

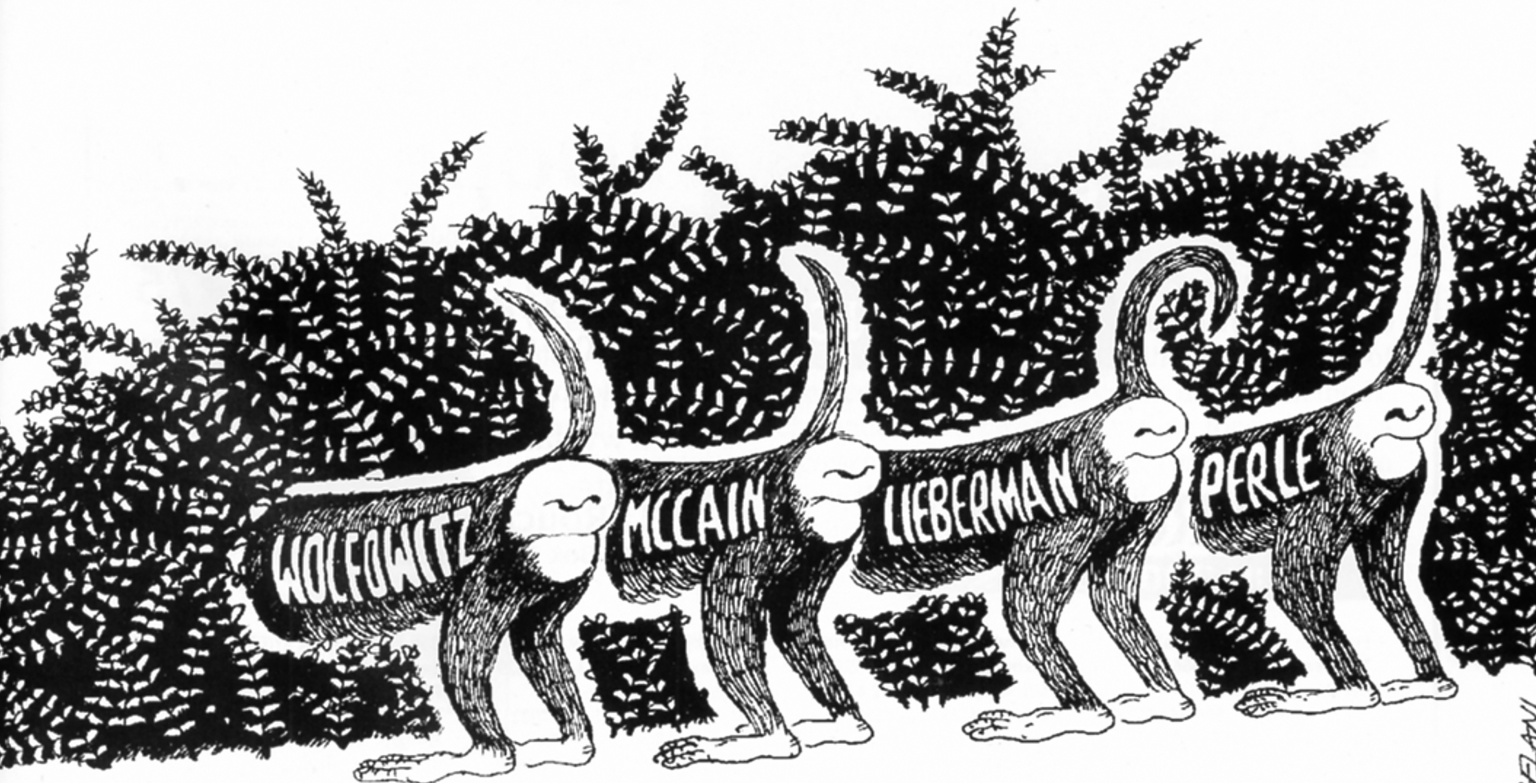
EIR

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LaRouche: Stop Kidding Us Over Enron!
World Opposes Bush's 'Axis of Evil' Statement
Senator McCain's 'Big-Noose' Party

The Four Baboons Present The New Bush Doctrine

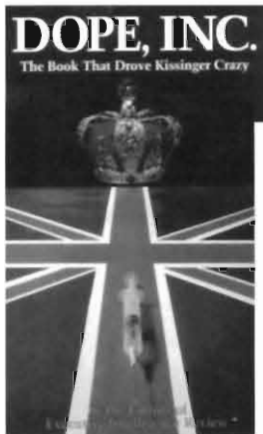


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e-mail: eirms@larouchepub.com*

European Headquarters: Executive Intelligence Review
Nachrichtenagentur GmbH, Postfach 2308,
D-65013 Wiesbaden, Bahnstrasse 9-A, D-65205,
Wiesbaden, Federal Republic of Germany
Tel: 49-611-73650. Homepage: <http://www.eirma.com>
E-mail: eirma@eirma.com Executive Directors: Anno
Hellenbroich, Michael Liebig

In Denmark: EIR, Post Box 2613, 2100 Copenhagen ØE,
Tel. 35-43 60 40

In Mexico: EIR, Serapio Rendón No. 70 Int. 28, Col. San
Rafael, Del. Cuauhtémoc, México, DF 06470. Tels: 55-66-
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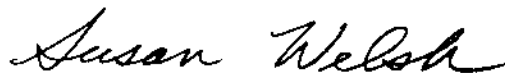
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From the Associate Editor

A senior French diplomatic source, speaking to *EIR* in the aftermath of President Bush's State of the Union speech, declared that "all the things that LaRouche spoke about months ago are now happening." This individual had previously expressed skepticism about LaRouche's view that the Sept. 11 terror attacks were an attempted coup d'état from within the U.S. military and affiliated civilian policy circles—not the work of supposed "terrorist mastermind" Osama bin Laden. But today, the source affirms that "what we see now, is a global plan. It is clear to me, that LaRouche was right, in saying that Sept. 11 was an internal operation. The American government is being used as an instrument, from higher levels, to bring about world dictatorship and domination, military and monetary." According to him, the center-point of resistance has to be for Europe to fight for implementing the "post-World War II European model in the Middle East," since "Washington is using the Middle East, to help bring about this military and monetary dictatorship."

In *International*, you will find reports on many others around the world who are stunned and appalled at the new Bush Doctrine, including as it was presented at the Munich Wehrkunde conference on international security, by the Four Baboons pictured on our cover. LaRouche's pithy remarks on the subject, "McCain's 'Big-Noose' Party," are on p. 37. The shock of Europeans and others at the Bush Doctrine is being intensified by Ariel Sharon's fascist actions against the Palestinians, which the United States is doing nothing to stop. And the widespread circulation of LaRouche's statement "Götterdämmerung in Palestine" (published in last week's issue, and also as a leaflet for mass distribution), has created a rallying point, here and abroad, for increasing resistance.

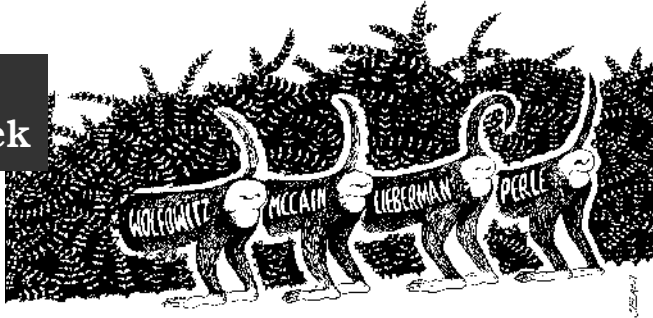
In contrast to the surrealism and lying coming out of Washington on the economy, see LaRouche's commentary, "Stop Kidding Us Over Enron!" There are many more "Enrons" out there, waiting to blow out, and there will be no solution, until the deregulation of economic policy is replaced by American System dirigist methods. And that, as LaRouche underlines, means "it is time for a change, a very big change. Congressman, it may mean time for a big change in you, or, in the alternative, the elected occupant of your present seat."



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present the new
Bush Doctrine.*



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Lessons of the Enron Debacle: Roll Back Deregulation!

by John Hoefle

EIR's John Hoefle prepared the following written testimony on "Enron: The Convergence of Energy and Financial Deregulation, and the End of the Off-Balance-Sheet Era," for the Feb. 6, 2002 hearings on "The Effects of Changes to the PUHCA" convened by the Senate Committee on Energy and Natural Resources. The PUHCA (Public Utility Holding Company Act) was pushed through in 1935 by President Franklin Roosevelt, to break up the Morgan electricity cartel (see EIR, June 15, 2001).

With every day that passes, it becomes more obvious that Enron was a thoroughly corrupt corporation, which cooked its books through a variety of schemes, including the use of special-purpose entities and off-balance-sheet partnerships. As a result of these machinations, Enron presented a completely false face to the public—it was a financial scam, masquerading as an energy company.

At this point, few would argue that Enron was out of control, operating well outside the bounds of ethics and apparently outside the law; and few would argue that those officers and directors of Enron, as well as its accountants and lawyers, should be held accountable for their actions, or the lack thereof.

There is another group which should be held accountable, and that group includes the policymakers who have systematically stripped away the body of protections which had been written into state and Federal laws and regulations, in order to keep the Enrons of the world in check.

Lyndon LaRouche, the Founding Editor of *EIR* News Service, has, both through this news service and through his role as a pre-candidate for the 2004 Presidential election, led the mobilization against energy deregulation, focussing the atten-

tion of California, the nation, and the international community on the destructive nature of deregulation, and the key role Enron has played in that process. LaRouche has also led the fight against the out-of-control speculation in the derivatives markets, where Enron also played.

The Enron debacle now gives Congress, and this Committee, the opportunity to re-visit the nation's approach to deregulation, to confront and correct the errors which are destroying our nation's economy. It is an opportunity which should not be wasted.

Beyond the Culture of Corruption

The "culture of corruption" which thrived at Enron is nothing new; history is replete with similar examples of untrammelled greed, and of the need to protect populations from that greed. The strength of our nation is based in part on the creativity of our people; and for that creativity to flourish, the public must be protected from exploitation. Creativity is the rising tide which lifts all boats, but those boats must also be protected from pirates.

In its investigation of the Enron affair, the Congress must look not just at the company, but at the environment in which the company operated. In this case, that means looking at how deregulation created the conditions under which Enron's activities became possible.

One of the founding principles of the United States, is that the government has, not just the right, but the duty, to advance and protect the General Welfare of the People. In the wake of the Great Depression, a number of laws were passed to protect the People from abuses: prominent among them the Glass-Steagall Act, which was designed to prevent financial insiders from profiting at the expense of the general public; and the



Enron is neither an isolated collapse, nor an isolated criminality, but the soul of 1990s U.S. energy and economic policy. The Texas-centered “Southern Strategy” of such as James Baker III (center), Enron Chairman Ken Lay (top right), and Sen. Phil Gramm (bottom right), tore up the 60-year-old laws which had given the U.S. reliable energy; created Enron in the process; and was completing, through Vice President Cheney’s task force, a national energy policy made for collapse.

Public Utilities Holding Company Act, which was designed to protect the People from the machinations of the giant Morgan and Insull electricity cartels, whose holding company structures were in many respects the equivalents of today’s off-balance-sheet structures.

Congress passed these laws because events proved them necessary—they were necessary then, and they are necessary today.

Over the years, most of the protections implemented during the Roosevelt era have been stripped away. Glass-Steagall was gutted, then repealed, and an already-weakened PUHCA is facing a similar fate unless wiser minds prevail. The combination of energy deregulation, and the surge in mergers among regulated utility holding companies, has created an environment in which the electricity market is increasingly coming to resemble the *casino mondiale* financial markets.

Enron, in many respects, reflects the deadly convergence of financial and energy deregulation. In its SEC filings, Enron described itself as an investment bank, and testimony before this Congress has detailed the extent to which Enron was a derivatives trading firm rather than an energy company. What Enron was doing, was applying to the deregulated energy markets, the same kinds of speculative derivatives trading that the big investment and commercial banks—a distinction which is fast disappearing—have long applied to the deregulated financial markets.

In its off-balance-sheet activities, Enron was following a trend which began in the banking world. Until recently, every issue of the Federal Deposit Insurance Corp.’s Quarterly Banking Profile contained a line item for “off-balance-sheet derivatives.” The FDIC has discreetly dropped the “off-balance-sheet” portion of the designation, but the derivatives remain—\$51.7 trillion of them, backed by \$6.6 trillion in assets and \$586 billion in equity capital. A loss equivalent to just 1.1% of the total derivatives portfolio would be sufficient to wipe out the entire equity capital of the U.S. banking system.

Congressional Policy Created Problem

The most egregious example of derivatives speculation is J.P. Morgan Chase & Co., which by itself has a \$24 trillion derivatives portfolio, roughly half of the total derivatives held by all U.S. bank holding companies. That figure is as of the third quarter, at which point Morgan Chase reported assets of \$799 billion and equity capital of \$42.7 billion, meaning that a loss equivalent to less than 0.2% of its derivatives portfolio would wipe out its equity base. At Citigroup and Bank of America, which between them have another \$18 trillion in derivatives, it would take only 0.5%.

These aren’t banks, any more than Enron was an energy company. Enron’s reported \$200 billion derivatives portfolio pales by comparison to the holdings of the big banks, but Enron was just getting started. The big banks were already involved in energy trading, and with Enron’s demise have strengthened their position in the market.

The extraordinary danger presented by such derivatives speculation is clear in the Enron case, where derivatives were used to hide the company’s condition. But again, this is just a case of Enron following the example of its banking peers, as investigations by the Japanese government have brought to light numerous examples where Wall Street firms employed derivatives to help Japanese companies hide losses. Derivatives were also at the root of the 1998 failure of Long-Term Capital Management, and before that, the wave of derivatives losses which swept the country in the early 1990s. The shocking \$105 billion drop in assets at Morgan Chase during the fourth quarter suggests that the derivatives losses have not gone away, but are just better hidden in a complex of off-balance-sheet structures of the type we see in the Enron case.

Had Congress and the states not dismantled the nation’s regulatory protections, there would be no need for these hearings. This hearing provides the Senate with the opportunity to return to a policy of sound regulation in the public interest. PUHCA must be strengthened, not weakened, as the first step in rolling back deregulation. Congress must choose between

servicing the casino at the expense of the population, and protecting the General Welfare by rebuilding the protections which have been stripped away.

The Energy Committee, in particular, has the responsibility of “picking up the pieces” from the “Enronomics” era, so that the nation may begin to reverse the damage done by deregulation. As LaRouche outlines in his forthcoming special report, *Economics: At the End of a Delusion*, we can build our way out of this deepening global depression, if we choose to do so, but it requires the courage to admit that we must abandon the policies which have created this disaster.

Energy Re-Regulation and Recovery Program

LaRouche outlined the measures which are required in the energy realm in an international webcast on Jan. 24, 2002, in an exchange with State Sen. Joe Neal (D-Las Vegas), a senior Nevada lawmaker, who successfully led the fight against deregulation, and against Enron, in his state, and also in other states and in Mexico.

In response to Neal’s question about the reasons for the collapse of Enron and what it means for the country, LaRouche responded:

“I would go backwards, and go from the end-result of the crash of Enron, rather than trying to, say, re-write the history of what Enron’s history should have been.

“First of all, we face a major energy crisis in the United States. The severity of this crisis is hidden by the fact of the collapse of our industries. If we were to rev up the economy overnight, we couldn’t support it. “People don’t realize that we have been exporting our industries. In shutting down whole sections of the functions of our economy, we have *lowered* the requirement of energy! If we were to try to *restore* the economy, to what it was, at, say, 1980 or earlier, we would have to have a large amount of new energy.

“So, therefore, we have the need for a national energy recovery program, which would cover, inclusively, the problems which are illustrated by, and posed by Enron, and similar institutions. That means we have to repeal deregulation; go back to the system of regulation we used to have: I think we’d just go back to that; that’s adequate, because it would *work*. There are precedents; the machinery is all understood—it would work. Just do it.

But set also into motion—see, President Bush is trying to find out ways of stimulating the economy, and he doesn’t know how to do it. Well, this is one of the ways of doing it. If you take Federal money, and use it—not just as Federal printed money, but Federal credit—and you put it into a national *energy* program, which is going to fix the national energy grid system, to make it more usable and to improve its performance: That, in itself, is a good way to make the economy grow. And, it’s typical of the various measures, which government *can* take, which are largely in the area of infrastructure and special projects; not in the private sector, as such, but in those areas alone, which will cause the economy to grow.”

Stop Kidding Us Over Enron!

by Lyndon H. LaRouche, Jr.

February 8, 2002

I smell an attempted “cover-up” afoot, now spilling over into some features of the current Enron hearings by Congressional committees. I am reminded of a case I studied in some detail about 60 years ago, the case of the famous privateer, Captain Kidd.

Captain Kidd, like Enron, was, in his time, a chartered captain of legalized rapine and theft; like Enron, a “privateer.” His charter for his voyages was issued on behalf of England’s monarchy, but deployed from the English colonies in North America. According to the records compiled for his subsequent trial and execution, there came a time when a mutinous mood spread among the lustily larcenous members of Kidd’s crew. The apparent cause of this was the prolonged interval at sea without taking a legal target of the type for which that privateering venture had been licensed. Kidd himself was reported to have been threatened with death should he fail to take a rich prize.

According to the judgment of the time, under these mutinous pressures from the crew, a rich, but unlawful prize was taken—which is to say, as in the Enron case, outside of the bounds of the thievery for which the privateering expedition had been explicitly licensed. How much was taken in this act of piracy is unknown to the present day; Kidd’s alleged treasure was, apparently, never found. Those in America who had backed Kidd’s venture, were displeased by their failure to obtain a profit. They dumped their protégé, Kidd, who was captured and taken to London, and executed.

More than a half-century ago, the excellent rare books section of the Boston Public Library provided me access to the memorable documents on the matter, including the death sentence which ostensibly should have concluded the case. Unfortunately, over the subsequent centuries, the crucial implications of the case were often overlooked, in the zeal of some to discover where Kidd’s rumored treasure might have been buried. Decades have passed since I studied those records, and the morals of our nation have changed, for the worse. There is a lesson to be learned about the way in which those morals have changed.

The crime of which Kidd was charged, was, like the dubious doings of Enron, not so much of a personal, as of a more serious, systemic nature. Like the case of Kidd, the systemic character of the crime of Enron, the system of privateering itself, was overlooked by those who preferred to store up

copious Congressional tears for the suffering of the investors.

In the comparable, Enron case, today, what of the suffering of those who, unlike the backers and crew of Kidd's voyage, were neither employees nor backers of Enron's privateering venture? What of those who did not share the fruits of Enron, but who—as among the government and people of the state of California—had perhaps lost much of their pensions and of their health-care, because of the systemic effects of the same kinds of policies of deregulation of both finance and energy supplies which that scandal-ridden Enron case merely typifies today?

The Furies Are Circling

Whatever remains to be discovered and decided about the details of the Enron case, certain conclusions are already shown beyond reasonable doubt. Dickens' "Artful Dodger" has been taken captive, but the "Old Fagin" of deregulation, who fathered the crime-wave, plods on still. Does one, therefore, hear, perhaps, the rustle of the Furies in the air?

The crucial feature of the financial scams associated with Enron's doom, is the role of financial derivatives. The current phase of utter collapse of Enron, was brought on because certain sections of the international market in financial derivatives, have reached the threshold of a chain-reaction collapse in that entire section of the market in international financial speculation.

The conditions which have led to the present brink of such a generalized chain-reaction collapse, are those most concisely stated in the second version of my now internationally-renowned "Triple Curve." During a period no later than mid-2000, the amount of new monetary pumping needed to maintain approximately current levels of crucial financial markets, was greater than the amount of financial paper values sustained in this way. The international financial markets had entered into a potentially hyper-inflationary spiral, of the type which gripped 1923 Weimar Germany. Continued monetary pumping of that type, in a deregulated market, would mean blowing out the system. The result was a crunch developing in the most bloated, most wildly speculative section of the world's financial bubbles today, the financial derivatives portion. The credit derivatives specialty is presently among the most vulnerable.

The proposed, just-look-at-Enron-only investigations policy, put forth by some members of the Congress, is about as relevant, under the present circumstances, as trying to stop a forest fire with a watering can.

Since 1995-1996, in particular, the majority of the elements of the U.S. political system, including, of course, that billionaire-controlled "Big Brother" of the mass entertainment multi-media, has been pumping out fairy-stories: such as promises of the psychotic glories of the "Revolution in Military Affairs (RMA)"; the now busted "New Economy" bubble of 1995-2000; the myth of the "Asia only" crisis of 1997; and the myth of "it was only one Capistrano swallow" hype over the 1998 collapse of the Long Term Capital Man-

agement bubble. The latest fable of that genre is now, "Let's hope Enron was an isolated case!"

Stop trying to Kidd the people! The cause of the crisis was no Kidd; it was the system of privateering, or, what is called today "deregulation." You, including you in the Congress who have ritually pushed deregulation of about everything, have, in effect, deregulated crime itself. You have crime, such as the Enron case, before you today, because you, in effect, voted for it—not because you really knew what you were doing, but simply, as usual, "to go along, to get along."

Now, hear the rustle of the Furies. Enron is not an isolated case; it is just the first big fatality in an onrushing epidemic. It is time for a change, a very big change. Congressman, it may mean time for a big change in you, or, in the alternative, the elected occupant of your present seat.

World Economic Forum

Davos Funny Water Was Drunk in N.Y. This Year

by Scott Thompson

From Jan. 31 through Feb. 4, the World Economic Forum (WEF)—drawing some 3,000 businessmen, political leaders, and non-governmental organizations—met in New York City, for the first time since its founding in 1971, in the ski resort in Davos, Switzerland. Unemployment and homelessness both are rampant in New York this Winter, and the city's budget has a brand new revenue hole estimated at \$4-6 billion. But something special must have been in the drinking water at "Davos on the Hudson," as speaker after speaker could see nothing but recovery and "economic upswing" at hand. The only prominent non-imbiber, evidently, was Microsoft Chairman Bill Gates, who straightforwardly asserted that there was no "recovery" in sight.

The reality of the ongoing economic collapse was lurking, even at "Davos," in the few actual economic reports presented. But Lyndon LaRouche was not asked to speak at the World Economic Forum; as in the 2000 Presidential campaign, the systemic economic collapse LaRouche had forecast, was denied; no one dared so much as to mention Japan, for example; and in six months these international "leaders" will be forced to look back on their speeches in New York as if on unwelcome photos of a lost Saturday night drunken binge.

More importantly, the WEF hosted both sides in the crucial international *strategic* policy brawl ongoing since Sept. 11: whether to try to control the economic collapse with a new global imperialism, the clash of civilizations, and worldwide

war. Harvard Prof. Samuel Huntington and his geopolitical mentor Zbigniew Brzezinski clashed with those participants seeking some sort of peace and development, particularly in the volatile Middle East, as epitomized by Secretary of State Colin Powell and others' Middle East diplomacy at the World Economic Forum.

'The Upswing Is Here'

In an interview with the London *Financial Times* before the start of the WEF, printed on Jan. 31, U.S. Treasury Secretary Paul O'Neill forecast that the "recession," if there was one, would end by the first half of 2002. Elaborating on this at the WEF on Feb. 2, Secretary O'Neill said that despite the bursting of the dot.com bubble, "The U.S. economy has the potential to grow at 3% or 3.5% real growth for the indefinite future. . . . We are in the process of moving out of a slow period in our economy." O'Neill's Deputy, Kenneth Dam, added the message that the global economy had turned the corner, because the latest data on economic growth, unemployment, and consumer and business surveys "would indicate that the U.S. economy has bottomed out."

This delusional view of the economy—"because it's gone down, it must be about to go back up"—was echoed by German Chancellor Gerhard Schröder, who breathed a "thank God" that there were "some signals" of improvement in the United States and the euro zone. "Many indicators today point to recovery in the United States economy," the Chancellor said, adding wishfully: "There are welcome signs that, during the course of the year, there will also be better economic developments in the euro-zone and German economies." (Prudently, he did not try to enumerate these alleged signs of euro recovery, perhaps not wanting such quotes to follow him back across the Atlantic into his re-election campaign.)

As for the destruction caused by the fascist Maastricht Treaty, Schröder told WEF participants, "We need more, not less integration."

Gail Fosler of the Conference Board argued at a Jan. 31 session, that based upon Gross Domestic Product (GDP) figures, "the recovery has already begun." She said that last September would prove to be the low point of the "recession." Jacob Frenkel, the president of Merrill Lynch International told the WEF's opening session on the same day that: "The story of the world in the coming year will be the story of the United States." He predicted that U.S. recovery would "definitely" occur in the second half of 2002. Frenkel's genius was most recently applied as chief advisor to Argentina's disgraced Finance Minister Domingo Cavallo, and currently in a similar position in Israel.

Yet, despite this hysterical denial of the systemic economic breakdown, some evidence of reality leaked through. Thus, Stephen Roach, of the nearly bankrupt firm of Morgan Stanley, noted that the GDP increase had been led by consumer spending with 0% interest rates on cars: "Americans

have been buying cars, but they don't keep on buying cars, month-in, month-out. There is going to be a payback." It was reported and acknowledged, that the reason official U.S. unemployment had dropped to 5.6% rather than rising to the expected 5.9%, was that a million Americans had given up looking for work in December, so that they were not counted in the statistics; ie, real unemployment had clearly risen again.

Also, in an economic statistic that recalled the Great Depression, WEF participants were told that growth in world trade had been only 1% last year—and that the growth came not from nations and their companies trading with one another, but rather from companies outsourcing production of spare parts, factories, etc. and thus "increasing trade" with their own subsidiaries.

President Alejandro Toledo of Peru raised the crisis of Argentina. Despite his International Monetary Fund (IMF)-style rhetoric, that that nation "has to show a willingness to put its house in order," the Peruvian President stated nervously, "We have to put out this fire." The present crisis of bankrupt Japan, which is currently the most likely detonator of free-fall collapse, was not even brought up at the WEF, being apparently a fire that was too hot to control.

Treasury Secretary O'Neill indicated an intention to let the "Argentine" fire burn, saying of Third World debt and poverty, "You can only go so far with tears. . . . Don't talk to me about compassion. I've seen with my own eyes babies born into the dust and I know about Africa. . . . What we need to do, is create the circumstances under which societies create their own wealth. Every society needs to become a wealth-generative organization, not a consumer of other people's money" (obviously with unintentional humor, insofar as the United States has an annual net import of \$500-750 billion of investment). He continued, "Putting these countries on welfare won't help anyone."

The *Financial Times* noted on Feb. 4 that O'Neill's free-trader refusal to consider debt relief and development credit, struck even the WEF members as "outright crass." Wrote the *Financial Times*'s Jeremy Warner: "It was hard to know whether to laugh or cry as the U.S. Treasury Secretary strutted his stuff. . . . His message seemed somewhat callous for a city that is still struggling to come to terms with the tragedy of 11 September."

Important Sidebar Diplomacy

On Feb. 1, the WEF held a panel entitled, "Building a Coalition for a Stable World: Who Will Share in the Burden," during which the following exchange on Middle East peace occurred between Secretary of State Colin Powell and European Union High Representative for Foreign Policy Javier Solana:

Powell: "I might begin by saying that the United States remains deeply engaged in trying to find a solution to the



U.S.-European exchanges on the Middle East crisis, involving EU representative Javier Solana (left) and Secretary of State Powell, were the important events at the World Economic Forum. The economics presentations, by contrast, were pure denial and fantasy.

crisis in the Middle East. When this administration came in last year, we immediately gave our support to Sen. George Mitchell and Javier Solana and their colleagues to complete their work. And that Mitchell report, as it is known, has given us a road map to get back to the negotiating table, beginning with the cease-fire, confidence-building measures, and other activities that will allow us to start discussions again on the basis of UN Resolutions 242 and 338.

“Since the Mitchell report was issued last spring, we have been actively engaged with George Tenet, our CIA director, my own involvement, the involvement of President Bush on a number of occasions. And then President Bush came to the United Nations General Assembly not too long ago, and was the first United States President ever to stand up in front of an international body and talk about his vision for a state for the Palestinian people by the name of Palestine, living in peace and security next to Israel, a Jewish state. I followed that with a speech in Louisville that laid out our vision in greater detail. And then General Zinni went over to try to begin the security discussions that would lead to the cease-fire. . . .

“The interesting thing about our work is that as the United States has pursued this policy, it has been with the closest consultation, in the closest consultation with so many of my friends here on the stage with me. Javier Solana and I talk constantly, to make sure we’re giving a consistent message. . . . I’m in close touch with my Russian and other colleagues who have more than a passing interest in this area.”

Solana: “Thank you. Thank you very much. I’d like to start by saying that what Colin Powell has said, I share. We have been—we are, we continue to be in permanent contact, and tried with the best of our intentions to seek how we can solve this difficult problem.

“Now let me tell you my own experience. I have been

engaged in the Middle East since the Madrid conference [in 1992]. That seems to be centuries ago, but it’s not that far away. And I have to tell you that this moment is, to my mind, the most difficult one. And I think an effort of the international coalition, it will be needed to try to stop the situation. I think we have an obligation to do so, and we cannot probably let the parties alone to continue going through the route in which they are now moving. . . . We have the obligation, I think, as a coalition, international community, to get engaged and to get engaged rapidly, and to get engaged in an intense manner.

“I participated on the Mitchell report with Senator Mitchell and President Demirel from Turkey. I remember very well when we were looking at that situation and we started writing the draft in the Mitchell report; we had a very clear chapter that we called ‘cooling-off measures.’ Why did we call it ‘cooling-off measures’? Because we knew that it was going to be very difficult to obtain zero temperature, as far as violence is concerned, in a very short period of time. . . . We needed to go slowly into this cooling-off period, and at the same time, accompany this cooling-off period with some confidence-building measures.

“That is the past, unfortunately. Now is the reality, and as has been said by Colin Powell, the Palestinian Authority has to do the utmost to stop violence. This is a must. But also, the Israeli government has to begin to get engaged through some political perspective. It will be very difficult without any political perspective to get the situation to the zero temperature or the zero violence that everybody around the table would like to have.”

During Secretary Powell’s speech at the WEF, he emphasized, “We have to make sure that, as we fight terrorism using military means and legal means and law enforcement and intelligence means . . . we have to show people who might

move in the direction of terrorism that there is a better way . . . [because] terrorism is a product of hopelessness and poverty.”

It was through U.S. urging, that Israeli Foreign Minister Shimon Peres (Labor Party), while at the WEF, met with Secretary Powell to discuss the status of Middle East peace, and held talks with Palestinian Legislative Speaker Ahmed

Qurei (a.k.a. Abu Ala) and Palestinian Economics Adviser Halad Salam, on Jan. 31, to discuss steps toward a cease-fire. It was later revealed that both Abu Ala and Salam had taken part in a heated meeting with Israeli Prime Minister Ariel Sharon on Jan. 30. Sharon had been called by Jordan’s King Abdullah II from Washington, D.C., where the King had met

Nuremberg Rally At the Super Bowl

This year’s Superbowl half-time spectacle on Feb. 3, struck many for its echoes of the Nazis’ famed Nuremberg rallies: it used 21st-Century blazing light, blaring sound, smoke, and a “charismatic figure” *to promote a global policy*. The feature attraction was the Irish U2 rock band, and its leader, Bono (né Paul Hewson), who had appeared as a superstar “friend of the poor” at the World Economic Forum in New York City the day before. This was an outstanding display of bread and circuses for the masses, done in the style of what qualifies as “compassionate fascism.”

The next day, the media machine gave out the “spin” on the events: The *New York Times* wrote that the Super Bowl half-time was, “Most emblematic. There was Bono, fresh from the World Economic Forum, where on Saturday he had a formal debate with Treasury Secretary Paul O’Neill and lobbied for the cancellation of Third World debt. He led U2 in a live performance during the half-time show, a one-man walking, talking, singing symbol of how politics and entertainment mixed here” in New York.

Patriotism Bud-ding All Over

During the Super Bowl “Nuremberg rally,” advertisers blatantly used their TV spots to cheapen patriotism and even to “commercialize”—not honor—the Sept. 11 dead. Budweiser showed their noble Clydesdales bowing to the knee, as they drew up their wagon toward Ground Zero, where the World Trade Center used to stand. Bono was dressed in an American flag. This is the highest-rated TV program, and most-watched single-day sporting event in the world. (Only viewership for the Olympics opening on Feb. 8 in Utah, will exceed it.) Televised on Fox, the Feb. 3 half-time reached 130 million viewers in the U.S.A., and some 800 million people in 180 countries.

The economic policy Bono carried out on the Super Bowl stage, came from his much-celebrated debate on Third World debt with U.S. Treasury Secretary Paul



Rock star Bono (left) with Microsoft billionaire Bill Gates. The two were featured speakers at the World Economic Forum, along with Treasury Secretary Paul O’Neill, who will accompany Bono on a junket to Africa to “fight poverty and AIDS.”

O’Neill at the World Economic Forum; his coming odd-couple trip with O’Neill to Africa “to fight poverty and AIDS”; his announced plan with billionaire Bill Gates, “Which we’re calling the ‘DATA Agenda’: ‘Debt, AIDS and Trade for Africa, in return for ‘Democracy, Accountability and Transparency in Africa.’ ” All this was bally-hooded in the World Economic Forum publicity, as the Super Bowl rally went on.

What’s going on? Patriotism, activism, philanthropy, charity—and to top it off, entertainment, mega-sports events. But the economic policies promoted here, are a continuation of precisely those which created the poverty and collapse in the first place—globalized trade, the International Monetary Fund, attacks on nations in the false name of “democracy,” etc. And instead of music and entertainment, along with sports, the wrapping for the package was a fascist musical drama aimed at causing its audience to dissociate and “just feel” a new policy. Look at Hitler’s designs for his 1934 Nuremberg Rally, which he had Leni Riefenstahl film for her movie, “Triumph of the Will.”

Reportedly, some 3,500 volunteers were prepared in advance to help bring off the New Orleans stadium super-show. In six minutes, a huge heart-shaped stage was erected. The four U2 band-members charged out, amidst a sea of screaming, waving fans (approved to be on the field). They performed three numbers, utilizing, no more than the

with Secretary Powell, representing the views of Jordan, Egypt, Saudi Arabia, and Syria.

While there has been no immediate breakthrough on the ground, it is notable that Secretary Powell is maintaining pressure on his opponents within the Administration, in the “Wolfowitz cabal,” who envision a Phase II of the “war on

customary five chords each—“Beautiful Day,” “MLK,” and “Where the Streets Have No Name.” The lyrics—undiscernible under the ear-splitting amps—are all well known, from previous best-seller U2 releases. During the incited frenzy, Bono jogged all around the perimeter of the stage as an action stunt, while the crowd swayed and screamed. The TV camera shots were pre-set to beam the choreography to viewers at home.

When the song, “Where the Streets Have No Name,” began, a giant screen appeared from on high, scrolling down the names of those killed on Sept. 11, in black and white transparent lettering (apparently, this projects on smoke). The stands were darkened, and the names reflected over the thousands of bleachers. The sound levels, lighting, and gigantic special effects, all came together into calibrated focus for maximum effect to induce a mass “wave of concern.” As the lights played on Bono, he dramatically opened his lapel, to reveal an American flag.

Anyone still paying actual attention, will have noticed that the scrolling got down only to about the letter “D” among the dead. So, the list was a come-on. Then, the show over, U2 ran out; the huge staff and volunteers disassembled the heart-shaped stage within six minutes; and the gladiatorial mayhem of the Super Bowl football teams recommenced.

The U2 and Bono are specially qualified for their current role, from their beginnings in Dublin, in 1978, as a “politically concerned” group. They were, at times, even a “Christian” rock band, which is a fraudulently concocted genre. They record for Universal (part of the mass media arm of the Lazard Frères/Bronfman interests).

In the “Christian” genre, the idea is that, so-called “Christian” references and words are used, such as grace, and salvation, all the while employing below-the-belt music and theatrics, to induce the audience to zone out, disassociate, turn off their reasoning ability, to “just feel.” After a few down years of what the critics call “me-ism” orientation in their music, the U2 have returned to a phony Christian charity theme, especially in their “stadium-rocker” mode. They were part of the hit parade for the 1985 Live Aid world concert. To further extend their promotional appeal, an instrumental release called, “Strung Out on U2,” has been put out by Classical string musicians.

—Marcia Merry Baker

terrorism” as including a Thirty Years War spreading from the Middle East.

Moreover, Solana and French Foreign Minister Hubert Védrine—who were both part of the WEF panel with Secretary Powell—spoke out strongly there against President George W. Bush’s “axis of evil” reference in his Jan. 29 State of the Union speech. Danilo Taino in an article for Italy’s *Corriere della Serra* on “The Axis of Evil Splits the Big Powers,” reports that, at the WEF, both Védrine and Solana expressed “doubts over the American campaign.” “The differences were laid out publicly, in front of the U.S. Secretary of State, [by] EU foreign policy czar Javier Solana: ‘I do not think that we could build a coalition in which nobody feels at ease.’ So far, Solana warned, we have shared the American action against terrorism; now, however, we want to share decisions. And Hubert Védrine, French Foreign Minister, has repeated the concept: In the war against terrorism, international consultations must be more ongoing and targets must be reviewed and approved periodically.”

‘Clash of Civilizations’ Gang at WEF

On Jan. 31, the Thirty Years War perspective was put forward by Harvard’s Huntington in a panel entitled, “Defining What We Share: Bridging Cultures and Civilizations.” However, as Marc Champion put it in the *Wall Street Journal* web edition on Jan. 31, Huntington, true to form, was not really interested in “bridging cultures and civilizations.”

This “religious program” of the World Economic Forum was organized by Sheikh Zaki Badawi, a London-based Egyptian scholar, who is quoted saying that Huntington’s book, *Clash of Civilizations*, “has given extremists the means to justify their claims about jihad between Islam and the West.” Huntington simply lied, and responded that he is just warning the world of the facts, as George Kennan had in the 1950s about the danger of nuclear war, so it can be avoided.

The Argentine daily *La Nación* on Jan. 4, reported on a WEF panel entitled, “The Paradigm for the Future,” which saw, squared off against one another: “British Golem” and hedge-fund billionaire George Soros; former Carter National Security Adviser and fascist geopolitician Zbigniew Brzezinski; Huntington, who had been Brzezinski’s protégé at the Trilateral Commission and National Security Council; Francis “The End of History” Fukuyama; Sen. Hillary Clinton (D-N.Y.); and, and Israel’s Foreign Minister Shimon Peres.

While Huntington and Fukuyama argued that there would likely be a post-Cold War clash of civilizations, “Zbig” argued that during this conflict, the United States would need allies to prosecute the “war on terrorism” to its conclusion—i.e., a series of wars throughout what Brzezinski once called the “Arc of Crisis,” and has now broadened into “The Eurasian Balkans.” As Brzezinski has claimed since his 1997 book, *Grand Chessboard*, this “zone of instability” now includes not only the Middle East, but also Transcaucasia and Central Asia.

Sept. 11 Fallout? Russia, India Revive 'Trilateral Cooperation' With China

by Ramtanu Maitra

The back-to-back India visits of Russian Foreign Minister Igor Ivanov (Feb. 3) and Deputy Prime Minister Ilya Klebanov (Feb. 5-7), are expected to draw attention of the important capitals of the world. Foreign Minister Ivanov, who stopped at Delhi on his way to Kabul from Tokyo, revived the concept of "trilateral cooperation" among Russia, India and China.

The concept of a triangular relationship was first proposed by former Russian Prime Minister Yevgeny Primakov, who, during his visit to Delhi in 1999, expressed hope that India, China, and Russia would be able to establish a "strategic triangle" that would be in the interests of peace and security. "India," Primakov said on that occasion, "is a great power, and a lot depends on the policy pursued by India, Russia and China."

The Revived Concept

The issue of such Russia-India-China cooperation figured in an hour-long discussion Feb. 3 between the visiting Russian Foreign Minister and the Indian Defense Minister, George Fernandes. According to the Indian External Affairs Ministry spokesperson, Mrs. Nirupama Rao, both "agreed that the three countries can explore means of strengthening cooperation slowly and steadily." Formal announcement by both sides indicates that the cooperation will be initially to counter international terrorism, and also to provide energy security.

What "energy security" means over a long period of time has not been spelled out yet. But what it means in the immediate context, to India, is the Russian and Chinese agreement to finance and participate as guarantors for the \$5.6 billion proposed Iran-India gas pipeline, via the Pakistan overland route. The project has been discussed for years, but India found it difficult to endorse the proposed route because of its hostile relationship with Pakistan.

In addition, India has been invited to participate in the Shanghai Cooperation Organization (SCO) as an observer in its next meeting at St. Petersburg in June. The SCO is an important security forum with China, Russia, and four Central Asian nations—Kazakhstan, Kyrgyzstan, Tajikistan, and Uzbekistan—as its members. Pakistan, which, like India, is keen to get into the forum, has made a formal application.

Russian Deputy Prime Minister Klebanov's three-day visit will be more of a bilateral forum between India and Russia. He will co-chair, with the Indian Finance Minister

Yashwant Sinha, the annual Indo-Russian Inter-Governmental Commission (IRIGC) meeting on cooperation in various fields, including trade. Klebanov, who is also the co-chairman of the IRIGC on military-technical cooperation, with Defense Minister George Fernandes, discussed a whole range of issues with Fernandes relating to defense cooperation and supplies, the Indian officials reported.

Following his meeting with the Indian Defense Minister, Klebanov said: "I have brought proposals for joint ventures, with equal financial stakes, in research, development, and production of high-tech weapons." Though emphasizing that India and Russia should move beyond arms sales, he said the time has come for the two countries to join hands in developing futuristic weapons, especially for the air force and navy. Citing the recent success in testing the jointly developed Brahmos supersonic cruise missiles, Klebanov said India and Russia should venture into development and production of fifth generation fighters as well as civilian aircraft.

During subsequent meetings with Indian Prime Minister Atal Behari Vajpayee, External Affairs Minister Jaswant Singh, and National Security Adviser Brajesh Mishra, Klebanov reported that he visualizes joint ventures in civil and military fields as part of a strategic partnership.

The Earlier Concept

In 1999, when the concept of a "strategic triangle" was first mooted in Delhi by the Russian Prime Minister, Moscow was deeply concerned about expansion of NATO. What was in Moscow's mind, as Presidential spokesman Sergei Prikhodko explained, was to develop a counterbalance to the aggressive unilateral expansion of NATO, as exhibited by Washington in its Yugoslavia campaign.

Not exhibiting such fear any longer, both Moscow and New Delhi seem to be approaching this important move in a more effective and mature fashion. Russian Foreign Minister Ivanov said there were no plans for India, Russia, and China to forge any axis or bloc. The three countries were "self-sufficient" and were interested in expanding their relations in the post-Cold War era, Ivanov said, adding "we have a common field for interaction, many common interests and common approaches on the world order."

Ivanov went further, in order to assuage "fears" of those who oppose any triangular cooperation, saying that Russia

The Summits of the Shanghai Cooperation Organization



The other war against terrorism: New “strategic triangle” cooperation among China, Russia, and India may bring India into the Shanghai Cooperation Organization, formed in 1996 to coordinate against separatist terrorism. Pakistan, as well, wishes to join. The triangular cooperation China-Russia-India has economic objectives also, but is partly a reaction to U.S. “Sept. 11” policies.

considers Japan also an important ingredient in this cooperation. According to Itar-TASS, he named India, China, and Japan as Russia’s main partners in Asia with which Moscow will develop and strengthen strategic interaction to revive a multipolar world. “Russia has special interest in developing relations with India, as well as with Japan,” Ivanov said.

The revival of the intent to develop trilateral cooperation between two Asian giants and the only “Eurasian nation,” after two years of near-silence, could not have been more timely. The Indian External Affairs Ministry sources, however, pointed out that the subject remained under discussion all this while at the unofficial level among academics and think-tanks in these three countries. It was also “touched upon” during Chinese Prime Minister Zhu Rongji’s trip to India in January. At that time an Indian think-tank, the Institute for Defense Studies and Analysis (IDSA), had held a two-day seminar at New Delhi on the subject.

EIR, on the other hand, had been promoting the concept of triangular cooperation among India, China, and Russia, long before Primakov had made public his intent in 1999.

Beijing, which had expressed its disinclination to the idea

when Prime Minister Primakov proposed it, seems to be more agreeable to the concept now. During his recent visit to India, Zhu Rongji, beside urging New Delhi to enhance Sino-Indian trade, commerce, business, and science and technology cooperation at a rapid pace, said at the banquet speech hosted in his honor by the Indian Prime Minister: “Currently, the international situation is undergoing complex and profound changes. As the two largest developing countries in the world, China and India have on their shoulders important responsibilities for maintaining peace, stability and prosperity in Asia.” The statement is extraordinary since China, for the first time, acknowledged that India has a role to play in all of Asia, and not merely in South Asia.

Even before Prime Minister Zhu’s visit, China-India relations had begun showing a sign of life. In April 2001, New Delhi supported Beijing in beating back a Washington-sponsored full-court press to pass a resolution condemning alleged human rights abuses in China. After the vote at the 53-member UN Commission on Human Rights in Geneva, Chinese Foreign Minister Tang Jiaxuan had personally thanked his Indian counterpart, Jaswant Singh, for the support extended by him.

Since then, indications of Chinese reciprocity became more evident than ever before in recent years.

But beyond that, a number of other factors have come into play. The Indian news daily *The Hindu* pointed out in its editorial on Feb. 4 that it has become obvious to New Delhi, that Moscow is eager to upgrade its India-centric strategic partnership to meet the diplomatic challenges of the “Bush doctrine.” What that doctrine means to do, *The Hindu* said, is to co-opt both India and Russia, besides China, into a larger campaign “to create peace and prosperity in a global order beyond his ongoing war of terror.” However, America’s assertive unilateralism, as expressed in President Bush’s State of the Union speech, could not be acceptable to either Russia, China, or India. The nations belonging to Bush’s alleged “axis of evil” (Iraq, Iran, and North Korea) are located in the extended neighborhood of these three large nations. *The Hindu* asserted that the statement also poses somewhat of a threat to these three.

Strategic Considerations

For all the strategic marginalization of Russia and China, there is also an increasing sense of disquiet in these two countries about a larger U.S. military role in Asia. At the Wehrkunde international security conference in Germany (see *International*), the defense and foreign ministers of Germany, Russia, and China expressed themselves against any arbitrary expansion of the United States-led anti-terrorism fight. All three emphasized that future anti-terrorism strikes against any nation must have a UN mandate. They were responding to U.S. Deputy Defense Secretary Paul Wolfowitz’s assertion that the United States did not need a UN mandate, and could go it alone.

New Delhi has become uneasy over these developments. Despite the fact that India and the United States have revived their military-to-military interaction, signalling the end of the tension caused by India’s Pokhran II test of nuclear devices in May 1998, New Delhi is worried that President Bush is now scaling up his anti-terror manifesto by injecting into it his long-term foreign policy objectives. By setting up bases in Pakistan and some Central Asian nations, which have all been identified as “frontline states” by the United States in its fight against terrorism in Afghanistan, Washington has raised concern in both India and Russia at the official level.

Beijing is also wary of America’s growing strategic presence in its environment. According to the government officials in New Delhi, India and Russia, which have “excellent relations,” marked by similarity of views on most international issues, discussed in depth during Ivanov’s and Klebanov’s visits a common stand on Afghanistan, the U.S. military presence in Central Asia, and India-Pakistan relations.

On Feb. 5, the head of the Indian Air Force, Satish Jain, had met Tajik Defense Minister Sherali Khairullayev in Dushanbe and offered technical assistance to upgrade the Aini military airfield near the Tajik capital. Earlier, the

French had agreed to do the upgrading, but later declined. Tajikistan is considered to be most dependent on Russia among all Central Asian nations. New Delhi has taken note of the Russian intelligence agency’s report that a possible deployment of anti-missile systems at the U.S. base in Khanabad in Uzbekistan, may affect Russian strategic facilities throughout vast areas.

In addition, New Delhi had been skeptical about Washington’s commitment against terrorism. It has been pointed out repeatedly in New Delhi that Washington is keen to deal with those who cause harm to the United States, and its citizens, but the United States does not find the same zeal to tackle those who commit terrorism against others.

Energy Security

The triangular cooperation, as Foreign Minister Ivanov pointed out, will be to ensure “energy security” to the subcontinent. China has shown interest in connecting a gas pipeline from Turkmenistan to its western Xinjiang province, for onward supply to Pakistan and India. Iran’s petroleum minister will be visiting Pakistan in March and it is likely that the Iran-India gas pipeline via the Pakistan overland route will be a major subject of discussion during his visit.

At the same time, the United States is not waiting and watching. This month, a high-level U.S. Export-Import Bank, Trade and Development Agency (TDA), and Overseas Private Insurance Corporation (OPIC) combined delegation will arrive in Islamabad to explore business opportunities, including oil and gas pipeline investment. It has also been reported that Deputy Treasury Secretary Kenneth Dam, who was in Islamabad the last week in January, is also going to New Delhi to discuss trade and investment, and again to demand that India make contract payments to Enron.

Meanwhile, China has held talks with Pakistan’s petroleum minister in connection with the White Oil Pipeline project, a Pakistani project with Chinese involvement in construction and financing. China’s Exim bank has allocated a \$120 million credit for the project, which will run from Port Qasim, near Karachi, to the country’s north, and meet 75% of Pakistan’s oil transportation needs. The construction contract has been awarded to China Petroleum Engineering and Construction Company, and work may begin this June.

China, Russia, and India are all making diplomatic moves in Afghanistan—Ivanov’s one-day trip to Kabul on Feb. 4 from Delhi, China’s opening of its embassy in Kabul on Feb. 6, and the arrival of a high-powered Indian trade delegation in Kabul on Feb. 7. These moves are neither uncoordinated nor unrelated events. A wider Indian participation in Kabul was urged by Ivanov during his short visit to Delhi. It is expected also that in the coming days, China will begin making forays on the trade and commerce front in Afghanistan. China, unlike India, never had a base within Afghanistan, and that could be a reason why Beijing’s efforts will be slower, but it will be there.

Candidates Join To End Maastricht and IMF

Jacques Cheminade, French candidate for President this year, and Helga Zepp-LaRouche, German Chancellor candidate heading a slate for the parliament, issued this joint call to action on Feb. 5, in French, German, and English.

The present financial system is collapsing before our eyes. The future of nation-states and of peoples is at stake.

Our aim, in issuing this statement, is to call upon France, Germany and the other European countries, to rise to the challenge.

Already now, the city of Berlin is bankrupt and, our two countries, relative to their actual production levels, are more indebted than Argentina itself.

Far from protecting us, the euro will rather constrain us and set us up for financial destruction. Indeed, the Amsterdam Stability Pact and the Maastricht agreements explicitly prohibit the issuance of public credit on the model of the Marshall Plan, which will be indispensable to pull our economies and those of our partners away from financial destruction.

Thus, our first demand is that the articles of these treaties, which impose on us a political and economic *hara kiri*, be immediately abrogated.

Free to act and to emit long-term and low-interest public credit, our governments will be able to carry out a policy of mutual development within our countries and beyond.

The dimension of the effort required to build such an economic recovery is that of Eurasia, of Europe participating in great infrastructure projects covering the vast regions from the Atlantic to the China Sea, because there, and only there, can one find the sufficient human and material resources. It is in this Eurasian Land-Bridge, accompanied by similar efforts towards Africa and the Middle East, that a decisive step will be taken towards a planetary Marshall Plan, modelled on the global New Deal that Franklin Delano Roosevelt had conceived—and which was unfortunately abandoned by his successors—and creating the conditions of mutual and peaceful development among sovereign nation-states.

The realization of these policies on an international scale is, of course, incompatible with the logic and the habits of the International Monetary Fund. The IMF and other institutions are serving to implement the destructive austerity of the markets and the banks, instead of upholding the common good of peoples. This is why, in order to carry out the Eurasian Land-Bridge project, European leaders, French and Germans in

particular, must issue a call for an international conference, to lay the foundations for a new world economic and monetary order.

The American economist and political leader, Lyndon LaRouche, has defined in his proposal for a new Bretton Woods, the foundations of this order: a return to fixed currency exchange rates, in place of the floating exchange rate system, which contributes to speculation; control of capital movements; bankruptcy reorganization of all financial speculative assets, to prevent capital flight; and, determination of infrastructure projects to be carried out.

Currency must become an instrument to realize great infrastructure projects and technological development in the service of all. Two solutions appear feasible: either the creation of a gold- or raw materials-referenced euro; or, the return to national currencies within a system of common reference, also connected to a gold or raw materials referent. The essential question is that through a system thus defined of money for development, there be created a logic defined by national banks associated to great public works, with a stable instrument of reference, a logic opposed to that of the present European Central Bank which is composed of former bankers and Treasury administration officials in the service of the financial markets.

In short, Europe must become adult once again, by giving itself a mission: each nation must place its best for the common benefit, and adopt the best from others, laying thus the ground for a true inter-European dialogue and beyond, of a dialogue between civilizations, instead of the present war of all against all.

The threat is immediate. Conscious of the crisis and determined to maintain its power, the Anglo-American oligarchy is willing to impose, out of the United States, a certain type of military control over society, measures which go against civil liberties, and create protectorates throughout the world. Malthusianism and brutal depopulation are the horizon of this inhuman policy.

Europe must represent the other option, with those who, in Russia, in India, in China, in Japan, in Korea and elsewhere, share with it a common interest in peace through development.

France and Germany must have the courage to fight those who, like Brzezinski, Kissinger, Samuel Huntington, Paul Wolfowitz and Richard Perle, are promoting a clash of civilizations at the expense of the lives of peoples and nations. They must reestablish the legitimacy of the nation-state, based on a policy for the common good and public service.

We demand the same courage of the present leaders of our countries. We commit ourselves to support with all our strength, those who will manifest such courage; but, at the same time, were they to continue to submit, or not to act, we are ready to take this responsibility upon ourselves.

We must act, here and now. There are moments in history where the only moral choice is to lead the fight.

British-Style Privatization Would Worsen Amtrak's Wreck; Options Emerge

by Marcia Merry Baker

The Feb. 7 restructuring proposal released for Amtrak, the national U.S. passenger rail system, by the Amtrak Reform Council, recommends that private companies be allowed to pick over the remains of Amtrak, which is losing billions in the current economic crisis, and is close to closing down. Thus, the nation's air-travel and rail-travel systems are under severe threat at the same time. The "restructuring" calls for exactly what was done in Britain's Thatcherite rail privatization in the late 1980s, which brought U.K. railroads to the stage of a generally recognized, complete breakdown today.

In 1997, Congress created the Amtrak Reform Council, at the time that lawmakers, and the public, were on an ideological free-markets crusade. They mandated that the Council support Amtrak for five years, after which, by the end of 2002, the system should be operationally self-sufficient. This mandate was decreed outside the realm of the economic collapse process, and other realities, and has now fallen flat.

On Feb. 1, George Warrington, President of Amtrak, announced that unless Congress commits to giving at least \$1.2 billion to keep the national passenger system going, Amtrak will have to cease *all* operations as of Sept. 30. Warrington announced, in any case, the layoff of 300 managers and 700 union rail workers, and a 23% cutback in capital improvements. At 73% of stations, hours will be cut back.

Amtrak, whose official name is the National Railroad Passenger Service, was formed in 1971, amalgamating several former railroads. It now operates over 22,000 route-miles, serving more than 500 stations in 46 states. It operates 343 locomotives (278 diesel, and 65 electric), and some 2,188 rail cars. Amtrak owns three heavy maintenance facilities (two in Delaware, and one in Indiana), numerous other shops, 18 tunnels (consisting of 26.5 miles of track) and 1,165 bridges (61 miles of track).

If Congress, in fiscal year 2003, which begins in July, merely matches this fiscal year's \$521 million appropriation, most of the system's long-distance routes will still have to be shut down, except for those in the Northeast, and some California passenger service which gets state subsidies.

Thus, the national rail system crisis is terminal, which is occurring at exactly the same point when the U.S. commercial air-travel sector is sinking toward bankruptcy. Even the remaining national bus lines operate only under the most precarious financial conditions.

Scavenger RR

The Reform Council's proposals for "saving" the U.S. passenger system are directly modelled on the British 1980s privatization, which recently ended in a dramatic rail collapse in the United Kingdom. Ironically, the call is now heard throughout the United Kingdom, for emergency *re-nationalization* of the rail system, at the very same time that the Amtrak Reform Council calls for privatization.

The Reform Council's idea is that the Amtrak tracks and infrastructure (bridges, tunnels, buildings, etc.) would revert to the Federal government for upkeep. The Feds, in turn, would sell off "the cream"—passenger train operations and services—to chosen bidders, to be run privately.

Among those reported to be in the bidding pool already are Connex, a subsidiary of the Canadian Bronfman firm Vivendi Universal; GB Railways Group; Stagecoach Group, a Scottish railway company; and Railway Service Corp., a Delaware-based firm.

The review process in Congress was scheduled to start with a Feb. 14 hearing in the House Transportation and Infrastructure Committee, and continue with late-February hearings in the Senate.

But a bipartisan, "pro-rail infrastructure" line-up in Congress has existed all along, backing the goal of maintaining—even expanding—Amtrak and a continental rail system. Similarly, on the state and local level, in government, industry and agriculture. Sen. Harry Reid (D-Nev.), the Senate Whip, gave speeches in August, saying that there must be a "Marshall Plan for Renewal" of U.S. infrastructure, which includes railroads.

However, these circles have not exerted leadership, particularly after the Sept. 11 attacks. On the Democratic side, Reid and Sen. Harry Byrd (D-W.Va.), called for some \$15-20 billion in spending on infrastructure for "preparedness," saying a collateral benefit would be jobs. But no concerted effort has been made. When the steel workers staged a "Tent City" protest in Washington, in December, against the closing of the integrated mills of bankrupt steel giant LTV, the obvious issue of steel for construction of high-speed and magnetic-levitation rail, was not put forward.

The political and economic reality is, that only the tried-and-true kinds of "American System" approaches will work to provide basic utilities and services—from energy, to transportation, to health care. Under conditions of financial and



Amtrak's entire 22,000 miles of rail, stock, and infrastructure faces shut-down in the Fall, unless Congress passes acts for rail recovery.

economic breakdown crises, these are the only “practical” recourses.

In rail, specifically, that means a Federal initiative for upgrading key lines, *expanding* services, including long-distance, and building new, priority lines, such as the north-south route from Alaska through Canada's Yukon Territories, and down into the “Lower 48” states. Like the FDR projects in the 1930s, the Federal contracts can go to private firms, such as engineering and construction, which will get the job done. In turn, this would create positive multiplier effects throughout the economy.

Many local rail projects, once considered only as regional “pet” priorities, should now be brought to the fore, and incorporated into coherent anti-depression, long-overdue economic development projects for the continent.

The northern “missing link,” through the Yukon Territories, to connect Alaska, with the Canadian Provinces and southward, is one of the most important examples. The unpopulated state of the northern territories (there are only 30,000 residents in the Yukon) exactly illustrates the point. A new rail-based corridor through the vast region, provides the infrastructure for new centers of economic activity and population, and at the same time, preserves and upgrades the ecology with modern technology.

Another example of what should be debated, is the newly announced “Trans-Texas Corridor” plan (see below).

LaRouche ‘Land-Bridge’ Approach

Lyndon LaRouche's 2004 Presidential campaign is mobilizing to make known the reality of the “Eurasian Land-Bridge” of rail corridor projects now under way, and what this approach—connecting Rotterdam to Vladivostok or Lianyungang—could mean for the Americas. As shown in LaRouche movement organizing in town meetings, Internet exchanges, webcasts with the candidate, and so on, the potential for exciting constituency support is very great, for proceeding with a Land-Bridge railroad-building drive in North America.

In one Amtrak scenario, instead of the government selling off looting rights to passenger services, while the government foots the bill for maintaining track and equipment, private companies could indeed take over certain main grids in a *re-regulated* environment. This would mean a return to the type of regulated rail system earlier in place in the United States for decades, in which routes, fares, infrastructure maintenance and renewal, and safety standards must be met, and a decent rate of profit, rather than piratical, factored in for the private railroad companies. This was the traditional U.S. system of the Penn Central, the Chesapeake & Ohio, and Acheson, Topeka & Santa Fe, among all the other legendary names.

Or, Amtrak could be the designated national corporation. As it is, Amtrak leases almost all of the 22,000 route-miles it operates, from the freight railroads. Outright, Amtrak owns only the 730 miles of track in the high-speed Boston-to-Washington corridor.

What Is ‘Profitable’?

Seattle-based rail expert Hal Cooper, who is actively promoting the maximum Land-Bridge approach to the rail crisis, commented on Feb. 2 on Amtrak President Warrington's threat to shut down U.S. passenger service (see interview): “There is a need for more money with Amtrak, and I understand the cutbacks are for the long-distance trains. Unfortunately, Amtrak's management has greatly contributed to the problem that we have. Frankly, they've been cooking the books. They've been showing the long-distance trains [as] the big money losers, when in fact, they are the really profitable ones in the system.

“If every one of the those long-distance routes across the country—both north-south, and east-west—were run at two trains per day frequency or more, in each direction, [you] would be basically at breakeven, or you would be making a profit.

“I think that there needs to be an entirely new management approach and philosophy. . . . I think what's ultimately behind this is the efforts of the economic interests of oil, automobiles, highways, airlines, and mall real estate, to make sure there is no viable rail alternative—as it has always been in this country since after World War II.

“The states, unfortunately, have been put in the posture

. . . to do this on their own.”

On Jan. 28, Texas Gov. Rick Perry unveiled his state transportation plan, the “Trans-Texas Corridor,” calling for some 4,000 route-miles of rail and highway to be built, based on state funding authority. The map shown of this very ambitious undertaking, projected over two generations, is the “conceptual” sketch from the Texas Department of Transportation. Perry speaks in terms of \$175 billion in public and private money, over 50 years.

Trans-Texas Corridor

As described in his press release, “The corridors will [each] consist of six highway vehicle lanes—three in each direction—and six rail lines—three in each direction. One rail line will be dedicated to high-speed commuter rail, one to high-speed freight rail and one dedicated to short-haul regional rail, which could serve as the backbone of a local commuter railsystem serving all Texans.” The rail is to be built at the same time as the roads. There will be built-in easements for oil, natural gas, electric and telecommunications lines, even water lines and lift stations.

Funding? The Trans-Texas outlines four funding mechanisms, and authorizes the Department of Transportation to make public/private partnerships. To begin with, “Toll Equity” is intended to “jump start” construction, by attracting seed money to invest in future toll revenue. In addition, the “Texas Mobility Fund,” recently enacted, is seen as a framework for the State Transportation Department “to dedicate general revenue funds to bond construction of some projects.”

Politics and the North American Free Trade Agreement (NAFTA) are heavy co-factors in the release of the Trans-Texas Plan. Perry is making his first electoral bid for governor in this year’s mid-term elections, after being appointed to fill out George Bush’s term. Texas is geographically the natural corridor for NAFTA’s “free trade” routes, and its rail, highway and water infrastructure—which were already inadequate as of 1990—have deteriorated drastically since NAFTA suddenly intensified truck traffic and other flows.

Interview: Hal Cooper

‘Transport Corridors Are The Right Approach’

After Texas Gov. Rick Perry’s announcement that Texas would begin building the Trans-Texas Corridor, EIR interviewed transportation consultant Hal Cooper.

Cooper: I understand Governor Perry’s proposal is for

\$174 billion [over 50 years] for 4,000 miles of transportation corridors. This is the first proposal of any kind that begins to approach the LaRouche policy for transportation corridor development, and integrated economic development. . . . It will provide a good start. I think that the idea that we can have railroads, and roads, and utility corridors and pipelines and so forth, all in the same corridors, is exactly the right approach. And Governor Perry’s proposal is basically that.

I understand the first corridor would be from Laredo to Dallas. That, of course, would be for passengers, and also for taking trucks off the road. It would seem to me that that particular approach is absolutely essential, when you’re dealing with the question of the truck traffic. There has been a whole lot of discussion about the safety features of Mexican trucks. . . . The answer is, the trucks that are coming to and from Mexico, shouldn’t be going on the road! They should be going on the train. And then, we have American drivers drive them in the United States, and Mexican drivers drive them in Mexico. And I have never heard any discussion, or any proposals to do that by any political leader. Including by our Sen. Patty Murray, here in the State of Washington, who is the one who led the fight against the Mexican trucks.

EIR: How does the “Trans-Texas” fit in with your view of linking North and South America for real development, not NAFTA schemes?

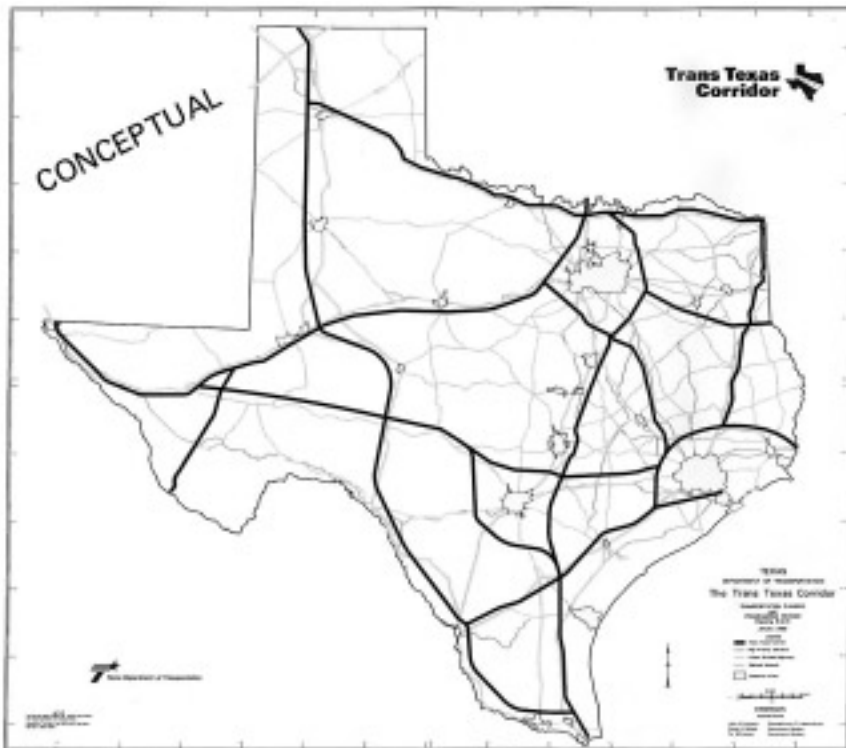
Cooper: I see Texas as like the hub of a wheel, if you are looking only in a north-south, and east-west direction. Excluding Mexico, for the moment.

First of all, is the Central North American Corridor—up to North Dakota, from Texas. This is, of course, going from Eagle Pass, all the way up to North Dakota, on the Great Plains. That is something that provides the most direct route between Alaska and Central America, if you are looking at an intercontinental system, for rail.

Now in addition to that, Governor Perry’s proposal of the Interstate 35 Corridor, from Laredo up to Dallas, should be extended all the way up to Duluth, Minnesota. . . .

In addition to that, we need the corridor from Houston to Los Angeles, of course, going east to New Orleans. And one going to Chicago. All these things are like spokes of a wheel. I think this is what Governor Perry’s proposal begins to address.

But the problem is, the railroads are not factoring in the passenger transportation, or—to the extent that they need to—the intermodal freight, and especially the movement of trucks off the roads, onto the trains. That needs to be done. . . . We need to get off this “Point A to Point B,” where we don’t serve any of the intermediate cities, because we juggle the economics so that “it doesn’t work,” when it fact, it really should. And all those intermediate communities need to be served, because then, things could work in a viable way between road and rail. Otherwise, they can’t. This has



Texas Governor Perry's long-term idea for development of combined road-rail-infrastructure corridors across the state. Lines reaching to the north could make this a large hub for rail corridors from Alaska to Central America, and from Southern California to the Gulf of Mexico.

been a sad lot. But I think Governor Perry's proposal is the first thing that I've seen, that actually begins to address these questions.

EIR: So you are saying, it adds to the agenda of discussion?

Cooper: I want to make a specific proposal: I think, on the Interstate 35, the concept that I talked about on the West Coast—the proposal for the road and rail, and utility and pipeline corridors [from Vancouver, to Tijuana]—could be very well [replicated] on Interstate 35, between Laredo, and Duluth, Minnesota. You have a corridor that has a number of major areas. You have a truck traffic level that averages 5,000 to 7,000 a day. It's a little bit less than Interstate 5 on the West Coast, but it's certainly plenty. And you have several major metropolitan areas in between: San Antonio, Austin, Dallas/Fort Worth, Oklahoma City, Kansas City, Des Moines, and the Twin Cities [Minneapolis-St. Paul]. All those are along the corridor, and there is plenty of justification for [rail] traffic.

That's why I think you would need to develop a rail corridor. But there, now, the rail is kind of fragmented. It's under different ownerships, and there are certain places where there is no rail. That needs to be done, just as well as the road, and not just focus on the Interstate highway.

EIR: So you are stressing the continental scale of development?

Cooper: Right. But Texas is really the only state that is so large in geographic area. The only other one would be California. Alaska is far away, and not that big in population. But Texas is a very big place, and it's probably one of the few places that you could begin to develop this kind of concept within one state.

California should be doing what Texas is proposing, but so far, we don't hear that kind of proposal coming from anywhere in the state of California.

EIR: There is also the funding question, in the discussion.

Cooper: There is something that you need to emphasize. Toll roads are really of questionable economic viability. . . . If you are trying to use that approach with roads, as compared to paying for the shipment of goods and people on trains, rail is a far more viable approach, which tends to produce a much higher economic rate of return than the roads. You are fighting a losing battle with roads, because your capital costs

are higher, and your maintenance cost is astronomically higher—especially when you start running lots of trucks on the roads.

So, you are better off putting as much as you can into the rail, and getting far more value for the money you are spending, than you are in roads—both from a capital, and from an annual cost standpoint. Plus the fact, you can haul an equivalent capacity for much lower capital costs, and annual costs—maintenance costs in particular.

That is something that never gets addressed by any of the transportation community in this country, and that is because everything is completely locked into roads and highways. That, of course, goes back to the Federal funding policies that developed in this country after World War II.

EIR: The National Defense Highway Construction Act?

Cooper: That hasn't changed.

EIR: Well, since, as Amtrak shows, rail is at an end, as far as the way things have been financed; and the airlines, as United Airlines shows; and the highways in Texas, with all the traffic on them, are all falling apart, we have a new opportunity.

Cooper: Right.

The Enigma of The Fulbright Memorandum

by Edward Spannaus

The following report¹ is a component of the “Zbigniew Brzezinski and September 11th” Special Report, soon to be issued by the LaRouche in 2004 Presidential campaign, the main feature article of which was published in the Jan. 11 EIR.

In that feature article, Lyndon H. LaRouche, Jr. identified three distinct elements to be investigated in the aftermath of the Sept. 11 developments: 1) the military coup-attempt itself, the intended “detonator” of the operation, which, in the worst case, could have resulted in a potential, runaway thermonuclear-superpower-escalation; 2) the general political-strategic factor of the “clash of civilizations” policy of Brzezinski, Samuel Huntington, et al., which was the main body of the operation as a whole; and 3) the “implicit suicide-bomber-like role of the current Israeli regime,” the intention of which was to set off a wider war in and around the Middle East.

This report, by examining the military-coup-type tendencies and capabilities which existed in the United States during the period which extends from the firing of Gen. Douglas MacArthur, up through the assassination of President John F. Kennedy in 1963, is intended to draw the reader’s attention to the continuity of an institutional phenomenon from that period to the present day.

To understand what happened on Sept. 11, it is useful to attend to this institutional factor, which was highlighted, each from their own standpoints, by 1) President Eisenhower’s Farewell Address, with its largely misunderstood warning of the threat emanating from the growing influence of what he called the “military-industrial complex”; 2) General MacArthur’s persistent warnings to President Kennedy and oth-

ers against involvement in a land-war in Asia, of the sort which was in fact foolishly but deliberately carried out after the murder of President Kennedy; and (3) Sen. J. William Fulbright’s 1961 Memorandum alluding to a military-coup danger in the United States. It is of particular significance that Fulbright referenced “the revolt of the French generals”—which takes us into the assassination attempts against French President Charles de Gaulle, in which were implicated the same international terrorist networks which played a central role in the subsequent assassination of President Kennedy.

To provide the reader with a glimpse of a now-forgotten aspect of recent U.S. history—which illustrates the continuity of this institutionalized phenomenon—we present the following report on the “Fulbright Memorandum.”

Six months into the new administration of President John F. Kennedy, Senate Foreign Relations Committee Chairman J. William Fulbright (D-Ark.) was warning about the dangers of a revolt by right-wing military officers against the administration. Although Fulbright himself did not use the word “coup,” others did—including some who *denied* planning such a coup.

Because of its implications for the attempted coup d’état against the U.S. government that began with the events of Sept. 11, 2001, we present here the preliminary results of the first phase of an inquiry into the significance of the “Fulbright Memorandum”—subject to the qualification, that this by no means represents the last word on this crucial matter, but rather, constitutes the first fruits of an ongoing historical investigation.

The backdrop to the July 1961 Fulbright Memorandum was the April 1961 firing of Maj. Gen. Edwin Walker, who had been indoctrinating his troops in Augsburg, Germany,

1. The author wishes to acknowledge the assistance of the Special Collections Division of the University of Arkansas Libraries, which houses the J. William Fulbright Papers.



Sen. J. William Fulbright (left) warned in a July 1961 memorandum to Secretary of Defense Robert McNamara, that “extremely radical right-wing” speakers and/or materials from private organizations were circulating among the U.S. military, “with the probable net result of condemning foreign and domestic policies of the administration in the public mind.” Here, Fulbright is shown with Sen. Eugene McCarthy in 1966.

with John Birch Society propaganda. But this was only the most notorious case of a much broader pattern of political activity by military officers, which prominently included military collaboration with the H. Smith Richardson Foundation’s Frank Barnett; the Foreign Policy Research Institute (FPRI) of Robert Strausz-Hupé, then attached to the University of Pennsylvania; and the Institute for American Strategy (IAS). (Later, in the 1970s and ’80s, Richard Mellon Scaife picked up much of the funding for these operations, along with the Smith Richardson Foundation, and the Olin Foundation.)

But the actual context—and it is certain that Fulbright was not fully aware of all this—was: 1) the extraordinary and mostly secret building of “special warfare” capabilities and operations in the waning months of the Eisenhower Administration, and 2) Eisenhower’s own warning of the danger to “our liberties and democratic process” posed by the growing influence of the “military-industrial complex,” following eight years of heated battles between Eisenhower and his own military chiefs.

And then, within a few months of Fulbright’s warning, secret planning began in the Pentagon on “Operation Mon-goose”—plotting the overthrow (or assassination) of Cuba’s Fidel Castro, which soon came to include plans to use acts of terrorism to drag the Kennedy Administration into a war in Cuba. From this Pentagon/CIA operation, centered around Cuban exiles, led many threads into the complex operation which culminated in the assassination of Kennedy himself in November 1963.

Fulbright’s Warning

The Fulbright Memorandum was drafted in July 1961 as a personal communication between the Senate and the

Secretary of Defense, who was Robert McNamara.² Entitled “Propaganda Activities of Military Personnel Directed at the Public,” the memorandum began by noting that a 1958 National Security Council directive had made it the policy of the United States “to make use of military personnel and facilities to arouse the public to the menace of the Cold War.” Fulbright reported that private organizations were preparing material that was then distributed by the military, material which was contrary to the President’s policies. He noted that the actual programs being carried out under the 1958 directive “made use of extremely radical right-wing speakers and/or materials, with the probable net result of condemning foreign and domestic policies of the administration in the public mind.”

Fulbright’s allusion to a military coup, came as follows: “Perhaps it is farfetched to call forth the revolt of the French generals as an example of the ultimate danger. Nevertheless, military officers, French or American, have some common characteristics arising from their profession and there are numerous military ‘fingers on the trigger’ throughout the world. While this danger may appear very remote, contrary to American tradition, and even American military tradition, so also is the ‘long twilight struggle’ [referring to President Kennedy’s characterization of the Cold War as a conflict which may not be solved ‘in our lifetime’], and so also is the very existence

2. Senator Fulbright’s memorandum was printed in the *Congressional Record*, on Aug. 2, 1961, pp. 14433-14439 (Senate). The Fulbright Memorandum was not, as James Bamford erroneously states in his 2001 book *Body of Secrets*, a report of the Senate Foreign Relations Committee. The author credits Bamford’s book with first drawing his attention to the existence of the Fulbright Memorandum and to “Operation Northwoods,” described *infra*.

of an American military program for educating the public.”³

Fulbright called for a review of the mission and operation of the National War College—as to whether it should operate under the Joint Chiefs of Staff (JCS)—and also urged that the relationships among FPRI, IAS, the Richardson Foundation, the National War College, and the JCS, be reexamined “from the standpoint of whether these relationships do not amount to official support for a viewpoint at variance with that of the administration.”

Fulbright cited 11 examples of questionable educational and propaganda activities involving military personnel; these included:

- A “Strategy for Survival” conference held at Fort Smith and Little Rock, Arkansas, dominated by George S. Benson and other speakers from Harding College in Searcy, Arkansas. (Benson, one of the leaders of the Church of God which produced “Get Clinton” operative, independent counsel Kenneth Starr, among others, was a British-linked intelligence operative and evangelist.) Harding College produced a widely circulated film, “Communism on the Map,” which blamed the advance of Communism on Franklin Roosevelt (for recognizing the Soviet Union) and on Gen. George Marshall (for allowing the Communist takeover of China).

- A “Fourth Dimensional Warfare Seminar” in Pittsburgh, including a prominent speaker from the IAS who said that U.S. foreign policy since World War II had played into Soviet hands, and that some of Kennedy’s advisers “have philosophies regarding foreign affairs that would chill the average American.”

- Other meetings and seminars which promoted the pro-House Un-American Activities Committee film “Operation Abolition,” and which featured Dr. Fred C. Schwartz of the Christian Anti-Communist Crusade, Herbert Philbrick, Frank Barnett of the Richardson Foundation and IAS—all of whom warned of Communist subversion and infiltration and attacked the policies of the Kennedy Administration.

Attached to the Fulbright Memorandum were a number of documents, including an article from the *Bulletin of the Atomic Scientists* which focussed on the book *American Strategy for the Nuclear Age*, which was described as outlining the master curriculum for the military-related seminars. The book was written by Frank Barnett, then the research director for

3. In 1958-61, Charles de Gaulle put down three attempts at coups d’état against the government of France, and faced a total of 14 assassination attempts. A group of military officers, enraged at de Gaulle and other political leaders of France who wished to grant independence to the French colony of Algeria, organized an underground organization, called the Organisation Armée Secrète (OAS). The OAS’s civilian leader was Jacques Soustelle, a member of France’s Parliament, and a former Governor General of Algeria. As a result of the French government’s investigations into OAS responsibility for the coup and assassination attempts, Soustelle was forced into exile in Italy. The shadowy organization called Permindex, with which Soustelle had been associated since World War II, was kicked out of France when it was discovered that it had provided the international funding for the OAS. Permindex was later implicated in both the John F. Kennedy and Martin Luther King assassinations in the United States.

both the IAS and the Richardson Foundation, and it contained contributions from FPRI director Robert Strausz-Hupé (see *Profile*, in this section), and Col. William Kintner (then assigned to FPRI).

The article accurately described the IAS as having grown out of a 1955 symposium in Chicago called the “National Military-Industrial Conference”; the IAS was established and financed by the H. Smith Richardson Foundation to carry forward the work of the Conference. In 1959, the IAS began a series of “National Strategy Seminars,” which were authorized by the JCS to take over the education of reserve officers. IAS and Strausz-Hupé worked closely with the National War College in this period. (Among the speakers at these seminars were Harvard’s William Yandell Elliott and Henry Kissinger.)

The Fulbright Memorandum, as could be expected, set off a huge controversy, with articles and editorials—and not a little behind-the-scenes activity as well.

For example, FPRI and its Director Strausz-Hupé went on a mobilization to deny that they were organizing a military coup. FPRI circulated a private letter to its “Associates, friends and supporters” on Oct. 18, 1961, containing an attack on Fulbright and a lengthy defense of its own actions. Among other things, it stated: “The Foreign Policy Research Institute takes a certain pride in being linked to the four organizations mentioned in the Fulbright memorandum. However, an investigation of our relationships with them will be a disappointment to our critics. There is no sinister plot underfoot at the Foreign Policy Research Institute to inspire United States military personnel to launch a coup d’état along the lines of the abortive French affair in Algeria.”

Shortly after this, Strausz-Hupé drafted a letter to the *Bulletin of the Atomic Scientists*, and sent a copy to William Yandell Elliott, with a “Dear Bill” cover letter. Elliott had been a speaker at some of the seminars in question, including one at the National War College in July 1960, and another in Chicago in April 1961.⁴

The circulation of the Fulbright Memorandum also led to authorization of extensive Congressional hearings on “Military Cold War Education and Speech Review Policies,” by the Special Preparedness Subcommittee of the Senate Armed Services Committee. These hearings were conducted in late 1961 and the first half of 1962. General Walker was naturally a major focus of the hearings, as were the IAS seminars. But the way the hearings evolved, was to make a dubious distinction between the seminars run by the circles of FPRI, Frank Barnett, and the IAS—which were treated as the “responsible”—in contrast to the “cockle-doodle seminars” or

4. FPRI and Strausz-Hupé correspondence, William Yandell Elliott Collection, Box 100, Hoover Institution Archives, Stanford, California. For a profile of Elliott, see *EIR*, Jan. 25, 2002. Lyndon LaRouche described him as “a modern Mephistopheles,” the follower of H.G. Wells’ influence who created such monsters as Zbigniew Brzezinski, Samuel Huntington, and Henry Kissinger (“Zbigniew Brzezinski and September 11th,” *EIR*, Jan. 11, 2002).



President Dwight D. Eisenhower warned of the acquisition of unwarranted influence by the “military-industrial complex,” in his farewell address on Jan. 17, 1961. “Only an alert and knowledgeable citizenry,” he said, “can compel the proper meshing of the huge industrial and military machinery of defense with our peaceful methods and goals, so that security and liberty may prosper together.”

“curbstone seminars” run by the outright wackos. (Those were Barnett’s terms.)

When Walker testified before the committee in April 1962, he began by asserting that our Armed Forces are paralyzed by our national policy of no-win and retreat from victory. “I am a victim of this ‘no-win’ policy,” he stated. He said that civilian control of the military had been transformed into a commissar-like system of control. Our will to resist Communism is fast being sapped, he charged. “I was a scapegoat for an unwritten policy of collaboration and collusion with the international communist conspiracy.”

Eisenhower’s Farewell Address

It was only about six months before the Fulbright Memorandum, that President Dwight D. Eisenhower had issued his warning about the “military-industrial complex.” In his Jan. 17, 1961 Farewell Address, Eisenhower stated:

“A vital element in keeping the peace is our military establishment. Our arms must be mighty, ready for instant action, so that no potential aggressor may be tempted to risk his own destruction.

“Our military organization today bears little relation to that known by any of my predecessors in peacetime, or indeed by the fighting men of World War II or Korea.

“Until the latest of our world conflicts, the United States had no armaments industry. American makers of plowshares could, with time and as required, make swords as well. But now we can no longer risk emergency improvisation of national defense; we have been compelled to create a permanent

armaments industry of vast proportions. Added to this, three and a half million men and women are directly engaged in the defense establishment. We annually spend on military security more than the net income of all United States corporations.

“This conjunction of an immense military establishment and a large arms industry is new in the American experience. The total influence—economic, political, even spiritual—is felt in every city, every Statehouse, every office of the Federal government. We recognize the imperative need for this development. Yet we must not fail to comprehend its grave implications. Our toil, resources, and livelihood are all involved; so is the very structure of our society.

“In the councils of government, we must guard against the acquisition of unwarranted influence, whether sought or unsought, by the military-industrial complex. The potential for the disastrous rise of misplaced power exists and will persist.

“We must never let the weight of this combination endanger our liberties or democratic processes. We should take nothing for granted. Only an alert and knowledgeable citizenry can compel the proper meshing of the huge industrial and military machinery of defense with our peaceful methods and goals, so that security and liberty may prosper together.”

Eisenhower’s warning—which was echoed by President Kennedy in March 1961, and again by Gen. Douglas MacArthur (ret.) in 1962—is usually brushed off as simply an allusion to the growing power of defense industries. But there are substantial grounds for believing that it was much more

than that—and that when Eisenhower warned that the political influence of the military establishment was being felt “in every city, every statehouse,” he was referring not just to the military, but to the cabal of Wall Street-backed foundations, think-tanks, and private institutions which were promoting a vast military buildup and confrontation with the Soviet Union.

To understand the circumstances under which John F. Kennedy took office in 1961—and which ultimately contributed to his assassination—it is essential to review the largely forgotten battles which President Eisenhower waged against the Cold Warriors and the military during his own administration, especially in its last two years.

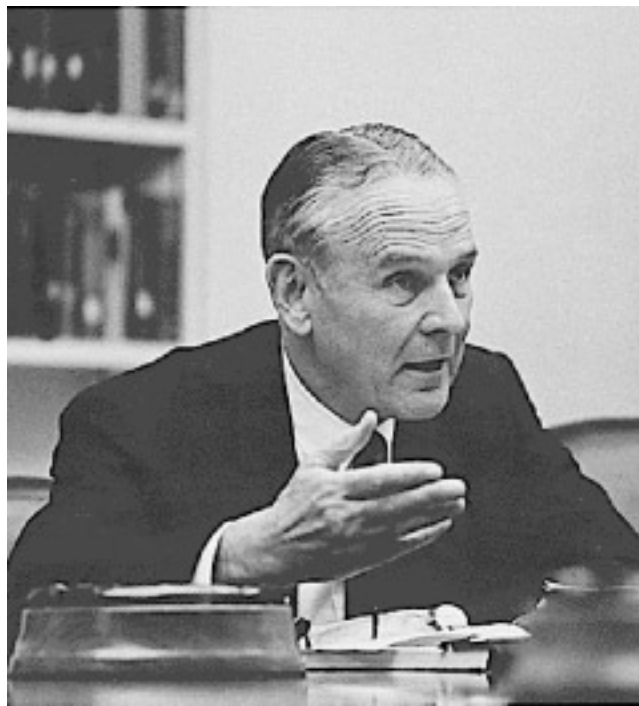
Eisenhower was at odds with the Joint Chiefs from the beginning of his first administration—which was not what the Chiefs had expected from the five-star general. By the end of 1954, the Joint Chiefs were in public opposition to Eisenhower’s cuts in the military budget. In accordance with his belief in the doctrine of “massive retaliation,” Eisenhower did not believe it was useful or wise to keep building up conventional forces. He repeatedly argued that excessive military spending distorted the economy, and that a strong and healthy economy was the best defense.

The military budget, and strategic doctrine, were not the only areas of difference. On three occasions during 1954, as the French were being defeated in Indochina, the Joint Chiefs—with the fervent backing of Secretary of State John Foster Dulles—advocated the preemptive use of nuclear weapons. The first two times were to be against the Viet Minh, and the third time against China, after the French insisted that the Chinese were about to intervene in Vietnam in support of Ho Chi Minh.

Eisenhower called in his Joint Chiefs, and told them that an atomic strike on China would certainly bring Russia into the war; therefore, he said, the only way to fight such a war, would be to launch nuclear first strikes simultaneously against both Russia and China. Eisenhower said that he thought it would be possible to destroy Russia, and then told his Chiefs to contemplate this: “Gain such a victory, and what do you do with it? Here would be a great area from the Elbe to Vladivostok . . . torn up and destroyed, without any government, without its communications, just an area of starvation and disaster. I ask you what would the civilized world do about it? I repeat, there is no victory except through our imaginations.”⁵

A fourth instance in which the JCS advocated nuclear war, was in the Spring of 1955, around the Formosa (Taiwan) crisis. But, while Eisenhower was trying to avoid going to war with the Chinese, the JCS and the Secretary of Defense were publicly predicting imminent war with China, causing Eisenhower to state, “these fellows don’t realize they have a boss,” and to threaten to personally take over the Defense Department.

5. Stephen E. Ambrose, *Eisenhower: The President* (New York: Simon and Schuster, 1984).



Gen. Maxwell Taylor (ret.) was targeted by CIA director Allen Dulles to function as the chief advocate and front-man in the White House for counterinsurgency and unconventional warfare.

In 1955, when Maxwell Taylor became Army Chief of Staff, Taylor’s advocacy of “flexible response”—smaller, more mobile units that could fight limited wars, such as Soviet-backed insurgencies in the Third World—came into open conflict with Eisenhower’s massive-retaliation doctrine. Taylor, rather than engaging in a public dispute with his Commander-in-Chief, began to recruit allies in Congress and academia to his “flexible response” policy. Among his recruits were Sen. John F. Kennedy, Paul Nitze, and McGeorge Bundy; this began to lay the groundwork for Taylor’s take-over of military policy during the Kennedy Administration.

After the 1957 Soviet launch of Sputnik, Eisenhower came under intense attack for allowing the so-called “missile gap” to develop—although, to be sure, the issue had been kicking around before this. Democrat Adlai Stevenson had raised it in the 1956 election campaign. In 1957, the Air Force produced a report predicting that the Soviets would have a first-strike capability by 1963—an assessment with which even the CIA adamantly disagreed.

The same year, H. Rowan Gaither of the Ford Foundation headed a commission which concluded that the Soviets were rapidly catching up with the United States, and would soon have the capability to launch a surprise intercontinental ballistic missile (ICBM) attack. The report demanded a huge defense buildup, to which Eisenhower responded that he didn’t want to turn the United States into a “garrison state.” (Three members of the commission even advocated preventive nuclear war.)

Then, in early 1958, the Rockefeller Brothers Fund issued a report on national security which concluded: “Unless present trends are reversed, the world balance of power will shift in favor of the Soviet bloc.” The Rockefeller report also called for a sharp increase in defense spending.

Adding fuel to the fire, the *Washington Post*’s Joseph Alsop ran several articles in 1958, using falsified figures which purported to show the U.S. falling far behind the Soviets in production of ICBMs; privately, Eisenhower denounced Alsop as “about the lowest form of animal life on earth.”

Eisenhower was certain that the allegations about the “missile gap” were not true, but he was constrained from disclosing classified information obtained from U-2 flights and other surveillance, which showed the Soviets lagging behind. He also knew that the United States was developing the relatively invulnerable Polaris submarine missile launcher, which would mean that the United States would retain a massive second-strike capability in response to a Soviet first-launch.

Moreover, the Cold War propaganda machine was spreading the impression around the country that Eisenhower was under-reacting to the 1958-59 Berlin crisis, and it was demanding that he order a general mobilization and foment popular uprisings in Eastern Europe. Eisenhower regarded these demands, and the incessant lobbying for increased arms spending, as “a hysteria that is largely political.” As biographer Stephen Ambrose puts it when writing about this period: “One of Eisenhower’s major tasks was to calm people down.”

The U-2 Incident and the Paris Summit

Fearing that Richard Nixon would be his successor (although much preferring Nixon to the next alternative of Nelson Rockefeller), Eisenhower spent much of his last two years in office trying to achieve an end to the arms race and world peace. Eisenhower found himself increasingly in conflict with his Defense Department, with the Joint Chiefs of Staff, and the CIA—who were, for instance, pushing for more U-2 flights over the Soviet Union, which Eisenhower regarded as provocative, and for increased arms spending. In March 1959, Eisenhower felt compelled to send a message to the JCS, reminding them that “the military in this country is a tool and not a policy-making body; the Joint Chiefs are not responsible for high-level political decisions.”

Eisenhower hoped to cap his Presidency with a test-ban agreement at the mid-May 1960 summit with Khrushchev in Paris, which he hoped could then pave the way toward a disarmament agreement. This was violently opposed, not only by Democrats who were gearing up the 1960 Presidential campaign, but by much of his own administration, particularly the JCS. Within the Republican Party, Rockefeller also publicly opposed Eisenhower’s peace policies. Going into the 1960 campaign, all sides were calling for increasing defense spending. When the Pentagon publicly opposed Eisenhower because of his opposition to the proposed B-70 bomber, and

the Air Force Chief of Staff testified before Congress that the B-70 was “vital” to the nation’s defense, Eisenhower angrily denounced the military’s public opposition to their Commander-in-Chief, as “damn near treason.”

The Paris Summit—and Eisenhower’s plans for the test-ban treaty and détente with the Soviets—were all shattered by the crash-landing of the CIA’s U-2 spy plane in the Soviet Union on May 1, 1960. In the U-2 affair, Eisenhower was twice set up, by CIA director Allen Dulles in particular—which he later realized. First, to Eisenhower’s dismay, in the Spring of 1960, Dulles kept insisting on just one more flight, which Eisenhower argued could destroy the summit, if anything went wrong. Dulles and CIA Deputy Director Richard Bissell assured the President that, if anything went wrong, the plane would be destroyed by its self-destruct mechanism, the pilot would be killed, and no proof would be found by the Soviets. As a result, when the plane went down, Eisenhower, at first, unwisely denied any knowledge of the flight. Meanwhile, Khrushchev was setting a trap for him, eventually producing not only the plane, but the very-much-alive pilot, Gary Powers. There is every probability that the plane itself was deliberately sabotaged, for the purpose of thwarting Eisenhower’s plans and destroying the summit.

This effectively marked the end of Eisenhower’s Presidency. Thereafter, he was relegated to fighting rear-guard actions against elements in his own administration, in which the JCS continued to publicly oppose his policies. In June, the Geneva disarmament talks predictably collapsed as well, and soon the arms race was, in Eisenhower’s view, out of control. He stated that the U.S. nuclear arsenal was so much larger than anything necessary to maintain superiority over the Soviets, that he called it “crazy” and “unconscionable.”

The Transition to Kennedy

Taking advantage of Eisenhower’s weakened state, Dulles and his “special warfare” allies in the Pentagon were putting operations in place for the next administration—whether it would be headed by Nixon or Kennedy. This included escalating the preparations for a paramilitary invasion of Cuba. Again, under pressure from Dulles, Eisenhower approved the creation of a paramilitary force, but he opposed any invasion unless a viable government-in-exile had been established. And, as he always did, he insisted that any CIA paramilitary operation be small and be deniable.

Dulles, Col. Edward Lansdale, and their allies in the Pentagon also were able to establish the Army Special Warfare Center at Fort Bragg, North Carolina, shortly before the November elections. Their plans were greatly aided by the recruitment of Maxwell Taylor to “unconventional warfare” programs during the last year of Taylor’s term as Army Chief of Staff, in 1959. More than anyone else, Taylor facilitated the marriage of the Army Special Forces and the CIA around counterinsurgency operations.

The curriculum for the Special Warfare school was drafted by Lansdale, the CIA’s top counterinsurgency expert

(although officially on the Air Force payroll), who spent most of the 1950s in the Philippines and then in Vietnam. By this time, Lansdale had returned from Vietnam and was posted to the Office of Special Operations in the Pentagon. The curriculum was heavily weighted toward counterinsurgency and pacification tactics modelled on the British experience in Malaya and the French tactics in Algeria. (Ironically, the school at Fort Bragg was later named the “John F. Kennedy Special Warfare Center.”)

Simultaneously, the CIA and its allied Special Warfare proponents in the Pentagon were building up their “advisory” operations in Vietnam during 1960, preparing yet another *fait accompli*, this time for the new President.

As background to this, it should be recalled that Eisenhower had been adamantly opposed to bailing out the French in Vietnam. While he was NATO Commander, he urged the French to grant independence to Indochina. In large respect, Eisenhower shared Franklin Roosevelt’s anti-colonial views, telling Winston Churchill in 1953 that old-style colonialism could not last. In his first meeting with Churchill and French Premier Laniel, Eisenhower is reported to have regarded them as blind on the question of colonialism. Eisenhower later refused to support the French in Algeria, saying: “We cannot abandon our old principles of supporting national freedom and self-determination, and we cannot join the colonialists.”

In 1954, as the French were nearing defeat in Vietnam, Eisenhower was confronted with demands for U.S. military intervention, ranging from sending in ground troops, to bombing the Viet Minh with atomic weapons. He declared that such an intervention “would lay us open to the charge of imperialism and colonialism.” After the French were defeated at Dien Bien Phu, when the JCS and the National Security Council proposed attacking China with atomic weapons, Eisenhower responded: “You boys must be crazy. We can’t use those awful weapons against Asians for the second time in ten years. My God.”

Nevertheless, Eisenhower did agree to Dulles’ demand that the United States send military advisers into Vietnam under the auspice of the CIA; Lansdale was brought from the Philippines to Vietnam in mid-1954 to head the Saigon Military Mission—which set the groundwork for the growth of the U.S. intervention forces during the Eisenhower and Kennedy Administrations.

But, by the time of his assassination, President Kennedy had publicly announced his plans to bring the U.S. troops home and to end the war. Kennedy’s policy was reversed literally within days of his murder, so that by the early 1970s, the United States had more than 50,000 troops there—something which was unimaginable to Eisenhower. Indeed, during the transition period, Eisenhower briefed Kennedy on two occasions that Laos (not Vietnam) was the biggest problem he would face in Southeast Asia.

To sum up the situation: In the period running up to his handing over the Presidency to Kennedy, Eisenhower was faced with attacks on his defense policies from both Republi-

cans and Democrats, and with a rising frenzy over the “missile gap” and “rocket gap.” He had lost his fight to restrain military spending, and his hopes for a peace agreement and détente with the Soviets lay in tatters. And the “Special Warfare” capabilities in the military-CIA interface were being rapidly expanded in preparation for escalating U.S. involvement in Vietnam and other “limited” wars.

Eisenhower’s Farewell

Exemplary of what Eisenhower faced from the “clash of civilizations” crowd in that period, was the 1960 book *A Forward Strategy for America*, published by Strausz-Hupé’s FPRI.

Forward Strategy started from the assumption that America was losing the Cold War, that the Soviets were winning, and that it was illusory to believe that any sort of general settlement with the Soviets could be reached. Strausz-Hupé et al. claimed that during the previous five years (i.e., since about 1955), the United States “has been caught in an uncomfortable trap set by the communists” around disarmament plans, and that the U.S. leadership has been trying “to placate world opinion on the subject of disarmament.” They contended, in discussing the nuclear test ban negotiations, that since October 1958, “American policy, especially the unilateral moratorium on tests, has actually jeopardized national security.”

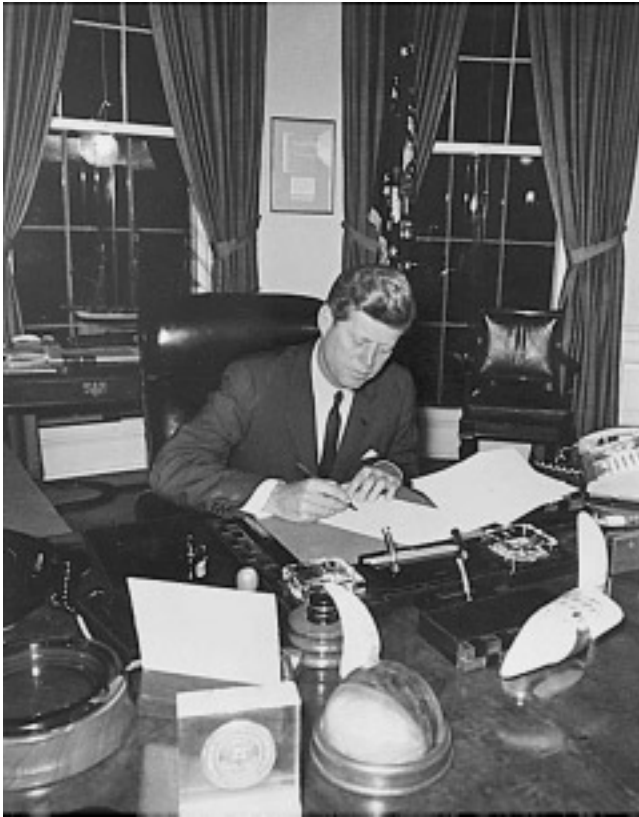
Without doubt, the entire argument for an aggressive “forward strategy” against communism, was explicitly aimed at what Strausz-Hupé et al. described as the failure of U.S. policy during the Eisenhower Administration.

This is the backdrop to Eisenhower’s January 1961 Farewell Address. In addition to warning against the growing influence of the military-industrial complex, Eisenhower also declared his disappointment over his failure to achieve a disarmament agreement.

“Disarmament, with mutual honor and confidence, is a continuing imperative. . . . Because this need is so sharp and apparent I confess that I lay down my official responsibilities in this field with a definite sense of disappointment. As one who has witnessed the horror and the lingering sadness of war, as one who knows that another war could utterly destroy this civilization which has been so slowly and painfully built over thousands of years, I wish I could say tonight that peace is in sight. Happily, I can say that war has been avoided.”

Kennedy in the Presidency, Surrounded

Four days later, John F. Kennedy was sworn in as President. Having campaigned as a “hawk” relative to Eisenhower, both Jack Kennedy and his brother Bobby were susceptible to the blandishments of Allen Dulles. The first trap set for them was the April 1961 Bay of Pigs invasion, the invasion force having grown from the 300 approved by Eisenhower, to 3,000. The Joint Chiefs thought the CIA operation was doomed to failure, but they kept their mouths shut, letting Kennedy go ahead with the operation. Besides the CIA’s



President John F. Kennedy signs the proclamation placing a quarantine around Cuba, in response to the Soviet deployment of ICBMs there, Oct. 23, 1962. The utopian faction in the military, and its civilian affiliates, tried unsuccessfully to goad Kennedy into a military strike against the Soviet missile sites and an invasion of Cuba.

overestimation of the Cuban population's propensity to rise up in revolt against Castro, the crucial element in the disaster was the calling off of the planned air strikes, for which Kennedy was blamed, but which was actually done by his National Security Adviser, McGeorge Bundy.

Kennedy took full responsibility for the failure, but he was determined to get to the bottom of why it had happened. Unfortunately, he called Maxwell Taylor back from retirement to sit on an investigative commission, the Cuba Study Group. From this point on—if not before—CIA Director Allen Dulles targeted Taylor for recruitment to function as the chief advocate and front-man in the White House for counterinsurgency and unconventional warfare. The Cuba commission also included Bobby Kennedy, and of course Dulles, who was able to orchestrate the commission's hearings so as to shift the blame for the Bay of Pigs fiasco to the JCS and the military, away from the CIA.

Dulles was also able to manipulate the commission's proceedings with respect to the future, not just the past, so that Jack and Bobby Kennedy became convinced that it was urgent to expand U.S. counterinsurgency and counter-guerrilla-warfare training and capabilities.

But President Kennedy drew another lesson from this—that he had to gain control over the CIA and the military. With guidance from Taylor, Kennedy drafted National Security Action Memorandum (NSAM) #55, which made the Joint Chiefs responsible for peacetime clandestine operations. This would have removed such responsibility from the CIA—which, it can be argued, it was never supposed to have in the first place. (Under the National Security Act of 1947, the CIA was charged with the coordination and analysis of intelligence gathered by others, not with either collection of intelligence, or covert operations.) In any event, the Joint Chiefs, headed by the more traditionalist Gen. Lyman Lemnitzer, did not want the responsibility for clandestine operations, and the CIA did not want it taken away, so Kennedy's policy was never implemented.

The second trap being set for Kennedy was Vietnam. On the same day as the final failure of the Bay of Pigs invasion—April 20, 1961—Kennedy approved a proposal for an expanded counterinsurgency program for Vietnam; the task force created to implement the program, was headed by Deputy Secretary of Defense (and Wall Street lawyer) Roswell Gilpatric. The task force's chief operating officer was Lansdale—who had gotten his foot in the door giving a face-to-face briefing on Vietnam to the new President only a week after the inauguration.

But Kennedy was getting some other, contrary advice on Vietnam—which made a lasting impact on him—from Gen. Douglas MacArthur (ret.). Kennedy first called on MacArthur in late April, and then had a three-hour discussion with him at the White House in July 1961. MacArthur gave Kennedy his famous warning against getting involved in a land war in Asia, imploring Kennedy to avoid a military buildup in Vietnam or anywhere else in Asia, and declaring that the “domino theory” was ridiculous. During 1963, when Kennedy was under enormous pressure to escalate in Vietnam and to send U.S. combat troops, he would often say, “Get General MacArthur to agree, and I will, too.”

In October 1963, Kennedy made his policy on Vietnam official, with the issuance of NSAM #263, which called for the withdrawal of 1,000 U.S. troops from Vietnam by Christmas 1963, and for the bulk of U.S. troops to be pulled out by 1965. Six weeks later, Kennedy was dead, and his policy was reversed almost instantaneously.

‘Operation Northwoods’

Meanwhile, in late 1961, the Cuba Study Group gave rise to the Cuba task force, whose objective was the overthrow of Fidel Castro, in what was known as “Operation Mongoose.” The chief operations officer of the Cuba task force was, not surprisingly, Edward Lansdale.

That the Cuba project was plotting the assassination of Castro is well known. What was not known, until recently, was that, during 1962, the Cuba task force was also proposing to carry out acts of terrorism *against the United States*, to be blamed on Cuba, for the purpose of dragging the United States



Gen. Douglas MacArthur, the greatest U.S. general of the 20th Century, was the foremost representative of the classically trained, anti-utopian faction in the U.S. military, who warned President Kennedy in July 1961 against getting involved in a land war in Asia. Here, he is being awarded a medal from President Truman in 1950—six months before Truman fired him, for opposition to U.S. policy in the Korean War.

into a war against Cuba.

The 1962 terrorism plan was called “Operation Northwoods,” and it was issued under the signature of JCS Chairman Lyman Lemnitzer. But, in the manner in which such things were done, it was almost certainly drafted by Lansdale and his team on the Cuba task force, and then presented to Lemnitzer for his signature, so that he would then present it to Secretary of Defense Robert McNamara. (It is not certain that McNamara ever received the documents; in April 2001, the *Baltimore Sun* quoted McNamara saying, “I never heard of it. I can’t believe the Chiefs were talking about or engaged in what I would call CIA-type operations.”)

Lemnitzer’s covering memorandum stated that the Joint Chiefs of Staff “have considered” the attached memorandum, which is a “description of pretexts which would provide justification for military intervention in Cuba.” He says that it is assumed “that a single agency will be given primary responsibility for developing military and para-military aspects of the basic plan,” and he recommends that this responsibility be assigned to the Joint Chiefs.

The attached memorandum, entitled “Justification for

U.S. Military Intervention in Cuba,” states that it is assumed that a political decision for a U.S. military intervention “will result from a period of heightened U.S.-Cuban tensions which place the United States in the position of suffering justifiable grievances.” World opinion and the United Nations “should be favorably affected by developing the image of the Cuban government as rash and irresponsible, and as an alarming and unpredictable threat to the peace of the Western Hemisphere.”

What then follows, is a series of proposals for actions which would be used to provide the justification for U.S. military intervention.

The first proposal was for “a series of well-coordinated incidents” to take place in and around the U.S. Navy base at Guantanamo Bay, Cuba; these were to include having friendly Cubans dress in Cuban military uniforms to start riots at the base, to blow up ammunition inside the base, to start fires, to burn aircraft on the air base, to sabotage a ship in the harbor, and to sink a ship near the harbor entrance.

The next: “A ‘Remember the *Maine*’ incident could be arranged. . . . We could blow up a U.S. ship in Guantanamo Bay and blame Cuba,” or blow up a drone ship in Cuban waters. The memorandum coldly predicted: “Casualty lists in U.S. newspapers would cause a helpful wave of national indignation.”

The memorandum continued: “We could develop a Communist Cuba terror campaign in the Miami area, in other Florida cities and even in Washington. The terror campaign could be pointed at Cuban refugees seeking haven in the United States. We could sink a boatload of Cubans en route to Florida (real or simulated). We could foster attempts on the lives of Cuban refugees in the United States. . . .

“Exploding a few plastic bombs in carefully chosen spots, the arrests of Cuban agents and the release of prepared documents also would be helpful.”

Among other actions proposed were to use fake Soviet MiG aircraft to harass civil aircraft, to attack surface shipping, and to destroy U.S. military drone aircraft. “Hijacking attempts against civil air and surface craft” were also suggested, and then—the most elaborated plan of all—to simulate the shooting down of a chartered civil airliner in Cuban airspace.

President Kennedy rejected the plan, and the military directed that all the pertinent documents be destroyed. Nevertheless, some of the documents did survive, and, hidden by heavy classification for decades, they only came to light recently.

‘Political Warfare’

Parallel to the operations being run by Dulles and Lansdale within the CIA/military apparatus, were the “private” operations run by FPRI, IAS, and the Richardson Foundation networks that had been identified in the Fulbright Memorandum.

A key operative in these networks was Frank Barnett, then the Director of Research for the H. Smith Richardson Foundation, and also IAS’s Program Director. For the sake



Gen. Lyman L. Lemnitzer was Chairman of the Joint Chiefs of Staff when “Operation Northwoods” was proposed (here he is shown in a later post, as NATO Supreme Allied Commander). The plan for the U.S. military to carry out acts of terrorism against the American population, to create a pretext for the invasion of Cuba, was circulated under his signature—but President Kennedy rejected it.

of historical continuity, it is worth noting that, in 1961, Barnett helped to found the National Strategy Information Center (NSIC) of Prescott Bush (G.W. Bush’s grandfather) et al., which later picked up major funding from Richard Mellon Scaife. It was the NSIC which brought us the 1981 Executive Order 12333—the charter of the Reagan-Bush “secret government” and “Iran-Contra,” among other things.

Back in 1951, Barnett had proposed to create an American-sponsored foreign legion recruited from among refugees from the Soviet bloc, to be called the “captive nations brigade.” It was to be composed of Russians, Poles, Hungarians, Ukrainians, Chinese, Koreans, and others. Barnett also urged the creation of a separate Cabinet office on Cold War strategy, and the creation of a “West Point of political warfare.”

By 1961, Barnett appears to have dropped his idea for a foreign legion, but he was promoting a form of low-intensity warfare-cum-terrorism which he called “political warfare.” He wrote an article titled “A Proposal for Political Warfare,” published in the *Military Review* journal in March 1961, which can be seen as a specific follow-up to FPRI’s 1960 *Forward Strategy*. Barnett defined political warfare as much

more than just propaganda:

“Political warfare is a sustained effort by a government or political group to seize, preserve, or extend power, against a defined ideological enemy, through all acts short of a shooting war by regular military forces, but not excluding the *threat* of such a war. Political warfare, in short, is warfare, not public relations. It is one part persuasion and two parts deception. It embraces diverse forms of coercion and violence including strikes and riots, economic sanctions, subsidies for guerrilla or proxy warfare and, when necessary, kidnapping or assassination of enemy elites.”

Barnett then muted his talk about riots and assassinations, and called for a sustained campaign to mobilize and educate key military and civilian leaders in the fight against communism. He complained that the Free World hadn’t even agreed yet to define communism as the enemy. In some countries, he griped, Communist parties are legal, Communists freely raise money for subversion, teach in universities, control labor unions, even in vital industries. “The West has not clearly defined an enemy. We do not admit we are at war. . . . We have no agreed ideological goals.”

Barnett argued that most Sino-Soviet advances could be rolled back, if public opinion in the Western democracies were sufficiently alert to the nature of communist aggression. But “if the American people do not do their homework on Mao, Lenin, and Clausewitz, they are likely to put pressure on Washington for more social welfare [sic].” Just as the British people demanded luxury and peace-in-our-time on the eve of Dunkerque, Barnett wrote, “An American public, indifferent to Communist aims and techniques, might lobby for more fringe benefits, special interests, and privileges as usual.”

As a case study of what should be done, Barnett described the seminars then being conducted jointly by the military and IAS. IAS was created in 1958 and was sponsored by the Richardson Foundation, he said, and could be called “a travelling civilian war college.” The IAS had recommended to the JCS that a two-week Strategy Seminar for Reserve and National Guard officers be held, which would include educators, political leaders, businessmen, editors and publishers, etc. This was held at the National War College in 1959, and its curriculum on Communist protracted conflict and possible American counter-strategies was prepared by FPRI. Since then, Barnett boasted, more than 25 regional, weekend seminars had been held around the country.

Barnett proposed targetting four specific segments of military society for his “political warfare” legions: 1) Reserve Officer Training Corps (ROTC) students and Reserve Officer educators; 2) enlisted personnel who will be returning to civilian life as teachers, editors, businessmen, etc.; 3) foreign military officers who come to the United States for training, and who form personal relationships with their counterparts here; and 4) retired military officers and reserve officers, particularly those who work overseas for U.S. banks, corporations, and trade associations, as well as those in the United States.



~~SECRET~~ ~~SPECIAL HANDLING~~ ~~NOFORN~~

OFFICE OF THE SECRETARY OF DEFENSE
WASHINGTON 25, D.C.

13 March 1962

MEMORANDUM FOR CHIEF OF OPERATIONS, CUBA PROJECT

Subject: Justification for US Military Intervention in Cuba (TS)

1. Reference is made to memorandum from Chief of Operations, Cuba Project, for General Craig, subject: "Operation MONGOOSE", dated 5 March 1962, which requested brief but precise description of pretexts which the Joint Chiefs of Staff consider would provide justification for US military intervention in Cuba.

2. The projects listed in the enclosure hereto are forwarded as a preliminary submission suitable for planning purposes. It is assumed that there will be similar submissions from other agencies and that these inputs will be used as a basis for developing a time-phased plan. The individual projects can then be considered on a case-by-case basis.

3. This plan, incorporating projects selected from the attached suggestions, or from other sources, should be developed to focus all efforts on a specific ultimate objective which would provide adequate justification for US military intervention. Such a plan would enable a logical build-up of incidents to be combined with other seemingly unrelated events to camouflage the ultimate objective and create the necessary impression of Cuban rashness and irresponsibility on a large scale, directed at other countries as well as the United States. The plan would also properly integrate and time phase the courses of action to be pursued. The desired resultant from the execution of this plan would be to place the United States in the apparent position of suffering defensible grievances from a rash and irresponsible government of Cuba and to develop an international image of a Cuban threat to peace in the Western Hemisphere.

4. Time is an important factor in resolution of the Cuban problem. Therefore, the plan should be so time-phased that projects would be operable within the next few months.

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Barnett concluded with a plea for "the U.S. military—with its disciplined organization, training methods, and civilian contacts through ROTC, reserves, and industry"—to take a leading role in helping others wage "non-military," i.e., political, warfare.

The coincidence of Barnett's proposals, and the types of actions which Lansdale and the Office of Special Operations in the Pentagon were carrying out during the Kennedy Administration, are obvious.

What Did Fulbright Know?

One final note: After the Congressional hearings in 1961-62 on military propaganda and "Cold War education" activities, and despite Barnett's grandiose plan, the seminars and related activities appear to have gone underground for a period of time. But in 1965, Lansdale, by now "retired" from the government, proposed a revival of the Cold War seminars. He was a principal author of a proposal to the American Security Council (of which he was then an official) to create a

~~TOP SECRET~~ ~~SPECIAL HANDLING~~ ~~NOFORN~~
ENCLOSURE

PRETEXTS TO JUSTIFY US MILITARY INTERVENTION IN CUBA

(Note: The courses of action which follow are a preliminary submission suitable only for planning purposes. They are

~~TOP SECRET~~ ~~SPECIAL HANDLING~~ ~~NOFORN~~

The terror campaign could be pointed at Cuban refugees seeking haven in the United States. We could sink a boatload of Cubans enroute to Florida (real or simulated). We could foster attempts

B. Communist sabotage

3. A "Remember the Maine" incident could be arranged in several forms:

a. We could blow up a US ship in Guantanamo Bay and blame Cuba.

~~TOP SECRET~~ ~~SPECIAL HANDLING~~ ~~NOFORN~~

7. Hijacking attempts against civil air and surface craft should appear to continue as harassing measures condoned by the government of Cuba. Concurrently, genuine defections of Cuban civil and military air and surface craft should be encouraged.

The Cuba Study Group's 1962 memorandum, "Justification for U.S. Military Intervention in Cuba," which called for terrorist actions, noted that "casualty lists in U.S. newspapers would cause a helpful wave of national indignation."

new forum, called the Freedom Studies Center, which was established on an estate near Culpeper, Virginia. (The property was still in the hands of the American Security Council until this year.)

On the planning committee for the Freedom Studies Center was one Ed Butler, who only a couple of years earlier had been a key part of the operation in New Orleans to create a "legend" around Lee Harvey Oswald, the patsy in the Kennedy assassination.

As we noted at the outset, the Fulbright Memorandum warned that the political activities being carried out by the military, and by private institutions such as FPRI and the Richardson Foundation under official military auspices, constituted a threat to President Kennedy's programs and policies. To what extent Senator Fulbright was aware of the emergence of the threat to Kennedy's life is not known—although it is confirmed that Fulbright warned President Kennedy not to go to Dallas a few weeks before Kennedy's fateful trip. But, when taken in light of what we now know today—and

the reemergence of a military coup threat today—Senator Fulbright’s warnings from 1961 are indeed worth pondering.

Profile

FPRI’s Crusade for An American Empire

In order to throw further light on the utopian military networks discussed in the preceding article, we publish this profile of the Foreign Policy Research Institute, one of the key private-sector think-tanks that has shaped policy for the utopians for nearly half a century. See also EIR, Jan. 25, 2002, for a profile of FPRI founder Robert Strausz-Hupé.

Foreign Policy Research Institute
1528 Walnut St, Suite 610
Philadelphia, Pennsylvania 19102
fpri@fpri.org

History:

The Foreign Policy Research Institute (FPRI) was founded in 1955 by Robert Strausz-Hupé, initially as part of the University of Pennsylvania. FPRI began publishing a quarterly, *Orbis, A Journal of World Affairs*, in 1957. Strausz-Hupé served as founding editor; William Yandell Elliott—a utopian in the tradition of H.G. Wells and the Nashville Agrarians, whose protégés included Carter National Security Adviser Zbigniew Brzezinski and former Secretary of State Henry A. Kissinger—and Kissinger were members of the founding editorial board of advisers, and continued on the board for many years.

The Institute’s long-term Wellsian mission—to promote an American world empire, without nation-states, in a post-Soviet world—was championed in Strausz-Hupé’s lead article in the inaugural edition of *Orbis*, under the title, “The Balance of Tomorrow.” After the fall of the Soviet Union, “The Balance of Tomorrow” was reprinted in the Winter 1992 issue of *Orbis*, by then-editor Daniel Pipes. According to Pipes, the purpose of reprinting Strausz-Hupé’s thesis was to re-commit FPRI to its founding imperial mission.

Pipes asserted that a new world order, based upon an American world empire, was needed now more than ever, in order “to assure the survival of Western culture and of mankind” against the growing threats posed by the “political emergence of the Asian peoples” and by their acquisition of weapons of mass destruction. Thus, FPRI is explicitly committed to the “clash of civilizations” war-drive, a fact further

highlighted by the presence of both Harvard Prof. Samuel Huntington, author of *Clash of Civilizations*, and Princeton University-based British geopolitician Bernard Lewis on the Institute’s advisory board.

The 1957 “Balance of Tomorrow” founding statement by Strausz-Hupé read, in part:

“The issue before the United States is the unification of the globe under its leadership within this generation. How effectively and rapidly the United States will accomplish this task will determine the survival of the United States as a leading power, probably the survival of Western Culture, and conceivably the survival of mankind.

“. . . This task must be accomplished within the near future because of two overriding considerations: 1) The political emergence of the Asian peoples, together with their tremendous population growth, is altering profoundly the international and regional balance of power and presages regional and international conflicts and war; 2) Within the foreseeable future, a number of nations other than the United States, the Soviet Union, and Britain will acquire nuclear weapons and other means of mass destruction.

“. . . The establishment of such a universal order has become now the sole alternative to anarchy and the destruction of what man has wrought since his ancestors left their caves. The one and only question therefore is who will be the people that will establish universal order in their image and under their domination. . . .

“. . . Nationalism is the greatest retrogressive force of this century; . . . it has become the school for violence and dictatorship. It is narrowly parochial; it negates the promises and requirements of modern technology; it impedes the exchanges of good and ideas and thus stunts economic and cultural growth.

“. . . The United States now meets with historical necessity. The United States remains as the sole holder of federative power. The one question to be answered is: Will the United States do what must be done? . . .

“Will the coming world order be the American Universal empire? It must be that—to the extent that it will bear the stamp of the American spirit. . . . The coming order will mark the last phase in a historical transition and cap the revolutionary epoch of this century. The mission of the American people is to bury the nation-states, lead their bereaved peoples into larger unions, and overawe with its might the would-be saboteurs of the new world order who have nothing to offer mankind but putrefying ideology and brute force. . . . For the next fifty years or so the future belongs to America. The American empire and mankind will not be opposites but merely two names for the universal order under peace and happiness. *Novus orbis terrarum* (New world order)” [sic].

The outlook expressed in Strausz-Hupé’s FPRI mission statement was consistent with his sponsorship by Isaiah Bowman, a leading figure in the brain-trust of Col. Edward House, Walter Lippmann, and Theodore Marburg, which ran the

Woodrow Wilson Presidency, via a series of private Wall Street-London intelligence circles, including “The Inquiry.” While professing a right-wing anti-communist ideology, Strausz-Hupé actually represented the H.G. Wells utopian world-federalist outlook, which detested the American republican intellectual tradition.

Robert D. Crane, a Harvard Islamist, co-founder of the Center for Strategic and International Studies, principal foreign policy adviser to Richard Nixon (1963-68), and Deputy Director of the National Security Council under Kissinger, turned down Strausz-Hupé’s offer to take over the directorship of FPRI. He did, however, promote Strausz-Hupé’s ideas as a counterweight to Kissinger’s concept of a condominium with Moscow, to rule the world via bipolar imperial arrangement. “For Strausz-Hupé,” Crane wrote, “unlike Kissinger, Communism was not a geopolitical force but an evil empire. When Strausz-Hupé asked me in 1965 to join his organization as his eventual successor, he asked me to write a book on the false premises (i.e., false gods) of compromise with Communism, which were then being installed under Kissinger’s auspices in a strategy of ‘condominium’ or bipolar control of the world.” Crane cautioned, “Although he never attended the global strategy councils in London and elsewhere, Strausz-Hupé was never far removed from the inner councils of the secular establishment. . . . Nevertheless, Strausz-Hupé was in and out of the councils of pragmatic power wielders, perhaps because his penultimate goal was the same as Kissinger’s, namely to orchestrate global power by intellectual control of elite thought in America. . . . The genius of Strausz-Hupé . . . lay in his elaboration of a ‘forward strategy’ to win the ‘protracted conflict’ against these forces of chaos.”

FPRI has also come to house some of the leading right-wing Zionist networks in the U.S. foreign policy apparatus, and to fully integrate the Israeli “breakaway ally” war-triggering capability into his “forward strategy.”

Months after Huntington’s “Clash of Civilizations” article appeared in the Summer 1993 issue of *Foreign Affairs*, the Middle East Forum (MEF), which was created as a section of FPRI in 1990, launched the *Middle East Quarterly*, a journal devoted to promoting the idea of Islam as an enemy image and embracing Huntington’s policy for the Middle East. Pipes edits *Middle East Quarterly*. The MEF was jettisoned to arms-length “independent” status in 1994, although Pipes remains director of FPRI.

FPRI and the MEF are responsible for providing “scholarly” research, testimony, and comment to the U.S. Congress, Federal agencies, think-tanks, and various national and international media, all with the same theme; Islam is the enemy, and America must bear the responsibility to confront and take military action against any and all so-called Middle Eastern and African “terrorist regimes” that are at war with the West.

FPRI was also at the center of the clamor to treat China as the next great enemy of the United States, which also provided the basis for much of the “Chinagate” attacks on the

Clinton Administration. The centerpiece for the campaign predicting inevitable war with China, was the 1997 book *The Coming Conflict with China*, co-authored by FPRI’s Ross Munro, who was Director of its Asia Program, 1990-97. The book said that much of China’s success in influencing U.S. China policy could be attributed to the “New China Lobby” in the United States. However, one of the former U.S. government officials identified as profiting from business deals with China was Alexander Haig, who sits on FPRI’s Board of Trustees. Haig had the last word, and Munro went looking for a new job.

Key Personnel:

Daniel Pipes, Director (1986-93). Director also of MEF (1993-present); columnist for the Hollinger Corp.’s *Jerusalem Post* and Rupert Murdoch’s *New York Post*; Ph.D. from Harvard University, spent six years studying abroad, including in Egypt; has taught at University of Chicago, Harvard University, and the U.S. Naval War College; held positions in Departments of State and Defense; former Vice Chairman of Fulbright Board of Foreign Scholarships (1992-93); member of Department of Defense “Special Task Force on Terrorism Technology”; and member, New York Council on Foreign Relations.

Ronald S. Lauder, an heir the Estée Lauder cosmetics empire; leading financial backer of Israeli Prime Minister Ariel Sharon and former Israeli Prime Minister Benjamin Netanyahu; President Ronald Reagan’s Ambassador to Austria, from which post he launched the campaign against Austrian President Kurt Waldheim, along with World Jewish Congress president Edgar Bronfman; former president of the Conference of Presidents of Major Jewish-American Organizations; designated successor to Bronfman as president of the WJC.

Alexander M. Haig, Jr., former Nixon White House aide under Kissinger, where he was widely suspected of being the “Deep Throat” leak to the press in Watergate; former Secretary General of NATO; Secretary of State under Reagan Presidency, until he was fired for duplicity with Sharon in the 1982 Israeli invasion of Lebanon; later implicated, along with Kissinger, in the Propaganda 2 Freemasonic scandal in Italy.

James Courter.

Midge Decter.

Samuel P. Huntington (see profile in *EIR*, Jan. 25, 2002).

John F. Lehman, former Secretary of the Navy.

Bernard Lewis (see profile in *EIR*, Jan. 25, 2002).

Martin Peretz, editor and publisher of *The New Republic*; former Harvard professor, and mentor and financial backer of Al Gore.

Donald H. Rumsfeld, Secretary of Defense.

Richard Thornburgh, former Governor of Pennsylvania, former Attorney General under Presidents Reagan and the elder George Bush, infamous for “Thornburgh Doctrine,” asserting global reach of American laws.

R. James Woolsey, CIA director during first Clinton Ad-

ministration; leading proponent of war against Iraq as “Phase II” in “war against terrorism.”

Current Operations:

In addition to Pipes, one of the most widely used mouthpieces from the FPRI stable is Steven Emerson. Emerson was sponsored by FPRI to write the book *Mohammed’s Army: The Rise of Islamic Fundamentalism*. FPRI researcher and MEF editorial board member Khalid Duran worked with Emerson to produce the video “Jihad in America,” which aired on the Public TV Broadcasting System and promoted the idea of Islam as the enemy. Other FPRI operatives and associates who appear widely in the mass media calling for expanded military action against Middle Eastern states include Laurie Mylroie and David Wurmser, both of the American Enterprise Institute.

FPRI offers a monthly lecture series, “The World After Sept. 11,” and also monthly briefings on the “War on Terrorism.”

On Jan. 17, 2002, FPRI sponsored the Fifth Annual Strausz-Hupé Lecture, given by author Robert D. Kaplan on the subject of his book *Warrior Politics*. (Kaplan is a FPRI Associate Scholar and a frequent speaker at FPRI events.) In this book, advocating Strausz-Hupé’s idea of the need for a global imperium, to oversee the dismantling of the nation-state system, Kaplan promotes the need for a “new pagan ethos” to match the imperial militarist policies of this Well-sian world dictatorship.

FPRI’s and MEF’s political ties to current government officials are significant. Donald Rumsfeld, a former FPRI advisory board member, is the current Secretary of Defense. FPRI is sponsoring Richard Perle, the chairman of the Defense Policy Board, which advises the Pentagon. FPRI’s website offers E-Notes, *America at War*, Nov. 30, 2001, “Next Stop, Iraq,” Remarks of the Hon. Richard Perle.

MEF launched its 2002 Middle East Briefings, on Jan. 22, with Perle as its featured speaker. FPRI former board member and Asian specialist Dov S. Zakheim is currently Undersecretary of Defense (Comptroller) and Chief Financial Officer for the Department of Defense.

A satellite of FPRI-MEF is the United States Committee for a Free Lebanon (USCFL); Daniel Pipes functions as an official adviser to its monthly publication, *Middle East Intelligence Bulletin*. A rabidly right-wing organization, its Internet home page is entitled “World’s Most Wanted—State Sponsors of Terrorism,” with photos of Ali Khamenei of Iran, Saddam Hussein of Iraq, Bashar al-Assad of Syria, Muammar Qaddafi of Libya, Fidel Castro of Cuba, Kim Jong-il of North Korea, Omar Hassan al-Bashir of Sudan, and Osama bin Laden of Afghanistan. The home page also boasts a complete List of Terrorist and Insurgency Groups World Wide. Members of the USCFL Golden Circle of supporters include Richard Perle, David Wurmser, Daniel Pipes, and others associated with FPRI and MEF (see www.freelebanon for a full listing).

FPRI and MEF directly interface the Washington Institute for Near East Policy (WINEP), on whose board sits several key members of the Mega committee of right-wing Zionist billionaires, including Edgar and Charles Bronfman, and Max Fisher. Of the 56 policy papers published by WINEP since its inception in 1985, almost one-third have been written by editors or board members of FPRI, *Orbis*, MEF, or *Middle East Quarterly*.

Patrick Clawson, formerly of the International Monetary Fund and World Bank, is WINEP’s director for research. He was a leading member of FPRI and is currently the Senior Editor for Pipes’ *Middle East Quarterly* and remains a contributing editor to *Orbis*. Martin Kramer, a three-time fellow at WINEP, is the editor of *Middle East Quarterly*.

FPRI Funding:

(According to IRS 990 Forms from 1985-2000)
Bradley Foundation (21 separate grants): \$1,373,600
Sarah Scaife Foundation (15 grants): \$1,070,000
Carthage Foundation (2 grants): \$75,000
Olin Foundation (17 grants): \$995,000
Smith Richardson Foundation (2 grants): \$97,500
Total (57 grants): \$3,513,600

Note: The *Middle East Quarterly* received five grants totalling \$130,000 from the Bradley Foundation according to IRS 990 forms for the years 1996-1998. WINEP received eight grants totalling \$574,509 from the Smith Richardson Foundation and the Bradley Foundation according to IRS 990 forms 1992-2000.

Orbis:

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Editor: Robert Strausz-Hupé
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Middle East Quarterly:

Editor: Martin Kramer, Tel Aviv University
Senior Editor: Patrick Clawson, director of research WINEP

FPRI officers and board of trustees, see www.fpri.org/about/board.

MEF board of governors, see WWW.meforum.org/governors.

Worldwide Opposition Rises To Bush's 'Axis of Evil' Statement

by Jeffrey Steinberg

There is little doubt, in the minds of the vast majority of world leaders, and even among more sane elements within the U.S. political establishment, that President George W. Bush "lost it" during his State of the Union speech on Jan. 29, when he lashed out at the freshly minted "axis of evil," comprised of Iran, Iraq, and North Korea, and warned that the United States would take preemptive action against any states threatening world security with the use of weapons of mass destruction.

But the real "story behind the story" being pursued by *EIR* investigators, is that President Bush, who came into office ill-prepared to handle the immense array of crises facing the United States and the world, is now, himself, facing political blackmail pressure from a combination of Sen. John McCain (R-Ariz.), and the Democratic Leadership Council (DLC), the so-called "New Democrats" of Sen. Joseph Lieberman (D-Conn.). The operations against the President being run by the McCain-Lieberman-DLC crowd, do not excuse the President's flight forward into the clutches of those behind the Sept. 11 attempted coup d'état against his Presidency. But they represent an important piece of the picture, and a key to freeing the Bush Administration from a potentially disastrous turn, which can still be reversed.

A Firestorm of Protest

In his State of the Union address, the President declared, "States like these [Iran, Iraq, North Korea] and their terrorist allies, constitute an axis of evil, arming to threaten the peace of the world. . . . All nations should know America will do what is necessary to ensure our nation's security. . . . I will not stand by as peril draws closer and closer. The United States of America will not permit the world's most dangerous regimes to threaten us with the world's most destructive weapons."

The President's speech precipitated a firestorm of protests, from government officials, political leaders, and editorial writers from an amazing array of nations, including many traditionally allied with the United States, and almost all of which actively participated in the "coalition" war in Afghanistan.

- Javier Solana, former Secretary General of NATO, who is now the European Union's foreign policy and defense chief, told reporters on Feb. 4 that Bush's "axis of evil" formula "is a statement which will not carry any meaning." He singled out Bush's targetting of Iran, reporting that the EU "is working on a possible agreement with Iran which is in the making," to back up the moderate forces. "We would like to see Iran playing a role . . . as an important regional power for a constructive and stable region." He made the statements after he and two other EU officials concluded nine hours of closed-door meetings with top Iranian government officials.

- The same day, the chairman of the German Free Democratic Party (FDP), Guido Westerwelle, called on Chancellor Gerhard Schröder and Foreign Minister Joschka Fischer to voice public opposition to the Bush "axis of evil" formula. "If we are partners in NATO," he told German reporters, "we must talk to each other at the same level. . . . There is a real deficit here. . . . We need resolute protests from the side of the Europeans."

- The German state-owned radio, Deutschlandfunk, aired a broadcast on the evening of Feb. 4, labelling the "axis of evil talk" a threat to world peace. Maybe the Bush language was "just muscle-flexing, but it cannot be that this dangerous holding of a fuse on a geopolitical powder keg is accepted without opposition."

- Germany's Deputy Foreign Minister, Ludger Volmer, told German national television's ZDF "Morgenmagazin"

program on Feb. 4, “We Europeans are warning against a strike on Iraq; we have no evidence whatsoever of Iraq’s alleged support of terrorism.”

- The chief foreign policy spokesman of the German Christian Democratic Union, Karl Lamers, simply stated that “it cannot be that you [the United States] decide, and we follow.”

- Russian Defense Minister Sergei Ivanov, in Munich for the annual Wehrkunde international security conference, rejected the Bush targetting of Iran, Iraq, and North Korea, countering that some American allies, including Saudi Arabia and other Gulf states, have been sponsoring terrorism in Afghanistan and Chechnya, which the United States does not like to talk about. Ivanov was joined in his criticisms by Dmitri Rogozin, the powerful chairman of the international relations committee of the Russian Duma, who told the Iranian news agency, IRNA, that “Iran is not Afghanistan, nor will global conditions allow for the formation of an anti-Iran coalition. . . . The cases of Iran and Iraq are different from that of Afghanistan.” Rogozin issued his statements following a meeting with the Iranian Ambassador to Russia.

Also in Asia, Mideast

- Indian Chief National Security Adviser Braheesh Mishra sharply rejected the “axis” line, telling AFP news agency that terrorism can only be “tackled effectively with a global and comprehensive approach. Compartmentalized national approaches cannot advance our collective purpose of crushing terrorism, since terrorism has developed a seamless web of international linkages.”

- China’s Deputy Foreign Minister Wang Yi issued a strongly worded repudiation of the U.S. targetting of the three nations, arguing that the war on terrorism cannot be “arbitrarily widened.” Xinhua, the official Chinese news agency, published an editorial on Feb. 3, warning against the United States widening of the “war on terrorism.” “No small number of people suspect that by labelling Iran, Iraq, and North Korea as an ‘axis of evil,’ the United States seeks to prepare public opinion for possible strikes against those countries under the banner of anti-terrorism. Using the word ‘axis’ makes people think of the powerful military alliance formed by fascist Germany, Italy, and Japan, which turned the world upside down with their atrocities.” Foreign Ministry spokesman Kong Quan told reporters that “the Chinese side does not advocate using this kind of language in international relations.”

- *Al Riyad*, a major Saudi Arabian newspaper, in an unusual break with Washington, editorialized, “The sole super-



The Senator from Arizona is playing a leading part in the drive to goad the President into a dangerous flight-forward on foreign policy—while preparing his own “Bull Moose” candidacy for 2004.

power is alone taking decisions to put the whole world under its mandate. President Bush is [behaving] arbitrarily to impose American domination on the world.”

- France’s combative Foreign Minister, Hubert Védrine, told Radio France International on Feb. 6, “We are threatened, today, by a new simplicity that wants to solve the problems of the world through the fight against terrorism, alone, and that is not serious.” He criticized the American tendency to approach global affairs “in a unilateral fashion, without consulting others based on their interpretations of their interests.” This approach, he warned, “poses a major problem for the regulation of globalization. . . . The Europeans are, today, not on line with the policy of the White House toward the Mideast, and they think that it is a mistake to support the policy of pure repression that Ariel Sharon pursues.” Védrine, while saying that the three states singled out by President Bush do pose problems for international security, “there are other factors of risk of the Mideast conflict, which are as threatening, but find no mention by President Bush.”

The criticisms of the “axis of evil” hype were not restricted to foreign government officials alone. According to the Feb. 4 *Washington Post*, Brent Scowcroft, the chairman of President Bush’s Foreign Intelligence Advisory Board, and the elder George Bush’s National Security Adviser (1989-93), told reporters on the plane, returning from the Wehrkunde meeting, “The Americans and the Europeans are drifting apart, and that partly affects the course of the war on terrorism.” Citing the “axis of evil” statements, Scowcroft said, “I really don’t know what it was designed to do.” He argued that the next phase of the war on terrorism will be fought in the domain of intelligence activity, and the full cooperation of

the Europeans and other nations will be essential. Robert Hunter, a former U.S. Ambassador to NATO, told the *Post* that Bush's formulation "sent absolutely the wrong signal to the allies."

If success in the war on terrorism is to be realized, the United States must work with Russia, China, and India. The three Asian powers have greatly advanced the idea of a "strategic triangle" of cooperation in the past several weeks, highlighted by high-level diplomatic visits by Russian Foreign Minister Igor Ivanov to Beijing and New Delhi, and by Chinese Prime Minister Zhu Rongji's earlier groundbreaking visit to New Delhi (see article in *Economics*).

Prior to the State of the Union provocation, all three Asian powers had been deeply involved in cooperation with Washington, in the anti-terror campaign. The message coming out of Moscow, Beijing, and New Delhi now, is clear: The cooperation and partnership with Washington can move forward, but not if the Bush Administration pursues such insanely provocative policies as those implicit in the "axis of evil" formula.

What is driving President Bush to pursue such a patently self-destructive course of action?

The 'McCain Factor'

As LaRouche has written, in a soon-to-be-released LaRouche in 2004 campaign special report, *Zbigniew Brzezinski and September 11*, President Bush was able to suppress, but not crush, the military coup d'état attempt, behind the attacks on the Pentagon and the World Trade Center, through close collaboration with Russian President Vladimir Putin. This well-documented President-to-President collaboration averted a potential United States/Russia thermonuclear escalation, and temporarily defeated a policy putsch, aimed at drawing the United States into the "clash of civilizations" global religious war, promoted by Samuel Huntington, Bernard Lewis, and Zbigniew Brzezinski, and aggressively pursued by Ariel Sharon and the Israeli Defense Forces command.

The lunatic Anglo-American faction behind the Huntington-Brzezinski drive for a global Thirty Years War, is principally motivated by the fact that their post-Bretton Woods international financial and monetary system is on its last legs. They fear that there is growing momentum toward a new set of strategic arrangements, based on Lyndon LaRouche's Eurasian Land-Bridge proposals—arrangements that would strip them of their hoped-for ability to shape the post-crash world system to their own benefit.

For the desperate financier oligarchs behind the drive for a new Eurasian conflagration, world war is preferable to a revival of American System political and economic relations among leading sovereign nation-states, led by the United States, Russia, China, India, and Western Europe.

It is in this context that Senator McCain, President Bush's

rival for the 2000 Republican Party Presidential nomination—or a possible third-party alternative—has surfaced in recent weeks as a prop in the ongoing effort to draw the Bush Administration into the trap. McCain has been cast in the role of the clash of civilizations faction's very own "Manchurian Candidate."

Much of the story behind the McCain operation was exposed in the Feb. 4 issue of *New Yorker* magazine, which published a promotional piece for McCain by Nicholas Lermann. The story touted the prospects of a McCain third-party Presidential bid in 2004, modelled on Theodore Roosevelt's 1912 "Bull Moose" candidacy, which defeated the reelection bid of his fellow Republican, William Howard Taft, and threw the Presidency to Democrat Woodrow Wilson, a pawn of the British Fabian circles of H.G. Wells. As with the 1912 Roosevelt-Wilson collusion, McCain today is in bed with Sen. Joseph Lieberman, Al Gore's 2000 Vice Presidential running-mate, who is today the Democratic Leadership Council's favored candidate for the 2004 Democratic Party Presidential nomination.

Lermann spelled out the McCain blackmail game against the President: "What works best for McCain right now," he explained, "is a dynamic in which he keeps presenting tests to Bush, with the idea that, if Bush flunks, McCain might be motivated to run for President. Bush has to keep placating him, and if he doesn't, McCain gets to run on the basis of principle, rather than ambition. . . . The conduct of the war is an ongoing test, in which McCain is monitoring Bush for signs of getting soft because of a fear of asking Americans to sacrifice in an election year."

McCain and Lieberman have made no secret of their collusion to force President Bush to adopt precisely the flight-forward against such Mideastern targets as Iran and Iraq, that was seen in the State of the Union tirade. The two men led a Senate delegation to Central Asia and Afghanistan during the Congressional recess, and used the opportunity to press for the rapid launching of "Phase II" of the war on terrorism—centered in the Mideast.

The two Senators, along with the Bush Administration's leading "Sharonist," Deputy Secretary of Defense Paul Wolfowitz, and Defense Policy Board chairman and long-suspected Israeli agent Richard Perle, led the U.S. delegation to the Wehrkunde security conference in Munich from Feb. 2-3 (see accompanying article). While Wolfowitz was constrained by the fact that he was the senior representative of the Bush Administration at the event, and his speech text was clearly worked over by the office of Secretary of Defense Donald Rumsfeld, McCain and Lieberman were free to behave like a pair of insane provocateurs: which is exactly what they did.

Addressing the conference on Sept. 2, McCain invoked the "axis of evil" formula: "Just this week, the American people heard our President articulate a policy to defeat the

McCain's Big-Noose Party

Presidential precandidate Lyndon H. LaRouche, Jr. issued the following statement on Feb. 8, 2002.

Sending those four stooges, Wolfowitz, Perle, McCain, and Lieberman, to the Munich Wehrkunde conference, was like putting a Hollywood Don Juan on the Larry King show, to tell the heart-rending story of his terrible fight against a resistant strain of gonorrhea. It turned out to be about the quickest way to end a lot of alliances.

Maybe that was the intention, all along.

At Munich, Joe Lieberman, the only member of the team capable of parsing, performed a four-stooges parody of Groucho Marx, while McCain played "Harpo." The conclusion to be drawn, is that those four knuckle-draggers were not sent to deliver a message, but to accomplish exactly the effect their performance produced: provoke an incident which would, among other things, more or less break up NATO, in favor of a "We Do As I Please" organization run from Washington, D.C.

Granted, as Secretary O'Neill's statements on the health of the U.S. economy should remind us, we must always take into account the fact, that not only the present U.S. Administration, but the minds of pretty much the entirety of the present official leadership of the Republican and Democratic parties, are not living mentally in the real

world. Most of these leading circles could be compared, on numerous stress-filled occasions, to a troop of dried-out, sun-crisped travellers in a desert, ready to go to war, in Afghanistan, or almost any other place, over the rights to permanent occupation of a mirage. They will probably fight that war, but will they ever successfully occupy that mirage?

All of which brings us to what a recent edition of the weekly *New Yorker* has described, as McCain's threat to form a "Bull Moose" party. What is that *New Yorker* story trying to tell us? What has that to do with McCain's uncaged performance at Munich?

My point, is that we are living under circumstances, in which the apparent intentions of leading characters are no longer necessarily a reflection of a trend in policy, but, are a symptom of a breakdown in the ability to accept the reality of the circumstances in which leading political and related forces are now situated. What McCain says he is doing, for example, may have no correlation with the effect of the current movements of his mouth, hands, and feet. The question, therefore, is not, what is McCain's own voluntary intention; but, rather, who is using him, as if he were a kind of hand grenade thrown into the neighborhood, for what effect, as we witnessed in his part in the four-stooges act at Munich?

I remember the notorious "Gulf of Tonkin" resolution. Often what the leaders of our government and political parties tell us, is not what is actually happening, but what they wish to fool us into doing. That is, as it was at Munich, Senator "hand grenade" McCain.

axis of evil that threatens us with its support for terror and development of weapons of mass destruction. Dictators that harbor terrorists and build these weapons are now on notice that such behavior is, in itself, a *casus belli*."

McCain zeroed in on Iraq: "Nowhere is such an ultimatum more applicable than in Saddam Hussein's Iraq. Almost everyone familiar with Saddam's record of biological weapons development over the past two decades agrees that he surely possesses such weapons. He also possesses vast stocks of chemical weapons and is known to have aggressively pursued, with some success, the development of nuclear weapons. He is the only dictator on Earth who has actually used weapons of mass destruction against his own people and neighbors. His regime has been implicated in the 1993 attacks on the World Trade Center. Terrorist training camps exist on Iraqi soil, and Iraqi officials are known to have had a number of contacts with al-Qaeda."

McCain then got to the point: "A day of reckoning is approaching. Not simply for Saddam Hussein, but for all

members of the Atlantic community, whose governments face the choice of ending the threat we face every day from this rogue regime, or carrying on as if such behavior, in the wake of Sept. 11, were somehow still tolerable. . . . The combined examples of regime change in Afghanistan and Iraq would likely compel several other state sponsors of terror to change their ways or go out of business, accomplishing by example what we would otherwise have to pursue through force of arms. These nations—Syria and Sudan, for instance—have a choice, and it is in their interest to make the right one."

The next day, in his own speech, Lieberman fully endorsed McCain's incendiary message: "We cannot claim victory in our war against terrorism until we decisively address the profound threat posed by Saddam Hussein and his weapons of mass destruction. As President Bush declared on Tuesday in his State of the Union address, 'America will not permit the world's most dangerous regimes to threaten us with the world's most destructive weapons.'"

At Munich Wehrkunde Meeting, U.S. Speaks Loudly About Carrying Big Stick

by Rainer Apel

Many essays have already been published on the new American doctrine of war, and President George W. Bush's State of the Union address with its new enemy image of the "axis of evil." But more than that, the personal appearance of some main propagators of that doctrine, at the famous Munich "Wehrkunde" (International Conference on Security Policy) on Feb. 1-3, illustrated for Europeans the dangerous flight-forward tendency in present U.S. strategic thinking.

At this 38th annual Wehrkunde meeting, presentations by the American delegation delivered a shock—even stronger than President Bush's Jan. 29 State of the Union address—to attendees both from Europe, as well as from Russia, China, and India. Never in the 25 years that *EIR* has been covering this annual Munich event, has such a deep split been exposed between the United States and its European NATO allies. Whereas the Americans focussed on the "new American internationalism," the Europeans voiced opposition and posed concerned questions as to the future of the United States-European alliance within NATO.

From the American side, Deputy Secretary of Defense Paul Wolfowitz, who delivered the main keynote address on Feb. 2, made it clear: The United States can and will wage the "war on terrorism" alone, if necessary, predominantly based on its own resources, and it does not need either NATO, or the United Nations.

There "will not be a single coalition" any more, with fixed alliance partners, such as NATO has been, Wolfowitz asserted, quoting his boss, Defense Secretary Donald Rumsfeld, "but rather different coalitions for different missions—flexible coalitions. Some will join us publicly, others will choose quiet and discreet forms of cooperation." Moreover, Wolfowitz added, a "key concept" of future warfare will "not rule out anything"; it will involve everything from combat on horseback to space-based high-tech weapons systems.

Coalition With IMF and Turkey?

In a later contribution to the conference, Wolfowitz emphasized, again, that "the U.S. can do it alone, because we have a degree of overwhelming support in Congress, today, that we did not have back in 1991," during the anti-Iraq war. Among the other NATO allies, Wolfowitz named only Turkey as an outstanding, preferential ally, because, as he put it, it was "a model" within the Muslim world.

The latter point was stressed even more strongly, in Sen. John McCain's (R-Ariz.) conference speech on the "new American internationalism": "Turkey is a frontline state in the war on terrorism, as Germany was a frontline state during the Cold War." Only days later, on Feb. 5, the "reward" proffered to Turkey for such a role was announced: another \$9 billion loan to from the International Monetary Fund, bringing up to \$40 billion the total credit that the IMF has now extended—in sharp contrast to Argentina, for example.

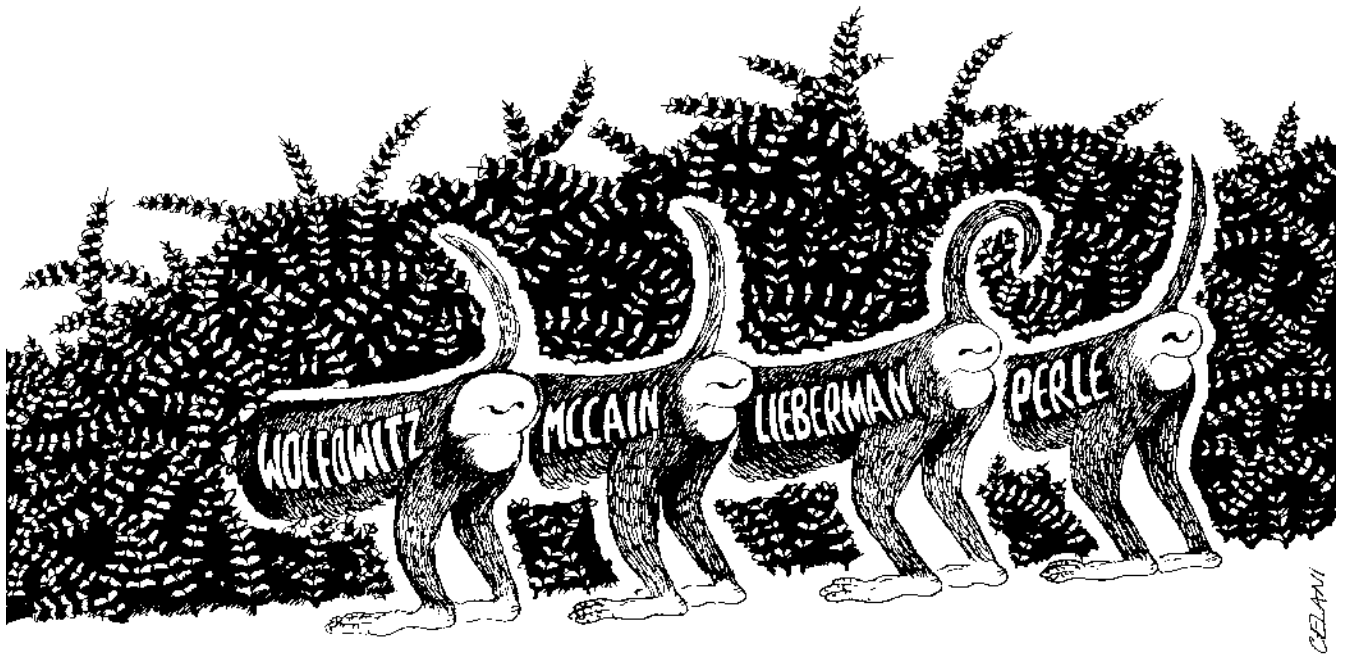
The American message at the Munich conference sounded as though NATO would be of use to the United States in the future if at all, only if it were reshaped according to the "requirements of responding to the new kinds of threats."

Though some Americans, like former National Security Adviser Brent Scowcroft—now chairman of the President's Foreign Intelligence Advisory Board—voiced concern that an overconfident Bush Administration would widen the gap with Europe too much and too rapidly, and break NATO apart, the new doctrine was not really challenged, even by those American critics. Their proposal was rather, that Europe do more in defense spending, to narrow that gap to the United States.

As for the "war on terrorism" itself, its scope and particular "rogue" targets, Wolfowitz said the "terrorists" were hiding "not merely in the mountains of Afghanistan, but in the towns of cities of Europe and the United States."

Sen. Joseph Lieberman (D-Conn.) spoke of a "New Iron Curtain," or "New Wall" that was stretching "from the terrorist camps in the hills and valleys of Central Asia, to the sands of Somalia, Sudan, and Saudi Arabia, to cells in Singapore, Indonesia, the Philippines, and many other places including Europe and America." McCain thundered that the rest of the world should "dispel any notion that America's commitment to the defeat of our enemies is mere rhetoric. Just ask the Taliban. The successful military campaign we and our allies waged against the government that harbored our enemies, sends what I hope is a clear signal to leaders in Tehran, Damascus, Khartoum, and elsewhere, that sponsoring terrorism places national survival at risk."

The recent change of regime in Afghanistan and—next on the list—Iraq, McCain said, "would likely compel several other state sponsors of terror to change their ways or go out of business." He included Syria and Sudan on his list of states



The Four Baboons present the new Bush Doctrine.

that either “make the right choice or face the consequences.” Wolfowitz, again: “Those countries that choose to tolerate terrorism and refuse to take action—or worse, those that continue to support it—will face consequences.” Wolfowitz added another target, when he said of Palestine Authority President Yasser Arafat, that “unfortunately, our main interlocutor on the other side is involved deeply in terrorism.”

There was, finally, the ubiquitous “Prince of Darkness,” Defense Policy Board head Richard Perle, who said that now is the time to attack Iraq’s military, and that the Iranian government would fall soon. “There is no time for diplomacy,” Perle said.

Protests From Eurasia

This American posture met open protest at the Munich event: most outspokenly, from Russia, China and India, but also from Europe; and, notably, even from the usually over-cautious Germans. Russia’s Defense Minister Sergei Ivanov, Deputy Foreign Minister of China Wang Yi, and Braheesh Mishra, chief national security adviser to Indian Prime Minister Atal Behari Vajpayee, repudiated the U.S. talk about an “axis of evil.”

Ivanov said of Iraq, Iran, and North Korea, “I don’t have any evidence whatsoever that the governments of these three nations support terrorism.” He said that Russia had “its own list of rogue states,” including such traditional U.S. allies as Saudi Arabia, Pakistan, and Dubai, whose support for Islamic terrorism was well-documented—in stark contrast to the U.S. charges which haven’t been, to this day. The Chinese diplomat warned against any “arbitrary widening of the war,” in-

sisting that every such action against terrorism proceed strictly “on the basis of international law” and “under the UN Charter.” India, insisted Mishra, vehemently opposed “any compartmentalized national approaches,” precisely the new direction advertised by Wolfowitz.

Also the Europeans voiced their protest; for example, Karl Lamers, chief foreign policy spokesman of the German Christian Democrats: “It cannot be that you decide, and we follow. . . . Ever since Sept. 11, NATO has not existed.” Former deputy defense minister of Germany, Lothar Rühl, addressed “genuine differences between the U.S. and its allies,” specifying that in addition to NATO member Turkey, other Islamic countries, such as “Saudi Arabia, Egypt, and Syria are opposed to an intervention against Iraq.” German Defense Minister Rudolf Scharping also spoke to the Iraq issue, saying that “military planning should not start from the wrong end.”

The fact that German conference participants came out so openly, underlines how deep the gulf has grown between Europe and the United States, since German opposition to American military policies is rarely stated. Clashes over crucial issues of strategic policy and defense were even more fierce behind the scenes at Munich, *EIR* learned from the conference’s sidelines.

If NATO as we have known it ceased to exist after Sept. 11, it has not been revitalized since, and it won’t be, should the present tendency of U.S. strategic policy continue. How Russia, China, and India will react, is less of a mystery, as relations among these three states have grown very intense, over the recent period. How the Europeans, especially those on the continent, will react, is an open question, however.

State of Union Speech Arouses Unusual Opposition in Europe

by Mark Burdman

The flight-forward of American international policy since President George W. Bush's Jan. 29 State of the Union "axis of evil" outburst, and as evidenced by the bulk of the U.S. delegation at the Feb. 1-3 Wehrkunde meeting in Munich, has caused a singular development within the oligarchical establishment. Certain highly-placed individuals who have long associated themselves with the most miserable policies, and strong factions in Great Britain or with very close British connections, have gone into opposition to a policy that they perceive as a catastrophe.

In Europe, including in the United Kingdom, senior policy circles have been quick to observe—and to agree with Lyndon LaRouche—that the Enron scandal is one significant factor in the recent derangement from Washington, featuring and the use of this scandal by forces typified by U.S. Sen. John McCain (R-Ariz.), to force or blackmail Bush into the new flight forward. Others see the latest from the administration as an ill-conceived attempt, to reverse the economic collapse through vastly increased military spending.

But at the same time, many informed observers, even those usually strongly opposed to LaRouche, share his concern, as he recently expressed it in his "Brzezinski and September 11th" feature (*EIR*, Jan. 11), that the events of Sept. 11, have propelled to prominence those U.S. "utopians" personified by Zbigniew Brzezinski, Samuel Huntington, and Paul Wolfowitz, who have unleashed a neo-imperial frenzy.

'On a Very Dangerous Course'

On Feb. 5, *EIR* spoke to a continental European source, who has been a mover-and-shaker in such oligarchical institutions as the Club of Rome, the Bilderberg Society, and the Trilateral Commission, and who has decades-long links to higher echelons in the British monarchy. Insisting that he would speak strictly on background, he launched into an impassioned attack on the "axis of evil" thrust.

He warned: "I think the American government is on a very dangerous course. What this administration is saying, is making it a danger to world peace. What it is doing, will only increase terrorism, not diminish it. For this American government, everything has been reduced to *power*. This takes us back to the balance of power way of thinking, and we should have learned, from history, that the balance of

power always breaks down. This is all, purely, the thinking of Thomas Hobbes."

And further, "It undermines the rule of law, if you say that international law must confirm to the interests of America. This means there *is* no law any more, and it makes the advocate of such an idea, an outlaw. Can you imagine a German getting up now, and saying something like this, especially as we regrettably *heard* such language from Germany, at a very unfortunate time?"

"It is amazing," he said, "for the United States to say that other countries cannot build weapons of mass destruction. I am certainly not in favor of biological-warfare weapons, but it is rather strange, for the United States to say other countries cannot develop what the United States is developing. This is the worst kind of unilateralism. With this kind of attitude, there is no international law, and frankly, the country insisting on this, becomes, itself, a terrorist state. I fear, that the United States is becoming the most dangerous terrorist state, and its attitude is 100% wrong."

This Trilateral figure insisted that only a policy of "reducing the gap between rich and poor, and development," can stop terrorism.

'Britain Is Joining Europe'

On Feb. 6, a second continental European strategist, also caught up in oligarchical policy institutions, stated that what is striking and singular, in the current reaction to the "axis of evil" offensive, is that the United States' "special relationship" partner, Great Britain, has joined the opposition.

"Everybody and anybody outside the United States finds this policy outrageous, but what is of extreme importance, is that this includes the British," he said. "The British are publicly supporting the Europeans' policy on the Middle East, as stated at the recent European Foreign Ministers meeting in Luxembourg, which is exactly contrary to the policy we heard in the State of the Union speech.

"Absolutely for the first time, Britain is joining Europe, in relation to recent developments in the United States. On both sides in the House of Commons, you hear voices that say the direction of American policy is unacceptable. This is making life very difficult for [British Prime Minister] Tony Blair, because he went so far in backing the United States, and has to figure out what to do. It has become more and more

apparent to everybody, including in the United Kingdom, that nobody in his right mind, could support military action against Iraq, Iran, and North Korea. If they had stuck to Iraq, they would have been at the dividing line between opposition and support, but to add these other two, has outraged everybody, including the British.”

Because of the “extent of resistance in Europe,” a military attack by the United States, of the sort being mooted, “is logistically not possible,” the source said, “because the United States is indeed a superpower like nobody else, but it can’t carry out such vital operations all by itself, if it doesn’t have the sympathy, or blessing of its allies.”

As for Iraq, he added that an attack is not in the offing, despite all the rhetoric, because “at least in Afghanistan, the ground fighting was done by the Northern Alliance, but in Iraq, the Iraqi National Congress is a joke, just theater, with no capability to do anything at all, no matter what Wolfowitz may say.”

The European strategist emphasized that aside from imperial delusions and the Enron matter, what is driving the war rhetoric in the United States more than anything else, is “the collapse of the economy, and the belief that a massive defense buildup would turn this around.”

‘The Arrogance of Power’

A notable confirmation of this point, was a commentary in the Feb. 7 London *Times*, by Anatole Kaletsky, whose usual views favor the most extreme and brutal “free-market” nostrums. Having spent the past days in the United States, including at the World Economic Forum in New York (see article in *Economics*), he warned of the extreme danger posed by a growing mood of “war fever” and “irrational hysteria” in Bush Administration circles. He said that the American policy elites, predominantly, are suffering from a “collective nervous breakdown,” and “manic-depressive paranoia.”

Kaletsky concluded with a curious—for him—echo of the late U.S. Sen. William Fulbright (see *Investigation* in this issue), when he warned that “the arrogance of power” in Washington now represents a great threat. Kaletsky stated that the irony of the situation, is that the “war fever” in the United States is now so extreme, that this will trigger an increasingly negative reaction around the world, and bring about a defeat for those insisting on the extension of American power.

Consistent with this, a British influential, who is a leading “NATO lobby” figure, a member of the Trilateral Commission, and a strong supporter of the “war on terrorism,” had stated, a day earlier, that he was “very worried, that tremendous damage could be done to the Atlantic Alliance, if this ‘axis of evil’ policy is really to be implemented, rather than just spoken about.”

“I think the international situation is becoming pretty raw,” he said. “Our Foreign Office insists, as our Foreign Secretary [Jack Straw] stated in Washington last week, that all this ‘axis of evil’ talk is just American domestic politics,

driven by factors like the Enron scandal, and that we shouldn’t take it seriously, as a guide to future action. However, the same Foreign Office is telling me to expect rough times in the United States, when I go there later this month, because of my particular view.”

Asked what he meant, he replied: “I think it is a mistake, to lump together all these countries, under one slogan; it only makes the situation more complicated. I also think it a big mistake, to use the war against terrorism, to reverse what was not achieved in the last Gulf War. This is very dangerous indeed. But my main worry, is the tremendous damage that could be done to the entire Atlantic Alliance. I am very uneasy, because we made all this effort, to articulate Article 5 of NATO, after Sept. 11. I really fear this was a mistake, because this is the most sacred bit of NATO. It’s been invoked, yet, in practical terms, it means nothing, as we are now seeing.” (Article 5 specifies that if one NATO member is attacked, the other members will provide assistance, including, if necessary, taking military action.)

The source further stated: “I fear that all the gains we have made in Afghanistan, could now give way to a political disaster. An attack on Iraq would break up the coalition, and turn the Middle East into turmoil. It would unleash Israel completely. And aren’t these people in Washington reflecting on the very heavy price we would pay, for what would happen in Egypt and Jordan?”

Lastly, he said that many policy elites in Britain are alarmed, that the United States is not putting more pressure on Prime Minister Ariel Sharon in Israel. “Too many people in Washington are obsessed with reversing everything Bill Clinton did, and I find this very distressing, for the Middle East situation.”

‘Dumber Than Dumb’

Such sentiments are spilling over into certain interesting U.S. circles. For example, one attendee at the Wehrkunde gathering was Brent Scowcroft, former National Security Adviser, former head of Kissinger Associates, and now the head of the President’s Foreign Intelligence Advisory Board (PFIAB). He stated, in a briefing while returning to the United States from Germany; “The Americans and the Europeans are still drifting apart, and that partly affects the course of the war on terrorism.” On the “axis of evil” line, he said: “I really don’t know what it was designed to do,” and he warned that the next part of the war would be an *intelligence war*, in which Europe must play a central part.

On Feb. 2, Belgian Count Arnaud de Borchgrave, known usually for nasty diatribes as an editor of the Reverend Moon-owned *Washington Times*, ridiculed the “axis of evil” polemic. He stated that to call North Korea evil, “can only jeopardize South Korea’s diplomatic efforts;” and that were the United States to attack Iraq, it would be alone, and without basing rights for the 100,000 troops that would be required for such a campaign. “The dual evil status conferred on [Iraq and Iran] is dumber than dumb,” de Borchgrave concluded.

Israeli Soldiers Refuse To Commit War Crimes

by Dean Andromidas

By Feb. 5, in a growing resistance, almost 200 reserve soldiers and officers from the Israeli Defense Forces (IDF) were circulating a powerful letter declaring their refusal to serve in the Israeli occupied territories. The soldiers charge that they “were issued commands and directives that had nothing to do with the security of our country, and that had the sole purpose of perpetuating our control over the Palestinian people. . . . We, who sensed how the commands issued to us in the territories, destroy all the values we had absorbed while growing up in this country. . . .”

The resisters charge that the “price of the occupation is the loss of IDF’s human character and the corruption of the entire Israeli society.” Recognizing that the Israeli settlements are illegal and will have to be withdrawn, their open letter declares “that we shall not continue to fight this war of the settlements. We shall not continue to fight beyond the 1967 borders in order to dominate, expel, starve and humiliate an entire people.”

The reaction of IDF Chief of Staff Gen. Shaul Mofaz has been harsh; he told Israeli Army Radio Feb. 1 that the signers had political motives: “If this is the case, then this is not dissent, but a serious rebellion that the country’s leaders must address.” A few days later, Mofaz went even further and told a Knesset Foreign Affairs and Defense Committee, “If some of the officers have ideological motives and are trying to advance those by means of the IDF, it’s much worse than refusing to serve. It’s mutiny.” He has ordered all signers of the letters to be interrogated by their commanders, and ordered the officers to be relieved of their commands. Three officers have been relieved so far, and others have been suspended. It is expected that several may go to jail.

Although Mofaz did not speak of court-martialing the soldiers, Ra’anan Gissen, Prime Minister Ariel Sharon’s official spokesman, did. (see *EIR*, Feb. 8, 2002).

‘The Oslo Generation’

The charge among the Israeli right wing that the signers are ideologically motivated “leftists” or “peaceniks” is absurd, given that the majority of the signers are members not only of combat units, but of elite units such as the paratroopers. Many had served in southern Lebanon during the years Israel maintained its so-called “security zone” there. The letter was released only days after it was revealed in the Israeli

mass-circulation daily *Ha’aretz* on Jan. 27, that Israeli officers have been studying the Nazi destruction of the Warsaw Ghetto to learn “useful lessons” on how to conduct war in Palestinian cities (see *EIR*, Feb. 8).

A spokesman for the soldiers, Amit Mashiach, denied that the group has any political motivation, or even contact with politicians. “If the Chief of Staff has information suggesting otherwise, then he should reveal it. If not, then this is a campaign by the army to silence and smear us.”

Public support for the soldiers has been gaining momentum. Following the publication of their letter with the initial 50 signatories, as a paid advertisement in Israel’s leading dailies, the list of signatories has increased four-fold. At least one-third of the signatories are officers from the rank of lieutenant to major. Averaging between the ages of 25 and 35, these men can be seen as the “Oslo Generation,” who saw for themselves the possibility of peace with the Palestinians as demonstrated by the 1993 Oslo Accords. They also saw the Israeli unilateral withdrawal from southern Lebanon which, contrary to the hysterical warnings of the right wing, has left Israel’s northern border in its quietest state since the founding of the Israeli state in 1948. They also experienced the assassination of Israel Prime Minister Yitzhak Rabin in 1995, at the hands of a right-wing extremist, who received support from the extremist elements in the settlements. These are the same settlements, to protect which the soldiers have been ordered to commit war crimes.

The website of the letter’s initiators (www.seruv.org) has received over 2000 e-mails, 70% of which offer support for their effort. Many of these e-mails are from officers and soldiers, some of whom then decided to add their signatures.

In Lebanon, the major English-language newspaper, the *Daily Star*, expressed support for the initiative, in an editorial calling for the Arab world to “break bread” and engage in a dialogue with the “other Israel . . . one which Arabs need desperately to engage in dialogue and on which the Jewish state’s supporters among world Jewry need to focus.” This “other Israel,” the *Daily Star* writes, “is made up of a few dozen reserve officers who have publicly declared that they will no longer serve in the occupied territories.”

This display of moral principle coming out of the IDF, which is still a citizen-army of conscripts, is not unprecedented. In 1978 that the famous “Officers Letter,” which was signed by scores of officers, was sent to then-Prime Minister Menachem Begin, urging him not to miss the opportunity of signing a peace treaty with Egypt. Many of the signatories to that letter of 24 years ago, in 1982 formed the core of the leadership of Peace Now, the leading Israeli peace organization.

The Checkpoint War Crimes

At the core of this growing movement is the refusal to continue to commit what are clearly war crimes. While the international media have focussed much of their attention



“Courage To Refuse”: the open letter of refusal to serve in the Occupied Territories, circulated by 200 Israeli reservists as of early February. The reservists say they receive orders in the Occupied Territories which morally must be refused, as the IDF shifts toward occupation tactics characteristic of fascist regimes.

on “targetted assassinations” and the brutal demolition of 56 homes in the Gaza strip, which has left 600 people homeless, even graver are the war crimes that are committed, every hour of every day, at the endless numbers of checkpoints used to enforce the closures that have turned the entire West Bank into a checkerboard of mini-Warsaw Ghettos.

These checkpoints are not to be confused with toll booths on New York’s George Washington Bridge! They are fortified positions, complete with tanks and armored personnel carriers. They constitute the core of the policy of “collective punishment,” the war crime now being committed. These checkpoints keep Palestinians waiting on long lines for hours, turning what was a 20-minute trip from one village to another, into a two- or three-hour ordeal, in which a Palestinian could very well lose his life. People cannot get to work, let alone to hospitals, or simply to visit friends and relatives.

The Orwellian logic of these checkpoints is the claim that every Palestinian is a potential terrorist—even the unborn. Last December, two pregnant women who were being rushed to hospitals were refused passage through the checkpoints. In one case the soldier told the distraught husband, “I have the right to kill you, but not to allow you to pass.” Both babies died before they could get to a hospital.

After putting their signatures to the letter, many of the soldiers gave press interviews, revealing the brutal reality of

enforcing the occupation.

One signatory, Ariel Sharil, told the Israeli daily *Yediouth Ahronoth* of the lie that the Israeli soldiers only shoot in self-defense: “People say that the Palestinians shoot first and we just respond. This is untrue. One officer there told soldiers, doing guard duty in the lookout posts: ‘If things are too quiet, or if you don’t feel certain about the situation, just let off a few rounds.’ Shots were fired every night; we would start shooting and they would fire back.” Other soldiers reported how Palestinian children or youths, who, if armed, were armed with stones, were shot by snipers from as far as 2.5 kilometers away.

Reserve Lt. Itai Swirski revealed how suspicious objects—e.g., potential bombs—are routinely dealt with: “Instead of waiting for demolition experts to arrive, the soldiers would go to the nearest vehicle driven by Palestinians and tell the driver or one of the passengers to pick up the object. It goes without saying that the soldiers and settlers watch from afar.”

And Lt. Ishai Sagi was quoted in the press saying, “I don’t think that what the Israeli Defense Forces do in the territories contributes in any way to defending Israel itself. . . .

“Everything that we do in there—all the horrors, all the tearing down of houses and trees, all the road-blocks, everything—is just for one purpose: the settlers, who I believe are illegally there. So I believe that the orders I got were illegal and I won’t do them again.”

The argument being posed against the soldiers, is that they have no right to refuse to serve in the territories; and that if they say war crimes are being conducted, or they are being given illegal orders, they should report it to the army’s judge advocate general or the state prosecutor. The senior military correspondent of *Ha’aretz*, Amir Oren, revealed the hypocrisy of such an argument, by way of revealing what goes on at the highest level of the IDF. Oren described a briefing last May, to all career and reserve officer field commanders in the West Bank, by Chief of Staff Mofaz. Oren’s account is based on a report, now revealed, on that meeting, by former Shin Bet (domestic intelligence) chief and former Navy commander Ami Aylon, who “spoke of a certain commander who demanded that troops bring him ‘seven dead bodies.’ ” The “certain commander” was Mofaz.

Within a few days of the briefing, Oren writes, “one commander attached to one of the reserve battalions who was present at Mofaz’ briefing, Lt Col. Yahuda Albek, lost no time in getting himself needlessly caught in a deadly incident involving Palestinian police officers. In his defense, Albek used the chief of staff’s guidelines.”

Oren continued, “Neither Ayalon nor the commander of the Central Command, Major Yitzhak Eitan, . . . dared to approach the judge advocate general or the state prosecution



The resistance movement of the IDF reservists—here, reservists with a commander in the Occupied Territories—has drawn worldwide notice and clearly given a shock to IDF chief Gen. Shaul Mofaz.

with a demand to investigate Mofaz.” Oren concludes that “the only way to change the course of the ship is to work for replacing the captain, not by calling on the sailors to mutiny.”

‘False Consensus’ Beginning To Crack

The soldiers’ letter comes at a time when serious cracks are beginning to emerge in the rotten consensus within Israel’s political and military-intelligence establishment that has kept Sharon in power. That consensus has found Labor Party leader and Foreign Minister Shimon Peres, “the architect of the New Middle East,” in the same government as Benny Elon, the leader of the Moledet party, whose platform includes deporting the entire Palestinian population to Jordan.

In recent weeks, the peace camp, after being in serious disarray for over a year, is beginning to mobilize itself. A new political party is taking shape behind the scenes. It could potentially include the pro-peace Meretz party, which now leads the opposition; the Russian Democratic Choice, a liberal party; and the peace camp within the Labor Party, led by Yossi Beilen and Avraham Burg, who are said to be considering leaving the Labor Party. Even the Israeli Arab parties are considering joining such a formation, which could become a social democratic party oriented to peace and social issues, especially the collapsing economy.

Roman Bronfman, the leader of the Democratic Choice party and a strong supporter of the idea, told *Ha’aretz* of Jan. 29 that the new party was necessary in order to stop Israel from being taken over by “ordinary fascism.” This term was coined by Russian-Jewish director Mikhail Romm, to describe the rise of fascism in Germany in the 1930s. “I say that the false consensus that exists today in Israel, and the daily atrocities in the territories,” said Bronfman, “will bring this

type of fascism among us. I feel everything must be done to stop the deterioration, and if I have to sacrifice my political career for this end, then I shall.”

Reflecting how this “false consensus” is starting to break apart in Israel’s all-powerful military-intelligence establishment, Ami Ayalon—the former head of the Shin Bet—has been speaking out on the dangers of Israel’s current policies. In an interview on Israeli TV on Jan. 31, Ayalon said he “has a lot of empathy for the reserve officers” who signed the letter. He went so far as to say that soldiers should disobey illegal orders: “As far as I’m concerned, too few soldiers are refusing such orders. For example, [an order] to shoot an unarmed youth is a blatantly illegal order. I am very worried by the number of Palestinian children shot in the past year.”

Ayalon, who is also a retired admiral and commander in the Israeli Navy, has become one of the most outspoken members of the military-security establishment.

In an interview with the French daily *Le Monde* published on Dec. 22, 2001, he went further than any former security official of his rank. “Since Sept. 11,” he said, “our leaders have been euphoric. With no more international pressures on Israel, they think the way is open. This obscures the consequences of our holding on to the Palestinian territories. This is not only a moral matter. Our founders saw a state that provided a homeland for Jews and was a democracy. From both points of view, time is playing against us. Demographically, it works in favor of the Palestinians. And politically, in favor of Hamas and the settlers. But in the fight against Hamas, we must evacuate the settlers, whose proximity to the Palestinians reinforces hatred.”

Further Upheaval Coming?

“Reoccupying the Palestinian Authority lands, and killing Arafat, what would that change?” Ayalon asked. “Those who want victory want an unending war.” He added, “what needs to be done, urgently, is to withdraw from the territories. And a true withdrawal, which gives the Palestinians territorial continuity in the West Bank linked to Gaza, open to Egypt and Jordan. If they proclaim their own state, Israel should be the first to recognize it and to propose state-to-state negotiations, without conditions, on the basis of the Clinton proposals to resolve all pending problems.”

A senior Israeli member of the peace camp told *EIR* that the soldiers’ initiative is the most important shock given to Sharon and his generals since the beginning of the Intifada. Although it still was not strong enough to decisively shift the situation, the source said it could be joined very soon with another shock, which he warned would be the very real possibility of mass social upheaval, in response to the collapse of the Israeli economy.

“This is real politics, based on ethics and morality, which one does not see too often these days,” and that can be very powerful, he concluded.

Israeli Fascist Eitam Pushes New War Plan

by Dean Andromidas

A group of senior reserve officers of the Israeli Defense Forces (IDF), and senior members of the Israeli defense establishment led by Brig. Gen. (reserves) Effi Eitam, have drafted a “security-political plan”: It includes reoccupying the Occupied Territories, destroying the Palestinian Authority, and ethnic “cleansing” of the Palestinian territory. Eitam seems to be modelling himself after Nazi Major General of Police Jürgen Stroop, who architected the methods to crush the Warsaw Ghetto, which are being studied for implementation by some IDF officers (see *EIR*, Feb. 8, 2002).

According to the Israeli daily *Ha’aretz* on Jan. 31, the plan has been presented to Prime Minister Ariel Sharon. It is also expected to become part of a political campaign that Eitam intends to launch, in preparation for elections.

One of the formulators of the plan, says that Israel is facing “evasive threat,” comparing the conflict with the Palestinians to a “cancer” which has to be dealt with before “it will be too late.” Eitam adds, “This is a first attempt by the right, to present a political security plan that doesn’t make do only with blocking Palestinian intentions, but proposes solutions to the situation.”

Eitam’s “solution” intends to be final: It includes a massive Israeli invasion of Palestinian cities, “cleansing” them of terrorists and weapons, and then ruling the areas. The move would include destruction of the Palestinian Authority and possibly physical elimination of its President, Yasser Arafat. Claiming they have support from the top command of the IDF, they say they could change the strategic reality “in a week.”

The group calls for Israel to unilaterally declare that no sovereignty other than that of Israel will ever be allowed west of the Jordan River. In this regard they call for overthrowing the Hashemite monarchy in Jordan, and declaring Jordan “the Palestinian state.” Such a declaration, they say, would lead to the withering of the Palestinian uprising, the Intifada. Eitam affirms that “the suicide bombers are not blowing themselves up out of despair, but out of hope they can drive us out of the territories. As soon as they find out that won’t happen, the level of violence will also drop.”

The plan also calls for an aggressive Israeli military approach to the alleged nuclear threat from Iran (if the United States doesn’t deal with it); and for limiting the rights of

Israeli Arabs, by preventing them from being elected to the Knesset (parliament), through gerrymandering the election districts. Eitam calls for expelling the population of the Gaza Strip, to the Sinai in Egypt.

Eitam believes that circumstances may be such that the current administration in Washington would not object to such steps by Israel. This is in fact the case. Last November, Eitam was the guest of the American Enterprise Institute in Washington, and a featured speaker at a conference on “Winning the War Against Terrorism,” co-sponsored by AEI and the New Atlantic Initiative, many of whose members form the lunatic hard-line faction both inside and outside of the Bush Administration.

Shortly after Eitam’s proposal was presented to Sharon, the IDF announced the construction of a simulated urban battlefield in the middle of the Negev Desert, to train Israeli troops on how to storm cities. According to an official in the Israeli ground forces command, quoted in the *Jerusalem Post*, the \$10 million project “will be modelled after Palestinian cities, with four sections. These will include a downtown area, rural village section, market area with narrow alleys, and urban outskirts.” The project should be completed by 2003.

Two questions should be asked: 1) If Sharon is interested in a final peace agreement, supposedly after the elusive “seven days of quiet,” why would he entertain such a project? 2) Will IDF troops be expected to learn tactics that the Nazis used in the Warsaw Ghetto, since these tactics are now being studied by certain IDF commanders?

Eitam: A New Model Fascist

The Eitam war plan, no doubt, has considerable support among the hard-liners in the IDF, most likely including Chief of Staff Gen. Shaul Mofaz. Nonetheless, as witnessed by the ongoing revolt among reserve officers and soldiers against serving in the Occupied Territories (see accompanying article), resistance to such insanity is considerable, and growing. Therefore, Eitam and his collaborators are building a mass-based movement to ensure its implementation, even if it drives Israel to the point of civil war.

Eitam left the IDF in February 2001 with the rank of brigadier general. He shares many of the characteristics of Ariel Sharon—from his hard-line policies to the girth of his waistline. But unlike Sharon, Eitam is a so-called “religious Zionist”; he is expected to become a leader of the National Religious Party (NRP). While mainstream Zionism is a secularly based political ideology, the National Religious Party believes in establishing a Jewish state that combines messianic Judaism with nationalism. The party is not only strong in the settlements, but has a growing base in the IDF.

The NRP runs special religious schools called Yeshivot Hesdar, where students are given religious teaching along with military training. Unlike many of the ultra-Orthodox yeshiva students who seek draft deferrals, Yeshivot Hesdar



Under Israeli Chief of Defense Shaul Mofaz (right, meeting with U.S. Deputy Defense Secretary Paul Wolfowitz), the Israeli Defense Forces' most extreme right-wing currents are encouraged to project "final solutions" to the Palestinian problem.

students serve in the military. In fact their growing numbers in the IDF has led to demands for special consideration for dietary laws, and for strict separation of women from men.

The NRP program is among the most extreme on the right wing of Israeli politics. The party was key in helping create the Gush Emunim radical settlers movement. According to their party platform, "There will only be one state between the Jordan River and the Mediterranean Sea: the State of Israel. No independent national Arab entity will exist within the limits of the land of Israel. No part of Israel will be given over to a foreign government or authority and no Jewish settlements will be uprooted."

Needless to say, the party's Knesset members voted against the 1993 Oslo Accords; they are committed to their overthrow, and are not members of the Sharon government.

One of the NRP's rabbis, who was also a military rabbi in the IDF reserves, Rabbi Yisrael Rosen, authored a commentary on how Israel should deter Palestinian suicide bombers. "The intention," he said, should be "to hurt the families of the suicide terrorists, the families of those who send them and the entire clan: through deportation, through the confiscation of property, and even through wiping out villages of malefactors." He wrote that such a "blood-chilling" proposal was necessary and that "the moral life commands that we skip over moral qualms and pangs of conscience." In an interview given to *Ha'aertz* on Feb. 1, he said that, according to his interpretation of the Scriptures, Jewish morality is opposed to Christian morality, in the sense that it is not based on the idea of mercy.

'War Now' Party?

Although Eitam has not joined the NRP yet, he has formed a new movement called "Mayim," an acronym for Mohaneh Yehudi Meuhhad (United Jewish Camp), which is the right-wing counterpart to Peace Now on the left. Its aim is to pull all the right-wing elements into a new political formation. It could include extremist parties such as Moledet, which calls for the transfer of the Palestinian population to Jordan. It could even split Sharon's Likud party and the ultra-Orthodox parties, and become the basis of a real fascist movement.

In an interview with the *Jerusalem Post*, shortly after he left the army, he expressed his idea of how to "revitalize" Israeli Zionism, through messianic Judaism. He spoke of the need for a synthesis of Jewish content and Western technology, to replace the "Western, liberal, secular, democratic" character of Israel.

"Am I scaring you?" he asked his interviewer. "There is great ignorance of Judaism in Israel today. Without Jewish content, there will be assimilation in our own country. . . . If Israel is a pale Western, liberal, secular, and democratic copy of America, then why should an American Jew identify with Israel more than America?"

Asked why he left the army, Eitam replied, "I could have stayed in the army and watched the government of Israel negotiate away the Temple Mount and Jerusalem with a gang of terrorist murderers," referring to the site of Solomon's Temple, which is also one of Islam's holiest sites. "If the leadership is weak, then it doesn't matter how strong the army is."

Sharon's Other Fascist Precedent: 'Vlad Hitler'

by Harley Schlanger

Opposition is growing to the adoption, by Ariel Sharon and the Israeli Defense Forces, of measures to crush the Palestinian Authority, which are taken from the precedent of Nazi control and deportation of the Jewish population in the Warsaw Ghetto. It is worth noting that Sharon's party, the Likud, emerged from a movement founded by a man openly called "Vladimir Hitler" by David Ben Gurion, the Founding Father of Israel.

Vladimir Jabotinsky founded the World Union of Zionist Revisionists, and its youth movement, Betar, in 1925, in a rejection of "mainstream" Zionism. Opposed to the partition of Palestine, into a Jewish and a Palestinian Arab state, Jabotinsky's party adopted a "maximalist" strategy for the creation of Israel. This strategy was described by the party's newspaper, *National Front*, as one which "laid claim to all of Palestine, including Transjordan and the Syrian Desert."

The editor of *National Front*, which was founded in 1931, was Abba Achimier, who called himself a fascist.

On March 30, 1933, shortly after Hitler's seizure of power in Germany, an editorial in *National Front* expressed support for Hitler: "The various socialists and democrats are of the opinion that Hitler's movement is just a shell, but we believe it has both shell and substance. The anti-Semitic shell must be disposed of, but not the anti-Marxist substance."

The self-designation as fascist was not unusual among Jabotinsky's minions. An attorney in his Party, Eliyahu Zvi Cohen, elaborated upon this editorial opinion: "Were the Hitlerites to remove their hatred of the Jews from their program, we, too, would stand by their side. Had the Hitlerites not risen in Germany, it would be lost. Yes," he added, "Hitler saved Germany."

Betar youth members wore brown shirts, like the Nazis, and were organized into street-fighting gangs modelled on Mussolini's *squadristi*.

Ben Gurion vs. Jabotinsky

Jabotinsky deployed his brownshirts against the major Zionist organizations in an effort to destroy them. In November 1932, he authorized strike breaking against the Histadrut, the Zionist labor organization. He declared it to be a "gross cancer in the body of the Yishuv [the Jewish community of Palestine], growing ever more malignant," adding, "We will wage war against this malignant growth until the end."



Lt. Ze'ev Vladimir Jabotinsky in 1917: called "Vlad Hitler" by David Ben Gurion, he founded the Zionist faction which liked everything about Nazism except its hatred of the Jews of Europe. That tendency became the Likud party.

As this battle escalated, Ben Gurion responded. At a mass meeting in February 1933, he referred to Jabotinsky as "Vladimir Hitler," and warned Mapai (the major Zionist party) not to "underrate the severity of this Hitleristic peril in the Jewish, Zionist street."

He reiterated this again, at a rally in support of the Histadrut on March 15, 1933, when he said it was time to declare war against "our own Hitlerites. . . . We face a war of life and death."

This call to self-defense against the Jabotinskyites by Ben Gurion was not a spur-of-the-moment judgment, an instant of emotional hyperbole. He had been studying closely both Jabotinsky and the Nazis. As early as September 1930, he had compared Jabotinsky to the Nazis. Commenting on Jabotinsky's newspaper at that time, he said that, while in Berlin, "I read . . . Hitler's organ, and it seemed to me that I was reading Jabotinsky in *Doar ha-Yom*. Same words, same style, and same spirit."

This phase of the battle between Ben Gurion and Jabotinsky reached its peak on June 16, 1933, when Ben Gurion's ally, Chaim Arlosoroff, who was the head of the Jewish Agency's Political Department, was murdered by operatives of the Revisionist party.

Rallies to Stop Mideast 'Götterdämmerung'

LaRouche campaign organizers saturated the political environment in Washington, D.C. during the week before Israeli Prime Minister Ariel Sharon's arrival: 400,000 copies of Lyndon LaRouche's "Götterdämmerung in Palestine" statements were circulated nationally, the largest part in the capital area, within a week. The statement called for stopping the crimes against humanity being carried out by the Israeli Defense Forces. In addition, hundreds of thousands of LaRouche's statement were distributed in New York City and other urban centers across the United States.

Word of increasing exposé and resistance in Israel was spreading from other sources as well, by the time Sharon arrived in the United States on Feb. 6, so the response to LaRouche's statement was strong. Muslim-Americans were most receptive to LaRouche's call for citizens to join him in stopping the adoption of Warsaw Ghetto tactics by the Israeli military, and many people took multiple copies to get them around. Interest in LaRouche's statement was generally high in the nation's capital, and on campuses, extending, appropriately enough, to an employee of the Holocaust Museum.



Top: LaRouche campaign organizers circulate the statement in front of the Islamic Center of Washington.

Above: A demonstration held across from the meeting Sharon-Bush meeting, was filmed by numerous media, including the Qatari satellite station al-Jazeera.

Left: The Feb. 7 demonstration got out the message loud and clear: No More Warsaw Ghettos!

Arab League Secretary Rejects Attack on Iraq

by William Jones

Amr Moussa, the Secretary General of the League of Arab States, warned in a speech at the National Press Club in Washington on Feb. 6, against U.S. military action against Iraq. "We cannot condone or accept any military action against an Arab country," Moussa told reporters. Asked about President Bush's "axis of evil" including Iraq, Iran, and North Korea, Moussa replied, "The evil we see is the evil [perpetrated] in the occupied territories. Our views don't coincide with those of President Bush."

The head of the Arab League, an organization representing over 22 Arab nations, had arrived in Washington from New York, where he had delivered to UN Secretary General Kofi Annan a message from Iraqi leader Saddam Hussein, indicating a willingness to begin discussions on implementation of the UN Security Council resolutions regarding Iraq. Annan had indicated that he was prepared to receive a delegation from Iraq.

U.S. Secretary of State Colin Powell, who has, in the wake of the Bush enunciation of the "axis of evil," been fully occupied in convincing his coalition partners that the United States is not about to embark on some sudden military action against one or more of the countries named, was rather dismissive of the latest Iraqi initiative. Speaking before the Senate Foreign Relations Committee on Feb. 6, Powell said sarcastically, "There is reporting this morning that the Iraqi regime has asked the UN to have a discussion. It should be a very short discussion."

Götterdämmerung in Palestine

During the question-and-answer period at the National Press Club, *EIR* posed a question to Moussa: "It has been revealed in the Israeli press that members of Israeli Defense Forces are studying the Nazi methods used in the Warsaw Ghetto in order to deal with the 'Palestinian question.' Since the world reacted strongly against the 'ethnic cleansing' of the Milosevic regime, should this not also provoke a similar outcry from international opinion?"

"I have always said that the situation in the occupied territories is more extreme than people generally believe," Moussa replied. "The hundred or so Israeli officers, who are now protesting, have revealed some of what is actually going on in the occupied territories. These have been even more detailed than what the Arab world has been saying." (See article in this section.)



Arab League Secretary Amr Moussa: "Our views don't coincide with those of President Bush."

"I will steer way from a description of the horrors perpetrated," Moussa said, "but the description of the Israeli officers should not go unnoticed." While avoiding characterizing Prime Minister Sharon's policies as fascist, as did Lyndon LaRouche's statement circulating widely in Washington that day, Moussa returned several times to the revelations by the Israel officers regarding the policies of the IDF in the West Bank. "Sharon must cease the type of actions that have been revealed by these Israeli officers," Moussa said.

The Key Role of Arafat

"The peace process must remain in place," Moussa said. "We are now entering the worst-case scenario. The role of the United States is, in our judgment, crucial. It must be the role of an honest broker to call on both sides to honor their commitments." Moussa warned against the present policy of attempting to marginalize Palestinian leader Yasser Arafat. "I hope the policy of isolation [of Arafat] will be reconsidered," he said. "It is incomprehensible that Israel should choose who is to be the Palestinian leader."

While he expressed regret that President Bush had not yet met with Chairman Arafat, Moussa felt that the visit, again, of Prime Minister Sharon to Washington, could be an opportunity for the United States to influence the situation. "The U.S. must do everything to convince Mr. Sharon to do what he must do in order to secure peace in the region," Moussa said, emphasizing that the alternative would spell catastrophe for the region—and for the world.

"We call on the U.S. to perform that leading role. There must be a road map. It must show that there is a light at the end of the tunnel. The present situation cannot continue. Otherwise, it will affect stability in the entire region. It will be harmful not only to the parties, but to the entire Middle East."

Criticism of Israel Even Breaks German Ban

by Muriel Mirak-Weissbach

There are many taboos reverently respected in German political life, which all have their origins in what is ritually referred to as “Germany’s special history.” Their basic force is that, since Germany was ruled by a Nazi dictatorship for 12 years, which committed atrocities against millions of Jews and non-Jews, and dragged Germany into a catastrophic war, all post-war political leaders, burdened with “collective guilt,” must observe certain rules and regulations. Among them, one should be very cautious in voicing any criticism of the United States, which, along with its allies, liberated Germany from the Nazi horrors.

But the most sacred taboo of all, is the one governing discussion of Israel. Given that the Jews were the leading victims of the Nazi holocaust, no German dares to criticize the policy of any Israeli government. Political careers can be ended if a wrong word is uttered.

Lyndon LaRouche has not respected such taboos. At a conference in Oberwesel, Germany in August 2001, he declared that as an American, he could say what Germans could not: that the current policy of the Ariel Sharon government and the Israeli Defense Forces (IDF) against the Palestinian population, is the same as that implemented by the Nazis against the Jews in the Warsaw Ghetto.

Five months later, the startling admission was published by the Israeli daily *Ha’aretz* on Jan. 27, that the IDF is doing precisely that, and consciously so.

Straw That Broke European Backs

With LaRouche’s followup statement, “*Götterdämmerung* in Palestine,” circulating internationally, the unthinkable has happened: German politicians have broken the taboo, and openly attacked the vicious policies of the Israeli government. There are many factors leading to this. Most important has been Sharon’s preemptive liquidation of Palestinian leaders, demolition of Palestinian homes, armed incursions into Palestinian-ruled areas, and military aggression against Palestinian installations. For the Europeans, what hurt most was the fact that the Israeli government was systematically destroying basic Palestinian infrastructure—the Gaza airport, the Gaza port, radio station, etc.—all of which had been built with European Union funds, pursuant to the 1993 Oslo peace accords.

The straw that broke the camel’s back, was Sharon’s declaration in an interview on Feb. 1, that he regretted not having

“liquidated” Palestinian Authority President Arafat, in Lebanon back in 1982.

On Feb. 3, the *Frankfurter Allgemeine Zeitung*, Germany’s newspaper of record, featured in its Sunday edition a report on “harsh criticism of Sharon’s policy” in Germany. It came not from one politician or one party, but from the entire political spectrum. Leading the charge was the foreign policy spokesman of the Christian Democratic caucus in the Bundestag, Karl Lamers, who told the daily, “The current policy of Israel, which is no longer compatible with our conception of respect for human rights, is discrediting the West and its order.” The foreign policy spokesman of the Social Democratic (SPD) faction said, “Sharon demands that Arafat move against the Palestinian terrorists, but simultaneously he takes out of Arafat’s hands, all the means he has for doing this.” He described the destruction of Palestinian infrastructure as “disastrous,” and lamented that Sharon “is no longer to be influenced by arguments.” The Middle East expert of the SPD faction, Christoph Moosbauer, said that Sharon’s policy is “retribution/vengeance, without any political perspective.”

The newspaper went on to report that what was inducing politicians to speak out, was a new form of constituency pressure. Former Foreign Minister Klaus Kinkel said, “I am perceiving an almost anti-Israel mood, a sad change in vast layers of the population.” Lamers said outright that the taboo had to be broken: “If it is established that criticism of Israel’s policies is growing throughout all the factions in the Bundestag and also in large parts of the population, then the question is raised, whether it is correct to maintain this taboo.” He feared that if no open debate took place, “you would see undesirable feelings and attitudes emerging.”

Moosbauer has called for a Middle East policy debate in the Bundestag, because “the Parliament can no longer afford to maintain silence.”

Most remarkable is that this parade of politicians is speaking the truth about Israel, precisely in the name of Germany’s special historical responsibility. Lamers explained this in his lengthy interview with the *Frankfurter Allgemeine Zeitung*. “Precisely if one feels responsible for Israel’s future, the time has now come to say something. . . . We also have responsibility for the consequences of the founding of the State of Israel,” which include “the millions of Palestinian refugees who have been living in camps for decades. Because of our guilt in the past, we must not, through our silence, render ourselves guilty again. That would be tragic.”

The settlements policy, “which the entire community of nations correctly considers contrary to international law,” is what for Lamers epitomizes the problem. “How should a rationally organized, civilized society come into being under these conditions? In a conflict where both sides are unreconciled, there is a clear, morally unimpeachable measure: Each has responsibilities, but each according to his capabilities. This means the stronger—in this case, Israel—has the greater responsibility.”

Warlord Armitage Makes Asia Problems for Bush

by Kathy Wolfe and Joe Brewda

Officials and the public in Korea, Japan, and China are in an uproar, as intended, over President George Bush's Jan. 29 statement that North Korea is a ringleader in the "axis of evil," selling terrorists weapons of mass destruction (WMD) to threaten the United States. "Our economic future depends on North-South relations," South Korean President Kim Dae-jung told the Cabinet the next day. "It is important to maintain a peaceful atmosphere in North-South relations," since South Korea is re-orienting its exports toward China and the rest of Asia, as part of the New Silk Road strategy.

Since then, President Kim has taken the highest diplomatic road, stressing Seoul's alliance with Washington ahead of Bush's tour of Korea, Japan, and China on Feb. 17-22—but his first stunned reaction was revealing.

Many Seoul commentators, including many hostile to Pyongyang, have been more blunt, calling the speech an insult to all Koreans. President Bush "should not show Caesar's arrogance of power during his trip to East Asia, especially not after that speech," the *Korea Times* editorialized on Feb. 3. "One speech in the U.S. Congress is good enough to appease the American ego. President Bush should be humble, as a civilized man, during his visit to Seoul, Tokyo and Beijing. . . . Arrogance of power, and the imperial presidency, are deplorable."

Chinese reaction naturally was similar. "No small number of people suspect that by labeling Iran, Iraq and North Korea as an 'axis of evil,' the United States seeks to prepare public opinion for possible strikes against those countries under the banner of anti-terrorism," the official Xinhua news agency said on Feb. 3. "Using the word 'axis' makes one think of fascist Germany, Italy and Japan . . . and their atrocities." The Chinese Foreign Ministry said, "The Chinese side does not advocate using such language in international relations."

Even the docile Japanese reacted strongly. "I wonder how the United States can be using such words at this time, just weeks before" Bush's trip, a high Foreign Ministry official told Kyodo News on Feb. 5. The United States must be careful in taking such a "high-handed" approach, which could cause problems for Japan's security, he said. He added that South Korea also "appears to be embarrassed by the situation," another protest at what is seen by most Asians as a national insult.

Threat of Force

Ignoring all this, a State Department official nearly threatened military action against North Korea on Feb. 5. While the United States wants to use dialogue to limit Pyongyang's sales of missile parts to the Middle East, he told Seoul's hard-line daily *Chosun Ilbo*, "We are studying other methods, including force."

But what, exactly, have the North Koreans suddenly done to provoke this, and why, as the Japanese official asked, has this furor been started now, right before President Bush's Asia trip, his first foreign trip since Sept. 11? Will the U.S. administration ignore Asian reaction and turn up the heat, with the world watching? What is the real diplomatic aim of this trip?

U.S. Defense Secretary Donald Rumsfeld told ABC News' Sunday talk show, "This Week," on Feb. 3, that the United States now has "solid proof" that North Korea, Iran, and Iraq are "developing chemical, nuclear, biological or radiological weapons," and have extensive relations with terrorists. The news is, he said, that we "now know" from investigations in Afghanistan that the terrorists are actively trying to get such weapons from the three supposedly evil nations. "It's that nexus between weapons of mass destruction and terrorist networks that the President was citing as being different for today, and something that we have to think very carefully about what we do."

Turning from military matters to politics, Rumsfeld then insulted South Korean President Kim. On a question from ABC's Sam Donaldson about Kim's policy, the Defense Secretary was almost contemptuous: "The South Korean government does have a so-called 'Sunshine Policy' where they've been making a good deal of effort over a period of years now to try to get the vicious, repressive, dictatorial government of North Korea to behave rationally, and come into the world," Rumsfeld lectured. "But they won't. They're starving their people. They're engaged in their weapons of mass destruction development, and ballistic missile development. And they're selling weapons of mass destruction and ballistic missiles around the globe to anyone who wants to buy them."

President Bush could instead go to East Asia as the peacemaker, as *EIR* suggested last week, to help Kim Dae-jung drive in the last spike completing the "Iron Silk Road" railway between South and North Korea. As we reported, that project, in early January, had been put on fast track for completion by May. In fact, the *Korea Times* picked up the *EIR* proposal in an editorial entitled "Is Bush Giving Up Hope of Being Peacemaker?" "If Bush intends to destroy Pyongyang as the next target of his anti-terrorism war," the paper wrote, he's passing up the chance to do what Nixon did in China: "He might be passing a great opportunity to receive what Richard Nixon said was the greatest honor history can bestow—the title of a peacemaker."

In fact, just as the attack of Sept. 11 was an attempted coup against President Bush, the threatening shape of Bush's



Richard Armitage, a long-time geopolitician-“thug” in the Defense and State Departments, who helped Zbigniew Brzezinski create the Afghansi militias and the Taliban, is now publicly pushing through a drastic shift in U.S. policy toward East Asia.

important Asia tour is also not in the President’s interests, and he’s not the cause of the mess. Neither is anything North Korea sold last week. The same clash of civilizations geopoliticians determined to have a war in the Mideast—Deputy Defense Secretary Paul Wolfowitz, Samuel Huntington, Zbigniew Brzezinski, et al.—are determined to halt all rapprochement between the two Koreas, Japan, and China, and to turn East Asia into a “zone of tension.”

Dictating ‘America’s National Interests’

The Sunshine Policy itself is one real target they wish to destroy. The reason, as with the Mideast, is the same: Prevent the nations of the Eurasian land-mass from creating new large-scale development projects which can lead them to economic independence. President Kim Dae-jung himself is under attack, diplomatic sources told *EIR*, after U.S. Ambassador to Seoul Thomas Hubbard insulted Kim in a public speech on Jan. 31, which Rumsfeld then repeated on ABC. “The State Department wants to force President Kim to resign, if possible, before Bush arrives in Seoul Feb. 19,” the source said. “Their plan is to threaten a war with North Korea, and say that Kim Dae-jung can’t rule.”

The East Asia specialist running this clash of civilizations scenario, with North Korea as the excuse, is Deputy Secretary of State Richard Armitage, former Assistant Secretary of De-

fense for East Asia and Assistant Secretary of Defense for International Security Affairs (1981-89). Armitage, with Brzezinski, is one of the creators of the Taliban, and is widely reported to have introduced the use of heroin as a “tool of war” in Afghanistan in the late 1970s, after using it earlier during his long tour in Indochina.

In fact, 20 months ago, in July 2000, Armitage helped draft a policy paper which advocated using force against North Korea as a major priority of U.S. foreign policy, “including a willingness to interdict North Korean missile exports on the high seas.” Was this what the State Department had in mind on Feb. 5, when it told the *Chosun Ilbo* that “we are studying other methods, including force”? Could this be why Armitage went out of his way recently to praise Japan for sinking a suspected North Korean ship? Do we face a “Korean missiles crisis”?

The “Commission on America’s National Interests” was set up in July 2000, by think-tanks such as the Nixon Center, the RAND Corp., and the Hauser Foundation. It released a report to the new President coming in in January 2001, identifying what it called “the major U.S. national interests.” The Commission included Armitage, Condoleezza Rice, and Brent Scowcroft, National Security Adviser under the elder George Bush, whom Rice once described as amongst her mentors. It identified only five vital U.S. national interests, of which the *first* was exactly the topic of President Bush’s Jan. 29 State of the Union speech: “To prevent, deter, and reduce the threat of nuclear, biological, and chemical weapons attacks on the United States or its military forces abroad.”¹

Interestingly, the fourth vital national interest was “To ensure the viability and stability of major global systems (trade, financial markets, supplies of energy, and the environment),” which is to say, the bankrupt International Monetary Fund-run world monetary system. Kim’s New Silk Road idea, the Eurasian Land-Bridge concept as a whole, is a threat to people who think this way.

It was Armitage who launched the attack last year on the Sunshine Policy, on Jan. 29, 2001, when he told leaders of Kim’s party that the term should be dropped, since North Korea would “abuse” it (see *EIR*, March 9, 2001). It was Armitage who advised President Bush to rip up the Clinton peace approach to Pyongyang.

The week before Bush’s State of the Union, Armitage brought South Korean opposition leader Lee Hoi-chang to Washington, where he was fêted by Vice President Dick Cheney, Armitage, Zbigniew Brzezinski, Henry Kissinger, the American Enterprise Institute (AEI), and the Heritage Foundation—every Republican think-tank in town. Lee, who was treated like the real President of Korea, was clearly

1. B. Raman, “Richard Armitage: His Past, Present And Future,” South Asia Analysis Group Paper no. 204, Jan. 3, 2001. (The writer is Additional Secretary (ret.), Cabinet Secretariat, Government of India, and Director of the Institute For Topical Studies, Chennai.)

briefed on the “evil axis” speech in advance, and hit the ground running, calling for North Korea to let in all the UN nuclear inspectors, “or else.” “People in Seoul are asking whether the U.S. is trying to get rid of President Kim,” one diplomat said.

Destabilize the Region

None of this is in the interests of the American people, or the population of Asia, or President Bush. The Armitage plan is to destabilize the entire region, not just Korea. Its second major plank is to reverse Japan’s rapprochement with Korea and China—they have begun holding joint heads of state summits as the “Plus 3” group—by turning Japan into the Pentagon’s “unsinkable aircraft carrier” in Asia. Already on Sept. 14, Armitage told Japan’s U.S. Ambassador Shunji Yanai that he wanted to “see the flag of the Rising Sun flying in the Indian Ocean,” demanding Japan send its navy abroad for the first time since 1945. “There are no 50% or 60% measures,” he said. “It is whether the government and the people of Japan are with us or not. . . . If you are involved in this, you cannot cherry-pick one thing you might do. You have to participate across the board, because this is a global disease.”

That deployment, and similar Armitage operations in Japan, have significantly soured the country’s relations with Korea and China since last Fall.

Clips of the very large, even thuggish Mr. Armitage were more recently featured on Japanese TV, when Prime Minister Junichiro Koizumi fired his Foreign Minister Makiko Tanaka on Jan. 29, “under State Department pressure ahead of the visit” of the Bush cabinet, an irate Tokyo Foreign Ministry source said. Armitage has been demanding Tanaka’s ouster ever since she refused to see him after her appointment last May. Tanaka had been promoting the “Plus 3” alliance, and was trying to shift the balance inside the ministry away from the powerful “State Department wing,” toward the “China wing” and “Russia wing,” the bureaus most friendly to the Eurasian Land-Bridge policy.

The *Far East Economic Review* on Jan. 24 noted that the State Department plans to redouble pressure on Japan to “play the key security role in Asia envisaged in the report authored by Republican Richard Armitage.” The “Armitage Report,” as it became known, published by the Pentagon’s National Defense University in November 2000, called for ditching Clinton’s pro-China policy, in favor of a more “pro-Japan” policy under which Tokyo re-arms as an American military surrogate.

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Philippines: 1,2,3. . . Many Military Exercises

by Michael Billington

On January 31, the “Balikatan-02-1,” or “Shoulder-to-Shoulder,” joint United States-Philippines military exercises officially began in and around the largely Muslim southern island of Mindanao. There have been months of political protests against the “exercises,” in which hundreds of U.S. Special Forces and combat troops will deploy on the front lines, together with the Philippines Army, in search-and-destroy missions against the terrorist Abu Sayyaf group.

One day after the opening festivities, on Feb. 1, an American military aircraft was fired upon during a supposedly unrelated “exercise” taking place in the northernmost island of Luzon. The suspected culprits were the Communist Party’s military arm, the New People’s Army (NPA), which is active in the area. The NPA, like the Abu Sayyaf, is on the official U.S. list of terrorist organizations. The NPA also warned the government a few weeks ago, in regard to the U.S.-Philippine operations against the Abu Sayyaf, that they would fight if U.S. forces came into areas they considered to be part of their territory.

A curious aspect of the shooting incident is that the general population, and at least some among the political leadership, were not even aware of the existence of this second exercise, involving 400 U.S. Special Forces personnel, despite the intense debate over the constitutionality of the operation in the South. An American hiker had been killed in the region the day before. Although the NPA denied responsibility for this act, they were initially suspected. Since the U.S. aircraft was engaged in a low-flying, counter-terror operation, it raises the question as to whether it may also have been engaged in a live-combat “exercise,” as in the South.

Are there more “exercises” in process? With many political leaders and journalists in both the United States and the Philippines recalling the “slippery slope” that led to full-scale war in the nearby jungles of Vietnam in the 1960s, and in the context of the manic flight-forward by the Clash of Civilizations faction in the U.S. government, the actual intentions of the United States and Anglo-American assets within the Philippines are suspect.

Response to the State of the Union

Those who consider the Balikatan exercise to be a flimsy cover for illegal U.S. involvement in combat operations on Philippines soil—including even President Gloria Macapa-

gal-Arroyo's Vice President and Defense Minister, Teofisto Guingona—were either strong-armed into acquiescence, or ignored. The direction of Philippine government policy has come increasingly from retired General and former President (and continuing asset of Anglo-American financial interests) Fidel Ramos, who has openly threatened President Arroyo with a coup if she fails to follow the dictates of "civil society and the business sector," referring to his networks among the non-governmental organizations (NGOs) and the Makati Business Club, which runs the financial sector.

But even as the military operations were going forward, President Bush's belligerent State of the Union address has kindled a new concern over them, from nearly every layer of Philippines society.

The most outspoken opponent has been Sen. Rudolfo Biazon, a former Chief of Staff of the Philippines Armed Forces and principal author of the Visiting Forces Agreement, which redefined United States-Philippines military ties. Senator Biazon had already protested that his questions on the rules of engagement for U.S. troops had simply been ignored. Following Bush's speech, he warned that the existing "Terms of Reference" for the exercise would allow the United States to "act unilaterally if the Armed Services of the Philippines or the Philippine National Police are not able or are not willing to remove the threat." This, explained Biazon, "is the exact meaning when Bush said: 'If you don't want to act, we will. . . .' What is the limit to what they can do? When they are under attack, can they just call planes in from Guam and bomb Mindanao? I am alarmed by this."

Even the leading supporters of the U.S. military deployment reacted warily to the Bush speech. Ramos himself complained that "his speech was not well researched by his ghost writers." Justice Secretary Hernando Perez said: "It's clear in my mind that one president of a friendly country does not threaten another friendly country. We don't depend on what the Americans claim to be necessary. We do seek assistance from them in case of need, but that doesn't mean they will run our foreign policy."

On the opposition side, Congresswoman Imee Marcos, daughter of late President Ferdinand Marcos (deposed by Ramos et al. in 1986), said: "This is frightening, because it tells us that America will come in whether we like it or not. It really makes me wonder: If we do not have a Balikatan, do we have a choice?" Others warned of American arrogance and possible unilateral actions.

Sitting on Several Powderkegs

This backlash, which is in keeping with the response throughout the world to the tone adopted by the United States from the State of the Union speech, has led U.S. and Philippine officials to go to great lengths to make assurances that the "exercise" will not get out of hand. President Arroyo herself, in an interview with the Feb. 3 *Washington Post*, while she was in the United States for the World Economic Forum, denied any evidence of al-Qaeda connections to the Abu Say-

yaf since at least 1995, and said that she had informed President Bush that the "United States must not engage in combat," and that the operation was strictly limited to six months, despite earlier reports that it could go for one year or longer. Also, Adm. Dennis Blair, Commander of the U.S. Pacific Command, has repeatedly denied the charge that the United States intends to use the conflict as an excuse to set up a permanent military base in the region.

Nonetheless, the rules of engagement as they now stand are such that these pledges can be made irrelevant in the case of provocations, either accidental or intentional, by any of the numerous armed organizations operating in the country. In Mindanao, both the NPA and the Moro Islamic Liberation Movement (MILF) have warned that they will fight any U.S. incursion into their areas of operation. The absurdity of the situation was demonstrated by a report from Eduardo Ermita, the Philippines peace negotiator with the MILF, who called on them to set markers on the ground to designate their areas, and to "make sure that they will not let the Abu Sayyaf enter their territories while [the latter] are being pursued by the armed forces. They should take precautions so they don't get run over."

The MILF signed a cease-fire agreement with the government late last year, but sporadic clashes still break out, including two separate attacks on Feb. 4 which left two soldiers dead. A major faction of the Moro National Liberation Front (MNLF), whose leader, Nur Misuari, is now in prison pending trial for leading an assault on an army camp that left over 100 dead, is also active in the area of the American/Philippines "exercises."

In the United States, the slavish capitulation of the Congress to the media-created popular opinion in support of anything related to the "war on terrorism," has left the Philippines military deployment completely unexamined and unchecked, although there are some officials who are privately concerned and may hold hearings when the smoke clears from the State of the Union speech.

There are some sane voices, however, questioning the dangerous charade. Gerald Finin, a Philippines specialist at the government-funded East-West Center in Hawaii, wrote that it is "unclear whether the U.S. mission is really for training, rescue of the American captives, or subduing al-Qaeda sympathizers. Moreover, the mission does not appear to have a clear exit strategy or timetable."

Finin told *EIR* that if the United States really wanted to do something about Abu Sayyaf, it could have been done more effectively, and more safely for all involved, by simply providing more advanced equipment. He made the point that in the jungle environment of Mindanao, there would be no effective way for U.S. combat troops to distinguish between armed combatants of the Abu Sayyaf and those of other organizations, some of which represent broad layers of the population—precisely the kind of mistake now being admitted to in Afghanistan—which could turn the "exercise" into another ugly war in Asia.

Pope Promotes Dialogue of Civilizations, At Ecumenical Conference in Assisi

by Claudio Celani

The largest-ever ecumenical meeting of religious leaders took place on Jan. 24 in Assisi, Italy, on the invitation of Pope Paul John II. Two hundred people attended, including more than 50 delegations representing 12 world religions, to declare their common intention to prevent religion from being used as a pretext to launch a “war of civilizations.” The event was a counterattack against the geopolitical advocates of a clash of civilizations, such as Zbigniew Brzezinski and Samuel Huntington—the ideological godfathers of those who organized the terror attacks of Sept. 11. Called with special invitation to Muslim religious leaders, the meeting brought together all Christian churches (absent only the Greek Orthodox Patriarch), Jewish and Muslim leaders (including an Iranian delegation), Buddhists, Sikhs, Hindus, and representatives of minor religions.

The location of the meeting, Assisi, was the center of the Franciscan movement. It was St. Francis (1182-1226) who launched the first Christian-Islamic dialogue, against the “clash of civilizations” of his time, the Crusades. “We are meeting in Assisi,” said the Pope in his address, “where everything speaks of a singular prophet of peace known as Francis.

He is loved not only by Christians, but by many other believers and by people who, though far-removed from religion, identify with his ideals of justice, reconciliation, and peace.” The Assisi meeting took place in and around the Basilica built by Francis’ followers after his death, whose vaults are covered by frescoes about the saint’s life, painted by Giotto, the artist who, with the introduction of perspective, embodied the Franciscan revolution in arts. Of particular symbolic meaning was, for instance, the fact that the Islamic delegations were assigned, for their prayers, the room belonging to Brother Elia, Francis’ closest collaborator, who led the first Franciscan expedition to the Holy Land, in 1217. Thanks to Elia’s work, the Fifth Crusade was transformed into a peaceful agreement between Egyptian Sultan al-Kamel and Emperor Frederick II Hohenstauffen, by which Jerusalem and the Holy Places were given to Christianity.

The delegations travelled from Rome to Assisi in a special train, carrying the Papal insignia. During the two-hour trip, the religious leaders had the opportunity to speak informally with one another, a unique experience. According to the Italian Catholic daily *Avvenire*, “In the talks along the train corri-



Italian Prime Minister Silvio Berlusconi (right, with German Foreign Minister Joschka Fischer) has put forward a “Marshall Plan peace program” for the Mideast, doing it in the spirit of Pope John Paul II’s Assisi gathering of world religious leaders for dialogue.

dors, the Mideast question played a major role.”

After being greeted by Italian Prime Minister Silvio Berlusconi and President Carlo Azeglio Ciampi, the delegations heard the Pope’s address. In explaining that peace can be achieved only through justice and forgiveness, John Paul II made clear that the basis for dialogue is natural law, i.e., a common image of man and God. First lesson: “In God we find preeminently the union of justice and mercy. He is supremely faithful to himself and to man, even when people wander far from him.” Hence, said the Pope, the two pillars upon which peace rests are: “commitment to justice and readiness to forgive.” Second lesson: Man is made in the image of God: “God himself has placed in the human heart an instinctive tendency to live in peace and harmony. . . . It is the duty of religions, and of their leaders above all, to foster in the people of our time a renewed sense of the urgency of building peace.”

Don’t Leave Peace to the Generals

In order to achieve peace, he continued, prayer is necessary, since it is “union with God, the prime wellspring of true peace.” But prayer must inspire action. “To pray is not to escape from history and the problems which it presents. On the contrary, it is to choose to face reality not on our own, but with the strength that comes from on high, the strength of truth and love which have their ultimate source in God.” Through prayer, man gains “the courage to face even the greatest diffi-

culties with a sense of personal responsibility, never yielding to fatalism or impulsive reactions.” By praying, each according to their religious traditions, the delegations gathered in Assisi will “show the world that the genuine impulse to prayer does not lead to opposition,” said the Pope, concluding his address with a call to the “young people of every religion” to be “like Francis of Assisi, gentle and courageous ‘guardians’ of true peace, based on justice and forgiveness, truth and mercy!”

Following the Pope, other delegates spoke. Among these, the most impressive intervention came from Rabbi Israel Singer from New York, a director of the World Jewish Congress. The WJC, chaired by Edgar Bronfman, has distinguished itself in the past for uncritical support of Israeli policies, and indeed, Singer’s written speech contained a statement of support for “wars against specific groups, battles which must be fought ruthlessly and mercilessly.” But, evidently influenced by the situation, Rabbi Singer had a sort of epiphany; he set aside his written text and instead spoke extemporaneously, with ample and theatrical gestures. Turning to the Muslim leaders, Singer said: “You should ask your people, and we should ask ourselves, whether land and cities are more important than human lives,” an unmistakable attack on Israeli settlement policies. Then, turning toward the Pope, Singer continued, “When we have assimilated that lesson, we will learn how to make peace, as John Paul II has indicated to us, by playing a personal role with his efforts of reconciliation with Judaism, which have changed history.” “Peace is too serious a thing to leave it to the generals: It is up to us religious leaders, to give the example first,” said Singer, who further acknowledged the extraordinary authority of the Pope, by saying, “Only you, Holiness, could call for such a meeting. . . . But it would not have succeeded without us,” he added.

Other speeches were given by Ecumenical Patriarch of Constantinople Bartholomeus I; by the spokesman of Sheikh Tantawi; by the Buddhist representative Tsering; and by Chiara Lubitch, leader of a Catholic movement. After that, all delegations moved to their places of prayer, before reassembling for a banquet. The concluding part of the ceremony consisted of each delegation reading a solemn commitment to peace and dialogue, and lighting a candle. The last oath was pronounced by the Pope: “Never more violence! Never more war! Never more terrorism! In the name of God,” said the Pope, “every religion should bring justice and peace, forgiveness, life, and love on Earth.”

Natural Law

Commenting on the success of the meeting, Cardinal Joseph Ratzinger, whom the Pope had personally invited on board the “ecumenical train,” said, “We do not expect immediate effects, but all of us want to know the unique God and serve peace.” Cardinal Ratzinger had helped prepare the meeting by elaborating, together with the Pope, the conceptual basis of the Vatican’s ecumenical policy. In a document presented to the Pope on Jan. 18, Ratzinger discussed again

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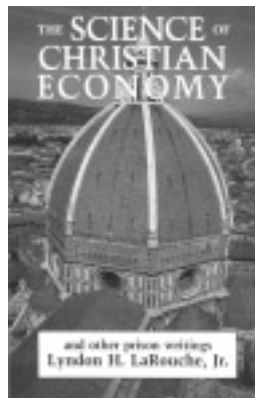
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Berlusconi Organizes for Mideast Marshall Plan

Italian Prime Minister Silvio Berlusconi presented to his European partners on Jan. 29, a peace initiative for the Mideast based on the idea of a “Marshall Plan” for economic development. Berlusconi announced the initiative during a visit to the Rome Mosque, before ambassadors of all Arab countries, and in which he referred to his experience at the Assisi ecumenical meeting. “Just a few days ago,” Berlusconi said, “in Assisi, from representatives of all world religions, we heard words which the whole human family feels as corresponding to the deepest and sincere expectations and desires, whatever religion, people, or culture one belongs to.”

In this spirit, Berlusconi said, Italy has launched a peace initiative which includes “a reconstruction effort which could finally alleviate the suffering of many, and turn poverty, which oppresses too many human beings and delivers them to despair, into serenity of life.” Berlusconi recalled that Italy has a tradition of being “a bridge of peace between Europe and the Mediterranean, which over the centuries has been the cradle of different civilizations. Precisely the Islamic world, through the fertile dialogue between the two shores of the Mediterranean, has brought and donated to Europe a decisive wealth of humanistic and scientific culture. A treasury of knowledge which has been

precious to our history and to our progress, demonstrating the fact that it is the meeting, and not the clash among peoples and civilizations, which is the only way to produce good and development for humanity.” Never, since Sept. 11, Berlusconi said, “have Western countries accepted the idea of a clash of civilizations with Islam.” Berlusconi’s speech was enthusiastically received by the Muslim delegations, led by the Saudi representative.

A source in the Italian government office confirmed that Berlusconi presented his proposal to his European partners, and that European Union representative Javier Solana would go to Washington, to test American reactions.

The proposal aims at convening an international conference, with the participation of Israel, the Palestinians, the European Union, the United States, and Russia. If Solana’s mission to Washington is successful the conference could take place in mid-February. The proposed conference and the Marshall Plan idea are one and the same thing, said the source, who indicated that both Israelis and Palestinians have reacted positively to the idea of a development plan. After all, the first Israeli political leader to connect the political issue to the solution of the economic question was Israeli Foreign Minister Shimon Peres. The plan is not yet drafted, said the source, and is still a “container” which must be filled with specific projects. The Italian government has started to consult experts, as well as the Israelis and Palestinians, on the most important infrastructure projects to be realized.—*Claudio Celani*

the issue of natural law, which the Pope characterized as “a doctrine belonging to the great patrimony of human knowledge” and “the participation of rational creatures in God’s eternal law.”

Commenting on Ratzinger’s work, the Pope had stressed that natural law “allows also a broad base of dialogue with persons with another orientation, or formation, in view of the search for the Common Good.” As Lyndon LaRouche has often stressed, only natural law can ensure the success of an ecumenical dialogue. Without that basis, the dialogue degenerates into a “pantheon,” in which religions are defined on the basis of differences among them—the springboard for “clash of civilizations” scenarios.

In this spirit, the day after the Assisi event, the Pope hosted Christian leaders at a banquet in the Vatican. The “Brotherly Agapē,” as it was called, took place in the most beautiful hall in the Vatican, the Sala Ducale, covered with Renaissance frescoes. In his welcoming address, the Pope said, “What happened in Assisi will remain for a long time in our hearts and, we hope, will have a deep echo among world peoples.” To the Pope’s right was Ecumenical Patriarch Bartholomeus I; to the left, the Greek Orthodox Patriarch of Anti-

ochia and of the Whole Orient, Ignatius IV Hazim. At the same table, sat Vatican Secretary of State Angelo Sodano and the representatives of various other Western churches, including Anglican delegate Bishop Richard Garrad.

A shadow was cast over the success of the Assisi meeting by the absence of the Greek Orthodox Church, still unwilling to forgive Rome for the sack of Constantinople in 1203, and by the Patriarch of Jerusalem, whom the Israeli authorities would not allow a visa. But a definite breakthrough was the presence of a delegate from Moscow Metropolitan Aleksii II, Bishop Pitirim. Despite opposition to an ecumenical dialogue inside the Russian Synod, relations between the Vatican and the Russian Patriarchate showed of improvement recently, when the Pope was visited by the Chorus of the Russian Patriarchate, who sang in his private chapel. It has been confirmed that Pitirim’s presence was due to pressures on Aleksii from both Russian President Vladimir Putin and by Patriarch of Constantinople Bartholomeus. Singularly, the argument they used was that the presence of a Russian Orthodox delegate at Assisi would help improve relations with the Muslim world, which is in the interest of both the Russian state and the Russian church. The ways of God really are infinite.

Washington Policy Is Throwing Andean Nations to the Narco-Terrorists

by Valerie Rush

The most dangerous narco-terrorist force in the Western Hemisphere, the Revolutionary Armed Forces of Colombia, or FARC, has opened a qualitatively new phase of warfare against Colombia. No longer content with ambushing military and police patrols, and terrorizing scores of small towns into coming under their “umbrella of protection”—under which functions the world’s largest cocaine cartel—the FARC is now dynamiting bridges, highways, reservoirs, electricity transformers, pipelines, and airports, and is doing so with the deliberate intent of encircling and isolating Colombia’s major cities.

For the first time, targets around the capital city of Bogotá have been hit, including the Chingaza Dam, which supplies 60% of Bogotá’s water. Whole areas of Meta, the department just south of Cundinamarca, where Bogotá is located, have been left in darkness, its electricity cut.

The Armed Forces have been re-deployed, in a vain attempt to protect 2,000 of what the government has defined as “strategic targets” of national infrastructure. As a consequence, the military *cordon sanitaire* that had been established around the giant FARC-run “demilitarized zone” in the south has been lifted, and the terrorizing of Colombia’s cities has begun.

Playing Wall Street’s Games

In testimony before the Senate Select Intelligence Committee hearing on “National Security Threats to the United States” on Feb. 6, CIA chief George Tenet acknowledged that the peace process in Colombia with the FARC “is not going forward.” The United States is concerned that the FARC “may up the ante” in the run-up to the May Presidential elections, he warned, and may not only threaten Colombians, “but us,” although he made the ridiculous assertion that the reason the FARC “poses a serious threat to U.S. interests in Latin America, [is] because it associates us with the government it is fighting against.”

What Tenet, and the State Department officials who accompanied him at the hearings, failed to mention, is that the new phase of FARC warfare against Colombia, of which they rightfully warn, is a direct consequence of the mid-January decision by the Bush Administration itself, to continue the Wall Street-dictated policy of negotiating with these killers.

Since Colombian President Andrés Pastrana took office

in August 1998, the U.S. State Department has been the enforcer of that Wall Street policy upon Colombia, not only encouraging, but often initiating the Pastrana regime’s continual concessions to the FARC, under the cover of negotiating a peace accord—including the shocking decision to split Colombia into pieces, by granting the FARC sole control of a territory the size of Switzerland in the south of the country.

In the wake of Sept. 11, however, that pro-terrorist policy came under fire in Washington, freeing Colombia to consider another course. In mid-January, Pastrana challenged the FARC to a showdown. The narco-terrorists were told to end their attacks on the civilian population and their destruction of infrastructure, and agree to a cease-fire, or face a military reoccupation of their southern refuge.

But by the time the Jan. 20 deadline Pastrana set had arrived, the winds in Washington had shifted back toward Wall Street’s policy of negotiations with narco-terrorism. Pastrana backed down, withdrew the military’s *cordon sanitaire* around the FARC’s demilitarized zone, and committed his government to another round of negotiations—with the added disaster of placing them under the supervision of the “international community.” The narco-terrorists celebrated their victory by turning against the cities.

It was bad enough that the Bush Administration’s much-touted commitment to a “war on terrorism” was nowhere in evidence on the day that Pastrana capitulated. Even worse was the three-day deployment of a high-level State Department delegation to Bogotá in early February, to further the project to restructure the Colombian Armed Forces along utopian, “rapid deployment force” (RDF) lines, which will even further cripple the nation’s ability to defend itself. The centerpiece of the Bush team’s visit, was the plan to provide \$98 million in funding for a specially trained RDF: not to protect Colombia’s cities, but its *oil pipelines* and the millions of dollars in foreign investment they represent. One senior Defense Department official said that the brigade’s protection might “eventually” be extended to other national infrastructure.

The FARC ‘Contagion’

The FARC contagion is advancing across South America, in the wake of that Bush Administratioan decision. Bolivia, whose government under President Jorge Quiroga is engaged

in the final stage of eradicating *all* illegal coca cultivation within its territory, despite an empty treasury, is facing a FARC-style insurgency which is threatening to overrun the country.

In mid-January, thousands of coca-growers, instigated by drug legalization mouthpiece and São Paulo Forum terrorist Evo Morales, clashed with government forces sent to shut down the coca markets which feed into the world's cocaine pipeline. The casualties of that clash included a number of policemen and soldiers who had been executed, some even decapitated, by Morales' crazed supporters.

Blame for the deaths was laid squarely on the shoulders of Morales, whose status as a legislator could no longer hide his narco-terrorist actions. The Quiroga government moved quickly to win Congressional approval for lifting Morales' parliamentary immunity, and then arrested scores of provocateur collaborators of the terrorist leader. They also shut down the *cocaleros'* clandestine radio station, which had been agitating for expanding the violence.

Morales responded by warning that his forces would come up with "new forms of arguments to defend what has always been theirs: land, coca, and their dignity." Those "new forms of arguments" are already being implemented by Morales ally Felipe Quispe. "El Mallku," as Quispe calls himself, is head of the Bolivian CSUTCB peasant union and a prominent agitator for forging an "Indian Brotherhood" across the Americas. Following Morales' ouster from Congress, Quispe called for an unlimited general strike throughout Bolivia, to begin on Feb. 1 and to last "for one to two years," or until the government ends its coca eradication program and reopens the coca markets. Quispe demands that foreign agricultural products be seized and burned, food transport into the cities blocked, and *cocalero* patrols deployed to beat and whip strike "violators."

The critical Cochabamba-Santa Cruz highway has been targeted. These same forces are also calling for the shutdown of the Bolivian Congress, and convocation of a Constituent Assembly to rewrite the national Constitution, precisely the demands of their narco-terrorist brethren to the north, the FARC.

There are other similarities, as well. While the FARC narco-terrorists were literally embraced by Wall Street (New York Stock Exchange President Richard Grasso hugged FARC financial manager Raúl Reyes after their meeting in 1999), Quispe has similarly found favor with the international banking elites, who see South America's drug crops as a vital revenue source for their dying financial system. The City of London's *Financial Times* carried an article in its Feb. 2-3 issue, in which author Paul Keller describes Quispe glowingly: "The media-savvy Quispe cannot be brushed aside as an extremist. He speaks for Andean highlanders who feel cheated by 15 years of harsh economic adjustment. He has numbers on his side, too. Quechua and Aymara Indians outnumber those of mixed or European blood by three to one.

. . . If any South American country is ripe for revolution, it has to be impoverished Bolivia."

Incredibly, this description was written *after* Quispe stunned the world with his chilling comment on the Sept. 11 attacks, that his peasant federation "sends a fraternal and revolutionary salute to those who carried out the attack. Imperialism is killing the world. . . I believe we need these kinds of actions to destroy the enemy."

FARC Spreads Into Peru and Venezuela

Neighboring Peru, which under former President Alberto Fujimori had succeeded in turning the tide against the narco-terrorist onslaught, is facing a renewed insurgency. Latest reports are that a FARC column has crossed the border from Colombia, to hold negotiations on common strategy with the remnants of the Shining Path narco-terrorists.

But the country where the narco-terrorists are closest to wielding real power is Venezuela, where the Hugo Chávez government has moved more and more openly to acknowledging its alliance with the FARC. In recent weeks, Chávez dismissed his former mentor, Luis Miquilena, from the cabinet, and nominated in his place as Interior and Justice Minister, the special operations and intelligence operative, retired Navy Capt. Ramón Rodríguez Chacín, despite the fact that Chacín has been repeatedly identified as Chávez's liaison to the terrorists.

In the aftermath of that nomination, public accusations that the Chávez government is complicit in working with the FARC flooded the Venezuelan and Colombian media. During that time, a group of Venezuelan journalists led by newspaper editor Ibeyise Pacheco released a video showing high-level representatives of the Venezuelan Armed Forces secretly entering Colombian territory, to facilitate the release of a Venezuelan captive of the 33rd Front of the FARC. The close relations between the Venezuelan officers and the terrorist leader Rubén Zamora were unmistakable on the tape.

Chávez admitted that the mission had taken place, but baldly insisted it was an "humanitarian gesture," and that no proof of his alliance with the FARC exists.

That same week, Congressman Gerardo Blyde charged that Rodríguez Chacín's appointment as Interior Minister was intended to put Chávez's "Bolivarian Militias" into training under FARC commandos, with all that implies.

Further evidence of FARC/Chávez collaboration surfaced the same week, during a televised interview with former Venezuelan intelligence director Jesús Urdaneta Hernández, who claimed that through Rodríguez Chacín, the Chávez government had offered the FARC medicine, oil, bank credit, and refuge in Venezuela, in exchange for their commitment to keep the border area between Colombia and Venezuela free of banditry and violence. Urdaneta said that he had left the government before the program was implemented, but that he assumes, given Chávez's ideological closeness to the FARC, that the program is fully operational today.

Bush Budget, Defense Increase Both Ignore Economic Reality

by Carl Osgood

If nothing else, the fiscal 2003 Federal budget proposed by the Bush Administration will give plenty of ammunition to the Democratic budget hawks in the Congress. The Democrats' political "take" on the suddenly erupted Federal budget deficits, was given by Senate Budget Committee chairman Kent Conrad: "we will be taking \$2.2 trillion of Social Security and Medicare trust fund money to pay for his [President Bush's] tax cuts and to pay for his spending proposals."

For election purposes, the Democrats are likely to take that "spin" for what is actually a depression collapse of revenues, as far as they can. Last year's huge projected surpluses, forecast at \$5.6 trillion through 2010, never really existed, as *only* Lyndon LaRouche and *EIR* stated flatly, beginning 1999. Now it's "official," that more than 80% of this mirage has disappeared; a \$1 trillion surplus to 2010 is now forecast, all of it contained in the Social Security, Medicare and other trust funds.

What this means for 2003, according to Office of Management and Budget (OMB) figures, is a total deficit of \$80 billion; but, if the trust funds are excluded, then OMB says the on-budget deficit will be \$259 billion.

Even without taking into account the fantasy economic projections underlying the budget, there are charges flying about of Enron-like accounting practices employed in the figures. Robert Greenstein, the executive director of the Center on Budget and Policy Priorities, noted in a Feb. 4 report that the projections used in the budget are "unrealistic," because "they are based on an array of budget devices and implausible assumptions, that mask hundreds of billions of dollars of tax reductions and government expenditures that are virtually certain to occur but are omitted from the budget."

Greenstein cites as one example, the assumption that the

number of taxpayers paying the Alternate Minimum Tax will swell from 1.4 million in 2001 to 39 million by 2012, something which Congress is not likely to allow to happen. Revenues are thus greatly overestimated for the future, and the administration has used that overestimation to ask that the recent and ongoing tax cuts be made permanent.

Two other CBPP reports indicate that the budget's tax deductions for health insurance and home health care, would not only disproportionately benefit upper-income taxpayers, but would also undermine employer-based health insurance, which is already being hit by shock increases of 30% or more in premiums this Winter and Spring.

Yet another gimmick to overstate revenue and understate costs, is the assumption that the Transitional Medical Assistance Program will be extended only one year. In fact, it is a well-established part of "welfare reform," as CBPP points out, and will be continued, as it has been for years.

Big Jumps: Not Just Defense, But Also FEMA

The biggest winner in the Bush budget is, of course, the Department of Defense. The Pentagon request is for \$379.3 billion, including a \$10 billion "contingency" fund, should it be needed for the war on terrorism. When funding for the Energy and Transportation Departments' national defense activities is included, the total national defense budget calls for \$396.1 billion, plus that \$10 billion fund.

The Pentagon increase over fiscal year 2002 amounts to about \$48 billion, less than half accounted for by the war on terrorism. Some \$19.4 billion is due to the war, \$6.7 billion is an adjustment for inflation, and \$13.3 billion is a topline increase granted to the Pentagon by the Office of Management and Budget. Another \$11.4 billion comes from accruals for

military and civilian retiree and health-care benefits. Built into the estimates are increases designed to avoid the need for a supplemental request for operations and procurement, as has been the routine for the past several years, which amounts to about \$4 billion. The budget plan projects that the Pentagon budget will grow to about \$451 billion by 2007.

The real unknown is the actual costs of the war on terrorism. A senior defense official said on Feb. 1 that the \$10 billion for contingency war costs is only a working estimate. The war in Afghanistan, plus continental United States defense activities, such as the air patrols over Washington and New York, are running at about \$1.8 billion a month, or about \$7 billion so far. That's a rate of about \$27 billion per year, which makes the \$10 billion estimate "exceedingly conservative," in the words of that official. This is underscored by the administration's plan to ask for a supplemental appropriation for fiscal 2002, in March, of undetermined amount.

The budget earmarks \$38 billion for homeland defense activities, including \$3.5 billion in grants to state and local emergency and law enforcement agencies for training and equipment, \$4.4 billion for bioterrorism defense and \$4.8 billion to implement the Transportation Security Act passed by Congress last year. Most of that will go for hiring and training 30,000 new airport security workers, and for the procurement and installation of explosive detection machines in the nation's airports. It also includes \$380 million for a system for tracking the entry and exit of immigrants.

The grant program for emergency and law enforcement agencies of the states and localities, will be administered by the Federal Emergency Management Administration (FEMA), which will also see its own budget more than double between fiscal 2002 and 2003. Despite that doubling, FEMA's disaster relief fund actually is cut by almost \$300 million. The increase goes into emergency management planning and assistance.

Economic Collapse Will Have More To Say

Other areas of the budget will lose, and contention is taking shape in the Congress. Overall, discretionary non-defense spending is held to an increase of about 2%, below the fraudulently low official rate of inflation, and far below last year's 4-5%. Federal highway spending promises controversy; it takes a \$9 billion hit in the 2003 budget. Sen. Kent Conrad (D-N.D.) complained, "Cutting \$9 billion out of highway spending, at the same time the President says his number one priority is jobs, creates lots of problems."

Another area fought out will be the budget for the National Aeronautics and Space Administration. In his Feb. 4 budget briefing, the new NASA Administrator Sean O'Keefe focused on the crisis in the International Space Station program, which the administration decided would not be funded at a level to allow its designed completion, despite the impact on all of America's international partners in this frontier project. Also up in the air is the how many shuttle flights shall be funded.

The administration had proposed reducing the number of flights from six to eight per year down to four, but when pressed by reporters, O'Keefe waffled, and said that there will be four, possibly five, flights dedicated to the space station, and still others are possible, but will have to be "justified." The Outer Planet program has been eliminated, with O'Keefe stressing that the scientific community will have to "set priorities" everyone can agree on, if it hopes to have any more planetary missions.

What's going to make the bottom fall out of all of this is, of course, the economy. A rational person, seeing the chain-reaction of bankruptcy collapses in the global economy, would have to be very cautious about any future budget prognosis. These include the Asian currency crises of 1997, the Russian bond default of August 1998, which was rapidly followed by the collapse of the Long Term Capital Management hedge fund in September. More recently, Argentina has collapsed into chaos, and the Japanese banking system is on the verge of blowing out. Closer to home, more than 1 million manufacturing jobs have disappeared in the United States over the past year, the airline industry is losing money hand over fist, and corporations have been rocked by a growing series of bankruptcies.

But the economic outlook presented in the budget ignores all of these realities. The underlying premise is that what went on during the 1990s was an economic boom, rather than the growth of a cancerous financial bubble. Therefore, a mere "slowdown" followed the markets' peak in March of 2000, and a simple "recession" began in March of 2001, as declared by the National Bureau of Economic Research.

The Bush Administration's response is to call for an "economic security plan" that ignores all of the realities of the economic collapse. The provisions of the plan include speeding up last year's tax cuts, giving tax refunds to individuals who were not eligible for them last year, providing assistance to laid-off workers, including extended unemployment benefits and health insurance, reforming the alternative minimum tax, and offering better tax treatment for businesses that invest in new equipment. The Council of Economic Advisers claims that these measures could boost Gross Domestic Product growth by half a percentage point and create 300,000 jobs—similar claims were made for Alan Greenspan's interest-rate cuts starting a year ago.

And even the enactment of this "stimulus," though assumed in the budget, is unlikely now. Senate Majority Leader Tom Daschle (D-S.D.) pulled the economic stimulus bill from the floor of the Senate on Feb. 6, since neither side could muster the 60 votes necessary for passage for its particular version.

The contradictions between the Bush budget projections and the economic collapse make it more likely that, rather than providing the means to defend the United States from terrorism, the budget plan will actually intensify the graver dangers, which administration and Congress wish to deny.

Brzezinski Plays His 'Chechen Card'

by William Jones

Zbigniew Brzezinski, leading ideologue of the “clash of civilizations,” addressed a forum on Capitol Hill on Jan. 29, and tried to make a case that Russia is perpetrating genocide in Chechnya. The aging former Polish aristocrat had to eat his words, however, when confronted by *EIR* about the actual genocidal policy perpetrated by the Israeli Defense Forces and Prime Minister Ariel Sharon against the Palestinians.

Brzezinski's aim in his new-found “compassion” for the “Chechen people” is his lifelong obsession of destroying Russia—and particularly, today, wrecking any possibility of a cooperative relationship between the United States and Russia. When I asked him on Jan. 23 what he thought about the partnership that had emerged between Presidents Bush and Putin in the aftermath of Sept. 11, Brzezinski shot back: “A total fiction.”

Brzezinski's method today is similar to what he used as National Security Adviser during the Carter Administration, to provoke the Soviet invasion of Afghanistan in 1979, and his creation of the Afghansi mujahideen to engage the Red Army in combat. Before there was Osama bin Laden, there was Zbigniew Brzezinski—and without Brzezinski, bin Laden would probably still be in working in his family's construction business.

Brzezinski had admitted as much, in a 1998 interview with a French journalist quoted in John Cooley's *Unholy Wars*. Noting that the U.S. decision to finance covert operations in Afghanistan had been signed by President Jimmy Carter on July 3, 1979, a full six months before the Soviet invasion, Brzezinski boasted: “On that day I wrote a note to the President in which I explained to him that in my opinion, this aid would result in military intervention by the Soviets. . . . We didn't push the Russians to intervene, but we consciously increased the probability that they would do so. . . . Its effect was to draw the Russians into the Afghan trap. You want me to regret that?”

And the development of the Taliban? Brzezinski was asked. “Which was more important in world history?” Brzezinski asked his interlocutor. “The Taliban, or the fall of the Soviet empire? A few overexcited Islamists or the liberation of Central Europe and the end of the Cold War?”

Genocide, by Whom?

For months, Brzezinski has been the key player in attempting to set up meetings for so-called Chechen Foreign

Minister Ilyas Akhmatov at the Pentagon and elsewhere in Washington. (Chechnya, with a large Muslim population, is part of Russia, and Akhmatov represents a separatist insurgency.) On Jan. 29, Brzezinski helped introduce Akhmatov at a semi-public hearing on Capitol Hill sponsored by the “American Committee for Peace in Chechnya,” a group set up under the auspices of the right-wing Freedom House and chaired by Brzezinski, former Secretary of State Alexander Haig, and former Reagan arms negotiator Max Kampelman.

Brzezinski gave a melodramatic presentation on the “abuses” of the Russian military against the Chechen population, concluding: “The word genocide is being used. In the traditional sense, this is maybe not true, but something similar is happening.” He went on about how the male population is disappearing from Chechnya, but not appearing as prisoners of war, insinuating that they were being exterminated. He warned that Russia, because of its operations in Chechnya, was developing “an apparatus of coercion” which was “in contrast to its democratic strivings.”

The Russian view of such charges was put forward by Russian Defense Minister Sergei Ivanov, at the Wehrkunde conference on international security policy, in Munich, Germany on Feb. 3 (see *International*). He prefaced his remarks by pointing to the Chechen terrorist bombings, in 1999, of civilian apartment houses in Moscow and other cities, whose impact on Russians' public consciousness of was similar to the effect of the Sept. 11 attacks on the Americans. Ivanov continued: “What is our greatest concern today, is the existence till the present time of double political standards with regard to separatism, religious extremism, and fanaticism. If those who blow up apartment houses in Moscow and Buinaks are declared freedom fighters, while in other countries such persons are referred to as terrorists, one cannot even think of forging a united anti-terrorist front.”

Following Brzezinski's presentation, *EIR* denounced his “crocodile tears,” shed for purely political purposes. “To attempt to deduce from the devastation and the bloodshed which the civil conflict in Chechnya has left in its wake, a case of genocide on the part of the Russian government is pretty far-fetched, even for someone like yourself,” said *EIR*'s correspondent. “You really want to talk about genocide, just look at the way the Israeli Defense Forces are studying the Nazis' creation of the Warsaw Ghetto as a ‘solution’ to the Palestinian question. Why no tears in this case?”

Unnerved, Brzezinski appealed to the audience's “popular opinion,” saying: “The views you have just heard from the previous speaker are similar to the views of the leader of the lunatic fringe in the United States, Lyndon LaRouche.” With that, the moderator moved to the next questioner. The unexpected attack destabilized Brzezinski to the extent that when another questioner asked him about his references to “genocide,” he was forced to back off from his previous insinuations, “We must be clear,” Brzezinski said. “In order to argue genocide, there has to be intent, and we can by no means assume that in the case of Chechnya.”

Sports \$ Speculators Eye D.C. Hospital Land

by Edward Spannaus

Just as Presidential pre-candidate Lyndon LaRouche and *EIR* warned last year, private business interests in the District of Columbia are now visibly conspiring with local officials to grab the real estate around the former D.C. General Hospital for the development of sports facilities and other commercial uses.

Legislative measures are now being taken to transfer jurisdiction over the land-use from the Federal government to the District of Columbia, for use in promoting the 2012 Olympics bid, and the likely relocation of a major-league baseball team to the nation's capital.

In a webcast held on March 21 of last year, Lyndon LaRouche pointed to exactly this process. Addressing the question of D.C. General, LaRouche identified the culprits as "a bunch of people, tied to Katharine Graham, the publisher of the *Washington Post*, and her crowd, who run Washington, D.C., like a private dictatorship—a private plantation.

"Now, Katie Graham's crowd, came up some years ago, with a number of packages to beautify Washington. Which means, essentially, get the African-Americans out! Or, most of them. Keep a few, for show. How will they do that? Well, you take that riverside, down there, where D.C. General Hospital is located now, with the jail and RFK Stadium. Now, go down, and look at the maps: Look at the plans that have been made by Katie Graham's friends. Look at the organization that was created around that, and around the idea of the 2012 Summer Olympics, between here, Washington, and Baltimore."

LaRouche said that, if this were to go through, it would mean "Negro Removal" from the District, real estate development in place of the necessary full-service hospital, and "no health care, for the greater part of the population of Washington, D.C.; in a period in which epidemic disease is becoming a greater danger."

Land Transfer Proposed

EIR documented the plans to develop the riverfront area around D.C. General for the 2012 Olympics, including a proposal to renovate and expand RFK Stadium adjacent to the hospital campus. And, *EIR* showed how, in the longer run, the National Capital Planning Commission is proposing to turn the entire area into a complex of high-rise buildings, parks, and even a boat marina on the nearby Anacostia River. (See *EIR* March 30, and April 27, 2001.)

On Jan. 15, the D.C. City Council hearing considered

legislation proposed by Mayor Anthony Williams, which would transfer the land from Federal to District jurisdiction, and give District officials the authority to develop the property for "any municipal purpose." At that hearing, members of the LaRouche-initiated Coalition to Save D.C. General Hospital, as well as others, called for the restoration of a public hospital on the site (the 1000-bed, take-all-comers facility had been closed last May), and accused the city of plotting to use the property for Major League baseball or the 2012 Olympics bid. City officials at the hearing denied any such plans.

However, by the next day, Mayor Williams was admitting that the D.C. General campus would be "a component of our Olympic bid" and that any new use would "complement" the District's bid for the 2012 games. Washington is now one of four finalists seeking the 2012 Olympics. At the same time, Williams claimed that some sort of health-care facility would be kept on the site; all that is left there now, is a pathetic "urgent care"-type clinic which has no capacity to deal with trauma patients.

The Coalition has documented 70 unnecessary deaths that have occurred during the past nine months as a result of the shutdown of D.C. General's top-flight trauma center.

Then, on Jan. 17, the Washington area was named by Major League Baseball Commissioner Bud Selig, "the prime candidate" among U.S. cities, for a relocated baseball team, possibly in 2003. Under a two-year deal reached by the D.C. Sports and Entertainment Commission and the Washington Baseball Club—an investment group led by Frederic Malek, a former co-owner of the Texas Rangers—RFK Stadium in Washington is to be leased by such a new team, until a new stadium is built. Possible locations for the now-projected \$400 million, 44,000-seat ballpark include the present RFK site, Mt. Vernon Square, Southeast Federal Center, and Buzzard Point. The latter two sites would fit right in to the "redevelopment," i.e., gentrification, plans for the Anacostia waterfront area.

A public meeting was then held by city officials at the D.C. Armory on Jan. 23 to discuss plans for the D.C. General campus. Despite the efforts of those running the meeting to declare the issue of D.C. General Hospital off the agenda, all of the 30 or so community representatives who spoke, raised the issue of D.C. General and the need for a "full-service hospital" on the site. A LaRouche representative held up a pamphlet on "KKKatie Graham" and D.C. General Hospital, which was widely circulated by the LaRouche campaign last summer; it contains a detailed exposé of the real-estate scams planned for the area, including those around the Olympics, and the "Anacostia Waterfront Initiative."

Meanwhile, a group of D.C. Council members, led by David Catania, is intending to try to force the Mayor to put a new hospital and trauma center on the site. "The junta is gone," Catania says. "There's no Control Board to protect the Mayor now." The Financial Control Board closed D.C. General Hospital in 2001, annulling the Council's unanimous vote to keep it open and fund it.

Is Columnist George Will Seeking Knighthood?

Amidst the crescendo of calls for the creation of a new, global, “American” empire, by the disciples of Samuel Huntington and Henry Kissinger, syndicated columnist George Will opined on Feb. 3 in support of America’s historic enemy, the British monarchy. In his nationwide column entitled, “Magical Monarchy,” Will posed the question, “Even if magic can coexist with television and tabloids, does a mature nation need magic, particularly magic emanating from monarchy, in a nation too susceptible to snobbery?” He answered in the affirmative. “Actually, any nation does need something in the way of regularly recurring national communions that reaffirm the nation’s unity and identity.”

A collaborator of Sir Henry Kissinger and other imperialists on the board of Conrad Black’s media brainwashing conglomerate Hollinger Corp., Will usually cites a show of traditional U.S. history, quoting Abraham Lincoln or the Founding Fathers. But in the Feb. 3 column, Will gave away the show by citing one Walter Bagehot as his source for the defense of the “magical monarchy.”

Said Will, “In the 19th Century, Walter Bagehot, the most profound of all journalists, noted that the modern monarch is part of the ‘dignified’ as distinct from the ‘efficient’ aspect of the state, and warned: ‘Above all things our royalty is to be revered, and if you begin to poke about it you cannot reverence it. . . . We must not let in daylight upon magic.’ ”

Dedicated Enemy of America

In the 19th Century, Bagehot, the long-time editor of the London *Economist*, emerged as an outspoken enemy of the United States. He fervently promoted the British system of free trade, slavery, and philosophical empiricism, against the American ideas embedded in the Constitution, Lincoln’s actions, and the American System of political-economy. A leading light in the British Metaphysical Society along with Thomas Huxley, Bagehot espoused the social Darwinian dogma of the period. These oligarchs attacked the central idea of the American Sys-

tem, namely the dignity and creativity of all men, and agitated for a return to the hey-day of the Roman Empire—clothed in the robes of the British monarchy.

Will calls Bagehot “the most profound of all journalists,” but he fails to tell his readers that Bagehot first made a name for himself in a series of newspaper articles sent from France in 1851, praising the coup d’état and fascist police state of Louis Napoleon. Wrote Bagehot in support of the new dictator, “He has very good heels to his boots, and the French just want treading down, and nothing else, . . . calm, cruel, businesslike oppression, to take the dogmatic conceit out of their heads.”

To his core, Bagehot believed that the average citizen was a brute, incapable of grasping the ideas necessary for self-government. He celebrated the stupidity of the citizenry, as the precondition for their acceptance of oligarchical rule. His ideal society was the Roman Empire, and he sought to recreate that monstrosity worldwide. He defended the Southern Confederacy and slavery against Lincoln.

Bagehot was a top adviser to Lords Palmerston, Gladstone, and Disraeli, and was a leading enemy of the United States during his lifetime. It was Bagehot’s vitriolic book attacking the U.S. Constitution, named *The English Constitution*, that was plagiarized by the young academic Woodrow Wilson, for his own attacks on the U.S. governing system. The resulting bestseller, *Congressional Government*, launched Wilson’s career. Wilson echoed Bagehot on this and all other matters, and called for overthrowing the U.S. government and replacing it with a British parliamentary government.

The continuity from Bagehot, Huxley, and H.G. Wells, to Wilson, to William Yandell Elliott, Samuel Huntington, and Henry Kissinger is direct. These men are the traitors, a grouping Franklin Roosevelt attacked as the American Tories. Philosophically, they opposed the American Intellectual Tradition of Lincoln, Roosevelt, and LaRouche. Now they are engaged in the witting overthrow of the American system; George Will has thrown in his lot with the traitors.

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 - FAIRFAX—Ch.10 Tuesdays—12 Noon Thursdays—7 pm
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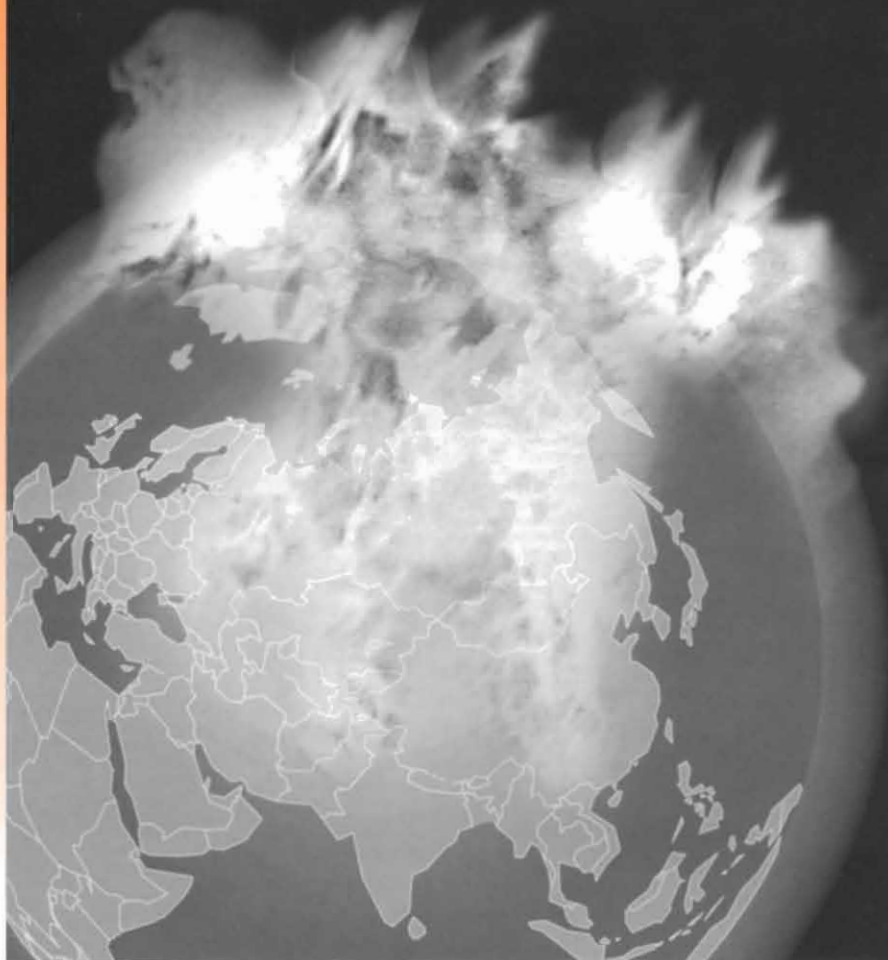
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