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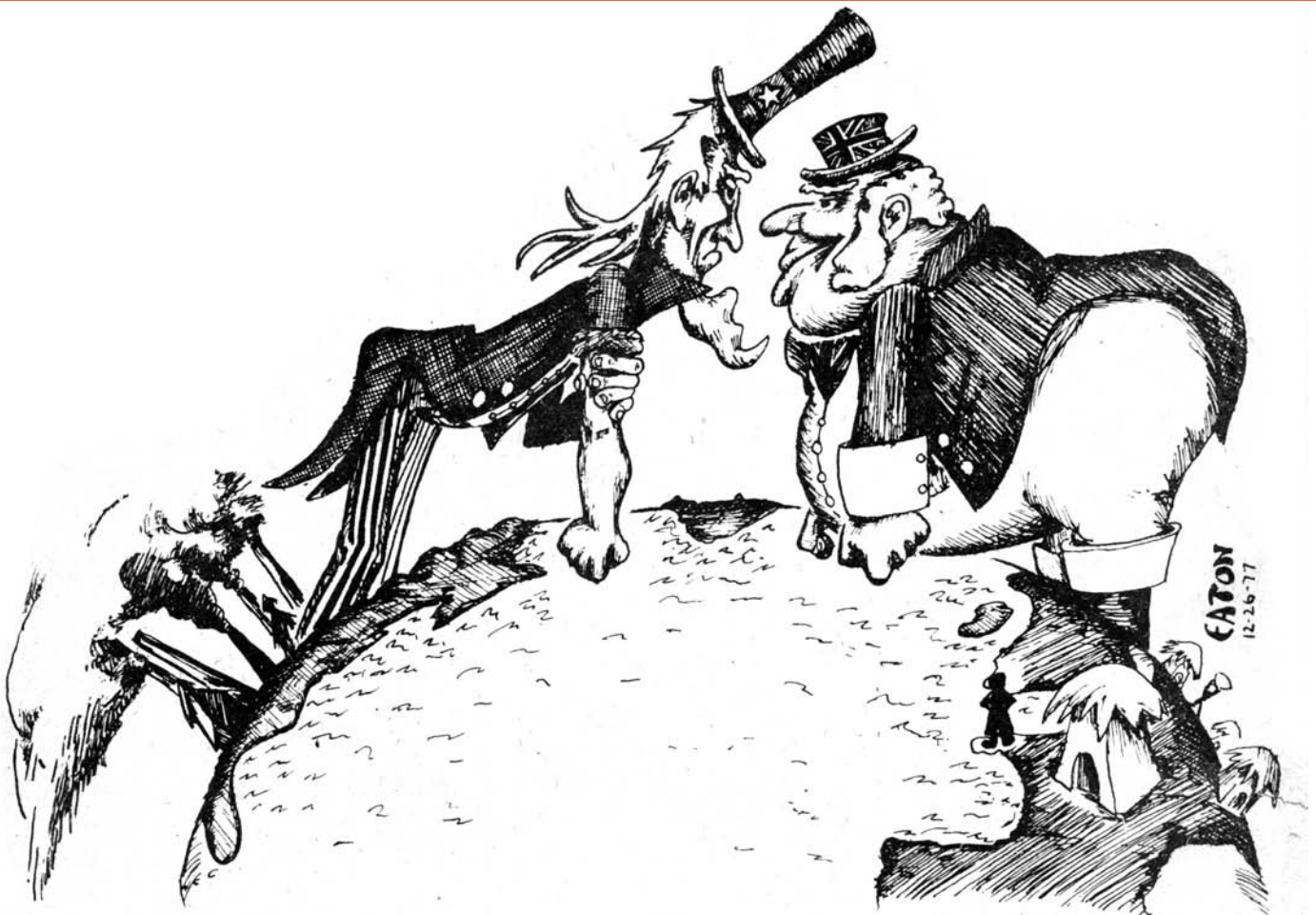
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Ambrose Evans-Pritchard and the Principle of Tragedy
Inaction on Food Crisis Is Leading to Genocide
George Soros, Jack Abramoff, and British Africa

**LaRouche vs. London:
Stop-Gaps To Save the Banks**





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EIR

From the Managing Editor

Our cover cartoon says it all—and you may be surprised to learn that this illustration was first printed by the LaRouche movement in 1977. For 31 years, we’ve said that the real showdown in global politics has been and is that between the American System of political economy, and free-trade British oligarchism. Now, as should be apparent to anyone with half a brain, is endgame time.

Leading our issue, Lyndon LaRouche dissects the latest blogged bloviations of the London *Telegraph’s* Ambrose Evans-Pritchard, whose July 2 entry created quite a furor. Ambrose attacked European Central Bank head Jean Trichet for urging a rise in U.S. interest rates. One enraged reader responded by defending Trichet and pillorying Evans-Pritchard’s own credentials: “You, on the other hand, made a life out of studying Bill Clinton; you’ve never worked for a bank—you’re a low-level journalist at one of the worst papers in Britain. If you were any good you’d be at the *Financial Times*.” The venom gives a glimpse of the fights that are raging in the City of London.

But LaRouche has uncovered an unexpected, and highly important, reason for Ambrose’s outburst. Read on.

We provide in-depth intelligence backup for this story:

- On the financial crisis, there is panic at the Bank for International Settlements (BIS) of Switzerland, which is finally saying outright what EIR has been writing: A meltdown is upon us.

- The insane financial policies of globalization are worsening the food crisis, while very little has been done since the June conference of the UN Food and Agriculture Organization.

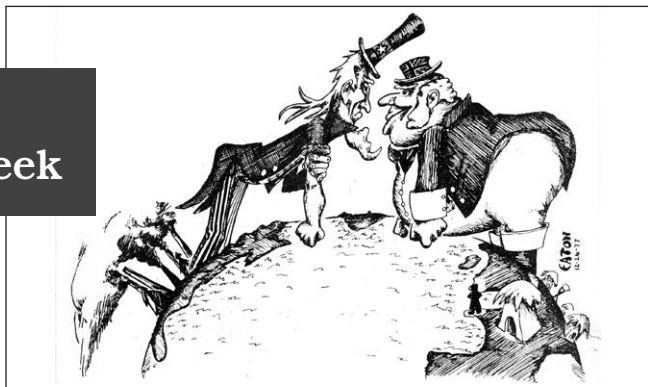
- The crisis cannot be reversed unless the British policy stranglehold is broken, and that includes the political destruction of Democratic Party moneybags George Soros and his ilk. We profile his filthy operations in Africa, and a review of two books on South Africa provides additional leads and historical background.

- We analyze the political ramifications of the crisis in Europe, with a focus on France, Germany, and Italy; and we show how the British policy of permanent war is continuing apace in Asia and the Mideast.

Note: Lyndon LaRouche will give a webcast speech in Washington on July 22 at 1:00 p.m. EDT, at www.larouchepac.com. Spread the word!



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EIRNS/Mike Eaton

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Correction: Last week's issue was wrongly numbered on the Table of Contents page. It was number 26. We did not produce an issue the previous week, per our usual Summer schedule, although *EIR Online* did publish news digests.

FROM SHAKESPEARE'S PRINCIPLE OF TRAGEDY:

Ambrose Evans-Pritchard

by Lyndon H. LaRouche, Jr.

July 3, 2008

The British Daily Telegraph's Ambrose Evans-Pritchard reacted suddenly, on July 2nd, against my proposal for certain actions, including a rise of U.S. Fed prime rates to 4%, a rate at a level marginally under the then current European rate. This was a proposal which I had already uttered for the advance information delivered to select circles on Saturday June 28th, but which I released for general publication on Tuesday morning distribution on July 2nd. Curiously, on that same latter date,¹ Evans-Pritchard opened with his incredible assertion, that he was reacting against what was already the currently standard practice of the European Central Bank's Jean-Claude Trichet. There was nothing credibly newsmaking in the fact of Trichet's evolving, already ongoing policy at that time. So, one might ask: to whose proposed 4% rate was Evans-Pritchard actually reacting so suddenly, and so violently?

Admittedly, my proposal was, and remains a direct threat against both the foolish U.S. policy which had been fostered by the effects of both Trichet's ECB, and that currently continuing British policy of wrecking the U.S. economy. This was an ECB and London policy of giving both Britain and the ECB a "free hand" in driving the value of the U.S. dollar

1. The release was actually composed on the preceding Saturday, but was held back from general publication until the following Tuesday morning, July 2nd, to provide relevant advance warning to relevant policy-shaping U.S. circles. It was uttered on Tuesday morning with the prudent use of the exact same language which had been used in its original composition on the preceding Saturday.

ever-deeper into the cellar, that with the help of the floating-exchange-rate petroleum oligopoly of BAE et al. Reading the full text of Evans-Pritchard's howl of July 2nd, against the backdrop of my just-uttered, proposed defense of the U.S. dollar against both the ECB and British policies, leaves no room for doubt about the issue which has suddenly shaken nervous Evans-Pritchard so mightily.

Those professionals who recognize the implications of my proposal for relevant European interests will have no difficulty in recognizing from what I report here, the relevant implications for anyone in Evans-Pritchard's position.

For purposes of comparison: What, for example, would be the effect of an announced ruble-based energy market on the present virtual Anglo-Dutch Liberal monopoly?

Contrary to the referenced, recent silliness of the *Telegraph's* Ambrose Evans-Pritchard, if relevant U.S. authorities adopt my proposed stop-gap measures, which I identify, again here, the worst features of the present collapse of the U.S. economy could be brought, subsequently, under much-needed, if only temporary control, thus providing breathing-space for necessary, more durable corrections shortly down the way.

This temporary stabilization, done to block the presently hyper-inflationary practice of the U.S. Federal Government, the U.S. Congress, and the Federal Reserve System, would tend to force funding of investments to be shifted back to regular chartered banks operating with assistance from the Federal Government, while tending to promote the flow of funds into solid investments which will tend to strengthen presently shaky regular Federal and State banking systems. It will not



Ambrose Evans-Pritchard

[BLOG](#) [PHOTOS](#)

Will Trichet drive the world over a cliff?

Wednesday, July 2, 2008, 04:41 PM GMT [General]

Sadly, we are witnessing the sort of strategic errors that turned the recession of 1930 into a global catastrophe.

The European Central Bank is now hell-bent on a course of action that will have a knock-on effect across the world and risk a dangerous implosion of the credit system.

The ECB's Jean-Claude Trichet told *Die Zeit* today that "there is a risk of inflation exploding."

Let me put it differently: there is a grave risk of social and political disorder "exploding" if the logic of his argument is followed to its grim conclusion, that is to

"By British standards," writes LaRouche "Ambrose Evans-Pritchard is to be considered a clever lad," yet, his July 2 blog reveals a "stubborn determination to cling to the presently self-ordained doom of the British Empire for which he apparently intends to speak."

be a cure, in and of itself, but it will supply some of what is presently, some desperately needed maneuvering-room.

The immediately crucial issue prompting my indicated proposal, had been to bury the ruinous policies of former U.S. Federal Reserve Chairman Alan Greenspan, while the U.S. still commanded the price of the shovel needed to bury them.

To identify the immediate issue posed by Mr. Evans-Pritchard's folly in this case, it is essential that I begin by identifying the actual issue of the policy against what I have referenced as his relevant, July 2nd *Telegraph* blog. For clarity's sake, I quote the relevant Tuesday morning release of mine, in full, as follows:

"LaRouche Proposes Emergency Stop-Gap Measures To Prevent Total Financial Chaos

"June 28 (EIRNS)—Lyndon LaRouche today proposed emergency action by the U.S. Federal Reserve Bank, to prevent social chaos, in the face of looming collapses of some leading U.S. commercial banks and other financial institutions.

"LaRouche presented two emergency measures, aimed as stop-gaps, to prevent chaos.

"First, he called for the Federal Reserve to raise interest rates to four percent, in order to assure that institutional depositors maintain their deposits in the banking system. Right now, the average two percent interest rates are significantly below even the official inflation rates, thus creating the dangerous proposition of a pull-out of deposits, at a time when a number of leading American commercial banks are facing collapse.

"Second, LaRouche called on the Federal Reserve to make it clear that whenever any commercial banks face insolvency, they will be put through bankruptcy reorganization under Fed protection. This is a fundamental shift from the bailout of Bear Stearns. LaRouche emphasized that the amount of leveraged debt in the banking system can never be bailed out, and that the only way to avoid social chaos, caused by the total collapse of the U.S. banking system, is for the Federal Reserve to oversee an orderly bankruptcy restructuring of any insolvent commercial banks.

"LaRouche emphasized that, in themselves, these actions will not solve the problem of the bankruptcy of the entire post-Bretton Woods financial system. Those who argue that such interest rate hikes will trigger a recession, fail to comprehend that we are facing an imminent collapse of the total global financial system. These stop-gap measures are just that: stop-gaps to avert the social chaos that would follow immediately from the insolvency collapse of major American banks.

"LaRouche further emphasized that the Federal government must immediately enact legislation, to massively increase credit for vital infrastructure projects. He cited the ongoing crisis in the Midwest, with the flooding of the Mississippi River basin, as the most immediate example of the kinds of priority infrastructure projects that must be funded, through capital budgeting."

By British standards, Ambrose Evans-Pritchard is to be considered a clever lad, but when he begins his *Telegraph* blog of July 2nd with what we are witnessing as the sort of strategic errors that turned the recession of 1930 into a global catastrophe, he is, if inadvertently, announcing his stubborn determination to cling to the presently self-ordained doom of the British Empire for which he apparently intends to speak.

It must be noted, that in that piece, Evans-Pritchard speaks in print with a certain trembling in his literary voice. He is shrewd enough, and also experienced enough, to know that the U.S.A., once aroused from a long political slumber of decades, is a terrible force which the British empire has had to learn to respect with fear, again and again, as, possibly, now, as it had such occasion under the U.S. leadership of President Franklin Roosevelt. Notable pro-fascist financier-ideologues



White House photo office



The Versailles Treaty arrangements which led to the installation of the Hitler regime in Germany were echoed in the actions of Britain's Margaret Thatcher (left) and her poodle François Mitterrand, in their imposing the ruinous Maastricht conditions upon post-Soviet-era continental Europe.

operating from inside the U.S.A., such as Felix Rohatyn and his cronies, have already recognized, and declared their sense of such a serious potential threat to their special interests which they have seen in my present role.

As Jeffrey Steinberg reported today: "Two developments dominated the strategic front on Wednesday, as we move into the Fourth of July celebration of our nation's independence. First, like clockwork, just 24 hours after Lyndon LaRouche publicly issued his statement, calling on the Federal Reserve to boost interest rates to 4%, in order to avert a total collapse of the dollar, and the bankruptcy of a number of major U.S. commercial banks and investment banks, the London *Daily Telegraph's* Ambrose Evans-Pritchard published his hysterical diatribe—demanding that Ben Bernanke *cut* U.S. interest rates to one percent! Ostensibly attacking European Central Bank head Trichet, for raising European interest rates to 4.25%, the article actually had nothing to do with Trichet or the ECB. Evans-Pritchard, and his masters, are totally aware of the systemic crash under way, and they are totally flipped out over the fact that LaRouche has been spelling out critical stop-gap, and overall recovery measures that are based on a revival of the system of sovereign credit and sovereign nation-states."

During recent decades, no other U.S. individual figure has evoked such a specific kind of fear and trembling which my actions have bestirred among certain leading British circles and their U.S. puppets, on this account, as I have done. The word is, as spoken by Felix Rohatyn, especially since Spring 2005, that I am seen by them, as almost the aroused specter of President Franklin Roosevelt. I detect some of the same trem-

bling in the voice-print of an Evans-Pritchard with whom I have earlier crossed words, but not swords, in the U.S.A. itself.

Their present fear of me is, that despite their efforts, over decades, to prevent this, under presently developing economic-crisis conditions, my policies could arouse the U.S. population again, and, if that were to occur, that effort of mine might succeed, again, as similar resurgence of our American tradition has on notable past occasions. Such has been the direction of my commitment for decades, since prior to my 1946 return to the U.S.A.

from overseas military assignment, when I would seek to return my republic to the standpoint of President Franklin Roosevelt.

The true force of history lies not in the armed fist, nor in numbers rallied to the cause, but in the commitment by individuals. It lies in the power of ideas whose time has come, now, as in the past.

Usually, those who think the contrary, know essentially nothing about human history. Thus, in these troubled times, those who can not pray, must bray, as Evans-Pritchard has done.

Then, as Now

What had, in fact, crashed in 1929-1933, was the international system which had been steered, largely, by the same Bank of England's (and Brown Brothers Harriman's) Montagu Norman. This was the Norman who had played a leading hand, together with the Bank of International Settlements (BIS), in orchestrating both the simultaneous collapse of the British gold standard and the establishment of the BIS, and, subsequently putting Adolf Hitler personally into power. That had been the central feature of the process which had led into the January 1933 installation of Adolf Hitler as appointed Chancellor of Germany, and dictator in the next month, a process aided by the same Anglo-American hands which had deployed Bank of England protégé Hjalmar Schacht for this Anglo-American Hitler project.

The underlying cause of all of this, during the course of the 1920s and beyond, was that Versailles Treaty arrangement which has been more recently echoed by the actions of

Prime Minister Margaret Thatcher and her François Mitterrand, in their imposing, under virtual threat of war against Germany, their now infamous and systemically ruinous Maastricht conditions which the British system imposed upon all of post-Soviet-era, continental Europe. There is no large part of the former Comecon territory of Eastern Europe which is not much poorer, per-capita and per square kilometer of territory, than it was in late 1989 or early 1990. Similarly, there is no part of what had been pre-1989 western continental Europe west of former Comecon borders which is not presently in an already ruinous, and rapidly disintegrating, physical-economic state, relative to that of earlier time.

For that, blame Margaret Thatcher and those who followed her.

Like two separate, ugly car crashes driven by drunken drivers, no two events of the same general class are ever exactly the same; but, they are, nonetheless, to be fairly compared as of the same type, as we might, fairly, compare the past 1929-1933 depression, and the presently ongoing great world-wide financial breakdown-crisis of the existing world monetary system.

My essential point, the point which must be emphasized if the reader is to make any sense of the global calamity now descending upon our entire planet, is that the present world crisis is to be regarded as nothing other than as, chiefly, the very present “*Götterdämmerung*” of that Anglo-Dutch Liberal system which had been first launched by Venice’s Paolo Sarpi during the late Sixteenth and early Seventeenth centuries.

Sarpi’s system was, inherently, a morally decadent system of what is called Liberalism, which was later bestowed upon the London of William of Orange, and of the British East India Company, as the British Foreign Office launched in 1782 by the fiendish Lord Shelburne and Shelburne’s “sorcerer’s apprentice,” Jeremy Bentham. The British Empire as it has existed in fact since the 1763 Peace of Paris, has now arrived at its own tragic “Twilight Zone.”²

The Tragic Physical Implications

Call the crisis which Evans-Pritchard views with so much literary trembling, the tragedy fit to be named “Shakespeare’s revenge.” This crisis is the long overdue doom of the globally stinking Anglo-Dutch Liberal legacy of such pawns of Paolo Sarpi as Sir Francis Bacon, Thomas Hobbes,

2. It was the effort to crush the economies of the English colonies in North America, which came as an integral, immediate aftermath of that 1763 Treaty of Paris, which divided the future United States from the British Empire, and led, thus, into the sundry succession of steps leading into the war of 1776-1783 and the subsequent adoption of the U.S. Federal Constitution. With those developments of 1763-1787, the English-speaking world was divided into culturally warring camps, of republic versus empire, a state of affairs between two warring camps which, in fact, taking into account the actual and virtual traitors among us, persists to the present moment.

and slave-trading (in captured Africans) John Locke. What is descending upon the world at this moment, is the collapse of that British imperial system which had resumed the top position in world power, step by step, in the 1970s aftermath of the succession of events traced from the assassination of President John F. Kennedy, and the advent of those outgrowths of the riotous events of 1968 whose effects unfolded during the interval of the three U.S. Presidents who did the most to ruin their republic during the interval 1969-1981.³

In fact, since the U.S. Federal budgetary shock of 1967-68, *the net physical output* of the U.S.A. has declined, in actual fact, per capita, and per square kilometer of its territory, during the entire interval, 1967-2008, to the present day. Since the adoption of the Maastricht rape of continental Europe under Britain’s Prime Minister Margaret Thatcher, a similar rape of the physical economy of all continental Europe, has prevailed there.

Therefore, while we must not overlook financial and monetary considerations as such, it is the physical effect, not the nominal, so-called monetary value, which must be studied to determine the actual future toward which current national and international economic policies are leading, or misleading nations.

It is to be noted, that the relatively greatest decline in net physical output of the U.S. economy (per capita and per square kilometer) since 1968-1971, was initially concentrated in a net collapse of essential basic infrastructure, continuing the downward trend in railway capital and operations since the 1950s. Since major capital improvements of production and basic economic infrastructure have a useful half-life in the order of ten or more years, a current net collapse of physical capital which began during the late 1960s would not be felt with full force until later, after a lapse of a decade to a generation later, that during the 1970s or even the 1980s. In the meantime, much of what is accounted for as current profits of enterprises in such cases, is not actually earned income, but rather like eating one’s own foot, or leg, as a source of nourishment.

Similarly, the “out-sourcing” of production from North America and western Europe, under a program of globalization, fails to meet the standard of a net transfer of productive

3. In fact, I had a hand, fortuitously, in prompting the lunatics associated with Mark Rudd et al. to abandon their proposed, Dionysian celebration of triumph over the 1968 death by political assassination of then leading U.S. Presidential candidate Robert Kennedy. This case was a part of the evidence which warned me that the current within SDS associated with figures such as Rudd was truly fascist (of synarchist-like leanings) in the strictest sense of the term. I did not read this then as the Rudd and similar types’ wish to do harm to the Senator, but as their exultation over the calamities of the system they wished to see destroyed. The fascist character of the anti-nuclear-power campaigns in Germany of the 1980s, and similar neo-Malthusian outrages among some leading U.S. Democrats associated with former Vice-President Al Gore, exhibit the same clinically Dionysian traits of such “68er” relics, still today.

output from the already developed agro-industrial regions of the world, into the new markets of nations with significantly lower typical physical output and income per capita and per square kilometer.

So, the *Telegraph* speaks a wee bit truthfully when its Evans-Pritchard poses the headlined question as the title of Evans-Pritchard's July 2nd piece: "Will Trichet drive the world over a cliff?" There is no reasonable doubt that Trichet's policies, if permitted to continue, would do exactly that; but, it must be said, it is the current policy of the British Empire which, by means of Mrs. Thatcher's Maastricht, virtually created that inevitable Trichet in his present role as a lackey in present service of her past policy. The implicitly horrible effects of Trichet's systemic disregard for the evil consequences of his policies of practice, should be obvious, despite his denying any interest in discussing this now crucially important subject-matter.

In competent economics practice, it is the physical values as such, not monetary values, which are to be counted as the ultimate values in an economy. A money-system is functioning competently when its predetermined effect is the assured increase of the productive powers of labor of a nation, or nations, as measured per capita and per square kilometer of the economy's total territory. Since the aftermath of the assassination of President John F. Kennedy, the net physical output, per capita and per square kilometer, of the economies of North America and western and central Europe has moved in downward direction during most of those decades, since 1968-1981, during the same time that the general estimate was what was foolishly esteemed as a profitable increase in money-values.

Thus, a great, global tragedy has been in the making until now. Every time it is reported that the economy is on an upward track, it has actually been declining in real terms, and that now catastrophically. What, therefore, should we mean by such a tragedy?

1. The Thesis: The Tragedy

In Classical tragedy, there were so-called gods, like the Olympian Zeus of Aeschylus' *Prometheus Bound*, who played with mortal men and women as an evil child plays cruelly with dolls. In Classical Greek, such a system came to be known as the oligarchical model, a model typified by the Babylon of legendary Belshazzar, and by the Persian, Roman, Byzantine, Venetian-Anjou, Venetian-Habsburg, and neo-Venetian, British (Anglo-Dutch Liberal) empires, such as the British empire which has dominated most of the world, through its mechanism of usury, most of the time, from February 1763 to the present day.

The essential characteristic of all such empires, is that it is only he, or she who performs a function equivalent to that of "the Emperor" and the Imperial Pantheon, not mere kings,

who dictates the reigning code of imperial law, as Roman law typified this, and as the code of Liberalism (e.g., the Anglo-Dutch Liberalism derived from the neo-Venetian design of Paolo Sarpi) typifies the dominant current in actually imperial international law, especially since 1971-1973, today.

Again, Aeschylus' presentation of the Olympian Zeus, as in the *Prometheus Bound* of his Prometheus Trilogy, and as Friedrich Schiller presents the *Wallenstein* trilogy, is an appropriate subject of comparative reference for grasping the essential characteristic of the global tragedy of the British Empire today. It is also the best standpoint from which to understand the more ominous implications of the present existential, global crisis of the Anglo-Dutch Liberal imperial system.

What confronts that currently dominant Liberal system of imperialism, can only be understood adequately historically, that from the standpoint of a rarely understood, underlying principle of Classical tragedy, as such is typified by the work of Classical Greek, Shakespeare's, Gotthold Lessing's, and Friedrich Schiller's drama. Contrary to Romantic chatter, tragedy is not located within a particular individual character, but with the enveloping principle of failure of the culture (the society) within which the characters are often situated as merely virtual appendages.

For that reason, any truly Classical tragedy is situated in an historically specific setting, such that the tragedy can not be defined except within the terms of its specific place in history. The tragedy is always the tragic failure of a culture (such as a nation), either on stage, or in the processes of the current society, in which, in either case, the individual's inability to break free of the grip of that culture defines his mission in life to be a failure.

So, the British empire, having recovered its power through the combination of such included means as its orchestration of two "world wars" and subversion of the United States over the course of the post-World War II period to date, has now reached a relative pinnacle of its regained imperial power in and over the affairs of the world at large. It is that empire, as a social process, which is the tragic personality (so to speak) represented by such typical individuals as Ambrose Evans-Pritchard.

The proposition thus posed, runs as follows.

The tragedy, on stage or in real power to govern, inheres, not in any individual character, but in the specific culture to which the particular drama, on stage, or in an afflicted government, is devoted. The failure is located in the inability of virtually any of the relevant characters, such as the principal one, to break free of the range of mental habits which he, or she has acquired as a member of that self-doomed culture. It is this quality of effect, when it occurs, which expresses the lurking tragedy inherent in that drama's society as a whole. The particular achievement of the author is to make that tragic end clearly seen by the audience as inherent in that so-



Library of Congress



In the case of great drama, such as those of Shakespeare (left) and Schiller, the playwright “crafts the drama in such a fashion, that a well-directed, well-acted performance conveys a sense of a dynamic principle, ... a sense of a society which is inflicted, from the top down, with a catastrophic outcome lurking among the reigning social forces of the case.”

ciety, that of the drama on stage, or that of the society outside the theater.

Classical Tragedy

Friedrich Schiller provides a special qualification, that of introducing two “children of the house” who are outside the mainstream of the *Wallenstein* trilogy, or as in the case of Shakespeare’s use of “Horatio” in *Hamlet*. The contrast so introduced, as by “Horatio’s” part, shows that folly inheres in the system as a whole, not the so-called tragic figure of the drama.

Thus, the tragic individual character expresses a typification of the characteristic folly of that society as a whole. It is that folly which compels the tragic individual figure to act in a manner consistent with the society which his behavior expresses. So, the off-stage presence of “Cicero” in Shakespeare’s *Julius Caesar* is introduced by “Cassius,” as an element of real-life, real-historical irony: to sense something in the light of what it is not.

In all of the relevant cases, the playwright has crafted a truly dynamic image of a fatal, self-inflicted doom of that society, especially of its panoply of leading figures. The great playwright crafts the drama in such a fashion, that a well-directed, well-acted performance conveys what must be described as a sense of a dynamic principle which envelops the interaction of the wills of the participating essential characters, a sense of a society which is inflicted, from the top down, with a catastrophic outcome lurking among the reigning social forces of the case.

It is like a bad marriage, in which both combine efforts to achieve a worse outcome than could be generated as the sum-total of the action by the same persons as separated individuals. Such is the case where neither is as much at fault as their

being together has become the fault.

Indeed, all the world’s a stage!

Those relevant characters of the drama interact in ways which foretell their resulting mutual doom. We have, thus, the spectacle of a governing force of a nation, whose actions are committed to effecting their own mutual doom. This set of dynamics is the essential tragedy. *Wallenstein* himself is not, despite the commonplace, Romantic misrenderings of his part, *the* tragic figure of the drama; his problem is that he lacks insight into the method for dealing with the trap which grips the drama (and its expression as the real history of the matter) as a whole. In *Wallenstein*’s camp, the smell of doom piles up, extended to the point that nothing seems capable of preventing that common ruin on which all the various actions converge to a single effect.

Let us name that sense of a single tragic effect as “the force of tragedy,” the force which grips the seemingly almost all-powerful, imminently triumphant British world empire of today. Like Ambrose Evans-Pritchard, each doomed figure of that system is gripped, obsessively, by a compulsion to actions which contribute to ensuring the lurking doom—“the force of tragedy”—shared, diversely, but to a common end, among them all. The part which Evans-Pritchard has chosen, is implicitly that of a self-doomed, pompous fool, contributing to the self-inflicted torment of his entire tribe; but, nevertheless, it is the part he has chosen to play for himself, all the way to the end. Such is the force, or farce, of tragedy.

The Force of This Tragedy

The specifically Dionysian quality of this British imperial tragedy, springs from the most essential characteristics of the Delphic system which encompasses the intrinsically Roman-

tic character of both Delphi's Apollo and Dionysus. Just as the Olympian Zeus of Aeschylus' *Prometheus Bound* bestializes ordinary men and women by forbidding access to the principle of human creativity, the Delphic Romantic may sometimes seek the pleasures of experiencing Classical artistic composition, without expressing that principle of creativity, called irony, which sets Classical human creativity apart from Romantic folly.

Tragedy is not inevitable in and of itself. What makes today's potential tragedy as an actual one, is precisely that rejection of Classical modes in art and science, a rejection which characterizes the typical modern Liberal, especially those of a certain stratum within the "white collar" generation born to trans-Atlantic society during the 1945-1968 interval.

Such are the types of Liberals who, as for example, existentialist creations of the Congress for Cultural Freedom, campaigned as enraged, Dionysiac rabble in the streets during 1968 and beyond. They hate what symbolizes, for them, "blue collar," "nuclear power," modern scientific agriculture, Classical artistic composition, and what they hate as "the shackles of reason." They are the people of "The Cities of the Plain," of "The Tower of Babel," and the carnage of perpetual warfare.

Such unfortunates are those who are characterized by a commitment made, like an oath under the eyes of their companions, to cling to those fetishes of neo-malthusian and other typically existentialist beliefs which have characterized a certain "Baby Boomer" type since the riotous events of 1968 and beyond. This pact to which they share implicit allegiance, grips them, and binds them together, with the force of tragedy. They just can not walk away from it, even if it would doom them.

For them, the script of their tragedy is already written, the lines and actions on stage rehearsed, each committed to playing his own part. They are doomed; they are thus doomed by the force of tragedy.

The essential root of the oncoming, self-inflicted doom of the British Empire lies in its being that British Empire. The Empire has triumphed over sundry nations and peoples through turning the U.S.A. into its financial lackey, and dealt similarly with those nations of continental Europe, Africa, and elsewhere. This has reached the point that the British empire appears to have triumphed in the end of centuries past. Yet, the force which now threatens it the most, is none other



"The creative faculty, as expressed by the discovery of efficient universal physical principles, or by kindred discoveries in the domain of Classical artistic composition, is the only known case in which a member of a living species has an efficient form of willful role in changing the future..." Shown: Albert Einstein, Classical violinist.

than itself.

By the very design of the Anglo-Dutch Liberal system, it is presently doomed in any case; the practical question is, "How many others will it take down with it?" Were it sane, it would realize that the game has ended thus, and it were time to cease playing that imperial game. Yet, they can not. The habit is too old; and the old rules of the predatory game are too cosy to give up. It will continue, against all reason, to play the game. It is, thus, gripped, probably terminally, by those dynamics of the force of tragedy which would doom it.

2. To Be Immortal

The irony which underlies much of the tragedy of the world's history, is that so-called religious believers profess faith in immortality of the individual human soul, but many of these simply do not know what they are talking about. It is not the soul which abandons the body, but the body which abandons the soul. That very thought, they would find too frightening to consider. In serious political science, this is a cardinal point of distinction.

The creative faculty, as expressed by the discovery of ef-

efficient universal physical principles, or by kindred discoveries in the domain of Classical artistic composition, is the only known case in which a member of a living species has an efficient form of willful role in changing the future which he or she, in death, may contribute to change the future of mankind, or bring to life the completion of the uncompleted work of someone who has passed on before the present time.

This carries over into the practice and teaching of physical science, in which the progressive evolution of the universe proceeds, in European civilization, from roots in ancient astronomical navigation, and related ancient calendars, through the *Sphaerics* of the Egyptians and the Pythagoreans, through Plato, Eratosthenes, Archimedes, and modern Nicholas of Cusa, Kepler, Fermat, Pascal, Huyghens, Leibniz, Abraham Kästner, the Monge-Carnot Ecole Polytechnique, Carl F. Gauss, and Bernhard Riemann, into such leading figures of the last century as Max Planck and Albert Einstein. True science is grounded in the reliving of each step in such a sequence, each time discovering an added universal physical principle. The effect of that approach, as opposed to the more careless and decadent methods popularized today, is that the participant in such a program relives the history of European science from its beginnings in astronomy as a tool of transoceanic navigation. The student does not learn “tricks.” The student relives the history of science in himself or herself; the student relives the experience of the original discovery, as by either the original discoverer, to the same effect.

It is the true nature of man to acquire knowledge in that dynamic mode.

To restate that point, the question is: Where do you locate your personal interest in living? Once you have held yourself accountable for a part in the outcome of the life’s work of those departed persons before you, and also the future you shall not see directly, your personal sense of self-interest as a human being is defined in a new way. What past generations have a right to expect from us, and what future generations have a right to expect from us now, become an enlarged sense of one’s personal self-interest. Since we are human, it is not sufficient that we afford the likeness of animal comforts to past and future members of our species. We have a vital interest in the role of those powers of creativity which are typified, in their expression, by the discovery of universal physical principles, as Johannes Kepler did (for example), and in the realization of the incompletely realized work of similar qualities of discovery of those who have preceded us.

Most essential is that conception of beauty which subsumes both such cases: to do something good because it is beautiful in the sense that creative insight is the inherently true nature of what should be perceived as beauty.

The nature of the relevant quality of beauty associated with individual human creativity as such, is still largely ob-

scured from us, but not entirely. We know it as something efficient existing beyond the capabilities of any other known living species. We see the effects of that same quality of creativity in the accumulation of a mass of products of human creative activity which is growing in its amount relative to both the inorganic mass of our planet, and of the mass of other living creatures and their products.

Those creative powers of the individual human mind are the source of that increase which we should associate with the idea of some function associated with the human brain, but we find no trace of such a function in the mental-perceptual apparatus and associated processes of animal life. It is a quality of something in the universe to which some function of the mind of the living human individual is attuned, but we have no biological trace of this specific function in the design of the brain. Let it suffice for the moment that the human mind is tuned to the creative processes of the universe, whereas individuals of other species are not. After that, we still have so very much to discover.

For as long as we fail to take these higher matters of individual human creativity into account, our sense of self-interest remains faulty, crippled. What lies beyond such limits we wrongly impose upon ourselves, remains a world which is alien to our sense of self-interest as merely biological individuals. Then, just because our motivations, as individuals, are crippled in that way, we have great difficulty even in acting for humanity, other than by simple self-interest as individuals, and have little more than a weak and uncertain grasp of the notion of our accountability for the immortal and universal.

However, when our human creative powers, such as those employed for a validated discovery of physical principle, are applied to the interest of humanity, as to our nation and its past and future generations, the creative power is greatly increased in its effective power for improving the general human condition. To achieve that state of development becomes, then, a higher sense of self-interested motivation. We have, then, a sense of what Raphael Sanzio’s *The School of Athens* portrays as “The Simultaneity of Eternity.”

With respect to politics, and political-economy today, it is the moral mediocrity which is tolerated as a sufficient commitment, which allows people to attach themselves emotionally to petty wishes and fears in such a fashion that they group together, as if to gather in little better than a kind of variant of animal warmth. This tends to promote those relatively degraded social attachments which bind a victim, not only one such as Ambrose Evans-Pritchard, to the cause of a kind of social process which is not only doomed, but alien to the very idea of humanity in the effects such a bonding promotes. Here, in this state of affairs we find those qualities of affinity expressed as what I have termed here as “the force of tragedy.”

That much said, may you have had a happy Fourth of July weekend!

BIS: It's Time To Drag Out the Chopping Block

by John Hoefle

“The current market turmoil in the world’s main financial centers is without precedent in the postwar period. . . . [F]ears are building that the global economy might be at some kind of tipping point. These fears are not groundless.”

That quote is from the 2008 annual report of the Bank for International Settlements (BIS), which presents a bleak picture of the state of the financial system, and warns that the crisis is far from over. It was issued on June 30.

Economist Lyndon LaRouche, who noted in his webcast of July 25, 2007, that the financial system was already dead, and has watched the decaying system rotting away over the past year, called the BIS report “a valid warning shot of the sudden change in the world financial system for the worse, which is in progress.”

The BIS report, which is remarkably blunt for a statement from a central banking institution, contains an analysis of the precarious state of the global financial system, and warns that the attempts to bail out the banks are dangerously inflationary, and that the banks will have to take substantial losses. “If asset prices are unrealistically high, they must eventually fall, . . . and if debts cannot be serviced, they must be written off. Trying to deny this through the use of gimmicks and palliatives will only make things worse in the end,” the BIS said.

The warning from the BIS, together with recent warnings from the Bank of England that “the nice decade is behind us,” and from the oligarchic Royal Bank of Scotland that “a very nasty period is soon to be upon us,” reflect the growing realization that the system has, as LaRouche identified a year ago, died, and must be replaced.

The issue facing the bankers—indeed facing all of us—is that the bubble has popped and is not coming back. The giant securities market, in which unpayable debts were packaged and repackaged into securities and then traded among “investors,” as if they had value, has died, and sealed the doom of the great trading floors of Wall Street, the City of London, and elsewhere. As the business vaporizes, so inevitably must the banks which depended upon that business. This is what the BIS is implicitly admitting: The game is over.

As LaRouche has repeatedly observed, the issue which must be faced is far larger than a mere financial crisis: It is a breakdown crisis of civilization as a whole. The financiers of the Anglo-Dutch Liberal system, of which the BIS is a key institution, are using the collapse of the bubble as a weapon against the population of the world, to destroy nation-states and dramatically reduce global population. The issue is not longer saving the financial system, but saving the world.

The Fools of Olympus

The BIS, headquartered in Basle, Switzerland, acts as a sort of central bank for the world’s central banks. It was created in 1930 to handle the punitive reparations demanded of Germany under the post-World War I Treaty of Versailles, and thus helped create the conditions which led to the emergence of fascism under Hitler. The BIS was, in fact, a key institution of the global financial cartel set in place by the Anglo-Dutch Liberal financiers, and serves in that role today, representing some of the nastiest financial interests in the world, a mouthpiece for the oligarchs who view themselves as the Gods of Olympus.

“The simmering turmoil in financial markets came to the boil on 9 August 2007,” the BIS said in its annual report, adding that, “when and where it will end, no one can say with certainty.” The problems with subprime mortgages and the securities based upon those mortgages—which it correctly identified as the “trigger,” not the cause—of the financial crisis, had actually begun in 2005, when the delinquency rate of subprime mortgages began to rise. The turmoil began to boil in the Summer of 2007, with the crisis at two hedge funds run by Bear Stearns. “From this small beginning, the financial disruption then fanned out to virtually every corner of the system,” and on Aug. 9, “a number of central banks felt compelled to take extraordinary measures in an attempt to restore order,” the BIS said.

These “extraordinary measures” accelerated as the crisis spread, to the point where the major central banks have made over \$3.7 trillion in loans to commercial and investment banks, and taking in huge quantities of worthless paper as collateral, in an attempt to plug the hole in the financial system. These interventions have failed miserably to stop the hemorrhaging. Since the crisis began, the world’s major banks have written off some \$400 billion in asset values and raised some \$300 billion in emergency capital, but the losses are growing and the capital is getting harder to come by every day, as the system shrinks.

Pirate Equity

The latest scheme being pushed by these self-styled Olympians is to have the private-equity funds—or *pirate*-equity funds—invest in the banking system. This nonsense was floated in the July edition of Britain’s *Prospect* magazine, reporting on a roundtable discussion, which included the deputy governor of the Bank of England, a pair of top British financial propagandists, and imperial parasite George Soros, among others. Soros suggested that “private equity funds will replace the investment banks as the dominant force in the economy.” The same basic line was pushed in the June 26 *Wall Street Journal*, now owned by the bankers’ media mogul Rupert Murdoch, in a news article which reported that the Fed had been meeting with some of the big private-equity funds, and in an op-ed by two managing directors of the Carlyle Group, who asserted that the pirates were ready to step in and



unfair to the hyenas, but it does make a valid point about the nature of the international financier oligarchy, in terms of both method and cultural development. They are a nasty and brutish bunch, who consider themselves the Kings of Beasts, and view the rest of humanity as cattle to be herded. These beasts have now decided that the human herd has grown too large and must be culled, from the current level of more than 6 billion people down to 1 or 2 billion.

Such a world will have no need for the big investment banks of today, with their football-field-sized trading floors and row upon row of securities and derivatives speculators. What the oligarchs have in mind is a world dominated by a handful of giant global banks, working in concert with a handful of global cartels, to rule the world as a one-world empire, free of nation-states and nationalist interests, ruled from a collection of feudal city-states, with Venice, at the height of its power,

“Comparing international bankers to hyenas may be a bit unfair to the hyenas, but it does make a valid point about the nature of the international financier oligarchy, in terms of both method and cultural development.”

fund the banks, but only if the banking system were even further deregulated.

This argument is absurd on its face, since the private-equity funds are just as bankrupt as the banks, and their assets just as worthless. It should be obvious to all by now that the financial system cannot bail itself out by shifting funny money from one of its pockets to another, and the people behind the private-equity scheme know that.

What is being proposed here, it would appear, is to use the private-equity investments as a cover for a dramatic restructuring of the financial system. The idea would be to direct enormous amounts of petrodollar and other hot-money flows through the pirates as a way of determining which banks survive and which do not, favoring the imperial banks and either absorbing or closing those banks deemed too closely associated with national interests.

Open Warfare

As we indicated before, the financial system is dramatically and inexorably shrinking, and the issue of which institutions will survive and which won't, and what form the survivors will take, is the subject of open, if somewhat discreet, warfare among competing factions. The dynamic among the factions is much like that of a herd of hyenas, which grew large during a period when food was plentiful, then fell upon hard times and began to fight among themselves over the shrinking food supply.

Comparing international bankers to hyenas may be a bit

as a model.

Therefore, the war is not merely between the hyenas in the pack, but between the pack of hyenas and the rest of the world. It is interesting to watch the hyenas fight among themselves over who gets to eat, but that battle is irrelevant to the prey the pack is eating.

That is the problem facing humanity—all of us, collectively and individually—today. The financial system is gone, and the real fight is over what type of system will replace it: a system run by the hyenas of the oligarchy, or a system run by principle; the law of the jungle, or the power of reason.

Do not be fooled by all the financial maneuvering, the soap operas about which institutions will survive and which will fail. The banks, securities firms, hedge funds, private equity funds—the whole mess is finished, just as surely as were the dinosaurs, because the world in which they exist has rendered them obsolete. Forget about them, and worry about the future of mankind, the future of our children and the generations to come. Let us not abandon them to the hyenas.

If we want humanity to prevail, we must begin by acting like humans, using and developing the power of reason of our minds. The solution is before us, if we have the sense and the courage to grasp it. Lyndon LaRouche has laid out in great detail what must be done. It is up to us to determine whether we are on the cusp of a great victory, or living out a great tragedy.

Are we humans, or are we hyenas?

Will Your Bank Still Be Open At the End of the Quarter?

Marcia Merry Baker interviewed John Hoefle of EIR's economics staff, and Stuart Battle from the LaRouche Youth Movement in Seattle, for The LaRouche Show on June 28. This is an abridged transcript. The Internet radio program is broadcast every Saturday at 3:00 Eastern Time, at www.larouchepub.com/radio.

Baker: Welcome everyone.... Our topic is, "Will Your Bank Still Be Open at the End of the Quarter?" Now, unless some of you have been in a blur or under a rock, you know the end of the second quarter of this year, is 36 hours from now. And the question isn't even facetious, at the rate things in the financial system are blowing apart. It's beyond declaring losses, when it comes to banks and other entities: You could say we're in a kind of chaos phase-shift, where the collapsed system is creating more chaos, even to the point where basic economic functions are either shutting down or in danger of doing so—that is, it's impossible to pay fuel bills, food bills, and we've not had any intervention to create an emergency response for a new system that would restart and serve economies and nations. So, we still have loonies at the control panel here.



John Hoefle

It was only about a year ago, July 25, 2007, when Lyndon LaRouche gave an international webcast based in Washington, D.C., to warn and to state that the financial system was gone. It was collapsing, and this was terminal, this wasn't a "dip" or a depression.

And now a year later, on July 22, at 1 p.m. Eastern Time in the United States, Mr. LaRouche will give another webcast on the situation; and in particular within the next few hours, will be posted a new paper on what to do about the situation.¹ It's a proposal by him, and it's occasioned by the debate going on in Russia about the various things they are or are not doing on

economic policy. Mr. LaRouche is addressing the potential for the world to get out of this mess, if Russia, India, China, and the United States band together to do certain emergency things, for the financial system, for credit, for real economic needs.

And with that, to discuss this strategic situation, we're very happy to have John Hoefle on the line, our economics chief. And from the Pacific Coast, out in Seattle, from the LaRouche Youth Movement there in the Northwest, we welcome Stuart Battle.

And you can imagine what John—well you never know what John's going to talk about. But I know Stuart has been



LYM/Siri Martin

Stuart Battle

part of leading the charge on the West Coast, with the population, with young and old, to force the issue of people facing the reality of this unprecedented crisis we're in, and in particular, I'm hoping Stuart's going to be discussing the exposé that the LaRouche Political Action Committee and the LaRouche Youth Movement are leading, to show that there's been an intense subversion operation of our elections in the United States, and of other institutional functioning,

by people associated with the name—and the people behind—"Your Enemy, George Soros."²

We'll get to that in a minute, but John, one thing I know you've written in the last 48 hours, is that the system is dead, and we can save the nation and even deserving banks. Why don't you start with that?

The Whole System Is Crashing Down

Hoefle: Well, I think the question of a "deserving bank," sort of gets to the heart of what we're talking about. Because what we're talking about, when we say the Homeowners and Bank Protection Act: We're not really talking about saving particular institutions as much as we are talking about necessary banking functions. The whole banking system has been

1. Lyndon H. LaRouche, Jr., "Free Trade vs. National Interest: The Economics Debate About Russia," *EIR*, July 4, 2008.

2. The title of LaRouche PAC's new pamphlet. See www.larouchepac.com.

taken over by parasites; the bigger the bank is, the more involved it is in speculation. All of the really big banks, Citigroup, J.P. Morgan Chase, Bank of America, these things are so far down the road of being speculators, as opposed to being banks, that there's not really a lot there to save, except that they still make loans, you still have checking accounts and that sort of thing. So, the sort of functions that are necessary to provide the credit for an economy to function is what we're talking about when we're talking about saving the banks. We're not talking about bailing out their multi-quadrillion-dollar derivative portfolios or anything like that.

This is all important, because basically, this whole system has come crashing down. The banking system was functioning on the basis of making loans that were basically ridiculous loans—loaning money to people who were so loaded with debt already, that they'd never be able to pay the debt back, and they'd keep rolling over these loans. And the securities machine, the mortgage-backed securities, and others, the asset-backed securities, the credit-card-backed securities, all sorts of things—this whole system was used to keep rolling over these loans; that the banks would make these loans and then sell them off to “investors,” with quotations marks around that, because they're actually speculators, most of them. And this is the nature of the system.

But that securities machine is now dying. And because the banks are no longer making money, the speculators are no longer able to make money speculating in the securities market, they've moved to where they can make money speculating, the things that people are still buying, which are food and energy. And this has caused the soaring of prices of oil and all sorts of food products.

So, the system is spinning completely out of control. In order to save the banking system, in order to keep these banks afloat, they need to continually increase the amount of money that they're looting, through oil and food, and other types of speculation. And they're getting enormous subsidies from the Federal government, to stay open.

But at the same time, as we've all been told, we have a consumer-driven economy, and the higher gasoline prices go, and the higher food prices go, the fewer things that people can buy. At the same time, since the debt machine, this securities machine, has crashed, the banks are cutting back on credit limits, credit card limits and things like that are being cut down.

So you have this situation where you're damned if you do, and you're damned if you don't. You need to keep the speculation going in order to keep the banking system afloat to provide the money for it; but if you do that, it blows out the consumer end of the economy, it blows out all the households and a lot of the businesses. But if you stop the speculation in order to protect that, then you don't have the funds to keep the banking system going. So that's the dilemma, and that's why we need LaRouche's three-part program, beginning with the Homeowners and Bank Protection Act, which just freezes all of this and puts the system through bankruptcy and protects people while we work out this disaster that the bankers have created.

LaRouche's Three-Point Emergency Program

Baker: Could you reiterate those three points?

Hoefle: Sure. The first point, the Homeowners and Bank Protection Act, the HBPA: You're going to have to put the system through bankruptcy and so, the first thing you do is you erect a “firewall.” You freeze things, to protect, for example, people who are dependent upon pensions—and many pension funds are invested in worthless paper; a lot of the stuff is just going to get written off. You also have to protect people who need to have, for example, food moving from farms: The farms need to continue to operate, the food needs to be transported into grocery stores, that sort of thing; the hospitals have to keep working, the schools have to stay open; the emergency services—the sort of things that the *real* economy has to have to continue to function, because people's lives depend upon it. So you have to set up a mechanism, whereby, even while you're freezing and writing off these trillions, quadrillions of dollars worth of worthless assets, you protect ordinary citizens. So that's what the firewall in the HBPA is design to do.

And then the second step is, once you've frozen all of these, and have stopped the collapse, stopped this speculative frenzy, stopped this hyperinflationary blowout that we're in the middle of right now, then you can begin to rebuild. And you do that with a two-tier credit system, whereby you have projects which are designed to increase the productive power of human labor, infrastructure projects, do something about our roads, our transportation grid, the energy grid, the collapse of water and sewer systems, all the sorts of things that are necessary to get the economy moving again. We need to go to nuclear power, and we have all sorts of needs like that—great projects like the NAWAPA water system (**Figure 1**).

So you need a credit system which will provide low-interest credit for these kinds of necessary projects, the projects that are necessary to get the country moving again.

And at the same time, for all other functions, you have a higher interest rate. So let's say you make loans for these development projects at 1-2% interest rate. Then for other things, you have a higher interest rate, 6 or 7%, something like that. So that's the two-tier credit system, to make sure that the money flows into the most essential projects.

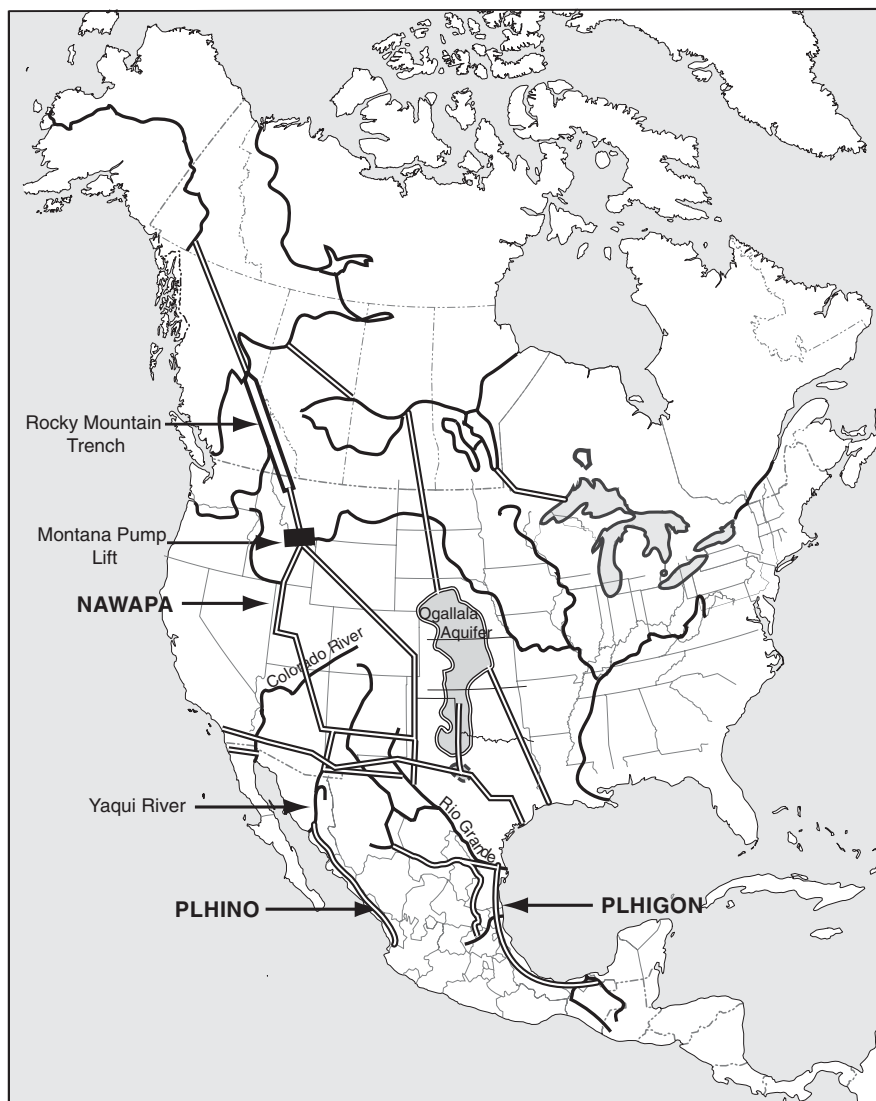
And then, the third phase of this is the Four Powers agreement. The idea is that the United States has to work with Russia, China, and India, among other nations, but those are the big four that have the political power to put this financial system through bankruptcy, and put the empire back in its cage, and begin rebuilding the world.

You need all three of those elements—that first you have to stop the damage, and then you have to begin a process of serious rebuilding both nationally in the United States, and internationally. You can't just cut nations off, you can't let nations die.

Organizing Perspective from Seattle

Baker: Let me turn to Stuart here. Stuart, you've been involved in direct organizing within the Democratic Party and

FIGURE 1
North America: 'NAWAPA-Plus'



Sources: Parsons Company, *North American Water and Power Alliance Conceptual Study*, Dec. 7, 1964; Hal Cooper; Manuel Frías Alcaraz; *EIR*.

The North American Water and Power Alliance (NAWAPA) was first proposed by the Parsons engineering firm in the 1960s, but has never been implemented. It is an integrated water, power, and agricultural project which proposes to take about 17% of the annual runoff of the rivers of Alaska and northern Canada, most of which now flows unused into the Arctic Ocean, and channel it southward to Canada, the United States, and Mexico. The map also shows proposed projects in Mexico which would link up to NAWAPA.

at large, about different aspects of this crisis, including the need for a firewall, the Homeowners and Bank Protection Act. Do you want to start by saying what the response is, that it's more than it was six months ago, or three months ago, and that people are facing the reality?

Battle: Sure. As John was saying, we're clearly entering a further and further decline of this financial system, which is having a direct effect, daily on the population. It's getting to

the point now, where the same people that maybe even six months ago, or some even a little bit longer, would say, "Oh, everything is fine, I don't mind it all. This is just a little dip in the market," now are saying, "What is going on? What's happening?" with a kind of desperation to know what's going on, and how to fix it.

The biggest problem we're running into, is a line you get constantly, especially with the lower 80% and with students and young people, where they'll admit that we may be right, and that LaRouche may have known all along what's going on, and that, yes, in fact, the whole system is in a systemic collapse, "But, I can't do anything about it." This is what we've been trying to pinpoint and flank as a youth movement, and I think, even more broadly, that's what Mr. LaRouche is looking at. But our job, and what we've been working towards, especially with some of the Democratic Party circles and Hillary Clinton supporters, is how to get the majority of the population to really recognize historically what this problem is, and what the cause of it is, what a financial empire really looks like.

That's why we're getting out this new dossier on George Soros. We're really going directly after the people that are creating this problem, that are creating the agenda for the Democratic Party and the different so-called "leaders," who are trying to make sure there are no real solutions put on the table.

The Soros Dossier

Baker: Why don't you continue on that? This was written by the LaRouche Youth Movement, a whole team of researchers. What's been the response?

Battle: Yesterday was the first day out with it, but the response is, so far,

kind of what I just mentioned. There's a certain amount of panic setting in, about what's happening and why this is happening. And so, with our attack on this guy's political career, it's really opening up the doors for people to understand what, in fact, this British operation is. It's not just a magical sense of "there's these corrupt people, that have a lot of money, and they're somewhere else, they're somewhere in a place where I'm not sure where it exists." But it's really putting a name and

a face on what's occurring with the breakdown of the physical economy generally.

One of the more significant things that I want to bring up, is that we had the Washington State Democratic Convention two weekends ago, and we went there, of course, with the expectation to stir up especially the Hillary Clinton supporters, as well as all the Democrats who were there. What we found when we got there, was that the whole party was oriented around a "unity" idea. So any talk of a secondary candidate, other than Barack Obama was out of the picture. So we found at the convention speeches by Senators, by the mayor of Seattle, and by leaders of the state party, who were mixing up the idea of Hillary Clinton and her ideas as a potential candidate, and more forcing these 18 million supporters of hers across the country, into the standard Democratic line.

A lot of people were demoralized, and we ran into kind of a frenzy and disarray and confusion, that was very obvious, and intentional. These people who have fought much, much harder than anybody that we have run into—there was a very driven campaign here—have now been turned around, and very clearly the Democratic Party has been trying to get these 18 million supporters to just forget about the whole reason they were fighting for a Franklin Roosevelt idea.

Baker: You're collaborating in regrouping these people to fight on, is that right?

Battle: Yes, we've been following up with a lot of these groups, and we've found that really, the people we met at the convention, and others that we've been meeting, they're ready to go, essentially. These are people that are taking up just whatever they can do, in terms of how to organize communities, how to organize anyone they can find. The Hillary Clinton circles we met with at the convention and afterwards, have a very sharp understanding that there is a political operation being run.

So when we brought out this George Soros pamphlet, there's been an astounding response (we just got the pamphlet yesterday, but before that, people were avidly looking at our website to see this dossier). Because when we bring up the idea of a financial empire that's literally funding the Democratic Party, and Howard Dean, and Obama's campaign, to make sure that the real issues are taken off the table, the response is dramatic. It's really exciting to get the population out of the realm of these little events that are seemingly happening, and more oriented around what historically the context is of the operation going on today.

Baker: I understand this week, there was a closed-door economics Obama campaign meeting that no one was allowed to attend, other than the organizers, in Pittsburgh at Carnegie Mellon University. I understand that the gist of it, was that the Obama platform is to extol such things as how Pittsburgh is no longer a steel city at all, not a manufacturing city, has switched over to service "industry." And if anyone has been around all the

major towns of what used to be the Pittsburgh industrial powerhouse—Clairton, McKeesport, Duquesne, Homestead—they are in shambles! They are in terrible, terrible, depressed conditions, falling apart, and this is supposed to be how wonderful it is. So, it seems to me, it's really open season, for us to intervene and regroup.

But John, you followed George Soros for the last 150 years, I think [Hoefle laughs], why don't you throw something in here about who he is, what makes him so useful. The people behind George Soros as well as the man himself.

Soros Is Simply a Stooge

Hoefle: The thing about George Soros, is that he is both an influential in the Democratic Party, a controller of the Democratic Party, because he has a lot of money to spread around; but he personally is basically a stooge.

You know, he's this vaunted investor who makes all these brilliant decisions and understands the markets. It's all a bunch of nonsense, because basically, he's a creature of the British financiers. His money comes through the Rothschild dirty-money operations, and the Rothschilds, you know, made their fortune working for the Venetians. He's a fund manager, but he doesn't even manage his money! Basically, they use him as a conduit to spread money around; they use him as a conduit for speculation.

They basically bought up a lot of the leadership of the Democratic Party. And so, we go after Soros, as sort of the "lead duck" principle: You know that he is not the problem, in and of itself, he's a representative of the problem. But he's a tool, and so you break their tool, and then you go after them.

But he's a fund manager, and the power behind him are the people who give him the money; it's not his money, and he doesn't really manage it, people manage it for him. So he's sort of a front-man. I like to call him the "Donald Trump" of the hedge fund world.

So that's essentially what he is. And basically what has happened is, that with the creation of the oil hoax and petrodollar market, the spot market in oil in '70s, you've created this huge pool of what are called "petrollars" in Europe, which are used by the financiers of this Anglo-Dutch Liberal system to buy up the United States. They've used this to help spur deregulation and globalization. This is the process which has helped move our jobs overseas, and to make the United States and every nation dependent upon these global cartels for the means of their existence, and that is what Soros has been doing. And his political operations are running cover for that, by trying to create so-called free markets, which is more marketing manipulation around the world. He spends lots of money to make sure that nobody in the leadership in the Democratic Party, people like Nancy Pelosi for example, will do anything about this speculation which is killing us!

So, George Soros has to go. But we should never be deluded into thinking that just because we get rid of him, we solve the problem. We need to get rid of him as the first step of

solving the problem, but then we need to follow through, and go after the people who are really calling the shots, and that's this financier-oligarchy, centered in the City of London.

Baker: Stuart, what John is saying here, is that it isn't just a miasma of general greed, but there's a British pedigree, a London pedigree; there are specific characters like George Soros that are deployed, who have a whole history of this. How does this sit with some of the people you've been meeting with? Is it, "Aha!" that they wondered who and how this was being done, or disbelief, among these people in the 18 million. There was a thing called, "Party Unity, My Ass!" [PUMA] (if I can say that on the air).

Battle: There was, and there is, still. There's quite a fight going on with some of the people we've been meeting with, and we've seen them emerge towards this.

The figure of George Soros is very well known among the Democratic Party. So when you bring it up, there is a lot of that "Aha!" effect, where people say, "I *knew* it! That's where they're getting all their money from." And at the same time, this guy's making all this money off the different financial markets and speculation that is just unchecked.

I actually was going to ask John if you had more of an insight to help me and some others understand exactly how a guy like Soros and others are able to pull these little tricks and operations against something like the Democratic Party?

The Powers Behind Soros

Hoefle: The way that they're able to pull it off, is that they're not really pulling it themselves: They're merely the public face of something much bigger; that through his whole career—for example, this famous case where he was involved in the 1992 raid on the British pound, in which he became known as "the man who broke the Bank of England." Well, that operation, of which he was part, was actually orchestrated by the Bank of England! And the proof that George Soros did *not* break the Bank of England, is that George Soros is still alive. Because if he had gone after the Bank of England in the way that they say, he'd be dead! Because they don't tolerate that sort of thing. You know, the British have a long history of killing people who do things like that.

Baker: Can you describe what that episode was?

Hoefle: Well, the European Exchange Rate Mechanism was a currency band, where as part of the beginnings of the unification of Europe, which we now see taking place with the euro and the Lisbon Treaty, the currencies of Europe would trade against each other; there would be a band established so that, say, the pound could go no higher than this, or no lower than this, against the deutschemark. This was set up by this financier-oligarchy, as part of creating this sort of "United States of Europe," although it's more of an assault on the nations of Europe, by setting up a regional government.

And so, the Brits helped set this up. But then they decided

they wanted out of it; they didn't really want the pound to be in—they put it in it originally, to get this thing moving, and then they decided they wanted the pound out. And at the same time that this was going on in 1992, a number of major Western banks were bankrupted. And so, what happened is, that the Bank of England and the Federal Reserve, and banks allied with them, launched a speculative attack on *other* European currencies, *and* on the pound itself. And because of their enormous market power, the amount of money they could throw, they were able to drive the [Italian] lira out—they made a bundle on that—they were pulling the pound out of this European Exchange Rate Mechanism, and it was extremely profitable.

Citicorp, as it was known at the time—and it was being run by the Federal Reserve, directly, at the time—made about \$1 billion out of that! J.P. Morgan made a similar amount, and other banks made lots of money. And Soros made money. Soros wasn't the only one, but he was the one that they put up as the public face of this, because you never want the central banks to be caught doing that kind of criminal manipulation themselves. So you use a guy like Soros, who's a front man. But he wasn't the one doing it—he was in on it, but he was not the power behind it.

And so, if you look at the manipulation of the Democratic Party, well, we have a *big* British problem in the United States. We've always had one. And there are a lot of Anglophiles, a lot of people who identify with the Anglo-Dutch financial model, the speculators, and who want to see that take over the United States, that don't want to see a country run by ordinary people; they want to reshape the United States along the British line, where you have more of a class society, and the very rich live very well, and everyone else is just left to fend for themselves. Or, what it really is: a lord and peasants model.

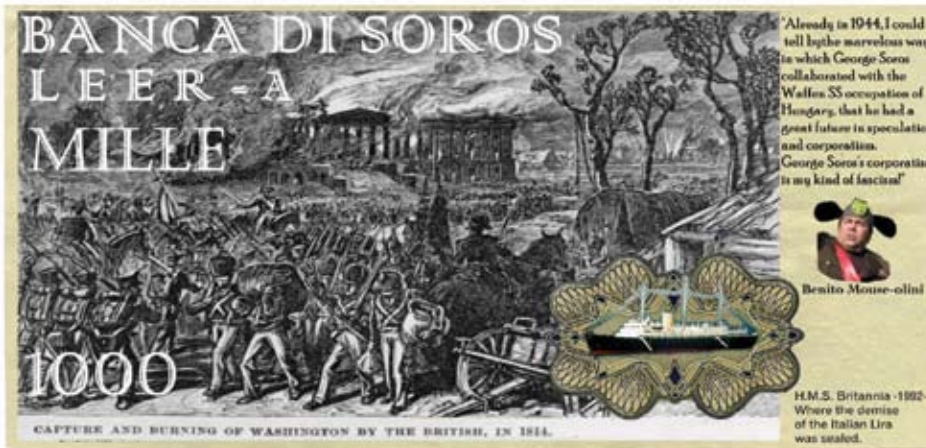
And so, they use their political power in the United States. They use the money that they get from all of their financial operations to buy lots of influence. And they use Soros as a pointman for this.

But they also have lots of other things: They have big media operations. You have Fox News on the right, pushing their brand of fascism, but then you have the Liberal Imperialist crowd around things like the *New York Times*, which pushes the same thing. So, it's a much bigger operation, but you put the face of one man on it, and you conduit a lot of this power through this one guy, and then it looks like he's the one doing it all. And so, you ask the question, "How can one guy do all of this?" And the answer is, he's not, it's not really him. He's just the agent for this.

A Classic Banking Crisis

Baker: We started the show taking about the end of the second quarter: Just looking at the headlines in the last 48 hours, you see losses, or announces of what has to be sold off by certain banks (I don't know who's supposed to buy it!). You see skirmishing and that kind of thing.

John, what about this moment in this collapse? We're getting a lot of fairy stories, if you watch MSNBC and these media



The LaRouche movement produced this adaptation of an Italian Treasury note (back and front shown here), to distribute at a rally in front of George Soros's Quantum Fund in New York City on July 1, 2008. The rally featured Benito Mouse-olini (lower right), who has become famous to New Yorkers for his enthusiastic and humorous support for his co-thinker, Mayor Michael Bloomberg. (Video can be seen at www.larouchepac.com.)

outlets that you just mentioned, saying, “this or that can happen,” or “smaller banks will be bought by larger banks.” But it really seems like it’s just bedlam.

Hoefle: It is. Because what we have here, is a classic banking crisis. The myth is that this was driven by real estate, that the subprime market collapsed, and then that set off a chain of dominoes which has now reached the banking system. And that’s a fraud, because it was a banking crisis all along, and it was the need for the banking system to get money, which was driving the appreciation of real estate prices. And they drove it up so high that the whole thing blew up.

But right now, you’ve reached a point where the banks are insolvent, and they’ve got a real problem: Over the past year or so, they’ve written off some \$400 billion and taken in losses. And that’s only the beginning of what’s coming down the pipe.

They’ve also been raising capital like crazy: They’ve raised over \$300 billion in capital, by selling additional stock and things like that. And the central banks have loaned the

banking system extraordinary amounts: They’ve put out over \$3.6 trillion in loans, over the past year or year and a half, since this crisis began.

And, no matter how much money they pour into it, it’s a drop in the bucket compared to what the losses are. The system is vaporizing. When you had this securities machine going full force, and everybody was trading in CDOs, and all this other alphabet soup of nonsense, basically worthless paper, back and forth—well, that market is gone.

And so, you have this huge financial superstructure, all of these commercial banks, investment banks, hedge funds, and other things, which grew up around this bubble, and now that this bubble has popped, and the volume of business has shrunk dramatically, that not only is there no more need for all of these banks, there’s no more business to keep them all going. So this whole system is being dramatically downsized by reality, and the bankers are trying to manage this collapse by all sorts of methods. But they’re responding to events;

they’re not really in control of anything.

And now, we’ve reached the point, as we were saying before, that you can either bail them out through all this speculation, and blow up the consumer side, which blows up the banks; or you can stop the speculation in order to protect the consumer side, and that’s going to blow up the banks. That these things are going. And what we’re beginning to see are signs that some factions are basically declaring open warfare on others: You have, for example, the British-connected press, like Rupert Murdoch, his *Wall Street Journal*, and certain British-connected financial institutions, have been launching assaults, mainly political assaults, having their analysts attack—lots of newspaper articles going after banks like Citigroup; they praise J.P. Morgan Chase, which was actually formed in Britain—it comes out of Britain; the old Morgan banking empire was British in origin. And so they praise their own, the ones they control, and the ones they don’t control so much, they’re now attacking. So you see Citigroup under attack, Union Bank of Switzerland, or UBS. You had this in-

cident where Société Générale of France was under attack.

You know, the system is actually breaking apart, and we're getting more and more warfare among the various players as they fight. The dynamic is sort of like a pack of wolves, and they'll work together to bring down the prey, but if there's not enough to eat, they'll start fighting among themselves, and, if necessary, they drive out or kill the weaker members of the pack, so there's enough for the rest of them to eat! And that's the kind of the dynamic that's beginning to take shape in the financial system right now. And when this happens, then the consensus completely breaks down.

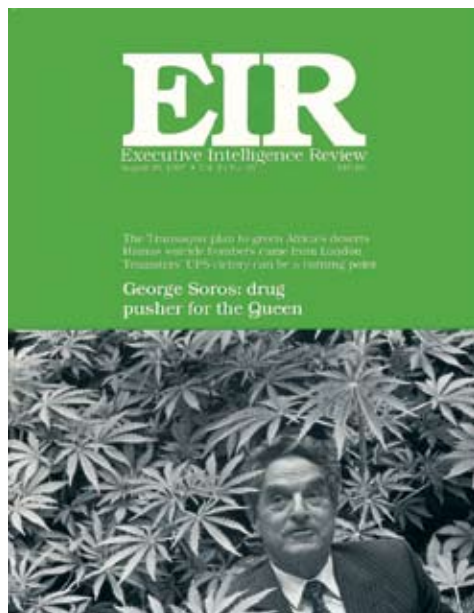
So I think we're going to see some dramatic developments. For example, Lehman Brothers is probably the next major investment bank to go, because they were heavily involved in all of this real estate speculation. And among major commercial banks, bank holding companies, Wachovia is in real trouble right now. There are rumors that it will fail, rumors that it's going to be bailed out via a merger with J.P. Morgan Chase, which is one bankrupt institution rescuing another. But every time they pull one of these rescue operations, or every time they put more money into the bank through the Fed, all they're doing is creating more debt! And the problem is, that we have a huge debt overhead that can't be paid. And you cannot solve a debt crisis by creating more debt.

So this whole thing is coming down.

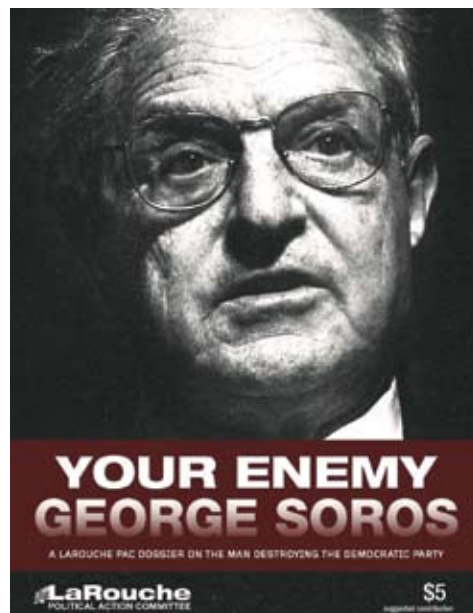
Cartelizing the Food Chain

Baker: And one subset of this among these wolves, it seems that there's been some spectacular headlines about hot money, including George Soros, buying into the food chain, to literally own parts of food processing, merchandising; ConAgra, one of the big food processing operations, along with ADM, Cargill, Bunge, is selling part of their units to a George Soros-connected consortium.

Hoefle: That's part of the picture. You've written a lot about what's going on with the food crisis, and the cartelization. And everything is being cartelized. This is what globalization really is: It's the cartelization of everything, in which everybody is going to be dependent upon these cartels for the necessities of life. So they're taking over food, they're taking over raw materials, they're taking over finance, they're taking over everything. This is all going on, the world is being re-



The LaRouche movement has been on the trail of George Soros for many years. On the left is EIR of Aug. 29, 1997; the pamphlet on the right was recently issued by LaRouche PAC, and is being distributed nationwide. Details at www.larouchepac.com.



structured, right before our eyes.

And meanwhile, we have our politicians sitting around twiddling their thumbs, or doing something even worse with their thumbs, while they're getting paid off by people like George Soros. And so, we've got to stop this, and we've got to start implementing LaRouche's plan, or we're going to see something that most of us thought they would never see in our lifetime, something much worse than the Great Depression. Because, we're in a breakdown crisis: It's not just a depression, it's not a cyclical problem. Our society is breaking apart at this point, and if we don't do something quickly, there's not going to be anything there to hold it together.

Battle: What we've been getting in the Youth Movement, is that constituents from all across the country are starting to hone in and grill their political leaders. And so, this is exactly the trend that you were speaking about, John: that, as this is coming down, there's more and more of an awareness by people that this is not going to end well for them, if it continues in this direction. And so, as LaRouche's ideas are the only solution to this kind of breakdown, we need to get our populations demanding it.

Hoefle: You're right. You can't ignore this. There's no one who can pretend that this isn't going on. Every time you go to the grocery store or the gas station, you feel like you're getting raped! And no one's doing anything about it. We're being told that this is actually good for us! You look at the Democratic leadership, when the Democratic Party took control of Congress, and everybody had high hopes they would do something good. And basically, they seem to have been stooges for the Republican Party. They've been going along with all the things that the Bush Administration is doing. And

that's because, both parties at the top are basically controlled by the same people and the same money.

And people get this. It's obvious that no one is doing anything, and that people are *demanding* that changes be made. And basically, I think what they're doing in putting the politicians feet to the fire, is a very useful thing, because the politicians have to be more afraid of what happens to them when they come home, than they are of George Soros, if we're going to get anywhere.

Baker: Let me ask you one thing Stuart—or John, if you want to also chime in on this—on what you're raising, the people's reactions six months ago, especially the lower 80% of people who've been involved in the economy and not the high-rollers, they might have flipped things off six months ago, but no one's flipping anything off now, those who have to actually buy food, and get around, and live.

For example, in Texas and southern California, when it's put out there that we should have these cross-border water projects with Mexico, our LaRouche Youth Movement organizers—Kesha Rogers, who ran for Democratic Party Chair in Texas—told me yesterday, that you get people who make the connection, that we ought to be doing things.

What about Washington State or the Pacific Northwest? In recent years, some of the operatives in the Democratic Party, trying to subvert our country, would try and have the Northwest be a kind of environmental madhouse. But leaving them aside, what do people respond to?

Battle: Well, it's definitely a funny region. I'd say we've got more people with moss growing in their beards than any other place in the world! But, you're right, the environmentalism up here is pretty astounding. There was a big vote last November, for a very broad-reaching, light rail transit link up from cities south of Seattle, up through and around the area, which was voted down. So it's kind of a touchy topic up here, that we've actually done a good job of breaking through it.

But then, especially in some of the rural and smaller communities—especially immigrant communities in the outlying areas of Seattle—we've had resounding excitement about these ideas of infrastructure. One example was, we've been working in a small city south of Seattle for a while, which has a very large Somalian immigrant community. And one of the people has taken a whole bunch of literature, especially on the Homeowners and Bank Protection Act and LaRouche's "Three Steps [to Survival]" (*EIR* March 28, 2008). He has been talking to people and has gotten a lot of them excited about these infrastructure projects.

So it really is what gives people that tangible idea of how it is that we need to be rebuilding the country and the world.

The Real Nut to Crack Is the United States

Baker: You've got an e-mail John, from Santiago. He says: "Given how long it's taking for the U.S. population, let alone U.S. politicians, to awaken to reality, please tell me that

there is something happening among a group of sovereign nations, that are trying to initiate this."

I don't know if you or Stuart can say that, I think it's just what you said: We have the big fulcrum for the fight is here in the United States.

Hoefle: Yeah, it is. But I share Santiago's concern, because we *have* to do this, it's not enough to talk about it. But you can have movement in Russia, in China, in India, in other nations that realize that they're on the chopping block. And the real nut to crack is the United States, to get us to support this kind of a program, instead of doing what the Bush Administration would do, which is, try to destroy it.

And this support is growing, we just have to make sure that it grows fast enough to turn this thing around. It's an uphill fight, but we've got a shot at it.

Baker: And Stuart, among the people you've been working with in recent days, after that Washington State convention, isn't there a certain momentum, to go into the Democratic National Convention in Denver? How would you characterize it? Is there an inclination to make an issue of the FDR sense in the country, instead of just rolling over for these dirty operations?

Battle: Oh yes! There is clearly a very large movement, that is growing, to lift up—it's been more so characterized with the Hillary Clinton supporters, the mentality of a Franklin Roosevelt in that kind of program, but there is really an effort to lift up the people that are willing to fight and want to do something like this across the country. I know one of the groups that's recently been formed—I believe the headquarters is in New York now—but they are attempting to organize for a million-person march in Denver during the Convention. So this race, believe it or not, is not over, by any means; if you look at what some of these organizations are up to, there's a massive grass roots movement.

Baker: We still have a few seconds, so let me reiterate: July 22 is an international LaRouche webcast at 1 p.m. and you can look for that on the website, www.larouchepac.com.

We have one more e-mail, I'd like to raise with John: Fred Huenefeld sends greetings from Louisiana, and he wants you to address in the final seconds, about the prospect for fixed exchange rates again between nations. Is this something you could see happening?

Hoefle: Yes, yes. The issue is, that despite all of the great power that these bankers have, their system has died, and they're dying. And so, you're going to have a new system, and everybody who looks at this knows, that what we've done has been a complete disaster, and that we have to do something differently.

So there's a big fight brewing and this thing can actually coalesce very quickly, under the right circumstances. So I think, yeah, we have a very good chance that we'll go back to this fixed-exchange rate, we'll get this Four Power agreement, we get people working—you know, we can pull this thing off, because it will be increasingly obvious that this thing is coming down.

Inaction on Food Crisis Is Leading to Genocide

by Marcia Merry Baker

Thirty days after the June 3-5 Rome food crisis conference held by the United Nations Food and Agriculture Organization (“High Level Conference on Food Security and the Challenges of Climate Change and Bio-Energy”), the response has been dismal. There is high-profile talk about food aid, and there is lip-service to improving farming in poor countries, but there is conspicuous *non-action* to end those globalization policies that created world food scarcity and hyperinflation in the first place: free trade, speculation, cartelization, and food-for-biofuels.

Meanwhile, George Soros and other operatives for London-centered private financial interests are capitalizing off the government inaction, by buying up key links in the world food chain. For example, the U.S. grains and agro-commodities merchandising unit of cartel giant ConAgra, was bought out in June by a Soros-connected consortium of major hedge funds and banks.

The World Trade Organization (WTO) itself is in disarray, fitting the textbook definition of a zombie—a walking deadman. But its practices and “thinking” still dominate most government policies and foreign relations.

This puts the spotlight on the necessity of furthering the pre-FAO conference initiatives begun by Lyndon and Helga Zepp-LaRouche, to “kill the World Trade Organization,” and launch programs to double world food production in the shortest possible time. The Group of Eight at its July heads of state meeting, has on its agenda the formation of a Food Task Force, marking the first time ever that the food supply is an “issue.” There are also appeals for the UN to convene an emergency food conference, which is all to the good. But none of this will help, unless there are changes made in the underlying policies. To spell out what needs to be done, the LaRouche Political Action Committee (LPAC) is issuing a mass-circulation pamphlet version of its policy memorandum, “Kill the WTO; Double Food Production.”

Mobilize Food Aid

Emergency food relief, meanwhile, is absolutely vital, though it is no policy solution. The FAO’s own surveys and

warning systems indicate the scale of today’s emergency needs (**Figure 1**). These 36 nations are part of the world total of an estimated 2 billion people who are experiencing hunger. The nation-by-nation particulars are provided on the FAO website.

FAO Director-General Jacques Diouf said on July 3 that there were 50 million more people added to the world ranks of those lacking reliable food over the past year, mostly because of galloping food prices. Speaking in Brussels at a European Parliament gathering, Diouf repeated his view that world food production should be doubled—but his time frame is a far-off goal of 2050.

The two immediate causes of the increasing food crises are obvious, coming as they do, atop decades of underproduction of food because of globalization. First, there are weather disasters in places deprived of contingent arrangements of both food reserves and infrastructure. Somalia and the Horn of Africa are among those locations in desperate need right now.

Second, there is the plight of those nations forced to be heavily food import-dependent, but which now have no means to obtain food, fuel, and other necessities. The dire situation in Haiti makes the point, especially as that nation was able to produce for its own needs up through the 1960s.

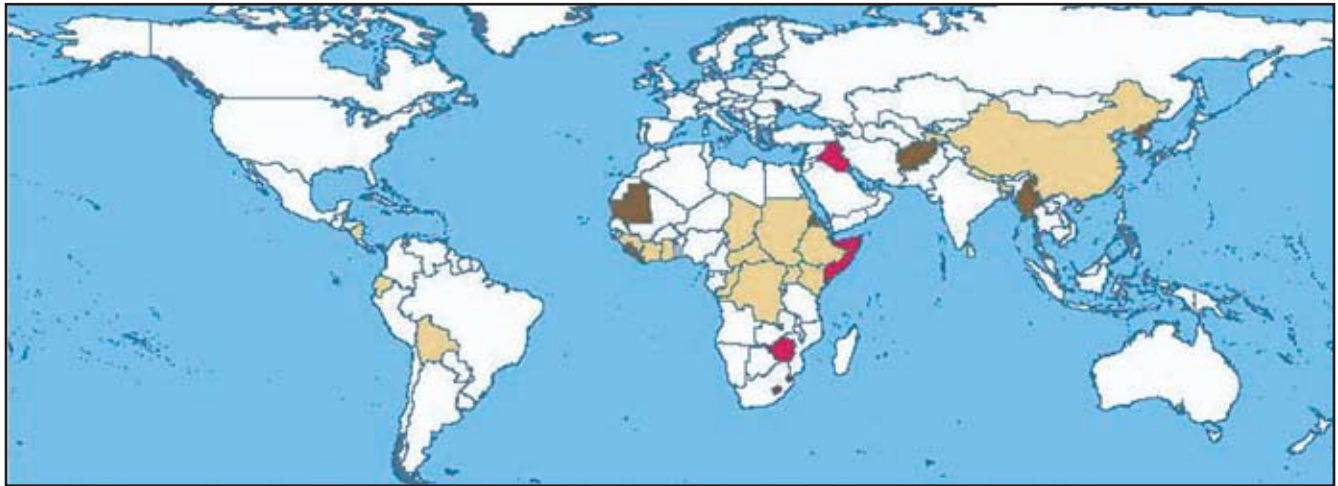
Haiti’s desperate crisis deepened at the end of June when the government eliminated fuel subsidies, causing an immediate 80¢ increase per gallon of fuel—something almost no one in the country can afford. The government began to subsidize fuel immediately after the April food riots, but can’t afford to continue with the policy.

So food prices continue to rise, including that of rice, a basic staple that Haiti President Rene Preval had said he would subsidize. Importers who go to the capital of Port au Prince from outlying areas seeking rice, return empty-handed. In the slum of Carrefour-feuilles, on a hill facing the capital, residents report: “We’ve changed our eating habits. We eat once a day instead of three.” Thousands are fleeing to the Dominican Republic seeking food, only to be forcibly returned. It is hell.

“We need to do more, and urgently,” said Joel Boutroue,

FIGURE 1

36 Countries Requiring Food Aid, July 2008



Source: FAO Global Information and Early Warning System, July 2008. www.fao.org/GIEWS/english/hotspots/index.htm.

The UN Food and Agriculture Organization shows nations that require “external assistance”: 21 in Africa; 10 in Asia; 4 in Ibero-America; and 1 in Europe. There are three broad categories of need: those facing “exceptional shortfalls” in aggregate supplies (darkest tone); those whose people have a widespread lack of access to food (medium tone); and those with localized severe crises (lightest tone).

permanent coordinator of the United Nations System in Haiti, speaking at the end of June.

Food for Tables, Not Tanks

Meeting the volume of urgent food relief needs the world over, calls the question on biofuels, for anyone capable of morality and straight thinking on economics. Stopping the worldwide use of grain, cane, and root vegetables for ethanol and oil crops for biodiesel, would free up food for some 400 millions of people—equivalent to almost half of the 850 million people now estimated by the FAO to be in acute need of food. The re-deploying of the agriculture effort involved in producing for bioenergy, back into producing for the food chain, would lead the redirection of the entire agro-industrial economy back into action again, along with gearing up for nuclear power, advanced coal energy, and other essential high-technology projects.

Any apparent bottleneck of processing, transportation, or other aspect of the ending of biofuels, can be overcome with wartime-type ingenuity. For example, naysayers point to the challenge of how to process field corn—“freed up” from bioenergy—for human consumption. But there is plenty of expertise on how to mill corn-soy cereals products, with supplements, for decent food aid rations on a massive scale.

Apart from this, much of the scarce world corn supplies are needed for livestock feed, to supply animal protein to the human food supply. Dairy men, cattlemen, poultry growers, and hog producers are in crisis over hyperinflated feed prices, on top of soaring prices for fuel, chemicals, and other costs. Yet at present, up to 30% of this year’s U.S. corn harvest—which itself will be limited by huge damage from the “Flood of 2008” in the Upper Mississippi Basin—is destined for eth-

anol. Allowing this to continue is a crime against humanity.

There are now increasing calls, even in the United States, to cut back on the use of corn and soy for biofuels. A letter was sent to the Bush Administration June 30 by 51 Congressional Republicans, demanding a cut to mandated ethanol production levels. The letter, initiated by Rep. Bob Goodlatte (R-Va.), who is the ranking member on the House Agriculture Committee, stated that the Renewable Fuel Standard (RFS) is a key factor in “the increased cost of commodities which is causing severe economic harm for low-income Americans and livestock producers.” “Severe flooding in the Midwest and drought in the South have already produced devastating losses in this year’s corn crop,” the letter said. Goodlatte’s press statement, noting the “record corn prices,” admitted that “many factors” had pushed up the price, but pointed to the RFS as the one factor “we can control.”

Democratic Party, EU Still Pushing Gore

The U.S. Democratic Party is the more indecent on continuing to back biofuels—no matter who lives or dies—reflecting years of subversive influence by Al Gore, George Soros, Joe Lieberman, and the whole gang deployed to peddle malarkey about reducing carbon emissions, renewable fuels, and so on. Gore, as well as Soros, is deeply financially invested in biofuels, including in Africa. Their employers are the Anglo-Dutch financial circles associated with the World Wildlife Fund and other fronts, glad to see world depopulation, in the name of saving scarce “resources” for the elites.

So far, nothing at all on stopping biofuels has come from the Democratic Senators from the biggest U.S. corn states, which are now the worst hit by flooding—Sens. Tom Harkin (Iowa), chairman of the Senate Agriculture Committee;

Barack Obama (Ill.), Presidential candidate; and Dick Durbin (Ill.)

If the initiative were started in Iowa and Illinois for the suspension of corn-for-fuel; if a floor price were placed on corn for farmers (a “parity price,” as traditionally used); if speculation were banned, the biofuels craze could be stopped. The U.S. cornbelt, Brazilian cane, and European grain and oil-crops, are the biggest biofuels operations in the world today. Yet, in Paris, a July 3-5 meeting of European Union energy ministers maintained the group’s commitment to getting 10% of its transport needs from renewable sources by 2020.

Key Initiatives

In opposition to this institutional madness, a number of key initiatives have been taken by individual countries, to make bilateral food supply commitments, and to move toward restoring food self-sufficiency.

In May, Russia announced a major agricultural development program. (See presentation by Russian Agriculture Minister Alexei Gordeyev, *EIR*, June 6, 2008.)

India has selectively imposed grain export controls, making pledges to certain trading partners in the Persian Gulf and Africa, to continue to supply rice.

On July 3, the Chinese government approved a plan to increase grain production, toward a goal of being 95% self-sufficient by 2020. For the world’s most populous nation, this will mean producing 540 million metric tons of grain a year. (Compare to present-day total world grain output in the range of 2.1 billion mmt.) China is already basically food self-sufficient, but at a lower level of diet than desirable. It has produced bumper grain crops over the past five years, with over 500 million tons in 2007. However, this is 15 million tons less than total demand, and that gap must be closed. China also needs to maintain grain reserves; it currently has some 150 million tons in reserve, including 40-50 million tons of rice.

Chinese Prime Minister Wen Jiabao said that the government will be “relentless” in its commitment to maintaining a minimum of 120 million hectares of arable land, as well as improving vital water supplies, and other agriculture infrastructure. The government is also committed to ensuring rising incomes for farmers.

Jilin province, in the northwest, which is already a big grain producer (including corn), is to increase its grain production by over 5 million tons over the next five years. The national and provincial government will invest 26 billion yuan (\$3.72 billion) in water diversion and irrigation projects, as well as improve mechanization, and overall education of Jilin’s farmers in advanced techniques. The program will give Jilin another 200,000 hectares of arable land, and upgrade the productive capacity of over 3 million hectares (7.4 million acres) of Jilin’s current 5.3 million hectares (13 million acres) of farmland.

In the Western Hemisphere, a call has gone up from hard-hit Central American nations, for the UN to hold a special session on the world food crisis. Honduras, Nicaragua, and other nations

are being hit by impossibly high food import prices, at the same time that they are being pressured to go along with producing bio-energy crops for export. Speaking in Villahermosa, Mexico on June 28, the President of El Salvador, Elías Antonio Saca, announced that UN Secretary General Ban Ki-Moon intends to convene an emergency session on the global food and fuel crisis, as proposed at the FAO conference in Rome. Saca said that the United Nations “is looking at a date. It could be before the [General Assembly] session, but hopefully it won’t be too late, before the price of a barrel of oil reaches \$200.” The President of the Dominican Republic, Leonel Fernández, made the proposal on behalf of the Central American Integration System (SICA). SICA had met in El Salvador June 27-29, and discussed an emergency plan to increase production of basic grains. Immediately, this plan envisions providing seeds and fertilizer to farmers, strengthening technical assistance (both public and private), creating cheap credit programs, and leasing of land. Also discussed were establishing purchasing agreements, joint purchase of fertilizers, and providing silos for storage.

Schiller Institute

Danish Parliament Probes Food Crisis

by Feride Istogu Gillesberg
and Michelle Rasmussen

The Danish Parliament’s Foreign Affairs Committee held a hearing on June 23 on the international food crisis. Among those participating was the Danish branch of the Schiller Institute (SI), whose international founder is Helga Zepp-LaRouche. On May 22, the SI had testified before the same committee, about its campaign to put doubling world food production on the agenda of the UN Food and Agriculture Organization’s conference in Rome in June. Foreign Affairs Committee Chairman Gitte Seeberg (Independent), who attended the FAO meeting, took the initiative to hold the latest hearing, and chaired it.

The hearing was attended by approximately 100 people, including parliamentarians, representatives of food-related institutions, humanitarian organizations, private persons, and the Schiller Institute. Four experts presented their views, and the participants were encouraged to join the debate.

Henrik Hansen, professor and head of the Institute for Food and Resource Economics of Copenhagen University, spoke first. He began with sheer academic sophistry, saying that he was talking from the standpoint of an economist, and would not make any ethical evaluations. He claimed that press

coverage of a food crisis is just “big hype,” and that there is no food supply crisis, only a distribution problem.

Next, a Danish representative of the UN’s World Food Program, Torben Due, discussed the effects rising food prices are having on the world’s poorest people. Malnutrition in children under the age of five has a severe developmental impact on them, he said, and when girls who were undernourished become mothers, they are likely to give birth to underweight children. He pointed out that investment in the farming sector of the poorest countries has been cut in half during recent years.

Are Economists Human Beings?

The floor was then opened for questions and comments. Parliamentarian Lars Barfoed (Conservative) said that he thought the economists were uncritically singing the free-trade tune. “I’m not a liberalist, but a conservative,” he said. He asked whether something fundamental wasn’t missing in the effort to stimulate effective food production in Africa, which he was greatly concerned about.

Committee chairman Seeberg asked Tom Gillesberg, chairman of the SI in Denmark, to take the microphone. His remarks transformed the hearing from that point on, putting the focus on the issue of the free market vs. political intervention to secure the food supply.

Gillesberg described the Institute’s campaign for doubling food production, and then said: “What is missing here, is why food production per person in the world has gone down in the last 20 years. That is a result of a conscious policy. The World Trade Organization (WTO) went in with gunboat diplomacy, to force nations to give up their national food programs. If we are to get out of this situation, we have to go back to the post-war policy, where we actually had progress, where every nation had the right to secure its national food production, which more or less would provide food for the nation, and even produce a little extra. That was banned, because the economists said we can’t have regulated markets.

“This crisis is the writing on the wall. If we can’t react to the current global food crises, and acknowledge that this is the result of the policy of global liberalism, where the markets decide everything, then the world is going to collapse around us. It must be recognized that the economists have been wrong, and that economic liberalism has failed. Politicians have to intervene to secure national food production, and regulate the markets. When we see price increases due to enormous speculation, as we see today, politicians have to intervene and stop speculation. They must declare: ‘Food is something everyone needs. It is too important to let market mechanisms control it. We have a political responsibility to make sure that everyone can get the food they need.’”

Economist Hansen responded testily that he doesn’t believe that the world economy is going under. He put up a diagram showing that food production has been going up; therefore, doubling it doesn’t make sense, in his universe. His sophist nature showed through when he said, on the question

of regulating the markets: “Looking at it from the standpoint of an economist, I would say, ‘absolutely not,’ but as a human being, I would say, ‘yes, of course.’”

Leading off the second round of the hearing was Per Pinstrup-Andersen, a Danish professor of Food, Nutrition and Public Policy at Cornell University, in Ithaca, New York, and World Food Prize Laureate in 2001. He declared that he is not against the free-market economy, because it is not the market’s fault that we have a food crisis, but rather the lack of investment. He said that for the free market to work efficiently, the prerequisites have to be there: Farming districts require transportation infrastructure, communication, health care, educational systems, and scientific research and development. He explained that investing in agricultural production would create a multiplier effect for the economy as a whole. We have to use this so-called hype around the food crisis to finally act and solve it, he concluded.

The last speaker was Morten Emil Hansen, political advisor to the Danish Church Emergency Aid Organization. He started out saying that every five seconds, a child dies of hunger. He told the audience how disappointed he was with the FAO Rome conference, which he had attended. The food crisis is integrated with the international financial crisis, speculation in food prices, rising oil prices, and ethanol production, he said; it is a complex problem which has to be approached as a whole. He stressed that while the financial world came up with \$1 trillion to help ameliorate the credit crunch, only \$8-10 billion has been collected for the FAO. He called for stopping all biofuel production, and ended by saying that access to food is a human right.

When the floor was opened up again for discussion, SI organizer Feride Istogu Gillesberg told the audience that Lyndon LaRouche had launched a “Food for Peace” campaign back in the 1980s, which had the aim of creating a New Deal, or a Marshall Plan for the world. He was not heeded, and instead, we got a globalized financial system. Financial bubbles have been created, which are collapsing now. The new trend is speculation in raw materials. The food crisis crystallizes the fact that we have gone too far with the so-called free-market economy. What do you think about a New Deal for the world? What do you think about doubling food production?

Carlos Brobjerg, a Danish-Argentinian LaRouche activist who had just returned from Argentina, asked the last question. Would the speakers support establishing a New Bretton Woods system—an idea which is supported by Italian Finance Minister Giulio Tremonti, and economist Lyndon LaRouche, which could help fend off the food crises?

Professor Pinstrup-Andersen replied that he didn’t know how you could get nations to double food production. As for the New Bretton Woods, he had not heard about this idea before, but would be very interested to learn more about it.

He and other participants left with copies of the Schiller Institute’s newspaper, headlined “We Must Double Food Production.”

Grain, Legume Producers Want To Grow More Food in Colombia!

by Miriam Nelly Redondo, LaRouche Association of Colombia

As part of the Schiller Institute's continuing mobilization to double world food production, *EIR* discussed how Colombia could mobilize its agriculture potential to contribute to that great global endeavor with Dr. Napoleón Viveros, who heads Colombia's National Federation of Grain and Legume Producers (FENALCE). In a June 10 interview, Viveros made clear that until there are indications that farming can once again become a profitable venture in Colombia, and the government gives up its belief that subsidies are a sin, Colombia's farmers will be unable to supply either the domestic or export markets.

In other words, agriculture cannot be abandoned to market conditions.

Since the "economic opening"—the adoption of free trade policies—for agriculture by the Cesar Gaviria government in the early 1990s, food production in Colombia has been declining, at an accelerating rate. Inflation in the food sector in Colombia in the last 12 months reached 8.16%; food imports rose 10% in 2007, as compared to 2006; and the country now imports 8.5 million tons of food. However, a report issued on June 19 by the United Nations Office on Drugs and Crime (UNODC), documents that what *is* increasing, is production of coca, the primary ingredient of cocaine. That rose by 27% over last year (2007). Presently, Colombia is the top cocaine-exporting country to the United States and Europe.

Colombia's grain producers gathered in Bogota on June 19 for FENALCE'S XXI National Congress, during which they urged the government to extend land under cultivation in the country by 1 million hectares, out of the 20 million available for agriculture, in order to meet domestic demand. They pressed for corn, beans, wheat, sorghum, and soy—the sectors most harmed by the free trade policies of the 1990s—to be given priority. The grain producers specified that to make this policy work, the government must establish a protective floor for the farm sector, ensuring stability and protection from risks, and securing the interests of the small, medium, and large farmers through a policy document of the National Economic and Social Policy Council (Conpes), Colombia's highest national planning authority.

At present, the principal obstacles for expanding agriculture in Colombia are: the lack of infrastructure and of modern agricultural methods and technology; the high cost of transportation; the rise in the price of seeds; and the out-of-control increase, now 200%, in the cost of fertilizer.

Colombia's Food Deficiencies

EIR posed the global parameters of the food crisis to Viveros, the head of FENALCE, at the outset of the interview:

"Schiller Institute leader Helga Zepp-LaRouche has issued a call for doubling food production worldwide, and in discussions at the Food and Agriculture Organization held recently in Rome, Egyptian President Hosni Mubarak and others have issued similar calls. What could Colombia do to contribute to this, and how can we also domestically increase our food production to be able to generate an exportable surplus?"

Viveros answered: "From our standpoint as an agricultural association, we think that food production in Colombia, essentially, has been losing importance in the economy, because there are no signs of profitability which would enable producers to continue producing.

"A government policy needs to be formulated which provides farmers with tools...."

"After the 'economic opening,' agricultural activity was dismantled; infrastructure was either cancelled or sold off. And today, although farmers may have a calling to farm, to turn them into producers again, entails starting up a business once again. And when I make the decision to get involved in a productive activity, doing simple calculations, it has to be a profitable productive activity, an activity which guarantees that I can recover my investment, and make a profit which is sufficiently attractive and consistent with the effort being made."

Vulnerable in Corn and Wheat

If government policies which promote food production are not adopted, the current situation of shortages may worsen, as is already happening with cereals. In this regard, Viveros reported that Colombia imports 60% of its corn. "We are very deficient in corn. We import annually 3.3 million tons, between white and yellow corn, with yellow corn being much more important in terms of the volume imported; 3.2 million tons of yellow corn are imported, and 100,000 tons of white corn."

"We are very vulnerable," Viveros said. "We are greatly concerned that the agricultural areas which are increasing in the country, are not increasing for food production. Many of the areas where corn could be produced, under more efficient conditions and at relatively lower cost—such as the Magdalena Medio valley or certain areas of the Atlantic Coast—are being turned over to agricultural production, but not to corn production, which could be one of the important bastions in those areas. Areas dedicated to African palm are increasing. Planting sugar cane to produce ethanol is under consideration. Commercial crops and crops dedicated to energy production

are what are replacing food crops.”

Viveros added: “With regard to wheat, we indeed have a great vulnerability. Today, we are importing more than 1.2 million tons of wheat, and our national production is some 45,000 tons of wheat. Looking at 2007 imports, 350,000 tons of soft wheat were imported, out of the 1.2 million total. We could grow up to 350,000 tons.”

EIR asked: “And if there is an international shortage, how could we supply ourselves, because we are really talking about our daily bread here?”

Viveros then discussed the problem that Colombia’s bread and baking industry uses more hard wheat, which is not grown in Colombia; we grow the soft wheat, which is not used as much. But, in his view, “national wheat can be used. There will need to be a cultural change in wheat consumption, or rather, in bread consumption. We are not going to be able to sell the spongy white breads. . . . We could say that the cheap imports have generated a cultural change in the country, and now it is going to be difficult to change. But we are certain that if shortage is the problem, then people are going to have to change their habits of consumption.”

Wheat cultivation could be expanded in the inter-Andean valleys, in the Cundinamarca-Boyaca and Narino high plateaus, by perhaps as much as 70,000 to 80,000 hectares, he reported, but the rains in these areas are insufficient to increase cultivation more than that.

Opening the Eastern Plains

Land under cultivation can be greatly expanded by opening up the *altillanura* (high plains) and the Orinoquí region. The latter is a 310,000 square kilometer area almost the size of Germany, 23% of the national territory, which includes the departments of Vichada, Arauca, Casanare, Guania Guaviare, and Vaupés.

The principal obstacle in utilizing this area, is the lack of transportation infrastructure. An electrified railroad would be needed, crossing the entire region, so that harvests could be transported to the areas of greatest consumption. Currently, there is a highway which reaches as far as Puerto López, in the adjacent department of Meta, and a road which is in the process of being paved, which extends from that city to Puerto Gaitan, Meta. After that, there are only narrow paths where it is impossible to go more than 12 miles an hour, and in the rainy season, the region floods and becomes a lake.

As regards the potential of the eastern plains for expanding land under cultivation, Viveros pointed out that “the Colombian *altillanura*” [is] the area in which it is possible to increase corn and soy production in Colombia. We consider it an excellent option, but we think that not everyone can go there, because it is an area where it is necessary to make the greatest capital investment needs, where you really have to have infrastructure. It is not just the preparation of the soil, which today is not suitable, but which could be made so with important investments of 1.5 million pesos per hectares, or a little more. It could be transformed, but it is where the trans-

formation costs the most to carry out.”

“The *altillanura* has a lot of potential; investments are very high, the equipment required is very specific, because the necessary corrective chemicals must be added to the soil. The soil of the *altillanura* has an excellent structure. It would provide good support for a good crop, but it has a problem called aluminum. The soils have up to 90% aluminum saturation. Aluminum is toxic for plants. This is the reason that they are savannahs, with absolutely no kind of vegetation other than grassy plants, which have been able to adapt.

“To make the soil productive, the effect of the aluminum must be neutralized with lime. The amount of lime which must be applied ranges between three and five tons per hectare. And the lime has to be mixed into the soil, which requires the proper machinery.

“It is being done. There are two or three such projects under way. Today, there may be some 5,000, 6,000 hectares which are being transformed. Investors coming into the country are thinking along these lines.

“Something very similar was done in the Brazilian Cerrado. They took acid soil, under conditions very similar to the Colombian *altillanura*, and transformed that soil, and thanks to that, they are able to carry out agriculture there.”

Colombia has all the potential to be food self-sufficient and a food pantry for the world. But to do this, Viveros emphasized: “the government must decide that the country’s priority is to produce food. And initially, it must establish a cost for that effort and that priority. Once we have the government policy for achieving this well planned out, things will move. Because growers are awaiting clear signals to begin making investments in the land.”

What Must Be Done

As is being recognized around the world, biofuels are a crime against humanity. A recent UNICEF study reports that three children under five years of age die daily in Colombia for lack of food. There are 21 deaths from malnutrition (directly, or from related causes) for every 100,000 inhabitants. Of every 100,000 children born live, 252 die a year from malnutrition before they reach five years old.

Colombia urgently needs to take economic emergency measures to prevent free trade and globalization from continuing to destroy production and cause genocide. Here are some of the policies which must be put into effect immediately:

1. Establish food self-sufficiency as a priority.
2. Credit, at an interest rate of 1-2% and long-term, is needed to encourage basic production sectors.
3. Parity prices must be set, to prevent farmers from going bankrupt.
4. A great infrastructure-project building program must be carried out: rail corridors, dams for management of water, irrigation districts, canals, and so on.
5. Biofuel production must be eliminated immediately. Colombia must begin constructing nuclear plants to generate electricity and industrial heat.

Obama Makes Radical Change, By Shifting to the ‘Right’

by Nancy Spannaus

“I’ve been struck by the speed and decisiveness of his move to the center,” said Will Marshall of the “centrist” Progressive Policy Institute of presumptive Democratic Party Presidential nominee Barack Obama, as reported in the June 28 *Los Angeles Times*. Marshall’s Institute is a spinoff from the nearly defunct Democratic Leadership Council, the de facto Republican wing of the Democratic Party epitomized by Joe Lieberman, and now generally spent.

What is Barack Obama doing to win the praise of these has-beens, and why?

Indeed, the pattern has been stunning. In the weeks following Hillary Clinton’s suspension of her Presidential campaign, Obama has changed his positions on a range of issues on which he had seemed to stake his political identity as a man of principle and of the common people—from Constitutional issues like the FISA law and the death penalty, to the matter of public campaign financing. While such shifts are not uncommon in American political history, Obama had staked a large portion of his reputation on the assertion that he represented a different kind of politics, a politics based on principle, not the prevailing political winds. Now, however, one could say that his very traditional political roots are showing—that of going where the (big) money is.

In the mid-phase of the Presidential primary campaign, after Clinton had won the Texas and Pennsylvania contests, Lyndon LaRouche reached out to the Obama campaign, pointing out that a large portion of his constituency came from the lower 80% of income brackets, and that their interests should be the primary consideration in the conduct of the Presidential campaign.

LaRouche wrote: “Therefore, let us now choose this moment of crisis to affirm that the constituencies associat-



barackobama.com

Barack Obama’s July 1 announcement of his own “faith-based initiative,” shown here, was made in Zanesville, Ohio. It could not have failed to remind people of George Bush’s religious pitch.

ed recently with the cause of Senator Obama’s campaign will be assured, by all of us—at the least, most of us—of the promotion and protection of those citizens’ interest in our Presidency, more than the special considerations which might be sought as the rewards of a successful candidate for the Presidential nomination and Presidency. Most of those citizens, like the rank and file of the supporters of Obama’s and Senator Hillary Clinton’s candidacies, have inherent rights which must be protected by the institution of the Presidency. It is those rights, especially those of the lower eighty percentile of our family income-brackets, which must be served as a commitment to be expected of

all of us who care.”

Yet, in the current moment of apparent victory, it is the interests of these forgotten men and women, which Obama appears to have decided to ignore. In the midst of the current intensifying economic and social crisis, such a turn, as LaRouche points out in the accompanying statement, augurs disaster not only for Obama’s campaign, but for the nation as a whole.

The ‘Issues’

The two most prominent shifts which Obama has made came on what were previously his signature issues: campaign finance, and the illegal warrantless wire-tapping program of the Bush Administration, which would be enshrined in the revisions to the Foreign Intelligence Surveillance Act (FISA).

Obama had promised, both his constituents and the McCain campaign, that he would take public financing for the general election, allegedly as a symbol of his commitment to being responsive to the people, and not to big money. The excuse for changing that position? Behind all the gobbledygook, the only explanation is that it will permit what is already a quarter-billion dollar campaign, to grow even larger.

What has been more alarming to Obama’s constituency, was his shift on the FISA issue, toward support for a compromise with (i.e., capitulation to) the Bush Administration’s program of warrantless wiretaps, and immunity for telecom companies that violated the Constitution at the Bush-Cheney regime’s demand. MoveOn.org, the George Soros-backed Internet operation which played a crucial role in building Obama’s campaign in the first place, is enraged, and flooding his offices with demands that he back a filibuster of the bill. There is no indication that that will happen.

But these are not the only issues where Obama has shifted to the right. On July 1, Obama announced his own “faith-based initiative,” in an obvious copy-cat of the Bush Administration’s “buy-up-the-pastors” program. On July 2, *ABC News* reported that Obama had aired a television ad in which he praised the 1996 welfare “reform” which “slashed the rolls by 80%.” This notorious “Contract with America” program, sold to President Clinton by Dick Morris and Al Gore, is anathema to most unionists and low-income Democrats—as it previously was to Senator Obama.

Obama’s foreign policy shifts have been less pronounced, but the fact remains, as *EIR* has previously reported, that his key foreign policy advisors, Anthony Lake and

As of Now, Obama Would Lose!

by Lyndon H. LaRouche, Jr.

The LaRouche Political Action Committee issued this release on July 1, 2008.

Unless there is an early, and sudden, end to the change in recent direction of his wildly shifting campaign postures, London-steered Senator Obama is destined to lose his effort to win the November U.S. Presidential election. His double-crossing of the core of those many Democrats who had supported his earlier campaign for the Democratic nomination, especially in his recent, open turn to radically right-wing, London-steered allegiances and campaign postures, has the hall-marks of a man who has been pre-programmed for political self-destruction by, chiefly, his own hand.

At this time, he should fear no adversary more deadly than himself. It is time to change the baby; either he changes his own diapers, so to speak, or the stench from the dia-

pers will change his candidacy.

The root of the problem is, that Obama, like most of the current pre-election campaigning to date, has been controlled, like the present leaderships of the U.S. Congress, from imperial London, with the principal control exerted, so far, by the Fabian gang associated with the late Tony Blair and Brown on whom Blair dumped the occupation of Blair’s own dirtied political diapers. Now, with the faltering of what had seemed to be the careening juggernaut of the fascist Lisbon Treaty package, and with the greatest financial crisis in all modern history now in a new, more awfully advanced phase of coming down on the world as a whole, the only way the Fabian fascists’ scheme could prevail in the way they have intended would be something like a massive air attack on Iran, by surrogates acting for the current Bush Administration.

This is not to say that McCain could not blow his chances. What is certain among the uncertainties of today, is that most things are about to change radically. The choice of change which will occur, remains uncertain, except that those who are the wrongest among us all, are those who refuse to accept the fact that, the kind of change which they refuse to expect, whatever that might prove to be, is the only certainty in the world’s present situation.

Susan Rice, are in total agreement with Republican Presidential candidate John McCain's advisors on a confrontation strategy against Iran, which includes "preventive military action."

Fundamentals

The core problem with Obama's shift to the right, however, is that he is abandoning the key Democratic constituencies on the most fundamental issue of all, their standard of living. Obama and any intelligent advisors *know* they cannot win the Presidential race without winning the loyalty of Hillary Clinton's core committed base—the unionists, Hispanics, and other representatives of the lower 80%, who gave her her

overwhelming victories in key states such as Ohio, West Virginia, and Pennsylvania.

But Obama has done *nothing* in the direction of taking up Clinton's fighting stance, in favor of stopping home foreclosures, smashing the oil cartels and speculators, and suspending the free trade agreements which have devastated the U.S. standard of living. Instead, he went so far as to praise the post-industrial Carnegie-Mellon Institute of Pittsburgh, as representing a great future—when, in fact, it stands upon the graveyard of the previous productive heartland of America.

It's as if Obama were pre-programming himself to lose. Democrats had better ask themselves, just whose idea is that?

The Dirty Operation Against Zimbabwe: Soros, Abramoff, and British Africa

by Anton Chaitkin

The British empire's effort to overthrow the Zimbabwe government is run through the political apparatus of billionaire speculator George Soros, via the U.S. government-based National Endowment for Democracy (NED), and the NED's London partner organization, the U.K. government-funded Westminster Foundation.

The Soros Open Society Institute's southern Africa operations are, in effect, directly co-owned by the NED.

These arrangements were put in place in 2000-05 by British strategists and white plantation owners from Southern Rhodesia (the name of Zimbabwe before its 1980 independence from Britain), renewing an imperial partnership in Washington with the gangster grouping around Jack Abramoff and the NED machine. This partnership stems from the earlier British-steered covert action initiatives of the 1980s Reagan-Bush Administration, which involved Abramoff and the current NED leaders, working in the service of the South African apartheid regime, including in its assassinations, white supremacist propaganda, and spying apparatus.

George Soros himself got into the business of manipulating African governments in the 1990s, when he was already heavily invested in British imperial African plantations and mining. His current push to topple the Zimbabwe government is given clout and critical resources by the NED, through the person of its international chief David Lowe. Lowe is Abramoff's political partner, and the man who earlier hooked

the South African gestapo into an illegal U.S.A.-based spy network.

Soros and NED: On the Ground in Zimbabwe

Soros's Johannesburg-based Open Society Initiative for Southern Africa operates in ten countries. Throughout the recent agitation against the Zimbabwe regime, Reginald Matchaba-Hove has been the chairman of that Open Society Initiative for Southern Africa; he was, simultaneously, the chairman of the Zimbabwe Election Support Network (ZESN)—an anti-government "non-partisan, independent group of 38 non-governmental organisations."

On June 27, 2006, the NED presented its annual Democracy Award to Reginald Matchaba-Hove and three other African recipients. The British Broadcasting Corporation, BBC, reported on June 29: President "George Bush met the award winners from Africa for about an hour ... in the Oval Office. ... 'You could almost feel the power radiating from the Oval Office,' our reporter said. ... Mr. Bush [praised the NED's activists] for their 'courage and fortitude and strength in promoting freedom. ... My spirits are enriched by talking to freedom lovers and freedom fighters.'"

On the public record, the NED paid Matchaba-Hove's ZESN tens of thousands of dollars in 2005 to train election monitors, who were to feed the media clamor against the regime and to supply the NED machine with a database on ac-

tivists in the Zimbabwe elections.

Matchaba-Hove himself is a director of the NED's worldwide organization, World Movement for Democracy, which is led by David Lowe, and the ZESN is a member group of the NED/David Lowe's Africa Democracy Forum, an even larger grouping of "nonpartisan" foreign-guided organizations.

Until 1999, Soros's Matchaba-Hove had been chairman of the Zimbabwe Human Rights Association (Zimrights). In 1997, that group got funding from the British government's Westminster Foundation for Democracy (on top of more money from Westminster in 1998), to set up its offices in Zimbabwe's capital, Harare. In 2004, Zimrights got tens of thousands of dollars from the NED to organize marches, demonstrations, and so on.

The Zimbabwe director of Soros's Open Society Initiative on Southern Africa (OSISA) is Godfrey Kanyanze. Kanyanze has long served as the director of the Zimbabwe Congress of Trade Unions (ZCTU), which is funded by the U.S. National Endowment for Democracy, with money conducted through the American Center for International Labor Solidarity (formerly known as the American Institute for Free Labor Development or AIFLD). ZCTU, which was formerly headed by Zimbabwe opposition leader Morgan Tsvangirai, is the central trade union federation in Zimbabwe; it was used by the British and their U.S. connections as the main force behind the formation of the Movement for Democratic Change, to overthrow President Robert Mugabe.

The NED and Soros emerged from the shadows to run a joint event in Washington on Sept. 18, 2007, entitled "Zimbabwe: An Update from the Ground." The speakers were Isa-



EIRNS/Stuart Lewis

George Soros (above), the National Endowment for Democracy, and the Jack Abramoff network are leading the regime change operations against Zimbabwe, and southern Africa in general.

bella Matambanadzo, Harare-based Zimbabwe program manager for OSISA, and Deprose Muchena, OSISA's economic justice program manager. The event was moderated by Dave Peterson, senior director for the NED's Africa program.

The Imperial NED and the Abramoff Gang

In the year 2000, a series of articles by Dean Andromidas reported exclusively in *Executive Intelligence Review* on

Abramoff and Africa

In 1985, Jack Abramoff was the outgoing College Republicans national chairman. That year, Abramoff opened the Washington headquarters of the International Freedom Foundation (IFF), a front for the South African regime's secret police and military intelligence, which had other offices in London, Hamburg, Brussels, Rome, and Johannesburg. Abramoff chaired the IFF until it closed in 1993, when the South African government cut off its \$1.5 million per year covert funding.

Craig Williamson, a South African spy and assassin, ran the IFF's center in Johannesburg. After the black-majority government took power, Williamson confessed to numerous state-sponsored murders, and he and other officials revealed that Abramoff's IFF was part of a larger South African military intelligence initiative to counter the black anti-apartheid movement led by Nelson Mandela.

According to South African intelligence sources who were close to Williamson and Abramoff's work, the South Africans funded Abramoff during and after his 1981 takeover of the College Republicans, and Craig Williamson personally trained Abramoff in the arts of deception and political dirty tricks.

Also in 1985, Jack Abramoff created Citizens for America, in coordination with the Anglo-American imperial faction within the Reagan-Bush Administration, led by the Heritage Foundation, which was steered by the Fabian Society's Stuart Butler. Abramoff's group was part of a global network of mercenaries, illegal arms dealers, drug traffickers, money launderers, terrorists, and private spies, known collectively as "the asteroids."

Abramoff, his lieutenant Grover Norquist, and Williamson's South Africa National Student Foundation, ran a 1985 summit conference of rightist guerrilla movements, African diamond smugglers, heroin-trafficking Afghan mujahedin, and Oliver North's cocaine-smuggling Nicaraguan contras.

London's initiative to overthrow the Mugabe government. The British were angry at Zimbabwe's program to distribute back to Africans some of the agricultural land taken by force by British colonial masters—70% of the country's prime agricultural land. They were also angry at Mugabe's resistance to further destruction of the economy by the ruinous International Monetary Fund structural adjustment program.

EIR documented that the anti-Mugabe agitation was steered by London's Zimbabwe Democracy Trust, set up in 2000 by Lord Robin Renwick, Margaret Thatcher's ambassador to South Africa and the United States, and a director of mining operations, such as the Rupert family's diamonds and cigarettes empire). Other founders included Lord David Steel, Liberal Party leader and partner of oil-and-mercenaries tycoon Tony Buckingham; and Lady Soames, Winston Churchill's daughter, the wife of the last British governor of Rhodesia; and Chester Crocker, Assistant Secretary of State for African Affairs under President Ronald Reagan, and a director of African mining companies including the Soros-linked Modern Africa Growth and Investment Co.

EIR further showed that the International Republican In-



The smiling face of Soros's Open Society Initiative for Southern Africa (OSISA), a vehicle for resource looting and regime change on behalf of the British empire

stitute (IRI)—the original “Republican Party” component of the NED—was seconding, from Washington, London's manipulation of Zimbabwe.

Finally, *EIR* documented Soros's own Africa resources grab. For example, Soros's Quota Fund manager Nicholas Roditi bought two-thirds of the Plantation and General Company,

David Lowe and Africa

In the mid-1980s, David Lowe, who now channels National Endowment for Democracy (NED) funds to the Soros apparatus, was deputy to Irwin Suall of the Anti-Defamation League, and the pair ran the ADL's “Fact-Finding Division,” which included a program of cooperation with the South African apartheid regime.

On Jan. 15, 1993, the *San Francisco Chronicle* broke the story that the ADL was under investigation for spying on American citizens, stealing police and FBI files, and giving them to the South African regime.

The FBI probe of South African spying became one of the biggest espionage scandals in history, when the San Francisco District Attorney's office announced the city's probe of the ADL. San Francisco police investigators found that the ADL was illegally spying on at least 950 political organizations including the NAACP, the Rainbow Coalition, Greenpeace, the Simon Wiesenthal Center, the United Auto Workers, the Christic Institute, Operation Rescue, the Nation of Islam, the United Farm Workers, Act-Up, the American Civil Liberties Union, and Lyndon LaRouche's political movement.

Police investigators also found that the ADL was infiltrating police departments, bribing police, and obtaining classified government data on 20,000 American citizens. Further, the ADL was selling information on anti-apartheid groups to agents of the South African government.

The San Francisco authorities concluded that what they had unearthed was part of a nationwide spy operation run centrally out of the ADL's national headquarters in New York City under the direction of its “fact finding” director, Irwin Suall.

As Suall's deputy, Lowe wrote the main reports of the ADL in that period of domestic espionage. Because of this work, and the foreign connections involved, Lowe was hired by the NED's founding and permanent president, Carl Gershman, to run the NED's international operations.

The NED was created in 1983 as the overt U.S. government funding agency, explicitly corporatist, for Anglo-American imperial projects in Latin America, Africa, and Asia. Its major job in the 1980s was promoting the “Contras” adventures in Central America, the gun-running and cocaine-trafficking associated with Oliver North.

NED president Gershman, a former leftist turned right-wing strategist, had started his own career with the ADL, bonding him to the apartheid-linked Lowe.

chaired by Rhodesia-born Rupert Pennant Rea, a former deputy governor of the Bank of England, and a director, along with Lord Renwick, in the Rupert family Richemont group, with assets in Zimbabwe and Russia. Through these holdings, Soros tried to take over the vast interests of Tiny Rowland in Lonrho Africa, the London and Rhodesia Mining and Land Corp.

The *EIR* exposé on the Zimbabwe Democracy Trust as instigator of anti-government operations was played up in the Zimbabwe press, and the Trust was then exposed in London newspapers.

In 2002, two years after founding the Zimbabwe Democracy Trust, Lord Renwick quietly picked up the Trust from London and moved it to Washington, D.C., where it was incorporated as a tax-exempt charity. The Tony Blair-Dick Cheney axis was in power, and perhaps it was thought that the British could get their anti-Zimbabwe initiative passed off as coming from the Americans.

The directors of the Trust, after it sneaked into Washington, were then Lord Renwick; Annabel Hughes, the daughter of a white Rhodesian farm owner; and Edward Stewart, the founder and leader of the Africa subversion programs for the National Endowment for Democracy, which were run through the IRI component of the NED.

The administrator of the Trust was Julie Doolittle, the wife

of California Republican Congressman John Doolittle. Throughout her management of Lord Renwick's group, Mrs. Doolittle was on the payroll of Jack Abramoff and his partners, while Trust director Ed Stewart was Abramoff's partner in dirty international lobbying pursuits. Stewart ran the foreign operations of House Speaker Tom DeLay's "K Street Project" headquarters company, the Alexander Strategy Group, which served to enrich Abramoff. Alexander Strategy has gone out of business since DeLay was indicted, while his consigliere, Abramoff, went to prison for hundreds of millions in fraud.

The Abramoff gang was ideal for the task of hatching British African destabilization operations in Washington. Lobbyist Abramoff himself had worked at the center of the white South African apartheid regime's foreign propaganda machine (see box, "Abramoff and Africa"), while his associate, Ed Stewart, had pioneered the NED's African schemes. And NED foreign-operations boss David Lowe, who now co-sponsors the Soros fronts in Zimbabwe, was himself a leading figure in the South African apartheid regime's mass-spying on Americans, in a criminal case that broke in the early 1990s (see box, "David Lowe and Africa").

NED's David Lowe had long been in Abramoff's jet set. The Russian oil company Naftasid flew Lowe, Abramoff, and DeLay together to Moscow in 1997 to arrange a \$1 million

The Zimbabwe Trust Gang In Other Capers

The 2002-05 Lowe-Abramoff partnership with Lord Renwick's Zimbabwe project, in tandem with Soros, was presaged by a Lowe-Abramoff caper in Russia several years earlier, and by a Jack Abramoff scam in Malaysia.

Russia: In the 1990s, the former Soviet Union was looted by oligarchs while being smashed under the "shock therapy" IMF program. Soros had ushered in the mayhem by bringing Jeffrey Sachs and other IMF hit men into the Soviet Union. The Gershman-Lowe programs at NED included backing the pro-oligarch Russian President Yeltsin and his allies, and funding 41 Russian parliamentarians in the 1996 elections.

Executives of Naftasib, a Russian energy company, put through \$3.4 million to Abramoff and to the Ed Buckham/Ed Stewart firm Alexander Strategies, from 1997 to 2005. Naftasib gave \$60,000 for a trip to Russia in 1997 for the NED's David Lowe, Abramoff, Rep. Tom DeLay (R-Tex.), and their cronies. In 1998, the Buckham group got \$1 million to get Speaker DeLay's vote for a bill enabling the IMF to run operations favoring the oligarchs in Russia.

Southeast Asia: Soros's hedge funds waged a specula-

tive war against Thailand's currency, triggering the 1997 Asian financial crisis that wrecked the economies of several countries.

Mahathir bin Mohamad, Malaysia's prime minister from 1981 to 2003, attacked Soros as a menace to humanity. In the brawl between Mahathir and the Soros faction, Malaysia jailed its finance minister, Anwar Ibrahim, an ally of the IMF and of the Mont Pelerin Society, on charges of corruption and sodomy. In October 2000, Abramoff proposed that a channel be set up whereby Mahathir would be induced to pay Abramoff and his partners to repair Mahathir's "image."

The following year, Edward Stewart arranged that the Hong Kong-based company Belle Haven, owned by Heritage Foundation President Edwin Feulner, hired Alexander Strategy Group to carry out the Abramoff scheme; they and their Malaysian contacts set up the U.S.-Malaysia Exchange Association as a vehicle. Feulner's company paid ASG hundreds of thousands of dollars. The Malaysian government paid into this cash stream, as did Standard Chartered of Hong Kong, of the 19th-Century British opium trade. Feulner and the Heritage Foundation temporarily reversed their attacks on Mahathir, who was brought in for a visit with President Bush. At the same time, Abramoff's partner, Grover Norquist, kept up the pressure, with a lobbying effort to support Ibrahim and to attack Mahathir.

payment to ASG, for DeLay's okay on an IMF action to aid the Russian oligarchs.

The Handoff to Soros

The two Americans running the Zimbabwe Democracy Trust (ZDT) for the British in Washington, administrator Julie Doolittle and director Edward Stewart, were otherwise very busy in those three years, 2002-05.

Kevin Ring, who had been the chief of staff for Julie Doolittle's Congressman husband, went to work under Abramoff at the Greenberg Traurig law firm. The *Washington Post* reported on Nov. 26, 2005, that sources close to the subsequent Federal investigation of Julie Doolittle and her husband said that Kevin Ring was the intermediary through whom Julie's own consulting firm, Sierra Dominion Financial Solutions, was hired by Abramoff and Greenberg Traurig to fundraise for Abramoff's "charity," the Capital Athletic Foundation. This was the channel through which camouflage suits and sniper scopes were bought for Armageddonist Israeli settlers.

The Capital Athletic Foundation paid a monthly retainer to Julie's consulting firm from at least January 2003 to February 2004. On the day when Ring finally resigned from Greenberg Traurig, April 13, 2007, the FBI raided Julie's home in Virginia.

From 2002 to 2005, while Julie Doolittle was administering the Zimbabwe Democracy Trust, she was simultaneously administering a Korean lobbying scam for Abramoff and Stewart. The Alexander Strategy Group paid Julie's firm for running the books of the Korea-U.S. Exchange Council. This was set up by the DeLay-Abramoff group in 2001, ostensibly as a lobbying initiative for the Korean tycoon running Kia Motors. The Council's Washington representative was Edward Stewart himself, and Heritage Foundation president Edward Feulner was a Council board member.

This grouping, managing the British attack against the Zimbabwe government as a supposed American enterprise, faded out of existence after 2005. By that time the campaign for Zimbabwe's regime change was in full swing as the joint work of the NED, Lowe, and Stewart, with Soros.

NED's announced 2006 grants for Zimbabwe operations included \$400,000 for "promoting the media, economic, and informal sector activities of the Zimbabwe Congress of Trade Unions"—directed by Godfrey Kanyanze, who is simultaneously the director for Zimbabwe of Soros's Open Society Initiative on Southern Africa. And NED brought Soros's southern Africa chairman, Matchaba-Hove—the election clamor man, in for their meeting with Bush.

The British thus completed their handoff to the "philanthropic" Soros political machine, which is now digging under the national governments of many African countries.¹

1. Soros's Africa operations include the Open Society Foundation-South Africa (OSF-SA), the Open Society Initiative for Southern Africa (OSISA), the Open Society Initiative for West Africa (OSIWA), and the Open Society Initiative for East Africa (OSIEA).

Parson Malthus Joins The U.S. Military

by Carl Osgood

A great deal of alarm has been raised in recent months, both from within the military and outside it, about the long-term effects of the extended deployments in Iraq and Afghanistan on the military services, especially the ground forces. Readiness of non-deployed forces is at historic lows, both Army and Marine ground combat units are losing critical core skills because of the demands of counterinsurgency warfare and occupation duty, and the stress imposed on military personnel is measured in poor recruiting and retention, and the growing number of psychological casualties. However, bad as all of this is, there's an even greater threat to the long-term viability of the U.S. military: the shift from a nationally-oriented tradition emphasizing short, decisive wars, to a Malthusian outlook which has based itself on the British model of imperial policing.

That the model *is* British imperial policing is no supposition on the part of this author. Maj. Gen. Jonathon Riley, the senior British military officer assigned to U.S. Central Command, said as much in an address delivered to the annual meeting of the Association of the U.S. Army in October of 2006. He invoked the image of the 1950s British campaign in Malaya (today, Malaysia) "as the textbook example of counterinsurgency," and suggested that perhaps that may be the model for the future. British success in Malaya has been attributed to two things, Riley said: British experience in imperial policing, and the development of concepts and techniques for waging limited war. Riley noted the 1966 book by Sir Robert Thompson, *Defeating Communist Insurgency, Experiences from Malaya and Vietnam*, which enshrined Malaya as the "touchstone" of British expertise in counterinsurgency. Riley said, "Now that the Cold War is over, perhaps the long view may give us a different perspective, although I think [Thompson]'s wrong to dismiss imperial policing, which one can characterize as an expeditionary campaign to seize the territory followed by counterinsurgency to keep it."

That this is the model for American counterinsurgency doctrine is also no supposition. A statement to that effect, by Sarah Sewall, the director of the Carr Center for Human Rights Policy at the Kennedy School of Government at Harvard University, can be found in the mass circulation paperback version of the Army-Marine Corps counterinsurgency manual. Sewall, who was one of many participants in the development of the counterinsurgency doctrine, notes that it "heartily embraces a traditional British method of fighting insurgency. It is based on principles learned during Britain's early period of imperial policing and relearned during re-

sponses to twentieth century independence struggles in Malaya and Kenya.” She admits that the British sanctioned tactics, such as starvation, forcible relocation of civilians, and torture, that would not pass moral muster today. Therefore, the new U.S. manual incorporates standards of behavior that meet today’s international expectations.

While that may be the case, nonetheless, the shift is a significant one, in that the U.S. now has a doctrine for intervening in foreign countries, and trying to remake them according to some other image of what those countries should be; the outlook underlying that doctrine is decidedly Malthusian. Now, instead of pursuing a policy of war avoidance, and, if war becomes unavoidable, ending it as decisively as possible, the policy of the U.S. military is to just keep fighting, globally, without any perspective of ending it. Senior Pentagon leaders speak of “an era of persistent conflict” to be met by a strategy of “persistent security.” They speak as if history, at least prior to Sept. 11, 2001, did not occur, or is irrelevant, and they look forward to a world where perpetual shortages of everything, from food to energy to water, will, inevitably, be the sources of future conflicts.

In short, it would seem that Parson Thomas Malthus, who served the British Empire against the American Revolution, and whose “science” of population was fake, has taken over the U.S. military, and turned it into what it was originally founded to oppose.

Say It Ain’t So, JOE

To operate in this world of perpetual shortages and conflict, the Bush Administration’s Pentagon has elevated so-called “stability operations” to the same level as offensive and defensive combat operations. “Winning hearts and minds” is the theme that runs throughout the Army and Marine Corps counterinsurgency manual. The Army’s new operations manual, designated FM 3-0, no longer limits itself to major combat operations, but now declares, “Whenever objectives involve controlling populations or dominating terrain, campaign success usually requires employing landpower for protracted periods.” This is the doctrine for perpetual war.

One of the signs of how this outlook has permeated the military is a document produced by U.S. Joint Forces Command entitled “Joint Operating Environment” or “JOE.” This document, dated December 2007, purports to lay out what the world will look like that, over the next 20 years or so, the U.S. Joint Force will have to operate in. It is pessimistic and Malthusian in outlook, and ignores history in favor of sociological explanations and scientific frauds such as global warming. “The logic of trends and shocks will allow us to examine a number of models of potential future operating environments by combining different trends together to form plausible alternative futures,” it declares at the outset. Like the typical Malthusian, the author of this document assumes an entropic future, in which there is no change in the mode of production. From that assumption, he extrapolates a future in which conflict results from growing shortages of the basic commodities of life, particularly

food and energy, where those who have little (especially in “failed states”) become the major threat to those who still have plenty, and national governments have little authority or power to defend the welfare of their populations.

By declaring the inevitability of mass population migrations, climate change, ethnic and religious radicalism, the rise of more failed states, the decline of state sovereignty, growing competition for increasingly scarce resources, and so on, it practically outlaws creative thinking to invent new technologies, or even the further development of currently existing technologies, such as nuclear power, that would help to improve the lives of the vast majority of the people on the planet.

It describes the globalized financial system and free trade as “a key source of power for the United States,” and adds that, “the defense of the global trade and finance regime, as well as key nodes that underpin the international trading networks may be a central element of U.S. national security strategy.” So, the JOE document not only basically commits the U.S. military to defending a system which is the cause of many of the problems that it says the U.S. military has to be prepared to face, but that system is also collapsing into a hyperinflationary blowout.

To institutionalize the outlook of the JOE, the Defense Department has undertaken a “trends and shocks” study, under the Undersecretary of Defense for Policy. This study was described by one Pentagon official, at a recent conference at the National Defense University, as an “alternative futures approach to force planning, not as point prediction but to stretch what forces may be called on to do.” The military no longer plans for periods of peace punctuated by “big wars.” Non-military events may have military implications, and so the military services are being confronted with new missions that they did not anticipate. The entire planning process at the level of the Defense Department has been reorganized on this basis.

While it is clearly not the role of the military to define overall strategic policies for the U.S. government—that being the work of the Executive and Legislative branches of the Federal Government—there is a tremendous danger, if the military conducts its long-range planning and force structuring, on the basis of axiomatic assumptions of a world of perpetual conflict, driven by overpopulation, and other scientific hoaxes like the current fad of global warming.

Playing Out Future Scenarios

The assumptions underlying “trends and shocks” and the JOE document, including the notion often stated by Pentagon officials, that “we are living in an era of persistent conflict,” were played out at the U.S. Army War College during the first week of May, in a war game entitled “Unified Quest 08,” co-sponsored by JFCom, the Army’s Training and Doctrine Command (TraDoc), and U.S. Special Operations Command. As described to reporters during a May 6 media day, the game played four conflict scenarios in different parts of the world, including, for the first time, Africa. Two of the four scenarios were U.S. Africa Command scenarios: a Horn of Africa scenario set in

2025, and a Nigeria scenario set in 2015-18. Africom was established last year, and, with heavy representation from the State Department and other agencies in its headquarters, sets the pattern for how future conflicts are to be managed. The two Africa scenarios assumed a fully, or nearly fully, established Africom (Africom is scheduled to reach initial operational capability later this year, but it might be years before all of the capabilities envisioned for it are available) with the ability to respond to a crisis not only with military forces, but also expeditionary civilian forces that go in with the military, and are fully integrated into the planning for the mission. This “Civilian Response Corps,” which is now under development in the State Department, would provide expertise in such areas as governance, law enforcement and justice, budgeting, agriculture, infrastructure, and so on, to establish a government that, ostensibly, would then provide stability, and satisfy U.S. national interests.

The scenarios are developed by essentially taking conditions as they exist in that part of the world now (in addition to the two Africa scenarios, there was also a South American scenario centered on Peru and a Pacific scenario centered in the Philippines) and extrapolating those conditions and trends into the future. Such a method ignores how those conditions developed in the first place, and rules out future decisions by governments, other entities, or even individuals that might change the direction of those trends. Game officials insist that the only purpose of the scenarios is to meet the game’s study

objectives, yet the method of developing the scenarios appears to mirror the JOE document’s “look” into the future.

Previous iterations of Unified Quest, by contrast, were focused on major combat operations to be followed by stability operations. However, in both 2003 and 2005, the U.S. forces in the game (called “Blue”) ran into unexpected problems stemming from the (“Red”) adversary’s unexpected use of certain tactics to counter the U.S. strategy—in some respects mirroring the kinds of problems that have arisen in Iraq and Afghanistan. The gamers discovered that potential adversaries watch and react to U.S. strategic policy and behavior in ways that are often unexpected. This aspect of the real world seemed to have been pushed aside in the 2008 game (though not entirely, as one Blue officer confided to this reporter, when asked if anything had happened to him that he wasn’t prepared for). The 2008 game seemed to be much more focused on “the whole of government” approach to operations and campaign design, and less on how potential adversaries might respond to U.S. policies and actions.

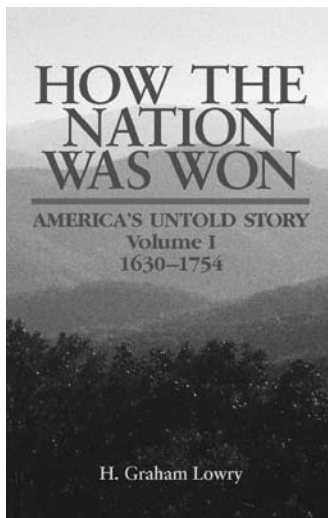
This “whole of government” approach was institutionalized by two policy documents, National Security Presidential Decision 44, issued on Dec. 7, 2005, and Department of Defense Directive Number 3000.05, dated Nov. 28, 2005. NSPD 44 directs the State Department to be the coordinating agency for all U.S. government efforts to prepare, plan for, and conduct stabilization and reconstruction activities. These activities are to be directed towards “foreign states and regions at risk of, in, or in transition from conflict or civil strife.” The DoD directive declares that “stability operations are a core U.S. military mission that the Department of Defense shall be prepared to conduct and support,” and shall be given a priority comparable to combat operations. Both documents list among the “long term goals” of U.S. strategy, the development of “a viable market economy” in the targeted countries. Africom, having been established after these two directives were issued, is the first U.S. military command to embody this approach from the ground up.

The military side of this “whole of government” approach is being implemented in Iraq by Gen. David Petraeus, the U.S. military commander in Iraq who is being elevated to commander of U.S. Central Command. Petraeus oversaw the development and production of the counterinsurgency doctrine while he was head of the Army’s Combined Arms Center at Fort Leavenworth, Kansas prior to taking up his current assignment. That doctrine has been largely declared a great success, except for a few dissident voices in the Army, who are concerned that the force is being turned into a counterinsurgency-only force and is losing the ability to conduct major combat operations. The larger issue is that the original American military tradition called for avoiding wars to the greatest extent possible and when they could not be avoided, for making them short and decisive. Maj. Gen. Fox Connor’s dictum: “Never fight unless you have to; never fight alone; and never fight for long,” has been overthrown and replaced by British methods of imperial policing, which mean you fight even when you don’t have to, and you fight protracted struggles.

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FOR A EUROPE OF THE FATHERLANDS

Mr. Sarkozy: Pull Down The Tower of Babel!

by Jacques Cheminade

The President of France, Nicolas Sarkozy, is going to be the president of the European Union (EU) for the next six months. This happens at a decisive point of world history, with the financial and monetary tsunami hitting the coasts of Europe. The tragic dilemma is that the true interest of the Western European states and population cannot be fulfilled and protected by the present institutions of the EU, a Tower of Babel already rejected by France and the Netherlands in 2005, and now by the Irish “No” vote to the Lisbon Treaty. The European scene is therefore like a show of handcuffed dwarfs possessed by the delusion of ruling an empire, while their own peoples shout “shame” at them, and the true empire, in London, laughs at their act and despises their impotence.

Given this unbearable situation, it is my duty, as chairman of the French Solidarity and Progress party, to say a few heavy words to my President, hoping not to convince him, but to put forward standards of action, contributing to inspire a republican outbreak coming from the best aspects of our European and French historical culture of citybuilders, that culture which produced the Renaissance and the birth of America. It demands that Europe and France see beyond their failed institutions and limited borders, towards the United States in the West, and China, Russia, and India in the East, as “lands of opportunity” for a new world financial and monetary order, the New Bretton Woods of Lyndon LaRouche in the tradition of Roosevelt, de Gaulle, Adenauer, Moro, and all those who inspired what is known in France as the “30 glorious years” of the European post-World War II recovery.

We are far from such an outbreak, as proven by the silly behavior of the European heads of state at the recent Brussels European Council. This is precisely why I am writing now: “Mr. Sarkozy, pull down the Tower of Babel, and go for the Europe of the Fatherlands and great infrastructural projects, from the Atlantic to the Urals and the Sea of China,” a Europe

freed from the financial and political grip of the British Empire, to regain her contribution to the “cause of humanity,” as de Gaulle said in his University of Mexico speech of March 1964.

The Insuperable Contradiction of Nicolas Sarkozy

On July 1, the French President declared to a group of journalists that, “we must deeply change our way to build Europe.” At the European Council on June 19-20, in Brussels, he had blasted British European Trade Commissar Peter Mandelson, one of Tony Blair’s Leporellos, in a very undiplomatic way: “A child dies of hunger every 30 seconds, and we should go and negotiate a 20% cut in the European food production! Honestly, I see only one person sharing such an opinion, and it is Mr. Mandelson.” He also attacked the malthusian policy of the Fishing Commissar Joe Borg, and called for a Europe of the producers. The pro-British president of the European Commission, José Manuel Barroso, reacted angrily against Sarkozy, but Sarkozy told him to mind his own business. Sarkozy also blasted the French president of the World Trade Organization, former Rand Corporation and British patsy Pascal Lamy, accusing him and Mandelson of manipulating the Doha round of world trade negotiations, to promote the cause of financiers and merchants instead of producers. The dispute has gone so far that Mandelson, who had participated in the first meeting of the European Commission task force in Paris, refused to “honor” the Élysée Palace dinner offered by Mr. Sarkozy. To the French journalists, Sarkozy declared that he “won’t approve a trade agreement which would sacrifice agricultural production on the altar of liberal globalization.” As a result, it is now very likely that the world trade conference on the Doha round, called by Lamy on July 21 in Geneva, is going to be an utter failure.

The French position on the world food crisis has been

better than that of most European states. French Agriculture Minister Michel Barnier has called for a “Global New Deal” for world agriculture and for the “organized markets and development policies” of the Common Agricultural Policy (CAP) to be taken as an example for all nations. Sarkozy referred to a right of state protectionism when crucial economic matters are at stake. He asked the Commission to approve a French proposal to introduce a measure to compensate for the increase of gasoline and fuel prices and to protect the professions based on the consumption of such fuels. A big fight ensued, the Brussels bureaucrats declaring that such a measure would be “a distortion of competition” and even asking the French fishermen to reimburse past subsidies obtained for the same reason. Sarkozy shouted in private against the “Brussels a**holes,” and the whole affair is going to be discussed again at the Oct. 15 European Council meeting. The French President also wants to make “energy” a priority on the European agenda, and has called for nuclear energy to be an absolute priority in French foreign relations.

In his July 1 Paris press conference, Sarkozy also attacked the policies of Jean-Claude Trichet and the European Central Bank (ECB). He pointed out that such an institution should “first ask itself the question of economic growth and not only that of inflation. . . . The point is to control the price of raw materials and speculation. You are not going to tell me that in the fight against inflation the only weapon is to increase interest rates.”

All this may raise interesting issues, but there is an absolute fallacy of composition in the French President’s approach. He does not want to challenge the generating principle that is destroying Europe’s nation-states and populations, what Barroso himself has called an “imperial self-imposed, democratically organized principle,” the principle of the European treaties of Maastricht, Amsterdam, Nice, and Lisbon. Sarkozy is, in fact, destroying himself and his credibility, by trying to change some rules, within the rules of the game. He is caught in the dilemma of having been elected and put into power by financial interests allied to the City of London, and he is supposed to behave as a British agent. But at the same time, as a good populist and opportunist, he feels the pressure of the population and the French state institutions, which are traditionally opposed to economic liberalism and anti-national sovereignty supranationalism. So, the more loudly he shouts, the more he has to do the contrary of what he says; hence his permanent, quasi-pathological state of tension.

My advice would be: For the sake of France, Europe, and the cause of humanity, as well as for your personal reputation and mental health, you should get out of your straightjacket, and pull down the British Tower of Babel.

What Has To Be Done

The way to do it would be for the French President to arrive in Ireland on July 11, and tell the Irish people, “*Je vous ai compris*”: I understood what you meant, beyond the appar-

ently contradictory reasons of your “No.” A “No” is a “No,” and I am not going to ask you to vote once again. It would be a dishonor for us all, and to try to change the people when the people resist, never leads to good results for the leaders, as proven by the example of East Germany. So, Sarkozy should say, I am fed up with trying to impose reason in a house of fools, and therefore we are going to change the house. No more Babels or babblings; the game is over. The Poles and the Czechs are also going to say “No,” and even in my own country, France, the polls show that my people would vote the same way as you did. The German people, and almost all the peoples of Europe, would also say “No.”

So, because we need Europe, we are going to build the one that responds to the will and interests of the peoples, the Europe of the Fatherlands and great projects. We don’t want a European Central Bank which prevents the financing of great projects; we don’t want treaties that prevent the Central Bank from

Zepp-LaRouche: Germany Is Still a Constitutional State

Helga Zepp-LaRouche, founder of the Schiller Institute and leader of the Civil Rights Movement Solidarity Party in Germany, issued the following statement June 30, in response to the news that German President Horst Köhler will respect the request of the German Constitutional Court, that he not sign the Lisbon Treaty until the court has ruled on legal challenges.

“This is a very good development, because it shows that Germany, at least for now, is still a *Rechtstaat*, or constitutional state. I am confident that the Constitutional judges will find many points where the Lisbon Treaty violates the *Grundgesetz*, or Basic Law, of the German republic. Among these points are:

“1. Sovereignty, which, according to the *Grundgesetz* emanates from the people, is transferred to a supranational bureaucracy, which is not accountable to the people.

“2. Once the Treaty is signed, the European Union bureaucracy can change anything in it whenever or however it wants, without consulting with the states.

“3. The Treaty represents a fundamental change of the Constitution, which change, according to the *Grundgesetz*, requires the agreement of the population.”

There is no date set when the Constitutional Court will rule on challenges to the Treaty, which had already been thrown into limbo by the Irish, who voted “No” in a referendum held June 12.

directly financing great projects; we don't want to abandon the creation of money by nation-states in favor of private banks and insurance companies; we don't want states to have to borrow from them and pay continuously such amounts of interest that we end up paying more than what we have borrowed.

So, we are going to dump Article 123 of the Treaty on the Functioning of the European Union, in order to free the energy to invest at low interest rates for long-term projects, with the money of national banks betting on the future—betting to be reimbursed by the benefits of the projects themselves. Some of you would remember that this was the key to the success of the Marshall Plan. So, the cause of Europe should be the conception and the financing of such great projects; but it can only be done within the context of an alliance of state national banks. Let's therefore go back to what has been so successful in the past, and drop what has failed in the last 40 years, drop a euro that has brought the prices up and the wages down. But this could not be possible within the present economic and monetary system; it needs a New Bretton Woods among the community of world nations, to reestablish fixed parities, ban speculation, ban all the financial structures that have destroyed the real economies. This is my New Deal for Europe, as a pivot between America and Asia, the Irish people being an embodiment of this new and just cause of Europe.

The Months To Come

Unhappily, Nicolas Sarkozy won't say such words, because he is tied to the British Empire, as he has proven during his recent trip to London. So, he is going to try to slyly change certain things, while submitting to the orders of his masters: ask the Irish people to vote again before the European elections of June 2009; never endorse a New Bretton Woods; don't challenge the order of Brussels, Maastricht, Amsterdam, Nice, and Lisbon. Speak as much as you wish about the control of immigrants, global warming, and the reduction of the rate of the Value Added Tax for restaurants and coffee shops. The house is burning, they say, but that is our plan. So as long as you take care of the furniture and don't call the firemen, we the British arsonists like it.

Probably two decisive arguments may convince the Europeans in general, and Sarkozy in particular, if not now, then sooner than they themselves expect. The first one is that the arsonists are good at setting the fire, but very bad at stopping it. The fire of the financial collapse would therefore very soon spread into the very houses of the friends of Sarkozy in London and Wall Street, and we can then expect a survival reaction, if not a true compassion for the fate of the others. The second one is that the American people, organized by us, and the Russian, Indian, and Chinese leaders, are already taking firewall measures. The initiative to change is not going to come from Western Europe, but if the door for escape is open, we can expect some hosts to fly away to security. Mr. Sarkozy, my last word would be: "*Échappéz le premier, les autres suivront*"—Escape first, the others will follow.

A Future for Europe, And for Europeans

by Rainer Apel

The latest statements by German Chancellor Angela Merkel and Foreign Minister Frank-Walter Steinmeier, including that after the Irish "No," the rest of the European Union should simply proceed with the ratification of the Lisbon Treaty, shows a dangerous alienation from reality. The Lisbon Treaty has been destroyed: Not only was it unambiguously rejected in Ireland (which, according to the EU's unanimity clause, means the Treaty is "out"), but also the Presidents of Poland and the Czech Republic last week reiterated that they no longer see any sense in signing the document, and thereby finishing the process begun by the ratification by Parliament.

In Germany itself, a new situation has emerged, since Federal President Horst Köhler last week made it clear that he would not sign the treaty until the Constitutional Court rules on the legal cases against the treaty that are now before it. In Austria, the Socialists have changed sides and are demanding that for future European decisions, the people of the EU countries should be consulted.

Instead of chasing after the chimera of the Lisbon Treaty, European politicians should solve concrete problems; and these are great challenges, as, for example, the continuing protests by truck drivers in many EU countries show. The failure of the EU, and especially of the European Central Bank (ECB), to act against the sharp rise in crude oil prices caused by speculation, brings with it the danger that the European economy, already hard hit by the outbreak of the systemic banking crisis a year ago, is absolutely destroyed. Truck drivers, fishermen, farmers, and other groups are threatened with ruin by the price of diesel fuel, while airline companies confront formidable problems, and the price of kerosene is almost 20% higher than at the end of 2007.

During the demonstration of 1,000 truck drivers in London on July 2, Andy Boyle, the chairman of the trade association RHA, said: "The hard reality is that raw materials prices are driving many transportation businesses under. It is therefore absolutely vital that the government not only listen to us, but also urgently do something. For all those who are here today, be they lorry drivers or parliamentary deputies, doing nothing is no longer a solution."

ECB Policy: Hogwash and Madness

Oil prices are driving the inflation of prices of other goods, for example steel, and with the rise of the crude steel price by 50% in the last 12 months, the entire steel-working industry is suffering. Although the reasons for the problem are generally

known—namely, the actions of market speculators in driving up prices—there are still absurd attempts by politicians and bankers to deny these causes.

When Italian central bank head Mario Draghi made similar statements at a parliamentary hearing in Rome, Finance Minister Giulio Tremonti said sarcastically that the whole thing reminds him of Don Ferrante, a character in Alessandro Manzoni's well-known novel *The Betrothed*. Ferrante talked so long about whether the plague [in Milan in 1630] was serious or a fluke, that he himself died from it.

In this situation, for the ECB to pretend that it is doing something against “inflation,” by raising the prime interest rate in Europe, is just hogwash, since this will do absolutely nothing against the oil price rise, but only creates new problems by making borrowing more expensive for businessmen and consumers. Even Federal Finance Minister Peer Steinbrück, who is otherwise a dyed-in-the-wool supporter of the ECB, could not help but warn the European central bankers last week, that a new high-interest-rate policy would stall the engines of all of Europe.

Yet with the possible exception of the above-mentioned Italian finance minister, the leading politicians in the EU, who prefer to beat around the bush when talking about the crisis, should read what Ambrose Evans-Pritchard, chief columnist of the British *Daily Telegraph*, wrote in his blog on July 2 about the latest interest-rate increase of the ECB. Because of the low interest-rate policy of the U.S. Federal Reserve, he said, the policy of the EU central bankers amounts to drawing off streams of dollars, which will finish off the American currency.

“This is madness,” Evans-Pritchard wrote; inflation is not the problem, but the threatened collapse of the credit and bond markets. Evans-Pritchard then attacked Bundesbank chief Axel Weber, and implicitly also ECB chief Jean Trichet, by comparing Weber's high-interest-rate obsession with Shylock's mania in Shakespeare's play *The Merchant of Venice*: that he is “like Shylock cutting his Pound of Flesh.” Evans-Pritchard actually advised Weber to rather look for inspiration in Lessing's humanistic play *Nathan the Wise*.

When one takes into account that Evans-Pritchard is otherwise the rough-and-ready spokesman of a very influential faction of the London financial world, his commentary shows how widespread insecurity is in the highest financial circles



German President Horst Köhler refused to sign the Lisbon Treaty, because Germany's Constitutional Court has yet to decide on relevant cases before it.

about the clearly deteriorating situation. Panic is beginning to spread, in a situation which European institutions and national governments made for themselves, with their desperate clinging to the Maastricht system.

Maybe the English truck drivers will get the government in London to agree to some of their demands, as the French government did three weeks ago with regard to its truck drivers (*routiers*) and fishermen. But the crude oil price has reached such a destructive height, that within one week, everything was wiped out that the governments had allocated in the way of benefits and easing of the tax burden. Therefore just last week, the French *routiers*' protests were renewed, and the allocations with which the Italian government, just in time, headed off nationwide protests and blockades by the Italian truck drivers at the end of June, will no longer be able to prevent unrest.

What will particularly contribute to broader unrest, is the demand by the ECB and its neoliberal collaborators for EU member governments not to concede any wage increases to lessen the impact of inflation on workers, while at the same time the “Stability Strategy” of the EU central bankers would be implemented.

Ungovernability—Or a New Bretton Woods

The big fissure could come here: Either the governments listen to the ECB and thereby make Europe absolutely ungovernable, or they finally sit down and seriously discuss real ways to get out of the collapse crisis. Only by accepting the previously rejected proposals of Italian Finance Minister Tremonti, for an intervention against the derivatives trade in crude oil contracts, would the first step in the right direction be taken. Next must come an EU initiative for convening a world financial conference, with the goal of reorganizing the banking system from the top down, through a “New Bretton Woods” agreement (as the American economist Lyndon LaRouche has demanded for years).

Such a conference, as Mrs. Merkel and Mr. Sarkozy probably recall, was demanded in an open letter a couple of weeks ago by 14 former government leaders of the EU countries, including former German Chancellor Helmut Schmidt and former Finance Minister Hans Eichel. It would be irresponsible to delay such an initiative until after the U.S. Presidential election in November, or even until after the Bundestag election in September 2009. It must be done now.

Italy: The Nation vs. The 'Britannia' Faction

by Claudio Celani

Italian Treasury and Finance Minister Giulio Tremonti, a leading proponent of a New Bretton Woods and a supporter of Lyndon LaRouche's Eurasian Land-Bridge program, has launched a series of initiatives against financial speculation at the G-8 meeting, and in the European Union, which have put the Anglo-Dutch oligarchy on the defensive. As a reaction, the "Britannia" faction is running an operation to topple the Italian government by judicial means. *Britannia* is the name of the British royal yacht, aboard which a secretive meeting took place in June 1992, among leading City of London bankers, and Italian businessmen and government officials, who plotted the privatization of Italy's large public sector industries.

At the Osaka meeting of the G-8 finance ministers on June 13-14, Tremonti called on his colleagues not to impotently watch rising oil and other commodity prices, but to intervene to stop the cause: speculative financial flows. If we do not intervene in time, Tremonti said, not only poor countries will suffer, but Western democracies will be overthrown as a result of the impoverishment of the middle classes. Tremonti proposed to introduce higher margin deposits on the futures markets to eliminate the speculative component of commodity trading.

Two weeks later, Tremonti's proposal was endorsed by Robert Rubin, the former Clinton Administration Treasury Secretary. Rubin was invited to speak at an international conference on U.S.-Europe relations in Rome, organized by the Aspen Institute of Italy, of which Tremonti is acting chairman. On the conference podium, on July 1, according to the Milan daily *Corriere della Sera*, Rubin called for "more transparency and more control on banks' balance sheets, by increasing capital margin deposits for futures." Thus, Rubin clearly sided with Tremonti, against the Anglo-Dutch financial faction which is insisting that commodity-price inflation is due to a "supply-and-demand dynamic."

The appointed leader of that faction internationally is Mario Draghi, the governor of the Bank of Italy and the head of the Global Financial Stability Forum of the International Monetary Fund. Draghi, like Rubin, has been a Goldman Sachs executive, but unlike Rubin, is a lackey of the oligarchy. At the Aspen meeting, Draghi performed his

role, warning against government regulatory intervention in the "free market," and defending his Global Stability Forum as the institutional body to decide about the financial system.

In answer to Draghi, Tremonti told a television news program that evening, that for the Forum to perform that function is "like having the mice guarding the cheese." "Financial speculation," Tremonti continued, "is the real plague of the beginning of this century. Either we defend ourselves from this plague, or we will all be overwhelmed by it, and especially those who have less and those who are poor."

The solution cannot come from a single government, Tremonti said, but, "to stop this excessive speculation, we need a common system. It is no longer time for merchants, for merchant banks, for technicians; it is the time of governments, who must take on their responsibilities, and face issues."

The Italian government, Tremonti said, posed the issue at the G-8 meeting, and will do so also at the European level. Tremonti kept his promise and the next day, in a memorable hearing before the Parliament joint budget committees, announced that he would ask the European Union to apply Article 81 of the European Treaty, which deals with market manipulations, to stop financial speculation on commodities.

In less than 24 hours, reactions to his proposal came from several European capitals, including Brussels and London. The spokesman of the of the Antitrust Commission, Jonathan Todd, said that Article 81 "can be clearly used against all forms of collusion." "I cannot say whether there is evidence of collusion among speculators, but if there were evidence, the article could be implemented."

Although the inertia of the British-dominated EU Commission does not promise a breakthrough on this front, nevertheless, "Tremonti has thrown a stone in the water," the financial daily *Il Sole 24 Ore* wrote on July 4. "If Tremonti succeeds in moving waters, maybe starting from Europe, it will be a step forward in a world overwhelmed by the globalization shocks, that seem to paralyze everyone's capacity for leadership and action, including the large international institutions."

From London, an hysterical Ambrose Evans-Pritchard, international business editor of the London *Daily Telegraph*, who represents a certain faction of the British imperial oligarchy, warned on July 4 that Tremonti's proposal has the backing of France, and could indeed be approved by the European Council, thus badly hurting the City of London. "Article 81 decisions can in theory be pushed through by qualified majority vote, overriding a veto by the British and Irish governments. Any such attempt to restrict the futures and derivatives markets would have a major impact on the City of London and Dublin's financial industry. It is far from clear whether Britain could muster a blocking alliance in the current anti-market climate."

Tremonti vs. the European Central Bank

The “anti-market climate” is actually a revolt climate growing by the day throughout Europe, as a result of the devastating oil and food price increases which are hitting Europeans in their essential needs. A process of mass strikes has already started, promising to escalate in the Autumn. In Italy, figures published at the beginning of July, show what every family has experienced, contrary to official EU inflation figures of only 4%: Consumer prices for pasta have increased of 22% on a yearly basis; bread is up 13%; energy up 14%; heating oil 31.2%; and gasoline 12.6%.

Consumption is plunging. It has been calculated that an average Italian family is now travelling 500 fewer kilometers, and eating 1.5 kilograms less bread per month. Undersecretary of State for Finances Luigi Casero stated that, “It is all due to oil prices driven by financial speculation.” Economist Alberto Quadro Curzio, of the Catholic University, called for international “agreements to stop proliferation of paper operations. Market purists might disagree, but here we are no longer dealing with a market. We must stop such future operations.”

Agriculture Minister Luca Zaia called for reintroducing import tariffs on wheat, and for lifting quotas that prevent Italy from producing more than 60% of its needs. “EU plans have failed,” Zaia said, “and we are telling Europeans this.” Against food price inflation, “We need to increase agricultural production at the international level, but [we need also] a consideration at national level, i.e., that it is necessary to redraw government responsibilities in a sector that must be put back to producing.”

According to *Corriere della Sera*, Zaia proposes to reintroduce import tariffs in the EU. Last December, the EU lifted so-called “compensatory tariffs” on grain imports, with the argument that this would push prices down. Zaia sees this the opposite way: better to boost European production instead of imports. He also says the EU quota system must be changed: In the case of Italy, 18 million tons of wheat production each year cover 60% of consumption, whereas, “Europe produces more than 290 million tons that partially are exported to Italy at a high price, hurting consumers.”

In face of this reality, the European Central Bank, the real government in Europe, is dictating to EU governments that it plans an inflation target under 2%, and keep wage increases around that figure. Tremonti exposed the absurdity of the government paper he is forced to issue, calling it “a surrealistic document of no use,” speaking at a trade union meeting on June 22. He invited his audience to telephone the European Central Bank, giving the phone number in Frankfurt, to check his story. He called on the trade unions to join him in the fight against the real reason for the oil and food price increases: “international speculation.” “International speculation was first financial speculation and in the past period, after some disasters, focussed on commodities, starting with oil.”

Momentum Against the Free-Market System

Tremonti has now created a national and international momentum around his offensive against the free-market system. The Anglo-Dutch oligarchy is now mobilizing to stop him in the classic way: by overthrowing the Italian government. To achieve this, it has activated the “Britannia faction,” the nickname applied by *EIR* in 1993, when it exposed the secretive meeting on board the Her Majesty’s yacht. The central figure at that meeting was Italian central banker Mario Draghi, who, in 1992, was the Treasury Minister, and who, since then, has become known as “Mr. Britannia.” On board the Queen’s yacht, Draghi and the distinguished gentlemen from the City of London discussed how to privatize Italy’s huge state sector, which eventually was implemented by Draghi directly by selling banks, steel plants, and infrastructure to private vulture interests.

Italy’s establishment media have recognized the issue at stake in the Tremonti-Draghi conflict. “Tremonti’s analysis is naturally conflicting, today as in 2001, with the ‘techno-crazies’ of central banks, whom the economics minister accuses of a severe shortsightedness in not being able to forecast the dangers of globalization,” wrote *Corriere della Sera* on July 2, commenting on the Aspen Institute meeting. “The governor [Draghi], who was the director of rather hasty privatizations, today embodies a culture aimed above all at strengthening the current system and avoiding in the future, episodes such as the subprimes occurring again. Tremonti, instead, believes that the globalized economic system should be somehow streamlined with political management. Draghi plays the defender and high priest of current rules. Tremonti says that those rules must be rewritten. Maybe, even subverted,” wrote Turin’s *La Stampa*.

However, “Mr. Britannia” is just a lackey. A more important member of the same faction is former Italian President Francesco Cossiga, a British agent of influence who often treats Draghi as his lapdog. Cossiga revealed that the plot is to dump Prime Minister Silvio Berlusconi within the next four months through judicial means, including a sort of “Monica Lewinsky” operation: the publication of wiretapped conversations in which Berlusconi praises the sexual performances of young ladies whom he has appointed to his cabinet as a reward.

Cossiga’s threats must be placed in the context of reviving the larger aspect of the 1992-93 “Britannia” operation. Part of that operation was the “Clean Hands” investigation, led by prosecutor Antonio Di Pietro in Milan. Using the pretext of investigating corporate bribes to politicians, the Clean Hands investigation was used to destroy the entire political system, through a trial-by-media method. As a result, in the Italian Parliament today, none of the parties that founded the Italian state in 1948 and wrote the Constitution are present any longer.

In the recent weeks, Di Pietro, who now leads a small

party called Italia dei Valori (Italy of Values), has dictated policy to the opposition, by launching a campaign to topple Berlusconi. Berlusconi, who is a fool, has provided a pretext for this, by launching a crusade against prosecutors who are investigating him in Milan on a bribe case. Sources have told *EIR* that Berlusconi is manipulated by his lawyer. Belatedly, Berlusconi has come to understand that a solution would be to revive the parliamentary immunity that was lifted in the first Britannia operation, but this has not stopped the jacobin campaign.

The main actors of the original Britannia plot are at it again: Cossiga, Draghi, Di Pietro and others, not to exclude a role by Henry Kissinger, who, at the Aspen Institute meeting gloated that Europe is now abandoning its past of nation-states. Kissinger was questioned by the Parliament Committee for State Security (Copasir) on June 30, for, among other things, his role in the political developments that led to the assassination of Italian statesman Aldo Moro in 1978. One week earlier, at a conference in Rome, commemorating the 30th anniversary of Moro's assassination, LaRouche had blasted Kissinger as a "lackey" of George Shultz. LaRouche had been invited by a former minister, Giovanni Galloni, to present Galloni's book, *30 Years with Moro*. Galloni describes in his book that the main opponent of former Prime Minister Moro's policy was Kissinger, who personally threatened Moro in 1976 with a "bad end," if the Christian Democratic Party leader insisted on pursuing his independent policy. One week before LaRouche's intervention at the Rome conference, Cossiga had attacked Galloni in an interview, precisely on Galloni's exposure of Kissinger's role against Moro.

Cossiga was interior minister when Moro was kidnapped by the terrorist Red Brigades on March 16, 1978. He resigned the day after the assassination, on May 9 that same year. Cossiga is the main figure responsible for the sabotage of police operations throughout that period, which, as it was discovered later, were controlled by the British-directed P2 secret Freemasonic Lodge.

Another member of the Britannia faction is Antonio Martino, a defense minister in the previous Berlusconi cabinet (2001-06), and a member of the Mont Pelerin Society, an international grouping that was set up in Switzerland against the Franklin Roosevelt influence at the end of World War II. On June 24, Martino attacked Tremonti's war against commodity speculation, with an article entitled "Dear Tremonti, I say: long life to speculators." Martino wrote in the daily *Libero* that the phenomenon of speculation "is not at all negative. . . . The only way in which you can earn in this world is to buy cheap and sell dear. . . . This is evident." Since the theory says that speculators buy when there is a lot of supply and prices are cheap, and sell when there is scarcity and prices are high, "the net effect of speculation is therefore stabilizing," and "a destabilizing speculation is to be considered as exceptional." This demonstrates that "the

widespread idea that the high oil price is due to speculation—"there are more contracts than barrels," our unparalleled minister for economy [Tremonti] has stated—is nonsense." Speculators on the futures market just anticipate future prices, forcing us to move early in the search for remedies. "Once again, we are dealing with a socially beneficial activity: speculators, by becoming rich, act in our interest as well."

Martino is the son of Gaetano Martino, a right-wing politician who was key in starting the European superstate in 1955. As Italian foreign minister, the elder Martino organized the "Messina Declaration" in 1955: a meeting of six foreign ministers who decided to found a European Community organization based on a "European Common Market free of internal duties," to be reached in stages. The meeting mandated Atlanticist Paul Henry Spaak to draft a plan, which was eventually approved, and which gave birth to the current "independent" EU Commission.

This leads us to another figure in the picture: State President Giorgio Napolitano. Napolitano is using all his power and influence as the highest state authority to make sure that the Italian Parliament sticks to the failed agenda of the Lisbon Treaty, and surrenders its sovereignty to a European superstate. At the Aspen meeting July 1, Napolitano called for a European superstate that can match the United States as a world military power. Napolitano wished "that the day will soon come when, to speak to Europe, the United States President can call one telephone number and find someone on the other end, who can answer representing and committing the European Union as a whole." Europe "has recognized and recognizes [the need for] strengthening its military capability," and "the distinction between Mars and Venus is wrong." "In Europe, the awareness is growing that it is impossible to rely only on the United States' power to face global crises," Napolitano boasted.

Ironically, Napolitano is a follower of the European Federalist Movement, whose core idea is that a European superstate is necessary to avoid wars, because nations are intrinsically bellicose. This is another lesson in the oligarchy's use of sophistry in history. According to *EIR* sources, Napolitano is intervening personally against journalists who dare to challenge the Lisbon Treaty. In one recent case, Napolitano called up the editor of a national daily to protest the publication of an article in favor of Prof. Giuseppe Guarino's critical book *Ratifying Lisbon?*. According to journalist Maurizio Blondet, Napolitano said that, "Those who are anti-European Union are terrorists. It is psychological terrorism to evoke the ghost of a European superstate." Whatever Napolitano and the Britannia faction might say, the Irish vote has killed the Lisbon Treaty forever. However, it has not neutralized the power of the Anglo-Dutch oligarchy, which is now on the defensive. It is up to us to prevent it from unleashing wars and destabilizations to escape its fate.

Exposed: The British BAE Hand Behind The Drive for World War III This Year

by Jeffrey Steinberg and Michele Steinberg

In a move ripe with historic irony, Iranian Foreign Minister Manoucher Mottaki has commemorated American Independence Day celebrations, with a July 4 attack on Great Britain. Mottaki slammed the British House of Lords, for recently removing the Mujahideen e-Khalq Organization (MKO) from its official list of terrorist organizations.

“Any country moving officially in line with removal of the MKO from the terrorists’ list will from the viewpoint of Iran and Iranians be an accomplice in the terrorist acts taken by the grouplet,” he warned (according to the translation provided by the government of Iran), during a visit to the United Nations in New York City. “Surely, such a move is condemned, and we reserve the right to follow necessary procedures, and lodge complaint against the country supporting terrorism. The cowardly move of clearing the MKO’s name from the terrorists’ list started from Britain, and definitely such a cowardly effort will have no impact on our people’s attitude, and the nature and position of the terrorist group.”

Mottaki concluded: “The MKO will continue to be regarded as a terrorist group by survivors of the victims of its terrorist measures, and the Iranian nation. Terrorism can not be classified into good and bad today. Terrorism is terrorism, and is so condemned. Equal and indiscriminate approach should be shown against all of them.”

The British move to back the MKO came just days before the organization, which is also on the U.S. State Department list of international terrorist organizations, held a mass rally outside Paris, attended by 15 members of the British House of Commons and House of Lords, led by former Home Secretary David Waddington, Lord Corbett, and Baroness Gould. The British delegation also included Struan Stevenson, a Scottish member of the European Parliament, who co-chairs the Friends of a Free Iran Intergroup, and who is leading a drive to remove the MKO from the European Union’s list of terrorist groups. In his speech, Stevenson echoed the words of Benjamin Netanyahu, the Israeli Likud Party chairman, Dick Cheney intimate, and leading proponent of preventive war against Iran; Netanyahu famously told an AIPAC (American Israel Public Affairs Committee) event in Washington, “Today is 1938, and Ahmadinejad is Hitler.”

Stevenson told the Paris rally: “Ahmadinejad has repeatedly said that he wants to wipe Israel off the map. Now he is building the nuclear weapons which will enable him to do so.



Iranian Foreign Minister Manoucher Mottaki blasted London’s role in fostering terrorism against his country.

Ahmadinejad is the new Hitler. . . . I say to Europe’s Leaders: Forget appeasement. Back the Iranian people. Back the main opposition force, which embodies the only people capable of replacing the mullahs’ evil regime.”

A similar MKO rally near Paris in July 2007 was addressed by Daniel Pipes, one of the most lunatic of the American neoconservatives, demanding the military overthrow of the Iranian regime, through the backing of groups like the MKO. At that rally, a representative of Saudi Arabia’s national security chief and former Saudi ambassador in Washington, Prince Bandar bin-Sultan, delivered a check for nearly \$1 million to the MKO. The amount was symbolic, but the implications are profound.

Bandar and BAE

Prince Bandar was the broker of the infamous “Al-Yamah” barter deal between London and Riyadh, under which the British defense conglomerate BAE Systems has provided an estimated \$80 billion in arms and defense services to the Saudi Kingdom since 1985, and which has provided the cover for creation of an offshore Anglo-Saudi covert operations

fund, estimated in the hundreds of billions of dollars. By Prince Bandar's own admission, the offshore fund has financed wars and covert insurgencies around the globe, including the 1980s Afghanistan War, out of which emerged al-Qaeda and a score of other "Afghansi" terrorist organizations, which have been the main source of asymmetric warfare from Africa, to South Asia, to the Far East.

Under the Al-Yamamah deal, BAE Systems provided Saudi Arabia with fighter jets, ground support, and training, and in return, received as much as 600,000 barrels of oil per day, for the last 23 years. Through arrangements with British Petroleum, Royal Dutch Shell, and the British Defence Export Services Organisation (DESO), the Saudi oil was sold on the international spot market, and BAE amassed a net profit of at least \$80-100 billion. According to U.S. Treasury Department officials, those funds were, in turn, invested in offshore funds in locations like the Cayman Islands and the Dutch Antilles, and have generated additional hundreds of billions of dollars in profit, over the last two decades.

The entire Al-Yamamah project is now under investigation by the U.S. Department of Justice, which is probing a reported \$2 billion in bribes, paid to Prince Bandar, while he was ambassador in Washington. Those funds passed through American banks, including the former Riggs National Bank, and are thus subject to investigation under the Foreign Corrupt Practices Act.

According to senior U.S. intelligence officials, the case has been given high priority at the DOJ, because of persistent questions about whether some of the Al-Yamamah funds wound up in the hands of Saudi terrorists, who carried out the attacks on New York City and Washington, on Sept. 11, 2001.

Another Preventive War?

Both the MKO and Al-Yamamah issues take on profound strategic significance today, because the war party factions in London, Washington, and Tel Aviv are driving for a preventive strike against Iran, before the Bush Administration leaves office next January.

Since the recent AIPAC convention in Washington this Spring, the propaganda offensive for preventive military strikes against Iran's nuclear facilities at Natanz, and an estimated 50 other locations inside the Islamic Republic, has reached a fever pitch.

In recent weeks, a parade of top U.S. military and intelligence officials, including Adm. Michael Mullen, chairman of the Joint Chiefs of Staff, and Adm. Michael McConnell, Director of National Intelligence, have traveled to Tel Aviv, to receive briefings from their Israeli counterparts, who claim to have proof that Iran is less than 18 months away from possessing a nuclear bomb.

Although such Israeli claims fly in the face of the most recent U.S. National Intelligence Estimate, which found that Iran halted its nuclear weapons program in 2003, pressure on

the United States is mounting to either attack Iran, or provide vital support to an Israeli attack on the Iranian sites.

In early June, Israel conducted maneuvers over the eastern Mediterranean, simulating an attack on Natanz. While the large-scale military exercise was formally aided by the Greek military, U.S. and European intelligence sources confirm that the British played a supporting role, through their large air base on Cyprus. Israel could not carry out any kind of attack on Iran, without the active support of neighboring countries, including from British and American military forces inside Iraq. Therefore, any attack on Iranian nuclear sites would likely trigger asymmetric retaliation, targeted at NATO, as well as Israel, and that would mean World War III.

LaRouche Issues a Warning

The drums of war against Iran come at the same time that negotiations between the Islamic Republic and the so-called "P5-plus-1," over the status of Iran's nuclear enrichment program, are also reaching a critical moment. In May, Iran and the P5-plus-1 (the five permanent members of the United Nations Security Council—the U.S., Britain, France, Russia, and China—plus Germany) exchanged proposals for comprehensive negotiations over Iran's nuclear program. Beginning on June 30, a series of statements were issued by senior Iranian officials, including Foreign Minister Mottaki, chief nuclear negotiator Saeed Jalili, and the head of Iran's Atomic Energy Agency, Gholam Reza Aghazadeh, all indicating that Iran is prepared to make concessions and enter into serious negotiations.

Despite these positive signs, and wary that the British oligarchy is driving for preventive war, due to the onrushing collapse of the global financial system, Lyndon LaRouche issued a pointed warning, in a statement released by the LaRouche Political Action Committee on July 4, 2008. "Negotiations with sundry factions in Iran should be encouraged," LaRouche stated, "but it must never be assumed that one faction proffering an arrangement will be supported by other factions. Those who insist on 'now or never' agreements with the government of Iran are not only being foolish, but are playing into the hands of those who wish a doomsday confrontation with Iran prior to the November 2008 U.S. Presidential elections; and there are certain factions which are lunatic enough to desire such a confrontation."

While LaRouche certainly had in mind the "war party" faction inside the Bush White House, led by Vice President Dick Cheney, his main warning target is the present majority faction in Britain, which is driven to desperation by the onrushing global financial crash—and the danger that an "FDR policy" impulse will take charge in the United States, and follow LaRouche's call for a Four Powers alliance with Russia, China, and India, to not only avert an attack on Iran, but also to put the British oligarchy out of business, once and for all. And that means shutting down BAE's Al-Yamamah spigot, as a first step.

Colombia's Rescue: Victory Is Possible

by Maximiliano Londoño Penilla

From the Editors: *On July 2, Colombia spoiled the British gameplan against all of Ibero-America, when its Armed Forces freed, without bloodshed, 15 high-profile hostages held by the narco-terrorist Revolutionary Armed Forces of Colombia (FARC). Colombian President Alvaro Uribe Vélez hailed the Army as “humanity’s heroes,” and described the operation as one of “perseverance—one that has tested the unlimited intelligence of Colombians, embodied in the intelligence of the Army and the Fatherland. [It was] a respectable operation from every standpoint; a military epic paying homage to human rights.”*

Uribe stressed that the Army had refused to kill, or even capture, the guerrillas who delivered the hostages to the disguised military helicopter which took them to safety, because he wanted to send a message that the FARC should not mistreat hostages still in captivity. Best estimates are that there are a total of 700 such victims, most of them kept in dehumanizing, barbaric conditions.

Over the last year, the Colombian government has been succeeding against the FARC, knocking out five of the long-time members of its seven-person Secretariat, among other things. In his statement after the raid, Uribe emphasized, however, that he was inviting the FARC to “make peace.... [and] begin by freeing all the hostages still in their possession.”

Uribe was seconded by the freed former Presidential candidate Ingrid Betancourt, who said, “I believe this is a signal of peace for Colombia. We can achieve peace if we trust in our Military Forces, and I truly wish to thank each one of Colombia’s soldiers, because they are demonstrating that peace is possible—with intelligence, with prudence, and with wisdom.”

On July 3, Maximiliano Londoño Penilla, president of the Lyndon LaRouche Association of Colombia, released the following statement.

The Colombian Army’s successful rescue of 15 hostages held by the FARC, carried out under the personal leadership of President Alvaro Uribe Vélez, marks a turning point in Colombian history. As soon as the news became public, the country was gripped by paralysis, because everyone wanted to hear about the details of the operation. Later, after 10:00 p.m., Uribe, the Defense Minister, the Foreign Minister, the high military command, and the former hostages, held a victory press confer-

ence, and reported on aspects of the operation and anecdotes about the hazards of their captivity, which in some cases began as long as ten years ago.

The three Americans who were also rescued travelled immediately to the United States, and had no contact with Colombian media. All good Colombians, which is the majority of us, were ecstatic, and had the rivers of tears of joy been collected, surely Mars would have once again become green.

The precision and care with which the operation was carried out sends an additional message which Uribe transmitted to the FARC: Any further bloodshed is unnecessary. This is a time for reconciliation and lasting peace.

The understanding that is still lacking, is that in order to defend the general welfare, there must be, along with [Uribe’s] program of “Democratic Security,” a program of “Economic Security” for all, just as Lyndon LaRouche has spelled out. Ingrid Betancourt, and all the other former hostages, displayed the moral transformation they had undergone, under the most brutal of conditions which daily threatened their physical existence.

Despite exhaustion, disease, and anguish, they all reported that they never gave up hope of returning to freedom, and life. But they also revealed that during the most difficult moments, the social relations and cooperation they had developed among themselves, combined with the continuous public expressions of support and messages from family members, friends, and Colombians in general, allowed them to keep alive a spark of faith and the hope of a better future, and the possibility of a “miracle” that would alter their ominous path.

So, with rigorous work and enthusiasm, miracles can indeed occur in this universe.



Juan Felipe Barriga-SP
Former Colombian Presidential candidate Ingrid Betancourt embraces the head of the Army, Gen. Mario Montoya, during the press conference on July 2 after the Army’s successful raid to free 15 hostages from the narco-terrorist army, the FARC. Betancourt was held captive for six years.

British Ops Create Ring Of Chaos Around China

by Michael Billington

A glance at the map suggests that someone is trying to overthrow the governments of many of China's neighbors to the east, south, and west. Exactly so! Some nations, like Vietnam, are under merciless economic attack from abroad. In Thailand, South Korea, and elsewhere, masses are taking to the streets, demanding "throw the bastards out," often over local issues. The raging food and fuel crises symptomatic of the exploded world financial system, provide plenty of grounds for mass anger and outrage.

But who is it who wants to weaken or destroy these governments? Would that help overcome the food and fuel crises? Just the opposite: it would leave Asian populations totally unprotected; they will be decimated. Some of the grievances may be local, but the falling dominoes game is global, and it's being played from London.

London is trying to line up Europe and America for a war against Eurasia, especially against Russia and China. London's attempted overthrow of these Asian governments is part of the war plan.

Lyndon LaRouche was asked recently to comment on the fact that "most of the neighbors of China, to the east and south, are fighting, basically, extinction, fighting day to day to exist as governments." LaRouche pointed to the Anglo-Dutch oligarchy, which views Asia, where the majority of the human race resides, as a primary target.

"If you are Prince Philip," LaRouche said, "and you are campaigning to reduce the world's population from 6.5 billion to 2 billion—and many people are out for a 1 billion target—then what the hell do you think is going on? I mean, people who are sympathetic to the British monarchy have to be really degenerates. You have Prince Bernhard, who is now dead (we hope!), who married the Dutch princess. His qualification was that he was a member of the Nazi SS, and since he was marrying a Dutch princess, he had to give up his membership in the SS. So, he sent a letter of resignation from the SS personally to Adolf Hitler, and signed it, *Heil Hitler!* What do you expect from this guy?"

Identifying Al Gore as a lackey of the same British policy, LaRouche continued, "So, when you get rough on these guys, as I do sometimes, and somebody comes up and screams about, 'you can't attack respectable people!' I say, 'I think your morality is defined by what you think is respectable.' And turn it around that way. This is what's lacking: People always make apologies for these things."

So, without apologies, here is a brief report on the British operations to destroy the nation-states of Asia, with China as the ultimate target.

1. Vietnam: Assault by Speculators

In a move which closely parallels the 1997 attack on the Thai baht and other Asian currencies by George Soros and his hedge fund cohorts, the British financial locusts have launched an assault on the Vietnamese currency, the dong, driving it down by 29% on the futures markets. Vietnam Finance Minister Vu Van Ninh announced that the government would defend the dong, while also trying to slow the runaway inflation, now at 25%.

As in the 1997-98 so-called "Asian crisis," the speculators have more money than their targetted governments; in this case, they plan to wait until Vietnam runs out of foreign reserves defending the dong, then collect a fortune on their futures contracts when the dong collapses. Such a collapse could spark a "run on the bank" across Asia, as in 1997—only this time the entire world banking system is bankrupt and could explode from such a spark.

Vietnam still has certain controls over its currency, although these were loosened when the country joined the World Trade Organization (WTO) in 2006. Speculators are now working primarily with "non-deliverable forward futures" in the currency derivatives market. At the forefront of the locust horde is Morgan Stanley, which has forecast (better to say, "announced") that the dong will be devalued, with forward contracts betting on a 29% drop over the year. The "hit men" from the rating agencies have joined this criminal attack, with Standard & Poor's, Moody's, and Fitch all lowering Vietnam's credit rating to negative, thus further driving up borrowing costs. A primary target is Vietnam's huge state-sector industries, which the speculators want privatized so they can be bought up on the cheap.

Vietnam's Central Bank has increased borrowing costs three times this year, to 14%, the highest in Asia, trying to squeeze out inflation. The stock market has collapsed by 60% this year—the largest fall of any market in the world.

The government has resisted lifting fuel subsidies, retaining a safety net for its population and thus preventing, so far, the kind of social explosion taking place in other Asian nations. But this is a huge drain on the budget and currency reserves. The trade deficit tripled in the first five months of the year, from \$4.25 billion one year ago, to \$14.42 billion, further draining reserves, and increasing Vietnam's vulnerability to the locusts.

2. Thailand: Anarchy Looms

The same motley crew of anarchists who brought about a military coup in Thailand in September 2006, against highly popular Prime Minister Thaksin Shinawatra, are at it again against the newly elected government of Samak Sundaravej. Under the leadership of Sondhi Limthongkul, a publishing



tycoon, and former Gen. Chamlong Srimuang, now the head of a Buddhist cult, both professional anarchist organizers who hide under the banner of “democracy,” about 25,000 demonstrators marched through police lines to surround the Government House (the office of the Prime Minister) on June 20, where they plan to stay until Samak resigns. Similar demonstrations in 2006 (although much larger) provided the cover for the military coup which overthrew Thaksin. After two years of military rule, an election in December brought supporters of Thaksin back into power, under Prime Minister Samak.

The only complaint the demonstrators have against Samak, is that he is too close to Thaksin, who is himself officially out of politics while fighting scurrilous legal charges. Wrapped in royal colors and claiming to support the King, the mob was confronted by 8,000 police, but the police were ordered not to use force to stop the illegal demonstrations.

As in 2006, the demonstrators are mostly from the urban middle class, but this time students are largely absent—the youth apparently now recognize that the “pro-democracy” demonstrations are a cover for yet another military coup. However, the anarchists enjoy the full support of the Dow Jones (i.e., Rupert Murdoch) rag in Bangkok, *The Nation*, as they did in 2006.

The labor unions and farmers have not joined the demonstrations—the majority were strong supporters of Thaksin’s pro-growth policies and his general welfare support for the poor, and believe Samak will continue those policies. But the fuel and food price hikes are provoking protests which could intersect the anti-Samak demonstrations. Already fishermen in the South held a public boat-burning, claiming that fuel costs made every trip a losing venture. Truckers had a similar complaint and threatened to protest with their trucks in Bangkok. The government calmed the waters with fuel subsidies, but this is clearly a temporary solution.

Rice farmers, too, threatened to set up camp in Bangkok. Despite the huge rise in rice prices, the profits went to the corporate exporters, and rice farmers got little or nothing. The government placed a floor on the price paid to farmers, and began issuing food stamps to the poor—all necessary and humane, but as the hyperinflation grows, such subsidies could prove impossible to sustain.

Meanwhile, Chamlong can be expected to attempt a repeat performance of his 1992 coup effort, when he marched his followers into the military lines, provoking a bloody confrontation which brought down the government. Political analyst Thitinan Pongsudhirak of Chulalongkorn University con-

curred with the government party's assessment that the mob under Chamlong's direction is "agitating for blood. They are going for broke every day to bring down the government."

The 1992 demonstrators were exposed at the time by *EIR* to have been funded and trained by USAID, the Asia Foundation, the AFL-CIO, and the National Endowment for Democracy, all with U.S. government money and approval. This operation set Thailand up for the assault by George Soros and his fellow hedge fund thieves, leading to the mass looting of Asia in the 1997-98 "Asian crisis."

The opposition party has taken advantage of the crisis to hold a no-confidence debate in the Parliament, although it has no chance of passing. Prime Minister Samak has refused to back down from his electoral mandate, and has warned that the those occupying the streets will have to be removed. The government has thus far succeeded in calming angry truckers and fishermen, who are being crushed by fuel costs, with subsidies and pay raises, but this has obvious limits.

3. Effort To Destroy Malaysia

Former Deputy Prime Minister of Malaysia Anwar Ibrahim, wholly owned by London and London's U.S. assets Al Gore, Paul Wolfowitz, and George Soros, was deposed and imprisoned in 1998, at the same time that then-Prime Minister Mahathir Mohamad saved his nation from Soros and his fellow speculators by imposing currency controls on the Malaysian currency, the ringgit. After his release from prison in 2004, Anwar was sponsored by Wolfowitz and his cohorts, providing him several lucrative positions at universities in Washington and Oxford, at the World Bank, and at foundations in Washington and London. The warchest thus accumulated is now being put to work, to buy his way into becoming prime minister, the position he had been denied by Dr. Mahathir in 1998.

While the global food crisis exploded over the past year, Malaysia, which had allowed itself to be more than 50% dependent on food imports, was faced with both food inflation and potential shortages. This, coupled with the spiking fuel prices, provided a crisis environment for Anwar to launch his attack on Malaysian sovereignty, on behalf of his Western sponsors. He pasted together a "strange-bedfellows" opposition alliance, which cut into the government's majority in Parliament during the recent elections. Anwar began bragging that he would "persuade" MPs from the government party to defect, and that he would soon be prime minister.

Although most Malays hold Anwar in contempt for his subservience to the British financial oligarchs, the population is being crushed by the hyperinflation caused by those same oligarchs. To the extent the government fails to rally the nation to fight those oligarchs, it could further lose popular support.

Prime Minister Abdullah Badawi has implemented a series of necessary measures to double food production, and has initiated serious discussion on the development of nuclear power. He also truthfully identified the speculators as being

behind the hyperinflation, noting that "if our own financial institutions were involved, I have no doubt that we would have been subject to vociferous criticism." He added that "each country faces a different situation, but we should share recognition" of the cause, and work internationally for a solution.

4. Philippines: New 'People's Power' Scam?

The Philippines never recovered from the "regime change" of 1986, which deposed President Ferdinand Marcos, on orders of neocon godfather George Shultz and his deputy Paul Wolfowitz. With that coup, the Philippines' leading role in Southeast Asia was systematically dismantled: The fully completed nuclear power plant was put in mothballs (although the country had to pay every cent of its construction cost); the Green Revolution which had made the nation self-sufficient in rice was dismantled, in favor of the globalization of food; and industrialization was scrapped in favor of process industries and the export of labor. The nation now suffers the highest electricity costs in Asia, and is the world's largest importer of rice. Hyperinflation is driving the Philippines to the brink of catastrophe.

President Gloria Macapagal Arroyo owes her job to the same crew who overthrew Marcos in 1986, and is herself complicit in the current disaster. Nonetheless, she has taken some steps to break from the globalization dictatorship. She has expanded relations with China, and, with Chinese help, made efforts to revive the Green Revolution. That program stalled in 2004, but in the desperate conditions of the current rice crisis, she is attempting to get it started again.

Most importantly, the government is seriously moving to reopen the mothballed nuclear plant. This would be both a victory for the nation, and a symbol to all of Asia that the anti-science, anti-production globalization process unleashed in the 1980s can be reversed.

But the government is fragile. Desperate and hungry people are lining up for hours every day in Manila to obtain small amounts of subsidized rice, while food shortages also threaten other areas of the country. President Arroyo has been under threat of various coups continuously since she took office in 2001, and has only stayed in power through extra-legal means. Only an extraordinary commitment to return to the economic vision of the Marcos era can put the Philippines in a position to weather the global storm, and to join other nations in building a new world economic order.

5. South Korea Pushed to the Brink

South Korea is facing a series of revolts which threaten to topple the newly elected government, despite its overwhelming victory in the December Presidential election and the April parliamentary election.

Demonstrations began soon after President Lee Myung-bak travelled to the United States in April, aiming to repair strained relations which developed during the former admin-

istration of Roh Moo-hyun. As a concession to Washington, Lee had agreed to lift restrictions on beef imports from the U.S., which had been imposed during the “mad-cow disease” crisis in 2003.

The demonstrations expanded rapidly, driven by other issues than beef imports: soaring food and fuel costs; President Lee’s perceived aloof CEO-style of governing (he was once CEO of Hyundai); and historic anti-Americanism, which has grown stronger during the Bush/Cheney years.

A strike of truckers in June nearly closed the ports, just as the daily demonstrations peaked at several hundred thousand. President Lee has since changed course drastically, granting significant subsidies and pay raises to the truckers and others affected by soaring fuel prices, removing nearly all his top advisors, promising cabinet changes, negotiating a compromise agreement with Washington on the beef issue, and apologizing to the Korean people.

Seoul is also fighting a potentially existential battle with the hedge funds that have moved into South Korea since the 1997-98 Asian financial crisis. Efforts to prevent the looting of national industries, and to stop the intended British break-up of the huge *chaebol* conglomerates which have made South Korea the 12th-largest economy in the world, have had only partial success.

The immediate crisis has been contained, but tensions remain high. The government hopes that new, strengthened relations with its Asian neighbors, especially joint development projects with Russia in the Russian Far East, can revive the economy and restore the administration’s popular base of support. This is precisely the Asian alliance which the British wish to disrupt.

6. British War Plan for Myanmar

Cyclone Nargis, which laid waste to much of Myanmar’s rice production area in May, was immediately seized upon by the British as an opportunity to implement their new colonial scheme, known as a “League of Democracies.” The argument: The UN is now worthless, since Russia and China use their veto power to prevent military interventions against nations that refuse British dictates; therefore, a new “coalition of the willing” must take over, to effect regime change where desired—militarily, if necessary.

A related concept to be tested in the planned “humanitarian” invasion of Myanmar was a concept called “responsibility to protect,” recently adopted by the UN for countries deemed guilty of genocide against their own people.

Myanmar’s ruling junta had no difficulty recognizing the intention, and refused to allow U.S. or European military forces to deliver aid to cyclone victims, insisting that all aid be turned over to the government for distribution by the people of Myanmar themselves.

Two crucial actions stopped the British colonial scheme. First, the United States—at least its military leaders—rejected it absolutely. Pacific Command chief Adm. Timothy Keating

accepted the conditions laid down by Myanmar, arranged for over 100 C-130 transport flights of aid to be delivered to Yangon and turned over to the military government, while the British and the French military ships sat off-shore threatening to invade.

Second, the ten members of the Association of Southeast Asian Nations (ASEAN), which includes Myanmar, accepted Myanmar’s request to coordinate all foreign aid for the cyclone victims and for reconstruction, thus effectively telling the British they would have to deal with all of ASEAN if they chose to invade.

The immediate threat has passed—the British have shifted their focus to Zimbabwe. However, Myanmar remains a favorite target of British subversion, in large part because its geography makes it a strategic hub for India, China, and its fellow Southeast Asian countries. As these nations continue to participate in the development of Myanmar, especially its regional transportation grids, facilitating economic cooperation and expansion, the British must be expected to escalate their plans for destabilization.

7. Break-Up of Pakistan and Afghanistan

The long-standing British plan for the break-up of Pakistan and Afghanistan has reached critical mass, as the border regions between the two have fallen under militant control, both the southern Afghan region around Kandahar and the Federally Administered Tribal Areas of Pakistan. A full report, “Afghanistan, an Unwinnable War to Meet Colonial Geostrategic Ends,” by Ramtanu Maitra, was published in *EIR*, July 4, 2008.

8. British Destabilization of Mongolia

Mongolia sits strategically between Russia and China, with extensive ties to both. The country was thrown into chaos when thousands of supporters of the Mongolian Democratic Party (MDP) launched violent protests against the ruling Mongolian People’s Revolutionary Party (MPRP), claiming fraud in the June 29 elections. Mongolia has large uranium reserves, and is in the process of developing a close relationship with Russia around the development of its nuclear power. During his visit to Moscow in April, Prime Minister Sanjaa Bayar reiterated that Mongolia is interested in building nuclear power plants with Russia’s help.

The controversial issue on which the elections were contested was the Minerals Law. The government party insists on retaining government majority ownership of joint ventures with the international mineral giants in the development of the vast mineral deposits in the Gobi Desert, while the opposition Democratic Party wants to turn the mineral wealth over to private ownership.

The Democratic Party is led by former prime minister Tsakhiagin Elbegdorj, who is a protégé of former Russian prime minister Mikhail Gorbachov; Elbegdorj is also a patron of the neoconservative Henry Jackson Society based in London, and a rabid promoter of free trade.

Book Reviews

A Slow-Motion British Coup in South Africa

by David Cherry

After the Party: A Personal and Political Journey Inside the ANC

by Andrew Feinstein

Johannesburg and Cape Town: Jonathan Ball, 2007

287 pages, paperback, R144.50, not sold in the U.S.A.

Thabo Mbeki and the Battle for the Soul of the ANC

by William Mervin Gumede

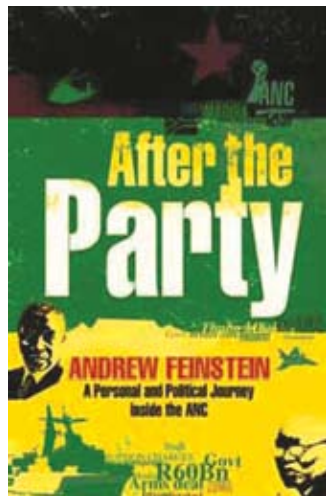
London: Zed Books, 2007

476 pages, paperback, \$25.50

In the accelerating crisis of London's worldwide economic and financial system, greater control over populations and raw materials is an imperative for the Anglo-Dutch oligarchs. South Africa is not only a target in its own right: It is also a key to controlling sub-Saharan Africa as a whole, and represents a potentially powerful center of independent development on the continent.

These books by South Africans are propaganda for the British plan to seize control over South Africa through a "slow-motion coup." Author William Gumede, who works for the London *Economist* Intelligence Unit and BBC World Service, has patronage of the British-linked Oppenheimer interests. Author Andrew Feinstein, now living in London, wrote his book with Rockefeller Foundation support.

The British strategy is to discredit South Africa's President, Thabo Mbeki, and to control the choice of his successor,



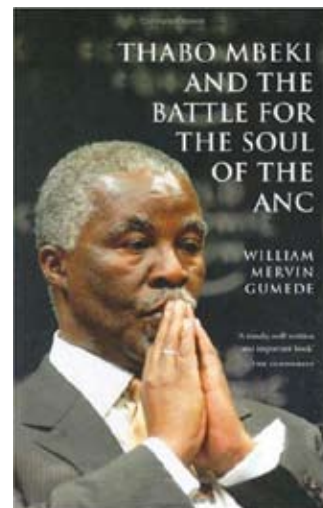
since he cannot succeed himself. So far, the populist Jacob Zuma—fired by Mbeki as his Vice President in 2005—has been successfully played as the "injured party," to mobilize for the British the many who are understandably discontented with the slow, uneven improvement of social conditions. Zuma was elected president of the African National Congress (ANC) in November 2007, replacing Mbeki in that post, at a party conference in which many inflamed delegates showed disrespect for the President of their country and his closest associates, in their zeal for Zuma. As ANC president, Zuma could expect to be the ANC's candidate for South African President in the 2009 election, if he is not convicted in his corruption trial first. (The ANC is the majority party; its candidate is virtually assured of winning the election.) But it appears that the British gamemasters were playing at bait-and-switch, and Zuma may be eliminated as a candidate, whether convicted or not.

Whom Will the British Choose?

Who will actually be the British preference for Presidential candidate depends on dialogue between the British and their South African admirers. Until recently, the drumbeat in the British-oriented press was for Cyril Ramaphosa, Tokyo Sexwale (pronounced "Seh-whahleh"), or Mathews Phosa, usually named together. The history is that, as of 1996, Mbeki's chief rivals were Ramaphosa, then ANC secretary general, and Sexwale, premier of Gauteng Province. When Mbeki was elected ANC president in December 1997, confirming

him as Nelson Mandela's successor as South African President, Ramaphosa had already resigned his public and political positions and gone for big bucks in business. Sexwale soon did likewise. Phosa, premier of Mpumalanga Province, was removed by Mbeki in 1999; he has since prospered in international business.

Ramaphosa got his start in business when Oppenheimer's Anglo American effectively gave away to him a \$500 million stake in Johnnic Ltd in the name of



Black Economic Empowerment (BEE), a scheme to coopt black South Africans into the imperial system, known today as "globalization." Johnnic, a gambling and leisure group, also owns, through subsidiaries, the company that published the first edition of Gumede's book in 2005. Today, billionaire Ramaphosa is joint chairman of Mondi, a major international paper group, thanks again to the unbundling of Mondi from Anglo American.

Sexwale, praised by Harry Oppenheimer for his understanding of the diamond-mining industry worldwide, has become a major figure in diamond mining and oil in Angola, Sudan, the Gulf of Guinea, and Russia, through BEE. His Mvelaphanda Resources is said to be the third-largest company in diamonds, after De Beers and JFPI Corporation. He is on the International Advisory Board of JPMorgan Chase, is a family friend of the Rockefellers, and has been a sometime guest in the George W. Bush White House. Sexwale laces his speeches with enough references to “the open society” to suggest that he has also bought into George Soros’s propaganda.

Through his membership of the advisory board of Wingate Capital SA, billionaire Sexwale is close to the board’s chairman, Lord Charles Powell, who is on the payroll of BAE Systems and helped broker its infamous Al-Yamamah arms deal with Saudi Arabia. A former senior director of Jardine Matheson Holdings of the heroin trade, Powell remains a director of Matheson & Co. He is on the international advisory board of Barrick Gold, which is pillaging the Democratic Republic of the Congo. He is also on the advisory board of Thales UK. Thales is the former Thomson-CSF, a French company accused of bribery in the South African arms scandal. Powell was private secretary and trusted foreign policy advisor to Prime Minister Margaret Thatcher.

Is it any wonder that in 1999, President Mbeki should have criticized former leading figures in South Africa’s liberation struggle, such as these three, for abandoning the cause of the South African people, allowing themselves to be coopted by some of the most vicious globalizers in the world? When evidence emerged in 2001, that the three were conspiring to depose Mbeki—by accusing him of complicity in the killing of popular ANC leader Chris Hani—the evidence was contemptuously dismissed in the press. But today, the three and their collaborators are toasting their success in drawing close to the goal.

The Shape of the Coup

On June 4, with Mbeki out of the ANC presidency, author William Gumede summarized the next steps of the slow-motion coup under the headline, “National Crisis in SA Calls for Extraordinary Steps,” in the South African daily *Mail & Guardian*: “The South African state is imploding.” “The black majority ... will no longer wait patiently for the benefits of post-1994 economic growth to trickle down.... They want jobs, food, affordable education, health care, electricity, public transport ... and they want it now. The devastating effects of high interest rates and rampant food and fuel inflation, com-



UN/Evan Schneider

South African President Thabo Mbeki aroused the wrath of the Anglo-Dutch imperialists, who consider Africa as their private hunting and looting preserve, by acting not only on behalf of South Africa, but for the security, peace, and prosperity of the continent as a whole.

bined with corruption ... are a catalyst for eruption.”

Gumede continues, “This is nothing but a national emergency, which calls for extraordinary steps. Parliament must be dissolved. Next year’s general election must be brought forward to give the government a new mandate. Mbeki must step down as president immediately. The ANC must call a special national conference to make the leadership decision.... Because this is a national emergency, the ANC leadership must offer the job as South African President to ANC deputy president Kgalema Motlanthe, ANC treasurer Mathews Phosa, or ANC national executive committee member Cyril Ramaphosa.... In sheer desperation, many want Zuma to take over [as President] as quickly as possible. [But] the opposition in and outside the ANC against Zuma is intense.... Zuma can remain the party’s president.... Motlanthe, Phosa and Ramaphosa represent a clear generational change—and a clean break from the two factions [Mbeki and Zuma] currently paralyzing the government and ANC.”

The Oppenheimers’ Gumede, who portrays Mbeki as too business-friendly in his book, now tells us that the coup to put a candidate of the globalizers into the Presidency is the path to “jobs, food, affordable education, health care, electricity, public transport” for the black majority—and *now!*

In his book, Gumede wrote that Ramaphosa was “the strongest candidate by far.” And Motlanthe may be a Ramaphosa protégé. When Ramaphosa moved from the secretary generalship of the powerful National Union of Mineworkers that he had founded, to ANC secretary general, Motlanthe took his place. When Ramaphosa resigned as ANC secretary general, Motlanthe took his place.



World Economic Forum/Eric Miller

The British oligarchs are promoting Mbeki's rivals, billionaires Tokyo Sexwale (above) and Cyril Ramaphosa, both owned by the Oppenheimer interests, to replace the South African President.



Feinstein coyly declines to name his choice of alternatives to Mbeki and Zuma, but says that there are potential candidates among “the talented and principled people who have distanced themselves from the recent excesses and infighting,” unsullied by “autocracy, arrogance, and deceit.” However, his first choice among these “talented and principled people” is obvious: the talented and unprincipled Sexwale, his former boss, the one individual on whom Feinstein lavishes indiscriminate praise. Feinstein was economic advisor to Sexwale as Gauteng premier, and chairman of his finance and economics committee. The Rockefellers are promoting Sexwale, their family friend, and Feinstein is just the man to help, with Rockefeller Foundation support.

Mbeki's Audacity

What did Mbeki do to arouse the wrath of the oligarchs? Since his election as President in 1999, he has had the temerity to act not only on behalf of South Africa, but for the security, peace, and prosperity of Africa at-large. His government is at work on the Pebble Bed Modular Reactor to bring nuclear power to Africa. He has defended Zimbabwe's sovereignty against the mayhem of the British and their American dupes. His defense minister, Mosiuoa Lekota, refused even to meet with U.S. military leaders to discuss the insidious new U.S. Africa Command, a control operation posing as the Boy Scouts. In his broader foreign policy, Mbeki strongly opposed the war against Iraq and supported the sovereignty of Iran. Even while making serious mistakes in HIV/AIDS policy, he was right to refuse to be bulldozed by the big pharmaceutical companies and their political catspaws, such as Al Gore, who demanded full price for U.S.-made drugs, which South Africa cannot afford. Mbeki's strategic thinking often put him at odds with the Anglo-Dutch oligarchs.

Not daring to attack Mbeki on these issues, Gumede attempts to make the case that Mbeki is “autocratic” and has sold out to big business. These are strange charges coming from someone who has Oppenheimer patronage, accepted an award from the Sanlam insurance and financial services giant for his financial journalism, and is a former senior editor of the South African *Financial Mail*. The Oppenheimers, Sanlam, and the *Financial Mail* do not complain about the actual autocracy—the Anglo-Dutch financial and economic dictatorship. They serve as its arms.

Gumede was not the first to call for Mbeki to immediately resign. Mathews Phosa, now the ANC treasurer general, was the first high-level figure to make that call, on May 14. It was echoed “across the political spectrum” as one news article claimed, referring to *The Times* (South Africa), the South African Communist Party, and the opposition Democratic Alliance.

All three are channels of British influence.

But funny things happen in such complex manipulations. The Congress of South African Trade Unions (Cosatu), itself subject to extensive British Fabian Society influence, believes that the ANC under Zuma has “shifted its policy approach in favor of the working class,” and apparently understands that those who want to force Mbeki out now are also planning to push Zuma aside. Cosatu has declared that Mbeki must serve out his term. The “out now” initiative is dead, but the British game continues.

An Attack on the ANC

Seen in their proper light, the discrediting of Mbeki, the bait-and-switch game with Zuma, and the buying up of potential Presidential candidates are collectively a fundamental attack on the ANC—the one institution with the potential to sufficiently unify the country to assert the national interest against imperial onslaught.

George Soros identified this potential when he spoke at the 10th anniversary celebration of his Open Society Foundation for South Africa, held in Cape Town Dec. 4, 2003. The *Cape Argus* reported his statement the next day, under the headline, “ANC Majority a Threat to Open Society, Says Soros.” According to its paraphrase, Soros said, “The fact that South Africa has a dominant political party that could gain a two-thirds majority in next year's general election could ‘deteriorate’ what has become an open society.”

The task facing South Africans is to rise above the circus of appearances peddled by authors Feinstein and Gumede, to address the institutional threat to South Africa posed by the globalizer-imperialists, such as the Oppenheimers, Rockefellers, and Soroses, and their bought-and-paid-for politicians masquerading as democrats—all children of a British “mother.”

Lyndon LaRouche to La Sapienza University: ‘What Is Creativity?’

During a visit to Rome, Italy June 18-19, Lyndon LaRouche addressed a seminar at the Physics Department of La Sapienza University, organized by Prof. Bruno Brandimarte; the lecture was attended by between 20 and 25 professors and students. (See the July 4, 2008 issue of EIR for an overview of Lyndon and Helga LaRouche’s activities in Rome.) Here are LaRouche’s opening remarks to the seminar. Subheads have been added.

Professor Brandimarte: [via interpreter] I have the pleasure of introducing Lyndon LaRouche, whom I’ve known for 25 years. I’m very happy to be able to have him at this very historic university in Rome.

Lyndon LaRouche: Well, some years ago, back about 1970, I found a significant interest among young people in universities at that time. You won’t find the same thing today in the United States, because there’s been a significant degeneration in the quality of education and life among young people in the United States, since 1970.

Today, as a result of that, we have a significant movement, it’s a political movement; it’s of young people generally between the ages of 19 or 20 to 35 years of age, young adults actually at that point. And the problem we face, for these younger people, is that the universities in the United States are decaying, in terms of their content of education. You will find the subjects which you see on the university curriculum did not exist ten years ago, and those that did exist ten years ago, have disappeared. And since the young people associated with me are people who are likely to become leaders of some kind in society, it was my concern that we develop a capability for their education, largely by themselves.

Our program largely is involved with Classical music with emphasis on the singing voice on the one side, and on the other side, the history of physical science from Pythagoras, the Pythagoreans, to the present time. In the more recent



EIRNS/Flavio Tabanelli

Lyndon LaRouche addressed the Physics Department of Rome’s La Sapienza University, on the principle of creativity, which underlies the greatest Classical art, poetry, and science.

period, we had educational programs, discussions, the usual kind of thing, on the Pythagoreans, Plato, and so forth, in physical science. But then, a few years ago, we took a serious program of attack, on redoing the experience of Kepler in the discovery of gravitation and related things.

And, as here in Italy, as also in the United States, despite the fact that we have people who have come from many countries and cultures around the world, predominantly, the culture of the United States is European. And European culture, as a culture, essentially came into being about the 7th Century B.C. when the culture of Egypt allied itself with the Etruscans and the Ionians, against Tyre. So you have this culture which was actually the original culture in Italy, the dominant one was Etruscan. The Italian language was also another culture then; actually, Italian is older than that, as Dante Alighieri emphasized. So these language-cultures which are interacting around a maritime culture, the Mediterranean

maritime culture, created a very specific culture, with a specific history, which we can call European civilization, European culture.

‘Irony’ and the Concept of ‘In-Betweenness’

As I’m sure some of you know, that when you’re dealing, especially, with creative work, you re-access powers of the mind, which pertain to ideas and concepts from a long time ago in history. For example, you have a famous writing about 1820 by the great English Classical poet, Shelley. This was not a poem, this was a writing on “In Defence of Poetry.” And he addressed the most crucial aspect of Classical poetry, which is what we call “irony.” And the irony, of course, in the language of poetry or in Classical musical composition and performance, is actually this concept, this concept of in-betweenness. For example, in the case of Classical music, you will find that the Lydian modality, which was developed actually by the Ionians, the Ionian sector, is a crucial part of Classical musical composition, as for example, illustrated very simply by the *Ave Verum Corpus* of Mozart, which is one of the most perfect examples of the Lydian modality in composition.

When you wish to communicate an idea which is a creative act of communication, you are forced to do something which the ordinary use of the language does not allow you to do. And what you will often do, in the case of a poet, a Classical poet, is, you will draw up something from the past, in terms of usages or terms, or concepts, or words, or special use of words, which startle the attention of the mind, and enable you to convey a question: “What do they really mean by this?” And it’s the function of irony in composition in Classical art, in poetry, which expresses the creative mood, the creative state of mind.

But the easiest way to present this in a way which forces an understanding, is in mathematical physics. Actually, there is no real dichotomy between Classical art and Classical poetry, Classical drama, and good physics. It’s just that the connection is rarely understood. So my approach is to promote and encourage the development of mastery of Classical music, particularly from the standpoint of singing, and at the same time, have these science programs which go to fundamentals, and assume that people will eventually come around to understanding that what we do in physical science has a correlation in things like great Classical musical composition. I can report that we tend to find some success in that. Not as much as I would like, but the progress is good, even if it’s not as much as you would like. I presume some of you who teach know that problem. You try to get across much more than the students actually get, but you’re satisfied that they get halfway. And you just keep pushing them, and encouraging them and hope that something happens—the fruit drops from the tree.

But the big question is, and it’s a difficult question in a sense, is, what is creativity? You can get a sense of creativity,

from creative activity around you. You can sense real creativity in Classical poetry, or certain pieces of Classical poetry. Once you know how to listen to music, and hear a good performance, you can find, where the creativity is—and that can be shown. Then they say, “Yes, I agree with you, that is unquestionably creativity. But what is it?”

The ‘Fire’ of Prometheus

Now the problem is, essentially, that we live in a society, in which, as the great Aeschylus pointed out with his *Prometheus* trilogy, the policy of society is to keep most people in society stupid, which is what the Olympian Zeus threatens Prometheus with: “Don’t know what fire is! Don’t tell people what fire is!” Well, fire is actually not just fire; it’s knowledge of creative powers, as in scientific creative powers, the discovery of a scientific principle as an actual discovery, not a description.

I’ll give you an example for a typical mathematical physics class: You’ve got a professor who goes to the blackboard, and somebody asks, “What’s a principle?” and he writes out a mathematical formula. And then, he looks around and expects the students to say “Amen!” But he didn’t present the actual physical principle! Would you accept footprints, for your dog? When someone says, “Bring me my dog,” do you want them to bring you a set of footprints? You want the dog! Well, a mathematical formula is a footprint, it’s not the dog! So, the point is, how do we get the dog to come to life, not just the footprints. And it’s easier to do that in physical science, because of the formalities of physical science, more than anything else.

Now, the first expression of the solution for this problem in modern history, was posed by Nicholas of Cusa in connection with his *De Docta Ignorantia*. And, as you probably know, directly, or indirectly from experience, you had a famous attempt at the quadrature of the circle and the parabola by Archimedes. And Cusa rightly said, this is wrong. It’s not true. You can never generate a true circular path by quadrature. That point was first proved as a physical experiment, by Johannes Kepler, in his *New Astronomy*.

Kepler was the most thorough and honest of all modern scientists. If you read his works, and then look at how the works were crafted: He writes in his new edition of his work—in rewriting his work—he writes the same paragraph that he’d written before; then he adds another paragraph: “Well, what I said here was so forth, but here’s what was wrong with it.” And then he does it again, at later point! So, he never tries to cover his tracks on his process of thinking. And that’s the most beautiful thing about Kepler’s writing.

Now, Kepler was influenced by his predecessor, Cusa, whom he followed, and was very emphatic about the fact that he’s a follower of Nicholas of Cusa. And Cusa insisted that Archimedes was wrong: You can not generate the track and construct the track of the circle or parabola by quadrature.

The Kepler Revolution

Now, it's very interesting as to how Kepler confirmed that. And that there are crucial aspects of his two most famous works, that is the actual theoretical works, as such, in the *New Astronomy* and then, on the question of the *Harmony*. What Kepler did, in the work reported in the *New Astronomy*, is actually prodigious: This is one of the most exhaustive pieces of work on science you can imagine. Everything he had to work with was generally a mess. There is really no creativity in Copernicus. There never was a Copernican revolution in science. It was an interesting innovation, but it addressed *no physical principle*. They gave you the footprints of a dog, but it was not the dog, and it was the wrong dog.

So what he did, essentially, by exploring exhaustively—and his work *is* exhaustive, with many successive approximations and corrections of his own errors, so that you can track what his mind is doing, in every part of this process of development—and that's what you want in any course in education; if you are teaching or a student, you want to go through the experience of discovery, *not learn how to repeat* what passes for the discovery. Not find the formula, but *make it your own!*

If you take a team of people who have some previous scientific skills, and can work through these things, with knowing enough mathematics and physics to get through them, and work through the *New Astronomy* into Kepler's, first of all, discovery of the nature of the Earth's orbit. Now, he discovered in the process, as he reports, there are certain aspects about what he has constructed, that trouble him. And he was working with very difficult material, for his time, with the equipment available. But he was tenacious. What he did, is he made more and more measurement with greater and greater precision. And then, he realized what the determination of the Earth's orbit is, with the respect to the Sun and with respect to Mars.

The result sounds very simple: Equal angles, equal areas. Now, what does that mean? Say let's construct an elliptical orbit, which conforms to this principle, equal areas, equal times. Construct, measure, calculate. What are the intervals—take any two points on the pathway, the elliptical pathway, what is the interval? In other words, try to do it by quadrature: You can never do it! Huh? Now, this was the demonstration of the existence of a physical principle, which is not mechanical: Because there never is an interval small enough, to be measured with the equivalence of being a mechanical construction. Because no matter how small the interval is, it's always changing. It's changing in direction, it's changing in physical magnitude, magnitude of action; the rate of action is changing.

Now therefore, the interval exists ontologically, but it's always so small, that it never has a simple Euclidean content. In other words, that is a physical experimental demonstration of Cusa's rejection of Archimedes' quadrature of the circle. Because even a circular action, even though the intervals can

be defined, as not changing in rate of development of the interval, yet the action is always infinitesimal.

So this discovery of this character of the orbit proved, first of all, that you had something which lies outside representation by Euclidean or similar geometry, outside any concept of physics based on consistency with Euclidean geometry. And Kepler is very, very savage on the subject of both Aristotle and on the subject of Claudius Ptolemy on this issue. And he's also critical of Tycho Brahe and Copernicus on just exactly that issue.

As Einstein said later, Kepler was the first modern scientist, and he said, also, that the universe is Riemannian in its characteristics. And in these two respects, no one ever got further in astronomy than the principles of Kepler. Many things were discovered in astronomy, but this foundation provided by Kepler, was original from the standpoint of Einstein's evaluation of its implications.

Now, then, you come to the second point, which comes up in another volume of the work of Kepler: It's the question of what is the principle of gravitation which determines the relative ordering of the planetary orbits? Now, in this case, something much more interesting happened, than even in the question of the discovery of the orbit, Earth's orbit. And this is one of the great, fun things about good science. It sends the pedants screaming into something-or-other.

Because, in the case of the quantification of the relations of the planetary orbits, including Kepler's specification of a missing planet which had been there, but had disintegrated, in an orbit between Jupiter and Mars—later discovered to be the Asteroid Belt, which had gone a bit crazy in the process of breaking up, and is still throwing stones at us on Earth over that incident. So, how'd he make this discovery? He's explicit on it: exactly how he made the discovery!

See the normal, quasi-Euclidean approach to looking at astronomy is done through the telescope—until modern physics. It's done through the telescope, and what are you using? The function of vision! So you either take the function of actually seeing as through the telescope, or you use the mental image of the act of seeing, as the way in which you map your phenomena, map your data. But it doesn't work! When you come to trying to determine the location, the orbital positions, and the rate of change of the orbital position for the planets within the Solar System, that doesn't work! Ahhh! Music does!

Sense-Certainty Is Nonsense

Now, music is something which Max Planck, if he were alive today, would insist on saying, is actually the same thing as Planck's approach to the quantum. What's that? That's the function of hearing, isn't it?

So now, you have the function of vision and the function of hearing. And Kepler solved the problem from the standpoint of the function of hearing. You can find, on this particular part, you can find the things that I've said so far, are heavily documented

on the LYM [LaRouche Youth Movement's website [http://www.wlym.com/~animations/], on the experimental website, which you've got a copy of the address here. We worked through this, the team worked through this, and they worked through it for about a year. And they worked through the entire work of Kepler in this procedure, and they documented, and they constructed the graphs—all the work is done there. So if you want to know Kepler, you can go to that, and you will get a primary education in the work of Kepler there.

What follows from that? What comes out of this, is the fact that sense-certainty is nonsense. What you think you see, what you think you hear, is what? What's the comparison for the faculty of sight and the faculty of hearing? Not just the physical effect as such: What is the mental process which is associated with vision and hearing? Obviously, they're different. One, you think is linear. The other is by no means linear.

Now, if you want to have some fun, you skip ahead to Max Planck, and take the difference between Max Planck's definition of quantum of action, and the fake version which was cooked up first by the followers of Ernst Mach—that was in the World War I period, and then later, by the followers of Bertrand Russell, in the 1920s, at the Solvay Conferences. And then you go back to Max Planck's own work—two completely different things! No relationship between the two! The Machians and the Russelites are frauds. And this was something that was emphasized by Albert Einstein.

But! The same thing arises there. That when you try to impose an idea of statistical mathematics, based on the concept of vision, on the phenomena Planck is dealing with, you end up *wrong*. How large is the nucleus of an atom? How can you *see* inside the nucleus of an atom? How do you observe many things in the universe, on the macro scale, including on the universe scale, the galactic scale, or the subatomic scale? What do you use? You use *instruments!* Do the instruments tell you, show you, what's there? If they don't show what's there, are they useless?

Now, you have the case of vision and hearing, as two senses; and remember that seeing is a function of the brain, not just the act of exposure to a stimulus. Hearing is also a function of the brain, not something just external. It's not



NASA

“We have to understand what creativity is, by understanding something about the mind,” LaRouche said. “You have to abandon the idea of confidence in sense-certainty....” Shown: a mosaic image of the Crab, taken by NASA’s Hubble Space Telescope.

self-evident. Now, when you construct a laboratory experiment, you use what? Instruments. What do you use? You use a battery of instruments. You use the contradiction between two kinds of instrumentation, or among three kinds of instrumentation.

The Case of the Crab Nebula

Take the case of the Crab Nebula, a real fun thing! Now, the Crab Nebula has been known for a long time. It was known in China, at the time the great explosion occurred, or when the Chinese observed it at their point. A scientist, who was a friend of ours in Germany, a leading nuclear physicist, reported to us on some work being done in his vicinity, up there in northern Germany. And they had built up a phased-array device to do, actually cosmic-ray studies and things like that. And then, we confirmed that this was radiation coming from the Crab Nebula explosion! This section of the Earth gets a shower of cosmic ray radiation coming into the atmosphere from there, on a regular schedule—bang, bang, bang, bang! Train arriving!

Now, this was a large phased-array scheme that they had

in northern Germany. There was smaller phased-array arrangements which they had in England. And the two coincided on the basis of the basic information about this cosmic ray radiation from the Crab Nebula. This cosmic ray radiation, by the way, determines much of the climate of the Earth. Because the cosmic ray radiation interferes with the Solar radiation, and is a partial regulator of Solar radiations.

Now, then, you look at the studies of the Crab Nebula image. They're completely wildly different! You take different instrumentation, they're completely different pictures, on different frequencies. You can get a half-dozen of these things, each different!

So, it simply points out, that we have to understand what creativity is, by understanding something about the mind: You have to abandon the idea of confidence in sense-certainty, to realize that, just as for Kepler, the comparison of a visual image of the orbits or visual form image, and a sonic or harmonic form of the image, two different things, which are different forms of instrumentation, which determine what the reality is, of the action which we're observing with our instrumentation, either vision or hearing, or things which take the place of vision or hearing.

Then, you think you come to a point in this way, in following this track, where you get to a definition of creativity. It's not a complete definition of creativity, but it's a good instrumentation, a multi-phased instrumentation of the phenomenon you're looking at. And Einstein pointed to this, in his commentary on the implications of Kepler, and the implications of Riemannian physics, physical geometry, for reading Kepler's significance. And essentially, obviously, from that, not only is Kepler competent, not only is his discovery competent, against the opposition, but that he defines a universe which is finite. Einstein says, "and not bounded." Now, I would change that, meaning the same thing; I believe that Einstein meant that the universe is finite, but *self*-bounded.

Now, this is already implicit, in the discoveries of gravitation and orbital patterns by Kepler, which Einstein insists upon, and says that Kepler's conception of physical science, and physical astronomy in particular, is the only valid one. Even though it may not be adequately developed for a modern standpoint, in principle, it is the valid one. Why? Essentially, because you take a principle like gravitation, as Kepler described it even in his *New Astronomy*: there is no instrument which is so fine, which could ever see, directly, and isolate the phenomenon of gravitation.

And the problem is not fineness, the problem is bigness. When you observe something, which is never changing, how do you sense it? You may sense the effect, but you don't sense the cause of the effect. What Einstein is insisting upon, which is not original to him, but it's an original insistence by him: *That universal physical principles can not be sense-experienced, in the sense of being isolated to particular phenomena.* You can only demonstrate them, by

the same kind of methods that were used by Kepler to define gravitation. You could define the effect, the effect is demonstrated by the orbit itself. Which means that you're seeing the universe, which is *bounded* by a principle, which is reflected as the phenomenon of gravitation as an orbital gravitation relationship.

So, the universe, in a sense, is finite, *because there's nothing outside universal physical principles in it.* And for various reasons of argument, there's nothing outside it. So you're talking about a universe which is *self*-bounded, in terms of things that we can demonstrate to be universal physical principles.

The Human Mind, Itself

Now, at that point, I shift gears: Instead of looking at the effect of what the human mind can do, in terms of creative investigation, now let's look at the human mind itself, from the standpoint of its function *in* making creative discoveries. And you're looking at the fire of Aeschylus' *Prometheus Bound*. Because any principle of investigation involves the same thing. And what we can show, and have shown, in the program we've done both on the Kepler and on the Gauss, and related subjects, is to, in a sense, look at the mind, the human mind, which is successfully solving the challenge presented by Kepler, or by certain things by Gauss. The subject of science is not what man can see: The subject of science is what man can do, because of what the mind of man can do.

Now you can go back to music, you go back to Classical art of various forms. You can go to the question of great poetry, great drama. And you realize that, for example: If you're familiar with a musical composition, and particularly, a particular performance of that composition, as, say, a recorded performance; for example, if you get a good recording of a musical performance of the work, by the same performer, as I did in an incident in a military camp in India, at the close of the war, when I was coming back from service in Burma. And some friends of mine there were looking for some music—we'd had no music in the jungle, except that provided by a few wild animals, and drunken soldiers—amazing that people can find something to drink under those kinds of circumstances!

There we are—some of these are professional musicians who had been military service, or were still in military service, we're in a Red Cross base in a replacement depot camp outside of Calcutta: How can we have some music? Not this noise—music! So we went, and we raided the stock in the Red Cross center, and got the appropriate instrument to perform the recording. We were pleased and so forth. And then we got a Tchaikovsky recording there, conducted by Wilhelm Furtwängler! I was transfixed! I had never heard such a good performance of conducting by anybody! Tchaikovsky is not my favorite composer. Often he attracts more pity than admiration. He has a certain skill and so forth, but Furtwängler

transformed this Tchaikovsky symphony into something remarkable.

So what did I do? I heard it, again, and again, and again! And then, when I got back to the United States, I began hearing everything from Furtwängler, again, and again, and again! Because, in order for me to try to find out, what is it about this man's conducting, which is so different? And gradually I found out. He had a creative aspect to his mind, which is lacking in virtually all other conductors. Obviously, this creativity already existed in Tchaikovsky, but more remotely reflected. And then you would find, in all great Classical compositions, all great artworks, the same thing.

You look at, again and again, at Rembrandt's painting of, shall we say "The Bust of Homer Contemplating Aristotle." Because, the eyes of the bust of Homer, are looking with contempt at Aristotle, who's staring off in the distance. Aristotle is almost like the image of Frau Merkel, the Chancellor of Germany. She's looking off in the distance, while Germany burns. And you have the bust of Homer, and this is intentional! Rembrandt is notorious for what he does with eyes! And in this, you see an expression of his creativity and how it works, especially in the eyes, many of the eyes of the people in the figures of his paintings.

Just like the question of Kepler's discovery of the principle of gravitation, there's something so small that it can not be seen, the same thing as the principle of the Leibniz calculus, the same thing as the principle of the Riemannian physics. *This*: It's in the very small, which reflects the very large. And you know, you have this fellow, Andras Schiff, a pianist, a very capable fellow—quite fashionable today, but he's quite capable—he's done a Beethoven series, I haven't heard the whole thing completely; I've heard sections of the whole thing. I met him a couple of times, and I know something about him. And I know what he's doing. It's a rigorous—also he has tremendous physical skills, precision, a highly trained person, very learned. But he uses that power of performance, to express things in a creative way. I know what he does: He does Bach all the time—his basic routine for his practice is Bach: Creativity. And it's always located in the very small things that most people overlook. It's always like something out of the corner of your eye.

And what you have to do, is what our young people are doing: Is you have to go through, as we're doing in this program, from the Pythagoreans, through Plato, through Cusa, through Kepler, through Leibniz and so forth. And by doing that, reliving that, you learn to look out of the corner of your eye at what creativity is, and when you're trying to educate people, you do the same thing: You try to look out of the corner of your eye, from this kind of experience and concentration, and you recognize what the difference is between man and an animal, man and a beast. And you try to reach that in your audience, or your class—or yourself!

LaRouche in Rome

Thirty Years After Moro's Assassination

Lyndon LaRouche addressed an event in Rome June 19 commemorating Aldo Moro, the former Italian prime minister and leader of the Christian Democratic Party, who was kidnapped and murdered 30 years ago, by the Red Brigades terrorists. The event was organized as a discussion of Giovanni Galloni's new book, on Moro, 30 Anni con Moro (30 Years with Moro).

Galloni was a Resistance fighter against Fascism during World War II, and became a leader of the Christian Democracy, where he was Moro's close collaborator; he has served as a Member of Parliament, and as Minister of Education. In 1991, he was appointed president of the state institution that supervises the Italian legal and judicial system. Today, he is a jurist and university professor; EIR published interviews with Galloni in 2003 and 2005.

Here is a transcript of LaRouche's remarks, followed by a brief question-and-answer period.

I shall deal with the implications of the Kissinger aspect of the killing of Moro. Much too much importance is attributed to Kissinger. In the old days, he would have had a lackey's uniform, and he might have had some gold braid on it as a promotion—but he's still a *lackey*!

You have to look at certain other circumstances of the 1970s. Nixon was President: He was already a British agent of George Shultz. Remember, this is the same Shultz that created the fascist regime in Chile, that ran the mass assassinations of Operation Condor in the Southern Cone of South America. The George Shultz that created the present President of the United States out of mud, out of the discards of the Bush family.

This is the George Shultz who, today, is behind many of the events in the United States, which he does in consultation with Britain. And in Italy, I should think when you talk about these kinds of people, you should be thinking about Venice, and the Venice of Paolo Sarpi, that tradition, because that's what you're dealing with: You're dealing with the Anglo-Dutch Liberal faction, which is the creation of Paolo Sarpi. That is what controls a certain faction in the United States, a very powerful faction, inside the United States, which is the same thing as the British faction. Like the families of the Lombard League of the 14th Century: They organize wars, they kill each other, but they also work together for the same evil ends.

And the importance of understanding what happened to Aldo Moro, is its significance for the situation today in the world. I don't think any little issue caused the assassination of Moro. Aldo Moro was becoming very inconvenient for the people who run the Anglo-American Establishment. He was working for resolution, at a time when the other side was working for chaos.

Mussolini and Churchill

Just take the basic, immediate situation—and I got some insight into this, because at the end of the 1970s, I was approached by Max Corvo, who had been the head of OSS [Office of Strategic Services], in the field in Italy, during some of the relevant period. Let me just mention one thing about what Max was involved in, apart from chasing Mussolini up to the border where the British killed him: Mussolini was fleeing with his mistress in a car, with a trailer, up toward the border to meet with the famous British gentleman, Winston Churchill. And Winston Churchill had been long a Fascist sympathizer of Mussolini, and had supported him up until the invasion of France. So Mussolini was going up with his mistress, to try to negotiate with Winston Churchill, who was sitting on the other side of the Swiss border.

But he didn't get there, and the papers disappeared for a long time. And the most important papers never showed up. And then things changed in Italy. Max left Italy, because Roosevelt was dead, and a new crowd had taken over in control of the politics in Italy.

One event in that period, that Max reported in detail, and we confirmed later, was that Max was involved with a famous cardinal, later Pope Paul VI, who was then the Representative for Extraordinary Affairs for the Vatican. And the particular issue that involved, was that the Japanese diplomatic service was going to the Papacy, through the Extraordinary Affairs office, to seek to negotiate the surrender of Japan on behalf of the Emperor of Japan, Hirohito. But then, President Roosevelt died, and the peace negotiation was held up by Truman and by Churchill, in order to have the nuclear weapons dropped on Japan. At the end of which, immediately, the terms of negotiation, negotiated through the Extraordinary Affairs office of the Vatican, were accepted.

This is typical of what I want to convey to you about the circumstances of the Moro assassination. Kissinger is a

lackey. He is a sadist. He would deliver a death message, and gloat over doing it. He does not make the decision. The decisions are usually made in London, or in consultation between Washington and London.

The 1970s and Today

Now, take the period of the 1970s as a whole, and compare it with the situation today, to get a feeling of this: What had happened is that you had had a wave of assassinations in the United States during the course of the 1960s; many assassination attempts against Charles de Gaulle; you had the overthrow of the Macmillan government in England, to make way for something very nasty later on; you had the killing of Kennedy, the ouster of the German chancellor. There was a wave of assassinations and similar kinds of events, which continued up through the 1968 events, and got worse after that. And this was all orchestrated.

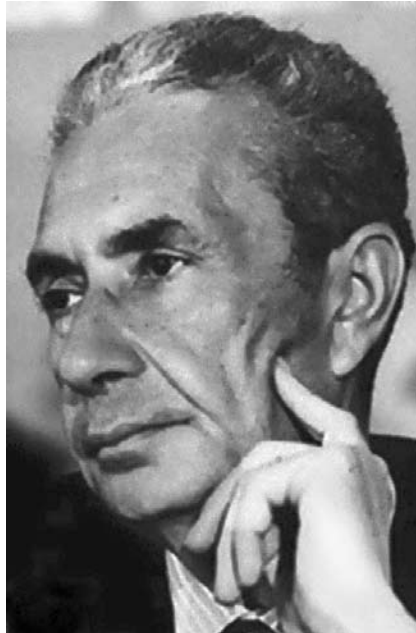
The fight has been, since the death of Roosevelt, between the Anglo-American faction, which is generally associated with high-powered finance, and against Roosevelt, and what Roosevelt stood for in the world of the post-war period. Most important of these assassinations was the assassination of President John F. Kennedy. The assassination of Kennedy was a change in world policy: Because Kennedy had been committed to the revival of the Roosevelt policy of economy and world relations. And because he opposed what they wanted to do, they killed him!

He wasn't killed by some lone assassin! Three other people did the job. A professional job, done with some French connections, the same French interests which were opposed to, and trying to kill de Gaulle.

So you had a change in policy, from the assassination of John F. Kennedy. Kennedy's policy was one of *hard* negotiation with the Soviet Union, but one which would aim at a certain result. And the basic thing was to get back to a Franklin Roosevelt policy on the world economy. The totally unjustified war on Indo-China was launched as a part of this destruction of the United States. You had the 68er revolt in the Spring of '68, in Europe as well as in the United States.

These were times of tumult.

Then, as a result of this tumult, Nixon became President. Nixon was a very low-grade personality. He was not an emperor. He had no other qualities of being an emperor. He was a figure of a committee, an Anglo-American committee, of



Aldo Moro, the former Italian prime minister and leader of the Christian Democratic Party, was assassinated 30 years ago. LaRouche addressed a conference in his honor, sponsored by many of Moro's closest associates.

finance. What did he do? In 1971, he sank the Bretton Woods system, which started chaos in the world.

Creation of the Petrodollar

Now, you're getting close to the Moro assassination, the circumstances of it.

Now, that meant that the dollar was now in jeopardy. Then, you had the oil crisis of the 1970s. Now, there was no shortage of oil, except an artificial one. Every tanker in the world was sitting off the U.S. coast ready to deliver oil, and couldn't get it delivered. There was never a shortage of petroleum: It was sitting on the U.S. borders, begging to get in! But, what was the significance of this—you're getting close to the Moro assassination.

Before that event, the spot market, based in Amsterdam, had been a very minor part of the world petroleum marketing. Now, suddenly, the British, who are the key factors in this thing, made a new arrangement with the King of Saudi Arabia. And the organization, which is called today, the BAE, was set up, as a Saudi-British secret intelligence-military operation. So, what happens as a result? There was out of this, an agreement under which the Saudis did a corrupt operation with the British intelligence services, using the spot market. So vast amounts of unrecorded money and profits were deposited to the British BAE, and related services. You look at the Saudi-British military goods transfers, and you see a lot of the thing, right there. The effect of this, was to make the dollar, which was still being used, no longer really a U.S. dollar internationally: It became an Anglo-American dollar, a "petrodollar."

Now, there was also something afoot at the time, which had not happened while Nixon or Ford were President. A gentleman from Bellagio, called David Rockefeller, had an interest here. He also had an interest, called the Trilateral Commission, which was headed up by a gentleman of Polish origin, Zbigniew Brzezinski, who is an idiot, a madman. What they engaged in, under President Carter, through the Trilateral Commission (because Carter didn't know what he was doing; about 30 years later, he began to understand what had happened to him, and became a good President as an ex-President, but not a perfect one): What happened is, the United States' economy was destroyed, systematically, by the Trilateral Commission! And this continued under Reagan. And once the Soviet Union had collapsed, then Europe began to be destroyed, also, Western Europe.

Now, you see the effect of this, in the importance of Italy, because of the bearing on the Church—Italy, and the Church, you know, there's a relationship. What was being done with this negotiation with the Communist Party, on this reconciliation, or accommodation, was actually a threat to the whole process, because the problem was, the Italian economy had begun to slump from its slight recovery at the end of the 1960s. As today, you have this situation in Italy, which is still a loose end in this whole process the British are trying to orchestrate throughout Western and Central Europe.

A Revolt of the Lower-Income 80%

Look at the Irish vote: The Irish vote has destroyed one attempt to set up a fascist dictatorship over all Europe. Under the Lisbon Treaty, no nation in Western or Central Europe would have any freedom to govern itself, and the plan is to have military conflict with China, India, Russia, and so forth. But the Irish made a nice mess of it, didn't they? It was a revolt of the lower 80% of the family-income brackets in Ireland, and we're getting a similar thing in the United States, revolting against these kinds of tendencies.

Look at the rate of inflation in the world today: We are presently in hyperinflation, and it is accelerating. In such a condition, what do you do, as government, as a people? You try to unify the political forces of the people of the country, to make a change, to use the sovereignty of the country to defend the interests of its people and its future. What did the British do to Italy, in terms of its political parties in the recent period? Where are the great parties of Italy, that used to be here? Fragments. What's the governability of Italy, as a result? How can we deal with the greatest inflation, since 1923, which is now ongoing, in the world?

There's only one thing that can happen to stop this mess. A group of sovereign governments agree, "We're going to stop it." And that is when the people who Kissinger works for start killing. The very idea of increasing the sovereignty of a nation, is a threat to this sort of process.

If you look around the world, as I look inside the United States, in the recent primary election campaigns and elsewhere, examine the details of the vote which rejected the Lisbon Treaty in Ireland, look at the wave of strikes throughout continental Europe, which is spreading, from France, somewhat from Spain, from other countries: There is a revolt of the lower 80% of family-income brackets spreading throughout the world.

Now, look at the state of governments under these conditions: Since February of 2006, the U.S. Congress has not passed one piece of legislation and gotten it through, not one important piece. You find that in leading circles in Europe, the same thing, the inability to rule, not to be able to get anything done that's important, instability increasing. At the same time, the lower 80% of family-income brackets are beginning to put pressure on the process.

I'll give you one good example of this, which I think makes the thing clearest: The case of Hillary Clinton, Sen. Hillary Clinton. Hillary Clinton, in the recent primary elections, won the largest vote of any candidate. She is being denied the nomination by her own party. Look at the difference: What is the basis for her support in the population? We've analyzed it in detail: It's the lower 80% of the family-income brackets.

I can tell you here, what I know about something which is not just for general broadcast, but I think it makes the point clear for you. There was a communication, and the communication was that Mrs. Clinton, Senator Clinton and Bill

Clinton are not wanted anywhere near the Executive Mansion. She would not be allowed to take the nomination; if she did take the nomination, she would not be allowed to be elected; if she were elected, she would not be allowed to serve. And that's the way decisions are made, under these circumstances.

The Lesson of the Moro Assassination

And that's the lesson, to be learned from the assassination of Moro: You have leaders who try to do something, and they are killed before they can do it. So someone in the press says, "Kissinger's to blame for it." Kissinger does not have the authority to do such a thing—he never did. But he works for the people who do. And these are always very powerful interests. In France, they come under the mask of the synarchists, and various kinds of things.

But these are covers, these are masked forces which are used as tools. The basic power, still in the world today, comes from the descendants of Paolo Sarpi's organization, international finance, which is attempting to organize the world today, the way Venice in the 14th Century organized the Lombard League and the greatest crash that Europe has ever known.

And the lesson to be learned from all this, is that we don't understand history, because we're too attached to our own mortality. Even my 85 years of life—that's small in the course of history. When I look at what I know today, I have to look back many generations, to find a process which determines what is happening today. The individual in history becomes significant, when he or she begins to understand the longer process of multiple generations which mobilize the forces which actually shape history. And when we try to educate the people of the lower income brackets, the lower 80% of income brackets, not to be cattle any more, not to be serfs, not to be slaves, but to stand up and think of themselves as historical figures, taking responsibility for generations to come, of their own people, taking pride in that mission, rather than being consumed with the small matters of immediate concern.

You have to believe in immortality to do that. You have to see yourself as participating in the future, as well as in the past. The human body passes, but the human mind does not.

The 1973 Oil Crisis

Question: [from an Egyptian] I have one question for Galloni, and one for LaRouche. First, a question to you [to LaRouche] on the '70s and Kissinger. You spoke about the 1973 oil crisis, but you gave a different version from what I know historically. The crisis was started by King Faisal of Saudi Arabia, using oil as a weapon for the Arab world, when the United States tackled the Arab countries in the 1973 Middle East war. Because Egypt was winning the war, but the United States intervened, with weapons and assistance to Israel, etc. We cannot fight the United States in that moment. The only weapon we had, the Arabs had, at that point was oil, and it was in a position to use oil, to cut off oil to the Western world.

LaRouche: Well, I know that, but that is not the truth of the story. That is what was reported. The truth was, it was done by the British. And the oil was not in the hands of the Saudis; the Saudis dropped their oil at the port. There was Arab oil all over the coast of the United States, sitting in ships off coast, all that time. The story that this was an operation—yes, Faisal was fully witting. But Faisal was acting in concert with the British monarchy and the Anglo-Dutch interests. And that's what started the spot market, and that's what started BAE, which is a very nasty organization. And the British generally orchestrate these things anyway.

The Empire vs. the Principle of Westphalia

Question: One question and one comment. It seems clear that in history, "bipolarism" has dominated history. It's not important which side—but to keep a conflict between two sides—because this tumult or conflict, this is something constant in history. It goes back, as LaRouche said correctly, to the time of the Renaissance, to the Copernican Revolution, and great discoveries which cast a lot of doubts on the fact that the Earth goes around the Sun. Because there is no center. It's up to you to decide where the center is. . . .

The secret services have an interest in maintaining the conflict, and feeding the conflict. So it was not only Kissinger behind this assassination. There is a game which in my opinion, it's a long game. . . .

LaRouche: Well, actually the problem as I define it in history, is one of empire. We can start from the ancient Babylon, which is the first empire of importance for Europe, and you had the priests of Babylon who ran the Persian Empire, and ran other things. Then you had a split, which starts with Alexander the Great [356-323 B.C.], for some period of time, until the end of the Second Punic War in Rome [218-201 B.C.]. And Rome struggles to form an empire. But you had three empires: You had the East, you had Egypt, and Rome. And then, finally, with a meeting of the priests of Mithra, on the famous Isle of Capri, the agreement was made to make the Romans the empire.

Since that time, we've had a continuity in European civilization of empire. The latest empire is the Anglo-Dutch Empire, and that empire is the dominant one which rules through financial power, Venetian power, Paolo Sarpi power today. It's not a division of people, it's the empire.

That's the empire today. There's been a continuity of empire in Europe, of various forms. So it's a rule from the top, and yes, the rule from the top does use divisions among people.

If you want to understand that, take the Balkans. The only remedy we have for this, is the European remedy: It was the 1648 Peace of Westphalia, that every nation and every people must care for the others. If we each care for the other, as nations and peoples, we do not have problems that can't be solved. And that's supposed to be the Christian principle, which has been violated lately.

Abraham Lincoln on The Declaration of Independence

We heartily commend to our readers Abraham Lincoln's view of the Declaration of Independence, spoken Aug. 17, 1858 in Lewistown, Illinois, during his Senate contest with Stephen Douglas. We endorse it in full.

The Declaration of Independence was formed by the representatives of American liberty from thirteen States of the confederacy—twelve of which were slaveholding communities. We need not discuss the way or the reason of their becoming slaveholding communities. It is sufficient for our purpose that *all of them* greatly deplored the evil and that they placed a provision in the Constitution which they supposed would gradually remove the disease by cutting off its source. This was the abolition of the slave trade. So general was conviction—the public determination—to abolish the African slave trade, that the provision which I have referred to as being placed in the Constitution, declared that it should *not* be abolished prior to the year 1808. A constitutional provision was necessary to prevent the people, through Congress, from putting a stop to the traffic immediately at the close of the war.

Now, if slavery had been a good thing, would the Fathers of the Republic have taken a step calculated to diminish its beneficent influences among themselves, and snatch the boon wholly from their posterity? These communities, by their representatives in old Independence Hall, said to the whole world of men: “We hold these truths to be self evident: that *all* men are created equal; that they are endowed by their Creator with certain unalienable rights; that among these are life, liberty and the pursuit of happiness.” This was their majestic interpretation of the economy of the Universe. This was their lofty, and wise, and noble understanding of the justice of the Creator to His creatures. Yes, gentlemen, to *all* His creatures, to the whole great family of man.

In their enlightened belief, nothing stamped with the Divine image and likeness was sent into the world to be trodden on, and degraded, and imbruted by its fellows. They grasped not only the whole race of man then living,

but they reached forward and seized upon the farthest posterity. They erected a beacon to guide their children and their children's children, and the countless myriads who should inhabit the earth in other ages. Wise statesmen as they were, they knew the tendency of prosperity to breed tyrants, and so they established these great self-evident truths, that when in the distant future some man, some faction, some interest, should set up the doctrine that none but rich men, or none but white men, were entitled to life, liberty and the pursuit of happiness, their posterity might look up again to the Declaration of Independence and take courage to renew the battle which their fathers began—so that truth, and justice, and mercy, and all the humane and Christian virtues might not be extinguished from the land; so that no man would hereafter dare to limit and circumscribe the great principles on which the temple of liberty was being built.

Now, my countrymen, if you have been taught doctrines conflicting with the great landmarks of the Declaration of Independence; if you have listened to suggestions which would take away from its grandeur, and mutilate the fair symmetry of its proportions; if you have been inclined to believe that all men are *not* created equal in those inalienable rights enumerated by our chart of liberty, let me entreat you to come back. Return to the fountain whose waters spring close by the blood of the Revolution. Think nothing of me—take no thought for the political fate of any man whomsoever—but come back to the truths that are in the Declaration of Independence.

You may do anything with me you choose, if you will but heed these sacred principles. You may not only defeat me for the Senate, but you may take me and put me to death. While pretending no indifference to earthly honors, *I do claim* to be actuated in this contest by something higher than an anxiety for office. I charge you to drop every paltry and insignificant thought for any man's success. It is nothing; I am nothing; Judge Douglas is nothing. *But do not destroy that immortal emblem of Humanity, the Declaration of American Independence.*

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- LAROCHEPUB.COM Click *LaRouche's Writings*. (Avail. 24/7)
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ALABAMA

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CALIFORNIA

- BEVERLY HILLS TW Ch.43: Wed 4 pm
- CLAYTON/CONCORD CO Ch.26: 2nd Tue 7 pm; AS Ch.31: Tue 7:30 pm
- CONTRA COSTA CC Ch.26: 2nd Tue 7 pm
- COSTA MESA TW Ch.35: Thu 5:30 pm
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- LANCASTER/PALMDALE TW Ch.36: Sun 1 pm
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- LOS ANGELES TW Ch.98: Wed 3-3:30 pm
- LOS ANGELES (East) TW Ch.98: Mon 2 pm
- MARINA DEL REY TW Ch.98: Wed 3 pm; Thu/Fri 4 pm
- MIDWILSHIRE TW Ch.24: Tue 4:30-5 pm
- ORANGE COUNTY (N) TW Ch.95/97/98: Fri 4 pm
- SAN FDO. VALLEY (East) TW Ch.25: Sun 5:30 pm
- SAN FDO. VALLEY (NE) CC Ch.20: Wed 4 pm
- SAN FDO. VALLEY (West) TW Ch.34: Wed 5:30 pm
- SANTA MONICA TW Ch.77: Wed 3-3:30 pm
- WALNUT CREEK CO Ch.6: 2nd Tue 7 pm; AS Ch.31: Tue 7:30 pm
- VAN NUYS TW Ch.25: Sun 5:30 pm

COLORADO

- DENVER CC Ch.56 Sun 10 am

CONNECTICUT

- GROTON CC Ch.12: Mon 5 pm
- NEW HAVEN CC Ch. 23: Sat 6 pm

DISTRICT OF COLUMBIA

- WASHINGTON CC Ch.95 & RCN Ch.10: Irregular Days/Times

FLORIDA

- ESCAMBIA COUNTY CX Ch.4: Last Sat 4:30 pm

ILLINOIS

- CHICAGO CC./RCN/WOW Ch.21: Irregular
- PEORIA COUNTY IN Ch.22: Sun 7:30 pm

- QUAD CITIES MC Ch.19: Thu 11 pm
- ROCKFORD CC Ch.17 Wed 9 pm

IOWA

- QUAD CITIES MC Ch.19: Thu 11 pm

KENTUCKY

- BOONE/KENTON COUNTIES IN Ch.21: Sun 1 am; Fri Midnight
- JEFFERSON COUNTY IN Ch.98: Fri 2-2:30 pm

LOUISIANA

- ORLEANS PARISH CX Ch.78: Tue 4 am & 4 pm

MAINE

- PORTLAND TW Ch.2: Mon 1 & 11 am; 5 pm

MARYLAND

- ANN ARUNDEL Annapolis Ch.76 & Milleneum Ch.99: Sat/Sun 12:30 am; Tue 6:30 pm
- P.G. COUNTY CC Ch.76 & FIOS Ch.38: Tue/Thu 11:30 am
- MONTGOMERY COUNTY CC Ch.21: Tue 2 pm & Fri 11 pm

MASSACHUSETTS

- BRAINTREE CC Ch.31 & BD Ch.16: Tue 8 pm
- BROOKLINE CV & RCN Ch.3: Mon 3:30 pm; Tue 3:30 am; Wed 9 am & 9 pm;
- CAMBRIDGE CC Ch.10: Tue 2:30 pm; Fri 10:30 am
- FRANKLIN COUNTY (NE) CC Ch.17: Sun 8 pm; Wed 9 pm; Sat 4 pm
- QUINCY CC Ch.8: Pop-ins.
- WALPOLE CC Ch.8: Tue 1 pm

MICHIGAN

- BYRON CENTER CC Ch.25: Mon 2 & 7 pm
- DETROIT CC Ch.68: Irregular
- GRAND RAPIDS CC Ch.25: Irreg.
- KALAMAZOO CH Ch.20: Tue 11 pm; Sat 10 am
- KENT COUNTY (North) CH Ch.22: Wed 3:30 & 11 pm
- KENT COUNTY (South) CC Ch.25: Wed 9:30 am
- LAKE ORION CC Ch.10: Mon/Tue 2 & 9 pm
- LANSING CC Ch.16: Fri Noon.
- LIVONIA BH Ch.12: Thu 3 pm
- MT. PLEASANT CH Ch.3: Tue 5:30 pm; Wed 7 am
- PORTAGE CH Ch.20 Tue/Wed 8:30 am; Thu 1:30 pm
- SHELBY TOWNSHIP CC Ch.20 & WOW Ch.18: Mon/Wed 6:30 pm
- WAYNE COUNTY CC Ch.16/18: Mon 6-8 pm

MINNESOTA

- CAMBRIDGE US Ch.10: Wed 6 pm
- COLD SPRING US Ch. 10: Wed 6 pm
- COLUMBIA HEIGHTS CC Ch.15: Wed 8 pm
- DULUTH CH Ch.20: Mon 9 pm; Wed 12 pm, Fri 1 pm
- MARSHALL Prairie Wave & CH Ch.35/8: Sat. 9 am
- MINNEAPOLIS TW Ch.16: Tue 11 pm
- MINNEAPOLIS (N. Burbs) CC Ch.15: Thu 3 & 9 pm

- NEW ULM TW Ch. 14: Fri 5 pm
- PROCTOR MC Ch. 12: Tue 5 pm to 1 am
- ST. CLOUD AREA CH Ch.12: Mon 9:30 pm
- ST. CROIX VALLEY CC Ch.14: Thu 1 & 7 pm; Fri 9 am
- ST. LOUIS PARK CC Ch.15: Sat/Sun/M/T Midnite, 8 am, 4 pm
- ST. PAUL CC Ch.15: Mon 10 pm
- ST. PAUL (S&W Burbs) CC Ch.15: Wed 10:30 am; Fri 7:30 pm
- SAULK CENTRE SCTV Ch.19: Sat 5 pm
- WASHINGTON COUNTY (South) CC Ch.14: Thu 8 pm

NEVADA

- WASHOE COUNTY CH Ch.16: Thu 2 pm

NEW HAMPSHIRE

- MANCHESTER CC Ch.23: Thu 4:30 pm

NEW JERSEY

- BERGEN CTY TW Ch.572: Mon & Thu 11 am; Wed & Fri 10:30 pm
- HADDON TWP CC Ch.9: Sun 10 am
- MERCER COUNTY CC Trenton Ch.26: 3rd & 4th Fri 6 pm Windsors Ch.27: Mon 5:30 pm
- MONTVALE/MAHWAH CV Ch.76: Mon 5 pm
- PISCATAWAY CV Ch.22: Thu 11:30 pm
- UNION CC Ch.26: Irregular

NEW MEXICO

- ALBUQUERQUE CC Ch.27: Thu 4 pm
- LOS ALAMOS CC Ch.8: Wed 10 pm
- SANTA FE CC Ch.8: Thu 9 pm; Sat 6:30 pm
- SILVER CITY CC Ch.17: Daily 8-10 pm

NEW YORK

- ALBANY TW Ch.18: Wed 5 pm. TW Ch.572: Mon & Thu 11 am; Wed & Fri 10:30 pm
- BETHLEHEM TW Ch.18: Thu 9:30 pm
- BRONX CV Ch.70: Wed 7:30 am
- BROOKLYN CV Ch.68: Mon 10 am TW Ch.35: Mon 10 am TW Ch.572: Mon & Thu 11 am; Wed & Fri 10:30 pm
- CHEMUNG TW Ch.1/99: Tue 7:30 pm
- ERIE COUNTY TW Ch.20: Thu 10:35 pm
- IRONDEQUOIT TW Ch.15: Mon/Thu 7 pm
- JEFFERSON/LEWIS COUNTIES TW Ch.99: Irregular
- MANHATTAN TW & RCN Ch.57/85 Fri 2:30 am
- ONEIDA COUNTY TW Ch.99: Thu 8 or 9 pm
- PENFIELD TW Ch.15: Irregular
- QUEENS TW Ch.35: Tue 10:30 am; TW Ch.572: Mon & Thu 11 am; Wed & Fri 10:30 pm
- QUEENSBURY TW Ch.71: Mon 7 pm
- ROCHESTER TW Ch.15: Sun 9 pm; Thu 8 pm
- ROCKLAND CV Ch.76: Mon 5 pm

- SCHENECTADY TW Ch.16: Fri 1 pm; Sat 1:30 am
- STATEN ISLAND TW Ch.35: Thu Midnite. Ch.34: Sat 8 am. Ch 572: Mon & Thu 11 am; Wed & Fri 10:30 pm
- TOMPKINS COUNTY TW Ch.13: Sun 12:30 pm; Sat 6 pm
- TRI-LAKES TW Ch.2: Sun 7 am, 1 pm, 8 pm
- WEBSTER TW Ch.12: Wed 9 pm

NORTH CAROLINA

- HICKORY CH Ch.3: Tue 10 pm
- MECKLENBURG COUNTY TW Ch.22: Sat/Sun 11 pm

OHIO

- AMHERST TW Ch.95: Daily 12 Noon & 10 pm
- CUYAHOGA COUNTY TW Ch.21: Wed 3:30 pm
- OBERLIN Cable Co-Op Ch.9: Thu 8 pm

OKLAHOMA

- NORMAN CX Ch.20: Wed 9 pm

OREGON

- LINN/BENTON COUNTIES CC Ch.29: Tue 1 pm; Thu 9 pm
- PORTLAND CC Ch.22: Tue 6 pm. Ch.23: Thu 3 pm

RHODE ISLAND

- E. PROVIDENCE CX Ch.18: Tue 6:30 pm
- STATEWIDE RI I CX Ch.13 Tue 10 pm

TEXAS

- HOUSTON CC Ch.17 & TV Max Ch.95: Wed 5:30 pm; Sat 9 am
- KINGWOOD CB Ch.98: Wed 5:30 pm; Sat 9 am

VERMONT

- GREATER FALLS CC Ch.10: Mon/Wed/Fri 1 pm
- MONTPELIER CC Ch.15: Tue 9 pm; Wed 3 pm

VIRGINIA

- ALBEMARLE COUNTY CC Ch.13: Sun 4 am; Fri 3 pm
- ARLINGTON CC Ch.33 & FIOS Ch.38: Mon 1 pm; Tue 9 am
- CHESTERFIELD COUNTY CC Ch.6: Tue 5 pm
- FAIRFAX CX Ch.10 & FIOS Ch.10: 1st & 2nd Wed 1 pm; Sun 4 am. FIOS Ch.41: Wed 6 pm
- LOUDOUN COUNTY CC Ch.98 & FIOS Ch.41: Wed 6 pm
- ROANOKE COUNTY CX Ch.78: Tue 7 pm; Thu 2 pm

WASHINGTON

- KING COUNTY CC Ch.29/77: Tue 10 am
- TRI CITIES CH Ch. 13/99: Mon 7 pm; Thu 9 pm
- WENATCHEE CH Ch.98: Thu 1 pm

WISCONSIN

- MARATHON CH Ch.10: Thu 9:30 pm; Fri 12 Noon
- MUSKEGO TW Ch.14: Sat 4 pm; Sun 7 am

WYOMING

- GILLETTE BR Ch.31: Tue 7

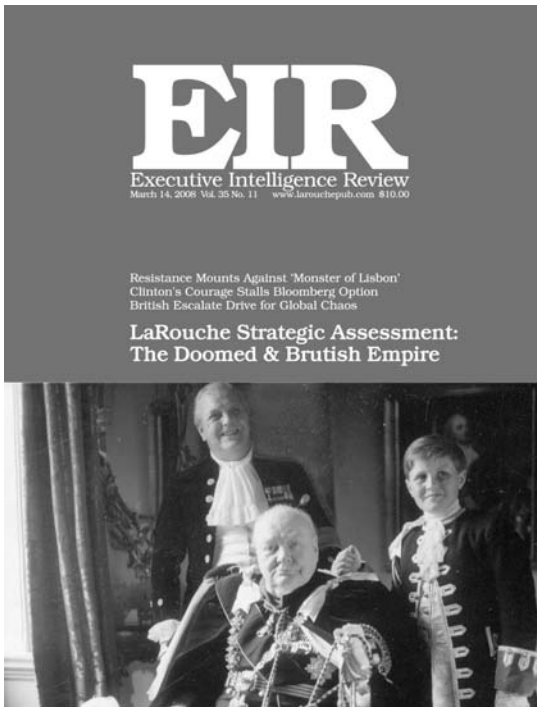
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