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## **This Week You Need To Know**

### **Behind the Torture Are the 'Beast-Men' Cheney and Rumsfeld**

**by Jeffrey Steinberg**

Sen. Richard Durbin (D-Ill.), coming out of a closed-door Congressional screening of the Iraq torture photographs from Abu Ghraib prison, on May 12, summed up the reactions of a majority of his colleagues on both sides of the aisle: "It felt like you were descending into one of the rings of hell; and sadly, it was our own creation."

Sen. Durbin's words echoed the LaRouche in 2004 mass-circulation campaign pamphlet, "Children of Satan I and II," which exposed the outright fascist, and willfully bestial ideology and policies of Vice President Dick Cheney, and his fellow Straussian neo-conservatives in the Department of Defense civilian bureaucracy and other power centers in Washington. It is Cheney's neo-con apparatus that bears top-down responsibility for the inhuman torture that took place at Abu Ghraib.

In a May 10 campaign statement, "The Mark of the Beast" (see Latest from LaRouche, this week), Presidential candidate Lyndon LaRouche emphasized that the actions by the accused prison guards and interrogators in Baghdad were not simply of their own doing, but were the consequence of a geometry of policy that permeated, top-down, every major action by the Bush-Cheney administration, particularly the entirety of the Iraq war policy.

The pamphlet "Children of Satan II—The Beast-Men," warned readers about the murderous character of Cheney, in particular: "Dick Cheney is not a copy of Adolf Hitler, but he comes directly out of the same background as Mussolini, Hitler, Franco, and their like, from the 1922-45 pages of modern history. He belongs to the same psychopathological stereotype which history traces back to the ancient Phrygian Dionysus from whom the models of the Spanish Grand Inquisitor and the French Jacobin Terror are traced by the leading intellectual founder of all modern fascist movements—the chief intellect of the modern fascist tradition, Joseph de Maistre. The Cheney-Strauss-Nazi connections to Maistre are clear, and crucial for understanding the Nazi-like global menace, which Cheney, as a sitting U.S. Vice President, typifies for the world today."

Joseph de Maistre, a leading participant in the Jacobin Terror and the later tyranny of the prototypical beast-man Napoleon Bonaparte, famously wrote about the vital role of the executioner in maintaining social order—through bestialization and terror. "All grandeur, all power, all subordination to authority rests on the executioner; he is the horror and the bond of human association. Remove this incomprehensible agent from the world, and at that very moment, order gives way to chaos, thrones topple, and society disappears."

Did not these words of Maistre mirror Dick Cheney's now infamous pronouncements about the danger to all civilization in allowing Saddam Hussein to successfully pursue his purported quest for the nuclear bomb—a quest that proved to be pure fiction? Does the "Cheney Doctrine" of preventive nuclear war against potential *future* adversaries rise to the standard of de Maistre's executioner?

When "Children of Satan II" was first circulated in January, many in official Washington called this characterization—of Vice President Cheney, Defense Secretary Donald Rumsfeld, Deputy Defense Secretary Paul Wolfowitz, et al., as Maistre-like "Beast-Men"—"over the top," "exaggerated," and "propagandistic." Then the photographs emerged from inside Abu Ghraib, and the reality of the Cheney-led descent into hell became sensuously clear.

## **From the Top of the Chain of Command**

The full story of Abu Ghraib is yet to be told. But a week of Congressional hearings has already confirmed that the torture techniques were fully known and sanctioned from the top.

In August 2003, with the U.S. occupation force in Iraq facing a growing asymmetrical warfare insurgency, and with the evidence out that Saddam Hussein did not possess the arsenals of "weapons of mass destruction" that Cheney cited as the reason for "preventive" war, Defense Secretary Rumsfeld dispatched Gen. Geoffrey Miller to Baghdad, to assess and modify the interrogation techniques being used on key Iraqi prisoners.

General Miller was the commander of the U.S. military prison at Guantanamo Bay, Cuba, where he was already employing techniques specifically banned by the Geneva Convention covering treatment of prisoners of war. (In March 2004, Miller was transferred to Iraq and placed in charge of the entire prison system of the American occupation.)

In April 2003, Miller had requested permission to adopt 20 interrogation methods at Guantanamo, involving sleep deprivation, exposure to extreme temperatures, forced nudity during interrogations, the use of dogs, and other forms of "sensory assault." The request had been approved at the highest levels of the Pentagon and the John Ashcroft-led Department of Justice.

Defense Secretary Rumsfeld had personally paved the way for this use of torture when he publicly scoffed at the Geneva Convention, asserting that the prisoners at Guantanamo Bay were not protected by international law. Rumsfeld personally travelled to Iraq, in the midst of the Miller mission, and on Sept. 6, 2003, he visited the execution chamber at Abu Ghraib.

In contentious testimony before the Senate Armed Services Committee May 12, Undersecretary of Defense for Intelligence Stephen Cambone admitted that General Miller returned to Washington and fully briefed his deputy, Gen. William "Jerry" Boykin, on the mission, and on his recommendations for ramping up the pressure on key prisoners through more aggressive interrogation techniques. Miller had now improved his list to 50 aggressive techniques, to be used on the targetted prisoners, and virtually all of them violated the Geneva Convention and even the Army's own regulations banning torture.

General Boykin is still under investigation for his off-the-wall remarks before a fundamentalist church, equating the Bush Administration's war on terrorism with the Crusades, and for his vicious denunciations of Islam and all Muslims. Boykin famously declared that George W. Bush had been placed into the White House "by God." Despite, or, perhaps, because of this Manichean mentality, Rumsfeld insisted that Boykin accept the post as Cambone's deputy, and even arranged for Boykin to get his third star, as an incentive to take the post. Boykin has a long track record as a loose-cannon Special Forces cowboy. He was personally involved in the tragic incident in Mogadishu, Somalia, made famous by the book *Blackhawk Down*, as well as in the murder of Medellin Cartel boss Pablo Escobar.

Boykin's "shoot first" record and reputation suggest that the Iraq "dirty war" scandals may go beyond the torture at Abu Ghraib. Among the other assets under the control of the newly created Cambone-Boykin Pentagon intelligence office are Special Forces units, including Task Force 121 and "Grey Fox," which are engaged in highly classified proactive counterterror work.

## Top-Down Coverup

According to news accounts and testimony before Congress, top Pentagon officials, including Rumsfeld and Joint Chiefs of Staff Chairman Gen. Richard Myers (USAF), were informed about the existence of photographs and videotapes of torture at Abu Ghraib in a secured phone call from Gen. John Abizaid, head of the Central Command, in mid-January 2004. Reports of the torture had been circulating as early as July 1, 2003, when Amnesty International issued a report, accusing the U.S. military of subjecting Iraqi prisoners to "cruel, inhumane, or degrading" conditions.

While the Pentagon appointed Gen. Antonio M. Taguba on Jan. 31 to conduct a formal probe of the torture at Abu Ghraib, top military and civilians at the Defense Department attempted to prevent the story from reaching the public. General Myers admitted, at Senate hearings, that he had personally called executives at the CBS "60 Minutes" program and convinced them to postpone the airing of an exposé of the torture, for several weeks; later, they attempted unsuccessfully to get CBS to censor the photographs altogether.

A month before the Taguba report was completed on March 3, the International Committee of the Red Cross (ICRC) provided the Coalition Forces with a damning 24-page investigation summary, charging that prisoners had been tortured to death, and subjected to forms of cruelty in violation of the Third and Fourth Geneva Conventions.

The general public was kept in the dark about all these developments until a copy of General Taguba's report was leaked to *The New Yorker* magazine journalist Seymour Hersh, and the now-infamous photographs of the torture at Abu Ghraib aired on "60 Minutes."

The Abu Ghraib revelations produced an immediate outcry for Rumsfeld's firing as Secretary of Defense. As has been the case, repeatedly, since the beginning of the Bush Administration, Vice President Dick Cheney weighed in—before President Bush—and declared that Rumsfeld was the greatest Defense Secretary in American history, and had Cheney's full backing. Speaking on May 7, Cheney arrogantly ordered the U.S. Congress to "lay off" Rumsfeld. Beast-Man Cheney, in effect, dared Congress to touch a hair on Rumsfeld's head; Cheney put President Bush in the unenviable position of having to back up his Vice President, by paying a visit to the Pentagon the next day, to deliver his "me too" endorsement of the decision Cheney had made, and made public.

## Many Questions Unanswered

Cheney's efforts to sweep the Iraq "dirty war" scandals under the rug will not work. There are many, many unanswered questions, already provoked by the first days of hearings before Congress. General Taguba told Senators on May 12 that there were, to his personal knowledge, at least two "third-country interrogators" implicated in the crimes at Abu Ghraib. These comments have provoked widespread speculation that Israeli interrogators may be on the ground in Baghdad, as sub-contractors to companies like CACI and Titan. These private companies have a pool of translators and interrogators fully integrated with the official military intelligence units.

The *Daily Star*, a Beirut newspaper, reported on May 11 that Jack London, Chairman and CEO of CACI, travelled to Israel in January, along with a delegation of defense contractors, Congressmen, and lobbyists. The trip was partially bankrolled by Jerusalem Fund of Aish HaTorah, and included a visit to Beit Horon, "the central training camp for the anti-terrorist forces of the Israeli police and the border police" in the West Bank.

Several U.S. and Israeli intelligence sources have also pointed to the bizarre business partnership between West Bank-based lawyer Mark Zell and Salem Chalabi, the nephew of Iraqi National Congress head Ahmed Chalabi. According to one source, the Zell-Chalabi duo have "a lock" on most of the security contracts in U.S.-occupied Iraq. Zell is the law partner of

Doug Feith, the Assistant Secretary of Defense for Policy.

## Latest From LaRouche

### 'The Mark Of The Beast'

By Lyndon H. LaRouche, Jr.

May 11, 2004

Tell those lunatics who have been praying for the Battle of Armageddon (in the hope that they will be rewarded by a removal of their obligation to pay next month's rent), that the Bush Administration's behavior in the Iraq prisoner scandal proffers any competent intelligence officer clear evidentiary proof, that these pictures are clues pointing to a crime committed by those who, like the notorious Grand Inquisitor Tomás Torquemada, bear "The Mark of the Beast." The perpetrators of the crime against Iraqis held captive, is the same circle of Vice President Cheney et al., who we exposed as nothing other than "beast-men" in my campaign's report on the Synarchist roots, which today's neo-conservative followers of Chicago's Professor Leo Strauss share with the fascists Benito Mussolini, Adolf Hitler, Francisco Franco, and their like, of 1922-1945 notoriety. There, in the intention expressed by those Synarchist traditions, that at the highest level, lies the essential culpability, the essential criminality.

Most people today, think as if they were running around on a giant pool-table, bouncing off one another according to the mechanical rules of some Hobbesian-nightmare universe. Thus, they seek to explain nearly every experience in terms of "Who hit whom." For persons sharing that confused state of mind, the crime lies, essentially, in the willful action by the individual. An educated, sane person rejects that "Who hit whom" approach. The competently developed mind recognizes that an individual crime such as that reflected in the pictures from the U.S. prison in Iraq, is not essentially the result of the individual will, but the influence of the system on his, or her will. In such cases, as in the notoriety of the Inquisition, or the similar case of the U.S. Iraq prison-system today, the essential responsibility, the essential criminality, has been generated by those responsible for the Defense Department's design of the conduct of the continuing war in Iraq.

Consider a few relevant points.

The foolish President of the U.S. once announced that the war in Iraq had been won. What a fool he was, to put on a uniform, as if it were a clown-suit, stand on a carrier, and proclaim himself a mastermind in matters of warfare! The war has not ended to the present day; what the poor, mentally limited President mistakenly thought was the end of war, was the beginning of its more deadly, protracted phase as Classical asymmetric warfare in the tradition of the post-MacArthur phase of the Korea war, again in Indo-China, and so on. The President started a war, could not end it successfully, and then blamed the nation which he had attacked (on fraudulent pretexts concocted by his Vice President's cronies) for refusing to play by what the President thought were his God-like powers to declare the war won at any time he just happened to chose.

The foolish President complicated his folly by putting Bremer, a known entity, in charge. Bremer occupied Saddam Hussein's offices, violated all standing principles for a U.S. occupying military force, and copied every bad kind of act, to the present day, for which Saddam Hussein had been accused by his own Iraq opponents.

Under the Bremer regime, Iraqis were tortured for information, presumably for the "weapons of mass destruction" which had almost certainly never existed.

Shades of the inquisition against the Cathars: "Kill them all, and let God sort them out!"

To free himself from continuing culpability in the ongoing crime, let the President call the accomplices of Cheney and Rumsfeld into the Oval Office. Let the President tell them all: "I have found the enemy in Iraq, and he is us." The President might add, pointing to his President of Vice: "Dick, get that damned rug out of your mouth!"

## **Little Rock, Ark. Press Conference**

### **LaRouche Scores Enemies' 'Reckless Disregard for Truth'**

*Democratic Presidential candidate Lyndon LaRouche held a press conference in Little Rock, on May 11, during a campaign swing through the state. Here is an edited transcript, beginning with LaRouche's opening remarks.*

There are two large issues before the country as a whole now, neither of which is being faced by other candidates—any of the others.

Number one, the economic crisis, which is a global economic crisis, which is now in a pre-crash, crumbling phase, especially over the past two weeks.

Secondly, the Iraq crisis, which is not an Iraq crisis—it's much more complicated. And no one is addressing, generally, from the standpoint of the candidacies of the parties, what has to be done to get out of that mess. I have put out, what you have a copy available here of, my *LaRouche Doctrine*; which is an ongoing operation, which is gathering support in the Middle East, so-called, and elsewhere, which is now becoming a feasible escape of the United States, from the continuing, worsening mess in Iraq. We can get out.

Those are the two issues. The key thing now, is, that what has to be done, is the following, and this is what breaks the nerve of a lot of candidates: We're in a depression, which is far worse than that of 1929-33. We have not gone into the official crash phase yet, but all the other conditions are there, and they are inevitable under the present system. Only a change in the system, of the type that Franklin Roosevelt introduced in March of 1933, will save the nation. We have the potentiality of support for such U.S. policy, from foreign countries—Europe and elsewhere. So, it is possible to escape from this depression, as we escaped from the last one.

But, at present, on the basis of the present policies of the Bush Administration, the Kerry campaign, the situation is hopeless. They're not paying attention to business on any of these questions. Kerry has his own reasons for that: He's laying back, and hoping that Bush falls, and then he can come in and say something later. But, what he's been saying, to my view, what I criticize him for, is, on these issues, he has been taking positions which will become irreversible liabilities hanging around his neck, next November. And I'm afraid he could blow the election, even though he potentially is a winner, given George Bush's problems.

So, that's my concern.

What has to be done, is this: The President of the United States will have to declare a national emergency, as Roosevelt did with the banking holiday. The international banking system, today, is hopelessly bankrupt. The international monetary-financial system *can not* be adjusted, it can not be reformed. It has to be radically transformed, as Roosevelt did, back in 1933.

The measures to be taken are tougher. The key thing is, the President of the United States—having put the Federal Reserve

System into bankruptcy, and having worked with foreign countries to put the IMF system, also, into bankruptcy—must immediately launch a program, and I've specified a \$6 trillion infrastructure-building program for the coming four years for the United States: This would involve water projects; large-scale power generation and distribution projects; health-care rehabilitation, obviously going back to the Hill-Burton law, repealing the HMO bill, which is impossible; and education policies, as well.

This means, we have to get government credit, which would be created to finance these large projects, by capitalizing these investments in infrastructure. States would be encouraged to form public utilities, to capture some of these utilities. For example: a power generation and distribution network, which should be coordinated—it must be together, otherwise, it doesn't work. The states actually should go back to assuming responsibility for public utilities in that area. This would mean, the government would put the money up front, for the construction of the utility, and then encourage local people to invest in stocks or bonds of those utilities—the way we used to do it. Thus providing a safe and secure place of savings, for normal people and institutions who want highly secure types of savings.

This means, also, that the Federal government must have a promotion of high-technology development, centered around an expanded conception of the space program, as a science-driver program. In addition to getting 10 million jobs, we must qualify people for these jobs; we must have the capital, which will go out largely, especially to medium and small business, who are in the high-tech business, or necessary otherwise. And that credit would be run through banks under reorganization. The credit would be provided to local communities, with the kind of thing that Roosevelt used to do for this kind of thing, in order to get some of these businesses even revived, which are in trouble, or born as new enterprises, if that's warranted.

So, these are the kinds of measures that must be taken. For this kind of program, we can get support throughout much of the world. If the United States takes leadership in this way, most of Europe, at least, will support the United States, and cooperate with these kinds of policies. They will cooperate with the creation of a new international monetary system, to get us out this mess.

That's essentially what I'm going to do.

## **Asymmetric Warfare**

*Question:* With regard to Iraq, what would you do there?

*LaRouche:* As I laid out in this [The LaRouche] Doctrine, the point is, we're in an asymmetric warfare. This war is not an Iraq war. It was generated, actually, back in the early 1990s, when Cheney was Secretary of Defense; at which time, he tried to push through policies, which were, on the one hand, perpetual warfare policies, exploiting the collapse of the Soviet Union as a rival, with nuclear weapons, to assert U.S. hegemony internationally; with the use of nuclear weapons, the so-called mini-nukes, to enforce that hegemony; to privatize the military, that is, to take traditional functions of the military and privatize them, turn over to private corporations, these kinds of things.

At that time, the Bush Administration turned him down. But Cheney continued that policy, all the way through the '90s, until he became Vice President. As Vice President, with his crowd, called the "neo-conservatives," he pushed this through, and got us into a war in Iraq, as well as the Afghanistan mess. The intention of Cheney is preventive nuclear warfare. And the targets include Syria, they include Iran, they include North Korea, other targets. What we're in, is a pattern of going toward a world war, running like a modernized science-fiction kind of Roman Empire.

We've got to get out of this mess. Because, with the present international financial crisis, we can not solve the international financial crisis, while we are generating and supporting the kind of conflict we are developing with our potential allies and

partners around the world. It can't be done.

I'll give you one example: the price of petroleum. The price of petroleum is now about \$40 a barrel, on international markets—\$30-40, so forth. With any catastrophe in the Middle East which affects petroleum supplies, we're talking \$50 a barrel oil; we're talking about cut-off of oil from the Middle East, in large degree. This means a shock-effect to the U.S. economy we can't handle. We've got to bring the Middle East under control; we've got to bring the petroleum security question under control, now, as an integral part of preparing for dealing with the ongoing monetary-financial crisis.

*Q:* Is it your contention, sir, that Mr. Cheney is the one who is, in effect, running the White House, as opposed to Mr. Bush?

*LaRouche::* Oh, of course he is! Look at Bush. Look at him, when he speaks. The poor guy is just not mentally there. He's the dumbest President we've ever had. And he's being controlled by Cheney.

Cheney is controlled by his wife; that's not well known. Lynne Cheney. Lynne Cheney has shaped every step of Dick Cheney's career. She's rescued him from the mud many times, and put him in various positions. She's the one with the international influence. She's a behind-the-scenes figure. So, you have her—she's the one running the marionette puppet. She's got him on strings. He's got a dummy sitting on his lap, like a ventriloquist's dummy. And he's not using his belly as a ventriloquist, to tell the dummy what to say: He's using a teleprompter.

But, this is a disgusting situation. We all know it. People pretend it's not true. But, the danger is, you have the dumbest man in the Presidency we've ever had, with one of the most dangerous crises we've ever had, and he doesn't know what time it is.

*Q:* So, do you support immediate withdrawal of U.S. troops? Or how do we get out of the mess?

*LaRouche:* What you have to do, is, very simply: If the people that are responding to me now, coalesce—they are tending to coalesce, in that part of the world, and elsewhere—then, we have a partner. And normally, through the State Department, you would negotiate with this group of people, for a Southwest Asia security policy: This would include Turkey, it would include Armenia, it would include Azerbaijan, it would include Iran, Egypt, and other countries. On the basis of having this partner for Southwest Asia security, we would take one order from the President of the United States to recognize this process—pull Bremer out of there, quickly; he's a mess. But, put somebody else in there, one of our generals, for example; not one of these civilians, but a general. And arrange the disengagement of U.S. military forces in Iraq, from combat. Because, we would be in a position, then, to actually negotiate simultaneously with all of the people in the area.

But we would simply restore the government of Iraq to its previous state, that is, under the 1958 Constitution. Objectionable people, of course, would not be included. But, in general, you would pull the Iraqi military and other institutional figures to go in the process of rebuilding their own country. Bring the thing under the United Nations, as the sponsoring party. We would be a cooperating partner, with the United Nations group, in assisting this rebuilding of this nation of Iraq.

But, the objective is, also, to secure the entire region of Southwest Asia, as a secure region, so it's not going to blow up on us. We have opportunities for cooperation throughout Asia, between South Asia, East Asia, and Europe. They're good opportunities. But if Southwest Asia blows up, it could affect the security of the whole region.

So, what we need right now, very quickly, is to get Southwest Asia under control. We have to adopt a policy, of the United States, to say, we're committed to that. We have to have the talking partners on the other side, who share that agreement.

We've got to bring about what Rabin wanted to do in Israel, to bring about an Oslo Accord type of peace negotiation between the Palestinians and Israelis. There's a growing movement among Israelis, for renewing that, again, now. We have to encourage that. We have to give full backing of the United States to doing that job.

## Why They Fear LaRouche

*Q:* Somebody on the Democratic National Committee who said, that their understanding is that you're not a registered voter, so, you're not eligible to get delegates—

*LaRouche:* I know.

*Q:* Is that true? If it is true, why should people vote for you?

*LaRouche::* Because—Terry McAuliffe is a liar. He said I'm an anti-Semite, pro-fascist, a racist, or this kind of thing. It's all a bunch of lies. I was framed up, everybody knows about it. It's no secret. I was put in jail by Bush; I was gotten out of jail by Clinton. That's the story.

And some people who are tied to large banking interests, financial interests, are afraid of me; they've been afraid of me for a long time, on this issue: That I would act as President Roosevelt acted in 1933. They know it. They don't want me even *talking* about that! They don't want it *heard* by the Democratic Party. Because, the Democratic Party, the poorer people, the lower 80% of the voters, have effectively no representation now, in terms of party procedures. They're neglected. You gather them in at election time, if you want them. But, my policy is to bring the lower 80% of voters *back into* the process of running the party.

*Q:* So you are, or aren't a registered voter?

*LaRouche::* No.

*Q:* So, are you a protest vote? You didn't answer the question.

*LaRouche::* I'm not a protest vote. I'm a serious candidate. I'm the *only* serious candidate. Let me put it this way: People say, "What're your chances of being elected?" My chances of being elected, are better than what's going to happen to the country, if I'm not.

*Q:* I understand you've been in Arkansas for a couple of days. And I was told you've been meeting with "top Democrats." Who've you been meeting with here? And what have those discussions been about?

*LaRouche:* We have delegates and others here. Most of the people in the state know me. I mean, the whole Clinton crowd knows me, for example; and some of the people who weren't too happy with Bill, also know me. So, I'm well known. I'm not an obscure figure.

*Q:* Can you name some names, whom you met with?

*LaRouche::* I let them drop their own names. There are a lot of people, and most people know about it.



*Q:* I was enticed to come out here by one of your press people, who said, "he's been in the state for two days, meeting with top Democrats." You can't name a single—

*LaRouche:* I'm not much of a name-dropper. I don't like that sort of thing.

I've been here. I've met most of the Democrats. I'm very close, in particular, to the civil rights movement. And my usual contacts here, are largely recognized leaders of the civil rights tradition in this state. There are also other people, as you saw, with the vote I got with the 2000 election here in this state. So, I have a base in the state, which is well known.

*Q:* The absence of those people here, at your side today, seems to indicate that they're not backing you, and the fact that you won't name anybody, seems to indicate that you have no support!

*LaRouche::* No. We had a meeting last night, and a number of people from around the state came here, who are also my representatives here.

*Q:* No top Democrats that you can name?

*LaRouche::* Well, I could name some, but I don't think it's necessary. I don't think it's relevant.

## **A 'Little Debate'**

*Q:* You referred to this a moment ago, but if you do a Google search for the name LaRouche, after the top two or three official sites, there are dozens of sites that label you as a fascist, an anti-Semite, talk about your "cult." Are you a fringe—aren't you a nut?

*LaRouche::* No. Only the people who say that are nuts. [laughter]

Because anybody who wants to—

*Q:* [cuts him off] Look, seriously, can you address, why is there so much hatred? Why are there so many people out there calling you these names?

*LaRouche::* Because of a little debate I had in 1971, in New York City, where I—. I have been a successful long-range forecaster, the most successful in 35 or 40 years. And I forecast the kind of condition which broke out in August of 1971. At that point, my associates and I, went after all these economists who had said this couldn't happen, when I said it was likely *to happen*. And they'd written books and said that the "built-in stabilizers" would prevent any crash from occurring. A crash had occurred.

So, I challenged them, on the basis of the competence of what was being taught in universities, as economics at that time. And I do, still today. What's being taught, in my view, is incompetent. We are now *in* a big crisis. An unbelievably serious crisis.

But, at that time, so, they picked a champion. I was causing a lot of problems. Students were upset, university students, because I was saying their professors were incompetent. And their professors were very unhappy. So, they picked a champion: Prof. Abba Lerner, who was considered the leading international Keynesian economist in the world at that time; British associated, but was teaching at Queens College in New York City.

So, he chose to challenge me to a debate, that I asked for. And, we wiped the floor with him. Because, what he'd done, what his policies were, his policies were those of Hjalmar Schacht, for a crisis: the same Hjalmar Schacht who was behind Hitler, Hitler's initial policies. So I said, this is Schachtian policies. You've got liberals running around, and they're actually pushing the policies of the fascist, Hjalmar Schacht. What goes on? At the end of the debate, which went on for some period of time that day, in which a lot of the celebrities of New York were there, to hear this great debate. At the end of it, he said, meekly, "But, if Germans had accepted Schacht's policy, Hitler would not have been necessary." End of debate.

The point was, *never take this guy on in debate, again.*

And the banking interests, typified by Lazard Frères, by Felix Rohatyn, people like that; George Soros, George Shultz, these kinds of characters, are determined to keep me altogether out of politics. They *do not* want a Roosevelt.

Now, they're not going to take me on! They have *never* tried to take me on in debate. Never! What they do, is, they use the usual thing, which is allowed in this country—because the problem—as you know, being in the press—you know one thing: There is no longer any law, on public figures, which restricts *any* press from reckless disregard for truth. We used to have a libel law, until 1984, which forbade lying openly, overtly, against public figures. After 1984, a decision was made, which was upheld by the Supreme Court, in which the law [was overturned], which said that it is libelous to proceed with reckless disregard for truth, and it is particularly libelous when you proceed with *maliciously motivated* reckless disregard for truth.

Now, the sites you're referring to, all happen to be of the same species. They're associated with a guy called John Train, for example. This is a product of Tom Braden's and other people's "Cultural Freedom" operation—Congress for Cultural Freedom, which was a brainwashing operation. This included people like Chip Berlet, who used to work for Tom Braden, as part of the National Student Association. These are spook operations.

All of this stuff is nothing but maliciously motivated, reckless disregard for truth. But many people repeat it.

Anybody who wants to check it—my record is full. My website makes it very easy for people to get my full record, on about anything! Anyone who wanted to check the facts, would not repeat that garbage! The only reason people who would repeat it, is because they were instructed by their editor to. As you know, the problem we have in the press in this country: It is *difficult* to be a honest reporter. Because the institutions don't want it. To be an honest broadcaster. The only broadcast institutions that have any freedom, are to some degree, the small talk-show press, that kind of local radio, that kind of thing. But, the large-scale press has no freedom whatsoever. It's controlled by big money; it doesn't have independent status—look at the crisis of all our major media. Look at it, you got a top man who is controlled by Wal-Mart, you know? This kind of thing.

So, that's our problem. And, you *don't* have honest discussion. Look at these guys, look at the debates we had, the television debates: These guys said *nothing* of any importance on these debates! Nothing! They don't *want* to say things of that importance. They want to lay back, create bite-size impressions; take positions, postures. They don't discuss the issue. We have serious problems in this country, and they're not being discussed.

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**Feature:**

## **Behind the Torture Are the 'Beast-Men' Cheney and Rumsfeld**

**by Jeffrey Steinberg**

Sen. Richard Durbin (D-Ill.), coming out of a closed-door Congressional screening of the Iraq torture photographs from Abu Ghraib prison, on May 12, summed up the reactions of a majority of his colleagues on both sides of the aisle: 'It felt like you were descending into one of the rings of hell; and sadly, it was our own creation.'

Sen. Durbin's words echoed the LaRouche in 2004 mass-circulation campaign pamphlets, *Children of Satan I and II*, which exposed the outright fascist, and willfully bestial ideology and policies of Vice President Dick Cheney, and his fellow Straussian neo-conservatives in the Department of Defense civilian bureaucracy and other power centers in Washington.

## **Interview: Gen. Joseph P. Hoar**

### **The Neo-Cons Have Had Their Day; Now It's Time for a Clean Sweep'**

**by Carl Osgood**

Gen. Joseph P. Hoar (USMC-ret.), a four-star general, was Commander in Chief, U.S. Central Command (1991-94), commanding the U.S. forces in the Persian Gulf after the 1991 war. He also served in the Vietnam War, as a battalion and brigade advisor with the Vietnamese Marines. He was interviewed by Jeffrey Steinberg on May 6, 2004.

## **Book Review**

### **What Do You Mean, 'We'?**

**by Anton Chaitkin**

#### ***Who Are We?—The Challenges to America's National Identity***

by Samuel P. Huntington

New York:Simon & Schuster, 2004

428 pages, Hardbound, \$27.00

The latest book from Samuel Huntington attempts to open new front in the fear-driven perpetual-war scenario of Vice President Dick Cheney, Attorney General John Ashcroft and their faction. The author acknowledges that the Smith Richardson Foundation and other far-right funding sources have paid to produce this book, the same sources which back the Cheneyites, and sponsor Huntington's Harvard University professorship.

## **Infrastructure:**

### **Watering Central Asia**

**by Mary Burdman**

...[T]he idea of taking water from the great, north-flowing rivers of Siberia, south and west, to water the steppes and deserts of Central Asia, is at least 100 years old...

### **Desalination's Huge Potential**

The greatest potential for solving the whole world's water problems, is through creation of much more fresh water by desalinating seawater. The failure of Soviet water management in Central Asia, was not so much due to its grand scale, but rather to the failure to bring sufficient water into the most arid region on Earth, both to save the Aral Sea and to turn the steppes and deserts green.

### **What Transforms The Biosphere?**

"...And you look, as Vernadsky did, at the planet. And the planet is a Biosphere. What does that mean? That life is more powerful than abiotic principles. That life penetrates, and acts upon the domain of abiotic principles. Life does not come from inorganic processes. Life is a principle in the universe..."

*Lyndon LaRouche*

## **Interview: Abdukhalil Razzakov**

### **'Cooperation Should Be More Pro-active'**

Professor Abdukhalil Razzakov of Tashkent State Economic University, Tashkent, Uzbekistan, provided these written answers to questions from EIR. The answers have been translated from Russian.

## **Economics:**

### **Central Bankers Preparing For Bank Failures**

**by John Hoefle**

With banks and other financial institutions dominating the lists of the world's largest corporations, any talk of bank failures is bound to make people nervous. Great efforts are made to keep the public in the dark about the volatile nature of modern finance, and the frequency with which banks and banking systems blow up. Thus when both the Federal Reserve and the Bank for International Settlements begin speaking publicly on the subject, one had better pay close attention.

### **No Recovery For Mexico But 'Argentinization'**

**by Ronald Moncayo**

The enforcement of Schachtian monetary and fiscal policies over the past 20 years in Argentina, Brazil and Mexico, has set those nations on the path of their own dissolution, with the result that they are turning into satraps of a new world financial empire.

### **'Troublemaker' Kirchner**

#### **Defies the Vultures**

**by Cynthia R. Rush**

Argentine President Néstor Kirchner appears to have taken to heart Democratic Presidential candidate Lyndon LaRouche's advice, that 'making trouble' for synarchist bankers is a healthy and enjoyable thing to do. As Kirchner told a Buenos Aires audience on May 12, he has no intention of 'behaving' or 'being nice' as some people would wish him to do. 'I will not be an employee of foreign interests, as others have done...'

## **International:**

### **U.S. Troops Enter Pakistani Territory**

**by Ramtanu Maitra**

U.S.-Pakistani relations may take a sharp downturn in the near future, as Washington is mobilizing its resources to enter Pakistan to capture and eliminate foreign members of al-Qaeda. The first such move was made by the U.S. troops in the evening of May 2, when they 'strayed into Pakistani territory' while hunting al-Qaeda and Taliban suspects in southeastern Afghanistan and were turned back by Pakistani troops, Pakistan's Maj. Gen. Shaukat Sultan told the Pakistani media.

### **Korea's Citizens To Master Eurasian New Deal**

**by Kathy Wolfe**

"I was lucky enough to tour Korea April 16-25 during a wave of optimism after the April 15 election, and to present Lyndon LaRouche's Eurasian Land-Bridge as a 'New Apollo Project' vision for the nation's future..."

### **China-India: Trade To Boom Via Tibet, Sikkim**

**by Ramtanu Maitra**

Early this month, the Indian External Affairs Ministry told reporters that the just-published World Affairs Yearbook for 2003-2004, for the first time showed Sikkim as part of India instead of China... Observers in New Delhi point out that the latest move by Beijing would not only enhance the steady growth of Sino-Indian relations, but may pave the way for an infrastructural link-up between China's Tibet province and India's port-city of Kolkata.

### **German War Party Crumbles After Exposé**

**by Rainer Apel**

The less rigidly ideological of the neo-cons in Germany had begun to distance themselves from the Bush-Cheney policy in Iraq, even before the first news about the prison torture there became public...

## National:

### LaRouche on Hustings: Bush Too Dumb To Dump Cheney Now?

by Harley Schlanger

In an eventful three-day tour through Arkansas, which held its Democratic Presidential primary on May 18, candidate Lyndon LaRouche repeatedly demonstrated the mission orientation required of a President, to extricate the United States from the devastating twin crises of war and financial disintegration.

### LaRouche to Kentucky Labor: We Need 'Leadership That Is Looking for Trouble'

Democratic Presidential candidate Lyndon LaRouche spoke to the Louisville, Kentucky Building Trades Council on May 6, followed by an extensive question-and-answer dialogue. LaRouche was introduced by an official from the International Brotherhood of Electrical Workers.

### Don't Let the 2004 Election Be Stolen:

### EIR Submits Testimony Against HAVA

EIR submitted testimony to the House Government Reform Committee's Subcommittee on Technology, Information Policy, Intergovernmental Relations and the Census, whose hearing on 'The Science of Voting Machine Technology: Accuracy, Reliability, and Security' was on May 12. The testimony was given by EIR Law Editor **Edward W. Spannaus**, on May 12, 2004.

### Book Review:

### The Right Man, in the Right Fight

by Lawrence K. Freeman

### *The Politics of Truth: Inside the Lies that Led to War and Betrayed My Wife's CIA Identity*

by Joseph Wilson

New York: Carroll & Graf Publishers, 2004

544 pages, hardcover, \$27.50

Ambassador Wilson's memoir is an interesting, and at times a witty story. Essentially, the first portion of the book tells of his life in the Foreign Service, which takes him from the deserts and poverty of Sub-Saharan Africa to the hotbed of Iraq, to the European Central Command of U.S. Armed Forces, to the National Security Council, before he retired from government service. But the second part depicts how he was brought directly into the fight against the 'Beast-Man,' Vice President Dick Cheney, and Cheney's Chief of Staff Lewis 'Scooter' Libby, along with the whole Straussian neocon cabal in the Pentagon.

## U.S. Economic/Financial News

### Home Mortgage Refinancings Fall 56%

The rise of interest rates is having a strong effect on housing, as represented by the 115 basis point increase in the yield of 10-year U.S. Treasury bonds since mid-March, the Mortgage Bankers Association reported May 12. Treasury bonds act as a benchmark for all long-term interest rates, and have forced upward the home mortgage interest rate.

As a result, the Mortgage Bankers Association reports that its index of loan applications—the Market Composite Index—reached 743 for the week ending May 7, which is down 33.6% from the level of 1,117 for the week ending March 12. This index represents the application for all types of loans, whether they be for new homes or for refinancing existing homes. More specifically, the MBA's index for mortgage refinancings alone reached 2,185 for the week ending May 7, which is down a whopping 56.1% from the level of 4,984 for the week ending March 12.

## **Corporate Bond Issues Plunge to 18-Month Low**

U.S. corporate bond issuance plunged to an 18-month low, a result of rising U.S. interest rates, the *Financial Times* wrote May 11. In March, U.S. corporations issued \$91.1 billion in corporate bonds, which plummeted to \$31.7 billion in new issuances in April. Higher interest rates make it more expensive to borrow. Were this process to intensify and cause a drying-up of corporate borrowing, this would produce a sharp reduction of necessary corporate spending for capital formation. It could also produce illiquidity in the multi-trillion-dollar bond market.

## **U.S. Trade Deficit Soars to New Record Levels**

The U.S. trade deficit on goods and services soared to a record \$45.96 billion in March, the U.S. Department of Commerce reported May 12. This is \$2.5 billion greater than the February level. At the same time, the U.S. merchandise trade deficit jumped to an unprecedented \$51.24 billion in March, the first time it has ever exceeded \$50 billion for a single month.

The U.S. level of imported crude oil and petroleum products reached \$13.83 billion in March, a rise of \$1.5 billion from the level of \$12.24 billion recorded in February. The average price of oil that was imported during March was \$30.64, the highest monthly level since February 1983.

However, America's addiction to imports held strong, despite the 5% lower value of the dollar during March, compared to January of this year. The lower value of the dollar should have made the import of goods into America more expensive, and discouraged them, at least according to the dictums of Economics 101. But the Rome model-based U.S. economy cannot survive without imports: In addition, to the higher price paid for petroleum, the U.S. also increased its purchase of cars, and other consumer goods.

The U.S. merchandise trade deficit for the first quarter of 2004 jumped to \$147.23 billion; were that trend to continue, the U.S. would incur an unprecedented \$590 billion physical goods trade deficit for 2004. The creates a financing crisis: the U.S. already owes the world several trillion in debt on the account of its foreign trade, and thus will find it very difficult to attract the required new capital flows to cover this deficit. A failure to do so—and the likely ensuing disinvestment from the dollar—would trigger a chain-reaction collapse of the dollar-based world financial system.

## **Columnist: Latest Employment Data Shows Free-Trade Effects**

Columnist Paul Craig Roberts, writing in the *Washington Times* May 12, reviews the latest Bureau of Labor Statistics jobs data for April, and for the last few years. Not only have America's manufacturing jobs been outsourced, Roberts concludes, but now, increasingly, so are "new economy" jobs. This he attributes to free trade. "Once free trade was a reasoned policy based in sound analysis. Today, it is an ideology that hides labor arbitrage. Because of the low cost of foreign labor, U.S. firms produce off-shore for their customers.... [T]he 'new economy' is being outsourced even faster than the old manufacturing economy ... [which] leaves [Americans] in low-pay domestic services."

He indicts free trade for essentially eliminating the standard of living and economy. Engineering jobs are shipped from Boston to India, but, "the Boston engineer cannot work for the Indian salary because his mortgage debt and grocery prices will not adjust with the downward salary."

## **Delta Airlines May File for Bankruptcy**

Delta Airlines, the #3 U.S. air carrier, in a filing with the Securities and Exchange Commission (SEC) on May 10, stated

that it is considering filing for bankruptcy. The announcement came just three days after U.S. Airways had issued a similar statement.

In its statement, Delta stated, "If we cannot achieve a competitive cost structure, regain sustained profitability and access the capital markets on acceptable terms, we will need to pursue alternative courses of action ... including the possibility of seeking to restructure our costs under Chapter 11 of the U.S. Bankruptcy Code."

During the first three months of 2004, Delta lost \$383 million; it has lost a staggering \$3.6 billion since 2000. One of the problems confronting Delta—and other airlines, such as American, United, and U.S. Airways—is that under deregulation, newer, cut-throat, non-union airlines, such as Southwest and JetBlue, are able to operate at lower costs. In that environment, Delta's chairman, Gerald Grinstein, has demanded huge wage concessions. The Airline Pilot's Association has offered to forgo a wage increase this year, and take a 9% wage-cut, but Delta is insisting upon a 30% wage cut!

United, the #2 U.S. air carrier is still in Chapter 11 bankruptcy. U.S. Airways, the #7 air carrier, which had already been in bankruptcy once, said on May 7 that it might seek bankruptcy protection a second time. Within the next few weeks, were Delta and U.S. Airways to go into Chapter 11 bankruptcy, then three of America's top seven airlines would be in that condition, jeopardizing America's air grid. Meanwhile, the high cost of jet fuel, prompted by oil reaching \$40 per barrel, is causing further havoc for the airlines.

### **Long, Hot Summer Predicted by Electric Council**

Get ready for a long, hot, possibly dark summer. The North American Electric Reliability Council (NERC), released its Summer Assessment report May 12, and provided a phone briefing for the press. The report starts with the ritualized assessment that supply and transmission resources will be adequate to meet summer demand. This is based upon "normal" weather, and few unplanned equipment outages. It might be safer to bet on the stock market.

The report then states that there are "regional areas of interest," meaning they could be in big trouble. These include the upper Midwest, which has a reserve margin of 8.7%, compared to a recommended margin of 17%; transmission bottlenecks in Texas; plus, "under conditions of high demand caused by extreme weather, high unit unavailability, and multiple contingencies, the areas of southwestern Connecticut, New York City, and Long Island, might be susceptible to reliability problems"; and the California Independent System Operator warns that "its operating reserves might not be sufficient to avoid emergency alerts [already issued] if peak demand ... is higher than anticipated."

Addressing last summer's massive East Coast blackout, the report, and the NERC officials giving the briefing, stressed that if everyone adheres to NERC's reliability standards, there should be no blackouts. Instead, there will be, for example, in California, alerts aimed at lowering usage (cut off supplies to interruptible industrial customers), voltage reductions (brownouts), etc., to prevent uncontrolled blackouts.

One reporter asked why it was now considered acceptable to respond to problems with planned outages, and mentioned that FERC chairman Pat Wood is getting updates on California twice a day. George Bartlett, chairman of NERC's reliability subcommittee, could only repeat that the "region believes they have an adequate plan" to deal with shortages.

### **MCI To Lay Off 7,500 Workers**

MCI announced May 10 that it would lay off 7,500 workers—15% of its 50,000 employees—on top of the 5,700 layoffs announced earlier this year. The company, formerly known as WorldCom, emerged from bankruptcy in April, and reported a loss of \$388 million for the first quarter. Loudoun County, Va.-based MCI did not say where the cuts would be made, but

its major employment centers are in Ashburn, Va., Tulsa, Colorado Springs, and its former headquarters in Clinton, Miss.

## WALL STREET POLICE BLOTTER

\* *Citigroup*, after repeated denials of any wrongdoing, agreed to pay \$2.65 billion to settle a lawsuit brought by investors in the former WorldCom (now MCI), arising out of Citi's role as investment banker and lead lender to the bankrupt telecommunications company. It is the largest payment ever made by a commercial bank, investment bank, or auditor in a lawsuit brought by investors who bought securities issued by a corporation that was advised by one of those firms. Citigroup, which again denied that it had done anything wrong, will take a \$4.95 billion charge in the second quarter to reflect the settlement, and set aside reserves to cover exposure to Enron and other litigation. Happily, the \$5 billion is only about a quarter of the firm's annual earnings.

\* *UBS AG*, the giant Swiss bank, has been fined \$100 million by the U.S. Federal Reserve for delivering dollars to blacklisted countries like Iran and Cuba. UBS also submitted false reports to U.S. authorities to hide the activities. Unlike Citi, UBS admitted its crimes and expressed regret.

\* The SEC and NY State are widening their probes into the activities of mutual funds, including whether banks which run their own funds, stuffed client money into those funds as the stock market declined. *Citigroup*, *Merrill Lynch*, *Morgan Stanley* and *CSFB* are among those said to be targets.

\* *Conrad Black* may have to change his title to Lord Black of RICO after the filing of an amended suit by Hollinger Corp. The 175-page filing alleges that Black treated *Hollinger* as "a cash cow to be milked of every possible drop," and charges Black, his wife Barbara Amiel Black, and two former Hollinger officers with violations of the RICO statute (which pertains to racketeering and organized crime). The suit says the crooks diverted \$391 million from Hollinger during 1997-2003, or about 72% of the company's income for the period. The suit also charges that the Blacks used the company jet for such things as personal trips to Bora Bora, and that Lady Black charged the company for tips she gave to the doorman on shopping trips to Bergdorf Goodman.

## World Economic News

### Crude Oil Price Hits All-Time High

The price of U.S. light oil future contracts for June delivery closed at \$40.77 on the New York Mercantile Exchange (NYMEX), an increase of 71 cents on the day May 12, and the highest *closing* price on the NYMEX. Shortly after Iraq invaded Kuwait, on one day in October 1990, the price of U.S. light crude futures reached \$41.15 during inter-day trading, but closed lower than on May 12. In London, the price of the slightly lower-grade Brent oil futures contracts closed at \$37.95 on the International Petroleum Exchange (IPE).

At a May 11 press conference in Little Rock, Ark., Lyndon LaRouche observed, "A catastrophe in the Middle East could set the price of oil at \$50 a barrel and cause a shock effect to the economy." Less than 24 hours later, Barclays Capital oil market analyst Kevin Norrish told Agence France Presse, "[Oil] prices could go higher still, and \$50 a barrel is possible should the wrong kind of headlines emerge from the Middle East." The chief of the International Energy Agency, Claude Mandil, warned: "A new oil shock—that is to say prices which climb in coming weeks to the point of compromising global economic recovery—is possible."

While some in the financial press have argued that no matter how high the price of oil goes, it will not produce a shock



effect, others are beginning to read the writing on the wall: Prof. Andrew Oswald of England's Warwick University observed, "Lots of people think somehow we're less dependent on oil than a few decades ago, but all the evidence shows that's wrong." He added, "when the price of petroleum shoots up, that really hurts output and pushes up unemployment."

## **Euro Economists Warn vs. Greenspan Bubble Economics**

In his column May 10, London *Guardian* economics editor Larry Elliott quoted former Dresdner Bank chief economist Kurt Richebaecher's warning against Greenspan's bubble economics, adding that there is "much worse to come." It could be, Elliott wrote, "that Greenspan believes the U.S. economic recovery is much less robust than the public has been led to believe, and that withdrawing monetary stimulus could bring the house of cards down. This is not a message much heard in the U.S. (where the predominant voice is that of Wall Street economists who have a vested interest in talking up the stock market) but it is true that Greenspan solved the problems caused by the collapse of the bubble in the stock market by creating two new bubbles—in the housing and bond markets.

"Economist Kurt Richebaecher puts it this way: 'The stock market bubble of the 1920s ended with an unprecedented consumption boom, and just that has been happening again since 1997, and in particular since 2001. Since then, consumer spending has accounted for 92% of GDP growth. Yet, to keep it rising in the face of grossly lacking income growth, the Fed has invented a policy stance that has no precedent in history: boosting home prices with artificially low interest rates in order to provide rapidly growing collateral for consumer borrowing.'

"Richebaecher's view is that Greenspan has papered over the 'existing maladjustments from the boom through even bigger, new bubbles and macroeconomic maladjustments, heralding much worse to come in the future.' The key question is what happens once policymakers try to wean the U.S. off its growth drugs.... Raising interest rates would pull the rug from under the housing market, while if the Fed's negligent approach allows inflation to pick up over the coming months watch out for a crash in the bond market. Even the tiniest threat of higher short-term rates spooked Wall Street last week: it's not hard to imagine what some aggressive tightening would do, particularly if it looked as though the Fed was struggling to catch up."

## **United States News Digest**

### **Neo-Cons Responsible for Torture of Iraqi Prisoners**

Commentator William Pfaff, writing in the May 12 *International Herald Tribune* that it is the policy of violence of the neo-conservatives, including Vice President Dick Cheney, which is where the blame lies for the use of torture against Iraq prisoners.

Although he does not use the word, Pfaff writes in terms similar to Lyndon LaRouche's use of the term "beast-man," saying that the policy predated even the Sept. 11 attacks and the Administration's disregard for international law. The same type of torture was used in Afghanistan as well. "All this is consistent with an attitude toward violence characteristic of the neo-conservatives in the Bush administration, who have for years insisted that history is made through violence, and that in the national cause a governing elite has the right to mislead the public in order to achieve goals that the leaders alone are in a position to understand," Pfaff wrote.

He continued: "This lies behind the administration's pressure for violent action to 'change regimes' and intimidate so-called rogue nations, constantly described—however implausibly—by the President and Vice President as threatening mass destruction attacks on the United States, jeopardizing national survival. Iraq had to be attacked before it was 'too late'.

"Defense Secretary Donald Rumsfeld repeatedly says that those who oppose the United States in Iraq and elsewhere have

to be killed. He does not speak in terms of defeating them, much less negotiating with them....

"Dehumanizing language has deliberately been employed to describe all those who oppose the U.S. The cumulative effect of this has conveyed to the American troops that international and national norms of lawful conduct have been suspended...." Pfaff concludes that this "moral debauchery came down the chain of command from Washington."

### **'America's Military Coup': Officer Corps Turns on Rumsfeld**

A former senior adviser to the Clinton Administration, now with Salon.com, penned a piece in the May 13 London *Guardian* on how the U.S. officer corps is turning against Secretary of Defense Donald Rumsfeld. The piece, by Sidney Blumenthal, is headlined "America's Military Coup."

Retired General William Odom, now at the Hudson Institute, is quoted saying: "It was never in our interest to go into Iraq. It is a diversion from the war on terrorism; the rationale for the Iraq war [finding WMD] is phony; the U.S. army is overstretched and being driven into the ground; and the prospect of building a democracy is zero. In Iraqi politics, legitimacy is going to be tied to expelling us. Wisdom in military affairs dictates withdrawal in this situation. We can't afford to fail, that's mindless. The issue is how we stop failing more. I am arguing a strategic decision."

Another military figure told Blumenthal that Rumsfeld was "detested," and that "if there's a sentiment in the army it is: Support Our Troops, Impeach Rumsfeld."

Blumenthal then references an essay by Lt. Col. Charles Dunlap, which had received a prize in 1992 from Gen. Colin Powell. The title of the piece was "The Origins of the American Military Coup of 2012," which was a cautionary tale of how the U.S. military launched a coup because of the failures of the government. The paper is in the form of a letter written by a retired officer who was executed because he opposed the coup. Then he cites this quote: "The catastrophe that occurred on our watch took place because we failed to speak out against policies we knew were wrong. It's too late for me to do any more, but it's not for you."

### **Kerry Assails Bush on Iraq**

On May 12, Democratic Presidential hopeful Sen. John Kerry in an appearance on the "Imus in the Morning" program, made a slight shift from his usual cautious approach, and charged that President Bush is running "an extraordinarily mismanaged and ineptly prosecuted war."

Kerry proposed two immediate changes: oust Defense Secretary Donald Rumsfeld, and delay court-martial hearings for the American soldiers charged with mistreating the prisoners. "I think it's sort of a panicked move to try to display to the Arab world and others that we are going to, you know, do things immediately," Kerry said of impending hearings. "But I think you have to think of the morale of the military and the chain of command."

Kerry said of ousting Rumsfeld during wartime that it would not hinder efforts in Iraq and Afghanistan, and he offered up a few candidates to replace the Defense Secretary: GOP Sens. John McCain (Ariz) and John Warner (Va). McCain reportedly said "no thanks, no thanks," when asked to comment. Kerry also named Democratic Sen. Carl Levin (Mich) also as another choice for Secretary of Defense.

In a New York Post column, Eric Fettmann wrote that the Democrats are getting panicked by Kerry and his not having a message or any passion, and that he has yet to inspire the Democratic base of the party. Kerry has not gained much in the polls, even in the face of the most politically damaging months for the Bush Administration.

## **U.S. Begins Prisoner Abuse Probe in Afghanistan**

The U.S. launched an investigation of prisoner abuse in Afghanistan following accusations by a former Afghan police officer, Sayed Nabi Siddiqui, according to Xinhuanet May 12. Sayed Nabi said he was subjected to sexual abuse, taunting, and sleep deprivation at a U.S. base in Gardez City in August 2003. Sayed Nabi Siddique was accused of no greater crime than corruption.

Another two Afghan detainees, according to reports, died during interrogations at the U.S. base in Bagram Air Base in 2002, but no statement has been issued in this regard.

Sayed Nabi's report had prompted the Afghan Human Rights Commission to ask the permission to visit U.S. detention centers at Kandahar and Bagram Air Base where thousands of U.S. troops were based. The U.S. military has turned down the Rights Group's request.

When the U.S. military spokesman Tusker Masanger was asked why the U.S. interrogators strip the detainees naked, Masanger said they do that to make sure that the detainee "does not have explosive material or dangerous weapons with himself."

## **One-Tenth of All U.S. Prisoners Serving Life Terms**

The Sentencing Project reports that the number of prisoners serving life sentences in state prisons has increased 83% since 1992, the *New York Times* reported May 12. Twenty percent of New York and California inmates are serving life sentences. Growth in the crime rate fell 35% in the same period, but the increase in life sentences are a result of "more punitive laws adopted by Congress and State legislatures." Only 70% of the 127,677 serving life sentences were convicted of murder. The remainder include crimes such as the one committed by Leandro Andade under California's "three strikes you're out" law: a felony conviction for the theft of children's video tapes he intended to give as Christmas gifts for his nieces. The Supreme Court recently upheld his sentence.

## **Wolfowitz Asks Congress for More Money for Iraq War**

Deputy Secretary of Defense Paul Wolfowitz told the Senate Armed Services Committee, on May 13, that the Pentagon needs the \$25 billion supplemental funding, requested the previous week, for continued operations in Iraq and Afghanistan. He told the Committee that the amount of the supplemental request will surely be much larger than \$25 billion, since the first \$25 billion that the President asked for would only cover the first six months of fiscal year 2005. Wolfowitz stated that the amount would be about \$50 billion; some lawmakers are saying that this figure could be too low.

Remember, that it was the same Wolfowitz that said one year ago that they didn't need any more funding for the war, because it would pay for itself.

## **House Republicans Angry with Bush**

The Capitol Hill newspaper, *The Hill*, reported, on May 12, that when House Speaker Dennis Hastert (R-Ill) criticized the Administration in a meeting with House Republicans, they broke out in applause, according to a participant. "Hastert was frustrated and disappointed that he had not been dealt with openly and fairly, and given accurate information," the Congressman told *The Hill*. "He was not so much speaking to the conference, as he was speaking *for* the conference."

Issues include the transportation bill, a corporate tax bill, and issues on the Iraq war. Hastert in March complained that the administration was failing to sell the Congress on its economic policies. Hastert and Senate Majority Leader Bill Frist (R-Tenn) had dinner with Bush and Cheney on May 12 to "mend fences," says *The Hill*.

## **Senate Rejects Extending Unemployment Program**

A bipartisan attempt to extend an unemployment insurance program that expired last December failed by one vote in the Senate on May 11. The amendment, cosponsored by Sens. Maria Cantwell (D-Wash) and George Voinovich (R-Ohio) would have extended temporary unemployment benefits until November 2004, for workers who have already exhausted their normal 26 weeks of benefits but are still unemployed. The amendment went down to defeat when Senate Budget Committee chairman Don Nickles (R-Okla) raised a point of order against the amendment for increasing spending to a level greater than that allowed by the fiscal year 2004 budget resolution. Sixty votes are required to overcome such a point of order, but supporters of the amendment were only able to round up 59.

Nickles and other opponents of the Cantwell-Voinovich amendment argued incredibly that with the supposed recovery now under way, extended unemployment benefits are no longer needed. Nickles claimed that 1.1 million new jobs have been created in the last eight months and that jobless claims are also declining. He also charged that the amendment would have changed the definition of a high-unemployment state such that the extended benefits would have been more widely available, thus increasing the cost of the measure.

Cantwell replied by telling the Senate that "This is a debate about 1.5 million people who have lost their jobs, and have not been able to find work, and have been without benefits." As for Nickle's complaint that the amendment would cost \$9 billion, she noted that the underlying bill, a bill to make changes in U.S. tax law to comply with World Trade Organization rulings, included \$9 billion for the oil and gas industry, \$2.2 billion for clean coal, \$2.8 billion for synthetic fuel, and other expensive programs. "Where are the priorities of my colleagues," she said. "Where are the priorities in passing this kind of legislation when we know that American men and women need our help and support?" The underlying bill passed, at the end of the day, by a vote of 92 to 5.

## **Ibero-American News Digest**

### ***New York Times* Opens Fire on Lula Government**

In the midst of the accelerating global financial meltdown, the *New York Times* published a filthy, personal attack on Brazilian President Lula da Silva, the which slyly raises the specter of Lula's resignation, and a possible military coup. Thus has Wall Street officially ended its truce with the Lula government.

The *New York Times* piece, published in the newspaper's May 9 Sunday edition, portrays Lula as a bumbling drunk, whose "fondness for drink" is of increasing concern to politicians and the country. The author, *Times* correspondent Larry Rohter, retailed press gossip and innuendos, and listed purported diplomatic gaffes by Lula, as "evidence" that Lula is a drunk, and therefore, failing as President. Lest the message be missed, Rohter included a paragraph asserting that Brazilians worry about "any sign of heavy drinking by their Presidents," because the unexpected resignation in 1961 of "notorious tippler" President Janio Quadros led to instability, and a military dictatorship.

The Lula government demanded a retraction of the slander from the *Times*, charging that it represented an offense not only to the person of the President, but to the office of the Presidency, and the nation itself. When the newspaper's editors stood by the story, Rohter's visa was ordered cancelled on May 12, and he was given eight days to leave the country. The order provoked howls of "censorship" from many sides, but Foreign Minister Celso Amorim defended the decision: "This is not

about freedom of speech. It's about [a] story that is libelous, abusive, dishonest and an affront to the country.... The individual is unfit to practise journalism." President Lula invited the *Times* to send in 100 other journalists, but insisted Rohter leave. On May 13, a Brazilian court issued a stay of execution on the expulsion order, until a higher court hears the case.

The *New York Times*, founded as a joint project of Wall Street and southern Confederate interests, opposes the crudeness of the neo-conservative lunatics running the Bush-Cheney Administration, in favor of a more "liberal" form of global imperialism. In particular, the newspaper's financier owners are determined to crush any effort to build the alliance of sovereign governments which U.S. Presidential candidate Lyndon LaRouche is organizing, to push aside the bankers, and take charge of reorganizing the collapsing international financial system on behalf of humanity.

Brazilian officials recognize that, as Planning Minister Guido Mantega said, there is "a broader purpose" behind the slander. Several suggest that the interests behind the *Times* seek to sabotage the aggressive independent international diplomacy adopted by the Lula government, particularly on the eve of the President's historic May 21 trip to China. That view fails to take into account, however, that it is not what the Lula government has done so far which worries these interests, but rather fear over what it might do in the near future, as the entire international financial system disintegrates. Should Brazil finally decide to put the interests of the people before the debt, as Argentina's Nestor Kirchner has sought to do, it could rally South America as a whole behind LaRouche's New Bretton Woods solution.

### **Brazil Official: Mission Is To Build the Future, Not the Market**

"What Is Missing Is State Investment," to build the economy, Carlos Lessa, president of Brazil's state-owned National Economic and Social Development Bank (BNDES), told *Jornal do Brasil* in a polemical interview published on May 5. Under Lessa's direction, the bank has returned to its original mission of channelling state investments to maximize the development of the nation as a whole.

"What is the dream of the Brazilian? To have a society with a higher per capita income and sovereignty. What is the national mission? It is in the future, and it has no relationship with the market," Lessa told *Jornal do Brasil*. "The market doesn't build the future; it is for the present. The role of the BNDES is to build the future. The BNDES is the second-largest development bank in the world. What backs up the BNDES? The future of the country. The market doesn't do this. Does the market have any interest in the poor person who doesn't have money for anything?"

Lessa defended his decision to have BNDES buy back stock in two of the giant state sector companies which were privatized under the previous government: Companhia Vale do Rio Doce (CVRD) and Embratel. CVRD is a company which embodies "the greater part of the Brazilian future; it controls a large part of the country's logistics," including railways, ports, and coastal shipping, as well as holding the best iron ore mines in the world, he pointed out. Likewise, the telecommunications company Embratel "is a piece of the country's future," which never should have been privatized the way it was. Lessa called it "reckless" to have left the entire national communications system in the hands of a private operator.

What the country needs to grow, he insisted, is public investments. The government must increase its rate of investment to a minimum of 20% of its GNP, because government investments promote growth. They should focus on areas of high social return, such as sanitation, civil construction, and infrastructure. Sanitation projects, for example, are "spectacular for generating employment," and little of what they require needs to be imported. People who don't have water and sewage are very poor people, who don't have money to pay for it, so the investment has to come from the government, Lessa emphasized.

### **BNDES Finances Trans-Continental Railroad**

Brazil's National Economic and Social Development Bank (BNDES) will help finance a Trans-Andean railroad from Argentina to Chile, as part of the "Trans-Andean Bioceanic Corridor of the South," that will eventually unite the Argentine port of Bahia Blanca and the Chilean port of Talcahuano, various Argentine dailies reported on May 5. BNDES will provide \$150 million for the 220 km. railroad that the Brazilian construction giant Odebrecht will build from the city of Zapala in the Argentine province of Neuquen, to the Chilean city of Lonquimay. The government of Portugal will provide another \$48 million for the first 55 km. portion of that railroad to be built.

The railroad is part of the broader project to link the rail grids of Mercosur countries (Paraguay, Uruguay, Brazil, and Argentina) with Chile, an associate member of that common market, allowing these countries access as well to Southeast Asian markets.

From a broader, continental perspective, the Andean Development Corporation (CAF) has just presented a book "Rails With a Future: Challenges for South America's Railroads." An exhaustive study on the current status of the continent's railroads, the book is intended to be a contribution to the debate on regional and continental integration, through railroad development. Within the framework of the Initiative for the Integration of South American Regional Infrastructure (IIRSA), the CAF is financing a number of ambitious transportation projects to promote regional integration.

The Brazilian construction giant, Odebrecht, historically committed to a pro-development perspective inside Brazil, is engaged in a number of integration projects continentally now. Petrochemical workers from the four permanent members of Mercosur (Brazil, Argentina, Paraguay and Uruguay), meeting in Salvador, Bahia on May 5, took note of Odebrecht's expanded role in the petrochemical sector—Odebrecht recently formed the largest petrochemical complex in Ibero-America, through its purchase of the Brazilian company, Braskem (formerly Copene)—in their seminar "Analysis of Economic and Productive Integration of the Mercosur Oil and Petrochemical Sectors, and Organization of their Workers." The labor representatives said their meeting was particularly crucial in the context of strengthening Mercosur, as a counter to the Free Trade Area of the Americas (FTAA). They noted that the Brazilian state firm Petrobras is also acquiring a number of companies in the region, making it a formidable economic force in the region.

## **Bush Team Launches 'Free Cuba' Project**

Undeterred by the disaster of its effort to bring "democracy" to Iraq, President Bush's "Commission for Assistance to a Free Cuba" issued its report on May 6, outlining how it intends to: (1) "bring an end to the ruthless and brutal dictatorship" in Cuba; "assist the Cuban people in a transition to representative democracy"; and "assist the Cuban people in establishing a free-market economy." Over the next two years, the U.S. intends to spend \$59 million on the project, broken down as \$36 million for the Cuban opposition movement (including supporting family members of the opposition); \$18 million for assuring regular broadcasts to Cuba (a "dedicated airborne platform" for Radio and TV Marti is to be purchased); and \$5 million for public diplomacy efforts.

In a demonstration of the Bush-Cheney beastmen's idea of "freedom," new restrictions have been slapped on remittances and gifts sent from the U.S. to Cuba; family visits to Cuba will be allowed only every three years, with visitors required to get a "specific license" from the U.S. government to visit only immediate family; law enforcement and sting operations [sic] against "mule" networks getting money into Cuba are to be stepped up, and a Cuban Asset Targetting Group established to investigate hard currency movements in and out of Cuba; labor and NGOs are to receive training on how to file international suits, complaints, etc.

A State Department post of "Transition Coordinator" for Cuba is to be established, and discussion begun on how to "create the core institutions of a free economy," once the dictatorship has been removed. Other countries are to be pressed to join this "Free Cuba" project.

## Chavez Arrest of Colombians Sets Stage for Reprisals

With great fanfare, Venezuelan President Hugo Chavez announced on May 9 that Venezuelan military forces had raided a farm owned by Roberto Alonso, a Cuban-Venezuelan leader of the radical Democratic Block opposition group, where they arrested 88 Colombian paramilitary fighters, who were preparing to attack Venezuelan military installations, assassinate him, and trigger a coup. Vice President Jose Vicente Rangel charged that the governments of Colombia and the United States were behind the operation, claiming, in a crude parody of the documented charges against the Venezuelan government, that the Colombian government "exports violence, it exports guerrillas, and it exports paramilitaries." Rangel promised that arrests of opposition leaders would follow. By the end of this week, the number of people arrested in this alleged plot had passed 100.

The Venezuelan opposition, State Department spokesman Richard Boucher, and Organization of American States Secretary General Cesar Gaviria cast doubt on the Chavez government's story. No weapons (other than one pistol) were found, and the Chavez government has yet to provide any documentation to the Colombian government, of its charge that former Colombian soldiers were among those arrested. The more centrist faction of the Venezuelan opposition charge that the whole thing was hoked up, to distract from the final voting on the recall referendum scheduled for the end of May (where the opposition will try to verify hundreds of thousands of signatures on the recall which the government threw out on technicalities), and set up conditions to suppress all opposition.

However, whether this particular paramilitary operation was real or not, the radical right wing of the opposition associated with Alejandro Pena, an asset of Spanish Franco-ite Blas Pinar reconstituted fascist international, and the radical right Miami Cuban exiles, are actively creating a "Contra" operation inside Venezuela. Alonso, on whose farm the alleged squadristi were found and whose father participated in the Bay of Pigs fiasco, is a prominent leader of that wing of the opposition. Either way, this is another case of how the right- and left-wing synarchists feed off each other's violence.

## Western European News Digest

### What Did the Spanish Police Know, and When Did They Know It?

Spanish media are reporting that police had tapped the phone of one of the top March 11 train bombers, Jamal Zougam, nine months before the bombing; conveniently, Zougam was among the six killed when the police stormed their apartment. This latest revelation comes on top of reports that one of the detained terrorists had been a police informant for more than two years. Further, reports *El Pais* May 9-10, the reason given by police for why the wiretap of Zougam's phone gave them no forewarning of the bombing, borders on the ridiculous: Jamal Zougam allegedly spoke an Arab dialect for which the police had no translators.

Furthermore, the top story in the May 7-8 weekend press, is that Spain's CNI (national intelligence center) was providing Madrid for more than a year with special dossiers detailing the alleged existence of massive security threats from Islamic terrorist networks. Prime Minister Jose Luis Zapatero's government has announced a full parliamentary investigation.

### German President Calls for Return to Common Good

In his last speech as German President, delivered May 12, Johannes Rau harshly attacked those elitist circles in politics and the media that lobby for their own interests, rather than serving the common good.

Deliberate pessimism and catastrophe scenarios are being pushed by circles at the center of industry, society, and politics,

serving exclusively egotistical objectives that are to be pushed through, Rau charged. He mentioned media witchhunts against individuals and the manipulation of truth, as disgusting examples of such often outright blackmailing conduct at the expense of confidence, solidarity, and optimism. Furthermore, decisions are made more and more in exclusive, small circles of power. The result is a collective mood of depression and cynicism, followed by outbursts of potential political and other violence, which may be hidden at present, he warned.

Germans mostly do not pay attention to the fact that the German reputation is positive in most parts of the world, Rau said, and the German nation should work actively to build a stable society based on industriousness, justice, and solidarity.

Rau made special mention of the younger generation, whose "highly developed sense of fairness and respect" and "engagement for others ... for the fight against hunger and poverty in the world" should be encouraged and supported by organizations and institutions.

Rau's unprecedented harshness against the establishment elites to be seen in the context of his leaving office on May 23, when the new President is elected in Germany. But the critique he voiced, is to the point on many counts.

## **Danish Daily Declares U.S. Has Lost Iraq War**

The May 11 editorial in Denmark's conservative daily *Jyllandsposten* declares: "The war is lost!"

The conservative, previously pro-war paper editorializes: "We must quietly, and with deep resignation, admit that the USA has lost the war in Iraq.

"Now, the only question is, how and when the USA will pull out, without leaving a totally incalculable situation, with the danger of further conflicts and bloodshed. Its authority, as the foremost representative of a free and democratic world, is irreparably lost. It is neither Saddam Hussein, nor his cronies, nor international Islamic madmen who have done this. It is the USA itself.

"The USA has met its Vietnam to the second power, not because of a stalwart Viet Cong army, not because of massive support from a communist dictatorship in the north, nor because of a well organized resistance of people loyal to Saddam Hussein in Iraq, but because of its own soldiers' perverse acts, and, maybe, because of the acceptance, or in the worst case, under direct orders, from high-level military and political leaders. It is enough to drive one to despair."

Next to the editorial is a cartoon of an American general and his shadow, which is a silhouette of the now-famous prisoner with a hood and a cape, standing on top of a box, with electrodes attached to his fingers. The caption is, "The mistreatment of the Iraqi prisoners, is thought to be approved by the highest level of the American Defense Department."

## **LaRouche Friends Promote Israeli-Palestinian 'Aeroponics' Project**

The Italian firm SAID, based in Vicenza, the developer of the unique "aeroponics" method of earthless and (almost) waterless agriculture, has signed a joint venture with the University of Jerusalem for an Israeli-Palestinian project. Aeroponics creator Dr. Giancarlo Costa (who was recently interviewed by the Lyndon LaRouche-affiliated *21st Century Science & Technology* and its Italian-language sister publication *Fusione* on his method), as well as SAID manager Giannino Bonato, took part in a meeting between 107 Italian, 67 Palestinian, and 79 Israeli firms, which met last Dec. 15, under the sponsorship of the Italian Foreign Trade Ministry, to develop the Israeli-Palestinian dialogue through concrete forms of economic cooperation. Four joint ventures were developed: three in the field of olive oil production, and one on aeroponics.



In an interview with the daily *Milano-Finanza* Jan. 17, SAID manager Bonato stated: "We signed a contract with Israel and the University of Jerusalem to develop greenhouses allowing any kind of vegetables and fruit to grow with minimal doses of water, or better, with a solution which we have patented. But the target is to supply such technologies also to Palestinian territories."

## **European Allies Recoil from Prisoner Scandal**

One of the remaining leading allies of the Coalition in Iraq, Denmark's Prime Minister Anders Fogh Rasmussen, said May 11 that he and all of his nation are shocked at the "horrifying pictures from Iraq," which have done "irreparable damage" to the human rights reputation of the West. Rasmussen announced that during his May 28-30 visit to the United States, he would bring the issue up with Bush, and insist that the "highest standards" be introduced in the U.S.-run Iraqi prisons.

Dutch Prime Minister Jan Peter Balkenende, receiving the news about the first Dutch soldier killed in Iraq, said that, whereas at present, he sees no reason to pull back the 1,300 soldiers of his nation's Iraq contingent, their future stay and legitimacy depended on the "future role of the United Nations in Iraq."

Italian President Azeglio Ciampi said that the torture of prisoners in Iraq was "disgusting" and "not tolerable for any democratic state." Those that were responsible for that, should be tried in public, Ciampi said, demanding that a new United Nations resolution hand over power to an Iraqi civilian government.

Spain's Defense Minister Jose Bono announced that his country's soldiers would be pulled out even before the May 27 deadline, in light of a new report he received from Gen. Jose Enrique Ayala, the commander of the Spanish contingent in Iraq. Ayala sent him a devastating critique of the U.S. military strategy in Iraq, including a report that U.S. commanders would not take any criticism from a Spaniard, as they told him, because their directives come from the Pentagon and not from Madrid. Ayala sent his report also to Polish Gen. Mieczyslaw Bieniek, the chief commander of the entire contingent of 9,000 soldiers which the Spanish troops belong to, and Bieniek stated he can only share the Spanish views on the matter. Ayala attacked the U.S. approach especially because it destroyed efforts to reach a certain degree of cooperation with the Iraqi Shi'ite institutions, leading to confrontation instead.

## **British Labour Faction: Blair Must Go**

Labour Peer Lord David Puttnam, reportedly a personal friend of Prime Minister Tony Blair, said on ITV television May 9 that "the Prime Minister is synonymous with Iraq, and Iraq will only deliver bad news. If I were him, I would go before the summer [parliamentary] recess."

There will be both local elections and European Parliament elections in Britain June 10, and the fear is rising in the Labour Party that it will be hit hard at the polls.

An opinion poll published on May 9 in the *Mail on Sunday* reported that Labour could only win an overall majority at the next election if Blair steps down and Chancellor of the Exchequer Gordon Brown takes over. The opposition to the Iraq War is at the highest ever. Only 4 out of 10 people now believe Britain was right to invade, down from 6 out of 10 last April.

Even with Brown in, the poll indicated, Labour would win a majority of only 77 seats. In 2001, it won a majority of 167 seats.

## German Jobs Are Disappearing Faster Than Being Created

The absolute number of jobs in Germany keeps decreasing: In the first quarter of 2004, there were 139,000 fewer jobs available compared to the same period of 2003. During the fourth quarter of 2003, 233,000 jobs were eliminated.

This means that while two years ago about 7 million jobs that should have existed, did not exist, the figure is now close to the 8 million mark; which also means that chances of getting the 4.34 million officially registered jobless back to a job, are getting smaller and smaller by the month.

At present, 37.7 million Germans out of 82 million have a job, with "jobs" ranging from one hour per week to 30 and 40 or more a week. As for the creation of new jobs, options are not so good either, because firms prefer putting workers on reduced hours back to full schedule, rather than employ new staff. In April, short-work figures shrank by an amazing 27%, especially in firms of the machine-building sector, which saw a net increase of exports by 2% (the only sector with an increase) in that month.

## German Budget Gives New Meaning to 'Red Light Districts'

The absurdity of the ongoing debate of keeping the Maastricht criteria while, at the same time abandoning them, is indicated by the proposal of the Federal Accounting Office (BRH) where officials have urged Finance Minister Hans Eichel to finally implement the "brothels tax." That tax, on "services," including value-added taxes, would add at least 2 billion euros to the budget, per fiscal year, the penny-pinchers claim.

There may be, therefore, a new meaning implied in by those who refer to fiscal instability with the phrase "the red lights are on."

## Russia and the CIS News Digest

### 'Southwest Asia: The LaRouche Doctrine' Issued in Russian

A Russian-language edition translation of Lyndon LaRouche's April 17 policy paper, "Southwest Asia: The LaRouche Doctrine," is now available on *EIR*'s web site, at the address:

[www.larouchepub.com/russian/lar/040417\\_larouche\\_doctrine.html](http://www.larouchepub.com/russian/lar/040417_larouche_doctrine.html)).

### Leader of Chechnya Akhmad Kadyrov Assassinated

Akhmad Kadyrov, President of Chechnya in the Russian North Caucasus, and Russian President Vladimir Putin's close ally in attempts to stabilize the province, was killed by a bomb on May 9. Seven people died in the attack and dozens were injured. Kadyrov and other dignitaries were in the Dinamo Stadium in Grozny, for a Victory Day (World War II) celebration event, when a device estimated at 1 kg of TNT exploded under the VIP section of the stands. Two other devices, described as artillery shells, were discovered in the stadium later. Russian sources say the explosives may have been planted during recent construction work, but there were also indications in the days after the bombing, that somebody on the inside of Kadyrov's security detail was involved in their detonation.

Gen. Col. Valeri Baranov, commander of Russian troops in Chechnya and surrounding areas, was gravely wounded.

Putin personally announced Kadyrov's death, in a televised statement, which he made with Kadyrov's son, militia leader

Ramzan Kadyrov, at his side. Chechen Prime Minister Sergei Abramov was named acting head of the region. Russian commentaries point out that Putin will now have to decide between holding elections within four months, as the law prescribes when a governor or regional president dies, or reimposing emergency rule from Moscow. Moscow has attempted to sustain a process of "normalization" in Chechnya, especially after the recent deaths of several key Chechen field commanders and their Afghansi collaborators. But field commander Shamil Basayev is still at large (as is "President" of the Chechen breakaway movement, Aslan Maskhadov), and the insurgents still have the capability to stage spectacular attacks like the one May 9.

## **Russian Defense Minister Visits Uzbekistan**

Russian Defense Minister Sergei Ivanov travelled to Uzbekistan May 12 for talks with his Uzbek counterpart Kadyr Gulomov, on bilateral relations in military and military-technical cooperation, as well as regional security and international terrorism. Ivanov also met with President Islam Karimov and Foreign Minister Sadyk Safayev.

On the eve of Ivanov's arrival, Uzbekistan's Deputy Prime Minister and Economics Minister Rustam Azimov wrote in an article that Uzbekistan and Russia have developed the "understanding" to create an Agreement on Strategic Partnership. "People in Uzbekistan never forget that, historically, Russia has always been its major economic partner," Azimov wrote in the government paper *People's Word*.

Uzbekistan is the most populous nation of Central Asia. Russia's share of Uzbek foreign trade rose by 26% in 2003 and has already climbed another 43% in 2004. Russians are also increasing large-scale investment in Uzbekistan.

The Uzbek-Russian diplomacy is notable because Uzbekistan, although a participant in CIS defense organizations, has no Russian military presence, and, since 2002, has had the largest U.S. military presence in Central Asia. Uzbekistan recently expelled George Soros's Open Society organization from Tashkent, following the role Soros's operations played in the overthrow of the government in Georgia. The U.S. State Department condemned the Tashkent move against Soros.

## **Pattern of Intended Large Asset Transfers Emerges in Russia**

In April and the first two weeks of May, some enormous wealth transfers were initiated, or rumored, in Russia. The moves by executives of TNK oil company and Norilsk Nickel followed Finance Minister Alexei Kudrin's announcement of "new rules" of behavior for Russia's top companies and their CEOs, known as the oligarchs: pay all taxes, contribute to charity, and stay out of politics. While the specific attempted or rumored transfers may be occurring in anticipation of a crackdown by the new Russian government, it is also noteworthy that they involve large raw materials-associated real assets, which are of global significance in the current unstable world financial system. In the context of these events, Moscow's RTS stock index has fallen over 20% since early April.

\* On April 16, Yukos Oil received a bill from the tax ministry for 99.4 billion rubles (over \$3 billion) in back taxes, due immediately. With Yukos unable to pay, the government obtained a court order to freeze its assets that same day. In early May, the government sought permission to search Yukos offices in London, as has already been done in Switzerland and throughout Russia. On May 5, Kudrin told *Kommersant* that the tax claims on Yukos were "only the beginning" of the government's case against the company. Former Yukos CEO Mikhail Khodorkovsky remains in jail, while other executives have fled the country.

\* On April 29, stock shares of Norilsk Nickel fell 10%, as rumors swept Moscow that its owner, Vladimir Potanin, had been interrogated or arrested. Norilsk, located in Russia's far North, is a world-scale leader in nickel and platinum group metals mining. Earlier in April, commodities analyst John Helmer had reported moves by Potanin to sell out his stake in Norilsk (possibly to a foreign buyer) and purchase a South Africa gold mine, thus taking a large chunk of money out of the

country and surrendering a major national asset to foreign control. Since the April 29 rumors, Potanin has dropped out of sight and may have left Russia. He is said by Interros, the holding company for Norilsk, to be travelling on business.

\* The BP-TNK merger, finalized last year and touted as pioneering direct investment by foreign majors in the Russian oil industry, has been presented with radical demands by the Russian partners. According to reports in the Russian media and the London *Observer*, Alfa Group executives Mikhail Fridman, Viktor Vekselberg and Len Blavatnik are pushing to be paid ahead of schedule for their 50% stake in TNK. They were supposed to receive \$3.75 billion over three years, in the form of British Petroleum stock. Now, the reports say, they want full payment immediately, and in cash. "Lord Browne, the BP chief executive, could be forgiven for having palpitations," wrote the *Observer* on May 9.

## Southwest Asia News Digest

### LaRouche Doctrine Presented at Cairo University Conference

On May 13, LaRouche representative Muriel Mirak-Weissbach gave a presentation, at Cairo University, on The LaRouche Doctrine, Democratic Presidential pre-candidate Lyndon LaRouche's plan for a U.S. exit from Iraq based on stabilizing Southwest Asia, and providing a regional cooperative framework based on economic development. The presentation was arranged as a special session of a two-day conference of the Center for Asian Studies at the University, which dealt with Arab-Chinese relations. The audience was composed of members of the center, numerous press representatives, diplomats, and a large number of students.

Mirak-Weissbach was introduced by Prof. Mohammed Selim, who said that Lyndon LaRouche presents a unique economic policy, the Eurasian Land-Bridge. He is the most pro-Arab American political figure, and has the courage to say so publicly. LaRouche did everything to stop the Iraq war, to jam it up, said Dr. Selim, and now presents a very credible solution. He called to revive the 1958 Iraq Constitution, since Iraq is not a banana republic, and has its won constitution. LaRouche now demands the withdrawal of the armed forces; he has a vision of Eurasia, and has very good relations to China. Prof. Selim noted, in conclusion, that he had had the honor to meet LaRouche for a personal discussion.

Mirak-Weissbach first presented the context of the strategic crisis as the economic crisis, which is the real reason for the permanent war policy of Vice President Dick Cheney and his crowd. The first priority, she said, is a financial reform and the realization of the Eurasian Land-Bridge policy. Then, she laid out the LaRouche Doctrine, point by point, and discussed how it can be implemented. In presenting the U.S. political scene, she stressed that either LaRouche must be the Democratic candidate, or exert critical influence on Kerry. She outlined the international support for the LaRouche Doctrine, and stressed that this will be crucial to determine the direction of the Democratic Party. Her presentation was followed by a long and lively discussion.

### Palestinian Prime Minister Receives Letter from Bush

Palestinian Prime Minister Ahmed Qureia received a letter from President George W. Bush detailing the latter's commitment to the Road Map for a Middle East peace, *Ha'aretz* reported May 12. It is being taken as a total contradiction of the notorious April 14 exchange of letters between Bush and Israeli Prime Minister Ariel Sharon, but Bush had no choice, given the demand by Jordanian King Abdullah II to Bush to reiterate U.S. policy and commitment to United Nations resolutions concerning the Palestinian-Israeli conflict. Now, the question circulating in Washington is: which is the real Bush policy.

Palestinian Foreign Minister Nabil Shaath said the letter to Qureia reaffirmed Bush's commitment to the Road Map and to the creation of a Palestinian state. The Bush letter also called on the Palestinians to support Sharon's disengagement plan

and Gaza pull-out as a step towards a Palestinian state.

Meanwhile, Qureia will be meeting Egyptian President Hosni Mubarak on May 14, to discuss Qureia's upcoming meeting with U.S. National Security Advisor Condoleeza Rice on May 17. He will also be meeting Colin Powell on May 16 during an economic conference in Jordan.

Qureia is expected to present Rice with a plan for a new Palestinian State, based on the Road Map, according to a statement by Jibril Rajoub, senior adviser to Palestinian President Yasser Arafat.

## **Demands for Sharon To Resign Follows Gaza Attacks**

The Israeli opposition in the Knesset called for Israeli Prime Minister Ariel Sharon to resign on May 12, following the death of six Israeli soldiers whose armored personal carrier was blown up in the Gaza Strip, earlier in the week. The opposition grew even more intense after a second Israeli army APC was blown up, killing five more soldiers on May 13.

"If Sharon is unable to free himself from the shackles of the Likud and evacuate the settlements, then he should step down from his position," declared Labor Member of the Knesset (MK) Ophir Pines-Paz. He called on the government to order the total withdrawal from Gaza. "What else must occur before the government accepts the view held by a majority of the nation?"

Labor MK Yuli Tamir said that Sharon must resign, since he cannot take Israel out of Gaza, and for his disregard for the lives of Israeli soldiers.

Meretz MK Yossi Sarid said, "It's a tragedy that soldiers must die a pointless death for the sake of a place where Israeli life will not exist."

Meanwhile, right-wing fascist MK Aryeh Eldad of the National Union Party called for a declaration of war against the Palestinian National Authority with massive air strikes.

Both attacks, claimed by Hamas, are being seen as revenge for the Israeli assassinations of Hamas spiritual leader Sheik Ahmend Yassin and of Hamas leader Abdel Azziz Rantisi, which occurred in March and April.

Then, in revenge for the Hamas attacks this week, the Israelis have killed over 20 Palestinians in about 48 hours. Additionally, further fighting has occurred around a large deployment of Israeli troops to collect body parts of the slain Israelis. Both Egypt and the PNA are working to have the bodies and remains returned to the Israelis, which should be a normal procedure, except for the fact that Israel has an ongoing policy of not handing over the bodies of many of the Palestinians they kill, or the remains of suicide bombers.

The attacks come amidst intense Israeli military activity, including destruction of a Palestinian house. Nearly 100 houses have been destroyed over the last week, leaving hundreds homeless.

Some sort of large-scale reprisal by Israel is expected over the next hours or days. Nonetheless, the bombings are creating a potentially serious political backlash, including statements by the father of one Israeli soldier, who blamed Sharon's Likud Party for his son's death (see below).

## **Father of Slain Israeli Soldier Blames Likud**

Reflecting the rage that is building up within the Israeli population, the father of one of the 11 soldiers slain this week in the Gaza Strip is putting the blame directly on the Likud Party and its voting down of a plan to withdraw from Gaza, according to *Ha'aretz* May 13.

Sahlomo Vishinski, the bereaved father, ordered his son's funeral procession to begin at Likud Party headquarters. He told Israeli radio, "They, the members of the Likud, they are responsible. My son was a sucker of the Likud. He was sent there by the members of the Likud. The Prime Minister wanted to get him out of there. I am sorry that I live in a country that is not functioning. Those that rule over us are the members of the Likud."

The death toll of Israelis now tops 1,000, a fact being widely broadcast throughout the Israeli media.

Avraham Burg of the Labor Party and one of the initiators of the Geneva accord peace initiative, said, "If this government is unable to get us out of Gaza, the parents of Israeli soldiers will get us out of Gaza. and not only out of Gaza, but also the Jewish settlements in Hebron, where there's nothing for us, and from Nablus, and from Kiryat Arba—from every place where there is a mini-Gaza or greater Gaza.... Only one thing will remove this Gaza from our lives: sitting down and negotiating ... with everyone possible, from the territories, Jordan, Europe, and the United States. Without a comprehensive peace accord Gaza will continue to be the hell of us all."

### **Barenboim: Occupation Incompatible With Israeli Declaration of Independence**

The Israeli occupation of Palestinian land is incompatible with the Israeli Declaration of Independence, stated world-renowned conductor Daniel Barenboim, at a special session of the Knesset on May 5. Barenboim, the Israeli-born conductor and pianist was at the Knesset to be awarded the Wolf Foundation Prize for his accomplishments in music.

There, Barenboim quoted from the Declaration of Independence, which said that Israel would "grant full, equal, social and political rights to all its citizens regardless of differences of religious faith, race, or sex." Barenboim continued, "With a pain in my heart, I ask today whether a situation of conquest and control can be reconciled with Israel's Declaration of Independence? Is there logic to the independence of one people if the cost is a blow to the fundamental rights of another people? Can the Jewish people, whose history is full of suffering and persecution, allow itself to be apathetic about the rights and suffering of a neighboring people? Can the State of Israel allow itself to indulge an unrealistic dream whose meaning is an ambition to bring an ideological resolution to the dispute, rather than the aim of attaining a pragmatic, humanitarian solution, based on social justice?"

The Jabotinskyite right-wingers turned rabid: Likudniks, President Moshe Katsav and Education Minister Limor Livnat, jumped up and accused Barenboim of attacking Israel. (Livnat, who as Education Minister chairs the foundation, had tried to block the prize awarded to Barenboim.) Knesset Speaker Reuven Rivlin, who proudly displays a portrait of Zev Vladimir Jabotinsky in his office, boycotted the Knesset session awarding Barenboim the Wolf Foundation Prize. Barenboim responded, "I didn't attack Israel, I simply read from the Declaration of Independence, and asked rhetorical questions. You chose to interpret them differently." He later told reporters that if quoting from the Israel Declaration of Independence is provocative, "Then I'm proud to be a provocateur."

Barenboim also went to Ramallah, in the West Bank, to give a concert, and conduct the youth orchestra of the Palestinian National Conservatory. Barenboim toured the city, where he was hosted by Dr. Mustapha Barghouti, Secretary General of the Palestinian National Initiative, at the Friends Boys School in Ramallah. Barenboim was received a standing ovation from the packed audience; he performed Beethoven sonatas Opus 10, No. 3 in D Major and Opus 109 in E major.

Following the intermission, he spoke briefly, paying tribute to his close friend, the late Palestinian intellectual Edward

Said, who helped Barenboim finance the Palestinian Youth Orchestra, with which he has been involved for the past year.

During his tour, Barenboim went to Ariel Sharon's Berlin Wall of the Middle East, which he later denounced, and on May 6, he gave a joint press conference with Dr. Barghouthi and Suhail Khoury, director of the Palestinian National Conservatory of Music.

## **Italian Opposition Demanding Troop Withdrawal from Iraq**

Romano Prodi, the current European Union President and likely future candidate against Italian Prime Minister Silvio Berlusconi, is leading an Italian opposition modelled on the Spanish Prime Minister's "Zapaterista" faction, to pull Italian troops out of Iraq. Prodi called on moderates to join him in demanding that the Italian troops be withdrawn from Iraq in view of "war crimes" being committed there by coalition forces. The "war crimes" characterization was chosen by Prodi himself, borrowing an expression from the Vatican daily, *Osservatore Romano*.

The Prodi-led opposition forces will demand an immediate withdrawal of Italian troops from Iraq in a Parliament motion to be voted on May 20. The radicalization of the Prodi coalition occurs in the midst of a debate on reports by Italian military police in Nassiriya, exposing tortures in the local prison, run by Iraqi police and overseen by the British. Those reports have apparently been sent to the Italian government, which should have intervened upon Viceroy Paul Bremer's occupation authority. However, not only did the Italian government not intervene, but Defense Minister Antonio Martino declared before Parliament that his office never received any report about abuses against prisoners.

## **Asia News Digest**

### **Indian Elections Results a Stunning Surprise**

Although it was expected that the BJP-led coalition National Democratic Alliance (NDA) would fall short of an absolute majority, the results of the Indian elections May 12 indicate that the NDA was routed in a number of key states. The shortfall became huge and the Congress party-led pre-poll alliance won significantly more seats than the NDA. It is almost a certainty that the Congress-led alliance, backed by almost 60 members of the various communist parties, would provide an absolute majority and a government would be formed along that line.

The routing of the NDA can be attributed briefly to three reasons. First is the mistake of the NDA in projecting Indian economy was doing well. While the NDA did succeed in providing some jobs to the skilled urban population, its overall performance in developing the economy was considered poor by the people.

The second reason was that the turn-out was extremely poor. This suggests a large section of the population was not sure which way to vote and sat this one out. This election evidenced the least interest since 1967, observers pointed out.

Finally, the incumbency factor in the southern state of the NDA coalition partners hurt the alliance badly. In the two large states of Tamil Nadu and Andhra Pradesh, the NDA was wiped out by the Congress and its allies. In Karnataka, which is also an economic success story and had remained under the Congress rule for years, incumbency was a factor, and the BJP gained significantly there.

### **China Wants Continued Friendly Relations with India**

China wants to continue to expand its friendly relations with India, the Chinese Foreign Office announced on May 13 in

Beijing. One of the biggest achievements of the former government in India was the breakthrough in relations with China, the *Press Trust of India* reported May 13.

"No matter who takes office, I hope China-India relations will continue to enjoy further development," Chinese foreign ministry spokesman, Liu Jianchao said.

"The election in India is an internal affair of the Indian people. I will not comment on that," Liu said to PTI. "However, I know that the Indian government and Indian people, and the Chinese government and people share the common spirit for furthering the relations between our two great countries—India and China."

## **Powell Confident that Thailand Can Resolve Violence**

U.S. Secretary of State Colin Powell said he is confident of Thailand's ability to resolve the recent violence in its southern states, in an interviewed with AFP May 8. The message of support is a significant boost, following the April 26 violence in which 108 Muslims were killed. Powell underscored that Thailand was a valued friend and close ally of the United States.

Thai Prime Minister Thaksin Shinawatra visited the southern region on May 7, staying overnight in the area of the conflict, and visiting the 400-year old Krue Se mosque where 32 of the attackers took shelter and were killed.

The UN's top human rights official Bertrand Ramcharan and human rights groups have called for an immediate investigation, and Thailand has set up an independent committee to investigate whether security forces used excessive force against militants inside the Krue Se mosque.

## **Poppy Cultivation Flourishes in Pakistan Once Again**

Opium poppy cultivation which had been virtually eliminated in Pakistan's North West Frontier Province (NWFP) bordering Afghanistan, has returned in force since the six-party religious coalition, Muttahida Majlis-e-Amal (MMA), took control of the province's government last year, the *Daily Times* reported May 12.

At a conference held at Washington's Center for Strategic and International Studies (CSIS) on May 11, Marvin Weinbaum of the Middle East Institute pointed out that "poppy fields in NWFP are looking very colorful." The conference heard disturbing accounts of widespread resumption of poppy cultivation in Afghanistan, as well as in Pakistan. Weinbaum insisted that attention should be paid once more in Pakistan since the current international price of opium is high enough to act as an incentive to growers, not only in Afghanistan where the farmers are very poor, but also in Pakistan. "It is time to revisit Pakistan," said Weinbaum.

## **Malaysia Seeks Better Relations with China**

Malacca, the old capital of Malaysia, sponsored a symposium on the theme of "Peace and Unity for the World," at Malacca International Trade Center on May 11, the *Malaysia Star* reported. Malacca was the center of early ties with China, beginning with the visit of the famous Chinese Admiral Zheng He 600 years ago. Relations between China and Malacca were a model of friendship that comes with mutual understanding, Chief Minister Mohammad Ali Rustam told the symposium on Malaysia-China-Malacca ties.

The event was held in conjunction with the 600th anniversary of Zheng He's expedition to Malacca, and the 30th anniversary of diplomatic ties between China and Malaysia.



Present were the organizing chairman of the symposium, Prof Dr. Mohammad Yusoff Hashim, Federation of Chinese Association's Malaysia president Lim Gait Tong, and Malacca Chinese Assembly Hall president, Tee Eng Tuan. Prof. Dr. Khoo Khay Kim delivered an address on the past and future ties between the two countries.

## **Lhasa-Kolkata Road Railway Link-Up?**

The Chinese recognition of Sikkim as integral part of India in early May has changed the geopolitics of the Himalayas significantly. The rivalry and animosity that had kept these two huge nations apart for almost four decades are slowly giving way to cooperation for mutual national interests.

The Hindu analyst C. Raja Mohan, who maintains very close association with the Indian External Affairs Ministry, pointed out in a May 9 op-ed in *The Hindu* that China's recognition of Sikkim in the new official map, after 29 years, and the Indian Prime Minister A.B. Vajpayee's categorical statement in Beijing last June that India recognizes Tibet as a part of China, has opened up new possibilities. One such possibility is to revive the dying port of Kolkata (formerly Calcutta) by making it the port of Tibet. He rightly pointed out that transporting goods to and from Tibet from China's east coast is a long journey, adding that the year 2007 would be a reasonable objective for completing the road from Kolkata to Nathu La, the mountain pass that connects Sikkim to Tibet. That is the same year that China would open a rail link from Tibet with the east coast. An upgraded road to Nathu La would make possible the two great geopolitical developments, says Raja Mohan.

One of these developments is the restoration of Kolkat as the closest seaport to Lhasa, while the second is to open up an overland connection between India and China's heartland. Raja Mohan says that it would be best for the next Indian government to take up this agenda.

## **High-Level Military Talks Begin Between North and South Korea**

South Korea will attend unprecedented General-level military talks with North Korea on May 26, Unification Minister Jeong Se-hyun said on May 13 in Seoul. North Korean leader Kim Jong-Il intervened at the last minute in ministerial talks in Pyongyang last week to give the go-ahead for the Generals' talks, Jeong added. The North had sent the South a telegram on May 12 proposing the date, and Seoul accepted.

"The fact that we are holding these General-level talks shows that North-South relations have developed to a degree where there can no longer be a U-turn," Jeong said, referring to the North's initial refusal earlier to set a date. The defense ministers of the Koreas have met and so have lower military officers, such as during construction of rail and road links through the DMZ. But there never have been talks between Generals, the most-senior actual military officers. Jeong said he hoped the General-level talks would contribute to helping bring the almost non-existent inter-Korean military contacts up to the level of the increasingly growing economic and social exchanges between the two states.

## **Opposition Presidential Candidate May Yet Win Philippines Election**

Despite headlines around the world reporting that Philippines President Gloria Macapagal Arroyo had won easily in the Nov. 10 election over challenger Ferdinand Poe—based on one exit poll—the official count which is slowly coming in continues to give Poe a small lead, according to the *Philippine Enquirer* May 13. Poe supporters held a peaceful demonstration in Makati (the financial district of Manila), protesting the widely reported vote fraud against opposition candidates. Arch-coup plotter Fidel Ramos declared that any opposition demonstrations would be tantamount to "incitement to sedition," while a spokesman for the President said that although Ramos was right, "we will try to observe maximum tolerance."

Ricardo Cardinal Vidal, who replaced the notorious Cardinal Sin as Archbishop, met with representatives of both Poe and a religious candidate, Brother Eddie Villanueva, who may get a significant single-digit vote to discuss accusation of vote fraud. Three Bishops had gone public before the election with reports that military forces had been instructed to remove names from the voting registers in opposition areas, especially in Mindanao.

Nonetheless, Poe is still a likely winner, although official counting may take weeks to conclude.

## **South Korean MPs Debate Cancelling Troops to Iraq**

South Korean Rep. Chun Jung-bae, the powerful floor leader of President Roh's ruling Uri Party, said on May 12 that Korea could increase financial support for Iraq instead of sending its 3,000 troops, promised last February, but kept on an indefinite hold as the fighting in Iraq intensified. "We can consider making financial contributions to the reconstruction effort in Iraq instead of pushing ahead with the planned troop deployment," Chun told reporters at the party headquarters. Chun was just elected and was to take control of the ruling party in the new Uri-dominated National Assembly which opens on June 5, before which little can be clearly decided.

A group of lawmakers from the Uri Party led by Assemblyman Song Young Gil, and even members of the opposition Grand National Party, who previously endorsed the dispatch plan, have been back-tracking recently.

Kwon Young-ghil, chairman of the new left-wing Democratic Labor Party (DLP), which just went from zero to 10 seats in the Assembly, and emerged as the third force, also said on May 12 that he will redouble efforts to withdraw the dispatch plan. "I will soon arrange a meeting in which ruling and opposition lawmakers opposing the plan can sit together to think up ways to withdraw it," Kwon said. "We will make contact with these lawmakers individually through both formal and informal channels." Kwon praised Uri floor leader Chun, saying, "I hope he will be unyielding in his push for political reform."

## **Africa News Digest**

### **African Health Ministers: AIDS Treatment Is a 'Human Right'**

Access to AIDS treatment is a human right, eleven African health ministers said May 13 as they launched a solemn appeal for urgent assistance from wealthy countries following a conference in Rome. "We ask this in the name of a human right, which is called the right to treatment, in the name of intelligent globalization, which should be equally capable of globalizing solidarity," they said at the close of the two-day conference organized by the Roman Catholic Community of Sant'Egidio. "We ask that the most developed countries mobilize economic and human resources to bring a halt to this extermination," the ministers said.

Addressing pharmaceutical companies, without naming them, the health ministers urged lower prices for antiretroviral drugs "to the point of being compatible with the weak resources of our countries." "AIDS is affecting the entire planet, but currently 70% of its victims die and are born in Africa," said the ministers from the Central African Republic, Congo, Ivory Coast, Ethiopia, Liberia, Malawi, Mozambique, Senegal, Sudan, Tanzania, and Togo. "The epidemic cuts down as many human lives as a world war."

### **Clinton Foundation, UN To Provide Food to AIDS Patients**

The Clinton HIV/AIDS initiative and the UN World Food program have signed an agreement to provide food to AIDS

patients undergoing anti-retroviral drug treatment in developing countries, according to a press release from the William J. Clinton Presidential Foundation May 7. "One of the key challenges we face in tackling the HIV/AIDS crisis is that if a patient is malnourished, the ARVs often do not take full effect," said Clinton. "Furthermore, malnourished patients are frequently susceptible to other opportunistic infections and illnesses. This agreement aims to ensure a more effective response in dealing with a crisis where the poor are disproportionately affected, and I look forward to working with the WFP to ensure that food support becomes an integral part in the delivery of comprehensive care and treatment to those suffering from HIV/AIDS," Clinton added.

## **WHO Announces Comprehensive HIV/AIDS Strategy**

A press release announcing WHO's *World Health Report 2004—Changing History*, claims that WHO and UNAIDS are, for the first time, implementing a comprehensive HIV/AIDS strategy, which links prevention, treatment, and care and support for people living with AIDS. "Until now, treatment has been the most neglected element in most developing countries. Yet among all possible HIV-related interventions, the report says it is treatment that can most effectively boost prevention efforts and in turn drive the strengthening of health systems and enable poor countries to protect people from a wide range of health threats."

Dr. Peter Piot, UNAIDS Executive Director, is quoted: "Scaling up effective HIV treatment and prevention programs is the best strategy to save lives and keep future generations HIV-free."

The press release claims that more than U.S. \$20 billion has been pledged by donor countries and through multilateral funding agencies, including the Global Fund to Fight AIDS, Tuberculosis and Malaria; the U.S. President's Emergency Plan for HIV/AIDS Relief; and the World Bank. "These funds must now be used swiftly and in a coordinated way to prolong the lives of millions of children, women and men who will otherwise soon die."

The report says the delivery of AIDS treatment and prevention also offers the chance to build up health systems in the poorest countries. Dr. Lee Jong-wook, Director of WHO, is quoted: "Future generations will judge our era in large part by our response to the AIDS pandemic. By tackling it decisively we will also be building health systems that can meet the health needs of today and tomorrow. This is an historic opportunity we cannot afford to miss."

In September 2003, WHO, UNAIDS, and the Global Fund to Fight AIDS, TB, and Malaria declared lack of access to treatment with antiretroviral medicines a global health emergency. "In response," the WHO report says, "these organizations and their partners launched an effort to provide three million people in developing countries with antiretroviral therapy by the end of 2005—the so-called '3 by 5' initiative."

By March 2004, 48 of the countries with the highest burden of HIV/AIDS had expressed their commitment to rapid treatment expansion and requested technical cooperation in designing and implementing scale-up programs.

The WHO report says the scaling up of treatment can support and strengthen prevention programs. Where treatment has been made available, it says, this has led to an overwhelming demand for testing and counseling.

To help accelerate the treatment initiative, WHO has developed a simplified set of antiretroviral drug regimes and testing and treatment guidelines that it claims are consistent with the highest standards of quality of care. These regimens, it says, make it possible for even the poorest areas to start treating those who need it.

## **Rebellion in Darfur Could Lead to Breakup of Sudan**

The rebellion against the Sudanese government in western Darfur could lead to the breakup of Sudan; the U.S. Congress and State Department support the rebels by focussing on human rights violations. (Darfur province adjoins Chad below the Howar River.)

The rebellion, by the Sudanese Liberation Movement (SLM) and the Justice and Equality Movement (JEM), "poses in many respects a greater threat [to Khartoum] than the [earlier] activities of the Sudanese Peoples Liberation Movement (SPLM) in the South," Acting Assistant Secretary of State Charles Snyder told the House International Relations Committee May 6.

Charles Cobb, Jr., writing May 7 for allAfrica, comments, "Rarely is the full committee called to discuss an African issue. But the unusual and powerful coalition of conservatives and liberals that keep a watchful eye on [Sudan] is now calling Darfur's conflict 'the world's worst humanitarian crisis.'"

"According to Snyder, sustained rebel attacks by combined SLM and JEM forces, on and around the regional capital of El Fasher [Al Fashir] early this year, rang loud alarm bells in Khartoum," Cobb writes.

But Ted Dagne of the Congressional Research Service drew out the full meaning of the rebellion: "This past March" Ted Dagne told AP: "Darfur has really shaken up this regime. Where do they stop this train? If you give in to the political demands of the Darfur rebels, why not to the Beja (in eastern Sudan), why not to the Nuba (in central Sudan) and a bunch of the other marginalized areas?"

The African Union has proposed a peace plan. Sudan's Foreign Minister Mustafa Ismail, in Nairobi May 6, said his government viewed the plan positively.

At the UN, when the Africa bloc nominated Sudan May 4 for re-election to the UN Commission on Human Rights, U.S. diplomats staged a walkout.

## **U.S. Troops Try New Anti-Terror Methods in Africa**

The U.S. campaign against terrorism in Africa—where, allegedly, a number of al-Qaeda militias have assembled to form a network of terror—is being overseen by the U.S. European Command and the approach is "preventive," says a May 11 front-page article in the *New York Times*.

The head of the European Command, Lt. Col. Powl Smith, told the *Times* that the al-Qaeda-linked militants, who have been pushed out of Afghanistan, and blocked by increased surveillance of traditional points of entry along the Mediterranean coast, are making overland trips to make contact with Islamic militant groups in North Africa. There are reports that these militants are collecting weapons such as mortar launchers, rocket-propelled grenade launchers, and surface-to-surface missiles, according to the Command.

The U.S. program, called the Pan-Sahel Initiative, was originally focused on Mali, Mauritania, Niger, and Chad, and the approach is to shore up border controls and deny sanctuaries to suspected terrorists. Subsequently, the program has been expanded to include Senegal, and possibly other countries. The problem that the U.S. faces, according to the European Command, is that the Islamists in the region are in touch with each other, while the governments in the area are mostly not.

## **Indian Consortium To Rebuild Mozambique Railway**

The Mozambique government May 11 appointed an Indian consortium, Rites and Ircon International, to rehabilitate and

operate the Beira railway system, *Business Day* of Johannesburg reported May 12. It will operate the line for 25 years and manage it jointly with the Mozambique public railway company.

Mozambican projects being considered by South African firms, such as steel maker Iscor and the Industrial Development Corporation, can take off once efficient and affordable railway infrastructure is in place. The line was damaged beyond use in the civil war.

The system includes the line from the port of Beira to Machipanda on the Zimbabwe border and the Sena line that goes north from the port at Maputo to the Moatize coal mine in western Tete province.

"The rehabilitation of the line will break a deadlock that has strangled multimillion-dollar investments in the Zambezi Valley," according to Paulo Zucula, head of spatial development initiatives at the Development Bank of Southern Africa (DBSA). The DBSA said the project included restoring the entire railway infrastructure, acquiring new engines and other rolling equipment, and installing a telecommunications and security system. The work is expected to be completed over three years.

The World Bank has pledged \$120 million of the \$170 million needed.

## **Namibia, Zambia Inaugurate Bridge Across Zambezi River**

Namibian President Sam Nujoma and Zambian President Levy Mwanawasa May 12 inaugurated a new bridge across the Zambezi River, enabling the Namibian port at Walvis Bay to become a gateway to the world for landlocked countries of the Southern African Development Community. The 900-meter Shesheke Bridge connects Namibia to central Africa, extending the Trans-Capriivi transport corridor through to Ndola in northern Zambia and to Lubumbashi in DR Congo.

Zambia has been using Dar-es-Salaam (Tanzania) and Durban (South Africa) for its exports, which are far from the Zambian capital at Lusaka and far from the Zambian copper belt.

The bridge replaces a ferry service that was the only means of transport across the river and was built by German and South African companies. It was mainly funded by the German government.

## **Namibia: Land Seizures Have Begun**

The Namibian government has issued its first notice of expropriation of land. Minister of Lands, Resettlement, and Rehabilitation, Hifikepunye Pohamba, has invited the owner of two farms outside Windhoek to name her price, in the first-ever expropriation of farms by the Namibian government. The expropriation program replaces the failed willing-buyer, willing-seller policy. The move was taken according to the terms of the Agricultural (Commercial) Land Reform Act of 1995.

The two farms—where workers were fired and evicted last year—are both owned by Hilde Renate Wiese. The Ongombo West farm is 3,600 hectares in size (about 9,000 acres); Voigtskirch is 403 hectares (about 1,000 acres).

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