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Mexico: 'Free' Trade Equals Costly Death
Mossad Caught in False 'Palestinian Al-Qaeda' Caper
LaRouche: Bush Will Have To Shake Up the Policy

Behind Reverend Moon's Gnostic Sex Cult



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From the Associate Editor

This time last year, at our last issue before Christmas, the world was reeling at the bankruptcy of the gigantic energy pirate Enron—though neither Republicans nor Lieberman Democrats had a word to say about the economic crisis; Lyndon and Helga LaRouche were in New Delhi to build support for a Strategic Triangle of Eurasian development; Ariel Sharon had Yasser Arafat under siege in Ramallah, and was shelling the Church of the Nativity in Bethlehem; the “Clash of Civilizations” faction in Washington was gearing up for war against Iraq; and the LaRouche in 2004 campaign was rushing to press with a dossier to stop them, *Zbigniew Brzezinski and September 11th*.

One year later, the world strategic geometry has changed, and the potential for a positive turn is greater—even as the dangers of war, depression, and fascism remain. The drive for immediate war against Iraq has been stalled, at least temporarily, thanks to the efforts of LaRouche, with others, around the institution of the U.S. Presidency. Russia, China, and India have made the Strategic Triangle a reality. Palestinian revelations of Israel’s creation of a phony al-Qaeda “cell” in the occupied territories, threaten to blow off the fig leaf with which Sharon covers his acts of genocide (see *International*). The shakeup in the Bush Administration reflects the recognition that the leading agenda item now is the economic crisis—not that Bush knows what to do about it, but, as LaRouche told a Budapest audience on Dec. 12, “I have strong reasons to believe that remarkable improvements in thinking might occur, even rather suddenly” (see *National*).

LaRouche’s article in this issue, “A New Role for the U.S.A. Today,” provides an excellent overview of what must be done.

Our *Feature* on the origins of the Moonie cult, is a document of strategic importance. LaRouche said of this work, in a Nov. 16 memorandum, titled “Why We Must Land on the Moon”: “There can be no hesitation on the matter of defeating the Moon cult now. . . . The facts are such, that only by landing, full force, on the Moon cult’s continuing role as the keystone, ultra-gnostic element of the postwar international fascist movement, is there a possibility of saving the world from a plunge into a new dark age. Fortunately, the Moon’s present self-exposure renders it vulnerable to induced self-destruction.”

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LaRouche Presents ‘Super-TVA’ Amid California Collapse

by Harley Schlanger

As the state of California staggered under the weight of a budget deficit which could surpass \$30 billion for the coming fiscal year, Democratic Presidential pre-candidate Lyndon LaRouche presented his alternative, at a Los Angeles town meeting on Dec. 7, to the escalating and devastating budget cuts announced on Dec. 6 by Gov. Gray Davis (D). Similar bone-breaking cuts are in preparation by governors and legislators in the 45 other states facing record deficits.

A videotaped presentation by LaRouche of his proposal was shown to the packed-house town meeting, sponsored by his campaign committee, LaRouche in 2004. In his brief, yet concentrated comments, LaRouche outlined the emergency measures required to lift the nation out of “the ongoing, accelerating economic collapse, of a failed international monetary-financial system, and the bankruptcy, in fact, of many U.S. Federal states.” He reviewed how the crisis had advanced to the point that the only remedy is a bankruptcy reorganization, in which the U.S. government, acting with other governments, puts the International Monetary Fund, the Federal Reserve, and central banking systems into Chapter 11 bankruptcy reorganization.

Following this initial step, the candidate added, “we must launch credit for large-scale projects, such as basic economic infrastructure . . . and rebuild the economy, with influxes of public credit into basic economic infrastructure, and also into promotion of certain areas of high-tech, agro-industrial production. In other words, we have to put people to work—not cut employment—put people to work in increased numbers, and in *fruitful* work. And this will get the economy growing, as it did under Franklin Roosevelt, who led us out of the last depression.”

In order to carry out a successful reorganization, it is necessary, LaRouche stressed, that we acknowledge that we have made a mistake, that we have adopted legislation over the last

35 years that has destroyed the productive potential of our nation, in favor of a now-bankrupt consumer society. There must be leadership which will insist that the deregulation and free trade policies of recent decades be suspended by law, in favor of those policies which fostered the postwar reconstruction. These centered around Federal credit for infrastructure—the “Super-TVA”—and a protectionist policy, including re-regulation, to rebuild our nation’s transportation system, our power production, water management, health care, and education (see prepared text of LaRouche’s presentation, in *EIR*, Dec. 13).

Message Whose Time Has Come

LaRouche’s sharp comments on the deepening depression, and the lack of leadership in the two parties, came through loud and clear, given the dramatic developments in the days leading up to this event. There was the looming bankruptcy of United Airlines, the nation’s second largest airline; the “unexpected” jump in official unemployment from 5.7% to 6%; and the firing of Treasury Secretary Paul O’Neill and the President’s economic adviser, Larry Lindsey.

Further, the implosion of state and local budgets finally was covered in headlines nationwide. At least 46 of the 50 states have admitted budget deficits, and many major cities and counties are literally bankrupt, as revenues have plunged. Given the exploding Federal budget deficit, which is now expected to top \$250 billion officially (it’s actually much more, as *EIR*’s Dec. 6 issue demonstrated), there will be no help from Washington. Governors and state legislators are preparing for massive cuts, with no area exempt from the budgetary axes.

In no state is the crisis as profound as in California, where revenues plummeted as unemployment skyrocketed as the



Part of the Los Angeles town meeting audience as LaRouche spokesman for the western states, Harley Schlanger, introduced Presidential candidate LaRouche's videotaped presentation of his "Super TVA" recovery policy, on Dec. 7.

much-hyped "New Economy" disintegrated. Water is scarce, power is in short supply, and the kind of bold thinking, which led to the construction of the great infrastructure projects of the past—which built the state as America's largest, most populous, and most productive—has disappeared.

California Leading the Way to Hell

The budget deficit of 2002, which was \$24 billion—in part due to the electricity deregulation bill of 1996, which opened the state to the looting of the energy pirates, such as Enron—will be remembered as the "good old days," compared to what elected officials will face in tackling this year's deficit.

Having projected a Fiscal 2003 deficit of \$21.1 billion not long ago, Governor Davis has now admitted it is likely to reach \$30 billion. He presented an initial proposal on Dec. 6 to cut \$10 billion in spending, which will hit health care and education especially hard. In addition to cuts in medical care for the poor and elderly, and the closing of hospitals and community health centers, budget cuts will weaken the state college system, with additional cuts targeting public schools from kindergarten through grade 12.

More bad news for the state comes from the electric power sector, with recent predictions of new shortages coming in the near future. Power companies, such as the near-bankrupt AES, which had pledged to build new plants if deregulation were passed, now admit they cannot obtain credit to complete the plants they had started. State officials acknowledge that

this could lead to a renewed threat of blackouts as early as the Summer of 2003.

Leadership in Time of Crisis

The town meeting in Los Angeles had been organized by LaRouche's campaign to address this crisis, by recruiting and educating a new leadership to push through the Presidential candidate's initiatives to reverse the mistaken policy direction which has plunged the states, and the nation, into a depression.

This new kind of leadership which LaRouche has called for, stepped forward at the meeting, particularly in the prominent role played by activists in the LaRouche Youth Movement. The meeting was chaired by Carlos Ramirez, and was highlighted by a moving appeal by a second Youth Movement leader, Elkee Sandoval Spies, for the 150 or so in attendance to join them for a day of lobbying in the state capital, Sacramento, on Dec. 10.

It was also evident in the brief remarks made to open the event by Assemblyman Mervyn Dymally, who has returned to public office after a ten-year hiatus. Dymally served California as its Lieutenant Governor from 1974-78, and in the U.S. House of Representatives from 1981-92 (where he chaired the Congressional Black Caucus from 1988-90). He spoke of LaRouche as "prophetic in his pronouncements on international economics." Dymally praised LaRouche's leadership in opposing the policies of the International Monetary Fund (IMF), saying that he himself had not fully recognized the danger posed by the IMF until after he left the Congress.



California Assemblyman and former Congressman Mervyn Dymally (left) addresses the meeting, which was moderated by LaRouche National Youth Movement leader Carlos Ramirez (right). The youth movement led a 70-person lobbying team to Sacramento Dec. 8, to hit the state legislature's emergency budget session.

He also pledged to study introducing a bill to repeal the Electricity Deregulation Act of 1996.

Assemblyman Dymally's proposed action was backed by a message from Nevada State Sen. Joe Neal (D), who pledged his support to Dymally in repealing the California deregulation bill. A message of greetings was also received from Hawaii State Rep. Mike Kahikina, (D), who said he would be closely following the deliberations at the meeting.

Other messages backing this important town meeting and leadership recruitment initiative—which was immediately followed by a mass lobbying day for LaRouche's "Super-TVA" in Sacramento—came from Richard DiMarco, the Committee on Political Education (COPE) chairman of Transport Workers Union 564, representing workers in the airline industry, who announced his support for the lobbying day; and Dr. Talat Khan, the medical director of the Al-Alshifa medical clinic, which serves poor people in San Bernardino. Dr. Khan expressed her agreement with LaRouche, that cutting the budget in health services would result in closing medical facilities, which "is immoral and disastrous." She warned that the disaster will be magnified, as nearly 1 million poor Californians will lose health insurance due to cuts in state medical aid.

International support for LaRouche was expressed by Joe Kirojan, the U.S. chairman of the PDIP (the ruling party of Indonesia). Mr. Kirojan wrote, "I voice my agreement with the idea of LaRouche for a Eurasian Land-Bridge and a new, just monetary system. I hope the American people will listen to LaRouche and solve the crisis of the U.S. economy and that in California. . . . We have to have the truth to be successful, whether dealing with international terrorism, or the economy."

LaRouche Policies Goes to Sacramento

The final presentation of the afternoon was made by this author, in his capacity as Western States spokesman for the LaRouche Presidential campaign. A review of the economic program for infrastructure development for Germany, drafted by Dr. Wilhelm Lautenbach in September 1931, demonstrated that there was an alternative to Adolf Hitler and fascism in Germany. Lautenbach's program was close to that which Franklin Roosevelt implemented in the United States to lift this nation out of the Depression. It was a tragic failure in leadership which prevented the successful implementation of the Lautenbach plan in Germany when there was still time to block the rise and seizure of power by Hitler's fascism. Action today to put LaRouche in the White House is aimed to ensure that there is no failure of leadership in the face of the present global crisis.

The town meeting served to deepen the commitment of those attending to bring the message of LaRouche to the members of the California legislature, who were meeting in an emergency session over the vanishing state budget. More than \$1,500 was raised at the event, to finance the lobbying trip to Sacramento. Seventy people, mostly young organizers and potential leaders of the LaRouche Youth Movement, went to the legislature, to insist that their representatives not succumb to pessimism and popular opinion and rubber-stamp the deadly budget cuts, but, instead, take up LaRouche's challenge, to overturn the current economic axioms, and fight for his "Super-TVA" approach.

One legislator expressed the sentiment of many, when he told the young people that they are making progress, more so than they probably realize. What you are telling us to do, he said, may soon be our only option.

Even Singapore Has Its Limits on U.S. 'Free Trade Agreement' Scam

by Michael Billington

Since November 2000, Singapore and the United States have been engaged in negotiations which would establish the first Free Trade Agreement (FTA) between the United States and an Asian nation. From the beginning, other Southeast Asian nations worried—often out loud—that the deal was calculated to be a “foot in the door,” a precedent for the United States to impose conditions unacceptable to the other economies of the region. Singapore was seen as playing its old role as a colonial outpost for the British banking oligarchy, undermining the sovereign interests of its neighbors.

This may still be true, but there is now a major hitch in the deal. In what were supposed to be the last hours of trade negotiations, the government of Singapore may just scuttle the deal altogether, due to a combination of unmitigated greed and stupidity from the Bush Administration, and the emerging recognition in Singapore that at least some people in Washington are trying to set up Southeast Asia—including Singapore—for the slaughterhouse.

The crisis over the FTA broke into the open on Nov. 19, when U.S. Trade Representative Robert Zoellick, a prominent member of the Cheney/Wolfowitz warhawk faction in the Bush Administration, held a press conference in Singapore. “I am delighted to announce,” he reported, “that Singapore and the U.S. have completed the substance of a free trade agreement, except for one issue.” He said that he fully expected that that “one issue” would be resolved, and the deal would be completed by the end of the year.

However, that “one issue,” according to Singapore’s chief negotiator, was a “deal breaker.” Washington is demanding that Singapore agree to renounce the right to impose any type of currency or exchange controls, even in an extreme crisis—a right guaranteed even under the provisions of the International Monetary Fund (IMF) and the World Trade Organization (WTO). Trade Minister George Yeo, trying to be accommodating, said, “The U.S. would like us to modify our commitment. We are not comfortable. We are still having discussions. . . .”

Why did Zoellick insist on holding a press conference, prompting headlines in all the financial press, that the deal was essentially done? The only evident answer is that Zoellick and his sponsors intended to give Singapore a “bum’s rush” into giving in on the outstanding issue regarding currency controls, or risk appearing to have sabotaged the deal.

At a conference sponsored by the U.S. Chamber of Commerce in Washington on Nov. 21, an American businessman belligerently asked Singapore Ambassador Chan Heng Chee, why Americans should agree to a deal that doesn’t allow them to pull their money out anytime they wish—i.e., which doesn’t forbid the implementation of currency controls, even in a crisis situation. The Ambassador answered that, as well known, Singapore is a nation which concurs with the liberalizing trend in the world economy, and is not likely to use currency controls “à la Malaysia” except in the most dire circumstance, but that a sovereign state must retain that right when the nation is threatened by a severe crisis. She added, that she had read the free trade agreements signed between the United States and Canada, Mexico and Jordan, and had found that they allowed the use of controls in an emergency, and that Singapore was being asked to go too far.

The establishment in Singapore may have read the writing on the wall—not only in regard to the dirty trade deal itself, but also the fact that the U.S. “Emperor” is wearing no clothes. The collapse of the U.S. financial bubble is now evident to all but the blind. One insightful commentary by a senior journalist at Singapore’s prestigious *Straits Times*, Janadas Devan, caught the irony of the situation in his Dec. 6 column. Pointing to the huge U.S. trade deficit, and the equally huge influx of foreign money to finance that deficit, Devan writes: “But what if the world stopped? What if Japanese, Chinese, Indians, Arabs, and Singaporeans suddenly decided ‘it is time these Yanks grew up; we will put our money in the hands of adults who know the value of money, in Swiss francs or euros’?”

Devan continues: “So far, that [U.S.] deficit has been more than adequately funded by net capital inflows, but this cannot go on forever, despite Treasury Secretary Paul O’Neill’s novel theory that current account deficits do not matter. If the reversal, when it comes, is slow, things will be fine. But if it is sharp, and there is an exodus from U.S. assets, the U.S. will be in serious trouble. The dollar will collapse, prices will rise, interest rates will skyrocket, and standards of living will plummet. But no matter how dire the situation becomes, the U.S. will never impose capital controls to stop the hemorrhaging, right? . . . Think again.”

Devan points out, “Both John Maynard Keynes and Harry Dexter White, the architects of Bretton Woods, believed that ‘controls of capital movements, both inward and outward,

should be a permanent feature of the system,' for they feared capital flows would become 'an independent and disruptive force.' As Thailand, Indonesia, South Korea and Malaysia discovered in 1997-98, Keynes and White knew a thing or two."

Devan concludes that, just as Washington scrapped the fixed-exchange-rates provisions of Bretton Woods "in one fell swoop," on Aug. 15, 1971, so it would not hesitate to impose currency controls in an emergency, whether it had signed treaties forbidding it or not. "The trouble is, Singapore does not have similar leeway to choose which international undertaking it will abide by in a crisis. Unlike the U.S., its foreign obligations are not denominated in its own currency. . . . Singapore cannot, must not, cede its right to restrict capital mobility in a dire financial crisis."

Chile Also in the Fight

Another nation which has all-too-willingly allowed itself to be used by the United States to break the back of regional resistance to "free-trade" looting, is Chile. Chile is at precisely the same point of negotiations for an FTA with Washington as is Singapore, and is stuck on the same "one issue." In Chile's case, the free-trade mafia hopes to break up the Mercosur agreement (the Common Market of the South, in South America), by providing special trade concessions to Chile, in exchange for the right of largely unregulated foreign intervention, thus undermining Chile's neighbors, and forcing acceptance of the same conditions across the region. According to the Dec. 9 *Wall Street Journal*, Chile, like Singapore, is unwilling to give up its right to impose currency controls, and "is under pressure from many of its neighbors not to give in to U.S. pressure." The *Journal* quotes Gary Hufbauer from the Institute for International Economics, "They are standing up for the right of developing countries to control speculative, short-term capital."

The *Journal* also reports that there is an open fight between the U.S. Treasury and U.S. manufacturers over this issue of currency controls. John Taylor, Undersecretary of the Treasury for International Affairs, defended the U.S. position before 20 business leaders, who are more interested in the trade and financial benefits of the deal, than the looting that will result during another speculative assault on the developing economies, like George Soros' and fellow hedge-fund pirates' 1997-98 attack on the Asian currencies. Taylor, however, responded: "Capital controls impose a cost on both the investor and the host country, because the controls increase the cost of capital, divert capital to other countries, and damage investor confidence."

Taylor, as usual, is lying, since he knows full well that Malaysia, which rejected IMF advice and imposed partial currency controls after the 1997-98 speculative assault, successfully saved its population from the devastation imposed on its neighbors under IMF-dictated free-market conditionalities. It is highly relevant that a team of leading economists in the Malaysian government are travelling to Argentina in mid-

December, at the invitation of the Argentine Businessmen's Association, who explained that "Argentine officials were very interested to know how Malaysia solved its financial and banking problems."

The U.S. Treasury is not giving in, says the *Wall Street Journal*, and this is not likely to change with the firing of Secretary Paul O'Neill. That is yet to be seen, however, since, with crisis conditions in the economy and within the Bush Administration itself, anything can happen.

As to the original fear in Southeast Asia, that the Singapore FTA would be used against the other nations in the region, Zoellick's itinerary shows that the concern was justified. From Singapore, he travelled to Indonesia, arguing that the supposedly "done deal" in Singapore meant that the Southeast Asian nations had better jump on board with their own FTAs with the United States, or lose out to Singapore on U.S. trade. Again, the "Emperor's New Clothes" comes to mind, since the rapid collapse of the U.S. economy means that the United States as an importer of last resort is a phenomenon of the past.

Singapore, despite (and, in part, due to) its history as a British banking outpost in colonial Asia, has extensive ties with offshore Chinese business networks throughout the region. If it were to choose to defend its own potential as a member of the concert of sovereign nations of Asia and the world, it could spoil the Anglo-American "Free Trade Agreement" scam before it gets started.

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Insane Fed Promises To Bail Out Bubble

by John Hoefle

“We stand ready to bail out the financial system no matter what the cost,” is the essence of the message delivered in late November by the Federal Reserve, confirming Lyndon LaRouche’s assessment that one cannot properly judge monetary policy without taking the insanity factor into consideration. The policy was stated by Fed Chairman Sir Alan Greenspan in a Nov. 19 address to the Council on Foreign Relations (CFR) in Washington, in which he said that, in the event of a “financial implosion,” the Fed stood ready to use its “unlimited power to create money” to “provide what essentially amounts to catastrophic financial insurance coverage.” To make sure that this was understood as Fed policy, a similar statement was delivered by Fed Governor Ben Bernanke to a Nov. 21 meeting of the National Economics Club, also in Washington. Bernanke promised the Fed would do whatever necessary to prevent the deflation of the bubble, including producing “as many U.S. dollars as it wishes, at essentially no cost.”

While Lord Greenspan and Benny Bubbles presented this policy as something which might be implemented in the future, it is, in fact, something they are already doing. Since central bankers don’t normally say such things publicly, the suspicion is raised that these statements were intended to intervene in full-blown economic crisis. That suspicion is furthered by the shift, since the mid-term elections, in the Bush economics team—which shift is an implicit admission that the economy is in far worse shape than was admitted during the campaigning.

Given that blacklists are circulating in the global derivatives market, enumerating financial institutions considered too shaky to trade with, and that J.P. Morgan Chase, the world’s largest derivatives bank, is said to be at the top of everyone’s list, it is likely that the Fed’s statements were intended as public confirmation of private promises, that the Fed stands behind Morgan Chase and its derivatives exposure.

Derivatives Bailout

Greenspan explicitly praised derivatives and promised that the Fed, using public money, would ride to their rescue in a crisis. “Derivatives, by construction, are highly leveraged, a condition that is both a large benefit and an Achilles’ heel,” Sir Alan said. The benefit of derivatives, he said, is the “dispersion of risk to those willing, and presumably able, to bear it. If the risk is properly dispersed, shocks to the overall economic system will be better absorbed and less likely to create

cascading failures that could threaten financial stability.” Greenspan cited the “development of markets in securitized bank loans, credit card receivables, and commercial and residential mortgages” as a “major contributor to the dispersion of risk in recent decades.”

While leverage is good, he said, its “Achilles’ heel” is “excess speculation.” “Too often in our financially checkered path, the access to such leverage has induced speculative excesses that have led to financial grief. We are scarcely likely to reform the underlying human traits that lead to excess, but we do need to buttress our risk-management capabilities as best we can to delimit such detours from the path of balanced growth. More fundamentally, we should recognize that if we choose to enjoy the advantages of a system of leveraged financial intermediaries, the burden of managing risk in the financial system will not lie with the private sector alone. Leveraging always carries with it the remote possibility of a chain reaction, a cascading sequence of defaults that will culminate in a financial implosion if it proceeds unchecked. Only a central bank, with its unlimited power to create money, can with a high probability thwart such a process before it becomes destructive. . . .

“But implicit in such a role is the assumption that the burden of risk arising from extreme outcomes will in some way be allocated between the public and private sectors,” Greenspan said. “Thus, central banks are led to provide what essentially amounts to catastrophic financial insurance coverage.”

‘Free Money’

Bernanke made essentially the same point two days later, in a speech entitled “Deflation: Making Sure ‘It’ Doesn’t Happen Here.” Although the chance of “significant deflation” in the United States is “extremely small,” Bernanke said, “I would be imprudent to rule out the possibility altogether.”

With that fig leaf in place, Bernanke went on to deliver one of the most breathtakingly idiotic statements ever made by a Fed Governor: “The U.S. government has a technology called a printing press (or, today, its electronic equivalent), that allows it to produce as many U.S. dollars as it wishes, at essentially no cost.” Using such methods, “the Fed would take whatever means necessary to prevent significant deflation in the United States,” he claimed.

In response, Lyndon LaRouche was prompted to comment: “Hello, Rudolf Hilferding.” Hilferding was the German Finance Minister in 1923, the peak of the Weimar Republic’s hyperinflationary explosion.

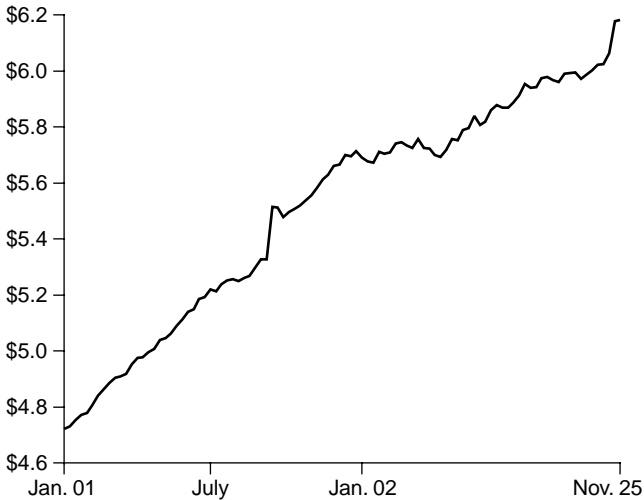
Underlying Greenspan’s and Bernanke’s statements is desperation, even panic, to prevent a deflationary meltdown of the global financial system, led by failures of the giant derivatives banks and giant insurance and reinsurance companies.

The most dangerous flashpoint appears to be J.P. Morgan Chase, whose stock was plummeting in early October, falling to a low of \$15.45 a share on Oct. 9, well below the \$20-a-share danger point cited by several market sources. It was at

FIGURE 1

U.S. Money Supply: 'Money of Zero Maturity,' 2001-02

(\$ Trillions)



Source: Federal Reserve.

precisely that point that the current stock market rebound began, with the Dow rising 969 points over the subsequent five trading days. Thanks to this suspiciously convenient rebound, Morgan's stock rose above the \$20 level within two weeks, to \$24.15 as of Dec. 10, a 56% gain in two months. Still, it stands at less than half of its post-merger high of \$55.98 in January 2001, indicating that Morgan's problems are far from solved. With a \$26 trillion derivatives portfolio, including \$287 billion in credit derivatives, any crisis at Morgan is by definition a global financial crisis,

The stock market rebound, which also occurred in the European markets, served to buy time for the giant European insurance and reinsurance companies, whose capital bases include huge stock holdings. In recent weeks, several of these companies have announced \$1-2 billion writedowns in the values of their stockholdings.

U.S. companies have also been hit hard. General Electric announced in late November that it would pump \$4.5 billion into its GE Capital finance arm, in addition to adding \$1.8 billion in capital to its Employers Reinsurance unit.

These problems are just the *hors d'oeuvre*. As Greenspan stated quite bluntly, the Fed is prepared to intervene however necessary to save the \$300-400 trillion global derivatives market. Recent events suggest that the Fed and its European co-conspirators are not just prepared to act, but have already done so, and that the Fed's recent public statements are part of that effort. The \$114 billion spike in money of zero maturity, a broad measure of monetary liquidity during the seven days ended Nov. 18 **Figure 1**, shows that the Fed had actively intervened before Greenspan's speech.

A Question of Sanity

Many Americans support the Fed's bailout policy, in the belief that the Fed is also protecting them and their money, but they are making a deadly mistake. The world is at the tail-end of the largest financial bubble in history, a bubble in which stock values, mutual funds, real estate, home equities, and virtually all other financial assets are still hopelessly overvalued. During the growth of this bubble, household "assets" have soared, led by stocks and soaring home values. The idea that the bailout of the system will protect this inflated household wealth, is the hook the international oligarchy uses to manipulate millions of Americans.

The reality, as unrivalled economic forecaster Lyndon LaRouche has emphasized with his Typical Collapse (or Triple Curve) Function, is that the inflation of these financial aggregates is the result of a process which simultaneously gouges, and loots, the physical economy. Since the early 1970s, in particular, the rise in nominal financial values has been accompanied by a collapse in production, and consumption, per capita.

The hard truth is that, in their attempt to save their system, the oligarchs plan to steal as much of what you own as they can politically get away with, and given the abysmal cowardice and greed in Washington, that is quite a lot. The only sane alternative to leaving your head on the chopping block is to accept, and organize others to accept, LaRouche's global recovery plan. You may have to write off some fictitious financial assets, but it may very well save your life.

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Reports Show Tottering U.S. Physical Economy

by Richard Freeman

A sharp increase in U.S. unemployment in November, conjoined to a five-year-long downturn in machine tool consumption and production, signalled accelerated contraction of the physical economy. It made of Wall Street's misinformation that somehow, the economy will "turn the corner" in the next few months, an impotent refrain.

The nation's allegedly authoritative "economic experts" expressed shock at the increase in unemployment registered in November, indicating once again that their "expertise" is non-existent.

Amid this collapse, on Dec. 6, President Bush forced out his Treasury Secretary Paul O'Neill, and the head of his National Economic Council, Larry Lindsey, in an admission of the complete failure of his administration's economic policy. But to correct the failure, Bush will have to publicly declare an economic emergency, based on the fact that there exists a systemic economic breakdown. This crisis can be solved by an approach that is equal in quality to the dimension of the crisis: Lyndon LaRouche's "Super-TVA" plan for a bankruptcy reorganization of the financial system, and the issuance of 1-2% long-term credit for great infrastructure projects and economic reconstruction. Were Bush to reject this, and continue to adhere to his plan for a permanent, larger-sized tax cut, greater deregulation, and fierce austerity, the economy would be torn apart.

700,000 Jobs Actually Lost in November

The level of unemployment—particularly that of manufacturing—and American industry's consumption of machine tools, are two accurate barometers of the condition of the physical economy. Official unemployment surged from 8.209 million workers in October, to 8.508 million in November, an increase of 299,000 workers, the Department of Labor's Bureau of Labor Statistics (BLS) reported Dec. 6. The official unemployment rate also jumped from 5.7% in October, to 6.0% in November, its highest official rate in eight years. When discouraged workers, and those working part-time, because they are unable to find full-time employment, are included, *EIR* has determined that the real unemployment rate is twice what the BLS has told the public.

The *Washington Post* electronic website headlined its Dec. 6 article, "Unemployment Rate Unexpectedly Surges": "The report, released Friday by the Labor Department, portrayed a bleak snapshot of the U.S. economy at a time when

many analysts had thought that rock bottom days for job seekers were behind them." It appears that rock bottom still has a ways downward to go. A flabbergasted Bloomberg News Service reported: "Only 5 of the 60 economists surveyed [before the report] expected a drop in unemployment" in November.

But Bloomberg and the *Washington Post* then pulled their standard gimmick. They reported that during November, by the measure of the "establishment survey," the American economy lost 40,000 jobs. That is correct, as far as it goes, and very significant. But the Department of Labor's BLS also reports a "household survey." It is according to this standard, that the number of unemployed increased from 8.209 million workers in October, to 8.509 million in November, an increase of 299,000. At the same time, the level of employment, by the household survey, plunged from 134.915 million in October, to 134.225 million in November, *a fall of 659,000 workers in November.*

Some of these workers entered official unemployment in November (299,000); but the remaining workers, who were part of the drop in the November employment by the "household survey," left the labor force. The catch is, when a worker leaves the labor force, he or she is no longer counted as unemployed.

The unemployment continues to strike hard at the manufacturing sector. November marked the 28th straight month in which the American manufacturing workforce declined. During November, the U.S. manufacturing sector eliminated 45,000 jobs, of which 36,000 were held by manufacturing production workers—those workers who physically alter nature to provide the basis for mankind's existence. Since July 2000, the United States economy has eliminated the jobs of 2 million manufacturing workers, of whom 1.58 million were production manufacturing workers.

Since July 2000, some 12.5% of the production manufacturing workforce—which had already undergone years of slow shrinkage—has been cut out of the heart of the economy.

At the same time, machine tool consumption continues to decline. For the first ten months of 2002, U.S. machine tool consumption totalled \$1.724 billion, a drop of 26.6% compared to the level of the comparable period in 2001.

But since 1997, the collapse of machine tool consumption has gathered force: On an annualized basis, in 2002, machine tool consumption will total \$2.07 billion; in 1997, it totalled \$5.56 billion. Thus, machine tool consumption is down nearly two-thirds from its level of five years ago.

Machine tool production closely parallels machine tool consumption.

Machine tools incorporate into their design the most advanced scientific discoveries, and by transmitting them, increase the productivity of the economy as a whole. The U.S. economy, by drastically reducing its machine tool consumption, has slashed its real capital formation for the future, and is sharply contracting.

The Case of Mexico: 'Free Trade' Means a Costly Death

by Dennis Small and Ronald Moncayo

The Bush Administration is insanely insisting that on Jan. 1, 2003, the Mexican government of President Vicente Fox apply the scheduled activation of agricultural clauses of the North American Free Trade Agreement (NAFTA), by which Mexican tariffs on all but a handful of farm products the United States wants to export to that country, will be reduced to zero. This policy will wipe out what remains of Mexican agriculture, already devastated by free trade and deregulation policies first applied under IMF tutelage beginning in 1983, and then imposed with a vengeance since NAFTA's formal launching in 1992.

This upcoming stage of NAFTA will leave perhaps as many as *one million* impoverished Mexicans jobless and dislocated—on top of the 1.78 million already driven off the land by 9 years of NAFTA policies to date. Many of the newly unemployed will try illegally to enter the United States, as their only chance for survival.

The crisis cries out for Democratic Presidential pre-candidate Lyndon LaRouche's recent proposals for a crash infrastructure-building program on both sides of the border, to create urgently needed jobs. It is widely recognized that Mexico needs to *create* about a million new jobs per year—not lose that many—just to keep pace with its growing labor force. Yet Washington, at Wall Street's urging, appears determined to revive the "Paddock Plan" instead—a policy for intentional genocide put forward in the mid-1970s by Malthusian lunatic William Paddock.

At that time, Paddock, a Mellon and Gulf Oil-financed agronomist who worked for the U.S. government in Central America, said that the way to halve Mexico's population (then 68 million; today it is over 100 million) would be to "shut the border, and watch them scream." The "famine, war and pestilence" that would ensue, he said confidently, would do the job of reducing the population.

In 1976, Lyndon LaRouche delivered a nationwide TV address in which he warned of the Paddock Plan and its consequences. Today, under conditions of global financial breakdown, combined with the fascist vigilante methods advocated by U.S. Attorney General John Ashcroft for policing the U.S.-Mexican border ever more brutally—part of the so-called "war on terrorism"—today's version of the Paddock Plan will produce results at least as horrifying as originally envisioned.

Wall Street and the City of London financial interests have

a lot riding on the purported "success" of NAFTA and its scheduled Jan. 1 update—which is one of the reasons that they have contrived, among other things, to hide about *two-thirds* of Mexico's actual public domestic debt. Politically, the financier interests are faced with growing antipathy around the world to the "free trade" dogma of the 1990's, which has been such an unequivocal failure. In Europe, there is hostility to the Maastricht Plan and its impossible budgetary constraints. Across Asia, there is a generalized unwillingness to be ripped apart again by speculative capital flows, as nations were in 1997. In Ibero-America, a region terrorized into submission to IMF policies beginning in late 1982, there is foot-dragging and other timid opposition to Washington's proposed hemisphere-wide Free Trade Agreement of the Americas (FTAA). This resistance is led by Brazil which, as the most industrialized nation in the region, has most to lose. And in the United States, there are also early signs of voters finally getting fed up with the disastrous policies of free trade, as evidenced in the recent Louisiana Senatorial election.

But the international financial elite cannot stop themselves from pressing forward on implementing the Paddock Plan—their own bankruptcy demands it—even though it may well prove their undoing.

Starving for 'The Market'

When NAFTA was finalized among the United States, Mexico, and Canada in December 1992, a time-bomb was built into the agreement which was set to explode a decade later—on Jan. 1, 2003. The original NAFTA, which was hand-crafted to open Mexico up to unfettered looting by international speculative capital, included provisions for general trade tariff reductions. However, certain essential agricultural products were considered so sensitive by Mexico at the time—since the ability to produce that food domestically was the only guarantee Mexico had that it could continue to feed its population—that they managed to exclude those items from the general regimen for an entire decade. At the time, many Mexicans thought that that was a lifetime away. Now, the day of reckoning has come.

On Jan. 1, 2003 Mexico will be forced to reduce existing import tariffs on 20 major agricultural products, down to zero. These include: chicken and other fowl (which now has a 49.5% tariff); potatoes (now at 52%); eggs (now at 9.5%);

FIGURE 1

Mexico: Rice Consumption

(Kilograms/Capita per Year)

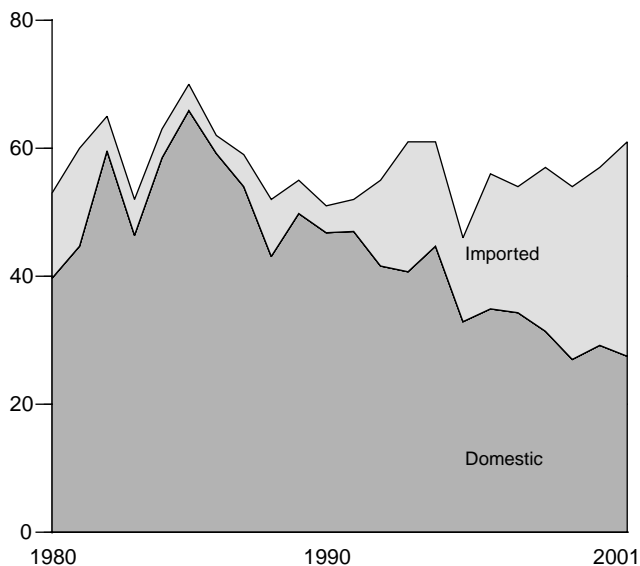


Sources: Ministry of Agriculture, Office of the Presidency (Mexico).

FIGURE 2

Mexico: Wheat Consumption

(Kilograms/Capita per Year)



Sources: Ministry of Agriculture, Office of the Presidency (Mexico).

and barley (now at 24.3%). All processed foods, including pasta, will also drop to a zero import tariff. Only a handful of remaining staples—including corn and beans—are excluded from these instant rigors, and will have their tariffs phased out between 2003 and 2008.

Mexicans are being told that the realities of globalization require that they compete in the world marketplace, even if it means the “downsizing” (read death) of Mexican food production. Americans, meanwhile, are being fed the line that U.S. farmers will be the beneficiaries of this dog-eat-dog market Darwinism—a lie, since it is only the giant food multinationals like Cargill, Tyson, and ADM which have muscled their way into the Mexican market with cheap exports.

The simplest way to get an idea of what the new, NAFTA update is going to mean, for both the United States and Mexico, is to look at what has happened with the agricultural products that were previously “liberalized” under NAFTA and IMF policies.

Take the case of rice, also a staple in the Mexican diet, which had its protective tariffs lowered years ago. In **Figure 1**, we present the respective contributions of domestically produced rice and imported rice to the Mexican diet, as measured by per capita consumption, over the period from 1980 to 2001. (In this case, as in the next three graphs, Mexican exports of the products shown are negligible.)

The first thing to note in Figure 1, is that domestically production of rice was decimated over the two decades in

question. Between 1980 and 1990, it plunged from 6.6 to 4.0 kilograms/capita—a 39% drop. And then from 1990 to 2001, under NAFTA, it fell a further 43%, down to a meagre 2.3 kgs./capita. In other words, between 1980 and 2001, nearly two-thirds of Mexico’s rice-producing capacity was wiped out by deadly free market policies.

Total rice consumption, however, merely stagnated in this period: it rose from 8 to 9 kilograms per capita, over 21 years. This is because imported rice took over the market, rising from 15% of total consumption in 1980, to about 50% by 1993, and then to a dramatic 74% today.

When the remaining import tariff is lifted on Jan. 1, the rapid, further destruction of Mexico’s rice producers is widely expected.

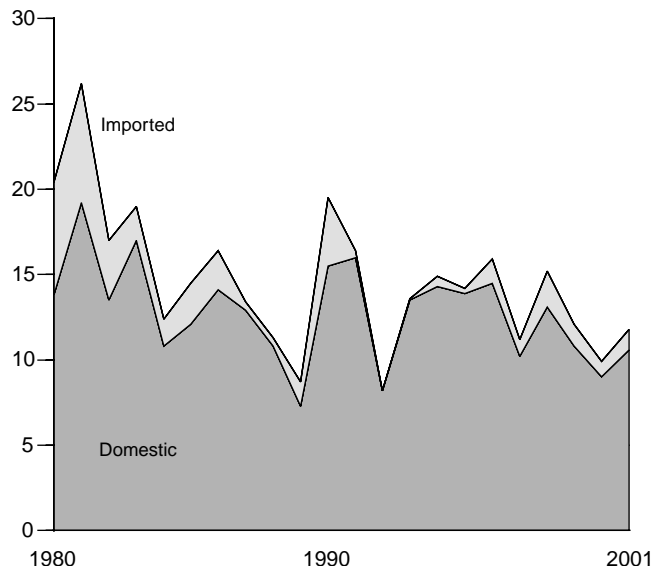
Figure 2 shows a similar process for wheat. Over the 1980’s, Mexico’s domestic production went up and down, but remained at about 40 to 45 kilograms/capita. During this period, imported wheat added about 10% to 25% to national consumption. But then, under NAFTA, domestic production plummeted by over 40%, from 47 down to 28 kgs./capita, while imported wheat grew steadily, and today comprises more than half of national consumption. As in the case of rice, total per capita consumption of wheat today is at about the same level it was back in 1980.

In **Figure 3**, we see that Mexican bean production has also dropped by nearly 25%. Here, however, foreign imports have not risen, so total national consumption of this crucial

FIGURE 3

Mexico: Bean Consumption

(Kilograms/Capita per Year)

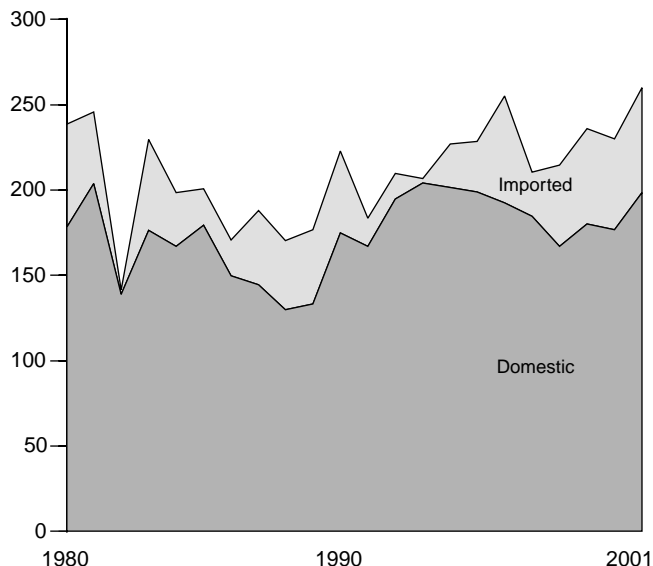


Sources: Ministry of Agriculture, Office of the Presidency (Mexico).

FIGURE 4

Mexico: Corn Consumption

(Kilograms/Capita per Year)



Sources: Ministry of Agriculture, Office of the Presidency (Mexico).

component of the Mexican diet has dropped sharply from 20.4 kgs./capita in 1980 to 11.8 kgs./capita in 2001—a drop of over 40%. Beans are one of the items whose tariff will *not* be totally eliminated on Jan. 1, but will be phased out through 2008. That opening will decimate national production, over a five-year period.

Figure 4 presents the picture for corn, the most essential staple in the Mexican food diet. Here, national production per capita rose only slightly from 1980 to the present, and imports kept pace at about 25% of total consumption. Corn, too, has been granted a reprieve on the economic death penalty that NAFTA will impose—but only temporarily.

Nowhere To Go

The free-market policies applied to date, which will be dramatically deepened on Jan. 1, included not only import tariff reduction as such, but also IMF-dictated cut-backs in government spending for the rural sector, and in both private and public credit issued for agriculture. Mexico's National Agricultural Council (CNA), one of the country's major farm organizations, reports that, from 1990 to the present, real government spending for the sector dropped by 53%, while credits plunged by 80%.

As a result of this process, over the nine years of NAFTA to date, *1.78 million jobs have been lost in the agricultural sector of the Mexican economy*, according to official statistics. Typically, these people either found temporary employment

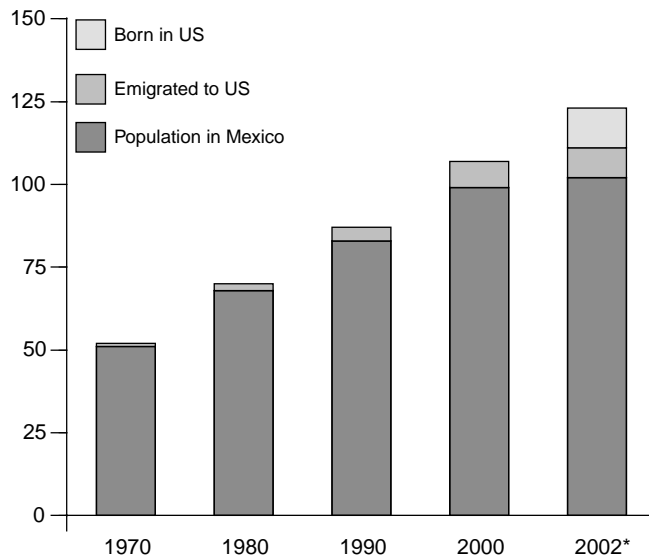
under slave-labor conditions in Mexico's *maquiladora* sector (as we discuss below); or in marginal activities in the "informal economy" of Mexico's teeming cities; or, they joined the growing ranks of Mexico's unemployed—or they migrated to the United States.

About a half-million Mexicans are believed to enter the United States every year, most of them illegally. Today, there are an estimated 8.9 million Mexican immigrants currently in the United States (see **Figure 5**). There are an estimated additional 12 million Mexicans who were born in the United States, the first-generation children of those who emigrated. Taking these two categories on top of the 102 million Mexicans who still live in the country, the total natural population of Mexicans is about 123 million—17% of whom are currently in the United States. The proportion of the full Mexican labor force now in America is even higher. This represents a form of disguised unemployment, whose existence and meaning will soon make itself felt.

The looming question is: What is going to happen now, as Mexico's desperate debt situation makes it impossible to keep paying for foreign food imports, and now that two-thirds of domestic production capacity has been wiped out in crucial staples such as rice? How will Mexicans eat? Where will the million or more newly unemployed go, now that even the *maquiladora* sector is collapsing, and as Aschcroft-style policies shut the U.S.-Mexico border? This is the Paddock Plan of free-trade genocide.

FIGURE 5
Total Population of Mexicans

(Millions)

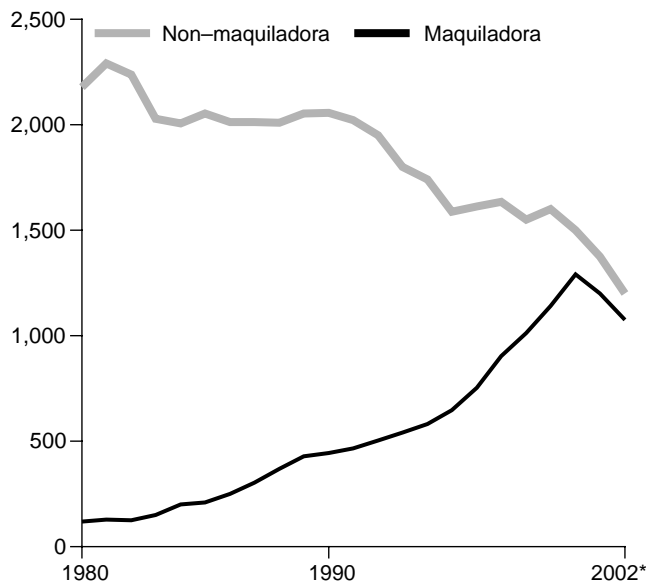


* Projected.

Sources: FAO; INEGI, Office of the Presidency (Mexico).

FIGURE 6
Mexico: Employment in Manufacturing

(Millions)



*Projected.

Sources: INEGI (Mexico); EIR.

Maquiladoras: The Model That Failed

For the last 20 years, desperate Mexicans who had been driven off the land or were otherwise unemployed, were often able to find quick employment in Mexico's *maquiladoras*. A *maquiladora* is an in-bond assembly plant, usually located just across the U.S. border into Mexico, which imports raw materials and semi-finished products (mainly from the United States), and exports finished consumer goods (mainly to the United States)—all without any tariffs.

Maquiladoras have been promoted by the financial establishment as the perfect model of free-market economics, an example to be aggressively imitated throughout the world. U.S. economist Lyndon LaRouche, on the other hand, has denounced these plants as “an Auschwitz south of the border,” given their horrendous working conditions, the total absence of any economic infrastructure where they are located, and above all because of the deadly looting process involved. From a strict, physical-economic standpoint, the *maquiladora* sector cannot properly be considered part of the Mexican economy: it is a foreign enclave which is located on what is geographically Mexican territory, but in no way contributes to the Mexican physical economy. In fact, it detracts from it; it is in reality an economic cancer.

But what “worked” for 20 years, no longer does. As **Figure 6** shows, employment in *maquiladoras* began to plummet in October 2000. Why then? Because about six months earlier,

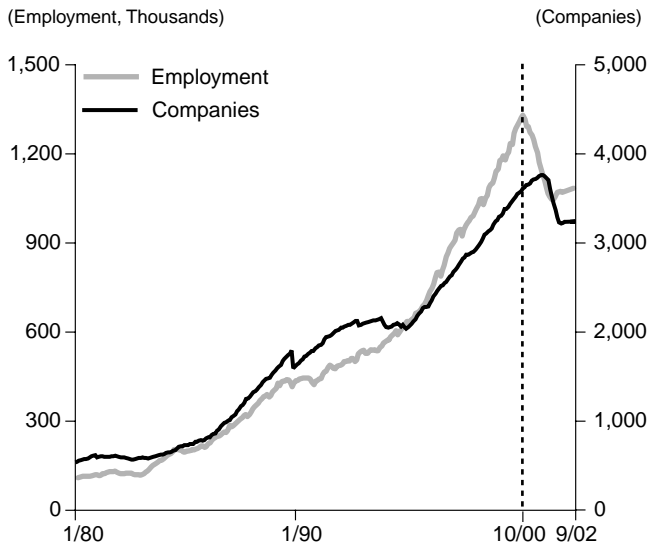
in March-April 2000, the entire “New Economy” lunacy began to unravel. The ludicrous dot.com stock market bubble popped, and the Dow Jones has been heading south ever since; and, most importantly, the U.S. consumer goods market, which has been the “importer of last resort,” as *EIR* has extensively documented, began to contract. So *maquiladora* employment followed close behind. Within a few months time, beginning in June 2001, *maquiladora* companies began to fold, and the total number of companies has been dropping ever since.

In the 18 months from its October 2000 employment high of 1.348 million workers, to its low in March 2002 of 1.090 million, 21% of the *maquiladora* labor force was laid off. Free trade ideologues, both inside and outside the Mexican government, have seized upon the tiny uptick over the last few months to argue that “the recovery is just around the corner.” The reality, of course, is that a full-blown depression is now careening towards Mexico—and the United States, its erstwhile importer of last resort.

The *maquiladora* myth has served to mask real Mexican unemployment, and the broader decline of its physical economy. For example (see **Figure 7**), from 1980-2000, as *maquiladora* employment was rising, employment in the Mexican manufacturing sector proper (excluding the *maquiladoras*), was steadily falling. But then, beginning in 2000, at exactly the point that *maquiladora* employment began to fall, real

FIGURE 7

Maquiladoras: Employment and Number of Companies

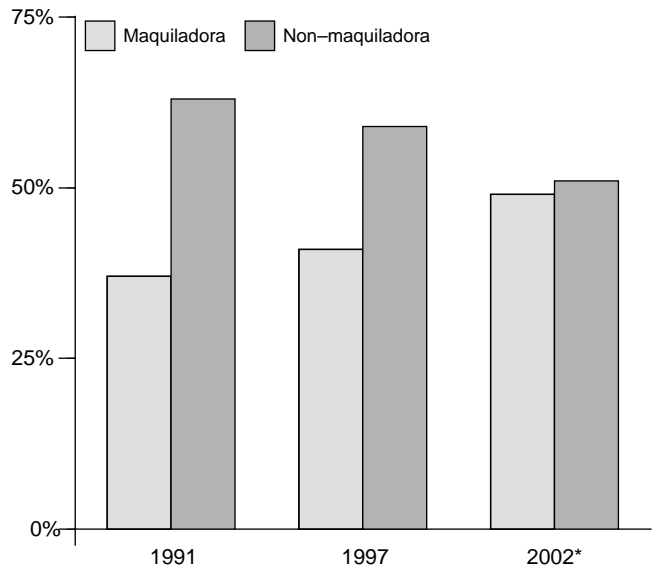


Sources: INEGI (Mexico).

FIGURE 8

Mexico: Exports by Sector

(% of Total)



* Projected.

Sources: INEGI, Office of the Presidency (Mexico).

manufacturing employment began to decline at an even more rapid rate.

The simultaneous collapse of *both* of these sources of employment will unleash an economic and social shock-wave in Mexico—at exactly the point that the bottom is about to fall out of the agricultural sector.

Is it any wonder that the entire spectrum of Mexican peasant and labor organizations, opposition political parties, and even elements of President Fox’s own PAN party, have protested vehemently against the scheduled Jan. 1 measures? Fox has so far insisted that his administration will proceed to implement them on schedule.

‘Brazil, Why Can’t You Be More Like Mexico?’

There is another great myth about NAFTA, and its *maquiladora* “miracle” in Mexico, which has been used extensively to convince other nations to sign on to free trade agreements, such as the FTAA for the Western Hemisphere. Brazil has been particularly targeted with this argument, that under globalization, the only way for an economy to expand is *via* exports. The claim is that the expansion of a nation’s *internal* market—which is, of course, the hallmark of the American System of Economy which has been uniquely successful over centuries—is now a dead end, and that countries have to learn to either “export or die.”

The reality of globalization, however, is rather to “export and die,” as the Mexico case demonstrates. In **Figure 8**, we see the way in which exports from the *maquiladora* sector

have progressively come to represent nearly half of all Mexican exports.

Hardly a week passes that an article doesn’t appear in the major financial press of London or the United States, which lectures Brazil, in particular, that it will never become an economic powerhouse if it keeps focusing on its internal market, and doesn’t start exporting more. Brazil only exports 11% of its GDP, as compared to a more “healthy” 31% in the Mexican case, they argue.

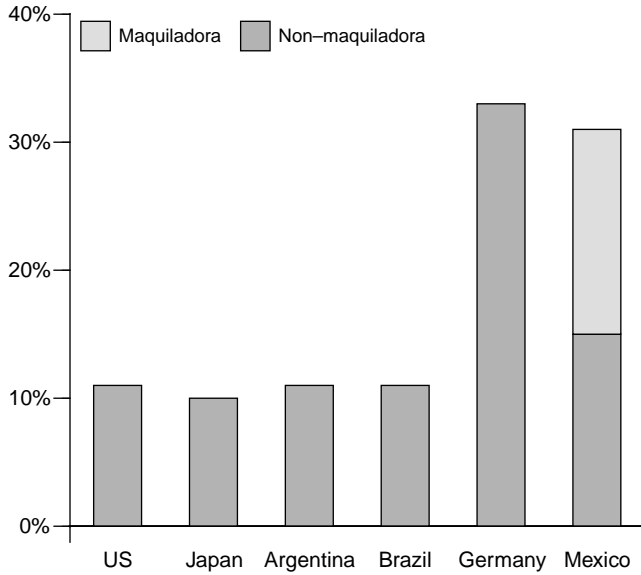
However, it is useful to look at the components of Mexico’s trade, as we do in **Figure 9**, which shows that about half of that total comes from the *maquiladora* foreign enclave. The Mexican economy proper exports about 15% of its GDP. These figures are also usefully compared to those of other developing countries, such as Argentina, and also those of some major industrial economies, such as the United States and Japan, whose percentage of GDP exported is almost identical to that of Brazil. (Germany is a special case.)

This is by no means a technical question. Brazil is being told by the IMF and its creditor banks, that it must export a much larger share of its economy—in order to earn dollars with which to pay its foreign debt. And Mexico, which has achieved these results only by the *maquiladoras*, is being pointed to as the example to follow.

The media and spokesmen of the the international financial establishment are wielding another “look at Mexico” argument. Mexico, they have discovered, has just passed

FIGURE 9

Mexico: Exports as a Percentage of GDP



Sources: World Bank; INEGI, Office of the Presidency (Mexico).

Brazil as the 9th “largest economy” in the world—which purportedly proves that only free market, export-oriented economies work. Measured in terms of GDP—which is always calculated in *dollars* and not local currency, supposedly in order to compare economies—Mexico did indeed surpass Brazil in 2001 (see **Figure 10**). But the reasons for this are transparent, for anyone who takes the trouble to look at the numbers: Brazil’s currency, the real, was massively devalued in early 1999 as the result of an international speculative assault. Therefore, the same, or an even slightly larger real-denominated output in Brazil, was all of a sudden worth significantly fewer *dollars*, and so Brazil’s official GDP declined from 787 billion dollars in 1998 to 529 billion dollars in 1999—another case of what can rightly be called “bankers’ arithmetic.”

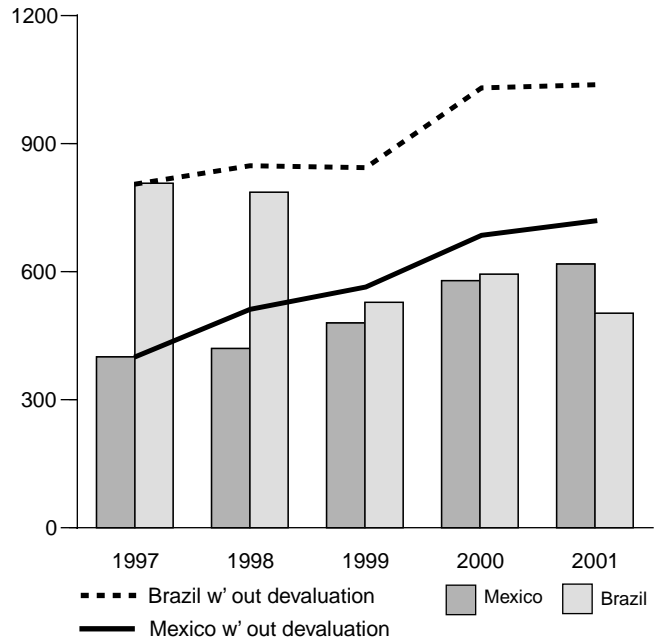
Mexico’s peso, on the other hand, has only been devalued mildly over the past 4-5 years, so that its dollar-denominated GDP continued to grow. All of this smoke and mirrors can be readily dispelled by simply calculating what the GDP would have been, in both cases, had there been no devaluations. Figure 10 presents the results: in 2001, Brazil’s GDP would have stood at 1,041 billion dollars, and Mexico’s would have been 722 billion dollars. (This relation more closely reflects the reality of the two *physical* economies in question—although GDP figures, by their very monetary nature, do not capture the actual physical economic reality at issue.)

Why engage in such transparent fraud? Why the bankers’ desperation in all of this? Because they are bankrupt, and are

FIGURE 10

Mexico and Brazil: the GDP Fraud

(\$ Billions)

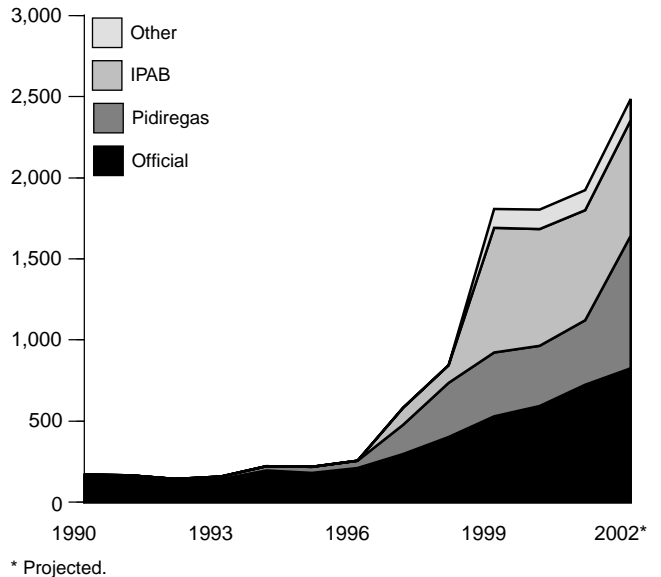


Sources: World Bank; Banco de México (Mexico); Central Bank of Brazil.

FIGURE 11

Mexico: Real Public Debt

(Billions of Pesos)



* Projected.

Sources: Banco de México, Office of the Presidency (Mexico); EIR.

having a progressively more difficult time concealing that fact.

Bankers' Arithmetic Revisited

Take the case of Mexico's public domestic debt—i.e., what the government owes inside the country. In **Figure 11**, we present the shocking fact that the official numbers put the total at “only” 825 billion pesos (about \$82.5 billion, whereas the reality is that Mexico's public domestic debt is about *three times* that large. These huge sums are concealed “off budget” in what is euphemistically called the “contingent debt.” That “contingent” debt includes two major components, which are like the case of the elephant sitting in the middle of the kitchen, which everyone denies even exists.

The first is the case of the so-called “Pidiregas,” which stands for “Projects of Deferred Impact on the Registry of Expenditures.” Behind that mouthful is a very simple con game. Beginning in 1996, and then with a vengeance under President Fox in 1999, the Mexican government began to contract with various companies, principally foreign, to construct electricity plants and similar projects in Mexico, but “deferred” repayment to those companies by 5-10 years, at which time they will be reimbursed out of the revenue stream coming from the sale of the electricity which they will produce. Presto: no debt! (At least not official debt.) There are, however, about 816 billion pesos in binding contracts for future Mexican government payments—i.e., *debt*. This is almost as much as the entire official public domestic debt.

This clever mechanism has also served to sneak past the Mexican Constitution and other laws which prohibit foreign companies from participating in the critical energy sector, oil included.

The second elephant-sized component, is the IPAB debt. This stands for Institute for Bank Savings, and represents another 714 billion pesos in debt, which was originally owed by Mexican private banks, but which was taken over by the Mexican government when it bailed out those banks in the mid 1990's—after they had been bankrupted by foreign speculative looting. The numbers don't begin to appear even as part of the “contingent debt” until 1998. That is when the Mexican government created the IPAB to formally take over the debt which had been held by FOBAPROA, a government-created trust fund which had been concocted in order to bail out the banks.

This, too, is a de facto obligation of the Mexican government, bringing its total real domestic obligations to nearly 2.5 trillion pesos (about \$250 billion)—more than three times the official debt.

Will the nation of Mexico allow itself to be dismantled, its population subjected to new NAFTA measures which amount to the Paddock Plan, all in order to maintain this sort of absurd debt bubble? Will other nations and regions drop their growing objections to free trade, in light of such a “success story?”

To Save Mexico, Let Us Bury NAFTA Now

This statement was issued on Dec. 4 by Marivilia Carrasco, president of the Ibero-American Solidarity Movement (MSIA) in Mexico.

Wherever one looks, discord, decomposition and slavery go hand in glove with the British system of free trade; on the other hand, harmony, freedom, wealth and strength grow in all of those countries which resist that system.
—Henry Carey, 1859

With the launching of the new phase of the North American Free Trade Agreement (NAFTA) that goes into effect in 2003, under which Mexico will eliminate what remains of protectionist tariffs for its agricultural sector, new and totally justified protests have taken place, on the part of widely varied groups of agricultural producers and political circles in the country. The majority of these reactions denounce the protectionism and subsidies of the United States and Canada, and call for a moratorium on the implementation of this new outrageous phase of NAFTA. That, however, will not solve the problem.

The problem is neither the subsidies nor the protectionism of the United States and Canada; nor is the answer to try to gain some time so as to postpone the death of the Mexican farmer. The problem is the entirety of the free trade policy on a world scale!

Precisely what the MSIA and U.S. Presidential pre-candidate and economist Lyndon H. LaRouche, Jr. warned of, some ten years ago, has come to pass: NAFTA is a euphemism for creating an “Auschwitz”—a concentration camp of slave labor—on the southern border of the United States. The coming phase will drive several million new unemployed and starving Mexicans into trying to cross the border into the United States—where the demand is to open the borders to free trade, but to shut them to migration.

All of NAFTA Must Be Repudiated

To survive, it is urgent to recognize NAFTA as the cruel farce that it is, along with all the free trade policies that would be imposed under a Free Trade Area of the Americas (FTAA) and similar instruments around the world, such as the Maastricht accords in Europe. Fraudulent statistics of Mexico's supposed success have been fabricated in order to similarly swindle the other countries of Central and South America, and the entire world. Increased Mexican exports, the ostensible proof of the “success” of NAFTA, are an economic fraud, since in both the countryside and in the assembly industries

known as “*maquiladoras*,” the increase in those exports is not the result of a strengthening of the real national economy, but of the permanent looting of labor power, agricultural products, and the country’s natural resources. They do not mean an increase in the general productive capacity of the country, but a mechanism for keeping Mexico open to an infernal dance of looting, determined by speculation on the financial markets. It is like hastening the hemorrhaging of a dying patient.

After eight years under NAFTA, with the elimination of economic protection barriers, elimination of subsidies for national agriculture, and so forth, the effects are devastating, both for agriculture and for national industry. Despite supposed protection, production of basic grains, such as rice, wheat, and corn, among others, has collapsed in per-capita physical terms.

Take the case of rice: Imports represent 300% of national production, and per-capita national production fell 60%. Look at wheat: The country imports more than it produces, whereas in the early 1990s, imports only represented 20% of national wheat production. Per-capita production has collapsed between 20% and 30%. Corn: Although we still produce more than we export, imports have grown at a faster rate than national production, and it is a fact that imports are slowly displacing production of this basic product.

It is impossible to continue to hide the fact that all the international free trade agreements are in a state of collapse. The Maastricht treaties in Europe, for example, are wreaking havoc with national economies, and European governments are under tremendous pressure to halt plans to completely eliminate tariff barriers for agriculture and other sectors. Romano Prodi, president of the European Union Commission, recently labelled the so-called monetary “Stability Pact” of the Maastricht treaties “stupid”; the description was endorsed by other members of the European Commission and European Parliament, who noted that the treaties have weakened their nations even further, and have had a very negative effect on employment.

From the very beginning, the purpose of NAFTA was to destroy any possibility of Mexico’s sovereign development, and to subject the country to the vilest looting. After the order of the Trilateral Commission, issued by Zbigniew Brzezinski, to prevent “a Japan south of the [U.S.] border”—a reference to development programs attempted by the José López Portillo government in the late 1970s and early 1980s—NAFTA was constituted as the necessary means to subject Mexico to the designs of globalization and its policies of looting and speculation, for the exclusive purpose of guaranteeing payments on the usurious foreign debt, under IMF policies. . . .

We are creating, together with political forces in Argentina, Brazil, and other nations of the continent, a world forum in defense of the sovereign nation-state, and for a just new international financial system, which we have baptized the Guadalajara Forum, with the certainty that the people will have to assume responsibility in defense of our nation-states.

India Revives the Plan To Link Up Its Rivers

by Ramtanu Maitra

Early in December, Indian Prime Minister Atal Behari Vajpayee proposed a ten-year plan to inter-link the major Indian rivers, Ganges and Brahmaputra, to bring water to drought-prone and rain-shadow regions of the country. Mrs. Sonia Gandhi, the leader of the parliamentary opposition and President of the Congress Party, quickly endorsed the Prime Minister’s proposal, indicating its urgency.

The proposal to inter-link India’s greatest rivers is a 30-year-old “great project” which would cost 600 billion rupees (about \$120 billion), reports said. The proposal got the green light after a serious drought this year affected a good part of the country, enlivening the existing disputes between the states over water allocation from rivers. It is evident that the New Delhi government has few answers to settle the dispute through negotiations between the states of Karnataka and Tamil Nadu in the south, over the transfer of water from the Krishna River basin to the perpetually water-short Cauvery River basin.

A Cautionary Note

Although linking the river basins has attracted support from a wide range of experts and analysts, Delhi should know that it would face obstacles at various levels, including from abroad. To begin with, the augmentation of the Ganga (Ganges River) by bringing in surplus water from the Brahmaputra River basin—digging canals running through Bangladesh—was never accepted by Bangladesh’s government in Dhaka. It is unlikely that India can take it for granted that what was rejected by Bangladesh in the early 1980s, would be acceptable now. Similarly, Nepal’s rivers, at least some of them, have to be managed, and storage facilities will have to be built in the Nepal Himalayas to facilitate the supply of water to the Ganga. This was earlier vehemently opposed by Nepal’s government in Kathmandu; the Nepali Communists led the opposition to these projects. Now that Kathmandu is seriously threatened by chauvinist anti-India Maoists, it is unlikely that Nepal will be in a position to nod its head in support.

Delhi must do its homework before launching the project and be prepared for a give-and-take style of negotiations to satisfy both Bangladesh and Nepal. India has many arid zones. For instance, these areas exist in the states of Rajasthan, Gujarat, Maharashtra, Karnataka, Andhra Pradesh, and Tamil Nadu. Droughts are a recurring feature in these areas, often resulting in the migration of human beings and livestock to

nearby districts and states. Unfortunately, some of the drought conditions were the result of bad water management in the past, and a part of the answer lies in the better resource management. Failure to harvest rainwater, excessive extraction of groundwater, and failure to ensure the recharge of the aquifers, led to the water table falling sharply over the years, so that when a drought situation developed this year, there was no groundwater reserve to draw upon. That is a broad description of what went wrong, though conditions may have differed from place to place. It is proven by the fact that in the same areas (parts of Rajasthan and Gujarat) lush, green villages were to be found side by side with dry, brown ones. While the former had practiced water harvesting and groundwater recharge for some years, the latter had not.

A memorandum from the Bharatiya Janata Party (BJP), the dominant party in the ruling 24-party coalition, pointed out that to make the plan a success, it is necessary for Delhi to build consensus amongst states. Delhi must identify state-level concerns about river water. The BJP memorandum urged Delhi to identify surplus water in specific basins and agreements for their sharing with deficit states; to work out an agreement between the states of Orissa and Andhra Pradesh for construction of water storage, and to take up implementation of a few river-linking schemes which are wholly intra-state and do not involve major inter-state water transfer.

What Triggered the Decision

The Cauvery-Krishna water transfer dispute is perhaps the single most important reason why New Delhi chose to revive the project originally worked out in 1972 by the late Dr. K.L. Rao, an engineer of great repute and Minister of Irrigation in the Union Cabinet of that time. His proposal was to transfer surplus water from the Ganga during the monsoons, by a series of canals taking off from somewhere west of Patna in the state of Bihar, and down to the Cauvery River basin in the south. According to Rao, the 1,650 mile Ganga-Cauvery link envisaged the withdrawal of 60,000 cusec (cubic feet per second) of the flood flows of the Ganga, for transfer to the peninsular region, and utilizing the remaining 10,000 cusec in the Ganga basin. This came to be known as the "Ganga-Cauvery link."

The Cauvery-Krishna dispute is now before the Supreme Court. Just before taking up the issue on Sept. 30, the court heard a public interest petition on the Ganga-Cauvery link. Chief Justice B.N. Kirpal, who was heading a three-member bench, in a preliminary hearing on that day, made a caustic remark that the project was the need of the hour and if the cost was 70 billion rupees, the government could well raise that amount, since it had waived bank debts of a similar amount over the years. The Supreme Court has now directed the national and state governments to respond to a public interest suit urging country-wide networking of rivers to solve problems of drought and flood.

Except for some of the northern rivers, most of India's

rivers and underground aquifers are dependent on the run-offs and precipitation rates during the monsoon season. While the Brahmaputra and Mahanadi basins regularly face floods due to heavy run-offs, most other regions (with the exception of the mountainous Western Ghat regions) face recurrent drought situations. Drought occurs in over 80% of the country's land area if there is a shortfall in rains of so much as 25% from the national annual average of about 22 inches (during the monsoon period in the months of June and July).

Recently, a national perspective for water resources development was prepared by the government, to optimally utilize the available water resources by storage and inter-basin transfer of water from surplus to deficient areas. It has two components: the Himalayan Rivers Development and the Peninsular Rivers Development. The proposal is extremely detailed and elaborate.

The K.L. Rao Plan

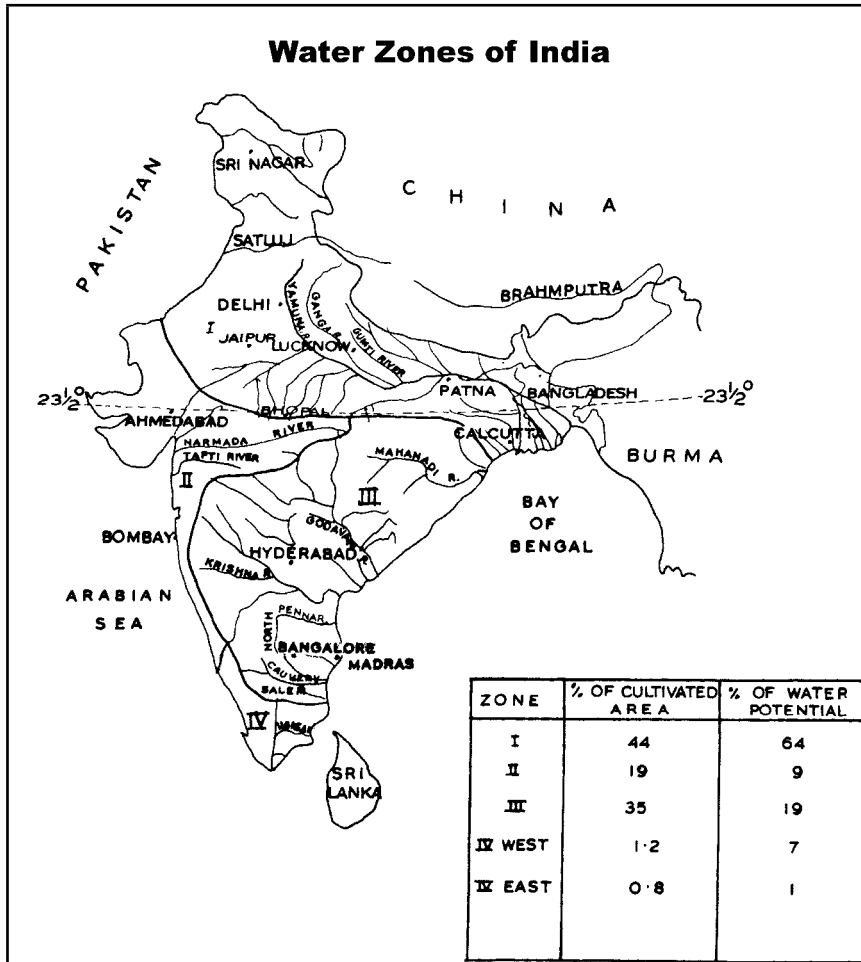
Briefly speaking, the Himalayan Rivers Development component envisages construction of storage reservoirs on the principal tributaries of the Ganga and the Brahmaputra in India, Nepal and Bhutan, along with inter-linking canal systems to transfer surplus flows of the eastern tributaries of the Ganga to the west. It also envisages linking the Brahmaputra and its tributaries with the Ganga through Bangladesh; and the Ganga with the Mahanadi River in the state of Orissa. The Himalayan component would provide additional irrigation of about 22 million hectares and generation of about 30 gigawatts of hydropower, besides providing substantial flood control in the Ganga and Brahmaputra basins. It would also provide the necessary discharge to flush the Kolkata (Calcutta) Port and the inland navigation facilities across the country.

Apart from linking the Brahmaputra with the Ganga, the Himalayan Rivers Development component envisages construction of storage reservoirs on both great rivers and their tributaries in India and Nepal, along with inter-linking canal systems to transfer surplus flows of eastern tributaries of the Ganga to the West.

In the case of Peninsular rivers, the proposal is to transfer surplus water of the Mahanadi and the Godavari to the states within these basins. The Peninsular Component is expected to provide additional irrigation of about 13 million hectares, and to generate about 4 gigawatts (4,000 megawatts) of electrical power.

This component is divided into four major parts: a) Linking up of Mahanadi, Godavari, Krishna, and Cauvery Rivers, and building reservoirs at potential sites in these basins. Surpluses from the Mahanadi and Godavari are intended to be transferred to the water-short areas in the South; b) Linking up of west-flowing rivers, north of Mumbai (formerly Bombay) and south of Tapi: This scheme envisages construction of as many optimal reservoirs as possible on these streams and inter-linking them to make available an appreciable quantum of water for transfer to areas where additional water is

Water Zones of India



Map shows India's generally North-to-South progression from well-watered agricultural zones, to drought-prone areas where agriculture is far less successful. The recent serious drought has triggered a decision to revive the 30-year-old "Rao Plan" to link the great rivers in a national "water grid," and move water from North to South, and from West to East.

needed, including water supply canals to the metropolitan areas of Mumbai; c) Linking up the Ken and Chambal rivers: This scheme provides for a water grid for the states of Madhya Pradesh and Uttar Pradesh and an inter-linking canal backed by as much storage as possible; and d) Diversion of other west-flowing rivers: Heavy rainfall on the western side of the Western Ghat mountains runs down numerous streams which empty into the Arabian Sea. Construction of an inter-linking canal system backed up by adequate reservoirs could be planned to meet all requirements of the southwestern coastal state of Kerala.

A National Economic Renaissance

Inter-linking waterways of India will not only provide a National Waterway of 25,000 miles (together with the country's long coastline) to complement the infrastructure of the Indian Railways; it will also provide a boost to India's weak-

ened infrastructure. Projects of this size and dimension will also generate millions of jobs, particularly to the segment of the population who lack marketable education. This is one dream project, which can involve every village in a national economic renaissance, with the objective of achieving for India a developed-nation status by the year 2020.

While Delhi should pursue this massive project, it must also review cropping and rotational patterns in the agricultural fields. Farmers in the states of Punjab and Haryana, for instance, follow a paddy-wheat-paddy cycle, year after year, which has led to soil exhaustion and plateauing of yield. Although alternatives do exist, and have been suggested from time to time, the diversification has not been widely accepted because the water-profligate (rice) paddy-wheat-paddy cycle remains profitable, mostly by using political muscle to obtain subsidized water, fertilizer, and other inputs.

While the Punjabi and Haryanvi farmers use the paddy-wheat-paddy cycle in a low-rain area where water is available from an extensive canal system from the Himalayan rivers, in Tamil Nadu in the water-short Cauvery River basin, farmers follow a paddy-paddy-paddy cycle, using wasteful flood irrigation. In Mandya, in the state of Karnataka, paddy and sugar cane, both mighty water guzzlers, are the favored crops.

Some analysts point out that experience teaches, that basic aspects of each river basin must be studied. These include the catchment-area treatment, command area development, benchmark survey of the affected population, health impacts of the reservoir and canal system, and impact on fisheries. Since an extensive canal system is part of the whole national project, it would be absolutely necessary to assess whether soil is irrigable through surface water flows.

In addition, another analyst pointed out that it would be nothing short of a crime if water were not treated properly, and the water crisis worsened. Already, the Shivnath River in the state of Chhattisgarh has been privatized, and the contractor has snatched away the people's right even to drinking water.

Delhi must assure the population of the country that the centralized inter-linking of river basins will not be "linked" to its privatization plan.

H.G. WELLS AND BERTRAND RUSSELL

The 'No-Soul' Gang Behind Reverend Moon's Gnostic Sex Cult

by Laurence Hecht

It is just that unwillingness to think evil, . . . that may presently erase the British from the scroll of living significant peoples.

—H.G. Wells, *Experiments in Autobiography*

Back in the 1970s, when the Reverend Sun Myung Moon's Gnostic Sex-Cult Freak Show was in its mass recruiting phase, the "Moonies" were the American parent's worst nightmare. Moon was the zombie-maker, the body-snatcher, who came in the night—or when the children were away at college, and stole their souls away. There was much basis in fact for this fear, as anyone who had ever looked into the vacant eyes or attempted to converse with the vacated mind of a "Moonie" will recall.

Today, this lunatic leader of a mass cult is the titular head of a multitrillion-dollar, worldwide apparatus of government influence-peddling and control that knows no equal. Moon literally owns whole countries in South America and Asia. His apparatus is rapidly buying up the U.S. Congress, the Presidency, and all potential opposition forces of left, right, and center. Moon's stock-in-trade is cash and sex—lots of it. The cash comes from the worldwide drug- and gun-running operations, part of which came to the surface in the Iran-Contra scandal: cocaine from the South American trade run under cover of the Moon-linked CAUSA group; heroin from Afghanistan and the Far East, laundered through dirty-money operations of the Moon cult that overlapped Ollie North's extracurricular activities while at the National Security Council.

The sex is a specialty of Moon's own Gnostic "family" cult. Remember the Congressional Madam scandals of the 1970s, featuring Tong Sun Park and Suzy Park Thomson? That was just the tip of the iceberg of "The Reverend" Moon's sexual-favors operation. Military intelligence officers who investigated Unification



Moon's Little Angels ballet troupe performs the "Fan Dance" at the United Nations General Assembly Hall, Dec. 27, 1973. The use of the girls was one of the most sordid aspects of Moon's far-reaching exploitation and influence-peddling operations.

Church operations in Washington in the 1970s and '80s, report that the recruitment device used on ranking, conservative political and military officials was to hold weekly orgies, arranged by Col. Bo Hi Pak, the Unification Church official who was a top officer of the Korean Central Intelligence Agency (KCIA). The special treat at these affairs were the "Little Angels"—Korean schoolgirls brought over by Moon as a ballet troupe. The photo files from these sessions are reported to be a powerful influence in certain circles to this very day.

But they didn't stop at Congressmen and high-ranking military. Moon now owns the religious right from Jerry Falwell to Gary Bauer, and has bought up most of the independent black ministers, the former base of the civil rights movement, to boot. Moon uses his ample supplies of money, gold-plated watches minted in his own factories, and his private stock of "Asian brides" for the most corrupt. Moon also owns a substantial chunk of the business operations of Louis Farrakhan's Nation of Islam. Farrakhan has been appearing regularly at Moon-sponsored events since 1996, in one case on the same podium with former Attorney General Richard Thornburgh, and former Vice President Dan Quayle. After the events of 9/11, Moon focused his sights on the traditional Muslim religious community, and is making inroads into mosques across America.

Moon also runs the central control points of world aca-

democratic opinion. Through his International Conferences for the Unity of Science and Federation of World Professors, Moon pays six-digit honoraria to leading scientists, with emphasis on using their reputations to promote population control, artificial intelligence, and world federalism. Moon owns the second major daily in the national capital of the world's greatest power, the *Washington Times*, and the second largest wire service, United Press International. He controls industries around the world, ranging from food production and distribution to arms manufacture, including the original producers of the Thompson sub-machine gun.

Sen. Joseph Lieberman (D-Conn.) recently received the 2002 "Truman-Reagan Freedom Award" from the Moonie front group, the Victims of Communism Memorial Foundation. In 2000, Sen. John McCain (R-Ariz.) presided over the award presentation. The president of this Foundation, Lee Edwards, is the editor of the Sun Myung Moon magazine, *The World and I*. Its public liaison officer is society editor of Moon's *Washington Times*. Included on the National Advisory Council of this Moonie front are: former National Security Adviser Zbigniew Brzezinski; former Senators Robert Dole, Dennis DeConcini, and Claiborne Pell; former UN Ambassador and now head of the American Enterprise Institute Jeane Kirkpatrick; the head of the Heritage Foundation; and many more officials of "respectable" organizations and talking heads you see on television every day.



Leaders of the “no-soul gang” which begat Moon’s Gnostic sex cult, H.G. Wells (right), and his younger collaborator Bertrand Russell.

So Who, or What Is Moon?

So who really is the Rev. Sun Myung Moon, and what is behind him? The answer is not what you think. The Moon operation is not a simple case of penetration by a foreign intelligence agency. He is neither a right-wing conspiracy, nor a Communist plot, nor a creation of Jewish bankers. Nor is he the special property of some all-powerful secret society, as dreamed of by some populist-minded conspirophile.

To understand what makes the Moon clock tick, is to know the real history of the 20th Century, not the fairytale version set forth in schoolbooks and newsstand gossip sheets. We shall show you in this article that the Moon cult is the spinoff of two British intelligence operations of the 1920s and 1930s, in which the figures of Bertrand Russell and H.G. Wells play the prominent role. We shall begin by briefly summarizing these two operations. Then, to make sense of them, we shall go back in history to the beginning of the past century, and even a bit earlier, to discover the motives and means by which these things could be carried out. It is a shocking story, but a coherent one. Stay focused, and you can grasp it.

The two operations of Wells and Russell from which Moon sprung are these:

1. The **Moral Re-Armament Movement**, founded at a 1921 meeting between a wacky Lutheran preacher from Philadelphia and two British delegates to the Washington Disarmament Conference, Lord Arthur Balfour and H.G. Wells. Moral Re-Armament became the mass organizational vehicle for implementation of Wells’ 1928 call in *The Open Conspiracy*, for a worldwide movement for draft resistance. The environment of Moon’s Korean ministry was under control of Moral Re-Armament when he was picked up as an intelligence asset during the Korean War.

2. The **Unity of the Sciences** movement. Founded in 1935 under the supervision of Lord Bertrand Russell and

John Dewey, it brought together Trotskyite academics Albert Wohlstetter (mentor of current Defense Policy Board Chairman Richard Perle), Sidney Hook, and Ernest Nagel, with members of the radical-positivist Vienna Circle. Merging with Robert M. Hutchins at the University of Chicago in the 1950s, this operation took over the teaching of science in the United States. Thomas Kuhn’s widely read fraud, *The Structure of Scientific Revolutions*, was published as the second volume of their *Encyclopedia of Unified Sciences*. In 1972, the Moonies were given the Unity of Sciences franchise, sponsoring the first of their still-ongoing International Conferences of the Unity of Sciences. Their early sessions featured such notables as Manhattan Project physicist Eugene Wigner, the lifelong ally of that truly mad scientist Leo Szilard (the model for Dr. Strangelove, in Stanley Kubrick’s film of that name), and environmental fascists Alexander King and Aurelio Peccei, founders of the no-growth Club of Rome.

Before looking back to the history of these projects, let us first briefly dispense with the person of Rev. Sun Myung Moon. Moon as a personality is of very little importance, in himself. The real Reverend Moon is a pathetic, if nonetheless nasty, victim of Japanese internment and North Korean torture sessions. He is what the professional mindbenders who operate under military intelligence cover call a synthetic personality, just the right sort of material for running a cult operation. Born in 1920, Moon had received some training as an engineer when he was first imprisoned by the Japanese during their extended occupation of Korea. Early in the Korean War, Moon was taken prisoner in the North and subjected to the hideous physical and mental torture that became well known to Americans of the time. Moon describes his so-called religious conversion while in North Korean imprisonment as “my brainwashing.”

A sample or two of Moon's "philosophy" tells it all. Here is the Reverend Moon on the subject of the meaning of life:

The purpose of Life, into which we all are born, for a man is woman, and for a woman is man. Man and woman are born to live for each other. The harmony of their body shapes, and of their organs of love are simply made so.

If you truly understand this fact, you have mastered more truth and more precious wisdom than an entire encyclopedia. God, the Great King of wisdom, has placed our organs of love in each other's custody. Thus the true master of the organ of love which a man or woman possesses is not that person at all, but is their loving spouse. . . .

He made these comments before the 15th conference of the International Conference on the Unity of Sciences in 1986. Moon has something of an obsession with sex and the sexual organs. A former Moonie and leader of one of Moon's pro-Vietnam War front groups, recalled this anecdote:

I remember a day at Belvedere [the Moonies' Tarrytown, New York training camp] in May of 1973 during a leadership conference. Moon had just finished a short speech, and he then asked for general questions. I rose to my feet to address him. I said, "as a One World Crusade Commander, I frequently encounter the problem of homosexuality among our men." I asked him if there was anything we could do to help these people.

He replied: "Tell them that if it really becomes a problem to cut it off, barbecue it, put it in a shoe box, and send it to me." The audience roared with laughter.¹

Or another sample of the profound depths of Moon's thought:

When you defecate, do you use a mask? This is no laughing matter, this is serious. When you were kids, did you ever taste the cooties from your nose? . . . Why didn't you feel they were dirty? Because that's a part of your body. The Reverend Moon has discovered something that no one else had thought about.²

1. It All Began at Appomattox

If the lunatic Moon is not the maker of his own madhouse, who is? The best way to answer that question is to take a

1. Allen Tate Wood, "My Four and One Half Years with The Lord of the Flies" (www.allentwood.com/myfour.html).

2. Statement by Reverend Moon at the Nov. 23, 1996 opening ceremony of *Tiempos del Mundo* newspaper in Buenos Aires.

closer look at the designers of the operation that produced Moon, and the forces which shaped them.

Introducing: Russell and Wells

Most literate people know Herbert George (H.G.) Wells as a writer of science-fiction stories. Bertrand Russell, his chief partner in evil, is best known as a philosopher, mathematician, human rights activist, and pacifist—this, despite his repeated calls for a pre-emptive nuclear strike against the Soviet Union, and his often-expressed desire that the spread of epidemic disease might reduce the world's population every generation or so. Yet even with such correction (the truth of which the present-day Russell acolyte, Noam Chomsky, was forced to concede at a recent public appearance at Rice University in Houston), one does not arrive at a true picture of these men, or their role in the world.

Russell and Wells, who orchestrated so much of the evil of the 20th Century, were by birth and upbringing, men of the 19th Century, grown to manhood under the British Empire at the peak of its power, nursed on the tales of Kipling and the notion of the inborn superiority of the Anglo-Saxon race. Yet, they were clever enough to foresee its demise, and early on set themselves to the task of shaping a new world empire, more fearful and more evilly conceived than the openly declared global tyranny which was Victorian England. In his *Experiments in Autobiography*, Wells wrote of his own childhood:

In those days I had ideas about Aryans extraordinarily like Mr. Hitler's. The more I hear of him the more I am convinced that his mind is almost the twin of my thirteen-year-old mind in 1879; but heard through a megaphone—and—implemented. I do not know from what books I caught my first glimpse of the Great Aryan People going to and fro in the middle plains of Europe, spreading east, west, north, and south . . . whose ultimate triumphs everywhere squared accounts with the Jews . . . I have met men in responsible positions, L.S. Amery, for example, Winston Churchill, George Trevelyan, C.F.G. Masterman, whose imaginations were manifestly built upon a similar framework and who remained puerile in their political outlook because of its persistence.

(Wells only fails to note that the similarity of Hitler's outlook to the British one arises because Hitler was, like Moon, a synthetic personality and product of British-intelligence occult bureau and psywar penetration operations run into Germany at the beginning of the century.)

The Russells were an English noble family that came to prominence in the reign of Henry VIII, with the rise of John Russell, First Earl of Bedford. The Earl Bertrand Russell (1872-1970) of whom we speak, was the grandson of Lord John Russell (1792-1878), twice prime minister during the

reign of Queen Victoria. Grandfather Russell, who raised young Bertrand, was an intimate of British spymaster and longtime head of the Foreign Office, Lord Palmerston. Palmerston managed a veritable zoo of agents of all stripes, particularly of the radical anarchist, and communist variety—Mazzini, Bakunin, and Karl Marx among them. A specialty of the house was the technique that came to be known as “Balkanization,” the breaking up of a nation or opposing empire into divided parts. China, India, and much of Africa were subjugated this way, and Europe and Russia successfully held at bay.

But the great prize was the United States, the lost colony, whose reconquest was a central concern of British policy from 1783 onward. The Civil War was the last great effort to accomplish this goal by force of arms. Palmerston’s agents in the Confederacy included Secretary of War Judah Benjamin and Teddy Roosevelt’s uncle, James Bulloch. But Palmerston lived just long enough to see the defeat of the Confederacy, Lee’s surrender at Appomattox, and the immediately following assassination of President Lincoln by one of his disposable agents.

By the time that Palmerston died on Oct. 18, 1865, the world was forever changed. The United States was now a land power, with the greatest army on the face of the Earth, and an industrial base that would shortly surpass England’s own. If it was to be reconquered, it would have to be by subversion and deceit. The question of how, exactly, that might be accomplished, occupied the thought and discussion of several generations of the British elite.

Agnostics and Gnostics

Bertrand Russell came to his position by birth.³ Herbert George Wells (1866-1946), who played Sancho Panza to Rus-

3. Russell’s perversely warped attitudes toward his fellow man may find partial explanation in the perverse circumstances of his early life. Bertrand Russell was born on May 18, 1872. Before the age of four, he had lost both his parents, and in the midst of a shocking scandal, landed at the Richmond Parks Estate of his grandfather, Lord John Russell. The tale unfolded as follows.

When Bertrand’s mother succumbed to diphtheria in 1874, the father John (Russell) Lord Amberley, anxious over his son’s religious upbringing, appointed as guardians two men who were avowed atheists. The first was his own godfather, Cobden-Sanderson. The second was D.A. Spalding, a young biologist in the Huxley mold, specializing in the study of animal instincts. Spalding was already serving the Amberleys as tutor for Bertrand’s older brother, and entered an advanced stage of consumption while in the family’s employ.

When Bertrand’s father died, two years after his mother, Lord Amberley’s papers revealed the reason why Spalding could never become the legal guardian. As the adult Russell later described it: “Apparently upon grounds of pure theory, my father and mother decided that although [Spalding] ought to remain childless on account of his tuberculosis, it was unfair to expect him to remain celibate. My mother, therefore, allowed him to live with her, though I know of no evidence that she derived any pleasure from doing so.” Upon disclosure of this matter after the father’s death, both Spalding and Cobden-Sanderson renounced their claims, and the young Russell thus ended up with his wicked grandfather. (See, Ronald W. Clark, *The Life of Bertrand Russell* [New York: Alfred A. Knopf, 1976], pp. 23-26.)

sell’s Don Quixote, was a commoner, the son of a gardener and a house servant. Wells first gained access to the upper classes through the encouragement of Thomas Huxley, a biologist and prominent figure in the British intellectual elite. In 1884, the 18-year-old Wells received a scholarship from the London Department of Education to study at the Normal School of Science in South Kensington. His chosen field was biology; his teacher Thomas Huxley. Here was Huxley’s view of the science of biology, as described in an 1889 essay, “The Nineteenth Century”:

I know of no study which is utterly saddening as that of the evolution of humanity. Man emerges with the marks of his lowly origin strong upon him. He is a brute, only more intelligent than the other brutes, a blind prey to impulses, a victim to endless illusions, which makes his mental existence a burden, and fills his life with barren toil and battle.

Wells broke off his science education to pursue a writing career. Through Huxley, Wells gained entree to his first publisher, Astor’s *Pall Mall Gazette*, and later to fellow Metaphysical Society member Lord Arthur Balfour. Ten years after leaving college, Wells wrote of Huxley, “I believed then he was the greatest man I was ever likely to meet, and I believe that all the more firmly today.”

The key to the evil worldview of both Russell and Wells is already summarized in the philosophy of Huxley, an influential figure among *avant garde* intellectuals at the height of the British Empire. He was a leading member of the Metaphysical Society, which was founded in 1869 in an attempt to forge a more effective intellectual elite out of the membership of the Oxford Essayists and Cambridge Apostles. At a meeting of the society, Huxley coined the term *agnosticism*, an idea that would play out later in the conceptions of Wells, Russell, and the followers of the Reverend Moon. The atheist denied God exists. The agnostic left that question open. Instead, he denied the ability of man to actually know anything. Here in this conception, actually only a re-working of a metaphysics common to Aristotle, Hume, and Kant, was the “no-soul” doctrine which is at the heart of the Open Conspiracy. Huxley outlined the tenets of his agnosticism before a meeting of the British Association for the Advancement of Science in 1874:

No evidence can be found for supposing that any state of consciousness is the cause of change in the motion of matter of the organism. . . . The mind stands relegated to the body as the bell of the clock to the works, and consciousness answers to the sound which the bell gives out when it is struck.

There is a reason behind every evil. To know what makes an adversary so, as Shakespeare’s *Henry VI, Part 3* explains the case for the consummate tyrant Richard III, is to better know how to bring forth good from his defeat.



H.G. Wells as a biology student, examines specimens from the cabinet of the evil Thomas Huxley. "Man emerges with the marks of his lowly origins upon him," wrote Huxley, Wells' lifelong idol.

We will find this same view enunciated later by Wells, Russell, and the Ernst Mach-influenced Vienna Circle which gave rise to Russell's Unity of the Sciences movement in the mid-1930s. But agnosticism, is only Gnosticism in disguise, and in this form, as a reincarnation of the ancient cult heresy, we shall find it at the heart of the "theology" of the Rev. Sun Myung Moon.

The Coefficients

In his autobiographical account, written years later, Wells described the dilemma facing Britain at the time he was attending the monthly sessions of the elite Coefficients Club. The Coefficients was a cross between a diners club and a modern think-tank, which met monthly over dinners at London's St. Ermin's Hotel from 1902 to 1908.

Among the members of this unappetizing group was the powerful Lord Robert Cecil, elder statesman of Britain's most powerful family, and cousin to Arthur Balfour, then serving as Conservative Prime Minister. Lord Alfred Milner, the High Commissioner of South Africa, was a regular. A factional ally of Milner's in the serious debate that went on at these affairs was Halford Mackinder, the newly appointed head of the London School of Economics and originator of the doctrine of geopolitics, who Hitler's ghostwriter for *Mein Kampf*, Maj.-Gen. Karl Haushofer, acknowledged as his source. Another Milner ally was Leo Amery, later intimate of Winston Churchill. The Earl Bertrand Russell was there, sometimes making up a faction of one. The Viscount Edward Grey, a hereditary peer who was to play a crucial role in shaping the

post World War I era, attended regularly. Sidney and Beatrice Webb, Fabian socialists who would soon embrace Benito Mussolini, were regulars. The Webbs, who were solidly middle-class academics, were credited with having organized the group, most of whose members became part of a later formation, known variously as the Round Table, Milner's Kindergarten, and the Cliveden Set. The name Coefficients might have been a play on Mrs. Webb's incessant references to improving "efficiency" in government.

Here is how Wells recalled the situation facing the Coefficients at the beginning of the 20th Century:

The undeniable contraction of the British outlook in the opening decade of the new century is one that has exercised my mind very greatly. . . . Gradually, the belief in the possible world leadership of England had been deflated, by the economic development of America and the militant boldness of Germany. The long reign of Queen Victoria, so prosperous, progressive, and effortless, had produced habits of political indolence and cheap assurance. As a people we had got out of training, and when the challenge of these new rivals became open, it took our breath away at once. We did not know how to meet it. . . .

[O]ur ruling class, protected in its advantages by a universal snobbery, was broad-minded, easy-going, and profoundly lazy. . . . Our liberalism was no longer a larger enterprise, it had become a generous indolence. But minds were waking up to this. Over our table at St. Ermin's Hotel wrangled Maxse, Bellairs, Hewins, Amery, and Mackinder, all stung by the small but humiliating tale of disasters in the South Africa war, all sensitive to the threat of business recession, and all profoundly alarmed by the naval and military aggressiveness of Germany, arguing chiefly against the liberalism of Reeves and Russell and myself, and pulling us down, whether we liked it or not, from large generalities to concrete problems.⁴

There were genuine differences as to how the defeat of the "new rivals" was to be accomplished, but no dispute as to the goal. The majority opinion converged on war, to set the European powers at each other's throats. The seeds of that war, pitting France against Germany, Germany against Russia, and Russia against Japan, had already been sown in the decade of the 1890s. Russell took issue with that view, at least ostensibly. During World War I he played the part of pacifist. Russell argued that England could achieve the same goals without being drawn into a world war: It could be done by clever intelligence techniques—psychological warfare and manipulation. Thus began his career as a "pacifist."

4. *Experiments in Autobiography*, p. 653, cited in Carol White, et al., *The New Dark Ages Conspiracy* (New York: New Benjamin Franklin House, 1980).

2. The Uses of Peace

We move ahead now to November 1918. The terrible war is over, England saved by the last-minute military intervention of the United States. Much of Europe is in ruins. The total dead on all sides number 8.5 million. Casualties number 37 million (9 million Russians, 7 million Germans, 7 million from Austro-Hungary, 6 million French, 3 million from the British Empire, 2 million Italians). Famine and disease are everywhere. Influenza, typhus, cholera, diphtheria, and other scourges kill more people in the immediate post-war period than died in battle. The seeds of Hitler have already been sown in the unpayable burden of reparations imposed upon defeated Germany by the Treaty of Versailles.

The idea of peace makes sense to people. But how shall it be accomplished? Even as he wrote anti-German hate propaganda for the War Office, Wells had been working with a team of old cronies from the Coefficients Club on a new version of an old scheme: Subjugate the sovereignty of individual nations to a supra-national government, with its own army, navy, and air force, possessing a monopoly on modern weaponry. His first writing on the subject dates to 1916. In January 1919, as Chairman of the League of Free Nations Association, he publishes his call for world peace, titled "The Idea of a League of Nations."

The argument, as Wells describes it: Modern war is total war; the economic and human cost has become so great, it is intolerable. So long as the threat of war exists, nations must expend an increasing portion of their wealth on the maintenance of armies, navies, and air services, and on scientific research to keep even with the potential enemy. Only outmoded thinking and prejudices, such as appeals to national patriotism, cause people to oppose his plan. If they would only think about it, they would see that the British Empire is already partially a world government:

What is there in common between an Australian native, a London freethinker, a Bengali villager, a Uganda gentleman, a Rand negro, an Egyptian merchant, and a Singapore Chinaman, that they should all be capable of living as they do under one rule and one peace, and with a common collective policy, and yet be incapable of a slightly larger cooperation with a Frenchman, a New Englander, or a Russian?

The argument appears strikingly modern, only because the present-day world is organized around the continued attempt to implement this plan which originated in the needs of the British aristocracy a century ago. Yet, as Wells admits in his draft, it is not modern at all. It is an attempt to return to periods of weak nation-states such as the Middle Ages or the Roman Empire. It was only with the Italian Renaissance, Wells argues, that the idea of powerful nation-states threat-

ened unity. Wells will attempt to destroy the nation-state in order to create a new world empire.

Moral Re-Armament: The Moon's Beginning

Wells' League of Nations proved a failure. The American people, among others, did not buy it, and the Senate could not be brought to ratify it. But the war for world empire, under the guise of "universal peace," had only just begun.

In 1921, an international arms-control conference took place in Washington, D.C., the first of a series known as the Washington Disarmament Conferences. Frank Buchman, by outward appearance an insignificant American Lutheran preacher, was invited to attend and given an audience with two Englishmen. One was Arthur James Balfour, head of the British Empire delegation and Lord President of the King's Privy Council, who would sign the treaty twice, once for the King and once for the Union of South Africa. The other was Balfour's longtime associate from the days of the Coefficients Club, H.G. Wells, who was attending the conference as reporter for an international array of press syndicates.

Out of this meeting within a meeting came the founding of an organization to be headed by Buchman, that came to be known as Moral Re-Armament (MRA). Moral Re-Armament was, and remains to this day, an influence-peddling and control operation, run as a pseudo-Christian religious cult, much like the later Moon cult which it spawned. In more ways than one, Frank Buchman was the Reverend Moon of the 1920s and 1930s.

Frank Buchman's Rise

Born in Pennsburg, Pennsylvania in 1878, Buchman graduated from Muhlenburg College, and later attended Pennsylvania State College. As a Lutheran minister in a poor part of Philadelphia, he came into contact with the American Friends Service Society. His entree into intelligence circles appears to have originated on a trip to England in 1908. There, in a small church, he claims he saw "a vision of the cross" which changed his life. Whatever else happened on that trip, Buchman on his return to the U.S.A., began moving in high circles, and was soon a friend of the national chairman of the Democratic Party.

In 1915, Buchman began a tour of the Far East, sponsored by the Young Men's Christian Association, one of many do-gooder organizations which serve as a cover for international intelligence operations. (The friendly YMCA had already been linked through the Moody Bible School in Chicago, to the the 1881 assassination of President James Garfield, the Civil War general and Lincoln admirer who vowed in his inaugural address to enforce the Constitution against a racist reign of terror in the South.) The Buchman itinerary included India, Korea, Japan, and finally China. In Japan, he was personally greeted by Baron Mitsui, head of Japan's largest cartel, and hosted by Baron Shibusawa, founder of the Japanese Finance Ministry. Throughout his life, Buchman would main-



Frank Buchman, the nazi who founded Moral Re-Armament, the egg from which Moon hatched.

tain extremely close ties with the powerful Mitsui, Shibusawa, and Sumitomo families.

In 1917, Buchman arrived in China in the midst of a revolutionary epoch during which Sun Yat Sen had briefly held power. It was here, Buchman reports, that he perfected his method of influence-peddling and control. Buchman's technique was a shade more subtle than Moon's. Moon promises to satisfy his victim's craving for sexual satisfaction in the obvious way. Buchman wins the confidence of his victim, in order to control and manipulate his guilt. He called it his personal, "confessional approach" for "remaking man." He had already begun developing it while a graduate student at Penn State. Buchman put forth a public posture of moral probity and abstinence, inviting people to talk to him about their personal problems. Probing for the issues on which they felt the most guilt, he would persuade them that they could overcome their perceived weakness by confessing it to him, and becoming a faithful follower. Buchman won over many people with his technique, which became the trademark of Moral Re-Armament recruitment tactics, aimed generally at people of power and influence. Later, he also developed an ego-stripping technique, for mass recruitment in larger social settings.

In China, Buchman and his two friends drew up a list of 15 of the most influential Christians in Beijing. Sun Yat Sen was at the top of the list. He got as far as the Vice Minister of Justice, later acting Prime Minister, Hsu Ch'ien. Through Hsu, Buchman started a friendship with Sun. "If sin is the disease," he told an audience of missionaries, "we must deal with sin. Sin first of all in ourselves, the 'little sins' that rob us of power and keep us from being able to go out in deep sympathy to men in sin.'" But stories began to spread about Buchman's own peccadilloes, and he was forced to leave China. Still, Sherwood Eddy, the missionary who had brought

Buchman to Asia, wrote: "Buchman's work in China has developed by a growth of evolution into a movement of immense proportions."

From China, Buchman made his way again to England. He arrived at Oxford in 1921-22, and began to work his magic on a circle of professors and students who were later to become known as the Oxford Group. Most were veterans of the recent war, who gathered for philosophical debate. Buchman would attempt to steer them into discussions of their personal problems. Again scandal arose. There was talk of exhibitionism occurring at the meetings, and the ever-present suspicion of homosexuality, the bane of the British boarding school system. Buchman himself never married, saying that God had not chosen a partner for him.

His slogans, which became the "four pillars" of Moral Re-Armament, were: 1) Absolute honesty; 2) Absolute purity; 3) Absolute love; 4) Absolute unselfishness. Buchman's self-advertisement for his cause sounded convincing enough:

Unless we deal with human nature thoroughly and drastically on a national scale, nations will follow their historic road to violence and destruction. You can plan a new world on paper, but you've got to build it out of people.

We shall see in a moment what he means by this.

3. The Open Conspiracy

Despite the scandals, the Oxford circle continued to grow. In 1928, Buchman, the posturing pseudo-Christian, received another boost from the avowed atheist H.G. Wells, with the publication of the first edition of Wells' *The Open Conspiracy: Blue Prints for a World Revolution*. The contradiction in theologies is only apparent. For both men, religion is a tool for power and social control. Through a study of Wells' *Open Conspiracy*, we can come to understand how a Gnostic sex cult such as Moon's, and a trained circus of pious peepings such as Buchman's, may become instruments for achieving the same end.

Remember, the goal of Wells, Russell, and company is the destruction of the sovereign power of the nation-state, the United States above all, and with it the elimination of a philosophical, cultural, and religious tradition dating more than 2,500 years. Remember, this is to be achieved not by the obvious methods but by subversion. It will be accomplished in a manner that shall leave the typical patriot almost completely blindsided. In opposing one side of the operation, he will find himself embracing the same thing, from another side. Until he troubles to actually understand the true nature of the enemy he is up against, his impotent flailings will be not unlike the attempt to wrestle with an invisible man.

What makes the "open conspiracy" open, is not the laying

out of some secret masterplan, not the revealing of the membership roster of some inner sanctum of the rich and powerful, which the typical deluded populist supposes to be the secret to power in the world. It is, rather, the understanding that ideas, philosophy and culture, control history. What constitutes a conspiracy, for good or evil, is a set of ideas which embody a concept of what it is to be human, and a conception of man's role in universal history. This Russell and Wells understood, even if their definition of a human being, apparently based on close, personal observation, was a two-legged ape that babbles. Neither "Sancho Panza" Wells, nor the "Ingenious Hidalgo" Russell, whose pretensions to philosophy we shall shortly expose, are intellectual giants. The power of their evil lies only in their possession of this bit of knowledge and the social connections to propagate it. Follow them then, in your mind's eye, as we retrace their crooked path which leads to the late 1960s unleashing of the Moonie scourge upon America, producing an effect similar to that achieved by the emptying of the world's largest loony-bin onto a university campus.

The New World Religion

The purpose of the Open Conspiracy, Wells tells us, with no evident shame, is the creation of a New World Religion. The first four chapters of the 1928 work present his "theological" analysis:

The old faiths have become unconvincing, unsubstantial and insincere, and though there are clear intimations of a new faith in the world, it still awaits embodiment in formulae and organizations that will bring it into effective reaction upon human affairs as a whole.

In the second chapter heading, he argues that the essence of religion is the subordination of self. Though the majority may have difficulty keeping to the strict teachings, there is a minority for whom "The desire to give oneself to greater ends than the everyday life affords, and to give oneself freely, is clearly dominant." This is the emotion Wells and his friends hope to tap.

In the third chapter, "Need for a Restatement of Religion," Wells hints at his plan for writing a new Bible:

Every great religion has explained itself in the form of a history and a cosmogony. It has been felt necessary to say *Why?* and *To What End?* Every religion has had necessarily to adopt the physical conceptions and usually also to assume many of the moral and social values current at the time of its foundation. . . . In these conditions lurked the seeds of an ultimate decay and supersession of every religion.

Later in *The Open Conspiracy*, Wells will refer to his threefold "modern Bible scheme." The first part (his replace-

ment for *Genesis* and the books of the prophets) was his *The Outline of History*, published in 1920. Apparently Wells' Bible lacked an important one of the commandments. Modern scholarship has determined that Wells stole this multi-volume survey of the whole history of mankind (otherwise claimed to have been written in the extraordinary span of 18 months!) from a Canadian suffragist, Florence Deeks.⁵

The second part of Wells' Bible, his cosmogony, was even then being written in collaboration with Julian Huxley and Wells' own son. Titled *The Science of Life*, it was published in 1930 in four volumes. As elaborated there, Wells' new religion is nothing but the Social Darwinism he learned at the feet of Thomas Huxley, a crude appeal to biological determinism. The reader is overcome with a mass of detail, all conceived to promote the social policy of eugenics and birth control for the engineering of a super-race. Every feature of modern ecologism is already contained in this work.

The third part of the Bible according to Wells, was to be the *Science of Work and Wealth*, his study of "economic and social organization considered as the problem of man's exploitation of extraneous energy for the service of the species." He never lived to complete it, or perhaps the targetted author gave up "the ghost" first, before his, or her, surplus energy could be exploited.

The Program of 'The Open Conspiracy'

In the fourth chapter, Wells comes to the nub of the matter. Service to an ideal, the desire for a better order, is the heart of religion. His plan is to find a way to direct this powerful emotion to the implementation of the program of the Open Conspiracy.

In a later chapter, he summarizes the program of *The Open Conspiracy* in three clear and simple points:

Firstly, the entirely provisional nature of all existing governments, and the entirely provisional nature, therefore, of all loyalties associated therewith;

Secondly, the supreme importance of population control in human biology and the possibility it affords

5. The manuscript of Deeks' work, *The Web of the World's Romance*, had been received at Macmillan publishers in, Toronto at the same time that Wells claims to have begun work on his history, published a year and-a-half later by Macmillan, New York. When Miss Deeks received her rejected manuscript, after an eight-month wait, it was tattered and dog-eared. A year or so later, when Wells' *Outline of History* appeared, Miss Deeks noticed extraordinary similarities to her own work, even to the repeating of certain errors she had later corrected, and the use of passages she had taken (she feared, too liberally) from John Richard Green's *Short History*.

Lawsuits brought in six different jurisdictions from Toronto to London were all to no avail against the powerful connections of Wells. Wells could not afford to admit his guilt. The fortune he made from this work established his financial security. See A.B. McKillop, *The Spinster and the Prophet: H.G. Wells, Florence Deeks, and the Case of the Plagiarized Text* (New York: Four Walls Eight Windows, 2002).

The Character of Wells

In *The Invisible Man*, one of his early science fiction tales from 1895, H.G. Wells reveals in the amorality and disregard for “convention,” which he supposes is the necessary posture for a really successful man. Wells clearly draws on his own emotions and life experience to portray the character of Griffin, the Invisible Man. Griffin is a medical student, deeply interested in science, who has discovered a means to alter the optical refractive index of living matter so as to render it invisible. After experimenting successfully on his landlady’s cat, he decides to carry the process out on himself. This is the figure of the invisible man speaking, describing the process of his discovery to a Dr. Kemp, a former school colleague he has met up with:

“To do such a thing would be to transcend magic. And I beheld, unclouded by doubt, a magnificent vision of all that invisibility might mean to a man,—the mystery, the power the freedom. Drawbacks I saw none. . . .

“And after three years of secrecy and exasperation, I found that to complete it was impossible,—impossible.”

“How?” asked Kemp.

“Money,” said the Invisible Man, and went again to stare out the window.

He turned round abruptly. “I robbed the old man—robbed my father.

“The money was not his, and he shot himself.”. . .

For a space Griffin sat silent, and then he resumed abruptly. . . .

“. . . I went to bury him. My mind was on this research, and I did not lift a finger to save his character. . . .

“I remember walking back to the empty home, through the place that had once been a village and was now patched and tinkered by the jerry builders into the ugly likeness of a town. Every way the roads ran out at last into the desecrated fields and ended in rubble heaps and rank wet weeds. I remember myself as a gaunt black figure, going along the slippery, shiny pavement, and the strange sense of detachment I felt from the squalid respectability, the sordid commercialism of the place.

“I did not feel a bit sorry for my father. He seemed to me to be the victim of his own foolish sentimentality. The current cant required my attendance at his funeral, but it was really not my affair.”

Enough? Perhaps for you, but Wells is not quite satisfied. He must add this:

“But going along the High Street, my old life came back to me for a space, for I met the girl I had known ten years since. Our eyes met.

“Something moved me to turn back and talk to her. She was a very ordinary person.

“It was all like a dream, that visit to the old places. I did not feel then that I was lonely, that I had come out from the world into a desolate place. I appreciated my loss of sympathy, but I put it down to the general inanity of things. Re-entering my room seemed like the recovery of reality. There were the things I knew and loved. There stood the apparatus, the experiments arranged and waiting. And now there was scarcely a difficulty left, beyond the planning of details.”

us of a release from the pressure of the struggle for existence on ourselves; and

Thirdly, the urgent necessity of protective resistance against the present traditional drift towards war.

There is no clearer statement of the program of that influential grouping which called itself, and came to be known as, the Utopians.

Buchman’s Cue

The first and third points of Wells’ program were to be the basis for the first mass organizing project of the Open Conspiracy. Frank Buchman’s Oxford Group, the seed crystal for the Moral Re-Armament Movement which was to spawn the Moonies, would be the vehicle. Wells had spelled it out precisely in Chapter XII:

The putting upon record of its members’ reservation of themselves from any or all of the military obligations that may be thrust upon the country by military and diplomatic effort, might very conceivably be the first considerable overt act of Open Conspiracy groups. It would supply the practical incentive to bring many of them together in the first place. It would necessitate the creation of regional or national *ad hoc* committees for the establishment of a collective legal and political defensive for this dissent from current militant nationalism. It would bring the Open Conspiracy very early out of the province of discussion into the field of practical conflict.

But to promote a mass movement for peace after 1933, as Hitler was mobilizing for war, with Russia the expected tar-



Professor and Mrs. B.H. Streeter (left) arrive at a conference of the Oxford Group in 1937, when they were still openly supporting Hitler. The pious fraud Buchman is on the right.

get, was not the job for the communist movement. Some new sort of formation would be required.

Buchman and his group of followers at Oxford had made a well-publicized trip to South Africa in the late 1920s, where their movement for peace was christened the Oxford Group. Senior university officials soon embraced the group. B.H. Streeter, the provost of Queen's College, Oxford, and a well-known New Testament scholar, made public his support for Buchman at a 1934 meeting in Oxford Town Hall:

The reason that I have come tonight is to say publicly that I ought now to cease from an attitude of benevolent neutrality towards what I have come to believe is the most important religious movement today.

4. Nazis and Moonies

The Oxford Group spread its activities to other nations, becoming especially strong in Norway, Japan, the U.S.A.—and Hitler's Germany, where SS/Gestapo chief Heinrich Himmler was a member! Naturally the propaganda of the Moral Re-Armament Movement, which still exists to this day, attempts to play down the Nazi connection. But the very name Moral Re-Armament was announced by Buchman at a 1938 meeting at the Waldlust Hotel, outside the city of Freudenstadt in Germany's Black Forest. Buchman made numerous attempts to meet with Hitler. He was granted an official exploratory interview with Himmler, through whom Buchman hoped to get a date with Hitler, but it didn't work

out. It appears that Himmler could not persuade his bureaucracy. In his biographical memoir, *I Paid Hitler*, Fritz Thyssen, the Catholic steel industrialist who broke with the Nazi Party after Kristallnacht and fled Germany, wrote that both Himmler and Deputy Reichsführer Rudolf Hess were members of Moral Re-Armament. Like Moon today, Buchman sought the big names.⁶

In 1937, the Oxford Group began a publication called *The Rising Tide*, which also happens to have been the name of the paper of the Freedom Leadership Foundation, the Moonie front group set up in 1969 as the U.S. branch of the Moon-founded International Federation for Victory over Communism. Buchman's magazine was called *New World News*, the same as one put out later by Moon. The Moral Re-Armament singing group was known as the Angels, the model for Moon's Little

Angels children's ballet.

The Peace Pledge

The signing of the Oxford Group's Peace Pledge, which called for renouncing participation in any war (exactly as Wells had outlined), became a vehicle for spread of the Wellian movement among students in the United States and elsewhere. The Peace Pledge Union, which initiated the pledge, had been set up in 1936 by Bertrand Russell and Aldous Huxley, before the two came to spread their evil in the United States, Russell to Chicago and Huxley to California. This peace movement for Hitler's war drive, reached a peak in

6. The charge of Hess's membership in Buchman's cult is both credible and interesting. Long before he met Hitler, Hess was a member of satanist Aleister Crowley's Isis cult, known as the *Ordo Templi Orientes*, which crossed over into Crowley's satanic Order of the Golden Dawn, popular among students at Cambridge and Oxford. Born in Egypt, Hess bought an Egyptian sarcophagus for his burial, but proved too tall to fit in it; when he died, his legs had to be amputated and buried separately.

After the Munich putsch of 1923, Hess shared a jail cell with Hitler for nine months at the same time *Mein Kampf* was being written, by aid of frequent visits from its real author, Bertrand Russell's friend Karl Haushofer. Recall that *Mein Kampf* foresaw an alliance between Germany and England to fight the Russian peril. It is supposed that Hess helped Hitler, to a deeper understanding of the occult.

When Hess parachuted into Scotland in 1941, to seek a separate peace, he landed at the estate of the Duke of Hamilton, one of many former Nazis among the British aristocracy. Hess was representing a group of army officers and industrialists who wanted to save Germany from what they saw as sure defeat under Hitler. But Churchill would have none of it—he wanted Europe to bleed a good while longer. Hess was imprisoned in Britain for the remainder of the war.



"I thank heaven for a man like Hitler," Frank Buchman said in August 1936. Here, the Führer reviews troops with SS chief and member of Buchman's Moral Re-Armament group, Heinrich Himmler, on Reich Party Day.

1938, when Moral Re-Armament held rallies of 15,000 in New York and 30,000 in Los Angeles. After the Nazi invasions of Poland and Czechoslovakia, the Peace Pledge became a memory.

In England, Buchman had had the support of many wealthy and prominent people reaching all the way to the future King, Edward VIII. In 1935, a year before he assumed the crown, the Prince of Wales was a frequent associate of Buchman's, according to royal biographer Charles Higham. Edward's rule lasted only until 1938, when he was forced to resign, ostensibly over a scandal involving his marriage to an American divorcée. The real reason was his scandalous support for Adolf Hitler, at a time when England was about to go to war. Buchman also had the support of Dr. Gordon Cosmo Lang, the Archbishop of Canterbury who had a weakness for seances and once formed a commission to investigate psychic phenomena. Among Dr. Buchman's other British admirers were Sir Samuel Hoare, Prime Minister Stanley Baldwin, the Earl of Clarendon, the Marquess of Salisbury, and the Earl of Cork and Orrery.

Prominent American supporters of Buchman included *Los Angeles Times* publisher Harry Chandler, Hollywood movie magnate Louis Mayer of Metro Goldwyn Mayer, and David Dubinsky, president of the International Ladies Garment Workers Union.

As war became imminent, Buchman fell under public attack both in Britain and the U.S.A. A widely publicized statement he had made to an American newspaperman in August 1936 did not sit so well now. Buchman had said: "I thank

heaven for a man like Adolf Hitler who built a front line of defence against the anti-Christ of communism." There were investigations in the House of Parliament and the U.S. Congress, centering on his demand for exempting his members from the military draft as a religious group. The Catholic Primate of England, Cardinal Hinsley, threatened excommunication to anyone who joined Buchman's cause. The Jewish War Veterans Association condemned his open anti-Semitism. The Episcopal paper, *The Witness*, exposed Buchmanism as "a trap for labor" among other things. Much of Buchman's operations were focused on Communist influence in the labor movement. To take some of the heat, The Rev. James W. Fifield, pastor of a Congregational Church in Los Angeles, stepped in as the front man for the U.S. operations of Moral Re-Armament.

Buchman's Post-War Comeback

After World War II, Moral Re-Armament re-emerged as a major player in the Cold War environment that dominated the period of reconstruction of Europe and Japan. As the resistance movements of Italy, France, Greece, and elsewhere had been dominated by Communist-run popular fronts, it was no small task to disarm them and attempt to isolate the Communist influence. Buchman's love affair with Hitler was so well-known, it had to be mentioned in Peter Howard's official propaganda biography of him, *Frank Buchman's Secret*, published in 1951. Nonetheless, the decision was made to go with him.

In 1946, a group of wealthy Swiss bought Buchman the

500-bed Caux Palace Hotel on a breathtaking site, 3,000 feet above Lake Geneva, which remains today the center of international activities for the group. In 1949, Moral Re-Armament held a major conference at the Caux Palace, renamed Mountain House. It was the sort of affair the Moonies still dream of. There were 27 cabinet ministers and 118 parliamentarians from 26 nations in attendance, as well as trade union chiefs from 35 countries. There was heavy stress on the anti-Communist, Christian labor movement. Ex-Communist labor leaders, among them a South Wales steel worker and a German miner, testified on their conversion to Buchmanism. A bipartisan delegation of U.S. Congressmen was flown in by military airplane. The biggest promoter of MRA in the Congress, Karl E. Mundt, the South Dakota Republican who won the Senate seat in 1948, couldn't make it, but sent a telegram of support.

During the Marshall Plan debates, one-third of the U.S. Congress saw the film "The Good Road," a movie version of the MRA's musical stage show. Gen. Lucius Clay gave the show special permission to tour in occupied Germany. The MRA targeted trade-union members in the Ruhr region, especially miners. On Buchman's birthday in 1952, he received telegrams from Richard Nixon, Willy Brandt in Germany, NATO commander Gen. Hans Speidel, the chairman of the Democratic Socialist Party of Italy, and a member of the French Chamber of Deputies, among others. The penetration was so complete, that Buchman claimed such important post-war figures as German Chancellor Konrad Adenauer, Italian Premier Alcide De Gasperi, and French Foreign Minister Robert Schuman as signators on some of his operations.

Aside from the formula "Communism = the Anti-Christ," Buchman's preaching was centered on the family, the importance of mother, and the code phrase "the truths you learned at your mother's knee." Typical activities for members included acting in plays pushing the MRA ideology, voluntary labor squads, and Bible study. A frequent theme in the plays: A woman dressed entirely in red, known as Virtue, is portrayed as stirring up labor-management disputes, and is finally exposed as really being a "Red." Major centers of activity in the United States were The Club in Los Angeles, a retreat on Mackinac Island, Michigan, and one in Westchester County, New York.

Korean Orphans

The spread of Buchman's operations into Korea is suggestive of the sort of base which may have provided the first members for Moon's zombie cult. In the Nov. 3, 1952 issue of Moral Re-Armament's *MRA Information Service*, there appeared an article about an island off the Korean coast near the mouth of the Natkong River, called Jinoo Do. The MRA article references the visit to the island of "an agent of the Medway Plan Foundation, an organization devoted to human rehabilitation." The Medway Plan appears to refer to a town in England in which sociological studies, first run under the

rubric of Charles Madge's Mass Observations, and later incorporated under the London Tavistock Institute, were carried out.⁷ The Medway study took up the relationship of sexual morality and work, focusing on the relationship of preachers to their wives in the town of Medway.

Arriving on Jinoo Do, the Medway Plan representative found an island inhabited by Korean orphans and juvenile delinquents, placed there by the army in 1951. Under MRA supervision, the orphans had established a "democratic town" there, policed and governed by themselves, and based on Frank Buchman's precept that "human nature can be changed." Everywhere one could find the slogans of Moral Re-Armament: "Absolute Honesty," "Absolute Purity," "Absolute Unselfishness," "Absolute Love." These, incidentally, became the slogans adopted by Moon. Other slogans on this "Brave New World" in the Korean Straits read: "No Hatred—No Fear—No Greed," or "New Men—New Nations—New World," or "Jinoo Do—Principle of citizen Life."

The CIA and Moral Re-Armament

In his 1989 book, *The Game Player: Confessions of the CIA's Original Political Operative*, top spook Miles Copeland brags of the intelligence agency's control over both Moral Re-Armament and L. Ron Hubbard's Scientology movement. Copeland reports that he served in the 1950s as head of an agency entity known as The Political Action Staff. Under this umbrella, his assistant, Bob Mandlestam, developed an operation called "OHP," or "occultism in high places," described by Copeland as "a theory of political activism based on an impressively detailed study of ways in which leaders of the world based their judgments on one form or another of divine guidance." One of Mandlestam's projects was to "plant astrologists on certain world leaders." Another was to deploy "mystics" in the Georgetown section of Washington, D.C., home to many government figures, who would use "voodoo magic," based on rites prescribed by the CIA itself, to manipulate Congressmen.

As part of OHP, Copeland and Mandlestam began to utilize the Moral Re-Armament movement, which "gave us useful secret channels right into the minds of leaders, not only in Africa and Asia but also in Europe." After this, Copeland writes:

7. Charles Madge was a surrealist poet, who received British government funding, in the late 1930s, for a new type of sociology project he called "Mass Observations." The project came under direction of anthropologist Bronislaw Malinowski, and was later brought under the auspices of the London Tavistock Institute. Tavistock was founded in 1921 as a London clinic specializing in treatment of shell-shock victims from World War I. In World War II, the clinic became the core of the Psychiatric Division of the British Army under direction of Brig. John Rawlings Rees. After the war, many of the leading brainwashers were dispatched to the United States to work on the secret mind-control projects of the Pentagon and CIA, including the MK-Ultra project for the study of LSD and hallucinogens. One of the major projects was a historical review of cults as a means of social control.



LaRouche campaign organizers in Chicago, November 2002. Who will join the battle against the Russell-Wells “no-soul gang”?

When Bob made similar arrangements with Scientology, . . . we were on our way to having a political action capability which would make the highly expensive, largely ineffective and largely overt “covert action” of Bill Casey’s CIA seem trivial by comparison. “MRA will hit him ’em high, and the Church of Scientology will hit ’em low!” Bob liked to boast, and he was right.

Shocking as Copeland’s revelations may seem, they barely scratch the surface of the age-old practice of political manipulation by cults. We will take up that matter, below, in the discussion of Moon’s theology.

Moral Re-Armament Today

Moral Re-Armament continued to have a strong presence in the U.S.A., especially student layers, up into the 1960s founding of the anti-Vietnam War movement. Despite its anti-Communist, right-wing profile, Moral Re-Armament literature even found its way into the early anti-Vietnam War movement, in which Bertrand Russell played a guiding role. In the U.S.A., the campus-touring spokesman for the anti-war movement in the 1963-64 period was Russell Stetler, a Haverford College graduate student who had studied with Bertrand Russell in London, and returned as the representative of Russell’s International War Crimes Tribunal.

MRA’s Agenda for Reconciliation front group has been active in Lebanon, Kenya, Sudan, Somalia, Ethiopia, and elsewhere. It was behind the 1992 Clean Elections Campaign

in Taiwan, a similar effort in Kenya, and one in Ghana in the May 2000 election. The Moral Re-Armament spinoff International Communications Forum held a big conference in Sarajevo, Bosnia in September-October 2000. Its U.S. headquarters are in Richmond, Virginia, where it runs an organization called Hope in the Cities. Its Gente que Avanza group, active in Latin America for more than 30 years, has trained 800 young people from 20 countries. Other fronts include Farmer’s Dialogue, and a women’s organization called Creators of Peace.

With the fall of the Berlin Wall in 1989, Moral Re-Armament launched a new front group, Foundations for Freedom, to penetrate into formerly Communist countries. In 2001, Moral Re-Armament changed its name to Initiatives of Change UK. It still holds international meetings at the Caux, Switzerland site, around the theme of reconciliation among the faiths. Tibetan Buddhism’s Dalai Lama has attended twice, along with Jewish, Islamic, and Christian leaders. It continues to intervene on behalf of British grand strategy, using benign-sounding front groups to carry out devious political ends. The “role of the individual as an agent for change in an era of globalization,” is a leading theme today.

5. Moonrise Over Asia

The rise of Moon’s Unification Church, out of the networks of the Buchman Moral Re-Armament organization, took place in the immediate aftermath of the Korean War—

in a nation still occupied by hundreds of thousands of U.S. troops, and governed by a dictatorship run from Washington. The oft-told tale that Moon was a creation of the Korean Central Intelligence Agency, and that the Moon penetration of America, beginning in the 1960s, was primarily a foreign intelligence penetration, is thus a half-truth—and a misleading one. Moon was up and down, a creation of the KCIA. But ask yourself: What was the controlling force behind the KCIA? Think before you answer, for the “obvious” here is also a trap. It was not “the CIA,” as populist-minded Americans—and anti-Americans—conceive of it. Behind the popularly misused term, “the CIA,” is something both more interesting, and yet less mysterious, than most conspirophiles imagine. If you truly wish to know dark secrets, seek out that historical-cultural cauldron in which the midnight potions of the Russell-Wells “No-Soul Gang” are brewed. Its intoxicating spells work every bit as potently in Asia as in the West, as we shall soon discover.

The Early Moon

Based on a 1997 profile by historian Anton Chaitkin and other sources, Moon’s biography prior to becoming a mass cult leader, can be summarized thusly:

Yong Myung Mun (the name was later changed to fit a Gnostic doctrine) was born in northwestern Korea in 1920. His parents converted to a Pentecostal sect of the Presbyterian Church when he was about 10. Under North Korean Communist rule in 1946, Moon set up his own Pentecostal church, called the Jerusalem of the East (Kwang-ya). It featured shouting, faith-healing, and a Moon innovation called “blood-sharing.” Based on pagan fertility rites, this was the unlimited copulation of the pastor with his female followers. On complaints from Christian churches, Moon was arrested by the North Korean police in 1946 for adultery, and again in 1948. He was tried on charges of bigamy and “social disorder,” and condemned to five years of hard labor in a prison camp in Hung-nam. After serving two and a half years, he was released by advancing United Nations forces, and made his way south. He soon left his wife, and, without divorcing her, remarried and went back to holy blood-sharing.

Moon moved to Seoul, South Korea in 1954, where he set up the Holy Spirit Association for the Unification of World Christianity, or Unification Church. This occurred in connection with the founding of the Asian People’s Anti-Communist League, an organization in the orbit of the Frank Buchman Moral Re-Armament grouping. Moon’s lawyer at the time was Robert Amory, deputy director of the Central Intelligence Agency under Allen Dulles.

Moon was arrested by the Seoul police in July 1955 for indecent activities causing “social disorder.” The newspaper *Segae* reported July 6, 1955 that dozens of upper-class and university women were sexually involved with Moon. He was arrested again, later in 1955 for his furious fornications. On

Oct. 4, 1955, after intervention by intelligence agencies, Moon was absolved of all accusations and freed. There began his free and clear path to emergence as a world figure.⁸

Sasagawa and the Japan Connection

The first Unification Church missionary, Sang Ik-Choi, left Korea on June 16, 1958 to set up operations in Japan. Specialists investigating the origins and current funding channels of the Moon operation are consistently led to the Japanese right-wing figure Ryoichi Sasagawa (1899-1995). A brief digression into the Japan connection will help to clarify the whys and wherefores of the curious rise to prominence of the Reverend Moon’s sex cult.

Sasagawa was a shipping magnate in 1930s Japan, associated with the Mitsui Group, the trade and banking cartel which had always been aligned with the British factional interest in Japan. Declared a Class A war criminal (he had been an ardent fascist and regular visitor to Hitler’s Germany), Sasagawa, at first, had to keep a low profile during the U.S. occupation. But his post-war fortune was rebuilt with help of Gen. William H. Draper, Jr., the anti-population-growth fanatic who founded the Draper Fund for Population Control and spent a time in occupied Japan as Undersecretary of the U.S. Army. Later, Sasagawa became honorary chairman of the Draper Fund, and was also a co-founder of the Malthusian Club of Rome with Alexander King and Aurelio Peccei. Sasagawa provided much of the official funding for the Asian People’s Anti-Communist League, set up June 15-18, 1954, in Chinhae, South Korea, This then crossed over into Buchman’s Moral Re-Armament networks, and later became a central part of the Moon operation.

In the late 1960s, just before his move to America, the Reverend Moon made an arrangement with Yoshio Kodama, the post-war leader of the 3-million-strong Japan Youth Federation, which formed a cornerstone of the World Anti-Communist League (WACL). Kodama had worked very closely with Sasagawa during the 1960s and 1970s. After the meeting, Kodama’s lieutenant, Osami Kuboki, became Moon’s chief executive for Japan, and the head of the Unification Church there. After Kodama’s death in the 1980s, Moon gained increasing influence over the Japan Youth Federation.

But Kodama was also a silent partner in Japan’s organized-crime ring known as the Inagaki-kai *yakuza*. (The *yakuza*, Japan’s mafia gangs, are the laundry for billions of dollars in Asian drug trade cash.) One of Kodama’s chief aides was arrested in Hawaii in 1991 for transporting cocaine under cover of the trading activity of the Sasagawa Kyubin trucking company. The firm was run by Susumu Ishii, a founder and leader of the *yakuza*, until his November 1991 death. Rever-

8. Cf. Anton Chaitkin, “The Mob That Moon Really Married,” *EIR*, Dec. 12, 1997.

end Moon's funder, Yoshio Kodama, was an investor in Ishii's trucking firm. The *yakuza*'s dirty drug money is suspected of being the main source for the suitcases full of cash which Moon's members transport regularly into the United States to fund his enormous influence-peddling and corruption operations. The cash and gold watches, which American ministers and Congressmen routinely accept from Moon, are thus, presumably, paid for by the profits of the Asian drug trade. One might consider that, the next time a parishioner's child dies of a drug overdose.

Papa Bush's Cash Cow

The same sources helped pay for the election of current President George W. Bush. In September 1995, when he was seeking money to fund his son's political career, former President George H.W. Bush went on a speaking tour of Japan for the Women's Federation for World Peace, headed by Moon's wife, Hak-ja Han-Moon. After a Sept. 14 address by Mrs. Moon in the Tokyo Dome, former First Lady Barbara Bush declared Mrs. Moon "my sister," according to a small item that appeared the next day in the Moonies' *Washington Times*. In November 1996, the cash-hungry father Bush toured Argentina, Peru, Uruguay, and Venezuela with Reverend Moon, on a mission to launch a Spanish-language version of the *Washington Times* for distribution in South America, known as *Tiempos del Mundo*.

But the Bush family ties to Moon operations preceded all that. According to Japanese intelligence sources, Prescott Bush II ran Asian secret operations for his brother, the first President George Bush. Prescott was an adviser to the just-mentioned Sagawa Kyubin trucking firm involved in the cocaine scandal, and owned by the Moon-connected gangsters Ishii and Kodama. Prescott was also tied in to other Ishii businesses. From 1989 to 1991, he served as a \$250,000-a-year consultant to Ishii's Hokusho Sangyo Co., according to U.S. Securities and Exchange Commission reports.

How Japan Became America's Enemy . . .

The Japanese connection to the rise of the Moon cult is important for another reason. The presence of the Mitsui group at the center of the Moon and Buchman operations in Japan is a marker for something even more central to understanding the forces behind the Russell-Wells "no-soul gang." Again a step back in history, will make the matter clearer.

When former President Ulysses Grant visited Japan in 1879, at the conclusion of a three-year world tour, he warned the Meiji government against the treachery of the British. Great Britain was then the open enemy of patriotic Americans, and the battle between the American and the British systems the central struggle in the world. How Japan responded to this struggle would be crucial for its future. The fate of China had already been determined a few decades earlier, at a time when America was divided and weaker.

Through two Opium Wars, Britain had subjugated and humiliated China. The first Opium War began in 1839, when China banned the importation of British opium, shipped in from the Indian colony. The British intent was to create the world's largest free market in drugs by addicting the huge population of China's coastal cities. China was no match for British naval power. By the Treaty of Nanking in 1842, she was forced to surrender the ports of Canton, Shanghai, Amoy, Foochow, and Ningpo to British trade, and to cede the island city of Hong Kong entirely to Britain. But worse, China was forced to yield up her population to the scourge of the opium den. The second Opium War from 1856-58, joined in by British and French troops, ended in the Treaty of Tientsin, which forced the opening of ports from the mouth of the Yangtze River north to Manchuria.

In Japan, a pro-American faction developed, which learned the difference between the British and American systems. In 1853, between the two Opium Wars, a Japan previously closed to all foreign contact received U.S. Navy Commodore Matthew Perry, and a treaty of friendship was soon worked out. A circle of reformers grouped around the intellectual leader Yukichi Fukuzawa founded newspapers and a university to educate Japanese political layers to an understanding of the uniqueness of the United States, and argue that Japan adopt America's revolutionary system as a model.⁹

The Meiji Restoration of 1868 overthrew the warlord-feudalist Shogunate, and returned full power to the Emperor, who was under the guidance of a faction of pro-American reformers, steeped in the writings of Alexander Hamilton and the U.S. Constitution. American System economist Erasmus Peshine Smith, the student of Lincoln's ally and economic adviser Henry Charles Carey, was dispatched to Japan by President Grant in 1871 to help guide the economic development program.¹⁰ After the crushing of the Satsuma rebellion in 1877, pro-American reform groups were able to abolish

9. "America is our Father," wrote Fukuzawa in Japan's first newspaper *Jiji Shinpo*, which he founded. "I regard the human being as the most sacred and responsible of all orders, unable therefore, in reason, to do anything base. So in self-respect, a man cannot change his sense of humanity, his loyalty, or anything belonging to his man-hood, even when driven by circumstances to do so," Fukuzawa wrote. Another leader of the Meiji group, Shigenobu Okuma, wrote in his study *Fifty Years of the New Japan* that without the "U.S.A. as chaperone," Japan might be just another colonial satrapy. (Kathy Wolfe, "Hamilton's Ghost Haunts Washington from Tokyo," *EIR*, Jan. 3, 1992.)

10. While American students are now taught the treasonous falsehood that British East India Company employee Adam Smith was the founder of their economic system, Japanese students still learn of the real American System, and study the works of Alexander Hamilton, E. Peshine Smith, Friedrich List, and others. The relative strength of Japanese industrial-productive capability (up through the recent onset of a depression caused by acquiescence to globalist, monetarist demands), as compared to America's long-dead productive economy, derived from Japan's continued emphasis on the American System in its economics and industrial engineering training.



British ships destroy junks of the Chinese navy in an 1841 engagement of the Opium War. Britain fought to open the Chinese market to opium, grown in Britain's East India Company plantations. The Chinese were powerless against the British navy; opium dens sprang up in the port cities. By 1880, there were more than 30 million Chinese addicts.

feudalism, nationalize land held by warrior clans, and begin large-scale industrial development.

... And How America Became Its Own Enemy

Similar processes were under way in Germany, under the leadership of American System economist Friedrich List, and in Russia with the help of such figures as the great chemist Dmitri Mendeleev, the author of a plan for industrialization of Russia by railroad development, and the Count Sergei Witte who was allied with the Meiji group in Japan.

The promotion of the American System of economy, and the concept of a government constituted to promote the general welfare—two ideas virtually banned from American history books in the second half of the 20th Century, remained the central aim of Republican administrations, up through the British-sponsored assassination of a newly re-elected President William McKinley in 1901. (That Republican Party, as distinguished from the thing bearing that name today, was the party of Lincoln. The Democratic Party of the time, and continuing up until the breakthrough 1932 campaign of Franklin Delano Roosevelt, was the party of slavery and shareholder values, as it has tended to become again, since the disastrous Presidency of Zbigniew Brzezinski's puppet, Jimmy Carter, and the recent hegemony of the Democratic Leadership Council.)

The secret to what happened to the intellectual tradition that produced the American Revolution, Lincoln, and the post-Civil War industrialization, is summed up in this historical fact. In the last quarter of the 19th Century, America's principal allies were Germany, Japan, and Russia—the very same nations which became her principal enemies in the 20th Century. Worse yet, America became its own enemy, betraying its own history by a still-raging case of collective

historical amnesia. There was no irony in it. That was precisely the result which the grandson of Palmerston ally Lord John Russell, and his lower-class sidekick, Wells, had intended.¹¹

Buchman Again

The Japanese family cartels which tended toward a pro-British stance from an early point, were Mitsui, Sumitomo, and Shibusawa. The Mitsui banking and trading company complex had been the leading Japanese partner of Jardine Matheson and Company, the Scottish shipping firm which controlled the largest share of the British Empire monopoly in opium. Moral Re-Armament founder Frank Buchman met the Barons Mitsui and Shibusawa (then the Finance Minister) in 1915, when he travelled to Japan on his YMCA-sponsored Asian tour. Later, Buchman came to know intimately Kichizaemon Sumitomo of the Sumitomo cartel, and the entire Shibusawa banking family.

The Baron Mitsui's second son, Takasumi, came to study in England, first at Halford Mackinder's London School of Economics, and later at Magdalen College, Oxford. In 1935, Prof. B.H. Streeter, the Moral Re-Armament leader and provost of Queens College, Oxford, invited young Takasumi Mitsui to meet with Buchman. Buchman attempted to use Takasumi for a three-pronged penetration: to push for Anglo-Japanese rapprochement; to intervene into the conflict in

11. England succeeded in pulling Japan behind her in the First World War. The United States entry on behalf of England meant postponing the U.S.-Japanese military confrontation sought by the British. But the two principal military defense plans of the United States in the 1920s and into the 1930s were War Plan Red and War Plan Orange. The first was for the contingency of a British attack; the second, in case of a Japanese attack.

China; and, to “bring Japan into a united front with Britain and the Axis powers for a crusade against Bolshevism,” in Buchman’s words.

It was exactly the geopolitical program which Haushofer had dictated to Hitler as he composed *Mein Kampf*. No surprise that it should coincide with the program at Oxford, since Haushofer acknowledged he had taken his geopolitical analysis—that whoever controlled the “Eurasian heartland” (Germany, Central Europe, and Russia) controlled the world—from the Coefficients’ Halford Mackinder. Buchman and the Oxford Group were hardly alone in their efforts. In 1935, before Hitler turned westward, the policy of bleeding “the heartland,” by engineering a confrontation between Hitler and the Soviet Union, was the prevailing policy among the British elite.

Takasumi was induced to return to Japan. “Sumi must become a peacemaker,” the pious fraud Buchman intoned. The young Mitsui reached Japan in 1939, where he gave several lectures on Moral Re-Armament before businessmen’s clubs, and to a captive audience of Mitsui executives. But the pro-Axis militarists who held the reins of power did not want to hear of collaboration with the British at this late date. His high connections allowed him to escape punishment by the militarists, and Takasumi was permitted to establish a school in Tokyo during the war. Despite his pro-Hitler sentiments, he was also spared punishment during the American occupation, and by 1947 had become the leader of the now widely accepted Japanese branch of Moral Re-Armament.

6. Transformation in Korea

The Korean War provided the venue for the next phase of implementation of the Russell-Wells scenario. The penetration by U.S. military and intelligence circles by that point, was the key to the operation used to create Moon. In the middle 1950s, U.S. military intelligence and the Allen Dulles-controlled CIA operations crowd were all over Korea, training and recruiting assets, and monitoring all political, social, and religious activity under the Sygman Rhee dictatorship. According to former U.S. Air Force Intelligence officer Col. Fletcher Prouty, the securely controlled environment and huge military presence made South Korea an ideal base for the “Secret Team” operations of the notorious Gen. Edward Lansdale, which ranged throughout Asia.

One key reminder of the bigger picture is necessary, before turning to the details of the recruitment and transformation of the sex deviant, who now imagines himself the Messiah.

The war in Korea had marked a decisive advance for the British Utopian influence over the United States, in many ways. President Truman’s 1951 firing of Gen. Douglas MacArthur, who would not accept the “limited war” concept cen-

tral to the Russell-Wells doctrine, was a marker for the growing influence of the Utopian faction in the U.S. military. After World War II, traditionalist military men had fought against the development of a Central Intelligence Agency separate from the military branch intelligence services, and lost. As the Utopians gained control, the military intelligence services as well were penetrated and corrupted into instruments of Utopian policy.

After 1945, the whole military-strategic environment was shaped by the bomb. The unnecessary dropping of the only two fission weapons in the U.S. arsenal on a Japan that was already negotiating a surrender, was the greatest triumph of the Russell-Wells faction. Just as Wells had called for in *The Open Conspiracy*, the demonstrated existence of a weapon too terrible to contemplate, opened the way to soliciting nations to surrender their sovereignty to a world entity. Bertrand Russell’s role, from his post-war call for a pre-emptive strike against the Soviet Union, to his position in brokering relations between Kennedy and Khrushchov in the Cuban missile crisis, was central. One cannot properly make sense of any significant development in the post-war world without grasping the central influence of that Russell-Wells Utopian doctrine in shaping them.¹²

The Rise of the Sex Deviant

For obvious reasons, every detail of Moon’s turning and recruitment by Western intelligence services cannot be known. His 1955 imprisonment on sex offenses was likely the scene for the recruitment effort by American-trained Korean intelligence operatives. Some time after Moon’s jailing, four Korean military officers with U.S. intelligence training joined the Moon cult. The four were later to become operatives of U.S. intelligence asset Maj. Kim Jong Pil, the founder of the KCIA and the man who installed the Park Chung Hee regime in a 1961 coup.

These four early Moonies were:

- Kam Jan In (a.k.a. Steve Kim), who served as Kim’s interpreter and later became KCIA station chief in Mexico City, where sources report he was instrumental in establishing connections between Moon and the drug cartels;
- Hang Sang Keuk, later Korean ambassador to Norway, where he served as liaison for the Moon organization to the Captive Nations organizations of Communist East Europe.
- Hang Sang Kil, who became Moon’s personal secretary after serving as liaison with the U.S. Department of the Defense at Korea’s Embassy in Washington; and
- Col. Bo Hi Pak, who still runs Moon’s U.S. operation,

12. See, Lyndon H. LaRouche, Jr., “How Bertrand Russell Became an Evil Man: Reflections Upon Tragedy and Hope,” *Fidelio*, Fall 1994, for a precisely focused historical-philosophical treatment. This was LaRouche’s first major work, after emerging from a five-year imprisonment arranged by friends of Henry Kissinger.

and was originally the link between the Korean Embassy and the U.S. National Security Agency, according to Robert Boettcher's *Gifts of Deceit*.

Moon was absolved of all charges, and released from his South Korean jail cell on Oct. 4, 1955. A few days later, his Unification Church acquired a Buddhist temple at Chong-Padong in Seoul, which became its headquarters. By the end of 1955 there were 30 Unification Church centers throughout South Korea, spreading Moon's Gnostic gospel. Even so, the scandals did not subside. *Segae* in 1957 alleged Moon to have had orgies with 70 students.

One of Moon's early disciples, Chung Hwa Pak, broke with him, and made public charges that Moon practiced his sex rituals with, among others, six married female disciples. Moon claimed that these women were preparing the way for the virgin, who would marry him and become the True Mother. The charges were made public in the widely circulated text *The Tragedy of the Six Marys*, later published in Japanese. Pak later returned to Moon's payroll, and recanted his accusations.

KCIA chief Maj. Kim Jong Pil reportedly relied heavily on two important sources to fund KCIA covert operations: first, Japan's Class A War criminal, Ryoichi Sasagawa; second, Israeli slimeball Shaul Eisenberg. Eisenberg, who is at the center of more politically tainted shady business dealings than one can shake a judge's gavel at, brokered deals with the Japanese for the KCIA's Kim; he may also have been the go-between in establishing Walker Casino and resort near Seoul in 1962, which provided a money-laundering capability for covert operations.

Many of these facts come up in exposés, such as Boettcher's, and in the 1978 Fraser Committee hearings before Congress. The common error is in implying primary intent to the KCIA or even to the interests of the Moon cult itself. As we have seen, the mother lies elsewhere.

7. The Moon Lands on America

The unleashing of the Reverend Moon's Gnostic sex-cult freak show onto the streets of 1970s America only appears odd or inexplicable, if one chooses (as in deference to academic and media-approved opinions of modern history) to block out the openly stated aims of those who set up the cult in the first place: to destroy, by subversion, the unique experiment which was the American Revolution, and the intellectual tradition which produced it. Once that elementary point is grasped, all that need be explained is the changeover in tactics which took place in the 1960s.

This new phase of the Moon marked the promotion of mass insanity. Moon's missionaries came to the U.S.A. in the early to mid-1960s. Sang Ik-Choi, the first missionary to Japan, went to the U.S.A. with Yun Soo Lim, called Onni



Reverend Moon addresses his goggle-eyed followers at the Barrytown, New York training center, about 1973. This was the second Westchester County estate acquired by the cult. The first one came from the Bronfman family.

(Korean for "elder sister"). Onni was later "blessed" by Moon in a marriage to Dr. Mose Durst, whom she had converted. Together, they took charge of the Oakland Family in California, which became the most important center of Unification Church proselytism. In February 1972, with about 500 American members, Moon proposed at a Los Angeles meeting, the launching of an expanded recruitment drive based on forming mobile "witnessing teams" to tour the United States. This was the One World Crusade. Huge sums of money flowed in to set up permanent Unification Church centers in all 48 states, and to purchase a compound in Tarrytown, New York, on a property previously owned by the Bronfman family, of liquor and drug-money-laundering fame. (Rank-and-file Moonies were led to believe that their slave labor in producing wax candles, and street-corner sales of flowers and magazines actually paid for all this.) The Belvedere compound in Tarrytown became Moon's first home, when he relocated to the U.S.A. in 1972.

The One World Crusade was carried out with all-night, group brainwashing sessions, involving sleep- and food-deprivation, and use of psychedelic stimulants. After one notorious recruitment session at the New Yorker Hotel, bodies were found at the foot of the elevator shaft. This was the mad phase of the Moonie assault on America, the reason behind that all-

too-familiar empty smile and vacant stare, worn by Moon's clean-cut, young street-corner zombies.

Why? *Cui bono?*

The Strategic Shift

The key to understanding the motivation behind this launching of mass insanity, is to recognize the important shift in the global strategic picture which had been achieved through Soviet General Secretary Khrushchov's assent to the 1963 test-ban and arms limitations agreements. For the Russell-Wells Utopians, this meant that the high rate of Western investment in scientific and technological progress, which had been required by the furious pace of the earlier arms race, could be slowed, without fear of losing everything. That had been the intent behind the U.S.-Soviet disarmament talks, initiated by the Russell-Szilard Pugwash movement in 1955. By the time of the assassination of President John F. Kennedy, an essential part of that objective had been achieved.

The evolution of the Moonies into a mass cult in the late-1960s U.S.A., had been preceded by establishment of a wide range of business and influence-peddling fronts. Moon's U.S. operations began to really take off with the 1964 founding of the Korean Cultural and Freedom Foundation, by Col. Bo Hi Pak. (Moon's KCIA controller had incorporated a U.S. Unification Church earlier, but it had only proto-cells and a tiny following.) A year later, Bo Hi Pak launched the Radio Free Asia project, a transparent scam to build the coffers of the Unification Church. With backing of factions in the U.S. intelligence community, Radio Free Asia solicited millions from American anti-Communists to operate a transmitter in Korea, already paid for by the Korean government. One after another, the business and political front groups were established by figures including Col. Bo Hi Pak; Neil Salonen, Moon's first high-level American operative; and others, until the listing reached 33 single-spaced pages.

Once the decision was made to deploy the mass-scale recruitment operation onto U.S. campuses, other networks of the Russell-Wells no-soul gang lent a hand. Some of the early psychological conditioning of the Moon cultists was carried out by the Michigan-based National Training Laboratories. This was the social-engineering operation, specializing in labor relations, run under direction of the Tavistock Institute-trained Kurt Lewin and University of Pennsylvania Prof. Eric Trist.

Vietnam

Just as the Utopian-managed war in Korea had provided the context for the Moon recruitment, so the Vietnam War, the next of the succession of managed conflicts (held below the threshold of total war by pre-agreement among the super-powers), provided the human fodder for the Moonie recruitment in America. Most of the American Moonies were recruited out of the rock-drug-sex counterculture, deliberately

introduced into the student ferment against the Vietnam War. Allen Tate Wood, for example, the prominent Moonie defector (who happens to be the grandson of the Southern Fugitives school poet Allen Tate), was a leader in the anti-war demonstrations which culminated in the burning of the Reserve Officers Training Corps (ROTC) building at the University of the South in Sewanee, Tennessee. Within a year or two, Tate Wood was lobbying Congress on behalf of continuing the war in Southeast Asia, a principal activity for Moon's zombies, working under cover of the Freedom Leadership Foundation front in the early 1970s.

While the zombies were hawking candles and roses on the streets, Moon's Freedom Leadership Foundation had set up meetings for the sex deviant with an impressive list of U.S. Senators and Congressmen. Between February and April 1973, Moon held meetings of half an hour or longer with:

Senators William Brock (R-Tenn.), James Buckley (Cons.-N.Y.), Jesse Helms (R-N.C.), Hubert Humphrey (D-Minn.), Edward Kennedy (D-Mass.), and Strom Thurmond (R-S.C.); and

Representatives Philip Crane (R-Ill.), Richard Ichord (D-Mo.), Guy Vander Jagt (R-Mich.), Earl Landgrebe (R-Ind.), Trent Lott (R-Miss.), William Mailliard (R-Calif.), and Floyd Spence (R-S.C.).

The most evil aspect of it all was the intentional elimination of the rational, scientific mental outlook associated with a modern, technology-based, agro-industrial economy. Moon was not the whole of it. From 1968 on, every piece of the disparate networks of the Open Conspiracy was let loose at once. Of special note was the kookery of the Aldous Huxley/Gregory Bateson operation which had been brewing in California since Huxley's 1937 deployment to the United States. This was the origin of the drug side of the 1960s counterculture. To a youth culture terrified by the nightly news images of their peers returning home in body bags from a purposeless war, retreat into mind-altering drugs, mind-altering music, and even the mindlessness of Moon was not so strange. Another crucial piece of the operation had been hatched in New York's Institute for Social Research, which housed the emigré networks of Hungarian psycho Georg Lukac's Frankfurt School disciples. Russell's Unity of the Sciences movement formed another piece. And there were more.³³

The Bosch Canvas

Imagine America of the late 1960s into the 1970s, as if it were the panoramic background to a painting by Hieronymus

13. See, Jeffrey Steinberg, "From Cybernetics to Littleton: Techniques of Mind Control," *EIR*, May 5, 2000, for a shocking report of the premeditated brainwashing of America carried out by the disciples of Wells, Russell, Huxley, et al.

Also see, Michael J. Minnicino, "The New Dark Age: The Frankfurt School and 'Political Correctness,'" *Fidelio*, Winter 1992.



They met with Moon. Among the dozen or so Senators and Congressmen who held meetings of half an hour or longer with Reverend Moon, between February and April 1973, were (clockwise from top left): Senate Majority Leader Trent Lott (then a Mississippi Congressman); former Vice President and former Sen. Hubert Humphrey of Minnesota; Rep. Philip Crane (R-Ill.); and Sen. Jesse Helms (R-N.C.).

Bosch. Think of the canvas as a whole, with its nightmarish imagery of degeneration and debauchery, and the events as they actually occurred:

- the launching of the rock-drug-sex counterculture, under direction of such of Aldous Huxley’s MK-ultra program disciples as Harvard’s notorious psychedelic drug pushers, Richard Alpert and Timothy Leary; and, the parallel operation of stupefaction of popular music, as prescribed in the studies of Frankfurt School musicologist Theodor Adorno;
- the spread of the mass environmentalist movement, funded under such auspices as the World Wildlife Fund of Britain’s royal consort, Prince Philip, and the card-carrying Nazi, Prince Bernhard of the Netherlands; the parallel deployment of a mass movement for world depopulation as in the promotion of the genocidal doctrines of the Club of Rome, founded by Moon collaborators Alexander King, Aurelio

Peccei, and Japan’s Class A war criminal Ryoichi Sasagawa;

- the dumbing down of U.S. education, especially de-emphasizing serious study of the sciences and Western Classics, as described in the Rappaport report produced during Alexander King’s reign at NATO’s Organization for Economic Cooperation and Development;
- the destruction of the principal technology driver of the 1960s U.S. economy, the Wernher von Braun-conceived Moon-Mars colonization program;
- the dismantling of U.S. industrial capability, including its conventional nuclear power capability, and the eventual shutdown of the controlled thermonuclear fusion effort—all as prescribed in the *Project 1980s* report of the New York Council on Foreign Relations, under the heading “controlled disintegration of the U.S. economy”; and so forth.

By such means, the scientifically vectored, production-based world economy of the 1945–64 period was brought to its present state of onrushing depression collapse.

A Paradox

In *The Time Machine*, Wells’ 1895 vision of the British oligarchy’s utopia, the working classes have evolved (Huxley-style) into hairy, muscular, ground-hugging creatures, known as Morlocks, who do

the work of production for society in underground mills. The upper classes, known as the Eloi, live their effete, airy existence on the surface above, while also serving occasionally as fresh meat for hunting parties of escaped Morlocks. To bring Wells’ degraded vision up to date, merely substitute for the Morlocks’ underground foundries, the exported manufacturing industries of the Third World sweatshops and *maquiladoras*; instead of the Eloi, think of the credit-card based consumer society at the top of which sit the now-shrinking number of idle rich in the advanced-sector nations. There, in summary, is a fair approximation of what the anti-American assault of the 1960s rock-drug-sex counterculture produced.

The rational person of good will, observing what can only be comprehended as an outbreak of mass insanity among his fellow citizens, asks himself: How is such a thing possible? The thought occurs to him that some person, or persons, must

have brought about this state of affairs wilfully. For what reason, he asks, and how could such a thing be contemplated by rational men? Thus arises a paradox. Can collective madness be reasonably planned? We refer the still perplexed reader to the quotation at the opening of this article.

Now, summon this whole fantastic Bosch canvas before your mind's eye, as you think on today's purchased preachers, Presidents, and Congressmen, some so bold as to brag openly of the Moonie-supplied gold watches decorating their wrists. Yet, do not forget the even more widespread fear and corruption of a free citizenry, which has *chosen* to place Moon's purchased merchandise into positions of power and responsibility, and even now tolerates their continuance. Thus, look pure evil in the eye, and know, even so, that it can be defeated, provided you will fight.

8. The Moonification of the Sciences

In 1972, several busloads of members of Moon's "Oakland Family" rolled out of their Berkeley Center, with the intention of turning their cult of a few hundred adherents into a national movement. As the candle sellers hit the streets, others rented halls, printed programs, and sold tickets for the multi-city speaking tours of their "Father" Moon. Meanwhile, behind the scenes, the Russell-Wells "no-soul gang" was already working on the next big step of the Moonification of America: They would merge the cult of the Korean sex-deviant, with the networks of corrupted scientists already gathered around Bertrand Russell's Unity of Sciences movement.

The first International Conference of the Unity of Sciences (ICUS) took place at New York's Waldorf-Astoria Hotel, Thanksgiving Day, 1972. There were 20 academics from 8 nations sharing the platform with Reverend Moon. Among them: Harvard's Russellite professor of philosophy, Willard V.O. Quine, and systems specialist Ervin Laszlo of the genocidal Club of Rome.

From small beginnings, the subsequent ICUS conferences grew to hundreds, and then thousands. These would become the annual Walpurgis Nacht celebrations for the ghouls and goblins of the "no-soul" gang's science establishment, many of them proudly bearing the mark of that discredited Nobel Prize committee, which had long since become an instrument of the Russell-Wells conspiracy. Cash and entertainment was provided by Moon, the Mephistopheles of Poontang himself, who would also deliver a personal statement of greetings to each conference.

Eugenics and the Super Robot

Moon's third Unity of Sciences conference, in 1974, took place at the Royal Lancaster Hotel in London. The Chancellor of Cambridge University, Edgar Douglas Lord



A nazi doctor before Joseph Mengele, Cambridge University Chancellor Edgar Douglas Lord Adrian addressed the third of Moon's Unity of the Sciences conferences in London in 1974.

Adrian, presided. Lord Adrian was a Nobel Laureate, and aging leader of the eugenics movement (as Wellsian biology had been called before the Nazi crimes gave the term a bad name). His researches on the passage of nerve impulses across the synapse marked the early phase of what was to become the Open Conspiracy's two-pronged program for science: to modify man, and create the super-robot "thinking machine."¹⁴

The fourth Unity of Sciences conference, back in New York, was keynoted by Sir John Eccles. Eccles had learned his neuroscience from Lord Adrian's partner Charles Sherrington (the two shared the 1932 Nobel Prize for physiology). Eccles then shared the 1963 Nobel Prize for physiology with Andrew Huxley, the third generation from the Thomas Huxley who had described the relationship of mind to body, as that of a bell to an alarm clock.¹⁵ Eccles and the younger Huxley attempted to establish old Huxley's thesis, by researching the chemical basis of the action potential of the nerve impulse.

The Huxley view of the brain became the central topic at

14. Ever since Thomas Huxley pressed the recluse Charles Darwin to write up his disparate observations in the form of a racialist theory of evolution, the guidelines for biology have been the same. Assert: 1) that man is not different from a beast; 2) that living processes are not distinct from randomly ordered physical processes. The modern project to turn biology into a subset of inorganic physics, known as molecular biology, got under way in the 1940s under the leadership of two retooled physicists of the "no-soul" gang, Niels Bohr's student Max Delbruck, and Leo Szilard. The two guided subsequent developments, Szilard by dominating 1950s sessions at the Long Island, N.Y. Cold Spring Harbor Laboratory (originally named the Cold Spring Harbor Eugenics Laboratory, when it was inaugurated under Harriman and Rockefeller family funding).

Later, that administrative role passed on to James D. Watson. Watson, who bragged in his book *The Double Helix*, of stealing his leads for the structure of DNA from private letters of Linus Pauling, was a product of Deweyite elementary education and the University of Chicago High School, before moving on to Hutchins' University. "The devil made me do it," might be his most honest line of defense.

15. Some scholars believe this is the origin of the term, No-bell Prize.

the 1976 conference, in Washington, D.C., where prominent neuroscientists joined Sir Eccles, that year's conference chairman, to debate the brain-mind problem: Which way to establish Huxley's hoax that the mind is merely a machine?

Some argued for a physiological approach: "The problems of higher brain functions are very much involved in the question of the unity of the sciences, if the ultimate aim is that the brain should understand the brain," Dr. H. Hyden, Director of the Institute of Neurobiology at the University of Göteborg, said. Others called for a mathematical model: "What is needed is *not* a detailed understanding of the physiology of the brain, but a form of statistical mechanics that prescribes the properties of a mechanism capable of assimilating information from outside itself and performing logical transformation to that information before generating motor output," argued Dr. J.W.S. Pringle from Merton College, Oxford.

Also at the fourth conference in New York, Nobel physicist Eugene Wigner made his first of many appearances. Wigner was an old player in the Russell-Wells nexus, a lifelong friend of Dr. "Strangelove" Leo Szilard.¹⁶ Wigner soon became a regular at Moon's affairs, along with his former student Alvin Weinberg, the physics incompetent who served as Director of Oak Ridge National Laboratory.

Technology Bad, Genocide Good

At the 1976 conference, in Washington, D.C., the co-founder of the Club of Rome, Sir Alexander King, made his first appearance with Moon, to speak against the "ugly manifestations of technology." Now, there were 600 scientists and academics, from 50 countries, in attendance.

Recall the second point of Wells' program for the Open Conspiracy: "the supreme importance of population control in human biology and the possibility it affords us of a release from the pressure of the struggle for existence. . . ." This was the purpose of the genocidal Club of Rome, whose propaganda provided the backdrop for the 1970s de-industrialization of the U.S.A. and Western Europe. If people could accept "postponing their immediate ambitions and gratifications of immediate desires at least to the extent of providing a liveable world for their children and grandchildren . . . it would at least provide a breathing space," King said in 1976. Today's children and grandchildren can see what they got. The King of genocide was to attend and chair many subsequent ICUS conferences.

At the 14th conference, in Houston, free-enterprise eco-

16. Wigner had known Szilard since school days in Budapest, when the two supported the short-lived Communist revolution of Bela Kun. In 1939, Wigner joined Szilard in talking Einstein into signing the famous letter to President Roosevelt, which caused Roosevelt to begin the secret Manhattan Project to build the atomic bomb. Most of the scientists working on it thought they had to, to prevent Hitler from getting it first. Szilard and Wigner wanted the bomb for Wells and Russell's reason: to attain the superweapon that could force nations to submit to a world empire. Wigner was later the beneficiary of \$200,000 in honoraria from Moon.

omic guru Friedrich von Hayek received the Founder's Award from a Moon stand-in (the Reverend was still in prison on tax evasion charges). That one was chaired by Oak Ridge National Laboratory's Alvin Weinberg, the student of Wigner. Von Hayek kept coming back, bringing with him the Conservative Revolution crowd of the American Enterprise Institute, the Potomac Organization, and others. At the 15th conference, a major theme was unity of religions. Discussion papers included one on a favorite topic of Moon: a piece by a comparative religion expert arguing that phallus cults are simply a form of "worship of the principle of life."

So, the wide net of the Open Conspiracy drew tighter.

Where It Came From

The Unity of Sciences movement had been founded in New York City in the mid-1930s, by a group of admirers of Bertrand Russell among the faculty of Columbia and New York Universities. It drew its philosophical fire from Russell's discredited attempt at a utopian formal logic, the *Principia Mathematica*,¹⁷ and a related offshoot of German philosophical degeneracy, the Vienna Circle of logical-positivism. In the final analysis, the distinction between those doctrines, and what Moon considered to be his most profound discovery ("Why didn't you feel they [your feces] were dirty? Because that's a part of your body.") is a fine one.

It all went back to Thomas Huxley's basic teaching, itself the derivate of a long chain of philosophical decay dating back to Aristotle. The unifying theme was the denial of the nobility of man, as expressed in the provable power of the human mind to create and discover new ideas. For the "no-soul" gang, there is no distinction of man from the beast, nor even from inorganic matter. There is, thus, no soul. To maintain such a view, creative reason must be denied. The mind must be shown to be merely a formal-logical processor, not different from a digital computer. The method of knowing the world, is reduced to analysis of sensory data received at the nerve endings.

The logical-positivist version of the doctrine had been described most nakedly by the Austrian failure of a physicist, Ernst Mach. In his 1886 *The Analysis of Sensations, and the*

17. Russell's 1913 work should long ago have been withdrawn from sale, and full refunds issued to all purchasers. In 1931, Kurt Gödel toppled the ivory tower of Russell's formal-logical utopia, and in principle all of logical-positivism, in a work entitled "On Formally Undecidable Propositions of *Principia Mathematica* and Related Systems."

Gödel, although a devoted follower of Leibniz, restricted himself in that work to a formal-logical refutation of Russell's doctrine. Russell was, thus, devastatingly refuted on his own chosen field of battle. However, the underlying assumption of Russell, that truth can be expressed by means of a formal system, had already been refuted 2,500 years earlier in Plato's series of dialectical refutations of the Eleatic school, culminating in the *Parmenides*.

Preceding the *Principia Mathematica*, Russell had authored a book-length attack on the philosophy of Gottfried Leibniz, and a failed attempt to refute Carl Friedrich Gauss's leading student, Bernhard Riemann, on the subject of geometry.

Relation of the Physical to the Psychical, Mach described his philosophical epiphany at the age of 17. He had been studying Kant's tortured philosophy, when he suddenly saw . . . something:

On a bright summer day in the open air, the world with my ego suddenly appeared to me as *one* coherent mass of sensations, only more strongly coherent in the ego.

Leaders of the Unity of Science grouping in New York, all members or sympathizers of Trotskyist political groupings, included Ernest Nagel, Sidney Hook, and Albert Wohlstetter (later to achieve fame as the mentor of America's leading Chicken-hawk, Defense Policy Board Chairman Richard Perle).¹⁸ John Dewey, the so-called education reformer most responsible for the present dumbing down of U.S. education, was also prominently associated with the group. Soon, members of the Vienna Circle in flight from Hitler, began arriving in New York. Among them were Rudolf Carnap, Hans Reichenbach, and the man who coined the term Unity of Science, Otto Neurath.¹⁹

18. Albert Wohlstetter became the intellectual father of two naughty children: Richard Perle, and the insane doctrine known as Discriminate Deterrence. Wohlstetter was a graduate student of Ernest Nagel at Columbia, and a member of a Trotskyist splinter group called the League for a Revolutionary Party, headed by B.J. Fields. He broke with that, and in the early 1950s began his career in the Rand Corporation.

The Rand think-tank was an outgrowth of the same Russell-Wells Utopian circles which had pushed for the napalm bombing of civilian populations in Germany, and the needless and cruel dropping of the atomic bombs on Hiroshima and Nagasaki. Wohlstetter became a leader in that grouping of military incompetents who specialized in devising gaming scenarios, whereby the U.S. would supposedly get an advantage over the Soviets in the Cold War, without actually exploiting any new physical principle. It was all modeled on the ideas of Wells, Russell, and Szilard.

The other child looked human, even to the big, pouty face. Richard Perle met Wohlstetter when he was a teenager in California in the 1950s, dating his daughter. He dropped the daughter but kept on with her father. "It was a close personal friendship, as well as an intellectual relationship," the *Washington Post* of Nov. 24, 1987 explained. "Wohlstetter's ideas became Perle's ideas; his network Perle's; and, as Perle travelled through the bureaucratic catacombs of Washington, his first mentor remained on call. . . ."

Today Perle's views include his frequent calls for unilateral, pre-emptive strikes against Iran, Iraq, and any other Islamic country he chooses, with or without evidence. Perle is a Vietnam era draft dodger, which seems to qualify him to chair the Defense Policy Board. In that capacity, he is a frequent traveller abroad purporting to represent the views of the United States.

19. Neurath was a Viennese communist. In his late 1920s manifesto, titled *Wissenschaftliche Weltanschauung* (Scientific World Outlook), he spelled out the movement's aims:

"[T]he goal ahead is *unified science*. The endeavour is to link and harmonize the achievements of individual investigators in their various fields of science. From this aim follows the emphasis on *collective efforts*, and also the emphasis on what can be grasped intersubjectively; from this springs the search for a neutral system of formulae, for a symbolism freed from the slag of historical languages. Neatness and clarity are strived for, and dark distances and unfathomable depths rejected."

Striving for "neatness and clarity," Neurath himself would soon be working on his greatest contribution, the icon system known as ISOTYPE, which

Bertrand Russell visited New York in 1936, on his way to a two-year teaching assignment at the University of Chicago, and met with the members of the Unity of Sciences group. Russell took the movement with him to Robert M. Hutchins' University of Chicago. It grew to national intellectual prominence in 1938, with a well-publicized conference at the University of Pennsylvania, attended by Russell, and followed shortly thereafter by another affair at Harvard.

Soon, the method of Unified Science would take over the teaching of science and mathematics, first in the U.S.A., then the rest of the world. A project called the *International Encyclopedia of Unified Science*, run out of the University of Chicago, published a multivolume series, of which Thomas Kuhn's wretched piece of intellectual dishonesty, *The Structure of Scientific Revolutions* is the best known.²⁰ Neurath was the editor-in-chief for the encyclopedia. Rudolf Carnap, another Viennese refugee, and Charles Morris, both of whom frequented Russell's seminar at Chicago, were the associate editors. The advisory committee for the project included Copenhagen school physicist Niels Bohr, John Dewey, and the devil's orphan, Bertrand Russell himself.

Postscript: A Note on Moon's 'Theology'

Moon's is a Gnostic doctrine, not of his own invention. The method of propagating cults, as a means of maintaining subject populations under the rule of an imperial power, goes back at least as far, in known history, as the Babylonian Empire. The Romans learned it from the high priests of the East, whence it passed along, by way of Byzantium, to Venice, the leading maritime power up to the 17th Century. From Venice, it penetrated into England, and eventually became a standard piece in the repertory of the British Empire's intelligence services.

The specific cult doctrine known as Gnosticism came to the Hellenic world by way of the Persian domination of Mesopotamia. It originated as a form of mystery worship of astronomical deities, including a father (or "original man") and great mother god, sometimes Venus, or, in an Egyptian-derived variant, Isis (Sirius). The number seven has mystical

would allow one to distinguish the men's room from the ladies' in international airports.

20. Kuhn's book, still widely read on campuses today, was first published by the University of Chicago Press in 1962, as Volume 2, Number 2 of the *Encyclopedia of Unified Science*; it was reissued by the same press in 1970, and subsequently.

The fraud behind Kuhn's popularized term "paradigm shift" is very simple. Kuhn does not believe in truth. Apart from his incompetent interpretation of nearly every actual breakthrough in science, Kuhn does not suppose any such breakthrough to be a matter of actual human progress. Kuhn's "normal science" is H.G. Wells' doctrine of the scientist as "worker bee," as elaborated in *The Open Conspiracy*.



Father and Mother Moon, shown superimposed over the Four Million Couple Blessing in Seoul, Korea, on Feb. 13, 2000. In the synthetic belief structure which controls his Gnostic cult, Moon is the patriarch of a "Third Testament Age." To fulfill his role as Messiah, the marriages of his followers must be blessed by him and his wife.

significance as the number of the five visible planets, plus the Sun and Moon.

In the form of the Gnostic heresy deployed against early Christianity, the primal or original man, becomes Christ. In some versions, such as that presented in the popular book, *Holy Blood, Holy Grail*, Christ did not die on the cross, but married Mary Magdalen, migrated to Europe, and had children, who became the British ruling family by way of d'Anjou and Plantagenet lineage. This published hoax is a variant on the form of British Israelism believed by many members of the British elite today. In another common variant, the actual Jews are thought to be the children of Eve's copulation with Satan (the serpent); the other descendants of Adam allegedly went elsewhere. In other versions, Christ did not marry, which is, itself, alleged to be an error.

Moon's religion is a syncretic variant upon these diverse Gnostic doctrines, created as a cult belief-structure, for purposes of mass manipulation. Moon believes that he is the Father of a "Third Testament Age." The first was tainted by Cain's crime against his brother. Christ failed to have children, and thus the Second Testament Age was not fulfilled. Father and Mother Moon (that is, Sun Myung and his second wife Hak Ja Han) are the parents of a new race of "blessed" people of the Third Testament Age. Although Moon apparently once thought he could father all the children single-handedly, age caught up with him. It was determined that he and his wife could become the parents of the new generation, by being present at mass blessings of marriages. Tens of thousands of couples may participate at one time. Moon, now 82, believes himself the Messiah, but not immortal. Therefore,

these affairs must be conducted as widely and quickly as possible. A big one just occurred near Washington, D.C., Dec. 7, 2002.

That, folks, is the hard truth about the world's largest Gnostic Sex-Cult Freak Show.

Is your rabbi, imam, priest, or pastor co-habiting with the devil? Is he sporting a new gold watch, perhaps a new girlfriend, or a Moon-blessed wife? Do you, including the unchurched among you, imagine yourselves free of this influence? When was the last time you picked up a copy of a publication in science, culture, history, or any field of intellectual endeavor, that did not have the imprimatur of the Russell-Wells "no-soul gang" stamped all over it? Have you any independent thought respecting man and nature, which is not derived from, or influenced in some way, by the philosophical premises of the "no-soul" gang? Think about it. Much is riding on your conclusion.

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The essential thesis for this report is contained in two groundbreaking historical studies by Lyndon H. LaRouche, Jr.: "How Bertrand Russell Became an Evil Man," *Fidelio*, Fall 1994, and "Today's Nuclear Balance of Power: The Wells of Doom," *EIR*, Dec. 19, 1997. The author had the rich outline of these works rattling around his brain when he undertook recently to look into the origins of the Unity of the Sciences Movement. Discovering the Russell, Dewey, Hutchins, Niels Bohr nexus of control leading into the 1970 republication of Thomas Kuhn's *Structure of Scientific Revolutions*, the question arose: How did this operation become integrated into the Moonie empire, beginning 1972, with the prominent assistance of Leo Szilard's partner, Eugene Wigner? A re-reading of Wells'

The Open Conspiracy, pointed to the significance of Buchman's Oxford Group/Moral Re-Armament Movement, which spawned the Moon cult, as the tactical realization of Wells' call for a mass peace movement. A closer look at the Unity of Science doctrine combined with the second part of Wells' "modern Bible scheme," his *Science of Life*, helped to answer a question which had been part of the immediate motivation for this research: Who killed science?

The *EIR* archive of unpublished reports dating back to 1978 proved an invaluable source of material. An overview was provided by re-reading of the 1980 work *The New Dark Ages Conspiracy*, a book-length elaboration by his collaborators of LaRouche's original thesis on the Russell-Wells "no-soul gang."

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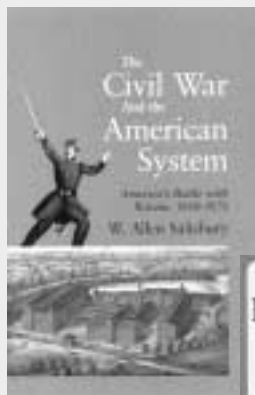
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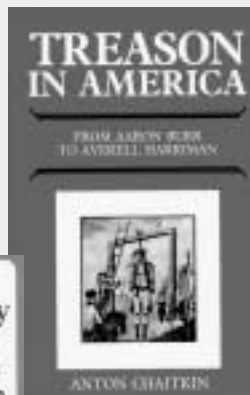
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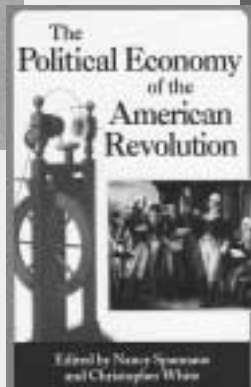
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Mossad Exposed in Phony 'Palestinian Al-Qaeda' Caper

by Michele Steinberg and Hussein Askary

The United States government has been provided with concrete evidence that the Israeli Mossad and other Israeli intelligence services have been involved in a 13-month effort to "recruit" an Israeli-run, phony "al-Qaeda cell" among Palestinians, so that Israel could achieve a frontline position in the U.S. war against terrorism and get a green light for a worldwide "revenge without borders" policy. The question: Does the United States have the moral fiber to investigate?

Evidence of the Israeli dirty tricks burst onto the public scene on Dec. 6, when Col. Rashid Abu Shbak, head of the Palestinian Preventive Security Services in the Gaza Strip, held a press conference revealing the details of the alleged plot, as his agency had put the pieces together. The revelations undermine the "big lie" that Prime Minister Ariel Sharon has used to justify new brutal attacks on Palestinian civilians in the Gaza Strip and other occupied areas. Sharon claimed on Dec. 4 that Israeli intelligence had "hard evidence" of al-Qaeda operations in the Gaza Strip. Now, the top Palestinian leadership has shown the United States and other nations how Israeli intelligence entities were creating that al-Qaeda link!

American leader Lyndon LaRouche, a Democratic Presidential pre-candidate in 2004, commented that these revelations, if confirmed, could be "of strategic importance" in stopping the American, British, and Israeli warhawks pushing for a Middle East war, beginning with an invasion of Iraq. A war would justify the Sharon government's plan to annihilate the very idea of a Palestinian state. LaRouche warned that if institutions of the American Presidency and the international community successfully block an American pre-emptive war on Iraq, the biggest danger would be that a "mega-terror" attack, blamed on Palestinians, or an "Iraqi-linked" al-Qaeda, would be *staged* by Israel's ruling Jabotinskyite fanatics, to put the war back on the agenda.

News about the Mossad-run attempt to create an al-Qaeda cell came when well-informed intelligence sources based in Washington had already told *EIR* that there are many doubts about the Mossad's hasty declaration that "al-Qaeda" had been responsible for the Nov. 28 attack on a hotel in Mombasa, Kenya, where three Israelis were killed, and the failed rocket attack on an Israeli chartered jet that was departing from Mombasa airport. There was no identification of the bombers within the first five days of the incident, the sources pointed out, yet Sharon's government ministers went on an immediate propaganda rampage announcing worldwide revenge (see article in this section). Authorities in Kenya also denied the al-Qaeda link. But the usefulness of blaming al-Qaeda, for the Israeli right, was palpable, when Foreign Minister Benjamin Netanyahu called the Kenya attacks "a golden opportunity" to prove to the United States that Bush's war on terrorism, and Israel's war with the Palestinians is the same thing. Netanyahu's faction has violently rejected the Palestinian Authority's revelations, and so far, the American and European press have followed suit, despite the dramatic nature of these charges, and the documents that the Palestinians have provided to the international press.

Chronology of the Revelations

On Dec. 7, the British news service, Reuters, the Israeli daily *Ha'aretz*, and Qatar-based Al-Jazeera TV network, all reported that the Palestinian Authority had accused the Mossad of creating a phony al-Qaeda cell in the Gaza Strip. *Ha'aretz* reported, "the head of Palestinian Preventive Security" in the Gaza Strip, Col. Rashid Abu Shbak, said on Dec. 6, "that his forces had identified a number of Palestinian collaborators who had been ordered by Israeli security agencies to 'work in the Gaza Strip under the name of al-Qaeda.' He

said the investigation was ongoing and evidence would be presented soon.” Al-Jazeera TV added that the Palestinian authorities had arrested a group of Palestinian “collaborators with Israeli occupation” in Gaza, involved in the operation.

Reuters’ reporter Diala Saadeh, under the headline, “Palestinians: Israel Faked Gaza al-Qaeda Presence,” quoted a number of Palestinian Authority (P.A.) senior officials, including President Yasser Arafat, who told reporters at his West Bank Ramallah headquarters, that Sharon’s claims of al-Qaeda operations in Palestinian territories “is a big, big, big lie to cover [Sharon’s] attacks and his crimes against our people everywhere.” P.A. Information Minister Yasser Abed Rabbo detailed the case: “There are certain elements who were instructed by the Mossad to form a cell under the name of al-Qaeda in the Gaza Strip in order to justify the assault and the military campaigns of the Israeli occupation army against Gaza.”

Palestinian officials promised to provide detailed evidence, and did so on Dec. 8, in a press conference addressed by Colonel Shbak, and by Palestinian Minister for Planning and International Cooperation Nabil Shaath. Shbak told the international representatives that, “Over the past nine months, we’ve been investigating eight cases in which Israeli intelligence posing as al-Qaeda operatives recruited Palestinians in the Gaza Strip.” Colonel Shbak said that 3 men were under arrest, and 11 had been released. He explained that those released had voluntarily provided information going back to May 2002, about the contacts that had been made asking them to operate as an “al-Qaeda” group. The alleged al-Qaeda recruiters were traced to Israeli intelligence, said Colonel Shbak. He detailed incidents, some of which were described in official documents, of cell phone calls and e-mails, where Palestinians were asked to “join al-Qaeda.” Shbak said, “We investigated the origin of those calls, which used [wireless phone] roaming, and messages, and found out they all came from Israel,” reported the publication, IslamOnline. He said that the potential “recruits,” had been given money and weapons, “although most of these weapons did not even work.” He also noted that the money for these targeted Palestinians “was transferred from bank accounts in Jerusalem or Israel.”

Minister Shaath announced at the press conference that the P.A. had “handed ambassadors and consuls of the Arab and foreign countries, documents revealing the involvement of the Israeli intelligence in recruiting citizens from Gaza Strip in a fake organization carrying the name of Qaeda.” He said the ploy was intended “to create a new excuse to escalate the aggression on Gaza Strip.”

The international community was jolted again on Dec. 10, when Colonel Shbak held another press conference and the Preventive Security Agency presented the Mossad’s potential recruiter himself to the international media. According to reports in the Arabic press in Dubai, London and Ramallah, the man appeared in disguise (for security reasons,) and was identified only as “Ibrahim,” but explained in great detail that

he was one of the “key recruiters” for the potential cell. He said the story started in October 2001, when, after he sent his photo and mobile phone number to a “contact page” in a Jerusalem magazine, he was contacted by a person calling himself “Youssef,” and nicknamed “Abu Othman.” After building up a personal relationship with “Ibrahim,” and telling him how much he resembled his own son, who had been killed, Youssef sent him \$2,000, and began encouraging the Gaza man—who appeared to be in his early 20s—to become a more observant and practicing Muslim.

In May 2002, five months after the initial contact, said Ibrahim, Youssef “told me frankly, ‘you are a good candidate to work for us in the company of Osama bin Laden and the al-Qaeda group.’ ” This Youssef also claimed to have already created an al-Qaeda cell inside Israel. Ibrahim said that he then approached the Palestinian security services and told them about the transactions with Youssef, and that the security services asked him to continue the communications, which they would monitor. He said that the specific instructions were that Ibrahim was to announce through a communiqué—directly from Gaza—that al-Qaeda claimed credit for a bombing attack, or attacks, that Youssef indicated his network was about to carry out in Israel. Ibrahim stressed that the man also said that he (the Mossad officer) “had the capability to carry out major bombing operations inside Israel, but that the al-Qaeda group in Gaza should claim responsibility for the attack and no other group.” In an interview with the London-based Arabic daily *Al-Hayat*, after the press conference, Ibrahim stated, that “the man told him that mega military operations will be conducted inside Israel, and that these operations would be announced through Ibrahim.” This would mean that as soon as he gets the signal after a major terrorist act against Israeli civilian targets, Ibrahim and his group would send a communiqué to the press or a videotape, similar to the ones sent by bin Laden to Al-Jazeera, claiming responsibility for the attack.

Ibrahim was also asked to gather specific information for Youssef about a number of persons in Gaza, some of them known to be members of Hamas. When asked why he wanted this information, Youssef said, “I want them to join al-Qaeda.” At that point, Palestinian security services cut off the “Ibrahim-Youssef” contact, because it was becoming too dangerous.

At the same press conference, Colonel Shbak said direct money payments “transferred from Israel,” had been received by five out of the eight Palestinians who have been giving information to the Preventive Security Agency about this operation. Shbak also explained that his agency traced and obtained a number of telephone numbers, registrations, and bank receipts for money transferred to some of those persons.

Now, said Shbak, the United States and a number of international intelligence and security organs had been supplied with documents and evidence refuting the Israeli allegations

about Palestinian connections to al-Qaeda. "These documents prove without any doubt that the ones who are behind this alleged al-Qaeda group are the various Israeli intelligence organizations," Shbak added. He told *Al-Hayat Al-Jadidah* daily that the "Americans have not responded yet to the documents . . . as provided by the Palestinian Preventive Security agency."

The 9/11 Cover Story

The question is whether the U.S. government and other governments will take up the evidence given to them. It is well established that several top Cabinet officials in the current Sharon caretaker government, including Sharon himself, have a long, jaded history of staging precisely these kinds of "countergang" operations, using Israeli covert operatives and Arabs tortured and brainwashed in Israeli jails and recruited as false-flag terrorists. Sharon, Mossad chief Moshe Dagan, and Gen. Effie Eitam are proponents of such dirty-war tactics. As *EIR* reported in several extensive articles on the Hamas organization, that terrorist capability was actually created by Ariel Sharon and the Israeli right wing, for the purpose of supplanting Yasser Arafat and the organizations of the Palestine Liberation Organization (see *EIR*, Dec. 6).

Even more to the point, the Osama bin Laden authorship of the Sept. 11 terrorist attacks has been a cover story from the first moments the media began reporting it as fact. Interviewed on the morning of Sept. 11 as the attacks were unfolding, LaRouche made clear that the breadth and sophistication of these attacks showed that it was "an inside job," involving U.S. military and intelligence operatives capable of defeating or neutralizing all existing and backup security systems. Bin Laden was named as the culprit, explains LaRouche, because his name provided entry into the policy of a Clash of Civilizations against Islam, which right-wing neo-conservatives in the Bush Administration have as their goal. LaRouche has also pointedly asked when Osama bin Laden stopped being an American agent—a reality that the "Islamic card" networks of Zbigniew Brzezinski and the Iran-Contra financiers of the Afghansi *mujahideen*, want to bury. It must also be asked, when did al-Qaeda stop working for British intelligence? *EIR* has documented that British foreign intelligence, MI6, worked closely with so-called Islamist terrorist groups safe-housed in Britain, to destabilize Arab and Muslim nations, in the geopolitical service of Her Majesty's government, and an Anglo-American imperial faction.

As recently as November, this coverup of British/U.S. covert support for terrorism continued, with the case of David Shayler, a former MI5 agent who was sentenced to six months in jail for disclosing "government secret information." Shayler told London *Guardian* reporter Martin Bright that MI6 hired one of Osama bin Laden's closest collaborators—Anas al-Liby, who remains on the U.S. government's Most Wanted List, with a reward of \$25 million for his capture—to assassinate Libya's Col. Muammar al-Qaddafi in 1996.

Bright, who could not publish the article in the *Guardian*, but did so in the Pakistani daily, *The Dawn*, on Oct. 30, received a gag order from the British Attorney General, threatening him with prison, if he publishes any more information from Shayler.

With this background in mind, the public revelations about the Mossad attempts to set up al-Qaeda cells, could have strategic consequences for the discredited Sharon government—and even more broadly for the Clash of Civilizations zealots covering up the truth about Sept. 11. The Palestinian revelations could become the "straw that broke the camel's back," in this dirty war.

Kenya Terror: Where Will Sharon Retaliate?

by Dean Andromidas

Following the twin attacks targeting Israeli tourists and an Israeli airliner in Mombasa, Kenya on Nov. 28, loud calls for retaliation using "options that up until now have been unacceptable to public opinion," are being made by leading members of the government of Israeli Prime Minister Ariel Sharon. According to well-informed sources in Israel, backed up by a years' long record of covert assassinations, these calls for "vengeance" mean one thing—extra-territorial assassinations, anywhere, anytime, against any nationality, by Israeli secret hit teams.

But a matter that should disturb every citizen of any nation is that, this time, the Likudniks of Sharon's war machine are not just rogue elements, acting as outlaws. They are pointing to their alliance with the United States as the justification under international law for the retaliatory murders they are planning to commit. Recall that on Nov. 5, Paul Wolfowitz, U.S. Deputy Secretary of Defense, and leading Likud party mole in the American government, went on CNN television to announce that the United States had adopted the assassination policy perfected by Sharon's security forces over the last two years, known as "pre-emptive assassinations" of terrorists. Wolfowitz's public confession, in effect, forced through the illegal doctrine against strong opposition within the intelligence community of the United States, and among some in Bush's national security team. As *EIR* warned on Nov. 22 ("Did Wolfowitz Blow CIA Secret to Set Up the President?"), the public revelation—in fact, a boast—gave license for further assassinations. Now, in the wake of the Kenya attacks, the gates of Hell have been opened to such international operations.

Furthermore, information presented to the U.S. government for investigation, over the last days, indicates that, lack-

ing any evidence of al-Qaeda involvement against them, Israeli intelligence is planning on working on inventing its own (see accompanying article).

‘We Will Repay’

On Nov. 28, a car-bomb struck an Israeli-owned hotel in Mombasa, and missiles were fired from the surface at an Israeli airliner departing Mombasa airport. Fifteen people, including three Israelis, were killed, and up to 100 injured in the hotel bombing. The airplane, a Boeing 757 with 261 passengers and crew, was undamaged.

An unknown group calling itself the Army of Palestine, in a faxed message, claimed responsibility, saying it had sent two teams to “make the world hear once again the voice of Palestinian refugees, and cast light on Zionist terrorism in the West Bank and Gaza.” The authenticity of the statement has not been confirmed.

Israeli Defense Minister Shaul Mofaz promised vengeance. “Our hand will reach them,” he said. “If anyone doubted that the citizens of the state of Israel cannot stand up to the killers of children, this will be removed. Vengeance is ours. We will repay.”

Foreign Minister Benjamin Netanyahu told the press, “This shows that terror organizations and the regimes behind them are able to arm themselves with weapons which can cause mass casualties anywhere and everywhere. Today, they’re firing the missiles at Israeli planes, tomorrow they’ll fire missiles at American planes, British planes, and every country’s aircraft. This shows there can be no compromise with terror.”

Prime Minister Ariel Sharon ordered the new chief of the Mossad intelligence service, Meir Dagan, to take charge of the investigation of the attack. The order has been compared to that relayed by the late Israeli Prime Minister Golda Meir, who ordered the hit teams run by operative Rafi Eytan, called “Terror Against Terror,” to hunt down and kill “those responsible” for the massacre of Israeli athletes at the 1972 Munich Olympics. More than one innocent person was killed in this way. As to Dagan, himself, throughout the 1970s and 1980s, he ran “Operation Caesarea,” whereby, in Gaza and Lebanon, his 40-man hit squad of Israeli Defense Forces (IDF) commandos would frequently disguise themselves as Palestinians and assassinate Palestine Liberation Organization (PLO) leaders. (Often, the targets of these assassinations were moderate Palestinians, who were more open than most others, to peace talks with Israel.)

Although not successful, the attempt to down the Israeli airliner in Kenya is being seen by Sharon as a “mega-terror” attack. *EIR* has warned that Sharon has been looking for such an attack, as a pretext to launch a new Mideast war. This danger looms larger, now that the Iraq war drive has been slowed in the United Nations. It is not only the war party in Washington that wants this war; so does their ally, Ariel Sharon, and perhaps even more so. This gang’s intentions

were spelled out by his “security team,” in speeches given to the National Security Conference held at the Herzliya Interdisciplinary Center in Israel on Dec. 2-4.

Changing the Rules

Ephraim Halevy, chairman of Israel’s National Security Council and former head of the Mossad, warned that a “mega-terror” attack on Israel will “change the rules” of how Israel will react. The Kenya attempt against the Israeli airliner was “a major escalation that cannot be ignored. . . . The working assumption is that if a mega-terrorist incident succeeds, it will at once change a long series of rules of behavior. The essence of the threat is essentially genocide, the destruction of the state. . . . Against such a threat, Israel has a broad range of capabilities that it is preferable not to reveal prematurely. . . . Presumably, international opinion will understand, accept, and internalize the change in the rules and the levels of action.”

Halevy said a successful attack would “create an international dynamic that would open options that up to now were unacceptable to public opinion.”

An Israeli official who has particularly strong ties to the war party in Washington, Halevy said that with Iranian and Iraqi weapons of mass destruction aimed at Israel, the country has to support the United States in an Iraq war: “If the United States succeeds, as many of us hope, there will be far-reaching changes in the Middle East.” The end result will be “undoubtedly favorable for Israel.”

Regarding Israel’s relations with the United States, he said, “Never have the interests and goals of the two countries been so close; therefore, Israel has never needed to examine its international policies with so much consideration of the needs and interests of the United States.” He said that every country has to make its views known regarding the war on terrorism. “Those who are neutral are not neutral.”

A military source who heard Halevy’s presentation emphasized, “This is not simply a ‘professional’ opinion. This is the opinion of Sharon. You have to understand that Halevy is Sharon’s messenger. He is sent on secret missions, and when he speaks, he is expressing the opinions of his boss.” The message is that “now the world must take this global terror threat seriously or Israel will have to act unilaterally.”

Halevy did not detail the “options that up until now have been unacceptable to public opinion.” But *EIR* has detailed several options which Sharon has so far been prevented from carrying out. These include the assassination of Palestinian Authority President Yasser Arafat, military strikes against Syria and Lebanon, and a regional war where Sharon can finally implement his “Jordan is Palestine” policy, by driving the Palestinian population across the Jordan River.

The most convenient point to strike is close to home: Arafat’s West Bank headquarters in Ramallah.

On Dec. 5, Sharon told a group of Israeli editors that al-Qaeda was active in the Palestinian territories. “We have

information for some time now that al-Qaeda people have entered” the territories. “The information says that a small number entered the Gaza Strip. We know they are in Lebanon, in close cooperation with Hezbollah. We know they are in the region. There’s no doubt that Israel is a target for attack.”

Denouncing Sharon’s comments, Palestinian Preventive Security Chief in the Gaza Strip Rashid Abu Shbak charged, “This is the sort of justification the Israeli leadership is trying to market for the Americans, to launch a strike against the Gaza Strip.” The Palestinian Authority then released information exposing an attempt by Sharon’s security forces to plant one of their own false-flag al-Qaeda cells among the Palestinians, as *EIR* details in this section.

Possible Expansion of the Conflict

Speaking at the same conference, Sharon’s new Defense Minister, Shaul Mofaz declared that what was intended by the terrorists in Kenya was “a mega-attack, which was prevented by a miracle.” In the same breath, he spoke of the Israeli-Palestinian conflict, declaring, “Sooner or later, we will have to ask ourselves . . . whether we should switch to a process of political-military decision.” A source close to him told the *Jerusalem Post* on Dec. 5, that these words were code for “making Arafat disappear from history.” The source asserted that Sharon is in agreement with Mofaz, but is only concerned with “timing,” not wanting to interfere, for the time being, with any U.S. action against Iraq.

Mofaz’s statement was backed by Chief of Staff Moshe Ya’alon, who warned that the continuing conflict with the Palestinians could pose a threat to Israel’s peace treaties with Egypt and Jordan.

The Israeli security establishment has linked the perpetrators of the Kenya attacks to alleged al-Qaeda networks in Lebanon, which they are accused of being protected by the Hezbollah group. The latter’s backers, Syria and Iran, can now be put into Israel’s sights.

This was reflected by commentator Ze’ev Schiff, who wrote in the daily *Ha’aretz* on Nov. 29, that now “the Mossad and the Shin Bet [domestic intelligence] will have to reorganize outside the country’s borders—and not only in the defensive posture.” He noted that the unknown “Army of Palestine” claimed responsibility for the Kenya attacks via al-Manara, the TV station of Hezbollah in Lebanon. Schiff took this to mean, that Hezbollah most likely knows the members of this group, and he went on to claim that Hezbollah works with an al-Qaeda-linked group in Lebanon. “That group must be regarded as a loaded gun that will eventually fire—at Israel. Investments will have to be made in defensive measures so as to not expose that front.”

Steps of Escalation

The implication is that a “pre-emptive” assassination by Israeli security forces, may be launched in Lebanon. Such an attack would, predictably, provoke retaliation by Hezbollah and lead to a rapid escalation—an escalation which Sharon

wants to use, in order to launch direct attacks on Syrian positions, both in Lebanon, and also in Syria.

On Dec. 7, only a few days after Schiff’s article, two Lebanese drug dealers were killed in southern Lebanon. The two, Ramzi Nahra and his nephew Ellie Issa, were killed when a roadside bomb destroyed the car they were in. Nahra served many masters, including the Israelis through his drug-trafficking activities, and Hezbollah. Israel was immediately suspected, because the bomb had been made to look like a rock, a technique the Israelis used in 1997 against two Hezbollah activists travelling on the road in the Al Kafor district. Within 24 hours of the Dec. 7 attack, a roadside bomb within Israel, near its border with Lebanon, wounded two Israeli soldiers. A previously unknown Lebanese group took responsibility, claiming the attack was to avenge the Nahra and Issa assassinations.

Then, on Dec. 8, the London *Sunday Telegraph*, which is often used to launder Mossad disinformation, ran a totally unsubstantiated report, linking the Hezbollah to the attacks in Kenya, and claiming the techniques used by al-Qaeda were similar to Hezbollah’s. The *Telegraph* quoted an unnamed “Western source” (who was most likely a member in the battalion-size contingent that Israel sent to Kenya to “help” in the investigation), saying that “A clear pattern is emerging that suggests Hezbollah is actively cooperating with al-Qaeda. Hezbollah is very active in this part of Africa and shares similar objectives to Al-Qaeda.”

Hezbollah not only denied responsibility, but their spokesman charged that Israel was creating the atmosphere for an attack on Lebanon. The same spokesman charged that talk of a Hezbollah link was nonsense.

Possible Israeli Nuclear Strike

The last of the Israeli “options that up to now have been unacceptable to public opinion,” is the deployment of nuclear weapons. Lyndon H. LaRouche, Jr. has warned that Israel could threaten the deployment of its nuclear capabilities as a provocation if the United States does *not* launch a war against Iraq. In this context, the *Jerusalem Post* reported on Dec. 5, that Mossad head Meir Dagan had told Sharon’s Cabinet the day before, that the world was on the brink of the most intensive proliferation of nuclear weapons and ballistic missiles, and that therefore Israel had to prepare “new responses,” in the event of an attack.

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Attacks on Sovereignty Disrupt Korean Election

by Kathy Wolfe

The new U.S. National Security Directive #17, released Dec. 10, “emphasizes the threat of a U.S. pre-emptive nuclear strike against Iran, Syria, North Korea, and Libya among other countries,” reports the *Washington Post*, and is part of a global strategy by the “Utopian” faction in Washington. The Utopians, including Vice President Dick Cheney and Defense Secretary Donald Rumsfeld, are an extremist minority promoting global war, not always successfully. Since a combined intervention by what Lyndon LaRouche described as “the institution of the U.S. Presidency” and by international forces, has for the time being put the brakes on their drive to hit Iraq, they are anxious to regain momentum.

But in Korea, despite President George Bush’s repeated statements that he seeks a diplomatic and peaceful resolution of conflict with the North, release of this “hit list” and related provocations against Pyongyang have escalated nuclear tensions and threatened to disrupt the hotly contested Dec. 19 South Korean Presidential election. The race between President Kim Dae-jung’s “Sunshine” policy of rapprochement, and the opposition’s policy of confrontation, is easily influenced by such dramatic media events.

On Dec. 11, the day after Rumsfeld’s hit list was published, a U.S.-led flotilla in the Indian Ocean fired on and then seized a North Korean ship in international waters, acting on U.S. Defense Intelligence Agency satellite data that the ship might have been transporting missiles to terrorists in the Middle East. “North Korea is the largest proliferator of missiles and ballistic missile technology on the face of the Earth,” said Rumsfeld, on tour in nearby Djibouti.

“Reckless aid to the North has allowed Pyongyang to build a nuclear program and weapons of mass destruction,” a spokesman of the opposition in Seoul said on Dec. 11, demanding an end to the Sunshine Policy.

In an embarrassment for Rumsfeld, the ship was released after Yemeni President Ali Abdullah Saleh phoned Cheney and President Bush to protest that the U.S.-allied Yemen government had bought the missiles legitimately. But the hijacking, the “hit list,” and Washington’s Nov. 14 embargo of oil to North Korea, had already had the intended effect of kicking Pyongyang where it hurts: in their national sovereignty.

On Dec. 12, the North Korean Foreign Ministry announced that to replace the embargoed oil, they will “resume operation and construction of nuclear facilities necessary for electric power generation” at Yongbyon. The Yongbyon

reactor produces weapons-grade plutonium, and almost triggered a nuclear war until it was mothballed in a 1994 agreement, which the United States has broken with its oil embargo.

Deliberate Provocation

President Kim Dae-jung warned of just such danger Nov. 18, when he said that sanctions would only force the North to restart Yongbyon, and could “lead to another war on the Korean peninsula,” as *EIR* reported Dec. 13.

The Utopians have gotten, in fact, just what they wanted. In a Nov. 18 *Washington Times* interview, an unnamed “high administration official” thought to be Rumsfeld’s Undersecretary Paul Wolfowitz, said that the deliberate intent in cutting off the oil was to provoke Pyongyang to restart Yongbyon, to “isolate the regime in world opinion” and encourage “regime change.”

Visiting Beijing on Dec. 12, Undersecretary of State Richard Armitage said that the seizure of the ship sent a strong message, despite its release. “I think that the signal that was sent to Pyongyang is: ‘we know what you’re doing, we know where you are, you can’t hide.’ ” (But the Yemeni President’s protest had made clear, that the Pentagon had not, in fact, known what this North Korean ship was doing.)

Such statements are seen in Seoul as an attack on the national sovereignty of all Koreans. This was already a hot issue across South Korea, where in December a protest against U.S. troops skyrocketed after the court-martial acquittal of 2 GI’s who had crushed a pair of Korean schoolgirls with an armored vehicle. The real anger stems from Washington’s snubbing of the Sunshine Policy, and the “evil axis” speech, as *EIR* also noted Dec. 13.

“The U.S. seizure and unexpected release of a North Korean missile carrier has made the past two days an emotional roller coaster for South Korea, one week from the Dec. 19 presidential election,” the *Korea Times* complained Dec. 12. “Seoul officials were concerned the episode might affect the outcome of the election. In many past elections, North Korea has been a major factor, providing an opportunity for conservative candidates to rally voters based on fears. . . . The U.S. government would find [opposition candidate] Lee Hoi-chang easier to work with than [pro-government candidate] Roh Moo-hyun,” the *Korea Times* adds. “These circumstances were ample ground for speculation by Seoul political circles that Washington had stage-managed the incident in a bid to help the struggling Lee out. ‘I think that the latest incident will influence the election,’ a Seoul official noted privately, right after the seizure. Others expected the incident to pour cold water on growing anti-American sentiment in South Korea and make irrelevant the calls for the withdrawal of U.S. troops, by forcing Koreans to realize the importance of the U.S. in protecting Seoul from the North.”

Re-opening the Yongbyon reactor, if North Korea does so, was also deliberately provoked to create yet another issue “to rally voters based on fears.”

'Cheriegate': Britain's New Profumo Affair?

by Mark Burdman

Under conditions of the onrushing disintegration of the global economic system, the hallowed institutions of Great Britain are coming under enormous strain. We recently documented, how the House of Windsor has been hit with several crises that have the potential to effectively dismantle the British monarchy. Now, the Queen's Prime Minister, Tony Blair, is facing his most serious crisis since coming to office, five and a half years ago. This centers around the scandalous, deceptive, and likely illegal behavior of his wife, Cherie.

"Cheriegate," as the British media are calling it, has the makings of being a 2002-03 variant of the famous "Profumo affair," which brought down Conservative Party Prime Minister Harold Macmillan, in October 1963, making way for the premiership of Labour's Harold Wilson. That scandal involved a prostitution ring, headed by one Christine Keeler, which was simultaneously extending its "services" to British Defense Minister John Profumo and the Soviet military attaché in London, and was intertwined with weird occult networks, in and around London. Profumo was forced to resign, as alarm rose over potential security lapses because of his behavior, and Macmillan was soon obliged to follow.

Scandals are the preferred way, in the United Kingdom, for demolishing a prime minister. In a Dec. 9 discussion with *EIR*, a well-connected London source, who has himself been involved in efforts to "steer" the current "Cherie scandals" so as to cause significant damage to the Blair premiership, declared, "Such scandals are a way, for the powers-that-be, to slam the brakes on Blair. I assure you, there is a conscious effort to make the Blair couple seem as strange as possible, even stranger than the Windsors. The object of this, is to manipulate Blair politically, to force him to knuckle under, or, if he doesn't knuckle under, force him to resign. He could be removed from power quite easily, if this scandal moves in certain directions."

'Blairism Has Had Its Day'

Blair is vulnerable, now, for several reasons. First, on the economic front, Britain hovers on the edge of a giant shock, because of the imminent collapse of the London/Southeast England-centered housing bubble and the unsustainable levels of consumer debt. The ongoing series of firefighters' strikes, and the likelihood of more strikes in the public sector in the weeks to come, have undermined Blair's authority and credibility, and opened the way for a challenge against him,



Tony and Cherie Blair: skilled in what Jonathan Swift called "The Art of Political Lying."

from within Blair's own Labour Party, from the ambitious and opportunistic Chancellor of the Exchequer, Gordon Brown.

Over the Dec. 7-8 weekend, two leading Labour Party figures called on Blair to "stand down," and allow Brown to assume leadership over the party. One of them, Mark Seddon, editor of the leftist *Tribune* magazine and a member of Labour's national executive, declared, "Blairism has had its day. We are seeing the beginning of the end of New Labour."

Secondly, Blair has drawn the ire of powerful elements of the British establishment, because of his support for allying with the United States in a war against Iraq, even at a time when the momentum toward war, from the Bush White House itself, is waning. Such establishment elements regard this war as insane and its results as incalculable. The most recent to join the chorus of anti-war voices, has been none other than Britain's own commander in the 1991 Gulf War, Maj. Gen. Patrick Cordingley, who declared his opposition, on BBC's "Panorama" television show, on the evening of Dec. 9. He is the latest of a plethora of former senior figures in the government of Prime Minister Margaret Thatcher, who have denounced the current Iraq war drive, in opposition to her own shrill support for the war.

Blair continues his reckless provocations. In a Dec. 10 interview with the *Financial Times*, he insisted that UN Security Council Resolution 1441, mandating the dispatch of weapons inspectors to Iraq, was actually a mechanism for initiating a strike against Iraq. He said that no second resolution would be required to start military operations against

Iraq, since the “implication” of the resolution is that, “if there is a breach and Saddam doesn’t comply, then we are prepared to take actions. . . . I believe that, at the heart of that UN resolution is really a deal, let’s be frank about it.” This has been accompanied, by endless prattle from the Prime Minister’s Office at 10 Downing Street, about the “mortal threat” represented by Iraq—a “mortal threat” that many leading British military professionals and strategists don’t believe exists.

The only prominent, albeit washed-out, British public figure who has rallied to Blair’s defense, on this issue, is the pathetic Thatcher, who flew on her broomstick to Washington, during the week of Dec. 8, to speak before an audience of 800 academics and senior politicians at the neo-conservative Heritage Foundation. Introduced by Vice President Dick Cheney, who praised her for having “the tenacity of the British bulldog,” she lavished praise on Blair, for steadfastly allying with the United States, against the “twin monsters” of terrorism and weapons of mass destruction, and against “psychopaths” like Osama bin Laden and Saddam Hussein.

But this shrieking banshee, who, with her Washington diatribe, had violated doctors’ orders that she no longer speak in public, is a voice in the wilderness, on the matter of Tony Blair.

‘Number 10 Have Not Told the Truth’

The “Cherigate” affair erupted on Dec. 1, when the *Mail on Sunday* tabloid ran a banner front-page story, revealing that Cherie Blair had used the services of a convicted Australian fraudster and con-man, Peter Foster, to obtain private property in Bristol, at significantly reduced cost. As soon as the story came out, the 10 Downing Street communications team, headed by Blair’s chief spin-doctor Alastair Campbell, went into high gear, exonerating Cherie from all blame, and hurling charges against the *Mail on Sunday*.

The *Daily Mail* tabloid retaliated on Dec. 5, publishing texts of e-mails between fraudster Foster and Cherie Blair, replete with statements of mutual praise. In response, Mrs. Blair had to acknowledge wrongdoing. But that was not sufficient, as Campbell’s crew was in a rage that she had misled them, setting them up for an embarrassment, by not having let them know about her relations with Foster. So, Mrs. Blair had to issue a second statement, taking full personal responsibility for having not told the truth, although avoiding the issue of her relationship with such a curious character as Peter Foster.

In the coming days, matters got curiously and curiously. It was revealed in the British press, that Foster had served jail sentences on three continents: his native Australia, in Great Britain, and in the United States. Further, he had boasted about his “profession,” in a book called *Revealed Secrets—The Art of the Reverse Sell*, in which he wrote: “Being a con-man is one of the most prestigious and respectable professions you can pursue.” Public leaks also indicated, that Blair’s own

10 Downing Street, had received a warning notice, four years ago, about Foster’s antics.

All told, it was hardly likely that an accomplished lawyer, and aspiring top judge to the British courts, such as Cherie Blair, would have been ignorant of whom she was dealing with. But it got still worse.

On Dec. 9, it was revealed that Mrs. Blair had intervened, on behalf of Foster, in a discussion with his lawyers, on ongoing legal proceedings for his deportation from Britain. The Dec. 10 *Times* commented that this revelation was “the most damaging yet to hit Mrs. Blair, the Downing Street machine, and the Prime Minister,” and had left Campbell’s communications team “wondering where the next ‘thunderbolt’ was coming from. It raised fresh accusations that Number 10 have not told the full truth.” A *Times* editorial on the same day, declared Cherie Blair’s behavior to be “absolutely reckless.”

The opposition Conservative Party, which had for some days maintained an eerie silence on the Foster matter, called, on Dec. 10, for an independent inquiry into the goings-on around Foster’s deportation proceedings.

Meanwhile, Mr. Blair has refused to say anything substantive, beyond reiterating that his wife has done nothing wrong. In one interview to a British journalist, he said his great regret, was that the attention paid to Cherie, was diverting the public’s attention from really important issues—like Iraq!

The Strange Miss Carole Caplin

The whole matter becomes yet more sordid, given the following amazing detail:

Foster is the boyfriend of a certain Carole Caplin, formerly a soft-porn topless model, and leading figure in a 1980s British psychology-sex cult called Exegesis, the which was denounced, in a Parliament report, as “dangerous.” Her curriculum vitae might just be the subject of harmless media tittle-tattle, were it not for the fact that Caplin is Cherie Blair’s “lifestyle” adviser, confidante on “New Age” and other matters, and has received £3,000-4,000 *per month* from the Blair couple, in the recent period, for her services.

The *Mail* has taken the lead, in beginning to chart out Caplin’s international connections, raising the question, of the extent to which the Blair residence, and thereby the Blair government, has been penetrated by all species of odd characters. One former Caplin intimate, Sue Harris, told the *Mail* on Dec. 9, that Caplin extensively “traded on her association with the Blairs.” Indeed, Foster got to Cherie Blair, through his relationship to Caplin.

An earlier *Mail* story, written from Tel Aviv, had quoted her former Israeli lover and fiancé, Doron Dalah, expressing alarm that, with Caplin, the Blair circles had been under assault from a “psychopathic” personality.

Harris further reported that she had witnessed Cherie Blair and Carole Caplin naked together in a shower, with Caplin declaring that she was “scrubbing the toxins from Cherie. This was a big thing for Carole—she believed that many

people were toxic, and that this was at the root of evil. She'd always say, 'Toxic people are going to be wiped out.' It was all quite sinister."

Through Caplin's influence, Mrs. Blair visited a witchcraft specialist, or shaman, and has consulted Sylvia Caplin, Carole's mother, who specializes in "communication with the spirit world."

As the London insider referenced above stressed to *EIR*, such kinky activities were one key feature of the 1963 Pro-fumo affair.

On Dec. 8, the *Sunday Telegraph* claimed that the Downing Street Press Office had, some time back, issued a stern warning that Cherie Blair should break with Caplin, but this was not heeded. There are numerous reports of tensions between Blair and his own media spin-doctors, over the whole mess.

Like 'Nixon During Watergate'

On the evening of Dec. 10, the Blairs tried a comeback. Cherie Blair took to the national airwaves, in a combined retreat and attack. With tears welling in her eyes, she apologized to her national audience for what she had done, but also spat out, that she refused to "crawl," and would not be intimidated into changing her ways. A seasoned Scottish observer reported that "nothing like this has ever happened on British television." He added, "For me, it was reminiscent of Nixon during Watergate."

With this speech, 10 Downing Street went on a counterattack, trying, through all media and other channels available, to insist, that now "the matter has been settled." However, nothing at all has been settled. Above and beyond the disreputable Foster-Caplin duo—details of which Mrs. Blair avoided talking about—the whole affair has confirmed, for millions in Great Britain, that the Blairs are compulsive liars, who have contempt for the public, in the ruthless pursuit of their own ambition and power. It is only a matter of time, before Blair starts babbling in public about Iraq, and his audience starts laughing derisively, knowing he is lying through his teeth. Cartoonists in Britain are depicting Tony and Cherie with Pinocchio-length noses.

Andrew Rawnsley, senior commentator at the *Observer*, and the leading expert in the United Kingdom on the goings-on in the inner sanctums of "New Labour." put the relevant point well, when he wrote Dec. 8, that, were the Conservative Party opposition to be clever, it would state publicly, that it should not be a surprise to find Cherie Blair working with a con-man, since she has lived with Britain's leading con artist for the last five and a half years—Tony Blair's time in office.

Intelligent Britons are probably consulting the great Jonathan Swift's famous essay, "The Art of Political Lying." It is the best introduction, for understanding, and dealing with the Blair species. But politically, that species is not likely to be around much longer.

Venezuela Shuts Down, On Brink of Civil War

by David Ramonet and Gretchen Small

The options for what happens next in Venezuela are few, and none good. If a strong and decisive intervention by inter-American institutions does not force President Hugo Chávez to negotiate his resignation, or if the military does not intervene to achieve the same end, the polarized political situation is leading the country toward bloody street fighting. The country is so polarized, in fact, that civil war could result, even if either of those interventions do occur.

It is not merely the stubbornness, a product of the President's clinically crazy mental state, which has led to this situation, but the hardcore adherents of violence with which he surrounds himself, who are hell-bent on playing the ultimate card of his fascist "revolution." After four years of a government which collapsed the national economy and destroyed the institutions of state, Chávez has confronted, throughout the past year, an organized opposition centered around the "Democratic Coordinator," which joins various political parties and civil associations, including the business organization Fedecámaras and the Venezuelan Labor Federation. Since Dec. 2, the Democratic Coordinator has carried out a national civic strike, which has led to the total paralysis of the oil industry, the heart of the Venezuelan economy.

One year ago, analysts forecast that Venezuela would be the next country to face an institutional crisis similar to that of Argentina. But they never imagined it would occur like this. So-called "globalization" has cornered every nation in the world, and especially in this hemisphere, and has led to the disintegration of the institutions. In the case of Venezuela, Chávez—brought to power, as *EIR* has documented, by the City of London, Wall Street, and such local toadies as Gustavo Cisneros—has been the instrument. But the tragedy is, that the opposition—made up of the same organizations and personalities which led the country into this situation in the first place—does not offer a solution, either, to the fundamental problem facing the nation: how to deal with the misery in which 80% of the population lives? How to escape from the grip of globalization and the International Monetary Fund?

It is a dramatic failure of leadership which has brought Venezuela to the brink of a civil war which threatens to end in national disintegration. In discussions with regional leaders, U.S. statesman Lyndon LaRouche pointed to the failure of Venezuelan leaders, on either side of the barricades now dividing the country, to break with the oligarchical games which

have typified Caribbean politics for decades. Political decisions are still determined by the deals and agreements reached amongst the families in the Country Club set, who answer to the international financial oligarchy only. No one has stepped forward to build a national patriotic base, which cares about the people and builds for the nation's future. Thus, as opposition leaders play their designated part in a broader scheme they never bothered to consider, Venezuela sinks into partisan violence, trapped in a meaningless right-left confrontation, while international financier interests ready themselves to gain final control over its rich resources.

Shutting Down the Oil

Following months of indecision by the organized opposition—ever since the April crisis, when Chávez abandoned the Presidency in the face of pressure from the Armed Forces, following a massacre inflicted on a peaceful mass demonstration—the crisis became more acute, when a group of 14 high-level officers of the Armed Forces declared themselves in “legitimate disobedience” last Oct. 22 in the Plaza Francia of Altamira, in a main residential zone of Caracas. The previous day, there had been yet another civic strike which had paralyzed the country for 12 hours, but to which the government refused to respond. Since then, some 200 officers and soldiers have joined the act of “legitimate disobedience,” and the plaza in Altamira has become the focal point for millions of Venezuelans who are demanding Chávez's departure from the Presidency.

On Nov. 2, a demonstration starting from the plaza brought more than 2 million signatures to the National Electoral Council, on a petition seeking a referendum on whether Chávez should resign. Violent mobs deployed by the government attacked the marchers, and tried to burn the truck that carried the petitions, but—as does not happen often with these groups—the attackers were dispersed with tear gas by the National Guard. The Council accepted the signatures, and set the date of Feb. 2, 2003 for holding the referendum, the which President Chávez has repeatedly insisted he would ignore, “even if they get 90%” of the votes against him.

The opposition then called a national civic strike beginning on Dec. 2, initially aimed at forcing the government to accept the referendum.

Since Dec. 9, the oil industry has been paralyzed. The oil crisis created by the strike at the refineries and in the oil fields has created an existential crisis for the government. Of the 3 million barrels of crude oil normally exported daily, only 650,000 barrels are now leaving Venezuela—which has driven up the price of crude on the international markets. Shortages of gasoline and natural gas have already developed in the interior of the country, which has forced the enormous state-owned iron and aluminum foundries to cut back production. The government is facing a budget crisis due to the lack of oil revenues, and the Venezuelan Central Bank has now suspended dollar sales.

The U.S. company Citgo, partially owned by the Venezuelan government and the leading distributor of gasoline on the East Coast of the United States, won't be receiving Venezuelan oil shipments, and will have to resort to crude from the Gulf of Mexico. The New England region of the United States will also feel the impact of lack of fuel for heating this Winter.

The government has tried to take over the oil tankers anchored in the Gulf of Maracaibo with heavily armed commando units, putting the security of the fuel-loaded tankers at risk. They have also tried, in vain, to force truckers to supply the country with fuel. The government has found that its military might cannot replace the technical expertise required to operate the oil industry.

Food shortages are occurring across the country, as a panicking population stocks up on food. Runs on the banks have begun, as the strike enters its 11th day, with no sign of a resolution. Despite this, President Chávez and his followers insist that the strike has failed, and are refusing to negotiate. Vice President José Vicente Rangel claimed on Dec. 11 that the strike didn't exist at all; that the country was functioning normally, and the strike was only occurring in the television studios of the opposition.

Even as it blindly denies the existence of the strike, the government has deployed its paramilitary shock troops, euphemistically called “Bolivarian circles,” to confront the strikers. On Dec. 6, the utter brutality of these groups was displayed, when a gunman, armed with an automatic pistol, burst into the plaza in Altamira and fired repeatedly into the crowd, leaving three dead and 30 wounded. The gunman was able to reload his weapon three times with extraordinary skill before he was finally overcome. It is believed that there were at least two other gunmen present, who managed to escape.

The day before, the arrested gunman had been caught on a homemade video, later broadcast on television, accompanying Freddy Bernal, Mayor of the Libertador township in Caracas, leading “Bolivarian circle” thugs in an operation to take over the main offices of the state oil company PDVSA, in anticipation of an opposition march to the site planned for later that day.

Dissident military figures also warn that they have reliable reports that the narco-terrorist Revolutionary Armed Forces of Colombia (FARC) have sent several units specializing in low-intensity urban operations, into Venezuela since the strike began.

The government's violence against the opposition, has not succeeded any more than its attempt to restore the oil industry's operations by force. Each act of terror by the government's squadristi has energized the opposition further, which now says it will not end the strike until a date for new elections is set. Reality, however, does not bother Chávez. He told reporters on Dec. 11 that he feels “complete, full, like the full moon . . . fully confident in the people . . . fully confident in the Armed Forces.”

LaRouche to Bush: Time for Real Economic Policy Change

by Jeffrey Steinberg

Lyndon LaRouche, Democratic Presidential pre-candidate for the 2004 election, stunned an audience of Hungary's leading economists on Dec. 12, when he told them that he was optimistic that we may be on the verge of "remarkable improvements in thinking" in Washington, on the subject of the onrushing collapse of the post-Bretton Woods floating-exchange-rate system, and the breakdown of the U.S. physical economy.

Addressing a workshop on "The World Economy in Crisis: Need for a New Bretton Woods," organized by the Committee on Finance of the Hungarian Academy of Sciences, the Hungarian Economic Association, and the Schiller Institute, at the Protocol Room of the Ministry of Finance in Budapest, LaRouche said: "As seen from the U.S.A. today, we are in the terminal phase of a physical-economic collapse of the presently bankrupt, post-1971 floating-exchange-rate monetary-financial system. Inside the world's leading power of the moment, the U.S.A., the Federal Reserve System is conducting desperately inflationary measures modeled in fact on the celebrated German hyperinflationary program of June-November 1923.

"Typical of the situation," LaRouche told the Hungarian Academy: "46 of the 50 U.S. Federal states are currently either bankrupt, or nearly so; the last significant remains of a ruined U.S. rail system could vanish, unless the President and Congress make sudden and radical changes in U.S. policy; the U.S. air-traffic system is at the brink of a general catastrophe; the leading U.S. banks are essentially bankrupt; and giant real-estate-mortgage bubbles are now ripe for bursting in both poor Cherie Blair's United Kingdom and the U.S.A." And he added, "I must warn you that, at the present moment, neither the U.S. government, the Federal Reserve System, nor the

incumbent leadership of either the Republican or Democratic parties, have any competent commitments to deal with tectonic monetary and financial developments of the coming several months."

Then came the candidate's punch line: "I can not promise that those institutions will come to their senses, but I have strong reasons to believe that remarkable improvements in thinking might occur, even rather suddenly, just as we have, recently, averted a threatened new Middle East war, if only temporarily. There are a growing number of leading U.S. circles inside and outside government who recognize the nature of the situation. For the moment, the problem remains, that the topmost strata of the relevant authoritative institutions, even among most of those who agree with my proposed reforms, are so far unwilling to take the available steps which could, in fact, bring the rising crisis under effective control."

Deck Chair Shuffle on the Titanic

That the George W. Bush White House is aware of the already unfolding economic and monetary catastrophes is clear. On Dec. 6, one month after the putative Republican "victory" in the mid-term elections, the President fired his two leading economic aides, Treasury Secretary Paul O'Neill and White House adviser Larry Lindsey. Much of the American news media portrayed the firings as "sudden" and "shocking;" LaRouche had forecast the shakeup, even prior to the Nov. 5 mid-term election. He had also asserted that, following the elections, the White House would step back from the brink of war against Iraq, to the great dismay and hysteria of the "chicken-hawk" Utopians inside the Administration—grouped around Defense Secretary Donald Rumsfeld, Deputy Defense Secretary Paul Wolfowitz, and senior staff in the



President Bush on Dec. 10 appoints William Donaldson chairman of the SEC; the President's newly-appointed troika won't make the White House's new economic policy, which is likely to go through wild oscillations in the immediate months ahead.

office of Vice President Dick Cheney.

On Dec. 9, President Bush named John Snow, CEO of the railroad conglomerate CSX Corp., as his new Treasury Secretary. Two days later, he made William H. Donaldson, the founder of the Wall Street investment bank Donaldson, Lufkin & Jenrette, the new Chairman of the Securities and Exchange Commission, to replace Harvey Pitt, forced to resign on Election Day by a torrent of scandals and charges of incompetence. And on Dec. 12, the President named Stephen Friedman, former Co-Chairman of Goldman Sachs (with ex-Treasury Secretary Robert Rubin), as Lindsey's replacement as Chairman of the National Economic Council.

While the sacking of O'Neill and Lindsey is noteworthy—Lindsey was one of the original "Vulcan" campaign policy advisers to then-Texas Governor Bush, and an ally of chicken-hawk Richard Perle at the American Enterprise Institute—the response of the Bush Administration to the accelerating economic and financial crisis will not be determined by the new troika. They will sell the new policy, but not formulate it.

LaRouche's assessment, following the new appointments, is: The powers-that-be in and around the institution of the Presidency know that the economy is in deep crisis, and some kind of stimulus package—not a tax cut—is required. The Administration is groping, so far, unsuccessfully, to come up with a new policy. LaRouche expects a brief period of wild oscillations in Bush economic policy. Ultimately, LaRouche believes, the Administration will be forced to re-

sort to some form of state credit creation. Will the policy be the fascist war-austerity of Hitler's Economics Minister, Hjalmar Horace Greeley Schacht, or the American System policies of Franklin Delano Roosevelt? That is the vital, as yet unanswered, question.

LaRouche is calling for the Bush Administration to return to the core principles of Franklin Roosevelt's Bretton Woods fixed-exchange system, following a bankruptcy reorganization of the entire global financial and monetary system. Immediately, LaRouche calls for President Bush to take two measures: Acknowledge the economic crisis, and set aside, through Presidential order, all of the post-1971 deregulation laws that have led to the current crisis-moment; and launch a "Super-TVA" Federal credit emission program, modeled on FDR's Tennessee Valley Authority project for massive water, energy, and other vital

infrastructure development.

As LaRouche told the Budapest seminar, "During the coming two generations, probably half of the total allotment for national economies in their entireties, will be dedicated to developing and maintaining such forms of large-scale basic infrastructure as power generation and distribution, large-scale water management, land reclamation, mass transportation, urban infrastructure, and forms of universal health-care and educational facilities and programs. These infrastructure programs will be the principal immediate stimulus for urgently needed recovery and expansion in productive forms of employment, and will be the principal foundation for large-scale growth in employment in agricultural, manufacturing, and comparable entrepreneurships."

LaRouche concluded the point: "I emphasize that the possibility of a genuine, sustainable economic recovery from the presently ruined state of the economy, requires long-term, large-scale investments, largely by public credit, over a period of one to two generations. We must learn the lesson of President Franklin Roosevelt's U.S. recovery and build-up during the 1933-45 interval; we must do something similar, but, this time, on a larger and longer-term global scale."

The Louisiana Shock

As President Bush's White House strategists were preparing the Dec. 6 "Friday Morning Massacre," they were already anticipating some shocking developments in Louisiana, where a U.S. Senate and U.S. Congressional runoff election

was scheduled for the next day. President Bush's chief political strategist, Karl Rove, had been "all over" the Louisiana races, arranging three visits to the state by President Bush, separate visits by former First Lady Barbara Bush and former President George H.W. Bush, and campaign appearances by Vice President Dick Cheney and National Security Adviser Condoleezza Rice. Rove hoped to defeat incumbent Democratic Sen. Mary Landrieu, by throwing obvious top-down White House support to her Republican challenger, Suzie Terrell.

But in the final weeks of the campaign, Landrieu broke decisively from the losing strategy of Connecticut Sen. Joe Lieberman's Democratic Leadership Council (DLC) gang, and launched a sharp attack against the Bush Administration's free trade policies. Landrieu warned that Bush's pushing of NAFTA would ruin Louisiana's sugar cane industry, by flooding the United States with cheap Mexican products.

On Election Day, not only did Landrieu soundly defeat Terrell by 52-48%—due to a large African-American and blue-collar turnout, catalyzed by her "fair trade" stance—but a more decisive Democratic upset took place. Rodney Alexander, the Democratic runoff candidate for the 5th Congressional District seat in northeast Louisiana, won a strong victory in a traditionally Republican district, by running an even more aggressive campaign against free trade. At a campaign event also attended by Landrieu, Alexander publicly credited longtime LaRouche Democrat and state party official Fred Huenefeld with winning him over to the anti-free trade stance.

The *New Orleans Times-Picayune* of Dec. 9 interviewed leading African-American Democrat, State Sen. Cleo Fields, who had been a critic of Landrieu's earlier kowtowing to President Bush, but had helped turn out the vote in the Dec. 7 runoff: "All that talk about support for the President turned my stomach," he told reporters Bill Walsh and Bruce Alpert. "To her credit, she changed all that in the runoff and worked hard to distinguish herself from the Republicans." The *Times-Picayune* singled out Landrieu's attacks on NAFTA and the threat of sugar dumping, as the decisive issue that drew crucial votes from "blue collar workers" who had formerly been "skeptical of her candidacy—when she touted her support for Bush."

Such political temperature readings were not lost on the campaign strategists at the White House, who were well aware of the pending turn of events in Louisiana, on Dec. 4, when they made their final decisions on the purge.

One other development had also caught the strategy team's attention. On Dec. 3, the American Academy of Arts and Sciences, an institution founded in 1780 by John Adams, the second President of the United States, issued a report, "War With Iraq: Costs, Consequences and Alternative," which placed the cost, to the United States, of an Iraq war, at between \$99 billion and \$1.9 trillion over the next decade.

In 2004, Will There Be A Democratic Party?

by Nancy Spannaus

A loyal Democrat whom I recently met told me about his reaction to the recent behavior of the official Democratic Party leadership. First, after the Democrats refused to support Sen. Robert Byrd (W.V.) in his threatened filibuster against the war resolution, this Democrat telegraphed Senate Democratic leader Tom Daschle, saying that the party's behavior made a good case for a third party. Then, after the Nov. 5 elections, he telegraphed Senator Daschle again, saying the party's behavior made a good case for a *two*-party system. In other words, when will the Democratic Party cease acting like the slightly less opulent version of the Republicans?

So far, there is no sign on the horizon that such leadership exists *within* the normal party confines. Lyndon LaRouche, the leading rallying point for the FDR tradition internationally, and the only credible Democratic leader in sight on the crucial issues of the economy and war, is still not even being included in party polls, and drives terror into the hearts of party officialdom.

Around the country, some Democratic parties are holding meetings to "assess" where they stand after the recent elections. Where LaRouche organizers, many of them youth, have intervened, it is clear that there is demoralization and dismay. At a meeting of the Oakland County Democrats in Michigan, for example, leading Democratic officeholders attended, including Rep. Sandy Levin. But, rather than giving the 125 people who showed up a perspective on how to get through the current crisis (which the recently elected Democratic Governor is going to have to deal with), the meeting was turned over to a "facilitator," and broken up into "small discussion groups," to come up with a list of suggestions.

At some of these meetings, the lack of leadership is actually a topic for discussion—but, without any ideas being put forward, that discussion only creates more despair. Such was the case at the meeting of the King County (Seattle) Democratic Central Committee meeting Nov. 30, where, despite the appeal by a party candidate for Governor, for regaining the soul of the party by telling the truth, a presentation of the truth from, and about, LaRouche—his forecasts of the present economic collapse, and his leadership initiative of a "Super-TVA" program for recovery—was met with a generally sullen response!

The core of the party base knows that its current approach is losing, but is still clinging so hard to "public opinion" that it will not bring in LaRouche.

Meanwhile, the Democratic Leadership Council (or Dem-

ocratic Losership Council, more appropriately), which has been the prime mover behind the destruction of the party—epitomized again in the “Typhoid Mary” role of its leader, Sen. Joseph Lieberman (Conn.) in bringing defeat to Democratic Senate candidates on Nov. 5—continues to insist that the party go with the same *ersatz* Republican politics, but more so.

An op-ed by Al From, DLC chairman, pretty much tells the story. First published in the *Wall Street Journal*, the column was entitled “Get the Big Things Right.” Remarkable, was that From didn’t actually seem to realize that the defining factor in the political environment is the dramatic economic collapse, the joblessness, and the budget disasters crushing the states and stalking the Federal government’s budget. Apparently, he didn’t find a poll about these things, so he doesn’t think they exist.

So, From was still talking about recapturing “the vital center.” In breaking down the steps which he thought would take the Democrats there, he basically told the party to chase after Republicans. To wit: “There are [also] more conservatives than Democrats or Republicans, more suburbanites than big city dwellers, more whites than minorities, more non-union workers than union workers.”

So, went From’s conclusion, appeal to these guys and their “interests”: the very same strategy that has been leading to disaster.

The prominent play being given to the “comeback” of Al Gore, a leading light of the DLC, does everything to reinforce this climate. Even the polls show Gore to be the last person most Democrats want as a candidate in 2004; and, according to *Washington Post* columnist Richard Cohen, the *New York Times* reports that Gore’s favorable ratings are among the worst that newspaper has ever recorded since it started taking such polls in 1987.

Signs of a Shift?

The only signs of a shift to sanity, so far, are baby-steps away from the DLC’s dominant and disastrous policies. Senator Daschle has appointed non-DLCers Jon Corzine (N.J.) and Debbie Stabenow (Mich.) as heads of the Senate Democratic Campaign Committee, for example. The progressive caucus in the Congress has launched a campaign to extend unemployment insurance, and to extend new “revenue-sharing” help to the states. And just-announced Presidential candidate Sen. John Kerry (Mass.), while still paying lip service to the 1990s New Economy Bubble years, included in his recent Cleveland speech, a call for building high-speed rail, as well as other infrastructure.

Some political insiders report that the party leadership actually wants to sit out the 2004 elections, hoping that the deepening depression collapse (and perhaps war) will ruin the future prospects of the victorious Republicans for a long time to come! Such a “strategy,” as LaRouche pointed out recently, is the way in which nations find themselves walking into the establishment of political dictatorships.

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A New Role for the U.S.A. Today

by Lyndon H. LaRouche, Jr.

This paper was written on Oct. 21, 2002, upon request by the editors of the Turkish magazine Yarin, and published in their December issue.

Turkey today is, like many other nations, primarily a victim of the follies embedded in the current policies of the U.S.A. at this moment. Those policies are susceptible of sudden change, possibly, hopefully, soon. However, that change requires two things: understanding the current internal U.S. economic and political situation, and knowing how to influence that situation, with the help of concerned forces from around the world.

Start with the recklessness of current U.S. national security dogma, and proceed to analyze both the situation and its remedies from that starting-point.

The present, foolish military policy of the U.S.A.'s George Bush Administration can not be competently understood except as the current outcome of a long, 1944-2002 conflict between the U.S. military tradition of patriots such as U.S. Generals of the Army Douglas MacArthur and Dwight Eisenhower, on the one side, and, on the opposing side, the so-called "Utopian" imperial policies of the U.S. followers of Britain's H.G. Wells and Bertrand Russell. The recruitment of these U.S. "Utopians" to the Wells-Russell doctrines, occurred as a new, mid-Twentieth-Century outgrowth of a long continuing conflict between the two leading political currents in U.S. internal history.

From the beginning of its struggle for freedom against British tyranny, in 1763, the leading currents of what became the United States of America have been divided between the patriots, which were led, over the 1763-1789 interval, by the towering intellect of statesman-scientist Benjamin Franklin, and the opposing, London-allied faction, the so-called "American Tories," who were typified by the notorious Judge Lowell and the British Foreign Office asset of Jeremy Bentham, the Bank of Manhattan's treasonous Aaron Burr. All of the internal political history, and foreign policy of the U.S.A. have been defined, since that time, by the shifts of leading political power, back and forth, between these two mutually opposed currents.

For example, I am a continuation of the first current, that of figures such as Cotton Mather follower Benjamin Franklin, and of such leading figures as Presidents Washington, James Monroe, John Quincy Adams, Abraham Lincoln, James Garfield, and Franklin Roosevelt. As the real power in Washing-

ton shifted, beginning the mid-1960s, from elected Presidents, into the hands of cabals represented by such National Security Advisors as Henry Kissinger and Zbigniew Brzezinski, treasonous American Tory traditions have often dominated U.S. domestic and foreign policy-making during extended intervals, and on specific issues, during the 1964-2002 period as a whole. These Tories included such pre-Civil War, slaveholder-allied Democratic Presidents as Andrew Jackson, Martin van Buren, Polk, Pierce, and Buchanan. The list includes, later, President Grover Cleveland, and Confederacy sympathizers such as Presidents Theodore Roosevelt, and Woodrow Wilson. It also includes those U.S. allies of London's Montagu Norman who put Adolf Hitler into power in Germany, in 1933.

The American Tory current underwent a qualitative transformation at the close of the 1939-1945 World War II. This group of President Franklin Roosevelt's political adversaries, allied itself with rabid British imperial Utopians such as H.G. Wells and British Lord, Earl Bertrand Russell. These combined Anglo-American circles, led world-wide by Russell, combined the ideas of world government, as presented in Wells' 1938 book *The Open Conspiracy*, with the idea of developing and using nuclear weapons, as weapons so terrifying that nations would give up their sovereignties, and would submit to the kind of world government which Wells and Russell demanded. This faction, organized personally, top-down, by Earl Russell, organized the nuclear bombing of Japan's Hiroshima and Nagasaki, and set into motion what became known from 1945-1946 onward as the anti-traditionalist, "military-Utopian" faction of the U.S.A. and Britain. The joint effort created the U.S. Air Force as an independent arm within a nuclear-Utopian "triad." The related operations of the U.S. RAND Corporation and its satellite "think tanks," formed the core of what retiring President Dwight Eisenhower later named as a "military-industrial complex."

This Utopian faction, which has adopted the so-called "Clash of Civilizations" doctrine of Bernard Lewis, Zbigniew Brzezinski, and Samuel P. Huntington, is typified within the present Bush Administration by U.S. gangster-steered, Israeli right-wing circles associated with U.S. Vice-President Dick Cheney and with U.S. Senators John McCain and Joseph Lieberman.

Today's growing conflict between traditionalist senior U.S. military, and those wild-eyed Washington war-mongers,



Turkey’s Yarin magazine, widely read in the circles of the government in Ankara, has featured major analyses by U.S. Presidential candidate Lyndon LaRouche; this headline appeared in the June issue. LaRouche’s discussion of the American Presidency in Yarin’s current, December issue.

sometimes described as “chickenhawks,” who avoided military service in their youth, is typical of the conflict between traditional U.S. patriots and Utopians inside the U.S. government over the course of the 1944-2002 period to date. Vice-President Cheney and Secretary of Defense Donald Rumsfeld are the obvious, leading official spokesmen for a fanatical commitment to a full-blown, reckless, Utopian doctrine of practice. Now, for these Utopians, the defense of their policy itself becomes the only interest they defend. The monstrous aftermath of the “preventive war” war they propose, is ruled out of consideration, and so are the rational alternatives to launching such an unjustified, unnecessary war.

The Utopian strategic doctrine behind the officially stated “preventive war” doctrine, is equivalent to a return to the conditions created by the imperialistic, Habsburg-led religious warfare of Europe’s 1511-1648 interval. Such warfare is directly opposite to the traditional U.S. policy of such leading foreign-policy specialists as Benjamin Franklin, John Quincy Adams, and James G. Blaine. The traditional standpoint of our leading patriots has been, that the vital, long-term strategic interest of the U.S.A., is to bring into being a community of principle among the members of a planetary system of respectively perfectly sovereign nation-state republics. The Utopians have a directly opposite, imperial policy. They are currently committed to ending the sovereignty of all nations, in favor of an English-speaking world empire modelled on the memories of ancient Babylon, imperial Rome, and Byzantium.

The present situation of Turkey and neighboring states, should be seen as an illustration of the importance of returning the U.S.A. to foreign policies like those of such leading U.S. patriots as Franklin, John Quincy Adams, Abraham Lincoln, Blaine, and Franklin Roosevelt. Whereas, all the civilized strategic thinking of modern Europe and the Americas, is traced from that 1648 Peace of Westphalia which ended the Habsburg-led religious warfare of the 1511-1648 interval, the Utopians, such as Bernard Lewis, Zbigniew Brzezinski, and Samuel P. Huntington, have been committed, explicitly, since

the mid-1970s, to unleashing religious warfare against and among Islamic populations as a road toward the establishing their version of a new, eternal world-empire.

The Economic Danger of War

Like the world as a whole, the determining issue of life on all parts of our planet today, is the interconnection between, on the one side, the Bush Administration’s present, obsessive lunge toward what would soon become the most devastating of the so-called “world wars” suffered by our planet, and the accelerating plunge of the planet as a whole into the worst economic collapse in living memory. To restate that crucial point: As long as the present Bush Administration clings to maintaining the policies of the present, hopelessly bankrupt world monetary-financial system, general warfare, of various kinds, will be as inevitable throughout our planet as the so-called New Dark Age which struck a Fourteenth-Century Europe; that, as a result of Europe’s failure to eliminate the usurious practices of imperial Venice’s so-called Lombard banking system.

For example, the attempt to impose “IMF conditionalities” on Brazil is, at this moment, among the most likely causes for a rather immediate, chain-reaction collapse of the IMF system. The IMF, and the current Bush Administration, are caught between the economic rocks of a financial Scylla and Charybdis.

The attempt to impose such conditionalities would either provoke Brazil into a sovereign default, which would collapse the authority of the IMF system; or, if Brazil conceded to such conditionalities, would collapse Brazil, leading to a chain-reaction collapse of the international monetary-financial system. The Brazil economy is both the keystone of the entire, already imperilled economy of Central and South America, and the most vulnerable flank of the U.S. banking system. The continued refusal of the current Bush Administration, to acknowledge that reality, would be, in and of itself, a cause for that administration’s foolish attempts to distract attention from the political troubles caused by the collapse of the inter-

nal U.S. economy, by foreign military adventures.

That Brazil case points to the reasons, that the security of civilization as a whole depends upon adoption of a suitable, peaceful alternative to that presently, hopelessly bankrupt world monetary-financial system. In brief, the world's present, global, historically determined strategic situation is as follows.

There is a systemic connection between that economic situation and the current, Utopian war policies of the Bush Administration.

Historically, the Utopian policy of Cheney, Rumsfeld, et al., is traced in European history as the common characteristic of the Babylonian, Roman, Byzantine, and Venetian forms of imperialism.

From the inside of modern European thinking, imperialism is an expression of what is called Romanticism, as distinct from the Classical tradition. "Romanticism" always means a cultish fawning upon the morally defective cultural legacy of the ancient Latin Roman Empire. However, although ancient Rome is the generic model, the more immediate form of dominant influence of Romanticism today, stems from Venice's long role as a leading imperial maritime power of Europe and the Mediterranean region.

Even after the weakening of Venice's power as a state, during the decades following the 1648 Treaty of Westphalia, the policies of Venice's far-flung financier oligarchy and diplomacy continued to dominate Europe of the late Seventeenth and Eighteenth Centuries. With the subsequent downfall of Habsburg power, over the 1815-1848 interval, political systems, such as the Netherlands and British monarchy's, defined a form of state based on the model of the former imperial maritime power of Venice's financier oligarchy; this became the relatively hegemonic power of a central banking system throughout Europe.

This shift of emphasis in Venice's influence, was expressed chiefly by the rise of the power of the Dutch and British East India Companies, especially during and following the reigns of William of Orange. The influence of these Venetian-steered institutions became known through Eighteenth-Century Europe as "the Venetian Party," a political-ideological current more commonly referenced today as the Anglo-French "Enlightenment." The American Tory cultural current within the U.S.A., is a product of that influence of that same Anglo-Dutch "liberalism."

There is a direct, systemic connection between the Anglo-Dutch liberal tradition of the American Tories and the current Utopian thrust for an ever-expanding, perpetual Middle East war. The key to understanding this connection is the decadent form of both the U.S. Federal Reserve System and the International Monetary Fund, which came into being, beginning Aug. 15, 1971, with the replacement of the 1945-1964 Bretton Woods system by the present, "floating-exchange-rate" system. The significance of the U.S. Federal Reserve System's part in today's U.S. Utopian military adventures, must be assessed in two successive phases.

All European political systems derived from the Anglo-Dutch liberal model have a systemically, fundamentally different moral, economic, and political character than that American System of political-economy implicit in the U.S. Federal Constitution, as described by U.S. Treasury Secretary Alexander Hamilton, and leading economists such as Mathew Carey, Friedrich List, Henry C. Carey, and Carey's student E. Peshine Smith. Implicitly, under the U.S. Constitution, the issue and control of currency and of banking are under the control and direction of the U.S. Federal government, with subsidiary authorities left to the governments of the states. Thus, implicitly, the economic system of the U.S. Constitution requires the supremacy of national banking, and implicitly outlaws that Anglo-Dutch system of central banking characteristic of European states. This issue of national sovereignty versus central banking, has always been a pivotal difference of principle between the American patriots and American Tories.

Through virtually treasonous ventures, such as the van Buren-Jackson land-bank swindle, the fraudulent U.S. Specie Resumption Act of the 1870s, and the British monarchy's creation of the U.S. Federal Reserve System through the action of King Edward VII's New York agent Jacob Schiff, the U.S.A. has been repeatedly looted by foreign liberal interests. The Federal Reserve System has represented an effective approximation of those European central-banking practices which are anathema to the U.S. Constitution. Its establishment, under Ku Klux Klan fanatic Woodrow Wilson, transformed the U.S.A., for a time, from a sovereign nation-state into a virtual British Commonwealth appendage of the British monarchy and the Bank of England's pivotal role world-wide.

That state of affairs was reversed, to at least a significant degree, under President Franklin Roosevelt. The cuckoo, the Federal Reserve, still sat, stuffing itself, in the nest, but the power of the U.S. Presidency held it significantly in check. The later, crucial change, to the new, 1971-2002 form of the Federal Reserve System, began following the 1963 assassination of President John F. Kennedy, with the launching of the 1964-1972 U.S. war in Indo-China.

Prior to 1965, the United States remained the world's leading producer economy, and the backbone of the continuing economic reconstruction of continental Europe and Japan, among other locations. Beginning the Indo-China war, and the full-scale launching of "the rock-drug-sex youth-counter-culture," the United States underwent a deep-going transformation in character, echoing what occurred in ancient Rome following the close of the Second Punic War. Especially under National Security Advisors Kissinger and Brzezinski, the post-1971 U.S.A. was transformed, at an accelerating rate, from the world's leading producer society, into an imperial-parasitical form of what was called variously a "post-industrial," or "consumer society."

Over the course of the recent thirty-odd years, there has been a shift in concentration of wealth, from the values of production, to holdings in a "John Law"-style financial bub-

ble of purely fictitious financial assets, so-called “shareholder value.” From 1995 on, especially following the August-September 1998 collapse of the LTCM bubble, the U.S.-led IMF resorted to intrinsically hyperinflationary monetary and related methods as a way of temporarily forestalling the already inevitable general financial collapse of the existing IMF system. During 2000, the inevitable financial collapse took over. Presently, the existing form of IMF system is doomed to early extinction, one way or the other.

For me, as a candidate for the 2004 nomination to become the U.S. President, the bankruptcy of the present IMF and Federal Reserve System is a challenge I am prepared to meet. For my American Tory adversaries, it is the end of the universe. Since their power in society rests upon fictitious financial assets which are in the process of evaporating, they react like carnivorous dinosaurs who can lay no more eggs. For the rest of us, as human beings who depend upon real, physical wealth, rather than the empty eggs called today’s financial assets, the present crisis presents us with what should be regarded as the hope-filled opportunity and challenge of rebuilding.

Middle East Peace

I must analyze this crisis, and report that analysis; but, I must also present solutions. The opportunities for rebuilding the Middle East as a whole, are typical of the kinds of solutions which every part of the world requires.

As I reported to a June 2-3, 2002 Abu Dhabi conference, the Middle East is today, as in ancient history, the crucial strategic crossroads-area among Europe, Asia, and Africa. Although the unexcelled cheapness of petroleum from the Persian Gulf region, is an important economic-strategic factor today, the role of water, on which life depends, is the most fundamental internal interest of the region as a whole. This is a challenge. It is also an opportunity: the building of the production of power needed for adequate rates of increase of the production of needed water, and the more efficient management of that water, will not bring peace, but there can be no durable peace without adequate such measures.

Let us begin my proposal with a word of caution. Under no circumstances should the United States today become involved with anything resembling the culpable foolishness of that fanatical racist, U.S. President Woodrow Wilson, or the British-French, Middle East scheme known as Sykes-Picot. We must not be engaged in any form of either explicit, or implied attempts to redraw the map within the Middle East region. I emphasize my position as an economist. The following point is most crucial.

The decadent state of most of the world, which has accumulated during more than three decades, is a terrible state of affairs which can not be corrected within a few years. A generation of concentrated investment, chiefly state investment, in basic economic infrastructure, and promotion of long-term investment in technologically progressive, capital-intensive agricultural and manufacturing, will be needed to

bring the levels of physical productivity up to the point that we will then be able to say we have reversed the great damage to most of the world during the recent three-and-a-half decades.

This rebuilding and new growth must be done under present conditions of prevalent financial bankruptcy and physical-economic decadence. There are no private sources of financial capital adequate even to begin to meet the challenge. This will require large masses of long-term credit created by national governments. This means credits, in the order of 1-2% simple-interest rate, over as long as 25-50 years. It means the creation and use of such state-generated credit, both for public investments, and for promotion of relevant categories of private agricultural and manufacturing investment.

To sustain interest-rates that low, requires a return to the protectionist system of the original phase of the 1945-1964 Bretton Woods monetary order: fixed exchange-rates, fair-trade pricing, regulatory tariff-agreements among nations, and so on. In short, we require a system of cooperation for mutual aid among perfectly sovereign nation-state republics.

Those measures are necessary, but they will not be successful without the addition of national and multinational mission-orientations, which set long-range priorities respecting national goals and international cooperation.

In short, we must inspire nations and their peoples to rise from the present dust of despair into a clear vision of the better future they will build for themselves. Without affirming the perfect sovereignty of the nation-state republic, such goals are impossible.

To this end, the Presidency of the U.S.A. must accept a new, non-imperial role of leadership in world affairs. This is a role implicit in those qualities and implications of the Preamble of the U.S. Federal Constitution which are historically unique among nations. The former power of the U.S.A. was based on the original commitment of the framers of the republic to the common good, for other nations and for our own. This was understood by great U.S. diplomats such as John Quincy Adams and James Blaine. This was President Franklin Roosevelt’s intention for eliminating the scourges of colonialism and free trade from the planet. I would hope it were possible, to persuade the incumbent U.S. President to adopt new advisors who would persuade him to adopt that role as the self-image of his Presidency. It is the image of that Presidency I have adopted for myself. It is the only role which would assure the ability of my republic to survive the terrible financial debacle which now grips its destiny.

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Utopians Launch Drive for Hemispheric Military Force

by Gretchen Small

Thanks to U.S. Defense Secretary Donald Rumsfeld, the Russellite utopians finally got their long-sought proposals for the creation of a supranational military force to police the Western Hemisphere, placed officially on the agenda of hemispheric policy discussions. Opening the Fifth Defense Ministerial of the Americas in Santiago, Chile on Nov. 19, Rumsfeld laid out two initiatives for the creation of regional military forces, one maritime, the other a broader “peacekeeping and stability” force. With Orwellian Newspeak, Rumsfeld argued that thus violating national sovereignty is required to re-establish “effective sovereignty” over the “ungoverned areas” of the Hemisphere which provide the bases from which narco-terrorists, hostage takers, and arms smugglers destabilize democratic governments.

The utopians have been trying to get a regional military force created for decades, but Ibero-American nationalists and sane U.S. traditionalists would never tolerate serious discussion of such madness. A senior Defense Department official accompanying Defense Secretary Donald Rumsfeld in Santiago—the delegation was headed by Assistant Secretary of Defense Peter Rodman, after Rumsfeld flew off to attend the NATO summit in Prague—insisted to reporters that, this time, “We have done a lot of homework ahead of time. . . . [We’ve] put some serious thought into it, and looked into some serious resourcing issues,” and have had extensive inter-agency discussions to come up with “real substantive proposals” on how to set up “broader regional capabilities.”

The “ungoverned areas” being discussed as targets for potential intervention range from Colombia and Haiti, to the so-called Triple Border area where Brazil, Argentina, and Paraguay meet. Ecuador is being eyed as a good spot to establish the precedent of a multinational force policing the region, especially after newly elected President Lucio Gutiérrez suggested during his pre-election visit to Washington, that he might invite in such a force to “protect” Ecuador’s border with Colombia. Most lunatic of all, are the hints that a supranational force could be deployed in the gigantic drug-infested *favelas* (slums) of Rio de Janeiro and São Paulo, Brazil!

No decision was taken at the Santiago meeting on the Rumsfeld initiatives, but none was expected. The discussion was viewed from the outset as a stepping stone toward the Organization of American States’ (OAS) Special Conference

on Hemispheric Security, scheduled to be held in Mexico in May 2003. It is that meeting, involving the foreign ministers of the region, where the “definitive” agreements on radical changes in the “architecture” of hemispheric security are supposedly to be reached.

Blundering Along

When the Defense Ministerial “process” was launched in July 1995 in Williamsburg, Virginia, *EIR* warned that what lay behind the project—ostensibly consisting solely of bi-annual meetings of the defense ministers of the Americas—was the intent of a bunch of utopian nuts, centered around Wall Street’s Inter-American Dialogue and its then-Senior Fellow Luigi Einaudi, to establish the military side of the supranational “regional governance architecture” to which they wished to subject the Americas. Einaudi was the Godfather of the OAS’s 1991 “democracy” clause, which justifies the abrogation of sovereignty in the name of an alleged collective right to intervention for “democracy,” a principle now enshrined in the Inter-American Democratic Charter, adopted on Sept. 11, 2001. Einaudi maintains direction of this project from his post as OAS Deputy Secretary General.

In October 1995, U.S. statesman Lyndon LaRouche exposed the fantasy-ridden incompetence of the Defense Ministerial project as a whole, in a Presidential campaign document, *The Blunder in U.S. National Security Policy*. This project, LaRouche wrote, is a Hobbesian piece of “utopian, sociological trash,” so amateurish that it could “have originated in a wine-and-marijuana party which a group of social workers held someplace in Virginia’s Fairfax County.” Any policy that violates the principle of the modern sovereign nation-state, anywhere in the world, threatens the security of the United States, LaRouche warned (see *Documentation*). He elaborated how any proposal to hand areas of nations over to any supranational or other external agency (e.g., non-governmental organizations), will only create regions of “extra-territoriality,” where terrorist and separatist operations will thrive—exactly the result the utopians now claim they are trying to prevent.

In 1995, the premise of the regional defense initiative was that the Ibero-American militaries should be downsized and subjected to the kind of “democratic controls” outlined in the



U.S. Defense Secretary Donald Rumsfeld arrived in Santiago, Chile, for the Fifth Defense Ministerial meeting on Nov. 19. Rumsfeld has ordered up a NORTHCOM, and now also wants a SOUTHCOM to ride roughshod over South America for the Utopian war faction he and Vice President Dick Cheney represent. In fact, Rumsfeld would like two SOUTHCOMS created—"one by land, and two by sea."

bible of the Anglo-American "democracy" crowd, Samuel Huntington's fascist *The Soldier and the State*.¹ The argument was, that this could be done, because security threats to the region had disappeared with the end of the Cold War. Even the activities of "insurgent and guerrilla forces" were diminishing in Ibero-America, it was stupidly said. The very concept of "narco-terrorism" was rejected, dismissed as an invention of "militarists."

1. The term fascist is not used lightly. In *The Soldier and The State*, Harvard's Huntington, the guru of the demilitarization school which *EIR* dubbed "The Plot," held up the German generals, who opted in 1933 to permit Adolf Hitler's rise to power in Germany, as the model of "professional" military officers. He abhorred the German generals who rebelled against Hitler in 1944, only less than he despised Gen. Douglas MacArthur, that great representative of the American intellectual tradition whom Huntington denounced as "a deviant," for his emphasis "on the moral and spiritual aspects of war and the importance of the citizen-soldier."

For Huntington, the soldier's mission is only to kill on order. "The superior political wisdom of the statesmen must be accepted as a fact. If the statesman decides upon war which the soldier knows can only lead to national catastrophe, then the soldier, after presenting his opinion, must fall to and make the best of a bad situation," he wrote. "The commanding generals of the German army in the late 1930s, for instance, almost unanimously believed that Hitler's foreign policies would lead to national ruin. Military duty, however, required them to carry out his orders: some followed this course, others forsook the professional code to push their political goals. General MacArthur's opposition to the manner in which the government was conducting the Korean War was essentially similar. Both the German officers who joined the resistance to Hitler and General MacArthur forgot that it is not the function of military officers to decide questions of war and peace." Samuel P. Huntington, *The Soldier and The State: The Theory and Politics of Civil-Military Relations* (Cambridge, Mass.: Belknap Press of Harvard University Press, 1957; p. 77).

With the post-Sept. 11, 2001 utopian drive for world empire, the same crew, acting as if it had come upon a great discovery, has declared terrorism to be the greatest threat to mankind, demanding new security arrangements. The same people who argued that the national militaries must be dismantled—and who *implemented* that policy in every country that bowed to the pressure—now cry that a supranational military force is required, because the national militaries in the region lack the resources and capabilities to take on the crises. Deliberately weakened national governments unable to exercise "effective sovereignty" over the entirety of their territories, are told they have no choice but to call in foreign troops.

Go After the Generating Principle!

LaRouche warned in his *Blunder* document that the approaching financial firestorm constituted the greatest security threat facing the Americas and the world. What do those who dismissed his warning then, have to say now, as they watch the once-rich nation of Argentina disintegrate? Is the same firestorm not now consuming their nation, too—including the United States?

Is not that firestorm also responsible for having created the "ungoverned areas" spreading across Ibero-America in the first place? Is it not the policy of "dismantling of the centralized economies" of the region—as Einaudi hailed International Monetary Fund policy in 1996—which so weakened the nation-states of the region, that they could not ensure "effective sovereignty"? Is that not the declared aim of the dogma of free trade and democracy, a dogma still repeated blindly in every capital of the Americas?

And what about the friendly negotiations held in the south of Colombia in 1999 and 2000 between the Colombian Revolutionary Armed Forces (FARC)—the largest terrorist drug cartel in the Americas—and New York Stock Exchange President Richard Grasso, America Online founder Jim Kimsey, and other “legitimate” businessmen? In an unparalleled “democratic” gesture, Grasso invited FARC “Supreme Commander” Manuel Marulanda to come “walk the floor of the New York Stock Exchange” with him! Are not those the very policies responsible for turning Brazil’s *favelas* into the “lawless urban protectorates” which the utopians argue require multinational intervention?

The policy is, as LaRouche put it in 1995, utterly insane. No multinational force could conceivably stop the destruction enveloping greater and greater areas of the Americas, under these policies. The only possible exception, might be the deployment of a regional commando force to help tough-talking U.S. Chicken-hawks such as Secretary Rumsfeld find the guts to capture the FARC’s partner, Richard Grasso, and reestablish U.S. “effective sovereignty” over the greatest “ungovernable area” in the Americas: Wall Street.

Another Santiago Special

Rumsfeld spoke softly in Santiago, with a gleam in his eye, insisting he was merely putting forward two “suggestions” for discussion: 1) “an initiative to foster regional naval cooperation,” which “could potentially include cooperation among coast guards, customs, and police forces”; and 2) an initiative to “explore the possibility of integrating” the specialized peacekeeping capabilities existing in the region “into larger regional capabilities—so that we can participate as a region in peacekeeping and stability operations.” He specified in an interview with the Chilean daily *El Mercurio*, that such a force would target the “unoccupied parts of countries” where terrorists and others operate. He cited Colombia’s “difficult situation,” and linked the proposal to similar efforts under way in Yemen, Somalia, and the Philippines.

The Rumsfeld-Rodman offensive was backed up by the delegation from Queen Elizabeth II’s satrapy of Canada, headed by its Deputy Defense Minister, the eerily named Margaret Bloodworth. Bloodworth announced that Canada would be joining the Inter-American Defense Board, and called for the creation of a “permanent hemispheric body to promote military cooperation and to provide the OAS with military advice on defense and security.” The latter has been the hobby-horse of the utopian crowd for years, as a means to transform the OAS from its proper role as a consultative forum for allied sovereign nations and their respective military forces, into a supranational entity deploying its own military force. Canada also talked up the need to develop a regional rapid deployment force (RDF) to operate under the banner of the United Nations.

The hosts of the meeting, President Ricardo Lagos and

Defense Minister Michelle Bachelet Jeria of Chile, gave lip service to sovereignty, and the need for “diversity” in the ways in which countries participate in international defense projects. But, by endorsing the supposed need for a new military structure for the region, and championing the urgency of codifying the past ten years of erosion of sovereignty into a new Hemispheric Security Charter, Chile has once again opened the door to an Anglo-American assault on the continent. Pressed as to whether Chile backed the creation of an international military force, Bachelet was evasive, saying only that “this is not something which Chile has been developing as an idea.”

Bolivia’s Defense Minister, Freddy Teodovich Ortíz, representing his President, Inter-American Dialogue leader Gonzalo Sánchez de Lozada, distinguished himself as the only Ibero-American representative present—publicly, in any case—to argue, as a matter of principle, that under globalization, sovereignty has been replaced by a right to collective intervention, cloaked under an alleged responsibility to protect human rights.

A Military for the FTAA?

The U.S.-Canada initiative for a regional military force is no mere “suggestion,” as Rumsfeld pretended. In the Spring 1996 issue of *Joint Forces Quarterly*, Einaudi formulated the “suggestion” more bluntly: The only way to head off U.S. unilateral interventions into the region, he threatened, was for the Ibero-Americans to give up their opposition to the formation of a multinational regional force—a statement akin to “suggesting” that someone commit suicide, to avoid being killed. (Einaudi’s threat was published in a special issue of the magazine dedicated to the Americas, the centerpiece of which was an attack on Lyndon LaRouche, for *EIR*’s book, *The Plot To Annihilate the Armed Forces and Nations of Ibero-America*. Ironically, the *Quarterly* accused LaRouche of propagating baseless “conspiracy theories” about an anti-Ibero-American military bias in U.S. policy.)

Sources at the U.S. Army War College reported in early December that the proposal for a regional intervention force is being talked up by both honchos of the Bush Administration’s Ibero-American policy team, former Assistant Secretary of State Otto Reich (currently a special envoy to the region), and John Maisto at the National Security Council.

The most elaborate proposal for such a force available in the public domain, was authored by a professor in the Department of National Security and Strategy of the U.S. Army War College, Col. Joseph Núñez. The paper is featured on the War College website under the indigestible title, “A 21st Century Security Architecture for the Americas: Multilateral Cooperation, Liberal Peace and Soft Power.”

This is wild-eyed Bertrand Russell/H.G. Wells world-government stuff. Núñez proposes that the model for the regional force be the joint Canadian-U.S. unit operating during World War II, called the First Special Service Force

(FSSF—see article, below). By the end of the war, the force was hailed for having become “an individuality, a separate entity that was neither Canadian nor U.S., but just plain Special Service Force.” Citing the FSSF as “the prototype of the world police of that world community which has for so long been the dream,” Núñez urges that new FSSFs become “the cornerstone for Hemispheric security cooperation in the 21st Century.”

It gets weirder. He proposes that *two* FSSFs, of 5-6,000 men each, be created for starters. One, the FSSF-North, would be made up of combat troops from the North American Free Trade Agreement (NAFTA) countries—the United States, Mexico, and Canada. Although it would ostensibly operate under a new OAS Security Council (which has yet to be created), he specifies that the FSSF-N would actually be commanded by a brigadier general from the United States, and function operationally under the U.S. Northern Command. The Brazilians would head up the FSSF-South, which would draw its core troops from Brazil, Argentina, and Chile. The primary role of the FSSF units would be to serve on missions within the Western Hemisphere, until such time as other FSSF brigades be formed, which then could deploy globally under the UN banner.

Núñez’s timetable is ambitious: Create and staff the new OAS Security Council and structure by Jan. 1, 2004 (Núñez specifies that Canada, the United States, Mexico, Brazil, Argentina, and Chile would be designated the “permanent six” members of such a council); have FSSF-N and FSSF-S operable by Oct. 1, 2004; ensure that both are properly filled, provisioned, and trained, to be fully prepared to deploy within the Americas on any potential mission by Oct. 1, 2005; get other such brigades in operation by Oct. 1, 2006.

Why the rush? Núñez echoes a study produced by the Washington-based Center for Strategic and International Studies (CSIS) in 1999, *Thinking Strategically About 2005: The United States and South America*, which argues that a Free Trade Area of the Americas (FTAA) requires a regional military structure to enforce it. Núñez, in fact, surfaced a similar proposal for a NAFTA military force in 1999. The proposal, reportedly contained in an Army War College monograph titled, “A New United States Strategy for Mexico,” caused a scandal when it was reported in the *Toronto Star* in September 1999.

For all his talk about “soft power,” “strategic restraint and reassurance,” and not imposing anything unwanted upon U.S. “allies” in the Americas, Núñez has been deploying around the continent with Einaudi’s mafioso message: Either you support a multinational force, or you’ll get unilateral U.S. intervention.

The big problem faced by the utopian nuts, is that neither the Brazilian nor Mexican militaries will accept such schemes. “If Brasilia does not come up with a significant role in aiding regional security,” Núñez threatened in his paper, “there will be major negative consequences.”

No military provokes the anger of this crowd like that of Mexico, however. Army War College people are promoting any scandal they can find against it, to break its “institutionalized policy of non-intervention,” the which they denounce as “feudal,” “a relic of the 19th Century,” etc. Mexican President Vicente Fox and Foreign Secretary Jorge Castañeda want to change that policy, but it will take more scandals against the military to break its resistance to the policy, Núñez wrote.

Reality, however, has a way of disrupting the schemes of madmen. These fools still argue that “new defense” policy is necessary to defend the “new economy,” long after the “new economy” has crumbled into dust. Rumsfeld even reportedly promised substantial sums for those who backed up his project. Was there no little child present to ask—as the Defense Secretary imperiously walked the streets of Santiago, stark naked—whether the money actually exists?

Documentation

‘The Blunder in U.S. National Security Policy’

Under the above title, in October 1995, Lyndon LaRouche’s exploratory campaign committee, the Committee to Reverse the Accelerating Global Economic and Strategic Crisis, published the candidate’s rebuttal to the September 1995 Department of Defense report, “United States Security Strategy for the Americas,” which outlined the premises upon which the Defense Ministerials of the Americas are still based. The first of the ministerials had just been held in Williamsburg, Virginia, in July 1995. There, LaRouche warned:

If the policy set forth in a recent Department of Defense (DoD) report on the Americas were actually carried into effect, the United States is presently in the process of shooting itself in the foot all over Central and South America. . . . It is a continuation of a worsening series of U.S. foreign-policy and related security catastrophes in Central and South America, which has been a built-in trend within our permanent national security bureaucracy since McGeorge Bundy’s reign at National Security Council, Robert S. McNamara at DoD, and the poisonous influence of the economic dogmas of such devotees of the Mont Pelerin Society as Professor Milton Friedman. We have come to the point of global crisis, when the failure to reverse that “Utopian” tradition, launched under Bundy, McNamara, and Kissinger, could have virtually fatal consequences for U.S. security. . . .

The tragic follies of the DoD report are rooted, axiomatically, in its follies concocted in the presently customary

misuse of the terms “democracy” and “market policies.” Outside the virtual reality of that fantasy world of word-play, which the DoD report represents, in the real world, real-life actions premised upon serving those two slogans, are presently two among the most tragic strategic threats to U.S. security, both in the Americas, and globally. Thus, the report does not assist in maintaining security; it assures the opposite effect. . . .

The world’s present monetary and financial systems are being devastated by the fast approach of the greatest financial fire-storm in history . . . and associated threats of war, bloody insurrections, and expanded international terrorism now arising throughout most of the world. . . .

The DoD report features hyperventilated assertions of the progress of the cause of “democracy” around the world. Out of DoD fantasy-land, in the real world, the opposite is true. . . .

Since the 1971-1972 period, of initial establishment of a “floating-exchange-rate monetary order” throughout the world, and since U.S. Secretary of State Henry Kissinger’s orchestration of the international petroleum price-hoax and Rambouillet monetary summit of the mid-1970s, most nations have been subject to a one-world government’s dictatorship, both by the United Nations Organization’s International Monetary Fund, and by other, like-minded institutions. Under the rule of these institutions, virtually all nations, and their governments, have been subject to increasingly savage aus-

terity measures. . . .

No nation whose government adopts IMF or World Bank “conditionalities,” can be described as “democratic” in any meaningful sense of the term. . . .

When the IMF and other institutions are successfully demanding the actual mass-assassination of millions of aged, sick, and others, through actuarial blows of the budgetary axe, there is no policy which is possible which is not the deadly enemy of about eighty percent or more of the population as a whole. Only a deranged fanatic could presume, that a program of elimination of useless eaters *en masse* might be conducted by a democratic process. . . .

The international security of the United States requires the domination of this planet by a community of sovereign nation-states functioning as a partnership of mutual interest and common moral principle.

The defense of the institution of the modern sovereign nation-state, is a principle we must defend in every quarter of this planet, this hemisphere most emphatically. In particular, we must defend that principle of the sovereign nation-state republic which is typified by our own Federal Constitution, against all efforts, from London’s terrorist and other varieties of ethnicity advocates and kindred types of malefactors, to replace the system of nation-states by the brutish conditions which must result from a proliferation of so-called micro-states.

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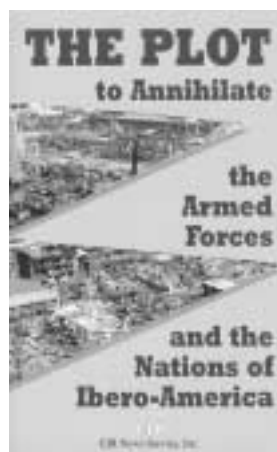
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—James Zackrisson, *Defense Force Quarterly*

World War II Prototype For Today's Utopians

by Carl Osgood

The unique qualities of the First Special Service Force, of World War II fame, have captured the imaginations of the wild-eyed Utopians in and around the Bush Administration who seek to create a multinational security force that is loyal to no national government. These qualities emerged more from its conceptual design and organization, however, than from the practical realities that dictated how it was actually employed.

The First Special Service Force (FSSF) was a joint U.S.-Canadian commando brigade and the only unit of its kind in World War II. Its story was first told by Robert D. Burhans, the FSSF's intelligence officer, in a book, *The First Special Service Force: A War History of the North Americans, 1942-1944*, published in 1947. Burhans' account demonstrates that the conceptual birth of the FSSF was entirely the result of British geopolitics, the result of a theory propounded by the eccentric British inventor Geoffrey Pyke, who theorized, in a sort of cartoon version of Halford Mackinder's geopolitics, that since the European continent was covered with snow anywhere from 60 to 250 days of the year, a military force designed to operate in snow conditions, could dominate Europe.

Pyke's vision was codified by Lord Louis Mountbatten and Prime Minister Winston Churchill as a plan for sabotage of hydroelectric generating stations in Nazi-occupied Norway, in order to cut off production of materials vital to the Nazi war machine. The operation, dubbed Project Plough, was also to have included attacks on hydroelectric plants in northern Italy, and the oil fields and refineries of Romania, but those two parts of the plan were quickly dropped as unfeasible. Mountbatten sold the idea to U.S. Army Chief of Staff Gen. George C. Marshall, who ordered his assistant, Maj. Gen. Dwight D. Eisenhower, to study it. Churchill suggested that Canadian troops also be recruited for the operation, apparently believing that the involvement of Canada would give the British leverage.

Thus was born the FSSF, which immediately began recruitment throughout the United States and Canada. The recruitment notice asked for men with experience as lumberjacks, forest rangers, hunters, northwoodsmen, game wardens, prospectors and explorers. The Canadians added hard-rock miners to that list. Training began at Fort William

Henry Harrison, Montana, in July 1942. The training regimen emphasized airborne and mountain operations in the full range of weather. Sixty-mile marches, with full combat loads, in snow, became the norm for the soldiers of the FSSF.

In any event, the Norway sabotage operation was never carried out, the Norwegian government-in-exile objecting that it would result in as much hardship for the Norwegian population as for the occupying Germans. As a result, the FSSF was converted into a light assault force and employed in the campaigns in the Aleutian Islands in Summer 1943, and the Italian campaign beginning in January 1944, and then in the campaign in southern France which opened in August 1944, and it amassed a very impressive battle record. Its rugged training and small unit organization made it especially effective against fortified German positions in mountainous terrain that more conventional infantry units had been unable to defeat. It was disbanded in December 1944, when the progress of the war made such a small, specialized unit superfluous.

'Prototype of a World Police'

What Burhans emphasizes, and what attracts the attention of the Utopians, is the disappearance of national identity in the FSSF. American and Canadian officers were dispersed throughout. "It was a solid intermixture where no one country dominated," Burhans wrote, "where no national cliques formed and where a man could rise according to his comparative ability." Strengthening the "intermixture" was the very rigorous and physically demanding training regimen. "Through the generation of day-to-day habits in the training program," wrote Burhans, "the Force had become in itself, an individuality, a separate entity that was neither Canadian, nor U.S. but just the plain Special Service Force." Properly led, Burhans added, "these men went any place."

Nor were the implications for the future lost on Burhans. The spirit within the Force was so solid that "Never a breach formed between American and Canadian in the two and-one-half years of cooperative work together. They dressed and marched and talked and lived as one patriot in a fight for ideals that their flags represented. It was never 'Canucks' and 'Yanks.' The pervading thought that tied the men together was the *esprit* of the Force itself."

Burhans concluded with a quote from Canadian journalist Sholto Watt, writing in the *Montreal Standard*, at the time that the FSSF was disbanded: "The importance of the FSSF in world history, and their influence on the future, are much greater than even their outstanding military merit would deserve. The significance of this Force is that it was the first joint force of its kind, drawn from two neighbors' democracies, and that it was a brilliant success throughout. It is by no means fanciful to see in it the prototype of the world police of that world community which has for so long been the dream of men of good will. . . ."

Who'd Miss 'Ole Miss' Lott?

Senate Majority Leader Trent Lott's appalling, but sincere remark on the occasion of Sen. Strom Thurmond's 100th birthday party, may inadvertently contribute to a long-overdue house-cleaning in the Republican Party and in Washington. What is being tested is the pro-racist Southern Strategy, which has had control of *both* major political parties and of our leading policymaking institutions since the election of Richard Nixon in 1968.

Lott's statement, regardless of subsequent spin applied by him and the press, was unequivocally racist. He said: "I want to say this about my state: When Strom Thurmond ran for President, we voted for him. We're proud of it. And if the rest of the country had followed our lead, we wouldn't have had all these problems over all these years, either."

That's about as explicit an endorsement of Thurmond's Presidential platform—the save-segregation program of the States' Rights Party—as you can get.

Nor was this the first time that Lott, who served as a cheerleader for the segregated university of "Ole Miss" in his youth, put forward this racist sentiment. In an 1984 interview with *Southern Partisan*, the magazine of the Confederate "Lost Cause," Lott said, "A lot of the fundamental principles that Jefferson Davis believed in are very important today to people all across the country, and they apply to the Republican Party. It is the more conservative party. It is the party more concerned about not having government dominance. It is the party that believes the least government is the best government. . . . The platform we had in Dallas, the 1984 Republican platform, all the ideas we supported there—from tax policy to foreign policy, from individual rights to neighborhood security—are things that Jefferson Davis and his people believed in."

But, up until now, both parties have chosen to make light of, or disregard, such remarks, and even actions such as Lott's continued meetings with the Conservative Citizens' Councils of Mississippi, a very obvious, and light, makeover of the White Citizens Councils of yore. Nor were Lott's votes against civil rights in the Senate enough to get him in trouble. After all, both the Democratic and Republican parties have increasingly

embraced the anti-FDR ethos of the Southern racists, complete with allegiance to a Constitution stripped of the commitment to the General Welfare, as was Jefferson Davis's Confederate Constitution.

Lott himself has been rivalled by such pro-Confederates as Attorney General John Ashcroft, and no less prominent a "Democrat" than Al Gore, whose Presidential campaign ripped up the great civil rights achievement called the Voting Rights Act, during the 2000 elections.

But, increasingly over the last year, there have been signs that the Southern Strategy consensus is crumbling. Some of the "old guard," like Sen. Jesse Helms and Thurmond, have retired, and, more and more, the pro-Confederate base is being made up of the likes of crazed Christian Zionists, like Jerry Falwell and John Hagee. And as the depression crisis deepens, it becomes increasingly difficult for such ideologues for war, racism, and vicious budget austerity, to command broad popular support.

Thus, the Republican Party itself—the biggest beneficiary of the Southern Strategy—and even parts of its neo-conservative base, have reacted with alarm at Lott's self-revelation. Calls for his censure and resignation have been rife, including from traditionally Confederate-friendly quarters such as the *Richmond Times-Dispatch*. President Bush himself came out with a public, if soft, rebuke, and it is by no means certain that Lott will not be forced to "gracefully" withdraw as a candidate for Senate Majority leader. The Democrats, too, are being put to the test on their reaction.

Back in November 2000, Lyndon LaRouche emphasized the horror which the world rightfully felt at the United States being taken over by "this bunch of hooligans, typified by a guy who is, at very best, a Ku Klux Klan freak, fellow-traveller, Trent Lott." How lawful it would be, with LaRouche's emergence as the only competent political leader in this time of crisis, that KKK-supporter Trent Lott would be forced to resign his leadership post, if not his seat. It would be a step toward the revival of the FDR-style policies this nation so desperately needs.

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Charter Ch. 3
Tuesdays—5:30 pm
Wednesdays—7 am

MINNESOTA

- ANOKA
AT&T Ch. 15
Mon.—4 pm & 11 pm
- BURNSVILLE/EGAN
ATT Ch.14,57,96
Tuesdays—5:30 pm
Saturdays—9 pm
Sundays—10 pm
- CAMBRIDGE
U.S. Cable Ch.10
Wednesdays—2 pm
- COLD SPRING
U.S. Cable Ch.10
Wednesdays—5 pm
- COLUMBIA HTS.
MediaOne Ch. 15
Wednesdays—8 pm
- DULUTH
Charter Ch.20
Mondays—9 pm
- MONTGOMERY Ch.19
Fridays—1 pm
- FRIDLEY
Time Warner Ch. 5
Thursdays—5:30 pm
Saturdays—8:30 pm
- MINNEAPOLIS
PARAGON Ch. 67
Saturdays—7 pm
- NEW ULM—Ch.14
Fridays—5 pm
- PROCTOR/
HERMANTOWN—Ch.12
Tue, btw, 5 pm-1 am
- ST.CLOUD AREA
Charter Ch.10
Astound Ch.12
Thursdays—8 pm
- ST.CROIX VLY.
Valley Access Ch.14
Thursdays—4 & 10 pm
Fridays—8 am
- ST.LOUIS PARK
Paragon Ch. 15
Wed., Thu., Fri.
12 am, 8 am, 4 pm
- ST.PAUL (city)
SPNN Ch. 15
Saturdays—10 pm
AT&T Ch. 14
Thu—6 pm & Midnite
Fri—5 am & Noon
- ST.PAUL (NE Burbs)*
Suburban Ch.15
- ST.PAUL (S&W burbs)
AT&T-Comcast Ch.15
Tue & Fri—8 pm
Wednesdays—10:30 pm
- SOUTH WASHINGTON
ATT Ch.14—1:30 pm
Mon, Tue, Wed, Thu

MISSISSIPPI

- MARSHALL COUNTY
Galaxy Ch. 2
Mondays—7 pm

MISSOURI

- ST.LOUIS
AT&T Ch.22
Wednesdays—5 pm
Thursdays—12 Noon

NEBRASKA

- LINCOLN
T/W Ch. 80
Citizen Watchdog
Tuesdays—7 pm
Wednesdays—10 pm
- SHELBY TWP.
Comcast Ch.20
WOW Ch.18
Mon/Wed: 6:30 pm
- WYOMING
AT&T Ch. 25
Wednesdays—10 am

NEVADA

- CARSON—Ch.10
Wednesdays—7 pm
Saturdays—3 pm
- RENO/SPARKS
Charter Ch.16
Fridays—9 pm

NEW JERSEY

- HADDON TWP.
Comcast Ch. 19
Sundays 11 am
- MERCER COUNTY
Comcast*
TRENTON Ch. 81
WINDSOR'S Ch. 27
MONTVALE/MAHWAH
Time Warner Ch. 27
Wednesdays—4 pm
- NORTHERN NJ
Comcast Ch.57*
PISCATAWAY
Cablevision Ch.71
Wed—11:30 pm
- PLAINSBORO
Comcast Ch. 3*

NEW MEXICO

- ALBUQUERQUE
Comcast Ch. 27
Mondays—3 pm
- ANTHONY/SUNLAND
T/W Ch. 15
Wednesdays 5:05 pm
- GRANT COUNTY
Comcast Ch. 17
Fri. & Sat.
7 pm or 8 pm
- LAS ALAMOS
Comcast Ch. 8
Mondays—10 pm
- SANTA FE
Comcast—Ch.6
Saturdays—6:30 pm
- TAOS—Ch.2
Thursdays—7 pm

NEW YORK

- AMSTERDAM
AT&T Ch. 99
Tuesdays—1 pm
- PORTLAND
Tue—6 pm (Ch.22)
Thu—3 pm (Ch.23)
- SALEM—Ch.23
Tuesdays—12 Noon
Thursdays 8 pm
Saturdays 10 am
- SILVERTON
Charter Ch. 10
Mon, Tue, Thu, Fri
Betw. 5 pm - 9 am
- WASHINGTON ATT
Ch.9: Tualatin Valley
Ch.23: Regional Area
Ch.33: Unincorp. Towns
Wednesdays—8 pm
Sundays—9 pm

RHODE ISLAND

- E. PROV.—Ch.18
Tuesdays—6:30 pm
- STATEWIDE
R.I. Interconnect*
Co. Ch. 13
Full Ch. 49

TEXAS

- DALLAS Ch.13-B
Tuesdays—10:30 pm
- EL PASO COUNTY
Adelphia Ch.4
Tuesdays—8 pm
Thursdays—11 am

UTAH

- CENTRAL UTAH
Precis Cable Ch.10
Aurora
Centerfield
Gunnison
Redmond
Richfield
Salina
Sundays & Mondays
6 pm & 10 pm

VERMONT

- GREATER FALLS
Adelphia Ch.8
Tuesdays—1 pm

VIRGINIA

- ARLINGTON
ACT Ch. 33
Mondays—4 pm
Tuesdays—9 am
- BLACKSBURG
WTOB Ch.2
Mondays—6 pm
- CHESTERFIELD
Comcast Ch. 6
Tuesdays—5 pm
- FAIRFAX—Ch.10
Thursdays—12 Noon
Thursdays—7 pm
- LOUDOUN
Adelphia Ch. 23/24
Thursdays—7 pm
- ROANOKE—Ch.9
Thursdays—2 pm

WASHINGTON

- KING COUNTY
AT&T Ch. 29/77
Mondays—6 pm
- KENNEWICK
Charter Ch. 12
Mondays—12 Noon
Thursdays—8:30 pm
- RICHLAND
Charter Ch. 12
Mondays—12 Noon
Thursdays—8:30 pm
- SPOKANE—Ch.14
Wednesdays—6 pm
- WENATCHEE
Charter Ch.12
Thu—10 am & 5 pm
- YAKIMA—Ch.9
Sundays—4 pm

WISCONSIN

- MADISON—Ch.4
Tuesdays—3 PM
Wednesdays—12 Noon
- MARATHON COUNTY
Charter Ch. 10
Thursdays—9:30 pm
Fridays—12 Noon
- SUPERIOR
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Wednesdays—11 pm

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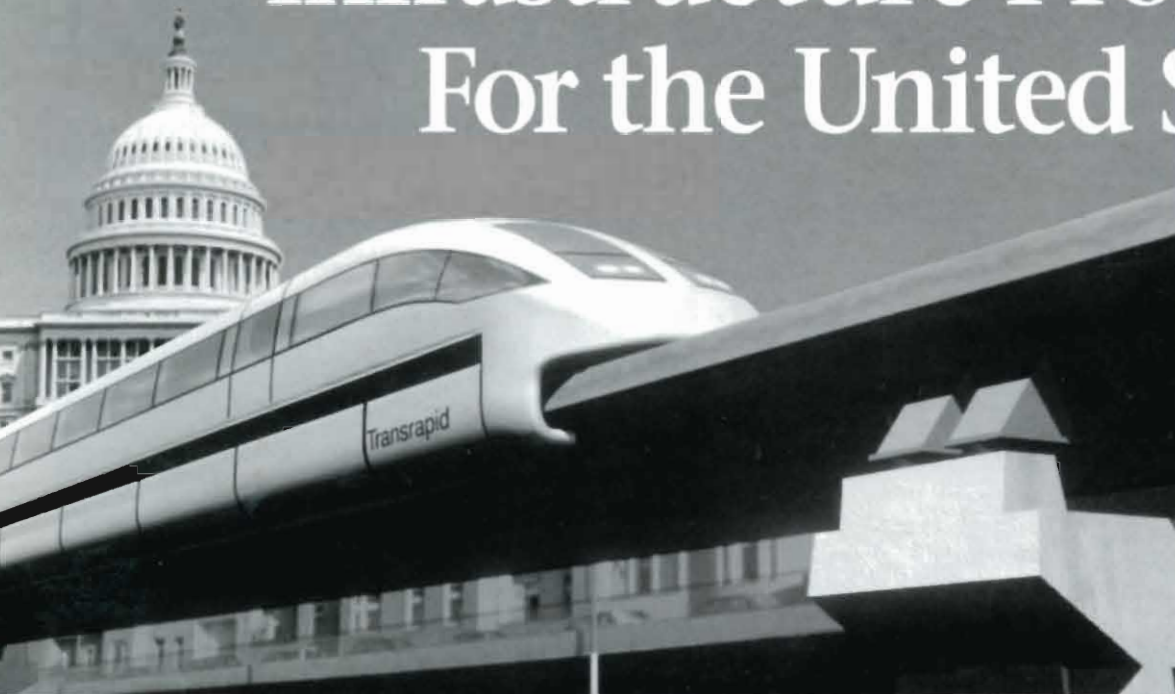
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