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This Week You Need To Know

LaRouche to Toledo Town Meeting

'A New Presidency To Save the Nation'

Here are Lyndon LaRouche's opening remarks, made by teleconference and webcast, to a LaRouche PAC town meeting in Toledo, Ohio, Oct. 21, 2004.

Well, thank you. It's good to get the applause at the beginning; then you don't have to worry about getting it at the end.

The question here, is how are we going to, from the standpoint of Plato, for example, save this nation from the worst depression that we've known. Because, if this thing is not stopped, it will be, indeed comparable to, but worse than, that of the 1930s. The reason, of course, is that in the 1930s, when Roosevelt came into office, in March of 1933, much of the infrastructure, in railroads, in power stations, in water systems and so forth remained, that had existed in the early 1920s, and from the period of the aftermath of World War I.

Now, 40 years after the beginning of the Vietnam War, we have destroyed most of the infrastructure of the nation. This includes municipal infrastructure, in the cities, education systems, power systems, health-care systems, all these kinds of things, as well as the generation of power, the management of large-scale water systems, and other things which are essential to our national economy. We've destroyed these over 40 years.

Now, large-scale infrastructure, such as a water system—let's take the dams and locks along the Ohio River or Mississippi River—these systems, together with inland systems, that is, ones in from the rivers, like municipal systems, water systems and so forth, have been there for over 40 years, and they have generally a useful life of 40 to 50 years from the time they're built or freshly maintained. Now, it is 40 years since the change in direction of our economy. These things, which have been wasting away from increasing negligence, over the past four decades, are now coming to the point of rot. This is true of our public water systems, like the rivers and their locks and so forth, our public municipal systems, water systems, our health-care systems which are reduced to maybe half what they were back in the beginning of the 1970s; so these things have wasted away.

So therefore, we have a poorer situation than we had then. Then, in the Depression, people went back to the farms to live, when the cities broke down. We still had farms then. They weren't rich farms, but people were able to get back there, and were able to get a chicken or an egg or two, by going back to the old homestead. Now, that farm, that agriculture system has been largely destroyed.

We look at our industries: Our industries have been destroyed in a way, beyond what we experienced under Hoover, in the years between October of 1929, and March of 1933. We lost half of our basic economy, in that period under Hoover. It was not the 1929 crash that elected Roosevelt. It was Hoover's Administration which cut the incomes of our people, and

our economy in general, by about half, by the time Roosevelt got into office.

But, we still had the materials with which to rebuild. And we did rebuild, quite well. It was tough. I lived through it, it was not easy, but we made it. We emerged from that as the most powerful nation on this planet, the most powerful nation that ever existed. We weren't the greatest fighting nation in the world, in terms of combat. Soldiers of other nations were better trained, for that sort of work. But, where other soldiers in other nations, had some hundreds of pounds of materiel with them, in their battlefield endeavors, our typical GI had *tons, and tens of tons, of logistical strength. And it was with that tonnage of logistical war, that we were able to win the war, to bring our allies to victory in the war, and to come out of the war as the most powerful nation, in productive power, the world had ever seen.*

And despite the mistakes that were made in the late 1950s and the 1960s, by the time that Kennedy was elected President, we were still a great nation, the greatest producer-nation on this planet.

And we are, no more.

'Post-Industrial' Madness

What happened in the middle of the 1960s, for various reasons I've described in other locations on other occasions, in writing and otherwise, in about the middle of the 1960s, at the time we entered the Vietnam War, we began to destroy our economy. We also went to a new philosophy, which is called a "post-industrial" philosophy: We began to tear down high technology; we cut government investments; we cut back on the growth and maintenance of infrastructure. We're now a wasteland in large degree.

We live by exporting our jobs to cheap-labor markets abroad, which in turn ship us cheap goods, produced from abroad. But we can't generally afford even to buy those cheap goods, because we've lost our jobs, our places of employment. We've lost our opportunities.

Therefore, under these circumstances, what is needed, now, as the greatest depression in modern history is coming down on the world now, as we speak, as we meet, as we conduct this election campaign—it's happening now. There's no prospect for great jobs in the future under the present policy: none. Everything will become, suddenly, very much worse.

And the looming danger of a dictatorship under a re-elected Bush, is very real; under desperate conditions, desperate and stupid governments will do desperate things. We've seen it with Ashcroft already. We've seen it in many other ways.

Therefore, we have to have a new Presidency to save the nation.

Well, we've got a possible new President, in terms of Senator Kerry, with his running-mate Edwards. These are intelligent gentlemen. They're capable. I may not agree with everything they do. I think they could stand some improvement in education and commitment in some ways. But, I believe if we, the people, visibly select the new President, that President will be beholden to us, the people.

We have, in this country, we have people who know what to do. You have a mayor, for example, in Toledo, who has shown that he does know something about what to do in managing a local community economy, what the problems are. We have people who are formerly in the intelligence services, in the military services, qualified professionals; we have people who are active and retired, in the legislatures, who know these things. If we bring together the resources of the qualified specialists, who know how to deal with problems and have them discuss among themselves, we as a nation can

do as Roosevelt did: We can bring ourselves back together, and make good policy, and make a good Presidency. We can educate a President, who is highly intelligent and educable, like Kerry.

That's our best chance.

Now, we're now in the last two weeks of the campaign. We probably have turned out, in the state of Ohio, in particular, the new registrations indicate a potential of a landslide victory for the Kerry-Edwards ticket, in this state; which means also, of course, carrying a number of candidates for the House of Representatives and Senators, also at the same time, in these various states.

So, we have the potential of a landslide victory. We have a question of whether we're going to get it. We have vote fraud *en masse*, being perpetrated, chiefly by the Republican Party, and by some people in it—you know about it, in this state here. Therefore, we have to fight to get as much of a landslide margin of victory as we can get. The landslide margin will come largely from people who are in the lower 80% of family-income brackets, who have not always voted in recent years, but who have a reason now, to turn out, to register, and to vote, where they may not have bothered in previous elections.

We have also a group of young people, 18 to 25 years of age, in particular, who represent a college-age group of people. Now, they're not all going to college, and most of them don't have a chance of getting there. But they have the intelligence and the spunk and the energy to do what they have to do. And these young people are the future of our society. They're the people who will be running this society 30 to 40 years from now. And therein lies our future.

So, if we can get these people combined to turn out the vote, and vote their conscience in their way, in what they know to be their interest, then we can have a landslide victory, or the possibility of one, and we can have a new President of our choice: a Kerry-Edwards Presidency, with a lot of good elections of some good candidates—some Republicans, too; because Republicans are not a bad species. Many of them are as good as Democrats, and obviously we intend to pull the nation together, not just the party together, in forming a new government and making laws again, in a new way, in our country.

Bush's Lies

What we have to do, though, involves something else. As you all know, in politics, there are two problems, two technical problems: One is defining how the problems of society, or the challenges to society, should be dealt with. We can talk about each of these things, and people who are rational and spend some time at it, can come to rational conclusions. They may not all agree, but they can enter into a process of discussion which leads toward agreement. But, then, when you come to a time like this, how do we take this election campaign, and boil it down into simple conceptions which adequately express what the fight is all about?

Now, the manner of the way things happen, recently—the incumbent President, George Bush, has handed us the evidence we need, to bring the entire election campaign into focus, the choice of President into focus. The President lied, in his public address in the third so-called Presidential debate. He lied on many things, but he lied in particular, on two things very clearly: He lied about the flu vaccine problem. And he also insulted the people of the United States, in saying "There's nothing you can do about it. We made our decision. That's it! And, if you're healthy, don't go for a shot! We'll do the best we can, but dig in for the worst." That's not a President speaking.

And he lied to them! Because the President of the United States, or the Presidency, which he represents, had been sitting on top of this for years. They knew this was coming—*year after year, they did nothing. They willfully did nothing.* And

when they tried to tell you, as the President tried to tell you, that this was something that took him by surprise, and "we just have to learn to live with it," and don't bother him about this, "or I'll get nasty!" He made himself a liar, the kind of liar we don't want in the Presidency. To spit in the face of the American people, especially in the face of those over 50, especially over 70, and those who are young, who are particularly endangered by a flu epidemic—and I'll get back to that and discuss just a bit about that later on.

He lied on a second thing: He lied about the Social Security system. Now, we have known, for some time, that the intention of the Bush Administration was to destroy the Social Security system, as set up under Roosevelt. To break the promise of the Social Security system. The Social Security system is the last relic, the last important relic, of the great welfare reforms by President Roosevelt, the reforms that *made us* the most powerful nation on this planet, the greatest economic power. And they're about to take away the Social Security rights, of *all* of the people, in one way or another.

What the President calls this—because "privatization" has become a bad word—he calls this, not "privatization," but "*reform*". But, the word "reform" *means* privatization.

Now, Senator Kerry, who is on the inside of the Senate and knows things about this, has said, clearly, that the President has, in a sense, lied about this issue of Social Security: *That he does intend to privatize Social Security*. That is, take it away from you, and put it on the market where it'll be gobbled up by Wall Street, or similar kinds of things.

Moreover, recently, you had in the *New York Times*, a reporter, Ron Suskind, who reported on this; the Bush Administration, the Presidency, said this was not true: that, in the private discussion with Republicans and the President, the President had *not* pushed privatization. The White House said, "no." But, they lied, according to Ron Suskind, who said, not only that he had had evidence, from Republicans who had attended that meeting—more than two. But, he also had a case of a Republican who had taken notes, in writing, during the course of the President's address on the subject of Social Security. And the words that were being used, were "private, private, private."

So, the President has *lied* to the American people, wittingly, and repeatedly, on the issue of Social Security. He has lied to the American people, and *defied* the American people, and insulted them, on the question of the flu vaccine.

A Vulnerable Population

Now, let me get back to this flu problem: The flu epidemic—I don't know, I'm not an expert in the epidemic as such. But, naturally, in my position, I do a lot of nosing around, and I talk to a lot of people, especially experts, on this matter. The problem is, recently, as all of you know, if you look around you, is that the factors of health, the factors of disease control, quality of nutrition, circumstances of life, and so forth, have become worse. Also, very important: That during the recent administration, this current administration, the process of inoculation, immunization, of pupils in schools, has been cut back, and back, and back, and back. Now, as you know, those of you who are older, know from experience, that the most common way in which infectious diseases are spread, in our society—apart from special circumstances—is through children at school. Children pick up the diseases and transmit them to one another, and so forth.

Now, what we've done, in the recent period, with the cutbacks under the HMO system, with other cutbacks in the medical structure, and the public-health structure, with the loss of immunization in schools, especially under this President Bush, we have now created a "herd potential" of lowered level of immunity, or resistance, tantamount to immunity, in the population. So, a severe epidemic, of a highly infectious type, hitting a population now, will have much greater effect, much more deadly effect, than we know. We don't know how serious the threat will be. We know it's great. We know it's probably much more serious than all the calculations given to us.

And what the President has done, in conniving, with Cheney and so forth, who's run an Enron kind of operation, in terms of flu vaccine production, has created a situation, over years, in which we've destroyed the ability to immunize and to protect our population, or to reduce greatly the risk from infectious disease.

The President has done this, or his administration has done it *willfully*. The President has defended that policy: a cruel and reckless policy, in bald-faced defiance of the American people—in their face, on the television tube, in the third debate.

The President has lied, on a related issue, of Social Security: *He does intend to eliminate it*, in its present form! In effect, to privatize it, by throwing it onto the financial market, where Social Security will receive the same treatment that health care has been given under the HMO system.

So therefore, we have a President who has lied. He has done cruel things to the American people. He's done it in a defiant, lying manner. This is a clear image of what this President, and this Presidency, *is*.

Now, take all the other things we could discuss, all the other problems we could discuss: When the American people get a full smell, in their nostrils, of what the President has done to them, which he said clearly—indicted himself, in the third debate with Kerry: Do you want this man, to be, again, your President, with a worsening crisis?

This kind of issue, which is being addressed now, by Kerry, by other people in the Democratic Party, is the thematic issue which makes *clear* to the average voter *exactly what the problem is*. Yes, there's an issue of this; there's an issue of that; there's an issue of this. But, how do we put it all together, and say, "Taking all the issues together, how do we decide who should be the next President?" Then, you take this, and you say, "Do you want a man, an administration, who represents what this President represented in that debate, on the issue of the flu vaccine, and on the issue of lying about Social Security? Is that the man, you want in the Presidency?"

That becomes the issue.

Return to the American System

Now, what do we do about Kerry?

I have my own reservations about the policies that Kerry is enunciating in areas of foreign policy and so forth. I don't think they're adequate. But, Kerry is hanging out there as a Senator, not without connections, and if we elect him on Nov. 2, he's going to have to pull together an administration, and he's going to have to rethink many of the things he's said on the hustings. Hopefully, we will elect him, on the basis of what he represents, *in contrast* to what the lying George Bush represents on the flu vaccine and Social Security issues. But, working from there: Is he going to have the right foreign policy? Is he going to deal properly with nations? What's his policy for job creation? Not that he has a "plan" to create jobs. We want to know, and *he* must know, how we are actually going to do it. And, he's got to work through a lot of things, he has not made clear so far.

Now, I know people who are experts, who should be in the consulting process, presuming he's elected, who will consult with him and circles around him, and help him by supplying information, advice, informing a government, a Presidency, which will be able to take on the kind of problems we face in the coming period.

Therefore, what I'm doing, my personal commitment, is just that: I am supporting Kerry. Supporting the Kerry-Edwards ticket. I have certain differences with some of the things he's said. I think they're mistaken. But, essentially, he's the man

we need, because he's the man we could *elect*, whom we need.

Now, my concern is a continuing one: To ensure that, over the coming years, under a Kerry Presidency, that the United States moves in the way it has to move, to solve some of these other problems.

The key thing we have to look at, which Kerry must come to understand, is that the American System of political economy, as defined by our Founders, and as expressed by the achievements of President Roosevelt, is not the capitalist system—as we think of capitalists in terms of Europe. Nor is it a Marxist system, as Marx adopted his views of economy, from his study of the British System. We're not the British System. We're the American System. And the American System is defined, largely, succinctly, by the papers of the Treasury Secretary Alexander Hamilton, under the first George Washington Administration. And the American System works as follows, as Roosevelt understood it: Remember, Roosevelt was a descendant of a fellow called Isaac Roosevelt, who was the founder of the Bank of New York, and was an ally of Alexander Hamilton, against that treasonous skunk Aaron Burr, who ran the Bank of Manhattan. And Roosevelt maintained that tradition as a family, of his tradition to the Founders of the Republic on economic policy.

Now, in our system, today, it's fair to say, that 50% of the total economy of the United States, when it's functioning in a healthy way, is based on public infrastructure, infrastructure at the Federal, state, and local level, including the county level, of course. Infrastructure means things like mass transportation systems, power grids, power systems, large-scale water systems both for transportation and for maintenance of water; it means public educational systems; it means health-care systems; it means other things of that sort. But these are the public works, which are done at the level of the Federal, state, and local government, either as public enterprises, funded by the public, managed by the public; or, as private enterprises, but created by a public authority and regulated by a public authority.

So, to get the economy going, recovered—and we have to create about 10 million jobs in the immediate future—will mean, creating immediately a large influx into large-scale infrastructure projects, where the infrastructure projects are already engineering-designed. For example, let's take one case: You have, outside of Louisville, you have a lock-and-dam system there. This is about 40-odd years old. It's ready for repairs, and it's about to jam up. If it jams up, it means the entire coal delivery down the Ohio River *is jammed up*—and that's a crisis for the whole economy. If you look around the whole state, and the borders of the state, the Ohio River, the Mississippi River, the Missouri, you see a similar kind of situation.

So therefore, we have things that the Corps of Engineers should be working on, right now. So, the simplest thing is, you fund the Corps of Engineers; the Corps of Engineers undertakes the projects, and brings in the private contractors, which assist it in doing the job: *You create jobs*.

We need to rebuild our mass-transit system, especially railroads. We need to go to a new type of railroad system, in order to make freight more efficient, and cheaper. We need to go to regulated freight. Take, for example, the case of the airline system, which is in between: The airline system has to be a regulated system. It's largely a private system, chiefly a private system. But, it's now going bankrupt: One airline after the other is going bankrupt. The reason these airlines are going bankrupt, where they weren't bankrupt back at the end of the '70s, is deregulation. Deregulation destroyed the airline system.

Now, petroleum is running at a price of over \$55 a barrel, internationally—and that's going to hit the pump pretty soon. It probably will go to \$75 a barrel, and could go to \$100 a barrel! The reason for this, is not a shortage of petroleum. That is, the rise in the price of petroleum is not due to any shortage of petroleum! As a matter of fact, there's more petroleum being produced than is needed. The reason for it, is a massive speculation in petroleum, and the speculation in petroleum is what's bidding up the price of oil.

But this then comes back: It comes back to the pump. It comes back to the airline, and crashed the airlines! It comes back

into the homes in winter heating, which is coming up, I believe, this year, again. This sort of thing.

So therefore, these are the kinds of things that government must deal with. It must deal with regulation, in public affairs and public interest. We must save our airline industry, and keep the airlines from crashing! We must do the same thing with our mass-transportation system, our power systems, our electrical generation and distribution.

Now, these power systems generally have a life-span of 40 to 50 years. Many of them, around the country, are going belly-up, or toes-up. Because, the last time we had a significant investment, an overall investment, in replacing and maintaining power systems, was about 40 to 50 years ago. Now, the time has run out. These systems are collapsing. This is a vast area, for government investment in job creation.

Now, when you have job creation in the public sector, you now create a potential in the private sector, for those firms, which will apply for contracts with government projects—as Roosevelt did, with the TVA, for example. What we need, therefore, is, we have to use the power of the Federal system, under our Constitution, to create the Federal credit, to make the credit available, to supply the needs of infrastructure development; and then, in turn, when private firms, who are qualified for contracts, walk in to take a contract, or to seek a contract, we must provide the credit needed to get those firms into operation. By those means, we can create the 10 million jobs we need to get the country back in shape.

For example, again, to make the thing comprehensible: All 50 states of the United States are now bankrupt, as states. That is, the states can not earn enough tax revenue, or related revenue, to maintain the state and its functions, without having a negative effect, with taxation, upon the state as a whole. Therefore, we must increase the amount of employment and production, in each of the 48-50 states—48 continental, and the other two states. We must create that employment, to bring each state above breakeven level. If we have all the states above breakeven level, that is, where the income earned within the state, is enough to support the tax structure to maintain the state in balance, and maintain essential infrastructure, then the Federal system is stable.

The money we are going to lend, will have to be aimed at 40- to 50-year long-term investments. Some shorter, some that long. We will then create facilities, where the Federal government goes into debt, to create the purchasing power for these projects. But then, the Federal government will have as security, for the repayment of the debt, the valuable infrastructure and industries which have been created and funded through this process. This is what Roosevelt did, in principle. We can learn from Roosevelt's experience, and do it perhaps better than he did it, today, because we've learned from that experience. But that's what we have to do.

The Next Generation

We have to see ourselves as the American System. Our object, is, as the Preamble of the Constitution prescribes, the President of the United States must defend the sovereignty of the United States: We're going to end globalization. We're not going to export jobs to cheap-labor markets overseas. The President of the United States, the Congress, are obliged by the Constitution, to defend the general welfare, of *all* of the people. The Preamble of the Constitution obliges the President of the United States and the Congress, also, to defend the interests of posterity: That means, immediately, those young people, now 18 to 25, who should be leading the society, 25 to 40 years from now.

And that should be the policy.

We have to get this candidate elected. We have to bring together forces which can advise him competently on what is feasible, what is needed. He's intelligent. He's a man of good spirit. I think we can work with him. But then, we have to have a scheme, an idea of what we're going to do. And we have to use the American System. We have to go back to a

protectionist model, which was always the American System; we have to protect our jobs. We have to protect the capital investment we want people to make, in job-creating places. We have to have a fair trade, fair price policy. We have to have the investments, which builds up the infrastructure on which the economy as a whole depends, and provides the credit and incentive for technological progress in the private sector.

Under those terms, I think we could take a state like Ohio, which is one of the most prosperous states in the Union, a great agro-industrial state, and I think *we can build it back up, again*. We can probably do it in 25 years, reversing 40 years of decadence.

Thank you.

Latest From LaRouche

'WE'VE GOT TO ELECT THE GUY, FIRST—AND THEN, WE'VE GOT TO TRAIN HIM'

Lyndon LaRouche was interviewed on 1489 Talk WCIN in Cincinnati, by Professor Herb Smith, host of "Pulse of the City," on Oct. 19, 2004. Here are excerpts from that program.

Host: All right. What is your perception of what's going on? I just talked to Congressman Jim Clyburn from South Carolina. He indicates that there are four bellwether states, Ohio, Michigan among them, that will tell the story. What's your perception?

LaRouche: That's pretty much mine. We've got a big concentration in California, where we're on the state committee, and Oregon, and in Texas against DeLay; but we're also operating around Louisville, which, of course, is close to you there; and we're also doing the southern Michigan/northern Ohio areas, very heavy concentration from Columbus north. Because this is the area of the Rust Belt, where the state went from being one of the most prosperous states in the Union to one of the poorest. And this, like western Pennsylvania, Michigan, and so forth, are states which are key, because the lower 80% of the population is hard hit, and they are the people whom we must get out to vote; they are the people who must determine what the next Presidency is going to be.

Host: Exactly. Now, there have been—oh gosh!—in excess of 2 or 300,000, or 400,000 new voters registered in the state of Ohio, 153,000 down here in southwestern Ohio. Do you think we're going—well, do you think those folks are going to get out to the polls?

LaRouche: Well, of course, it's differential. You've got to go within the total population of these people who are applicants, I say the youth are the most serious: The youth, 18 to 25, who have recently become eligible in Federal elections. This is the most important leading group in trying to produce a landslide effect in any state. They are also key, to turning on the lower 80% of family-income brackets. Youth give them more confidence to come out. So, these are major factors and they have to be taken into account that way.

Host: What do you think is going to be *the* factor, that gets newly registered people out to vote?

LaRouche: I'll tell you, it's fundamental: First of all, the problem we're fighting against, is a pessimism in the population as a result of recent elections and what's happened. People in the lower 80%—even under Clinton, in his second term—and youth, have become despondent about the future of the nation. They don't think they can do much. So there's a tendency for them to pull back, and say, "It's a waste of time. It doesn't make any difference."

Well, it does make a difference. So, the factor is, of getting these people mobilized. And we find that the youth factor is the best factor in mobilizing the general population. There are also trade unions, for example. Trade union organizations in the state of Ohio for example, which are really progressive—like the mayor of Toledo, who's a Republican, but he's on the right course in terms of the state's interest.

So, if these people turn out, they build up the morale of others.

Now, I'm doing everything I can, on that. For example, take a case, in point: You have this question of the inoculation against the flu, we've got people lined up in supermarkets all over the country, people in their 70s and 80s, who are in the priority category, looking desperately, waiting for the shots that aren't there. The President of the United States has treated their needs with contempt, as he did on this third debate broadcast. This is a major issue.

The economic situation generally *is* the major issue; to decide to get out of this crazy war pattern, in the Middle East, *is* the issue. These are the things that move people. But, in Ohio, in particular, they want their jobs back. They want their factories back. They want their schools back. They want the communities to be able to afford the basic services they used to have.

Host: ...Don't you think, Mr. LaRouche, it was a tad convenient that Chiron was decertified, at just the time when we *needed* flu vaccine stocks to be increased? And suddenly the cost of vaccine skyrocketed?

LaRouche: This was already prepared, beforehand. This thing that hit the press, that people know about now, was already prepared. It was already in the works long before.

The key thing is, that you had not only this, and this is a fraud; it's a breakdown of our national security system: What Bush did can kill more Americans than were killed in 9/11, as a result of his negligence.

Canada offered to help. Bush, on his third broadcast, this third debate, turned down Canada publicly! Saying it might interfere with his attempt to ban cheap prescription drugs from coming into the United States for people who need them.

So, the callousness of the President himself, toward the people, toward especially those people—you've got photographs all over the country, of people in supermarkets lined up, especially of older people, crippled people, so forth, lined up, desperately hoping for the immunization shots that aren't there; knowing that this flu epidemic *can kill*, like the famous 1918 flu epidemic. And the government doesn't seem to give a damn about the people, and the Bush Administration.

To me, this is a leading issue, not only because it's extremely important in its own right, because it typifies *exactly* what's wrong with the mentality of the Bush Administration....

Host: Mr. LaRouche, you know, we opened the door into the schoolhouse, as it were. And I don't know if you're familiar with recent publicization of the fact that our kids in this country are less prepared for college work than at any time in the past.

LaRouche: Absolutely!

Host: I mean—isn't that absurd?

LaRouche: Well, you have to understand what we're doing: Look at the planet, look at our policy in the planet as a whole.

What's our attitude toward Africa, toward Mexico, toward South America, toward parts of Asia: What's our policy? Since the middle of the 1970s, with a policy which was enunciated, among others, by Kissinger, we went to the idea of downgrading society.

We take a state like Ohio was a bellwether. Here was the most notable state of the Union, in terms of industrial and agricultural development, combined: We've destroyed it. That was deliberate. We've destroyed Pennsylvania, similarly. We have destroyed Michigan. We're destroying California. We're destroying other states. Why are we doing that?

Because people are going to a different conception of society: In this society, there's no *intention* to have high-grade employment. The intention is to downgrade our people and *to lessen the number of them*, and to ship the jobs over to cheap labor overseas.

We have to go back to a traditional American System. We have a protectionist policy: We protect our jobs; we protect capital formation, and essential industries; we maintain a standard of living and a standard of employment which is consistent with our social objectives. We just have to decide.

Now, this is something we have to face right now, going into the election, the education issue, because it's a major issue. But, after the election, I'm going to be continuing to work on this in a different way, on the question of the content of the economy, and the question of the content of the structure of education. What I'm doing is, I've got a youth movement I've organized over the past four years—it's international, actually. But, it's people 18 to 25, who are in college-age eligibility. They represent all strata of society, that is, people from all strata. They are functioning as groups; we're demonstrating the methods of education that can work, and we are conducting that, as, among other things, an educational movement.

I think we need, in the country, an educational movement, focussed upon young adults, between 18 to 25, who are the ones who are best situated to, as young adults, lead the fight for quality education.

Host: Now, just last night, I finished reading a very, very scary article in the Sunday *New York Times Magazine*, I don't know if you saw that or not—

LaRouche: I heard of it.

Host: Okay, about the "faith-based Presidency." What do you think about a President who is so certain of his *righteousness*, and his *rightness*, that he will brook no consideration of the facts, in any form or fashion; and in fact, he denigrates those of us, who he considers to be "reality-based."

LaRouche: Well, I'll tell what, the medical diagnosis is: The man is not sane. And people like that are not sane.

Look, I'm probably pretty well educated, I probably know more than most people do, by a long shot. But, I also don't know a lot of things. And I know it. Everybody in any position, has areas in which important subjects come up, they have to deal with, they don't know the answers. We don't know all the answers. We know our principles, which guide us to *search* for solutions, consistent with those principles; but, we don't assume we know everything.

Even Kerry doesn't do this effectively enough. He does say, "I have a plan, I have a plan, I have a plan." Well, I think he probably does. But, I think that's not the way I want to go: I want to get the people to say, "We agree, that we want to have this plan." So, my point is, we have to get the people involved, consciously, in the kind of objectives and purposes we intend. And, force a discussion! Don't tell the people what to do! Tell them, in an emergency, when they want to know what to do, and say, "Here's what you can do." But, in setting policy, you want to engage the people in a Socratic process,

where you have engaged the majority of the people at least, in discussing the formulation of national policy.

And what he's doing, is, on the face of it, he's extremist in this. He is mentally disturbed. He should not be President for that reason alone.

But: When you think about the whole bunch of people, the wild men, who are hoping the Battle of Armageddon will come next week so they won't have to pay the rent the week following—these people are dangerous. We have them in society. The only way to deal with it, I think, is to educate and develop more of us who don't think that way and outnumber them.

Host: My question to you, though, Mr. LaRouche, I just don't feel like Kerry is going to get us out of that war, anytime soon. What do you have to say about that?

LaRouche: Okay. I don't disagree with you. I'm supporting Kerry because we've got to get rid of Bush, and Kerry's the only available instrument to do that at this time.

Now, Kerry is going to face some problems. He's not just alone. He's going to depend on a lot of people. I'm more closely associated with former President Bill Clinton and that circle, than with Kerry as such. But, like Bill Clinton, we're supporting Kerry's campaign.

Now, the point is, Kerry is going to face, getting in—even getting elected—if we say, he's elected as of Nov. 3 when the votes are counted from the day before, then he's going to face a lot of problems he just does not realize exist presently. To get out of those problems, he's going to have to come to us, and I'm talking about some thousands of people in the United States, who are formerly military commanders, retired, or formerly in the State Department, formerly in other positions of government, and professors and so forth who are really part of the Presidential system in an advisory capacity, from time to time. He's going to have to come to us.

Now, Kerry doesn't understand anything about economics: that's his weakness. We're headed for the worst economic crisis the world has ever known in modern times, in modern history. It's coming on, right now! The flu vaccine thing is a reflection of that process. The rise of the price of oil, which is not a shortage of oil, it's a rise of the *price* of oil as a result of speculation—these things are going to hit us hard.

Kerry is going to face, immediately, on the certification of his election, is going to face a crisis beyond anything he imagines. At that point, he's going to have to come to us, who will work with him, and to give him the kind of advice in rethinking, on these subjects that he hasn't even begun to think about right now. And therefore, that's my commitment. I represent a movement, I represent a part of the Democratic Party, a part of the process; I have international connections, other influences, I can bring to bear, with others, to assist a new President in finding his way through the swamp in which he's tending to wander.

I agree with the problem. We've got to fix the problem. We've got to elect the guy first, and then we've got to train him!

Host: Mr. LaRouche, you were talking about economics: What's your take, your response to the situation, whereby Halliburton has ripped off the pensions of the former employees of one of their subsidiaries; and offered them buy-outs, and they were expecting one amount, but when they got their checks, they got a significantly lesser amount.

LaRouche: All right: What I need is the President, who has a new Attorney General—not John Ashcroft. That new Attorney General will immediately have a task force, to go into areas like this, and there are many corporate areas, in which similar things have gone on. Halliburton, like Enron, for example. We're going to go into these areas, if we have

"our druthers," and we're going to go, not only to apprehend those who need to be apprehended; but, where an injustice was done, by means of fraud, and we determined it was fraudulently done we're going to order that restitution or compensation be given to those who have suffered from that injustice. It's the only proper way to deal with this.

Host: Now, we've spent a lot of money on this Iraq situation. But, let's just talk about \$87 billion. What would we be able to do in this country, if that \$87 billion were freed up, and devoted to enhancing the quality of life of United States citizens?

LaRouche: Well, we're going to need a lot more than that, but certainly every \$10 billion we can muster in terms of credit, for creating new jobs and new workplaces, is much needed.

We need everything! For example: Take the health-care situation. We've got the flu vaccine crisis. This is not a competent medical defense system! What Bush is doing, with his policy on flu vaccine, is going to kill more people than 9/11 did! Because he's just denying them—and going to corporations and get a few to sum up something to beat the demand, is not going to do it.

This is a question of building up our medical defense system, which is supposed to be based under the Surgeon General of the United States. We're supposed to have a capability which involves a lot of different kinds of capabilities, which can be mobilized together, to determine what needs to be done, as preventive measures, as much as corrective ones, and do the job. So therefore, we need to establish, on this vaccine problem, and similar kinds of immunization and things like that, we need to have a task force in the government, in the Federal government, which is committed to a mission-orientation—like a military mission-orientation—to make sure that this country is defended against diseases and similar kinds of health problems, in the same way we would defend it against an invader.

Host: Okay. You mentioned credit, a moment ago. What is your take, since we're in the economic arena—what is your take on the fact that Japan, China, and Saudi Arabia, are our major creditors?

LaRouche: Well, the point is, we're sucking their blood—that's what it amounts to.

What we have to do, is, we have go back, to realize that the present financial-monetary system is presently hopelessly bankrupt. Nothing can save this system in its present form. Now, when you hear those words, you have to think back to March of 1933: When Franklin Roosevelt, just inaugurated, faced exactly that kind of problem. This is worse than what Roosevelt faced, but it's the same type of problem in general.

Under our Constitution, the Federal government has the power to create credit, which governments abroad don't have. We have it. What we're going to have to do, is, the President of the United States, with the consent of Congress, is going to have to launch a great number of projects, as Roosevelt did. These projects will be, first, in infrastructure. For example, you have, right there, in Cincinnati, look down the Ohio River: How many locks and dams are being destroyed out of aging? We need to repair that. Power: How many power stations are wearing out after 40 to 50 years of non-development? And power shortages are developing?

So, we have lots of needs, in the United States, for basic economic infrastructure: transportation, power, health care, education, so forth—all these needs. We have to invest in that. By investing in creating jobs, and I think it'll take about 10 million jobs to do the job—that is, to get the economy moving again—by doing that, we create the market for the private sector; which comes in, just as it did with the TVA project.

Host: Sure.

LaRouche: You put in a Federal project, and the private sector came in on the deals with that. We have to provide credit, mobilize credit. So, we create debt, we charge the debt against the assets we're creating, like new dams, new power stations, new educational systems, new health facilities, that sort of thing, and new factories. So therefore, it's called "fungible," that is, we can get our money back in the long run. So, we're not going bankrupt, or unbalancing our long-term budget by that sort of thing. That's what Roosevelt did.

We couldn't do it during the war, because that was too expensive. But, that's what he did in the peacetime. We have to do that again. And that's where we need the money.

We need—the Federal government must go back to a regulated system. We must have regulation. We must have trade and tariffs protection for our industries, otherwise people can't invest in them; we've got to protect our jobs, otherwise, we won't have them. We've got to rebuild the country. It's going to take a generation to do it. But it's much more fun going up, than it has been coming down.

Host: One last question, sir. Nuclear power: Why aren't we really utilizing the promise of nuclear power in this country, to bring down the price of electricity, like we should?

LaRouche: That's because there was an organization, by the same people that got us into the Vietnam War, in the first place: A tendency to change the country from being an agro-industrial technology-driven power, into becoming a post-industrial society. This has gone on for 40 years. And as a part of that there was a campaign to eliminate nuclear power.

Now, there were problems with nuclear-power generation, but they were being corrected. That should have been continued.

We need nuclear power, not only *for* electricity: If you have nuclear-power plants, you can generate, from water, you can generate hydrogen-based fuels in local regions. You don't have to haul oil from all over the world to do it. You also have other applications, which high-intensity energy sources provide for you, new kinds of industries.

We have to make the United States, which is going to have long-term relations with the poorer part of the world—with developing China, with developing India, with developing South and Central America, with Africa—we have to be a high-technology economy, which is engaged in meeting the needs of countries abroad, by supplying them the technology they need from us. We, therefore, must upgrade our people, in education and so forth, and have the power to do that.

THIS ELECTION WILL DECIDE WHETHER THE UNITED STATES WILL BECOME A FASCIST DICTATORSHIP

Lyndon LaRouche was interviewed by Charles Traylor, Dr. Bob Fittrakis and Wendy Huntley, hosts of "Front Street on the News," 1580 WVKO radio in Columbus, Ohio on October 19, 2004. The transcript of the interview appears here:

Host:: Charles Traylor, WVKO, how you doing?

LaRouche: Well, I'm frisky. Trying to fight off the remains of the flu, I think.

Host:: And we also have Prof. Dr. Bob Fittrakis with us, and Miss Wendy Huntley. So, Dr. Bob Fittrakis will pretty much lead this discussion with you this morning, okay?

LaRouche: Okay, very good.

Host: And we're back with "Front Street on the News," 1580 WVKO, Charles Traylor and Wendy Huntley. And we have on our live line Mr. Lyndon LaRouche. And we have also brought in our resident international expert on political matters, that reach beyond my capability, we brought in, Professor, attorney, Dr. Bob Fitrakis.

Host: Mr. LaRouche, Bob Fitrakis here.

LaRouche: Good, good to hear from you.

Host: Some questions, I think that the callers want to know this close to the election: Your organization has been able to expose stuff that, when it initially came out, people dismissed it. What should we make, in this election, of the rise of the heroin trade in the Golden Crescent? And, does that relate to the failure, or any deliberate policy by the Bush Administration?

LaRouche: It does relate. Remember, that the heroin traffic, the drug traffic in its present international form, was given a very specific upgrade in the course of what Brzezinski initially launched as the war, the intervention into the underbelly of the Soviet Union: that is, the war in Afghanistan.

In the process there, the Soviet Army became involved heavily in drug trafficking, as a by-product of the activity of troops in the area. Remember, that was a very large concentration, close to about 100,000 Soviet troops in there. This became an integral part of the entire area, so that, in addition to the drug traffic we have in the Americas, which is the center, and the preexisting drug traffic in that area, we had a sudden surge of a drug trafficking coming out of Afghanistan, into, through Russia and into Europe in general.

This is now a major strategic factor. It's a major factor in the logistics of running what are called "terrorist operations" such as those of Osama bin Laden and others. But, this is a general problem. It's not only an economic and social problem; it is also a strategic problem.

Host: Now you've run for President as an independent, I believe, in '76, many other times as a Democrat. You're a well known economist, and you've written many, many things. You're saying, that—and I've seen this among other commentators—but you're saying that you believe the President may not be mentally sound. Is that correct?

LaRouche: Well, that's the kindest way of expressing it. I think most people have seen it on the television screen, and seen something that disturbs them. But, until they have the insight, provided, say, by a psychological expert, a clinician, it's sometimes difficult for them to recognize what they're seeing. They see something *wrong*. This guy is not right, something's wrong with him. But, to draw the conclusion that he's mentally unbalanced is another step. The facts are there, but it takes a mind which understands the facts, to recognize the nature of the mental disturbance.

But, it is a mental disturbance. It's multi-phased; it's extremely serious, and probably has something to do, in large degree, with his former drug and alcohol habits.

Host: Well, there is an analysis that says that he's suffering from "dry drunk" syndrome, correct?

LaRouche: That's right. This was the point that was made a leading Washington-area psychoanalyst, psychiatrist Dr. Justin Frank, published in his book entitled *Bush on the Couch*.

Host: Okay, but the fact that the President may be showing visible signs, and in his own, almost theocratic world, where he doesn't consult with his father's advisors or known diplomats, but keeps referring to a "higher father"—only, there's a variety of other things. That doesn't seem that that's going to stop the people around him, these Vulcans and neo-cons, from running him for President.

And, also could you explain what you make of this Sinclair Broadcasting? They own two channels here in Columbus, Ohio. And when we investigated, Sinclair has Sinclair Ventures: They're tied to covert operations; they're tied to a variety of CIA—Mark Hyman brags about having four medals of commendation. It almost looks as if there's covert operation intelligence forces that are trying to get this man re-elected.

LaRouche: Well, that's a general phenomenon. Remember that during the first Reagan Administration, my friend Bill Casey, who was then head of the CIA and Director of Intelligence, made a mistake in saying the United States was going to operate on a multi-phased intelligence operation, using the kinds of irregular forces which were used by the Israelis.

Now, irregular forces by the U.S. government was not new. This was done in the formation of the Department of Defense. We had a whole section of the Department of Defense, which was really called CIA—it wasn't CIA, it was "off the reservation" musclemen of all kinds, who did the assassinations, and other things around the world, principally.

So, what Bill did, was allow for expansion of this, privately financed, with its own resources. And what you're seeing in these kinds of phenomena, in every aspect of the institutions of government and of public life, are to one degree or another, affected by the infiltration of institutions by these kinds of tentacles from this network.

Host: And, again, what can the American people do about it? And what's at stake in this election, if Bush is re-elected?

LaRouche: Well, I'll tell you, the day after Bush were elected, or within a matter of days, you would have a launching of a war against Iran, which would involve the whole area. There would be no limit to this: It would go on indefinitely, until somebody just stopped it.

You would also have an immediate measure, where Bush would move for the privatization of Social Security, and other rather drastic measures of privatization of the public sector.

There will be all kinds of diversionary efforts, to distract the public opinion *away* from the reality of an onrushing economic collapse. You're looking at a period in which a transition from, at least, a formal democracy, into dictatorship would be under way, full steam.

Host: Mr. LaRouche, Charles Traylor here. What do make of Nader's campaign? They've gone off the ballot in so many states, such as Ohio, because of fraudulent registration; and some have been calling this a Republican operation. What do you make of that?

LaRouche: It is a Republican operation! It is exactly that. A Karl Rove special—nothing else. Nader's a throwaway. He's got Camejo, who's also a throwaway, running with him. These are leftovers, from things that have existed as quasi-independent political movements before, that brought together, but it's not hanging together. So, Nader fielded himself without a real base.

You know, the younger generation which he would try to appeal to, is those in the 18-25 university age group. Now, those in that age group, whether they're in universities or not, I mean, even poor kids on the streets in the slums, these kids look

at themselves as being in a no-future society. They look at their parents, and they say, "Our parents aren't listening to us; there's no sense talking to them. They're not in the real world. They've given us a society with no future for us. And our case, is to find a society which gives us a future for 40-50 years to come." So, these young guys are no longer listening to the Nader thing.

The Bruce Springsteen rally for the Kerry campaign, the hip-hop motion, is an example of the same thing: Young layers who would draw to channels, which were normally the counterculture channels of the 1960s on, these young guys are reflecting a generational sense that they're in a no-future society, and they're hoping that Kerry and Kerry's election will save them from a no-future society. They're not too confident in Kerry; they don't like him. But they feel he's their alternative.

Host: [Traylor] Now, Mr. LaRouche, I know that you're going to be coming to Columbus, Ohio, I believe it is tomorrow—or sometime in the very near future: What do you make of the Secretary of State's actions with regard to provisional ballots, in Ohio?

LaRouche: Well, I'm not too familiar with it. Other people are. But, I'm very concerned about what is going on in Ohio with the attempt to strip out, by one pretext or another, whole classes of voters. We're getting this all over the country. It's generally a Republican operation. It's going on, again, in Florida. It's going on in Louisiana. It's going on in various parts of the country, and I know it's going on in Columbus, where there's legal action around this thing.

You know, the Republican campaign is desperate: On the basis of what are called the "usual voters," that is, voters who voted in three of last four Federal elections in an eight-year span, there's an even split generally, that tend between the two candidacies. But, when you get into another section of the population, those in the lower 80% of family-income brackets, who've largely dropped out of the electoral process, in any active sense, and then these young guys, 18 to 25, they do not fit the profile of the older voters, the so-called "usual voters." Therefore, the polls run on the basis of the "usual voters" show Bush as having a chance of winning. If you bring in the lower 80% of family-income brackets *and* the young guys, 18 to 25, as voters, then you change the whole balance, and suddenly you get a swing, toward even a tendency toward a landslide victory for Kerry.

So therefore, these guys are going at minority groups, Hispanic and African-American, and trying to terrorize them out of going there. Because, if you take the Hispanic-American group, which is the largest minority in country; you take the African-American group which is the second largest in the country, if you knock them out, they represent the typification of the lower 80% of family-income brackets in income—and therefore, the attempt is to *terrorize* them not to come out to vote. And every trick in the book is being done, by the Republican campaign for that purpose.

Host: [Fitrakis] If we look at what's happening, at what point do we begin to say that this looks like incipient fascism? I mean, there's sort of unbridled corporatism; unbridled militarism; a doctrine of preemption, that really isn't preemption by any legal standard—it's the old Nazi doctrine of waging aggressive war against whoever you want, whenever you want, whether they pose an actual existing threat or not. At what point, do we get franker about what's going on the U.S.? I mean, didn't Florida, to a large extent, look like a coup, at least to many in the rest of the world?

LaRouche: Well, actually, as I got active on this issue, immediately following Nov. 7, 2000, right after the election, when the confusion about the Florida vote came up. And I made a number of forecasts, including webcast forecasts, which I indicated that we are already *in* a fascist mode: That is, the Bush Administration, from the inception, not because Bush knew what he was doing, but because the mechanics of what was coming in there, predominantly around this guy Cheney; and this neo-con crowd around Cheney is outrightly fascist. They're not the only fascists on the scene; they're not the most important ones, but they're the most visible ones.

This regime was headed towards fascism from the beginning. Now, 9/11 was actually an attempt to impose a fascist rule in the United States, and it did happen, to some degree, through Ashcroft, the Attorney General, where under the Patriot Act and similar measures, dictatorial measures, including the imprisonment measures in special cases, were introduced.

But they didn't succeed. We've now come to this election, now. And, at this point, the test is, if Bush is re-elected, then the fascist drive is fully on: It's on from Day One after the election. If Kerry's elected, then we're going to have a fight to prevent it from continuing.

Host: [Fitrakis] What does that mean, then, concretely, for African-Americans or poor people?

LaRouche: Look at the price of oil: That's probably the simplest way to take a reference point to bring a clear concept in a sea of confusion. The price of oil is now \$53 a barrel internationally, it dropped from \$55. It will probably go up, under present trends toward \$75 a barrel. And if there's a war in the Middle East, it'll probably go to \$100 a barrel.

Now, so far, that has not hit the American public as significantly as it might, because there's about a 60-day lag, between futures contracts and hitting the pump. But, about 60 days from now, we're going to get the full effect, of this \$50 a barrel, or higher, oil price internationally.

Now, there is no shortage of petroleum. The price of oil is not rising because there's a shortage of petroleum. Increasing the amount of petroleum produced and distributed will not lower the prices of petroleum. That's where the present administration is an idiot. The price of petroleum is being dictated by financial derivatives speculation in raw materials, in which petroleum is the leading raw material absorbed by this speculation. You watch the metals market; watch all hard commodity speculation.

The world is now organized in four groups: 1) the United States; 2) Europe; 3) Russia; 4) China. Russia and Europe are in a sort of partnership but rivalry, with the United States on control of the future of world raw materials. China, because of its massive purchasing power, is a major bidder for raw materials, one of the most successful bidders, as in Brazil, for example.

So therefore, what is happening, with all the other financial markets collapsing, including the housing bubble in the United States collapsing, the money is all going into investment in speculative investment in long-term holdings in raw materials. And that's why the price of oil is going up.

Now, this bubble is not sustained in any degree by production: that is, we're collapsing our industries, we're collapsing employment, so there is no real economic basis, physical economic basis, for this rise in prices. What we're headed for is a *general collapse of the entire international monetary system*. That's what we're facing.

And unless we change this, which can only be done by action which can be led by U.S. government, taking measures like Roosevelt took back in 1933, only with those measures *can* we bring this thing under control. Otherwise, we're looking at Hell.

Host: Mr. LaRouche, this is Wendy Huntley . I have a question about what your thoughts are on the key issues that are going to help decide this vote for the voters. Do you think there is a key issue? Or do you think that every person is going to be looking at different issues? Do you think there's something that all the voters are going to come down and say, "Really, I agree and disagree with both platforms, but on this particular issue, this is most important, and I'm voting for this candidate because of this reason"?

LaRouche: I'll give you an example of one that's crucial which is just breaking out now: the question of flu vaccine. The President made a real mistake, in the way he babbled in the third Presidential debate. Because he bragged about excluding drugs from Canada into the United States, and bragged in that connection, about preventing Canadian flu vaccine from coming into the United States, and has concealed the fact that it was his administration which orchestrated the case in which we have a shortage of flu vaccine.

Now, look at grocery stores and so forth, supermarkets around the country; look at people who are in their 70s and 80s, who are frightened, particularly people with illnesses, who are frightened; who are lining up in supermarkets hoping to get vaccines that aren't there.

This is one of the biggest issues. It is the most typical issue.

But, the economic issue in general, the scent, the smell, of the Nazi-like contempt of the Bush Administration for the American people, is strong.

On the other side, you have the fanatics, who are almost in the category of lunatics—and there are many of them—so-called religious and other right-wing fanatics: These guys want fascism, and they see the Bush Administration as the vehicle that'll bring it for them.

Therefore, you have a contest between those in society who see the danger—they're appalled by it. And then, on the other side, you see the fanatics, who want the worst possible result: A Bush dictatorship with wars all over the world.

Host: [Traylor] Well, Mr. LaRouche, we see that you're going to be in Columbus, Ohio on Tuesday Oct. 26, from 7 to 10 p.m.

LaRouche: I'm going to be on a webcast.

Host: On the webcast, yes sir, from 7 to 10. And that'll be at the Holiday Inn on the Lane, 328 West Lane Ave, the north side of the Horseshoe Campus.

Mr. LaRouche, we want to thank you, for taking time out of your morning and your busy schedule, to come on Front Street, just to bring up more information on why it is important for the voters to be engaged in this process, and don't give up, and don't let loose but continue to stay engaged, don't be intimidated.

LaRouche: Thanks Bob, and Charles and Wendy.

Feature:

The World Cannot Afford Re-Election Of Cheney-Bush **by Nancy Spannaus**

Speaking on an Ohio radio station on Oct. 19, Democratic political leader Lyndon LaRouche was asked what would happen if President George Bush and Vice- President Dick Cheney were re-elected. He minced no words: 'Well, I'll tell you, the day after Bush were elected, or within a matter of days, you would have a launching of a war against Iran, which would involve the whole area. There would be no limit to this: It would go on indefinitely, until somebody just stopped it.

LaRouche on Bush-Cheney Policy: More Could Die of Flu Than From 9/11 Attack

This leaflet was issued by LaRouche PAC on Oct. 18, under the title 'LaRouche: Bush/Cheney Could Cause More Americans To Die of the Flu Than Were Killed in the 9/11 Attack.'

Lawmakers, Experts Demand Federal Action

by Marcia Merry Baker

Within days of the Oct. 6 announcement of cancellation of half the 2004-05 anticipated flu vaccine doses, came the second part of the public-health crisis: inaction by the Federal authorities responsible. State and local governments, hospitals, Veterans Affairs facilities, and many other key institutions have been left to fend for themselves. In response, state, county, and Federal lawmakers, as well as health officials and other experts, are demanding Federal emergency coordination to deal with the 2004-05 influenza season. The following are some of the demands for action, and statements by experts of what ought to be done.

- **Timeline: Bush/Cheney Ignored Health Warnings**
- **The Bush Administration Officials Who Should Be Protecting Your Health**

Bush-Cheney Coverup of Iraqi Funds Rip-Off Exposed

by Jeffrey Steinberg

On Oct. 14, the International Advisory and Monitoring Board for Iraq (IAMB), the United Nations auditing agency established to monitor the finances of the Bush Administration's Iraq occupation regime, issued its final report, revealing a widespread pattern of coverup, mismanagement, and possible disappearance of billions of dollars in Iraqi money.

LaRouche Warns of Nazi Reactivation in Europe And the Americas

This press release was issued by EIR on Oct. 18.

Former U.S. Presidential pre-candidate Lyndon LaRouche, currently head of the LaRouche Political Action Committee, today issued an alert that the world has entered 'a new phase in the mobilization for fascist world government, which amplifies the significance of the already existing Italian, Spanish, and French elements of the Nazi International.'

The Growing Danger of Synarchism in Germany

by Claudio Celani

The electoral successes of extreme right-wing parties in the Sept. 19 state elections in Germany, with the right-wing nationalist German People's Union (Deutsche Volksunion, DVU) getting 6.1% in Brandenburg, and the openly pro-Nazi National Democratic Party of Germany (Nationaldemokratische Partei Deutschlands, NPD) surging to 9.2% in Saxony, should ring an alarm bell. Although it is not the first time that such parties have scored high percentages in local and state elections—the DVU holds seats in Brandenburg, while this is the first time the NPD has won seats since 1968—this occurs in a changed international and national context...

Strategic Studies:

Moths, Mice, and Men

by Lyndon H. LaRouche, Jr.

Oct. 13, 2004

The urgency of the following report is defined by the fact that I am relatively unique on this planet, currently, in my capacity to provide the following, crucially needed assessment of the most crucially determining features of present world situation. The essential nature of that evidence fully supporting my claims to relatively unique competence on this account, will be made sufficiently, if succinctly clear in the following, compact report.

Documentation NSSM 200: Kissinger's 1974 Plan for Genocide

This article, by Joseph Brewda, is reprinted from EIR, Dec. 8, 1995.

On Dec. 10, 1974, the U.S. National Security Council under Henry Kissinger completed a classified 200-page study, '*National Security Study Memorandum 200: Implications of Worldwide Population Growth for U.S. Security and Overseas Interests*.' The study falsely claimed that population growth in the so-called Lesser Developed Countries (LDCs) was a grave threat to U.S. national security.

Economics:

Ohio's Producer Economy Was Killed in 'Consumer America'

by Richard Freeman and Mary Jane Freeman

Today, Ohio is in the forefront of the U.S. Presidential election battleground states, and a primary battleground for the issue: What to do about the collapsed U.S. physical economy? Ohio today is one of America's poorest states, with the gateway city of Cleveland leading the nation with a 31.3% official poverty rate. Since the nation's mid-1960s turning point, identified by Lyndon LaRouche as the shift from the once most productive economy on Earth, to a consumer society—and underscored by the 1971 throwing overboard of the Bretton Woods fixed-exchange-rate system, and the spread of globalization—America's economy has spiralled downward into a junk heap.

LaRouche to Argentine Journalist:: Fight the IMF for Americas to Survive

[T]he full text of Lyndon LaRouche's telephone interview on Oct. 12, 2004 with Romina Manguel of Veintitres magazine, of Argentina. Clips from an earlier interview she had done with LaRouche were used in a movie documentary, 'Debt,' directed by the wellknown Argentine television personality and journalist Jorge Lanata. 'Debt' was released on Oct. 7, 2004, generating great interest in LaRouche in Argentina.

Germany's Opel Strike: Jobs Are Top Issue

by Rainer Apel

On Oct. 14, something happened that Germany has not seen in many years: The night shift of auto workers at the GM Opel plant in Bochum entered the plant as usual, but halted work, in protest against management's plans to cut 4,000 jobs there, and another 6,000 at other Opel plants in Germany. This sitin, or 'wild-cat' strike, with no orderly strike vote, was not related to wage-bargaining issues as such, but from the start, addressed the GM management's general investment and production strategy. It thereby hit a broader theme that has been addressed in three months of Monday protest rallies in up to 240 German cities: Jobs and production have to be at the top of the political agenda.

- **Zepp-LaRouche: Stop Economic Destruction!**

The following leaflet, '*Stop Economic Destruction in Germany! Revive the Stability Law of 1967!*' was issued by Helga Zepp-LaRouche on Oct. 18. She is the chairwoman of the Bu"So (Civil Rights Movement Solidarity).

International:

War-Torn Southwest Asia Needs Kerry-LaRouche

by Muriel Mirak-Weissbach

As Lyndon LaRouche has warned, if George W. Bush and Dick Cheney were to be re-elected on Nov. 2, that would mean more wars, beginning with a strike against Iran. This perception is now shared through Southwest Asia. In Egypt, for example, literally all press, whether government, opposition, liberal, conservative, Islamist, or whatever, have depicted a possible re-election as a nightmare.

NSSM200 Returns, Targets Africa's Raw Materials

by Dean Andromidas

Pointing to the ongoing mad drive by speculators into raw materials, senior European financial and intelligence sources see the return of the infamous 1974 population-control document, U.S. National Security Study Memorandum 200, as the hegemonic policy of the Anglo-American Synarchist oligarchy. Other players now being drawn into this policy are Western Europe, Russia, and China.

Myanmar Breaks Out of Imposed Containment

by Mike Billington

A series of developments over the past weeks regarding Myanmar's role in Asia, has further confirmed the warning issued by America's leading Myanmar (Burma) scholar. Dr. David Steinberg wrote a commentary in the March 11, 2004 issue of the Far Eastern Economic Review entitled: 'Burma: Who's Isolating Whom?' Steinberg concluded: 'The U.S. is engaged in a policy to isolate Burma. . . . It is in fact the U.S. that has isolated itself from Burma. And this can be counterproductive.'

Toward a True Dialogue of Cultures

by Chandrajit Yadav

Mr. Yadav is a former Union Minister of the government of India under Prime Minister Indira Gandhi. He is currently chairman of the Centre for Social Justice of India. He gave this speech to the Schiller Institute's conference near Wiesbaden, Germany on Sept. 25. For other conference speeches, see EIR, Oct. 8, 15, and 22.

National:

Republicans, Justice Dept. Gear Up to Steal Votes

by Edward Spannaus

In the wake of an unprecedented voter-registration drive conducted by civil rights organizations, local Democratic Party activists and others—on a scale not seen since the 1960s—Republican Party officials, in league with John Ashcroft's Justice Department, are stepping up their counter-campaign to intimidate potential voters and to suppress the vote among minorities on Nov. 2.

Kerry Gets Serious: Evokes FDR vs. Hoover

In a speech on Social Security in Wilkes-Barre, Pennsylvania on Oct. 19, Democratic Presidential candidate John Kerry constantly referred to the differences between Franklin Delano Roosevelt and Herbert Hoover, in laying out the choice between himself and George Bush. Referring to the visit of FDR to Pennsylvania 72 years ago, Kerry said that Roosevelt had come to discuss how we could restore America's prosperity and America's future. At that time, Kerry said, 'America was in the depths of the Great Depression.' Hoover, like Bush, Kerry said, had lost jobs on his watch. 'He failed to restore our economic prosperity—and so has George W. Bush.'

In Memoriam: Pierre Salinger and The Institution of the Presidency

by Nina Ogden

Pierre Salinger died in exile in France on Oct. 16 at the age of 79. Salinger, who was best known as President John F. Kennedy's Cabinet-level press secretary, died of a heart attack in Cavaillon Hospital in Provence. His wife, Nicole, said: 'We left the United States several years ago, after the election of George W. Bush. Pierre will be buried in the Arlington military cemetery where John F. Kennedy rests.'

Worldwide Commentary On Bush: 'He's Nuts'

On Sept. 27, the LaRouche PAC issued a mass leaflet, 'LaRouche: The Number One Issue in the Presidential Debates Is George W. Bush's Mental Illness.' This theme is now being picked up by analysts around the world. Here are some highlights.

Stolen Health Coverage Reinstated . . . for Now

by Katherine Notley

Effectively stolen health-care coverage for Medicaid enrollees in Mississippi and public sector workers in Kentucky has been reinstated—but only for now. In Mississippi, some 50,000 enrollees in the state Medicaid program for Poverty Level and Disabled (PLAD) have won their fight against Gov. Haley Barbour (R) not to be moved over to the Federal Medicare program, where their premiums and co-payments would have been prohibitively higher, and coverage for medications hopelessly inadequate. However, what they won essentially constitutes a 'stay of execution,' until the end of January.

Book Review:

Unfortunately, It's Not Just Kansas

by Harley Schlanger

What's the Matter With Kansas? How Conservatives Won the Heart of America

by Thomas Frank

New York: Henry Holt and Co., 2004

306 pages, hardbound, \$24.00

My faith plays a big part in my life. . . . I pray a lot. . . . And my faith is a very, it's very personal. . . . I love the fact that people pray for me and my family all around the country. Somebody asked me how I know? I said I just feel it.

—George Bush, in the third Bush-Kerry debate, Oct. 13, 2004

The deafness of the conservative rank and file to the patent insincerity of their leaders is one of the true cultural marvels of the Great Backlash.

—Thomas Frank, *What's the Matter with Kansas?*

A satirist might dismiss the above quote from President George Bush with the quip that, since he took office in January 2001, a growing number of Americans have turned to prayer!...

U.S. Economic/Financial News

Mayors: Cities Are Engines of U.S. Economy

The U.S. Conference of Mayors issued a report Oct. 15, entitled, "The Role of Metro Areas in the U.S. Economy," which highlights the importance of urban areas as the "engines" that drive the economy, and identifies the nation's metropolitan areas as the "key drivers" of the U.S. economy. "It's the 318 metro economies—made up of cities—that are the strength of this nation," stated Tom Cochran, USCM Executive Director.

The report, prepared by Global Insight, points out that, "metro areas" are transportation hubs for exporting U.S. goods, with transportation infrastructure linking non-urban areas to overseas and lowering transportation costs. Because of infrastructure and skilled labor, urban centers are "at the core of new industry development," making them "crucial for the rise of innovation and invention." Developing a new industry in a metro area provides many benefits to the economy, such as "technology transfers" between companies, a process that accelerates the rate of innovation, growth and expansion of the economy.

As a result of these factors, "metro areas are often at the center of the development of many new technologies ... and play a major role in shaping the future economic direction of the U.S. economy."

Metropolitan areas in 2003 accounted for 85.4% of the nation's GDP; output from the 10 largest metros was greater than the combined gross state product of the 31 smallest states.

U.S. States Continue To Bleed More Jobs

Michigan lost another 15,000 jobs in September, as manufacturing hemorrhaged 6,000 jobs, the *Detroit News* reported Oct. 21. In the past year, payrolls have dropped by 53,000, according to the state Department of Labor & Economic Growth. Meanwhile, North Carolina lost 5,600 jobs in September, according to the state Employment Security Commission.

More Families Spending More Than 30% for Housing

Due to an inflating bubble in housing prices, as real incomes are falling, more and more families are struggling to pay for rising rents or mortgage payments, and still meet other basic needs—placing them in danger of being evicted or foreclosed on, the *Baltimore Sun* reported Oct. 17. In Baltimore, nearly one-fourth of all renters paid a whopping 50% or more of

their income on rent. Plus, there has been a sharp rise in the number of Baltimore families whose housing costs exceed 30% or more of their income on housing costs—the maximum amount considered affordable; up from 46% in 2002 to 58% last year for homeowners, and from 39% to 47% for renters. Nationally, the share increased to 47% for renters, and to 42% for homeowners.

U.S. Airlines Report Huge Third-Quarter Losses

Three of the top U.S. airlines reported extensive losses in the third quarter of 2004, despite draconian austerity measures. American Airlines reported a net loss of \$214 million in the third quarter, down from a \$1-million profit a year ago, and warned that its loss in the fourth quarter would be "significantly larger." In addition, it threatened another round of layoffs and announced fleet reductions. Delta said its third-quarter loss had nearly quadrupled, from \$164 million to \$646 million, seeking to slash \$1 billion more in wages and benefits from its pilots. Northwest posted a net loss of \$46 million in the third quarter, down from its net profit of \$42 million a year ago.

GM and Ford Will Not Survive as Bankers, Says Bloomberg

In its third quarter, General Motor's profit came entirely from its financing arm, while it lost money making vehicles. GM's profit of \$440 million was due to the \$656 million its General Motors Acceptance Corp. (GMAC) unit made in lending money to vehicle buyers. This is the seventh consecutive quarter GM has made more money from lending than manufacturing. Ford, which will soon report third-quarter results, got \$897 million of its \$1.2 billion profits in the second quarter from financing car and truck purchases.

Both companies are losing money in their European manufacturing activities, and Standard & Poor now rates GM just above junk bond status. GMAC (and apparently Ford Credit) have also gotten into the mortgage-lending business. Both automakers are also having pension problems, with GM borrowing \$13.5 billion in 2003 to fund its pension plan. If they are to survive, David Pauly of Bloomberg wrote Oct. 15, GM and Ford have to figure out how to make money from manufacturing: "They can't survive in their current state," he concluded.

World Economic News

Indian PM Calls for 'Arc of Advantage' Integrated Market

Speaking at the third ASEAN-India business summit at New Delhi, Indian Prime Minister Manmohan Singh on Oct. 19 proposed the formation of an "arc of advantage" that would group ASEAN, China, Japan, Korea, and India to form an Asian Economic Community. "Such a community would release enormous energies. One is captivated by the vision of an integrated market spanning the distance from the Himalayas to the Pacific Ocean, linked by efficient roads, railroads, air and shipping services. It would account for half the world's population, and it would hold foreign exchange reserves exceeding those of the EU and North American Free Trade Agreement (NAFTA) put together."

He went on to say that India had adopted a "Look East" policy because it believed the vision of an "Asian century."

Meanwhile, in Hanoi, Indian External Affairs Minister K. Natwar Singh told the Indian news daily *The Hindu*, that the upcoming Oct. 21 meeting of the Foreign Ministers of India, China, and Russia could help fashion a "common vision" on the whole gamut of issues concerning Asia. The foreign ministers will meet at Alma Ata in Kazakhstan.

Blair's New Labour Turns to U.S.-Style Mega-Casinos

A new bill, introduced to the British Parliament Oct. 18, is the first "reform" of gambling in Britain since the 1960s. The government wants the new regulations to be implemented by next spring, but there is a lot of opposition to the bill, so it is by no means sure that it will be passed in time for the national elections now likely to take place by May 2005.

The bill would allow casinos to be open 24 hours a day; they would no longer have to be built in restricted areas; current restrictions requiring a 24-hour "joining period" in a casino would be dropped; the biggest casinos would be allowed to give unlimited jackpots; and the casinos would be allowed to advertise. New Labour is offering the sop that there will be stronger policing of gambling under the new law.

The gambling "industry" thinks its revenue could rise by 3 billion pounds a year under the new legislation, reported the *Independent* Oct. 19. The government said in the legislation that it expects expenditure on gambling to rise by 40-45% by the end of the decade, to 12.5 billion pounds. Britain already has 131 casinos, second only to France in Europe.

The crucial issue is that some of the new "regional casinos" will be built in run-down inner cities. The predicted rise in expenditure to 12.5 billion pounds a year would of course be taxable.

The *Times* reported that a Labour Party memo told MPs that many of the new casinos would be opened in such cities as Birmingham, Northampton, Sunderland, Nottingham, and Margate, and would bring "jobs, investment, and regeneration opportunities" to these places, to the "benefit" of Labour MPs.

The memo stated that "Parliamentary Labour Party members should bear in mind that some of the towns and cities that want to use a casino as part of a broader leisure, tourism, and regeneration strategy are key Labour seats."

Chinese Automaker Plans Assembly Line in Malaysia

The Hong-Kong-based Chery Automobile Company announced on Oct. 18 that it plans to assemble cars in Malaysia for the expanding Chinese auto industry, the *New York Times* reported Oct. 19. Chery is based in Wuhu, Anhui Province, in eastern China, and is owned by the provincial government.

The move is likely to generate fresh controversy about Chinese protection of intellectual property. Chery has been at the center of disputes with General Motors and Volkswagen over whether it has copied their vehicle designs, which accusations Chery has repeatedly denied.

GM responded within hours to news of Chery's Malaysian plans by saying that it would fight to prevent violations of its intellectual property rights wherever they might occur.

The Alado Corporation, a closely held company with links to BSA International, a Malaysian manufacturer of alloy wheels, announced in a statement on Oct. 18 that it would first import and later assemble the Chery QQ subcompact car and the Chery B14 minivan in partnership with Chery. The vehicles are to be sold in Malaysia and distributed across Southeast Asia.

United States News Digest

Generals Wanted To Use Iraqi Army To Rebuild Country

The decision to disband the Iraqi Army is the subject of the third and final installment Oct. 21 of a *New York Times* intervention to defeat President Bush, using his Administration's failure in Iraq. The Oct. 21 article makes clear that the uniformed U.S. military was counting on using the Iraqi Army to help rebuild the country and control its borders. And the plan was understood in Washington when, in March 2003, Under Secretary of Defense Douglas Feith briefed the National Security Council, with President Bush attending. The plan, developed by Gen. Jay Garner, involved removing top Ba'athists, and using the rest as a kind of FDR-era Civilian Conservation Corps. "Top commanders were meeting secretly with former Iraqi officers to discuss the best way to rebuild the force ... when Mr. [Paul] Bremer arrived in Baghdad with his plan" to dissolve the force, throwing 350,000 soldiers into unemployment, thereby stoking the insurgency.

Bremer, while still in Washington, justified his plan as the way to assure Iraqis that the U.S. would take de-Ba'athification all the way. Only *after* the order to abolish the army was issued, did the occupation authority discover that important Ba'athists did not appear in large numbers below the rank of major general. "Even then, only 50% of those officers were affected." That was what a former Iraqi officer, Faris Naima, had told the U.S. military, with which he had been working to put the Iraqi Army to good use, before Bremer came along.

The order to dissolve the army was issued May 23. Bremer had arrived in Iraq only days before, on May 12.

EIR has been advised that the decision to disband the Iraqi Army was made in a meeting attended by Paul Wolfowitz, Doug Feith, Stephen Cambone, William Luti, and Walter Slocombe.

Bush Administration Stalls on Gitmo Lawyers

In the nearly four months since the U.S. Supreme Court ruled that prisoners at Guantanamo Bay, Cuba must have access to lawyers and to the Federal courts, the Justice Department and the Pentagon have blocked implementation of the ruling at every step, and has acted as if the Supreme Court had never said anything at all. "The government is coming up with more and more excuses, and changing the rules on a daily basis," said one defense lawyer.

In one of the cases pending in Federal court involving 12 Kuwaiti prisoners, attorney Tom Wilner complained to the court that the government has stonewalled, violated the court's orders, and is now in contempt of court.

On Oct. 20, the judge hearing the case, Colleen Kollar-Kotelly, issued what is called a "scolding" opinion, ordering the government to give the prisoners speedy access to their attorneys, and barring the government from monitoring the discussions between prisoners and their lawyers. The judge said that the Supreme Court's ruling means that all Guantanamo prisoners must have access to U.S. lawyers, and the right to challenge their imprisonment in U.S. Federal courts—a position which the DOJ and DOD have fought, even after the Supreme Court's June ruling.

Sinclair's Kerry-Basher Is a Moonie Hack

Carlton Sherwood, who produced the anti-Kerry video that aired, in part, on Sinclair Broadcast Group network television stations before the election, is the author of a book-length apology for the sexual pervert the Rev. Sun Myung Moon. Sherwood's 1980s book, *Inquisition: The Prosecution and Persecution of the Reverend Sun Myung Moon*, was an *apologia* for Moon's 13-month prison sentence on a 1982 conviction for tax-law violation.

Sherwood's current piece of propaganda, a 45-minute documentary film targetting Kerry—*Stolen Honor: Wounds That Never Heal*—is widely recognized as the standard format for Congress for Cultural Freedom propagandistic "documentary" films.

An equal-time complaint filed by the Kerry campaign with the Federal Election Commission, and a revolt among a group of shareholders, forced Sinclair Group to announce on Oct. 19 a change of its plans to show the 42-minute propaganda piece in full. Instead, the company announced it would use excerpts from the film as part of an hour-long "news" program examining how politically charged documentaries seek to influence voters.

The shareholder protest included New York State Comptroller Alan G. Hevesi, the trustee of the state's retirement fund, which owns more than 250,000 shares of Sinclair stock. Burger King also announced it would pull all its commercials from Sinclair stations on the date of the broadcast, as part of a policy of election neutrality.

Army Recruitment Misses Goal

U.S. Army recruitment was 30% short of its goal of signing up 7,274 new recruits for the first 30-day period of the new recruitment year. In the same period last year, the Army came up 25% short. Recruitment for the Army Reserve, which the Pentagon has relied upon heavily in Iraq and Afghanistan, fell 45% below the target. The Army recently bumped up the amount it will pay toward enlistees' college tuition by 50%, to \$75,000, and increased cash bonuses to \$15,000 or more for those with certain skills.

Michigan Republican Endorses Kerry

Former Republican Michigan Governor William Milliken formally endorsed Democratic Presidential candidate John Kerry Oct. 18, saying that "it wasn't a difficult decision to make," according to the *Traverse City Record-Eagle*.

"My Republican Party," Milliken said repeatedly, stands for fiscal responsibility, bipartisan foreign policy, conservation of natural resources, civil liberties, protection from the dangers of the military-industrial complex, protection of the law-enforcement community, support of basic research, unity of the American people, and the separation of church and state. "The truth is that President George W. Bush does not speak for me or for many other moderate Republicans on a very broad cross-section of issues."

"Senator John Kerry, on the other hand, has put forth a coherent, responsible platform of progressive initiatives that I believe would serve this country well."

Medical Workers Draft Mooted

A confidential report regarding plans for a draft of medical workers was leaked to the Oct. 19 *New York Times*, and is the subject of Bush campaign attacks on Kerry.

The Selective Service was required by law in 1987 to develop a plan for a draft of health-care professionals needed in the armed forces. This past summer, a private company was hired by the agency to characterize how such a draft might work, and how to get the public and the professional communities to comply. According to Richard S. Flahavan, spokesman for the Selective Service System, "We have been routinely updating the entire plan for a health care draft. The plan is on the shelf and will remain there unless Congress and the President decide it's needed and direct us to carry it out."

Intelligence Reorganization Bill Unlikely Before Election

The Senate and House of Representatives are unlikely to be able to work out a compromise intelligence reorganization bill which could be passed and signed before the Nov. 2 election, according to a reading that *EIR* has gotten from a number of sources. Some have indicated that the White House and the House Republican leadership are both prepared to have the bill

stalled for the time being, and will then blame Democrats and other opponents of the House's police-state tactics for the failure to get a bill passed.

According to various press accounts, the final versions of both the House and the Senate bills (which differ in significant respects) were only completed and printed up over the Oct. 16-17 weekend. The conference committee (of negotiators appointed by both houses) was to meet on Oct. 21 for the first time, following what were reportedly some informal staff meetings the previous week. Senate Majority Leader Bill Frist (R-Tenn) said on CNN on Oct. 17, that the differences between the House and Senate versions will be resolved "over the next several weeks"—which means after the elections.

For the reasons Lyndon LaRouche has identified—that any reorganization bill of the type being now being considered will only make things worse—the failure of efforts to ram the bills through before the elections, is something to be welcomed.

Houston *Chronicle* Endorses DeLay Opponent

The *Houston Chronicle* endorsed Democrat Richard Morrison for Congress Oct. 17, describing him as one "who promises to place the district's interests above grasping partisan power," an obvious, and truthful reference to the incumbent representative in District 22, House Majority Leader Tom DeLay. At the heart of its argument for booting DeLay is the pattern of citations and admonishments against him, for such charges as "indifference to the rules," and "giving the appearance of wrongdoing" in his role as Republican Leader of the House. While the editorial's language is neither particularly sharp nor forceful, it represents a shift for the *Chronicle*, as its editors have endorsed DeLay in past campaigns.

Appeals Court: 9/11 Didn't Suspend Civil Liberties

The generally conservative 11th Circuit Court of Appeals in Atlanta said that forcing demonstrators to pass through a metal detector violates the U.S. Constitution, and cannot be justified by a generalized fear of terrorism after the 9/11 attacks, absent some reason to believe that international terrorists would target or infiltrate the protest, the *Baltimore Sun* reported Oct. 17.

"We cannot simply suspend or restrict civil liberties until the War on Terror is over, because the War on Terror is unlikely ever to be truly over," the opinion said. "Sept. 11, 2001, already a day of immeasurable tragedy, cannot be the day liberty perished in this country."

Michael Greenberger, a law professor at the University of Maryland, said the appeals court ruling could have broader implications, if it is used to challenge aspects of the Patriot Act. He said that it is surprising, coming from the conservative-leaning 11th Circuit, but he said the opinion was "very well reasoned" and reflected "conventional application of constitutional principles."

Levin Blasts Cheney, Feith on Phony al-Qaeda Reports

In a 46-page report issued in his name as "Ranking Member of Senate Armed Services Committee," and released on Oct. 21, Democratic Sen. Carl Levin of Michigan called for "corrective legislation" that would strengthen Congressional oversight, and prevent the creation of an "alternative" intelligence agency, such as the one that was created by neo-conservative Assistant Secretary of Defense Douglas Feith, a radical Likudnik.

Levin's report says, "Life-and-death decisions are based on the accuracy of intelligence. When intelligence is distorted or exaggerated to support the policies of an administration, it jeopardizes our nation's security and the lives of the men and

women of our armed forces. This report ... demonstrates how intelligence relating to the Iraq/al-Qaeda relationship was manipulated by high-ranking officials in the DOD to support the administration's decision to invade Iraq when the intelligence assessments of the professional analysts of the Intelligence Community did not provide the desired compelling case."

But, the impact of the report is aimed less at legislation, and more at exposing the truth about the Bush Administration's secret intelligence operations that led the U.S. into war with Iraq, and inserted fabricated, unsubstantiated, and untraceable raw reports into the intelligence product of the U.S., and into the major speeches delivered by George W. Bush and Dick Cheney leading up to the Iraq war.

On Cheney, the report accuses the Vice President of following the information about Iraq/al-Qaeda provided by Feith, more than the professional assessments of the intelligence community. It also finds him culpable for both "implicitly" condoning the leak of the "highly classified" Feith report on al-Qaeda to the neo-con *Weekly Standard*, and for "explicitly" praising this Feith pack of lies as "the best possible source of information" on al-Qaeda.

Ibero-American News Digest

LaRouche Video-Conference with Argentine Students Nov. 11

The LaRouche Youth Movement in Argentina announced this week that *EIR* founder Lyndon H. LaRouche, Jr. will hold a video-conference on Nov. 11 with students at the campuses of the National Technological University in the city of Rosario, and the national capital, Buenos Aires. Students at both campuses will be able to engage in a dialogue with LaRouche. LaRouche's address is titled: "The Issue Is the Sovereign States of the Americas."

Others around the world can watch the video conference on the Internet, as it will be broadcast simultaneously, in both English and Spanish, on the www.larouchepub.com and www.larouchepac.com sites.

IMF Forces Argentina To Farm for Export

Argentines ate better in 1965 than they do today, and responsibility for that lies at the doorstep of the IMF.

The IMF policy imposed on the country since the mid-1970s had already, by the mid-1980s, forced changes in food consumption patterns, especially among the poor. High-quality animal protein, fruits, vegetables, and dairy were increasingly replaced by pasta and bread, although the former were still present in the diet.

Over the past decade, however, Argentina's food-producing capabilities were systematically destroyed, replaced by large-scale soy production for export. While rice, corn, wheat, and sunflower production declined in significant percentages between the 1996-97 and 2001-02 harvests, soy production increased by 75%. Lands traditionally used for cattle grazing and beef production declined, to make way to soy production for export. By 2003, soy represented more than 50% of the 70-million-ton harvest, becoming the country's most important agricultural product.

As poverty increased over the 1990s, the nutritious diet traditionally consumed in Argentina was also destroyed. Foreign multinationals, such as Monsanto, did their part, running campaigns promoting consumption of an almost exclusively soy-based diet, instead of animal protein (beef, dairy, eggs). At the beginning of 2003, per-capita beef consumption had fallen to 51 kg annually (about 110 lbs), compared to 61.4 in March 2002—a decline of 10 kg in one year!

In a July 20, 2003 article published by the Argentine daily *Clarín*, agronomist Walter Alberto Pengue placed the blame squarely on the imposition of the free-market and privatization process under IMF dictates. Those policies weakened state-run regulatory technical agencies and led to unbridled growth "of a few crops of interest only to foreign markets," reducing Argentina to a deindustrialized raw-materials producer, he charged.

Thus, over the past decade, pork production declined by 37.2%. The number of pig breeders dropped from 6,000 to 1,200, and idle capacity in pig slaughterhouses reached 70%. The picture is the same for dairy farming. Between 1996 and 2000, the number of dairy farms in the country declined by 27.3%; between 1999 and 2002, milk production dropped from 10 billion liters annually to 8 billion.

'You Can't Starve People To Pay the Debt'

So said Eduardo Miras, Archbishop of Rosario and president of Argentina's Episcopal Conference. In statements made Oct. 6, he said that the debt has to be paid, but not by killing people; not if it means that people don't eat for five years. "Who of us at this stage of life doubts that the interest charged us is absolutely usurious?" Always outspoken on the debt, Msgr. Miras also said that sovereignty "isn't just a matter of stopping them from stealing an island, or a piece of our territory, but also not allowing them to impose ways of governing on us." The people have to be governed by their democratically elected leaders, and thus they must also think carefully about whom they elect.

Argentina's Nuclear Medicine Is Still World-Class

Argentina is the only Ibero-American producer of nuclear-medical technology to treat cancer, which it has already exported through agreements with Brazil, Bolivia, Egypt, Syria, India, and Colombia. In March 2005, it is scheduled to begin export of the first of 18 nuclear radiology centers to Venezuela, the largest such agreement in its history, worth \$100 million. This state-of-the-art technology is expected to cover 90% of Venezuela's cancer-treatment needs.

It is precisely this kind of scientific achievement the financier forces behind the IMF seek to destroy in Argentina. The radiology centers are designed and built by the state-owned company Invap, which is known internationally for the nuclear reactors it has built and exported to several nations for research purposes. As part of its policy of strengthening the role of state-owned companies, the Kirchner government has particularly encouraged Invap's overseas agreements. The company is also building radar systems for the country's Air Force, and has many other impressive achievements in related fields.

Budget Cuts Compromise Kirchner's Security

A security incident with Argentine President Nestor Kirchner's "Tango 01" airplane has rattled the government. On Oct. 19, with Kirchner and two other cabinet ministers onboard, an explosion occurred in one of the Boeing 757's engines shortly after takeoff, and a turbine caught fire, making it necessary for the aircraft to make an emergency landing. Initial press reports charged that, due to delays in the bidding process for the maintenance contract, the plane was long overdue for an extensive "C"-level maintenance check, usually requiring 60 days. In fact, it had been deemed unfit for any travel outside the country.

A full investigation of the incident is underway. It has also come to light that other aspects of the Argentine President's security have not been fully funded, due to budgetary problems.

Criminal 'Maras' Gangs Menace Western Hemisphere

Emergency law enforcement meetings are being held across North and Central America, as governments attempt to

respond to the spread of the "*maras*": the tens of thousands of youths in organized-crime-run gangs.

The origin, extent, and bestiality of the *maras* provides a hideous picture of a New Dark Age: it is a presage—so far, "only" in the hundreds of thousands—of what Lyndon LaRouche has warned will become tens of millions of homeless people migrating from place to place across the globe, in search of a life, where there is none to be had, if global policies are not changed.

Largely made up of poor youth, these gangs moving back and forth across borders from Panama to the United States, have become a leading armed branch of the drug trade. They work for migrant-labor traffickers and terrorize, maim, or kill any immigrant who gives them trouble. Distinguished by hideous tattoos, and using satanic hand-signals as part of their cult formations, these youth have become so dehumanized that they have adopted beheadings as a means of reprisal.

By April 2004, the Mexican Government Ministry's Under Secretary of Immigration and Religious Affairs, Armando Salinas Torres, recognized publicly that the *maras* have become a matter of "national security" for Mexico. Over the course of 2004, Mexican authorities carried out raids against these gangs in states covering virtually the entirety of Mexico: from Chiapas and Oaxaca along Mexico's southern border with Guatemala; to the states of Mexico, Puebla, Hidalgo, and Veracruz in the center of the country; to Tamualipas, Coahuila, and San Luis Potosi, along Mexico's northern border with the United States.

And beyond Mexico:

* Saul Elizar Hernandez, the Salvadoran police official who currently heads Interpol's Central American office, told the General Assembly of Interpol in early October that, more than terrorists, the *maras* are the threat to the region, and they are growing at an "alarming" rate.

* On Oct. 13, Mexico's Secretary of Government Santiago Creel met with the Guatemalan Ministers of Defense and Interior, to discuss a "joint operation" to deal with the "maras." The officials stressed the need for an "integral approach" (i.e., not just law-enforcement methods) to this phenomenon, which they called a product of "social inequality."

* In mid-October, Salvadoran police chief Ricardo Meneses Orellana visited Santa Ana, California, to set up an information exchange program between Salvadoran and Californian law enforcement officials on these cross-border gangs.

* Virginia's (infamous) Congressman Frank Wolf is giving big publicity to the growing (real) threat which the *maras* have become on the U.S. Eastern Seaboard. The FBI's gang task force has been meeting with local officials in Virginia, North Carolina, and other Eastern states.

Bolivian Government Again Faces Mass Protests

Tens of thousands of Bolivians poured into the capital city of La Paz on Oct. 18, demanding the nationalization of the nation's oil and gas resources, and the defeat of President Carlos Mesa's proposed Hydrocarbons Law, which would impose a more gradual approach to regaining state control over this resource, which is key for Bolivia's national development. (For their part, the oil and gas companies operating in Bolivia have declared even Mesa's more cautious bill unacceptable, and are threatening to pull out of Bolivia, if any of their existing, highly lucrative contracts are changed in any way.)

The marchers included the Bolivian Workers Federation (COB), miners, farmers, students and teachers, coca growers, artisans, and Indian activists. They surrounded the Congress, demanding to meet with legislators, and threatening to block

highways and other actions until their demands are met.

Among the miners were some who carried sticks of dynamite in their hands, while a column of the *cocaleros* (coca-grower "activists") were led by former Congressman and terrorist provocateur Felipe Quispe.

The marchers were also demanding the conviction and jailing of former President Sanchez de Lozada and his ministers, for corruption and betrayal of national interests. The marchers are giving the Mesa government 90 days to nationalize the nation's reserves of hydrocarbons and to jail Sanchez de Lozada.

Cocaleros Revolt in Peru's Puno Region

A state of emergency was declared in part of the department of Puno, Peru on Oct. 20, following the deaths of three people, and wounding of more than a dozen others, in a clash between police and some 800 *cocaleros* who attempting to seized the San Gabon hydroelectric plant. The plant supplies electricity to Puno, the department's capital and home to 100,000 people. The 800 were a contingent of the 2,000-plus *cocaleros* who began a mass protest, after federal authorities began destroying over 7,400 acres of coca crops and 10 coca-paste laboratories recently discovered in the area, which borders Bolivia. The *cocalero* uprising—which included dousing a policeman with kerosene, an effort to burn him alive which was stopped in time—was backed by the Mayor of San Gabon, who is now threatening more radical action.

The government of President Toledo charges, with good reason, that the drug-traffickers instigated the revolt.

Living conditions in Puno, however, are unbearable. The same day the revolt occurred, the United Nations World Food Program (WFP) issued an urgent request for more money for its emergency food supply program for the south of Puno, where people are receiving only half of their daily food needs, after the worst winter in three decades destroyed the bulk of the area's cereal crops and many animals. Even before this winter's weather, a 2003 WFP study found that up to 91% of the children under age 5 in Puno suffered from malnutrition.

Western European News Digest

'Power of Nightmares': Brits Discover Role of Straussians

The Oct. 15 London *Guardian* ran a preview of a three-part TV documentary, "The Power of Nightmares—The Rise of Politics of Fear," which began to air on Oct. 20. The series presents a detailed analysis of all the terror hype issued by the Blair government, since that November 2002 announcement by Home Secretary Blunkett that "terrorists" were threatening London with a "dirty nuclear bomb."

According to the preview, the documentary dissects the myth of al-Qaeda as an allegedly tightly organized international terror network with a clear common structure, disclosing it as total fantasy, not corresponding to reality.

The documentary also looks at the 664 "terrorist suspects" arrested in Britain after Sept. 11, 2001, showing that only 17 of them have proven to be involved in acts of terrorism, with two-thirds of these being members of the IRA and Sikh terrorist groups, and among the few Arabs arrested, there is not even one with a proven relationship to al-Qaeda.

Producer Adam Curtis told the *Guardian* that the more he researched the issue, the more he began to understand that the "politics of fear" goes back to ideology, namely to University of Chicago Prof. Leo Strauss, who wrote that the use of myths (what the Straussians call the "noble lie") is a decisive instrument of politics. Strauss does have disciples, like

Deputy Secretary of Defense Paul Wolfowitz, and there is a whole network of Straussians who played a decisive role during the Cold War period, Curtis said. After the collapse of the Soviet Union, the Straussians made their former allies, the Islamic fighters in the anti-Soviet Afghanistan war, their new "arch-enemy," and today, the Straussians are more influential than ever before, if one looks at the more recent evolution of this network, which has existed for 50 years.

Lyndon LaRouche's political movement, through publications like *EIR*, was the first to expose the role of the Straussians in shaping the policies of the current Bush Administration.

LYM Saxony Intervention Reflected in Opening of Parliament

The president of the Saxon State Parliament, 71-year-old Social Democrat Cornelius Weiss, began his speech to the Parliamentary session Oct. 19, with a quote from the Classic German poem "Thoughts are free" ("*Die Gedanken sind frei*"). He said that "Thoughts are free.... The free mind is stronger than all the anti-democrats." This was aimed against the 12 members of the right-wing radical NPD in the newly elected parliament of this eastern German state.

As Weiss spoke, the LaRouche Youth Movement, taking part in the anti-NPD protest rally outside the Parliament building, sang the very same poem in its musical version, which was prominently performed in the recently ended Saxon election campaign.

A very direct reflection of the impact of the LYM/BueSo (the Civil Rights Solidarity Movement party, led by Helga Zepp LaRouche) can be seen in Zwickau, where the local television station on its news program is running a film clip showing posters and scenes from the BueSo Saxony campaign, with the commentary that "the BueSo keeps continuing the Monday rallies"—initiated by the BueSo in July, and spreading to include hundreds of thousands of demonstrators across Germany and beyond.

GM-Opel Strikes May Spark Volkswagen Protests

Inspired by the GM-Opel workers in Bochum, Germany, Volkswagen workers may stage strikes soon. The ongoing talks between VW management and its labor union on a plan for brutal cost-cutting by 30% by 2011, and cuts in the range of 2 billion euros between now and 2011, are likely to fail.

The impact of the Opel strike on Volkswagen workers, who also had delegations taking part in the Bochum rally on Oct. 19, is that there is a certain red line that must not be crossed, in the talks. Therefore, it cannot be ruled out that the talks will fail on Oct. 28, which implies that warning strikes can start right away, and preparations for a strike vote can be made. Nor can it be ruled out that VW workers will stage wildcat strikes, following the Bochum example.

Volkswagen, the biggest car-maker in Europe, has six plants in Germany, with 103,000 workers. In recent months, the company has cancelled numerous contracts with supply firms, to drive down the prices for parts produced, as part of its plan to cut expenses by 2 billion euros over the next seven years.

In this context, it is also reported that a delegation of 35 Porsche workers who went to Bochum by bus for the rally Oct. 19, were remoralized for coming fights in defense of jobs and pay. The experience gained in the seven-day wildcat Bochum strike is "of immeasurable value," one of the Porsche workers is quoted as saying. Porsche managers have also announced cuts.

'Shock Therapy' Being Prepared for France

Several months ago, Nicolas Sarkozy, the newly named French Economics and Finance Minister, created a commission to determine the state of the French economy, and after naming former IMF head Michel Camdessus to lead it, gave him 100 days to issue a report. The report, just released, and excerpted in the French press, is a rehash of the demands made by IMF chief Rodrigo Rato, when he was in France in early July, to impose drastic austerity: that France has to get more people working, but at a lower minimum wage. Camdessus's report states that if things continue in the present direction, the French economy will decline to a growth level of 1.75 by the year 2015.

Camdessus does identify one of the main problems of the French economy, but without stating that this problem is the result of 30 years of neo-liberalism. The working part of the population has dwindled over the last 30 years—youth unemployment is 24%, and the unemployment of those age 50-60 is 36%!

In terms of financial policy, Camdessus proposes that budget surpluses be used for reducing national debt, and that the level of state spending be brought down from the present 56.3% to under 50%. State administrations must be reduced, by replacing only one out of two persons retiring. Among the possible savings proposed by this supranational bureaucrat, is that of "reducing the number of (administrative) echelons between the European Union and the communal level, starting by (eliminating) the state services!" The document also calls for reorienting toward an "economy of knowledge," with research and development at the center. Camdessus proposes privatization of higher learning, something unknown in France till now.

Finally, the document proposes an "internal stability pact," modelled on Europe's stability pact where "local communities and social organisms would collaborate, with Brussels, towards the financial stability pact." So far, three of the four main unions have rejected those policies strongly. The parts of the report which propose harsher sanctions against the unemployed have been inspired by a report authored by a certain Thierry Marimbert, who was inspired by Germany's Hartz IV austerity program.

EC Promotes 'Liberalization' of Water Supply

At the annual gathering of the German association of gas and water suppliers (BGW) in Berlin, a representative of the European Commission (EC), Alexander Gee, announced that the EC will soon issue a new report that will demand a further liberalization (i.e., privatization) of the European water supply, the *Frankfurter Allgemeine Zeitung* reported Oct. 9. One of the topics is to declare long-term contracts between industrial corporations and water suppliers illegal! Even more outrageous is the plan by the European Commission to force every municipality to compete for trade licenses for its water supply and waste water management. Such licenses would be handed out following open bids in which the municipality would no longer be allowed to prefer a public supplier firm.

Peter Rebohle, vice president of BGW, flatly rejected the new efforts by the EC as an expression of "liberalization fetishism."

Russia and the CIS News Digest

Sino-Russian Agreements on Border, Oil Supplies

China and Russia finalized the delimitation of their 4,370-km border on Oct. 14, during President Vladimir Putin's visit to Beijing. The agreement ended a 40-year process of resolving all boundary disputes between the two nations. In 1969, those disputes led to a short but nasty border war between China and the Soviet Union. Now, the Chinese side has made concessions regarding ownership of islands in the Amur River. At the same time, China has received promises of a better supply of Russian oil and gas. Putin said, "We have found a solution to the border issue, which allows us to have closer

cooperation with regard to development of natural resources, environmental protection, and economic issues."

The two sides also signed a protocol on the completion of talks on getting Russia into the World Trade Organization and a Russian-Chinese Action Plan for 2005-08. But the major issue of the route of East Siberian oil pipelines—whether a new pipeline will go directly to China, or to Russian ports to supply Japan and Korea—was not resolved, being entangled in Russian internal disputes over the status of Yukos Oil company and policy on natural resource exploitation in general. On Oct. 21, Russian railways chief Gennadi Fadeyev said that the increase of Russian oil supplies to China, to the level of 30 million tons per year, would be delivered by rail. Lowered freight rates for oil would make this more efficient than a pipeline, Fadeyev claimed, stating that it would be unreasonable to invest \$12 billion in building an oil pipeline to China and wait eight to ten years for returns.

Putin completed the three-day visit on Oct. 16, by meeting with leaders of five northwest Chinese provinces and regions. He called for Russian local governments and businesses to participate in developing China's west, which will promote the development of the Eurasian continent in various fields, *Xinhua* reported Oct. 16. Putin said that Russia has a rich experience, advanced technology, and quality personnel in oil and mineral exploration and delivery. He also said that Russian machinery and equipment businesses should bid for China's big projects like Qinghai-Tibet Railway, hydropower stations in Sichuan and Yunnan, and natural-gas projects in western regions. China's western region is a habitat of China's established science and industry bases, making it possible for Russia and China to cooperate in high-tech and personnel training, Putin said.

'Strategic Triangle' Ministers Meet

The Foreign Ministers of Russia, China, and India met in Almaty, Kazakhstan Oct. 21, on the eve of the Conference on Interaction and Confidence Building Measures in Asia (CICA). The Foreign Ministers of 16 nations, Azerbaijan, Afghanistan, Egypt, India, Iran, Israel, Kazakhstan, China, Kyrgyzstan, Mongolia, Palestine, Pakistan, Russia, Tajikistan, Turkey, and Uzbekistan gathered for the CICA event, which Russian Foreign Minister Sergei Lavrov said would focus on terrorism.

After the meeting of the foreign ministers of the three large countries, called Eurasia's "strategic triangle" by former Prime Minister Yevgeni Primakov, India's External Affairs Minister K. Natwar Singh said that India, Russia, and China "share a certain vision about how the world should look." From New Delhi, visiting senior Chinese diplomat Tang Jiaxuan said that China wants to institutionalize trilateral cooperation among Russia, China, and India. "We believe this trilateral cooperation contributes to world peace," Tang said.

Putin Opens Military Base in Tajikistan

On Oct. 17, President Putin visited Tajikistan, where he opened Russia's second large military base in the area (after the one in Kant, Kyrgyzstan), and attended a summit of the Central Asian Cooperation Organization (CACO), which Russia has just joined. Defense Minister Sergei Ivanov said that up to 5,000 troops from Russia's 201 Motorized Division, which has policed the Tajikistan-Afghanistan border since the end of the U.S.S.R., would be stationed at the new base. In talks with Tajikistan's President Emomali Rakhmonov, Putin reached agreement on exchanging Russian forgiveness of Tajikistan's debts, in the range of \$300 million, for ownership of the Nurek Control and Surveillance Center, built as part of the Soviet Space Program in 1980.

Putin's Central Asia talks nearly coincided with the official expansion of NATO into the region, with NATO's appointment of U.S. diplomat Robert Simmons, Jr. as envoy to Central Asia, on Oct. 21. Meanwhile, NATO Secretary General Jaap de Hoop Schaffer toured five "-stans" of Central Asia. Turkmenistan has already pledged cooperation with NATO on Afghanistan. Schaffer is stressing the threats to the Central Asian countries from Islamic radical terrorists and drugs. In

Kyrgyzstan, where the Islamic militants are most active, President Askayev said NATO help will be focussed on boosting mountain units protecting the country's remote borders. It is also evident that the U.S. military base in Manas, Uzbekistan, would play a significant role for NATO in Central Asia.

Behind Putin's Apparent 'Endorsement' of George Bush

Some British and Spanish press published triumphant commentaries about President Putin's Oct. 18 remark, made in Tajikistan, that the defeat of George Bush would be seen as "a victory for international terrorism." At a press conference after the CACO summit, Putin was asked about escalated attacks on foreign troops and civilians in Iraq. He prefaced his reply by saying, "Everyone knows that Russia was always against military action there. Today our views still differ considerably from those of President Bush on this point. So, everything I have to say on this subject will be the viewpoint of someone from the other camp. My views are the views of someone who does not share President Bush's position with regard to Iraq."

Putin continued, with what he had to have known would grab headlines: "At the same time, however, any objective observer can see that ... these attacks by international terrorism in Iraq, are directed today not only and even not so much against the international coalition forces, as against President Bush personally. International terrorism has set itself the goal of causing as much damage to Bush as it can, during the election campaign. International terrorism aims to try to prevent Bush's re-election as President of the United States. If they achieve this aim, they will, of course, celebrate their victory. They would be celebrating a tactical victory, but a nonetheless important victory for them over the United States, and over the international anti-terrorist coalition, to an extent, given the considerable role the United States plays in this coalition. We have to understand that this would give international terrorism an added boost to their activities, would give them renewed strength and could lead to an increase in their activities in various parts of the world."

Several days later, Putin accorded red-carpet treatment in Moscow to one of Bush's closest supporters in Europe, former Spanish Prime Minister Jose Aznar, whose election defeat in March of this year was linked by the mass media to the bloody terrorist bombing in Madrid just days before that election.

Only fools would see in Putin's remarks some personal idiosyncrasy, driving him to take sides with a Bush Administration whose policies are pushing the world in the direction of "globalized" asymmetric warfare. Rather, they reflect the understandable, yet still tragic error in strategic judgment on the part of leading Moscow circles, which Lyndon LaRouche had identified in an Oct. 11 memorandum on problems in evaluating the Russian situation. In LaRouche's analysis, the Kremlin's recent defenses of Bush have nothing to do with real warmth of friendship. To the contrary, LaRouche warns, leading circles in Moscow are operating on the assumption that Bush will win the elections, and that, under those conditions, "war between the USA and Russia is inevitable over the medium-term." Therefore, they have decided to feign friendship to Bush, "maintaining good relations as long as possible, hoping that the U.S.A., will weaken itself strategically during the interim."

The mistake, LaRouche emphasized, is the failure to grasp and act upon the significance of the "LaRouche factor" in the United States, in the struggle to defeat Bush and shape a prospective "FDR Presidency" around John Kerry. At the same time, Moscow has so far not faced the full implications of the fact that the international financial interests behind Cheney and Bush, known as the synarchists, are the same crowd that sponsored the spread of fascism in Italy, France, Germany, and other countries in the 1920s and 1930s.

LaRouche emphasized that the main responsibility for Russia's mistaken evaluation of the prospects for a different U.S. policy, lies not with Russia itself, but in the stubborn opposition to LaRouche's growing influence, on the part of certain leading circles in the U.S. and Europe. Reinforcing that misjudgement in Russia, has been the behavior of the U.S. Democratic Party leadership, of excluding LaRouche from the campaign and debate process during the period leading up

to the Boston Convention. More recently, Moscow has noted the public promotion of Richard Holbrooke as a likely choice for Secretary of State under Kerry. Holbrooke, like former President Bill Clinton's noxious Secretary of State Madeleine Albright, is long notorious for his anti-Russian stance, signalled most recently by his co-signing of an open letter to the governments of EU and NATO states, condemning Putin's domestic and foreign policy. To counteract the dangerous effects of this behavior on the strategic perceptions of Russia and other nations, LaRouche suggests that Kerry's best option would be to publicly call on Clinton to accept the post of Secretary of State in a Kerry Administration.

Nationwide Warning Strike in Russia

One million people took part in a nationwide strike at Russian hospitals, schools, and scientific institutes on Oct. 20, protesting frozen or slashed federal spending on these institutions, according to Russian wire reports. A protest rally was also staged in front of the State Duma. The strikers said that anything less than a 50% wage increase by the end of the year is unacceptable, because it is impossible to live on a current public-sector salary. One teacher, addressing a 30,000-strong rally in the city of Voronezh, told reporters she had to work as a department store janitor during the night, before going to school to teach.

'Project Democracy' Targets Belarus

A referendum held Oct. 17 in Belarus voted up President Alexander Lukashenka's proposal to remove the constitutional two-term limit for any President, with over 77% of all registered voters supporting it. In parliamentary elections the same day, opposition parties won no seats. Monitors from the Organization for Security and Cooperation in Europe (OSCE) denounced the vote as "significantly short of OSCE standards," and having taken place in "a highly distorted campaign environment." Protest demonstrations of hundreds of people in Minsk were broken up by police.

Many people in Belarus watched with apprehension, as the U.S. Congress on Oct. 4 unanimously passed the Belarus Democracy Act, championed by Rep. Christopher Smith (R-NJ). It authorizes the U.S. President to pump money into Belarussian opposition political parties, NGOs, and media, and prohibits agencies of the U.S. government from providing loans and investment to the Belarussian government, except for the provision of humanitarian goods and agricultural or medical products. Furthermore, the U.S. President must present annual reports to Congress on the sale and delivery of weapons or weapons-related technologies from Belarus to any country supporting international terrorism, and report on goods, services, and credits received by Belarus in exchange for weapons or weapons-related technologies. Most ludicrous, the bill requires a yearly report to Congress on the personal assets and wealth of Lukashenka and other senior officials. President Bush hurried to sign the new law, on Oct. 20.

Southwest Asia News Digest

LaRouche: Justice for Palestinians Must Be Priority for U.S. President

In answering questions from U.S. elected officials and the international press during his Oct. 6 webcast, former Democratic Presidential pre-candidate Lyndon LaRouche, who is campaigning to elect John Kerry, delivered a hard-hitting policy perspective for the war-torn region of Southwest Asia. LaRouche's plan to achieve an exit from Iraq demands a regional solution beginning with "justice for the Palestinians" which John Kerry must address. See this week's InDepth for the full transcript of LaRouche's replies on these questions.

Israel Operation Kills More Than 140 in Gaza

Palestinian Prime Minister Ahmed Qurei said that the Israelis killed more than 140 Palestinians, including more than 40

children, and over 500 wounded, as of Oct. 16, during the brutal three-week Israeli military offensive in the Gaza Strip. On Oct 18, the Israelis killed another six people, and 80 houses were also destroyed, the Israeli paper *Ha'aretz* reported.

Speaking at a press conference in Ramallah on Oct. 18, Qurei said that the Israeli operation was part of a comprehensive aggression aimed at forcing the Palestinians to succumb to Israeli occupation. "Of course, this will never happen. The Gaza operation is in the context of attempts to create an umbrella for more land confiscation and the construction of the racist separation fence. The occupation always carries out criminal acts, then withdraws."

The Israeli military killing of children has reached unbelievable proportions. Since the Intifada began in October 2000, some 598 Palestinian children aged 17 and younger, have been killed, as compared to 110 Israeli children. Of those Palestinians, 42 were 10 years old, 20 were 7, and eight were 2 years old; furthermore, 13 newborns died when their mothers were prevented from getting them to hospital, by being held up at checkpoints.

The vast majority of these killings are not the result of bombings, but from gunfire at fairly close range, or even by tank shells.

UNSC Pressures Syria To Withdraw From Lebanon

Following days of diplomatic haggling, the 15-member UN Security Council agreed on a statement Oct. 19 calling on Damascus to comply with a previous resolution pushed through the Council on Sept. 2, demanding the withdrawal of 16,000 Syrian troops from Lebanon. The United States and France battled to get the statement adopted despite strong opposition within the Council. The statement calls on UN Secretary General Kofi Annan to report to the Council every six months on the implementation of Resolution 1559, which also demands the disarming of militant groups in Lebanon, such as Hezbollah.

Reacting to the Security Council's adoption of the statement, backed by the U.S. and France, U.S. Assistant Secretary of State for Near Eastern Affairs David Satterfield told *Agence France Presse* that the United States is "determined to seek the implementation of UN Security Council resolution 1559.... And Syria's failure to implement it will be a serious problem.... We are now trying to see whether Syria's cooperation is serious...."

Lebanese Prime Minister Resigns

On Oct. 19, Lebanese Prime Minister Rafiq Hariri, who has served in that post for 12 years, tendered his resignation to his political rival, President Emile Lahud. Hariri has announced that he will not be a candidate to head the next government, Aljazeera.net reported from Beirut Oct. 20.

Hariri's resignation came amid a deadlock between Syrian President Bashar al-Assad's government and the United Nations, which on Oct. 20 had adopted a statement in support of implementation of the UN Security Council Resolution 1559 of September. The resolution called for the removal of 16,000 Syrian troops from Lebanon and disarming of other militant groups functioning inside Lebanon. Damascus has rejected the demand.

Al-Jazeera reports that President Lahud is close to Syria and his term has just been extended by the Lebanese Parliament. This is considered an affront by Hariri, who is very close to Saudi Arabia, and to the U.S. interests behind the UN resolutions. The US and France were key movers in getting the UN Security Council to adopt the statement on Oct. 19.

Did French-Israeli Deal Play Role in Lebanon UN Resolution?

According to French Foreign Ministry spokesperson Hervé Ladosus, a project has been agreed on, between the French defense industries Dassault Aviation and EADS, and Israel's Israeli Armaments Industries (IAI), to develop a medium-altitude, long-endurance, unmanned aerial vehicle (UAV). The UAV will be named Eagle and the project would cost some 300 million euros.

According to Israeli defense-sector sources, reports Globes (online), manufacturing the Eagle UAV in France will open additional markets to Israel, especially those markets where Israeli-made products are forbidden. In other words, the French would market it for the Israelis.

On Oct. 19, the UN Security Council had agreed on a statement calling on Damascus to comply with the previously adopted Resolution 1559. The move in the UNSC, strongly opposed by at least six members of the 15-member Council, was vigorously pressed by France and the United States. The heavy-handed policy against Syria, which has had its troops in Lebanon since the early 1980s, by the invitation of the Lebanese government, is being pushed by the U.S. neo-conservative forces, who advocate a "regime change" war against Syria's Bashar al-Assad, like the war that the U.S. has conducted in Iraq. France, which opposed the Iraq war, is now acting as a full partner with the U.S. in the campaign against Syria.

It is now expected that a full-court press will be exerted on Syria by Washington to satisfy what is known to be primarily an interest serving the Israeli government of Ariel Sharon.

Iraqi Shi'ites Plan Candidates List for January Elections

Various Iraqi Shi'ite parties have reached a "preliminary agreement" on a list of candidates for the elections slated for January 2005, according to European press accounts Oct. 22. A committee has been formed, which is to "ensure that all Iraqis—be they parties, movements, currents or independents—will be represented in one list. This list will be open to all," said Hamid Khaffaf, the representative in Lebanon of the Shi'ite Grand Ayatollah in Iraq, Ali al-Sistani, who is promoting the initiative. Lebanese TV, which carried the news Oct. 22, said that the committee intended "to prepare a unified national list of candidates who enjoy the confidence of the religious authority," which refers to al-Sistani. Given al-Sistani's authority, such a list would have good chances of being voted in.

Another al-Sistani spokesman was quoted as saying what the criteria for candidacy would be: "We will support all those who seek a way out of the crisis, who want to end the occupation, and who are committed to implementing free elections." The most important point is the second: ending the occupation.

Illegal Israeli Settlers Threaten Violence

The ultra-right Jewish settlers whose permanent occupation of Palestinian lands has been backed by the Bush Administration, are threatening violence, and possible near-civil war in Israel, if the Israeli government attempts to close down the settlements as both Israeli and international law requires, under the Oslo Agreement, and later resolutions and promises such as the 2003 "Road Map."

Yehoshua Mor-Yussef, head of the Yesha Settlers Council which unites the settlers in the Palestinian Territories, denounced Ariel Sharon, following a "stormy" two-hour meeting on Oct. 17 with the Prime Minister, in which Sharon rejected the settlers' demand that he call a referendum on his "Gaza disengagement" plan. Pinhas Wallerstein, a senior figure in the Yesha Settlers Council, called the meeting "one of the most disgraceful meetings with a Prime Minister of Israel," and issued an unmistakable threat: Sharon "is determined to lead the country to a split which could degenerate into civil war." Sharon responded that "this is very serious and such phenomena will be prevented."

The climate for right-wing terror is growing. Demonstrators opposed to the settlers meeting with Sharon carried signs reading "Sharon Is a Traitor," and "Don't Meet with Traitors." Gush Katif settler leaders cancelled a meeting they had scheduled for Oct. 20 with Sharon, saying he had "trampled and crushed" them, and there was no point in meeting. Last week, former Chief Rabbi Abraham Shapira called on soldiers and police to refuse to participate in evacuating settlers, because to do so would be like "desecrating the Sabbath and eating non-kosher food." Sixty other rabbis echoed his call on Oct. 15.

The *Christian Science Monitor* featured the charge by West Bank settler Nadia Matar, head of the Women in Green far-right group, that Sharon and his head for disengagement, Yonatan Bassi, are "far worse than the Judenrat," the Jewish collaborators of the Nazis.

Such remarks raised fears among saner Israeli leaders, who recall that it was just such incitement that covered for the right-wing conspiracy that led to the November 1995 assassination of Israel's peace Prime Minister Yitzhak Rabin. On Oct. 18, *Ha'artez* reported that Yoni Figchel, a senior figure at the International Policy Institute for Counter Terrorism in Herzliya, is calling for tougher laws against such far-right incitement, which he charges is "fuelling a saturated atmosphere in which the smallest event can cause an explosion. There is a system of far-right incitement that is creating the conditions for violent activity. We are just one stage away from this happening."

Israeli AG Office: Geneva Initiative Signers Are 'Provocateurs'

Israel's ultra-rightwing paramilitary and terrorist wing among the illegal Jewish settlements in the Palestinian territories has received a boost from the Israeli Attorney General's office—the same office that whitewashed Sharon's corruption by dropping the so-called "Greek Island" bribery investigation earlier this year..

Now Deputy Attorney General Malkhiel Blass has refused a request by Knesset member Ophir Pines-Paz to prosecute for incitement the settler weekly *Besheva*, which called those who signed the Geneva peace initiative "Geneva criminals" and "traitors," *Ha'aretz* reported Oct. 21. Not only did Blass refuse to prosecute, but he called the Geneva initiators "provocateurs" for negotiating with Palestinians and therefore inviting the attack!

The outraged Knesset member, Pines-Paz, wrote to Blass's superior, Attorney General Menachem Mazuz, saying, "It seems that the law enforcement system internalized nothing since Rabin's murder.... With the next assassination you won't be able to claim to have clean hands."

Asia News Digest

Indonesia Remains Cool to Aussie Security Treaty

Australian Foreign Minister Alexander Downer's plan to negotiate a new security treaty with Indonesia has been poorly received in Jakarta. Indonesian officials have yet to be formally notified of Downer's plan, which was revealed on television on Oct. 17.

Even though President Susilo Bambang Yudhoyono endorsed a defense agreement with Australia during a visit to Melbourne last year, his senior aides either rejected or downplayed the possibility of Indonesia agreeing to such a treaty. The idea also met opposition from Indonesian parliamentarians, who would be asked to endorse a treaty, as well as the foreign affairs department.

Many Indonesians believed Australian foreign policy is tied too closely to that of the Bush Administration, which is viewed widely as being anti-Muslim and unilateralist. Djoko Susilo, a senior member of the parliament's defense and foreign affairs commission, said a security pact with Australia would not be in Indonesia's best interests. "We [the parliament] will oppose this. We don't oppose defense cooperation—we agree to that.

"But we will definitely say no to the security pact, especially when, by this pact, our defense policy becomes subordinate to Australia's, and we will indirectly become a part of a U.S. security pact. You have to understand that John Howard's election victory has made him euphoric, and that he can do anything he wants now as the deputy sheriff of the U.S. for the Southeast Asia region."

India-Vietnam 50-Year Friendship Celebrated

At the 50-year India-Vietnam Friendship celebration in Hanoi on Oct. 17, Vietnamese Foreign Minister Nguyen Dy Nien recounted the bond of friendship struck between Indian Prime Minister Jawaharlal Nehru and Vietnamese leader Ho Chi Minh, when they met for the first time on Oct. 17, 1954 at Hanoi. As a 19-year-old official in the new Vietnamese Foreign Ministry in 1954, Nguyen Dy Nien recounted seeing "the two leaders coming out of their meeting with broad smiles and arm in arm, they walked out of the room." Nguyen Dy Nien, who maintains that "India is half of my life" and that "India is my second home," earlier at his inaugural speech at the seminar commemorating 50 years of friendship, recited a poem that Uncle Ho had penned in 1942 while in prison. The poem, "To Nehru," in part, was as follows: "You are in jail, I am in prison. Ten thousand miles apart, we have not met. We communicate without words."

Also addressing the seminar from his home was the 93-year-old legendary military hero of Vietnam, Gen. Vo Nguyen Giap. He called for closer economic and cultural ties with India "to match the immense depth and reach of our political relationship." The hero of the Battle of Dien Bien Phu, thanked India for playing an important role in the development of Vietnam's human resources. India was represented by India's External Affairs Minister K. Natwar Singh.

Myanmar PM Praised in Bangkok, Panned in Washington

Myanmar's newly appointed Prime Minister was praised in Bangkok, but denounced in Washington, according to *The Nation* of Bangkok Oct. 21. General Soe Win, Number 2 in the military regime's State Peace and Development Council (SPDC), was appointed Prime Minister to replace Khin Nyunt, who was sacked as PM and head of Military Intelligence on Oct. 19. State Department spokesman Richard Boucher said that a "credible report" had implicated Soe Win in the attack by a pro-government gang on Aung San Suu Kyi's entourage on May 30, 2003, which left at least six of the opposition party NLD (National League for Democracy) dead, and resulted in Suu Kyi's detainment (and now, house arrest), since then. Boucher said, "I'm not sure exactly where that report came from, but I think we find it to be a report that is worth taking into account."

The totally contrary response in Bangkok (where the announcement of Khin Nyunt's demise was first reported) came from Prime Minister Thaksin Shinawatra, who said there would be no change in Myanmar's relations with the international community.

One concern is that Khin Nyunt was the architect of the ceasefire deals with the ethnic armies, and was engaged in talks with the last unresolved rebellion, the Karen National Union (KNU). If these agreements were to be undermined, recent progress towards regional unity and development would be badly damaged.

Congress Party-Led Coalition Wins in State Elections

India's Congress Party, in alliance with the Maharashtra-based National Congress Party (NCP), has won 139 of the 288 state assembly seats in elections Oct. 16. Although the alliance has not obtained an absolute majority, it is almost a certainty that it would form the government with the help of some independent candidates who got elected. The previous government was also a Congress-NCP alliance.

The victory is significant in light of the fact that Maharashtra, which includes the cities of Mumbai and Pune, is the first major state that went to the polls after the May general elections which brought the Congress-led United Progressive Alliance (UPA) to power in New Delhi. In other words, the defeat would have had a serious impact on the credibility of the newly formed government in New Delhi.

In addition, the Congress-NCP alliance held the Bharatiya Janata Party-Shiv Sena alliance to 118 seats, indicating that the BJP is still losing ground. It also ensures more credibility to Mrs. Sonia Gandhi's leadership of the Congress Party.

Philippines: People Bear Bulk of 'Pain Package'

Jose Salceda, chairman of the Philippines House economic affairs committee, said Oct. 19 that increased taxes and higher electricity prices will gouge P135 billion (about \$2.5 billion) from the population to meet the emergency debt payments pledged by the government of President Gloria Arroyo. Another P31 billion (\$.5 billion) will come from budget cuts and cuts in money sent to the regions.

Sounding very much like Felix Rohaytn's pain prescriptions for America, Salceda, who is working closely with the government in imposing the new austerity measures, said: "The pain package is well spread, with the higher-income classes taking bigger hits as a percentage of their income. The tax package was mostly progressive, except for the value-added tax which is slightly regressive," he said. The tax burden "will principally be borne by the mass middle class—households with annual incomes above P60,000 (\$1100)—since, in reality, there are very few rich families."

China Signs \$15-Billion Iron Ore Deal with Australia

China is on a buying spree of mineral resources, and is now preparing to buy Canada's Noranda Mines from Edper Holdings, a Bronfman operation, and has signed a memorandum of understanding (MOU) with Clive Palmer's Minerology and International Metals in Australia, *The Australian* reported Oct. 21. If his MOU evolves into a contract, Palmer will provide ore to China's Wuhan Iron and Steel Corporation—5 million tons of concentrated ore and 7 million tons of pellets each year for the next 25 years. If successful, it will rank with Australia's biggest export contract, the US\$25-billion North West Shelf gas deal with China.

The ambitious project requires the development of a mine at the George Palmer ore body in the northwest. A port, iron-ore concentrator, and pellet factory would also need to be built, costing \$1.8 billion. Speaking from Shanghai, Palmer was confident the deal would become reality. "The Chinese will provide all the equity we need, and we'll obviously have some normal bank debt." The deal has the approval of the West Australian government, and has cleared all environmental hurdles, as the mining leases were issued before the Native Title Act.

Tamil Tigers Reject Sri Lanka Government Peace Proposal

The rebel-terrorists of the Liberation Tigers of Tamil Eelam (LTTE) have rejected the Sri Lankan government's latest proposal to revive stalled peace talks, the *Khaleej Times* reported from Colombo Oct. 18. Tamil Tigers spokesman and leader of its political wing, S.P. Thamilselvan, who is currently visiting Europe, told the BBC that the LTTE would open talks only on the basis of the self-rule plan they unveiled in October 2003, seeking an "interim Self-Governing Authority

(SGA) in the north and northeast of Sri Lanka. Thamilselvan also made it clear that the Tigers are not willing to negotiate on their basic premises.

There is no doubt that viewpoints of both sides are hardening. The Tigers have used the 18-month ceasefire to rearm themselves. In Colombo, the government's main coalition partner, the Marxist Janatha Vimukti Peramuna (JVP), opposes any territorial concession to the LTTE. JVP is also strongly supported by the Buddhist Sangha, run by hardline Buddhist monks.

As a result of these developments, it is likely that violence will break open on the island soon. The situation is being watched carefully by New Delhi, a key factor in the peace talks. Sri Lankan opposition leader and former Prime Minister Ranil Wickramasinghe, who would like the peace process to begin, was in New Delhi in mid-October.

UN: Myanmar Opium Output Greatly Reduced in 2004

According to the UN Office on Drugs and Crime (UNODC) annual survey, released Oct. 12, opium cultivation in Myanmar dropped 29% in 2004, compared to 2003, continuing a steady decline that began nearly a decade ago. The Myanmar Opium Survey 2004 reveals that opium cultivation this season is estimated at 44,200 hectares, representing a cumulative decline of 73% when compared to the 163,000 hectares in 1996. Meanwhile, opium production for 2004 totalled 370 tons, a 54% reduction over the previous year.

About 260,000 households, mostly in remote, mountainous, and isolated areas, were involved in opium cultivation, often the sole source of income, the UN survey says. However, the average income of non-opium-producing households is 30% higher than that of opium-producing households. The executive director of the UNODC, Antonio Maria Costa, said that opium is a last resort for farmers confronting hunger and poverty. "If we do not provide the basic human needs of farmers in Myanmar, they will never escape the vicious circle of poverty and opium cultivation. The opium communities will remain vulnerable to human rights abuses, human trafficking, and forced relocation."

The survey also indicates the average farm-gate price of opium has increased by 80% over last year to \$234 per kilo, up from \$130 in 2003, reflecting the reduced opium production this season.

This Week in History

October 25 - 31, 1787

Hamilton Leads Battle To Ratify the Constitution

The fall of 1787 was truly a turning point in history. Over an intense five months, 56 leaders of the American Revolution had met in Philadelphia where they had forged a Constitution for the United States of America. Now, they had to present their work to special legislative assemblies in the 13 states, for ratification. The outcome of their great experiment hung in the balance.

There was little question but that a majority of the states could be expected to ratify the new Constitution, and it was even likely that the required majority—nine states ratifying—could be reached with little difficulty. But it was by no means clear that those nine would include all of the most populous states, specifically New York and Virginia, without whom the ability of the new nation to prosper would be minimal indeed.

In stepped Alexander Hamilton, the Founding Father who had played a pivotal role in bringing together the Constitutional Convention to begin with. He determined to lead an aggressive fight to win New York State, through writing a series of articles that would be printed in newspapers, and would systematically put forward the benefits of the Constitution, and answer its critics. Initially, Hamilton won agreement from other members of the Continental Congress, Virginian James Madison and fellow New Yorker John Jay, to help him in this endeavor, but it ultimately turned out that Hamilton himself wrote 51 out of the 85 essays, sometimes turning out one every three to four days. Hamilton also negotiated with the New York newspapers for their publication, and arranged their reprinting in book form.

The first Federalist Paper appeared on Oct. 27, 1787 in the *Independent Journal*. By agreement among the three authors, the joint pseudonym "Publius" was chosen. In this introductory piece, Hamilton identified what was at stake in the battle for ratification, and demanded a level of deliberation on the matter which was unique in the founding of any Constitution in human history. We would do well to take the same approach in the election we face today.

We quote the first two paragraphs:

"After an unequivocal experience of the inefficacy of the subsisting federal government, you are called upon to deliberate on a new Constitution for the United States of America. The subject speaks its own importance; comprehending in its consequences nothing less than the existence of the *Union* the safety and welfare of the parts of which it is composed, the fate of an empire in many respects the most interesting in the world. It has been frequently remarked that it seems to have been reserved to the people of this country, by their conduct and example, to decide the important question, whether societies of men are really capable or not of establishing good government from reflection and choice, or whether they are forever destined to depend for their political constitutions on accident and force. If there be any truth in the remark, the crisis at which we are arrived may with propriety be regarded as the era in which that decision is to be made; and a wrong election of the part we shall act may, in this view, deserve to be considered as the general misfortune of mankind.

"This idea will add the inducements of philanthropy to those of patriotism, to heighten the solicitude which all considerate and good men must feel for the event. Happy will it be if our choice should be directed by a judicious estimate of our true interests, unperplexed and unbiased by considerations not connected with the public good...."

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