

[return to home page](#)

[The Senile British Lion:
Evil, Wicked & Stupid!](#)
[by Lyndon H. LaRouche, Jr.](#)

February 11, 2010 —*The small krait snake is probably among the weakest, most poisonous, and most stupid snakes in the world. However, there is less power to rule in that creature's poison, than in the people's fear of his suspected presence. Poisonous old, and half-brain-dead empires, like today's British empire, are dangerous in that same way.*

No probably successful strategic approach to correcting the presently onrushing general, planetary economic-breakdown-crisis, will exist, until we have defined the relevant form of application of a ``Glass-Steagall" solution for the present type of world breakdown-crisis. If civilization is to continue to exist for the near future decades, even during the few months immediately ahead, all monetarists' standards proposed for addressing the presently onrushing near term's general monetary, breakdown-crisis, of the planet as a whole, must now be cancelled.

Perhaps, some readers' standard objection to my own approach, will be words to the effect, that ``the world is not ready to consider such a radical approach as that you suggest!" (The fear of the krait again!)....

[**In-Depth articles from EIR, Vol. 37, No. 8**](#)

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This Week's Cover

- [**The Senile British Lion:
Evil, Wicked & Stupid**](#)
[**by Lyndon H. LaRouche, Jr.**](#)

Today's British Empire can be usefully compared to the small, stupid, but highly poisonous krait snake. While dangerous, the British imperial system is halfbraindead, and must be eliminated, and replaced by an American System-style international credit system. 'No probably successful strategic approach to correcting the presently onrushing general, planetary economic-breakdown-crisis, will exist, until we have defined the relevant form of application of a 'Glass-Steagall' solution for the present type of world breakdown-crisis. If civilization is to continue to exist for the near future decades, even during the few months immediately ahead, all monetarists' standards proposed for addressing the presently onrushing near term's general monetary, breakdown-crisis, of the planet as a whole, must now be cancelled.'

Economics

- [**London's Brazil Carry Trade:
Smoke, Mirrors—and Genocide**](#)

The European Union and its euro-based monetary system is totally bankrupt, with an ongoing meltdown centered— not in Greece, as the international media are fond of lying—but in Spain and the United Kingdom. The Brazil carry trade, an international Ponzi scheme, for a decade, has been bringing financial speculators a 25% rate of annual return on their capital—by looting the Brazilian population and

nation to the bone.

- **LaRouche:**
Most of Brazil's People Are Virtual Slaves
- **A Word from Cervantes**
- **LaRouche Warned Brazil:**
Don't Play by British Rules of the Game!

International

- **U.S. Must Provide Emergency Relocation For Haitians, Now!**

Lyndon LaRouche has called on the United States to lead an emergency relocation in Haiti, of up to 1 million Haitians, living in virtual cesspool conditions in Port-au-Prince, following the Jan. 12 earthquake, to safe quarters, before the rainy season in April. Such an effort, which is fully within the capability of the U.S. military, is the only means to avoid a new round of mass death by disease, he said, and therefore, it must be done.

- **Economic Dictatorship Ahead?**

The Eurozone Is Finished!

by Helga Zepp-LaRouche.

Germany is in existential danger, in more ways than one. The French media report that Chancellor Angela Merkel, apparently for the first time, at the EU summit on Feb. 11 in Brussels, abandoned her previous resistance to the establishment of a European economic government: a supranational dictatorship.

- **Shi'a-Sunni Conflict:**

New British-Saudi Prescription for Permanent War in the Islamic World

- **The Overpopulated British Empire Meets The New Ice Age**

National

- **Obama's Move To Wreck NASA Spurs Patriots to Impeachment**

While Lyndon LaRouche is still the only major public figure in the United States to call for the impeachment of President Barack Obama—the last straw being Obama's endangering the very future of the nation by eliminating NASA's manned space mission—the popular uproar against the NASA cuts, as a strategic threat to the United States, is growing by the day.

- **Congressmen Defend Human Spaceflight**
- **U.S. Astronauts Ask:**
Where Is the Vision?

Editorial

- **The Ides of March 2010**

This Week's News

U.S. Economic/Financial News

Long-Term Unemployment, the Shrinking Social Safety Net, and the Mass Strike

Fannie Mae To Borrow Another \$15.3 Billion from U.S. Taxpayers

23,000 Florida Jobs Could Be Lost, if 'Constellation' Is Killed

One in Five Americans Is Either Unemployed or Underemployed

Long-Term Unemployment, the Shrinking Social Safety Net, and the Mass Strike

Feb. 21 (EIRNS)—As the U.S. and global economies continue to evaporate, the problems of Americans who have lost their jobs and have little to no prospect of landing new ones, grows by the day. Even the official unemployment statistics, which understate the problem, are horrible: Some 6.3 million Americans have been unemployed for six months or longer, the largest number since the Labor Department began tracking that figure in 1948. Roughly 2.7 million people will lose their unemployment compensation before the end of April, unless Congress once again extends the benefit program.

Already, one-third of the unemployed receive no unemployment benefits at all, because they have run out of benefits, they never applied, or they didn't "qualify." For example, starting in 2006, benefits were denied in 44 states to anyone with a household income of 75% or higher of the official—and artificially low—poverty rate.

In New York City, there are 450,000 unemployed people and only 21,500 jobs available, according to the state labor department. That's one job for every 20 people who need work. In the city, some 51,000 people are facing the loss of unemployment benefits March 28 and, statewide, 356,000 are expected to lose those benefits by June.

One in six of all Americans now lives in poverty, and nearly 50 million people—including one child in four—had trouble getting enough to eat in 2009. At least 15 million Americans who do have jobs, still fall below the poverty line.

The National Governors Association, which began its Winter meeting in Washington, D.C., Feb. 20, reported that plunging revenues led 43 states to cut \$31 billion from their budgets in FY2009, and that for FY2010, even with \$30 billion in additional revenue from tax and fee increases, 36 states have cut another \$56 billion. A study of 45 states showed that, despite \$87 billion in closed budget gaps in FY2010, they still face \$19 billion in deficits, with a deficit total of \$134 billion projected for 2010. The states also face large increases in new Medicaid costs under the health-care bills passed by the House and the Senate.

In short, in 2010 what little remains of the U.S. social safety net will rapidly run out, with the funding ending this year for most programs—and meanwhile, the economy keeps falling, meaning that the money really isn't there to extend these programs, and protect an increasingly vulnerable population.

Fannie Mae To Borrow Another \$15.3 Billion from U.S. Taxpayers

Feb. 27 (EIRNS)—Fannie Mae, the government-owned mortgage company, reported yesterday, in a filing with the Securities and Exchange commission, that it will seek another \$15.3 billion in bailout money from the U.S. Treasury, after reporting its 10th consecutive quarterly loss. This will bring the total poured into it to \$76.2 billion—or, about six years

worth of NASA budgets. Fannie Mae's losses for 2009 add up to \$74.4 billion, compared to \$59.8 billion in 2008. The collapse of Fannie Mae and its rival Freddie Mac, is being driven by the disintegration of the residential mortgage market, which is expected to continue, with forecasts that 3 million homes will be possessed by banks in 2010.

23,000 Florida Jobs Could Be Lost, if 'Constellation' Is Killed

Feb. 26 (EIRNS)—When the Apollo program ended in 1972, and there was a near-decade-long hiatus in manned space launches until the Space Shuttle flew from the Kennedy Space Center (KSC), the people who had worked to send men to the Moon, suffered not only unemployment, but despair. The Florida space coast had the highest rate in the nation of divorce, alcoholism, and suicide. Whole neighborhoods were abandoned, as now-unemployed people just walked away from their homes. If the proposed Obama space policy is not defeated, that is what will face Florida's space workers—the most highly skilled in any industry—for a second time.

The state was expecting up to 7,000 layoffs from the NASA and contractor workforce when the Shuttle is retired at the end of this year. If Constellation, the manned space program that would include a return to the Moon, had been funded adequately throughout the Bush years, there would have been a two-year gap between the Shuttle and the Orion craft, and large layoffs could have been avoided. Now, the gap will be at least five years. But NASA had started to redeploy Shuttle workers to Orion.

An analysis released Feb. 25, according to *Florida Today*, with projections revised to include the cancellation of Constellation, indicates that there will be 9,000 direct space jobs lost, and 14,000 indirect jobs, which depend upon activity at KSC. This potential disaster was discussed at a meeting yesterday of the Brevard County Commission. Mark Nappi, the vice president of United Space Alliance, the Boeing/Lockheed company that processes and launches the Shuttles, said that more than 4,500 of the company's 5,500 Florida workers will lose their jobs. He said that since "the market will drive where space vehicles are launched from," Florida is "going to be [like] the Pittsburgh of the steel industry and the Detroit of the car industry."

Vowing to fight the shutdown of Constellation, the county has rolled out an up-dated version of the website, SaveSpace.us, encouraging a letter-writing campaign to elected officials. A rally Feb. 27 has been organized by local labor unions, with support from national union headquarters, and local merchants and citizens.

One in Five Americans Is Either Unemployed or Underemployed

Feb. 23 (EIRNS)—A New Gallup poll finds that 19.9% of the workforce, an estimated 30 million workers, was "underemployed" (unemployed or involuntarily employed only part-time) in January. This figure is noticeably greater than the official 16.5% from the Labor Department, but it's still probably less than the real figure. The demographic breakout shows an even more devastating picture: Blacks 27% un- and underemployed; Hispanics, 29%; 18-29 age group, 31%; and those without a high school diploma, a devastating 38%.

The poll also questioned the buying patterns of the un- and underemployed, and, guess what? Underemployed people spent less money! 36% less, to be exact. 19% admitted having problems paying rent in January, and 36% had problems finding money for food or health care.

Global Economic News

- **Japan Reverses Course: Nuclear Power To Battle 'Climate Change'**

Japan Reverses Course: Nuclear Power To Battle 'Climate Change'

Feb. 25 (EIRNS)—The ruling Democratic Party of Japan had campaigned on a suicidal pledge to reduce CO₂ emissions 25% by 2020. However, the three major business groups in Japan came out this week in an unprecedented attack on this policy, warning the government that it had better evaluate very carefully the attitude of all sections of the Japanese population toward the sacrifices involved. Other commentators, pointing out the vast strides being made by China and South Korea, said that Japan had better change its ways, fast.

In the initial draft of the government bill to implement the 25% cut, only no-growth technologies were mentioned, such as windmills and big batteries, and no mention of nuclear power. However, in the most recent version of the bill, the government has reversed itself to favor nuclear power over all other technologies.

"An anti-global warming bill the government is set to submit to the ongoing Diet session will call for the promotion of nuclear power generation as the core of its measures to reduce greenhouse gas emissions, government sources said.... However, a growing number of Cabinet ministers and other high-ranking officials have raised questions about the bill's failure to call for the promotion of nuclear power generation that does not emit carbon dioxide.... In line with the policy change, the government has decided to incorporate a clause that states, 'Necessary measures shall be taken to use nuclear power with the aim of contributing to reductions in greenhouse gas emissions. The clause will be placed ahead of another clause on the creation of an emission quota transaction system,' " according to the *Mainichi Daily News*.

United States News Digest

Obama Gets His Medicare Cuts: 43 Million Americans on the Block

Unemployment Benefits Extension Bill Blocked in Senate

Democrats Still Don't Know Which Way To Go on Health Reform

GOP Cites Threat to the Constitution from Reconciliation Strategy

Inhofe Calls for DOJ Probe of Climate Change Fraud

Obama Gets His Medicare Cuts: 43 Million Americans on the Block

Feb. 28 (EIRNS)—Some 43 million Americans depend on Medicare to help provide their health care. As of March 1, 2010, the doctors they rely on are to take a 21.2% cut in payments for their services. This will obviously force many doctors to cut back on the number of Medicare patients they see, or eliminate them all together.

In a release issued Feb. 26, the American Medical Association stated bluntly: "A Medicare meltdown now seems certain, as the U.S. Senate has left early for the weekend, abandoning seniors, military families and baby boomers. The Senate failed to repeal the Medicare physician payment formula that will cause a drastic 21% payment cut to physicians who care for Medicare and TRICARE patients. The 21% cut goes into effect March 1, forcing many physicians to limit the number of Medicare and TRICARE patients they see in order to keep their practice doors open.

" 'Our message to the U.S. Senate is stop playing games with Medicare patients and the physicians who care for them,' said AMA President J. James Rohack, M.D. 'It is shocking that the Senate would abandon our most vulnerable patients, making them the collateral damage of their procedural games.' "

Unemployment Benefits Extension Bill Blocked in Senate

Feb. 27 (EIRNS)—A bill to extend numerous expiring programs, including unemployment benefits (1.2 million people were to lose their unemployment benefits at midnight Feb. 28), COBRA health insurance benefits, surface transportation programs, and numerous others, by a mere *one month* is blocked in the Senate because of President Obama's pay-as-you-go law, which he signed only last week. The bill passed the House on Feb. 25 under suspension of the rules, but when Sen. Richard Durbin (D-Ill.) tried to take it up in the Senate under a unanimous consent request, it was blocked by Sen. Jim Bunning (R-Ky.), who noted that, despite the pay-go requirement having been signed into law only a week earlier, the Democrats were already trying to bypass it by designating all of the spending as "emergencies."

Durbin indicated that he would overcome Bunning's objection by bringing the bill up under regular order on March 2, where the votes are likely there to pass it; but that means that Bunning will be able to force a debate on his amendment to subtract the \$10 billion cost of the bill from some other part of the budget. Were it not for the pay-go law, this wouldn't be happening.

Democrats Still Don't Know Which Way To Go on Health Reform

Feb. 27 (EIRNS)—In the aftermath of the so-called bipartisan health-care summit on Feb. 25, Democrats are promising to move forward on the bill, with or without the Republicans. The problem is, they still don't know how they're going to do it. The White House said, on Feb. 26, that President Obama would be announcing a "way forward" by the middle of next week, and House Speaker Nancy Pelosi (D-Calif.) later told reporters that House Democrats will move quickly when a bill is available, which will be "in a matter of days."

But who's going to move first, the House or the Senate? Pelosi indicated that she wanted the Senate to move on the bill, first, but Senate Finance Committee chairman Max Baucus (D-Mt.) said he believes that the House would need to pass the Senate bill first so that it could then be amended under reconciliation. "We are in uncharted water here," he told *Politico*. "This is fraught with complications."

And then there's the matter of votes. According to *Politico*, Senate Majority Leader Harry Reid (D-Nev.) needs to convince party moderates to back a highly partisan reconciliation fight, and Pelosi has been watching support for the bill in the House erode. Rep. Jason Altmire, a Pennsylvania Democrat, told *Politico* that he doesn't think the votes are there. "It's a huge challenge because the people who voted 'yes' would love a second bite at the apple to vote 'no' this time because they went home and had an unpleasant experience as a result of their 'yes' vote," he said. "I don't know if there is anybody who voted 'no' that regrets it."

Then there's the matter of Obama's four-to-six week timeline. This guarantees that the Congress will be paralyzed for at least another month to month-and-a-half, while conditions in the country, and the world, continue to worsen. But the four to six weeks is only to give the Republicans one more chance to get on board before the Democrats move forward on reconciliation. What has not been reported in the press is that the reconciliation rules require a budget resolution covering the current fiscal year to be passed first, under regular order, before the reconciliation procedure can be invoked. However, passing a budget resolution, itself, has become more difficult in recent years. So, before Obama can get his 51 votes in the Senate, he has to get there, first, and there's no guarantee of that happening.

GOP Cites Threat to the Constitution from Reconciliation Strategy

Feb. 25 (EIRNS)—The Republican Party moved preemptively at the beginning of the Obamacare summit on health-care reform today to confront the fact that President Obama is committed to using the reconciliation procedure to force his legislation down the throats of the American people, in violation of the Constitutional principle of "government by the consent of the governed." Sen. Lamar Alexander (R-Tenn.) began by citing the mass strike opposition to Obamacare: "We believe that our views represent the views of a great number of the American people who have tried to say in every way they know how, through town meetings, through surveys, through elections in Virginia and New Jersey and Massachusetts, that they oppose the health care bill that passed the Senate on Christmas Eve."

He then demanded that Obama renounce reconciliation: "My request is [that] ... before we go further today that the Democratic congressional leaders and you, Mr. President, renounce this idea of going back to the Congress and jamming through on a partisan vote, through a little-used process we call reconciliation, your version of the bill. Senator Byrd, who is the constitutional historian of the Senate, has said that it would be an outrage to run the health care bill through the Senate like a freight train with this process. So this is the only place, the Senate, where the rights of the minority are protected."

Alexander quoted then-Senator Obama, when the Bush-Cheney Republicans were trying to change the rules of the Senate in order to ram through judicial nominations. At the time, Alexander reported, Obama said that " 'What we worry about is essentially having two chambers, the House and the Senate, who are simply majoritarian. Absolute power on either side. That's just not what the founders intended.' "

Inhofe Calls for DOJ Probe of Climate Change Fraud

Feb. 23 (EIRNS)—At a hearing of the Senate Committee on Environment and Public Works today, Sen. James Inhofe (R-Okla.), the ranking Republican, initiated two major actions against Al Gore and his fellow climate change kooks. Inhofe called for a Justice Department investigation of the fraud, and also released an 84-page minority staff report, entitled "United States Senate Report Consensus? Exposed: The CRU Controversy." (CRU refers to East Anglia University's Climate Research Institute, which was at the center of the Climategate scandal at the end of last year.) The report is posted prominently on Inhofe's webpage.

Inhofe said that he wants a Justice Department investigation to determine whether those involved in the climate-change fraud, such as Dr. Michael Mann of Pennsylvania State University, and Dr. James Hansen of NASA and Columbia University, committed illegal acts in falsifying data and misleading the public. He also went directly after Gore, demanding that he return to testify before the Senate. Inhofe said, "In [Gore's] science fiction movie, every assertion has been rebutted," and demanded that Gore be called to account for that.

Ibero-American News Digest

[London and Banco Santander Put 'Bolha Brazil' on Steroids](#)

[Chile Hit by 8.8-Magnitude Earthquake](#)

[London Seeks Extinction of 'Fourth World' Haiti](#)

[London's Dope, Inc. and Haiti](#)

London and Banco Santander Put 'Bolha Brazil' on Steroids

March 1 (EIRNS)—A 24% average rate of return on the Brazil "carry trade" is apparently not good enough—at least not when you're trying to keep the international financial Ponzi scheme going for another round based on it, as Lyndon LaRouche has warned is London's gameplan.

So, Grupo Santander Brasil joined the San Francisco buyout firm Paul Capital Partners in announcing that they are planning big new moves into Brazilian assets, including those involved in the recently discovered giant pre-salt oil basin. "The investment environment is probably the best in 20 years," an over-confident Geoffrey David Cleaver from the São Paulo unit of Santander gushed to a Bloomberg reporter. On the basis of last year's speculative capital flood into the country, the Bovespa stock exchange rose by 75% over 2009, while its price-earnings ratio (a measure of speculative leverage) increased from 12.06 a year ago, to 19.3 today.

So, on Feb. 24, the compliant Central Bank of Brazil announced new measures for speculators to register derivatives transactions with the central bank, which will "stimulate the market for derivatives and private sector bonds ... in line with investor appetite for higher-risk products," Brazil's *Jornal DCI.com.br* reports. And on Feb. 26, Bovespa's executive president Edemir Pinto announced that the São Paulo exchange had just struck a deal with the Chicago Mercantile Exchange—the world's largest derivatives market—to "open the local [Brazilian] stock market to players of international stature, to attract big global players, principally those who are high-frequency actors."

The plan, which will go operational on March 25, will allow foreign speculators to invest directly in Brazil through the Chicago Merc, Nasdaq, and some European exchanges, by creating a "common platform for various kinds of assets including derivatives," Bovespa's director for investor relations, Carlos Kawall, told *Agencia Estado*. Bovespa's euphoric expectation is to become the second-largest stock exchange in the world by 2011 or 2012.

Chile Hit by 8.8-Magnitude Earthquake

Feb. 28 (EIRNS)—A month and a half after Haiti's devastating earthquake, measuring 7 on the Richter scale, Chile was struck by an 8.8-magnitude earthquake early on the morning of Feb. 27, one of the biggest temblors to occur anywhere in the world in more than a century. The death toll so far stands at 714, but is expected to rise.

Significant damage occurred in the epicenter region, near Concepción, about 200 miles south of Santiago, the capital. Thousands of people are sleeping outdoors, and looting of supermarkets has been such that the government deployed the military to maintain control.

An *EIR* contact in Santiago called in tonight, describing the earthquake as "terrorific" and reported that in parts of the city that sustained substantial damage, people are sleeping outdoors for fear of aftershocks. Electricity and phone lines were down in several sectors, and the international airport is shut down.

President Michelle Bachelet quickly set up an emergency operations team at the National Emergencies Office (ONEMI) and then flew to the Maule region—the epicenter—to get an on-the-ground view of damages. Declaring the region to be a "castrophe zone," she made clear that she is personally overseeing the emergency response.

The U.S. Geological Survey's National Earthquake Information Center (NEIC) in Golden, Colorado reported that the Chilean quake released 500 times more energy than the Jan. 12 quake that hit Haiti.

London Seeks Extinction of 'Fourth World' Haiti

March 1 (EIRNS)—The sophists at the London *Economist* have discovered that the 7.0-magnitude earthquake that struck Haiti on Jan. 12 had far more deadly consequences than the Feb. 27 8.8-magnitude quake in Chile. Why? Because Chile has been able to "invest in transport and health infrastructure that far surpasses Haiti's," which is "the poorest country in the Western Hemisphere."

On Feb. 29, *Time* magazine echoed the racist British imperialist line that it was the "incurable corruption" of the Haitian government that was responsible for the enormous devastation, and demanded that billions of dollars in aid to Haiti should be tied to its promise to improve its "abysmal governance."

What about the decades of free trade, globalization, and drug-promoting policies which have brought the Haitian nation to the edge of extinction, with over 80% of the population living under the poverty line, and levels of unemployment that over the last decade have ranged from a *low* of 50% to a high of 70%—or more?

A review of basic physical economic parameters in Haiti from the mid-2000s, demonstrates that it is much more like a devastated Sub-Saharan African country, than the "merely" impoverished nations of Ibero-America. And, in many areas, Haiti is *worse off* than the average for Sub-Saharan Africa.

For example, Haiti consumes 251 kg of oil equivalent per capita annually; Sub-Saharan Africa 667; Ibero-America 1,156. And cereal yields in Haiti are 868 grams per hectare—i.e., *less* than one kg/ha; Africa is 1,071, and Ibero-America 3,012. Small wonder that Haiti imports about 60% of its food, and its population suffers widespread malnutrition.

London's Dope, Inc. and Haiti

March 1 (EIRNS)—One of the frequent lies one hears from British genocidalists and their U.S. followers, is that the Haitian government is so corrupt that international aid cannot be channeled through it, and instead has to be given directly to "non-corrupt" NGOs—such as those run by the world's leading drug-runner, British agent George Soros, or those controlled by Bill Gates, who is an ardent advocate of Malthusian genocide.

But the real corruption in Haiti is that of the British Empire's own Dope, Inc. apparatus, which has come to dominate areas of the deliberately devastated Haitian economy, and penetrated its political class. In a country with 50% official unemployment—and real unemployment likely 60-70%—what do you expect?

The State Department's 2009 INCSR (International Narcotics Control Strategy Report) says that "Haiti remains a major transit country for cocaine and marijuana from South America and the Caribbean, respectively." Small aircraft do offshore drops to waiting boats, as well as land on at least 29 clandestine air strips, especially in the south of the country. "Suspect drug flights from Venezuela increased at least 15% in 2008 following on the 38% increase officially recorded in 2007. However, the actual rate of increase may be much higher." Go-fast boats are also used to offload drugs to Haitian fishing boats or cargo ships, which take it to the U.S. and, to a lesser degree, Europe.

A June 8, 2007 meeting at the U.S. Institute for Peace (USIP) on the Haiti drug problem, gave some useful specifics. While 90% of cocaine entering the U.S. does through Mexico and Central America, the remaining 10% goes through the Caribbean. There has been "sharply increased cocaine shipments from Venezuela through Haiti and the Dominican Republic on the island of Hispaniola. U.S. government agencies estimate that 83 metric tons or about 8% of the cocaine entering the U.S. in 2006 transited either Haiti or the Dominican Republic." And recently there has been a shift away from the Dominican Republic towards Haiti.

Western European News Digest

Greek Demonstrators: Burn the Banks

200,000 Demonstrate in Spain Against Austerity

Banco Santander Demands Spain's People Be Crushed

Pound Sterling Is a 'Basket Case'

Debt Bomb Around Austrian Bankers' Necks

Soros, EC Push for 'Eurobonds' and Dictatorship

Gasoline Shortages About To Hit in France

Death Toll from Cost-Cutting at U.K. Health Service

Greek Demonstrators: Burn the Banks

Feb. 24 (EIRNS)—The Greek trade union movement sent a strong message to the "markets"—"you pay for the crisis you created," when their 24-hour strike began yesterday morning, virtually shutting down the country. The strike was aimed at reversing the brutal austerity being demanded by the European Union bankers' dictatorship. The Athens mass transit system shut down, leaving 650,000 commuters stranded; 500 flights in and out of Athens international airport were cancelled, and ferry service to the many Greek islands was at a standstill. Workers at government ministries did not show up. Holding banners saying "The crisis should be paid for by the plutocracy" and "Markets should pay for the crisis," 35,000 people attended a mass demonstration in downtown Athens, while small clashes occurred between demonstrators and police.

"This is the red line," Nikos Goulas, head of the union representing airport workers, told Britain's *Guardian*. "Greece is no Ireland. If the government does not back down there will be huge unrest." He stood next a huge banner reading, "As much as you terrorize us, these measures won't pass."

The strike was called by the General Confederation of Greek Labor (GSEE), representing 2 million private sector workers. They were joined by ADEDY, the public sector workers union, which had also held its own strike action on Feb. 10.

200,000 Demonstrate in Spain Against Austerity

Feb. 23 (EIRNS)—The first demonstration in a 12-day mobilization organized by Spain's major trade union federations, the UGT (from the governing PSOE party) and Comisiones Obreras (Worker Commissions—CCOO) against the "labor reforms" of the Rodriguez Zapatero government, today gathered 200,000 people in three major cities of Spain—Madrid, Barcelona, and Valencia—as well as in other cities. The mobilization is scheduled to cover 57 cities in the next 12 days with the slogans, "In Defense of Pensions," "No to delayed retirement," "Cutting the social net is no solution." These are

exactly the demands that the London-run bankers are dictating to Spain, through the EU bureaucracy.

After the demos, the UGT leader in the Catalunya region, Josep Maria Alvarez, said that "If there is no rectification, this will not stop here." And CCOO leader Ignacio Fernandez Toxo pledged to defend labor's rights "tooth and nail." There is a general cover-up of the labor mobilization in the Spanish press.

Banco Santander Demands Spain's People Be Crushed

Feb. 25 (EIRNS)—Facing its own bankruptcy after its shock exposure by Lyndon LaRouche two weeks ago, the British-steered Banco Santander's chief, Emilio Botín, demanded Feb. 23 that the Spanish government "get going at once" on the labor and pension "reforms" and budget cuts to loot the Spanish population, in order to save the "values" of Santander's exposed assets. Botín praised the announced reduction of EU50 billion (\$70 billion) in the public budget. Botín was receiving a cultural award for owning a sports team, when he called for more of Spaniards' blood to save Spain's sovereign debt.

His ally and Bank of Spain governor Miguel Fernández Ordóñez, who met Feb. 23 with representatives of the major banks, stated that the labor "reform" takes priority over everything else, and without it nothing would work to overcome the Spanish banks' debt crisis. He called for dismantling the labor organizations, ending collective bargaining.

Pound Sterling Is a 'Basket Case'

Feb. 26 (EIRNS)—Jim Rogers, the former partner of speculator George Soros, told the *Guardian* that the pound sterling is a "basket case" of world currencies. "Other currencies aren't strong and the euro has real problems, with cracks much wider than Greece beginning to show," Rogers said, "but it's the pound that's most vulnerable. In real terms, it's already devalued against virtually every currency, barring the Zimbabwe dollar, and it's especially exposed over the weeks running up to the U.K. election. In a basket of currencies, the pound is potentially a basket case. That will put Britain in an extremely bad position."

Much of this bad debt is from the British housing bubble, which began to collapse two years ago. The slight increase in prices over the last months is proving to have been a dead cat bounce. Housing prices dropped by 1% during February for the first time in 10 months, following a downturn in home sales by 8%.

Debt Bomb Around Austrian Bankers' Necks

Feb. 25 (EIRNS)—There is much talk about Greece and Spain these days, but the crisis in Eastern Europe, where especially Austrian banks are highly exposed, has not disappeared at all: Quite the contrary, the volume of bad loans is increasing for banks like Raiffeisen International (RI), which has an average bad loan portfolio of 14%, which in Ukraine, where RI owns the Aval bank, is almost 21%. RI shares dropped by 12% when the new figures were made public, on Feb. 24.

Of the EU1.15 billion that western banks lent to Eastern Europe, EU224 billion alone are Austrian loans, and nearly all of that went into consumer and housing loans and not into real industry. Increasing mass unemployment, exacerbated by brutal budget cuts in all East European countries, including the Baltic and Balkan states, and decreased wages of those who still have jobs are driving more and more Eastern European debtors into severe problems with paying back their loans. One might say that the dream of Austrian banks to rebuild the Hapsburg Empire with finances, in the East, has been grounded by reality.

Soros, EC Push for 'Eurobonds' and Dictatorship

Feb. 22 (EIRNS)—The London *Economist* and George Soros writing in the *Financial Times*, both made a pitch for the British demand that economic dictatorship be established across Europe, to "solve" the collapse of Euroland. Rothschild hit man Soros says that Greece is a tiny problem, which can be dealt with through "makeshift assistance," but "that leaves Spain, Italy, Portugal and Ireland," putting "the future of the euro in question."

According to Soros: "It is clear what is needed: more intrusive monitoring and institutional arrangements for conditional assistance. A well-organized euro-bond market would be desirable." To achieve this, Europe needs a Treasury which can tax the members of the EU in times of crisis. The problem is that the EU "was brought into existence by putting the cart before the horse"—i.e., a *political* dictatorship was required before the *economic* dictatorship would be viable.

A European Commission think tank puts forward a similar proposal in the Rothschild mouthpiece the *Economist*. Daniel Gros of the Centre for European Policy Studies, together with Thomas Mayer of Deutschebank, say that the EU needs the European Monetary Fund (EMF), which, like the IMF, would be "remote from direct political influence," and would "conduct economic surveillance of member countries." It would have "authority to borrow in the markets," but would also raise funds from members who are "in breach of set limits on governments' debt stock and annual deficits," at 1% of their "excess debt" over 60% of GDP, and "excess deficits" over 3% of GDP—i.e., the Maastricht Treaty's restraints. Had this been in place for the past decade, these fools write, it would have pooled \$163 billion, which could have rescued Greece!

The EMF would then control the borrowing nation's economic policies, and would "allow the country to receive additional funds only for specific purposes that the EMF approved."

Gasoline Shortages About To Hit in France

PARIS, Feb. 23 (EIRNS)—Concern is increasing over a nationwide strike blocking the French oil refineries. Yesterday, 132 gas stations (of 12,700) were unable to offer certain types of fuel. According to Jean-Louis Schilansky, the president of UFIP (French Petroleum Industry Union), reserves are only sufficient to deliver gasoline to consumers for the next seven to ten days. Transportation companies are worried.

The strike started in January in the northern city of Mardyck, close to Dunkerque, when workers for the French oil giant Total discovered their refinery was set for closure. When it became clear that there was a global plan to reduce capacity everywhere, 5 other refineries joined the strike. In total, out of 12 refineries, 6 were on strike yesterday, while 31 out of 210 oil depots are blocked after six days of strike. Today, besides the refineries of Total, those of Exxon, BP, and Petroplus (formerly Shell) have joined the strike.

President Nicolas Sarkozy will meet the CEO of Total today to discuss the crisis. If gas supply grows short, the French strategic reserves are planned to be made available.

Death Toll from Cost-Cutting at U.K. Health Service

Feb. 26 (EIRNS)—There were 400-1,200 questionable deaths at the Mid-Staffordshire NHS (National Health Service) Foundation Trust Hospital, and 900 cases of potential neglect, reported over the 2005-08 period, according to a report out this week, by a commission for the Health Ministry. The particulars involve lack of nutrition, cleanliness, hydration, and exposure to infection.

This spotlights the effects of the NHS "reforms" initiated by Tony Blair (1997-2007), which are the model for the Nazi

health-care reforms in the U.S. now demanded by President Obama.

Russia and the CIS News Digest

London Clique Tries To Take Over Russia's 'Modernization' Policy

U.S. Sends 'New Flagellants' to Moscow and Novosibirsk

Russians and Chinese Pledge Further Economic Cooperation

London Clique Tries To Take Over Russia's 'Modernization' Policy

Feb. 24 (EIRNS)—The same group in Russia, which, in the 1990s, devastated the country's economy with London-scripted radical monetarism, is now attempting to take over President Dmitri Medvedev's announced policy of economic "modernization and innovation."

The group's central figure is Anatoli Chubais, who, as one of the so-called "young reformers" during Boris Yeltsin's Presidency in the 1990s, launched the fire-sale privatization of Russian industry. Ousted from the cabinet in the financial debacle of 1998, Chubais has restyled himself as an advocate of "liberal empire" (using that British catch-phrase in his own writings), an efficient corporate manager (overseeing the break-up of Russia's national electric power utility), and the go-to-guy for allegedly cutting-edge technologies, with the emphasis on finding lucrative market niches for Russian products. Reporting to Prime Minister Vladimir Putin Feb. 2 on the operations of Rosnano, the national nanotechnology corporation he now heads, Chubais waxed so lyrical about "whole sectors, which didn't exist before, and are being born before our very eyes"—like production of solar energy batteries!—that Putin advised him to focus more on "our own economy and our current needs," on "such very important areas as new materials and microelectronics."

Working with Chubais are members of the original Mont Pelerin Society-schooled clique that seized control of the Russian government at the end of 1991, such as the late Yegor Gaidar's right-hand man, Vladimir Mau, today rector of the Russian government's Academy of the National Economy. (See "IRI's Friends in Russia: The Anti-Utopia in Power," *EIR*, Sept. 6, 1996, for the sordid tale of how this group was recruited through the late Lord Harris's Institute for Economic Affairs during the Gorbachov "perestroika" era of the late 1980s, and groomed in monetarist practice at seminars in Hungary, Great Britain, and with economic Anglophiles at Harvard and the University of Chicago.)

A host of high-ranking government officials are marching to Chubais's drum, notably including Deputy Prime Minister Finance Minister Alexei Kudrin, whose frequent consultations in the City of London, and call for "global Maastricht" strictures against government credit-creation, earned him the title of "subprime minister" from Lyndon LaRouche.

Every aspect of economic policy in Russia is currently being discussed under the umbrella of the "modernization and innovation" campaign, which Medvedev launched with the creation of his Commission on Modernization and Technological Development of the Russian Economy in May 2009. Its five areas of concentration are energy efficiency, nuclear power, space technologies with an emphasis on telecommunications, medical diagnostics and pharmaceuticals, and IT. The Commission's meetings on nuclear power, held at the Academy of Sciences' Kurchatov Institute and the national weapons lab in Sarov, have included a healthy perspective for the nuclear power sector, of moving from improvements in Russia's workhorse VVER pressurized water reactor design, to accelerated development of plants based on full fuel-cycle breeder reactors, and on to thermonuclear fusion power not too much later.

When it comes to IT and the other areas, however, the Chubais clique is introducing psychedelic levels of insanity, elevating the failed post-1968 policy trends of the West to a status from which they could derail any prospect of industrial modernization. Over the past month, Kremlin aides Sergei Naryshkin and Vladislav Surkov, under the influence of the Chubais group, have raised the banner of "creating a Russian Silicon Valley"—as if oblivious to what that famous California district looks like now, after the dot-com crash and real estate deflation: a zone where you can drive past miles of empty office buildings, punctuated by foreclosed McMansions and homeless former programmers, some of them visibly deranged, living on the street. Surkov says that Russia needs small, innovative companies like the ones around Stanford University and the Massachusetts Institute of Technology. Chubais's Rosnano is supposed to be curator of the project.

Indeed, on Jan. 25-26, Chubais and Surkov came to MIT on what was practically a stealth visit—with no media coverage in the United States and only one substantial article in Russia—to attend seminars on "MIT's experience in supporting and promoting innovation." With them was a big chunk of the Russian cabinet and Kremlin staff: First Deputy Prime Minister Igor Shuvalov, Subprime Minister Kudrin, Deputy Prime Minister Sergei Sobyenin, Economics Minister Elvira Nabiullina, Kremlin deputy chief of staff and economics adviser Arkadi Dvorkovich, State Savings Bank (Sberbank) CEO German Gref, Mau, and the CEO of Russian Venture Company Igor Agamirzian. The emphasis, as a U.S. Department of Commerce release put it, was on "commercialization of technology, bringing innovations from the laboratory to the marketplace."

On Feb. 11, Medvedev convened a session of the Commission on Modernization in the Siberian city of Tomsk, dedicated to the role of the private sector in modernization. To give the keynote presentations to the two dozen top government officials and corporate CEOs in attendance, he invited Chubais and Kudrin, who gave essentially a report-back on their MIT expedition. Chubais put forward the notion that success will be measured when "the market" decides that a start-up is "a viable innovation company." Medvedev himself reconfirmed what LaRouche has called the "greatest blunder" in recent Russian policy, namely, downgrading the role of the Academy of Sciences, by saying that the "inspiring" list of proposals for technological breakthroughs, submitted by the Academy, needs to be vetted, and "with all enormous due respect to the Academy of Sciences, it would not be a bad idea for this to be done by the business world."

U.S. Sends 'New Flagellants' to Moscow and Novosibirsk

Feb. 24 (EIRNS)—The announced "restart" of Russian-American relations took a wrong turn last week, with the dispatch of a joint government/IT sector/Hollywood delegation to Moscow and the science center of Akademgorodok in Novosibirsk. They set out to advise Russian leaders on guiding their economy into new technologies, with the advice being provided by "high-ranking leaders of U.S. technology companies," who joined top Obama Administration officials on the Feb. 17-23 trip: the CEOs of online flea market eBay, Internet software maker Mozilla, and the Social Gaming Network, plus officials from IT companies Microsoft and Cisco Systems, and Esther Dyson, known for her success in launching lucrative start-up ventures in the virtual world. The group received huge publicity because it also included actor Ashton Kutcher, who provided play-by-play via his Twitter feed—one of the most heavily subscribed in the world, with 4.5 million recipients.

From the U.S. government, the delegation was led by Jared Cohen of the State Department policy planning staff, and included National Security Council official Howard Solomon, chief technology officer Aneesh Chopra, and John Beyrle. They were hosted by deputy chief of the Presidential Administration Vladislav Surkov, who has recruited Dyson as one of three foreign members of his working group to create a "Russian Silicon Valley." They met with Surkov and Kremlin economics advisor Arkadi Dvorkovich twice, also visiting the Russian Union of Industrialists and Entrepreneurs, and the government ministries of economics, education, communications and health, as well as meeting with representatives of Rostelecom, Yandex (the Russian search engine) and the anti-malware company Kaspersky Laboratory.

In a Feb. 18 press conference, held at Russian State TV and Radio, Cohen said that the task was to share knowledge of

how "technological innovation" is done. He said that the common excellence of the U.S.A. and Russia in "technology" is exemplified by the key role Russian emigre software engineers and programmers have played in U.S. IT companies. Speaking in the lingo of globalization, Cohen hailed Internet-based "social networking"—what Lyndon LaRouche has diagnosed as the "new flagellants" movement of our own looming Dark Age—as the statecraft of the 21st Century, and said that social-networking-based "multi-stakeholder partnership" ("stakeholders" being newspeak for "the public") was the way to go, on education, health, and other social issues. Kutcher chimed in that his stream of "tweets" about Russia's desire to master high-tech, will enable Russia to get tons of free advice from all over the world, in a process dubbed "crowd-sourcing."

Russians and Chinese Pledge Further Economic Cooperation

Feb. 28 (EIRNS)—Alexander Shokhin, head of the Russian Union of Industrialists and Entrepreneurs (RUIE), met with Chinese Ambassador to Russia Li Hui, in Moscow on Feb. 27. Li spoke highly of the rapid development of the China-Russia strategic partnership, as well as the contribution made by Shokhin and the RUIE, and said he hoped the latter would play a positive role in facilitating exchanges between enterprises and guilds from the two countries to raise cooperation to a new high. Li said the Chinese Embassy was prepared to give them all possible assistance in order to achieve that goal. While foreign direct investment in Russia slumped by 41% in 2009, Chinese investment in Russia continues to grow—from a very low starting point of about 1% of the total.

A similar estimate was made earlier in the week by the head of the Foreign Affairs Committee of the Russian Duma, Konstantin Kosachev, who in a meeting in Washington noted that the China-Russia relationship was "unprecedentedly good ... excellent in comparison with the relations between the United States and China," he added.

Southwest Asia News Digest

Dubai Hit Calculated To Start New Mideast War

Iran Arrests London-Linked Narcoterrorist

Rothschild Funds Israeli Cultural Warfare Against Palestinians

Dubai Hit Calculated To Start New Mideast War

Feb. 27 (EIRNS)—The Jan. 20 assassination of Hamas official Mahmoud al-Mabhouh in Dubai was calculated to trigger a retaliatory attack against Israel, providing a pretext for an Israeli military attack on Iran, Lyndon LaRouche declared today. "Why else would there have been a cast of dozens, directly implicated, caught *en flagrante* on security cameras, staging the hit? A clean hit would have involved two people, and would not have caused the month-long international stir. There was a purpose behind this kind of staging, and the purpose was to provoke something much bigger."

To date, Dubai officials have identified at least 26 people as part of the hit team. Hotel and area security cameras captured critical aspects of the operation, and Dubai authorities have accused the Israeli Mossad of the killing. Passports of individuals from England, Ireland, Germany, and France were used by the surveillance and hit team, provoking further international scandal. The security services in the United Arab Emirates, including Dubai, are dominated by "former" British MI6 and MI5 officials, and the British have, according to LaRouche, "been playing this story to the hilt, fueling the very strong likelihood—almost the guarantee—that Hamas will now be obliged to carry out a high-level retaliation."

Today, Dubai security officials announced that they had discovered DNA and fingerprint evidence at the murder scene, and would be confronting Israeli authorities with that evidence.

According to one U.S. Middle East expert, the situation runs parallel to the 2001-02 events following the assassination of Israeli Minister Rehavam Ze'evi, who was gunned down by four assassins from the Popular Front for the Liberation of Palestine (PFLP) in front of a Tel Aviv hotel, in October 2001, in retaliation for the Israeli killing of PFLP leader Abu Ali Mustafa two months earlier. Ultimately, the Ze'evi assassination, and the hunt for his killers, led to the Israeli military invasion and re-occupation of parts of the West Bank.

"Today," LaRouche warned, "the circumstances are similar to the Ze'evi killing, but, at the same time, very different. We are in a far more desperate situation today. At the top, leading factions in the City of London are convinced that their financial system is doomed, and they are prepared to unleash absolute Hell on Earth, out of raw desperation. The same Sykes-Picot dynamic controls the greater Southwest Asia region today, as tightly as it did in the immediate post-World War I period. So, the Dubai assassination of a top Hamas official, conducted in the manner that the hit was carried out, was intended to trigger a retaliatory action, which would then give Israel the justification/pretext for a full-scale military strike on Iran, likely targeting its nuclear facility at Natanz, or some other similar target. If this happens," LaRouche concluded, "it will trigger an all-out regional conflict, that will rapidly spread. We could be weeks away from the triggering of a new dark age."

LaRouche emphasized: "Don't look to Israel for the trigger of this operation. Look to the Venetian-style gamemasters in London. They have the psychological profiles of all the parties. They know how to set off a chain-reaction confrontation. Why did they choose Dubai as the location for the hit? Because the security structures in Dubai are British-run, British-staffed."

A retaliation could even be directed at Prime Minister Benjamin Netanyahu, according to one source. Any strong Hamas retaliatory attack against an Israeli target will, in all likelihood, trigger broader war. Certain circles in London are going for genocide: "They are desperate, and they are showing their desperation, with this folly in Dubai," LaRouche warned.

Iran Arrests London-Linked Narcoterrorist

Feb. 23 (EIRNS)—On Feb. 23, Iran announced the arrest of Abdolmalek Rigi, leader of the Jundallah narcoterrorists—a Baluchistan outfit that *EIR* has repeatedly identified as an opium-trafficking asset of the British Empire faction. The arrest of Abdolmalek Rigi was announced by Iran's chief of intelligence, and Rigi is claiming that he was about to meet with a "high-level American intelligence official" about U.S. plans to use his organization for destabilization inside Iran. The details of how Rigi was arrested remain obscure, with at least three different reports floating around the international news media: that Rigi was detained when Iran intercepted his flight from Dubai to Kyrgyzstan; that he was arrested in Pakistan, and then turned over to Iran; that he was arrested in Dubai and then brought to Iran.

Rigi is known to have travelled in all three places in the past, as part of the Jundallah's drugs- and weapons-trafficking. But what the reports are leaving out concerning the Jundallah are its London connections, through the opium trade out of Afghanistan; the Baluchi tribes spread across all three borders of Pakistan-Afghanistan-Iran.

In May and October 2009, Jundallah carried out two major terrorist operations inside Iran. In May, the target was a mosque in Zahedan, the capital of Sistan Baluchistan province. In October, Jundallah, operating from Pakistan's Baluchistan province bordering Iran, carried out a massive bomb attack on the southeastern Iranian headquarters of the Revolutionary Guard, killing 30 people, including six commanders.

EIR reported in May 2009, that the bombing claimed by Jundallah occurred just days after the leaders of Iran, Afghanistan, and Pakistan held a summit in Tehran, where they agreed to step up cooperation to combat terrorism and drug trafficking. Earlier in 2009, the three countries set up a joint anti-drug trafficking headquarters in Tehran and conducted several successful joint anti-narcotics operations. The attack also occurred only days after the secretary general of the UN Office on Drugs and Crime, Antonio Maria Costa, made an official tour of Iran and Afghanistan and called for the principal anti-drug effort to be stopping the flow of drugs out of Afghanistan.

Rothschild Funds Israeli Cultural Warfare Against Palestinians

Feb. 28 (EIRNS)—At a special meeting of the Israeli Cabinet on Feb. 21, Prime Minister Benjamin Netanyahu announced a new Heritage Project, and asked the Cabinet members to thank the Rothschild Foundation of Israel for putting up the seed money. Netanyahu said his government would finance the project, where Israeli tourists could follow two roads to 150 refurbished Jewish and Zionist historic sites, thus shaping the idea that Israel was a state for the Jewish people.

No sooner had the Heritage Project been announced than the settlers' movement asked Netanyahu—who readily agreed—to include Hebron's Tomb of the Patriarchs and Rachel's Tomb in the project. Both of these sites are deep in the West Bank territory under semi-autonomous control of the Palestinian Authority; and the Tomb of the Patriarchs is the site where Dr. Baruch Goldstein, an American-born terrorist settler from the Meir Kahane organization, entered a mosque on Feb. 25, 1994, during prayer services, and opened fire, killing 30 Palestinians and wounding 200 others.

On Feb. 24, 2010, Israeli press headlines featured calls for a renewed Intifada from unknown Palestinians facing the prospect of right-wing Zionists descending on the West Bank sites—just as Gen. Ariel Sharon's visit to the Temple Mount in Jerusalem triggered the second Intifada in September 2000. On Feb. 28, East Jerusalem and areas in the West Bank were the sites of heated protests over these Israeli "heritage" claims on the Palestinian Authority lands.

Asia News Digest

[Afghan Cabinet Warfare: Washington Again Manipulated by London](#)

[Less Afghan Drugs Passing Through Pakistan, More Heading to Russia](#)

[Mahathir Denounces Invitation to Tony Blair 'The Liar'](#)

[Britain's 'Global Finance Minister of the Year' Award to Thailand](#)

Afghan Cabinet Warfare: Washington Again Manipulated by London

Feb. 21 (EIRNS)—According to a senior Indian intelligence contact, the recent arrests of top Afghan Taliban leaders in Pakistan—Mullahs Bardar, Salam, and Mir—is a sleight of hand used by Pakistani intelligence to "assure" Washington that the 15,000-troop U.S./NATO-led campaign in Helmand Province will meet with resounding success. According to this report, Karachi police officials pointed out that the leaders arrested since the end of January, in Karachi and other parts of Pakistan, no longer constituted the command and control of the Afghan Taliban, and that is why their arrests have not yet had any impact on operations on the ground—either in Helmand or elsewhere. They pointed out that the Taliban forces presently resisting the U.S.-led offensive in Helmand are led by a new crop of leaders, who, while devoted to Mullah Mohammad Omar, the Amir of the Afghan Taliban, are capable of operating without the need for direction from a central command and control.

The veracity of this information has already been established on the ground in Helmand, where the advancing U.S./NATO troops have met with much more resistance than what Gen. Stanley McChrystal, commander of the International Security Assistance Force (ISAF), and U.S. Forces Afghanistan (USFOR-A), had told the media. Now, Britain's Maj.-Gen. Nick Carter has been quoted as saying: "I guess it will take us another 25 to 30 days to be entirely sure that we have secured that [in Marjah] which needs to be secured, and we probably won't know for about 120 days whether or not the population is entirely convinced by the degree of commitment that their Government is showing to them. So I guess, looking downstream, in three months time or thereabouts we should have a pretty fair idea of about whether we have been successful."

Less Afghan Drugs Passing Through Pakistan, More Heading to Russia

Feb. 26 (EIRNS)—According to Russian drug-control chief Viktor Ivanov, Pakistan's anti-drug division's special operations group has blocked a large quantity of Afghan drugs moving through Pakistan into India, and beyond. Ivanov told Ria Novosti that "special operations caused a 70% weakening in the southern drug-trafficking routes across Pakistan to India, and that [percentage] has been redirected to the North Caucasus." He said drug traffickers were using Iran and Azerbaijan as transit countries, and pointed to the substantial role Georgia was playing. "According to our data and information from foreign sources, the high level of corruption among Georgian authorities is preventing the fight against drug transit across the country from being effective," Ivanov said.

Russia has been a principal victim of the opium explosion in Afghanistan, which has occurred under the watch of the British troops in Helmand Province, particularly since 2005. Russia, China, and the Central Asian states held a conference about a year ago, addressing the threat posed by the Afghan drugs, and urging Washington to consider these nations' interests in shaping its Afghan strategy. Russia and its Central Asian allies are concerned that fighting in Afghanistan has been accompanied by a surge in heroin production, the main source of revenue for Afghan factions opposing the U.S.-backed government. However, the Obama Administration has done nothing except to pay lip service to the scourge that opium poses to the regional countries.

Mahathir Denounces Invitation to Tony Blair 'The Liar'

Feb. 22 (EIRNS)—Dr. Mahathir Mohamad, former Prime Minister of Malaysia, posted an article on his website, titled "Blair the Liar," in response to an invitation for former British Prime Minister Blair to speak at a conference of "National Achievers" in Kuala Lumpur in April. The annual conference, according to its website, "attracts 6,000-7,000 delegates who spend three days learning from, and being inspired by, some of the world's greatest leaders and entrepreneurs." Dr. M's response, in part:

"I am shocked that Malaysians have invited Tony Blair, former Prime Minister of Britain, to speak in Malaysia. I am even more shocked and I am disgusted that the organisation, which is inviting this liar of a Prime Minister, is one concerned with being achievers.... Maybe they have not heard that this is the man, the Prime Minister of Britain, who has been proven to be a liar, who had admitted that he lied about the capability of Iraq to launch a nuclear attack against Britain within 45 minutes. He lied about this absurdity because he wanted his Government, Parliament and the British people to support war against Iraq, to support his violent overthrow of a foreign Government he did not approve....

"Blair has been subjected to a public enquiry. All he can say for himself is that he wanted to get rid of Saddam Hussein—to achieve a regime change even if Saddam had no WMD.... But it is illegal, it is against international laws for any country to violently force a change of government in another country. Of this alone Blair is guilty...."

Britain's 'Global Finance Minister of the Year' Award to Thailand

Feb. 22 (EIRNS)—As if it were not enough that Thailand's Prime Minister is British-born, -raised, and -educated, and placed in office by a royal coup from London. Now the *Financial Times* wants to make sure that the Thai Finance Minister is properly recognized as one of their own. As Reuters reports: "British-born, Oxford-educated Korn Chatikavanij" was granted the "Global Finance Minister of the Year" honors from the *Financial Times' Banker* magazine today.

Korn's history explains the British pride: "In 1987, at 23, he founded J.F. Thanakom Securities to become the youngest chief of a major Thai investment bank after working three years for SG Warburg in London, which he joined from Oxford University." After 19 years as a British banker, he joined the Cabinet of his "long-time friend and fellow Oxford alumnus Abhisit Vejjajiva, Thailand's prime minister."

Korn has proven his worth to the Empire. When a corrupt, military-appointed court ordered the suspension, over environmental complaints, of 64 projects worth up to \$12 billion at the world's eighth-biggest petrochemicals hub in eastern Thailand, "Korn came down firmly on the side of the environmentalists, saying the case could mark a positive turning-point and help Thailand retool its economy to rely less on manufacturing" and more on services—like investment bankers, for instance. He also opposes plans to build a deep seaport on the western coast, and the related plans for a canal across the Kra Isthmus—a plan championed by Lyndon LaRouche for 30 years—to allow exporters to ship directly to the Middle East, Europe, and Africa.

"Such a project would jeopardise one of Thailand's biggest assets.... We shouldn't sacrifice a very robust tourism sector in the south and put that at risk through the development of major industrial projects that would go along with that port," Korn said."

Africa News Digest

South African Minister Wants To Revive Space Facility

Darfur Peace Agreement Announced

South African Minister Wants To Revive Space Facility

Feb. 23 (EIRNS)—South Africa's Science and Technology Minister, Naledi Pandor, yesterday told the nation's Satellite Applications Centre at Hartebeeshoek, west of Pretoria, that her department will study the possibility of reactivating the launch control and launch pad facilities that had been built for ICBMs in the 1980s. Those facilities, along with most nuclear R&D, were shut down as part of the country's acceptance of the global British technological-apartheid "non-proliferation" policy. She pointed out that launchers are not used only for weapons.

Last September, the Russians launched South Africa's SumbandilaSat microsatellite from Baikonur in Kazakhstan, and live video feed from the satellite was publicly shown for the first time, at yesterday's event. If South Africa could launch its own satellites, Pandor said, it would be much less expensive than being "dependent on other countries," to put them into space. She said she is "investigating why we mothballed our launch facility."

Darfur Peace Agreement Announced

Feb. 24 (EIRNS)—The Sudanese government yesterday announced an agreement with the Justice and Equality Movement (JEM) rebel group to establish a framework for discussing the resolution of the conflict in the western Darfur region of

Sudan. The agreement was reached in talks in Doha, Qatar, and is being referred to as the Doha Agreement. The JEM is now positioned to become a political player in Sudan, either with government positions, or as a leading opposition group, according to reports. The agreement was reached prior to the national elections scheduled for April. National elections this year are a requirement of the Comprehensive Peace Agreement (CPA) which ended the fighting in the long rebellion by the southern region of Sudan. After the signing of the CPA, the Darfur rebellion was instigated by elements who had been in the government, but who opposed the CPA.

The ceremony was attended by U.S., UN, African Union, and Arab League representatives. JEM leader Khalil Ibrahim said: "This framework agreement is a very important step," but added that patience and concessions will still be needed from both sides.

Today, Sudan President Omar Hassan al-Bashir made a speech in El Fasher, capital of North Darfur, in which he said that 57 members of JEM, 50 of whom had been on death row, had been released. "Now the war has finished in Darfur," he said. "We must start fighting the war for development." The JEM rebels had been captured after they staged an attack on Omdurman (part of the capital of Sudan) in May 2008. The agreement had called for 30 to be released, and Bashir increased the number to 57.

The agreement puts more pressure on the Sudan Liberation Army, another Darfur rebel group, which has split into several factions, to negotiate with the government. The SLA has so far refused to enter into the negotiations.

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[top of page](#)

[home page](#)