hope for all freedom fighters around the world. LaRouche wants the U.S. to use all its economic and technological potential to intervene internationally as a stability and economic development factor, not a new empire. This means a new economic world order."

It is in counterposition to LaRouche's Eurasian Land-Bridge, Askary writes, that the Iraqi and Gulf oil is intended to be used as an asset by the empire faction, and to deny accessibility to it by other economic powers, especially China and India. Askary elaborates that the same design against Eurasian economic integration underlay World War I and World War II, where the "geopolitics" of Sir Halford MacKinder provided a figleaf for this purpose.

Saudi Foreign Minister Speaks Out Against War

Saudi Foreign Minister Saud al-Faisal told *BBC* that any unilateral U.S. military action against Iraq would appear as an "act of aggression." The interview was conducted at the meeting of the Arab League in Cairo.

"We think war is going to be a tremendous threat to the region.... We think that, especially if it doesn't come through the United Nations' authority, that it would be a dangerous thing to do," said Prince Saud. "Independent action in this, we don't believe is good for the United States," Prince Saud warned, adding that: "But if the attack came through the UN Security Council, it would not be considered an aggression.... So we are ardently ... urging the United States ... not to create an act of individual aggression, of individually taking charge of the duties of the Security Council."

On the question of Iraqi regime change, the Prince said: "If the choice is you destroy Iraq in order to get Saddam Hussein, it is a self-defeating policy, isn't it? I mean, you destroy a country to get a person out—it doesn't work.... There has never been in the history of the world a country in which a regime change happened at the bayonets or guns, that has led to stability.... Our worry is the new emerging fundamentalism in the United States and in the West. Fundamentalism in our region is on the wane. There, it's in the ascendancy. That's the threat."

Momentum for Peaceful Solution: Majority at UN Again Say 'No' to Iraq War

In the UN debate that followed the Feb. 15 world day of resistance to an Iraq war, the "no war" responses continued to be resoundingly heard in a continuation of the debate on Feb. 18, where 59 nations—including many of the Non-Aligned—had signed up to speak before the UN Security Council. Among the speakers were:

*Gambia's Ambassador to the UN, who declared, "Africa does not want war," citing a Feb. 3 communiqué to that effect from the African Union that represents the entirety of that continent. "The voices that called for patience should be heeded," the Ambassador said, stating that it would be possible for Iraq not have to "endure the pains of war."

*The Ambassador from Turkey referred to his as "an old country," and he spoke just after Turkish President Gul had rejected the staging of U.S. troops yet another time. He praised the European Union summit calling for a "peaceful solution," noting that for the first time in 1,000 years Turkey had been unable to trade with its neighbor to the south.

*Iran's Ambassador to the UN, Javad Zarif, said that "the prospect of another destabilizing war in our immediate vicinity is a nightmare scenario of death and destruction. The Iranian people and government are first and foremost concerned about the humanitarian catastrophe.... The extent of destabilization in the region and uncertainty in Iraq in the case of a war may go far beyond our imaginations today. ... Extremism stands to benefit enormously from an uncalculated adventure in Iraq. The prospect of appointing a foreign military commander to run an Islamic and Arab country is all the more destabilizing and only indicative of the prevailing illusions."

*Yahya Mahmassani, the Arab League's Permanent Observer to the UN, said that: "Any act of aggression against any Arab state ... [will be seen] as a threat to the collective security.... The countries of the Middle East, with the exception of Israel, call for stopping any ... war against Iraq.... The Arab summit that was convened in Beirut in March adopted a resolution in which it categorically rejected any attack against Iraq or threat against the peace and security of an Arab state. Such an attack was considered to be a threat to the collective Arab national security."

*Perhaps stunning was the fact that the Qatar Ambassador to the UN, whose nation would be the field "command center" for war against Iraq, rejected that military policy: "We would like to set on record that the UN should not treat some countries in a different way while it's insisting on implementation of international resolutions.... Security Council resolutions must be implemented by Israel, which possesses an arsenal of nuclear weapons and refuses to join the NPT

(non-proliferation treaty). We call upon the international system to subject the Israeli nuclear installations to the safeguards of the IAEA.... And, as Chairman of the Organization of the Islamic Conference (OIC), the Ambassador added that Qatar "has called for an extraordinary meeting—summit meeting of the OIC member states in order to discuss the best possible ways for reaching a peaceful solution."

*The Australian Ambassador to the UN presented the standard litany of the Anglo-American imperialist faction's "indictment" of Iraq.

Iraqis Will Not Be Pawns in Bush and Blair's War

On Feb. 21, Iraqi opposition intellectual and University of Exeter professor, Kamil Mahdi, wrote an article for the London *Guardian* opposing the Iraq war, and blasting Tony Blair's hypocrisy. "Having failed to convince people that war is justified, Blair is now invoking the suffering of the Iraqi people to justify bombing them," he says. Iraq's suffering, says Mahdi, who is no defender of Saddam Hussein, has gone on over the years for different reasons, including under British imperial rule. "To reduce the whole of Iraqi politics and social life to Saddam Hussein is banal and insulting."

Mahdi particularly attacks the "new policy," of imposing "democracy," noting that "the objective of the U.S. is to have regime change without the people of Iraq." The pro-war Iraqi "auxiliaries," supported by the U.S., have no popular base, and the opposition currents that do exist inside Iraq, oppose the war.

"The prevalent Iraqi opinion is that a U.S. attack on Iraq would be a disaster, not a liberation, and Blair's belated concern for Iraqis is unwelcome."

Meanwhile, the U.S. "auxiliaries" Mahdi identifies, especially the discredited Iraqi National Congress (INC), are furious about a "double-cross" where the U.S. government is planning to install a retired U.S. General to run Iraq (see article in this week's INDEPTH). The Feb. 15-21 London *Economist* quotes INC head Ahmed Chalabi saying to the U.S., "Your plan's no good." The INC, which has been funded by the U.S. government under the 1998 Iraq Liberation Act, sponsored by Sens. Lieberman (D-Conn.) and McCain (R-Ariz.), wants to be declared a "government in exile," a move that President Bush has rejected. Chalabi also said that it would abridge Iraqi sovereignty to establish a military pro-consul, rather than have continuous rule of Iraq by Iraqis.

Asia News Digest

Leaders of India Call on World Leaders To Preserve Peace

India's former President K.R. Narayanan, former Prime Minister I.K. Gujral, and three eminent Indian jurists have called on world leaders to preserve peace. A formal statement issued by the former President and Prime Minister, and jurists Fali S. Nariman, A.H. Desai, and K.K. Venugopal, says: "People who guide the destinies of the world must work together to preserve the peace: by helping to formulate and to actively propagate all steps that would avoid a war.

"How that is best achieved must be left to the collective wisdom of the majority of the members of the UN Security Council, and not to any one of them, howsoever powerful." Their statement continues, "If world leaders keep thinking and talking only about war, then war will be inevitable—with disastrous consequences for the people of the world. Lives of thousands of innocent men, women and children will be lost and hundreds of thousands more will be rendered homeless."

The Indian leaders' statement deplored the casual manner in which the war option is being talked about, *The Hindu* newspaper reported.

They recalled the UNESCO constitution, which reads: "Wars begin in the minds of men and it is in the minds of men (and women) that the defenses of peace must be constructed." The five also answer U.S. Secretary of State Colin Powell, who had asked: "How much longer are we to wait?" The answer, the Indians say, is "so long as it is necessary to keep the world out of a full-scale war."

Unilateral U.S. War Is 'Inconceivable' Following UN Meeting, Says Fernandes

Indian Defense Minister George Fernandes said that it would be "inconceivable that United States should take any action, after what has been submitted to the UN Security Council yesterday"—referring to Hans Blix's report of Feb. 14—"by all those who were concerned with the search, and also by the stand that has been taken by the members of the Security Council like France, Germany, Russia, and China and other countries that have been associated with this opposition [to war]."

Fernandes was speaking in Bangalore on Feb. 15, reported the *Times of India*, after the report to the UN Security Council of the weapons inspectors. Fernandes also made clear that India could not support the United States' present position on the Iraq issue, and it could not be part of "anything where the United Nations is not involved."

Fernandes said his point of view was not "opposition for opposition's sake," but because, "It is an obvious situation where Iraq has been found to be without any weapons of mass destruction." Asked if the United States had looked for Indian support against Iraq, Fernandes retorted: "India cannot support. How can India support?" India has consistently said that the matter had to be resolved amicably and "it can be resolved amicably."

China Youth Daily: Inspectors Showed No Reason for Imminent War

The United States has no reason to imminently launch war on Iraq, and there is no reason for a war "within weeks," wrote Beijing University Prof. Zhu Feng in the popular *China Youth Daily* of Feb. 18. This is the case, due to the anti-war efforts by the world community, and the latest reports by the UN weapons inspectors. The article noted that the arms inspectors' reports to the UN of Feb. 14 "may have embarrassed the United States, because they resulted in an agreement to continue the inspections in Iraq, instead of disarming the Arab country with a U.S.-led military action."

The reports by UN inspectors Hans Blix and Mohamed El-Baradei "also refuted U.S. Secretary of State Colin Powell's allegation that Iraq is cheating the United Nations," Prof. Zhu wrote. However, the reports have provided "excuses" for the pro-war U.S. and allies to push their policies. Zhu wrote that military pressure on Iraq is needed, "but military pressure cannot replace the work of inspection." Baghdad is becoming more and more cooperative with the UN. "Under the current situation, the United States has no reason to arbitrarily decide to launch a war."

Also on Feb. 18, the Chinese *People's Daily* reported on Iraq, saying that the U.S. policy of war is intended to re-draw the political and economic map of the Middle East. There is "widespread suspicion in the Arabian world" after Colin Powell's speech, that the U.S. purpose in launching a war on Iraq, is not only to topple Saddam, but also to restructure the Middle East for its own interests, *People's Daily* wrote.

Mbeki Says Non-Aligned Mission Is 'Anti-Unilateralism'

South African President Thabo Mbeki has defined the mission of the Non-Aligned Movement (NAM) as "anti-unilateralism," overturning talk that the NAM is "irrelevant," since it was founded in opposition to the bipolar world of two blocs, which no longer exists. Mbeki insists that the institution is just as relevant as during the Cold War, and it is needed

to defend the concept of multilateralism as essential for the peaceful alliance of sovereign states, and "to insist that countries should not, because they are strong and powerful, just act unilaterally any way they like."

The *New Straits Times* of Kuala Lumpur pointed out in a Feb. 17 article that Malaysia's Prime Minister, Dr. Mahathir bin Mohamad, who takes over the chairmanship of the NAM this year from South Africa, strongly supports this mission for the NAM.

Non-Aligned Movement Summit Opens in Malaysia

The Non-Aligned Movement (NAM) summit in Kuala Lumpur opened on Feb. 20, with a blast at racism and globalization. The 114 nations of NAM began the six-day meeting with a two-day "senior officials" meeting keynoted by Malaysian Foreign Minister Syed Hamid Albar. Syed said that while the rich nations' governments and NGOs lecture about human rights, "racial discrimination, xenophobia, and other forms of related intolerance" are growing across the West. "It would seem that the fight against terrorism has brought out the worst racial impulses in these countries," he said. Globalization, he added, had been a "bane" for most members of the NAM, whose debt forces them to "put ourselves under their direction or tutelage. Those who do not do so, are castigated as pariahs."

With Iraq as a member state, the NAM intends to conclude with a "KL Declaration" which strongly opposes the U.S. threat of war, aiming at revitalizing the movement.

North and South Korea Open Second Road Across the DMZ

Following the opening of the East Coast road across the DMZ (De-Militarized Zone) between North and South Korea on Feb. 5, the West Coast road was opened on Feb. 20, allowing a pilot inspection tour from the South of a planned industrial complex in the Northern city of Gaeseong. Korea Land Corp. and Hyundai Asan are involved in the tour, along with officials from the South's related ministries.

Meanwhile, 461 separated families had reunions at Mt. Geumgang, on the Northern side of the East Coast road.

Scowcroft Says U.S. Should Meet North Korea and 'Offer a Clear Vision'

Former National Security Adviser Gen. Brent Scowcroft, who served under President Bush "41," has challenged the Bush "43" Administration to end its refusal to meet with North Korea, and to "offer a clear vision." In a *Washington Post* op-ed co-authored with Daniel Poneman, who served on the National Security Council under President Bush "41" and President Clinton, Scowcroft, who often speaks for circles around the elder Bush, ridiculed the Administration's insistence on international discussions, rather than bilateral talks, as demanded by Pyongyang.

"Pressing Beijing, Seoul, Tokyo, and Moscow to act is no surrogate for U.S. leadership," Scowcroft and Poneman wrote. To persuade others to apply pressure on the North to end their nuclear program, "the U.S. needs to show a serious effort to resolve the situation through diplomacy. If the U.S. offers a clear vision of the diplomatic solution it favors—and a road map to get there—it can mobilize an international consensus on the North Korean challenge." The U.S. must "be willing to provide the kind of security assurances North Korea seeks, as well as other steps to bring North Korea into the community of nations," or face an arms race in Asia.

U.S. Plans Troop Reduction in South Korea

Confirming statements made to the Senate by Secretary Donald Rumsfeld, U.S. Ambassador to South Korea Thomas

Hubbard told a panel at the Seoul National University that U.S. troops in South Korea will be re-positioned, and that some may be withdrawn, reported the *Korea Herald* in Seoul on Feb. 18. Rumsfeld had told the Senate Armed Services Committee on Feb. 13: "I'd like to see a number of our forces move away from the Seoul area, and from the area near the DMZ, and be more oriented toward an air hub and a sea hub, with the ability to reinforce," and added the possibility that "some of those forces [could] come back home."

Hubbard, a former Admiral, in a reference to a statement by Korean President-elect Roh Moo Hyun regarding the need for the bilateral relationship between the U.S. and South Korea to be "rebalanced," said, "There is definitely room for changes in our alliance. Our alliance not only should be balanced, it must be seen as being so."

Powell Attending Inauguration of South Korea President

Secretary of State Colin Powell is attending the inauguration of Roh Moo-Hyun in South Korea, and visiting Tokyo and Beijing, in a week-long tour that began Feb. 21. He was in Tokyo on Feb. 22 and 23; in Beijing on Feb. 23 and 24; will be in Seoul Feb. 24 and 25 for the inauguration.

There was press speculation that Powell might hold another private meeting with a North Korean representative (as he did earlier at an APEC meeting), either in Seoul or Beijing, thus breaking the deadlock of the U.S. claiming they are willing to meet the North bilaterally, but rejecting every effort of the North to meet. State Department spokesman Richard Boucher refused to speak to that possibility, but repeated that "the U.S. is willing to talk directly to the North Koreans," while reiterating that the U.S. prefers a multilateral setting.

DOD Leaks on Philippines Combat Mission Provoke Chaos

On Feb. 21, the U.S. Defense Department leaked a story to the front pages of most U.S. newspapers that the U.S. military is launching a direct military assault on terrorists in the Philippines, provoking chaos in that country. Although there has been talk of expanding U.S.-Philippines "exercises" to allow U.S. soldiers to join in combat operations against the Abu Sayyaf, this "anonymous" leak escalates the plan to that of a "lovely little war": 3,000 troops, including 1,700 ground troops in Mindanao, of which 750 are for combat patrols; another 1,000 or more Marines will be on two ships offshore, deployed from Okinawa, with Cobra attack helicopters and Harrier AV-8B attack planes. Troops will be under U.S. command, according to the reports. The first troops have already arrived, and operations are to commence Feb. 24.

The combat deployment of foreign troops is in total violation of the Philippine Constitution, and the country has exploded politically. The government is denying the report. Presidential spokesman Ignacio Bunye said it was "wrong information," and that U.S. troops would not engage in "offensive operations," except in self-defense (as in the exercises last year).

However, the *New York Times* quoted an unnamed Pentagon official saying that "one reason for telling reporters ... about the new mission was that Mr. Bunye had mischaracterized the scope of an operation that had already been agreed upon in private," implying that the utopians are trying to undercut the Philippine President.

Philippines Defense Secretary Gen. Angelo Reyes (former Army chief) refused to comment on "leaks," but said the deployments would be constitutional—then announced he would travel to the United States on Feb. 23 for a week of meetings with Rumsfeld and others.

Philippines Leaders Say U.S. Military Operation Is Treasonous

Philippines leaders are calling the Philippines government's permission for the announced U.S. military combat operation

"treason," and calls for impeachment of President Gloria Macapagal Arroyo are spreading.

Following the massive coverage of U.S. combat missions in the Philippines, Senator Pimentel accused Defense Secretary Angelo Reyes of "treason in its basest form" for turning the Philippines into a "deadly laboratory for the testing of the effectiveness of U.S. troops, tactics and weaponry against so-called terrorists." He and other Senators may call Reyes to the Senate to explain the operation. Vice President Teofisto Guingona, who was fired as Foreign Minister after opposing the U.S. role in last year's "exercises," said the United States is "overstepping its bounds." Congresswoman Imee Marcos said a U.S. defense official had confirmed to her that the U.S. plan was to use the southern Philippines as a "forward presence in Southeast Asia for operations against Islamic fundamentalist groups."

Sources in the Philippines told *EIR* that plans for impeachment proceedings against President Gloria Macapagal Arroyo are likely to move forward rapidly, unless she denounces this U.S. operation.

Meanwhile, as U.S. troops were arriving on Feb. 21, the previous two days had seen an escalation of terror and violence across Mindanao. Three bombs were exploded in the area of Cotabato, a town was attacked by the MILF (Moro Islamic Liberation Front), while eight power towers of the National Power Corp. were attacked, with one destroyed and two damaged. Sixteen people are dead. The violence is considered related to the renewed government war against the MILF over the past weeks, raising the potential that U.S. military operations against the Abu Sayyaf could easily spill over to the Moro liberation forces.

U.S. Ambassador Sees Indonesia Upheaval in the Event of Iraq War

Behind the scenes in Washington, it is well known that there exists a danger of a global political explosion against the United States, resulting from the unilateral war that the Bush Administration "Chickenhawks" are pushing. However, Washington sources tell *EIW* that there is an atmosphere of terror not seen since the "days of Joe McCarthy," that is being imposed by Attorney General John Ashcroft and the warmongers.

Dramatic evidence of the concern over the risks involved in a U.S. war on Iraq, emerged Feb. 17, when a letter to diplomats obtained by the *New York Times* was published. In the letter, the U.S. Ambassador to Indonesia, Ralph Boyce, praised the Indonesian efforts in combatting domestic terrorism, but warned: "The prospect of war with Iraq casts a cloud of uncertainty on our situation that warrants extreme caution. Previously friendly, moderate leaders have warned that war might unleash an enormous anger against the American community that could turn violent."

Africa News Digest

Franco-African Summit Joint Statement Against Iraq War

The 22nd Heads of State Conference of Africa and France, which began Feb. 20 in Paris, issued a policy statement the same day, opposing war on Iraq. The 52 African nations and France declared: "There is an alternative to war.... The use of force, which entails serious risks of destabilization of the region, for Africa and the world, should only be a last resort."

It said that the disarmament of Iraq is the shared goal of the international community, and the only legitimate framework for handling this issue is the UN, according to *Xinhua* news service. The signatories reaffirmed support for the chief UN arms inspectors Hans Blix and Mohammed El Baradei, and called for "substantial enhancement of their human and technical capacities, within the framework of UN Resolution 1441, whose possibilities have not yet been entirely exhausted."

The Franco-African summits, usually held behind closed doors, have rarely issued any declaration. There are 53 countries in Africa, and all 52 that participated, signed the statement. Only war-torn Somalia was absent. The current summit is the largest since the first one in 1973, with 43 delegations led by heads of state.

This includes Cameroon, Angola, and Guinea, which are non-permanent members of the UN Security Council. On March 1, majority-Muslim Guinea will chair the UNSC for a month.

Just before the meeting, aides to French President Jacques Chirac said that he "wants to once again make Africa one of France's priorities." Among the African leaders in Paris for the summit were Zimbabwean President Mugabe, Thabo Mbeki of South Africa, Hosni Mubarak of Egypt, Omar Bongo of Gabon, Abdelaziz Bouteflika of Algeria, and Morocco's King Mohammed VI. Ivory Coast was represented by new Prime Minister Seydou Diarra.

South Africa Opposes War, Sends Disarmament Experts to Iraq

Amid strong calls by all of Africa's nations for a peaceful solution to the Iraq crisis, the government of South African President Thabo Mbeki named a team of seven scientists to go to Iraq to share their country's expertise on disarmament.

These scientists had led South Africa's program to be rid of all weapons of mass destruction after the end of apartheid in 1994, and the mission had been discussed and agreed to in talks between South Africa and Iraq.

In a speech before his Parliament, President Mbeki said that, hopefully, the scientists can "facilitate the work of both the UN weapons inspectors and the government of Iraq" and "bring us back from the brink of war..." while helping to ensure Iraqi disarmament. Opponents of the Iraq war acknowledge that this is a political, rather than scientific, move. Warmongers in the Bush Administration tried to play off "good" South Africa against "bad" Iraq on the question of disarmament, saying real disarmament "looks like" what happened in South Africa. Now the South African experts will be participating in the process.

In further efforts to avert war, on Feb. 15 demonstrations which were part of the International Day of Action against the War, took place in Johannesburg and Cape Town (marches to the U.S. consulates,) Durban, and Bloemfontein. These were part of a month-long process of collecting massive numbers of signatures on a petition against the war. Fifty organizations were involved, including the ruling African National Congress (ANC) and three opposition parties—the Azanian People's Organization (AZAPO), Pan Africanist Congress (PAC), and United Democratic Movement (UDM); the South Africa Communist Party; Congress of South African Trade Unions; and religious organizations, including the South Africa Council of Churches, Council of Muslim Theologians, Jamiatul Ulama, Muslim Alliance Against the War, and Jewish Voices. In Johannesburg Feb. 14, Christians and members of other faiths joined Muslims for Friday prayers at one of the largest mosques.

Every Country Is Threatened by 'Unilateral' Action, Says ANC Leader

South Africa could be the next victim of "unilateral" action by the U.S., African National Congress secretary-general Kgalema Motlanthe warned on Feb. 19, as he addressed thousands of anti-war protesters outside the U.S. embassy in Pretoria. "The primary crime of Iraq is the fact that it floats on oil. Because we are endowed with several rich minerals, if we don't stop this unilateral action against Iraq today, tomorrow they will come for us," said Motlanthe. At the time of the last Zimbabwe election, Motlanthe had also noted that the international assault on Zimbabwe might well be launched next against South Africa.

Outside the embassy, Gauteng premier Mbhazima Shilowa (former head of the trade union federation COSATU) told the

crowd that peace was important for development across the globe. "Yes, we are concerned about weapons of mass destruction of Iraq. Yes, we want Iraq to disarm in terms of a UN resolution. But we must not only talk about weapons of mass destruction in Iraq; we must talk about weapons of mass destruction wherever they are found." This, he added, included the U.S. and Britain.

'Sharp Word on Iraq from Outgoing Nigerian Ambassador'

Jibril Muhammad Aminu, Nigeria's outgoing ambassador to Washington, spoke frankly about Nigeria's view—and his own—of Washington's policy of war against Iraq, in an interview in Washington with *AllAfrica.com*, published Feb. 14. Some of his comments follow.

The events of Sept. 11, Ambassador Aminu said, "made people sympathize very much with the United States. But we don't understand how this has been translated into war against Iraq....

"Now they have advanced that you have to 'preempt' in order to stop terrorism from aligning itself to a rogue state with weapons, finding evidence of a relationship between Iraq and al-Qaeda. These things worry people!

"And also, whatever the UN people say, the inspectors—very respected people who appear to be neutral—whatever they say or the Secretary-General says, are all just brushed aside as not being germane to the issue...."

"If you go to Nigeria, you will find many people admiring the United States.... You will *not* find sympathy for terrorists or for Osama bin Laden.... But you will also not find anybody sympathizing with the American position over Iraq."

Ambassador Aminu has served as Nigerian Minister of Education and Minister of Petroleum.

Britain Blocks EU-African Summit in Fit Over Mugabe

The EU-African summit meeting scheduled to take place in Portugal in April, has been postponed indefinitely over Zimbabwe because of opposition from the British Commonwealth. "Southern African countries had defended [President Robert] Mugabe's right to attend and threatened a boycott if he was not invited," reported the British *Independent News* on Feb. 15. "But Tony Blair and several EU leaders made clear that they would not share a platform with the Zimbabwe leader."

The EU "agreed to renew for another year the visa ban, asset freeze and arms embargo against more than 70 members of the Zimbabwe government and their associates," reports *Independent News*. But an intervention by French President Jacques Chirac against the Commonwealth sanctions against Zimbabwe, is in the offing, after Mugabe attended the Franco-African summit in Paris at the invitation of the French government. In addition, Nigeria and South Africa, two members of the three members of the Commonwealth troika (the third is Australia) dealing with Zimbabwe, want sanctions ended.

Chinese Cooperation Hailed by Zimbabwe Press, Government

In major developments reported by the Harare *Herald* last week, China is making a significant intervention into the improvement of Zimbabwean infrastructure.

Zimbabwe's Minister of Information Jonathan Moyo announced "that the China International Water and Electric Corporation won an open tender to clear, open and plough virgin land at the Nuanetsi Ranch," reported the *Herald* on Feb.

14. This involves 100,000 hectares (247,000 acres) to be used for maize and sorghum, where the actual farming "would be done by Zimbabweans." The company will build the necessary roads and other infrastructure. Moyo added that "indigenous technological systems" will be used for flood irrigation. The Chinese would be paid in local currency. The same Chinese company has already completed the construction of several dams in Zimbabwe. The projected yield is 2.1 million tons of maize annually, assuming three crops per year.

Reports in the Zimbabwe press "hailed" the Chinese cooperation, as a high-level Chinese delegation, including Wan Guoquan, vice-chairman of the National Committee of the Chinese People's Political Consultative Conference; Xiao Jie, Deputy Finance Minister; Wang Longde, Deputy Minister of Health; and six others, held meetings.

Emmerson Mnangagwa, Speaker of Parliament, told the delegation "that President Mugabe had instructed government ministers to consolidate the relationship between Zimbabwe and China at every level of interaction," reported the *Herald* Feb. 19.

China has announced a grant of \$275 million for development of Zimbabwe's health system (including AIDS assistance), agriculture, and industry. It is also considering scholarships to train Zimbabwean health personnel and specialists. China has been sending its own medical personnel and specialists to Zimbabwe since 1985, and will consider increasing the numbers. A loan facility was also discussed.

Ivorian Army Okays Rebels in Government for the First Time

On Feb. 19, the army of Ivory Coast for the first time—reportedly—agreed to allow representatives of the rebel forces to take government posts, which had been negotiated in the lengthy and shifting talks in Paris. The spokesman for the Ivorian army, Lt. Jules Yao Yao, said that the army would allow rebels into the government, if "it is the price to pay for peace." But rebels will *not* be allowed to have the portfolios of defense and security, which had been previously discussed. Quoting an interview that Lt. Yao Yao had given to government media, *Voice of America News (VOA)* reported that he said that these two portfolios would have to go to "neutral people."

From Paris, Senegalese President Abdoulaye Wade, who has been involved in mediation, said "he believed the rebels had accepted a proposal under which they would get two other ministries of equal importance. [Newly appointed Prime Minister Seydou] Diarra would head a neutral security council including the rebels and charged with reforming the army." However, after some initial positive statements, rebel leaders are still demanding that they have the defense and security posts.

In addition, tensions were high in the area around Abidjan, reported *Reuters* on Feb. 21, after the killing of four Muslims, including a Muslim cleric. "The Muslim community lives in fear. No Muslim sleeps well. Muslims have been the victims since last September," said Idriss Koudouss Kone, head of the National Islamic Council.

World Food Program Warns that Africa Will Suffer Under Iraq War

War against Iraq will aggravate the humanitarian crisis of Ivory Coast and its neighbors, says the UN'S World Food Program (WFP). "At the end of October, WFP launched an appeal for \$6.6 million from donors and we have only received 30% of this amount. Luxemburg, Germany, Switzerland, and Italy have given," said Ramin Rafirasme, WFP regional spokesman in Abidjan, reported *Agence France Presse* Feb. 16. "If war is unleashed in Iraq, the attention of the international community will be completely diverted from Ivory Coast and its neighbors, and there is a danger that aid will become nonexistent," he added. According to Rafirasme, the WFP operating budget for his region is 15% of what is necessary. *AFP* says that the U.S., the principal contributor to WFP, has still not made an offer of aid in response to the October appeal.

The war in Ivory Coast has led to a million people fleeing their homes. WFP estimates 100,000 of them need food, while the rest are relying on the traditional solidarity of their extended families. But WFP expects the number to grow if the war drags on, because it will lead to the further impoverishment of the population. It takes four to six months for a donation to be realized. Existing donations will only last until March, and only if the number of those in need does not increase.

AIDS-Related Deaths Skyrocket in South African Prisons

The number of AIDS-related deaths inside the prisons in South Africa is estimated to have grown by 750% since 1995, an Institute for Security Studies (ISS) research consultant said on Feb 19. Six times more prisoners died of natural causes last year than in 1995, and 90-95% of the deaths were believed to have been AIDS-related, K.C. Goyer told an ISS seminar in Pretoria. She estimated that 41.4% of the prison population was HIV-positive as of last year. Goyer is quoted: "The socioeconomic indicators for crime and incarceration are similar to those for HIV/Aids." These include poverty and unemployment. Most prisoners are between 18 and 35 years old. Goyer added that "the conditions inside prison contribute to the progression of HIV and the onset of AIDS and death."

Another spokesman was Maria Mabena, acting director of health at the Department of Correctional Services. Mabena noted that South Africa presently has about 182,000 prisoners, but the capacity to handle only 90,000 in its prison system. Lack of ventilation increases the likelihood of the spread of pulmonary tuberculosis, one of the opportunistic infections associated with AIDS. Other risk factors include stress and inadequate nutrition. Mabena said her Department was unable to recruit and retain nurses, who left because they could not cope any longer. She added that the Department did not have its own doctors on the payroll either.

One of the principles of the Department's new HIV/AIDS policy, approved last October, was the early release of terminally ill patients. But Mabena noted that the process of doing this was still very long and cumbersome.

This Week in History

February 24-March 2

A dramatic, history-making event occurred on Feb. 27, 1933—some 70 years ago. That event was the Reichstag Fire in Germany, the set-up job which provided the pretext under which Adolf Hitler passed the "emergency laws," and moved toward imposing the Nazi reign of terror, first on Germany, and then on a world driven into the horrors of fascism and World War II. Today, we see the Bush Administration, particularly through the agency of Attorney General John Ashcroft, moving precisely in that direction, using the pretext of "terrorist threats" to rip up the U.S. Constitution, its protections, and its commitment to the general welfare of the population.

The context for the Reichstag Fire was established by the installation of Hitler as German Chancellor on Jan. 30, 1933. That installation followed the failure of Germany's anti-fascist institutions, including the Social Democrats and the military, to push through the employment-public works plan that had been put forward by economist Wilhelm Lautenbach, the follower of American System economist Friedrich List, and promoted by Chancellor Kurt von Schleicher. While it is true that Anglo-American banking circles played a crucial behind-the-scenes role in promoting Hitler, and dumping von Schleicher, the dumping of von Schleicher in favor of Hitler would not have been possible if the Social Democrats, in particular, had not stupidly—one could say suicidally—refused to work with the military man von Schleicher, to stop Hitler. On the other side, the military and conservatives were wooed by Hjalmar Schacht and other bankers into withdrawing support from von Schleicher, with the argument that he was a "Bolshevik" for advocating the Lautenbach plan.

In effect, Hitler was brought into the Chancellorship by a constitutional coup, which could have been stopped.

But that was not enough for Hitler's backers. Given that Hitler's party was not in the commanding position he needed in order to impose the dictatorship which their economic and geopolitical policy demanded, there needed to be an incident, a provocation, to give Hitler emergency powers.

That incident came on Feb. 27, when the unprotected building of the German Parliament, or Reichstag, was burned down in an arson attack. This led to the Nazi government of Prussia, under Hermann Goering, launching a wave of terror against the political opponents and rivals of the Nazis. Laws were drawn up giving the Hitler government emergency powers to effectively rule by decree, and they were *passed* by the Parliament.

Why did they pass? In the evaluation of Lyndon LaRouche, you have to put responsibility on Hitler's opponents in the Parliament. "The immediate, foolish response to Hitler's appointment as Chancellor, from the Communists, Social Democrats, and others, was, in effect, 'Wait until the Germans begin to see what Hitler is like; they will turn to us.' It did not work out that way. See the tempo of events leading into Hitler's consolidation of dictatorial and strategic power." (See "Al Gore and Adolf Hitler," *EIR*, Jan. 8, 1999.)

At a certain point, as Hitler's police powers strengthened, resistance became virtually futile.

It is precisely this danger that Lyndon LaRouche warned of back in January 2001, when John Ashcroft was nominated by the President to become Attorney General of the United States. It was clear then that, as the international financial crisis deepened, Ashcroft would move to seize dictatorial powers, using any pretext which became available. In the wake of Sept. 11, clearly Ashcroft was restrained from carrying out his full program, one that had actually been laid out by the Conservative Revolutionaries long before. But the directionality has been clear, and has been speeding up.

And, why was Ashcroft able to carry out his agenda? Just as with the Communists and Social Democrats against Hitler, leading opponents of the police-state agenda refused to take the aggressive, effective action, specifically a filibuster, which could have kept Ashcroft out of office. They said they'd wait for him to "discredit" himself. They would "give him a chance."

Will there be another "Reichstag fire" that Ashcroft can use to impose full dictatorial powers, as the crisis gets a lot worse? That's impossible to say. But no time should be lost in learning the lessons of the Reichstag Fire now.

INDEPTH COVERAGE

Links to articles from *Executive Intelligence Review**.

*Requires Adobe Reader®.

Feature:

Second Superpower' Jams Up the Works of New Mideast War

by Elisabeth Hellenbroich and Muriel Mirak-Weissbach

Lyndon LaRouche summed up the situation on Feb. 15, when many millions of people were demonstrating against the war: "We have come to a point, that the war is still not prevented. But, we have seen the world move from a point of pessimism about an inevitable war, to a strong

conviction, even from leaders of nations who had shown cowardice or wavering beforehand, who are now determined, on behalf of the human race as a whole: This war shall not happen!"

LaRouche Youth Movement Unleashed: 'This Is Our Time'

by Susan Welsh

The LaRouche movement met in Reston, Virginia on Presidents' Day weekend, for the semi-annual conference of the Schiller Institute and International Caucus of Labor Committees.

In the Aftermath of January 28th

Keynote address by Lyndon H. LaRouche, Jr. on Feb. 15.

"... This is the 'youngest' conference of the LaRouche movement we've had in quite some time—say, probably, decades. And, that's good, because we have a revolution to make in very short order."

The View From 'Old Europe'

Keynote address by Helga Zepp-LaRouche on Feb. 16.

This keynote address given on Feb. 6 to the Schiller Institute/ICLC annual Presidents' Day weekend conference, by the founder and Chairwoman of the Institute, moved from the revolutionary moment of huge worldwide demonstrations against an Iraq war, through the great importance of Friedrich Schiller's life and work as a model for those who want to act for the good and the beautiful, in such revolutionary moments.

Economics:

World Grain Stocks Plunge; Food Aid Needs Go Begging

by Marcia Merry Baker and Rock Steinbach

Principal donor nations are holding back food into the relief-pipeline, not because of declining world grain stocks--although these are also occurring--but rather because of governmental policy decisions.

UN: Starvation Threatens the Palestinians

by Dean Andromidas

The Palestinian population of the West Bank and Gaza Strip faces starvation unless international aid is mobilized by the end of March. The United Nations Relief and Works Agency (UNRWA), the largest aid provider in the region, announced on Feb. 10 that an emergency appeal issued last December has gone totally unanswered by all traditional government donors.

Save the Airlines, Re-Regulate Now!

by Anita Gallagher

The major U.S. air carriers, led by bankrupt United Airlines, are heading into a meatgrinder of destruction—the only difference in their fates, being which one is first on the conveyor belt.

Water for Development by Nuclear Desalination

by Hycham Basta

As momentum builds against a Middle East war, the crying need for economic development in the region—which will necessarily entail dealing with its grave shortage of water—has put the LaRouche 'Oasis Plan' squarely back onto the agenda.

Energy Deregulation Has Failed in Ontario...

by Richard Sanders; See p. 12.

International:

Moves Afoot To Dump War-Monger Blair

by Mark Burdman

The ouster of British Prime Minister Tony Blair, the Bush Administration's main ally for the war drive against Iraq, might well be a qualitative event that could knock the war off course. Blair is increasingly isolated politically in Britain.

Witness: Blair 'Feart' of Mass Demonstrations —A report from Glasgow.

by Alan Clayton, begins p. 52

Colombia:

Govt. Seeks Continental Anti-Terror Mobilization

by Valerie Rush

The political shock caused by the Feb. 7 terrorist bombing of Bogota's elite Club El Nogal has not only served as a warning to Colombia's political and economic elites that that nation's war on narco-terrorism is no longer confined to the mountains and urban ghettos.

Hopes for Peace in Congo Still Elusive

by Uwe Friesecke

The Feb. 9 summit meeting between Democratic Republic of Congo (D.R.C.) President Joseph Kabila and Ugandan President Yoweri Museveni in Dar es-Salaam, Tanzania, revealed once again, how dubious are all the so-called Congo peace agreements signed in recent months.

Can New Treaties Lead To Peace in Congo?

An interview with Kikaya bin Karubi; begins on p. 56

Belgian Court Rules on Sharon War Crimes Trial

by Dean Andromidas

The Supreme Court of Belgium has handed down a ruling that Israeli Prime Minister Ariel Sharon can be brought to trial for war crimes, once he leaves office and no longer enjoys diplomatic immunity.

'Sensible Forces' Join Against U.S. Policy

An interview with Gen. Leonid Ivashov.

EIR: One well-known analyst has suggested that [U.S. Secretary of Defense Donald] Rumsfeld is aiding the cause of peace, because he's uniting Europe.

General Ivashov: I think that not only is the current policy and action strategy of the United States leading exactly to that, to the unification of sensible forces in Europe, but it is pushing the entire community of nations to consolidate and begin to form a second pole.

National:

SHOWDOWN AT DNC WINTER MEETING

Will Democrats Be the Party of Lyndon LaRouche or Marc Rich?

by Jeffrey Steinberg

The Democratic National Committee's Winter 2003 meeting opened on Feb. 20, and the brawl over the DNC's continuing suicidal efforts to exclude Lyndon LaRouche from the party's Presidential selection process immediately dominated events.

President Bush Must Fire Ashcroft

by Edward Spannaus

For the sake of the nation, and for the survival of his own For the sake of the nation, and for the survival of his own Presidency, President Bush should dismiss Attorney General John Ashcroft at once. Under the guise of the 'war on terrorism,' Ashcroft has led a drive to systematically tear up the U.S. Constitution, in a manner that would have been unthinkable only a year or two ago.

JINSA Man Named as 'Viceroy of Baghdad'

[A profile of Lt. Gen. Jay Garner \(ret.\).](#)

[by Carl Osgood](#)

Secretary of Defense Donald Rumsfeld has tapped a general connected to the Jewish Institute for National Security Affairs (JINSA), of the Israeli Likud war-hawk faction, to be the envisaged military-civilian governor of a conquered Iraq.

[Anti-War Actions in U.S. Just Beginning](#)

[by Scott Thompson](#)

The largest demonstrations for three decades—since the disclosure of the unconstitutional bombing of Cambodia in 1970—took place in the United States on Presidents' Day weekend. In New York City, despite massive disruption from authorities that included denial of a march permit, a two-mile- long rally took place within police barricades, with participants possibly numbering as high as 1 million people.

[Congressional Closeup](#)

[by Carl Osgood](#)

Departments:

[Editorial](#)

[War Can Still Be Stopped](#)

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