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U.S. Fiscal 2003 Deficit Could Top \$500 Billion
Mideast Road Map: Will Bush Become Sharon's Lackey?
Washington Neo-Conservative Cabal Under Mounting Attack

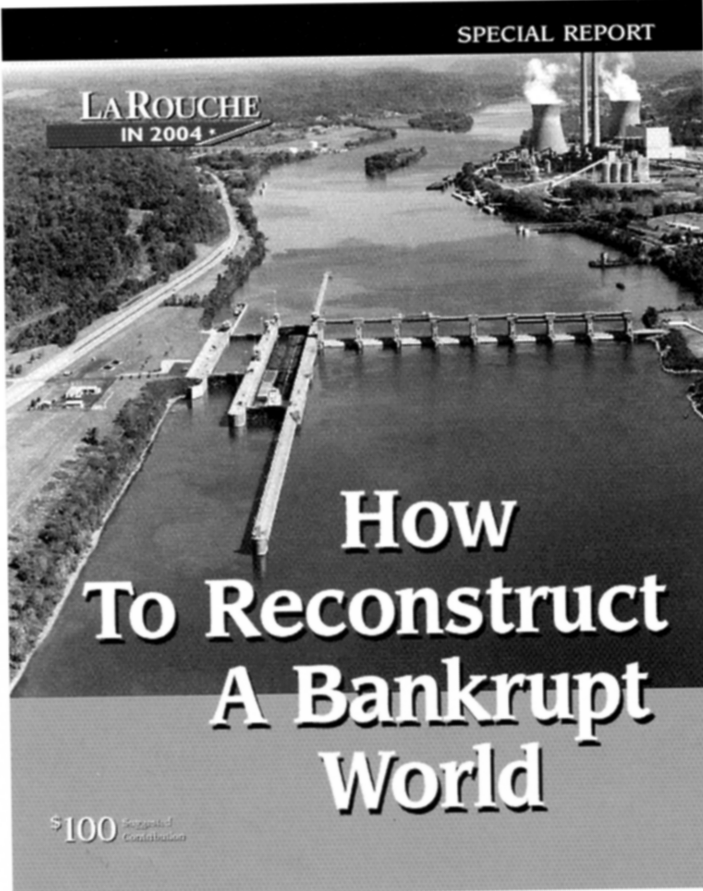
Bangalore Conference: The World After the Iraq War



This Financial System Is Doomed!

LaRouche's Presidential Campaign: Leadership For a New Bretton Woods

SPECIAL REPORT



"The IMF in its present form, can not survive. . . . There are forces in Europe, as well as in Asia, who know they need a recovery program. They recognize the importance of closer ties of cooperation, especially economically based, on technology-transfer relations in the long term, between Western Europe and Asia. These things must occur now."

—Lyndon H. LaRouche, Jr

**A LaRouche in 2004
SPECIAL REPORT**

THIS SPECIAL REPORT INCLUDES the transcript of the Schiller Institute's conference in Bad Schwalbach, Germany on March 21-23. International experts, and a panel from the LaRouche Youth Movement, tell how to rebuild the bankrupt world, on the basis of LaRouche's concept of a New Bretton Woods System, the Eurasian Land-Bridge, and a revolution in educational policy.

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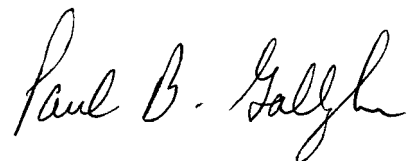
From the Associate Editor

The international conference in India's southern city of Bangalore, which we cover in-depth this week and next, is the first major public conference in Asia on its crucial subject: "The World After the Iraq War." For good reason, it has already received very broad coverage in the media of India and elsewhere in Asia. Keynoted by U.S. Presidential pre-candidate Lyndon LaRouche and by former Non-Aligned Movement Secretary General K. Natwar Singh, it addressed the most fundamental determinant of "endless war" or peace: how to take on and reverse, *within the United States and its Presidency*, the present war policy of the United States' imperial faction—a war policy which threatens every nation in the region, U.S. ally and opponent alike. We publish both Singh's speech and LaRouche's interventions, in which he described how to reach an American President of the greatest limitations, being driven into wars like a marcher-lord by the neo-conservative cabal, but also hemmed in by an accelerating economic collapse, and open to diplomatic pressure in a period of intense diplomatic activity in Europe and Asia.

Our *National* section is full of reports of the developing potential within and around the Bush Administration, for a "countercoup" against the neo-conservative war party. The frauds and failures of the Iraq war are the leading subject of battle, but there are others, as we make clear—particularly that China policy which LaRouche has pointed to as the ultimate target of the "chicken-hawks." Overall, there is a crucial window of opportunity for such a "countercoup," but one that will not last, and must be seized now.

In *Economics* and in our *Editorial*, you'll understand part of the reason: The economic-policy side of this war policy is quickly heading toward a blowout and brutal austerity moves in the United States, unless a completely new policy—LaRouche's—takes hold. The new tax cuts will strike a Federal budget whose main revenues have already shrivelled by nearly one-quarter, accelerating a dollar collapse already under way. Is the chaos this will create, deliberate? Is it being triggered to set off a complete fiscal panic, and take down Social Security, Medicare, Medicaid?

Whether the "official" Democratic candidates like it or not, these matters of war and depression are the subject of the campaign. More on that, and LaRouche's campaign's next steps, next issue.



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U.S. Fiscal 2003 Deficit Could Top \$500 Billion

by Richard Freeman

During the third week of May, the U.S. Treasury Department, in its parsed, dry language, dropped a bombshell: It reported that through the end of the first seven months of Fiscal Year 2003 (i.e., October 2002-April 2003), the Federal government registered an *official* budget deficit of \$201.61 billion. Further, the Treasury projected that, were trends to continue, the U.S. government would run an *official* budget deficit of an unprecedented \$304.16 billion for the full Fiscal Year 2003.

As dismal as this is, *EIR* has determined that the *actual* U.S. FY 2003 budget deficit will be much larger than the official one, which employs all sorts of statistical fakery to mask the true nature of the problem.

The key to understanding why the U.S. budget deficit is out of control, is to look at its real cause: the worsening collapse of the U.S. physical economy. This has collapsed tax revenues, especially of individual income taxes and corporate income taxes. Together, these two taxes form the bulk of U.S. government revenue.

It must be stressed that both the Democrats and the Republicans have tried to run away from the depression as the real cause of the budget deficit. The Democrats have blamed the deficit on Bush Administration tax cuts. While the 2001 Bush package of tax cuts, officially known as the Economic Growth and Tax Relief Reconciliation Act of 2001, and the current 2003 Bush tax package (whose effect has not yet been realized) are disastrous, 70-75% of U.S. government loss of revenue since 2001 has been caused by the depression.

Economic Collapse Wipes Out Tax Revenue

Table 1 shows the amount of individual income taxes taken in for the first seven months of fiscal years 2001, 2002, and 2003, and the amount of individual income taxes taken in for the entirety of fiscal years 2001 and 2002. The table estimates the amount of taxes to be taken in for the entire

TABLE 1
Individual Income Taxes
(\$ billions)

Fiscal Year	First Seven Months	Entire Fiscal Year
2001	\$657.3	\$994.3
2002	\$536.5	\$858.3
2003	\$493.8	\$790.0 ^e

e = estimated
Sources: U.S. Department of Treasury; *EIR*.

FY 2003, based on a continuation of the trends of the first seven months of that fiscal year. Were they to continue, individual income taxes would fall from \$994.3 billion in FY 2001 to \$790.0 billion in FY 2003, a staggering decline of 20.5%.

There are two overriding reasons for the collapse in individual income taxes: 1) The physical economic collapse has triggered a torrent of layoffs and wage cuts in the manufacturing sector and elsewhere. This has lowered the level of household income, and thus of taxable household income, for millions for households. 2) Since 2002, the New Economy/information technology bubble fell apart, which popped the stock market, and caused a sharp drop in taxes on capital gains realized from the stock market.

As **Table 2** shows, assuming the decline in corporate income taxes for FY 2003 to date, were to continue, they would fall from \$151.1 billion in FY 2001 to \$105.5 billion in FY 2003, a decline of 30.2%.

While there has been an increase in government spending in some areas, the principal cause of the burgeoning Federal deficit is not the spending side, but the tax revenue collapse, triggered by the collapse of the economy. If current trends

TABLE 2

Corporation Income Taxes

(\$ billions)

Fiscal Year	First Seven Months	Entire Fiscal Year
2001	\$105.2	\$151.1
2002	\$88.2	\$148.4
2003	\$62.8	\$105.5 ^e

e = estimated

Sources: U.S. Department of Treasury; *EIR*.

were to continue, between FY 2001 and FY 2003, the combined drop in individual and corporation income taxes would total \$249.6 billion, the largest two-year drop in the absolute amount of tax revenue in American history.

While the U.S. government has projected that the official FY 2003 budget deficit will hit \$304.2 billion, itself a record, the real situation is worse.

The *official* budget deficit that the Treasury reports on, which is called the “unified budget,” is a sham agglomeration, which illegally mixes the actual budget—called the General Revenue Budget—with the off-budget *surplus* of the Social Security Trust Fund. But the Social Security Trust Fund is a special fund, with its own dedicated tax revenue stream, and should not be mixed in. If one refuses to count the surplus of the Social Security Trust Fund, the Federal government’s actual General Revenue Budget deficit is projected to reach \$467.6 billion during Fiscal Year 2003. But that depends on current trends continuing; were tax revenues to plunge at a faster rate, which they have from quarter to quarter in the recent term, then the deficit could surge above \$500 billion. Such a deficit, the result of a collapsing economy, is unsustainable.

Bush’s Tax Cut Is Dangerous Policy

Making the crisis worse, is Bush’s tax cut policy. On May 23, Vice President Dick Cheney cast the tie-breaking vote that passed the Bush Administration tax-cut package. The Senate version had been worked out by a House-Senate Conference Committee. Drafted by devotees of the Mont Pelerin Society, and giving President Bush everything he asked for and then some, the package, according to its supporters, will cost \$350 billion over ten years. That figure is a monstrous deception. In fact, the package will cost between \$670 billion and \$1.06 trillion. The Straussians in the Administration, lied.

The Conference Committee’s final package reflects the dominance of the House’s version, which was put together by such Mont Pelerin Society adherents as Rep. Tom DeLay (R-Tex.). The tax cuts will exacerbate the revenue loss and thus increase the size of the deficit—the overriding cause of which is the economic depression. This manufactures the conditions for the same Mont Pelerin fascists to use as the

pretext for reducing the budget deficit, to carry out ferocious austerity.

Deceitful Gimmicks

In tax writing, one usually looks at the cost over ten years, in this case, through Fiscal 2013. But, to reduce the apparent cost of a tax cut, one can say that it *expires* or *phases out* earlier than 2013—say, in 2008. In the Conference Committee version, of its eight major measures, most cuts are pencilled in as expiring in 2004 and 2005, even though the Republicans have vowed to come back and extend the cuts until 2013. Speaker of the House Dennis Hastert (R-Ill.) admitted this on May 22, stating, “The \$350 [billion] number takes us through the next two years, basically. *But it could also end up being a trillion-dollar bill*, because this stuff is extendable” (emphasis added).

The package’s centerpiece is the cut in taxes on stock dividends and capital gains. It reduces the top tax rate on capital gains from the prevailing rate of 20%, to 15%. Recall that the top rate on capital gains used to be more than 40%, before measures such as the Kemp-Roth Tax Act of 1981 reduced it. Most capital gains are realized by those households in the upper 20% income class.

The other major cut is in taxes on stock dividends. Under existing law, a household’s dividend earnings are taxed at the same rate as that household’s tax bracket. Those households in the top income bracket would pay a 38.5% income tax rate, and dividends would also be taxed at 38.5%. Under the new law, dividends will be taxed at 15%—a 60% reduction in the tax rate. The upper 10% income bracket owns more than 70% of the stocks, and thus collects more than 70% of the dividends.

The purpose of the capital gains and stock dividends tax cuts is to encourage and increase speculative investment in, principally, the stock market, and secondarily, real estate, art, and similar items.

If the tax cut on capital gains and stock dividends is extended out until Fiscal 2013, according to the Center on Budget and Policy Priorities, the cost of these two tax cuts alone will be \$325 billion. Thus, these tax cuts, by themselves, almost equal the \$350 billion that tax-cut supporters say the whole package will cost in total.

According to the Tax Policy Center, which is jointly run by the Brookings Institution and the Urban Policy Institute, 53% of households will enjoy a tax cut of \$100 or less in 2003. The middle fifth of households in the income spectrum will get a cut of \$217; households whose annual income is \$1 million or more get a tax cut of \$93,500!

The package also includes a tax break for businesses to make new investments and buy new equipment. But this provision is principally to encourage companies to buy IT products, such as computers and computer software, which the Commerce Department erroneously counts as “capital goods.” For the most part, this is a mistaken move to revive the dying “New Economy.”

U.S. Infectious Disease Death Rate Is Rising

by Marcia Merry Baker

Even gross statistics now show that over the last 20 years in the United States, a near century-long trend of a declining death rate from infectious disease has reversed, and is now on the rise. This is the case, *without including the HIV/AIDS disease*, which was first identified at the outset of this period.

Infectious disease (ID) refers to any and all of those many kinds of transmissible illnesses (from tuberculosis and malaria, to influenza, diarrhea, tick fevers, and many others), associated with microbes of all kinds.

The graph in **Figure 1** shows that as of 1980, the death rate in the United States was in the range of 37-40 deaths per 100,000 persons per year; but by 1998, the death rate was approaching 60, and is still rising.

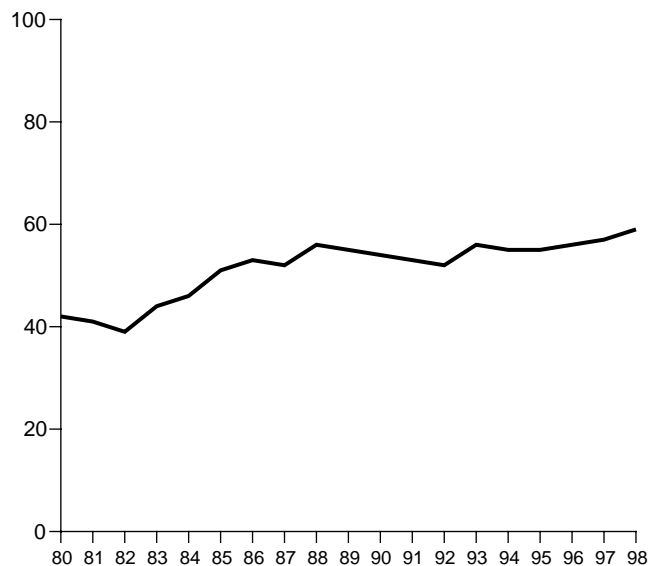
Causes include more sickness, poverty, and lack of adequate treatment. Among the various illnesses contributing to the rising U.S. death rate are influenza, nosocomial infections (i.e. hospital-acquired sicknesses, such as the commonly termed “staph” *Staphylococcus aureus*), tuberculosis, food-borne illnesses; resurgence of once-controlled childhood illnesses (measles, pertussis, etc.); and new diseases including hanta and other rodent-vector viruses, West Nile and other new mosquito-vector diseases, etc.

The graph of the increasing U.S. death rate from infectious disease, is the first one to be presented in a new 400-page report released in March by the National Institute of Medicine, entitled *Microbial Threats to Health—Emergency, Detection, and Response*. The report makes the point that with the so-called advanced sector seeing deteriorating health and medical preparedness, the world picture is very bad, indeed. Moreover, its message is that the fault is neither science *per se*, nor “mystery diseases,” but rather a failure of government policy in terms of public health—infrastructure, personnel, sanitation, and aggressive practices.

Up front in the report’s Executive Summary, there is a summary of both the global and U.S. situation. “A breakdown or absence of public health measures—especially a lack of potable water, unsanitary conditions, and poor hygiene—has had a dramatic effect on the emergence and persistence of infectious diseases throughout the world. The breakdown of public health measures in the United States has resulted in an increase in nosocomial infections, difficulties in maintaining adequate supplies of vaccines in recent years, immunization

FIGURE 1
U.S. Death Rate Rising From Infectious Disease (Excluding AIDS/HIV), 1980-98

(Crude Death Rate Per 100,000)



Source: In *Microbial Threats to Health: Emergence, Detection and Response* (Washington, D.C.: Institute of Medicine, March 2003), reprinted with permission from Pinner, R.W., Roy, K., Shoemaker, H., “Mortality from Infectious Diseases in United States, 1993-1998” (unpublished manuscript, 2002).

rates that are far below national targets for many population groups (e.g., influenza and pneumococcal immunizations in adults), and a paucity of needed expertise in vector control for diseases such as West Nile encephalitis.”

End of Delusions

Put less politely, the report is referring to some of the many practices that have become standard in the last 30 years of “post-industrial” insanity in the United States. Cost-cutting and deregulation allowed the ending of serious rat and mosquito-eradication programs; DDT was banned; needed ratios of hospital beds and treatment facilities were taken down; vaccination became “optional,” etc. The favored rationalization has been “cost-effectiveness.” It was asserted that the United States had an “over-capacity” of hospital beds. The implicit argument was that “post-industrial” meant “post-disease”!

At the same time, free-trade food-supply lines have become transmission belts for infection. During certain seasons, up to 70% of common fruits and vegetables now come from outside the country, bringing pathogens along with them. The same for seafoods, and many other items.

The American public’s opinion? The last 30 years has seen a radical shift towards outright superstition, as people

Forewarnings From LaRouche, CIA

In 1973, Lyndon LaRouche commissioned a taskforce to study the biological-ecological breakdown that could ensue if the “zero-growth” economic policies then being imposed upon Africa, were maintained and came to prevail more widely; namely, if needed levels of public health infrastructure, medical treatment, and research were downgraded. Preliminary findings were presented at the November 1974 founding meeting of the science group, the Fusion Energy Foundation. As of the 1980s, the dire consequences were already unfolding.

On July 1, 1985, *EIR* published a Special Report: *Economic Breakdown and the Threat of Global Pandemics*, prepared by LaRouche collaborators, and presenting handbook-style documentation of microbial disease threats. It detailed the scenario of a potential “biological holocaust”

ahead, of new and re-emerging human, animal, and plant diseases, if economic growth policies were not restored. AIDS, then recently identified, was in the forefront of such a potentiality. In February 1986, an updated report was published, *An Emergency War Plan To Fight AIDS and Other Pandemics*, written by an *EIR* Biological Holocaust Task Force, including physicians and other specialists.

Throughout these reports, the principles of public health, scientific research and medical treatment, and civil defense were repeatedly stressed by Lyndon LaRouche.

In January 2000, the U.S. Central Intelligence Agency issued its own report, corroborating the LaRouche warning of new and re-emerging diseases a quarter-century earlier. *The Global Infectious Disease Threat and Its Implications for the United States* was produced under the auspices of David F. Gordon, National Intelligence Office for Economics and Global Issues, and by collaborating agencies, including the Armed Forces Medical Intelligence Center. “Although the infectious disease threat in the United States remains relatively modest as compared to that of noninfectious diseases,” it noted, “the trend is up.”

turned to “alternative” medicines, foods, and supplements, and even to “personal infrastructure” for sanitation and hygiene (private water and air-filters, etc.). Of course, millions are too poor to indulge in such delusions, whether they buy into the superstitions or not.

An “apparent reprieve from infectious disease?” is how the authors of the new *Microbial Threats* report ridicule the thinking and practices of the past three decades.

They point out, “As a result of this apparent reprieve from infectious diseases, the United States government moved research funding away from infectious diseases toward the ‘new dimensions’ of public health-noncommunicable disorders such as heart disease and lung cancer. The government closed ‘virtually every tropical and infectious disease outpost run by the U.S. military and Public Health Service.’ (Quoted from L. Garrett, “Emerging Viruses, Growing Concerns,” *Newsday*, 30:1). Infectious disease surveillance and control activities were de-emphasized. Research, development, and production of new antibiotics and vaccines declined. The potentially devastating impact of infectious diseases was either relegated to the memory of previous generations or left to the imagination of science fiction enthusiasts. Americans could all look forward to long, healthy lives, free from infectious diseases—or could they? The figure [Figure 1] suggests quite otherwise.”

How ID Death Rates Once Were Lowered

Contrast the past 30 years, with prior decades of the century, when disease-fighting prevailed. In 1900, the annual deaths from infectious disease was at a rate of, not 60, but a

dreadful 797 per 100,000. One third of these deaths were from tuberculosis, pneumonia, and diarrheal diseases. The very young were especially at risk. Average life expectancy at birth was only 47 years. But through a succession of infrastructure improvements (safe water, sewage treatment, mosquito and vermin control campaigns, etc.), as well as medical advances including the mid-century introduction of anti-biotics, the death rate from ID steadily fell. Vaccines were developed against polio, measles, diphtheria, tetanus, and pertussis. The vaccine campaign against smallpox was a stunning success.

As of the advent of the 21st Century, the average U.S. life expectancy had increased to over 76 years.

Now all this achievement is at risk.

SARS: U.S. Experts Warn, Drug Firms Wait

by Roch Steinbach

Three of the top U.S. specialists in the control of infectious diseases testified on May 21 before a Senate oversight committee, laying out the degree of continuing threat posed by the coronavirus, which was recently identified as the cause of the worldwide outbreak of Severe Acute Respiratory Syndrome, or SARS.

Michael T. Osterholm, Chairman of the Center for Infectious Disease Research and Policy at the University of Minnesota, testified that it is increasingly likely that “we have not begun to see the worst” of SARS. “I am convinced that with the advent of early winter in the Northern Hemisphere in just six short months, we will see a resurgence of SARS that could far exceed our experience to date,” Osterholm said. “If this projection is correct, we have every reason to believe that the disease will show up in multiple U.S. cities as we continue to travel around the world in unprecedented numbers and speeds.” Osterholm also said that SARS has already “seeded itself in [such] significant numbers of humans, as to make its elimination impossible.”

Anthony Fauci, director of the National Institute for Allergy and Infectious Diseases at the National Institutes of Health, and by Julie Gerberding, director of the Centers for Disease Control (CDC) in Atlanta, agreed. Fauci called the SARS death rate “alarmingly high”: it appears to be 8%, he said, but could run as high as 15%. Meanwhile, researchers writing in the May 23 *Science* magazine concur that the virus that causes SARS, is sufficiently contagious to spread around the world.

The CDC under Fauci is now fully engaged in the fight; more than 500 CDC staff are already at work on new SARS research. Government scientists are also screening existing antiviral drugs, and other chemicals, to determine if any of them are effective against SARS. Two of these—Rimantidine, an older flu drug, and interferon, an immune system protein—have offered some promise, but are only effective in amounts unhealthy for people, according to Fauci.

Smaller university laboratories nationwide are focussing on development of drugs that can inhibit the polymerase or protease enzymes, that are used by the SARS virus in its replication. Dr. David Ho, a well-known AIDS biologist in New York, has already announced development of a compound that can block SARS from entering human cells, much as Fuzeon does for HIV.

Overseas, a group of Hong Kong researchers announced on May 23, their findings isolating a SARS-like coronavirus in wild civet cats, native to southern China. The civet resembles a large weasel, with a long catlike body and large tail, and it weighs 5-11 pounds on average. While some civet cats are carnivores, the animals found to carry the SARS virus in China are herbivores. Known as masked palm civets, they live in trees and eat fruit, and are a delicacy in southern China. A spokesman for the World Health Organization hailed the findings “a significant breakthrough.”

Even more momentous may be the announcement on May 26 by another Hong Kong group, of a potential SARS vaccine.

‘A Product We Can’t Sell’

However, while government and university labs are in overdrive to find a treatment for SARS, most major drug companies are sitting back to watch from the sidelines. Lab

teams at many commercial pharmaceutical manufacturers are not undertaking the critical research necessary to develop an effective antiviral treatment to SARS. Swiss drug manufacturer Novartis has no anti-SARS program so far; neither has Idenix Pharmaceuticals, a hepatitis drug developer in Cambridge, Massachusetts; nor does Gilead Sciences, of Foster City, California—and the same holds true for even the largest drug manufacturers, Amgen and Genentech.

Gilead Sciences, the developer of four antiviral drugs, including Viread for AIDS and Tamiflu for influenza, has no plans to open a research program. Dr. Norbert Bischofberger, executive vice president for research and development at Gilead, voiced “100% confidence” that his company could develop a drug for SARS, given sufficient economic incentive. But unlike the government specialists, he does not feel that the SARS threat is significant enough to provide his company with recovery of research costs. “To do something against this coronavirus takes the same amount of effort as any other target,” he said. “At the end, you would not have a product that you could sell.”

Part of the problem is in the nature of infectious viruses themselves, such as the coronavirus that causes SARS, or the flu virus: while there are dozens and dozens of anti-bacterial drugs available, there are no more than a few dozen effective antiviral agents—many of them developed in the last decade, primarily to combat the AIDS virus. Antiviral drug treatments lag behind anti-bacterial treatments primarily because of the difficulty in combatting the individual viruses, which are nothing more than genetic material, and not truly alive. “You can’t kill something that is not living,” says Dr. Nathaniel A Brown, a senior vice president at Idenix. Dr. Bischofberger at Gilead confirmed: “It’s hard to kill the virus without killing the cell.”

The SARS virus, however, cannot be ignored without ignoring its victims, who now number over 720. The glaring failure of the private sector to even begin to address the global threat of SARS, only underscores the need for a greater mobilization of the medical and research infrastructure, at the Federal level, and to reinvigorate the health-care system. Dr. Fauci points out that the government’s concern with the threat of bio-terrorism, is another reason for deeper Federal involvement. “Bioterrorism has reignited the need for countermeasures against viruses which in their natural setting would not be a very big public health problem,” Fauci said.

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El Salvador Port Opens Up Regional Prospects

by Christine Bierre

Through an interview with Roberto Turcios, member of the National Development Commission of El Salvador and Regional Coordinator for the Eastern Zone of the country, a new prospect for regional economic integration in Central America emerges. Turcios is presently coordinating a very exciting project for that small Central American nation: the construction of a container port at La Unión in the far eastern part of the country, on the Gulf of Fonseca, which is shared by El Salvador, Honduras and Nicaragua.

At the very least, the port, financed through a low-interest, long-term Japanese loan, will increase the badly needed port capacities in the region. But it could also be the singularity generating a broader regional integration and growth in the area, and in Central America as a whole, Turcios emphasizes, if it is undertaken in coordination with Honduras's completion of a mere 100-kilometer stretch of highway. This would bring into being an "Interoceanic Dry Canal" connecting La Unión on the Pacific, with Honduras's Puerto Cortés on the Atlantic.

In a World Land-Bridge Perspective

In fact, this project's true potential emerges when viewed in consonance with Lyndon LaRouche's proposal for the Eurasian Land-Bridge, and its extension into the Americas via a tunnel running under the Bering Strait. Rail lines—and full-set development corridors surrounding those rail routes—would then run south through Canada and the United States, and into Mexico and Central America (see *Interview*, **Figure 1**). There, railroads and complementary highways would have to be built down through the Darien Gap jungle on the Panama-Colombia border—where none now exist—in order to link South America up with this global infrastructure grid.

In this context of vastly expanded trade and development flows to and from all of Ibero-America, the construction of the proposed Dry Canal—or land-bridge—cutting across the Central American Isthmus, would help alleviate current congestion at the Panama Canal, and complement both that existing Canal and a required new, sea-level interoceanic canal in the region. Thus, projects such as that presented by Turcios in the following pages, are exactly what El Salvador needs to get out of a negative spiral which goes back almost to the beginning of its civil war in the mid-1970s.

Even though it is geographically the smallest nation in Ibero-America, El Salvador has a high population density and

has always been a very active country economically. Back in the 1960s, it was one of the few Ibero-American states to have industrialization plans.

At the end of the 1950s through the mid-1960s, during the short-lived Central American Common Market, industrial development took off rapidly, with a national middle class investing strongly. These were the times when El Salvador, having developed its own variety of coffee, was the fifth- or sixth-largest world producer of coffee, with the highest yields per hectare. These were the times when the production of shoes, food products, textiles, clothing, boxes and other light industry developed rapidly. These were the times of the development of a strong national airline company—one of the few such companies to have survived and developed in spite of massive international competition.

The 1969 "soccer war" between El Salvador and Honduras killed the nascent common market. Then the civil war which rocked the country from the 1970s up until 1992, and the subsequent process of financial globalization, brought all development to a screeching halt. Agriculture has never recovered since then, nor has industrial production. After all, who wants to invest when there is no protection for national capital, and when it is more profitable to speculate? The international price of coffee, which remains the main export product of El Salvador, is so low that it hardly justifies the harvest, and those who can, are attempting to substitute other crops.

Globalization Has Brought Poverty

The country's main financial lifeline comes today from remittances, the money sent back to El Salvador by the million or more nationals forced to migrate to the United States during the civil war. These remittances bring in almost \$2 billion per year—by far the single largest source of foreign exchange for the impoverished country. Dollarization was foolishly adopted in 2001, and to make things worse, the country is now negotiating a free trade agreement with the United States, a process imposing privatization on practically all of the strategic public sector—energy, transportation, and so on. The Inter-American Development Bank and others are meanwhile promoting the so-called Puebla-Panama Plan, a road-building proposal designed to provide minimal infrastructure while linking the region into free-trade looting—quite the contrary of LaRouche's World Land-Bridge focus.

To all of this, add a couple of earthquakes and hurricanes which have further leveled the economy. Yet, the people of El Salvador keep fighting to rebuild what is lost to natural—and man-made—disasters.

Thus, the project for a new port in La Unión, although unique to El Salvador at this point, points to the simple and natural process by which a national economy can be developed into a highly productive area, in consonance with a process of global financial reform and infrastructure development.

‘The Port of La Unión Could Change History in Central America’

EIR’s Paris correspondent Christine Bierre interviewed Roberto Turcios, member of the El Salvador’s National Development Commission and Regional Coordinator for the Eastern Zone of El Salvador, during a visit to her native country in December 2002.

EIR: A new port will be built in the department of La Unión [see **Figure 1**], but I believe that the plans of the National Development Commission go far beyond the mere construction of a port.

Turcios: The answer to this question is affirmative—so long as we can count on a network of citizens and other productive groups, that are capable of bringing a local and regional development strategy to life. It is a proposal whose main idea is to take advantage of a development opportunity in the eastern region of the country, through the construction of the port of Cutuco in *La Unión*. It is a response to a question: Is it possible to turn the construction of the port of La Unión into a trigger for development?

Work on building the port will begin in the first half of next year. It is a project whose estimated cost is more than \$100 million, which is going to take place in a city—La Unión—of some 50,000 inhabitants. . .

EIR: In any case, such an important investment in the region will necessarily change the living conditions of the local population. How many jobs is it expected to create?

Turcios: It is already changing history in the region, with evidence of both an opportunity and a challenge. A Spanish tuna fishing company has already begun to build the wharf and pier for the processing and packing of tuna. It will be one of the most important tuna processing plants of the Central American Pacific region. However, that company brought in everything—the bricks to build the walls of the offices, the nails, the small tractors. It bought nothing of significance in El Salvador.

EIR: That is a problem. If they bring everything with them, the multiplier effect on the regional economy will be minimal.

Turcios: Exactly. That is one of the problems we have to avoid. This is a significant investment, by the very nature of the port to be built, which will specialize in handling containers. At this point, the western port of Acajutla is not, nor does it have the natural conditions to become a good port

for containerization. The success of the port of La Unión presupposes tri-national use: Honduras, Nicaragua, and El Salvador.

EIR: But is the project national, or tri-national?

Turcios: It is a national project, but in the concept of the National Development Commission, it is seen as a tri-national opportunity because, if one examines the map of Central America, the strategic location with the best conditions is that of La Unión.

This port is located on the Gulf of Fonseca, not far from the port of San Lorenzo, which is Honduras’s only Pacific port. Actually, Honduras doesn’t have a Pacific coast, but it does have an internal sea, which is the Gulf of Fonseca. The Nicaraguan port of Corinto is nearby. So, one can realistically conceive of a system of ports that can serve all three countries.

If one adds to this the fact that La Unión has the natural conditions to be the terminus of an interoceanic corridor between the Atlantic and the Pacific, one has an extraordinary opportunity, at a moment that the trade and productive routes of Central America are changing.

In order to travel from La Unión to Puerto Cortés on Honduras’ Caribbean coast (that is, on the Atlantic) there are a mere 100 kilometers of highway in Honduras yet to be built. Once done, this would create what we call an “Interoceanic Dry Canal.”

If this stretch of road were paved and were to end in the port of La Unión, a container truck could go from the Pacific to the Atlantic in seven and a half hours. That is, you are talking about a competitive alternative to the Panama Canal, which is the other great interoceanic route. . . .

EIR: Would this new port be limited to trade among the three countries sharing the Gulf of Fonseca—El Salvador, Honduras, and Nicaragua—or could it also receive international ships?

Turcios: Of course it could. The depth there will be 14 meters [about 45 feet]. This will allow for the entrance of large container and grain ships.

La Unión is a gulf with islands. This means that the surf is weaker. Normally, a port for containers needs a breakwater; that won’t be necessary for La Unión. Its islands will act like a breakwater without blocking the passage of large ships.

The challenge for the region has been clearly posed by

FIGURE 1

Central America and the Proposed 'Inter-Oceanic Dry Canal'



Source: EIR

FIGURE 2

Central America Topology



Source: U.S. Central Intelligence Agency.

several specialists. Completing the port presupposes that cargo boats will use its facilities. El Salvador and Central America as a whole import enough to guarantee that there will be sufficient traffic of cargo ships.

EIR: And is this the case at the moment?

Turcios: Yes, but the cargo is distributed. The cargo for El Salvador arrives in part through Guatemala and its Atlantic port. Other cargo comes from South America and arrives at the Salvadoran port on the Pacific, Acajutla. Still other cargo comes from the Atlantic to Acajutla, passing through the Panama Canal.

This new port is going to cheapen costs for producers, importers and national exporters. But the key question is what the ships will carry on their return voyages. This has no answer, as of yet.

To take advantage of this opportunity will thus require an increase and a diversification of regional production. In light of this concern, an agreement has been reached with the Japanese government, for them to send a mission of 15 specialists to study the region for a year, to present a proposal on productive diversification and an increase in exportable goods.

EIR: The project will also have to address the following problems: once the containers arrive at La Unión, how will they be moved? This leads us to the Dry Canal, the improvement of highways, to the construction of infrastructure. I understand that stretches of highway are already under construction.

Turcios: In January, they will begin to build what they are calling the La Unión "bypass," which will exit the port and

put trucks 10 kilometers outside the city, by a parallel route [to a cross-Isthmus highway].

But I think the problem we face is more dramatic. It would not be an exaggeration to say that what we have here, in essence, is the dilemma of how to develop countries like El Salvador. . . . When I say development, I understand this to mean an escape from poverty, from backwardness: real human development.

The port project was not conceived from the standpoint of a combination of policies capable of bringing about a global development process.

EIR: El Salvador would need to be inspired by Colbert of France, and how he created the port of Rochefort in the 17th Century. For military reasons, France needed an important port on the Atlantic. And, on swampland where no one lived, they built from scratch, in just a few months, both a port and a city of 50,000 inhabitants! Shipbuilding was established, and for the first time in history, parts of ships were . . . assembled by following the instructions of production manuals written by scientists of the French Academy of Science. Wood was treated, rope was produced, and metals were smelted. In order to get people to come and work on this project, relatively high wages were offered, and social security provisions made, that had never existed anywhere before. Schools to train the producers and the sailors were founded!

Turcios: That was a true vision. In this case, the port project is approved and designed, and is already in the phase of seeking bids from construction companies; but, until six months ago, there was no project for the city where the port was to be built! Because of this, a citizens group of La Unión proposed the idea of a port-city. . . .

Apart from this project, the regional proposal includes another strategic and indispensable project, which is the recovery of the Rio Grande de San Miguel and the productive transformation of that river's basin. It is a large project, double the cost of the port and, for the moment, still in the proposal stage.

EIR: How is this related to the port?

Turcios: It is related in that it poses the basis for the productive transformation of the entire region. It is the second largest river in the country, after the Lempa. It is deteriorated, contaminated, without any treatment facilities. Recovering the river would require the creation of irrigation districts, which would change the history of agriculture and would mean reforestation. This is a second project under consideration.

Along with these kinds of projects, every citizens group has its own project. A group of cattlemen have a plan to build a dairy processing plant for the region. There is a group in the North which has a tourism plan. . . .

What we seek to accomplish is, that when the first stone of the port is being laid, we will also be laying the first stone of a plan for local and regional development.

EIR: These projects only involve the department of La Unión?

Turcios: No. They involve the entire eastern region, which includes four departments—one-third of the national territory and one-fifth of the national population.

EIR: Where is the \$100 million for building the port coming from?

Turcios: It is a loan from Japan, a country which is very interested in having the port seen as a factor of regional development. The interest they are charging is very low . . . because they'd also like the loan to be repaid!

EIR: At one time, the mere idea of a second canal between the Pacific and Atlantic, apart from the Panama Canal, could have provoked wars. . . . For the Americans, a new canal constructed in a strategic zone not under their control was unthinkable. Has this position recently changed?

Turcios: I believe that, in our case, the first problem is Central American. There is an inability to see the potential of an idea like this, because there is such a lack of Central American will. This idea is very cheap. There are only 100 kilometers that remain to be paved, for a cost of one and a half million dollars per kilometer. We are talking about a new interoceanic route for a mere \$150 million. But, this assumes a Central American political will that has never existed. That is the first problem. A Central American will must be created.

EIR: Are there negotiations underway to finish this highway?

Turcios: At the moment, no. The Gulf of Fonseca has potential, but the project would require an agreement among the three countries. El Salvador's National Development Commission has a plan, but it is very novel for a history that has been so full of conflict. If one examines the history of the Gulf [of Fonseca], the cause of the last conflict between Honduras and El Salvador is a ridiculously tiny island called Rabbit Island. The location of the island defines the maritime border in the Gulf and, in a way, the channel of access to the Gulf.

We are, once again, faced with a repeat of Central American history, a clear opportunity that can be taken advantage of.

What is indisputable is that we are at a new moment for an old Central American opportunity. That is, the Central American states were formed by the vision of their founders: we are a great state. We are exceptionally strategically placed for a canal. In the first Constituent Assembly that was formed in America, the opportunity for a canal was discussed and debated. The port of La Unión was created in 1824, by a decree issued by the first Central American Assembly. The complete name was Port of the Central American Unión.

Another moment for an historic opportunity now presents itself. Is this competition with the Panama Canal? No. There is room for both. There is such overcrowding already in the Canal, that cargo ships take third place in priority, behind passenger ships and oil tankers.

Krafft Ehrlicke's Mission to Mars

by Marsha Freeman

During the month of June, three spacecraft will take off on a half-year trip to the planet Mars. Two Mars Exploration Rovers will be launched by NASA, and Mars Express will be launched by the European Space Agency. They will be carrying tools for examining the Martian atmosphere, the chemical composition of the surface, and drills and scrapers to peer into and underneath the soil and rocks.

But all three of these "field geologists" will be robotic, controlled and maneuvered by scientists on the Earth.

As early as the late 19th Century, science fiction writers were imagining manned missions to Mars. After World War II, when the Germans had demonstrated that the practical

characteristics of rockets could actually carry man into space, the most far-sighted pioneers were designing missions that were not science fiction, but based upon imaginative applications of the technologies that were becoming possible—or at least, imaginable.

Krafft Ehrlicke (1917-1984), came to the United States in 1947, and a year later, while helping transfer Germany's war-time rocket technology to the U.S. Army, penned a novelette entitled, *Expedition Ares: A Saga From the Dawn of Interplanetary Travel*. This manuscript, which was just recently discovered, is published for the first time in the current issue of *21st Century Science & Technology* magazine.

Looking Back at 'First Attempts'

Expedition Ares is not a whimsical presentation, nor what today passes for science fiction. It is a road map, an orderly progression of technologies designed to make the dream of the exploration of the Solar System a reality.

The story is set more than 400 years in the future, when mankind has already deployed Earth-orbiting space stations, developed the Moon, explored Mars, landed on Jupiter's moons, and walked on the surface of Pluto. *Expedition Ares*—the first manned mission to Mars—is described in retrospect, looking back to the middle of the 21st Century from hundreds of years beyond.

Ehrlicke's account of the mission, from that future vista, begins: "We live in the age of fast-flying, far-reaching space ships, and are proud of what human ingenuity has achieved in this field. Research is going on with ultra-fast ships, reaching half the velocity of light and designed as powerful instruments for visiting our neighboring stars.

"But the adult soon forgets the first stumbling steps of childhood, and the first attempts to reach our nearest cosmic vicinity have almost completely vanished from our memory." The reason it is important to look back at those "first attempts," Ehrlicke writes, is because they were not always successful. But that did not discourage mankind from continuing its journey to the stars.

Setting the Stage for Mars

Ehrlicke imagined that by the year 2000, men would have "finally shattered the chains which kept them in bondage of time and space. Vigorously, they had invaded the realm of nature, making themselves masters



Space visionary Krafft Ehrlicke (left) was interviewed by CBS correspondent Walter Cronkite on Sept. 26, 1966. Ehrlicke, who worked for North American Rockwell at the time, is discussing the features of a reusable transport vehicle that he designed. The initial stage of the vehicle consists of 12 turbo-ramjet engines. A supersonic ramjet engine allows the vehicle to achieve orbital velocity; the hypersonic spaceplane atop the transport would return to a landing site for reuse.



“The gliders are powerful enough to fly to the surface of Mars and return to the orbit in which the main ships are circling.” Ehricke envisioned a family of spacecraft for the manned Mars journey, to provide redundant capabilities to increase safety. NASA has been developing designs for a Mars airplane, which would fly in Mars’s thin atmosphere, but not be powered to return to orbit.

In 1979, Krafft Ehricke imagined Mars to be a planet with an active geologic past, unlike the Moon. He created this painting to represent that concept. Near the top of the mountain—perhaps a volcanic caldera—are gullies, very similar to those found recently on the sides of craters on Mars. They could have been produced by flowing water, or in this case, maybe seeping lava. To the lower left is the faint Sun.

of energies never dreamed of before. What had been achieved in a relatively short period was really amazing.”

In the decades after 2000, in “Expedition Ares,” the first real stepping stone to the stars was complete: Space Station I. From there, a scientist in the station’s medical laboratory “developed medicine beyond the guesswork of his predecessors.” The physical laboratory was the site of orbital astronomical research projects never before possible. The space station was maintained through the use of a ferry, using chemical propellants, which, because nuclear propulsion had not yet been harnessed, was “the only power source available at that time. . . Small wonder that the space ships of the 21st Century were bulky, clumsy, and underpowered,” Ehricke remarks, looking “back” while actually looking far ahead from 1948.

Technology advanced, he relates, and “gradually, as ships and navigation improved, the Moon became a world ‘just around the corner,’ like the inner planets are for us now. The vast area between satellite and Moon became a training field for advanced students of the space navigation school attached to the station. Two agencies even obtained licenses for regular tourist flights around Luna, in small but rather comfortably equipped ‘space liners,’ as they were then called.”

Then, with this infrastructure in place, “In 2040, 40 years after the creation of the artificial satellite, a second and most decisive step was taken. The Research Board of the Association for Space Exploration, the most powerful research organization of its time, stated in a memorandum dated March 20, 2050, that within five years, enough surplus propellant of the hydrazine-acid type would have been accumulated in the

satellite depot [at the space station] to permit an expedition to one of the nearer planets, either Venus or Mars.”

In making the choice between Earth’s two nearest neighbors, the Board pointed out that while Venus is closer, less is known about its atmosphere and conditions, which would be critical knowledge for a winged rocket glider to be able to land on the surface. In addition, “there is some evidence of life on Mars; a life which probably sustains itself by a photosynthetic process using carbon dioxide. Conditions for successful biochemical research are likely to be much better on Mars than on Venus.”

Taking all of this into account, Ehricke’s “Board” recommended Mars as the goal of the first interplanetary expedition. “This historical memorandum settled the matter, and the preparations for ‘Expedition Ares’ began.”

What follows is an extensive discussion about the selection of the eight-man crew, and the training and preparation for the months-long journey to Mars. There is a significant group of specialists, in Ehricke’s report, “which strongly opposed the whole project.” They argued that “the use of chemical propellants was hazardous, and there was considerable danger that none of the ships would ever return to Earth.”

But, although nuclear energy was deemed far superior to chemical propulsion, this would have delayed the trip, in Ehricke’s scenario, for perhaps 50 years! Instead, a multiply-redundant system is designed, to increase safety and lower risk. The crew of eight will travel with three separate craft, and individual lifeboat rockets are available to each, in case of emergency.

Ehricke’s envisioned Mars mission is full of new discoveries and surprises, including an accident, reminiscent of that on Apollo 13. Although the mission is unsuccessful, Ehricke ends by bringing his crew back, knowing that “this was not the end, but the beginning of a great story.”

A Life Yet Unfulfilled

Over his lifetime, Krafft Ehrlicke initiated the development of the first liquid hydrogen rocket, called Centaur by the U.S. space program. In 1958, he presented a concept to Congress for a four-man space station. He developed trajectories for planetary missions, designed an orbital hospital, promoted space tourism, and studied advanced industrial techniques for space applications.

When Ehrlicke died of leukemia in 1984, he left behind a body of work and plans for space exploration that have yet to be realized. The last decade of his life was spent creating, in exquisite detail, plans for the industrial development of the Moon. His book on this subject, *The Seventh Continent* is yet to be published.

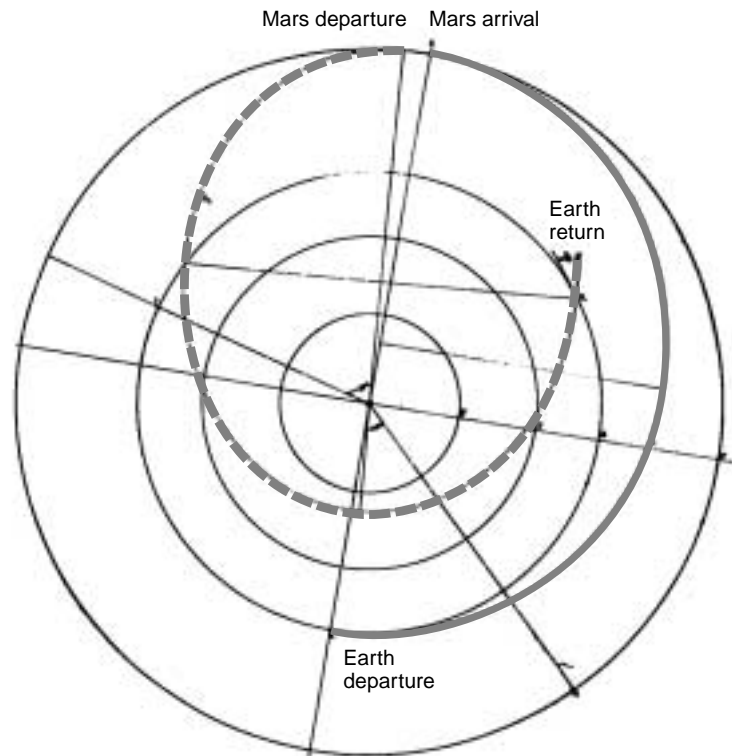
What distinguishes Krafft Ehrlicke's work from that of other visionary space architects, is his insistence that there is an historical, philosophical, and moral imperative to space exploration: that it is not just a spectacular extracurricular activity of humanity.

In the 1950s, he developed the concept of the "extraterrestrial imperative": that it is man's nature to explore; and that for man to progress, he must expand his world view, his resource base, and his scientific inquiry to include the entire Universe. This is not a matter of choice, Ehrlicke explained, for within the closed world system of the Earth, men would eventually find themselves fighting over scarce resources, and enter into a period of no-growth. This would inevitably lead to anti-technology and anti-science movements, economic stagnation, geopolitical power politics, regional economic chauvinism, extreme poverty, mass starvation, epidemic disease, and war—all of which we see today.

Ehrlicke's alternative view was informed by the fact that there are no limits to growth, only to multiplication. When "limits to growth" became popular in the 1960s, Ehrlicke constantly polemicized against this false notion, counterposing to it, the idea that there is no limit to man's creativity.

When the Schiller Institute was formed in the early 1980s by Helga Zepp-LaRouche, Ehrlicke joined its board, to express his solidarity with the philosophical view of the poet of freedom, Friedrich Schiller, and the activity of an organization committed to organize society on the concept of Schiller's "world citizen." Ehrlicke embodied the qualities of the "world citizen" that Schiller so beautifully describes. He believed that a new Renaissance was necessary, and possible. His writings, such as *Expedition Ares*, reflected his optimism that men would conquer, not only the frontiers of space, but the pessimistic and destructive policies of recent history,

The Mission Profile of 'Expedition Ares'



Krafft Ehrlicke designed his mission using chemical rockets, which limits the flight path to a low-energy transfer orbit, possible only every 26 months, when Mars and the Earth are in the proper relationship. The crew departs from Earth, and meets Mars months later. But the Expedition Ares crew cannot stay, and must make an immediate return to Earth. To do this, they swing toward the inner Solar System, between the orbits of Venus and Mercury.

which he had seen first-hand while on the eastern front in the German Army, during the Second World War. He became increasingly alarmed throughout the 1960s and 1970s at the irrational substitution of superstition for science, and mobilized his own resources to lead a fight for progress.

There is no better time than the present to put forward a multi-decade plan for man's exploration and development of space. Krafft Ehrlicke's family and supporters have created the Krafft A. Ehrlicke Institute for Space Development (krafft_ehrlickeinst@cglobal.net) in order to reintroduce this visionary man's concepts to the public, and promote the specific goals, as well as philosophical world view, that he represented so well throughout his life.

The extensive excerpts from Krafft Ehrlicke's *Expedition Ares* are published in *21st Century Science & Technology's* Spring 2003 issue, from P.O. Box 16285, Washington, D.C. 20041; or on the Internet at: 21stcenturysciencetech.com.

Leaders Needed To End the Depression

The Chancellor prevails over critics, but that does not halt the economy's continuing decline.

A few days before the special party convention of the Social Democrats in Berlin on June 1, almost everything indicated that Chancellor and Social Democratic Party chairman Gerhard Schröder would receive majority backing of his party for his Agenda 2010 budget reform package. A crucial indicator of that in the ongoing conflict among the government, the SPD party left, and the labor unions, was the May 25 announcement by Michael Sommer, national chairman of the DGB labor federation and one of the most outspoken critics of the Chancellor, that with the national action day of May 24, the labor protests would be halted and not be resumed before Autumn. Also, many critics in the SPD have declared that they found their interests reflected in one or another modification of the original, largely “free-trade” Agenda 2010. The blackmail against the SPD party base by Schröder, who has repeatedly threatened to resign if his Agenda 2010 policy is not backed, apparently worked.

But, whether the economy will be pulled out of the deepening depression, remains unanswered. Agenda 2010 includes only two incentives, among all its budget cutting, for a remobilization of the productive potentials of industry. These are: talks about a partial suspension of the European Union's Maastricht budget ceilings, to allow the government to invest more in labor markets and infrastructure development projects; and a rather limited program of long-term, low-interest loans by the state-owned Kreditanstalt für Wiederaufbau (Reconstruction Bank) to Mittelstand (small and medium-size) firms, for

projects to employ more workers.

Strangely, during the past two months of conflict over Agenda 2010, Schröder has preferred to emphasize not the positive aspects, but the budget-cutting. If that persists, the prospects for industry and the labor market are bad. As the labor unions have warned, another 100,000 jobless would result from the Agenda's proposed cuts. Fewer public sector projects, less state support for the public health sector, and cuts in subsidies to industry and farming will inevitably result in lower employment and consumption (again, causing more unemployment in the medium term).

The Chancellor's lack of priority on sound economic policies is mirrored in the criticism from the labor unions: the DGB's 27-paper alternative program, presented on May 8, treats the economic crisis as if it were merely a cyclical phenomenon, perhaps somewhat worsened by “geopolitical uncertainties,” such as the Iraq war. In reality, a fact acknowledged even by an increasing number of establishment economic forecasters outside of Lyndon LaRouche, the world economy and the global financial system are heading into a dynamic even more dangerous than that of the Great Depression in the 1930s.

The DGB paper has been read as a sign of labor retreat and a foul DGB compromise with Agenda 2010. The compromise means that the DGB does not want to destabilize the Chancellor, although the main points of justified criticism are unresolved.

Intervening into the political fight around Agenda 2010, Helga Zepp-LaRouche, leader of the Civil Rights

Solidarity Movement (BüSo), in a May 10 open letter circulated nationwide, called on the trade unions to come up with a real alternative economic program, which, through real growth and rising employment, can effectively secure the existing social security structure and the public health system. The trade unions, she stated, have to address the underlying causes of Germany's social-economic and fiscal problems: the systemic global economic and financial crisis.

In particular, Zepp-LaRouche urged the labor unions to look into the 1931 recovery program of Vladimir Woytinski, the leading economist of the German trade unions in the early 1930s, who advocated a state-run program of massive loans to the productive and consumer-goods industries, to increase employment. Also, then-government economist Wilhelm Lautenbach's September 1931 plan, proposing similar investment strategies. Updated for today's economic conditions, both proposals can serve as a basis for discussions about an international reform centered on a New Bretton Woods financial system and the Eurasian Land-Bridge, as proposed by Lyndon LaRouche.

The DGB-Schröder cease-fire provides a few weeks to lift the debate to a higher level, of the kind recommended in the BüSo open letter. But with Germany approaching an official 5 million jobless at year's end, a tense situation will emerge that will allow neither side to abide by their cease-fire. Germany has not had 5 million jobless since the Great Depression 70 years ago, and whether today's democratic system would survive—the democratic Weimar Republic did not survive the 6 million jobless of January 1933—is not at all guaranteed. Unless the BüSo alternative is seriously discussed, Germany will not be safe from political destabilization.

Business Briefs

Japan

Government on Resona Bailout: 'No Crisis Here'

Raising concerns that other major banks may require similar rescues, Japan's government said it will pump an estimated \$17 billion in public funds into Resona Holdings, the nation's fifth-largest bank, effectively putting the lender under government control, after the bank asked for help on May 17. No sooner had the ink dried on that bailout, when the Japanese government was forced to bankroll a merger of two big regional banks, which were about to go under.

When Resona's capital-to-assets ratio had dwindled below 6%, the legal minimum for domestic banks, Prime Minister Junichiro Koizumi for the first time convened the Financial Crisis Council. In full-bore denial, Chief Cabinet Secretary Yasuo Fukuda insisted, "It was a crisis for Resona, but it's not a systemic problem. . . . This is not what we will call a crisis." Nonetheless, Fukuda admitted that the government does not rule out injecting funds into other banks.

Resona had been inflating profits for years, raising fears that even larger banks, such as Mizuho Financial Group, have not been truthful in their accounting. The bank revised its losses to \$7.3 billion for Fiscal 2002—nearly triple its earlier estimates.

Bank shares fell on speculation that more lenders will be effectively nationalized. Japanese bonds also dropped. "The crisis at Resona Bank has shown that Japan's financial world is in a far worse state than people generally believed," Japan's top business daily *Nihon Keizai Shimbun* editorialized on May 17.

Finance

Bank of Japan Warns Crisis 'Could Happen'

"Without appropriate policy measures, a financial crisis could possibly happen" in Ja-

pan, Bank of Japan Governor Toshihiko Fukui warned a parliamentary committee.

The core of the nation's financial system remains "weak" as banks face "deep-rooted" problems, Fukui said. He reiterated his call for the government to be given the power to act pre-emptively to inject funds into banks in trouble, rather than wait for the lenders to seek aid.

"It's better to take necessary steps as soon as possible before a crisis," he cautioned parliament. "It's better to deal with lenders' problems before their capital level" drops below minimum standards set by government regulators.

Dollar Crisis

'Dollar Gamble' May Lead To Panic, Says Samuelson

Economist Robert Samuelson warned that the weak dollar could lead to a backlash against the U.S. economy—and a "panic."

The "dollar gamble" announced by Treasury Secretary John Snow at the Group of Seven meeting—intended to increase U.S. exports and domestic production—could backfire, Samuelson wrote in the May 21 *Washington Post*. The rest of the world has survived, to date, by exporting to the United States, and if that is cut off, there could be a collapse in the rest of the world "that could boomerang on the U.S. There's another danger: a big foreign withdrawal from U.S. stocks, which could hurt the market or even trigger a panic."

Wall Street

Investors Pull Out On Dollar Collapse

The *New York Post* warned on May 25 that foreign investors are considering a pullout from Wall Street stocks, as the result of the 17% fall in the value of the U.S. dollar over

the past six months. Offshore investors owned 15% of U.S. stocks at the end of 2002, for a total Wall Street investment of \$1.35 trillion. "The problem is that these investors are going to see their returns fall in local currency terms as the dollar declines," Bernie Schaeffer, of Schaeffer Investment Research, told the *Post*. "Even if the stock prices go up in U.S. dollars, they could still be left with losses in euros. At what point will they say, 'Hey, that's enough pain,' and just pack up and leave?"

An unnamed institutional London investor added, "There's so much uncertainty about the U.S. economy right now, and when you add that to what the dollar is doing, well, maybe it's time for me to bring some money home."

China

FEER Promotes Renminbi As Currency for Asia

Michael Vatikiotis and Bertil Lintner write in the May 23 issue of the *Far Eastern Economic Review* that the Chinese renminbi, although not fully convertible, is growing in use as a hard currency outside China—the first sign of its potential role as "Asia's money." In Hong Kong and along China's borders with Southeast Asia, an emerging renminbi zone can be traced, fuelled by burgeoning Chinese trade and tourism. "China is effectively managing a hard currency," says Michael Kurtz, chief analyst for Bear Stearns in Hong Kong.

"In Burma and Laos, the Chinese currency is a hard substitute for weak local currencies like the Burmese kyat and Laotian kip," writes *FEER*. "Cross-border trade has increased in recent years—consumer goods, machinery, and fruit come in from China; timber, minerals, and smuggled cars leave Burma, Laos, and Thailand. All these transactions, amounting to hundreds of millions of dollars in annual value, are settled in renminbi—greatly helped by lax controls over carrying currency in and out of China. Along the Thai banks of the Mekong River, Chinese

WORLD AIRLINES face dark days as passenger traffic nosedives, the International Air Transport Association reported on May 23. World air passenger traffic plummeted by 18.5% in April—and by a whopping 44.8% in the Asia-Pacific region, as well as by 23.5% in North America, compared to the level in April 2002, largely due to the impact of the invasion of Iraq, and the SARS virus crisis in East and Southeast Asia.

PAY CUTS are being imposed across the board in Singapore, following the recommendation of the National Wages Council on May 21 for another year of wage cuts or freezes. Council chairman Lim Pin called the guidelines the “most severe in recent years.” The council warned more layoffs are in store, as unemployment climbed to 4.5% in March.

VACANT SPACE in the industrial real-estate market, rose in the first quarter of 2003 to 10.06%, the highest level since third quarter 1994, from 8.89% a year earlier, according to a report by Grubb & Ellis Co., reported in the *Wall Street Journal* on May 21.

THE U.S. SENATE passed unanimously on May 23 a bill to add an additional 13 weeks of unemployment benefits for those unemployed workers who have exhausted their first 26 weeks of benefits without finding work. The bill extends the Temporary Emergency Unemployment program through the end of this year. However, the Center on Budget and Policy Priorities said the bill fails to help about 1.1 million workers who have used up their benefits.

THE RUSSIAN Central Bank “fears another default,” stated the news agency *RBC* on May 19. It said: “The situation on Russia’s corporate borrowing market looks increasingly similar to the situation preceding the 1997 crisis. . . . To prevent Russia from repeating the same mistake, the Central Bank will introduce restrictions for Russian companies that want to borrow on foreign markets.”

traders from Yunnan do business without converting their renminbi into Thai baht. All over Thailand, an underground banking network enables traders to transfer funds in and out of the Chinese currency. A similar system works in the Pearl River Delta region connecting Hong Kong with Guangdong province.”

“It’s a curious situation because the renminbi is still subject to rigid capital controls,” they write. “Regional central banks will not hold the renminbi as a reserve currency, nor do they issue debt in renminbi because China keeps it to a de facto peg of nearly 8.28 to the dollar. The renminbi is not freely convertible on the capital account, and most analysts don’t expect this to change for some years.”

Korea

Joint Statement Issued on Rails, Economic Cooperation

North and South Korea concluded their fifth Inter-Korean Economic Cooperation Promotion Committee talks in Pyongyang on May 23 and issued a seven-point joint statement. It called for positive efforts on both sides to resume South Korean travel to Mount Kumgang on the east coast of North Korea in June, and agreed to fast-track three major cross-border economic projects: the reconnection of the western Kyongui and of the eastern Tonghae rail lines; and the construction of the Kaesong Industrial Complex in the North.

“Regarding the linking of the severed railways, the two Koreas decided to hold a ceremony for the completion of the Kyongui and Tonghae lines around June 10, marking the third anniversary of the historic inter-Korean summit in Pyongyang,” the *Korea Times* reported. Other Korean press are reporting the link day as June 13-14, the precise third anniversary of the June 2000 heads of state Inter-Korean Summit.

The groundbreaking ceremony for the key Kaesong industrial park will be in late June—a good reason to get the rail lines

linked, because plans are already under way to begin relocating textile, shoemaking, and other labor-intensive factories from South Korea into the North. After workers and engineers actually start interacting across the DMZ, North Korea will begin to open up, and, it is hoped, the danger of war will begin to fade.

The two Koreas also agreed that the South will provide North Korea with 400,000 tons of rice this year, a major factor in getting the other agreements. The Koreans will hold the sixth Inter-Korean Economic Cooperation Promotion Committee meeting in late August in Seoul, the statement said.

U.S. Depression

‘Faint Hoofbeats’ of Four Horsemen Heard

“The Four Horsemen of the Depression aren’t here yet, but you can hear the faint hoofbeats of at least three of them,” warned *USA Today* on May 27.

Three of a depression’s hallmarks—falling prices, rising unemployment, and global deflation—either are already here, or are on the way, claims the mass-circulation U.S. daily. While financial collapse has not appeared and “the odds for depression are still long,” the daily assures readers, nonetheless the Fed’s efforts to jumpstart the economy by slashing interest rates 12 times in the past three years “don’t seem to be working.”

While peddling the monetarist nonsense that the U.S. economy has been growing for the past six quarters, the article details the “nightmare” economic scenario of a depression—steps, it notes, which are already occurring. The depression scenario is unfolding, starting with reduced overseas orders for U.S. exports, because of deflation and recession in Japan and Europe. Second, the value of the U.S. dollar is plunging, causing foreign investors not to buy U.S. Treasury securities, inflows from which are used to pay the current-account deficit. And, companies as well as individuals are beginning to default on debt.

HISTORIC BANGALORE CONFERENCE:

For a Just New World Economic Order!

by Mary Burdman

The international conference on the “World Situation After the Iraq War,” co-sponsored by Chandrajit Yadav, chairman of the Centre for Social Justice of India, and Helga Zepp-LaRouche, chairwoman of the international Schiller Institute, was held in Bangalore, India, on May 26-27. This was the first international conference on these strategic issues to be held in Asia.

The conference was inaugurated on May 26 with a speech by Shri K. Natwar Singh, a Member of Parliament and member of the Congress Party Working Committee, who addressed the urgent need for a multipolar world to start a dialogue with the United States, to end its “hyperpower” drive. India, he said, must join hands with Russia, China, Germany, France, and other nations to convince Washington that the world does not need a “Pax Americana”—successor to the Pax Romana and Pax Britannica—but rather, a “Pax Planetica,” as the only way to lead a complex world. Natwar Singh was Secretary General of the Non-Aligned Movement under the government of Prime Minister Indira Gandhi, when India hosted the NAM world summit in New Delhi in May 1983. He has also been chairman of the Congress Party International Committee.

Singh introduced the keynote of Lyndon LaRouche, candidate for the Democratic Party nomination for U.S. President in 2004, whose fundraising record—as was emphasized at Bangalore by Shri Yadav—proves that he is leading in support from the common people. LaRouche made a forthright statement on U.S. Vice President Dick Cheney’s drive in the United States, to follow in the path of Adolf Hitler. Inevitable catastrophe will follow, LaRouche said, if we do not rapidly stop and reverse this fascist drive from inside the United States. LaRouche called for a return to the great efforts of the Non-Aligned nations, demonstrated at their Colombo, Sri Lanka summit of 1976, to set the world on the path of true development. Now, this movement for a Just New World Economic and Political Order, must be led by a community of nations in Eurasia, especially China, India, and Russia.

The Bangalore event continued the strategic discussions begun at the Schiller Institute international conference on “How To Reconstruct a Bankrupt World,” held in Bad Schwalbach, Germany, on March 21-23. Those discussions were on stopping the drive of the Dick Cheney-Donald Rumsfeld “war party” in Washington, which could set off nuclear world war; on the urgent need for cooperative development of Eurasia as the only way to save the world economy; and on the rapid growth of the political movement among youth around the world.

Shri Yadav welcomed the 240 delegates from states all over India, including Karnataka, New Delhi, Uttar Pradesh, West Bengal, Bihar, Hyderabad, and Madhya Pradesh. Shri T.N. Chaturvedi, Governor of Karnataka, was Chief Guest of the conference on May 26. Shri K.H. Rangnath, Senior Minister of the state of Karnataka, presided, and Ministers Shri Dharam Singh for PWD, Shri A. Krishnappa of Social Welfare, and Shri Mahadev for Dairy Development were guests of honor. Among the delegates were several leaders of the fight for Indian freedom, one 88 years old. National MPs, leaders of womens’ groups, youth, professors from New Delhi and Bangalore, and a broad media contingent, all attended.

Foreign guests and speakers included Nouri A.R. Husain, Secretary General of the Afro-Asian People’s Solidarity Organization, based in Cairo, high-level representatives of the Embassy of the People’s Republic of China, and the chargé d’affaires of the Embassy of the Republic of Cuba. Air Commodore Jasjit Singh, a noted analyst of security issues, also addressed the conference. The Chinese People’s Association for Peace and Disarmament in Beijing, which was unable to send a delegation due to the strict measures the Chinese government is taking to control the SARS epidemic, sent a message of greeting.

Chandrajit Yadav, chairman and chief organizer of the event, began and concluded the conference with the happy announcement that Bangalore, the beautiful “garden city” of India, and its center of science and high technology, will now also be known as the “city of peace and harmony.” The “Bangalore Declaration” is now being prepared, to follow up the March 23 “Bad Schwalbach Declaration: This War Must Be Stopped!” Bangalore will, as Zepp-LaRouche stated, become known as the beginning of a new world movement to put development of peoples and nations back at the top of



Press coverage was wide across India for the Schiller Institute’s and Center for Social Justice’s two-day Bangalore conference, “The World After the Iraq War.” With Lyndon LaRouche keynoting, it was the first multi-nation public conference on the issues now facing nations.

the world’s agenda.

Zepp-LaRouche addressed the conference on May 27, on the theme of the dialogue of cultures and religions. Her discussion of the great culture of India, and its millennial dialogue with the cultures of Europe and China, especially impressed the younger conference participants.

In India, young people are facing the same “no future” crisis as they face in the Americas and Europe, and there were many interventions from the lively contingent of about 50 young people in Bangalore. A leading youth organization participating was the Nehru Bal Sangh, which, with the Centre for Social Justice, is dedicated to the ideals of India’s great first Prime Minister, Jawaharlal Nehru. May 27, the final day of the conference, was the anniversary of Nehru’s death, and the delegates honored his memory with two minutes of silence.

Congress Party chairwoman Sonia Gandhi sent her wishes for success of the conference. And the Chief Minister of Karnataka also sent a message of support.

One of the reflections of the impact of the Bangalore conference—which is clearly only just beginning—was a report on Udaya national television on May 26. It noted that, just at the time when the visit of Indian Prime Minister A.B. Vajpayee to China is being planned—an event of much importance for these two great nations of Asia—a conference on world peace was being held in Bangalore.

The World Situation After the War on Iraq

Natwar Singh, former Union Minister of India and Secretary General of the Non-Aligned Movement, gave the opening speech to the Bangalore conference, on May 26, preceding U.S. Presidential pre-candidate Lyndon LaRouche's keynote.

Chandrajit Yadav, Moderator: Natwar Singh is Member of Parliament and of Congress Party Working Committee. He was chairman of the Congress Party Foreign Affairs Committee. He was, in our Foreign Service, one of the ablest Foreign Service officials. But, I think that he never felt very comfortable there. He knew that perhaps, bureaucracy comes in the way of being in direct contact with the people; then he decided to come and join a particular party. He is a very important member of the Congress Party. He was the Secretary General of NAM movement [Non-Aligned Movement], when NAM movement conference took place in Delhi [in 1983], when Mrs. Indira Gandhi was the chairperson of the NAM movement.

I was also very much involved, on behalf of our party in the movement; and I could see Natwar Singh working, I think, 24 hours, on account there were so many forces working to *break* the New Delhi Non-Aligned Movement conference. But, Natwar Singh, under the guidance of Indira Gandhi, worked day and night, and made the Delhi NAM conference a landmark in the Non-Aligned Movement. So, I invite Mr. Natwar Singh to please come, and inaugurate this conference.

Natwar Singh: When Mr. Chandrajit Yadav asked me to participate in this important conference, I immediately agreed, not only because of the important subject, but, he is a revered and respected friend of mine, and I couldn't possibly say no to him. Unfortunately, I won't be here in the afternoon or tomorrow, but I can place my thoughts before you, in the time available.

Tomorrow is Jawaharlal Nehru's 39th death anniversary. And so, we are holding this conference on the eve of the death anniversary of Nehruji, a great statesman of the 20th Century, and the architect of India's foreign policy, and our policy of Non-Alignment.

The two world wars of the 20th Century, were a testimony to the failure of the European or rather, Western diplomacy. After the Second World War, the United Nations was set up, because the League of Nations had collapsed. And the collapse was due to the fact that, when Japan invaded Man-

churia, the League did nothing. And, when Mussolini attacked Abyssinia (now Ethiopia), the League did nothing. And, when Hitler walked into Rhineland, the League of Nations did nothing. And, then, in 1939, because of the appeasement policy of some European powers, we had the Second World War.

So, after the Second World War, and the United Nations was established in the hope, that the world, or international community, would have learned some lessons from the failures of the League of Nations. And, the United Nations was drafted; and the Americans played a very important role in the drafting of the United Nations Charter, which was signed in San Francisco in October 1945.

India was also a signatory. We became automatic members of the United Nations, because we had been members of the League of the Nations, although India was still under British rule. But, since Britain called the shots in those days, India was made a member of the League of Nations; but we could only participate in ways concerning the conditions of India, or of Indians in South Africa—that is, people of Indian religion settled in South Africa—and on labor problems, not on political issues. But, it enabled us to become an automatic member of United Nations; for example, Pakistan, which had gone independent about the same time as us, just the same time, had to be elected.

We're Back to 19th-Century Colonialism

So, the Charter which was signed—and on the whole the Charter is a noble document, except for one or two paragraphs. It is not entirely an inspiring document, but it is a noble document, and the hopes of humankind were focussed on the United Nations.

Now, what is the shape of the United Nations today? I feel sorry for Kofi Annan, the Secretary General of the United Nations. Because, what has happened is, that the United States, which did so much for the establishment of the United Nations, is, today, not showing the kind of respect one would have expected a superpower, or a "hyperpower" (as the French call the United States today), to treat the United Nations in this manner. I've already used strong words, but it won't really help. But, the fact of it is, that the United Nations has been not only bypassed, it has been denigrated.

Now, let's take Resolution 1441: Resolution 1441 *does not* mention "regime change." But, the American policy *was* one. Mr. Saddam Hussein should be killed. One country saying its objective is to kill the head of state of another country—whether you like Saddam Hussein or not, I am not discussing the merits of it; we have our own point of view on Mr. Saddam Hussein. But, here was a superpower, a Permanent Member of the Security Council, the most powerful country in history; the richest country in history; technologically the most advanced country, with which we have very close relations, and valuable relations, and would like to strengthen those relations, had declared: 1) The objective is to kill the head of

state of Iraq; 2) it is to impose regime change; 3) destroy weapons of mass destruction.

Now we don't know the fate of Saddam Hussein, but there has been a regime change. Now, what has this change brought about for Iraq? Anarchy and chaos. Because, when the Americans and the British, bypassing the United Nations, disregarding what France, China, and Russia had said, went into Iraq, I don't think they thought through, what would they do, once they had reached Baghdad. So, here now, we have a situation of a country of 22 million, richly endowed with the enormous amounts of oil; yet there, at the moment, there is no government. Whom did the United Nations deal with? The later resolutions say they will be Iraqi representatives, *but* for the next 12 months, the U.S.A. and the U.K. will be the administering powers.

So, you are back to the situation which was prevalent in the 19th Century. European powers walked into various parts of Asia, Africa, Latin America, and imposed their will and imposed their governments. Now, one would hope, that with the arrival of the 21st Century, these days of diplomacy by force; diplomacy through assassination; diplomacy through forced "regime change"; diplomacy disregarding sovereignty of nations; diplomacy disregarding the UN Charter, would be a thing of the past. That we are entering the new millennia with the hope that peace would prevail, and problems and differences among nations would be solved through discussion, and deliberation, and peaceful means.

But, this has not happened, and we have a government within the United States, which has an evangelical fervor, and a resort to the Almighty. Only the other day, the Attorney General of the United States invoked the name of God, with regard to terrorists. Now this evangelical fervor, has produced a situation in the world, that we have a single power, which has its own agenda, which is not willing to listen to anyone; and says that "we have decided to do A, B, C, D. And because we are powerful, we will be able to do it." Now, what does the world do about it?

We saw that a second resolution in the United Nations couldn't be adopted, because France, Germany, and China were members [of the Security Council]—Germany is not a Permanent Member, but China and France are—and Russia, objected to the resolution. The resolution was not passed. Nevertheless, the invasion of Iraq took place. And, post-Iraq, also, the situation will be, in the near, foreseeable future: Whatever happens in Iraq will be under the auspices of the American and British, with the United Nations playing a subsidiary role. They have a representative there, but I don't know what he's precisely supposed to do, and how much authority and power and influence he will have, in shaping the future of Iraq.

India's Condemnation of the War

Now, as far as India is concerned: The Parliament of India passed a resolution, a unanimous resolution, opposing the

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Southern States

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Southern States - Karnataka-Bangalore

Convince U.S. against unilateralism, nations told
By Our Staff Reporter

Photo: T.L. Prabhakar

The former Union minister, K. Natwar Singh (second from right), and Chandrajit Yadav (right), Chairman, Centre for Social Justice, greeting Lyndon H. LaRouche from the Schiller Institute, at a conference in Bangalore on Monday.

Stories
+ Project
+ Convivial
+ Krishna
+ Of Text
+ Tende
+ A scholar
+ IBM Int
+ Manour
+ Gang h
+ Busines
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Feature
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SoTech
Enterta
Young
Quest
Pulse

Former Indian Foreign Minister, and Secretary General of the Non-Aligned Movement, K. Natwar Singh, is shown at the center of the photo in this coverage of the Bangalore conference on "The World After the Iraq War," sponsored by India's Centre for Social Justice and the Schiller Institute.

war, for a cease-fire. Actually, the resolution was unanimous, and the Parliament of India condemned the war on Iraq.

Now, several people, not only within India, who said, "What is the use of your passing a resolution on the last day of the war?" That's not the point. The point was, that the Parliament of India, representing 1 billion people, was unanimously opposed to the war. Now, if the resolution had not been passed, or a resolution had been passed by a majority, then they would have said, "Here you are! Even the Parliament of India did not unanimously oppose or condemn the war." So, the objective of the resolution, was not its timing, even if we had passed it on the first day. The result would have been the same. So, it pleased the people of India, to show to the world, that we were united, and the Parliament of India spoke with one voice in the resolution condemning the war.

Now, in several statements, the Prime Minister of India, Mr. Atal Behari Vajpayee, referred to Iraq. He has said, that whatever is happening in Iraq is a warning to us in this part of the world. Why has he said this? After all, his government has very close relations to the United States. He has said this, because he feels that maybe, the United States, or some elements in it, might be looking around: "Where do we go

after Iraq?” We heard today, that there’s the report from Tehran, that the regime in Iran is to be civilized, and an unfortunate phrase was used: “axis of evil.” The countries that are called “axis of evil” are members of United Nations.

So now, who decides “axis of evil”? And, which are the countries to be included in the future? Who sets the agenda for the “axis of evil”?

So, this is a totally new situation. And, why it will become so acute, is that with the disintegration of the Soviet Union, *an entirely new situation arose in the world*. That situation is highlighted by the fact, that an alternative point of view disappeared from the world. Let me repeat: Indeed, with the disintegration of the Soviet Union, an alternative point of view disappeared from the United Nations. Whether it was on political matters, on military matters, on economic matters, health matters—whatever you like—there *was* a point of view. And the disintegration of the Soviet Union had a direct impact on the fortunes and future of the Non-Aligned Movement. The Non-Aligned Movement played a seminal role in the process of decolonization—with the assistance of the United States and the Soviet Union, at certain times.

Now it was normally said, that you know, the Non-Aligned countries are nearer to the Soviet Union than they are to the Western world. You should look at the voting pattern at the time of United Nations; you will find, that the Soviet Union voted with the Non-Aligned countries on major issues, concerning the Non-Aligned world: issues of apartheid, or colonialism, or neo-colonialism.

The Role of the Non-Aligned

Now, what has the Non-Aligned Movement done now? Now, Chandrajitji referred to the Non-Aligned summit in New Delhi, in March 1983. I had the great good fortune of being selected to be Secretary General by Indira Gandhi. And I remembered the role the Movement played under the leadership of India’s role. And what the Non-Aligned Movement has become today. And, here I think, we should have played a more active role, even at Kuala Lumpur, when the Non-Aligned Movement met some months ago, and, an Iraq declaration was formulated. I think we should have been much more active, given our past, and the importance we attach to non-alignment, and the role that India played in the Non-Aligned Movement—and, even now, during the Iraq War, she has tried to play, in vain—that when major issues concerning non-aligned world are taking place, Non-Aligned Movement is found wanting.

Take, for example, the Iraq-Iran War in 1980s: The Non-Aligned Movement was unable to resolve these differences. Take the issue of Afghanistan: The Non-Aligned Movement was *not* able to play an active role in the situation in Afghanistan. We are in a situation, that NATO forces are going to be stationed in Afghanistan. Now, people continually ask, “Why is the Non-Aligned Movement relevant today?” Well, if the Non-Aligned Movement is irrelevant, then why is NATO

relevant? The Soviet Union has disappeared. The Warsaw Pact has been wound up. Where’s the enemy?

Now, the Non-Aligned Movement is relevant, for a variety of reasons.

Now, international agenda has changed. International agenda in the ’50s, ’60s, ’70s, was largely concerned with apartheid, imperialism, colonialism—these issues; independence of a vast number of countries. Today, the agenda is terrorism; AIDS; and violence; climate change; financial issues; the place of small countries: These are the issues on which the Non-Aligned Movement should get together. The Non-Aligned Movement *should* have had a special session on the situation in Iraq.

And, I think, without in any way having a confrontation with the United States—because it is not to the advantage of India, or any other country, or any other movement, to have a confrontation with the United States, because it’s going to be counterproductive. So, it should be the effort of the countries like India, to engage the United States in friendly discussions, and try to strengthen the forces of multilateralism, and to reduce the influence of unilateralism.

Now, it sounds devious, because the mode in which, at the moment, American foreign policy and security policy have been unfolding, doesn’t give much encouragement to us. But, at the same time, I think it is the responsibility of, certainly Russia, China, Germany, France, India, Japan, Indonesia—these countries should sit down together, and try and engage the United States, and say, that it is “powerful you are; wealthy you are; technologically advanced you are, with a vast reach, you don’t to have conquer anything. You can push a button, and throw any bombs anywhere you like. But, the problems of the world can’t be solved, even by a single superpower, because they are so complex, and they are so deep, also.” The United States, and all the power and authority, do not, for example, have an intuitive understanding of India-Pakistan relations. The complexity of Indo-Pak relations needs an intuitive understanding, which in my judgment, the United States lacks.

Engage the United States

What the world needs today, is not Pax Americana: It needs Pax Planetica. We have had Pax Romana; we have had Pax Britannica; we have got now Pax Americana. But, I think, if the world is to become a peaceful place, where we can all live in peace and amity, where no single power or group of powers dominates other powers; where major issues are settled through discussion—then, what the world needs is Pax Planetica. And therefore, it is essential that the United Nations be strengthened.

Now, how does that happen? It can happen in two or three ways. If Russia, China, France, in the Security Council, engage the United States *and* the United Kingdom in a debate, to say that, “Iraq is behind us. What lessons have been learned from Iraq? Is it going to be the dominance of the theory of

regime change, arbitrarily run, outside the United Nations? Is national sovereignty of no consequence? Is running the United Nations meaningless?" And, I think, if these three powers, in a spirit of friendship, engage the United States *and*—if necessary, ask Non-Aligned Movement, ask the Organization of African States, ask the Latin American countries—that we try and engage the United States, rather than to confront the United States. This is being realistic.

I think, that the message that should go out from this conference, is: That the best hope for resolving international conflicts, or pre-empting them, is to strengthen from the United Nations. Now, how is that going to happen, when the United Nations and Security Council, at the moment, is an undemocratic set-up? The Western world is represented by the United States, U.K., France, and Russia. Africa, Asia, Latin America has one representative, the People's Republic of China. So, obviously, the United Nations Charter has to be revised, where if you don't revise the Charter, then you can't increase the number of Permanent Members on the Security Council, and all these five members have veto.

Now, there are schools of thought, which suggest that, you know, "do away with the veto." The conditions for the United States to become a member of the United Nations Security Council was, that the five powers would have a veto. So, the very beginning was, that there would be one category of members, which is superior to others, and the activities of these Five Permanent Members—veto-holding members—were never to be discussed in the United Nations. Now, the world has changed. In 1945, there were 51 members of the United Nations; today, there are 190. But, the composition of the Security Council remains the same, as far as Permanent Members are concerned. The Council was expanded by five members in 1963, and became 15—five permanent, and ten non-permanent.

Now, if this is to happen, then naturally, a country like India would find a place in the Security Council as a Permanent Member; so, I think, would Brazil, and Japan, and Germany; then South Africa, and Nigeria.

Even if agreement was reached on this, maybe we would be able to be in a position to engage, with the United States, in a constructive dialogue, so that we address these problems, within the framework of the United Nations. It's not going to be easy, but I think this a better approach, than adopting a posture of hostility, or confrontation with the United States. We must be realistic on these matters. It's one thing to be emotional, and one thing to be passionate, and one thing to be angry: The only—I was taught, when I was with the Foreign Service—that the only emotion that you will be allowed, is controlled indignation. You don't have to go yelling and shouting, which doesn't help. The only way to do it is, to be able to convince our American friends, that there's another way of looking at this, that might is *not* right, and, what we are saying reflects the higher ideals of the American Declaration of Independence.

The Moral Dimension of Foreign Policy

You see, if you read history, you realize that for nearly 150 years, the United States was the most isolationist country in the world! And the last 50 years, it's the most interventionist country in the world! So, the 21st Century has begun on a note, where if you deal with a situation, of which there are no precedents—even the British Empire is not as powerful as the United States is today. And therefore: How to convert a unipolar world into a multipolar world? And, that can only be done through goodwill, understanding, mutual confidence, and not through confrontation.

And, I'll finally mention: The 19th Century firmly believed that progress was inherent in history. Now, the history of the 20th Century has belied this Romantic belief, that progress is inherent in history. The two World Wars in 20th Century were not a sign of progress. The invention of nuclear weapons was not a sign of progress. What has happened in Iraq, is not a sign of progress. So, humankind has to make very great efforts. And, I think here, India has lesson to teach to—or to give the world—not to *preach* to the world: But I think it's Gandhi's example, that it is possible to look at these problems, from *another* point of view. And the moral dimension, from the foreign policy of any country, should not be absent.

Now, there's an argument, that the United States foreign policy has been along moral lines; and you can make a case for this, and you can also quote that case. But, our understanding of the moral dimension is slightly different from that of our American friends. And therefore, we hope, that our country will be able to provide the healing touch—which we were able to do, after the Second World War. Because, India's GNP in 1947 was not worth calculating. We were not a strong military power. But, the fact was, that India's moral standing was very high, for the simple reason that the Indian freedom movement was not dedicated to a doctrine, but to a purpose: and the purpose was to achieve independence through non-violent means. And so, that's why India's voice counted.

And, I'm hoping it will be possible for us, to get together with other like-minded countries, and try and see if it is possible to have a constructive and meaningful dialogue with some of our Western friends. And, to see how we can avoid the kind of situation that took place in Iraq.

If you *don't* find a solution, then you will have a very dangerous situation. Now, for example, the situation in Iraq, for the time being, put back efforts to stop terrorism. And another important item: On Sept. 11, 2001, the *entire world* was with the United States. The sympathy of the world was with the United States in September 2001. In 2003, in March-April, the situation was the reverse! Except for a handful of countries, nobody supported their action in Iraq. So, I think all Foreign Offices have to work full-time, to see if we can ensure a better world, than we seem to be confronting at the moment.

Thank you very much.

‘We Must Revive the Concert of a Just, New World Economic Order—Now!’

Here is Lyndon LaRouche’s keynote, as delivered, to the conference on “The World Situation After the Iraq War,” in Bangalore on May 26, organized by the Centre for Social Justice and the Schiller Institute.

Lyndon LaRouche: The time is short, and therefore, I shall give a somewhat compacted report on the points I have to make.

First of all, I take you back to the beginning of January 2001.

The new President of the United States had not been exactly elected, but he was about to be appointed, as a result of a Constitutional crisis, created out of an election crisis. So, on that occasion, I sent a representative of mine, Mrs. Debra Freeman, to New York, to attend a meeting which was being held by the outgoing President Clinton: To convey to the outgoing President that I had filed my intention to run as a candidate for President in the year 2004. And shortly thereafter, I delivered a rather important address, anticipating what the incoming Bush Administration would be, in essentials.

Unfortunately, that address was fully confirmed, in all essential details. First of all, I indicated, the United States was already gripped by the collapse phase, the terminal phase of existence, of the floating-exchange-rate monetary-financial system, begun in 1971. Mr. Bush’s policies, and the policies of his Administration, indicated he would be a very foolish President, at least at the beginning, and therefore, we would be assured, that during the course of 2001, the U.S. economy would begin to slide, at an accelerating rate, toward its inevitable doom in its present form.

That has happened.

The Hitler Crisis Precedent

I also warned of another contingency: I pointed to what happened in Germany between 1928 and 1933, at which time a similar international, systemic financial crisis gripped the world. At that time, you had a force, based in London, around a fellow who was, during part of that period, the head of the Bank of England, Montagu Norman; who was a backer of Hitler, and whose agent for Hitler, was Hjalmar Schacht, among others.

So, events proceeded. And on Jan. 28, 1933, the incumbent Chancellor of Germany, von Schleicher, was ousted by Hindenburg. Two days later, on Jan. 30, Adolf Hitler was

inaugurated as Chancellor.

At that point the world thought this was a joke. Hitler had been on the verge of suicide in January, because of the bankruptcy of the Nazi Party, until some New York bankers, including the grandfather of the present President of the United States, bailed the Nazi Party out, and Hitler did not commit suicide, and Goebbels did not commit suicide. On the contrary, Hitler became Chancellor on Jan. 30, 1933, by appointment. People thought this was a joke, because the Nazi Party’s base was very weak. But then, on Feb. 27, these agents set fire to the Reichstag. And by means of setting fire to the Reichstag—which was done on behalf of Adolf Hitler—Hitler on Feb. 28 became the dictator of Germany. And, from that point on, the consequences, including World War II, were virtually inevitable.

I warned, we face the same threat today. On Sept. 11, 2001, the United States experienced a “Reichstag fire,” set by agents, at a high level *inside* the United States, in a way exactly like the way in which Hitler was brought to power in Germany. On Sept. 11, 2001, the Vice President of the United States, who had had certain policies already in 1991, policies which had been rejected by the previous Bush Administration—policies of war, a continued war against Iraq; war against other targets; a policy exactly modelled upon Adolf Hitler’s policies—moved in, and imposed his policy upon a President, who is not exactly a genius.

And thus, you had a small group of people, inside the Bush Administration, a group of lackeys, comparable to a bunch of Nazis, but tied to the fascist group which governs Israel—this group took over the U.S. government, by being appointed in key positions, at the beginning of the term of Bush; and moving in, and controlling the President’s mind, increasingly, up through the time that he made this infamous “axis of evil” address in his January 2002 State of the Union address.

We moved to try to stop this. But, you have to understand the United States, as I think very few people outside the United States actually understand our system. Most people in the world, including Europe, think of politics in terms of parliamentary systems, especially today, based on the so-called “Anglo-Dutch liberal” model of parliamentary government.

War’s Lessons Should Be Learned

The United States is not such a government. Our government is a Presidential system, in which the Executive powers



Lyndon LaRouche keynotes the Bangalore conference on May 27, in a speech being reported throughout Indian press. “Now, the war has happened,” LaRouche said. “Lessons should be learned. The world should learn lessons. . . . The problem is a small group, as in the takeover of Italy by Benito Mussolini; the takeover of Germany by Adolf Hitler.”

of the government, of the nation, repose in a *Presidency*, whose key personality is an elected President. The Congress, the Legislative branch, *has no real Executive powers*, on the affairs of government: It is a law-making body, whose influence on the Presidency in matters of Executive privilege, pertain to what’s called “advice and consent.” That is: Normally, the Senate of the United States, in particular, on matters other than finance, is the advisory body, which acts as a check of the Presidency, against any abuse of the Executive power. Whereas the House of Representatives, the lower house, acts as a check on the Executive branch, on matters of finance, of the credit, and general welfare.

What has happened is, the breakdown of the Democratic Party, during the period of the Gore administration—the takeover of the Democratic Party from the top, by a right-wing group, which shared the same general sentiments as the Bush Administration lackeys—resulted in a condition in which there was no *efficient opposition*, organized opposition *within* government, to pull down irresponsible behavior by a President. Our system has checks and balances. But the checks and balances didn’t work, because there was no effective opposition. The Democratic Party was worse than a joke; and the Republican Party was serving its own, incumbent President.

And therefore, under these circumstances, increasingly, the President of the United States becoming increasingly effectively brainwashed, as an effective puppet of these forces, moved through the negotiations about Palestinian-Israeli peace, toward war against Iraq—steered, step by step. Not just the war against Iraq: The objectives of this grouping include, ultimately, *China*. China is the ultimate target of the war policy of the people behind Bush. Not Bush himself. They’re Cheney’s [objectives].

We fought to make changes. We were not successful. We jammed it up. A majority of the flag officers, serving and retired, in the U.S. Army and Marine Corps, agreed with me,

on stopping this war. But, they didn’t have the authority to do it. It had to come from within the Presidency, or through the intervention of the checks-and-balances system of our government—which didn’t function.

We did jam it up. We did manage to get the issue thrown into the United Nations—a concession to that. But, as you can see, that didn’t work. But, it was obvious they couldn’t get their will through the United Nations: Then, they acted pre-emptively, at the moment that they were about to be voted down on the resolution; and they went to war. We couldn’t stop it.

Now, the war has happened. Lessons should be learned. The *world* should learn lessons—not to say, “We have some difficulty with the U.S. government; some difficulty with the American system.” That’s

not the problem. We have problems of that kind, but that’s not the problem. The problem is a small group, as in the takeover of Italy by Benito Mussolini; the takeover of Germany by Adolf Hitler; the takeover of Spain by Franco; the takeover of defeated France, by Vichy. The *same, absolute banks*, the same financial interests, behind each of these groups, is the force *inside* the United States! Some of the same financial interests, like the Banque Worms group, which was behind Vichy, cooperating with Hitler—the same group is behind the people who pushed the war policy in the United States.

This is a policy, which did not come from the United States. It came from France. It came from Napoleon Bonaparte. A continuity of Bonapartism, throughout the 19th Century, into the 20th Century, which we came to call, in the 20th Century, “fascism”: A fascist coup was attempted, and nearly successful in the United States. However, I can say, it has not succeeded.

A Countercoup Against Cheney’s Coup

We have, in the past several weeks—I put out a report, published it, and gave it wide circulation—it’s running into the millions—on describing exactly *who* is behind the coup. Who the people are, where they come from, what their policies are. Most of these facts are well-known; they haven’t been put together. Two weeks after I put out this report, the *New York Times* published a report, in a Sunday edition, picking up large sections of my report. That report was then echoed in many press, in the United States, in Germany, in other parts of the world.

At that point, fortunately, Donald Rumsfeld—who is a bit of an idiot—made a very serious tactical mistake: He proposed a transformation bill, to transform the U.S. military. Now, this transformation bill, apart from establishing an absolute—it’s sort of like a Hitler-and-the-generals’ operation—

attacked the Senate directly, on the Senate's most *essential* Constitutional function, of "advice and consent."

If you read the U.S. Constitution, and read the discussions that went into forming it, the greatest care of the Framers of the U.S. Constitution, was in the matter of war powers: Not to entrust war powers to a U.S. President tantamount to those that had been used by George III in the case of England. And therefore, the Senate is the main body of "advice and consent" to exert checks on the President of the United States, on matters of war policy. These checks and balances were bypassed in the launching of the war! It was an unconstitutional war; it's an illegal war; it's an immoral war; it's a crime against humanity, by Nuremberg standards.

But, it was done—not with the consent of the Congress—Senator Byrd made protests; Senator Kennedy made protests; others made protests. But they did not act! And the responsibility of government, especially in dealing with Executive power, *you must act*. You must not let the impossible, the intolerable, occur! That is the fundamental responsibility of those in charge of government, especially the Executive powers. And, those who have control of the Executive powers, as in the case of the Senate of the United States: They did not act!

But *then*, they acted: When their powers were directly attacked; when Rumsfeld, the dictator, the Adolf Hitler of the Defense Department, tried to take over control of the Senate on war powers, some Senators realized, they had to act. They told us they were going to act. They have acted. There is now a kind of Watergate process, in process, in the United States, targetting elements of this fascist coup group, around the President. And they're not going to go for Bush; they're going to go for Cheney, first. They're going for Rumsfeld. They're going to pick the pieces off Rumsfeld's machine. That's their intention. And, they've got a smell of it. And, they're beginning to act.

The Dollar Crisis and Its Solution

However, that is not the solution, which brings me to the happier things I have to say today.

We are in a financial crisis, a money-financial crisis; an economic crisis, of the monetary-financial system. There is no way this system—within its present terms, with the existing IMF/World Bank framework—There's no way that this world economy can survive. Yes, China has certain internal strengths; other countries have internal strengths. Europe is finished already. The United States' economy is finished already, under this system. But, no part of the world could withstand a chain-reaction collapse of the world system coming at the United States. For example: The United States dollar has collapsed about 18-19%, during the recent weeks. It is headed for a potential 25-50% collapse, at the present rate. A 25-50% collapse of the U.S. dollar would strike every part of the world, which has assets denominated in dollars—and the world is largely dollar-denominated. A chain-reaction collapse of the system: It's not a storm that's

going to hit other people. It will hit all of the parts of the world.

There's a solution. And a solution is already brewing, though the fruit is not yet ripe. In a crisis of this type, like the way in which fascism took over Germany, or Italy, or other countries; or, threatened to take over the United States, in the recent period: *You can not beat the enemy by purely negative resistance measures*. You must address the root of the sickness. The root of the sickness is: The world is in a financial system which is essentially parasitical, immoral, and bankrupt. If you do not attack the bankruptcy of the financial system, and produce remedies, which mobilize people with hope that they're going to be lifted out of poverty, lifted out of the threat of mass death, from poverty; if you can not bring optimism into the people; if you can not restore the institutions of voluntary government, you will have dictatorship.

And therefore, to fight against war, as such, as a protest movement, is a mistake. Yes, you must *defeat war*, not fight against it. You fight against it, by taking the positive measures of reform, which mobilize the people of the world to take the action and support the actions needed to prevent the holocaust. That means, we must have what we fought for, at Colombo, Sri Lanka, August of 1976. We must revive the spirit of Bandung, as a part of an international movement. We must revive the concert of a *just, new world economic order—now!*

A Eurasian Concert for Development

How can this be brought into being? You have two aspects to it: One, Europe is already bankrupt, and knows it. But Europe has been wise enough to recognize, and Russia, too, that only in long-term agreements with the nations of East, Southeast, and South Asia, can Europe survive. Only as Gerhard Schröder has spoken in China, on the occasion of the Shanghai maglev railroad. Only with technology-sharing projects—for example, India is a technology-producing nation; China is now a technology-producing nation—not enough! India has not enough! Large-scale projects are needed. We can not deal with the problems of Asia, without large-scale water-management projects; we can not let the water sit, the way it is now. Without gigantic water projects, India can not survive; other parts of the world can not survive. The interior of China, and the north of China can not be developed, without developing Central and North Asia, where the major part of the natural mineral resources of Eurasia lie. You can not continue to meet the needs of the growing populations of South, East, and Northeast Asia. You can't do it.

So therefore, we need large-scale projects, infrastructure projects. We need long-term agreements among nations on trade. We need fixed parities in currencies. We need interest rates on long-term loans which are not excessive: 1-2% simple interest rate. We need 25- to 50-year agreements and treaty agreements, among nations on trade and development.

We need a monetary system, with many of the best fea-

tures of the Bretton Woods system, of the immediate postwar period. But, this time, the United States can not run it, as the United States did back then. It's impossible: We're a bankrupt nation. We have certain assets, and certain values, and we can play a certain role in the world. But, we can not support the entire world, as we did with the gold-based, strong dollar in the 1950s. We must have a *concert of nations*, which does this. We must have a concert of nations take over the international financial institutions, and reform them.

We must use the power of government, to put bankrupt systems into bankruptcy reorganization. We must use the power of government and treaty agreements, to create large-scale credit and credit systems, to enable these potentials to be realized.

We must look to the development of our people, as in Asia, in particular. The great affliction of Asia does not come from Europe and the United States. The greatest affliction comes from the poverty, the mass poverty of people: people, who are not educated; people, who are not fed well enough, to be educated well; who do not have high technology; who do not have the ability to assimilate that, can not assimilate the technologies needed to increase the productive powers of labor, necessary to meet the requirements of these countries.

Therefore, we need long-term agreements. Long-term agreements which recognize a principle, which we call in the United States, the "general welfare" principle. The authority of sovereign government is absolute, in its own territory. But that sovereignty is conditional, on the efficient commitment of government, to meet the requirements of the general welfare of the existing population, and its posterity. That's where the moral authority, under natural law, lies.

Therefore, we can do the things that are needed. We can reach the agreements that are needed. But we need, also, something else. We need the kind of thing we find in warfare: *a sense of mission*—a mission orientation. What are we going to say to the children to be born three generations from now? What are we going to provide them? That must be our conscience. What kind of a world are we going to provide for them? That must be our conscience.

Technology Transfer and Culture

I've also produced, in written form, a precis of a crucial point, which I thought would be too time-consuming to present orally here, on the subject of technology transfer. I think there's very little understanding of technology transfer, but its time has come. We will very soon end the period, in which the idea of trade among nations is based on finished products, and finished engineering projects. Today, as China produces technology; as India produces technology; as other countries produce original technology, original scientific discoveries, the future economy of the world will be based on the sharing of the scientific and technological discoveries of various countries, in the production of products in all countries. Therefore, the long-term agreements must be technology-sharing agreements.

This has something to do with one other point, extremely important: the religious question. The world is largely divided between two great groups: a highly differentiated Asia group; and extended European civilization. The great [thing] which the enemies are trying to exploit today, is the idea of a religious and cultural conflict between European culture and Asian cultures. The targetting of Islamic peoples, by Huntington and these fellows, is only the first step. The attempt to foment religious war and religious conflict *within* Asian countries, and other countries, is part of the danger.

Therefore, the question is: How do we deal with this? I think it's a mistake, on the part of government, to try to settle religious issues. Governments simply must say, "There must never be religious warfare; there must never be killing on the basis of religious issues." But, government must play a positive role, in the sense of the development of the mind of the individual—the understanding of the distinction between man and the beast.

Only a human being would be capable of increasing its population, as today, from three decimal orders of magnitude above that possible for any type of great ape. This power of man, which distinguishes us from the ape, is the power of creating discoveries of scientific principle, and applying them to the betterment and improvement of our conditions. The transmission of these discoveries, both in scientific cultures, and related *cultural* discoveries, as in artistic discoveries transmitted from one generation to another, we call "culture." We deal with these with national cultures. The reason that you must have nation-states, is because if a people is going to participate in the discussion and development of ideas, they must have a common culture, within which to work through this understanding of the idea, even though the end result is the same!

Therefore, we must defend the nation-state; but, at the same time, we must have a *cultural ecumenicism* by governments, not an attempt to impose religious ecumenicism. "Cultural ecumenicism" means the development of the individual, development of the child, to the fullest degree, through material conditions of life, through opportunity, and through education; to raise each child, to the highest potential of the ability to discover and generate new technologies. And thus, to say, "*This distinction* between man and the beast—this distinction, which separates us, but unites us—must be the basis for universal peace."

We can not have *passive* universal peace; we must have positive universal peace: Peace based on an understanding, that we are all human; that we come from different cultural backgrounds; that these cultural backgrounds are *essential* to us, so that our children can transmit the experience and ideas of the past to the present; that we come out, essentially, to the same end result. The end result is clear: It's meeting the responsibility of being human; of getting out of bestiality, and fulfilling, primarily, what it means to be human, as opposed to being a beast.

Thank you.

The Peaceful Concept of Technology Transfer

by Lyndon H. LaRouche, Jr.

May 18, 2003

This summary was prepared for circulation at the meeting at Bangalore on May 26.

In the aftermath of the recent, U.S.A. war against Iraq, the world has two broadly defined choices for the present course of history: Either there will be an inevitably disastrous continuation of the policies leading to the recent U.S. break from the proceedings of the UNO Security Council; or, the more hopeful prospect, the prospect of measures adopted to reverse the presently accelerating economic collapse of the presently bankrupt, global, floating-exchange-rate, financial-monetary system. That much said, I shall now address certain of the more important difficulties which must tend to arise even in the efforts which I have proposed, to establish a more just, peaceful, and profitable new world economic order within a global community of perfectly sovereign nation-states.

For example, it has been suggested, with a touch of humor, that if India's computer software were combined with China's computer production, those two economies would dominate the world market for that class of combined product. That witticism properly implies, that any successful program of long-term economic growth in Eurasia as a whole, will be based on an orientation toward replacing the formerly, popularly traditional notions of income from financially competitive export of finished products and engineering installations, by a scientifically more refined concept, of profit as derived *primarily* from technology-sharing as such.¹ That change, while positive, must overcome certain old habits which would tend to ruin its implementation.

However, as I shall indicate here, this shift in conventional economic thinking, toward primary emphasis on technology-sharing as such, poses the need for considering some very important, evolutionary changes in the *cultural* relations between today's globally extended European civilization and the peoples of East, Southeast, and South Asia. When we consider the weight of the sheer size of the population in the potential market represented by the growing populations of

South, Southeast, and East Asia, failure to address the implications of this *cultural* challenge, could become a principal impediment to a globally successful economic recovery.

My conclusion here shall be, that understanding the role of separate national cultures in effecting technology transfer, shows us that, happily, the age of the sovereign nation-state has not ended. On the contrary, with the present world crisis, we have barely reached the historical threshold of the sovereign nation-state's most flourishing expression as the foundation of a global system of such nations. Consider the following evidence, and then study the function and consequences of technology-sharing in that setting.

In the meantime, the possibility of a general economic recovery from the presently ongoing self-collapse of the present monetary-financial system, requires a return to the kind of fixed-exchange-rate, regulated monetary system, under which enormous volumes of long-term credit of up to twenty-five to fifty years maturities, are available at basic simple-interest rates of between 1-2%. The credit so required for this global economic recovery, can only be generated, chiefly, by the sovereign authority of perfectly sovereign nation-states. The thrust of investments which set the recovery fully into motion, will be supplied, initially, through large-scale investments in expansion of basic economic infrastructure; that, in projects which are, in many cases, multi-national undertakings. Without that change from the present, 1971-2003 world monetary-financial system, no general economic recovery were possible at this present juncture.

This reform will feature vast physical expansion of investment in generation and distribution of power, of water resources development and management, of massive water management programs, forestation and of other natural improvements in the Biosphere, mass transport systems, renovated and new urban and urban-rural complexes, and in health-care and educational systems. This development of infrastructure will stimulate large increases in useful employment, which will therefore be a gigantic and increasing stimulus for the growth of private entrepreneurship, and will move at accelerating rates, into high rates of technology-transfer.

For example, Asian nations such as India and China, will tend to take an initially leading role in generating technologies which will be incorporated in production for export by European economies such as Germany, France, and Italy. The

1. For example, consider the intrinsically anti-scientific follies of what is called "bench-marking," as merely typified by the catastrophic case of the design of Ford's Sport Utility Vehicle (SUV).



The trial run of the Kyongui rail line bridging the South and North Koreas' demilitarized zone, last September. Exactly such an opening typifies what should become, in LaRouche's words, a "general, even kaleidoscopically evolutionary pattern of layered, national, specialized, primary and secondary roles, as exporters of expanding repertoires of technologies, [that] will emerge under the impetus of large-scale economic development in such regions as the internal frontiers of Asia."

successful reintegration of the railway systems of the Korea Peninsula, would be of crucial importance for emergence of a most significant North Asia (Japan-Korea-Russia-China) component of Asia development. Russia has a vast repository of left-over achievements of Soviet science, which lend themselves to development as part of three-direction technology-transfer potentials: with China, India, and Germany, for example. A general, even kaleidoscopically evolutionary pattern of layered, national, specialized, primary and secondary roles, as exporters of expanding repertoires of technologies, will emerge under the impetus of large-scale economic development in such regions as the internal frontiers of Asia.

The focus of my attention here, is upon the qualitative changes in economic relations among nations of differing cultural characteristics and patterns, changes which must emerge under the impact of this qualitatively increased role for technology transfer as a quality of reciprocal export among both formerly-"industrialized" and "developing" economies.

In broad terms, the foreseeable physical-economic relationship among the economies of Europe and Asia, should be studied by focussing attention on the increasing significance of the emerging relationship among the four principal divisions of Eurasia as a whole. These divisions are: first, Europe as the typical center of radiation of modern technology; second, the growing populations of East, Southeast, and South Asia; third, Southwest Asia's Middle East; and, finally, the great concentration of mineral and kindred resources located in the vast, undeveloped, now thinly populated regions of Central and North Asia. I shall indicate, at a suitable, later point in this report, why it is the relationship of a Eurasia so defined, to the Americas, Africa, and Australia-New Zealand,

which will determine the future state of the world as a whole.

Now, concentrate for the moment, on the generality of the current political economic and cultural relations within Eurasia as I, a world traveller from Washington, D.C., see it.

From this spectrum of opportunities presently before us, consider the third case. Bringing a durable internal peace to Southwest Asia, creates the opportunity for that region's economic development as a productive, seaborne and land-based² cross-roads, from the Mediterranean to the Indian Ocean, a cross-roads functioning as the key link of Asia to Africa's development, and as a crucial flank for the security of the regions of Asia immediately to the East. Meanwhile, during two generations to come, the emerging, dominant feature of Eurasia's development as a whole, will be the pivotal role of the rational, technologically progressive development of the great geological and related regions of central and North Asia as a growing supplier of materials to the great population centers of East, Southeast, and South Asia.

Already, in a politically sane world, East, Southeast, and South Asia represent a growing potential for supplying technology among one another, and to and from Europe. More and more, the tendency should be, that instead of the export of relatively high-technology goods and services from Europe and the U.S.A. into Asia, future trade will be dominated by a two-way flow of technology as such, in both directions. If there is to be a durable economic recovery from the presently

2. Production of goods-in-process of development, across the land-routes within which value-adding phases of development are incurring, is usually quicker than corresponding seaborne transport, and is cheaper in net cost per ton-mile.

accelerating crisis of the present world monetary-financial system, we shall then see that the improved products and improved production techniques of the future, will become, more and more, the combined effect and fruit of an increasingly complex, and scientifically progressive technology-sharing, flowing simultaneously from both East and West.

This technology-sharing process will require, and will be accelerated by many great and lesser programs of building and maintaining basic economic infrastructure. New land-areas must be developed for habitation. Great projects in mass transportation, water-management, generation and distribution of power, and well-organized urban centers, will be needed to provide for populations, and to make possible increased per-capita productivity. The great transportation routes across Eurasia must bring into being new urban centers, and new agro-industrial regions, and production along trunk-routes of transport. This development will serve as both the goad and the means for management, of the otherwise poorly accessible but great raw materials resources of Central and North Asia.

The Cultural Impact of Economy

For reasons I shall identify here, such changes in the physical economic relations within Eurasia, demand a corresponding development of the individual within society. Such changes are reflected as a continued increase of the expressed need for an improved insight into the relations between globally extended European cultures and the typical cultures of Asia. The growing importance of this new approach to technology transfer, will require a serious rethinking of much presently accepted doctrine bearing upon the deep interconnections between physical science and national cultures.

For example. The continuing, ancient legacies of human slavery, imperialism, and colonialism, define the uncompleted task of mankind to be of service to the principal present and continuing, long-term interest of mankind, to eradicate the traditions under which a relatively smaller number of some human beings have hunted, or herded the much greater number of other human beings as virtual human cattle.

Those presently continuing, predatory traditions are not only wrongful; under present conditions of our planet, they are also deadly for the attempted continuation of a relatively civilized life throughout the planet as a whole. The ability of nations, and humanity as a whole, even to maintain present levels and conditions of populations, requires a continued flow, from discovery of universal physical principles, into resulting bursts of technology, thence into both greater per-capita power of all mankind to exist, and that under conditions ever more consistent with that specific and unique nature of all mankind, which sets the human individual apart from and above cattle.

It is those patterns of gains in net productive powers of labor, per capita, and per square kilometer, which pin-point the role of technology-transfer as the primary form of commodity for future mankind.

This change to a form of society essential for sustainable growth, requires a broad, scientific-technological elevation of the quality of individual, family and community life, and of education and employment of the generality of individuals. It also requires those realized increases in net productivity, as realized through applied technological progress, which make it possible, economically, for nations to supply the improved education and physical standard of existence this implies. The society needs the betterment of its individuals, and demands the realization of that potential as rises in rates of physical productivity, per capita and per square kilometer, throughout the society as a whole. The gains so generated, so defined, are the only true expression of national profit.

Nonetheless, that said, at first glance, this might appear to signify little more than physical science and technology in today's conventional use of those terms. That physical progress is indispensable for freeing mankind from today's still-prevalent social and personal conditions of physical existence. However, the zeal for progress in science and technology would tend to fail again, as globally extended modern European civilization has failed so often in the past, until we take into account, and examine more closely, what Russia's V.I. Vernadsky identified as that *mental-spiritual process* which is the essential companion and precondition for true and continuing, both physical-economic and social progress.

The notion of relatively increased rates of technological potential of all nations' populations, brings us directly into encounter with the crucial contribution to be made by what I shall term "cultural ecumenicism" among the assortments of national cultures within Europe and Asia.

To situate those economic-cultural considerations with respect to widespread opinion today, consider the dominant role of purely fictitious notions of economic value and profit among misguided leading governmental and other institutions today.

Widespread credulity respecting the alleged veracity of contemporary financial accounting practice, is largely responsible for the faddish delusions which have caused, or simply permitted the presently ongoing economic collapse of the post-1971 world monetary-financial system since, notably, the negative economic-cultural effects of the Indo-China war began to be felt inside the U.S.A. about 1966. We have but to compare the accelerating, post-1966 accumulation of nominal financial values, in both the Americas and Europe, with the collapse of net physical output and consumption. It is this presently acute discrepancy between merely nominal and physical wealth, which underlies the presently lurching collapse of many, even most of the world's leading banking and related institutions. The most widespread expression of this mistaken course in the policy-shaping of nations and private investors, alike, has been the fallacy of assuming that net national income, or Gross and Net national product, is to be measured, primarily, as the simple sum of the reported monetary-financial income of individual firms and households.

The simple socialist might respond: "Aha! So, you are

proposing that private enterprise is to blame for this!" On the contrary, it is those forms of individual initiative which generate scientific and technological progress, which are essential counterweights against the bureaucratic sluggishness of the combination of habit-weary public institutions and an habituated public opinion's resistance to change. Under the necessary correction, found in a rational division of economic authority between the state and the private entrepreneur, we have the state assuming responsibility for the welfare of all persons and all the territory, and the entrepreneur, or virtuous rebel supplying the spice of introducing useful innovations within the context created and maintained by the economic and related functions of the state. In this context, it is the creative powers of relatively exceptional individual personalities, whether in government, the indispensable rebel in the large corporation, or the private entrepreneurship, which are the typical, principal source of those actualized, principled innovations by which a real net gain in physical-economic output is secured.

It may seem ironical today, but, on this account, the most successful form of economy yet known, has been what today's grumpy right-wing monetarists often label the "socialist" American System of political-economy. This is the American System as defined by such followers of Benjamin Franklin as Alexander Hamilton, Mathew Carey, Henry C. Carey, and also the German-American Friedrich List. It is the American System of Presidents Abraham Lincoln and Franklin Roosevelt.

Unfortunately, for nearly forty years, since the assassination of U.S. President John F. Kennedy, the American System has not been practiced by the governments or political parties of the U.S.A. A similar downshift has been seen, since the ouster of Germany's Chancellor Ludwig Erhard, in Europe. These disastrous changes, back to the kinds of monetarist policies which had produced the 1928-1933 depressions in the U.S.A. and Europe, have been increasingly in force since the 1966-1968 Presidential campaign of Richard Nixon. Similarly, the quality of educational systems which had trained the qualities of graduates needed for a sound practice of national economy, has been intentionally undermined, and nearly destroyed, in the Americas as in Europe, since the Paris OECD report of 1963 on education. The radically monetarist varieties of "free trade" doctrines have dominated more and more areas of the world, and been applied with increasingly savage force, since August 15, 1971.

So, in Europe and the Americas, since the initial period of change downward, 1966-1971, we have experienced hyperbolic growth of financial and monetary aggregates, but this at the price of an accompanying, accelerating decline in net physical output per capita and per square kilometer. Thus, when one speaks of the alleged, but actually non-existent success of the U.S. internal economy today, one is referring to purely nominal financial gains, even gigantic swindles; whereas, the physical side of the same economy has been going down, down, down, especially since the radical deregulation

introduced under Zbigniew Brzezinski and Paul Volcker, during 1977-81.

The practical conclusion to be drawn from this today, is that money, like Goethe's "sorcerer's apprentice," is an idiot by nature. Hence, the ultimately manifest idiocy of the sundry varieties of monetarists and their recipes for government. Therefore, whenever the American System of political economy was in force in the U.S.A., a wise government carefully regulated the issue and circulation of money, to the anti-inflationary purpose that increase of per-capita valuations of financial and monetary volumes shall not outrun the rate of growth of actual physical values produced and consumed. Government should not suppress the creation of credit, as the reckless "fiscal conservatives" do: in ways which obstruct the fulfillment of necessary consumption and growth. Rather, the sovereign state must use the power to regulate currency, to tax, and to employ other protectionist measures, to curb, or even penalize those business and other practices which generate financial gains at the expense of physical improvement of the economy and the general welfare of the nation as a whole.

Science and Culture

This brings us now to the pivotal element of this report: the cultural preconditions for durably successful technology-transfer policies.

To understand the challenge of technology-transfer-based economic processes, we must briefly disturb what have become, unfortunately, the conditioned habits of thinking about not only economics, but also both science and culture generally, as found among even a majority of today's relevant academics, and also laymen generally. Lack of comprehension of these matters would tend to prevent a much-needed, improved understanding of the sources of avoidable inter-cultural conflicts. The specific form of danger from lack of such knowledge, is lack of comprehension of that definition of a *universal physical principle*, upon which a functional economic definition of technology-transfer depends.

On that account, as I frequently remind the students of mathematics, for example: the modern mathematical-physics definition of a universal principle was first defined by Carl Gauss's 1799 refutation of Leonhard Euler and Euler's protégé Lagrange, on the subject of the Fundamental Theorem of Algebra.³ This Gauss work, which gave us the first approximation of Gauss's and Riemann's later, deeper understanding of a strict, experimental-physics meaning of the complex domain, is crucial for introducing university undergraduates, or exceptional secondary pupils to modern science, if they are to gain the proper mathematical-physics notion of what is properly qualified as a universal physical principle.

I have emphasized this from the work of my ongoing

3. I date the emergence of a comprehensive mathematical physics from the detailed account of the original discovery of a universal physical principle, the discovery of gravity by Johannes Kepler, in his 1609 *The New Astronomy*.

program for the political education of the 18-25 university-age group. On this occasion, I present a non-mathematical, epistemological explanation of this crucial point. In the following summary, I shall attempt to make clear the practical importance, the urgent relevance of stating this case, to this or audiences representing similar ranges of education.

The ancient astronomers known to us through their calendars and related means, saw the night-time sky as observed objects which may seem to be as if painted on a celestial sphere enclosing us all. That, for them, was the universe as known to the experience of our senses. However, our senses are part of our organism; by their nature, what they convey to our consciousness is not the image of the actual universe around us, but our senses' own reaction to *the effects* of that unseen universe. What our senses show us, is therefore as a shadow of that which casts the shadow. In mathematical language, this sensually unseen reality is what Gauss identifies as the physically efficient, but mathematically complex domain. Or, as Johannes Kepler showed, in detailing his original discovery of gravitation, in his 1609 *The New Astronomy*, it was certain measured anomalies in the planetary orbits which led him to recognize that some unsensed intention, which he defined for us as gravitation, accounted for the actual planetary orbits. In response to Kepler's proposals, we have the unique development of the implications of an infinitesimal calculus, by Gottfried Leibniz, and the treatment of elliptical functions and the complex domain, following the 1799 paper by Gauss.

As Gauss's most famous successor, Bernhard Riemann, stated the case, Gauss's principal work, all of which was pivoted on his original definition of the complex domain, was based on a revolutionary overthrow of the notions of a Euclidean or Cartesian manifold based upon "ivory tower" choices of definitions, axioms, and postulates, in favor of a return to the pre-Euclidean, constructive, physical geometry of such followers of Pythagoras as our ancient predecessors Archytas and Plato. Hence, what Gauss and Riemann presented, was not a non-Euclidean geometry, but an *anti-Euclidean* one, as Gauss's teacher Abraham Kästner had argued earlier.

The resulting knowledge of our universe, is that of the conjunction of two geometries. One, was the shadow-world geometry of sense-certainty; the other, the unseen, but efficient physical geometry defined by those controllable, observed effects, and their associated co-efficients, which are associated with crucial-experimental proofs of discovered universal physical principles.

These facts are the clue to today's least understood, but, unfortunately, most crucial principles governing real economic processes: *Why is man able to change the apparent laws of the universe, as no other species—excepting the Creator—could?* How did mankind achieve a relative population-density three decimal orders of magnitude greater than any species of great ape? Man, through physical-scientific discovery and experimental control of unseen causes, has already changed the manifest geology of our planet, and is

reaching out toward Mars, as no other living species, excepting the Creator, could have done. Here lies the key to understanding and mastering the concept of technology-transfer as such.

Without adopting that point of view, there is no possibility of competent grasp of that current of modern scientific progress traceable through the work of such successors as Leonardo da Vinci, Kepler, Leibniz, Gauss, and Riemann. Without that point of view, their work could be understood only as a form of describing them in a formal-mathematical, classroom-like way, without insight into the underlying physical-experimental, practical nature of the relevant subject-matter. This is otherwise experienced, often, as a form of conflict between physicists and widely accepted, "ivory tower" dogmas of the mathematics classroom.

The crux of the lesson for economics is the following.

Mankind's achievement, in attaining, until now, a global potential population-density three decimal orders of magnitude greater than that possible for great apes, reflects a potential of our species which is lacking in all other forms of life below that of the Creator. This is a potential which is only typically expressed by the ability of the developed mind of the solitary, sovereign individual to detect, explore, and solve those experimental paradoxes of observation which guide that individual either to discover an experimentally valid universal physical principle, or to repeat that discovery made, perhaps, by some original discoverer of such a principle thousands of years earlier. It is the appropriate application of an accumulation of the ability to replicate the discovery of each among such discovered principles by individuals, which has enabled the human species to accomplish all its great leaps of progress.

As the great V.I. Vernadsky emphasized, for example, the power of man to use scientific progress to make cumulative, beneficial changes in the Biosphere, of farming and other types which are not possible for any other form of life, points to a special faculty in man which many have identified as the individual human soul, or as the most essential, spiritual quality of the human being. It is through this faculty, which some of us name a *spiritual power* embedded in each among us, that men and women are enabled to discover the real universe hidden behind the shadows of sense-perception, the universe of the complex domain of Gauss, Riemann, Vernadsky, and their many great, ancient and other predecessors.

This faculty is not only expressed in the forms associated with physical science. It is demonstrably true, that all of those great works of plastic and non-plastic art which could be named "Classical" reflect the same principle responsible for great scientific work. These forms of art, and related productions, have a crucial role in enabling society to share and employ the great universal principles of physical science.

The greatest constitutions and similar works of government also express the workings of those same creative powers unique to all members of our species. The connection of such



“As the great V.I. Vernadsky emphasized, for example, the power of man to use scientific progress to make cumulative, beneficial changes in the Biosphere, of farming and other types which are not possible for any other form of life, points to a special faculty in man which many have identified . . . as the most essential, spiritual quality of the human being.” Here scientists in India are shown studying improvements in plant growth in 1962.

good works of statecraft to those principles of physical science to which I have referred here, is to be recognized in the distinction of great Classical poetry and drama; that it does not imitate the naive, literal sense-certainty of the beasts, but employs such devices as paradox to convey the same kinds of ideas respecting man’s relationship to mankind which good physical science adduces from the individual person’s relation to the so-called material realm. Great government shares with great Classical plastic and non-plastic art, the work of discovering and expressing the principles which should govern man’s relationship to a mankind exploring and improving the universe. Art, and politics practiced according to the principles expressed by great Classical art, embody a domain of ideas reflecting those same powers of the individual mind which generate our knowledge of discovered universal physical principles.

From the broader implications of what I have stated here so far, the success of the great ventures, such as the development of Eurasia, which I foresee before the nations today, depends upon chiefly two principled considerations. First, the importance of seeking to improve the humanizing of work

through sharing the benefits of scientific progress, and to develop the individual member of society, especially the young, accordingly. Second, the indispensable role of the perfectly sovereign nation-state, and the further development of its specific national culture and included cultures. Neither of these two is a mere matter of sentiment, nor of any other mere generalities, otherwise I need not have said what I have stated here up to this point.

Without a shift of economics doctrine and practice back to emphasis upon the leading role of scientific progress, these urgently required changes in relations within and among nations could not be sustained. This bears, most emphatically, on the challenge of new qualities of cooperation among nations of European and Asian vintages.

‘Cultural Ecumenicism’

Recently, there has been increasing attention to the matter of improving ecumenical relations among the world’s religions. I caution, that it is not the business of a wise government to meddle in the internal affairs of religions as such. However, there is a more appropriate way in which governments may, and, indeed, must, deal with humanity’s deepest spiritual concerns. In the best European traditions, we refer to this as a matter of what is termed “natural law.”

This body of natural law begins with the notion of spirituality expressed by Vernadsky’s physical chemist’s experimental definition of the existence of a Noösphere, a form of organization superior to the mere Biosphere. That is to say, that there exists a demonstrated, universal category of physical effects which have exerted increasingly, a dominant role, as a trend, in the physical history of our planet; effects which can be produced only by the creative-mental powers which exist only in one living species, mankind. These powers, which we know as the power of original discovery of experimentally validated universal physical principles, are rightly called *spiritual* powers: powers not found in abiotic or even living processes, except in man. These spiritual powers are recognized as man’s likeness to the Creator of the universe which continues to undergo that process of creation.

The appreciation of the evidence that the human individual is made, thus, in a unique likeness to the continuing, efficient authority of a Creator of the universe, is the underlying premise of a notion of universal natural law: the law by which mankind should govern its own behavior, the law of man’s mission in our universe. Under this law, that spiritual expression of the individual’s mortal existence, becomes the primary, principled point of intersection of natural law with the political obligations of the nations. The elementary obligation of the state is to foster and defend the development and expression of that essentially spiritual being which inhabits the mortal flesh. The love of the state toward mankind, on that specific account, expresses the essence of what should be a universal morality of practice.

On that account, the law of nations should be, as set forth in Europe’s great A.D. 1648 Treaty of Westphalia, that the



Swedish LaRouche activists perform Friedrich Schiller's play Wilhelm Tell; here, Tell's arbitrary arrest sparks the overt revolt of the newly united Swiss cantons against the Hapsburg tyranny. "Great government shares with great Classical plastic and non-plastic art, the work of discovering and expressing the principles which should govern man's relationship to a mankind exploring and improving the universe."

warring parties should seek the pathway of enduring peace by loving one another as children of the Creator, and thus, above all else, never make war in the name of religion, never conduct "crusades" or the like.

On the positive side, natural law requires each state to assume two respectively distinct, but inseparable duties. This set of duties is key to the challenge of technology-transfer policies.

First, the development of the spiritual powers of the individual. On this account, learning by imitation, as a monkey might, is not a proper form of education for human beings. The individual must experience the great past and current discoveries of universal physical (and Classical artistic) principles in a spiritual way, as a re-enactment of the discovery of experimentally validated universal physical principles.

Second, society must foster the opportunities for expression of that development of the individual mental powers which is consistent with such an educational policy. The form of work for all people must be continually revolutionized to this effect. The people, whose individual mortal lives are being expended with the passage of time, must be afforded the opportunity to spend that life in ways which fulfill the spiritual hopes of past generations, and build better foundations for the more advanced achievements of new generations.

This twofold mission of society requires the perfectly sovereign nation-state.

Let us agree, for this report, to limit the use of the term "ideas," to that class of physical-scientific and Classical-artistic notions which lie outside the shadow-world domain of

mere sense-certainty, in that real universe constituted of those universal principles which can be discovered, and thus known, only through the agency of those spiritual powers specific to our species. That qualification introduced, focus our attention on the process by which today's new generation re-creates the experience of the discovery of such ideas from the past. Let us call that process "culture."

Take language as such as a case in point. Contrary to that self-described, soulless beast-man Thomas Hobbes, the essence of the communication of actual ideas in the English language, for example, lies outside the shadow-world of dictionary-like definitions of words, within the domain where metaphor prevails, the domain of irony. All great ideas are metaphors, as Kepler's conception of universal gravitation is, at the same time, a

metaphor, and yet uniquely reflects the true universe, as distinct from the mere shadow-world of sense-certainty. Thus, for the English language, Shakespeare's, Keats', and Shelley's approaches to composition are the best for transmission of actual ideas, as is shown by the comparable durability of ideas embedded in Classical forms of poetic composition in sundry languages.

What a child born into a certain national culture confronts, is an existing culture already more or less rich in an array of amassed ironies, whose efficient connotations reach far beyond any deductive-dictionary-like sense of intention. It is a mind so situated within those national-cultural modes of communication, which enters family life and education as a child and emerging adult. It is only through aid of those irony-rich features of a national culture, that the individual is able to participate efficiently in the dialogue of ideas by means of which a people might properly rule itself, rather than be ruled by masters, as cattle are.

Therefore, a world government could exist only as a form of inevitable tyranny.

It is the fostering of the education of a people in ideas, and the orientation of national economic practice of day-to-day life toward the frontier of the advancing ideas of the time, which fosters a population capable of assimilating and generating technology-transfer as the common expression of productive practice.

There is much more to be said on this account, much, much more, but the essential idea is stated in *precis*. Let further, more fulsome discussion proceed from here.

World War Must Now Be Stopped, Inside the U.S.

This intervention was made by U.S. Presidential candidate Lyndon LaRouche in the second day's session of the Bangalore conference, on May 27.

As someone who has an off-and-on function in academic life, as well as otherwise, over a period of 35 years: Wisdom in instruction in classrooms and other situations consists in, having delivered a message, to listen to what is said, after you've delivered the message, and then see how much of the message was actually delivered; and then come back the next day, and try to clarify what was not clearly understood the first time around.

Now, very few people know the United States, on the inside, at least at the top level. Very few people understand the Constitution, or history of the United States, from the inside. Very few in Asia understand the significance of 1776, and 1976, as an interval of 200 years between the founding of the Declaration of Independence of the United States, and the crushing defeat of the hopes of the nations of Asia, in the treatment given to the Sri Lanka, Colombo Non-Aligned Conference of August 1976. Two hundred years of a failure of the cause of the original American Revolution. And the failure of a cause associated with the United States, as a republic, as a modern republic; a failure of what we fought for, including those of us who were here in Asia during 1945-46, as I was; a failure to realize the objectives of Franklin Roosevelt, who had just died in April of 1945, in realizing a world free of colonialism, and free of domination by any approximation of colonialism, or imperialism.

Now, I fought that fight, essentially, since I was here in India, when I became involved—in a rather risky way for an American soldier serving, implicitly, under the command of Mountbatten—in support of the independence cause. Because I believed at that time, as many American soldiers who served with me believed, that the cause of India was not only just, but an urgent one for organizing the entire postwar world; to prevent a *new war* from coming on the heels of the Second World War, as the Second World War had come on the heels of the first.

Now, we're at the time we're going to have to change that. We're going to have to go back to, essentially, 1976 Colombo, Sri Lanka, the Non-Aligned conference, and establish the Non-Aligned Movement again, not as a non-aligned movement, but as the understanding of a community of sovereign nation-states, to replace *any* hegemonic state system, whether two states, or one state, in the world today. That is the *mission*



"If the United States continues to go in the direction typified by Bush, or Bush's recent decisions, then I guarantee you, within a very short period of time, before the elections in the year 2004, we will be pushed on the road, as Hitler pushed the world—toward an inevitable nuclear war—which you may not wish to fight, but you may either submit, or fight."

of the United States. You can refer to my website on my foreign policy, in which I elaborate the argument on this case.

We Must Remove the Neo-Conservatives Now

Now, what's the problem?

Recently, we came close to the certainty of world nuclear warfare. That was the immediate import of the success of the people behind Bush, not Bush himself; he doesn't have the brains to know what he's doing—I'm saying that frankly. You in the world must know, the President of the United States is functionally an idiot. He is *not* our problem, in the sense of his motives, although his motives are sometimes reprehensible, as far as they go. He is a puppet! And therefore, what you have to deal with, is the puppetry.

Now, what has happened, is, we were on the edge—after the outcome of Iraq—of a push from Cheney and Rumsfeld, toward steps comparable to those of Hitler in dealing with the generals in Germany; which would have meant *inevitable world nuclear warfare*. We are still in danger of that. Unless I succeed, with my friends, not in becoming President of the United States—that's 2004, 2005; I'm talking about *now*. I'm talking about next year. Unless we succeed in the present efforts to ram out, not Bush—that's a different proposition—but to eliminate a group called the neo-conservatives, who are actually a direct continuation of Hitler, and of Napoleon Bonaparte before him. Unless we eliminate them from their positions of power in the United States, to control the United



“We’re going to have to go back to, essentially, 1976, Colombo, Sri Lanka, the Non-Aligned conference . . . as the understanding of a community of sovereign nation-states, to replace any hegemonic state system, whether two states, or one state, in the world today.” Then, Guyana’s late Foreign Minister Fred Wills represented the Non-Aligned Movement’s insistence on debt moratorium and economic development, to the UN.

States, all peace movements in the world will fail, because nuclear war will become inevitable.

Not that the people of Asia are not already a peace movement. The people of Eurasia are already a peace movement. Nobody in Eurasia wants global nuclear war. Everyone in Asia wants economic solutions to immediate problems, and wants peace as a framework in which to deal with economic solutions, to work them out.

But if this power, which we have challenged in the United States, with some degree of success—and my function right now, as a Presidential candidate, is also the function of being a key figure leading an assorted combination of many varieties of influences, including my former enemies, and some of my current political enemies—in pulling together the forces that agree, we do not want the United States to follow this policy toward war.

You often find in politics, you get in that situation. You find that people who have been your enemies, and so forth, are now willing to cooperate with you on a very limited basis. But that limited basis is valid, to stop this war. Because if these guys ever succeed, and continue what they have done, up to the pre-emptive, illegal war against Iraq; if they succeed, there *will be* war, and there will be nuclear war, and you will either have to submit to it, or fight it.

So, therefore, the idea of a peaceful protest, from outside

the United States, preventing war—impossible! World public opinion preventing war? *Never!* Impossible. The war is now inevitable, unless we stop it *inside* the leadership, and inside the Presidency, of the United States, We’ve finally begun to get some movement.

The Importance of Eurasia

Now, what does that mean, here? What does it mean in Eurasia?

Obviously, Eurasia is going to be, if we succeed, it’s going to be the central part of humanity. Why? Because it *is* the central part of humanity. It happens to be located in a certain geographic position, but if you look at the size of the population, of China, of India, of Southeast Asia; if you look at the role of Europe, then the emerging tendency for cooperation between Western Europe, China, India, and so forth—especially China, because China has become the key banner of this kind of cooperation, especially with Chancellor Gerhard Schröder’s visit to Shanghai, which was a very impor-

tant turning point, and the leadership of the former President of China, Jiang Zemin, has been *crucial* in bringing this about. We now have a government of China, which has a conception of its mission. The mission is correct, for China. We have now cooperation with India, which I hope will progress rapidly. Which will mean bringing the Southeast Asian nations, particularly with leaders like Dr. Mahathir, and so forth, in, with a more prominent role. A dialogue, because they don’t agree. They disagree.

If we can solve the problem of North Korea—which is difficult for us, for China, for Russia, for South Korea—if we can solve that problem, and bring an amicable solution, not necessarily a political solution, but at least an economic solution; if we can have economic cooperation as a basis for peace with the North Korean government, don’t worry about the political solution. Sometimes, it’s like trying to convert people to a new religion. Trying to create a political solution is sometimes a mistake. Create a practical solution—that’s the first step. And when people enjoy the practical solution, they may think about accepting the political one.

So therefore, the importance of Eurasia is this: Eurasia is essentially bankrupt. Now, China is not bankrupt. India is not bankrupt. Western Europe is bankrupt. Western Europe is a traditional repository of technological, economic power. The time has come for technology-sharing, between Western Eu-

rope—which *needs* this with Asia, with the emerging powers of Asia—and other countries. It means also a focus upon the long-term need to develop those regions of Asia, Central and North Asia, including the Russian tundra area, which are the great repository of mineral natural resources, needed by the growing population of Asia as a whole. Therefore, the development of Eurasia as a whole, the Eurasian land mass, through cooperation among different cultures, and different nations, is the key to the world as a whole. And the world as a whole, will tend to organize around that Eurasian unity of effort, as in North and South America.

We have to rebuild South America. We've ruined it. The United States has looted it, and ruined it. In South and Central America, we have to restore that. We have to restore the United States. We, in Eurasia, and the Americas, must make a major contribution to the freedom of the people of Southern Africa, Sub-Saharan Africa, who are now victims of a policy of genocide, by the United States, Britain, and other countries in the world. And that genocide will not be reversed, unless *we* intervene to change it.

'My Job'

So, therefore, if we have unity, in Eurasia, a growing unity, about the great economic missions of development and recovery which the people of Eurasia need, that becomes a force, which will be valuable in influencing the process inside the United States. My job is—and I understand something very well, which I think probably only a few people in the world, and only Americans, can understand, from the inside, as I do—to understand the institution of the Presidency of the United States. Our Constitution. And also to see how all kinds of movements in history, have failed. Especially popular opinion movements. They failed.

Why did they fail? Because little people try to say that world public opinion can somehow change institutions. Not directly. Only when people are exerting influence on *decisive* institutions—sometimes in the form of revolutions; that's why revolutions occur—can they change the character of world history. To change the course of world history from the danger of nuclear war, which now threatens us, unless we stop this *inside* the United States. We must influence the *inside* of the United States, not for my election, although that's necessary—but that's not the point. The point is, to convey to the American people, that there is a movement in the world, in Eurasia, which is moving toward unity, which is a movement of potential economic power, and an optimistic future.

The American people, 80% of them, the lower income brackets, have been suffering for over 25 years. It's not a prosperous country. Yes, a few parasites are prosperous, in terms of money, but the physical condition of the U.S. economy is degenerating. They're desperate. The health-care systems have been destroyed, the educational systems have been destroyed. The infrastructure, in general, has

been destroyed. *We don't have railroads any more!* Our water systems are collapsing. Our power systems are collapsing.

And the same things which the people in Asia aspire to—the opportunity for the development of infrastructure, for improving the conditions of life of the poor, for a future through education, and economic opportunity, for their children and grandchildren—these are the same aspirations which infect the passions of the people of the United States.

Therefore, if we *move*, especially in a spirit of cooperation, in our struggle to prevent nuclear war from being launched by the United States—which means fighting to make sure that *Bush* is not the puppet of the fascist neo-conservatives; that Bush instead is a puppet of the American people.

And that could happen. It could happen now, in a short period of time. We already have pushed matters to the point that Israel is under tremendous pressure, even from the Bush Administration, to accept the Road Map. That is not very good, but it's better than the alternative. And if we can move in that direction, and push the U.S. Administration, as has been done in the past, . . . We've had bad Presidents, with good results, because our institutions have been able to *control* those Presidents, and make them function. And that's our job—it's to *influence* the process, because if we fail, if we ignore the interior of the United States, and the United States continues to go in the direction typified by Bush, or Bush's recent decisions, then I guarantee you, within a very short period of time, before the elections in the year 2004, we will be pushed on the road—as Hitler pushed the world—toward an inevitable nuclear war, which you may not wish to fight, but you may either submit, or fight.

That is the problem. We're not talking about 25 years from now, we're not talking about 20 years from now, 10 years from now. We're talking about two and three years from now. That's where we are.

And therefore, what we're doing here today, and in similar efforts elsewhere, is extremely important. Not because it mobilizes a peace movement, but because it mobilizes a movement for the improvement of the condition of humanity. It's not negative; it's positive.

People fight for justice, they fight for all kinds of things, but they fight because they're *inspired*, they have a *mission*—not because they're trying to keep the wolf from the door. The wolf will come in the windows.

Thank you.

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Middle East Road Map: Will Bush Become Sharon's Lackey?

by Dean Andromidas

When Israeli Prime Minister Ariel Sharon approved the road map for a Middle East peace, he attached 14 "reservations." After the reservations were made public, senior Israeli commentator Akiva Eldar warned in the daily *Ha'aretz* on May 27 that if they were accepted, they would turn the road map "from a diplomatic initiative into an Israeli *diktat* of a Palestinian surrender agreement." He warned, "If President Bush announces that he adopts these reservations, at best he will be considered a Sharon lackey, and at worst lacking any understanding whatsoever of the politics of the region."

Eldar said that the authors of the document "apparently assumed that President George Bush was only asking for the formal approval of the Sharon government of the road map, and to hell with the implementation."

The road map was drafted by the "quartet" of Middle East mediators from the United States, United Nations, European Union, and Russia, and is a phased plan, which should end with the creation of a Palestinian state. In its first phase, Israel would commit itself to a settlement freeze and the dismantling of all settlements established since Sharon's government came to power. It is stipulated that so-called "natural growth" of old settlements is forbidden, because they are all illegal under international law and the various UN resolutions.

President Bush, scheduled to hold a summit with Sharon and Palestinian Prime Minister Abu Mazen (Mahmoud Abbas) in Jordan on June 4 or 5, is to attend another summit in Egypt with the heads of state of Egypt, Jordan, and Saudi Arabia. After these meetings, it might become clearer whether Bush accepts any of Sharon's reservations.

A look at Sharon's 14 reservations reveals that 90% of them detail how the Palestinians must totally and completely eliminate any form of violence and incitement before any-

thing is implemented on the Israeli side. This includes the crushing of all militant groups, including collecting all weapons. Yet, reservation number one states that "the road map will not state that Israel must cease violence and incitement against the Palestinians." It also calls for a new Palestinian leadership, in a totally reformed Palestinian Authority that meets the approval of Israel.

As for the so-called "provisional state," this would be no state at all. It would have to be fully demilitarized, but Israel would have "control over the entry and exit of all persons and cargo, as well as of its air space and electromagnetic spectrum." Although Israel appears to accept a settlement freeze, this is to occur only after virtually all violence and incitement cease. There is to be absolutely no discussion about settlements until the end of the process. There would be no withdrawal of Israeli troops to the September 2000 lines until there is "absolute quiet." It is this stipulation which killed all previous attempts to restart the peace process, such as the Mitchell and Tenet plans.

Eldar commented, "The reservations confirm the Palestinian claim that Sharon's cabinet approval of the road map is akin to throwing a ball into their court. In fact, Sharon sent Palestinian Prime Minister Abu Mazen a transparent balloon that any analyst will find easy to deflate." Eldar said that the security demands, including the crushing of the militant groups, demands Abu Mazen "succeed where the strongest army in the Middle East has failed in more than 30 months." Only at the end of the process, with security provisions obviously calculated to fail, "will Jerusalem be willing to freeze settlements and outposts. . . . In other words Israel will then do Abu Mazen a favor, granting him the authority to collect the trash."



Beit Hanoun on the West Bank, in late May 2003, after demolition by Israeli Defense Forces armored vehicles. While “accepting” the Road Map, Sharon has his forces continuing incursions, killings, and demolitions throughout the occupied territories.

Seeing Is Believing

Prime Minister Abu Mazen, in his first interview with an Israeli newspaper, told *Ha’aretz* on May 28 that he has no illusions about Sharon. “I know him inside and out. I’ll believe him only when he implements the road map.” Commenting on Sharon’s 14 reservations, he said, “They don’t interest me. . . . We understand from the Americans that there are no changes in the road map. This is an historic opportunity to return to a track of normalcy.”

As for Sharon’s far-reaching demands for “absolute quiet,” Abu Mazen reminded his interviewer that in the last two years, Israel has destroyed the entire Palestinian security service in the West Bank and 70% of the security service in the Gaza Strip. He said, “We hope and think it is important to control violence, put an end to it, and we expect the Israelis to understand that even if here and there some violent incident takes place, we don’t agree to it.” But, he added, “It is important that the Palestinians see change on the ground, like cessations of assassinations and demolitions, and prisoners be freed, and the Palestinian civilian should feel something has changed in the atmosphere, and he can go to work and move around.”

Abu Mazen rejected Sharon’s demands that the Palestinians give up the “right of return” of Palestinian refugees to their former homes, that they were driven out of during the Arab-Israeli war of 1948. Abu Mazen said, “We cannot accept

relinquishing the right of return. The Arab League initiative refers to a just and agreed solution, based on UN decisions. That is a very clear statement. . . . This does not mean we want to destroy the state of Israel, we recognize it in the borders drawn by Resolution 242.” The demand to drop the “right of return” has always been used by Sharon and others as a provocation, knowing that no Palestinian government can make such a statement. Sharon’s demand to make it a precondition for accepting the road map, was rejected out of hand by the Bush Administration.

Another of Sharon’s reservations, his refusal to link the road map in any way with last year’s Saudi peace initiative, was also rejected. Abu Mazen said that the solution to this conflict is key to stabilizing the region. “That’s what prompted the Arab initiative presented by Saudi Arabia last year. That was a balanced initiative and its implementation would lead to peaceful relations and normalization between Israel and the Arab states and other Islamic states. . . . I am amazed the Israeli government did not take it into account. I hear that among the Israeli public it won 60% support.”

Abu Mazen denounced Sharon’s relentless campaign to isolate Palestinian President Yasser Arafat, which included Sharon’s refusal to meet any diplomat or foreign minister who met Arafat in Ramallah. “Arafat is the elected President of the Palestinian Authority and should not be isolated. I reject, both morally and politically, all the pressure on countries

and persons not to meet him. That has ramifications for the Palestinian street and for us in the leadership. It is difficult for me to explain to our citizens that we have a new government, conducting negotiations with Israel, and our President is isolated in the Muqata. There is no justification for it.”

The campaign against Arafat is a transparent attempt to sabotage the peace initiative, because everyone knows that Arafat’s approval is necessary to give legitimacy to any agreement.

Making this point, Abu Mazen said that “without Arafat, there never would have been Oslo. He put all his weight behind the PLO [Palestine Liberation Organization] accepting Resolution 242 in 1988 and even called it the peace offensive. . . . We thought the Israelis would respond in kind, but they responded precisely the opposite. After the U.S. decided to begin a dialogue with us, Prime Minister Shamir called it a black day.”

Abu Mazen thoroughly rejected the idea that the Palestinians had planned the Intifada. He laid the blame on the collapse of the Camp David peace talks in July 2000, and the “continuing settlement activity. . . . It creates the impression that a peaceful solution cannot be achieved. And there was another factor—Sharon’s visit to the Temple Mount. As a result, 22 Palestinians were killed. The Intifada began with Palestinian rocks, and Israel responded with killing, and it was all compounded by the sensitivity of Al Aqsa.”

Sharon Continues to Scheme

After getting his cabinet to vote in favor of the road map, Sharon again spoke of “painful concessions.” He even used the words “ending the occupation” and “dividing the land.” For a Jabotinskyite, there is no “occupation,” because the territories are part of the “land of Israel,” which can never be “divided.” Are these words from Sharon’s heart? Not at all.

It was revealed in *Ha’aretz* on May 22 that Sharon’s government hired three U.S. political consultants, including the Republican consultant Frank Luntz, the Democratic Party-linked consultant Stanley Greenberg, and another consultant, Jennifer Laszlo-Mizrahi. All three conducted “focus group” surveys of Americans, at the end of which they wrote a memo for the Sharon government on how best to sell the cause to the American public. The memo advises that they may do what they want, but should always speak in positive terms and of their support for the peace process.

For example, on how to deal with Prime Minister Abu Mazen: “It is essential that you use positive language when asked about Abbas. However, that does not mean you must compliment Abbas himself. While knocking him down now does little to help your long-term goals, building him up is also counter-productive. Therefore you must remain positive about the peace process and indifferent about Abbas.”

As for the Palestinians in general, “If you express your concern for the plight of the Palestinian people and how it is unfair, unjust, and immoral that they are forced to accept

leaders who steal and kill in their name, you will be building credibility for your support of the average Palestinian while undermining the credibility of their leadership.”

But above all, the memo states, show “humility,” for although it “is a bitter pill to swallow, it will inoculate you against critiques that you have not done enough for peace. Admit mistakes, but then show how Israel is the partner working for peace.” Thus when the whole process collapses, blame must be clearly placed on the Palestinians.

A few hours after Sharon, on May 28, spoke about “occupation” and the need to “divide the land,” *Ha’aretz* revealed that Sharon had just postponed a military operation in the occupied territories that was to be “an unusually large-scale one aimed at substantially changing the balance of power between Israel and the Palestinian Authority.” Moreover, the operation could still be launched after a serious Palestinian attack.

Nonetheless, ongoing military operations have not skipped a beat since the release of the road map. Targeted assassinations continue, house demolitions are an every-day occurrence, and children throwing stones are shot dead by Israeli soldiers.

The road map might end these military operations, but will it stop the “Berlin Wall” which Sharon is constructing throughout the West Bank? Although the impression given is that this wall is along the “green line” constituting the 1967 border, the reality is quite different. According to a feature in the Israeli daily *Yedioth Ahronoth* on May 23, the map demarcating where the fence is being built corresponds to the Bantustan state Sharon is planning for the Palestinians. When Ron Nahman, the mayor of the West Bank settlement of Ariel, saw the map, he told *Yedioth Ahronoth*, “That’s the same map I’ve seen every time I’ve visited Arik [Sharon] since 1978. He told me he’s been thinking about it since 1973.”

Unless the road map process substantially reverses these facts on the ground, the Palestinian state will constitute no more than the unacceptable 42% of the territory of the West Bank, which Sharon was willing to give the Palestinians two years ago after the “terror” ended.

Whether Sharon is forced to implement the road map, or continue a policy that will ultimately lead to a war, will be determined in Washington. For the war party led by U.S. Secretary of Defense Donald Rumsfeld and Vice President Dick Cheney and their flock of chicken-hawks, Sharon and Israel continue to be the hand grenade that could ignite a new Middle East conflagration. Defeat them, and Sharon is defeated along with them.

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U.S. Targeting of Iran Fuels Iraq Resistance

by Muriel Mirak-Weissbach

No sooner has the smoke cleared in Iraq, than the chicken-hawks have raised their strident voices in Washington, calling for regime change in Iran. Not only are the accusations against the Islamic Republic carbon-copies of those launched against Iraq—that it is developing weapons of mass destruction and harboring al-Qaeda terrorists—but the “evidence” for the charges is as phony, if it exists at all. “Intelligence sources” cited as the origin of the charges, are likely the same used in the Iraq case, by the special intelligence unit under Abram Shulsky in Donald Rumsfeld’s Pentagon.

The real reason for the drumbeat against Iran, has nothing to do with these charges. Rather, as the occupying forces in Iraq lose control and credibility, coming under increasing guerrilla attacks, some organic political and religious forces inside Iraq are consolidating their structures and preparing to make a bid for self-government, outside U.S. and U.K. control. Given that the largest and most representative force among these groups is the Supreme Council for the Islamic Revolution in Iraq (SCIRI), which has close ties to Iran, where its leadership stayed in exile for 12 years, it is thought in Washington that Iran is about to extend its control into its neighbor’s territory, and spark an Islamic revolution in that country. Rumsfeld, who inaugurated the new round of attacks against Tehran, said on May 27 that the allies (occupying forces) would not allow some “new form of tyranny” to replace the Saddam Hussein regime. Explicitly, he said, “Iran should be on notice that attempts to remake Iraq in Iran’s image will be aggressively put down.”

The Iran war drive was launched on April in a speech by Michael Ledeen of the American Enterprise Institute: “The time for diplomacy is at an end; it is time for a free Iran, free Syria, free Lebanon.” Ledeen has recently launched the Center for Democracy in Iran.

Press Reflects Divided Administration

The May 25 *Washington Post* reported that the Bush Administration had cut off contact with Iran; that after the May 12 suicide bombings in Saudi Arabia, the Bush Administration reportedly cancelled the next planned meeting between U.S. and Iranian officials. The paper reported that senior Administration officials were scheduled to meet on May 27 at the White House to discuss U.S. strategy toward Iran, with Pentagon officials pushing for both public and private actions that they hope could lead to the overthrow of the Iranian

government through a popular uprising—all this according to unnamed Administration officials. State Department officials, on the other hand, warned that such measures could ultimately discredit reformers in Iran, although the *Post* claimed they were inclined to accept such a policy.

But the story was discredited by Secretary of State Colin Powell, when he was asked on May 27 about the reported meeting and change in policy. Powell said, “Our policies with respect to Iran have not changed.” He repeated U.S. condemnation of Iran’s alleged support for terrorism and attempts to develop nuclear weapons, but, when asked if contacts had been cut off, said: “We have contacts with them.”

The fact of the matter is, there is no consensus in Washington, as to what should be done to contain Iran. Whereas Rumsfeld and others have called for a revolution from below, to overthrow the current government, Ledeen et al. would prefer a direct U.S. military attack. Condeleezza Rice has loudly demanded that Iran not only stop its support for the Hezbollah in southern Lebanon, but move to have it “dis-mantled.”

The response from Tehran has been immediate and unequivocal: the country’s leaders have denied all the charges and launched counter-accusations against Washington. On May 25, all the leading Iranian political figures, from Supreme Leader Khamenei, to Expediency Council chief Rafsanjani, to President Khatami, and others, made energetic public statements denying that the country is developing (or has) weapons of mass destruction, or that it is harboring al-Qaeda terrorists. Tehran’s leaders are aware that the threats coming from the neo-cons in Washington cannot be taken lightly. They have drawn the lesson from the Iraq conflict, that the neo-con crowd is fanatically committed to war.

President Seyyed Mohammed Khatami, in a meeting with Australian Foreign Minister Alexander Downer, said, “No one can stand against the tide of world public opinion,” which is for peace. He said using violence and aggression instead of logic and dialogue in international relations poses a danger which threatens the entire world. “Unfortunately, in no other time have violence, aggression, and attempts to weaken international institutions been so prevalent as now,” he said. He blamed the irresponsible behavior by U.S. officials for Islamic extremism in some parts of the Muslim world. He also singled out unilateralism as a global threat. Regarding the accusation that Iran is building nuclear weapons, Khatami repeated that Iran is pursuing transparent and peaceful use of nuclear energy. Iran has proposed that the entire region be free of such weapons; in this context, Khatami recalled that Iran has signed all relevant treaties against WMD, “as opposed to Israel which has refused. . . . However, the right to peaceful use of nuclear energy should be furnished to countries that want it.”

Head of the Expediency Council and former President Hashemi Rafsanjani, in a meeting with Downer, referred to Iran’s policy vis-à-vis Iraq. He said that although the Islamic



Defense Secretary Donald Rumsfeld's targetting of Iran is spreading resistance in Iraq.

Republic of Iran had suffered the most from the former Ba'ath regime, it could not remain indifferent toward the fate of the Iraqi nation: The best way to alleviate the people's pain is to install a democratic government there. In his refutation of U.S. allegations against Iran on harboring al-Qaeda terrorists, Rafsanjani stressed the well-known fact of strong ideological differences between Iran and al-Qaeda. He said that it had been the United States that created and masterminded Taliban and al-Qaeda, to confront the Islamic Revolution in Iran.

Iranian Foreign Minister Asefi said that Iran repatriates any al-Qaeda suspects it arrests in the country. Asefi had charged that the United States is pursuing a clear interventionist policy against Iran, in violation of international law. He said that whatever Taliban-linked elements may have illegally entered Iran, have been jailed and identified. Government speaker Ramazanzadeh reported that Interior Minister Younesi had sent 500 al-Qaeda suspects back to their home countries.

'Groveling Is Not Persian Policy'

Iran has been in bitter conflict with the Taliban/al-Qaeda networks since long before Sept. 11, 2001. The Taliban brand of "Islam" is diametrically opposed to mainstream Islam, whether Sunni or Shi'ite. In the case of Iran, the Taliban/al-Qaeda elements had targetted the Islamic Republic, not only through massive drug smuggling, but also through assassinations of Iranian representatives in Afghanistan, including diplomats, and terrorist activities against the Tehran regime inside Iran. Therefore, to insinuate any common ground between the two is absurd. President Khatami was not exaggerating when he stated on May 24, that the Taliban represented "fascistic Islam." He also made the pertinent point, that "only people who have no inkling of our culture and history, believe what the Americans say about us."

The Iranian military also rejected the threatening tones

emanating from Washington. On May 22, Iranian press reported that Zollghadr, the commander of the Islamic Revolution Army, spoke out against U.S. policy against Iran. He said it was based on two principles: military threats and destroying the country from within. Pointing to undercover activities being carried out by U.S. intelligence inside Iran, he said the U.S. is constantly trying to demonstrate that the Iranian government is not capable of controlling and organizing everything. The U.S. is trying to generate anarchy in Iran, and to destroy national unity, he said.

The question raised by this escalation of tensions, is: What will Iran do? In a *Guardian* editorial on May 27, Simon Tisdall posed the useful question: What would you do if you were an Iranian leader, and saw all the signs of coming aggression? His answer is, Iran would strengthen ties with Lebanon and Syria, as well as India, Russia, and China; but, would also develop nuclear weapons. "If this is Iran's choice, the U.S. will be much to blame," he says, adding that the U.S. plans for researching and developing mini-nukes can only encourage other countries to defend themselves.

"Groveling is not Persian policy," Tisdall emphasized, stressing that Iran will not capitulate to U.S. demands, whether to abandon Hezbollah or to stop its critical stance on the Palestinian-Israeli conflict.

Although the entire Iranian political elite was shaken by the war of aggression against neighboring Iraq, there are red lines which no one in the leadership can allow to be crossed. Iran cannot relinquish its cooperation with Russia, for peaceful nuclear energy plants. The current reform government cannot capitulate to U.S. demands, without giving the conservative opposition a whopping political advantage. As the *Guardian* put it on May 27, the call from Washington to destabilize Iran "has given the country's clerics ammunition to portray their liberal opponents as traitors." Thus, it is to be expected that, while the reform forces will continue to try to keep lines open to Washington, through the UN-sponsored "6 plus 2" mechanism for Afghanistan (a forum of Afghan neighbors plus the U.S. and Russia), it will maintain a principled resistance to issues touching its independence, sovereignty, and territorial integrity.

The Question of Iraq

At the same time, Iran cannot and will not sever its ties to the SCIRI, the leading Iraqi Shi'ite organization, which spent the years since the 1991 war in exile in Iran. The organization has been consolidating its ties inside Iraq, not only with other Shi'ite groups, but with the Sunni community. Leaders of both tendencies have stressed that they are committed to an independent, sovereign coalition government, elected through a democratic process representing all Iraq's ethnic, political, and religious communities. Rumsfeld's outbursts about alleged Iranian designs for an Islamic regime, really point to the fact that the occupation forces will not allow such a sovereign government.

But, regardless of what the U.S. may desire for Iraq, these kinds of political processes will prevail. The most important factor undermining the plans for a puppet government, at present, is their incompetence in how they have handled affairs thus far. The deployment of Paul Bremer as proconsul to replace Gen. Jay Garner, was intended to introduce swift, efficient changes to get things running again in the country. But one of Bremer's first decisions, on May 23, was to dissolve the Iraqi armed forces, the Ministry of Defense, and security organizations. In one fell swoop, he put about 400,000 Iraqi soldiers and officers—certainly not all ardent Saddam Hussein fans—out on the street, unemployed and without any future prospects. Some 2,000 Iraqi officers immediately took to the streets of Baghdad to protest the move.

The UN's most senior humanitarian official immediately countered that Bremer's move would lead to disaster. On May 26, Ramiro Lopez da Silva said that without any plan for re-employment of the soldiers, it would lead to "low-intensity conflict" in the countryside. "We cannot force through an ideological process too much," he said, referring to Bremer's much-touted de-Ba'athification plan, modelled on the de-Nazification of Germany after World War II. "The way the decision was taken leaves them [military] in a vacuum. Our concern is that if there is nothing for them out there soon this will be a potential source of additional destabilization." The UN is setting up its own re-employment program in Iraq, hoping to give 250,000 people jobs in the next six months.

Da Silva explicitly criticized the de-Ba'athification campaign, which has automatically excluded 30,000 from office. "Many bureaucrats who have important experience that would help the new government were only Ba'ath party members on paper," he said.

Within the first days of the last week of May, a marked increase in anti-American hostilities was visible. In three days, seven U.S. soldiers were killed and more wounded. A Baghdad police station was attacked with rocket-propelled grenades. Two convoys, one a supply convoy and another a military one, came under fire in two different locations about 120 kilometers from Baghdad. A helicopter was shot down.

The German daily *Die Welt* May 27 reported that one Gen. Saheb al Mussari, speaking to a group of military in Baghdad, said, "We demand a rapid government formation, the return of security and public institutions, and the payment of salaries for the army." If not, he said, by next Monday "there will be a break between the Iraqi people and its army, on the one side, and the occupiers, on the other."

Certainly, American officials tended to play down the reports, and attribute some of the killings to "accidents." But the reality is more brutal. As Robert Fisk wrote in the *Independent* on May 28, after ticking off the toll of U.S. casualties: "Isn't it time we called this a resistance war in Iraq?" It is also time to realize that accelerating the tensions against Iran, will only fuel the dynamic which has been unleashed in Iraq.

Elites Rebel Against U.S. Utopian 'Poison'

by Mark Burdman

The Hitlerian-fascist character of the Dick Cheney, Donald Rumsfeld-centered mob now running Washington policy, has engendered an unprecedented crisis within two of the leading oligarchical policy institutions of the trans-Atlantic and trans-Pacific elites, the Trilateral Commission and the Bilderberg Group.

In mid-April, the Trilaterals held their annual plenary gathering in Seoul, South Korea. According to a senior, three-decades-long member of the European branch of the Commission, the tenor of the meeting was dominated by the European representatives' surprise at finding their Asian counterparts sharing their "unease" and "nervousness" about present American policies.

The annual Bilderberg meeting was held in Versailles, near Paris, on May 15-18. Bilderberg participants are traditionally bound to secrecy, but on May 21, London *Financial Times* Associate Editor Martin Wolf broke the rules, in what was obviously an attempt to warn the informed British and international public, how deep the crisis provoked by the Washington "utopians" has become. American participants included utopians Rumsfeld, Deputy Defense Secretary Paul Wolfowitz, Defense Policy Board member Richard "Prince of Darkness" Perle, and Undersecretary of State John Bolton, as well as former U.S. National Security Adviser Henry Kissinger and imperialist media magnate Lord Conrad Black.

A Fascinating Paradox

The indications of intra-Bilderberg/Trilateral tensions have a most paradoxical strategic and political character. These two institutions have been—for 30 years in the case of the Trilaterals, 50 for the Bilderbergers—at the center of policy planning for some of the most nefarious policies of the post-World War II era.

The Commission was launched in 1973 by banker David Rockefeller (also a Bilderberger), with help from Kissinger, Jimmy Carter-era National Security Adviser Zbigniew Brzezinski, and Harvard University's Samuel "Clash of Civilizations" Huntington. Huntington's 1975 "Crisis of Democracy" report, which called for post-democratic, fascistoid forms of rule for economic depression-afflicted industrial countries, was emblematic of its orientation. The Bilderberg Group was founded in 1954 by Prince Bernhard of the Netherlands, a former card-carrying member of the Nazi SS, who was later to launch, together with British Royal Consort Prince Philip,

the genocidal World Wildlife Fund.

So, the fact that these institutions are being rent asunder, is no cause for shedding tears. However, the reality is more complicated, and it is here, that the world enters some perilous terrain. Over the years, both the Trilateral and Bilderberg groups have come to embody a certain continuity, and predictability, in trans-Atlantic and trans-Pacific policies. Also, more reasonable individuals and factions have increasingly participated in these groups' events. An expression of this, is that *EIR* reporters have encountered Bilderberg and Trilateral insiders eager to open up a dialogue with LaRouche representatives, as they have seen the global situation enter an ever-more critical phase.

By and large, the consensus worldview of members of the Trilateral Commission and Bilderberg Group can be characterized as "liberal imperialist." The outlook is Malthusian, with a primary intent to preserve the power and interest of financial and banking interests, over traditional industrial interests, and with a bent for manipulative means of social engineering, to control societies. Such figures tend to eschew crude deployment of military force, and tend to avoid what they see as unnecessary conflicts that can lower the threshold for global conflagration. They look with abhorrence at the radical "Hobbesian" worldview that is now hegemonic in Washington, as codified in the Bush Administration's new National Security Doctrine authorizing pre-emptive military strikes, including pre-emptive nuclear actions.

'Divorce Could Become Unstoppable'

Martin Wolf's May 21 *Financial Times* article is in line with this. It was headlined, "A Partnership Heading for a Destructive Separation." He began: "I went to the meeting convinced that divorce between the U.S. and Europe had become possible. I left thinking that it could easily become unstoppable."

Wolf cited *Rogue Nation*, by former Reagan Administration official Clyde Prestowitz, in which the author charges that "the imperial project of the so-called neo-conservatives is not conservatism at all, but radicalism, egotism, and adventurism articulated in the stirring rhetoric of patriotism." Wolf affirmed, "We must recognize the tension within the Administration between nationalists and neo-conservatives. . . . Nationalists focus only on direct threats, principally state sponsorship of terrorism and weapons of mass destruction. Neo-conservatives desire to embed liberal democracy. . . . The new U.S. doctrines are, from the general European point of view, poison. . . . A transatlantic alliance cannot be sustained if the U.S. remains dedicated to its current doctrines, except as a state of dependency on one side and mastery on the other."

In the May 22 *Asia Times*, Pepe Escobar echoed Wolf's assessment: "According to a banking source in the City of London . . . American and European Bilderbergers have not exactly managed to control their split, over the American invasion and occupation of Iraq, as well as over Israeli Prime

Minister Ariel Sharon's hardline policy against the Palestinians. . . . Europe's elite were opposed to an American invasion of Iraq. . . . Rumsfeld himself had promised them it wouldn't happen. Last week, everybody struck back at Rumsfeld, asking about the infamous 'weapons of mass destruction.' Most of Europe's elite do not believe American promises that Iraq's oil will 'benefit the Iraqi people.' . . . Europe's elite . . . are suspicious that the U.S. does not need or even want a stable, legitimate central government in Iraq."

'A Great Deal of Unease'

On May 26, a European Trilateral figure gave a report to *EIR* on the gathering in Seoul. He stressed that "the current American security strategy, of pre-emptive military action, is causing a great deal of unease among Asian policymakers. The Asian view we heard, was similar to the view we see in continental Europe, and the degree of similarity was an interesting surprise for us. . . . While a Euro-Asian partnership, to gang up on the U.S., is not in the cards, the fact is, the Europeans and Asians are definitely uneasy with the way international relations are being managed out of Washington."

A key concern is, "Who's next after Iraq, given the 'Axis of Evil' policy of the Bush Administration?" Naturally, the crisis around North Korea is uppermost in the minds of host country South Korea, Japan, and others.

The South Korean government is "playing a difficult game," he said. President Roh has to deal with "growing anti-Americanism at home," and with managing ties to the United States. South Korea is against a "pre-emptive military" approach to Pyongyang, knowing the South would suffer massively in a new war. The bottom line, is that the Roh government remains steadfast in its commitment to pursue the Sunshine Policy of the Kim Dae-jung government.

With Japan, the matter is more complicated. On the one side, "the Japanese are nervous about the general approach of U.S. strategy, and the doctrine of preemptive strike. . . . On the other side, the Japanese are themselves defining a 'Red Line' that the North Koreans are not allowed to cross. One of the messages from our Japanese colleagues, was that . . . if North Korea goes 'full nuclear,' Japan won't stay on the sidelines. You hear more and more talk about 'finding a way to defend ourselves,' and at a certain point, 'Basta! Enough is enough!' . . . This implies an option of preemption, and you even hear indirect suggestions that Japan could 'go nuclear.' "

The reading on China that the Trilateral figure acquired in Seoul, is that the Chinese are involved in a "fascinating" balancing maneuver, between their dislike for American strategic policies, and the priority of maintaining good economic relations with the United States. All indications are that the Chinese are "putting pressure on North Korea." Another factor is the SARS epidemic, which may be producing more caution in Chinese diplomatic-political activity internationally.

A Look Behind the Al-Qaeda Terror Wave

by Dean Andromidas

In the space of two weeks, suicide bombers struck in Tel Aviv, Chechnya, Saudi Arabia, and Morocco—all attributed to Osama bin Laden's al-Qaeda organization. In a May 23 editorial, *EIR* cautioned those who would attribute these attacks to the "sociological phenomenon" of terror by enraged Islamic militants. *EIR* asked the questions: Who benefits? And who runs al-Qaeda?

The density of the attacks was stunning. On May 12, 41 were killed and 110 wounded in Chechnya; on May 13, three foreign compounds were bombed in Saudi Arabia; on May 14, another suicide bomber launched an attack in Chechnya; on May 16, five bombs killed over 40 people in Casablanca. On May 17-18, five suicide bombers struck in Israel and the Occupied Territories. These attacks led to terror alerts throughout the Arab world and East Africa, and an "orange"—second-highest level—security alert in the United States.

The answer to the *cui bono* is clear: the Clash of Civilizations crowd in Washington, including the gaggle of chickenhawks determined to redraw the map of the Middle East by overthrowing all the governments in the region. As for "Who runs al-Qaeda?," back in the 1980s al-Qaeda was part of the Anglo-American intelligence operation in Afghanistan. When did this intelligence control stop?

A closer look at these attacks will confirm *EIR*'s warnings pointing to a destabilization of the region in support of a Clash of Civilizations policy. It will also point to the role of networks associated with Anglo-American intelligence services.

Who Let Suicide Bombers Into Israel?

The bombing spree actually began back on April 29, when a suicide bomber blew himself up in front of the Mike's Place restaurant in Tel Aviv, killing three people. A second bomber on the scene escaped after his bomb failed to explode. Unlike all previous suicide bombings in Israel, its perpetrators were neither Palestinians nor Arabs, but British citizens of Pakistani origin. The case went beyond the Palestinian-Israeli conflict, and, in fact, pointed to a direct complicity by the Israeli intelligence networks themselves.

Links of these bombers to Hezbollah and Hamas were immediately suggested in international media; Syria was said to be the headquarters for the operation because one of the

bombers had pursued Islamic studies in Damascus. The fact that they had been in Gaza and appeared at a public memorial service for Rachel Corrie, a member of the pacifist International Solidarity Movement killed by Israeli troops, was used by the Israelis in an attempt to ban that organization.

It seemed as if Palestine, Israel, and Syria would become the epicenter of the "global war on terror." But something had gone wrong with this operation. Facts began to be revealed, that even to Israeli intelligence experts were very disturbing.

Why foreigners? The Palestinian militant groups, including Hamas, have no shortage of candidates for suicide bombings. Nor do they want international terrorists working on their turf. Senior *Ha'aretz* correspondent Akiva Eldar wrote on May 20: "Hamas leaders are worried about hitchhikers, like the two British-Pakistani terrorists who attacked Mike's Place in Tel Aviv or the terrorists in Casablanca who attacked Jewish targets. Hamas has always made sure to keep their agenda confined to the Palestinian-Israeli dispute. They are not interested in recruiting Islamic fanatics or joining their war against America."

For Prime Minister Ariel Sharon's purposes also, local Palestinian suicide bombings suffice. In the last two years, it has been a proven fact that when the Israelis conduct a certain number of targeted assassinations, house demolitions, and killings of innocent civilians, a suicide bombing is not only sure to follow, but even its date can be predicted. So why import a foreign operation unless it is meant for something much bigger—such as launching a scenario that will tar the Palestinians with the same brush as al-Qaeda, where Palestinian President Yasser Arafat will have to face the same fate as Saddam Hussein?

How did these Pakistanis manage to enter Israel, when no Pakistanis are allowed to do so? Hanif's Pakistani birth was clearly stated on his passport. Israel's leading military correspondent, Ze'ev Schiff, questioned how it was possible for the duo to travel about so easily and escape detection by the Israeli security services. "The question is: Why their passage through these checkpoints was so smooth, despite the fact that they looked distinctly Arab? True, they had British passports, but the names in the passports were Arab. In the United States, the two would surely have been carefully searched and interrogated each time. Furthermore, their names were in the border control computers. The fact that the men entered Israel from an Arab state, then crossed into Gaza and re-entered Israel from there, should have immediately told guards that they needed to investigate the pair thoroughly. At Ben Gurion Airport, people in similar situations are interrogated at length. Yet at the land crossing between Israel and Arab territories, people apparently pass through easily."

Israeli Minister of Defense Shaul Mofaz revealed that the two entered Israel through Jordan at the Allenby Bridge crossing—controlled by Israel—with their explosives hidden in their Korans. An Israeli journalist informed *EIR* that

the Israeli border police, after seeing that their names were in the computers, called the Shin Bet security service, and were told to allow them to enter. The journalist was unable to publish the story because of a gag order placed on the case.

According to the British investigation, the bombers were members of the British-based radical Islamic group Hizb ut-Tahrir, one among many terror-linked groups that British authorities never seem to find the “legal” justification to shut down. Many of these groups host militants who served in the war against the Soviet Union in Afghanistan, financed and trained by the Anglo-American intelligence services, and their chief recruiter was Osama bin Laden.

Two weeks after the bombing, a badly decomposed body was discovered off the coast of Tel Aviv. Through a DNA test, the body was identified as that of the escaped bomber, Sharif. A senior Israeli crime journalist told *EIR*, “It’s perfectly clear to me.” The guy was grabbed by the Shin Bet or police right away, the journalist said, and they likely killed him for their own reasons.

Four weeks have passed since this bombing, with no official report, nor any call for an investigation of how the two entered the country. The five recent suicide bombers fit what can be now called the “normal” pattern, with no foreign links even suggested.

Two Atypical Attacks in Chechnya

On May 12, three suicide bombers drove a truck laden with 1.3 tons of explosives into a government compound in Northern Chechnya. The bomb destroyed a government administration building and badly damaged the regional headquarters of Russia’s Federal Security Service (FSB). Russian President Vladimir Putin released a statement charging what appeared to be obvious, that the attack was aimed at undermining recent efforts to politically resolve the conflict. Two days later, and within hours of the attacks in Saudi Arabia, another suicide bomber blew herself up in the middle of the crowds attending the funeral ceremony of some of the 40 victims of the first bomb attack, killing another 14 people.

The second bombing occurred as President Putin was holding a tense meeting with U.S. Secretary of State Colin Powell, who was trying to convince the Russian President to approve a United Nations resolution backing U.S. occupation of Iraq. At the press conference after his meeting with Powell, Putin linked the bombings in Chechnya with those in Saudi Arabia, saying, “The signature in both places is identical.” Putin’s statements were backed up by Col. Ilya Shbalkin, head of FSB operations in Chechnya, who stated, “All terrorist acts committed on Chechen territory are financed by international terrorist organizations, including al-Qaeda.” The Russian media commented that suicide bombings are very rare among Chechen fighters, who have little problem inflicting serious casualties using traditional guerrilla tactics. The targeting of government buildings in the more secure and loyal regions of

Chechnya was seen as beyond the capabilities of the Chechen opposition.

Target: Saudi Arabia and Morocco

Saudi Arabia has been in the gunsights of the Chicken-hawks ever since the strange Laurent Murawiac was invited by the notorious Richard Perle, to present a wild attack on Saudi Arabia before Secretary of Defense Rumsfeld’s Defense Policy Board last year. Acting Saudi Regent Prince Abdullah has been the target of the Chicken-hawks’ rage because of his refusal to endorse the war against Iraq. “Call it stupidity, call it short-sightedness; it is clear the hawks don’t want Prince Abdullah to become King,” a senior British Middle East expert told *EIR*.

A senior Israeli intelligence source also saw Abdullah as the target: “The terror attacks don’t target the United States or Great Britain, but Saudi Arabia and Morocco. . . . It is clear, whether through manipulation or—and I’m not one to speak of conspiracies, but in this case it cannot be ruled out, these operations are contributing to the clash of civilizations.”

The attacks in Morocco were unprecedented and seen as ordered from outside the country. Moroccan Foreign Minister Mohamed Benaissa said, “Similarities of action [and] the nature of the terrorists’ act lead us to believe that there is a foreign hand behind it.”

Senior diplomatic sources in the region confirm this assessment, pointing to the fact that opposition to Morocco’s monarchy—from the Islamic Social and Development Party—rarely takes the form of violence. Morocco did not support the war on Iraq. The targets—the Belgian consulate, a restaurant and hotel frequented by tourists, and three Jewish community centers—aim at destabilizing Morocco, and not hurting U.S. interests. This source pointed to the fact that King Mohammed VI is very close to French President Jacques Chirac, whose opposition to the war the king supported. He underscored that a destabilized Morocco targets European interests.

In the midst of this terror spree, the Arab satellite network Al-Jazeera aired a tape reputed to be by Ayman Al-Zawahri, a top lieutenant of Osama bin Laden, raising fears of fresh attacks. Zawahri’s fiery statement, denouncing most of the Arab governments as American lackeys, called for attacks on the embassies and interests of “America, England, Australia, and Norway.” The targeting of Norway raised many eyebrows, because it opposed the war, and is one of the states pressuring Israel to come to implement the Road Map. The statement cast doubt on the credibility of the tape.

No better credibility has Defense Secretary Donald Rumsfeld, who, at a press conference in Washington on May 21, charged that the al-Qaeda cell responsible for the Saudi bombings was safehoused in Iran. How far Rumsfeld’s attempt to replay the script recently used against Iraq will go, remains to be seen, now that that script has been proven to be based on lies.

Anti-LaRouche Operative Khashoggi Fired by Saudis

by Hussein Askary

Jamal Ahmad Khashoggi, editor-in-chief of the Saudi daily *Al-Watan*, was fired from his editor's post on May 27. The decision obviously came from "higher" authorities in the government, rather than from the newspaper itself. International news wires reported that the sacking of Khashoggi, was a defeat for the "reformists" and a victory for the "extremists."

One Arab journalist told *EIR* that the characterization of Khashoggi as a "moderate reformist" is a joke. "We had to fire him some years ago from our newspaper, because no one could stand his raving pro-bin Laden fanaticism," said this source. Khashoggi spent many years in the company of bin Laden's Arab Afghans during the Afghan war against Russia, reporting on the "heroic deeds" of the mujahideen.

AP's wire was titled "Saudi Government Fires Anti-Extremist Editor." AP described Khashoggi as "an editor whose newspaper was in the forefront of a campaign against Muslim extremism."

For Cultural 'Reforms' Only

Khashoggi started a campaign in *Al-Watan* after the bombings in Riyadh on May 12, asking the government to "purge" and strike with an "iron fist," not only supporters of terrorism, but anyone he saw as extremist and anti-Western (i.e., critical of Anglo-American policies). *Al-Watan*, according to AP, "published many critical articles in the wake of the May 12 attacks in Riyadh that killed 34 people, suggesting that Muslim fanaticism, long tolerated in the country, led to terrorism. On Saturday, Khashoggi, writing about fanaticism, said: 'It's time we treated the affliction and held those who strayed accountable.'"

Khashoggi used the newspaper to attack a number of powerful religious authorities and agencies—a matter which enraged many of the powerful religious forces in Saudi Arabia. He is regarded by many Saudi intellectuals as an agent and a member of "a fifth column" which is pushing the imperial version of reforms; i.e., free trade, privatization, more pop-culture, and video-games. Meanwhile, he undermined the call for real political and social reforms—such as elections to break the grip of the royal family on the nation's economy and politics—and the repatriation of Saudi money to be invested in infrastructure and industrial projects. "Reformists" like Khashoggi have insisted that Saudis erroneously believe that they are themselves to blame for the Sept. 11 attacks.

Khashoggi and others have attempted to use the terror bombings in Riyadh as another "Reichstag fire" to carry out a coup in the country. "Many Saudis who had hoped that their country was on a path toward change following the terror attacks against three compounds housing foreign workers were disappointed by the news of Khashoggi's dismissal," reported AP. It cited another "reformist," Turki al-Hamad, as saying: "This is a bad sign. . . . This will be considered a victory by the extremists. It's like an invitation for more attacks."

A few days before the sacking of Khashoggi, he and Al-Hamad made quite revealing statements to Murdoch's Fox News. Fox reported that "since the Sept. 11 terror attacks, some Americans have criticized the Saudi government, blaming the country's strict version of Islam for breeding militants like al-Qaeda leader Usama bin Laden. Now some Saudis are making a linkage between hard-line clerics and extremist violence. It's now a matter of the survival of the nation and society," said Turki al-Hamad, a writer and columnist. "If the government treats the attacks [in Riyadh] as an isolated incident, the other side will consider it a weakness on the government's part, and the militants' hand will be strengthened." Khashoggi told Fox News that the government allowed some extremists-turned-terrorists loose. Fox hoped that "the Riyadh attacks will mark a turning point in the thinking of Saudi rulers—an end to the blind eye toward radicals, and even a change in the implicit contract that has structured the kingdom." It added that "in return for support from clerics of the austere Wahhabi sect of Islam, the Saudi royal family has given Islamists a free hand in social matters. . . . Khashoggi links that social fanaticism to anti-Western violence."

Trying a Saudi 'Reichstag Fire'

Fox proudly said of Khashoggi: "Khashoggi, in an *Al-Watan* editorial, said the government should see Monday's attacks, which fell on the 11th of the Muslim month Rabia al-Awal, in the way Washington saw the Sept. 11 attacks: as the beginning of a new era. 'Just as their [Americans'] world changed that day, our world changed that night and we should get ready for what's coming,' wrote Khashoggi."

Khashoggi became editor-in-chief of *Al-Watan* in March 2003. His first decision was to remove the popular weekly article of LaRouche associate Jeffrey Steinberg. He started a campaign in October 2002 against Lyndon LaRouche and his increasing recognition in Arabic media and institutions. Khashoggi wrote a slander article against LaRouche, first published in Kuwait and later in Lebanon, and in the London-based Saudi daily *Asharq Al-Awsat*. The Straussian Middle East Media and Research Institute in Washington translated Khashoggi's article to other languages and circulated it.

A hot item circulating in the Saudi Internet discussion groups since Khashoggi's sacking, is *EIR*'s article refuting Khashoggi's attack on LaRouche: "Why is Khashoggi worried about LaRouche?"

‘Science Is a Human Adventure’

H el ene Langevin-Joliot comes from a remarkable family of distinguished scientists. Her grandparents, Marie and Pierre Curie, won the Nobel Prize for physics with Henri Becquerel in 1903, for the discovery of radium. Marie Curie won a second Nobel Prize, for chemistry, in 1911. And Langevin-Joliot’s parents, Ir ene and Fr ed eric Joliot-Curie, won a Nobel Prize for chemistry in 1935, for their discovery of artificial radioactivity. Langevin-Joliot herself is a respected nuclear physicist from the Institute of Nuclear Physics at Orsay, the laboratory set up by her parents.

This interview was conducted by Melanie O’Byrne, science writer at the Department of Energy’s Thomas Jefferson National Accelerator Facility Laboratory in Newport News, Virginia. The interview, which will appear in the Jefferson Laboratory June newsletter, is reprinted here with permission.

O’Byrne: What do you do when you’re not travelling around the world, speaking about your family?

Langevin-Joliot: I try to save part of my time for research. My fields of interest are exotic nuclei and highly excited hole states in medium and heavy nuclei. I don’t travel too much. I generally speak about the Curies and Joliot-Curies in lectures on radioactivity and its applications, on nuclear physics, science, research, or women in science, either for the general public or students. Visits to high schools are occasions for meeting kids, telling them stories and answering questions.

I think that improving the public scientific culture is a major challenge of our time. Showing that science is a human adventure, not only equations and techniques, may help. Important efforts are needed to preserve scientific archives. I am involved in those through my parents’ archives. . . .

O’Byrne: What sparked your interest in science?

Langevin-Joliot: I was a very good student at mathematics and science. I had the feeling that science was something interesting when I heard my parents speaking about it. My mother, especially, gave me the feeling that you didn’t need to be a genius to become a researcher. That was very encouraging. I would otherwise have chosen to do something completely different.

O’Byrne: You completed your baccalaureate exams toward the end of World War II, in a small village?

Langevin-Joliot: My father was a Resistant [Resistance fighter] against German occupation. In Spring 1944, he went into hiding in Paris and decided that it was safer for my mother to leave France and try to reach Switzerland with my brother and me. I took my baccalaureate exam on the way. It happened that the exam was over on June 5. On the morning of June 6, we heard about the allies landing in Normandy and we left to cross the border. It was the best day for this expedition, the Germans having other things in their mind!

O’Byrne: Where did you conduct your Ph.D. research?

Langevin-Joliot: At the nuclear physics and chemistry lab at the Coll ege de France. My thesis was on internal Bremsstrahlung and auto-ionization phenomena. I worked alone for some five years, preparing the apparatuses, performing the experiments and discussing them with theoreticians. I started as a probationer at the CNRS (France’s national scientific research center) and became a permanent researcher even before defending my thesis. . . . Then our lab moved to the new nuclear physics Institute at Orsay and I turned to medium-energy nuclear reactions. My mother had discovered the Orsay site; she had obtained government funding for a new lab and ordered a synchro-cyclotron. Such a machine could not be built inside Paris at the Radium Institute or the Coll ege de France. She died in March 1956, before the lab was built.

My father spent the remaining two years of his life realizing the program they had decided together.

O’Byrne: Are others in your family interested in science, too?

Langevin-Joliot: Yes, my husband, Michel Langevin, was a nuclear physicist at the Institute. My son, Yves, is an astrophysicist, mainly interested in planetology and asteroids. My brother, Pierre, is a biophysicist working on photosynthesis.

O’Byrne: What do you remember about Marie Curie?

Langevin-Joliot: I do not have a clear memory of my childhood, and my parents did not tell me that I had a very famous grandmother! I have some memories of Marie with me in the Luxembourg Garden in Paris. My few direct memories are mixed with photographs, home movies, and my parents’ memories.

O’Byrne: Do you remember your parents winning their Nobel Prize?

Langevin-Joliot: It was at a time when we shifted from Paris to the new house my parents built in the suburbs. I can recall them saying they won the Nobel Prize but it did not mean much to me at the time!

O’Byrne: Ir ene and Fr ed eric observed the neutron, but did not know what it was. James Chadwick went on to get the Nobel Prize for that. Later Ir ene observed what turned out to



Hélène Langevin-Joliot (left) during a special talk at Georgetown University, arranged by Prof. Azam Nirooman-Rad (right), the vice president of the International Organization of Medical Physics.

be fission. How did that make your parents feel?

Langevin-Joliot: When fission was discovered at the end of 1938, I heard my parents comment, “Maybe if we had worked together, we could have discovered fission!” From 1935 on, you see, my father had focussed on building accelerators. The Joliot-Curies were not the first to “observe” neutrons. At the end of 1930, Walther Bothe and Herbert Becker had discovered a mysterious radiation, which penetrated matter much more than usual ones, attributing it to very high-energy gamma rays.

Note that physicists were much puzzled by cosmic rays; they did not know of the pair effect and of positrons. In mid-January 1931, my parents discovered that the Bothe and Becker radiation projected out energetic protons from hydrogenous matter. They published the result of this key experiment immediately, suggesting a kind of Compton effect. Their note (in French) was read in Cambridge, England, the next week.

After confirming the surprising Paris results, James Chadwick started his decisive experiments to check if the radiation could be that neutral particle (a very tightly bound proton-electron system) suggested by Rutherford several years before. After the discovery at the end of February, the neutron finally turned out not to be the Rutherford particle, but that is another story.

O’Byrne: Your parents actually saw the first atomic bomb.

What were their feelings and reactions?

Langevin-Joliot: They were stricken but not surprised with the power of the bomb dropped on Hiroshima and Nagasaki. Then, as with many nuclear physicists, they were eager with the hope of preventing a nuclear arms race. The Cold War, unfortunately, prevented any agreements for years. My parents were very much involved in the Peace Movement and the Stockholm appeal against atomic bombs.

O’Byrne: Marie Curie and Irène Joliot-Curie were never accepted into the French Academy of Sciences yet Frédéric Joliot was. What do you think of that?

Langevin-Joliot: No women, or at most very few, belonged to scientific academies, whatever the countries, in those times. The situation has improved slightly now, but not enough. Marie was not elected when she tried in 1911, and she never tried again because of the vicious attacks she had suffered—against her work, against women, against a woman of foreign origin.

My mother presented her candidature after the Second World War, also without success. She found the situation comical and tried to be elected at every possible occasion, three times, but she died before succeeding. Marguerite Perey, who discovered francium, later became the first woman accepted into the French Academy of Sciences.

O’Byrne: What is your advice to young students and physicists?

Langevin-Joliot: You need a love of the idea of physics and a love of doing physics—and they are not the same thing. Try not only to read papers but also to visit labs to see what doing research means in the different fields. It is better not to choose the same thing as everyone else. If you are becoming a physicist, try to resist the increasing tendency toward aggressive competition among individuals. Research is a very demanding activity, but perhaps the best success may be achieved by a right balance: between your involvement in personal as well as collective research efforts, personal and family life, and your responsibility as a scientist and a citizen in society.

O’Byrne: What is your message to the public regarding fear of radiation?

Langevin-Joliot: Earth is naturally radioactive; otherwise it would already be a dead planet. We live in a bath of radiation from rocks, gas, and space, with some 7,000 becquerels (the number of nuclei that decay per second) inside our body. We get enormous benefits from the use of radiation, especially in medicine. Nuclear energy, whose wastes are hugely radioactive, has the advantage of producing no carbon dioxide. I regret that the necessary efforts to handle nuclear wastes properly have been underestimated for many years. New programs are developing seriously now, and I am convinced that safe answers could be found to the problem.

International Intelligence

Russia's WTO Entry Put Off to 2007

At a press conference May 20, Deputy Minister of Economic Development and Trade Maxim Medvedkov, Russia's chief negotiator with the World Trade Organization (WTO), admitted that Russia's entry in WTO has been postponed for four years or more. Russia has been negotiating about WTO membership for ten years. Russia's relations with the WTO merited one vague sentence in President Vladimir Putin's annual Message to the Federal Assembly, delivered on May 16. "We have some progress in our movement toward WTO membership," he said.

Actually, according to major Russian papers, no progress has been visible for the last year and a half, as the Russian negotiators are reluctant to concede to the WTO's major demands, such as liberalization of the domestic market of fuel products (natural gas and gasoline), lifting state subsidies for agriculture, and opening the financial markets to foreign bankers and insurers.

At his press conference, Medvedkov referred to the miserable experience of those CIS countries which joined the WTO and lost most of their domestic productive facilities—Moldova, Georgia, and Kyrgyzstan. "I guess they opened the markets just for the reason that those markets were underdeveloped," he said, contradicting WTO authorities who try to describe the three unfortunate post-Soviet republics as success stories.

Franco Revival Under Way In Spain?

Germany's *Frankfurter Allgemeine Zeitung* on May 20, in an article on "Franco's Quiet Return," reported that on the 100th anniversary of the birth of the Synarchist founder of the Spanish Falange, José Antonio Primo de Rivera, a revival of Spanish fascist dictator Francisco Franco is taking place in Spain. Supporters of de Rivera displayed books by him outside a Church in the center of Madrid, where a mass was being celebrated in his honor.

Primo de Rivera, who founded the Falange Española in 1933, was a good friend of Sir Samuel Hoare. Hoare, who played a role in Moscow during the 1917 Bolshevik Revolution, and was named by the French pro-fascist Synarchists as their key collaborator in Britain, was later also the British Ambassador in Madrid.

Rivera's writings were promoted by Fernando Quijano, a former associate of Lyndon LaRouche, who betrayed LaRouche and attempted to take over LaRouche's movement while LaRouche was in prison.

Primo de Rivera called for the abolition of political parties, and declared that Spain's historical fulfillment is the empire. "In the economic sphere, we think of Spain as one huge syndicate of all those engaged in production. We shall organize Spanish society along corporative lines, by means of a system of vertical unions representing the various branches of production, in the service of national economic integrity." The "National Syndicalist state" was to be constructed "on the principles of family, municipality, and guild." "The family, municipality, and the corporation are the pillars of our real existence," he wrote. "Ours will be a totalitarian state."

The *Frankfurter Allgemeine Zeitung* article reports that a new book, by a former Marxist, entitled *The Myths of the Civil War*, attempts to rehabilitate Franco. The book has been number one on the bestseller list in Spain for weeks.

N. Korea Offers U.S. New Silk Road Bargain

North Korea on May 25 issued an important call to the United States to continue negotiations, which Washington has still not said it is willing to do. A North Korean Foreign Ministry statement said, according to Reuters, that Pyongyang will now agree to U.S. demands for "multilateral talks" over its nuclear program—if Pyongyang and Washington hold bilateral talks first. This is a more substantial proposal than anything yet out of Washington.

"The U.S. has not yet said any word about the D.P.R.K.'s 'bold proposal' [at the

Beijing meeting in April] for the settlement of the nuclear issue, but is talking about the format of talks, calling for the 'five-party talks,'" said the North Korean statement, referring to the United States, China, both Koreas, and Japan. In fact, it is South Korea and Japan that are pushing to be let in, and it has been North Korea which has refused to meet the larger group.

"As there are issues to be settled between the D.P.R.K. and the U.S., the two sides are required to sit face to face for a candid discussion on each other's policies. Only then is it possible to have multilateral talks and make them fruitful," said the statement. "It is the D.P.R.K.'s stand that the D.P.R.K.-U.S. talks should be held first and they may be followed by the U.S.-proposed multilateral talks."

The Japanese Foreign Ministry in Tokyo welcomed the North Korean statement, saying it reflected Pyongyang's stance of seeking continued dialogue with countries concerned about the nuclear issue, *Kyodo News* reported.

Russian Defense Minister Sergei Ivanov in April offered to guarantee North Korea's security in the context of joining this group for Six-Power talks, and it is expected Russia also will join.

Franks Quoted: Iraq Officers Were Bribed

The London *Independent* on May 26 reported, "Senior Iraqi officers who commanded troops crucial to the defense of key Iraqi cities were bribed not to fight by American special forces, the U.S. general in charge of the war has confirmed. Well before hostilities started, special forces troops and intelligence agents paid sums of money to a number of Iraqi officers, whose support was deemed important to a swift, low-casualty victory.

"Gen. Tommy Franks, the U.S. Army commander for the war, said these Iraqi officers had acknowledged their loyalties were no longer with the Iraqi leader, Saddam Hussein," the paper reported. "It is not clear which Iraqi officers were bribed, how many were bought off or at what cost. It is likely,

AFGHANISTAN under its U.S.-sponsored government has reclaimed its position as the world's No. 1 producer of opium poppies, according to the *Baltimore Sun* on May 26. It now supplies nearly three-quarters of the world's opium, while the drug trade accounts for 20% of the Afghan economy. Sen. Joe Biden (D-Del.) said on May 22, "What we saw in Afghanistan, and what, unfortunately, we're seeing again in Iraq, is that for all our success at projecting power, we're less adept at staying power."

IRAQ archeological sites continue to be looted by well-organized gangs, the *New York Times* reported on May 27. These include famous ruins, such as the sites of the ancient cities of Babylon and Isin, where they were digging out and selling urns, sculptures, and cuneiform tablets. They know what to look for and how to get it out of the country. U.S. "viceroy" Bremer's decree prohibiting most Iraqis from carrying guns in public may disarm the Bedouin watchmen who guard the sites. The looting reflects broader lawlessness.

TURKISH Chief of General Staff Gen. Hilmi Ozkok took offense at the government's policy of re-hiring persons who had been expelled by the military because of their pro-Islamist activities. On May 26, at a briefing, General Ozkok was asked whether the military would repeat what it had done in 1997, when it ousted Islamist Prime Minister Erbakan. "That was cause and effect," he said, "and if the cause is still there, then the effect will be there also."

CHINA completed its space-based navigation system on May 25, launching its third navigation satellite, called Beidou. China's satellite navigation constellation will provide precision positioning information for objects on Earth, in three dimensions—latitude, longitude, and altitude. It is similar to the U.S. Global Positioning System (GPS). The GPS is run and controlled by the U.S. military, and can be turned off to civilian or foreign users at any time.

however, that the U.S. focused on officers in control of Saddam's elite forces, which were expected to defend the capital. The Pentagon said that bribing the senior officers was a cost-effective method of fighting and one that led to fewer casualties.

"The revelation by General Franks . . . helps explain one of the enduring mysteries of the U.S.-led war against Iraq: Why Iraqi forces did not make a greater stand in their defense of Baghdad, in many cases melting away and changing into civilian clothes rather than forcing the allied troops to engage in bitter, street-to-street fighting. The confirmation [revealed in the current edition of *Defense News* by reporter Vago Muradian] that crucial senior officers were bribed, would explain why there was so little resistance in locations where it was anticipated that better-trained troops such as the Republican Guard would make a stand."

Kirchner Inaugural Optimistic, Cites FDR

Speaking on his country's Independence Day, May 25, Argentina's new President Néstor Kirchner promised to make the state an active agent in national development, and in restoring to the citizenry those basic rights—jobs, health care, education, and dignity—of which they have been so brutally stripped under the past decade of neoliberal policy. Kirchner emphasized that there can be no model of "permanent [International Monetary Fund] adjustment" and constantly increasing indebtedness; nor can the debt be paid "at the expense of the hunger and exclusion of Argentines, generating poverty and social conflict." Creditors can only collect if "Argentina is doing well."

With 12 foreign heads of state in attendance, Kirchner asserted that the success of policies will now be judged by different criteria: whether they "approximate the goal of concretizing the common good." Internal consumption "will be at the center of our strategy of expansion," he said. The state must exercise its regulatory capacity, and help to build "national capitalism." There is nothing extremist about this, he said. Look at how developed countries "protect their

producers, their industries, and their workers."

The centerpiece of the government's new program will be an aggressive public works program, the new President said. The state must ensure completion of "unfinished projects, generation of genuine employment, and big investment in new projects." Neo-liberalism called these "unproductive investment," he said. But "we aren't inventing anything new. In the decade of the 1930s, the United States overcame the deepest economic-financial crisis in a century by such means" during the Franklin Roosevelt government. Kirchner underscored that projects for building highways and railroads, housing, "new and modern hospital, education, and security infrastructure, will profile a country productive in agro-industry, tourism, energy, mining, new technologies, transportation, and will generate real employment."

Bush vs. Chirac On Africa Food Policy

The Bush Administration is working to defeat French President Jacques Chirac's plan to put a floor under African commodity prices at the G-8 summit. Chirac's plan is in line with his proposal, at the Franco-African Summit in February, to provide at least ten years of favorable terms of trade for Africa.

President George Bush's counterproposal to help Africa "is believed to be a vast expansion of its subsidized food aid program, allowing it to pump even more money into American farms under the guise of aid," according to the London *Guardian* on May 23. Speaking at the Coast Guard Academy on May 21, Bush said he was urging the European Union governments to cut their \$4 billion in agricultural export subsidies. But the White House is working behind the scenes to prevent any mention at the G-8 summit in Evian, France, of U.S. agricultural export subsidies, estimated at \$3.5-4 billion.

A G-8 official said, "America's opposition to this plan is so strong, they will be negotiating over it right up until the wire. We might end up with nothing."

Neo-Conservative Cabal Under Mounting Attack

by Jeffrey Steinberg

The “regime change” in Washington, demanded by Lyndon LaRouche in the immediate aftermath of the Iraq war, moved considerably forward in the final days of May, with Secretary of Defense Donald Rumsfeld and the “chicken-hawk” cabal inside his office coming under mounting attack—from the Establishment media, from the Congress, and from within traditionalist military and intelligence circles. As LaRouche emphasized in his recent speeches in Bangalore, India, the target of the countercoup in Washington is not President Bush, but, rather, the gang of “universal fascist” disciples of Leo Strauss, Alexandre Kojeve, and Carl Schmitt; right-wing Ariel Sharon-loving Jabotinskyites and Christian Zionists; and other sordid neo-conservatives, who have progressively seized the reins of power inside his Administration since Sept. 11, 2001.

With the LaRouche in 2004 campaign’s devastating exposé, “Children of Satan,” among the hottest topics of behind-the-scenes discussion inside official Washington and all across America, there is growing evidence that some leading American political circles are waking up to the fact that they are literally facing a fascist insurgency, which threatens the very existence of the United States as it has been known for the past 214 years.

And the wake-up is coming not a moment too soon. Not content to have turned the once-modern multi-ethnic state of Iraq into a rubble field, these neo-cons are moving at break-neck speed to sell President Bush on the next war against the “axis of evil”—targeting Iran. In a speech to the New York Council on Foreign Relations on May 27, Rumsfeld openly promoted the idea that he would like to “displace” the regime in Tehran. This, after he had made a number of public statements, accusing the Iranian government of harboring al-Qaeda leaders and spreading weapons of mass destruction—

the same disinformation that was peddled to win Bush’s approval for the Iraq war.

While Secretary of State Colin Powell, the most outspoken Administration opponent of the chicken-hawks, was assuring reporters, hours after the Rumsfeld speech, that there has been no change in U.S. policy toward Iran, and that contacts with Iranian representatives in Geneva had not been cut off (as was mis-reported in the *Washington Post*), ABC News was reporting that “the Pentagon is advocating a massive covert action program to overthrow Iran’s ruling ayatollahs as the only way to stop the country’s nuclear weapons ambitions.” ABC reported that the Pentagon scheme, which has not yet been adopted by the Bush Administration, would include covert funding of the Iraq-based Iranian Mujahideen e Khalq (MEK), a group now on the U.S. State Department’s list of Foreign Terrorist Organizations. ABC singled out a leading Pentagon chicken-hawk, Assistant Secretary of Defense for Policy Douglas Feith, as a booster of the MEK, reporting that Feith “argued that the MEK has not targeted Americans since the 1970s . . . and was only put on the terrorist list by the Clinton Administration as a gesture to improve relations with Iran.”

PFIAB Probe Demanded

Before the Rumsfeld-Paul Wolfowitz-Feith gang at the Pentagon, and their boosters in the Office of Vice President Dick Cheney, launch yet another war, based on pure deception and lies, there is a growing clamor for a full probe into the “cooked” intelligence that was the basis for the last war—against Iraq.

Appropriately, on Memorial Day, May 26, the *New York Times* published a lead editorial, “Reviewing the Intelligence on Iraq,” calling on President Bush to “ask the President’s

Foreign Intelligence Advisory Board, a group of outside experts headed by Brent Scowcroft, former National Security Adviser, to assess the record on Iraq, and the Congressional intelligence committees should conduct their own reviews.”

The *Times* editorial began, “With doubts mounting about the accuracy of prewar American intelligence reports about Iraqi unconventional weapons, we are glad to see that the Central Intelligence Agency has begun a review of the spy assessments. The failure so far to find any weapons of mass destruction in Iraq, the prime justification for an immediate invasion, or definitive links between Saddam Hussein and al-Qaeda, has raised serious questions about the quality of American intelligence and even dark hints that the data may have been manipulated to support a pre-emptive war.”

Indeed, in his CFR speech, Rumsfeld set off a renewed firestorm over the fake intelligence issue, admitting that the United States might never find weapons of mass destruction in Iraq; that Saddam Hussein may have destroyed them prior to the invasion. While Administration chicken-hawks, led by the trained Straussian liar Paul Wolfowitz, have never had a problem juggling the pretexts for the war to fit the evidence of the moment, British Prime Minister Tony Blair found himself facing a chorus of angry Members of Parliament, led by his former Foreign Secretary Robin Cook, who demanded that Blair appear before the Commons to account for the fact that he had based British support for the Iraq war exclusively on “air-tight” proof that Saddam Hussein had weapons of mass destruction that he could unleash “within 45 minutes.”

The Pentagon’s ‘Big Lie’ Kitchen

Several U.S. diplomatic and intelligence sources confirmed to *EIR* that the center of the cooked intelligence storm is the Office of Special Plans (OSP), the small Pentagon intelligence shop under the chain of command of Doug Feith. It was created in the immediate aftermath of Sept. 11, 2001, ostensibly to conduct alternative assessments of the voluminous U.S. intelligence product on global terrorism, with a special focus on proof of Iraq’s complicity in the attacks—a role disputed by all the primary intelligence agencies and the State Department. In reality, the OSP served as a pipeline for Israeli and Iraqi National Congress (INC)-manufactured disinformation, fed through Rumsfeld directly into President Bush and the National Security Council.

The OSP intelligence shop is headed by Abram Shulsky, another Leo Strauss student, trained in the fine art of intelligence deception by Roy Godson, head of the Consortium to Study Intelligence and the National Strategy Information Center. Godson barely escaped prison in the 1980s Iran-Contra fiasco, when he served as a money launderer for the Nicaraguan Contras, passing funds from Pittsburgh-based neo-con money-bags Richard Mellon-Scaife into Ollie North’s off-shore bank accounts.

Godson, according to one former CIA senior official, was the author of the OSP scheme—back in 1991, in the immediate aftermath of Operation Desert Storm. Based on this report,

it is now clear that the creation of a “ministry of propaganda” in the Defense Department was one more piece of the post-Soviet drive by the Cheney Pentagon team to foster an imperial policy of preventive war, in which America would use mini-nuclear weapons against Third World targets, based on “WMD” scare stories cooked in the Pentagon black propaganda kitchen.

Godson is now on contract with the OSP. Other key figures in the Pentagon deception scheme, according to a number of sources, include: Harold Rhode, the chief Middle East “expert” at Dr. Andrew Marshall’s Office of Net Assessments, and a close ally of Defense Policy Board member and neo-con top dogs Richard Perle and self-professed “universal fascist” Michael Ledeen; William Luti, Deputy Assistant Secretary of Defense for Near East and South Asian Affairs, and titular head of the OSP; Kenneth de Graffenried, another Godson ally from the Iran-Contra criminal enterprise, now occupying a post under Feith at the Office of the Secretary of Defense (OSD); and Ladan Archin, an Iraqi-American Wolfowitz protégé from the School of Advanced International Studies (SAIS) at Johns Hopkins University, who came to the OSP from the International Financial Corp. of the World Bank, and reportedly serves as a liaison to Ahmed Chalabi and the INC.

Mounting Pattern of Exposés

As pressure mounts for government probes of what LaRouche labelled the “chicken-hawk intelligence agency,” media and Congressional attacks have also escalated. On May 25, the *New York Times*’s Maureen Dowd penned a scathing attack on the disinformation cabal at the OSD. Dowd quoted Rep. Jane Harmon (D-Calif.), ranking Democrat on the House Intelligence Panel, who called the Bush Administration’s disinformation campaign on Iraq’s WMD and al-Qaeda links “conceivably the greatest intelligence hoax of all times.” Harmon repeated those charges in an interview on ABC’s *Nightline* on May 27, She was joined by former CIA counterterrorism division chief Vincent Cannistraro, who denounced the OSP by name: “What the Office of Special Plans started out with was a judgment. It was a judgment informed by an ideological point of view. Then they went out to look for facts that would fit that preconceived judgment.”

The June 12 edition of the *New York Review of Books* also featured a lengthy assault on the neo-cons by Elizabeth Drew. Drew zeroed in on the role of Rumsfeld’s Defense Policy Board, chaired, until recently, by Perle, as another neo-con redoubt, promoting war against a half-dozen other Arab states. On May 28, the *Baltimore Sun* editorialized, “Puffed up by the military triumph in Iraq—and blithely unconcerned about the violence and chaos that are taking root there in its wake—administration hawks now seem to recognize no limits to the brazen and unilateral use of American might.”

With this momentum, clearly the next step is for some civilian Pentagon heads to roll. As Lyndon LaRouche observed, it scarcely matters who goes first. The floodgates must be opened.

Intelligence Distortions Under Investigation

by Edward Spannaus

The manner in which intelligence concerning Iraq was distorted for political purposes, in the period leading up to the invasion of Iraq, has set off alarms among many current and former intelligence officers. There are two relevant areas of concern: one is the special Pentagon intelligence unit in the Defense Department's policy shop—which we have described as the “Chicken-hawk Intelligence Agency”; and the second, is the Central Intelligence Agency itself, which came under tremendous political pressure to shape its findings to support the pre-existing desire for a war against Iraq among circles in the Administration centering around Vice President Dick Cheney and Defense Secretary Donald Rumsfeld.

The review of Iraq intelligence launched by CIA Director George Tenet, and disclosed by the *New York Times* on May 22, is expected by many sources and observers to lead to an examination of the Pentagon “Office of Special Plans,” in the office of the Undersecretary of Defense for Policy, Douglas Feith. The *Times* story reported that CIA analysts had complained that this unit was staffed by conservative ideologues eager to offer to the Administration an alternative view to that of the CIA. As *EIR* has documented, this office is run by avowed followers of Leo Strauss such as Abram Shulsky.

What Happened to the CIA?

For many CIA veterans, their bigger concern is what has happened to their agency. This concern led a number of retired CIA analysts to form the group known as Veteran Intelligence Professionals for Sanity, or VIPS.

On May 1, VIPS delivered an open letter to President Bush on what they termed the Iraq “Intelligence Fiasco” (see *EIR*, May 9, 2003). “You may not realize the extent of the current ferment within the intelligence community and particularly the CIA,” they wrote. “In intelligence, there is one unpardonable sin—cooking intelligence to the recipe of high policy. There is ample indication that this has been done with respect to Iraq. What remains not entirely clear is who the cooks are and where they practice their art”—and whether their cooking kitchens are in the Pentagon, the National Security Council, the Office of the Vice President, or the CIA itself.

The VIPS group called upon the President to ask Gen. Brent Scowcroft, the chairman of the President's Foreign Intelligence Advisory Board (PFIAB), to launch an immediate inquiry into the performance of the various intelligence agen-

cies “in providing the intelligence upon which you have based your fateful decision for war against Iraq.”

(The VIPS call was echoed in the lead editorial of the *New York Times* on May 26, which likewise called on President Bush to ask his Foreign Intelligence Advisory Board, “a group of outside experts headed by Brent Scowcroft, former National Security Adviser,” to assess the intelligence record on Iraq. The *Times* also urged the Congressional intelligence committees to conduct their own review.)

Manipulation of Intelligence

In a discussion with *EIR*, Raymond Close, a 25-year veteran of the CIA and former chief of station in Saudi Arabia who is also a participant in VIPS, expressed his alarm at what is happening within the CIA. Describing himself as “a very loyal alumnus” of the Agency, Close said that “something is being corrupted here that should not be.”

Close, as other CIA veterans, was particularly disturbed that when Secretary of State Colin Powell gave his presentation to the UN Security Council on Feb. 5, Director Tenet was sitting right behind Powell, on camera, which was taken as Tenet's giving the Agency's imprimatur to Powell's presentation of the alleged evidence against Saddam Hussein. Ray McGovern, a founder of VIPS, authored a Feb. 12 Op-Ed entitled “CIA Director Caves In,” in which he said that Tenet's “sitting like a potted plant” behind Powell, sent the message that the CIA stands, or sits, foursquare behind what Powell is saying.

In a May 30 column, *New York Times* columnist Nicholas Kristoff wrote about “the growing evidence that the administration grossly manipulated intelligence” about Iraqi weapons of mass destruction in the runup to the Iraq war. Kristoff says that a column on the same subject earlier in the month, “drew a torrent of covert communications from indignant spooks who say that Administration officials leaned on them to exaggerate the Iraqi threat and deceive the public.”

“I've never heard this level of alarm before,” Kristoff quotes CIA and State Department veteran Larry Johnson as saying. “It is an abuse and misuse of intelligence. The President was being misled. He was ill served by the folks who are supposed to protect him on this. Whether this was witting or unwitting, I don't know, but I'll give him the benefit of the doubt.”

The ‘Mobile Labs’

The latest perturbation about the CIA's role followed the May 28 public release of the Agency's official assessment of the two trailers containing mobile laboratories, which were found recently in Iraq. The CIA conclusion is that the trailers were most likely the mobile, biological weapons labs that Iraqi sources had described, and which Powell had cited in his February presentation to the UN Security Council. However, the report is cautious in asserting this outright. The report acknowledges that no trace of any biological agents were

found in the labs, and there is no evidence that the labs were ever used. A number of observers noted that the report used a rather strange methodology: attempting to eliminate the possibility of any other uses for the mobile laboratories, except the production of biological weapons.

Prof. Matthew Meselson, a Harvard University expert on biological processes and biological weapons, who has also served as an adviser to the CIA, points to a number of technical problems with the CIA's analysis, and calls for an independent review of the evidence. "For everyone's benefit, this has to be reviewed by an outside group," Meselson told *EIR*, emphasizing that the CIA "is under gigantic pressure."

Meselson highlighted the earlier incident, in which forged documents were used by both the U.S. and British governments, to attempt to prove that Iraq was trying to purchase enriched uranium from the African country of Niger. Whoever allowed this to get into the hands of U.S. government officials should be publicly fired, Meselson declared. "Is our President still at the mercy of some poor intelligence sources?" he asked.

Meselson says that the case of the forged documents "shows that they [the intelligence community] were working under terrible pressure, and with a very great desire to have it come out one way rather than another—a sure recipe for making mistakes."

With regard to the question of the mobile labs, Meselson proposes that rather than people nitpicking the issues one by one and relying on secondary sources, the National Academy of Sciences should be asked to set up a panel to review the evidence, with full latitude to conduct their own tests, and do their own interviews. He points out that the Academy was established by President Abraham Lincoln during the Civil War "for just this type of thing"—to advise the government on scientific and technical issues.

'Look Like an Ass, or Escalate'

Asked about Meselson's proposal, Raymond Close responded that this is "a very sensible idea," explaining that "we have to restore our credibility in the eyes of the world.

"If we're going to get into a contest with Iran now, where we're going to start throwing around these accusations about connections with al-Qaeda and so forth, we'd better jolly well remember the lessons that we've learned over the past few months, and that is: don't go making accusations unless you're absolutely sure they're right," Close said. "Because not only do you destroy your own credibility, but you have a tendency to get yourself into a situation where you have only the choice between two disagreeable alternatives—either to back down, and make yourself look like an ass, or continue to escalate until you get to the point where you can't stop yourself. Both of those are extremely foolish things to do."

"Policy depends on good intelligence," he said, "and you've got to protect it, and you've got to preserve its integrity above anything else."

CFR Report on China Counters Neo-Con Aims

by William Jones

The release on May 22 by the New York Council on Foreign Relations of a report on "China's Military Power," was a shot across the bow of those neo-conservative warriors who aim at provoking a conflict with China over Taiwan. The report was the work of a 60-man task force headed by Carter Defense Secretary Harold Brown and Adm. Joseph Prueher, former commander of the U.S. Pacific Command and ambassador to China. The Task Force itself ranged from real China-bashers like Michael Pillsbury—who has spent much of his career "exposing" how Chinese military theoreticians see the United States as the "enemy image"—to old "China hands" like J. Stapleton Roy, an ambassador to China under Bush "41."

The report reiterates the consensus among military observers that "China is a regional power, and the Task Force does not envisage China becoming a globally committed military power in the next two decades." In other words, any threat to U.S. national security interests coming from China—if ever—will be about two decades down the road, and no cause for any drum-beating by those who can't live without a clear "enemy image." "China's military modernization of the P.R.C. is two decades behind the United States," Brown told a CFR forum.

Fending Off a Taiwan Crisis

The report's thrust is quite clear regarding the all-important issue of Taiwan, the only real issue that might possibly be deemed a potential cause of military conflict between America and China: "Any conflict across the Taiwan Strait would have an extremely adverse impact on the strategic landscape in Asia, regardless of the military outcome. Therefore, the most critical aim of U.S. strategy in the cross-strait situation must be to deter and minimize the chances that such a crisis will occur."

"Taiwan is fundamentally a political issue," the report continues, "and any effective strategy must coordinate military measures designed to deter, with diplomatic efforts, so as to reassure both China and Taiwan in a credible fashion that their worst fears will not materialize. For U.S. policy toward Taiwan, this means providing Taiwan with the weapons and assistance deemed necessary for the creation of a robust defense capability and not making a deal with Beijing behind Taipei's back," the report continues. "For U.S. policy toward China, this means maintaining the clear ability and willingness to counter an application of military force against

Taiwan while also conveying to Beijing a credible U.S. commitment not to support Taiwan's taking unilateral steps toward de jure independence."

The "China wonks" at the neo-conservative Heritage Foundation and the American Enterprise Institute (AEI) spent the first eight months of the Bush Administration "prepping" for a new relationship with Taiwan, bringing Taiwan independence advocates including the wife of Taiwan's President Chen Shui-bian, to Washington. Indeed, arms sales to Taiwan did increase under Bush, even beyond Taiwan's limited financial means for purchasing them. On March 11, 2001, Deputy Secretary of Defense Paul Wolfowitz met privately with Taiwan's Defense Minister, Tang Yiau-ming, during a Florida conference. This unprecedented high-level meeting raised an outcry from China. On April 9, 2001, a gaggle of Republican congressmen formed a "Taiwan Caucus."

At the beginning of his tenure, Defense Secretary Donald Rumsfeld announced that he would review the U.S./China military-to-military exchanges, warning that he would only reinstate those he deemed to be of benefit for the United States. The downing of the U.S. EP3 reconnaissance plane patrolling off the Chinese coast in June 2001, served to shut these exchanges down entirely for a time—might it have been avoided if Rumsfeld had not suspended the exchanges?

Ironically, the attacks of Sept. 11, 2001, which ultimately provided a means for the "chicken-hawks" hood-winking of President Bush into a war on Iraq, threw a monkey wrench into many of their own well-laid plans as regards China. The quick reaction of the Russian leader, Vladimir Putin, offering his help to the United States in its "war on terror," led to the Administration seeking a multilateral reaction to the attacks. This necessitated seeking collaboration with China on the issue. While the neo-cons made some early noises about links between al-Qaeda and China, those arguments proved even more ridiculous than their attempts to tie Iraq to al-Qaeda. With China becoming a collaborator in the "war on terror," the AEI neo-cons pushing their Taiwan independence card were reined in.

Obviously, some of the more conservative task force members were not happy about the emphasis of the report. Two of the worst China-bashers, Michael Pillsbury and Adm. Michael McDevitt from the Center for Naval Analysis, issued dissenting remarks. Pillsbury wanted to put off any evaluations of Chinese intentions and capabilities in the military field until it becomes democratic and therefore "transparent"; i.e., he wishes to remain on a war footing until there is "regime change" in China. Pillsbury writes, "Until the Chinese government is transformed into an elected, democratic regime, pervasive Chinese military secrecy will prevent the development of any real confidence about some fundamental issues of Chinese military intentions and capabilities."

Immediately after the CFR report was issued, the "chicken-hawks" began to squawk. On May 23, Heritage Foundation China-hawk John Tkacik labelled it a "feel-good" report. "It doesn't jibe with a Pentagon report last year,"

Tkacik complained. "And it's a mistake to underestimate the Chinese ability to amass a high-quality military force close to their shores." One of Heritage's former "experts" on the Chinese military, Richard Fisher, who now works out of Frank Gaffney's Center for Security Policy, commented, "the basic purpose of the report is to convey that there is not yet enough Chinese power to threaten American security interests at this time. But China doesn't need American-level military technology to beat us to the punch in Taiwan."

While effectively fending off the primary arguments of the neo-con China-bashers in their attempt to put in place a new anti-China policy, the report, however, falls short of giving a positive thrust to a U.S./China relationship.

The Importance of High-Tech

The most obvious path to putting those relations back on track would move in the direction of the proposals made by Lyndon and Helga Zepp-LaRouche for a decade, for a Eurasian Land-Bridge policy of "corridors of development" throughout the Eurasian landmass. Such a policy would both be an opportunity for American investment, and produce the greatest rate of growth for the Chinese economy—in particular in the vital western areas of the country.

The skittishness in the report as regards high-tech investment in China—its insistence, for example, that the embargo on the sale of military hardware to China should be kept in place—could be self-defeating. More importantly, the report skirts the broader issue of so-called "dual-use technologies." It was precisely this, in particular the area of satellite and rocket technology, which the China-bashers effectively used against the Clinton Administration in order to sabotage Clinton's attempt at creating a "strategic partnership" between the United States and China through increased trade.

While Admiral Preuher, in reply to a question from *EIR* on this issue, said that there would have to be built up a "modicum of trust before making a decision on such trade," he admitted that the neo-con claims that Loral's cooperation with China in the 1990s had led to advances in Chinese rocket development, were bogus. "Chinese rocket development was largely indigenous," Preuher said. "The 'theft' of missile secrets [widely reported on the basis of these erroneous claims] was not very well expressed in the press," he said.

Importantly, China's role in warding off a burgeoning U.S. confrontation with North Korea has made it a key player in preserving peace. A senior Bush Administration official commented on May 21, "We wouldn't have had talks with the North Koreans in Beijing without the Chinese. And they know they have a role to play there. There are a lot of positive things happening in our relationship with China," the official said. "On every issue, we are in touch with the Chinese. And there is some room for thinking that we are moving closer to each other, perhaps substantially."

A substantial relationship, for this Administration, requires the chicken-hawks be plucked from the positions of responsibility which they have grabbed.

Cheney Hires China-Hawk Author Aaron Friedberg

by Roch Steinbach and Mike Billington

Princeton University Professor of Foreign Policy, Aaron L. Friedberg, was recently appointed to the position of Deputy National Security Advisor to Vice President Dick Cheney, for a one-year period. *EIR* has learned that this appointment results from the concern among the neo-conservatives in the Bush Administration that, since 9/11, Asia policy has slipped out of their control, in deference to an “engagement” policy toward China, under direction of Secretary of State Powell, not dissimilar from that of the Clinton years.

Friedberg’s assignment for the coming year, according to informed sources, is to formulate policy in the run-up to the 2004 Presidential elections, to bring Asia policy back under neo-conservative control in preparation for a desired confrontation with China in Bush’s second term.

Friedberg is well-known as a neo-con and “China-hawk.” He was a founding member of the neo-conservative Project for a New American Century (PNAC), run by Straussians William Kristol and Gary Schmitt. But unlike, say, former Defense Policy Board chairman Richard Perle, he is not considered a fanatic, and maintains a reputation as a sophisticated apologist for a hard-line approach to the Far East in general, and China, in particular.

An Asian expert close to Friedberg told *EIR* that his rigid insistence that China is inherently an enemy which must eventually be confronted by the United States, makes him the perfect candidate for the assigned task.

One of Leo Strauss’ Noble Liars

To understand the character of the man assigned to set America into confrontation with the world’s largest nation, it is useful to review Friedberg’s primary book on United States security policy: *In the Shadow of the Garrison State: America’s Anti-Statism and Its Cold War Grand Strategy* (Princeton University Press, 2000). This work is a supposedly phenomenological approach to American political history, primarily of the Cold War, told in terms of viscerally antagonistic “movements” and abstractly competing ideologies.

Caution is advised: In *Garrison State*, we are confronted with a presentation of Leo Strauss’ “noble lie,” which has become the trade-mark of neo-conservative justifications for warfare and related policies. This is evident from the first line of the first chapter, where Friedberg quotes: “The political philosopher Leo Strauss once described the United States as ‘the only country in the world which was founded in explicit



“China expert” Aaron Friedberg, another Straussian devotee of strong state power emerging out of perpetual crisis, has been added to Vice President Cheney’s office, the real center of policy power in the Administration. His brief: a U.S.-China crisis after the 2004 elections.

opposition to Machiavellian principles.’ ”

Although it reaches back to the Civil War for some illustrations, *Garrison State* is primarily a revisionist reassessment of the American military-industrial complex during the Cold War, portraying this era as a healthy expression of laissez-faire American capitalism, and as a vibrant upwelling of what the author refers to as the “anti-statist” impulse among competing American ideologies. According to Friedberg, the privatization and corporate development of industries that might otherwise (e.g., during times of crisis or conditions of national emergency) fall under government control, is a healthy sign of patriotic “anti-statist” influence upon the national economy, which keeps the Federal government appropriately “weak” and therefore (in the author’s binary logic), the nation stronger. These same anti-statist aspirations, he says, dominate the American public’s conception of the proper role of their government.

Friedberg’s argument depends on this simple reduction, falsely dichotomizing American political philosophy into the dual poles of “statism” and “anti-statism,” representing two factional attitudes towards authority—in particular, towards the gathering of powers in the Presidency. He obliterates and subsumes all other issues, whether of substance or nuance, relating to social or political policies, into this false dichotomy. This makes for tedious, mind-numbing reading.

Whitewashing the American System

For Friedberg, the split between statism and anti-statism occurs not merely with reference to the expansion of the Federal government in general, but of the Executive branch

in particular. So Friedberg writes: “‘Anti-statism’ is the body of ideas and arguments used by those who have opposed efforts to increase the size and strength of the Executive branch of the Federal government.” Anti-statism’s patriotic representatives are the captains of industry: those whose business it is to prevent the development of statism, by themselves controlling more and more areas of endeavor. For Friedberg, generally speaking, anti-statism is better than statism, but occasional crisis and wars are needed to justify periods of statist, dictatorial power in a strong leader. This is Straussian—as we have exposed (see *EIR*, May 30), it is synarchist.

There is a myopic, almost obsessive fixation on “power” in the Executive branch, in *Garrison State*. Friedberg betrays his politics by distorting the peculiar character of the American Revolution—the American System of political economy—and Alexander Hamilton’s unique role in early American economics. All primary authorities on the American System are ignored, while secondary authorities are legion: Max Weber, H.G. Wells, Samuel P. Huntington, Leo Strauss, Charles Tilly, Arthur Schlesinger, and an amen-corner of free-market true-believers. The result is a thoroughly detailed, yet completely superficial account of Federal power—especially Executive power—in the United States, from the Civil War to 2000, considered from the “analytic” categories of “statism” and “anti-statism.”

According to Friedberg, a stronger state necessarily means absolutist powers in the Presidency, referring often to Arthur Schlesinger’s 1973 *Imperial Presidency*. But, nevertheless, Friedberg’s ideological dismissal of the Constitutional institution of balanced powers, never ceases to surprise. For him the state only comes into existence to the degree the Executive branch approaches the acquisition of absolutist power. Starting with Max Weber’s definition of the state, as “an administration and legal order that claims binding authority over its citizens [and] over all action taking place in the area of its jurisdiction,” Friedberg focuses on the strong Executive office as the *sine qua non* of this definition. He writes: “following the spirit of this definition, I will use the term American state to refer to the Executive branch of the Federal (or national) government, including both the office of the President and the various agencies and organization subordinate to it.” So, the essential thesis of an idealist’s imperialist-executive coup against the Constitution is laid out—actually on Friedberg’s first page.

Friedberg seeks to illustrate his thesis with examples from the last 150 years of American history: post-World War II proposals for renewing the military draft; the rise of “voluntarism”; the Industrial Mobilization Planning under President Eisenhower; the Defense Production Act of 1950; and the National Security Resources Board. Each such example in *Garrison State*, however well researched, is represented as a duel between the patriotic laissez-faire anti-statists, and the power-grabbers of the Executive—who are, after all, only

doing their job.

For example, on the matter of policy debates to reinstitute the draft, in the 1950s and ’60s, Friedberg argues that economist Milton Friedman led “a number of capitalism’s most ardent defenders” against the draft, by presenting military conscription as a “tax-in-kind” on a few, where “slightly higher taxes” levied universally, would allow monetary payment to an eager all-volunteer force. Friedberg writes, that, “underlying the technical jargon, was a powerful normative concern. Voluntarism is not only more efficient than conscription, it was also morally superior.” Conscription was “involuntary servitude” according to Friedman, and the draft a “barbarous custom” unworthy of American traditions.

If nothing else, this particular illustration is useful today, for understanding the blinkered, ideological devotion of Rumsfeld and the chicken-hawks, to their “all-volunteer” forces deployed into Iraq and elsewhere.

‘Crises are Critical’

In line with a Straussian political philosophy that sees the source of the state itself within warfare, Friedberg attributes a peculiar “state-building” function to security crises and national emergencies of various sorts: the crisis represents the unique opportunity for executive action. Friedberg writes: “Crises are critical in American political development because the sources of resistance to state-building are so strong.” Friedberg expostulates: It is only when the threat to national stability or survival appears great, that traditional fears of excessive governmental power can be swept aside, temporarily. “Without a sufficiently intense galvanizing atmosphere of crisis, attempts at state-building are doomed to fail. In such cases, despite the exertions of aspiring state-builders, the institutional and ideological obstacles in their way will prove immovable.”

So a crafty “state-builder” situated in the Executive branch (as indeed Friedberg will be), must know how to exploit a crisis in order to expand the powers of the state. Successful attempts at “state-building” must be initiated by the Executive branch. “Emergency justifications are acceptable only for as long as an emergency is generally agreed to be under way.”

Under Friedberg’s counsel within the real seat of power in today’s White House—the Vice President’s office—we can expect to see efforts to make China the next geopolitical target of such contrived emergencies.

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In Charge, GOP Has No Use for the Rules

by Carl Osgood

From the time they first took control of the U.S. Congress, in 1994, Republicans have frequently proclaimed the House of Representatives to be “the people’s House,” and themselves there to do “the people’s business.” But the Republicans’ behavior in the years since, suggest that their definition of “the people” might be very narrow, indeed. That behavior has become even more pronounced since the 108th Congress convened in January of this year, and Texas Republican Tom DeLay ascended to the post of Majority Leader of the House of Representatives. Since then, the House GOP has taken every opportunity to use its control of parliamentary procedure to muzzle House Democrats to prevent them, to the greatest extent possible, from even bringing to the floor, issues that might make the Republicans uncomfortable.

Columnist Adam Cohen, writing in the May 27 *New York Times*, noted that the Republicans, in pushing through their political agenda, “are increasingly ignoring rules of government to do it,” particularly in the mushrooming Texas redistricting scandal, which features DeLay. Cohen also noted that in the Senate, Majority Leader Bill Frist (R-Tenn.) is trying to push through an unprecedented change of the century-old filibuster rule so that Democrats cannot filibuster judicial nominees. As bad as the situation might be in the Senate, it is nothing compared to the procedural dictatorship that the GOP has succeeded in imposing on the House.

Amendments Not Allowed

House rules of procedure have always been dominated by party politics, literally, because the party in the majority makes the rules. But whereas, in the past, the leadership structure of the House often permitted the body as a whole to work its will on legislation, now, that will is often thwarted by the top-down control exerted by DeLay through the House Rules Committee. The GOP leadership has established the pattern of bringing important legislation to the floor of the House under rules for debate, always approved by party-line votes, that prevent the Democrats, and sometimes also some Republicans, from introducing amendments to those bills. The GOP caucus marches in lockstep with DeLay and his whip team, led by Majority Whip Roy Blunt (R-Mo.).

The rule for debate on the bill extending the emergency unemployment compensation program was indicative. It was brought to the floor on May 22 under a closed rule that allowed

the Democrats only one motion to recommit the bill to committee, and no amendments, not even the formerly customary substitute amendment. Rep. Martin Frost (D-Tex.), a member of the Rules Committee, said that he believed the Republicans would not allow the Democratic substitute to be considered because they were “terrified that it might actually pass.” He added that that was the same reason Reps. Jim Cooper (D-Tenn.) and Chris Van Hollen (D-Md.) were not allowed to offer a crucial amendment on civil service protections to the defense authorization bill, as Defense Secretary Rumsfeld wants to remove all 170,000 Department employees from those protections.

Rep. Barney Frank (D-Mass.) told the House that what the Republicans “have done is to shut down democracy within the House,” in order “to protect Republican incumbents from having to vote on difficult issues.” Republicans “vote for rules, procedures that keep controversial issues off the floor, so they can then go and [tell] their constituents they would have supported their position, but they did not have a chance to do it,” Frank said.

The subjugation of the Rules Committee under the House leadership is a fairly recent phenomenon. Throughout much of its history, the Rules Committee was capable of independent action, and the chairman could kill a bill reported favorably by another committee simply by refusing to hold a hearing on it. During the 1960s, the Democratic majority changed the rules to try to bypass the Rules Committee chairman’s independence, but was only partially successful, until 1975 when the Democratic caucus changed its internal rules so that the Speaker of the House would appoint the chairman, a rule change that was maintained by the Republicans when they took control of the chamber after the 1994 elections.

The Rules Committee chairman now is no more than a functionary of the GOP leadership. When the 108th Congress convened, the GOP leadership made a rules change that extends that top-down control, even more tightly over the rest of the committees, as well. All chairmen now have the option, during committee markups, of delaying votes on amendments to bills until the end of the markup session, rather than being required to conduct the vote as soon as debate on an amendment is completed. This avoids the possibility of an amendment passing because the Democrats happen to have more committee members in the room than do the Republicans.

The response of the GOP to the Democratic charges is akin to that of the majority shareholders in a stockholders meeting to a vocal but powerless minority. They simply ignore the complaints, or argue that they are giving more rights to the minority, than the Democrats did when the Republicans were the minority. During the January debate, Rules Committee Chairman David Dreier (R-Calif.) claimed that the House was considering a measure “which increases the deliberative nature of this institution and does increase the accountability.” The operation of the House since then would seem to suggest otherwise.

Arab Knesset Member Appeals to Americans

by William Jones

While Israeli Prime Minister Ariel Sharon—ostensibly as a result of a terrorist bombing in Jerusalem—postponed his visit to Washington on May 20, where he was to meet with President Bush to discuss the “Road Map” to Middle East peace, Azmi Bishara, an Arab member of the Israeli Knesset did come to Washington, with a message to Americans desirous of ending the bloodshed of the Israeli occupation of the Palestinian territories. His message was straightforward: The de facto U.S. alliance with the Israeli right wing has strengthened Sharon’s ability to resist any moves toward peace in the region. “The United States is allying itself with direct colonial policies of the Israel government on the West Bank and Gaza, and also with the fundamentalist movement in Israel that cannot and will not separate state and religion,” Bishara told an audience on May 19 at the Center for Policy Analysis on Palestine.

Terrorism and Sharon’s Gestapo Methods

Bishara tried to puncture a few myths that still hold sway in U.S. political circles, especially that Sharon’s war on terrorism has been any kind of success story. “Sharon is a bigger failure in security affairs than any Israeli Prime Minister since 1948,” Bishara said. Sharon established Unit 101, which was responsible for the so-called retaliation action over the borders, in Jordan, in Syria, and in Egypt, he continued. “He is the man who launched the 1992 war. He is the man who liquidated so-called terrorism in Gaza so that the Hamas group emerged instead of the secular PLO movement that he claimed to have liquidated. Everything he promised to do failed. In security, it’s the worst phase in Israel’s history, the last two years. In terms of the economy, Israel is in an emergency situation.”

Bishara’s comments on the Road Map, what could well be the last chance to achieve progress toward a Middle East settlement, were tinged with skepticism. “In the last three years, we changed names three times: Tenet, Mitchell, and now the Road Map. And in between, there was somebody called Cheney, if you remember. We should also consider whether the Administration is really intent on intervening in the Israeli-Palestinian crisis. In the last period, it has not been so clear that they were prepared to do that, and the last major attempt to really intervene, under Clinton, failed. In Hebrew they translated Road Map in the plural, as Road Maps,” Bishara said, “perhaps indicating the ambiguity.”

He complained that the Road Map was short on concrete measures, except for the familiar Bush refrain that the Palestinians should stop the violence and that the Israelis, in the first phase, should withdraw from all the territories occupied since Sept. 28, 2000. He pointed instead to the Arab League initiative taken in Beirut in March 2002, which recognized Israeli statehood, among other provisions: “One of the most important things that happened in the history of the conflict since 1948, was the fact that Arab countries could gather in Beirut and suggest this proposal for the first time, a proposal that was not even given any attention,” he said. The issuance of the Road Map, while referring to the Arab initiative as a component of any final settlement, “has served to put the Arab initiative on the shelf.” In addition, Bishara complained, Sharon has demanded that the issue of returning Palestinian refugees to Israel be decided as a prerequisite to negotiations on the Road Map, rather than being resolved in negotiations as a “final status” issue. Nevertheless, the Palestinian side has accepted the Road Map unconditionally, and the Israeli side should do so as well. “Israel is the only state in the world that doesn’t accept the Road Map,” he said.

Support for Palestinian Cause

Bishara was more optimistic about the growing support for the Palestinians since the Iraq war. “I believe that the Palestinian issue was never so strong internationally,” he said. “It is now broadly understood that the Palestinian issue is an issue of fairness and justice. Even the proponents of the Iraq war, like Blair, had to apologize to the Palestinians. Blair had to say, ‘We will get to you soon.’ The Palestinian issue became stronger.”

“The most important thing for the Palestinians now, Bishara said, “is to give themselves a Road Map. What we need now is not a civil war in order to satisfy Israeli reactionaries, but a national dialogue, to come out, not only with nationally accepted goals, but also in broad outline, how we are to reach these goals. We must avoid the alternatives of accepting Israeli or American dictates, and on the other hand, an irrational anti-Americanism. We cannot be led by an anti-American sentiment, this is nonsense, this is also fundamentalism.”

“We must influence American public opinion,” Bishara told an audience on May 19 at an event held at St. Albans Church in Washington. He underlined the fact that the U.S. policy has been guided by people who are driven by theological motives. “Are fundamentalist Christians to determine U.S. policy in the Middle East? Do the American people know this? We should tell them.” He urged Arab-Americans, especially Arab Christians, to make this into an issue. “The Maronites, the Catholic Church, the Assyrian Church, the Chaldean Church, have not yet played a role in America in facing these fundamentalist Zionist Christians who are trying to invest Christian theology in a very irrational way, in support of Zionism. We have an answer to that and this should be activated by Arab-Americans,” Bishara urged.

Unemployment Compensation Bill Passes House

For weeks, Democrats in both the House and the Senate have been agitating for the consideration of legislation to extend Federal unemployment compensation benefits, and have been rebuffed by the GOP at every turn. Then, to the complete surprise of almost everybody, the GOP leadership brought to the House floor, on May 22, legislation to extend the compensation by 13 weeks, and another 13 weeks on top of that in states with especially high unemployment rates. The program, projected to help 2.4 million workers who are currently on unemployment, will expire on Dec. 31, 2003.

The Democrats, while happy that an extension of unemployment benefits was finally on the floor, were not pleased with the fact that the bill was brought to the floor under a rule that allowed no Democratic amendments, and that it provided no help to more than 1 million workers who have already exhausted their benefits and not found work. Rep. Ben Cardin (D-Md.) told the House that not only should assistance be provided to those workers, but that benefits should be extended 26 weeks, instead of only 13. The bill, he said, "falls far short of what we did in the recession of the early 1990s," when Congress passed, and then-President George H.W. Bush signed into law, unemployment extensions of over 26 weeks.

Other Democrats were even harsher in their critiques. Rep. Jim McDermott (D-Wash.) called the bill "a statement by the President of the United States that he does not care about 1 million people," and said that his "junta" in the Congress simply rubber-stamped what he wanted. House Minority whip Steny Hoyer (D-Md.) noted that the Democrats have been asking for consideration of unemployment legislation for weeks, but the Re-

publicans did not act until their political analysts told them "do not go home without at least positively affecting some of these people."

The House passed the bill by a vote of 409-19, and the Senate followed suit the next day, passing it by unanimous consent.

Lugar Plans Iraq Policy Oversight

Though his criticism was mild in comparison to the Democrats, Senate Foreign Relations Committee chairman Richard Lugar (R-Ind.), at the outset of a hearing on May 22, indicated rather strong dissatisfaction with the Bush Administration's policy on Iraq. "I'm concerned," he said, "that the Administration's initial stabilization and reconstruction efforts have been inadequate. The planning for peace was much less developed than the planning for war. Moreover, the administration has not sufficiently involved Congress and the American people in its plans regarding costs, the method and the goals of reconstructing Iraq." He announced that he will hold a number of hearings "intended to help the committee perform its oversight function."

Lugar, however, left it up to committee Democrats to question the witness, Deputy Secretary of Defense Paul Wolfowitz, on the inadequacy of post-war planning, and several of those questions focused on the current U.S. troop strength in Iraq. By Wolfowitz's own admission, the number of U.S. troops in Iraq has grown to about 160,000, from a level of about 120,000 during the peak of combat operations in late March and early April. Wolfowitz defended his rebuke of Army Chief of Staff Gen. Eric Shinseki, who told Congressional hearings back in February and early March, that it would take "several hun-

dred thousand" troops to secure Iraq. Wolfowitz claimed that the implication of Shinseki's remarks was "that we were going to treat Iraq like Japan or Germany and occupy it indefinitely, . . . and I thought it was very harmful, otherwise I would have preferred not to have commented on the whole subject."

Towards the end of the more-than-two-hour hearing, Lugar again complained that Congress did not really know the true situation, because the Congressmen had not been briefed by the Defense Department.

Senate Votes for Debt Limit Increase

On May 23, the Senate ended the suspense over the debt limit increase with a 53-44 vote to raise the statutory limit by \$984 billion. The House had already "deemed" the measure passed, on April 11, as a result of a provision in the Fiscal Year 2004 budget resolution. By this clever maneuver, House Republicans avoided a politically uncomfortable roll call vote on the matter. The Senate could not play the same game, however, and, instead, Senate Republicans waited until the last day before the Memorial Day recess before taking up the debt limit increase.

Because the House had already left town, Senate Republicans could argue that amendments had to be rejected, because otherwise the bill would have been thrown into conference committee, delaying final action until sometime in June, at the earliest. The Treasury Department had already warned that it would run out of borrowing authority by May 28. As a result, the GOP successfully beat back several Democratic amendments, including one to reduce the increase to \$350 billion, and another to wall off the Social Security trust fund from the rest of the budget.

Economics: Stupidity or Willfulness?

Indications have become numerous and strong, that the Bush Administration is pursuing economic and fiscal policies which cannot fail to make the United States' economic collapse worse—in fact, to make that collapse into a financial and fiscal blowout, what some are calling a “fiscal train wreck.” Among clear indications that the policies adopted by the Administration, supposedly to deal with the dollar collapse, are making things far worse, Lyndon H. LaRouche, Jr., candidate for the Democratic Party Presidential nomination, has raised the question, “Is this being done out of stupidity, or is it willful?”

Take, for example, the new Administration tax-cut plan, which was signed into law this week, at the same time as the post-April 15th tax-revenue picture shows that Federal government revenues from corporate and personal taxes in the first seven months of Fiscal Year 2003, are sharply down for the third year in a row, as our *Economics* lead story details. The Federal debt ceiling was lifted by nearly \$1 trillion last week, simply in order to “pay for” the new tax cuts, not to mention further depressionary revenue losses—the ceiling now stands at \$7.4 trillions. As for the falling dollar, Treasury Secretary John Snow says, “it’s easier to export” when you have a weak dollar.

That this is worse than stupidity, is the judgment of some observers. For example, the May 23 London *Financial Times* carried the editorial, “Tax Lunacy—The U.S. Administration Throws Prudence Out the Window.” They wrote, “On the management of fiscal policy, the lunatics are in charge of the asylum.” Why do they act this way? The *Financial Times* concluded that to these “more extreme Republicans,” a “fiscal crisis offers the tantalizing prospect of forcing” cuts in social spending “through the back door.”

The same view was expressed in the *New York Times*, on May 27, by economist Paul Krugman. Krugman suggested that the neo-conservatives now dominating the Administration, are actually hoping for a “train wreck” financial crisis. They can then use it as an excuse “to destroy America’s social safety net built up over the past 70 years.” He charged, “The people now running America aren’t conservatives: they’re radicals who

want to do away with the social and economic system we have, and the fiscal crisis they are concocting may give them the excuse they need.”

LaRouche adds some essential history to these evaluations, warning that the current economic policy moves may be aiming at an “economic 9/11.”

The Bush family, acting with allied Wall Street and City of London interests, had, in earlier generations, been co-responsible for putting Hitler into power, as a crisis move.

LaRouche notes that it is far more likely that Administration actions are proceeding not from stupidity, but are rather intended to willfully drive the world to a state of panic in which the banks are shut, businesses are shut, there is no credit, people have no money and are dropping in the streets. Then finally, private powers step into that kind of void with a new super-scheme à la the Bank for International Settlements, just as Montagu Norman, Hjalmar Schacht, Averell Harriman, and the Morgan interests, et al. did in the early 1930s in Germany—using the Bank for International Settlements then headed by Schacht—and tried to do in the United States against Franklin Delano Roosevelt.

The domestic corollary to such emergency measures, would be to put into place the Schachtian schemes of the Cato Institute, American Enterprise Institute, and Heritage Foundation, which call for the privatization of Social Security, and the slashing of the entitlements of Medicare and Medicaid. Already, advocates of this policy have begun to pump out scare stories about deficits, in the hopes of ramming their program through.

LaRouche noted that only under conditions of panic, would people willingly cave in to such a murderous supra-national scheme. That is the danger. The present post-Bretton Woods, floating-exchange-rate system forced into operation in 1971, is gone. It is past any “reform” or repair. A further 20%-50% fall of the dollar against the euro would mean the whole system is gone. This kind of thing is what the lunatics want, LaRouche observes.

The only alternative, he stresses, is his New Bretton Woods.

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 SPNN Ch. 15
 Saturdays—10 pm

• ST. PAUL (N Burbs)
 AT&T Ch. 14
 Thu: -6 pm & Midnite
 Fri: -6 am & Noon

• ST. PAUL (NE burbs)*
 Suburban Ch. 15
 • ST. PAUL (S&W burbs)
 AT&T-Comcast Ch. 15
 Tue & Fri: -8 pm

• WEDNESDAY—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
NEVADA
 • CARSON—Ch. 10
 Wednesdays—7 pm

• RENO/SPARKS
 Charter Ch. 16
 Fridays—9 pm
NEW JERSEY
 • MERCER COUNTY
 Comcast*

• TRENTON Ch. 81
 WINDSORS Ch. 27
 • MONTVALE/MAHWAH
 Time Warner Ch. 27
 Wednesdays—4 pm

• MORTHERN NJ
 Comcast Ch. 57*
 PISCATAWAY
 Cablevision Ch. 71
 Wed—11:30 pm

• PLAINSBORO
 Comcast Ch. 3*
NEW MEXICO
 • ALBUQUERQUE
 Comcast Ch. 27

• MONTEZUMA
 Mondays—3 pm
 ANTHONY/SUNLAND
 T/W Ch. 15
 Wednesdays: 5:05 pm

• LOS ALAMOS
 Comcast Ch. 8
 Mondays—10 pm

• SANTA FE
 Comcast—Ch. 8
 Saturdays—6:30 pm

• TAOS—Ch. 2
 Thursdays—7 pm
NEW YORK
 • AMSTERDAM
 T/W Ch. 16
 Wednesdays—7 pm

• BRONX
 Cablevision Ch. 70
 Fridays—4:30 pm

• BROOKLYN
 T/W Ch. 34
 Cablevision Ch. 67
 Tue: 3:30, 11:30 pm

• BUFFALO
 Adelphia Ch. 20
 Thursdays—4 pm

• CHEMUNG/STUBEN
 Time Warner Ch. 1
 Mon & Fri: 4:30 pm

• ERIE COUNTY
 Adelphia Intl. Ch. 20
 Thursdays—10:35 pm

• ILION—Ch. 10
 Mon & Wed—11 am
 Saturdays—11:30 pm

• IRONDEQUOIT Ch. 15
 Mondays—7:30 pm
 Thursdays—7 pm

• JEFFERSON/LEWIS
 Time Warner Ch. 2
 Unscheduled pop-ins

• MANHATTAN—MNN
 T/W Ch. 34; RCN Ch. 109
 Alt. Sundays—9 am

• NIAGARA COUNTY
 Adelphia Ch. 20
 Thursdays—10:35 pm

• ONEIDA—Ch. 10
 Thu: 8 or 9 pm
 • PENFIELD—Ch. 15
 Pennfield Comm. TV*

• QUEENSBURY
 Ch. 34; Tue, 6/3: 12 Noon
 Ch. 35: Sat, 6/7: 7:30 pm

Ch. 34; Tue, 6/17: 12 Noon
 Ch. 56: Sat, 6/21: 6:30 pm
 • QUEENSBURY Ch. 71
 Thursdays—7 pm

• RIVERHEAD Ch. 70
 Thu—12 Midnight
 • ROCHESTER—Ch. 15
 Sundays—3 pm

• RENO/SPARKS
 Charter Ch. 16
 Fridays—9 pm
NEW JERSEY
 • MERCER COUNTY
 Comcast*

• TRENTON Ch. 81
 WINDSORS Ch. 27
 • MONTVALE/MAHWAH
 Time Warner Ch. 27
 Wednesdays—4 pm

• MORTHERN NJ
 Comcast Ch. 57*
 PISCATAWAY
 Cablevision Ch. 71
 Wed—11:30 pm

• PLAINSBORO
 Comcast Ch. 3*
NEW MEXICO
 • ALBUQUERQUE
 Comcast Ch. 27

• MONTEZUMA
 Mondays—3 pm
 ANTHONY/SUNLAND
 T/W Ch. 15
 Wednesdays: 5:05 pm

• LOS ALAMOS
 Comcast Ch. 8
 Mondays—10 pm

• SANTA FE
 Comcast—Ch. 8
 Saturdays—6:30 pm

• TAOS—Ch. 2
 Thursdays—7 pm
NEW YORK
 • AMSTERDAM
 T/W Ch. 16
 Wednesdays—7 pm

• BRONX
 Cablevision Ch. 70
 Fridays—4:30 pm

• BROOKLYN
 T/W Ch. 34
 Cablevision Ch. 67
 Tue: 3:30, 11:30 pm

• BUFFALO
 Adelphia Ch. 20
 Thursdays—4 pm

• CHEMUNG/STUBEN
 Time Warner Ch. 1
 Mon & Fri: 4:30 pm

• ERIE COUNTY
 Adelphia Intl. Ch. 20
 Thursdays—10:35 pm

• ILION—Ch. 10
 Mon & Wed—11 am
 Saturdays—11:30 pm

• IRONDEQUOIT Ch. 15
 Mondays—7:30 pm
 Thursdays—7 pm

• JEFFERSON/LEWIS
 Time Warner Ch. 2
 Unscheduled pop-ins

• MANHATTAN—MNN
 T/W Ch. 34; RCN Ch. 109
 Alt. Sundays—9 am

• NIAGARA COUNTY
 Adelphia Ch. 20
 Thursdays—10:35 pm

• ONEIDA—Ch. 10
 Thu: 8 or 9 pm
 • PENFIELD—Ch. 15
 Pennfield Comm. TV*

• QUEENSBURY
 Ch. 34; Tue, 6/3: 12 Noon
 Ch. 35: Sat, 6/7: 7:30 pm

Saturdays—9 am
 Mon, 6/9: 6 pm
 Mon, 6/16: 6 pm
 • KINGWOOD Ch. 98
 Kingwood Cablevision
 Tuesdays—5:30 pm

Saturdays—9 am
 Mon, 6/9: 6 pm
 Mon, 6/16: 6 pm
 • RICHARDSON
 AT&T Ch. 10-A
 Thursdays—6 pm

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
 • ALBERMARLE
 Adelphia Ch. 13
 Fridays—3 pm

• 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
 Tuesdays—12 Noon
 Thursdays—7 pm

• LOUDDON
 Adelphia Ch. 23/24
 Thursdays—7 pm

• ROANOKE—Ch. 9
 Thursdays—2 pm
WASHINGTON
 • KING COUNTY
 AT&T Ch. 29/77

• SALEM—Ch. 23
 Tuesdays—12 Noon
 Thursdays 8 pm

• SILVERTON
 Charter Ch. 10
 Mon, Tue, Thu, Fri:
 Betw. 5 pm - 9 am

• WASHINGTON
 Comcast Ch. 23
 Wed: 7 pm; Fri: 10 am
 Sun: 6 am; Mon: 11 pm

RHODE ISLAND
 • E. PROV.—Ch. 18
 Tuesdays—6:30 pm

• STATEWIDE
 RI Interconnect*
 Cox Ch. 13
 Full Ch. 49

TEXAS
 • AUSTIN Ch. 16
 T/W & Grande
 Sundays—12 Noon

• DALLAS Ch. 13-B
 Tuesdays—10:30 pm

• EL PASO COUNTY
 Adelphia Ch. 4
 Thursdays—8 pm

• HOUSTON
 Time Warner Ch. 17
 Tuesdays—5:30 pm

WISCONSIN
 • MADISON—Ch. 4
 Tuesdays—3 PM
 Wednesdays—12 Noon

• MARATHON COUNTY
 Charter Ch. 10
 Thursdays—9:30 pm
 Fridays—12 Noon

• SUPERIOR
 Charter Ch. 20
 Mondays—7:30 pm
 Wednesdays—11 pm
 Fridays 1 pm
WYOMING
 • GILLETTE—Ch. 36
 Thursdays—5 pm

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