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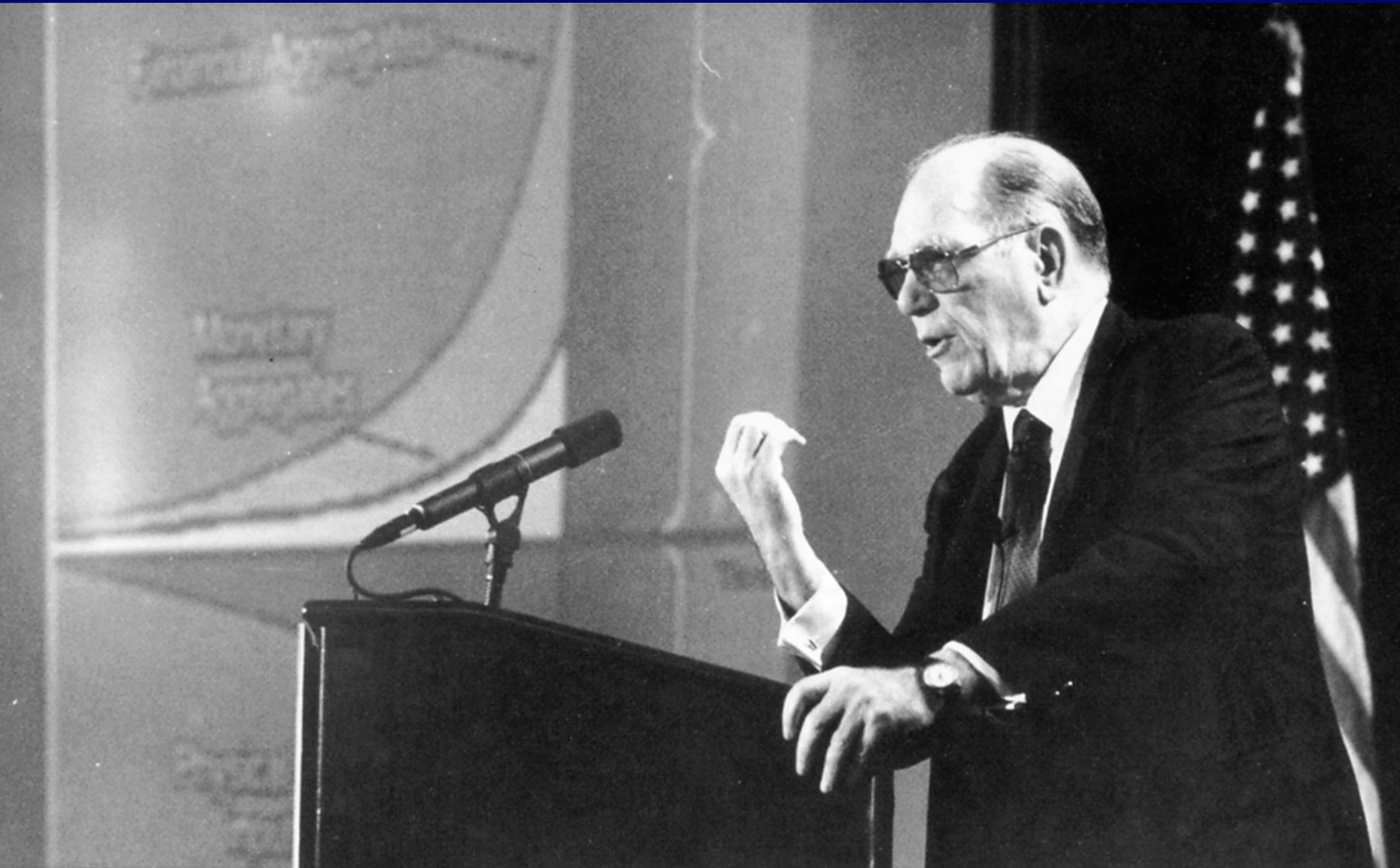
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Trouble Erupts for the Dollar
U.S. Utopians Push South Asia Toward War
'Northern Command': Crossing the Rubicon

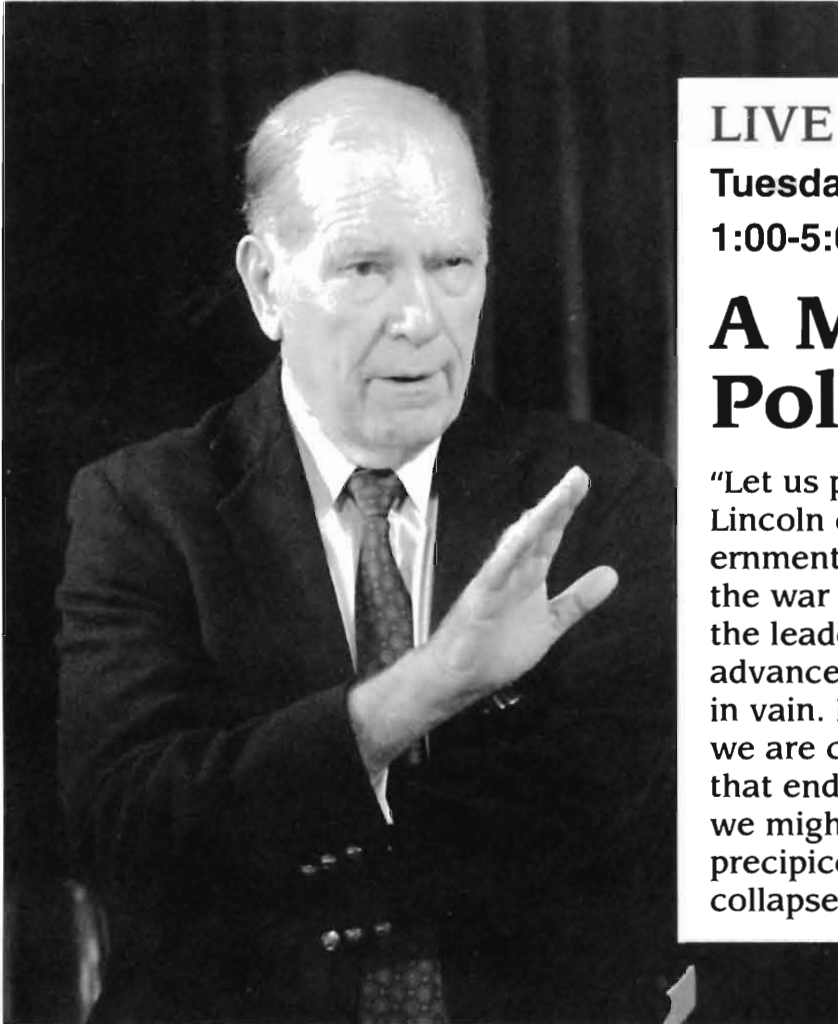
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Continue Leadership Dialogue**



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LYNDON H. LAROUCHE, JR.

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Tuesday, May 28, 2002

1:00-5:00 p.m. Eastern Daylight Time

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"Let us pledge, as President Abraham Lincoln did," says LaRouche, "that if government must send men to die in war, let the war end as quickly as possible, and let the leaders of our nation be assured in advance, that the citizen's sacrifice not be in vain. Let us pledge as much wisdom as we are capable of calling forth today, to that end." The candidate will discuss how we might turn the world back from the precipice of global religious war, economic collapse, and a new dark age.

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Founder and Contributing Editor:

Lyndon H. LaRouche, Jr.

Editorial Board: *Lyndon H. LaRouche, Jr.,
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*World Wide Web site: <http://www.larouche.pub>
e-mail: eirms@larouche.pub*

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

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

*In Mexico: EIR, Serapio Rendón No. 70 Int. 28, Col. San
Rafael, Del. Cuauhtémoc. México, DF 06470. Tels: 55-66-
0963, 55-46-2597, 55-46-0931, 55-46-0933 y 55-46-2400.*

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From the Associate Editor

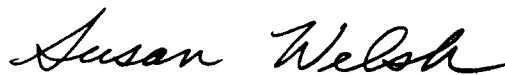
If Benjamin Franklin had had e-mail, I wonder how the American Revolution might have unfolded!

Lyndon LaRouche is developing a new literary form, spending hours of work to craft in-depth replies to questions sent to him by members of the audience of his international webcasts. Even to questioners whom you or I might consider too “nuts” to bother with. Why? LaRouche explains, in one answer published herein: “I am familiar with the lines of argument you have employed. They typify a more elaborated presentation of kindred ideological views which are, otherwise, sufficiently widespread in their increasing influence today, that a public, clinical, rather than a simple political, reaction to your argument is required.” By publishing these interchanges in *EIR*, we make LaRouche’s eloquent answers available to a wider audience.

The fact is, that many of our fellow citizens are “nuts.” We have reached the end of their delusions, as LaRouche forecast we would: the delusions of endless prosperity (just around the corner, as soon as one more payment on the credit card be made, or one more lottery ticket be purchased). Salt Lake City radio talk-show host Jack Stockwell expressed it vividly in a May 15 interview with LaRouche: “It’s very difficult at that last second, when the *Titanic* has already gone under, and there aren’t enough lifeboats left, and there may be a couple of life-rafts floating around for 50 people fighting for them: That’s the mentality that we’re dealing with out here.”

Just for that reason, LaRouche will be doing a new webcast on May 28. It is essential that his voice of sanity be heard, in these weeks in which delusions are exploding, and people are looking, with horror, into the pit of economic and social collapse. They will either wise up fast, or they will become even more crazed, accepting the fascism that the financier/utopian policy faction is handing them.

LaRouche’s article on “The Northern Command: Crossing the Rubicon” (p. 64) shows how such a fascist option is coming on fast. See also the interview with Lt. Col. David Grossman (ret.), conducted by Helga Zepp-LaRouche, for a shocking view of how the financier/utopian faction is driving forward the “New Violence,” in the vain hope of keeping hold of their own power, even as the *Titanic* goes down.



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addressing the
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Back Effect.*



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For days after LaRouche's May 1 webcast, questions continued to pour into the Democratic pre-candidate's website by e-mail, from all over the world. However different the questions seemed, many, as he pointed out to one Macedonian, "are all asking, each in his, or her own way: What chance is there for the survival of civilizations, under the conditions defined by worsening trends in U.S. domestic and foreign policies since Sept. 11, 2001?" Here is a selection of the ongoing dialogue.

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As the history of all speculative bubbles has shown, trying to let a little air out, just a bit, has never been very successful. It is quite probable that the bubble will burst with a loud splat, causing the dollar to lose one-quarter or even one-third of its value within a few weeks or months.

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Colonel Grossman is a former U.S. Army Ranger and author of two books exposing how violent movies, television, and video games are giving children who have never handled a weapon "the will and the skill to kill." He was interviewed by Helga Zepp-LaRouche, in the wake of the worst outbreak of youth violence in Germany, the April 26 school shootings in Erfurt.

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Another Break With "Free Trade" Rules.

Danger for the Dollar

by Lothar Komp

Big trouble is brewing on the foreign exchange markets. The soaring value of the American dollar against the European and Japanese currencies, maintained steadily since the mid-1990s, has come to a standstill since the beginning of this year. After an unbroken descent during April—when the leading American corporations presented, day after day, their generally catastrophic quarterly reports—the dollar fell at the beginning of May to its lowest level against the euro since October 2001.

Despite a warning by the Japanese government that it intended to intervene on the foreign exchange markets against its own currency, the dollar also slid downward against the yen, after the revelation that the U.S. unemployment rate had hit its highest in seven and a half years. In comparison to the Swiss franc, the dollar has already shed 7% of its value since the start of this year. On May 7, in its global currency markets report, the Bank of America spoke of outright “panic selling” of dollars in Asia.

Mirroring the dollar’s fall, the gold price has continually risen, and for some time now has been hovering at well above \$300 per ounce.

Think of Autumn 1998

A slight drop in the dollar’s value would certainly come in handy for the U.S. government, in order to help its prostrate economy back on its feet. But as all experience with speculative bubbles shows, trying to let only a little air out of the bubble never works very well. It is quite probable that the bubble will burst with a loud splat, causing the dollar to lose one-quarter or even one-third of its value within a few weeks or months. Dramatic shifts and breakdowns in the financial markets would immediately follow. We are reminded of the global hedge-fund crisis in Autumn 1998, when the big funds had speculated against the Japanese yen with huge financial

bets, and the dollar, in only four days, plunged by 18% against the yen.

This time, it may be much worse, because, from the mid-1990s proclamation of the American “economic miracle” onward, the U.S. economy has turned into a monster, which cannot survive without speculative bubbles to feed on. Along with this has come not only a bubble in the domestic U.S. financial markets—first on the stock markets, and now in real estate—which has enabled private households to take in ever-growing quantities of credit, thus forcing a still greater expansion of debt; but also an externally driven dollar bubble, which has been indispensable for maintaining the flow of considerable capital from abroad into the United States. The American economy is now just as addicted to both these speculative bubbles, as Count Dracula was addicted to the blood of his victims.

Trade Deficit Is Out of Control

Considering the spectacular decline in U.S. foreign trade, the question is not so much what the trigger will be for a full-scale dollar crash, but rather, why this crash hasn’t already occurred long before now. It is worthwhile in this respect, to look at a few details from official U.S. statistics.

Last year, the United States exported goods valued at \$721 billion, of which \$322 billion were in capital goods, \$160 billion in industrial materials and semi-finished products, \$90 billion in consumer goods, \$75 billion in automobiles and automotive parts, and \$55 billion in agricultural products. But this export income fell far short of covering the bill for its much higher imports: In 2001, the United States imported \$1.147 trillion in goods—\$426 billion, or 59% higher than the volume of exports. The main components of these imports were capital goods (\$298 billion), consumer goods (\$284 billion), industrial materials and semi-finished products (\$278

billion), automobiles and automotive parts (\$190 billion), and oil products (\$104 billion). In the areas of consumer goods and automobiles alone, America had a foreign trade deficit of over \$300 billion.

The question arises: How are they able to import \$1.147 trillion in goods, and only export \$721 million worth? The answer: on credit. While the U.S. corporate sector is, to a certain extent, directly indebted to foreign institutions via international loans, private households are only able to maintain a level of consumption beyond their actual income, by means of injections of credit from banks, credit card companies, and mortgage institutions. The U.S. financial sector, in turn, can only keep this debt machine running by ensuring—at least up until recently—that the markets in the United States continue to be inundated with flows of capital from abroad. In the process, the U.S. financial sector itself takes on massive quantities of foreign debt.

To be specific: Last year, U.S. purchases of foreign securities and businesses stood at \$440 billion, whereas capital flows of the same kind into the United States from abroad, were more than twice that—\$896 billion, or \$2.5 billion per day. This represents a total net influx of \$456 billion into the United States during 2001—which pretty closely matches up with the figure given for the U.S. trade deficit.

In a nutshell, Americans are receiving \$400 billion worth of consumer goods, automobiles, crude oil, steel, and other hard commodities every year, above and beyond what they pay for with their exports; and they are covering this deficit with an equal sum of stocks, securities, and other financial paper, bought by foreigners sending capital into the United States.

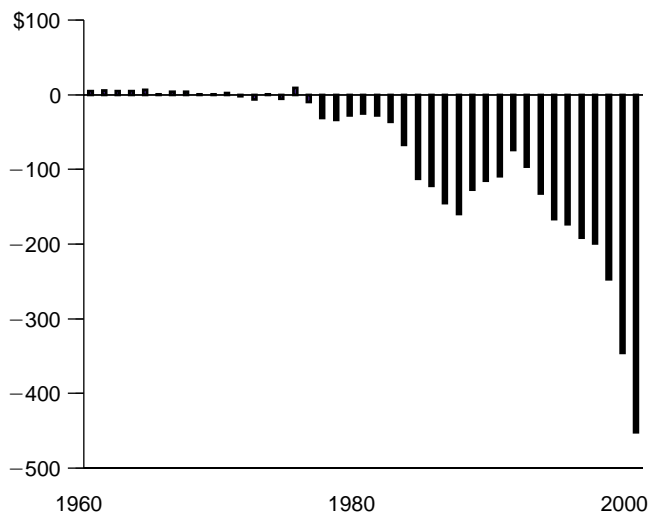
Nothing Works Any More

During 2001, however, the world experienced tectonic changes in the composition of capital flows—changes which are extremely disruptive to the U.S. economy. As a result of the collapse in the stock markets, foreign investors' appetite for U.S. stocks has waned considerably. Such purchases declined from \$193 billion in the previous year, to only \$127 billion. The heady times of the late 1990s are also over for foreign direct investment (FDI) into the United States: In 2001, it collapsed from \$288 billion to \$156 billion. What saved total capital influx—and thus the U.S. dollar—from collapsing, was the massive expansion of foreign purchases of U.S. corporate bonds, which went from \$293 billion in 2000—already a record high—to \$371 billion in 2001.

Since the collapse of Enron in December 2001 at the very latest, and the subsequent revelation of systematic falsification of the balance sheets of the big U.S. high-tech firms, not only have foreign investors lost their urge to buy U.S. stocks or to buy up U.S. firms, but now this same malaise has spread to loans to U.S. corporations.

U.S. Physical Goods Trade Deficit, 1960-2000

(Billions \$)



Source: U.S. Department of Commerce.

The dollar's problem, in a nutshell: this huge and growing trade deficit has been financed by equally large foreign capital inflows. The inflows fell in 2001, and fell much more sharply in the first quarter of 2002.

The record rates of defaults on corporate debt has only made matters worse. In the first quarter of this year, corporations defaulted on a total of \$34 billion in loans. The current quarter has seen the biggest single default so far: the cable firm NTL, which defaulted on \$10.6 billion. Bonds issued by many U.S. telecommunications firms, which up to a few months ago were considered “bomb-proof,” have in the meantime been downgraded to “junk” status—including loans to the second-largest telephone company WorldCom, which has \$30 billion in debt.

This, in turn, has serious consequences for the future of capital flows into the United States. Only the figures for January and February 2002 are available, but they show a grim picture: Purchases of both U.S. stocks and U.S. corporate bonds by foreign investors have dropped to their lowest levels since Autumn 1998. Total foreign purchases of U.S. securities have collapsed to 25% of what they were in January and February 2001. And to top it all off, this year's trade deficit is threatening to veer even further off course, and could well reach the \$500 billion mark.

Outside of stocks, takeovers, and bonds, there isn't much else left to serve as a magnet for foreign capital. The U.S. economy has blown its wad, and the impending crash of the dollar can no longer be averted by peaceful means.

States' Officials Dream On as Revenues Vanish

by Mary Jane Freeman

Even before the April 15 tax collections have been tallied, 40 of America's 50 states, and the District of Columbia, have slashed expenditures to balance their budgets before fiscal year's end, June 30. By January, the magnitude of shortfalls ranged from the hundreds of millions to billions of dollars. The National Association of State Budget Officers (NASBO), at the end of March, estimated that the total state budget shortfall for all states had reached \$40 billion. The combined blow-out of stocks, dot-coms, and manufacturing sectors has obliterated 5-25% of the states' expected revenues from personal income tax (PIT), one of their largest sources.

The shortfalls have meant that budget cutters have no longer been able to spare education, health care, aid to towns and cities, or even, in some cases, public safety. At the end of March the National Conference of State Legislatures' "State Fiscal Update" reported: 17 states had cut K-12 education programs; 29 cut higher education; 22, Medicaid programs; and 16, Temporary Assistance to Needy Families ("welfare").

Twenty-five states have cut their corrections budgets, while 13 laid off or furloughed state workers, and 10 cut revenue sharing with cities and counties. Such cuts, and reduced health-care coverage for employees, ultimately increase costs, as they undermine the health, well-being, and future of the citizens. Despite it all, as year-end revenue tallies trickle in, elected officials still play the blame game and dutifully recite the "recovery is around the corner" mantra, refusing to admit the depth of the depression.

Other balance-the-books accounting tricks used throughout the year have included raiding "rainy day" funds (26 states), raising taxes (7 states), delaying capital improvement projects (13 states), and/or selling off tobacco settlement funds (17 states), to get a one-time quick fix to fill the budget holes that began accumulating as soon as the fiscal year began on July 1, 2001. In many states, since there is no recovery around the corner, these desperate acts mean they will have no cushion to fall back on as the economy nosedives and the revenues vanish. Shortsightedness of this sort will mean even deadlier cuts to services in the next months ahead.

April 15 Brings Bad News

Most states have been on pins-and-needles awaiting the April 15 revenue figures, hoping against hope that they'd get a quick revenue boost. While tallies are incomplete, those few states which have reported their estimates of collections now

project even bigger shortfalls. The likelihood of emergency legislative sessions to slash budgets further in these last six weeks of the fiscal year, is high. Depending on how short these revenues come in, states that used accounting tricks and cut to the bone to balance budgets by June 30, will in all probability, be in emergency sessions in Fall election season, scrambling to find funds to keep government services running.

Below is a sampling of the picture:

California: Prior to April collections, state officials plugged a \$6-12 billion revenue hole in this FY 2001-02, using every accounting trick possible. On May 14, Gov. Gray Davis released his "May Revision" budget report on the status of the state's finances based, in large part, on April collections. The revised deficit for next FY 2002-03 is now a huge \$23.6 billion, and that deludedly assumes that "the state's economic recovery will pick up as the year unfolds." The biggest factor is "the dramatic decline in cash receipts" from PIT—45% lower than April 2001, short of expectations by \$2.876 billion, and 33% below forecast. The "May Revision" reports that these declines are "primarily driven by a drop in capital gains as well as lower wage growth due to reduced stock option income." The state's General Revenue Fund became nearly 25% reliant on these bubble-economy revenues in the 1990s, and as of the 2001 tax year, they had already plunged by 60%. Davis proposes to cut next year's budget for program services by 32%, just when depression conditions are causing more citizens to rely on state services.

Georgia: On May 13, Gov. Roy Barnes announced a second round of cuts to state agencies as April tax receipts fell by \$78 million, or 7.8% from last year. This was the first time since the 1950s that the state had a full year of negative growth.

Illinois: The \$1.2 billion deficit, having already required across-the-board cuts including state employee layoffs, just got bigger. The state's Economic and Fiscal Commission, after tallying April collections, announced that revenues for fiscal 2002 will be down \$456 million, resulting in a new \$1.35 billion hole—lawmakers had assumed a \$900 million *gain* in tax collections when they passed the budget. Gov. George Ryan is holding one-on-one meetings with legislators, who have hit an impasse on dealing with the budget, while 4,000 members of the American Federation of State, County, and Municipal Workers (AFSCME) marched on the state-house protesting the newly announced 1,800 layoffs, on top of 1,800 already made.

Iowa: The budget crisis here is deemed "the nightmare that never ended," as the first April collections tallies caused a seventh revision downward of revenue estimates. Having already made two across-the-board cuts to the existing budget, causing an 8% reduction in the state workforce, the May 8 report of the state's Revenue Estimating Conference states that Iowa still has a revenue shortfall of \$219 million this year, and should expect another of \$212.5 million for the



California Gov. Gray Davis has gotten the strongest dose of the economic depression, of all governors—a newly estimated state budget deficit of \$24 billion, which is still growing with every calculation. California’s electricity deregulation nightmare made it worse, but virtually all governors and legislatures face budget collapses.

fiscal year starting July 1. Gov. Tom Vilsack will call a special session of the legislature in late May.

Massachusetts: As of April, legislators thought they had plugged the state’s \$1.3 billion budget hole, but the drop in April receipts by \$200-400 million will require new patchwork before June 30. Acting Gov. Jane Swift and legislators will likely opt for further draining the rainy day fund, already tapped for \$1 billion.

Michigan: On an October-September fiscal year, Michigan legislators were hoping April returns would boost revenues so as to prevent cuts. So far the state has used all the abovementioned accounting tricks to fill its \$1 billion-plus deficit. On May 9, the House Fiscal Agency reported that tax revenues are down \$458 million in the first six months of the fiscal year which, compared to a year ago, is a drop of 13.4%. It also reported that tax revenue in the most recent three months is down 24.6% from 2001.

‘One-Way Ride to the Abyss’

Missouri: Exact April revenue figures are not in, but Gov. Bob Holden announced on May 10 that he will furlough 6,000 state workers in June for two days, and cut \$83 million in payments to higher education to close the \$230 million hole in this year’s budget. The legislature rejected his request to use reserve funds, and if they don’t change their minds before June 30, these measures will hit nursing homes, health-care programs, and social services programs, among others.

New Jersey: Democratic Gov. Jim McGreevey took office in January assuming a \$2.4 billion budget deficit, and immediately imposed across-the-board cuts to all agencies, laying off hundreds of state workers. McGreevey thought he

was creating a \$500 million surplus to aid in dealing with next year’s expected \$5 billion shortfall. But April tax returns, still being tallied, changed the picture. It is now estimated that there will still be a \$700 million shortfall this year, requiring \$200 million more in cuts or new revenues.

North Carolina: On May 3, Budget Officer David McCoy issued a memo to all state agency department heads, with an analysis of collections through April 30 showing a budget shortfall of at least \$1.5 billion—half a billion more than expected. He ordered a hiring freeze, payments of only mandatory obligations of current payroll, utilities, debt service, and required state aid which is defined by statute as compulsory or required for public safety and welfare. For next year’s budget, now being debated, \$330 million in additional cuts are proposed to public assistance programs, prescription drug assistance to the poor and elderly etc.

Pennsylvania: Gov. Mark Schweiker, expecting a \$667 million deficit, got a rude awakening on May 7 when his top budget officer, Robert Bittenbender, made it \$1.2 billion, based on lackluster April returns. For now, the state plans to loot its “rainy day” fund to plug the hole.

Tennessee: April’s tax collections reveal that the state is experiencing a negative 3.25% rate of growth in revenues. The shortfall for the fiscal year is now estimated at \$475 million. Revenues from taxes on stock and bond dividends were down 26.5% over last year. Lawmakers expect to heavily drain reserve funds to get to June 30. Based on a projected revenue growth rate of 1.8% to 2.3% next year, a scant \$100-140 million in new tax money for state programs is “expected,” while at least \$550 million is required.

Utah: The budget picture here is described “as an elevator car on which the cable just snapped and the safety brakes” failed, leaving it “on a one-way ride into the abyss.” With April receipts down by \$142 million from projections, the cumulative shortfall is now estimated at \$411 million, a 10.8% decline which Gov. Mike Leavitt called “the largest one-year revenue drop in [post-World War II] state history.” A 2.1% increase in PIT revenues was expected, but they declined by 6.6%, which their 20-year veteran tax commissioner said was due to “last year’s plummeting stock market.”

Virginia: Gov. Mark Warner’s spokeswoman Ellen Qualls claimed that the drop in April tax collections by 11% over last year, and the Governor’s order for all agencies to further cut their budgets before June 30, result from the “recession causing a lingering hangover in Virginia.” Overall tax receipts have been down 3.6% over last year’s.

Miss Enron and Senator Shylock: The Corrupt Saga of Wendy and Phil Gramm

by John Hoefle

If the ability to learn from one's mistakes is the test of wisdom, then few couples fail the test more resoundingly than those "demons of deregulation," Sen. Phil Gramm (R-Tex.) and his wife, Dr. Wendy Lee Gramm. The Gramms have devoted their careers to overthrowing the General Welfare provisions of the American System and subjecting the U.S. population to the imperial looting this nation was founded to stop. Theirs is a remarkable record of self-serving activity, conflicts of interest, failed policies, greed, and incompetence; everything they have touched has been a disaster, of which the collapse of Enron is but the tip of the iceberg.

While Senator Gramm is the more prominent of the pair, Wendy Gramm has also played an important role in the creation of the biggest financial bubble in history. Few Senators have done more damage to the nation than the senior Senator from Texas, who began his Congressional career as a Democratic Representative in 1978, switched parties in 1983, and joined the Senate in 1984. Along the way he became one of the most rabid conservative revolutionaries, pushing his anti-government, pro-speculation agenda with remarkable zeal. (Gramm made a run for President in 1995, but his dubious campaign was derailed by revelations that he had invested in a soft-core sex movie, causing the *New York Post* to dub him "Porno Gramm.")

Wendy Gramm, who like her husband has a PhD in economics—they met while teaching at Texas A&M University—has also made a career out of bubble-building, pushing deregulation as the director of a White House deregulation task force in the 1980s, after which she opened the Pandora's Box of energy derivatives speculation while head of the Commodity Futures Trading Commission; having done so, she cashed in by joining the board of directors of Enron.

Nation-Busting

Senator Gramm made his name with the Gramm-Latta and Gramm-Rudman-Hollings laws in the 1980s, legislation designed to reduce the power of the Federal government and increase the power of the financial markets. In the name of balancing the budget, the Gramm-Rudman-Hollings Balanced Budget and Emergency Deficit Control Act of 1985

targetted Federal spending on infrastructure and social programs vital to the welfare of the population and physical economy. It also, not coincidentally, curtailed spending on President Reagan's Strategic Defense Initiative, the brainchild of Lyndon LaRouche.

At the time, LaRouche warned that the Gramm-Rudman approach was incompetent as a deficit-reduction act, as it would erode the tax revenue base and actually lead to greater deficits. LaRouche was right. According to the U.S. Treasury, the Federal deficit for fiscal 1985 was \$212 billion, a figure which jumped to \$221 billion in fiscal 1986. The deficit shrank to just over \$150 billion for fiscal years 1987, 1988, and 1989, then took off again, jumping to \$221 billion in fiscal 1990, \$269 billion in fiscal 1991, and a record \$290 billion in fiscal 1992.

Under Gramm-Rudman's spending limits, the Office of Management and Budget (OMB) became one of the most powerful agencies in government, with great influence over which programs survived and which did not. The administrator for Information and Regulatory Affairs at OMB at the time was Wendy Gramm.

Miss Enron Rewarded

While Senator Phil was busy pushing imperialism in the Senate, Wendy was pushing it in the Executive branch, as executive director of the Presidential Task Force on Regulatory Relief, a pet project of then-Vice President George H.W. Bush. The goal of the Bush task force was to sweep away the so-called "regulatory burdens" which prevented the financial speculators from seizing control of the economy. Of particular distaste to the Gramms were two measures implemented under President Franklin Roosevelt, the Glass-Steagall Act of 1933 and the Public Utilities Holding Company Act (PUHCA) of 1935. Both acts were intended to break the power of the financiers, led by the House of Morgan, over the U.S. economy, and the goal of deregulation was to restore the financiers to what they considered their rightful place. The Gramms were happy to participate, and were rewarded accordingly.

In 1988, Dr. Wendy Gramm was appointed by President



Miss Enron, the often-appointed commissioner and board member Wendy Gramm, did more than most to make the Enron looting and collapse debacle possible.



Senator Shylock, Phil Gramm, retiring from the Senate just in time.

Ronald Reagan to the chairmanship of the Commodity Futures Trading Commission (CFTC), which regulates trading in agriculture and commodity futures and helps regulate the nation's commodity exchanges. From this perch, Dr. Gramm was able to continue her work on deregulation by helping to nurture the growth of the derivatives markets. Her seminal act came in January 1993, as the outgoing Bush Administration was winding down.

In November 1992, a relatively unknown Texas energy company named Enron petitioned the CFTC to explicitly remove energy derivatives and interest-rate swaps from CFTC oversight. Shortly thereafter, giants J.P. Morgan, Chase Manhattan, Exxon, Mobil, and BP made similar requests. The request was presented as a minor technical change, but it was not: By allowing over-the-counter (OTC) trading of derivatives which had previously been restricted to regulated exchanges, the CFTC opened the door to a new era of profiteering in the energy markets, in which Enron would have the cutting edge.

The CFTC had been granted the authority to decide the matter by the Futures Trading Practices Act of 1992, signed by President Bush in late October. A week before Bush left office, Gramm granted Enron its exemption, opening the door to a series of high-profile financial disasters, beginning with the December 1993, \$1.3 billion energy derivatives loss at Metallgesellschaft in Germany.

The decision also opened another door, at Enron itself. Gramm resigned from the CFTC when Bush left office, but was not out of work for long. Five weeks after leaving the CFTC, Wendy Gramm was rewarded with a lucrative spot on the board of Enron, where she joined the now-infamous audit committee.

Gramm was but one among many former Bush Administration officials who flocked to Enron after their defeat by Bill Clinton. President Bush himself earned lucrative fees from

Enron for speaking engagements, while former Secretary of State James A. Baker III and Secretary of Commerce Robert Mosbacher took consulting jobs at the firm. The influence of these political heavyweights helped Enron dramatically expand its business, and energy deregulation, worldwide.

Defending Derivatives

Boosted by Gramm's exemption and the Bush League influence, Enron went on a rampage, pushing deregulation globally through a liberal application of campaign contributions and other more discreet funding mechanisms. One of the top recipients of Enron's largesse was Sen. Phil Gramm. With Wendy on the board and Phil receiving contributions hand over fist, the Gramms profited nicely. Wendy also joined the boards of several other corporations, including State Farm Insurance and Invesco Funds. She took a position as director of the Regulatory Studies Program of the Mercatus Center at George Mason University in Virginia, a hotbed of deregulatory fervor. A profile of Gramm on the Mercatus website proudly cites a *Wall Street Journal* editorial from 1999, which described her as "the Margaret Thatcher of financial regulation." Gramm apparently considers that a compliment.

In May 1998, under the chairmanship of Clinton appointee Brooksley Born, the CFTC issued a "concept release" raising the possibility of new derivatives regulation, including closing the derivatives exemption issued by Gramm. During her nomination hearings in 1996, Born had stated that some of the activities in the derivatives markets appeared to be illegal, and in Congressional testimony in April 1997, she prophetically warned that the Gramm exemption "could lead to widespread deregulation," which "would greatly restrict Federal power to protect against manipulation, fraud, financial instability and other dangers." This, she added, would "pose grave dangers to the public interest."

“It is the large institutions which have the greatest power to hurt us all by their attempts at manipulation,” Born warned.

‘Make It Legal’

Born committed two of the cardinal sins of modern financial regulation: She criticized derivatives, and she was correct. The response of the financial community was swift and vicious, with the Plunge Protection Team and major banking groups demanding that the CFTC back off.

Among the protesters was the International Swaps and Derivatives Association, on whose board sat Enron official Mark Haedicke. Haedicke, in testimony at the same hearing as Born, behaved in Enron’s typically arrogant style, admitting that Born was right about the illegality of some derivatives, while demanding that the laws—not the illegal practices—be changed.

Congress held hearings designed to beat the CFTC into submission, including a House Banking Committee hearing in July 1998, at which Enron director Gramm testified that no further regulation of the OTC derivatives market was necessary.

“In my view, there are no systemic problems in the OTC derivatives market,” Dr. Gramm asserted, adding that “instead of looking for regulatory gaps to fill with more regulation, markets, consumers, and the economy might fare better if efforts were spent looking for unnecessary regulatory burdens to eliminate.”

The attack on the CFTC ultimately produced the Commodity Futures Modernization Act of 1999, rammed through Congress by—surprise!—Phil Gramm. The act legalized the exemption granted by Wendy Gramm, and opened the doors for even wilder speculation by her employer and Phil’s largest campaign contributor, Enron.

Retirement

Senator Gramm, then chairman of the Senate Banking Committee, managed to get another speculator-friendly piece of legislation passed in 1999, the Gramm-Leach-Bliley Act, which put the final nails in the coffin of FDR’s Glass-Steagall Act.

The month before the Enron scandal broke, Phil announced that he would retire from the Senate at the end of his term, and is rumored to be in the running for the presidency of Texas A&M University, where Wendy is on the Board of Regents. Wendy has resigned from the board of Enron, and faces numerous suits because of her role there, in particular her role as a member of the audit committee.

Still, the Gramms remain remarkably oblivious to the errors of their ways. When Treasury Secretary Paul O’Neill made unkind comments about speculators in a recent hearing, good old Phil sharply disagreed. “Speculators are public benefactors who make money by making markets work better, and God bless ’em,” he said.

Mass Opposition Grows To Peru’s Privatizations

by Sara Madueño

The survivability of the Alejandro Toledo government in Peru is very much at issue. Nine months after Toledo assumed the Presidency—with the help of \$1 million from mega-speculator George Soros, and a coup d’état organized by Wall Street and the U.S. State Department against the government of Alberto Fujimori—71% of the population disapproves of Toledo’s rule, says a survey taken in late April by the company *Analistas y Consultores*. At the start of May, a poll taken by the University of Lima registered a 66% disapproval rating against 25% approval; when Toledo took office last July, he enjoyed a 60% approval rating, with only 11% against. His administration’s dramatic decline has surpassed the most pessimistic projections, and no one would be surprised if he ended up like Fernando de la Rúa in Argentina, forced to resign the Presidency before his term is up.

The polls also reveal that 66% of the population reject the core of Toledo’s economic policy—privatizations of the state companies—while 75% believe he has failed to fulfill his campaign promises and that his economic policies lack a “human face.”

The great irony, is that the University of Lima poll shows that the administration of former President Fujimori has an approval rating higher than that of Toledo! This unmask the over-used imperial term “democracy,” which was employed to force the elected Fujimori to resign and to put Toledo in power. According to the same poll, 45% of Peruvians do not believe that democracy exists under Toledo’s reign.

What is actually revealed is that Peruvian “public opinion” has been so naive, so volatile, and so easily manipulated by international forces, that it has been used to impose and depose governments at the whim of these same foreign forces. But apart from often-manipulated polls, the political reality in the country speaks for itself. In early May, Peruvians disgusted with Toledo’s failure to provide the jobs and to live up to other campaign promises which had won their votes, booed the Peruvian President as his own bodyguards yanked him out of Gamarra, the largest industrial-commercial complex in Peru, when angry crowds jeered and threw empty plastic bottles and other garbage.

Privatization of the Energy Sector

These scenes are occurring while the entire country faces an unprecedented panorama of social convulsion: strikes, protest marches, rallies against the same neo-liberal economic



Popular support for Peruvian President Alejandro Toledo, the darling of Wall Street, Project Democracy and the Inter-American Dialogue, has collapsed. Former President Alberto Fujimori, villified, ousted and exiled last year, now has more popular support than Toledo.

policies that have led Argentina to the abyss. And all the while, a President faithful to the international banks and corporations which sponsor him, has surrendered the government and the national economy to an Economics Minister chosen by Wall Street—George Soros' man in Peru, Pedro Pablo Kuczynski. PPK, as he is known, whom even the pro-government daily *La República* has baptized “Viceroy Kuczynski,” has as his primary mission to accelerate the pace of privatizations, especially of the energy and agriculture sectors. This mission has taken on special urgency in recent months, as the nation's economic crisis has produced a collapse in tax revenues and consequent deficit in public spending, a deficit which PPK and his international bosses now hope to cover by selling off the national patrimony.

In the energy sector, the privatization of the Hydroelectric Complex of Mantaro is the largest jewel in the crown. Part of this complex is the Santiago Antúnez de Mayolo hydroelectric project, the largest in the country with a potential of 1,200 megawatts, representing 95% of the assets of the state's energy company Electroperú. This hydroelectric project is also the foundation of the Center-North Interconnected System (SICN), with an impact on 12 of Peru's 24 departments, an area which includes Lima and represents 80% of the nation's electricity generation. Together with the Mantaro Hydroelectric Complex, PPK has also put the electricity distribution company Electrocentro, in the central zone of the country, on the auction bloc.

Also on the privatization agenda in the short term are the companies Generación Eléctrica de Arequipa, S.A. (Egasa) and Generación del Sur (Egesur). Egasa provides electricity to the strategically key department of Arequipa, and Egesur delivers energy to several departments in Peru's south. Both companies are also profitable at the present time. Egasa, as the former President of the board of that company Armando Fúster Rossi recently indicated, is part of a hydroelectric and agricultural complex that cannot be split up, and which must

be run as a unit to be able to channel the waters from the Andes highlands toward the arid Pacific coast. Therefore, explained Fúster, there are weighty reasons—strategic, technical, and financial—not to privatize Egasa.

The ‘Gringo’ and His ‘Cholo’

This year's May Day was preceded by a totally effective 48-hour general strike in the central region of the country, in opposition to the government's economic liberalism, and in particular, against the privatization of the Mantaro Hydroelectric Complex and the company Electrocentro. Demonstrators chanting “Kuczynski is the gringo, Toledo is his ‘cholo’ [‘Indian’],” blocked nearly five kilometers of the Central Highway and main ports of the region, preventing traffic of both cargo and passengers into Lima.

At the same time in the North, the city of Talara was shut down, to warn of its opposition to the privatization of the Talara oil refinery, which is also on the government's “for sale” list. The Macroregional Convention of Agricultural Producers of the Center (Conveagro), encompassing more than 150,000 producers, announced the start of an indefinite regional strike, affecting Peru's so-called agricultural dispensary. It is expected to affect 60% of Lima's food market. The strikers' main demand is to reactivate agriculture, including suspension of the mass importing of foodstuffs subsidized in their countries of origin and “dumped” on Peru's market.

In late April, Lima was also the site of a mass march on the Congress and Presidential mansion, by some 10,000 workers convoked by the leftist General Workers Federation of Peru (CGTP), in opposition to privatization, and to demand jobs and a thorough revision of the government's economic and foreign policies. After handing their written demands over to the Congress and to the government palace, CGTP General Secretary Juan José Gorriti, announced a national strike to be held May 14, with the same demands.

The South, too, was the scene of a 48-hour strike in mid-April, specifically against the intended privatization of Egesur and Egasa. The city of Arequipa, the second largest in Peru, sponsored a mass meeting against privatization of the nation's assets.

‘The Mirror of Argentina’

Just weeks before these mass protests began, an important conference was held in Lima, which provided a strategic and programmatic orientation to all of this popular ferment. On March 20, the Association of Laid-Off and Retired Employees of Petroperú (ACEJUB) joined with *EIR*, in organizing a forum entitled, “Stop the Argentinization of Peru: Change the Economic Policy and PPK, Father of Privatizations.” Before a select audience of more than 300 people, PPK's role as Soros' lackey was detailed, and his responsibility as sponsor and strategist of Peru's privatizations, ever since he held the post of Mines and Energy Minister in the 1980s.

At the event, Luis E. Vásquez, executive director of *EIR*



Peru's Wall Street privatizer and super-minister, Pedro Pablo Kuczynski (left), may be courting the fate of his puppet colleague of the Street, Argentina's former Finance Minister Domingo Cavallo (right), now disgraced and in prison. So said EIR's Luis Vásquez at a forum in March. Mass strikes and demonstrations are now demanding Kuczynski's removal.

in Peru, warned that PPK is a clone of the former Argentine Economics Minister Domingo Cavallo, now jailed for his crimes against that country, and that “Peru should see itself in the mirror of Argentina.” In addition, Carlos Repetto Grand, President of ACEJUB and former manager of the Area of Refining and Petrochemicals of Petroperú, spoke about “the origins and failure of the privatization of Petroperú.” That morning, Repetto, who heads up the national campaign against Petroperú’s privatization, led a march to the Congress, to deliver a bill to overturn the privatization, accompanied by the 50,000 signatures required by law.

The clamor of the citizenry has found an echo among some legislators. In early May, various multi-partisan groups of Congressmen presented the Congress with as many as five different bills, all demanding that the entire national hydroelectric sector be declared untouchable, and urging the exclusion of the Mantaro Hydroelectric Complex in particular, from the list of companies to be sold off.

In addition to arguing the strategic national and regional importance of the sector, the Congressmen—two of whom are from the ruling party, Perú Posible, others from its allies Acción Popular and the Moralizing Independent Front, and the majority from the opposition National Unity and APRA parties—pointed out that, in every case, they are talking about functioning and efficient companies. For example, the Mantaro complex was distinguished last year with the prestigious ISO 9002 certification by the company SGS of Peru, accredited with the company Belcert of Belgium. The argument that these plants are supposedly inefficient, which is used to justify their privatization, could not be more false. Further, the legislators noted the Mantaro complex is owned by the National Fund of Public Savings (Fonahpu), a fund which provides for pension payments to Peru’s retirees.

PPK in the Footsteps of Cavallo

Kuczynski is undoubtedly the single most despised figure in Peru. Ever since assuming his post, he has explicitly said that he is ruling the country on economic matters, and on behalf of the creditor banks. In early May, having turned a deaf ear to the population’s protests, he warned that he would continue with the privatizations of the energy sector and that none of the electric companies would be subject to a referendum decision, as some in the opposition have demanded. For its part, the Congressional opposition has been collecting signatures to call PPK before Congress for questioning in May. Some media, such as the daily *La República* and the magazine *Caretas*, are already announcing PPK’s imminent departure from the government.

President Toledo has taken it upon himself to announce to the four winds that PPK’s future is his own. Following his election, and nomination of PPK as Economics Minister, a euphoric Toledo last July flattered a group of New York bankers, promising them that Kuczynski “will stay until the last day of my administration.” In fact, that was the key condition imposed by the banks, in exchange for their support of Toledo’s Presidential campaign. This was admitted outright in a *Wall Street Journal* article reproduced on May 11, 2001 in the Peruvian daily *El Comercio*. The *Journal* had described PPK turning “from a Wall Street banker into a key operator in the upcoming Peruvian elections” and “a great asset for Alejandro Toledo.”

Ironically, that same article had cited the currently jailed Domingo Cavallo, endorsing PPK as a colleague and “a very good economist.”

It is possible that the Peruvian population will give PPK the same “thank you,” that the Argentines gave to Cavallo. The question is, will Toledo share PPK’s fortune?

Argentina at 'Limits Of What's Bearable'

by Mariano Salazar and Alejandro Lezcano

As the Argentine press reported a recent statement by U.S. Treasury Secretary Paul O'Neill, "The world is ready to help Argentina when it has reached the limits of what's tolerable." To make the discussion less abstract, the abstract, recent data released by the Argentine government's Institute of Statistics and Census (Indec) makes it possible to clearly see the path that Argentina is expected to travel—and is travelling—to reach this required "limit" in the name of the International Monetary Fund (IMF) and international financial community's "sustainable" plan. Indec's general director Juan Carlos Del Bello reported, at the close of April, that in Argentina, "half the population—18 million people—was already living below the poverty line" (Figure 1). This, he said, is primarily due to two factors:

1) a 32.5% increase in the price of the basic food market basket since December 2001, and the fact that food costs now absorb 46.6% of the income of low-income households, making the impact of increases in such products as oils, flour

and meat, proportionally greater.

2) an increase in unemployment to 25% of the labor force, as compared to 18.3% in October 2001.

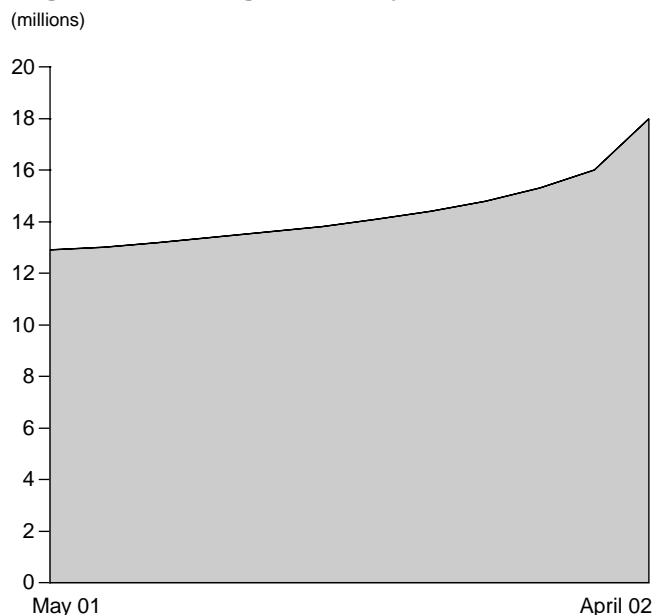
Until March 2002, Indec's studies indicated that there had been nearly 16 million poor. This means that in a single month, another 2 million people have joined the ranks of the impoverished—that is, some 65,000 new poor per day (Figure 2).

In the Federal District (the capital of Buenos Aires) and in Greater Buenos Aires, through March of this year, there were nearly 5 million poor; in May, there are 5.5 million people who have fallen below the poverty line (Figure 3). This means an increase of 16,000 new poor per day in the District alone.

The area most affected by poverty is in the country's North, where the consulting company Equis calculated that, based on official April figures, the average poverty level in Corrientes, Formosa, Misiones and Chaco provinces, has reached 66% of the total population. The area with the "fewest" poor is Patagonia in the south of Argentina, where the poverty level is estimated at 30% of the population.

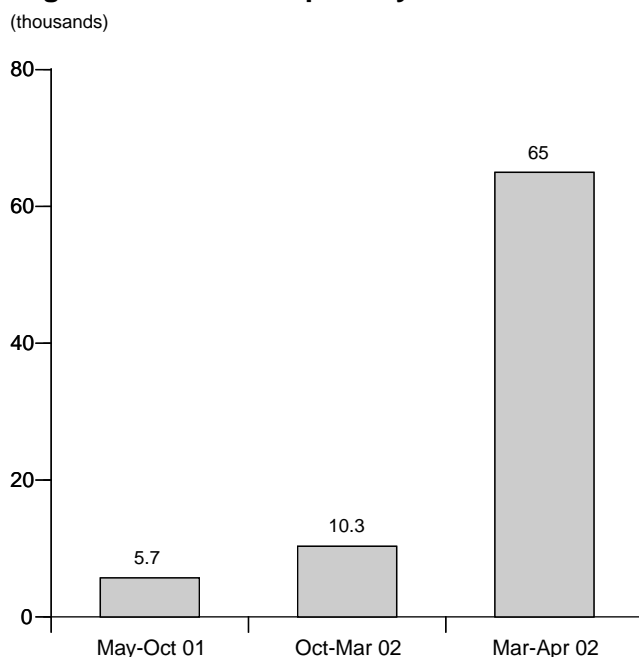
The official projections show a strong increase in the number of indigents, those defined as so poor that they have no money to buy a basic market basket of 27 foods to cover essential caloric and protein requirements. This category now includes nearly 6.5 million Argentines, 17.8% of the total population.

FIGURE 1
Argentines Living in Poverty



Source: EIRNS.

FIGURE 2
Argentina: New Poor per Day

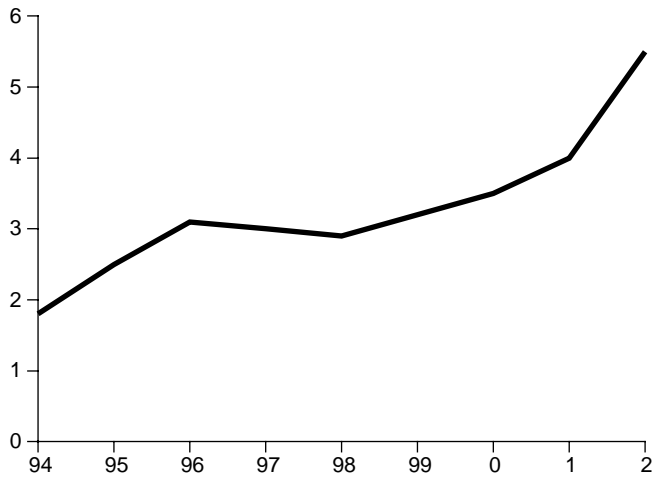


Source: EIRNS.

FIGURE 3

People Living in Poverty: Buenos Aires

(millions)



Source: EIRNS.

According to the metric used by Indec, a 60-year-old or older woman is not indigent if she receives 52 pesos a month (\$16, at the current exchange rate of \$3.19/peso). This amount, according to Indec, should be able to maintain a child of between 4 and 6 years of age for a month, without falling into the category of indigent. In other words, \$16 is supposed to meet their monthly food needs! Or, a couple with one small child would not be considered indigent, if their monthly income were more than 193 pesos (\$60). At \$147 a month, they would move out of the poverty category, as well.

We are thus left with the question: If common sense were used in measuring the country's true social conditions, what would be the real number of impoverished and indigent in Argentina?

How Do I Know If I Am Poor?

Officially in Argentina, "the indigence line" is used to measure households that lack sufficient income to purchase a market basket capable of satisfying minimum energy and protein needs. This line, as of April 2002, was set at 81.76 pesos per adult, equivalent to \$25.63. In December 2001, the "indigence line" was set at \$19.

The "poverty line" is defined by the ability to satisfy a combination of food and non-food essentials. This level, as of April 2002, was \$60.74 per person.

To determine the poverty line, the indigence line is multiplied by a coefficient (the Engel coefficient), defined as the ratio between food expenses and total expenses of the population. In this calculation, the latest Permanent Home Census was used, where the Engel coefficient was 1:2.46.

For example, a typical family of four (one 44-year-old adult=1, plus the 40-year-old wife=0.74, plus a five-year-old

son=0.63, plus a nine-year-old daughter=0.72, according to the table of equivalences) adds up to the equivalent of 3.09 adults. If this family earned less than \$252.64 a month, they would be categorized as indigent. If they earned less than \$621.50 a month, they would be classified as below the poverty line.

Consumer Price Increases

The index of prices for mass consumption products rose 46% since Argentina abandoned convertibility, according to the May 12 issue of the daily *La Nación*. Some categories registered increases of more than 100% in late April.

In April, the increase in the inflation index was 13.2%, the fourth consecutive month it rose. In April, Argentines had to spend 3.7% more each week than the previous week, to satisfy the same consumption needs.

Thus, in an economy in which unemployment is growing by leaps and bounds, current wages are being devalued daily because of inflation, throwing millions of Argentines into growing categories of impoverishment and marginality, in the course of just a few months.

The most significant price hikes during the period between November 2001 and the fourth week of April 2002, are seen in the following products: diapers, 111%; oils, 100%; flour, 100%; chicken, 90%; tomatoes, 90%; mayonnaise, 80%; laundry detergents and fabric softeners, 71%.

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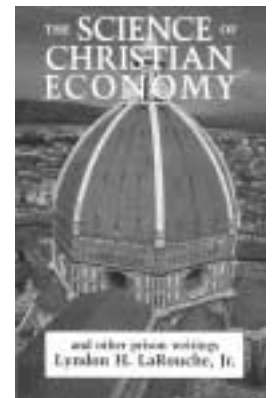
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Colombia Lead Candidate Nearly Killed: Cui Bono?

by Maximiliano Londoño Penilla

The author is president of the Ibero-American Solidarity Movement (MSIA) in Colombia.

Days before the narco-terrorists of the Revolutionary Armed Forces of Colombia (FARC) tried, on April 15, to assassinate Presidential contender Alvaro Uribe Vélez in the city of Barranquilla, *Newsweek*, in its March 25 edition, published a highly hostile report on the Colombian candidate, in which it stated that practically the only way to prevent his election to the Presidency, was to kill him. In the very first paragraph of the *Newsweek* article, author Joseph Contreras was categorical in demanding Uribe's head: "Now, Uribe commands an approval rating of 59%, and it seems nothing short of an assassin's bullet can stop the maverick politician from winning the May election." *Newsweek*, like a number of the mass communication media in our country, also presented Uribe as a sponsor of the so-called self-defense or paramilitary groups, and insinuated that he and his father were tied to the narcos.

Why would *Newsweek*, which is part of the media empire of the Wall Street financial house Lazard Frères which also owns the *Washington Post*, want to eliminate Alvaro Uribe? An image of the grotesque embrace between New York Stock Exchange President Richard Grasso, and FARC chieftain "Raúl Reyes," which took place on June 26, 1999 in the jungles of Caguán, comes immediately to mind.

The attack against Uribe was designed to soften him up, ultimately to convince him that he should renew the failed process of negotiations with the FARC. Otherwise, so the lesson goes, he will not only become a target for attacks, but widespread terrorist actions will end up "convincing" the population itself that it's necessary, once again, to sit down and "dialogue" with the narco-terrorists. In fact, Uribe has been changing the tenor of his speeches, from the hard-line position of confronting the narco-terrorist offensive, to the *supposedly* hard-line position of forcing the guerrillas to "negotiate seriously"—that is, to the very policy that has already miserably failed.

At the same time there are, within the Uribe campaign, individuals like Rudolf Hommes, Jorge Humberto Botero, and Santiago and Armando Montenegro, globalists and die-hard advocates of "economic opening," who are demanding that Colombia intensify its International Monetary Fund economic program, the same one which has already left half the population without work, and which has allocated nearly half of the national budget to servicing the debt.

President Andrés Pastrana's so-called "peace process" was made possible by the strategic alliance forged between Wall Street and the FARC. A genuine hard-line policy against narco-terrorism, such as that represented by the Presidential candidacy of Gen. Harold Bedoya Pizarro (ret.)—or, as was sometimes suggested by Alvaro Uribe early in his campaign—represents a threat to the powerful international financial interests which encouraged the political and territorial concessions extended to the FARC by Pastrana, on the pretext of seeking peace for Colombia.

Peter Romero, from his post as Clinton's Undersecretary of State for the Western Hemisphere, was one of the main authors of the so-called "Pastrana peace process," and when it became clear that that policy had failed, the same Romero tried to recycle it through implementation of the "Plan Colombia." In the words of Madeleine Albright, then Secretary of State, the policy was one of "the carrot and the stick"—that is, to militarily harass the FARC, only to force them to "seriously negotiate." FARC leader "Tirofijo" ("Sureshot") and his military commander "Mono Jojoy" still laugh themselves silly over Washington's strategic foolishness.

However, they now want to recycle the negotiations folly yet again, and Wall Street and the City of London hope that the next Colombian government, whatever it may be, will implement it, albeit "corrected and expanded."

Will an eventual Uribe government be able to swallow all this? Perhaps the Wall Street firm Violy, Byorum & Partners, which organized the 1999 Cartagena meeting of the Millennium Group—prominent international businessmen who backed Pastrana's negotiation process with the FARC—should be asked. Among the Millennium Group was the same Richard Grasso of the infamous "Grasso Abrazo," and his friend Jim Kimsey, head of America Online, who weeks later would visit the Caguán to meet "Tirofijo" himself.

It turns out that one of the Senior Managing Directors of Violy's firm is the same Peter Romero who, from inside the State Department, had sponsored negotiations with the FARC. Romero is the official who had sent Philip Chicola, then head of the office of Andean Affairs for the State Department, to meet in secret—although later it became public—with the FARC's "Raúl Reyes," on Dec. 14-15, 1998, in Costa Rica.

Another of Violy's Senior Managing Directors is none other than Rudolf Hommes, one of Uribe's leading advisers!

Violy McCausland, President of Violy, Byorum & Partners, worked for nearly two decades in the Wall Street firm J.P. Morgan, and afterwards with James D. Wolfensohn, who went on to become World Bank President. McCausland boasts that during her career, she has facilitated mergers, acquisitions, privatizations, restructurings, and financing projects surpassing \$30 billion. When one talks about corruption on a macroeconomic scale, we are referring to these privatizations and related financial activities, through which the assets of Ibero-America's nations have been sold off at bargain-basement prices, to the benefit of Wall Street's own.

Jabotinsky Wrecked Zionists' Hope For 'Water for Peace' in Mideast

by Steven Meyer

The first of a series of articles revealing how Vladimir Ze'ev Jabotinsky, the factional sympathizer of Mussolini and Hitler in the Zionist movement, was used by the British oligarchy to prevent the creation of independent, industrially and scientifically developed states in the Middle East. The Likud Prime Ministers known as Jabotinsky's "Princes" have brought the Middle East to the brink of general religious war.

In 1976, economist and Presidential candidate Lyndon LaRouche issued a policy statement, known as the Oasis Plan, which would establish a Middle East peace to "make the deserts bloom." LaRouche's policy was that a durable peace could be established only through economic cooperation between Israel and her Arab neighbors. The pivotal point of his policy was the establishment of energy dense, nuclear-powered desalination projects which would provide the needed water, for the creation of both rich agricultural areas and modern industrial cities. LaRouche discussed the Oasis Plan with Abba Eban, one of Israel's elder statesmen; contacts were made by LaRouche representatives with various political factions in the Arab world as well; it was the basis of his private input into the discussions that became the Oslo Accords.

Part of President Clinton's problem in establishing a workable peace, stemmed from his lack of in-depth understanding of economics. He did not take such an energy-dense water policy as the foundation of his peace, seriously flawing his overall effort. Without great water projects on the appropriate scale as the keystone of an economic peace, transformation of the region and the hope for a better future by Israel's neighbors are merely arid dreams.

Builder Elwood Mead in Palestine

The modern history of such projects for Palestine and the Middle East dates back to late 1923, when American water expert Elwood Mead traveled to Palestine at the formal request of Zionist leader Chaim Weizman, to assess what existed and what might be created. Mead had been an assistant engineer for the United States Engineer Corps, and from 1899-1907 he had been in charge of irrigation investigations for the United States Department of Agriculture. As an irrigation expert and land and water reclamation expert, he helped build California's Imperial Valley. Mead was the chief engi-

neer for the construction of the colossal Hoover Dam project in the United States, and its man-made lake is named in his honor.

Mead's initial report suggested that using his techniques, Palestine could become as verdant as Southern California, and that the Jordan Valley, like the Imperial Valley in California, had the capacity "to supply distant cities with fruits and vegetables." Mead's projects included the building of a dam in the upper Jordan Valley that would "light cities, turn the wheels of factories, pump water for irrigation, and give to the country a varied and prosperous industrial life."

The following year, Meade became the Commissioner of the U.S. Bureau of Land Reclamation, a position he occupied until his death in 1936. He made a second trip to Palestine in August 1927. He made water studies for Mexico and Australia as well, and set a precedent which the Bureau of Land Reclamation continued throughout the following decades. Others in the Bureau helped Israel develop its famous water irrigation policies during the early 1950s.

Mead was not welcomed by every faction within Zionism. In fact, his proposals caused a political turmoil because he criticized the "back to the land" nonsense of some of the most ardent Zionists, and criticized the inefficiency of many of the kibbutz (cooperative) farms. Mead's water projects were laid out in terms of the American System of political economy; mechanization, efficiency, and adherence to strict economic principles to generate a profit for debt repayment and further capital investment.

Mead's policies were of interest to a group of Zionists who were German-trained intellectuals, and who embodied the intellectual tradition of the great German Jewish philosopher and Orthodox Jew, Moses Mendelssohn, and of the German Classical period. This group became the on-the-ground planners and builders of early Palestine. Each held numerous degrees, including in economics, from German universities. In the heated atmosphere of the Russian Revolution and the prevalent discussion of the economic theories of Karl Marx, the three considered themselves socialist planners. The group included Julius Simon, Arthur Rupin, and Chaim Arlosoroff.

The three uniquely held, that to create and build a successful Palestine into a modern nation required that they establish a bi-national state with equal rights and participation in all walks of life for both Arab and Jew. Success also required

a dirigist economy and national banking, which would allow an invigorated Palestine to participate in uplifting the neighboring Arab states, something which would help ensure the security of the region.

The scale and method of Mead's proposals, had they been realized through the policies of Rupin, Simon, and Arlosoroff, would have resulted in a both a durable political transformation of the region and an energy-intensive transformation of not only Palestine's economy, but implicitly, that of the entire region.

Jabotinsky the Wrecker

To Palestine's colonial overlord, Great Britain, this implied that it would be stripped of its colonial power over the region, and its strategic control over Middle East oil and raw materials. It was in Britain's interest that such a policy fail.

It was the fascist Vladimir Jabotinsky, founder of what has become in recent decades the Likud Party leadership of Israel, and Jabotinsky's so-called Revisionist minions, who were deployed on Britain's behalf in a dastardly fashion to destroy this potential. To counter the dirigist policies of Arlosoroff, and implicitly kill the possibility of implementing Mead's project, Jabotinsky published articles on the primacy of establishing a *laissez-faire* economy in Palestine. His hooligans broke strikes and threatened the life of those who were leading the charge for a bi-national state.

In 1929, Jabotinsky's Betar movement led the first provocation at the Wailing Wall and Temple Mount, when several hundred cadre, armed with explosives, demonstrated at the Wall. The Arab riots which ensued, resulted in hundreds of deaths, of both Arabs and Jews. This was the very first threat of its kind to a holy site of Islam, and the provocation itself created a radical Islamic movement throughout the world which opposed the creation of any Zionist state in Palestine. So the first highly organized radical opposition to Zionism was created by Jabotinsky and the Revisionist movement.

The British also used the same radical Islamic movement to threaten and undercut those Palestinian Arabs and other leaders of the region who were sympathetic to the idea of a bi-national state and the economic development of the region.

Chaim Arlosoroff was critical of the Revisionist provocation, which he called immoral and imprudent. To counter the Revisionists, he arranged secret direct negotiations with leading Palestinian Arabs and Emir Abdullah, the King of Transjordan.

Arlosoroff's collaborator Arthur Rupin, born in Posen (Prussia) in 1876, held degrees in economics and law from the University of Berlin. He also held a degree in the biological sciences from the University of Halle. Emigrating to Palestine



American water expert and builder Elwood Mead (left) was called to Palestine repeatedly in the 1920s and 1930s by Chaim Arlosoroff (right), David Ben-Gurion and Zionist leader Chaim Weizman. They wanted Mead to replicate in the Jordan Valley and Palestine, his planning of great water projects in other nations, including America's Hoover Dam and Lake Mead. This was essential to their strategy for a peaceful Israeli-Arab bi-national state.

in 1908, he was the single most important person responsible for organizing the Zionist capital and land purchases in Palestine for both urban and agricultural development. He held this post for the Jewish Agency until his death in 1943. His land policy was directly influenced by Elwood Mead's proposals.

Rupin's outlook of compromise with the Arabs is revealed in a 1924 entry in his diary: "What continually worries me is the relationship between Jews and Arabs in Palestine. Superficially, it has improved, in that there is no danger of pogroms, but the two peoples have become more estranged in their thinking. Neither has any understanding of the other, and yet I have no doubt that Zionism will end in catastrophe if we do not succeed in finding a common platform."

Rupin founded and was president of Brit Shalom, an association to create a bi-national state, and he worked closely with his friend, Judah Magnes, the Chancellor of Hebrew University, to write a bi-national constitution. Jabotinsky's Revisionists, lead by Abbba Achimier, opposed Brit Shalom and a bi-national state. They threatened Magnes' life, and group of hooligans under Achimier's direction stormed a ceremony at which Magnes was presiding at Hebrew University, disrupting it with fists and stink bombs.

In the subsequent legal hearing, Achimier's close friend and attorney Zvi Eliyahu Cohen defended their fascist actions and revealed their support for the Nazi stormtroopers who were then busting up meetings of trade unionists and socialists: "Were the Hitlerites to remove their hatred of Jews from their program, we, too, would stand by their side. Had the Hitlerites not risen in Germany, it would be lost. Yes, Hitler saved Germany!"



Palestinians in Jordan wait in line to get water. The Mideast water scarcity had to be addressed by development projects, as the early Zionist leaders understood. Water development, as in Lyndon LaRouche's Oasis Plan, is still essential to Mideast peace today.

Not a Laissez-Faire State

Julius Simon, though born in Germany, was an American citizen because his father had fought in the Civil War. He lived in the United States during the 1920s and early 1930s, where he became a director of the Palestine Economic Corporation (PEC), an American-based public corporation which raised capital for investment in Palestine. Elwood Mead was recruited as an adviser in the early 1930s, while he chaired the Bureau of Land Reclamation and while his and FDR's Hoover Dam plan went forward in the American West.

Although Mead's grand design for the Jordan Valley was not implemented in Palestine, certain features were adopted through his and Simon's activities with the PEC. The PEC established a specific subsidiary, the Water Company, which provided the most modern American well-boring machinery to Palestine. The American-based Water Company also provided the initial geological, hydrographical, and geophysical investigations of Palestine necessary for the scientific and economic use of water. It also trained a generation of Zionist technicians to build and run the water systems, and a cadre force of scientists to further water exploration.

The third Zionist directly influenced by Elwood Mead was Chaim Arlosoroff, a close associate of Israel's first President, David Ben-Gurion. Born in 1899, Arlosoroff received a degree in economics from the University of Berlin. He helped form the labor-socialist party Mapai, in 1931, and was elected chairman of the Political Department of the Jewish Agency, the unofficial post of foreign minister. Arlosoroff was an intellectual and economist of top caliber, and he incorporated Mead's water program as the basis for telling leading Arabs that he planned to deliver water to the most remote Arab villages.

In 1923, Arlosoroff wrote a several hundred-page memorandum setting out the economic requirements for Palestine. Entitled *The Finances of the Jewish Agency*, it laid out the

economic principles and requirements to build a modern state out of the desert and swamps. His underlying premise was that a *laissez-faire*, private initiative economy would lead Palestine to its doom. In a chapter on "The Legend of Private Initiative," he wrote, "modern internal political life knows the Ministry of Welfare," and therefore infrastructure of all kinds, including compulsory universal education, which benefit the entire state and future generations were by their very nature, outside the scope of private enterprise. Since the British government had no interest in developing Palestine along these lines, he proposed that the Jewish Agency be the public authority for these improvements. He criticized individual rural settlement policy, arguing that urban de-

velopment required a planned agriculture economy.

His proposal was that the Jewish Agency secure loan capital for various primary tasks, which included: 1) purchasing land and the initial investments for required for its cultivation; 2) distributing loans for cooperative settlements; 3) distributing loans for urban construction; 4) setting credit for imports and raw materials; 5) creating a note-issuing bank, and currency which would be convertible to the Egyptian pound and be used in Palestine as legal tender, to give more control of the overall economy. It was late that same year, that Elwood Mead made his first visit to Palestine. His overall great project, could only be situated in such economic planning.

In 1925, Arlosoroff wrote an economic treatise which predicted that Palestine faced an economic collapse. During 1924-25 there was a large immigration of middle-class Jews from Poland, who settled mostly in Tel Aviv. The population increased by 13,000, and only 2,098 persons entered industry or manufacturing jobs. The rest were associated with commercial endeavors, and there was large real estate speculation. Arlosoroff warned that there was not enough real economic development to sustain the new population. Arlosoroff's forecast was borne out quickly, with unemployment, bankruptcies, and mass emigration back out of Palestine. In 1926 and 1928, he published two further critiques of this process, arguing for his dirigist policies. Elwood Mead made his second trip to Palestine in 1927.

Jabotinskyites, 'Free Trade,' and Thuggery

In 1926, Vladimir Jabotinsky published a famous thesis on the "free market" to challenge the authority of Arlosoroff. (In 1987, the very same essay was republished in the Hebrew edition of the *Wall Street Journal*, in an effort to get Israel further to dismantle its economy through "free-market" reforms and privatization schemes!)

In many economic writings, and in private letters, begin-

FIGURE 1

Colorado River and Jordan River Development Areas



Mead, who had developed the Colorado River Basin plan, including the Hoover Dam, conceived of an ambitious Jordan Valley water and irrigation development plan for Palestine in the 1920s, first at the request of Zionist founder Chaim Weizman.

ning in 1921, Arlosoroff discussed the nationalist movement that was developing amongst the Arabs of Palestine, and polemized that would be pernicious to belittle it or to rely on bayonets to suppress it. Writing in response to the May 1921 Arab riots against Jews in Jerusalem, he noted “We have only one way—the way of peace; and only one policy—the policy of mutual understanding. It is especially important to say these things now, in a moment of rage and anger. . . . Because of existing conditions, Jews and Arabs are pushed into one path, and therefore they are in need of the politics of compromise. One quick look at the European history of states and nations would teach us this: There is only one way out; a mutual compromise.”

In 1929, the Revisionists demanded that ownership of the Wailing Wall be given to the Jews, and that the land fronting it be widened and sold to them. The Wall was a holy site for both Arab and Jew. The Prophet Mohammed had tied his horse to the Wall and from the Temple Mount which it abutted, had ascended to heaven. The Wall is all that was left of the ruins of the second Jewish Temple, and prayed at as a holy

site by Orthodox Jews. The Betar newspaper of Palestine, which Jabotinsky edited, began to agitate “the Wall is ours.” On Aug. 15, several hundred youth, mostly from Betar, marched to the Wall, with the women in the group carrying concealed weapons and explosives, while a detachment carrying knives and sticks raised the blue-and-white flag of Zionism. As the confrontation escalated on both sides over the following days, riots broke out and 133 Jews were murdered by Arabs, while 116 Arabs were murdered, mostly by police. The inflammatory articles and the Betar demonstrations were judged by the authorities to be the spark that set off the riots and killings. Jabotinsky, who had been out of the country, rushed back, proclaiming that the Betar rally at the Wall had been “useful and a fine thing.”

Immediately after the incident, Arlosoroff wrote his wife: “What is all this excitement about? What good does it do? This damned entrance to the Wailing Wall is truly a cul-de-sac, which will cost us most dearly—Blood, quiet, nerves, goodwill, constructive ability, relations and contacts that are hard to maintain, the security of our brethren—all this will be

the price we will have to pay for it.”

Later in the year, he wrote an official document which condemned the action as a “Revisionist provocation.” He wrote that, due to the non-confrontational policy of the early Zionist movement, in the development of Arab nationalism since 1921, the radical element had lost ground. With the Revisionists’ focus of attention on a Muslim holy site, the uneasy equilibrium had been shattered and a new, highly emotional issue had been set aflame. The provocation had ignited an element of religious fanaticism among Palestinian Arabs which had swept through the wider reaches of the Arab and Muslim world.

‘This Hitleristic Peril’ Betar

Arlosoroff was more concerned about Jewish youth who were being recruited to Jabotinsky’s cult of Jewish power and militarism. He wrote numerous suggestions to change the course that had now been laid by the Revisionists. One of his primary suggestions was to establish a diplomatic mission which would send emissaries to Cairo and Baghdad to offer support for those countries’ efforts at economic progress and political freedom—“to clarify that we have no interest in opposing the justified demands of the inhabitants of these countries; on the contrary, that we are ready to support them according to our abilities.”

He also suggested that a program be established “to send a group of our students to Al-Ahazar University” in Cairo, to study Muslim and Arab culture. He proposed that more Zionist institutions be set up to issue credit and economic aid to the Arab *fellahin* (peasants), and that Jewish institutions already engaged should broaden their efforts.

Conflicts escalated between the Revisionists and their adversaries led by Arlosoroff and Ben-Gurion. In 1932, Achimier, whose regular column in *Doar Hayom* (Jabotinsky’s Betar newspaper) was entitled “From a Fascist’s Notebook,” created a secret organization, Brit HaBiryonim (Union of Terrorists or Outlaws), modeled after Mussolini’s *squadristi*. Achimeir deployed many of this group in confrontations with the Histadrut trade union, writing in his private diary; “We must create groups for action to exterminate the Histadrut physically; they are worse than the Arabs: bombs into their gatherings.” In February 1933, Achimeir tried to break a building strike of the Histadrut, using scab labor he had recruited, and violence broke out. There were many such confrontations.

In a speech to a mass meeting in Tel Aviv that same month, Ben-Gurion called Jabotinsky “Vladimir Hitler.” “What happened in Germany keeps Hitler’s lieutenants in the Jewish community awake, itching to do the same,” said Ben-Gurion. “In Germany, too, a cheap demagogue at first seemed ridiculous and laughable. . . . He knew how to capture . . . the hearts of millions of Germans from all classes with deceptive propaganda, and rose to power. So let us not underrate the severity of this Hitleristic peril in the Jewish, Zionist street.” In 1932, while in Berlin, Ben-Gurion had written, “I read . . . Hitler’s



Vladimir Jabotinsky in 1917. Ben-Gurion later called him “Vladimir Hitler,” and his Betar newspaper proclaimed, “Hitler saved Germany.” His tendency’s legacy is today’s Likud party in Israel.

organ, and it seemed to me that I was reading Jabotinsky. . . . Same words, same style, and same spirit.”

In March, Achimier’s own newspaper, *Hazit Ha’am*, presented another defense of Hitler. “The various socialists and democrats are of the opinion that Hitler’s movement is just a shell, but we believe it has both shell and substance. The anti-Semitic shell must be disposed of, but not the anti-Marxist substance.”

Development for a Bi-National State

In April, Arlosoroff held a secret meeting with Palestinian Arab leaders and Emir Abdullah of Transjordan at the King David Hotel, to discuss a bi-national state and joint economic development. His proposals included establishing massive water projects for drinking and agriculture, including bringing water to the most remote Arab villages, the creation of a deep water port for oil use, an Agriculture Development Bank, a shared Jewish-Arab Directorate of Agriculture, and the creation of a specific fund for Arab economic development which would issue loans at 3.5-5% interest.

When the news of the historic meeting was leaked, the Emir was mercilessly attacked by the radical Arab press, while many leaders of the Revisionist movement denounced Arlosoroff and called for his assassination. According to American Rabbi Samuel M. Stahl, Arlosoroff was put on a hit-list by the Revisionists.

The next month, Arlosoroff held further secret meetings with dozens of sheikhs representing 23 Arab villages. Preliminary agreements were reached for Jewish colonies.

On the morning of June 16, Achimier’s *Hazit Ha’am*—in its own words a supporter of Hitler and the Nazis—now ran an attack on Arlosoroff by name for his trip to Germany, accusing him of collaborating with Hitler and the Nazis. Arlosoroff had just returned from discussions with the Reich. This was his second trip. On April 9, the Jewish Agency meeting

in Tel Aviv had received a report from Germany that 60,000 Jews and others had been arrested, that four detention camps were operating, and that there were 9,000 medical doctors and other professionals who had been dismissed from civil service jobs by the April 7, non-Aryan decree. On the same date, the Nazis had halted any further flow of refugees to Palestine.

Arlosoroff's secret negotiations with the Reich were twofold: He proposed that rather than confiscating German Jewish wealth, a fund would be created from German Jews which would be used to purchase building materials from German firms to be used in Palestine, and that a several-stage transfer of German Jews to Palestine would also be allowed, the first stage being a mass exodus of children.

The Jabotinsky press article was entitled "The Alliance of Stalin-Ben-Gurion-Hitler." According to sources, the strange reference to Stalin claimed that the nationalist Arabs, with whom Arlosoroff was negotiating, were also backed by the communists. An accompanying editorial ended with the threat: "The Jewish people has always known how to deal with those who have sold the honor of their nation and its Torah, and it will know today also how to react to this shameful deed, committed in the full light of the Sun, and before the eyes of the whole world."

Then, and Now: Murdering the Peace

That evening, Chaim Arlosoroff was assassinated by two men while he and his wife were walking on the beach in Tel Aviv. Ben-Gurion, who was travelling in Poland, immediately increased his security. Arlosoroff's wife picked Zvi Rosenblatt from a police lineup. Rosenblatt and Avraham Stavsky had been tracked from the crime. Both were associates of Achimier, and when Achimier's house was raided, the police found an entry in his diary, describing a party that was held, to celebrate a "great victory," immediately after the killing of Arlosoroff. Achimier was arrested and charged with inciting to murder, while the other two were charged with manslaughter.

Jabotinsky and Rabbi Abraham Isaac Kook both rushed to the accused killers' defense immediately after their arrests, saying they were innocent. Leading Revisionists claimed the accused were framed, and that Arab rapists, who were after Mrs. Arlosoroff, had committed the killing! The three accused were held in custody until their trial the following Spring. An Arab in prison, who had already been convicted of murder, confessed to the crime, but then recanted saying he had been bribed by Stavsky and Rosenblatt. He confessed again, and then recanted.

But at the opening session of the Zionist Revisionist Congress on Aug. 17, a leading Polish spokesman took the floor and "confessed," stating that any Jewish youth that fired the shot at Arlosoroff would automatically become a saint!

Rosenblatt, Stavsky, and Achimier were held in jail until the case came to trial on April 23, 1934. Achimier was acquitted, for lack of corroborating evidence other than his diary

entry. Rosenblatt was cleared for insufficient evidence. Stavsky was convicted and sentenced to death, but his conviction was reversed on appeal for procedural reasons.

The Revisionists claimed for decades that they had been framed by Ben-Gurion and his supporters. In 1944, when Lord Moyne, the British High Commissioner, was assassinated by two members of the Stern Gang, a Palestinian ballistics expert, F.W. Bird, examined the murder weapon and found it had been used in seven previous political slayings; twice against Arab targets, four times against British targets, and once—against Chaim Arlosoroff.

Leah Rabin, after the assassination of her husband, Prime Minister Yitzhak Rabin, in 1995, recalled that Chaim Arlosoroff had been killed under similar circumstances, only months after she had arrived in Palestine as a young child.

History Repeating Itself

Ben-Gurion struck out to continue Arlosoroff's negotiations. In September 1933 he held several meetings in Jerusalem with Moussa Alami, who had been chief public prosecutor before becoming one of the leaders of the Palestinian Arabs. Alami was closely connected with the Grand Mufti of Jerusalem and the leaders of Istiklal, the Arab Independence Party.

Ben-Gurion reiterated the policy of Arlosoroff for a binational state, water and economic development for Arab villages and areas, and an economic federation of the region to ensure economic growth and stability for Palestine and her neighbors. Alami was interested in the proposal, and secretly met with the Grand Mufti, who also showed interest. Other secret meetings followed over the ensuing months at the request of Alami, bringing together other leading Arabs and representatives from Syria as well. But after a secret meeting in Geneva, a report was leaked to the periodical *Arab Nation*, and Alami was forced to quickly back out of the discussions. Ben-Gurion did not flinch in his commitment, and started new negotiations with Arab leaders, including Auni Bey, Abdul Haddi, and Moussa Husseini.

But the Grand Mufti, a tool of the same forces which controlled Jabotinsky, was won over to the side of the Nazis, and Arab terrorists launched a wave of attacks on Palestinian Jews during their celebration of Passover in 1935. The negotiations ended abruptly. History was to repeat itself in 2002.

As Chaim Arlosoroff, Elwood Mead, and David Ben-Gurion understood the principle for which Arlosoroff gave his life, so that principle has its expression now in the Oasis Plan for which Lyndon LaRouche has fought for almost 30 years. There can be no peace without economic development in the Mideast; and no peaceful economic development without the creation of large-scale new sources of water. Such a Marshall Plan in the Mideast today requires a New Bretton Woods monetary reorganization. As long as London, Wall Street, the International Monetary Fund, and World Bank dictate privatization and free-market policies, neither development nor peace will be permitted.

Toward Economic Recovery, Not Perpetual Warfare

A Dialogue With Lyndon H. LaRouche, Jr.

During Lyndon LaRouche's May 1 webcast, "The Middle East Blow-Back Effect" (published in last week's issue), many viewers sent in e-mail questions to the candidate. He answered some during the webcast itself, and others in writing afterward. Here is an edited selection of the written replies, released by the candidate's Presidential campaign committee, LaRouche in 2004. Some questions have been abridged.

Break the Free-Trade 'Suicide Pact'

Konstantin Cheremnykh, journalist, Russia: You recently spoke with optimism about the decision of President George W. Bush to increase the import tariffs for steel, thus supporting steel producers. I was also optimistic about that, believing that as a result, Russian companies, at last, will sell more of their production on the domestic market, and for that reason, would also push an anti-free-trade legislation.

Instead, the Russian government imposes its own import limitations for Ukrainian production (which is already under pressure from the U.S. measures) right before the elections in Ukraine, with a quite natural political result. At the same time, the government imposes a number of similar limitations on China, which, as far as I understand, also does not much flourish after joining WTO. Now, what does China do? Instead of telling the Russians: Don't be idiots and don't follow our mistake, China imposes its own conditions for Russia's entry in WTO, which are more free trade.

I can imagine Russian's Minister of Economy, a WTO enthusiast with no economic education, howling in his office, and feeling himself like a helpless [Ukrainian President Leonid] Kuchma on the knees before a powerful Lukoil or Shell. All this could look pretty funny, if it were not so sad.

Could you characterize this tragicomedy with one good definition of yours?

LaRouche: The world in general signed a suicide pact, most of them, admittedly, at the point of a gun. WTO, "free trade," "globalization" in general, and so on,



LaRouche: "There was never a case of an imperilled civilization which did not depend for its survival upon so-called 'lone voices.' "

were key elements of this pact. Reality impelled the leaders of the U.S. Senate to violate part of that insane agreement, as a unilateral U.S. action.

The relevant principle is, that the nations have the obligation, of setting the price-levels of essential products of production by such protectionist measures as may be required to accomplish that intention. In the isolated case of steel tariffs, the U.S. elected to do just that.

Simply, the intelligent reaction of the world at large would have been, to breathe a deep sigh of relief, and to cry out in joy: "At last our overlord has come to its senses! Now, let us do the same."

However, much of the world at large has developed the mental characteristics of a piglet, who refuses to be weaned of the role played by a United States which mimics Italy under ancient Roman imperial rule—the role of the United States as an importer of last resort. A world which has been dumping its raw materials and other products at prices below their true cost of production, would rather die like piglets drinking from such a mother sow's belly, than think of a proper response to the U.S.A.'s own breaking of the "free trade" agreements which the U.S.A. itself had (chiefly) imposed upon the post-Soviet world as a whole.

Until it is recognized that the world, and its nations, must now return, urgently, to a fixed-exchange-rate monetary-financial system, and protectionist policies associated with the 1945-1965 implementation of the original Bretton Woods agreements, the world is doomed, whether by mass economic

suicide, or even uglier means.

The United States unilaterally changed the system, with very good reason to do so. Therefore, the world must return to the proven sort of protectionist system which the recent epidemic of mass "free trade" lunacy had supplanted. This means, that the nations, including Russia, rather than protesting in defense of policies which have been killing them, must change their present policies, often radically, to fit the new situation thus produced. Fortunately, I know leading figures in Russia who are typical of those competent to define the needed measures. This is the time to heed their wisdom.

How Can Macedonia Help?

Student, Republic of Macedonia: All of us (and many, many Macedonians) followed with enthusiasm your April 5 interview on Macedonian national television. How should the students here organize to act and to spread and implement your ideas? Can Macedonia economically, culturally, and politically be relevant on the basis of your program? How do the New Bretton Woods and Eurasian Land-Bridge Projects directly concern Macedonia?

LaRouche: On the first part of your question:

We must learn from Plato, and the achievements of his Academy through the time of the great Cyrenaican of that Academy, Eratosthenes, who emerged as the greatest scientist of the world in his time. The pivotal feature of such a cultural renaissance today, will be serious young minds between the ages of approximately 17-25, young people who sense a func-

tional connection between the increasing decadence of most of the governments and the schools and universities, and the disastrous slide of the world into what threatens to become a new dark age even for all humanity.

Such young people should balance their activities between intense involvement in influencing the ongoing political process and, at the same time, zealously studying certain crucial matters of physical science, Classical artistic composition, and history in a way, the Classical tradition, which is no longer proffered in secondary schools and universities generally today. Such a task-oriented combination, of political reality and acquiring the knowledge needed to address political reality effectively, has always been the basis for the launching of a new Classical period of renaissance.

I focus all that I say around that global perspective.

On the second part of your question:

There is no possibility for bringing civilization out the onrushing collapse of the presently bankrupt world monetary-financial system, without a general bankruptcy reorganization of existing financial debt, a reorganization which establishes the kinds of system of fixed parities among currencies, new systems of credit-creation, and resumption of protectionist policies of trade and development similar to those used during the 1945-1965 interval of post-war Transatlantic reconstruction. The world could not survive without such a New Bretton Woods agreement.

However, a good form of international monetary-financial system is not sufficient by itself. There must also be program of physical-economic reconstruction and improvements. The case of the war-ruined economy of the Balkans is typical of this need.

The proposed Eurasian Land-Bridge programs includes a segment of development corridors running from the Danube, to various points on the Adriatic, Mediterranean, and Black Sea coasts. These corridors are composed of transportation routes, using high-speed rail or magnetic levitation transport for passengers and freight. They also feature trunk-lines of development of power-generation and distribution, and water management. These corridors also contain new and old urban centers, as focal points of life and employment.

The mass-transport of people, goods, power, and water management through a trunk-line passing through a region of habitable land-areas, is also an engine of economic development. The movement of produced goods into, through, and out of regions where agricultural, industrial, and other production is occurring, transforms the areas through which it runs into the equivalent of a production-line, providing goods and employment to people living in the corridors along such routes.

The Danger of a New Balkan War

Krum Velkov, journalist, Republic of Macedonia: I have been introduced to your work and ideas since 1995. Perhaps you are informed that there was a mass-circulated

pamphlet, titled "Get Lyndon LaRouche! A Story of Courage and Knowledge," that I published 1997. This pamphlet has been read by many Macedonians and has been able to inform people about your fight, that is also very important for Macedonia and other countries, I strongly believe.

1. Macedonia is presently in the so-called post-war period, after the last years' attacks on its sovereignty by the KLA narco-terrorists. The international community now claims that there is no more danger of a new big terrorist offensive. But, the reality is somehow different. For example, there is the question of the change of the border between Macedonia and Kosovo, that is continuously raised from Kosovo, including from NATO leaders in Kosovo.

If we know that the international community made an agreement with Serbian and Kosovo authorities that Kosovo can not be independent for the next three years, we are also afraid that an even more catastrophic war is going to explode after three years, or much earlier if the principle of national sovereignty and inviolability of the borders is not respected. What do you think of this possibility of new war in Macedonia, Mr. LaRouche?

2. Let me ask you about the so-called Hague Tribunal. From your interview for the Macedonian TV on April 5, the Macedonian public was able to learn and appreciate fully with great relief and gratitude, your position concerning the "Tribunal." The Hague Tribunal is treating the Macedonian Interior Minister, Mr. Ljube Boskovski (and, indirectly, the Prime Minister of Macedonia, Mr. Ljubco Georgievski), only on the basis of some unproved claims concerning the village of Ljuboten.

Lacking any serious evidence, The Hague Tribunal Chief Prosecutor, Carla del Ponte, is now trying to find compliant "witnesses." According to some sources, these so-called witnesses are given money directly by some persons linked to the Tribunal.

So, what should Macedonia do to protect the people from such a brutal interference into its right to defend its independence and sovereignty?

LaRouche: Since Wednesday's webcast, there has been a continuing influx of questions, each focussed upon a particular situation in a particular part of the world, but all implying one fundamental question in common. In effect, these questioners are all asking, each in his, or her own way: What chance is there for the survival of civilizations, under the conditions defined by worsening trends in U.S. domestic and foreign policies since Sept. 11, 2001? As you emphasize, correctly, some of these problems, such as the current situation in the Balkans, originated under the combined influence of such circles as Britain's Prime Minister Blair and Secretary of State Madeleine Albright, during the second U.S. administration of President Clinton. However, there is a deeper, long-term trend in practiced policies.

This evil trend within U.S. policy-making, to which all questions of the same general class pertain, came to the sur-

face, at the waiting hands of President Franklin Roosevelt's enemies, almost at the moment of the first news of his sudden death.

As I emphasized in the webcast, the world, when considered as a whole, is gripped chiefly by two U.S.-centered crises, crises which threaten to plunge all humanity into a dark age of several generations duration. There are, first, the fact that a thirty-five-year-long flight away from sanity in Anglo-American world economic policy of practice, has brought the world as a whole to the greatest crisis in three and a half centuries, since the 1648 Treaty of Westphalia; and, second, a U.S. shift in military policy, toward the intent of establishing a modern, English-speaking parody of the self-doomed ancient Roman Empire. It is intended to be, as I emphasized on Wednesday, an imperial system of military rule by perpetual warfare.

This military policy was consolidated for practice, by those agreements, chiefly focussed against Germany, which were reached among, chiefly, Prime Minister Margaret Thatcher, President François Mitterrand, and President George H.W. Bush during the 1989-1991 interval. At that point, Anglo-American policy was aimed at the rapid elimination of all significant vestiges of the sovereign nation-state, while the doctrine of global perpetual warfare, as a system of English-speaking global imperial tyranny, was put fully into operation. Two sets of wars, in the Middle East beginning 1990, and the Balkans immediately following, became the pivots for making perpetual warfare a global imperial policy. Since Sept. 11, 2001, and especially since President George W. Bush's State of the Union Address of 2002, that doctrine of global perpetual warfare has been, and is today, the only strategic policy of both the current government and leadership of the two major political parties of the U.S.A. and the current British government. These wars have become perpetual wars, like those conducted by the legions of imperial Rome. The Balkans is marked to be a permanent area of perpetual such destruction, under the utopian military policies of those factions of the relevant English-speaking imperial powers.

Thus, when the war against Yugoslavia was being brought toward its close, the governments of the U.S.A. and Britain set in place their controlled, Albania-Kosovo terrorist assets, whose function was to bring about the progressive dismemberment and ultimate obliteration of the sovereign nation-state of Macedonia. The relevant British and U.S. governments, both currently fully behind the doctrine of perpetual global warfare, use their diplomats only as dupes or outright liars, in the effort to bring about the intended victim's willing submission to his own bloody, physical dismemberment. Thus, the destruction of Macedonia today would be merely a prelude for the intended, ultimate, similar dismemberment of France, Germany, and Italy, a few steps down the succession of targets.

By her actions, Carla del Ponte is currently, whether fully witting, or not, a bureaucratic instrument of that policy. She



The World Trade Center on Sept. 11, 2001. Since that date, and especially since President Bush's State of the Union Address on Jan. 30, 2002, "the doctrine of global perpetual warfare has been, and is today, the only strategic policy of both the current government and leadership of the two major political parties of the U.S.A. and the current British government."

typifies the bureaucrat, around today's world, who, while killing you, says, "Don't take this personally; I am only doing my job."

'A Lone Voice'

Khalid Abu Krayim, Political Editor, *Al Bayan*, Dubai, United Arab Emirates: Mr. LaRouche is "singing outside the flock," as we say in Arabic; on the other side there is the Zionist lobby, the Christian fundamentalists, and so on. You, Mr. LaRouche, are a lone voice. What do you expect from the Arabs, in terms of supporting you in your campaign, your fight, in terms of media, political support, and financial support? What could the Arabs do exactly in this regard?

What role could you play, aside from the human rights groups, in exposing the crimes of Sharon, and exposing Sharon as a danger to the Arab-American relations?

LaRouche: There was never a case of an imperilled civilization which did not depend for its survival upon so-called "lone voices." It is different among people, than among the lower forms of life. Mankind's progress and survival, wher-

ever that has occurred, has depended upon the voluntary role supplied by the initiative of relatively very few people. This is true in science; it is also true in politics. If a people faced with a deadly crisis of its culture, fails to heed the relatively few voices which are warning the mass of people to change their ways, that people will suffer a great destruction, as the price of failing to hear the voice of reason at that time. Of course, it is not sufficient to denounce what is wrong; lone voices which fail to propose positive changes in the culture, are like lemmings who warn against marching over the cliff, but who fail to propose a suitable change in direction and destiny.

Therefore, I do what I continue to do, because it is the only actual solution. A people which qualifies for surviving this crisis, will accept such solutions, even from what are seemingly lone individuals.

Strategic Forecasting: The Case of Colombia

Q: With Colombian Presidential elections less than a month away, can you give us an update on the campaign of Harold Bedoya?

LaRouche: Under present conditions, it is virtually impossible to forecast the exact situation within any among the nations of Central and South America, except in the context of the massive overreach from the U.S.A. and the International Monetary Fund. Brazil and Mexico are the only remaining republics of Central and South America which have greater than minimal influence over their own short-term destiny. Harold Bedoya is playing a strategically necessary role on behalf of Colombia and the republics of the hemisphere generally. Unfortunately, as shown by the insane policy of the U.S. government and IMF in the case of Argentina, by the U.S. government's current duplicity on the issue of drug-trafficking, and by the U.S. government's bungled coup and counter-coup in Venezuela, the U.S. government is presently incapable of any competent policy-making respecting any part of the world. In this situation, Colombia is like a boat caught in a maelstrom, a maelstrom generated, chiefly, by Washington, D.C. bungling.

I am very successful at both long-range economic and strategic forecasting, but I have been successful not merely because of my skills, but because I am sensible of the limitations of my power in sundry situations. I have, as you probably know, definite policies respecting Colombia, in particular, and on the issues of measures to be taken against narco-terrorist drug-trafficking. If the U.S. government would adopt my policies on this matter, it would succeed. At the present moment, that government is incapable of choosing to do anything good in any part of the world. I would hope that that could be changed, very soon. Change is not impossible, but, for the moment, it is nowhere in sight. Only the final stage of general financial collapse of the United States were now likely to create the conditions under which necessary

changes would be considered by official Washington. Since the financial collapse is presently imminent, the situation is not yet hopeless.

President Bush and the Mideast

Q: Why are you so against President Bush, especially his foreign policy concerning the Middle East?

LaRouche: You should study my record on Middle East policy, and also my warnings against the utopian military policies and practices of those in the White House and Congress who are supporting the specifically fascist genocidal policies of the Sharon government against the targetted Palestinians. The faction in Israel responsible for this genocide represents the followers of an avowed fascist and one-time professed admirer of the early phase of the Adolf Hitler regime, Vladimir Jabotinsky. This faction, centered in the right-wing Likud, is currently conducting an intentional copy of the practices of the Nazis in the case of the destruction of the Warsaw Jewish Ghetto. The foolish President of the United States (who, may, privately, despise Sharon) has supported this policy of genocide against the Palestinians; that, largely for political reasons, involving the coming November 2002 U.S. elections.

As I have said repeatedly, publicly and privately, I will always act to defend the U.S. Constitution and the constitutional function of our President, as I do now; but, I do not support policies, by the President or others, whose effect would be the destruction of our constitutional form of government. The President must now make a radical change in his policies on a number of matters, especially the Middle East. I would hope that he has the courage to do so.

What Is a Gold-Reserve Monetary System?

Q from Calgary, Alberta, Canada: Please explain how a gold-reserve monetary system would work.

LaRouche: The object of a fixed-exchange-rate, gold-reserve-system, is to create the expanding conditions of trade and investment under which a basic 1-2% rate of medium- to long-term lending can be sustained without explicit or hidden inflation.

The conceptions of balance-of-trade involved, are centered around the management of balance of payments among nations. The simple expression of this is the notion that the sum-total of exports-plus-credit-plus-gold reserve must define a managed annual balance on accounts among nations. Hence, for purposes of sane management of our nation's internal and external affairs, we have a corresponding, derived distinction among short-term, medium-term, and long-term lending and of economic cycles.

This is not to be confused with the old British gold standard, whose foolish U.S. adoption was crucial in artificially bankrupting the U.S. economy during the late 1870s, and which caused every monetary-financial crisis of the U.S.A.

from the late 1870s until 1933.

The official history of U.S. policy on this matter dates from Treasury Secretary Alexander Hamilton's published reports to the U.S. Congress, on credit, a national bank, and manufactures. This was reflected in the national banking policies under the first and second U.S. National Bank, and the highly successful "Greenback" policy of national credit-creation, established under Abraham Lincoln. This was also the intent of President Franklin Roosevelt, on the domestic monetary control of gold reserves. The fact that the U.S. emerged in 1945 as the only world power, enabled the U.S. to use its economic power as the backing for the reconstruction of Europe during the initial two post-war decades of operations under the original Bretton Woods System.

Today, although the principles of a sound monetary system remain those consistent with such U.S. precedents, the world's circumstances are significantly different. Presently, the world monetary-financial system is hopelessly bankrupt. At present levels of production, the world economy is operating at a great margin of deficit in purely physical terms of sustainable levels of production and required consumption. There is no possible way in which the present overhang of financial obligations could ever be paid. To create the conditions for expansion of production to levels at which a self-stabilized monetary-financial system could exist, would require the immediate extermination of a very great portion of currently outstanding debt obligations, especially debt accumulated under the junk-bond and financial-derivatives manias of the recent two decades. Today, the crucial challenge is that of pruning and reorganizing the existing mass of financial indebtedness with a view to a minimal adverse impact on ordinary households and local communities, and a sustainable general economic recovery and growth.

To say the same thing, in effect: The world economy, as considered in physical terms, is currently operating at a loss, a very large and dangerous margin of loss. There must be a corresponding expansion, to bring that world economy above a functionally definable breakeven level. This will require, in turn, a very high rate of increased long-term investment in expanded rates of per-capita output. This investment can not be obtained within the constraints of existing, private credit resources; there must be an enormous investment of the intrinsic credit-creating powers of sovereign nation-states. About half or more of this added margin of investment must be applied to basic economic infrastructure. The economic stimulus to employment and private enterprise by infrastructure programs will serve as the engine of growth to bring the world's economy up to levels of better than mere breakeven.

Since the inherently hopeless bankruptcy of the present world monetary-financial system requires a sudden and radical reorganization in bankruptcy of the world's system, we must rely to the maximum possible degree on changes toward current policies consistent with the relatively highly success-

ful monetary-financial system of the 1945-1965 interval. Perhaps something else were technically better in design; but we must respect the importance of popular confidence in a pre-existing success, rather than leading them into waters of which they lack institutional memory.

The crucial role of a gold-reserve system, is the need to manage the relative values of currencies in world markets, to such an effect that inflation in net lending costs is kept under control. For this, the tough discipline of a gold-reserve system of relatively fixed parities, is politically indispensable.

Bush and the 'Zionist Lobby'

Q from Egypt: I wonder about what kind of thinking the President of the United State follows. He is absolutely sacrificing vital U.S. interests in the Middle East and all the Arab world, and also in the all Islamic world, *just for Israel*, for unfair issues.

LaRouche: What I believe is that the President is currently being used as a virtual puppet of those who pull his emotional-intellectual strings. He is being told that the world should obey him, because of his authority as U.S. President. He is being told that his power will be taken away from him unless he does as certain people, including Karl Rove, tell him to do to win his brother's reelection as Florida Governor, and the Republican Party to win the November 2002 Congressional elections. He becomes very nasty when he thinks people are not obeying his every whim. I am not certain that he could find the Middle East on a map.

It is important to free him from the string-pullers, and afford him a realistic sense of both the world and the U.S. interest within that world. However, he must be understood presently not as the maker of U.S. policy, but as the controlled instrument used to unleash policies demanded by the string-pullers.

As I emphasized in this webcast, we must remove the popular illusion inside the U.S.A. as in the Middle East, that Israel controls the U.S.A. through a so-called Zionist lobby. The Zionist lobby is a mere tool, used for several purposes, including the control of Israel, by the English-speaking faction in London, the U.S.A., and elsewhere, which has aimed to create an English-speaking world empire, to rule the world through mechanisms of perpetual warfare. The Nazi-like followers of the self-proclaimed fascist Vladimir Jabotinsky, the Likud, and fascist elements of Nazi Waffen-SS-like mentality in the command of the Israel Defense Forces, are the intentionally expendable instrument deployed for unleashing the so-called "Clash of Civilizations" war with Islam which has been the long-standing policy of such lackeys of the late Harvard University Professor William Yandell Elliott, and Britain's Bernard Lewis, as Zbigniew Brzezinski, Samuel P. Huntington, and the now slowly self-disintegrating Henry A. Kissinger.

The George Bush who currently occupies the position of



The Nazi Waffen-SS on the march. Today, the “utopian” advocates of a one-world empire, called “globalization,” have copied the methods of perpetual warfare from both the ancient Roman legions and the Waffen-SS.

President of the U.S.A., is what he is, and no more than that. His role must be taken into account, but excessive focus on his personality distracts attention from the powerful enemy “behind the throne” who is the real power behind the policies which the President is permitted to utter.

Who Will Step Forward?

Q: With the steam roller now moving full speed over the Constitution and our liberties, what can the typical citizen do to change it’s direction or get us back on the path on which the country was originally set?

LaRouche: A justified war is always a winnable proposition. However, it must actually be won. This war is winnable. I know how it can be won. Who will join me in winning it? I admit, it is like George Washington’s Winter at Valley Forge, but because he and his forces stuck it out then, we won.

The issue is not the power of the “steam roller” to which you refer. The problem is that the overwhelming majority of our people are lying flat on the ground, waiting to be rolled over. However, the enemy has a vulnerable flank, which, properly exploited, can lead to his loss of power. That flank is the fact that the present world monetary-financial system is in the process of disintegrating. The political significance of that collapse is that once the people realize what fools they

have been to believe in the economic policies which have caused this collapse, they will be open to fighting against the policies, the mass media, and politicians who continue to lie to them about a so-called, but actually non-existent recovery.

However, something else must be added. Pessimism is never a good recipe for needed changes. The people who have dropped their illusions, and who are now desperately open to proposed solutions, must be presented with real solutions. We must organize the people, wherever and whenever they are willing to discuss the matter, around real solutions. Solutions, so considered, are the real-life definition of optimism. Give people legitimate hope in time of need, and we can muster the best of even this collection of fellow citizens we have presently.

Religion, Education, and the State

Q: Do you support the acknowledgement of *God* in education?

LaRouche: Yes, as in Genesis 1.

If you examine what I have stated on science, you will find my views on the subject of God, natural law, and statecraft elaborated with careful precision. The human individual is a unique quality of being, set apart from and above all other forms of life, and endowed with that efficiently creative power of reason which is otherwise known only as the character of power embodied in the personality of the Creator of the universe. Therefore human life takes on a sacred quality, which is expressed in such notions as the obligation of the state to promote the general welfare, or, in other words, the common good. In the original Classical, Platonic Greek of the Apostles John and Paul, this obligation is expressed by the term *agapē*, as in the Christian I Corinthians 13.

That is the fundamental constitutional law of the Federal government of the United States as stated in the Preamble of the Constitution. It was on that principle itself, that the United States was founded by the work of leaders such as Cotton Mather and his follower Benjamin Franklin.

Apart from these obligations of government and society, in matters of religion the role of religious belief in political life must accept the role of the missionary, rather than judge or legislator. We must love one another as the true missionary loves the soul of the person he, or she addresses. However, we must bind the institutions of government vigilantly to the principle of the promotion of the general welfare, within the nation, and among nations.

Consider my personal situation as an example of the problems to be considered in this light.

For me, mortal life must be lived to an immortal purpose. We must use and develop the mortal life we have as an instrument to bring forth the good, even if we are not able to experience the benefit of that within the span of our mortal experience. All truly good citizens, and all citizens truly qualified to occupy high office in the Executive Branch, the Congress, and the Court, must be chosen according to that moral stan-

dard. He or she must judge his or her actions by their consequences for the world beyond his or her death, as zealously as any matter of personal interest within the span of individual life. For this reason, the sense of the nature of each mortal human being as being as a creature endowed with a power of reason existing otherwise only in the Creator, is the source of the genius of a great scientist such as Johannes Kepler, and any citizen capable of understanding the practical implications of a notion of natural law. The powers of government may be safely entrusted to those who enjoy such inspiration.

Organizing in the Philippines

Anton Quinton, from the Philippine LaRouche Society: I would like to thank you and your associates for showing me the light that provides me with the direction and purpose for which I live.

There are three issues I would like to touch on.

First is the dilemma of organizing. I have a preference to focus my organizing efforts towards the youth, those who are college students and individuals in their low to high 20s. Most of them are not familiar with your ideas, the movement, and your person. And oftentimes I am faced with the reaction that these ideas are “too radical” and bear “no credibility.” A lot of those educated here have a feeble understanding of the systems working around the world and are inclined to make the assumption that the so called “experts” know what they’re doing. I myself do not hold a master’s degree or doctorate that may provide the credibility towards these peers. Another dilemma is that even when they do accept that there is a degeneration in the world economic systems, they resort to hiding behind an “invisible power” that will save us from this mess, avoiding the responsibility to take part in the process of development. How would you suggest I approach this problem?

Secondly, the political situation here is highly unstable; the administration has no control of the dying system. Government and political personalities are breaking up into factions. And there doesn’t seem to be any strong leadership emerging. There are talks of a “collective leadership,” probably bordering on parliamentary systems or the like. All of which is being justified by the alleviation of corruption and poverty. Obviously, corruption is rampant in this society, not only in politics but in every facet of the culture. What form of government would suit this nation, and how do we get there?

Lastly: We are up against huge enemies with tremendous clout and power all over the world. Yes, the system is dying, it does not work, it is finished. Yes, we have to change it! But how do we do it? It is like David against Goliath. Their control over the mass media and their mastery of cultural manipulation has created a brick wall in the minds of societies. How do we break down this wall of cognitive cancer and draw out the intrinsic goodness in every man to move forward towards the passion for the sublime? The IMF, the World Bank, the Anglo-American conglomerates, these are tough adversaries,

with the machinery and the resources to devour us. What steps do we take to out flank them? They would never agree to give up their position and power in the world nor concede to the responsibility of this flawed system. They will definitely not admit the error of their ways. So what’s the plan? What are the strategies to fight this behemoth?

LaRouche: I respond to your three categorical queries *seriatim*, as follows.

1. On “invisible power.”

The sense of rule by an “invisible power,” is typical of

The people who have dropped their illusions, and who are now desperately open to proposed solutions, must be presented with real solutions. We must organize the people, wherever and whenever they are willing to discuss the matter, around real solutions. Solutions, so considered, are the real-life definition of optimism.

those forms of gnosticism which pervade European civilization from such sources as the neo-Manichean Cathars, showing up in such forms as the doctrines of Bernard Mandeville, Quesnay’s *laissez-faire*, and Adam Smith’s “free trade.” It is implicit in the dogmas and method of Aristotle and such radically decadent offshoots of Aristoteleanism as empiricism, Cartesianism, Kantianism, positivism, and existentialism. In general, it expresses a universe governed by an a priori set of axiomatic definitions, axioms, and postulates, rather than experimentally validated discoveries of efficient universal principles. Such superstitions are the expected results of conditioning to “do as you are told,” rather than reason. The lack of a knowable source of authority, tends toward superstitious belief in the reigning influence of an invisible power. For example, the cultural decadence of Spain under the Inquisition and the Hapsburgs, as the cultural depravity described by Cervantes’ *Don Quixote*, spread the tendency for existentialist forms of superstition throughout South and Central America.

This is otherwise expressed by an impassioned substitution of “I feel this,” “We feel that,” or, “It may be true, but I have to go by my feelings,” for reason.

The cure for such gnostic superstition is reason. The cure is fostered by those spiritual exercises known as Plato’s dialogues, and the use of the experiencing of those dialogues as models for examining propositions for the quality of experi-

mentally verifiable truthfulness. Against embedded gnostic superstition, nothing can prevail except the form of dialogue modelled upon the Socratic method of Plato.

2. The unstable political situation there.

The instability has been rendered acute by a succession of U.S.-directed coups d'état, beginning with that against President Marcos. These coups have been a product of the utopian faction of the U.S. military, especially the legacy of Colonel Lansdale. Currently, the Philippines is being transformed to serve as a model of and bastion for perpetual-warfare operations in Southeast Asia. These influences from the U.S.A. utopians intersect the impact of the lack of that economic development which would provide a sense of progress, and therefore stability. Thus, this problem must be assessed as expressing more the general global situation, rather than something endemic to internally generated Philippines development.

3. The "David & Goliath" parable.

Ask the closely related question: "What can life accomplish against the powerful forces of the non-living, against death?" Yet, as Vernadsky emphasized, geology shows that life has been taking over more and more of the planet during the course of the recent billions of years. The principle of reason, specific to human life, allows a human population in the billions, where a creature such as the higher apes could never achieve a higher level on the planet as a whole in excess of a few millions individuals. The power of cognitive reason, expresses the greatest power for change in the universe, as mankind at its best expresses this most clearly.

However, as I have emphasized, the case of the degeneration of the U.S.A., during the recent thirty-five-odd years, from a producer's society to a consumer society, reflects our becoming a nation of would-be parasites, like ancient imperial Rome. Such a decadent form of society, or a culturally stagnating society of other forms, is inherently a pessimistic culture. It is a society which assumes responsibility for producing its own means of progress to an improved condition, which is inherently optimistic, and therefore powerful, and powerfully efficient in mastering the problems set before it. Not accidentally, it is the poison of the Malthusian idea of "environmentalism," which has been the most influential cultural factor in the spread of accelerating rates of decadence in globally extended European culture during the recent thirty-five-odd years.

We need less doctrine, and more happy excitement with the discovery and sharing of cognitive ideas. That is the well from which optimism, and the power to change the world, springs.

The Suicide Bombers

Q from Philadelphia, Pennsylvania: I am a Jew, who, along with my synagogue, believes that the peace process in Israel can only occur if the so-called occupied territories are returned, *despite* the fact that war was launched against Israel

on the holiest day of our year.

Indeed, there is much racism against Muslims in Israel, but to hear terrorists referred to as "heroes" is repugnant.

What are your thoughts on Mrs. Arafat's (who is safe in Paris) lamentation that she doesn't have a son whose life could be given for the conflict? And do you have any comments about the obscene photo of a Muslim man holding his daughter upon his shoulder. The youngster has mock dynamite tied to her.

Freedom fighting is one thing; wanton terrorism or support of same is something else.

[*Mr. LaRouche answered this question during the webcast, and sent supplementary written remarks to the questioner afterward. We print both here.—ed.*]

LaRouche: Well, the situation of the fighters, the Palestinian fighters and activists, who are engaging in these acts which are called terrorism—which is really nonsense—must be compared and equated to the actions of a relative handful of Jews, in the Warsaw Ghetto, who, with a few pistols and carbines, and ingenuity, resisted—in a hopeless situation—resisted the full, concerted might of the Nazi war machine. If you would recognize the fact, which is the essential fact, that the Likud policy—especially the military policy of the IDF now, the policies of Sharon, and the incipient policies proposed by Netanyahu—are Nazi, then you get the truth of the situation; and, you, then, can, from that standpoint, have the framework in which to judge the behavior of these Palestinians.

Now, many of them, I think, are wrong. But they are, like the Jewish fighters, in the Warsaw Ghetto, against the full weight of the Nazi machine commanded by Stroop: And, there's no difference. Thus, the American Jew has to face the fact.

Now, here's the problem; there's another problem, which I think the questioner refers to; which is not mentioned, but should be mentioned. See, there are two reactions on the question of condemning the crimes of the present Israeli, Nazi government, against the people of Palestine. One objection is to calling them "Nazis." But they are Nazis. They are! So, why not call them by the right name? "Well, they can't be Nazis, because they're Jewish." Come on: Cut it out! How many people are followers, in Israel today, are followers of Vladimir Jabotinsky, who once offered to support the Hitler government of Germany, if Hitler would give up anti-Semitism. And, whose policies are *indistinguishable*—including those of his Betar—from Nazi policies. What do you think the Israelis were, of the Betar, in particular—including the Menachem Begin, who often bragged about having blown up the King David Hotel, with the British governor there, sitting in the bathtub, when the bombs went off? Menachem Begin was a terrorist! The Likud is a terrorist organization!

You had many Jewish fighters, who were *not* Betar members, who were not terrorists; who may have been mistaken, at times, but you could respect them, as actually fighters in a



Left: Nazi SS troops guard Jews—including two women—captured in the suppression of the Warsaw Ghetto uprising of 1943. The original German caption reads: “These bandits offered armed resistance.” Right: The report of SS Maj. Gen. Jürgen Stroop, titled “The Jewish Quarter in Warsaw Is No More.”

war, or in a battle. And they have to be respected as that. They may be wrong, but if you capture them, or if they surrender, you *treat them* with the respect their position requires. No: Not true of this situation.

So, therefore, the question, then, is: What are we talking about? We’re talking about a Nazi-like oppression, of Palestinians, by Nazis—and they *are* Nazis! By *every* objective standard.

Now, what’s the second question? The second question is much more serious, and some people will *hide* their concern over the second question, by their concern over the first one. That is, they say, “Yes. We agree with you. And they may whisper it to *us*. You’re right. But, if you say it publicly, I’ll denounce you!” What are they saying? They’re saying, “I am an Israeli patriot, or I am a sympathizer of the existence of Israel. And, therefore, on that basis, if the Israelis commit a crime, I have to defend them, because I support Israel’s freedom, and Israel’s strength, in the fight.” So, therefore, they would rather defend Nazism, than be in the position of being considered disloyal to Israel, when a war-like situation is going on.

When we don’t *say* that, then we get into trouble. We say, “Well, obviously, it’s a very simple solution: Get rid of the damned Nazis!” “Free Israel!” I mean, I don’t recognize as much, the present government of Israel, except *de facto*, as Woodrow Wilson would say. Because the present government of Israel came into existence as a result of a *criminal, coup d’état assassination of a Prime Minister of Israel*, who had a contrary policy; who made the peace with Arafat. That every government of Israel since that time has become illegiti-

mate, because it’s under the control of the people who committed that assassination. It has no historic authority. A government that commits assassinations, and is caught at it, of its leaders, has no authority. I mean, the point is, implicitly, the people who killed Kennedy, to get him out of there, they have no moral rights, as far as I am concerned, in the United States.

I may, as a matter of fact, have to support the institutions of the U.S. government and its Constitution; *but, in my heart, I know that’s not right*. And, sooner or later, justice will have to be served in this matter, but in a manner, which does not destroy our country. Israelis should do the same thing. Those who sympathize with the cause of Israel’s welfare, should do the same thing: Say, “Well, it’s one thing to defend Israel, but I’m not going to defend those Nazis, or the crimes that they’re committing! The best way to defend Israel, is to make it a state which is worthwhile *living* in! The kind of state, which, *at least*, Rabin understood had to be established. Therefore, which side are you on? Are you on the side of Rabin, or his murderers?” And, some people have forgotten that.

You can’t have this kind of hypocrisy, this idea of “Ohh, these guys protest that you call ’em Nazis. This person killed one of our people.” “Oh yeah! Who started the war?” Who started the war? Arafat didn’t start the war. Arafat wanted peace at Camp David. Arafat honored his agreement, the so-called “peace of the brave,” with Rabin. He tried to continue that policy.

Look, and see, the problem is even more complicated—the problem of the case of Hamas: Now, many people in Hamas, including some of those died, are probably honest people, in terms of what they are, as persons. *But*, I happen to

know, that Hamas, as an organization, was created by Ariel Sharon! And I know there's a control in the leadership of Hamas, by Ariel Sharon! So, if, every time that Arafat agreed to a term, and the United States was going to support Arafat on this question of peace, an incident occurred—usually from Hamas. The opinion in the Middle East is—and I support it, because I know Sharon; I know what he is. I've dealt with him in the past: Sharon is the kind of guy, who will find a Palestinian orchestrator to go out and commit an attack, against the Israeli population, in order avoid the embarrassment of being forced to negotiate. How do I know that these poor fellows—how many of them, who bomb themselves, as self-bombers, were not being sent by Sharon, through the Hamas, or similar kinds of agencies? So, why not look at that?

So, why don't we, instead of condemning individuals, and trying to make scandal about somebody who committed an act, because you want to call it a terrorist act—an act of the same type, committed by Jews, fighting against the Nazi machine, with pistols and carbines, in the Warsaw Ghetto; and against the same kind of enemy. You're going to call them terrorists? What's the word "terrorist" mean, then? No, Sharon is a terrorist! Therefore, let's keep our records straight: Under conditions of aggressive warfare, of Nazi campaigns of extermination against a people, the people shooting back

are not classed as terrorists.

[LaRouche's written elaboration follows.]

Although I replied to this during the webcast. I would emphasize the following points made during the webcast and its included colloquy.

Even the followers of the avowed fascist Jabotinsky do not represent the expressed essence of the internal problems of moral corruption in Israel itself today. To understand the situation in the Middle East generally, and within Israel in particular, we must first lay the ghost of the mythical role of the so-called Zionist lobby. As I emphasized during the webcast, the origin of the present Middle East situation was originally was manufactured by London, and brought into the United States later. Since the beginning of the Nineteenth Century, the British monarchy of Jeremy Bentham, Lord Palmerston, and others played with the idea of using Zionism as one of an array of potential elements of conflict which were developed in the Middle East for what are called today "geopolitical interests." I think nothing better illustrates the point than the connections between the "British Israelite" cults and the reflection of that in the so-called "Christian Zionists" of today. Israel is being used like a hand grenade, something to destroy itself in serving the interest of those who throw such grenades. Rabin and Arafat, with their "peace of the brave" represented the right policy, but a danger to those Anglo-American, utopian interests who were determined to use Israel, as a kind of strategic "hand grenade," to destroy itself, as Rabin feared, to unleash a global "Clash of Civilizations" war.

The war was launched in fact when Sharon sent a pack of idiots charging up Holy Mountain, to set off his election-campaign. Do not overlook the way in which Sharon's circles control and deploy "Arab terrorists" who act precisely at the moment, Sharon needs a new atrocity to avoid being pressured into negotiations. Remember, it was Sharon, then operating as housing minister, who created Hamas in the first place.

You and your friends impress me as well-meaning. You are valuable in this situation. You should also be effective. Think carefully about what I have said. I know I am right, and if you will think carefully, and seek the truth, despite knee-jerk impressions, I believe you will agree. Focus on the point I stressed, the strategic role and history of the utopian faction now controlling U.S. policy.

The Future of U.S.-Chinese Relations

George Kuo, *EDI City Magazine* (Chinese):

1. In a global view, once you mentioned the idea that China right now is somewhat like an elephant under the table. No matter what it is, I am greatly concerned about Sino-American relations in this century. Is China a friend of the United States, a competitor, or an enemy?

2. We have evidence to show that some people from Taiwan, in past decades, spent a lot of money in keeping their

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“foreign relations,” as with South Africa, etc. Some of the money went to pockets of some American congressmen. That’s bribery. Then our American policies will be bribed policies. Do you think so? If this situation continues, won’t we have twisted policies which are not for the benefit of the American people, but for a small group. Do you think Arab-Israeli relations are within this scope?

LaRouche: The United States must be a friend of China. There exists no natural conflict of interest between the two nations. However, the U.S. utopians, which are, at this moment, the dominant force in Washington, D.C., do intend to have a war with China, after they have, first, crushed the last bit of sovereignty out of South America and Africa, and reduced India and the Islamic cultures of the world to a tattered remnant of people hunted down as wild animals. Whether or not those utopians will be able to actually carry out such evil objectives, is the obvious question. My view is that they can not succeed in anything better than destroying themselves in the process of sending the entire planet into a new dark age.

There is another side to the problem. China does not yet understand the U.S.A. Therefore, as I have witnessed this, the government of China has made important strategic mistakes, caused by wrong estimates of the U.S.A.’s characteristics and the intentions of the leading circles inside the U.S.A. Considering either Nixon or Kissinger as “friends of China” is typical of such a lack of understanding of the U.S.A. by leading circles in China. I believe that I have come to understand why China’s leading circles, taken together on balance, often make such mistakes in judgment of the world around them. I take the fact of those mistakes into account, in estimating what China’s leaders are, and are not presently capable of doing, in response to the situation in the world around China.

The way the U.S. utopians, including Kissinger and his circle, and the Bush family members, for example, deal with the Taiwan matters, is an example of the way in which some leading circles in China wish to believe that China has a Taiwan problem, when the only real problem is a U.S. use of Taiwan, such as that by the Bush Administration currently, not a Taiwan corruption of U.S. foreign policies. The U.S. utopians’ policy is to isolate China from Russia, India, and Central and Southeast Asia, and later, after weakening China internally, to destroy China. This is the policy expressed by Harvard University-linked circles, such as the Olin Institute, in its 1998 reaction to the announcement of a “Strategic Triangle” of cooperation among Russia, China, and India. That group, together with other leading U.S. foundations, targetted India as the leading victim on its list, and the current operations against India recently are coming from those U.S. and related Israeli circles.

To reach a competent understanding of the world, one must never look at the world at large from inside one’s own nation, outwards. One must take intellectual responsibility

for the general welfare of all mankind, first, and examine the true interests of each nation from the vantage-point of the necessary process of development of mankind as a whole. As long as one thinks of any part of the world as an “outsider,” one can not understand the world as a whole. There is only one human species, and in their essence, every part of humanity is of the same quality. They differ only in historical experience and in the way that experience shapes the culture through which a nation must govern itself.

The only enemy of importance for any nation of the world today, is the force currently represented by the utopians. Other nations may behave as fools, but they are not innately enemies. Inside the U.S.A., the U.K., and Australia, for example, as in the fascist ruling party, the Likud, of Israel, there is a powerful force entrenched with great power, not just a small group, but an imperial party, including the majority of the top leadership of both major U.S. parties, which currently exerts command over relatively vast and powerful resources. These combined, powerful strata, are presently dominated by an impassioned commitment to establishment of a one-world empire, called “globalization,” through the methods of perpetual warfare copied from both the ancient Roman legions and the Nazi international Waffen-SS, the methods of the utopian party represented by the circles of Henry Kissinger, Zbigniew Brzezinski, Samuel Huntington, Bernard Lewis, et al. This force can be defeated, but its only major strategic vulnerability, is the fact that that global monetary-financial system over which it presides, is currently in the terminal phase of general disintegration. With the collapse of that system, the power of the utopians is jeopardized.

The Utopians and Sept. 11

Q: When will a real investigation start regarding the all the loose ends of 911? Example: The President saying he saw the first plane hit—when there was no live coverage of such. Why were no jets scrambled? The list goes on and on.

LaRouche: There are investigations under way which are known to me, not in detail, but in general terms. In the meantime, it would be useful to know the names of the high-ranking U.S. personnel involved in directing the operation itself. But the urgent matter is to defeat the still-continuing capability lurking there, whether or not we know the exact names, ranks, and serial numbers of the key perpetrators.

We now know with certainty what was done and for what purpose. Beyond that, certain of even the important details are clouded. The purpose of the operation was to set in motion exactly what we have seen since the close of that day: the launching of that “Clash of Civilizations” religious warfare, proposed by Zbigniew Brzezinski, Samuel Huntington, Bernard Lewis, et al., targetting all of more than billions of Islam. This is known as the same utopian military faction responsible for the slaughter at Columbine High School, and many other things. This is the faction that proposes, openly, to establish

an English-speaking one-world empire, in which professional armies, modelled upon both the ancient Roman legions and the Nazi international Waffen-SS, control the world through perpetual warfare.

As to the details of the lack of use of pre-existing standards of security, such as lack of interception, the questions here, are, to what degree was this a result of a monstrously negligent destruction of U.S. defenses, and to what degree was existing capability shut down at crucial moments? The important thing, in either case, is that whatever weaknesses existed, those directing the operation had to have known that information.

As long as one thinks of any part of the world as an “outsider,” one can not understand the world as a whole. There is only one human species, and in their essence, every part of humanity is of the same quality. They differ only in historical experience and in the way that experience shapes the culture through which a nation must govern itself.

Is Bush Listening?

Q: What is the probability that Bush will adopt any of your policies as Clinton and Reagan have in the past?

LaRouche: Two points must be made in reply to this. First, President Reagan entered office as a high-grade personality. Despite his conditioning by GE et al. on economics, he retained the qualities of a patriot from the time of the Franklin Roosevelt Administration. Additionally, he had close to him circles, such as Judge Clark, which were highly moral and intelligent patriots. In the matter of SDI, the President came to the same general conclusion I had reached in proposing that he make such a proffer to the Soviet government. No such happy set of circumstances exists presently in and around the White House.

However, these are very unusual times, in which seemingly impossible developments, for good, or for the worst, are probable. The onrushing general disintegration of the world's present monetary-financial system, combined with the increasing incompetence shown by the present government on every leading matter brought to its attention, means that we are on the verge of a profound shake-up. A combination of

influential circles sharing a common commitment to U.S. survival, would be the likely channel through which the adoption of my policies would not only be possible, but could become likely. If not, then the U.S.A. as we have known it, will soon cease to exist.

Man in the Image of the Creator

Q from Germany: You talked about the human being created in the image and likeness of the Creator, and I completely agree with this. You also said that the people themselves have to participate in the change you promote, and again I totally agree.

However, when we see human beings today, it is obvious that humans are far from expressing their image and likeness of the Creator in a positive way—and that's the issue of your conference, isn't it?

So I feel you fell somewhat short of elaborating that all human beings need to make an effort on themselves, an effort of self-change, in order to recover the constructive side of this being the Creator's image and likeness! Which also means the need to recover the constructive side of everyone's faith (if they have faith).

Could you please comment?

LaRouche: I think you might appreciate the facts that my favorite priests are often also Africa missionaries, and that John Paul II is most beloved for the same reason. As a statesman, I must separate church from state, but without yielding any of the much I have written, on the matter of natural law, as I have taken great care in defining natural law in a number of major items published.

1. Man's cognitive powers, as Vernadsky refers to this in defining the Noösphere, set mankind, and the sovereign human individual, apart from and above all other living creatures. This power to discover and employ what are efficiently universal physical principles, is a power found otherwise only in the evidence of Creation in general, which, because the voluntary nature of cognitive creativity is uniquely that of a sovereign individual person, compels us to recognize the Creator as a personality.

2. Therefore, individual human life, and its development as in the image of the Creator, is sacred. Consequently, the moral right of government to govern, depends upon its efficient commitment to promote that general welfare which the sacred nature of the individual requires.

3. Similarly, by virtue of the timeless universality of cognitive creativity, the human individual who is mortal in one aspect of his or her existence, is also immortal in the simultaneity of a cognitive eternity. The shortfall of most of humanity to date, is the failure to mature to a comprehension of the individual's immortal interest in the ultimate outcome of what he or she does, or fails to do, with the instrument of a mortal existence. In Friedrich Schiller, for example, this distinction supplies the notion of the sublime.

4. Those among us, who understand those considerations, and can live by them, must volunteer the needed moral guidance to steer the footsteps of those who have not yet attained the sublime joy of a sense of living mortal life so.

Nuclear Energy or Nuclear War?

Q: Can you explain whether or not the suppression of alternative energies (solar, wind, etc.) plays a role in the Mideast crisis and other geopolitical issues?

LaRouche: In practice, there are no “alternative energies.” The effective performance and economic efficiency of generation of power for general use depends upon the level of energy-flux-density (e.g., watts/cm²) of its generation. This function of energy-flux-density correlates, functionally, with the variability of cost of energy required to produce energy, a crucial calculation foolishly omitted from most proposals for use of so-called “alternative energies.” Other modes may be useful as temporary, or emergency sources, in the same sense that inefficient battery power may be required.

For example. High energy-flux-density generation can provide locally produced synthetic fuels, such as hydrogen or methane, as a fuel for vehicles. Such fuels can be used for jet aircraft, fuel cell-operated surface vehicles, and so on. Chemical ducting of appropriate fluids can provide efficient heating and cooking sources for cities. The safest and most efficient of all known sources of central energy generation is the high-temperature gas-cooled reactor developed at Jülich, which is a model being used in South Africa and China, but not in Germany.

For the Middle East, this is virtually the only means for meeting the challenge of large-scale desalination and correlated developments for durable peace.

Thus, since “alternative energies” are virtually worthless for the Middle East, we have a choice between nuclear energy and nuclear war. Which shall we choose as safer?

I recommend that you rethink some of the information you have received on energy policy from the point of reference of what I have rewritten on Vernadsky, and Vernadsky’s own work. You should find the subject itself thoroughly enjoyable.

LaRouche’s Personal Role

Q from France: If U.S. President Bush is the only one who can stop Sharon, what can we do, in France, what can France do as a nation, to make Bush take the right path?

LaRouche: For this I have a great, unique personal responsibility. I have the advantage, unlike my younger collaborators, of having the experience of three adult generations, and of being one of the relatively few of my generation still in full fighting trim for the battle-leadership I must supply for the years just ahead of us now.

There is a special, added feature to my role in this. At the time those born at the close of World War II came to adulthood, the United States and Europe were making a cultural-

paradigm shift, away from the producer society of post-war reconstruction, into a decadent consumer society. Thus, that generation, which now either dominates the leading executive positions of public and private institutions, or will soon, has no adult experience of the kind of society which worked, as distinct from the thirty-five-odd years of drift into the presently failed consumer society. We are at the point, that survival of civilization now demands the immediate scrapping of consumer society, for a rapid return to producer society. Thus, a person of my experience, professional competence, and philosophical outlook, has an indispensable personal role of leadership to contribute to reshaping the policies of and among nations. Given my special competence in designing the relevant economic-recovery and related policies, it is indispensable that I play a leading role internationally in bringing together the leading intellectual forces needed to steer this reconstruction effort.

The crucial factor to our advantage in this situation, is that “*Mene, mene, tekel, upharsin*” is written on the walls where the Belshazzars of today’s political and financial world are gathered. The accelerating collapse, toward disintegration, of the present world monetary-financial system, is under way. The deluded promises of “recovery” are now made ludicrous by sudden realities. The moral and political-intellectual authority of most currently ruling circles, is being undermined and will soon be widely destroyed. The time of political ripeness for sweeping change is sitting waiting for us, on our doorstep.

I will do my part. Others, theirs.

Gold Price: Reality Has Struck

Q from Boston, Massachusetts: What is the significance of the recent rise in the price of gold?

LaRouche: Reality has struck. Pending the reestablishment of a pre-1971 style of fixed exchange rates tied to a gold-reserve standard, sensible people, knowing most financial paper will soon be worthless, do the obvious thing: buy gold. They should be rewarded for their show of sanity, and service to an aching humanity. A new monetary system will adopt a fixed fair standard price of monetary-reserve gold, while also providing the private investor new kinds of places where a sensible individual might wish to invest for the future.

Hope for Africa

Q from the African Optimism organization, in Boston: There is currently an ecological disaster affecting Lake Victoria, which is affecting many people from Tanzania, Kenya, and Uganda. How can both people and life in the lake die at the same time? Could there be a direct force killing the lake? If the lake dies, it would affect the new African Union which relies on water from the lake for its projects against famine, poverty, and for transportation. What can Africa do

to save the lake and the people?

LaRouche: The source of the problem is that an intentional policy of genocide has been adopted, against sub-Saharan Africa, under policies such as Henry A. Kissinger's 1974 NSSM-200 and the Carter Administration's outgoing policies for global population control. The argument by Kissinger and others has been, that if the population of Africa were to grow, and demand the right to modern technology, that population would eat up African mineral and other resources which the United States and Britain intended to preserve for their own future consumption.

Unless that evil policy, now embedded in Anglo-American strategic doctrine, is overturned, there is no hope for Africa. We must fight for the measures of development, but we must not deceive ourselves into believing that the present authorities will do anything but react with murderous rage to our making such seemingly modest and innocent proposals.

Ashcroft's Witchhunts

Q: I would appreciate your view with regards to the witch-hunts led by Ashcroft against Americans who are of Moslem and Arab descent.

Thank you for speaking the truth; it is certainly a breath of fresh air and far from the lies and twisted truth we hear daily through all types of media outlets.

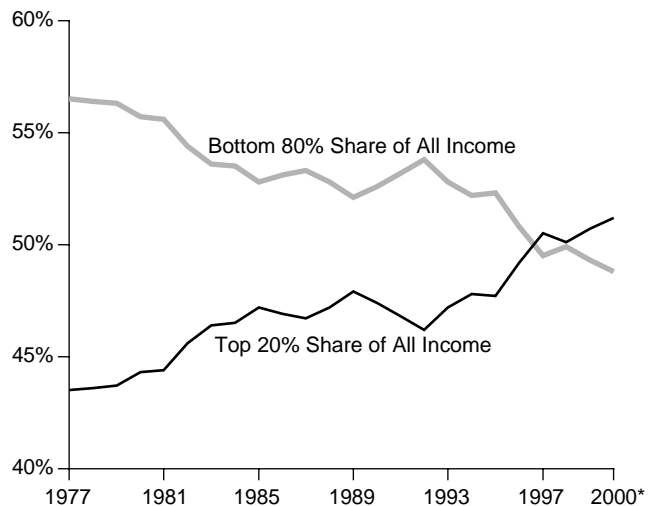
LaRouche: Attorney General Ashcroft's behavior is what was to be expected from a man of his racist associations and shallowness of mind. However, although he is responsible for actions taken under his direction, the operation being run has all of the earmarks of a longstanding, pro-fascist element within certain nooks and crannies of both the FBI and other elements within the Justice Department. These characters have never overcome their jealousy of the freedom to torture and kill of Himmler's Nazi Gestapo. The main problem is those members of Congress and citizens generally, who give support to this sort of repression; every U.S. citizen's rights are threatened by allowing such operations; any citizen not caught up in an insane lynch-mob mentality, would recognize that fact, and rise up in protest against these repressions.

Remember, no credible evidence has ever been presented publicly by the U.S. or other government, to prove that any foreign organization was involved in the authorship of the events of Sept. 11, 2001.

The 'Land of Opportunity'

Student, College Park, Maryland: The gap between social classes is very large in the United States. One percent of the population controls 40% of the wealth, while the poor are working just as much, if not more, as the wealthy, implying that the social system is in fact heavily biased. What is your solution to make statistics back up the saying that America is the "land of opportunity"? Or do you feel it is a situation which doesn't need to be addressed out of

FIGURE 1
Top 20% of Population Have More Than Half of All After-Tax Income



* = projected

Sources: Congressional Budget Office; EIR

fear of being labeled a socialist.

LaRouche: My associates and I have covered these patterns repeatedly in our publications. The pattern is much worse than you indicate. In any case, if I know something important to be true, I would not hesitate to report it. In brief, the shift of the U.S.A., from a pre-1965 producers' society, to a post-1966 consumer's society, is the principal cause of the post-1977 collapse in share of U.S. national income of the lower 80% of family-income brackets. The other leading factor, is the rise of the percentile of national income sucked up by a bloated financial-speculative bubble in real estate and other categories. The U.S. economy today is a weak hand desperately clutching the frayed end of a slippery rope, while the chasm yawns hungrily from below.

Questions from Iran

LaRouche's replies follow each of three questions from an Iranian representative.

The 'Clash of Civilizations'

1. Iran's President Khatami, in a recent speech, emphasized two points:

A. Last year's emergence of terrorist events on American soil is directly related with today's crisis in the Middle East; and

B. The powerful pro-Israeli lobby has taken advantage of President Bush's inexperience in international relations and foreign policy, and this interest is pushing Washington today towards a trap which is contrary to U.S. national interests. What is your opinion on those comments by President Khatami?

LaRouche: On the first of the foregoing points. The attacks of Sept. 11, 2001 were the product of a covert operation whose effect was to push the U.S. Government into launching the initial phase the "Clash of Civilizations" war against Islam which has been prescribed by such collaborating figures as Zbigniew Brzezinski, Samuel P. Huntington, and British Arab Bureau veteran Bernard Lewis.

Notably, no plausible proof of any Arab or other Islamic connection of these events of Sept. 11, 2001 has ever been presented publicly to the present date. Furthermore, careful study of even as much detail of those events as is known in the public domain, shows a level of pre-planning and other sophistication far beyond the capability of Osama bin Laden or any similar organization. It is virtually certain that the operation was directed by a tight, very high-level group inside the U.S. security system.

On the second point above, I must emphasize the need for caution about the nature of the so-called pro-Israeli lobby. If one studies the history of the matter, the notion that the United States is controlled from Israel is directly contrary to the reality of the situation. Rather Israel is controlled by certain Anglo-American interests which use Israel as a cat's-paw of certain Anglo-American interests in the Middle East and elsewhere. The control is exerted on behalf of what is known as a utopian military faction in the U.S., a faction which has long-standing links to certain institutions of the British monarchy. This is the faction which U.S. President Eisenhower identified publicly as the "military-industrial complex." In standard U.S. military usage, this faction is known as "the utopians." Typical of the ideology of this military faction, is Samuel P. Huntington's standard text, *The Soldier and the State*.

What Huntington represents is a mimicking of the function of the ancient Roman imperial legions, which is a virtual mimicking of the Nazi international Waffen-SS. This is also the policy of a large number of like-minded people, including many trained under Professor William Yandell Elliott at Harvard University. Typical are Zbigniew Brzezinski, Samuel Huntington, Henry A. Kissinger, and many other notables from the 1960s through to the present day.

With the 1989-1971 collapse of Soviet power, the Anglo-Americans of this utopian persuasion, decided that the opportunity existed to proceed to the establishment of an English-speaking world empire maintained by military force, for launching a form of perpetual warfare in approximately the manner ancient imperial Rome managed its empire. Thus, the drive toward so-called globalization and perpetual warfare was begun with the perpetual war against Iraq, and then the

Balkans. The launching of the "Clash of Civilization" war against Islam, world-wide, was pivotted on the role assigned to Israel to serve as detonator for general Middle East perpetual warfare, during which a used-up Israel would itself be self-destroyed by this overreaching of its capabilities. The key factor, is the threat, or actuality of Israel's use of its nuclear-weapons arsenal under these conditions.

President Bush was known during his 2000 campaign for the U.S. Presidency, as a person of manifestly very modest intellectual qualities, but he is being used as an instrument for launching what is intended to become perpetual warfare throughout much of Eurasia and beyond, especially targeting Islam at this stage. This would not be possible politically without the use of an Israeli government led by veteran fascists such as Sharon and Netanyahu.

Wiser circles in the U.S.A. seek to free the President from the control of "Christian Zionists" in the Republican Party and controlled pro-Israeli assets such as Senator Lieberman and former Vice-President Gore in the Democratic Party, who seek to draw the U.S.A. into a generalized Middle East war. Behind the scenes, the control over the situation lies with an English-speaking concert of pro-utopian factions within the British and U.S. military-strategic establishment.

Therefore, on these accounts, the situation is much worse than President Khatami's expressed views suggest.

U.S.-Iranian Relations

Q: 2. What is your opinion about the future of relations between the United States and Iran, especially given the increased role of the Pentagon and the hardliners in the United States? Iran plays an undeniable role in the development of civilization, with notable figures such as Ibn Sina, and other Iranian scientists and scholars. To take the best these individuals have contributed . . . this was the idea of President Khatami in his call for a Dialogue of Civilizations. Do you see a chance of changes in the immigration laws, with increased restriction of travel of Iranian people and others, which would seem to stop the dialogue between the Iranian and American people? Does this mean Bush wants war and Iran wants peace?

LaRouche: Essentially, that is precisely the present situation, until U.S. policy is changed.

Media Propaganda

Q: 3. On the role of the media in the U.S.A.

There is a pattern where there is the emphasis on some news more than others. Some issue capture large captions, like the rescue of a stranded cat from a tree, while other, extremely important gatherings and speeches, like yours today, are not covered as much as others. What is the role of the Zionist lobby in this media censorship? How can we effectively counter this media propaganda?

LaRouche: U.S. public opinion is chiefly controlled by a broadcast and print mass media which, in turn, is controlled

by financier interests allied with the utopian strategic-military faction. The only significant difference is between those who preferred the United States to act with restrained exposure to risk of set-backs to its operations, and the desperately reckless warmongers. The control of U.S. public opinion is much more thorough, much more shameless than in Europe, for example. However, there is one major source of weakness in all this control: the presently ongoing collapse of the world's present monetary-financial system. This not only limits greatly the U.S. ability to sustain the conduct of warfare, but threatens to cause a break of public opinion away from control of the mass media.

Presently, the idea of solidarity with Israel against the Palestinians has reached the level of mass-hysteria within much of the U.S. population. Since I know, as others do, that current U.S. public opinion could quickly change under pressures of financial collapse, I fear a new terrorist attack launched inside the U.S., on behalf of combined Israeli utopian interest, a "false flag" attack of the type frequently used by the Israelis, conducted, this time, for the purpose of driving the U.S. public insane, and thus luring it into support of general warfare.

Universal Fascism on the March

The following is LaRouche's reply, dated May 11, to several e-mail questions from a racist, obsessed with "preserving the Aryan race" from Jews, Catholics, Marxists, and Liberals.

LaRouche: I am familiar with the lines of argument you have employed. They typify a more elaborated presentation of kindred ideological views which are, otherwise, sufficiently widespread in their increasing influence today, that a public, clinical, rather than a simple political, reaction to your argument is required. Since, some of your argument poses issues on which the continued existence of civilization hangs; since I am also among the relatively few political figures personally qualified to get to the scientific root of the most crucial aspects of these topics, I should respond publicly, not so much to your message as such, but to the correlation between the rapid spread of analogous views and present strategic conditions.

I point, first of all, to the combined conditions typified by the combination of a growing world-wide monetary-financial debacle, with both the monstrous behavior of the current fascist (Jabotinskyite) government of Israel today and the universal fascist strategy, called "utopian," expressed from within important military and other circles in the current U.S. government. Typical of the expression of such fascist trends, are the cases of elements, such as the pathetic former Vice-President Gore, and Senators John McCain and Joseph Lieberman, of both principal parties.

Fascism and related expressions of so-called "universal fascism" are on the march, globally, today, as not since the Winter of 1941-1942. Merely typical, are the social and related psychological effects of the accumulated sense of betrayal which has become widespread in eastern Europe and the Balkans, as a result of the accumulated effect of the cruel and dirty agreements reached among Thatcher-Mitterrand-Bush in the 1989-1991 arrangements. Rage accumulates around the world, on account of similarly ugly policies of practice. Presently no government of the trans-Atlantic set, or Japan, has shown anything morally better than an increasingly hysterical incompetence in its world outlook and practice. Consequently, the deep cultural pessimism which Armin Mohler described—that from Schopenhauer through Nietzsche—and also to be traced through the circles of Heidegger, Jaspers, Theodor Adorno, Hannah Arendt, and Martin Buber, Jean-Paul Sartre, et al., once again stalks humanity, constituting a threat more deadly than anything experienced by European civilization since the Treaty of Westphalia.

The case of the history of Zubatov-cum-British-cum-Mussolini (and once-hopeful-to-become Hitler) agent "Vladimir Hitler" Jabotinsky and his Betar organization, typifies the ironies of the onrushing world-cultural debacle menacing us all today. Under these trends, which branch of humanity has now become more capable of the beastliness of the hyenas, the great cats, the wild pigs, or the snakes? It is often difficult to say which is the worst.

When did this new wave of beastliness begin to take top-down control? Was it when the "Open Conspiracy" circles of H.G. Wells and the Twentieth Century's most evil man, Bertrand Russell, introduced the utopian nuclear doctrine displayed at Hiroshima (to make up for the disappointment of losing the opportunity to drop that bomb on Berlin)? There were too many veterans of World War II, such as Douglas MacArthur and Dwight Eisenhower in place, to push the universal-fascist ideas of utopian warfare, such as Huntington's original printing of *The Soldier and the State*, to the fore, until the leading official impediment to their perverted ambitions, President Eisenhower, stepped down in 1961. So, during 1961-1965, all Hell broke loose, with such manifestations as the premature departure of Adenauer, the attempted assassination of President de Gaulle, the clearing of the way for bringing in the first Wilson government in Britain, the assassination of Mattei, the assassination of Kennedy, and the later ouster of Erhard.

Out of this, the U.S.A. was transformed, beginning the mid-1960s, from the leading producer society of the world, into what was intended to become, and did become, a monstrously decadent consumer society, as Rome degenerated morally in the aftermath of its victories in the Second Punic War. Thus, Caesarism was revived, to take over U.S. policy, corrosively, increasingly, a process echoing the earlier birth of the first fascist regimes, those of Napoleon Bonaparte and his nephew, and the Carlists of Spain, and, in due course,



H.G. Wells (left) and Bertrand Russell, the Twentieth Century's most evil man. Racist beastliness began to take top-down control in the Western world, when their "one world government" circles introduced the utopian nuclear doctrine displayed at Hiroshima.

the set of specimens merely typified by Mussolini, Hitler, and Franco.

The U.S. fascism of today is typified by the figure of Harvard Professor William Yandell Elliott, the "Old Fagin" who spawned the craven "Artful Dodgers" of a collection merely typified by the cases of Zbigniew Brzezinski, Samuel P. Huntington (of *The Soldier and the State* and "Clash of Civilizations" notoriety), and Henry A. Kissinger. The trend toward fascist foreign and domestic policies in the U.S.A. since the assassination of President Kennedy, is expressed most succinctly by the role of Henry A. Kissinger as the controller of the Nixon Administration, and pro-Wellsian lunatic Zbigniew Brzezinski as the "Svengali" of the Carter Administration. British agent of influence Elliott, a key figure of a pro-H.G. Wells, neo-Confederacy cult-circle known as the Nashville Agrarians, typifies the pivotal link between nominal Catholics of the Carlist, Buckley type, and lunatic packs of "bugger"-like "Protestants" in the footsteps of treasonous Aaron Burr's grandfather, the notorious Jonathan Edwards. It is that, in fact, anti-Christ pack of wildly gnostic, nominally Protestant, nominally Catholic, and pro-fascist Jewish varieties of neo-Manichean styles in gnostic cults, which one must pin-point as the central features of the mass-based component of the fascist mass-movement within the U.S.A. today. This is the social base for the so-called revolution in military affairs being expressed under the rubric of a "war on terrorism" today.

That said respecting the environment in which the current rise of fascist movements is fostered, look at the opposite side of the equation, the actually human side. Look at this from two

standpoints. First, the matter of defining the characteristics of the human race, and, second, the matter of the errors inhering in the "connect-the-dots" methods to whose use you repeatedly reverted in your messages. These are not so much your problem, in particular; errors on these two accounts are the most commonplace errors expressed, not only by the population in general, but among many in the highest rank of mathematical-physical sciences and academics generally, worldwide, today.

What Is Human?

Perhaps the most significant among the deadlier legacies of pre-civilized barbarism, is the arbitrary, anti-scientific belief in genetically determined racial characteristics. Until the rise of the neo-Nazi faction to power in Israel, the British liberals, and their admirers, were the absolutely worst influence globally on this account. Not accidentally, if you run an empire, when you thus degrade the mass of your victims to the status of human cattle, rather than cognitive human beings, you must expect an occasional bestial response from the victims.

Notably, for this very reason, what modern fascists hate most consistently, are ecumenical currents of Christianity and Islam, and the ecumenical Judaism exemplified by Philo of Alexandria and Moses Mendelssohn. Indeed, the neo-Nazism of the currently reigning Jabotinskyites of Israel, is based on a passion by Jabotinsky et al. to eradicate the German and Yiddish Renaissance Jew, for the same ideological motives as Hitler or Jabotinsky's Okhrana associates sought to remove them from the map. The horrifying extent of the rejection of

Moses Mendelssohn's legacy among the present population of Israel, makes a doubled mockery of the Israel fascists' references to Hitler's near-extermination of the German and Yiddish Renaissance Jewry.

What all fascists hate, more or less equally, about ecumenical Christianity, Islam, and Mosaic Judaism, is that each regards all mankind as made equally in the image of the Creator of the universe. No actual Christian, but only gnostic nominal Christians of lunatic persuasions, for example, could ever allow such crimes against humanity as the Spanish Inquisition, or the Venice-directed Crusades of the Normans and the Anjevins. All the progress of modern European civilization during six hundred years, has been chiefly a reflection of the Fifteenth-Century Renaissance's ecumenical Council of Florence, and the ecumenical Treaty of Westphalia's rejection of the chiefly Habsburg-led religious warfare of the preceding 137 years. The emergence of the modern conception of strategic defense, by France's Lazare Carnot and the reformers associated with Gerhard Scharnhorst, translated the Christian's Augustinian principle of justified warfare into a rigorously defined expression as physical science, with the reforms associated with those two geniuses. Thus, the lesson of the victory of strategic defense taught to Napoleon in Moscow, was taught to Germany at Stalingrad, and to the Soviet forces in Afghanistan, a lesson which today's foolish promoters of a perpetual "war on terrorism," have clearly not yet learned, but certainly will. In the practice of modern civilized forms of society, the proper object of warfare, if war can not be avoided, is an early successful peace, not perpetual warfare like that undertaken in post-MacArthur Korea and Indo-China.

The modern nation-state, best expressed by limitless enthusiasm for scientific and technological progress, and by that love of mankind expressed as the intent to establish a universal Classical humanist education for all, is the finest achievement of statecraft in all known culture and statecraft today. It expresses the essence of the motive underlying Benjamin Franklin's direction of the crafting of the U.S. Declaration of Independence and Federal Constitution; that, in opposition to the bestial, feral constitution of the Napoleonic, fascist, treasonous Confederate States of America. The realization of the intent of Benjamin Franklin, Alexander Hamilton, John Quincy Adams, and Abraham Lincoln, is a form of state which expresses the recognition of a fundamental distinction between the human species and all lower forms of life. This was the purpose of the German Classic, and the world's greatest modern scientists and creative artists, as typified by Kepler, Leibniz, Bach, Kästner, Lessing, Mendelssohn, Schiller, Mozart, Haydn, Beethoven, Schubert, Gauss, the Humboldts, Schumann, Riemann, and Brahms. These and their like provide us a distillation of the highest expressions of statecraft in the tradition of Solon and Plato.

The need for that form of state, is the need to constitute society to an effect consistent with the requirements of human

nature as a cognitive being. I have written much on these matters, much of which is accessible immediately on websites associated with me. I would emphasize attention to my insistence on the use of Carl Gauss' 1799 refutation, in his first statement of the fundamental theorem of algebra, of the fatal intellectual errors of D'Alembert, Euler, and Lagrange. This work of Gauss, when studied against the background of his teacher Abraham Kästner, and against both the dialogues of Plato and the influence of Eratosthenes' "Platonicus," shows the pupil, in the relatively simplest and elegant way, what the mathematical meaning of a universal physical principle is, and also confronts the student with a most efficient experience with that aspect of his or her own mental life, cognition, which separates human nature from the practices of the empiricists, the Kantians, and the beasts.

In summary of that point, the following. Had mankind been a beast, determined by genetic heritage alone, the human population would never have exceeded several millions ape-like individuals on this planet, at any time. The increase of the per-capita power over nature, as reflected per square kilometer of the Earth's surface-area, is the result of the cumulative process of transmitting, and adding new discoveries of experimentally demonstrable universal physical principles, through the perpetuation of cultures by means of that faculty of cognition which Kant, in his *Critiques*, denied to exist. That is cognition, as distinct from the merely bestial powers of sense-perception found among lower forms of life. Thus, truly human relations are primarily cognitive relations, reaching across the successive spans of mortal generations.

In this process, the effect of transmitted cognitive products across generations supersedes the role of simple genetic heritage in determining the behavioral characteristics and productive potential of successive generations. Thus, I have written of the role of "super-genes," and have compared my own work with that of Vernadsky on this account. It is the evolutionary progress within and among cultures, through the cognitive generation and transmission of the discovery of universal physical principles, which expresses the true, universal nature shared equally among all mankind.

All racism is a mental and moral disease, typified by those would-be beasts who regard the targets of their abuse as, in practice, either hunted or herded varieties of human cattle. That was always the characteristic and legacy of the doctrine of the inferiority or hatred of sections of humanity targetted as intended victims of bestiality.

Connect the Dots

The most commonly recurring, most plainly anti-scientific flaw in the argument in your most recent message, is the repeated use of the method of the child's game of "connect-the-dots" for making sweeping generalizations about categories of people. "So-and-so is connected to so-and-so, who are connected to such-and-such," and so, on, and on, and on. In modern society, uses of "connect-the-dots" are characteristic



*“All those among us, who have been privileged, as I have been, to develop and employ their cognitive powers as a mode for communion with the living thoughts of many among the greatest known souls from even millennia of mankind’s past, enjoy a special quality of life.”
Raphael’s “The School of Athens” depicts generations of great thinkers, from Plato to the painter himself.*

of the empiricists, among others. Take the case of Leonhard Euler’s fraudulent attack on Leibniz’s notion of an infinitesimal calculus, as an illustration of a display of utter incompetence by one among those otherwise classed as the most accomplished mathematicians. The same anti-scientific blunder by Euler and Lagrange, was the source of the blunder refuted by Gauss’ definition of the complex domain, in his fundamental theorem of algebra. Euler’s and Lagrange’s blunder, which has done great damage to legions of university students over two centuries, is the same fallacy on which Immanuel Kant, an adherent of the same anti-Leibniz network, based the entirety of his *Critiques*.

You use the connect-the-dots method in a cruder fashion, but the principle of matter is the same.

Hence, in my determination to free my fellow-creatures from that mechanistic, at-the-blackboard misconception of nature, which has been my burning concern since adolescence, I have lately settled upon the referenced Gauss work as the most efficiently, relatively direct approach to making clear to the relatively greatest number, the crucial distinction between science and connect-the-dots syllogisms.

Instead of deriving mathematics from experimental proof of discovered universal physical principles, as Kepler, Leibniz, Gauss, Riemann, among others, have done, the empiricist attempts to fit observed or conjectured sense-impressions into an a priori scheme based on the fallacious, but popular notion of the counting numbers. It does not occur to the victim of an empiricist conditioning, that no one ever has seen a universal physical principle, such as

universal gravitation, and never will. We see only the effects of those principles, and by understanding and applying those principles, are able to control the relevant, perceptible effects. That is the simplest, broadest principle of modern experimental science.

All those among us, who have been privileged, as I have been, to develop and employ their cognitive powers as a mode for communion with the living thoughts of many among the greatest known souls from even millennia of mankind’s past, enjoy a special quality of life. In our mind’s eye, we see all those departed companions of our cognitive communication as like the collection of influential personalities arrayed in Raphael’s “The School of Athens.” In our mind’s eye, thus, we feel their eyes upon us; we may often disagree with them on this or that matter, but we will never do anything which would rightly be considered shameful in their eyes.

The problem of those whose reading of history is in terms of “connect-the-dots” schemes, such as those to which you have turned, is that that very way of thinking blocks out the possibility of insight into the most important areas of knowledge. Worse, it tends to make life itself a living nightmare, an addendum to Dante’s depiction of the Inferno. With such pessimism, nothing of much good were likely to be accomplished.

I suggest therefore, that you consider adopting a more cheerful way of viewing the current awfulness of the world, such as my own. If nothing else, try the exercise from Gauss to which I have referred.

—Lyndon

Utopians Bringing On 'War of Miscalculation' in South Asia

by Mary Burdman

Warnings of the danger of war, and potentially nuclear war, between India and Pakistan, each one starker than the last, are emerging daily from Washington as of mid-May. There is real danger of conflict between these two nations, but the nuclear dimension is very much a Washington obsession, being used to exert pressure. It is reported from the Subcontinent that the Pakistani nuclear capability was actually taken down months ago—something the United States had warned would have to be done since the “war on terrorism” moved into the region in October. China also reportedly acted to neutralize Pakistan’s nuclear option. The war drive is *not* emerging out of South Asia; it is being generated by the ever-widening operations in *Central and South Asia*, of the “perpetual war” faction dominating U.S. policy.

Since Sept. 11, Washington, with its British ally, has launched a highly explosive conflict of “each against all” in southern Eurasia, home of over 1.2 billion people. The Afghanistan war was only the first move. This was to be the excuse for setting up a string of new military bases of the United States and its allies, in Pakistan, Uzbekistan, Kyrgyzstan, Georgia, and other countries—which encircle not only China, but also India itself.

Washington is out to achieve what Donald Rumsfeld’s Pentagon calls “full spectrum dominance,” through “high-tech” warfare, geopolitical balancing acts, and “deploying forward.” The Pentagon’s *Quadrennial Defense Review*, published on Sept. 30, 2001—but written before Sept. 11—fixates on what it claims is “a broad arc of instability that stretches from the Middle East to Northeast Asia.” This is Zbigniew Brzezinski, 25 years on.

In reality, the “perpetual war” crowd has generated the instability. Since the attack on the Indian Parliament last Dec. 13, tensions along the Line of Control in Jammu and Kashmir, between India and Pakistan, have been at a maximum, and both countries’ armies on full alert. The six-year-old civil conflict in Nepal, strategically located between India and

China, has suddenly escalated; now the militant attacks in India have become the worst since the India-Pakistan “Kargil war” of 1999.

“Clash of Civilizations” efforts to wreck Eurasian cooperation go back to December 1998. Then-Russian Prime Minister Yevgeny Primakov had publicly proposed creating a Russia-India-China “strategic triangle” of cooperation. Response was muted, at first, from both India and China, but, as the potential grew, the geopoliticians barged in. In September 2000, Washington’s radical, Mont Pelerin Cato Institute, broadcast its intentions to target India as America’s regional subordinate, and wreck the “strategic triangle” (see box).

But this unappetizing seduction has not been successful. There was renewed discussion of the “strategic triangle” in recent months, including the potential invitation to India to join the Shanghai Cooperation Organization, of Russia, China, and four Central Asian Republics, at the SCO’s June summit in St. Petersburg.

Cold Shoulder to Rocca

More important, Washington’s balancing act in South Asia has failed, triggering instability. The U.S. “diktat” to Pakistan—much touted in India—that the government of Pervez Musharraf must curb Pakistani militant infiltration across the Line of Control, and clean up the militant groups which India holds responsible for the assault on its Parliament, has had no result, and is now considered by many in Delhi to have been a hoax. Washington extracted these promises from Islamabad, so that it could use its territory and facilities to bomb Afghanistan—and move further into Eurasia. Pakistan now swarms with U.S. and allied military bases, special forces, and FBI agents.

On May 14, just as U.S. Assistant Secretary of State Christina Rocca arrived in India on her third visit to the Subcontinent in as many months, a terrorist attack in Jammu killed 32 people and injured some 50 more.

The timing of the attack was not lost on New Delhi, which made clear to Rocca that things had gone too far. As the *Delhi Business Standard* reported on May 16: “She came. She saw. But when she wanted to conquer, she found no one would meet her!” External Affairs Minister Jaswant Singh met Rocca for barely 15 minutes at the Parliament (not at his office); the Prime Minister’s Principal Secretary Brajesh Mishra was “out of town”—despite holding meetings at the Prime Minister’s office; Defense Minister George Fernandes was in Jammu; while Home Minister L.K. Advani was preoccupied at the Parliament. Rocca did have a “chat” with Congress Party opposition leader Sonia Gandhi in the evening, then flew on to the Pakistani capital, Islamabad.

The United States is, however, upping the ante. The next deployment to South Asia will likely be a real heavyweight—Deputy Secretary of State Richard Armitage, a leader of the Bush Administration’s “perpetual war” faction.

Rocca had been dispatched to “defuse” tensions which

U.S. operations in the region are constantly fanning, including by repeatedly harping on the threat of nuclear conflict. Exemplary was the May 10 proclamation in the *Washington Post* by David Ignatius, that “the Indian Subcontinent is the only part of the world where nuclear war today is a serious possibility. U.S. and European officials . . . warn that all the ingredients are in place for a disastrous chain of miscalculation on the order of August 1914, when over-armed European nations blundered into World War I. . . . A nuclear war between India and Pakistan would mean loss of life on a scale the world has never before seen.” Similar articles appeared in other U.S. and British press, including the sudden revelation on May 12 of a report by Clinton Administration senior adviser Bruce Riedel. One Indian paper noted it reads more like a “film script than a foreign policy critique”—it claims that in 1999, during the Kargil war in Kashmir, the Pakistani military was “preparing its nuclear arsenal” for use against India.

The danger that a “war of miscalculation” could break out, arises from the *breadth* of the “anti-terror” operations in southern Eurasia. Even the Pentagon now has to admit that the Afghanistan conflict is going to be a long one. Taliban or area warlords’ militants are making constant rocket attacks on U.S. and other military installations; surging opium production is enabling the warlords to re-arm. Pakistan itself is highly unstable. This country of 156 million people was transformed, after Sept. 11, from being the reviled chief ally of the Taliban, to the biggest U.S. military/intelligence outpost in the region. Despite giving a rubberstamp to President Musharraf’s recent referendum (see article this issue), Washington is now loudly complaining that Pakistan is not giving enough military support to operations against anti-U.S. militants in Afghanistan, and is refusing to go after the al-Qaeda fighters who have allegedly moved into Pakistan.

The Musharraf government is on tenterhooks. Christina Rocca gave an interview to the Pakistan daily *The Nation*, informing Islamabad that the Bush Administration would keep a strict eye on the coming October elections, so that “real democracy” would be restored in Pakistan. “America is taking a lot of interest,” she warned. Violence is also escalating rapidly. On May 8, a highly professional car bomb—unlike the usual operations—killed at least 14 people, including 10 French naval advisers, in Karachi.

Conflict in Nepal

To the east, tensions are also high. The six-year civil war in Nepal, between self-proclaimed “Maoist” rebels and the monarchist government, is escalating fast. Close to 4,000 people have been killed in the conflict, and Nepal’s tourism-dependent economy is shattered. The strategic significance of this situation is underestimated.

Impoverished Nepal lies between India and China, whose relations have been improving significantly. Nepal was, in the 1950s-60s, a staging ground for U.S. clandestine military operations into Tibet. Now, even as the fighting has worsened, with the government in Kathmandu staging helicopter and

Cato vs. South Asia Stability

EIR reported in September 2000, the Mont Pelerin Cato Institute’s attack on the Russia-India-China “strategic triangle,” proposing that India instead become a U.S. satrap for South and Central Asia. The attack by the Washington think-tank signalled a U.S. policy turn which has triggered growing instability and threat of war there. Cato author Victor Gobarev wrote, “The fundamental mistake made by U.S. leaders has been to underestimate India and its economic and military potential. How India uses its growing power can either enhance or seriously undermine U.S. interests. Mistakes in U.S. policy have contributed to India’s drifting toward a Russia-India-China nexus aimed at preventing U.S. global domination. The likelihood of India’s participation in an anti-U.S. alliance will depend on what New Delhi thinks about American geopolitical designs toward India and its national security interests.”

The United States should accept India’s world power status, as a nuclear power and permanent member of the UN Security Council, the Cato deception ran. “The main benefit to the United States of such a breakthrough in U.S.-Indian relations would be to prevent a dramatic adverse change in the current global geopolitical situation, which currently favors the United States. An assertive India could help stabilize the Persian Gulf and Central Asian regions. Even more important, India could become a strategic counterweight to China and a crucial part of a stable balance of power in both East Asia and South Asia.”

other attacks on fortified rebel positions in western Nepal, Prime Minister Sher Bahadur Deuba paid a full week's visit to the United States during May 5-12, where he met George W. Bush, and then went to London for three days.

Washington has interests in Nepal—as does London, the old imperial power. In late April, at least 12 high-ranking U.S. military advisers toured contested areas of Nepal—the first time foreign military experts have been sent there. This followed Secretary of State Colin Powell's visit in January, when he promised “logistical support” to the Royal Nepali Army. Bush promised his “very happy” guest Deuba \$20 million in aid and military advice; U.S. interest is widely reported in setting up a military base, although Deuba is playing this down. The reaction by China would be very strong.

India's Quandary

India is in a difficult situation. It cannot, given the infiltration from the Pakistani side, end its “full alert” mobilization of 700,000 troops on the Line of Control. It also faces unceasing communal troubles in the state of Gujarat. These difficulties are only exacerbated by U.S. attentions. After decades of neglect, only at the very end of the second Clinton Administration, did Washington turn its eyes towards India. Under Bush, a steady stream of high-ranking visitors have proclaimed their interest, including Deputy Secretary of State Armitage, Defense Undersecretary Douglas Feith—Richard Perle's “alter ego” in the Bush Administration—and the State Department's Richard Haass. Finally, there was the pompous January visit of Henry Kissinger, who “invoked” the ideas of Lord Curzon, the British Viceroy who was the most extreme proponent of the “Forward School” ideology. Kissinger did not mention, that London abruptly fired Curzon in mid-term.

There is a murkier side to these delegates. Rocca herself was a Staff Operation Officer for the CIA Directorate of Operations from 1982-97—a highly tumultuous period in South Asia. She also authored Sen. Sam Brownback's “Silk Road Strategy Act” of 1999, which *excluded* India, China, and Russia from the Silk Road!

Armitage professed, in an interview with *The Hindu* in October 2001, that the U.S.-Pakistan policy on Afghanistan was in India's interests. On May 6, he gave another such interview, this time claiming that “cross-border infiltration [in Jammu and Kashmir] has gone down,” crediting “deliberate action,” and praising Musharraf's “intentions.” Delhi immediately contradicted these statements as to fact and substance.

Finally, at the U.S.-India Defense Cooperation Seminar held in Washington on May 13-14 and the following week, the U.S. side, led by Undersecretary Feith, stressed its desire to increase arms sales to India—except in critical areas of nuclear and missile technology. Feith did not hesitate to emphasize the “risk of war” between India and Pakistan.

However, New Delhi's cold reception of Rocca, should warn these imperial ideologues, that their operations may explode under their own feet.

Pakistan

Musharraf's Referendum May Benefit U.S.

by Ramtanu Maitra

On April 30, Pakistan's President and Chief of Army Staff, Gen. Pervez Musharraf, held a controversial nationwide referendum and claimed the Presidency of Pakistan for the next five years. President Musharraf seized power in October 1999 through a bloodless coup. It is likely that the legitimization of his power would help the United States in its campaign against terrorism in Afghanistan and elsewhere.

Washington's tacit approval for Musharraf to hold the referendum, which was opposed by most major political parties in Pakistan, on the grounds that it was unconstitutional, is a signal that the United States would lean heavily on him in the coming months in order to carry out its objective in Afghanistan. Although much has been said about the opposition to the referendum, since the process allows consolidation of political and military power in Musharraf's, there is no gainsaying that a large section of Pakistani citizens quietly supported Musharraf's quest for another unelected Presidential term. The fickleness of Pakistani politicians in the past has created a strong lobby within the country that supports the army rule.

Four Decades of Instability

The multinational corporations, which in the past had never been involved in local politics, were persuaded by the military establishment to support the referendum, with many taking out costly advertisements in the national press to champion the President's cause. It is likely that the referendum would lead to some sort of stabilization of the internal situation in Pakistan. At the same time, Musharraf's stuffing the ballot boxes to indicate a large turnout in his favor, has created wide-ranging cynicism and has sent a silent warning to the “legitimized” President.

History tells us that, since the days of President Iskander Mirza, the first Army Chief to seize power in Pakistan in 1958, nothing has ensured any stable rule in the country for an extended period. Neither Iskander Mirza, nor Field Marshal Ayub Khan, nor Gen. Yahya Khan, nor Gen. Mohammed Zia ul-Haq could stay in power as long as they wanted. None left voluntarily. Some were removed and at least one (Zia) was killed off. The same can be said about the civilian political forces. Except Prime Minister Zulfikar Ali Bhutto, who did

complete a full term (1972-76) and was removed and hanged during his second term, all civilian leaders—his daughter Benazir Bhutto, and Nawaz Sharif, among others—were shown the door long before they could complete their duly elected terms.

Musharraf is aware of the volatility of both Pakistan's citizens and its army. More important, perhaps, is the fact that the process will further-weaken Pakistan's already-weak institutions, and may even corrupt them further.

Following the October invasion of Afghanistan to remove the Taliban administration, Washington has kept General Musharraf on his toes and has interfered in Pakistan's internal policies to stabilize him. India's mobilizing of 700,000 troops along the India-Pakistan borders has also helped the General maintain support from his powerful Army Commanders. Washington convinced New Delhi that the United States is eager to stop cross-border terrorism in the Indian border state of Jammu and Kashmir, and General Musharraf is a key element to make that happen. There is no question that either New Delhi had failed to recognize this American bluff, or was not in a position to contest it. Meanwhile, the cross-border terrorism continues unabated. This may create problems for Islamabad.

It is almost a certainty that in the coming months, President Musharraf will have to bend over backwards to satisfy the United States. The Americans have already established a number of bases within Pakistan, and it is widely acknowledged that Islamabad has given the Americans and British the green light to carry out military campaigns along its western borders to catch al-Qaeda and Taliban operatives.

Threat of a Civil War?

According to a recent critical article in the *Balochistan Post*, Musharraf faces the possibility of a civil war, especially in the tribal areas along the Afghan border, as he has created "a great mess" in this region. The "great mess" the *Post* refers to, is the permission the General has given for foreign and Pakistani troops to comb the "Tribal Areas" of western Pakistan for al-Qaeda and Taliban activists. The article also charged Musharraf with "implementing another agenda"—the agenda to break up Pakistan, if Pakistan cannot dissociate itself from Islam.

The *Post* claims this agenda has been put in place by people such as U.S. Secretary of Defense Donald Rumsfeld and the CIA director George J. Tenet. "It would be wrong if somebody believes that the war in the tribal areas would remain confined to the mountains. This tribal war is going to



Gen. Pervez Musharraf

spread for sure and it may even engulf cities like Islamabad and Lahore, not to talk about Quetta and Peshawar where there is already a great tribal influence. . . . Our miseries will multiply a thousand times when our armed forces face a split," said the *Post*, adding that the Army and Frontier Corps were made up of many tribes "whose villages are going to become a battlefield."

President Musharraf will also have to withstand, in the coming months, the American pressure to conduct "free and fair" elections in October 2002, to constitute a new National Assembly and hand over governance of the country to a political party, as Musharraf promised soon after he seized power in 1999. Islamabad must note that this is much more difficult than pushing through the referendum. If Musharraf cannot satisfy Washington on his "fairness" in the coming general elections, it is a foregone conclusion that the United States will exert more pressure in other areas. But it is also not clear how much "fairness" he himself can tolerate.

Following the referendum, Musharraf is now in a position to make constitutional changes which would place more power in his hands at the cost of democratic institutions, such as the Prime Minister's office and the National Assembly. He must note that all military and some civilian Presidents of Pakistan have used this *modus operandi* to centralize power. But ultimately, they lost the support of both the people and military, as they undermined all the institutions.

Election Dilemma

If the media reports are indications, President Musharraf will have his hands full in setting up the October elections. He has already made it clear that Pakistan People's Party chief Benazir Bhutto, and Pakistan Muslim League (N) chief Nawaz Sharif (whom Musharraf ousted in 1999) will not be allowed to participate in the general elections. Both former Prime Ministers are in exile, but threatening to reappear and lead their respective political parties, Pakistan's two largest. If President Musharraf has his way, he will not allow either of these parties to win in October. This may create a popular backlash.

The President, like most military dictators, is now in the process of forming his own political grouping. There is no doubt that a large number of political has-beens in Pakistan will jump onto this bandwagon and agree to play the second fiddle to satisfy the Army. The issue is whether Washington will agree to this variation of a "free and fair" poll. If it does, Musharraf will be home free, at least for a while.

But, if not, he will face a crisis. It is well nigh impossible for him to allow Benazir Bhutto and Nawaz Sharif, both of whom were accused of looting and pillaging Pakistan's treasury, to come back and pick up where they had left off. It is a certainty that the Pakistani military will not agree to the return of these individuals. In addition, their presence in Pakistan may very well be a genuine political threat to Musharraf.

Most Israelis Want A Palestinian State

by Dean Andromidas

In a Roman circus atmosphere, the Likud party's Central Committee voted up a resolution declaring that the party would not allow the creation of a Palestinian state. The vote was seen as a great victory for its primary sponsor, former Prime Minister Benjamin Netanyahu, over the incumbent Ariel Sharon. But the issue, quite evidently, was not a Palestinian state, as much as a power struggle between Sharon and Netanyahu for leadership of the party.

Political commentator Gideon Samet wrote May 15 in *Ha'aretz* on the event, that "Nobody 'won' in the classic sense of the term, and nobody lost—except for the nation whose ruling party can conduct itself in such a manner while debating one of the nation's most important national issues." Pointing out that no one in the political class is supporting a sovereign Palestinian state, Samet wrote: "Sharon wants a Palestinian state? In your dreams. That's just something he promised to the Bush Administration about behaving in a balanced manner." As for Netanyahu's thumbs down to a Palestinian state, Samet wrote: "For him it's a cheap trick. . . . He knows that before anyone starts doing anything about a Palestinian state, it will take a lot more time than the next primaries, whether here or in Washington. . . . Nor does the Labor Party [accept Palestinian independence]. Its hidden platform from 1997 did not 'rule out' a 'state with limited sovereignty.' "

Then, Samet came to the key irony: "The most amazing aspect of it all, of course, is that a majority of the general public favors setting up a Palestinian state and making many concessions necessary in the process leading to it."

To Prove the Point

On May 11, less than 24 hours before the Likud vote, an estimated 60,000 to 100,000 people gathered in Tel Aviv's Rabin Square, for Israel's largest peace demonstration since the beginning of the Palestinian Intifada 19 months ago. It was three times bigger than the previous demonstration, held several months ago. Organized by Peace Now, its participants included the full spectrum of peace organizations, including Gush Shalom, the Peace Coalition, and many signers of the Combatants Letter 2002 issued by reserve officers and soldiers declaring their refusal to serve in the occupied territories.

Yossi Sarid, the head of Meretz, the main opposition party, told demonstrators: "The economic crisis is threatening the entire country. Only the settlements and the government

are big and fat. . . . Withdraw from the settlements and return to ourselves. The settlements are a burden. . . . If Israel attacks Gaza, they will do it without us." Sarid also told Agence France Press, "It is a very important message to the Israeli government, the Arab world and the international community. There is a peace camp in Israel and it is raising its voice. From tonight, Sharon can be assured there is no consensus for a military operation" in Gaza.

Yossi Beilin, the leading dove in the Labor Party who was one of the architects of the Oslo Accords, made a not-so-veiled response to President George W. Bush's views on Sharon: "We are told Sharon is a man of peace, but it is not true: He doesn't want to go to the negotiating table, because he has nothing to say. Sharon is dragging us into a catastrophe."

The huge turnout—comparable to a million-strong demonstration in Europe or the United States—surprised the organizers, and reflected the disillusionment of more and more Israelis with the endless hardline policies of the Sharon government. Despite this amazing turnout, the international media gave scant coverage to the demonstration. Within Israel itself, there has apparently been a media policy of not covering the peace movement, even when it holds such extraordinary events. Nonetheless, the Arab media have broadcast these events throughout the region.

Throughout the 19 months of the Intifada, the temper of Israel's population has been characterized by sharp swings between the desire for brutal revenge against particularly brutal suicide attacks, and more moderate positions. This was witnessed by the reaction to the suicide bombing of a Passover celebration, which served as the trigger for Sharon's launching of Operation Defensive Shield, better called Operation Warsaw Ghetto. The approval ratings for that operation were so high that even 60% of the pro-peace Meretz party supported it. Yet after the operation ended, a poll revealed that 59% of Israelis would support withdrawal from the occupied territories in order to restart the peace process. Surprisingly, 56% of the population would support the deployment of a United States-led international force in the West Bank—the nightmare of the Sharon government, even among Labor Party ministers including Foreign Minister Shimon Peres.

Soldiers Also Affected

The most powerful expression of the shifting sands of public consciousness continues to be among reserve officers and soldiers, who represent the most important cross-section of Israeli society. The signers of the Combatants Letter, now approaching 500, now are becoming a moral force in the country. Almost 50 reservists have served prison terms of up to three weeks for their refusal.

Although these reservists continue to be a small minority, their political act is having a ripple effect throughout the reserve corps. This became evident when the planned "Operation Defensive Shield II" into the Gaza Strip, following the May 6 suicide bombing in the working-class town of Richon Leutzion, was called off. While pressure exerted by the United



The May 12 rally for peace in Tel Aviv included perhaps as many as 100,000 Israelis, a huge demonstration in a country of 8 million people, and a reflection of views in Israel's population which have been ignored by the Likud governments and much of the international media.

States and other nations was seen as the main reason for getting the operation called off, nonetheless vocal opposition in the reserves corps was also responsible.

On May 10, *Ha'aretz* noted that "senior officers question the wisdom of the Gaza operation." The daily reported that despite the fact that Sharon and Chief of Staff Shaul Mofaz were determined to attack Gaza, there were "also questions among reservist officers about the planned operation and senior officers were very outspoken. They said that unlike Defensive Shield, which was perceived as necessary, going into Gaza will break the public consensus. . . . Many expressed worry about likely casualties. Some said the IDF [Israeli Defense Forces] crossed a psychological barrier in the call-up for Operation Defensive Shield, and the current call-up does not have the same justification. The response rate to the call-up was high yesterday, but it still appears to be accompanied by more doubts."

One senior officer is quoted saying, "Tanks going into Gaza will leave a lot of damage, even if we don't mean to do so. If they tell us to go, we'll follow orders, but that won't reduce our questions about the wisdom of the order." There is no doubt that the IDF's four-week rampage in the West Bank—especially the assault on the Jenin refugee camp where 25 reservists, 15 in one day, were killed—had a chilling effect on morale. Many of these reservists felt they were risking their lives for the defense of unwanted settlements and the political ambitions of politicians like Sharon and the right-wing lunatics in his government. Confirming this, a senior Israeli peace activist said that the "man in the street" had no stomach for an attack on Gaza, where the eight large refugee camps have about 100,000 residents each, and where large casualties on both sides are likely.

As the Gaza operation was at least postponed on May 10, some 15 reservists, who had served in Operation Defensive Shield, held a demonstration in front the Israeli Defense Ministry protesting the intention to go into Gaza. Although these reservists are not signers of the Combatants' Letter—they declared they would continue to comply when ordered to serve in the occupied territories—they nonetheless called for an Israeli withdrawal from the West Bank and the Gaza Strip.

Despite these hopeful signs, the fight for peace by Israelis is an uphill battle; Sharon has not only declared war on the Palestinians, but is using that war to transform Israeli society to accepting the fascist outlook he has employed all his life. Former Meretz chief Shulamit Aloni told *Ha'aretz* May 16, "The anti-racist and anti-fascist antibodies of Israeli society have been weakened. In the past 20 years, our society has fallen victim both to Sharon's manipulation of the terror, and the anti-Semitism and Holocaust paranoia that is being nurtured. They never cease to mention the Holocaust, and anyone who offers any criticism is immediately labeled an anti-Semite. It is reprehensible manipulation. Terror is a problem, but it does not pose an existential threat to Israel. Sharon, by endlessly repeating his lies, has succeeded in persuading the public that it does pose an existential threat, and that we are about to be thrown into the sea. Sharon hasn't changed; we have changed."

For the Israeli population, Gideon Samet pointed out, not since Prime Minister Yitzhak Rabin, assassinated in November 1995, "has there been a public personality who inspires trust, and through whom the real passions of Israelis for a clear policy could flow. Still alive and kicking is the decisive influence a genuine leader can wield in creating a majority in favor of a peace initiative."

German Citizens Demand Bans on Killer Games

by Alexander Hartmann

The April 26 school massacre in Erfurt, Germany, and the justified rage among the population about the fact that the political class did nothing to prevent such incidents, has sparked a general debate about the causes of the “New Violence.” The participation of 100,000 citizens in a May 3 memorial mass for the victims—one of the biggest assemblies in Germany since reunification—demonstrated that the patience of the population is coming to an end. A poll taken by the Dimap Institute showed that 81% of the population support a ban on violent videos and computer games.

Thus pressured, especially with a national election coming up in September, political leaders have dived helter-skelter into action. At breakneck speed, bills have been introduced to tighten up gun laws and laws for the protection of the youth; Chancellor Gerhard Schröder created a “round table” with media representatives, and experts and politicians of all colors have been issuing a flood of declarations and media interviews.

Current Law Is Not Enforced

Interior Minister Otto Schily, for example, demanded that violence in the media and in computer games must be reined in. The new bill for the protection of the youth, proposed by the federal government on May 7, will allow for banning computer games exalting violence, as now exists with movies and videos. The Social Democrats’ parliamentary faction introduced a bill imposing mandatory age limits for computer games and video games. These games are to be rated, and treated, in sales and rentals, the same as video movies, the *Rheinische Post* reported. These protective clauses are supposed to include the Internet.

But, as Schily himself was forced to acknowledge in an interview with ARD’s TV show “Morgenmagazin,” enforcement of Article 131 of Germany’s criminal code, which even now allows legal action against the depiction of violence, “is presently absolutely insufficient.” Why tighten the laws, if they are not enforced?

In the United States, there is ample experience with a (voluntary) rating system for computer games and video games (see *EIR*, May 17, 2002). A study revealed that the rating labels do not protect youth; rather, they underscore the “bad” games for adolescents who want them, and can

still get them; and purveyors have opened up many more storefronts.

In this context, the U.S. attitude, which considers production of such games—as with the production of neo-Nazi hate literature—to be protected “freedom of expression,” is often criticized as one of the biggest problems. The State Working Group on Protection of Children and Adolescents of Thuringia (where Erfurt is the capital), for example, charged that a comprehensive control of violent videos and computer games is impossible, because most of them are imported into Germany.

On May 7, on ZDF TV’s “Morgenmagazin,” the conservative Christian Democrat (CDU) candidate for Chancellor, Edmund Stoiber, demanded a general ban on violent video rentals and on killer games. Asked what such a ban in Germany will effect—since anyone can get these games from abroad, through the Internet—and whether he supports a general regulation of the Internet, Stoiber said that this must be undertaken internationally. He added that this is seen differently, in the United States. He was echoing a demand raised by the chairwoman of the Civil Rights Movement Solidarity party (BüSo), Helga Zepp-LaRouche, immediately after the Erfurt massacre (see *EIR*, May 17, 2002). As well-intentioned as Stoiber’s proposal may be, it is not clear whether he is really willing to take on his “big brothers” in the U.S. telecom companies and government.

Some Defend the Violence

Some political voices in Germany are defending the culture of violence outright. The legal expert of the Green Party, Volker Beck, said that violence is a “social problem,” which should not be made taboo in movies and media reports: “It cannot be, that there will be only zoological or local-interest films shown on German TV, in the future!” Gerhard Zeiler, executive of the giant TV network, RTL, which is ill-reputed for its violence, horror, and erotic programs, defended himself, saying the media must not be made the “scapegoats.”

Even within the Christian Democrats, there are some who would not learn: On May 10-12, the CDU’s youth section, Junge Union, in Herrnslein-Rhaunen sponsored a “LAN party,” in which 200 computer game fanatics are wired together in a Local Area Network, to play computer games against each other. “Only” two of the six or seven tournaments offered included ego-shooter games, claimed the Birkenfeld district head of the Junge Union in defense of the event. In other places, up to 2,500 players convene for a weekend LAN party, where they—for the time being, only virtually—massacre each other.

But the low point was reached, when Germany’s mass tabloid *Bild*, on May 3—the same day that Chancellor Schröder called in the TV bosses for his “anti-violence summit,” offered a lottery giveaway for 15 Nintendo GameCubes, which were introduced to the European market that day. Some



Political leaders in Germany are now under great pressure to move against video and computer “New Violence,” and revive German education. This May 3 memorial for Robert Steinhäuser’s victims in Erfurt gathered over 100,000 Germans. The sign outside Gutenberg high school asks “Warum?”—“Why?”—and many point to the “New Violence” as the key enemy factor.

20,000 were sold that morning, and a total of 50,000 by the weekend. Nintendo intends to sell 1 million of these game consoles in eight weeks; they enable their owners not only to play “E-rated” games (“E” rating is for “Everyone”), but also killer-games of all sorts. Market leader Sony has sold 28.6 million PlayStations, worldwide, while competitor Microsoft sold 70,000 units of its X-Box consoles in Europe since March. In the United States, 1.8 million units were sold, each, of the GameCube and the X-Box. When GameBoy-Advanced was introduced by Nintendo last year, 21.8 million units were sold. The consoles sell for hundreds of dollars each.

These numbers indicate how far the game mania has spread—especially when one factors in the millions of players who, like Erfurt killer Robert Steinhäuser, use their PCs to play such games on-line or off-line.

In a May 7 statement issued through his campaign committee, LaRouche in 2004, Democratic Presidential pre-candidate Lyndon LaRouche pointed to the fact, that video games are being used to mold exactly a gladiator-type of identity, among youth who can be used as mercenaries for the imperial wars of Samuel Huntington et al. “Why would anyone in the U.S.A.’s presently revolting condition of military affairs, have participated in an operation which produced such results as the killers at Columbine? . . . If you wished to recruit an army of such stone killers, who would kill both according to the prescription of Samuel P. Huntington’s text, *The Soldier and the State*, and more, besides—where would you go to find suitable recruits, right out of high schools, today? In Germany, officials estimated there are, presently, approximately 170,000 such potential recruits; how many more than that are there in the U.S.A. today? How many U.S. regiments of an international Waffen-SS-style army of would-be ‘Terminator II’s’ would that number represent today? . . . Don’t call it ‘conspiracy.’ Call it a ‘revolution

in military affairs.’ Or, just call it, ‘playing by the rules of the game.’ ”

A Ban Is Not Enough

In her second declaration on the “New Violence” issued since the Erfurt massacre, Helga Zepp-LaRouche demanded that, in addition to immediate measures against violent videos and killer games—such as a United Nations protocol against media products that exalt violence—there must be a positive approach, to make a fundamental paradigm shift, away from the culture of violence, possible. Most importantly, we must return to an “educational policy, which is based on the Christian-humanist image of man in the tradition of Wilhelm von Humboldt.”

The pre-history of the Erfurt massacre leads back to the 1963 education report of Alexander King, then rapporteur to the Organization for Economic Cooperation and Development (OECD), which laid the basis for what was called the “Brandt educational reforms” (after then-Chancellor Willy Brandt), introduced in all West German states—including those governed by the Christian Democrats—in the 1970s. Today’s falling performance of German students on such international tests as those of the recent PISA report, shows the resulting damage.

Whether German leaders take this position depends on whether the German people force them to, as in the ouster of the communist regime in East Germany in 1989. It inspires hope, that on May 5, nearly 5,000 Erfurt parents, teachers and pupils rallied to protest against educational policy. Among the speakers was Christine Alt, the Gutenberg Gymnasium principal who had narrowly escaped Steinhäuser’s massacre 11 days earlier. Alt said she hopes that the many promises given by politicians after the Erfurt massacre, to pay more attention to education, will be honored.

Violent Video Games Reward Children for Killing People

Colonel Grossman is a former U.S. Army Ranger, and former professor at West Point and the University of Arkansas. He has written two books demonstrating how media and video-games violence is making killers out of some children, who become indifferent to the fact that their “target” is a human being. Colonel Grossman helps to train military, police, and emergency rescue units throughout the United States.

*He has written two books, most recently *On Killing: The Psychological Costs of Learning to Kill in War and Society* and *Stop Teaching Our Kids To Kill*. The latter is required reading at West Point and the Air Force Academy, and recommended reading for the FBI Academy and the Marine Corps Commandant’s reading list. It is required in Peace Study programs in Quaker and Mennonite colleges, and at the University of California at Berkeley.*

EIR reviewed his first book on March 10, 2000, and interviewed him in the March 17, 2000 issue. He gave the following interview to Helga Zepp-LaRouche on May 4, 2002. Mrs. LaRouche raised the alarm against what she called the “New Violence,” in her address to the Feb. 20, 2000 conference of the Schiller Institute. An edited version of that address appeared in EIR, March 17, 2000.

EIR: I read your first book. Please tell us more about that and the most recent one.

Grossman: *Stop Teaching Our Kids to Kill* is going to be released in German in September. It’s already been translated, and an article from *Der Spiegel* will be added to it, and my understanding is that a chapter and intro from *Der Spiegel*, and a chapter from the individual involved with the last teen mass murder there in Germany, the actor—all of that will be in there,

And I say all that as a prelude to telling you, that *On Killing* will be released fairly soon. It’s already been licensed for release in German language. . . . If you have already read *Stop Teaching Our Kids to Kill* you know where I’m coming from.

I am personally on the road almost 300 days a year. I train the FBI; I train the Special Forces; I train the Marine Corps; I train law enforcement, nationwide and worldwide. My job is to examine the act of killing. How do we take a healthy 18-year-old boy, a soldier, a 22-year-old police officer, and make

them capable of pulling the trigger? The mechanism we use is, we make killing a conditioned reflex, stimulus/response, stimulus/response. At the moment of truth, the proper stimulus pops up in front of them, and they kill without conscious thought.

If you truly dwell on the magnitude of what you are doing when you kill another human being; if you truly dwell on the reality of another living, vital person, who is loved, and thinks and feels; that’s a very difficult thing to do. You’ve got to separate yourself from the humanity of the person you are killing—turn them into just a target. And the best mechanism we ever found for doing that, was this killing simulator, in which, instead of using bullseye targets, as we did in World War II, we transitioned to a man-made silhouette, and we made killing a conditioned reflex.

The same phenomena that the military and law enforcement uses to enable killing—which is done with the safeguard of discipline—is being done indiscriminately to our children with violent video games. There is a major study that is going to be released in Indianapolis this year. An outfit called the Center for Successful Parenting, has paid several hundred thousand dollars—that’s a lot of money, in this field—in research, hooking MRIs to children playing video games; magnetic resonating imaging, tracing the brain activity of children playing video games.

Now basically, the children who’ve never played the violent video game before, when they have to kill somebody, they’re thinking about it. It’s a conscious, thinking effort. But, the children who’ve played the games a lot, and are very good at the games—there is no conscious thought; there is nothing but brain stem activity; it completely bypasses their conscious brain. The video game turns killing into a conditioned reflex.

Now, you need three things to kill: You need the weapon, the skill, and the will to kill. The video games provide two out of three. They give the skill and the will to kill. The weapons have been there for a long, long time. During World War I, and prior to World War I, and throughout the years after World War I, and throughout World War II, high-capacity 9 mm pistols were everywhere in Germany. We had literally hundreds of thousands, if not millions, of young soldiers, walking through Germany with military quality weapons, and

high-capacity 9 mm pistols. The first real, double-stacked, high-capacity 9 mm pistol was probably the German Mauser, to this very day a highly-respected gun. It is well over 100 years old. The Luger is close to 100 years old, and there were hundreds of thousands of them in World War I. The weapons have been there for a long, long time. . . .

The new factor, is that the violent video games are giving the boys the skill and the will to kill; even as we reduce the number of weapons, the ability to use the weapons has gone up. If a criminal wants drugs, he'll get drugs, anywhere in the world. Drugs are illegal, but if the criminal wants drugs, he'll get them. If a criminal wants guns, he'll get them. No matter how illegal you make them, if a criminal wants them, he'll get them. But, whether or not the teenager has the desire to use drugs—if drugs have been glamorized, and he's been taught that it is the right thing to do—it's the media and the violent video games, that are far more important in this equation. If there *is* a new factor occurring, [it's that] we're greatly reducing the supply of guns. And yet, the incidence of these kinds of brutal murders—that has never happened before in human history, never before in human history.

EIR: That is an important point to make. This case in Erfurt has a couple of strange aspects to it: The police found in the house of the murderer, the video game Counterstrike, etc. They also found that he apparently had, from the Internet, and whatever sources, a lot of material on Littleton, the Columbine High School massacre. Apparently he trained for this for a full year, and nobody noticed. What is your explanation of that?

Grossman: The violent video games—there are literally hundreds of thousands of kids around the world who are avidly—it may be that there are millions of kids, who are training, like this boy was training. They're watching the movies, they're playing the games.

Counterstrike is an interesting game. Let me tell you some of the specifics about Counterstrike, that makes it particularly interesting: Number one, in this game, you break up into two groups. You can play the counterterrorist team, which are hunting down the terrorists, or you can play the terrorist. They break up into teams, and they actively engage in it, and those who are playing the terrorists, kill the innocents, and get points for it, you see. And so, in this game, it is not a game in which the good guys win, and you play the good guys, it's a game in which you play the bad guys. And you get points for killing innocents as the bad guys.

Furthermore, Counterstrike is a game which has a complex set of rules that rewards head shots. If you shoot at the enemy, and you hit them in the torso, you might get 15, 20, 30% probability of a kill, but if you shoot at the head, you get a 90% probability of a kill. And so, while you are shooting, you are trained in the game to do double taps to the head, poom-poom, poom-poom, two, three, four, five shots to the head, which is what's happened in the actual phenomenon:



Lt. Col. David Grossman. The video games developed to train soldiers and law enforcement officers to enable them to kill, are being marketed to children, who “play” these killer games hundreds of times more often than soldiers use them to train for killing an enemy in war.

be trained to perform a certain way. Shoot the enemy in the head with multiple hits, and that is exactly what happened. It's a very realistic game, in which heads explode, and bodies fall, and people twitch and they die.

EIR: Why do you think nobody noticed this for one full year, because everybody says he behaved completely normal?

Grossman: Because there are literally tens of thousands, if not hundreds of thousands of children like him, and they are all training to do the same thing, and the media tell us that this is normal! We have commercials on TV in America, we have commercials for the violent video games, and we're told that doing this is as normal as eating potato chips. Why should anybody be concerned about something that the media tell us is as normal as buying a pair of socks, or eating potato chips?

EIR: There was a case in 1996, in Port Arthur, Tasmania, in Australia, in which where some combat shooter killed 35 people, wounding 22. And the point was made that the killed-to-injured ratio, was 1.6:1, which is exceptionally good. Now, in the case of the Erfurt boy, he killed 16, and wounded, I think, 6 or 9. You have a killed-to-injured ratio of 2.5:1, approximately. Now, can you really acquire that kind of skill,

which puts you in a special forces kind of level? Can you get that from computer games alone?

Grossman: Absolutely. I'll give you another case, the Paduka, Kentucky case [of 14-year-old killer Steven Carneal].

EIR: Yes, I'm familiar with that case.

Grossman: A stunning case. You know, I train the FBI, I train our Green Berets, and nobody in history can find an equivalent achievement of marksmanship skills. He fired eight shots, got eight hits on eight different kids, five of them were head shots; the other three, upper torso. Three of those children, with just one 22 caliber bullet—a 22 caliber bullet is a very small, anemic round—he put one 22 caliber bullet in every child. Three of them were killed, and one of them is paralyzed for life.

Now, this is the kind of supernatural shooting skills we're seeing. Part of it is visualization. Understand that a flight simulator can't teach a kid to fly. A flight simulator doesn't teach you to fly; it makes the learning curve much, much, faster. So, if you spend endless hours in a flight simulator, when you get in a real plane, you learn much faster. The kid in Paduka had spent countless thousands of hours playing the murder simulator, the point-and-shoot video games. He stole a pistol from a neighbor's house, and he fired two clips of ammunition—now that was his flight training—he fired two clips of ammo from a real pistol. Prior to that he'd never fired an actual pistol, but he transitioned very, very quickly from the simulator to the reality, because of all of his thousands of rounds.

One thing on this boy in Erfurt, that we need to look for (and so far nobody has mentioned), is: I will bet you, that if we look at it, we'll find some local video arcade, where the boy played the point-and-shoot video games a lot. Do they have the point-and-shoot video games in Germany? You hold the plastic gun and shoot at targets on the screen, in the video arcades. . . .

The average person doesn't comprehend how much bullets cost. Ammunition, bullets, are very expensive. Now, this boy does not have some vast amount of money available to him. He's already bought a pistol and a rifle. We know that he had about 500 rounds of ammunition in the school with him. He was a member of a club, but I would be interested to know how many rounds he had fired. Here, in America bullets cost about a quarter, for a 9 mm round. . . . So, imagine that you paid one euro for every four shots, that's in America. Now, I'll bet in Germany, it's more. It's worth checking in on. Check how much ammunition costs.

EIR: The funny thing is, he became a member of at least two clubs, one police club, and another sports shooting club. But after he had his weapon possession card, he went there only rarely. But, he was unavailable all day, because his parents didn't even know he had been kicked out of school. He pretended to go to school. So he apparently went some-

where else to train.

Grossman: Yes, and I'll bet you it was the video games. You see, training with ammunition, is very, very expensive. You can easily burn a \$1,000, or 1,000 euros, in a single day, easily, within the blink of an eye. This boy had to be getting his training, and I'll bet you anything he was getting his training from the video games. There is some video arcade, somewhere, where this kid hung out, day, after day, after day, and rehearsed.

EIR: That is an interesting thing. I will definitely look into it. But I'd like to ask you a couple of more questions.

Now, in 1972, the U.S. Surgeon General already issued a report, saying there is a direct proof of the connection of media violence and youth violence.

Grossman: Yes, in 1972, the same Surgeon General who said tobacco causes cancer—everybody in the world knows that tobacco is bad for you; the same Surgeon General who says tobacco is bad for you, said that media violence causes violence in kids. So the Surgeon General, in 1972, made a definitive statement about violent visual imagery, all by itself, just watching a violent movie, being able to enable violence. C. Edward Koop, another Surgeon General, made another definitive statement. Joycelyn Elders, another Surgeon General, made another definitive statement. Our current Surgeon General has made definitive statements—all those statements were about violent visual imagery.

And then, the first definitive statement about the violent video games was made in July 2000; there was a bipartisan, bicameral Congressional conference—now this is basically both houses, both parties of the U.S. Congress—and at that conference, a joint statement was made by the medical community—this was the American Medical Association, the American Psychiatric Association, the American Academy of Pediatrics, and the American Academy of Child and Adolescent Psychiatry. This is all of our doctors, all of our pediatricians, all of our psychologists, all of our child psychiatrists—and what they said was: Media violence causes violence in kids, and the violent video games are particularly dangerous. Their specific statement was: Because of their interactive nature, the violent video games are demonstrated to be particularly dangerous; because of their interactive nature.

That's the first major, joint statement on the video games.

Now, let me continue to give you the video-game research. A meta-study released this year, by Dr. Craig Anderson, the University of Iowa—a meta-study is a study of studies—indicated the fact that the body of scholarly research on the video games definitively shows that they are extremely harmful. A study was done by the National Institute of Media and the Family; it was released last Spring. And what they did—they took over 500 high school boys, who didn't have extensive access to video games, and they broke these boys into two groups: the ones who were prone to high levels of



A student kills his teacher in this scene from the cult classic, "The Basketball Diaries." The glorification of dehumanized killing is presented to youths as "cool"—the more "mature" (a dubious appellation at best) the rating, the "cooler" it is made to appear.

violence, as demonstrated by actual behavior in school, as reported by their teachers, and the ones with low levels of violence. And then they took these children, and gave them violent video games, their own play-station with violent games, and they sent them home.

Now the kids have the joined the world of violent video-game players, and they measured their actual behavior in school. What they found was, the ones who had low levels of violence prior to the video game, are now more violent than the kids with high levels of violence [before]. At the end of one semester, the kids with high levels of violence are now through the roof in the degree of violence. This is what we call the pathological play phenomenon. Video games teach you to kill, and they make killing a conditioned reflex, and you put a gun in your hand, and these people are extraordinarily deadly.

But, there are several things that video games do, and let me track them one by one.

The first is the pathological play. Now, when you and I were kids, we played "toy guns." Did you ever play "toy guns"?

EIR: No.

Grossman: Most children do. They had toy guns, and they said, "Bang, bang, I got you, Ozzie." And I said, "Bang, bang, I got you," to my sister, and my sister said, "No, you didn't." So, I hit her with my cap-gun. And she cried, and she went to Mama, and I got in big trouble. And I learned that my sister is real, and my brother is real, the dog is real, the kids are real. If I hurt them, I'm going to get in trouble. This is a lesson. You know, children go through the biting stage, and children go through the hitting stage. Every child goes through a stage

when they hit. It's a developmental phenomenon. Every child, almost every child, goes through a stage when they bite, and they've got to be taught not to do that. That this is a harmful phenomenon. . . .

Now, in the violent video games, I blow my virtual play-mates' heads off, and see explosions of blood countless thousands of times. Do I get in trouble? I get points! You see, this is pathological play.

EIR: What you said before, that never in history some mechanism like that existed—

Grossman: Let me ask you this: Do you know what the all-time record—let's define juvenile as 18 and below—if we define juvenile as 18 and below, do you know what the all-time record juvenile mass-murder in human history is?

EIR: No.

Grossman: Columbine High School. The all-time Guinness World Record, juvenile mass-murder in human history is Columbine High School.

EIR: Well, now topped by Erfurt.

Grossman: Well, he was 19. We would have to define juvenile as 21 or below. Do you see?

EIR: I see.

Grossman: If define juvenile as 21 or below, which many people do, then Erfurt is clearly the all-time record juvenile mass-murder in human history. Prior to Columbine, the all-time record juvenile mass-murder in human history was Jonesboro, Arkansas, with an 11- and 13-year-old boy.

You see, these things have never happened before in his-

tory. The gun, the primary killing instrument at Columbine was a 12-gauge, pump-action shotgun; 12-gauge, pump-action shotguns have been in existence for over a century—well over a century. The primary killing instrument in Jonesboro was a 30 calibre M-1 carbine, a World War II weapon. It's been in existence for half a century. Hundreds of thousands manufactured and distributed. But it is only today that we've got children willing to commit these crimes. And the new factor is not the guns. The new factor is the murder simulators.

Dr. Jim Magee did the primary profile on all the school killers. Dr. James Magee did the profile, and he calls them the "classroom avenger." He profiled 17 of the school killers in America. Every single one of the school killers was infatuated with media violence. He said that the one factor that they all had in common is this infatuation with media violence.

So, this pathological play. Now, understand what I'm talking about: We know that puppies and kittens aren't real. You cannot get a murder charge for killing a puppy. You can't get a manslaughter charge for killing 10,000 kittens. But, the way a child treats a puppy predicts the way that they will treat real people.

Now, the creatures on the video game are not real. The individuals on that screen, on the video game are not real, any more than a puppy or a kitten is a real person. But, the way that they treat those people predicts what is going to happen in real life. Now, what if, every time your child make the puppy cry you gave him a cookie, wouldn't that be sick? Every time your child crushes a kitten, you give him a cookie. That would be sick. But we immerse them in the video-game environment, and they cause horrible death and suffering on their virtual playmates, and they get a cookie. You see, that's the pathological play.

EIR: I fully agree, but let me ask you this: Well, I don't know if you know, but two years ago, I made a conference presentation in the United States, which was in the aftermath of Littleton, where I looked at the evolution of violence. And I started with some of the so-called cult movies. . . . "Friday the 13th," "Natural Born Killers," and all of these others. I even included Pokémon, because in my view, Pokémon is like an entry track, because the emotionality is completely negative.

Grossman: Just like Power Rangers. It's violence marketed



Aggrandizement of brutally dispensing with one's supposed enemy in the comic book "Pokémon: The Electric Tale of Pikachu," is regular fare among children as young as three years old. Colonel Grossman stresses that this is entry-level to homicidal violence, and when "we market it to children, it's the addictive ingredient. They're rivetted to it."

at very young children. Exactly. Yes.

EIR: Oh, you agree with that?

Grossman: They're entry level. See, entry level violence, it begins at very low levels, and then it works on up. Power Rangers, to me, is the worst thing out there. And Pokémon is a notch below Power Rangers. But when we take violence, and we market it to children, it's the addictive ingredient. They're rivetted to it.

EIR: I accidentally met a 6-year-old boy, who was Pokémon-addicted. I was shocked about what he said. He said that everybody, every child in the world knows Pokémon. And I said, "No, many people, many children in the world are too poor to even have access." And he said, "Well, if they are poor, we should kill them because if we don't kill them, they kill us." I got so shocked, that I started to investigate this whole matter.

But actually, I wanted to ask you something else. I may come back to this Pokémon question. But, given the fact that for any reasonable human being, even if you only assume a desensitization, and becoming more brutalized and bestialized. I mean, for me, that would be enough of a reason not to have this stuff.

Grossman: Right. The pathological play phenomenon.

EIR: Right. But given the fact that this started in the military, to increase kill-ratio, because after World War II and the Korean War, people came to the conclusion that this was not high enough. What I would be interested in is, where did this thing go commercial?

Grossman: Well, it was almost an example of parallel evolution. The truth is that the bleed-across from military to civilian was almost non-existent. A taboo line had been crossed. When the military started shooting real depictions of human beings instead of bulls-eye targets, then it became OK for the civilian world to do it.

You see, in World War II, there really was a cultural taboo against practicing shooting depictions of human beings. It just was not done. We couldn't really fully grasp the fact that we're going to kill human beings, and so we taught them to shoot at bulls-eye targets. Once the military transitioned into shooting at man-shaped silhouettes, then that was aped and mimicked by the civilian population with the violent video games. But it is really a process of parallel evolution, if you will.

EIR: But it was not the general public which produced these videos, it was commercial interests.

Grossman: It was, but the commercial interests were often little garage enterprises. It didn't take a great deal of technology. The first real bleed-across in these things was when the military began to adopt the civilian games to train their own people. And they began—

You see, again, bullets are very expensive, ranges are expensive. Firing real guns is, in any large quantity, a very expensive proposition. And here, the civilian world has come up with simulators that allow us to do this at very cheap prices, and the military just virtually bought them off the shelf. The initial game was a duck hunt. I don't know if you remember, it was one of the early Nintendo games. You had a plastic pistol, and little images popped up on the screen. You know, the gun probably cost \$5, just a light gun, to mass produce it. The video-game imagery was very cheap, and yet it was teaching pistol marksmanship skills phenomenally well. So, the United States Army bought a couple thousand Nintendo games, replaced a plastic pistol with a plastic M-16.

EIR: What is your suggestion for how to get rid of this problem?

Grossman: Let's talk about the violent video games. You see, one of the problems is that the violent video games have allied themselves with the television industry. Initially, when these video-game problems became public, after the Columbine massacre, the television industry had declared open season on the video-game industry. The television industry was doing some great exposés on the video-game industry, and was beating them up. The video-game industry immediately allied themselves with the television industry. Their lobbyists are now the same organization. Their lobbyists work for each

other now.

What happened was that [Motion Picture Association president] Jack Valenti is the head lobbyist for Hollywood. The video-game industry basically fell under them. They accepted their protection, because what happened was, the television industry quickly figured out, that if we control video games, the television industry is next. Once you acknowledge that anything harmful can come over that screen, once you get in people's mind that something harmful can come over that screen, then the television industry's impact on children is next. The television industry has engaged in the most systematic disinformation campaign in human history. The American Medical Association, the American Psychiatric Association, the Surgeon General—everybody's screaming from the mountainside, and yet the television industry has managed to keep the average American citizen ignorant of the harmful impacts of this product.

So, the thing that we're fighting here is the political influence of the television industry. Europe can be the vulnerable flank. Europe, and this tragedy in Europe, can really be an opportunity to do "maneuver warfare," *Auftragstaktik*. We find an area of weakness. We pit strength against weakness—

EIR: I can tell you, that I was actually positively surprised to see, that the debate here after the Erfurt event was much more to the point, pointing to these killer videos. But, I'm a little bit afraid, that if one does not really move—because what you need is legislation on a national level, but you need an international movement. So, I have proposed that Germany should use this shock—and the whole population is under shock—to propose an international protocol for prohibition and proscription.

Grossman: Right. Let me tell you three things that I would like to see happen, and that I believe are achievable steps that ought to be strived for:

The first thing is, you know that Norway has a law that makes it illegal to market to children. Children are not fair game. You cannot have a commercial telling children, "Buy this toy." You cannot have a commercial to children saying, "Eat this sugary substance." Now, when Norway had joined the European Union (EU), they were trying to convince the rest of Europe to do it, and the rest of Europe just laughed them off. Because, frankly, the media interests won't do that. But as soon as it's no longer legal to market to children, then the Power Rangers and the Pokémon, and all of those other toxic things go away. . . . Quebec has a law like that. Now, Quebec is one of the poorest provinces in Canada, and yet they have one of the lowest crime rates. And one of the reasons why, is that Quebec, although the television bleeds in from other areas and on the cable TV, in Quebec it's against the law to market to children. There aren't as many shows selling violence to children.

So, number one, the Norwegian law should be fostered Europe-wide, and Germany should embrace that law right

from the very beginning.

Number two: We should, obviously, restrict the violent video games. We should treat the violent video games like we do guns. If you want to ban them, that's fine. I have no objection to that, but the reality is that we can put restrictions on them like we do with alcohol or tobacco, or better yet, with guns. We need to understand, that you need three things to kill. The weapon, the skill, and the will to kill. The video games provide two out of three. The murder simulators should be restricted, every bit as much as the guns should be restricted. If I give a child a gun, and I let him practice for a little while, I can take the gun away. But, if I give the child the will and the skill to kill, I can't take that out of his hands. That's permanent. And so, the video games obviously need to be severely restricted.

Number one, the Norway law: Don't market to children. Number two, we limit access to video games. Number three, the Internet. The problem is, as long as children have access to the Internet, they're going to be able to download the violent video games. So, they're going to be able to play on the international forum. So, you might outlaw video games, but the children still get access. So here's the answer to that one. The Internet should be treated like the Autobahn [Germany's high-speed freeway]. The Internet equals the Autobahn. A child cannot drive a car. A child can get on the Autobahn, but

only if an adult is driving him. Children should not have unrestricted access to the Internet. It should be illegal for any child to have access to the Internet without a filter. There are marvelous, marvelous filtering software products available. And the filtering software is getting better and better, year by year. It's one of the areas where the technology is working for us. As the technology gets better and better, the filtering software gets better and better. And, just as a child should not drive himself on the Autobahn, a child should not be permitted to navigate himself around the Internet, and there should be filtering software, and no child should be permitted to get on the Internet without filtering software. . . .

The German government needs to hold the German video game industry accountable. We need to sue them. They have products that they know are for adults only. Their own rating system says it is for adults only, but they refuse to accept any regulation of the product. Do you understand the legal liability, if you have a product that you acknowledge is for adults only, and yet actively market the product to children?

EIR: But why cannot the Parliament, the Congress, simply enact laws and forbid it?

Grossman: Yes, that's good, but then go back and punish them, for what they've done so far. And so you see, you get

Video-Game Violence Turns Children Into Killers

A 14-year-old boy who had never shot a gun before, shot eight classmates with eight bullets. Police were stunned. How could he do it?

The boy was *trained*, by his addiction to video-game violence. From "Pokémon" to "Doom," America's children are being turned into monsters, who kill "for the fun of it."

Schiller Institute founder Helga Zepp-LaRouche, in this 1 hour and 40 minute video, **The Mark of the Beast**, exposes the evil which is hitting everybody's hometown—and to which most parents remain oblivious. She traces the decline of American culture since World War II, and links the insane strategic and economic policies of the financier oligarchy and its war-planners, to the mass brainwashing of youth by video and TV violence.

Speech to Schiller Institute conference, Feb. 20, 2000.

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them from two directions. Number one, you ban them from doing it any more, and number two, you go back and punish them for what they've done so far. . . . Imagine if they refuse to set any regulation on their product when it comes to children, and then a child, under the influence of their alcohol has a traffic accident and kills somebody. This industry should be held accountable.

EIR: I agree. I thank you very much.

There is a whole other subject matter which has already poisoned the minds of millions of people around the world, and obviously one has to think what one can do to eventually undo the damage from that, because of what happens to society.

Grossman: The most important thing is the Stanford Study, the one thing that I had yet to tell you about. Stanford University demonstrated, that, in the end, the most powerful solution to this problem is education. . . . Simply by educating children about the health impact of violent video games and violent television, there was a 40% reduction in violence in this test score, because the majority of the children voluntarily turned it off. When their elementary school teachers tell them about this, the children believe it, they know it, and they take action.

EIR: I not only mean education about videos, but education in general. In Germany the education reforms, 30 years ago, have eliminated this basic education of the character. And if you don't have that, and you only go for facts and multiple-choice kind of learning, then you destroy the basis for the inner resistance of the child.

Grossman: And more than that, what happens is you've created a vacuum. If you don't fill their character, the media will. And if we neglect our responsibility to teach character to the children, then the television industry does. And what Hollywood teaches our children is not what we want. Hollywood teaches the children that violence is good, violence is needed. It takes away any restraints for discipline on the child, and the result is horror.

EIR: Yes, I fully agree. I'm very happy that I was able to talk to you.

Grossman: God bless you, and thank you for all.

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France After Election Is Calm Before the Storm

by Christine Bierre

The landslide reelection of Jacques Chirac on May 5 has temporarily ended the deep crisis provoked by the defeat of the Socialist Party and the qualification of fascist Jean-Marie Le Pen to the second round of the Presidential elections. Temporarily, because all the issues that provoked the crisis are unresolved.

After negotiations which lasted nearly 48 hours, Jean Pierre Raffarin, the newly appointed Prime Minister, finally assembled a new government composed of 27 ministers, delegated ministers and secretaries of state. The Raffarin government is very Chiraquian—12 ministers are from his Rally for the Republic (RPR) party—very much to the center, and having as its main tasks the solution of “social” and “security” problems. Chirac had two choices: either constitute a right-wing government by a “right turn”—less taxes, less state involvement, more security—as many were advising him to do; or, take into account the fact that he was elected by an anti-Le Pen coalition, and constitute a government appealing to national unity.

The results of the first round were an outcry from the millions of unemployed or precariously employed; from those, young and old, who are totally excluded from the labor force; from those in the provinces who are fed up with the technocratic decisions taken by the out-of-touch Paris elites. What those voices had expressed was that France, a member of the Group of Seven so-called “industrial powers,” has become a poor country, with crime rates typical of nations where social and economic injustice are rampant.

Chirac decided, at least temporarily, to respond to those voices. Nicolas Sarkozy, the great favorite for leading the right-wing shift, was not chosen as Prime Minister. Instead Chirac named Jean Pierre Raffarin, a former member of former President Valéry Giscard d'Estaing's party. He is also president of the Poitou-Charente region, and his career has been entirely in the provinces. It was he who coined the slogan of “the France from below”—France of the provinces, which fights against the “France from above,” Paris.

Quite a few of the main ministers have a strong “social” profile: among them, François Fillon, Minister of Social Affairs and Labor; Luc Ferry, a philosopher named to the Ministry of Education, Youth and Research; Jean François Mattei to the Health Ministry, a man who recently headed

a right/left coalition against the “right” of severely handicapped children to sue the obstetricians “responsible” for their birth; Gilles de Robien, a close collaborator of Christian Democrat François Bayrou, to the Equipment and Transport Ministry.

But, the problems of crime and law and order will be central to this government as well. Nicolas Sarkozy was named to a new, grand ministry of internal security which will centralize the police and the gendarmerie, formerly under the Defense Ministry. He is, in the protocol, the number two man in the government after Raffarin.

Obviously the nomination of such a government has much to do with the legislative elections coming up June 9 June 16. The Socialists were planning a big comeback with a strongly Socialist program. With the new government, many will be tempted to vote for Chirac in order to give him a majority in the National Assembly, thus avoiding another strained “co-habitation,” between his RPR and the Socialist Party (PS), such as just ended.

What International Economy?

Other than the fact that Chirac’s economic program is not so social—massive tax and social service cuts, creation of “French” pension funds as a complement to the present distribution system, raising the retirement age—the real problem of this government, is the unwavering fixation on domestic issues, and the absence of any debate on those issues which will define the future of France: the ongoing collapse of the world monetary system, and the militaristic flight-forward of the United States.

The economic programs of most of the parties running candidates in the Presidential race were based on the pipe-dream that the U.S. economy was once again “picking up” and that growth rates in Europe would be close to 3% this year. Growth rates are now already being revised downwards. In France, unemployment has increased steadily over the last ten months, and consumer confidence hit a low point in April, with most households fearing job loss and higher inflation rates. Bankruptcies have increased by 19% in the first quarter, and more than doubled among “well established” companies employing 200 or more.

Rapidly, the government will realize that it cannot reduce taxes, create jobs, and increase defense and security spending in the context of a generalized financial crisis. What then? Interesting in this respect is the nomination to the Economics, Finance, and Industry Ministry of Francis Mer, the president of the world’s number-one steel giant, Arcelor. A graduate of the Ecole Polytechnique, Mer is better known for restructuring Usinor, the French steel company which became Arcelor after the merger with the Luxembourg Arbed and the Spanish Aceralia. In the process, Mer had to fire 22,000 of the 88,000 workers. But he is known as a “social” entrepreneur, because, through negotiations, he was able either to relocate them or to organize for their early retirement. It is

rumored that Mer could use his particular competences to do a similar job with the state energy firm Electricité de France/Gaz de France.

Refusing to deal with the ongoing financial collapse, the RPR has refused to take a clear stance concerning George W. Bush’s war on the nonexistent “axis of evil.” In the months prior to the election, it appeared that Chirac, whose militaristic proclivities are as well known as his longstanding relationship to former President George H.W. Bush, was much more gung-ho to participate in the American war against terrorism, than then-Socialist Prime Minister Lionel Jospin. Chirac would pay the price, however, of going overtly against French national interests in Russia, China, and in particular in the Arab world. Dominique de Villepin, the new Foreign Affairs Minister, is expected therefore to maintain a relative continuity in terms of foreign policy—protesting in public, while submitting in private to some of the American dictates. Bush’s war against Iraq—a close ally of France to which Chirac has a personal attachment—will indicate to what extent Chirac is willing to betray his friends in order to go along with Bush’s empire.

More Trouble To Come

If the electorate remains as volatile, this entire scenario might still be reversed during the upcoming National Assembly elections. While Le Pen’s second-round vote was contained, by a massive propaganda campaign, to barely 50,000 votes more than the 9 million he won in the first round, his party will play the role of a spoiler in the legislative campaign. Any of his National Front candidates who get over 12.5% can go on to the second round of the elections, and the Front could come close to those rates in the 319 districts where it is running, of the total 577 districts. The presence of the National Front (NF) in the second round can force the leading contender—RPR or Socialists—into alliances with the extreme right wing in order to win.

The Socialist Party will also try to make a major comeback and win the legislative elections, riding on the anti-Le Pen wave of the second round. In order to do so, it has adopted a much more radical program, which, like that of the RPR, doesn’t deal at all with the crucial issue of the financial crisis, but promises many handouts—increases in minimum wages and social assistance payments—as well as a total halt to the deregulation process. Were the Socialist Party to actually win those elections, Chirac would have to choose between a new “co-habitation” with the Socialists, or resigning and calling yet another Presidential election. Were only ten FN deputies elected, the extreme-right party could become a real nuisance within the National Assembly.

Clearly, in the context of the onrushing generalized economic crisis, and in the absence of sufficient support for the real alternative proposed by the LaRouche forces of former Presidential candidate Jacques Cheminade, the extremes will flourish, threatening the French republic again.

'Anti-Semitic Europe' Myths from Washington

by Mark Burdman

Although no American figure has (yet) added nations of western continental Europe to its ever-expanding "axis of evil" opposing what certain Administration officials consider to be the "New American Empire," there is an ugly anti-European mood coming from Washington and related environs. As dismayed Europeans, long loyal collaborators in NATO, reported on return from recent trips to the American capital, dominant American policymakers have "written off" Europe, as they plan their "Phase Two-and-beyond" attacks on Iraq, Iran, etc.

Indicative was an April 18 column by William Pfaff, himself an American, in the *International Herald Tribune*. Speaking of a conference at the elite Ditchley Foundation in Great Britain, Pfaff said that the mood was extremely tense, because the U.S. representatives laid down the law on a coming attack on Iraq, and informed European opponents of such a war "that the United States does not need allies. . . . The disagreement is the most important that has existed between the allies since NATO began. It . . . could set the former allies against one another."

Intense anger has been whipped up by the alliance of "Christian fundamentalists" and extreme "Zionist Lobby" in the United States, over opposition among European influentials to the present policies of Israel.

The Final 'Final Solution'

In late April, a British expert on international relations and the Middle East, who has been active in these fields for decades, commented to *EIR*, "A simplistic argument is gaining ground throughout America, that the *only* explanation for the Europeans' policies on Iraq and Israel, is that European anti-Semitism has resurfaced." In recent weeks, powerful elements in the American policy establishment have been cultivating this idea, that Hitler's ghosts are rising from the graves of Europe.

The same mood was manifest in the U.S. Senate, in an extraordinary 99-0 vote on April 26, to send a letter to President George W. Bush, calling on him to condemn anti-Jewish rhetoric and violence in Europe. On April 1, Bush himself, in what was attacked as a breach of diplomacy in the French press, had told a California audience about his concern over "the old demons of anti-Semitism" rising in France.

Diatribes against Europe have come from the pens of top "neo-conservative" columnists, such as George Will and Charles Krauthammer. Writing on May 2, in the *London Times*, Foreign Editor Bronwen Maddox, an American who was formerly the paper's correspondent in Washington, focussed on the "explicitly anti-European rhetoric" coming out of Washington, particularly the "anti-Semitism" hype. She wrote: "The past fortnight's comment in the media and politics has been so poisonous, so homogeneous, and so voluminous, that it amounts to a sharp change of national mood, and is a real diplomatic problem of its own." On that day George Will had erupted in the *Washington Post* that Europe, having murdered Jews by the millions in the 1930s and 1940s, was now practicing "anti-Semitism without Jews," and was playing its part in the "second—and final?—phase of the struggle for a 'final solution' to the Jewish question."

Never wishing to be outdone in demagoguery, the organized crime-linked Anti-Defamation League (ADL) made this a leading theme at its May 7-10 "Leadership Conference," in Washington. In his keynote speech, on receiving the ADL's "Statesman Award," Israeli Prime Minister Ariel Sharon warned of the "new anti-Semitism in Europe and elsewhere." Worse, ADL National Director Abe Foxman ranted, "If a country is critical only of Israel's actions, this is anti-Semitism. If Belgium continues in its attempt to bring the Israeli Prime Minister to trial for war crimes, this is anti-Semitism. . . . If the Danish government refuses to recognize the credentials from only a diplomat from Israel, this is also anti-Semitic."

The American Jewish Congress has begun a boycott of certain French-produced items. And so on, *ad nauseam*.

'Obscenely Offensive Rubbish'

In a May 7 *Washington Post* commentary entitled "Stop Blaming Europe," European Union External Affairs Commissioner Chris Patten, himself British, blasted the attacks by George Will and others as "obscenely offensive rubbish," a "mad and grotesque assault on reasoned debate" over the policies and philosophy of the Sharon/Netanyahu Likud party leadership in Israel. Patten reported that a Washington colleague informed him that Will's outburst was "a pretty typical piece. He had seen plenty more like it, and there was similar muttering on Capitol Hill." Patten expressed alarm at this spreading "visceral contempt" for Europe. Noting the comment by a U.S. Democratic Senator, that "All of us here are members of Likud now," Patten wrote, "So any criticism of the policies and philosophy of Likud condemns one as an anti-Semite? . . . It is not anti-Semitic to say . . . that we will do our common campaign against terrorism irreparable damage, if we allow it to be hijacked by Likud." Peace in the Middle East requires the creation of a viable Palestinian state, Patten said, based on a return to the 1967 borders (official U.S. policy, but not that of Likud).

There is, of course, a growing mood in Europe diametric-

cally opposed to those pro-Likud berserkers in Washington, moved by disgust at what Sharon and the Israeli Defense Forces have been doing in Ramallah, Jenin, Bethlehem, and their other brutal occupations. It is despicable, as Foxman and the unfortunate Chief Rabbi of the United Kingdom and the Commonwealth, Dr. Jonathan Sacks, have done, to equate this with “anti-Semitism of the traditional sort.” For many sensible Europeans, it is Sharon’s ravings that remind them of the worst of the 1930s, and threaten new wars erupting from the Mideast.

Fewer and fewer Americans, especially as the generation of World War II veterans passes on, any longer understand that Europe lived through two horrifying wars in the last century, and only thereafter, because of the brilliant statesmanship of a handful of individuals, achieved an effective process of reconciliation.

Wiser voices in Israel have risen to dispute the equation that “anti-Sharon equals anti-Semitism.” On May 12, Avi Primor, former Israeli Ambassador to the European Union and to Germany, now vice-president of Tel Aviv University, wrote in the Israeli daily *Ha’aretz*, under the title, “No Longer Ghetto Jews”: “We are under severe attack in the European media and among European public opinion, as well as in ruling circles. This is something we must cope with. In most cases, the criticism does not emanate from the extreme right, or from classically anti-Semitic circles—these groups are, in fact, doing all they can, to express support for the government of Israel. The worrisome point, is that the most acute criticism is being voiced by circles that have traditionally been friendly toward Israel, and it is criticism that is aimed not at the State of Israel or its people, but at the current policy. If we automatically categorize this as anti-Semitism, we will be wide of the mark, and only do ourselves harm in the long run. When France was condemned by the world over the war it waged in Algeria, no one claimed that the criticism was anti-French racism, nor was racism put forward in connection with the criticism of the United States and its war in Vietnam, or in the case of Milosevic’s behavior in Serbia.

Le Pen ‘Supported By So Many Jews’

Primor also debunked the myth that the vote for Jean-Marie Le Pen for President of France represented a “resurgence of anti-Semitism” in France, as much of the American and Israeli media have been propagandizing. He stressed that “many Jews in France voted for Jean-Marie Le Pen. . . . Some 10% of the Israelis who hold French citizenship voted for Le Pen in Israel. What kind of anti-Semitism is this, which is supported by so many Jews?” Primor’s point was publicly confirmed by Jo Goldenberg, a Holocaust survivor whose restaurant was bombed by terrorists 20 years ago, and who voted for Le Pen, telling the French press that he was far from alone among French Jews in doing so.

One high-level intelligence source, in a discussion with

this author, recently labelled Le Pen “the French Sharon.” The orchestrated public hysteria, in Israel, about the Le Pen vote, must be taken with a grain of salt.

The deeper reality is that French and European Jews are by far *not* the targetted group in most of Europe. If one looks at the polemics of Le Pen, or the successes of like-thinking parties in recent weeks in Denmark and Holland, the “enemy image” of such parties, and their leaders, is immigrants, many of whom are Arabs and/or Muslims, and there have been many instances, in France and elsewhere, of horrific acts of violence against poor, Muslim immigrants. Insofar as one word may sum up that real problem, it is *racism*.

That anti-immigrant poison—also prevalent in parts of the United States respecting Arabs, Muslims in general, Hispanics and others—is, to a significant extent, caused by the *economic depression* spreading across Europe. Immigrants are a ready scapegoat and an enemy image as unemployment rises, and as the conditions of life become worse for millions of European citizens.

Who Benefits?

Though there has been, unquestionably, a rise of attacks on synagogues in Belgium, the Czech Republic, France, and Great Britain, the actual incidents of vandalism and destruction often have a murky origin. In some cases, as Primor points out, these are carried out by “marginal groups of second-generation immigrants from Islamic countries, who are frustrated by absorption difficulties and agitated by the events in the Middle East.” Such cases, he stresses, have nothing to do with the “historical anti-Semitism,” typified by what happened in France with the notorious 1890s frameup of Capt. Alfred Dreyfus. In other cases, the incidents are committed by the punk/satanist scene, for which anti-Jewish attacks are *à la mode*. This is reminiscent of the Jewish cemetery desecration in the French village of Carpentras, in 1992. As soon as it had happened, the entire French political class and media jumped to portray it as a sign of the “dangerous rise of anti-Semitism,” until it was later revealed, that local satanists had done it.

Sometimes, these actions are done by neo-Nazi groups, but they are so penetrated by various intelligence services, that it is, in the end, difficult to say “who gave the orders.”

There is also a Likud *cui bono* factor. On April 22, after the first “Le Pen shock” round of the French Presidential elections, Israeli Vice-Minister and Minister of the Interior Elie Yishai insisted that “the Jews of Europe, in general, and the Jews of France, in particular . . . [must] pack their bags, and emigrate to Israel,” to escape “the growing number of anti-Semitic attacks.” There are, unfortunately, precedents for an “irregular” Israeli role in such misadventures. According to many sources, including prominent Iraqi Jews, in the 1950s, Mossad operatives, were involved in setting off bombs in front of synagogues, in the Iraqi capital of Baghdad, to “encourage” Iraqi Jews to emigrate to Israel.

U.S., Iran Strategies Compete in Central Asia

by Muriel Mirak-Weissbach

In late April, the U.S. Defense Secretary and the Iranian President almost crossed paths in Central Asia, each in the course of high-priority political tours of the region. Whether reports are true or not, that the United States tried to get Kazakstan's government to decline Iranian President Sayyed Mohammad Khatami's visit, it is certain that the two trips were at cross-purposes. Secretary of Defense Donald Rumsfeld's mission aimed at further consolidating the military and political presence of the United States in Central Asia, established in the wake of the Sept. 11 attacks, and the subsequent war against Afghanistan. President Khatami's mission, on the other hand, was to shore up economic and political cooperation between Iran and the Central Asian Republics, as the basis to enhance security and stability within the region, and to thwart the interference of external powers—notably the United States—seen as committed to wrecking such cooperation.

Following Sept. 11, as the Bush Administration launched the Afghan war—intended by the imperial faction moving to seize control in Washington as opening a “perpetual war” strategy—it embarked on a carrot-and-stick campaign, to convince the (former Soviet) Central Asian Republics—Tajikistan, Kazakstan, Uzbekistan, Turkmenistan, and Kyrgyzstan—to play along. Specifically, they were to offer up military bases to the United States. Three republics were brought to do so, while Kazakstan and Turkmenistan resisted, agreeing only to cooperation for humanitarian activities.

As the Israeli daily *Ha'aretz* noted on May 7, these bases are not only aimed east and south into Asia, but also enable U.S. power “to attack Iraq without living in Kuwait.”

American Troops, ‘As Long as Necessary’

Rumsfeld visited Kyrgyzstan, Turkmenistan, Kazakstan, and Afghanistan, with the message that the U.S. presence would be long-term, and would be expanded. In Kyrgyzstan on April 26, he gave a pep talk to a group of the 1,000 U.S. troops stationed there, mainly at the Manas Air Base, and in answer to questions as to how long the U.S. troops should remain there, he replied, “As long as necessary.”

Rumsfeld flew into Ashgabat on April 28, for meetings with Turkmen President Sapurmurat Niyazov, Defense Minister Rejebay Arazov, and Foreign Minister Rashid Meredov. Although Rumsfeld pushed hard for Turkmenistan to join its neighbors in offering bases for U.S. troops, the government, whose policy is one of strict neutrality, refused. According to

Turkmen diplomatic sources, the only concessions made were related to humanitarian aid for Afghanistan. The same was the case in Kazakstan, his next stop.

While the U.S. Defense Secretary was in Afghanistan, U.S. Special Operations and Delta Force units there began to deploy on the Pakistani side of the border, in the tribal belt where al-Qaeda/Taliban forces are said to be located. Despite Pakistan's requests that the United States keep this secret, and its ritual denials that the Americans were on its territory, actual combat was reported. While Rumsfeld was still in the region, it was announced that U.S. aircraft would be used to monitor the Afghan-Pakistani border crossings. On May 1, it was made known that the United States was moving parts of more than two battalions of the 101st Airborne Division to the border region, which again confirmed the existence of serious fighting there.

Building a ‘Coalition for Peace’

The potential of Iran to develop, parallel to China, as the pillars of the Eurasian Land-Bridge, is the explicit target of American policy. While Rumsfeld sought to expand the “anti-terrorist coalition,” to include more Central Asian Republics, Khatami called for building a “coalition for peace” among those same nations, based on economic cooperation. A glance at the map shows that Iran is *the* transport bridge for all the landlocked Central Asian Republics, to Persian Gulf ports, and thence, world markets. Since 1991, with the collapse of the Soviet Union, and the independence of the five former Soviet republics in Central Asia, Iran has defined its foreign policy increasingly in terms of its geographical and strategic position. It has aggressively pursued the construction of transportation and pipeline infrastructure, to allow the Central Asian Republics to become part of the Eurasian Land-Bridge network, and to export their massive oil and gas resources to international markets.

In the last week of April, Khatami had again experienced, albeit indirectly, the weight of U.S. interference in the region's development. The Ashgabat summit of the Caspian Sea littoral states—Iran, Russia, Kazakstan, Turkmenistan and Azerbaijan—had as its top agenda item, to establish a legal regime for exploiting the rich resources of the Caspian Sea. The resources had long been jointly shared by the U.S.S.R and Iran, according to treaties signed in 1920 and 1941. With the breakup of the U.S.S.R. these two littoral states became five, and a new legal status had to be found—no small task. The thorny fundamental problem is whether the sea and its riches should be divided equally among the five—20% for each, as Iran proposes—or according to the shoreline of each state.

That the summit ended on April 24 without any conclusive document, was immediately dubbed a failure by some foreign press; however, the participants agreed that the mere fact that the summit occurred, after years of difficulties, made it a success, and that it would be unreasonable to expect a final

Iran and Central Asia: Rail Connections



John Sigerson / EIRNS 2001

agreement at the first meeting. The five countries pledged to refrain from using force or creating tension in the Caspian Sea, and to seek to resolve the issues of contention through understanding and compromise.

All five know that one major obstacle is massive financial and political influence exerted by U.S. interests on Azerbaijan, which has vociferously opposed Iran. Khatami said that Iran “announces that any agreement on the sea will be valid only if it is approved unanimously by the littoral countries,” and, according to Iran’s IRNA news agency, called on the

coastal states, “in this very case Azerbaijan, to refrain from operating on the 20% of the sea which [Iran] regards as its minimum share on the bed and the surface of the sea.”

In remarks after his address to the summit, Khatami stressed, “One of the most important issues raised in the summit was that the Caspian Sea belongs to the five coastal countries, and that nobody should interfere in the region. Most of the regional countries,” he added, “believe that any foreign interference in the region must be avoided.” Iran has well-founded fears, that the United States could extend its military

presence to the Caspian Sea, through Azerbaijan. Khatami also reiterated Iran's willingness to provide the "shortest, most secure, and cheapest route for the transfer of regional energy to the world market," a reference to pipelines through Iran, for Turkmen and Kazak oil—again systematically opposed by the United States.

Russian President Vladimir Putin's position converged with that of Khatami on the key point: Putin "reiterated that the Caspian problems should be settled by the sea littoral states and without intervention of foreign forces." Iran will host the next Caspian Sea meeting.

At the conclusion of the summit, the Iranian president made a state visit to Almaty, Kazakstan; went to Uzbekistan, where he held talks in Tashkent, and visited the historic city of Bukhara; visited Kyrgyzstan; and ended his trip in Tajikistan. The focus of the tour was to consolidate ties with the Central Asian Republics, in the face of the accelerated U.S. efforts to establish a political and military hold over the region. In Kazakstan, Khatami denounced President Bush's "axis of evil" notion and the U.S. penetration of the region. "The presence of armed forces of large non-local states in Central Asia prompts Iran's concern," he said. He called the presence of U.S. troops in the region a "humiliation."

While Khatami was in Kazakstan, an official of Iran's railway company RSE announced in the Parliament, that the first regular passenger train service between Almaty and Tehran would begin on May 2. There already exists fruitful cooperation between the two countries, for energy transfer. In one of its many regional swap agreements, Iran receives Kazak oil via the Caspian Sea, and Iranian oil is then transferred to the Persian Gulf. Also under discussion is a pipeline from Kazakstan through Turkmenistan to Iran. On April 24, the two states signed a Protocol for Commercial and Technical and Cultural Cooperation and declaration of friendly relations. Kazak media noted the coincidence of Rumsfeld's tour and Khatami's, and charged that the United States was attempting to sabotage the growing cooperation among Iran and the Central Asian Republics. One source in the Kazak Foreign Ministry was quoted stressing that common Russian-Iranian interests may lead to "a geopolitical union in the region in opposition to the U.S.A."

During his visit to Uzbekistan, one of the countries which is most closely cooperating with the United States, including military basing rights, Khatami launched a counter-proposal to the permanent war strategy lurking behind the "anti-terrorist coalition." According to IRNA, Khatami, in a speech at Tashkent University, said, "Today, due to the advancement of destructive arms and weapons of mass destruction, the main issue is the probability of a war, and a massacre, and that whether the scales will be tipped for the duration of human life or its annihilation." Referring to Iran's proposal for a Dialogue of Civilizations, which was endorsed by the United Nations for 2001, and the rebuilding of the ancient Silk Road under that idea, he said, "Now, a fundamental step has to be

taken in order to realize that: global coalition for peace." In Uzbekistan, Khatami also inaugurated a pharmaceutical plant constructed with Iranian capital. Ministers of the two countries are discussing plans for an Iranian-Uzbek joint bank.

In Bukhara, Uzbekistan, which, with its 2,500 years, is the oldest city in Central Asia, Khatami visited the Great Mosque, the Mir Arab Theological school, the Winter Castle of the Bukhara king, and the shrine of Sheikh Bahaddine Nagshbandi. He then travelled to Samarkand, where he visited the historical Islamic complexes of Shah-zنده and Imam Bokhari. The Shah-zنده complex houses the tomb of Qesam ibn-Abbas, the cousin of the Prophet Mohammed. The Imam Bokhari complex is dedicated to the memory of the author of many books, the most significant of which is the *Jame ol-Samih*, a collection of the holy quotations of the Prophet. The Bibi-Khanum, a great architectural monument, was constructed on the order of Amir Teymour (Tamerlane), for his wife, daughter of the monarch, Qazan Khan.

These two great cities share not only the architectural tradition with Iran, but also the Persian-language culture.

In Kyrgyzstan, which also has Persian-language culture, Khatami was greeted by President Askar Akayev as the President of a "friend" and a "great Islamic government." Akayev stressed the "high respect" which his "government and nation" have for "the great and rich culture of Iran." In a joint press conference, Khatami addressed the massive U.S. presence in the small, poor country of Kyrgyzstan. He reiterated that any crises breaking out in the region, would originate not locally but from "abroad." He stated that Iran considered its security as dependent on regional security.

Kyrgyz President Imomali Rakhmonov singled out the importance of a road constructed by Iranian experts, between China and Tajikistan, and a hydroelectric plant, as well as agricultural cooperation. Both Presidents emphasized the need to free the region of foreign troops.

Importance of Tajikistan's Water

In Tajikistan, whose civil war ended five years ago through a joint effort of Russia and Iran, President Khatami finished his tour. A special feature of the cooperation discussed there, concerns the development of Tajikistan's massive water resources. Khatami stated that Iran was ready to help harness the country's water energy resources by building dams and hydroelectric plants. "A suitable tapping of this important resource is key to the economic development of Tajikistan and strengthening of stability in the region," he told a state dinner. Tajikistan possesses 950 rivers, from which 60 larger regional rivers originate.

Khatami also offered help to connect Tajikistan, a landlocked country, to international waters, through ground transportation systems. He said the countries would "be active in revitalizing the historic 'Silk Road' which links China and Europe." To make Tajikistan's development possible, Khatami spoke of Iran's willingness to extend project credits.

The Northern Command: Crossing the Rubicon

by Lyndon H. LaRouche, Jr.

May 17, 2002

The proposal for the probably unlawful, U.S. Army Northern Command (“USNORTHCOM”), when taken in its current strategic-policy-setting, is clearly a proposal to “cross the Rubicon,” a preparation to create a Caesarian military dicta-



*“There is no stretching of the comparison in this choice of historic parallel for the currently pending adoption of USNORTHCOM.”
Julius Caesar crosses the Rubicon River in 31 B.C., bringing his legions into Rome.*

torship over both the North American continent and the Caribbean, in imitation of the 49 B.C. action of Julius Caesar’s setting off that civil war among Roman military forces which led to 31 B.C. establishment of the Empire of Augustus Caesar. In today’s world, it is a preparation for the Pentagon to cross the Potomac one morning, to place the U.S. Attorney-General and his minions in power, reducing the President himself to a ceremonial, or even lesser figure in the configuration.

1. The Roman Precedent

There is no stretching of the comparison in this choice of an historic parallel for the currently pending adoption of USNORTHCOM. Following the 212 B.C. murder of Archimedes, during the Roman conquest of the most powerful obstacle to them, in what is today’s southern Italy, the Roman legions conducted a rampage of military conquests and continually aggravated looting throughout the Mediterranean littoral.

During this period, through, and beyond the period of the attempted social reforms by the Gracchi, Italy underwent an accelerating change in its social character, paralleling the recent thirty-five-odd years transformation of the U.S., from its 1861-1965 character as a producers’ society, to its post-1965 shift into becoming an increasingly parasitical and decadent consumer society. Typical of the decadence of the Roman social order since the beginning of the Second Punic War, was the consolidation of the power of an emergent, new ruling class, one based on the combination of wealth and power acquired through looting abroad and the spread of slavery. Italy shifted into becoming a parasites’ economy, subsisting by looting conquered peoples, and maintaining political support for the Roman regime at home through instruments of

moral, political, and economic decadence akin to the mass-media-entertainment culture of the U.S. today. The attempted reforms by the Gracchi, were the last significant effort to reverse the tide of decadence.

The defeat of the Gracchi, through assassinations conducted by the so-called democratic party representing the Roman predator class, unleashed a succession of civil wars within the Roman military class. Cicero's leadership against the Cataline conspiracy was the last significant effort to halt that process. Julius Caesar's rise to power through the toppling of Cicero, unleashed the process leading, through a constant state of civil warfare among Rome's military commanders, into Octavian's seizure of power as Augustus Caesar. Amid this process, Julius Caesar's crossing of the Rubicon had broken the barrier which had shielded the city of Rome itself from the direct, full force of Nazi-SS-style military dictatorship.

The U.S. *posse comitatus* doctrine of law may be properly viewed as the U.S. government's recognition of the danger of allowing the circumstances under which corrupt elements of the Federal government might act to established a military dictatorship in the U.S.A. To breach that *posse comitatus* rule, under the circumstances of presently rampant, rising, crisis-stricken decadence in the U.S., is, in effect, to "cross the Rubicon."

Look at those present circumstances against an important lesson from the past.

2. The Utopian Degeneracy of America

1. Under the radiating influence of H.G. Wells (*The Open Conspiracy*) and Wells' pact with Bertrand Russell, the idea of setting up a parody Roman-imperial style world government grew. From Wells' first published proposal, in 1913, for the development and use of nuclear weapons to terrify nations into abandoning national sovereignty in favor of world government, and the subsequent notion of using air power, as in Wells' fictional *Things to Come*, to deliver such weapons, a massive corruption spread among the English-speaking military and others. The dropping of two nuclear bombs on Hiroshima and Nagasaki, in 1945, gave impetus to the policy of "preventive nuclear war" (using air power) as set forth in Russell's September 1946 theses published in his lackey Leo Szilard's *The Bulletin of the Atomic Scientists*. Around this idea, there grew up the phenomenon which President Dwight Eisenhower came to describe as a utopian "military-industrial complex." What Eisenhower referenced thus, is a complex of foundations, universities, military circles, and corporate oligopolies of military-industrial concentration, around Russell's 1938-founded Unification of the Sciences project.
2. Around these utopian conceptions, and figures such as John J. McCloy, Leo Szilard, and Harvard's "Old Fagin," Professor William Yandell Elliott, and the pack of "Artful Dodgers" typified by Zbigniew Brzezinski, Samuel P.

Huntington, and Henry A. Kissinger, the rising tide of utopians projected a new style in military forces, and in warfare, modelled upon the twin precedents of the Roman imperial legions and the Nazi international Waffen-SS. Thus, we have seen protracted warfare, like that of decadent ancient Rome in post-MacArthur Korea and in post-Eisenhower, and post-Kennedy Indo-China. Post-Eisenhower détente, as associated with McCloy, Kissinger, et al., typifies the institutionalization of a permanent state of warfare akin to practice under the Roman imperial legions.

'Bolton Threatens to Satisfy All the Whores of Havana'

This statement was released on May 13 by the LaRouche in 2004 Presidential campaign committee.

There has been much ado about the recent statements of Undersecretary of State John Bolton, where he announced that the U.S. government was adding three more countries to President Bush's already unfortunate definition of a purported "Axis of Evil." U.S. Presidential pre-candidate Lyndon LaRouche today offered a typically LaRouchean comment, in reaction to hearing news of Cuban President Fidel Castro's response to Bolton's inclusion of Cuba in the newly expanded "Axis."

The background to the story is the following.

On May 6, Bolton had told a Heritage Foundation audience in Washington, D.C. that "for four decades, Cuba has maintained a well-developed and sophisticated biomedical industry, supported until 1990 by the Soviet Union. This industry is one of the most advanced in Latin America and leads in the production of pharmaceuticals and vaccines that are sold worldwide. Analysts and Cuban defectors have long cast suspicion on the activities conducted in these biomedical facilities."

In his public response, Castro called Bolton a liar, reported on the achievements of Cuban medicine, and said the country's laboratories were open to the world.

To all of which LaRouche responded: "Bolton's remarks are foolish at best. Even if there had been merits to aspects of his charges, it is not useful to get the U.S. involved in yet another situation it can't handle. Bolton reminds me of the typical American who would travel to Cuba in the pre-Castro days, proceed to get royally drunk, and then loudly threaten to satisfy all of the whores of Havana. It's this kind of typical 'gringo' attitude that gives a dirty name to being a gringo American, if Bolton didn't have it already."

3. Following the globally turbulent, 1961-1964, initial phase of post-Eisenhower unleashing of the utopian policy, the recent thirty-eight years have been dominated by an intentional transformation of the U.S. and its allied partners from the successful, 1945-1965 interval of post-war economic reconstruction as a producer society, into the increasing, 1966-2002 decadence of a presently doomed form of consumer society.
4. Just as the increasing decadence of the Roman citizen, under the rule of the new wealthy class, made possible the citizen's corrupted submission to the conditions following the Second Punic War, so the irrationality of a so-called "post-industrial," consumer society, has introduced the same descent into ever-deeper decadence which has afflicted the populations of Europe, the Americas, and Japan, most notably, over the course of the 1966-2002 interval.
5. A qualitative up-shift in the implementation of this post-1965 pattern of decadence, was unleashed during the interval of the 1989-1991 collapse of the Soviet system. The English-speaking utopian leadership took that change as the occasion for lurching toward the foreseeable establishment of an English-speaking, global parody of a Roman Empire, a process called "globalization" in a post-nation-state world. In mimicry of ancient imperial Rome, these utopians intend to use a new type of professional military force, modelled in fact upon the Nazi international Waffen-SS, as an instrument of perpetual warfare deployed, under the cover of utopian modes of air-power, on a global scale.

3. 'Eripme' Is Empire Written Backwards

It is typical of today's Wall Street and Federal Reserve System, that they forecast backwards. The glory of U.S. power toward which they yearn, is the glory we enjoyed in the past, during and immediately following World War II. In their dreams, they look backwards, and call it the future. These are the augurs of the "No Future" society, are viewing the prospect before their backward eyes from their perch at the brink of doom. The economic system on which they perch is doomed.

That is not to suggest that the nation, or civilization generally is necessarily doomed. It is the utopians' monetary-financial system which is doomed. Under new leadership, comparable, more or less, to what President Franklin Roosevelt symbolizes, the economy and the nations could recover, through a process of reconstruction, to prosperity and safety. The utopians' system could not survive. The danger is, that they might have sufficient power to take rest of the world down with them. The USNORTHCOM proposal expresses the intention to bring about, in fact, exactly such doom for this nation and much of the rest of the world, if not all, besides.

Today's utopian "Miniver Cheevy's" have arrived on the stage of current history, much, much too late.

Lieberman's Alliance With McCain Is Alliance With the Desert Mob

by Edward Spannaus

The key to Senator Joe Lieberman's efforts to destroy the Democratic Party, is his alliance with some of the most corrupt elements in the Republican Party, grouped around Sen. John McCain of Arizona.

Shortly after Senator James Jeffords of Vermont left the Republican Party in May of 2001, giving the Democrats control of the Senate, the Democratic Party leadership made it clear that they were not going to do anything to reassert the Party's FDR tradition. Early in June, new Senate Majority Leader Tom Daschle went to Arizona to meet with "maverick" Republican John McCain, reportedly to discuss the possibility of McCain switching parties. Bruce Reed, the head of the Democratic Leadership Council (DLC), which represents the alliance of Al Gore, Lieberman and Wall Street financiers, was also in on the Daschle-McCain meeting. However, it is clear that McCain never had any intentions of throwing away his political leverage over President Bush by switching parties; and soon thereafter, McCain launched his "Bull Moose" initiative—a "progressive reformer" on domestic issues, and a warhawk on foreign policy.

The turning point in the degeneration of the Democratic Party came a month later, when Senator Joseph Lieberman made a secret pilgrimage to Arizona, to meet with McCain over the July 4 weekend. There, the McCain-DLC dirty deal was cemented; its first manifestation was the expanded sponsorship of the McCain-Lieberman campaign finance reform bill. McCain and Lieberman have been a twosome for some time, including their joint appearance at the annual Wehrkunde international security conference in Munich, Germany on Feb. 1-3 of this year, which they helped to turn into a platform for pushing a Middle East war, targetting Iraq, Iran, and even longtime U.S. ally Saudi Arabia. McCain and Lieberman were particularly rabid, in demanding the immediate military elimination of Saddam Hussein.

Back in Washington on Feb. 14, McCain showed up at the DLC's think-tank, the Progressive Policy Institute. McCain and Lieberman became co-sponsors of a petition for the creation of a Congressional panel to probe the intelligence failures of Sept. 11—widely understood to be a drive to purge current CIA Director George Tenet and install a replacement,

more friendly to Israel's current war aims. McCain and Lieberman again teamed up, over the past few days, to reaffirm their demand for an independent commission to probe—not the truth of what happened on Sept. 11—but why the Bush Administration didn't focus more single-mindedly on the spurious "Osama bin Laden" track prior to Sept. 11.

Who Created John McCain?

What Lieberman seems to have most in common with John McCain, is their mutual affinity for the most rabid, right-wing faction of Israeli politics, the Likud Party of Ariel Sharon and Benjamin Netanyahu. Likud has always represented the most violently anti-Arab strain of Israeli politics, the faction built around the avowed fascist Vladimir Jabotinsky. The Jabotinsky-Likud wing in Israel overlaps heavily with Israeli organized-crime circles, and the Jewish mafia—the "Kosher Nostra"—in the United States. This grouping operates not in its own name, but through the Likudnik lobby in the United States—the American-Israeli Public Affairs Committee (AIPAC).

This takes us directly into some of the sleaziest, mob-connected circles in Arizona, a desert outpost of the old Meyer Lansky crime syndicate, to which John McCain owes his political career.

This is shown most readily, by reference to McCain's two most important political patrons in terms of funding for his political career: Charles Keating, best known for lending his name to the "Keating Five" politicians (including McCain) linked to him in the 1980s Savings & Loan scandals; and his father-in-law, James Hensley, and Hensley's beer distribution business, which traces its lineage to the old Prohibition-era Capone syndicate.

McCain's political career took root while he held the position of the U.S. Navy's liaison to the U.S. Senate in the late 1970s. In this capacity, he was on a junket in 1979 which included stopping in Honolulu for a cocktail party, at which he met Cindy Hensley, a 25-year-old daughter of a wealthy Arizona beer baron, James Hensley. (McCain himself was 43 at the time, and married.) The next year, he divorced his wife and immediately married Hensley, who took McCain to Arizona where Hensley gave him a job in his Budweiser distributorship, and then bankrolled his 1982 campaign for Congress.

Who was Jim Hensley? After World War II, he had gone to work for Kemper Marley, a powerful, mob-connected rancher and liquor distributor, who was later linked to the car-bomb murder of reporter Don Bolles. Marley was awarded his liquor monopoly by Sam Bronfman, the Canadian bootlegger who was the principal supplier of the U.S. crime syndicate. In 1948, fifty-two of Marley's employees were convicted of violations of Federal liquor laws, including Hensley and his brother Eugene. Some said that Jim Hensley took a fall for Marley. Hensley was rewarded with the Budweiser distributorship, now said to be worth over

\$200 million.

Tied to this is the 1976 killing of Don Bolles, the veteran reporter for the *Arizona Republic*, who had been investigating Marley and organized crime in Arizona, and had testified before Congressional investigating committees. Bolles' articles had forced the resignation of Marley from the state's racing commission.

Bolles had also written about the Hensley family, and had reported that they had sold their dog-racing track to Emprise Corp., the Buffalo, New York-based sports and money-laundering conglomerate owned by the notorious Jacobs brothers. Among Bolles' dying words was "Emprise." John McCain himself has reportedly been seen in association with Emprise personnel. (Emprise has changed names a number of times; for a period, it was known as SportsServices, and is now called Delaware North Corp.)

Keating in Paradise

The biggest contributor to McCain's election campaigns was Charles H. Keating Jr., the savings and loan operator later convicted of large-scale securities fraud in the 1980s. In return, McCain intervened with Federal regulators on Keating's behalf. Up until 1998, Cindy Hensley McCain and Jim Hensley retained an 8% interest in a shopping center project put together by Keating in 1986.

Keating had multiple ties into U.S. organized-crime and the dirtiest intelligence circles. His American Continental Corp, the parent company of Lincoln Savings & Loan, was sold to him by Carl Lindner of United Brands (previously United Fruit), which long served as a front both for the dirtiest elements in the U.S. intelligence community, and for related drug-running and money-laundering operations.

Keating was also a partner in business dealings with Alfred Hartmann, a Rothschild representative who headed the Geneva branch of the notorious Bank of Credit and Commerce International (BCCI). In 1986, Keating invested \$17.5 million in a joint venture with Hartmann and other BCCI officials.

In 1984-86, according to the *Arizona Republic*, McCain and his wife took at least nine trips at Keating's expense, aboard either Keating's corporate jet, or on chartered planes and helicopters owned by Resorts International—the front for the Meyer Lansky crime syndicate. Three of the trips were for vacations at Keating's luxury retreat on Paradise Island in the Bahamas—also the site of Resorts International Paradise Island Casino.

Arizona is also a key center for AIPAC, and naturally this heavily intersects McCain's political networks. In 1996, the Phoenix chapter of AIPAC founded the innocuously-named "Grand Canyon Caucus" to finance federal election campaigns for Congressmen and Senators across the country, based on one and only one issue: their support for Israel. Among its founders are:

- Sid Rosen, an national AIPAC activist, and the head of

“Democrats for McCain” for the past 19 years

- Irv Shuman, AIPAC’s Arizona state chairman, and the co-founder of “Democrats for McCain.”
- Ron Ober, the chief aide and fundraiser for the former Arizona Senator, Democrat Dennis DiConcini. In the early 1980s, Ober got a \$200 million loan from Charles Keating for real estate deals.

Notable also are the ties of the current second Arizona Senator, John Kyl, to the Zionist apparatus. Kyl (along with McCain) is a favorite of the Zionist Organization of America (ZOA), which honored Kyl at a 1999 awards dinner. Kyl has written a book for the ZOA on the subject of why there must never be a Palestinian state, and is an author of the 1995 Jerusalem Embassy Relocation Act, which requires the United States to recognize Jerusalem as the capital of Israel and to relocate the U.S. Embassy from Tel Aviv to Jerusalem. (So far, U.S. Presidents have declined to undertake this provocation, utilizing a national-security waiver.)

Also tied into these same Arizona networks, are the kooks of the “anti-cult” network, led by the Anti-Defamation League-linked American Family Foundation (AFF) and the now-defunct Cult Awareness Network (CAN). AFF’s Wall Street financier patron, John Irwin III, is one of the biggest landowners in the state of Arizona, whose grandfather, John N. Irwin, was Governor of Arizona at the turn of the last century.

Rick “Rocks in the Box” Ross—a leading CAN “deprogrammer,” is a local Phoenix lad, who was convicted in 1975 of grand theft embezzlement for stealing \$100,000 worth of diamonds from a Phoenix department store, using a shoebox full of rocks which he claimed was a bomb. He was jailed, and then “went straight” when a local rabbi got him a job doing investigations for a local Jewish organization.

From there, Ross went onto a further career in crime—abductions for the CAN brainwashers, and recently showed up in a failed effort to dissuade a young person who had become interested in the ideas of Lyndon LaRouche. Ross’s arguments consisted of 1) an insistence that LaRouche is wrong about the economy, and 2) a passionate defense of Ariel Sharon.

We should not overlook the services that McCain’s father, Admiral John S. McCain Jr., performed for Israel during the 1967 war. Admiral McCain, as Commander-in-Chief of U.S. Naval Forces Europe, was instrumental in the coverup of the Israeli attack on the surveillance ship *USS Liberty*—an unprovoked attack in which 34 Americans were killed, and 172 injured, some very seriously.

By all credible accounts, the repeated Israeli attacks were taken with full knowledge that the *USS Liberty* was an American ship, but for years, the attack was covered up, and if discussed at all, was portrayed as a case of mistaken identity. Admiral McCain was one of the high-level Navy officials responsible for ordering all surviving *Liberty* personnel to keep silence about the slaughter—which most did for over 30 years.

Is Netanyahu Plotting Terror Inside the U.S.?

by Jeffrey Steinberg

EIR learned on May 10 that Israeli consular officials in New York were scrambling to coverup several new incidents of Israeli nationals being detained by U.S. law-enforcement and immigration officials, under circumstances suggesting they may have been involved in planned terrorist activities. According to the source, Israeli nationals had been detained in Detroit, Michigan, Albuquerque, New Mexico, and at a third undisclosed location on the West Coast. Ever since *EIR*’s *Executive Alert Service* broke the story on Dec. 4, 2001, about Israeli spying inside the United States, with possible links to the Sept. 11, 2001 attacks on New York City and Washington, high-profile exposés have been published in the United States and France, revealing a major Israeli covert operation, targeting U.S. government facilities and Islamic networks all over the United States.

After a 60-page Drug Enforcement Administration internal working report on the Israeli spy ring leaked in the media, Attorney General John Ashcroft and other top Federal law-enforcement officials have been working round-the-clock to plug the leaks. But *EIR* warned in January that this was a story “too big to bury.”

The latest *EIR* lead on ongoing Israeli espionage and possible terror-plotting, was confirmed on May 13. Fox TV News aired a report by Carl Cameron, revealing that on May 7, police near the Whidbey Island Naval Air Station in southern Washington State, had stopped a suspicious truck and detained two Israelis, one of whom was illegally in the United States. The two men were driving at high speed in a Ryder rental truck, which they claimed had been used to “deliver furniture.” The next day, police discovered traces of TNT and RDX military-grade plastic explosives inside the passenger cabin and on the steering wheel of the vehicle.

Sources report that U.S. Naval Intelligence, military police, and Federal law-enforcement agencies, including the FBI, Bureau of Alcohol, Tobacco, and Firearms, and the CIA, have taken a great interest in the case. If the two detained Israelis prove to be linked, in any way, to the ongoing spy probe of the so-called “Israeli art students” who have been infiltrating U.S. law-enforcement facilities and domestic military bases for the past two years, this will blow apart the heavy-handed cover-up that Ashcroft and others have been attempting.

The incident in Washington State is the third since Sept. 11, 2001, in which Israelis have been detained and moving trucks seized. On Sept. 11, five Israeli nationals were detained

in Hoboken, New Jersey for “suspicious behavior.” The moving company they worked for was later exposed by the New York City Jewish weekly *Forward* as a front company for the Israeli foreign intelligence agency Mossad. The owner fled to Israel shortly after the five men were detained. Several months later, another team of Israeli nationals was stopped and detained in a suburb of Philadelphia. The moving truck that they were driving contained extensive surveillance videos of the Sears Tower in Chicago.

Bibi Threatens America

Some U.S. officials have privately concurred with the warning by Lyndon LaRouche, that the re-emergence of the Israeli spy teams, particularly in apparent possession of sophisticated explosives, may portend Israeli “false-flag” terror attacks against U.S. targets—to be then blamed on al-Qaeda or radical Palestinian factions. This is not a shot-in-the-dark speculation. During his recent tour of the United States, former Israeli Prime Minister and wannabe-successor to Ariel Sharon, Benjamin “Bibi” Netanyahu, pointedly threatened the United States with precisely such terror attacks. Speaking on April 10, at a forum on Capitol Hill, co-hosted by Sens. Joseph Lieberman (D-Conn.) and John Kyl (R-Ariz.), Netanyahu ranted:

“If we do not shut down the terror factories that [Palestin-

ian Authority President Yasser] Arafat is hosting—those terror factories that are producing human bombs—it is only a matter of time before suicide bombers will terrorize your cities here in America. *If not destroyed, this madness will strike in your buses, in your supermarkets, in your pizza parlors, in your cafés. Eventually, it is not impossible that those human bombs will supplement their murderous force with suitcases equipped with devices of mass death that could make the horrors of Sept. 11 seem pale by comparison*” (emphasis added).

Adding further fuel to the concerns about an Israeli false-flag terror attack on U.S. soil was the report, published in the *Washington Post* on May 15, that two members of a West Bank Jewish terrorist cell, Shlomo Dvir and Yarden Morag, had been arrested in the Arab Quarter of East Jerusalem on April 28, while attempting to detonate a truck bomb that was parked, full of explosives, near an Arab girls school and a hospital. The Israeli source who first alerted *EIR* to the recent arrests of Israelis in Detroit, Albuquerque, and the West Coast, warned that Israeli police were hunting down other members of the same West Bank Jewish terror cell, who were targetting Jewish sites in Tel Aviv and Haifa for bomb attacks—that would be blamed on Palestinians.

Five Israelis were, in fact, arrested and briefly held in Detroit in the past week.

Israeli Terror Plot In East Jerusalem

In the early hours of April 29, Israeli police and the Shin Beth security service arrested four Israeli settlers for planning attacks on Arabs, including an attempt to bomb an Arab hospital opposite a girls school in Arab East Jerusalem. The attacks thus averted would have been the worst since Baruch Goldstein killed more than 29 Muslim worshippers in Hebron, on Feb. 25, 1994. Had the settler terrorists succeeded, the massacre would have been worse than any attack by Hamas, or any other Palestinian group. The Jewish terrorist movement involved is targetting not only Palestinians and Arabs, but also Israeli peace activists.

Police arrested Shlomo Davir and Yarden Morag, militants from the Bat Ayin settlement, after they were seen unhooking a trailer from their car and positioning it in front of Al Mukasa Hospital. Officers found weapons in the car, and a powerful explosive device in the trailer, timed to go off the next day, April 30. Following their arrest, two others were taken into custody: Ofer Gamliel, 42, also from Bat Ayin, and Yossi Ben-Baruch from the Havat Ma’on settlement. Two weeks later, the Israeli police arrested

Noam Federman, a leader of the Kach movement, founded by terrorist Rabbi Meir Kahane, which has been outlawed in both Israel and the United States as a terrorist organization. A sixth suspect now in custody is Menashe Levinger, the son of Rabbi Moshe Levinger of the Kiryat Arba settlement outside of Hebron. Rabbi Levinger was the spiritual guide of Baruch Goldstein, and one of the most radical rabbis of the settler movement.

The men arrested after April 29 were charged with aiding Davir and Morag, in acquiring weapons and explosives. Davir and Morag confessed on May 14 to the plot to place a powerful bomb between the Hospital and the elementary school.

These terror attacks have also targetted leading members of the peace camp in Israel. Prior to a huge peace rally held in Rabin Square on May 11, one of the participants—the popular singer and peace activist, Yaffa Yarkoni—received a death threat from a group called Gilad Shalhevet, which had claimed responsibility for attacks on Palestinians in the past.

This latest bomb plot, and the terrorist infrastructure found behind it, has yet to be brought to the attention of the Bush Administration’s international war on terror. Yet much of this infrastructure is financed and supported from the United States, particularly by Christian fundamentalist organizations.

Trade Bill Clears Hurdle, Only To Face Another

Majority Leader Tom Daschle's (D-S.D.) threat to pull the trade bill, H.R. 3009, off the Senate floor if the GOP knocked health insurance benefits out of the trade adjustment provisions, provided impetus to negotiators to agree to a deal. On May 9, Daschle announced that Finance Committee Chairman Max Baucus (D-Mont.) and ranking member Charles Grassley (R-Iowa) had negotiated a deal with the White House strong enough to keep the bill on the floor. Minority Leader Trent Lott (R-Miss.) stated his support for the agreement.

The agreement adds language to the trade adjustment assistance (TAA) provisions that, in Baucus's words, makes the trade adjustment program "more effective." It extends the income support program for workers who lose their jobs for trade-related reasons from 52 weeks to 78 weeks, and extends eligibility for TAA benefits to so-called secondary workers who work for a firm that supplies parts to a plant that is shut down for trade-related reasons. The agreement also extends benefits to workers who lose their jobs because their plant is shut down and moved out of the country. Previously such benefits were available only to workers if the plant moved to Canada or Mexico. The agreement also includes 70% support, in the form of a tax credit, for workers to retain health insurance when they lose their jobs because of trade. Republicans had been blocking the bill over this provision.

That agreement was thrown into doubt on May 14, however, when the Senate failed to table an amendment sponsored by Larry Craig (R-Id.) and Mark Dayton (D-Minn.) which prohibits trade negotiators from putting any aspect of U.S. trade law on the

table, and allows for a 51-vote point of order against any agreement that does. Dayton said, "This amendment represents one of the last opportunities for Congress to assert its priority for the economic well-being of the American people over the capital-serving efficiencies of liberalized world markets. The Senate approved the amendment by a voice vote after defeating a motion to table it 61 to 38. The White House is threatening to veto the bill if the Dayton-Craig amendment stays in.

Defense Authorization Bill Clears House

The fiscal year 2003 Defense Authorization bill, passed by the House by a vote of 359 to 58 on May 9, is yet another example of the House GOP leadership taking a bill with broad bipartisan support in committee and bringing it to the floor in a manner designed to shut down debate.

The rule for debate passed by a much closer vote of 216 to 200. During debate on the rule, Democrats accused the GOP of trying to block several Democratic amendments. An effort by Martin Frost (D-Tex.), the ranking member on the Rules Committee, to force a vote on an amendment to the rule that would have made in order 34 Democratic amendments, failed by a vote of 215 to 202. Among the amendments was one requiring 12 months notice to Congress prior to restarting nuclear testing, a prohibition on nuclear-tipped missile interceptors, a repeal of the waiver authority granted to the Secretary of Defense on the number of U.S. troops allowed in Colombia, and a repeal of last year's base closure law. Ike Skelton (D-Mo.), the ranking member on the Armed Services Committee, said, "We seem to

be rushing to judgment without a full and fair debate that the country is entitled to have."

Despite the fact that the bill includes the largest defense spending increase in decades, to many Republicans it still is not enough. The bill funds a third Aegis destroyer for the Navy when the Bush Administration only requested two, and it fully funds, at \$475 million, the original request for the Army's Crusader artillery gun. J.C. Watts (R-Okla.) said that while the Crusader has eight years of development and testing behind it, "hypothetical replacements would have start-up costs, research expenses, and all the hiccups of a new program." The bill does not, however, contain statutory language requiring the Pentagon to retain the artillery gun, thereby avoiding a veto threat from President George Bush.

President Joins Fray Over Judicial Nominations

On May 9, President George Bush upped the pressure on Senate Democrats over judicial nominations when, after meeting with Senate Republicans, he said, "We have a vacancy crisis in America. There are too many seats that aren't filled with judges, and therefore, America hurts; America is not getting the justice it needs." When asked if he thought the delay in hearing nominations was "raw politics," he said, "Yeah, I do." He added that most of the nominees who are still awaiting hearings have been given "qualified" or "well qualified" ratings by the American Bar Association.

Senate Judiciary Committee Chairman Pat Leahy (D-Vt.) responded just before the Senate voted to confirm four District Court nominees, bringing to 56 the total number of

nominations confirmed by the Senate since June. He expressed disappointment that Bush's speechwriters "chose a confrontational tone." He shifted blame to the Republicans, claiming that the increase in vacancies increased under their watch to 110 when the Democrats took over last June, including 33 on Courts of Appeals. "I don't expect President Bush to know these numbers," he said, "but his staff does, and when they write his speeches they ought to do him the favor of being truthful."

Orrin Hatch (R-Utah) expressed a different view. He defend his record as chairman of the Judiciary Committee from 1995 to 2001, and attacked what he called "myths," among them, the notion that Republicans created the vacancy crisis by stalling President Bill Clinton's nominees. He claimed that at the end of the Clinton Administration, there were 41 nominees left without hearings, as opposed to 54 left by the Democrats at the end of George H.W. Bush's Administration in 1993.

Innocence Protection Act Gains Momentum in House

On May 14, Reps. William Delahunt (D-Mass.) and Ray LaHood (R-Ill.) announced that the number of co-sponsors on a bill intended to reduce the number of wrongful convictions in capital cases had reached 232, a majority of the House. Delahunt also reported that Lamar Smith (R-Tex.), chairman of the Crime Subcommittee of the Judiciary Committee, had committed to holding hearings on the bill in June.

LaHood said that he became involved in the effort because of the death penalty moratorium imposed in Illinois by Gov. George Ryan (R) in 2000. "I feel as a proponent of the

death penalty," he said, "there has to be 100% certainty of the death penalty is given as the ultimate sentence to someone who is convicted of a death penalty offense." He said that the bill "provides for a check and balance that currently doesn't exist in the current system." He said that the fact that the system is "flawed" is indicated by the number of people who were convicted of death penalty offenses and subsequently released from Death Row because they were exonerated. "So we have to have a system that is foolproof and failsafe and 100% certain, and that's why this legislation is so important."

To move the bill, LaHood and Delahunt indicated that the House leadership would have to be lobbied; they were optimistic that that could be done. LaHood pointed to the recent decision of Maryland Gov. Parris Glendening (D) to impose a moratorium in his state pending the outcome of a study on racial bias in the system. Delahunt noted that the list of co-sponsors included conservative Republicans, such as Dan Burton (Ind.), Dana Rohrabacher (Calif.), and Mark Souder (Fla.), "not, you know, fuzzy, wuzzy liberals from Boston."

Supplemental Funding in Midst of Budget Collapse

On May 9, the House Appropriations Committee began work on the fiscal year 2002 supplemental spending bill. The bill comes in at \$2 billion above President George Bush's \$27.1 billion request, most of the extra money going to the Defense Department for the war on terrorism.

The bill includes \$5.5 billion in recovery assistance to New York City, \$4 billion for the Transportation Security Administration for airport security

measures, \$210 million for the Coast Guard (mostly for operations and port security measures), \$378 million for security of nuclear power plants and Army Corps of Engineers facilities, \$194 million to the Department of Justice, and \$63 million to the Treasury Department. The bill includes language requested by the White House to allow U.S.-provided counter-narcotics funds to be used against terrorism.

The bill comes up in the middle of two related crises, that of the national debt approaching the statutory limit, and that of a growing shortfall in tax revenues, leading to growing budget deficit projections. On May 8, Treasury Secretary Paul O'Neill told a gathering of House Republicans that Congress needs to act on increasing the debt ceiling or risk a national default. He warned that a default will result in increased interest costs to the U.S. government for years to come. House Republicans have been trying to avoid open consideration of the debt increase for ideological reasons, and rumor has it that they will try to sneak it through in the conference report on the supplemental appropriations bill. Minority Leader Dick Gephardt (D-Mo.), speaking to reporters on May 9, blamed the situation on the GOP economic program. "They never want to face the consequences of their decisions," he said.

Meanwhile, the Congressional Budget Office released a report showing April 2002 tax collections \$75 billion below expectations and 29% below those of a year ago. The new numbers could mean a fiscal year 2002 budget deficit of greater than \$100 billion. The CBO numbers are adding further motivation to a group of House Republicans who are planning a flood of amendments to appropriations bills, slowing the process almost to a halt.

Another Break With 'Free Trade' Rules

On May 13, President George Bush signed a new six-year farm law, which breaks with the premises of the 1996 radical “free markets” Freedom to Farm Act, long since called “Freedom to Fail” by farmers. The new law mandates various kinds of subsidies to farmers faced with the prices paid by the cartelized food and agriculture companies at historic lows. Farmers can get loans, price-deficiency payments, and other help to stay in business. The net income, in 2001, of all U.S. farmers combined was negative.

To be sure, the new law does not return to the traditional U.S. parity-pricing farm policy. Nor does the law place any restrictions on globalization, free trade, or cartel control. The one clause that would have prohibited giant meat packers—who also run mega-factory farms—from owning livestock for over 14 days, was stricken at the Conference Report stage.

But a fury of invective against the new law has poured forth from both advocates and victims of “free trade.” Among the disparagements: Piggish, bloated, a budget-buster, anti-consumer, favoritist, and—what a horror—will cause overproduction of food. The most common complaint: The United States is not playing by the rules.

But that’s just the point jubilantly praised, in an accurate, positive assessment of the new bill by the German National Farmers Union, part of the international federation of farmers’ unions. In a May 7 press release, at the time the U.S. Senate voted up the bill, the Deutscher Bauernverband said, “With the new law, the U.S. government declared that the idea of free trade and totally liberalized agriculture markets has failed.” The release said that the old farm bill trusted in total free trade, and the United States pressured its trading partners and the European Union in particular. When the Freedom to Farm Act was passed, there were favorable conditions on the market. Commodity prices have fallen very far since then.

The German farmers drew out the implication, that with the vote on the new farm bill, a change in American agriculture policy has occurred which must have consequences for European agriculture policy as well. The

U.S. shift refutes the position of the German government, which has been demanding a further reform in the European Union in the direction of free trade, the farmers union release noted.

The German farmers’ point is well taken, not just for their nation, but for all nations: We are at the end-phase of economic breakdown of the period characterized by outsourcing, deregulation, and so-called “free” (rigged) markets and trade. So now it is a matter of urgency to resume policies which build up national economies, and serve the purposes of mutual-interest trade.

In line with this change of direction, was the March imposition of steel import tariffs by the Bush Administration. Also against “free trade,” is a bipartisan move on May 15 in the Senate, asserting the right of Congress to retain its power to act to protect U.S. producers if they stand to be hurt from free trade—industrial, agricultural, or any kind.

This vote took place in the context of the ongoing Senate debate, on whether to support “fast track” draft legislation passed by the House by only 215-214 back in 2001 (H.R. 3005, the Andean Trade Preference Act). A deal had been made by Senators Baucus (D-Mont.) and Grassley (R-Iowa), to give the OK to “fast track” (newly misnamed “trade promotion”), but during the week of May 13, a killer amendment was offered by Senators Mark Dayton (D-Minn.) and Larry Craig (R-Idaho), to allow Congress to veto any part of any trade pact, if the pact changed anti-dumping laws designed to protect U.S. producers. The May 14 motion attempting to get rid of this “fair trade” amendment, lost by a large 61-38 margin. Later, the amendment itself passed by voice vote. Senator Craig said, lawmakers must retain the right to act, “on behalf of Americans who have been, are being, or will be harmed by continuing trade legislation.”

Thus, the “fair trade” principle was again affirmed against “free trade”—as in the case of farmers, or the steel sector: There is a right of government to act to protect public and national interest. The rigged and losing game called free trade, is ending.

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• LANCASTER/PALM.
Adelphia Ch. 16
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• LAVERNE—Ch. 3
2nd Mondays—8 pm
• LONG BEACH
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Wednesdays—7 pm
• MID-WILSHIRE
MediaOne Ch. 43
Wednesdays—7 pm
• MODESTO—Ch.8
Mon & Thu—2:30 pm
• OXNARD
Adelphia Ch.19

Americast Ch.8
Tuesdays—7 pm

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Cox Ch. 33
Saturdays—3 pm
• PLACENTIA
Adelphia Ch. 65
Tuesdays—6:30 pm
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Fridays—5 pm
• SAN PEDRO
Cox Ch. 33
Saturdays—4 pm
• SANTA ANA
Adelphia Ch.53
Tuesdays—6:30 pm
• STA.CLAR.VLY.
T/W & AT&T Ch.20
Fridays—1:30 pm
• SANTA MONICA
Adelphia Ch. 77
Thursdays—4:30 pm
• TUJUNGA—Ch.19
Fridays—5 pm
• VENICE—Ch.43
Wednesdays—7 pm
• VENTURA—Ch.6
Adelphia/Avenue
Mon & Fri—10 am
• WALNUT CREEK
AT&T Ch.6
2nd Fridays—9 pm
• W.HOLLYWOOD
Adelphia Ch. 3
Thursdays—4:30 pm
• W.SAN FDO.VLY.
Time Warner Ch.34
Wed.—5:30 pm

COLORADO

• COLORADO SPGS.
Adelphia Ch. 4
Tuesdays—8 pm
Thursdays—11 am
• DENVER—Ch.57
Saturdays—1 pm
• MIDDLETOWN—Ch.3
Thursdays—5 pm
• NEW HAVEN—Ch.29
Sundays—5 pm
Wednesdays—7 pm
• NEWTOWN/NEW MIL.
Cablevision Ch. 21
Mondays—9:30 pm
Thursdays—11:30 am

FLORIDA

• ESCAMBIA COUNTY
Cox Ch. 4
2nd Tue. 6:30 pm
• IDAHO
• MOSCOW—Ch. 11
Mondays—7 pm

ILLINOIS

• CHICAGO
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Sat, 5/25: 5 pm
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• BLOOMINGTON
Insight Ch.3
Tuesdays—8 pm
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Mondays—11 pm

IOWA

• QUAD CITIES
Mediacom Ch. 19
Thursdays—11 pm

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• BOONE/KENTON
Insight Ch. 21
Mon: 4 pm; Sat: 5 pm
• JEFFERSON Ch.98
Fridays—2 pm

LOUISIANA

• ORLEANS PARISH
Cox Ch. 78
Tuesdays & Saturdays
4 am & 4 pm

MARYLAND

• ANNE ARUNDEL
Annapolis Ch.29
Milleneum Ch.99
Sat & Sun: 12:30 am
• MONTGOMERY Ch.19
Fridays—7 pm
• PG.COUNTY Ch.76
Mondays—10:30 pm

MASSACHUSETTS

• AMHERST—Ch.12
Mondays—Midnight
• CAMBRIDGE
MediaOne Ch.10
Mondays—4 pm
• WORCESTER—Ch.13
Tue.—8:30 pm

MICHIGAN

• CALHOON
ATT Ch. 11
Mondays—4 pm
• CANTON TNSHP.
Comcast Ch. 18
Zajak Presents
Mondays: 6-8 pm
• DEARBORN
Comcast Ch. 16
Zajak Presents
Mondays: 6-8 pm
• DEARBORN HTS.
Comcast Ch. 18
Zajak Presents
Mondays: 6-8 pm
• KALAMAZOO
Thu-11 pm (Ch.20)
Sat-10 pm (Ch.22)

MISSISSIPPI

• MARSHALL COUNTY
Galaxy Ch. 2
Mondays—7 pm

MISSOURI

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

NEBRASKA

• LINCOLN
T/W Ch. 80
Citizen Watchdog
Tuesdays—7 pm
Wednesdays—10 pm

NEVADA

• CARSON—Ch.10
Wednesdays—7 pm
Saturdays—3 pm

NEW JERSEY

• HADDON TOWNSHIP
Comcast Ch. 19
Sundays 11 am

BURNSVILLE/EGAN

ATT Ch.14,57,96
Tuesdays—5:30 pm
Saturdays—9 pm
Sundays—10 pm
• SANBRIDGE—Ch.27
Wednesdays—4 pm
• NORTHERN NJ
Comcast Comm. Access
Channel 57*
PISCATAWAY
Cablevision Ch.71
Wed—11:30 pm
• PLAINSBORO
Comcast Ch. 3*
Charter Ch.20
Mondays—7:30 pm
Wednesdays—11 pm
Fridays 1 pm
• FRIDLEY
Time Warner Ch. 5
Thursdays—5:30 pm
Saturdays—8:30 pm

MINNEAPOLIS

• MINNEAPOLIS
PARAGON Ch. 67
Saturdays—7 pm
• NEW ULM—Ch.14
Fridays—5 pm
• PROCTOR/
HERMANTOWN—Ch.12
Tue. btw. 5 pm-1 am
• ST.CROIX VALLEY
Valley Access Ch.14
Thursdays—4 & 10 pm
Fridays—8 am
• ST.LOUIS PARK
Paragon Ch. 15
Wed., Thu., Fri.
12 am, 8 am, 4 pm
• ST.PAUL (city)
SPNN Ch. 15
Saturdays—10 pm
• ST.PAUL (N Burbs)
AT&T Ch. 14
Thu—6 pm & Midnite
Fri—6 am & Noon
• ST.PAUL (NE burbs)*
Suburban Ch.15
• ST.PAUL (S&W burbs)
AT&T-Comcast Ch.15
Tue & Fri—8 pm
Wednesdays—10:30 pm
SOUTH WASHINGTON
ATT Ch.14—1:30 pm
Mon, Tue, Wed, Thu

MISSISSIPPI

• MARSHALL COUNTY
Galaxy Ch. 2
Mondays—7 pm

MISSOURI

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

NEBRASKA

• LINCOLN
T/W Ch. 80
Citizen Watchdog
Tuesdays—7 pm
Wednesdays—10 pm

NEVADA

• CARSON—Ch.10
Wednesdays—7 pm
Saturdays—3 pm

NEW JERSEY

• HADDON TOWNSHIP
Comcast Ch. 19
Sundays 11 am

MERCER COUNTY

Comcast*
TRENTON Ch. 81
WINDSOR Ch. 27
• MONTVALE/MAHWAH
Time Warner Ch. 27
Wednesdays—4 pm
• NORTHERN NJ
Comcast Comm. Access
Channel 57*
PISCATAWAY
Cablevision Ch.71
Wed—11:30 pm
• PLAINSBORO
Comcast Ch. 3*
Charter Ch.20
Mondays—7:30 pm
Wednesdays—11 pm
Fridays 1 pm
• FRIDLEY
Time Warner Ch. 5
Thursdays—5:30 pm
Saturdays—8:30 pm

NEW MEXICO

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

NEW YORK

• AMSTERDAM
Time Warner Ch.16
Thursdays—4:30 pm
• BUFFALO
Adelphia Ch.18
Wed—12:30 pm
• CHEMUNG/STEBEN
Time Warner-Ch.1
Mon., Fri.—4:30 pm
• ERIE COUNTY
Adelphia Intl. Ch.20
Thursdays—10:35 pm
• ILION—Ch. 10
Mon. & Wed.—11 am
Saturdays—11:30 am
• IRONDEQUOIT Ch.15
Mondays—7:30 pm
Thursdays—7 pm
• JEFFERSON/LEWIS
Time Warner Ch.2
Unscheduled pop-ins
• JOHNSTOWN—Ch.16
Tuesdays—5 pm
• MANHATTAN—MNN
T/W Ch.34; RCN Ch.109
Alt. Sundays—9 am
• NIAGARA COUNTY
Adelphia Ch. 20
Thursdays—10:35 pm
• ONEIDA—Ch.10
Thu—8 or 9 pm
• PENFIELD—Ch.15
Penfield Comm. TV*
• QUEENSBURY Ch.71
Thursdays—7 pm
• RIVERHEAD Ch.70
Thurs.—12 Midnight
• ROCHESTER—Ch.15
Sundays—3 pm
Mondays—10 pm
• ROCKLAND—Ch. 71
Mondays—6 pm
• SCHENECTADY Ch.16
Mondays—3 pm
Wednesdays—8 am

STATEN ISL.

Time Warner Cable
Thu.—11 pm (Ch.35)
Sat.—8 am (Ch.34)
• TOMPKINS COUNTY
Time Warner
Sun.—9 pm (Ch.78)
Thu.—5 pm (Ch.13)
Sat.—9 pm (Ch.78)
• TRI-LAKES
Adelphia Ch. 2
Sun: 7 am, 1 pm, 8 pm
• WEBSTER—Ch.12
Wednesdays—9 pm
• PLAINSBORO
Comcast Ch. 3*
Charter Ch.20
Mondays—7:30 pm
Wednesdays—11 pm
Fridays 1 pm
• FRIDLEY
Time Warner Ch. 5
Thursdays—5:30 pm
Saturdays—8:30 pm

NORTH CAROLINA

• HICKORY—Ch.3
Tuesdays—10 pm
• MECKLENBURG
Time Warner Ch.21
Sat—12 Noon & 8 pm
• OHIO
• FRANKLIN COUNTY
Ch. 21: Sun.—6 pm
• LORAIN COUNTY
Adelphia Ch.30
Daily: 10 am; or
12 Noon; or 2 pm;
or 12 Midnight
• OBERLIN—Ch.9
Tuesdays—7 pm
• REYNOLDSBURG
Ch.6: Sun.—6 pm

OREGON

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

RHODE ISLAND

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

TEXAS

• DALLAS Ch.13-B
Tuesdays—10:30 pm
• EL PASO COUNTY
Adelphia Ch.4
Thursdays—8 pm
Thursdays—11 am
• HOUSTON
Houston Media Source
Sat, 5/25: 10 am
Tue, 5/28: 5:30 pm
Wed, 5/29: 6 pm
Sat, 6/1: 10 am
Tue, 6/4: 5:30 pm
Sat, 6/8: 10 am
• RICHARDSON
AT&T Ch. 10-A
Thursdays—6 pm

UTAH

• REDMOND
Peak Cable Ch.38
Sun, Mon, Thu
6 pm & 10 pm
• SEVIER
Mallard-Suntel
Richfield Ch.45
Peak Cable
Anabella Ch.29
Central Ch.29
Elsinor Ch.29
Glenwood Ch.32
Monroe Ch.29
Sun—1 pm & 8 pm
Mon—1 am & 8 am

VERMONT

• GREATER FALLS
Adelphia Ch.8
Tuesdays—1 pm

VIRGINIA

• ALEXANDRIA
Comcast Ch. 10
Tuesdays—5:30 pm
• ARLINGTON
ACT Ch. 33
Mondays—4 pm
Tuesdays—9 am
• CHESTERFIELD
Comcast Ch. 6
Tuesdays—5 pm
• FAIRFAX—Ch.10
Tuesdays—12 Noon
Thursdays—7 pm
• LOUDOUN
Adelphia Ch. 23/24
Thursdays—7 pm
• ROANOKE—Ch.9
Thursdays—2 pm
• WASHINGTON
• KING COUNTY
AT&T Ch. 29/77*
• KENNEWICK
Charter Ch. 12
Thursdays—12 Noon
Thursdays—8:30 pm
• PASCO
Charter Ch. 12
Mondays—12 Noon
Thursdays—8:30 pm
• RICHLAND
Charter Ch. 12
Thursdays—12 Noon
Thursdays—8:30 pm
• SPOKANE—Ch.14
Wednesdays—6 pm
• WENATCHEE
Charter Ch.12
Thu—10 am & 5 pm
• YAKIMA—Ch. 9
Sundays—4 pm

WISCONSIN

• MADISON—Ch.4
Tuesdays—3 PM
Wednesdays—12 Noon
• MARATHON COUNTY
Charter Ch. 10
Thursdays—9:30 pm
Fridays—12 Noon
• SUPERIOR
Charter Ch.20
Mondays—7:30 pm
Wednesdays—11 pm
Fridays 1 pm

WYOMING

• GILLETTE—Ch.36
Thursdays—5 pm

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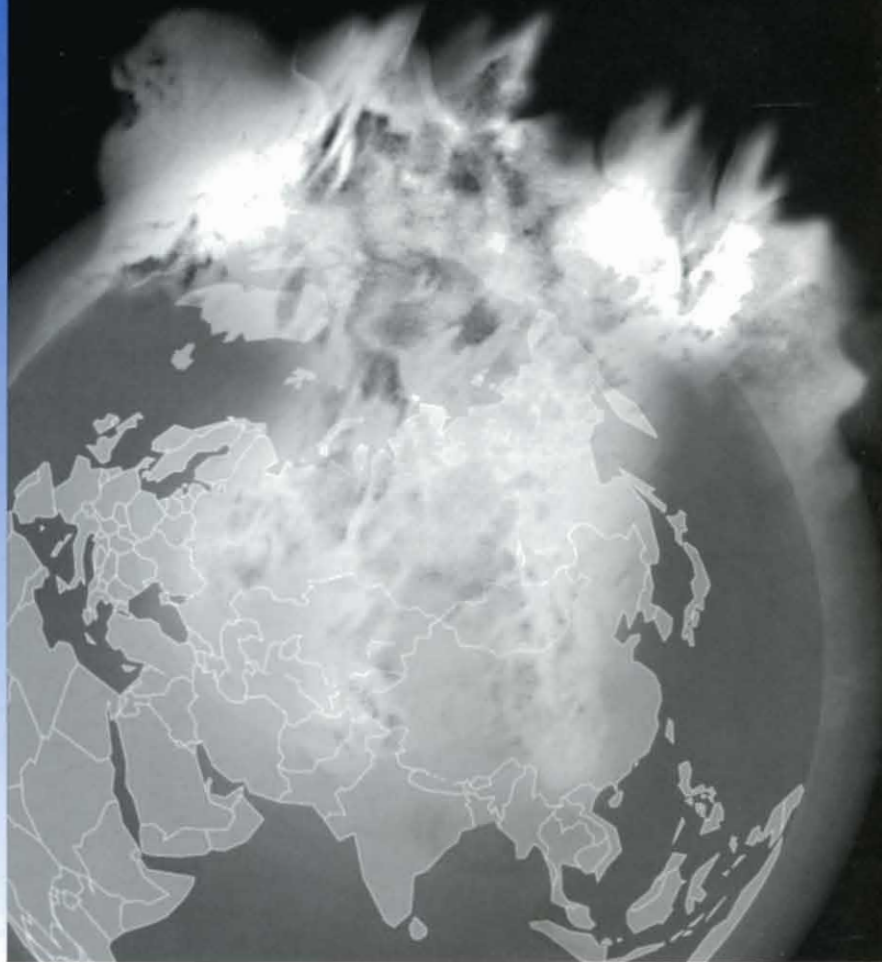
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