

# EIR

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Airlines Shrinking Away: When Will Government Step In?  
John McCain: Are His Backers Out of Prison?  
U.S. War Party Reeling from 'Saudi Briefing' Exposé

## The Uniqueness Of LaRouche's Candidacy





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*Lyndon H. LaRouche, Jr.*

Editorial Board: *Lyndon H. LaRouche, Jr.,  
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*World Wide Web site: <http://www.larouchepub.com>  
e-mail: [eirms@larouchepub.com](mailto:eirms@larouchepub.com)*

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

**O**ur *Feature* this week is addressed directly to you, dear *EIR* readers: “Citizens Who Enjoy Thinking.” Lyndon LaRouche writes, not so much about what *he* will do if he is elected President, but about what *you* need to know.

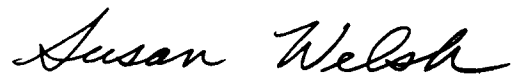
*EIR* readers already understand that LaRouche’s Presidential campaign is not your usual sort of “boola-boola” affair. “Ah, but is he *electable*?” the American pragmatist asks. In this issue, you can see that, despite the media blackout against him in the United States, LaRouche is still “the hottest thing in town.”

- LaRouche’s campaign against Senators John McCain and Joseph Lieberman, who are out to destroy the Bush Presidency and propel Bush into war against Iraq, is gathering steam. The lead article of our *National* section contains explosive intelligence on McCain’s Mob links—and this dossier is already circulating widely in a special offprint edition.

- LaRouche’s influence in the Arab world continues to expand, as reflected at the conference on “Man’s Role in Developing the Universe,” addressed by two of his associates at the Zayed Centre in the United Arab Emirates. LaRouche’s views receive widespread coverage throughout the Arab press, as Hussein Askary reports.

- The “flap” over one-time *EIR* associate Laurent Murawiec, now with the RAND Corp., who delivered a deranged diatribe against the Saudis at the Pentagon last month, is still in the news, as Saudi Arabia’s Prince Saud addressed the matter in a TV interview. This goes to the core of the policy debate in Washington, over the “Clash of Civilizations” and the drive for war against Iraq.

- Just behind the scenes, is a battle royal between LaRouche and Henry Kissinger—a battle that has been ongoing for nearly 30 years. Most recently, Kissinger wrote an attack on the Treaty of Westphalia, which ended the Thirty Years War of the 17th Century, and enshrined the principle of the sovereignty of the nation-state. Who but Lyndon and Helga LaRouche have spoken of that Treaty repeatedly, since 1999, when they invoked it as a model to stop the current spiral into religious wars, in the Balkans and the Mideast? In our interview with Brig. Gen. James B. Smith in this issue, you can see how this debate is now percolating through military circles.



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*Lyndon LaRouche (third from left) and Helga Zepp-LaRouche discuss experimental machines at the Montegrano school for shoe machinery engineers—yet another area of LaRouche's wide knowledge—in Ascoli Piceno, Italy, in October 2000.*



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A statement by Lyndon H. LaRouche, Jr., issued by his Presidential campaign committee. “More and more people, both ordinary citizens and institutional figures, from around the world, are now looking to me for guidance on dealing with problems for which they can offer no clear solution. Fortunately, I know enough of the answer to such questions, to show how we can survive the present monetary-financial collapse. I do not have complete answers, but enough to get us through the emergency, and give us time and freedom to attack the remainder of the immediate issues.”

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## Airlines Bankrupt: When Will Government Step In?

by Anita Gallagher

Two leading United States airlines announced sweeping changes in air travel Aug. 11 and 13—route cutbacks, flight cutbacks, replacing large jumbo jets with the modern equivalent of prop planes, cancellation of all new orders for large planes. The shrinkage called up visions of air travel from the 1950s—waiting in a deserted airport for a prop plane’s one flight out and back per day. Most Americans had no idea, when they accepted airline deregulation, that they were going back to the early ages of air travel. But they were warned, and that is exactly what they are now getting.

Lyndon LaRouche, Democratic Presidential pre-candidate, demanded on Aug. 13, “When will the government step in?” LaRouche called for immediate government re-regulation of the airlines to ensure that the physical infrastructure of air transport is not dismantled, and the skilled workforce to run it is not furloughed, or reduced to low-skill pay.

On Aug. 11, U.S. Airways, the sixth-largest airline in the United States, had filed for Chapter 11 bankruptcy, and announced plans to drastically downsize its planes and flights. With 40,000 employees, it is the largest air carrier east of the Mississippi River, where more than 60% of the population of the United States lives. Last year it carried 56 million passengers to 200 destinations in 38 states, as well as Europe, South America, and Canada.

Two days later, American Airlines, the world’s largest carrier, preemptively initiated a self-cannibalization and shrinkage plan, trying desperately to please the Wall Street financial speculators who have sold off its stock: retiring 83 planes, reorganizing its “hub” system by scrapping multiple flights at peak hours, trading big planes for smaller, regional aircraft, while laying off another 7,000 employees.

Besides demanding government intervention to re-regulate the airlines, LaRouche reacted to the proposed dismantling of the air transport sector by commissioning a physical assessment of the state of the airline industry today. LaRouche emphasized that he did not mean an accountant’s nominal statistical report, but a real picture of the physical sector. The railroads and the ports should also be included in this physical survey of air transport, he insisted, because all three are public utilities. The reality of their physical function cannot be ignored, except at great risk.

Therefore, Federal action to re-regulate air, rail and port infrastructure must happen, and it must happen now—before the government is presiding over industrial corpses, LaRouche emphasized. The airline industry is part of the public utilities of the United States, and thus represents an important part of the economic national security of the nation.

LaRouche also noted that, in tandem with his success in taking his Presidential campaign—as the most electable candidate since Dwight Eisenhower—to the streets, sane forces around the world are now putting such government-backed infrastructure-building proposals into action (see *EIR*, Aug. 16, “Europe Governments React to LaRouche Campaign, Reality”).

### Unions Forced To Give Back Wages

U.S. Airways filed for Chapter 11 after negotiating \$465 million in contract concessions—“givebacks”—from its pilots, and \$76 million in givebacks from its flight attendants—an average of 25% of their annual salary through 2008 is to be forgone. The givebacks were approved by 3-to-1 margins. The International Association of Machinists’ (IAM) mechan-

ics and fleet service workers will vote on givebacks before the end of August, to put together an annual package of \$950 million in wage givebacks. The U.S. Airways pilots also gave up their “no furlough” contract clause.

Even though the wage concessions—which are a condition for the attempt to get Federally guaranteed loans—seemed on track, the company filed for bankruptcy because it could not get its lessors and vendors to cancel surplus aircraft leases and return excess aircraft outside of Chapter 11.

Now, U.S. Airways can scrap its larger planes, and consolidate routes that will use smaller regional jets. It is now negotiating with regional jet manufacturers Embraer and Bombardier for up to 200 firm deliveries, and 300 options, for the small regional jets. These will lead it back to the old “point-to-point” system of the 1950s, and otherwise the inefficiency of feeding passengers into its hubs of Pittsburgh, Philadelphia, and Charlotte, North Carolina, where they will face long waits for connecting flights.

Without the government re-regulation LaRouche has called for, at the end of the gutting of this airline, the predatory airline reorganization firm Texas Pacific stands ready to buy up 38% of U.S. Airways—which listed assets of over \$7.8 billion in its bankruptcy filing—for the pittance of \$200 million.

At the same time, American Airlines appears to be trying to beat Wall Street to its own carcass, by laying off another 7,000 employees by March 2003, and grounding its fleet of medium-range aircraft, to save \$1.1 billion annually. Some \$5 billion in capital spending has already been cut or deferred since 2001.

American will cut back flights from its “spokes,” or feeder airports, to its main hub, Dallas-Ft. Worth, which arrive at “peak” times, and instead stagger the flights, so that American can use fewer planes and fewer gates. Passengers from smaller cities flying into hubs for connections will face a long wait for their next plane. These off-peak flights will lack passengers, and be eliminated next.

### **Boeing in Further Layoffs**

But the real shocker is that American has deferred 35 aircraft deliveries in 2002, and, according to the company’s Aug. 13 press release, “will seek every opportunity to defer or cancel new deliveries going forward.” American’s flight capacity will be 9% less in November, than it is now. The airline has already cut its fleet types from 14 to seven, and



*This publicity photo of bankrupt U.S. Airways Corporation’s CEO, David Siegel, inadvertently suggests reality: The American air carriers are rapidly shrinking and going back toward the profile of air travel in the 1950s and 1960s. This is what deregulation has wrought.*

will retire its 74-jet Fokker 100 fleet, and the nine Boeing 767s it acquired from TWA, in November 2002.

Thus, while the events of Sept. 11 grounded airplanes for a short period, Wall Street’s hit will ground the airlines for good.

United Airlines, the world’s second-largest carrier, requested a \$1.8 billion Federal loan guarantee in June. But, on Aug. 14, CEO Jack Creighton announced, “The world has changed.” United amended its application (which was reportedly headed for rejection), and set a 30-day limit to either get the concessions voluntarily, or file for Chapter 11. Without LaRouche’s alternative, either course means gutting its fleet and labor force. United has already cuts its flights by 20%, laid off 20,000 employees, and retired 99 planes, including its entire 737-200 fleet. United’s employees own the majority of its stock, whose value would likely be wiped out in bankruptcy.

Boeing Corp., the largest aircraft maker in the world, is hard-hit by American Airlines’ cancellation of 35 jets, and its attempt to cancel 67 more Boeing jets scheduled for delivery between 2003 and 2008. Boeing will slash its jet aircraft production to half of what it produced in 2001. It now plans to deliver 380 jets in 2002, and lower production to between 275 and 300 in 2003.

Months ago, Boeing announced the layoffs of nearly 30,000 highly skilled aerospace workers before the end of the year—18,000 in Washington State alone. With membership in the Seattle-based IAM District 751 just about half 1999’s levels, the union now goes into daily, non-stop negotiations prior to voting on Boeing’s last, best offer before the Sept. 1 contract expiration.

# Why Otto Reich Rushed Down to Rio

by Silvia Palacios and Lorenzo Carrasco

The spectacular failure of the International Monetary Fund bailout for Brazil, to stem the collapse of Brazil's financial system, dramatically confirmed Lyndon LaRouche's assessment (*EIR*, Aug. 16) that it was no bailout of Brazil, but rather the Bush Administration's panicked bailout of Brazil's international bank creditors, only. Within two days of the Aug. 12 IMF announcement of \$30 billion in conditional credits, the Brazilian currency, the real, plunged again, the country's credit "risk penalty" soared back up to 24% where it had been before the bailout, and international banks made clear they would not resume lending to Brazil. On Aug. 13, Moody's downgraded the country's sovereign credit to BB—the level of Honduras and Nicaragua. Said HSBC Bank, it "may be the most rapid vote of no confidence in the history of IMF bailouts."

Brazil's post-bailout "options" were brutally reviewed by the Aug. 13 *Wall Street Journal*: spend its \$23 billion in reserves to pay down debts; try to beg banks to reopen credit lines and trade credits, also closed; or, use the threat of default—to which Brazil is clearly still headed. The *Journal* did not mention Lyndon LaRouche's advice—freeze the debt, to protect the economy—though it is being widely discussed within Brazil.

The spread of economic chaos from Argentina throughout the continent, some national leaders in South America are now realizing, may not be against Washington's purposes at all.

A mid-July visit to the Southern Cone nations by U.S. Undersecretary of State for Inter-American Affairs Otto Reich, was undertaken in direct response to Brazil's public complaint that the United States had abandoned the nations of the Americas to their fate. They all face the most serious crisis in their histories due to having submitted to the economic-financial dictates of the Anglo-American elite. The dramatic example of Argentina is emblematic of the intentions of certain elements within the U.S. State Department, who seem committed to promoting sheer chaos throughout the Western Hemisphere.

Specifically, Reich's visit was prompted by indications of a potential continent-wide resistance centered in Brazil itself, a resistance which can be most clearly seen in the highly successful visit of Lyndon LaRouche in June. LaRouche was given ample opportunity to describe to the nation's elite the

insane pretensions of the "utopian" group which Reich himself represents.

## 'Rogue States' and 'Failed States'

U.S. diplomatic initiatives toward Ibero-America have proven to be of little substance, and generally limited to slogans about democracy and free trade, spiced with talk—obsessively repeated at every opportunity—of fighting terrorism in the post-Sept. 11 world. This policy escalated to unsuspected levels of risk, with Bush's "rogue states" speech to West Point military academy on June 1. If not lining South American nations up for military attack, Washington seemed nonetheless to be "writing them off," with destructive effects in Argentina which rival the ravages of war.

The United States wants the Western Hemisphere to substitute the old policy of TIAR—which was destroyed by the 1982 Malvinas War—with a new doctrine of military hegemony based on the "Big Stick" policy of Theodore Roosevelt, 100 years earlier. This doctrine has been emerging step by step, since the 1983 creation of the Inter-American Dialogue, with its proposals to eliminate the armed forces and other crucial national institutions of Ibero-America. Nations which have been disarmed and weakened cannot confront the internal chaos caused by the imposition of IMF policies over the past decade. This opens the door for the direct intervention of the United States or multinational armed forces, in a new version of "gunboat diplomacy."

This doctrine is already in its execution phase. The utopian faction of the Anglo-American establishment is first trying to establish a Northern Command (USNORTHCOM), which would mean the imposition of a security umbrella over Canada, Mexico, and Central America—a major step toward using the undisputed military hegemony of the United States to forge a new "Roman Empire" in the Western Hemisphere. The next step would be to establish, alongside a Free Trade Agreement of the Americas, a military component erected over the ashes of national defense forces, which will have become increasingly incapable of containing the social disasters sown by neo-liberal economic policies in each nation.

This process would transform the entire region below the Río Bravo (the Rio Grande border between the United States and Mexico) into an economic looting field of raw materials and slave labor, deprived of any pretension to scientific and technological development.

The continent that Reich encountered on his visit was described in an editorial of the Rio Grande do Sul newspaper *Correio de Povo*, on July 15, as follows: "Argentina faces the worst crisis in its history, with the growing pauperization of its population. In Venezuela, democracy is oscillating between coups and counter-groups, with an unstable future. In Colombia, the citizenry is victim of conflicts between guerrilla, government and paramilitaries. In Peru, the frustration with Alejandro Toledo is damaging confidence in democracies. In Bolivia, abandonment of the *cocaleros* [coca-growers] is



leading to their unification around their own candidate. In Ecuador, the poorly resolved Indian question is overthrowing elected governments. In Chile, the wounds of a recent past divide the population. In Brazil, we blindly see that our beautiful democracy is more form than substance, with a long way to go.”

- The Moment for Ibero-American Integration

It was this reality, which could provoke a nationalist patriotic response across the continent, as well as the possibility that this response could associate itself with the project of Ibero-American integration outlined by Lyndon LaRouche, that provoked the State Department’s Reich to come running down to Brazil. He tried to wrest some kind of guarantee from the government as well as from the Presidential candidates—guarantees then demanded by the IMF in exchange for its unsuccessful \$30 billion bailout announcement of Aug. 12—that would at least ensure that Brazil will not adopt an independent path to survival.

Significantly, the final meeting of the nations of Mercosur—Argentina, Brazil, Uruguay and Paraguay—held in Argentina in early July, was for the first time attended by Mexican President Vicente Fox. All five of these nations now stand in or at the brink of bankruptcy, and could end up joining forces in common negotiations to get out of the crisis. This possibility was so evident that all the gathered heads of state had to deny before, during, and after the meeting, that they had any plans to establish a forum for joint negotiations. Before the meeting in Buenos Aires, Brazilian President Fernando Henrique Cardoso issued a denial that there was any intention of a joint negotiation among the three powers of the continent—Argentina, Brazil, and Mexico—with the IMF.

But if, on the one hand, the State Department is trying to calm this nationalist ferment, on the other, it continues to foment a scenario of chaos that would transform the continent into a no man’s land, allowing USNORTHCOM to become the utopians’ continental monster.

The most recent example was the State Department’s intervention in the recent Bolivian Presidential elections. It was evident to all that the direct attack by the U.S. ambassador against the coca-farmers’ leader, drug legalization advocate Evo Morales, had the utterly predictable effect of catapulting candidate Morales into the electorate’s favor. The State Department knew perfectly well, from its own historic experience, that under severe crisis conditions, that would be precisely the result.

Similarly, the so-called “peace dialogue” in Colombia openly protected the Colombian Revolutionary Armed Forces (FARC) narco-terrorists, who maintained a direct relationship with the financial center of Wall Street, as depicted in the infamous embrace of New York Stock Exchange Chairman Richard Grasso with FARC financial chieftain “Raúl Reyes.”

In Brazil, the Anglo-American elite pulled a similar num-

ber to the State Department’s act in Bolivia. Speaking to a June 8 seminar sponsored by the New York Council on Foreign Relations (CFR), mega-speculator George Soros declared that the United States would *impose* candidate José Serra in the Presidency, because the Workers Party candidate—Luís Inácio “Lula” da Silva, luminary of the World Social Forum—would represent “chaos.” Soros went on to compare the United States today with ancient imperial Rome: “In ancient Rome, only the Romans voted. Under modern global capitalism, only Americans vote. Brazilians don’t vote,” Soros said.

## Threats and Suggestions

This, of course, had the purpose of creating an aura of power around “Lula,” who personally hasn’t the minimal qualifications for presiding over the largest nation in Ibero-America. At the same time, it creates the conditions for wresting much greater political concessions from any other Presidential candidates who eventually come to the fore. After the “Soros veto,” U.S. Treasury Undersecretary John Taylor, at a July 11 press conference at the U.S. Embassy in Paris, suggestively declared that “‘Lula’ has proven that his economic practices will not be so very different from current ones, as some people think.” Taylor noted that Lula, in his economic proposals, assumes a commitment to maintain a primary surplus, a fact considered “positive,” given that this is the same axiom upon which current Brazilian economic policy is based, as dictated by the IMF, and as faithfully carried out by current Central Bank president and former Soros employee Arminio Fraga. Taylor was sending forceful “suggestions” to the Workers Party candidate.

Otto Reich, in Brazil, read his letter of conditionalities to the other candidates, in the course of an interview with the *Jornal do Commercio* published on July 19: “I would like to see leaders who believe in political and economic democracy, who can be good friends to the United States, who will not interfere in the affairs of their neighbors, and who will not make wars, nor embrace nor train terrorists.”

In addition to the public objectives of Reich’s visit to Brazil, his intervention to guarantee that Lockheed company would be chosen to provide the Brazilian Air Force with supersonic airplanes, equipped with missiles and long-range radars, was evident. Reich acted as a lobbyist for Lockheed, for which he served as a high-level officer before accepting his current State Department post. His purpose was to prevent Brazil, at all cost, from signing a strategic agreement with France—which is offering its Mirage jets—or with Russia, which is offering its technologically more advanced Sukhoi.

Despite promises to free up Brazil’s access to certain technological items, the policy which Reich represented was strictly that of the utopians, denounced by President Dwight Eisenhower in the 1950s as the policy of a renegade “military-industrial complex.” That policy is “technological apartheid.”

# Italy To 'Nationalize' EU Economic Policy

by Claudio Celani

A debate on urgently rejecting the current European economic policy has broken out in Italy, prompted by figures showing the worsening of public accounts as a result of a serious slump in production. Several Cabinet members have issued public statements urging the review of the malthusian 3% cap on the public budget deficit, imposed by the European Stability Pact; or, proposing to bypass it, by not including investment expenses in the calculation of the deficit. The move, reflecting proposals made repeatedly to audiences of Italian elected officials by Lyndon LaRouche, could be crucial to an infrastructure-led recovery.

Italy has always been critical of the rigid Maastricht criteria, which have forced the country to enforce large budget cuts affecting the pension, school and health systems, and which, above all, have blocked any infrastructural investment for more than a decade. Italians, however, have so far abstained from officially calling for a review, because, Italy is the country with the highest public debt.

But now, with both France and Germany facing increasing public deficit and production crises, the Maastricht parameters are no longer a "sacred cow" in those countries, either. The three largest economies in the European Union are dangerously close to the 3% limit established as the maximum allowed ratio between deficit and GNP: France is 1.4%, Italy 2.2% and Germany 2.7%. These figures will worsen in the next few months, as the economic crisis worsens. The Italian government will therefore meet on Sept. 30 to discuss how to raise the new policy with its European partners.

## EU Head vs. Italy

The debate on economic policy inevitably puts on the table the issue of sovereignty in Europe. The current technocratic "Europe-wide government," the European Commission, is the staunchest enforcer of the malthusian Stability Pact. EU chairman Romano Prodi has an Italian passport, but is first a technocrat. Thus, he felt compelled to react arrogantly against his country, by stating that the Stability Pact is "an indispensable regulation."

But the power of the European Commission might come to an early end if, as indicated by several European governments, decision-making power is moved out of Brussels, back into the hands of the European Council of Ministers, and, to a large extent, back to the level of the single national states

and their elected governments. Anticipating this fight, several members of the Italian Cabinet, and of the government coalition in Parliament, have warned that any decision on European economic policy must be taken by member countries, and not by the supranational commission. Rocco Buttiglione, Minister for European Policy, declared that "The Stability Pact was not made by the Commission, and the Commission cannot decide on its modification. It was made by the heads of state and government, and its modification should be decided by the European Council of Ministers."

Even more explicit was Culture minister Giuliano Urbani, who told the Turin daily *La Stampa* Aug. 14: "We need a Europe which takes less common decisions and defers them to direct relationships among national governments. . . . At the end, it will be the national governments which decide." Urbani said that "The review of the Stability Pact is mandatory," and that "investments have to be excluded from the calculation of budget expenses." The same proposal was supported by another cabinet member, Carlo Giovanardi, in an interview with the daily *Avvenire*, while the chairman of the Parliament Budget Committee, Giancarlo Giorgietti, declared: "We want production to start again."

The proposal of not counting investments—i.e., economic infrastructure projects—as expenses against a government deficit, is not new. The first to formulate it was Franco Modigliani, an Italian-American economist at MIT who won a Nobel Prize a few years ago. He stressed that such practice belongs to traditional economic accounting, and that the Maastricht Treaty actually introduced an aberration.

## Opposition Is Split on Government Move

Whereas the government parties share this view, the center-left opposition is split. Leaders such as former Labor minister Cesare Salvi, considered a "leftist," but also former Premier Massimo D'Alema, a moderate, agree on a change. Economist Napoleone Colajanni, a Social Democrat, said: "The idea itself of a Pact is an idiocy: You cannot connect real figures, such as current expenses and income. . . . The question today is development." Greens leader Alfonso Pecoraro Scanio, a former Agriculture minister, also said: "We cannot become the supporters of a radical monetarism." But other opposition leaders, like Luciano Violante, raise a defense of "economic rigor" and of the Stability Pact.

This is no surprise, for those who know that Violante, a former prosecutor, is reported to be the secret head of the "Clean Hands" faction, the man who led the assault against his political opponents in 1992 with the political use of justice. That assault paved the way for a decade of technocratic governments which, in order to "balance the budget," have sold one-third of the Italian economy to foreign interests. Such defenders of "economic rigor" appear pathetic before a reality in which Italian industrial output lost 5% in May, in comparison to the same month of 2001, and the trend is for further downturn.

## Uribe Attacks Terror, But Must Move Economy

by Valerie Rush

Colombia's newly inaugurated head of state, Alvaro Uribe Vélez, has moved quickly to draw on the national mandate that overwhelmingly elected him to the Presidency in May. Uribe declared a 90-day "state of internal commotion" on Aug. 12, a decree that will hopefully give teeth to his long-awaited declared war on narco-terrorism. Not only will Uribe's government now have enhanced anti-terrorist enforcement capabilities, but also both the ability to mobilize the citizenry into an active defense of their ravaged homeland, and the means to finance that mobilization. Not surprisingly, after years of being betrayed by one government after the other, forces from every part of the political spectrum are rallying, with renewed hope, to the new President.

The text of the government decree which put the new state of emergency into force openly declares that Colombia finds itself "subjected to a reign of terror, in which democratic authority is drowning and productive activity is becoming increasingly difficult, multiplying unemployment and the misery of millions of fellow citizens." Colombia was rapidly disintegrating as a nation before Uribe took office, and he knows that he must move quickly to save his homeland.

### Breaking the Tyranny of Terror

In the months between the election and Uribe's Aug. 7 inauguration, the narco-terrorist Revolutionary Armed Forces of Colombia (FARC) had escalated their drive to make the country ungovernable. The FARC delivered messages to every elected official in the country, as well as many appointed ones—ranging from mayors, governors, and city councilmen, to magistrates and prosecutors: Resign your post, or you and your loved ones become our "military target." Hundreds of officials fled with their families—some out of area, and some out of the country altogether—leaving a conservatively estimated 180 towns and cities without any institutional presence. Payrolls went unmet, courts stopped functioning, garbage lay uncollected, transportation broke down, chaos and fear were rapidly spreading. Pleas for a declared state of siege went ignored by outgoing President Andrés Pastrana. The FARC's longstanding tyranny over much of rural Colombia, was now fast spreading into the towns and cities.

Although a FARC plot to crash an airplane into the Aug.



*Colombia's new President, Hector Uribe Vélez, has rallied Colombians quickly to bold new steps against FARC terror. But his economic team are men who in the past have courted FARC drug-profits "investment" for the international financial-center banks.*

7 Presidential inauguration ceremony was uncovered by intelligence agencies just one week in advance, one of Uribe's first official acts was to appeal to UN Secretary General Kofi Annan to mediate a renewed dialogue with the treacherous FARC narco-terrorists, *on the condition that they first lay down their weapons*. The FARC's answer was immediate. Just minutes into the formal inauguration in Bogotá's Congressional Building, terrorists fired several mortar rounds against the Presidential palace and into a shantytown a scant four blocks from where Uribe was being sworn in. More than a score were killed, and 70 injured, the majority of them homeless women, children, and elderly. That same day, multiple bombings were carried out elsewhere in the capital city, and in the cities of Medellín and Cartagena. In the days since, the Armed Forces has had clashes with both the FARC and terrorist paramilitary forces, which have taken scores more lives.

Uribe has moved quickly to enact a number of his campaign promises. First, he met with Bogotá Mayor Antanas Mockus to organize the deployment of thousands more police officers. Students in Bogotá will be called upon to fulfill their deferred military obligations, by augmenting defense capabilities inside the capital city itself.

Uribe has also announced that he will levy a 1.2% "war tax" on all citizens with liquid assets of more than \$65,000, to help finance the significant expansion of Colombia's military and police capabilities, which was a cornerstone of his electoral pledge. Of the estimated \$800 million that Uribe hopes to bring in from the new tax, the annual military budget will be immediately doubled, and thousands more police and soldiers recruited, trained, and equipped.

Colombia's new President has further announced the launching of his million-man "citizens defense" network, consisting of a combination of volunteers and auxiliary police and soldiers, who will assist and expand the reach of Colombia's overextended and underfunded military. Thousands of citizens, tired of being victimized by both the FARC and paramilitary armies of drug-trafficking thugs, and by the do-

nothing complicity of the past three administrations, are coming forward. Others will receive direct training from the military and law enforcement, and will receive both arms and stipends. The plan is to eventually absorb these citizens fully, as funding allows.

Uribe has named generals known for their toughness and battle experience, to head the Army and National Police. In a speech to the ranks of the José María Córdova Military School in Bogotá, he told the assembled ranks of officers and cadets: "Our compatriots have agreed, with unprecedented willingness, to pay a tax of 1% of the GNP . . . to support the Public Force. Now it is up to you and me to obtain results."

### The Economic Battlefield

The Colombian President has thus far failed to take the necessary parallel actions on the economic battlefield. After years of suffering the ravages of narco-terrorism, on the one hand, and the neo-liberal economic recipes of free trade, on the other, the Colombian economy is devastated, its social fabric on the verge of disintegration. Action on the one front, and not the other, is a doomed strategy.

The two newly named economic czars of the Uribe Administration—Finance Minister and former International Monetary Fund employee Roberto Junguito and "adviser" Rudolf Hommes—are advocates of continuing those same neo-liberal austerity policies. Worse, Hommes—whose reign as "minister of free trade" under the César Gaviria government from 1990-94 earned him the undying hatred of the majority of Colombians—is currently a board member of the Violy Byorum & Partners investment house. It was VB&P which facilitated follow-up meetings in Colombia to the visit of New York Stock Exchange Chairman Richard Grasso to FARC headquarters in 1999.

As long as Uribe's economic policy is dictated by the same financial elites who see the FARC's cocaine trafficking as a free trade "opportunity," Uribe's war on narco-terrorism is doomed and Colombia's future with it.

Colombia's Ibero-American Solidarity Movement (MSIA) President Maximiliano Londoño described the economic state of affairs, in July, as follows: "Official rates of unemployment are around 20%, and underemployment another 30%; industrial production has fallen between 50 and 75%; annual import of food is equivalent to 10 million tons. . . . Debt service consumes 50% of the current national budget." Londoño, a long-time associate of U.S. Presidential pre-candidate Lyndon LaRouche, published an "Open Letter to President Uribe: How To Reactivate the National Economy," a 75-page memorandum, urging that the nation's economic recovery be centered around urgently needed national infrastructure projects (transportation, energy, communications, water supply, etc.) and reactivation of industrial and agricultural production through long-term, low-interest credit. Junguito and Hommes, in stark contrast, insist that the war on terrorism can only be funded by cutting back investment and public spending.

## Global Crisis Heats Up Russia's Policy Fights

by Rachel Douglas

Turmoil continues around the reportedly pending plan of Russian Presidential Administration official Dmitri Kozak, to change ownership and/or taxation policies for the country's natural resources. Elements of the plan (as described in a version leaked by Interfax in late July) echo Academician Dmitri Lvov's often repeated demand, to "place our national wealth on the balance sheet of the state." Various Russian papers, joined by *The Wall Street Journal*, shrieked that the cancellation of licenses for raw-materials exploitation, and their replacement by a concession system, would mean "renationalization." Proposals for revising the Law on Natural Resources are due to be submitted to the government by Oct. 1.

The similarities to Lvov's proposals were not missed. Christopher Kenneth, in *The Russia Journal* of Aug. 2-8, noted that Kozak's reported recommendation "echoes a similar view expressed earlier this year in national media by Dmitri Lvov," who had told *Pravda*: "If the major part of our national income is generated not by labor and capital but from rents on natural resources, then these assets should not be made a subject for private entrepreneurship, which channels revenues to only a select few. Rather, the assets should belong to all Russians. . . . A law to make the state the sole owner with rights to exploit these resources, and making concerted efforts to forestall any further attempt to sell government's stakes in this sector, would be a big step forward in correcting the situation."

Capital investment and production growth are falling sharply in Russia over 2002, after several years of apparent improvement; large wage arrears have reappeared in state budgets. Academician Lvov, Dr. Sergei Glazyev, and other Russian Academy of Sciences economists met with President Vladimir Putin in March, on the subject of how to find a solid foundation for economic growth, but there had been little reflection of those discussions in policy, until reports surfaced about the Kozak plan.

Speaking to Interfax on Aug. 8, Vice Premier and Finance Minister Aleksei Kudrin gave strange "assurances": "I can say today: We are not going to face a default, we'll not have a devaluation which would damage the savings of the population or make them convert them into dollars or euro."

In commentary in *Izvestia*, Svetlana Babayeva and Yelena Krop emphasized that the compulsion to assure the population

that everything is “okay, really,” indicates that something is wrong. “The fact is that after a number of populist social measures, following a number of populist tax measures, the government is short of money,” they wrote. According to the paper, “in the next year, we’ll have to forget about a budget surplus.”

Mikhail Zadornov, deputy head of the Duma’s Budget Committee, tied Kudrin’s “reassurance” to the American economic crisis: “When the threat of a continued recession in the United States is regarded as serious, and when nobody can provide a substantiated prognosis of prices for oil, gas, and metals, it is dangerous for the country.”

## Glazyev Calls for National Banking

Economist Sergei Glazyev, currently campaigning for the governorship of Krasnoyarsk Territory in Siberia, gave a webcast press conference Aug. 2 on the pre-announced topic, “Why Has the Russian Government Been Named Among the Least Effective in the World?” Glazyev stressed the huge wage arrears to teachers and doctors in Russia, and the government’s blocking of proposals—even when President Putin has verbally endorsed them—for channeling raw materials earnings into investment for the good of the nation.

Glazyev revealed that during the President’s meeting with him, Academician Lvov, and other economists last Spring, Putin had agreed to their version of a “debt for investment” scheme. Instead of dedicating one-third of Federal budget spending to servicing the foreign debt, the economists proposed “to refuse to pay on foreign debts in dollars, and to suggest to the creditors to receive the debts in the form of rubles, and the rubles should be spent inside Russia. This is the debt-in-exchange-for-investment scheme, on condition that it will not be converted into dollars, but rather be spent on investment in real production projects.”

In a question-and-answer session, Glazyev took the opportunity to develop a concept of national banking. “The Central Bank has never had the guts,” he said, “to start using mechanisms for supporting economic growth. . . . What is the main function of the Central Bank? It should organize credit within the economy. It should enable industry and agriculture to provide credit for their development. Modern economic growth began in the 18th Century when the states mastered the instruments of the Central Bank and learned to create credits. Our Central Bank has voluntarily given up that main function. Who needs such a Central Bank anyway?”

The very same issue has come to the fore in Poland, where government changes have been forced by a movement for exactly this idea of national banking for development.

The solution within Russia, Glazyev argued, “is to deploy a network of development banks. The development bank will work with state guarantees . . . extending credits to develop production in priority scientific and technological areas. That

is, the spheres that can bring about an economic breakthrough. For example, we have a competitive edge in rocket and space technology, in the aviation industry, in science-intensive instrument building, such as laser technology, we have some promising results in molecular biology. . . .

“We propose to set up a system of development banks, and to deploy a system of support of small business through special funds in addition to development banks and agricultural banks, to create mechanisms of mortgage crediting of housing through specialized banking institutions in the regions, to deploy an export-import bank that would guarantee and issue export credits to promote the products of our engineering industry abroad.”

## Menshikov Comments on Kozak Plan

A supporter of Academician Lvov’s concept, Prof. Stanislav Menshikov, analyzed the Kozak proposal in his Aug. 2 column in *The Moscow Tribune*.

This “really surprising” document, Menshikov says, “claims that not only all mineral deposits belong to the state, but also the products of their exploitation. If this document is adopted, oil companies will lose their current licenses for oil fields and will have to sign concession agreements, under which they would be compensated for costs plus a ‘normal profit,’ but the remaining revenue would belong to the government. It is no secret that oil companies reap an enormous superprofit from their low production costs and the much higher world prices. Last year, Putin suggested taxing away most of that mineral rent and using it to finance manufacturing, particularly high-tech industries. Due to sabotage from the Kasyanov Cabinet, nothing came out of this idea. Today the President has returned to his old plan and put it into an extreme form that is close to de facto nationalization.”

Since the Kozak plan would likely be opposed by the Kasyanov Cabinet and “either buried or emasculated on the way to Parliament,” Menshikov suggested that it might become “another test of strength between the President and the Prime Minister, with the oligarchs taking Kasyanov’s side this time around.”

When Putin called for the repatriation of Russian flight capital, two months ago, he promptly closeted himself with former Mezkhombank chief Sergei Pugachov, to hammer out detailed proposals. In the case of the raw-materials legislation, too, the raw-materials magnates quickly entered the picture. Yukos Oil’s owner, Mikhail Khodorkovsky, supported the Kozak plan, as did Mikhail Fridman, chairman of Alfa Group, who said, “It doesn’t matter whether it’s called a concession or a licensing agreement. What is important, is that the government cannot tear it up unilaterally.” Each of them met with Kozak the week of July 29. *The Moscow Times* and *Vedomosti* reported Aug. 5 and Aug. 7, respectively, that Kozak’s draft law has been revised so as not to transfer ownership of the resources in the ground to the state, after all, but to increase taxes collected at the well-head.

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## ‘Man Improves the Universe,’ U.A.E. Conference Affirms

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*At a seminar in Abu Dhabi, LaRouche collaborators Jonathan Tennenbaum and Dino de Paoli joined an international panel of experts to discuss “Man’s Role in Developing the Universe.”*

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Dr. Jonathan Tennenbaum and Dino de Paoli, associates of Lyndon H. LaRouche, Jr., spoke at a conference in the United Arab Emirates on Aug. 4, called to discuss the broad and fascinating subject of “Man’s Role in Developing the Universe.” In this country known for its bold development and transformation of the desert, the Zayed Centre for Coordination and Follow-up invited scientists and speakers from Germany, France and Egypt, and a Russian scholar on Vladimir Vernadsky, Prof. Georgi Naumov.

The conference, entitled “The Universe and Man’s Destiny,” was attended by about 60 diplomats in the capital of Abu Dhabi, scholars from several Arab countries, and press representatives. On the day following the conference, the speakers were taken on an unforgettable tour of Seer Baniyas Island, which is being transformed from a completely barren territory into a fruitful agricultural area, using large-scale desalination of sea water, and modern irrigation techniques.

### **Improving the Planet Should Bring Peace**

The conference was opened by the Executive Director of the Centre, Mohammed Khalifa Al Murar, who welcomed the participants and the guests in the name of Sheikh Sultan bin Zayed Al Nahyan, Deputy Prime Minister of the U.A.E. “The process of tracing the secrets of this mysterious spacious universe is as old as man,” said Al Murar. “Man had been meditating about heavens and skies, eager to explore them. The creation of heaven and earth was the first global fact, with God’s hands holding the whole structure. . . . When we speak

about the Earth, we mean this very Earth upon which every living matter and being depends. The Earth has been made as an abode for life, fit for living and multiplication due to its specific characteristics. . . . Being scientists . . . you are requested by this conference to advocate the great *peace* between man’s mind and Existence, which should bring peace between people.”

A second opening greeting was delivered in the name of UNESCO’s Division of Ecological Sciences, by Dr. Lucilla Spini, an anthropologist and primate expert. She later delivered a report about UNESCO’s program for “Biosphere Reserves.”

Following this opening, Dr. Tennenbaum led off with a presentation on the theme “Can Man Improve the Planet?” He developed the rigorous relationship between global ecology and physical economy—as defined by Vernadsky and LaRouche—focussing on how man’s deliberate increase of his potential population density, by orders of magnitude, over the course of prehistory and history, has gone hand in hand with increasing the “anti-entropy” of the Biosphere as a whole. What is causing damage to the Biosphere, Tennenbaum insisted, is the wrong axioms of economics, as embodied in the policies of the International Monetary Fund, and the British and French physiocrats’ claim that wealth ultimately derives from natural resources, rather than from the creative powers of the human mind.

As a crucial example of how man must improve the planet in the future, Tennenbaum called for transforming large parts



*Dr. Jonathan Tennenbaum, a leading associate of Lyndon LaRouche in Germany, addresses the conferees in Abu Dhabi, on “Can Man Improve the Planet?” He is flanked by a second panelist, Prof. Georges Rossi (right), and by Zayed Centre Executive Director Mohammed Khalifa Al Murar.*

of the present desert areas of the Earth into fruitful agricultural areas in the course of the 21st Century, using a network of agro-industrial complexes based on nuclear desalination and other advanced technologies, and linked by infrastructure development corridors.

Dino de Paoli, choosing the theme “Man is a Unique Guarantor for the Future of the Earth,” challenged the audience to imagine what it would mean, if life on the Earth were to be threatened with extinction due to collision with an asteroid. Man is certainly capable of developing technological means to avert such a catastrophe, but what if he were prevented from doing so, by the kinds of Malthusian and “greenie” anti-science policies now prevalent in the world? The paradox posed, requires rethinking the relationship of man to the universe, and realizing that it is ultimately only man that provides the “life insurance” for the Biosphere.

De Paoli provocatively attacked the axiomatic fallacies underlying Malthusianism, including the notion that the universe is intrinsically entropic. “As long as we try to reduce life to matter, and reduce the mind to the brain, we will have difficulties in explaining life and human cognition. . . .” The difficulty disappears, de Paoli said, once we take the perspective, “that the human mind is a lawful, causal force acting in this universe.”

### **No Such Thing As ‘Natural Environment’**

Prof. Georges Rossi, professor of geology at the University of Bordeaux, France, and an expert on the environmental impact of agriculture and forestry in developing countries, exposed the fallacies of “environmentalism” from a different angle. Speaking on the question, “Is the Future of the Planet

Really Menaced?,” Rossi noted that there is no such thing on the Earth today as a completely natural environment, unaffected by man. The development even of tropical forests and other so-called “virgin” areas, in their present form, has been influenced and determined to a large extent by human activity over centuries—activity that has constantly changed the environment in such a way as to permit a growing human population to exist.

Rossi’s main target, however, was the hoax of “global warming.” He emphasized the massive manipulation of public opinion, in which a false picture of the scientific conclusions is being presented, which differs radically from what scientists are actually writing in the research journals. He warned that “Malthus is still alive today.”

To Rossi’s polemic, Prof. Herve le Treut, one of the official French representatives to the infamous UN Commission on Climate Change, responded very defensively. He complained that “exaggerations” about the danger of global warming were tending to “discredit the authority of scientific research,” which, he claimed, did show the existence of a real danger.

But the next speaker, Dr. Ahmed Abdul-Hadi of the Faculty of Astronomy and Meteorology at the University of Cairo, emphasized the intimate connection between the influence of changes in the Sun, and the global climate. Thousands of years of documented records of variations in the Nile River provide Egyptian scientists with a unique data-base for studying the correlations of solar activity with the Earth’s climate and weather, he noted. Although human activities have some impact, Abdul-Hadi showed that it is insignificant compared to that of the constant variations in sunspot activity.



*View of Baniyas Island, showing how the desert is being cultivated. Water is provided to each plant, using the so-called droplet method, by a huge network of pipes. Twenty-five years ago the island was almost completely barren, with virtually no plant or animal life.*

He explained how relatively small shifts in solar output, and phase-shifts in sunspot cycles, have major influences on the Earth's atmosphere.

At the conclusion, the conference heard a condensed summary of a paper by Professor Naumov of the Vernadsky State Geological Museum in Moscow, a leading Russian authority on the life and work of the great scientific pioneer Vladimir Vernadsky. Next year will mark the 140th anniversary of Vernadsky's birth.

Naumov's paper was a wonderful pedagogical presentation on how Vernadsky discovered the principles of the Biosphere and the Noösphere (the sphere governed by human cognitive activity and discovery), starting from his work on mineralogy and biochemistry. Naumov emphasized Vernadsky's conclusion, that human reason represented a "geological force" transforming the planet, and that man must study nature from the standpoint of directing the future development of the Biosphere in a positive sense.

The closing discussion provided an opportunity to contrast the "ugly idea" of the Clash of Civilizations, with the notion of a common interest and destiny of mankind in developing the universe—a conception, some participants noted, in accord with the Islamic ideas. In this discussion, the lasting effect of Lyndon LaRouche's presentation to a Zayed Centre conference on June 2, was notable.

### **'Green Paradise' Being Created**

On the next day the guests were taken on a tour of Seer Baniyas Island, about 300 km from Abu Dhabi, the site of a unique experiment in large-scale transformation of a totally barren area into a "green paradise."

The project was launched at the personal initiative of

Sheikh Zayed in the 1970s, with the construction of a large desalination plant on the coast, underwater pipelines linking the plant over 8 kilometers to the island, and other infrastructure. The planting of selected species of bushes and trees, fed with desalinated water via a vast network of pipes according to the method of "drip irrigation," began in 1980. Today, after 20 years, certain areas have already reached a kind of "take-off," where the vegetation has fused to form a continuous cover. The overall growth of trees and other plants has resulted in a lowering of the temperature on the island by 3-5° since the project began. This cooling effect was quite noticeable, compared to surrounding temperatures reaching up to 50°C (122° Fahrenheit) at this time of year!

About 80% of the island's total area of 230 square kilometers is now planted, including some 3.5 million trees. There are 250,000 fruit trees, including mango, orange, banana, apple, fig, pineapple, and lemon trees, plus vegetable and grass farms. The latter produce feed for a large variety of animals, being bred on the island. These included animals from the Gulf area, such as the graceful Arabian gazelles, as well as many animals brought in from other areas of the world, such as llamas, zebras, various species of deer, water bucks; and over 80 species of birds, from ostriches and pheasants to ducks, geese, and swans. In addition, many species of migrating birds have established themselves on this once-desert island. At the end of the tour, the conference visitors were served a sumptuous meal, prepared entirely from the produce of the island.

One member of the Zayed Centre proudly called this "an example of the Noösphere in action."



*Dr. Jonathan Tennenbaum: "Ultimately there is no other source of economic wealth than the improvement of the Earth, and especially of human life, which is its greatest treasure."*



## Relationship of Ecology And Economics: Can Man Improve the Planet?

*The presentation by Dr. Jonathan Tennenbaum to the Zayed Centre conference, "The Universe and Man's Destiny," given on Aug. 4.*

With the dramatic growth in the scale and intensity of human activity on this planet since the industrial revolution, the rapid expansion in world-wide consumption of energy and raw materials, and the growth of the world population from approximately 2.5 billion to 6 billion over the last 50 years alone, man's impact on the Earth's environment has unquestionably taken on unprecedented proportions.

From certain quarters the warning has sounded out, that man's activity is causing irreparable damage to the Earth's ecology and perhaps threatening the future of human life or even life itself on the planet.

In the recent period, two particular warnings have drawn the greatest public attention: 1) "global warming"—a predicted increase in overall atmospheric temperatures over coming decades, as the result of human emission of CO<sub>2</sub> and other so-called greenhouse gases, leading possibly to changes in global weather and climate patterns and a raising of the level of the oceans; 2) the so-called "ozone hole"—the thesis, that man-made substances are destroying the ozone layer which shields the Earth's surface from harmful levels of UV radiation.

These specific warnings, however, are added to a long list of more or less urgent worries, concerning the effects of human population growth and economic activity on the environment, including: depletion of natural resources, including freshwater sources; poisoning of ground and surface water, the soil, atmosphere, and entire food chain by industrial chemicals and waste products; destruction of soil fertility, erosion and desertification, deforestation, including destruction of tropical rainforests; the extinction of many species of living organisms; and so on.

The overall picture is that of a planet being totally devastated. But is this picture accurate? And if so, what should be done? Is man only a threat to the environment, or can man improve the planet?

Exactly the importance of this question for the future of mankind requires, that it be analyzed from a rigorous scientific standpoint, avoiding false assumptions that might have



*Jonathan Tennenbaum at Baniyas Island, about 300 km from Abu Dhabi, the site of a unique experiment in large-scale transformation of a barren area into a "green paradise."*

even more disastrous effects than the problems they are supposed to address. In this context, one also cannot overlook the fact, that certain circles in the world have been exploiting so-called environmental issues for economic, political, and geopolitical ends, and to spread a certain negative view of man.

For these and other reasons, I shall start with some general remarks, which may seem simple and even self-evident to some, but are often overlooked, and have profound scientific as well as economic-political consequences. After that I shall proceed to some concrete examples and proposals for the future.

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### 1. Paradoxes of the Assertion That Man Destroys the Earth

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Is man destroying the natural equilibrium of the Earth's ecosystem? Before rushing to answer the question, we should



*The Earth's Biosphere does not exist in a state of thermodynamic equilibrium, contrary to widely accepted belief. One simple demonstration of this is the presence of large quantities of free oxygen, whose nonequilibrium nature is impressed upon us periodically by forest fires.*

realize that the very formulation contains an implicit assumption: namely the idea that there exists such a thing called the “natural equilibrium.”

In fact, as the great Russian biogeochemist Vladimir Vernadsky and other scientists have demonstrated, the Earth's Biosphere—the dynamic system constituted by living and nonliving matter in the region of the Earth, populated by living organisms—not only exists in a state very far from thermodynamic equilibrium; but in the course of evolution it has constantly developed farther and farther away from equilibrium! Thus, the actual evolution of living matter and the Biosphere as a whole, goes in the opposite direction from the tendency of entropic dissipation of energy, which appears to predominate in the domain of non-living matter.

This may be very surprising to people who hear it for the first time, but it is well-established scientific fact. One of the simplest demonstrations is the presence of large quantities of free oxygen, maintained far from chemical equilibrium by the photosynthetic activity of living organisms, and whose nonequilibrium nature is impressed upon us periodically by forest fires and related disasters. But at the same time, the emergence and maintenance of an oxygen-rich atmosphere on the Earth, as a product of photosynthesis, created the possibility for the much higher rates of metabolism in animals and other higher forms of life. The buildup of atmospheric oxygen was connected, in the history of the Earth, with a profound transformation in the whole organization of the Biosphere and its populations of organisms, and an intensification of the flows of energy and matter within the Earth's ecosystem.

Thus, on the scale of geological time at least, it is nonsense to speak about some fixed “natural equilibrium state” of the Biosphere and ecosystem. On the contrary, long before man

appeared on the scene, the Earth's Biosphere went through a long history of more or less dramatic changes. In addition, there is evidence that the process of evolution on the Earth did not simply occur gradually, but was accompanied by relatively rapid, “jump-like” changes. Indeed, the image of a supposedly delicate “balance” in the Earth's ecology, is hard to reconcile with the history of sudden large-scale shifts in weather, climate, and the behavior of living species; this history evidently predates man, but continues until today.

These remarks do not imply that there are no problems connected with the effects of human activity on the Earth's environment. They simply underline the fact, that change has always been the characteristic of the Biosphere over billions of years, and we cannot equate change automatically with destruction. Thus, in discussing these matters, it is necessary to establish a criterion for distinguishing between positive and negative types of change.

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## **2. Interaction of Man's Physical Economy with the Earth's Ecosystem**

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In judging the impact of mankind's activity on the environment, it is a common error for people to focus only on particular aspects such as pollution, overlooking the fact that the flows of matter and energy associated with the long-term development of man's physical economy, are already an integral part of the present structure of the Biosphere. Moreover, mankind's activity is supporting and sustaining that structure

to a very significant extent.<sup>1</sup>

Examining the development of man's physical economy over the long-term sweep of history, two specific aspects are of special significance for the interaction of the economy with the Biosphere as a whole.

First, is the fact that man has increased his potential population density—the maximum number of human beings that can be sustained, on the average, per square kilometer of the Earth's surface—by at least three orders of magnitude in the course of archeological and recorded history. The ability to deliberately increase the population potential, through technological development and analogous improvements in the organization of social activity, distinguishes man absolutely from all other species of living organisms.

Second: The growth in human population-potential is connected with an increasing intensity of flows of matter and energy within the Biosphere, both per capita of the population and per square kilometer of the Earth's surface, as a direct and indirect result of man's economic activity. Vernadsky rightly spoke of man becoming an increasingly dominant "geological force" in the Biosphere.

Central to this are man's agricultural activities, that had already extended to a significant part of the Earth's land surface, thousands, and probably tens of thousands or more years ago. Over time, these activities have transformed, directly and indirectly, the entire system of plant, animal, and microbial life on the planet, and substantially affected the structure of flows of matter and energy within the Biosphere as a whole.

While that transformation is obviously very complex, one of its essential characteristics is the increase in the average rate of production and turnover of living material (biomass) per hectare or square kilometer of agriculturally cultivated area. Indeed, man's deliberate intensification of the process of biomass generation and turnover, through agricultural and

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1. By "physical economy" I mean the entire physical process by which a human population sustains itself on a given territory. That includes, first of all, the generation and distribution of energy; the entire network of interconnected productive processes of agriculture, mining, industry and construction, transportation, distribution and consumption of goods; and necessary service activities connected with education, sanitation and medical care, scientific research, etc. It also includes the reproduction of the human population itself, not only in the biological sense, but also in terms of the raising of children into adults, and all household and related activities connected with that.

In recent decades it has become a common belief, in Western countries at least, that man's physical economy has developed at the expense of nature, and that the transition to so-called "zero growth," or even a collapse of the physical economy, would benefit the Earth, by reducing the destruction and disturbance caused by human activity. This, in my view, is a very big mistake. A collapse of man's physical economy, for example, would inevitably generate shock effects within the Biosphere as a whole, triggering a transition of the Biosphere to lower states of organization, and leading (among other things) to mass outbreaks of old and new human, animal, and plant diseases. Signs of this phenomenon of an "ecological holocaust," which Lyndon LaRouche warned about back in the mid-1970s, can actually be observed today in Africa and other areas of the world which have suffered dramatic economic decline.

related activities, has provided the chief immediate basis for the spectacular increase in the potential population density of the human species.

But, as Vernadsky and others have shown, the tendency toward intensification of the generation of living matter did not start with man, but has been a constant characteristic of the evolution of the Biosphere over 4 billion years. Vernadsky noted that there has been a constant increase in the "free energy" of the Biosphere in the course of biological evolution. This free energy, generated through the capture of solar radiation and its conversion into structural energy of living tissue and other products of living processes, represents a growing potential of the Biosphere to expand and develop.

Thus, human agriculture and related economic activity, to the extent it contributes to the growth of the free energy of the Biosphere, represents a continuation of the "anti-entropic" direction of biological evolution in general.

Man's role in this process of intensification of the Biosphere is typified by what farmers call the improvement of the land, and the extension of such improvements to other categories of land use. Improvement of land refers not only to increasing the soil fertility *per se*, but to the entire range of physical investments and other changes, that permit the farmer to maintain and increase agricultural yields from generation to generation. These include irrigation and drainage systems; plant breeding and improved forms of seeds; inputs of mechanical energy for plowing, planting, fertilization, harvesting; measures for control of plant diseases and pests, and so forth.

The successful transformation of some desert areas into productive agricultural regions, through irrigation and various methods of reclamation and development of soil, provides perhaps the best illustration of the principle of "improvement of land." I shall come back to this point in the final section of this paper.<sup>2</sup>

Carrying out and maintaining improvements in agricultural land use, depends in turn on inputs from the whole physical economy, including mining, manufacturing, infrastructure, and so forth. Indeed, the sustained increase in agricultural yields, achieved in many areas of the world over the last 200 years, has been closely connected with the process of industrialization and accompanying scientific and technological revolutions.

## Increasing Potential Population Density

This points to the need to generalize from the case of agriculture, to physical economy as a whole. Accordingly, let us include under the notion of "improvement of land," all

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2. Some radical environmentalists, it is true, would denounce the "greening of the deserts" as a "destruction of the natural ecosystem." Of course, desert areas do represent local ecosystems of a special kind, having their own types of vegetation, microbial, and animal life. But if the weather patterns were to change spontaneously (as they have done repeatedly, even in known history), and the desert were to receive substantial rainfall over decades or centuries, should we regard this as a "destruction"?



*There are whole herds of deer and other animals on Baniyas Island, fed by grass farms on the island itself. The project was launched at the initiative of Sheikh Zayed in the 1970s, with the construction of a large desalination plant on the coast, and underwater pipelines linking the plant over 8 km to the island.*

physical changes caused by mankind's deliberate action, which contribute to increasing the potential size of human population that can be sustained, at increasing levels of material living standards and longevity, on a given area or region of the Earth's surface. Those changes are closely connected with the development and improvement of basic economic infrastructure—including energy, water system, transport, communication, etc.—leading (among other things) to an increasing intensity of production and consumption of energy and other infrastructural services per capita and per unit area.

This includes also the sorts of large-scale infrastructure projects, such as flood control, reservoirs, dams, canals, irrigation projects, development of transport corridors, major power projects, etc., which have major, long-term effects on both the physical economy and its environment.

In the Western nations, at least, it has become very popular in recent decades to equate industrialization generally with a destruction of nature. Now, there is no doubt that industrial society, in the concrete forms it has assumed up to now, has indeed caused many ugly and damaging effects on the local level. But as I already indicated, those effects cannot be seen only in isolation. We must also take into account the simultaneous intensification of the Biosphere's energy flows and of living activity taken as a whole—as exemplified by the impact of modern agriculture on the generation and turnover of biomass on the Earth's surface; by the increased populations of animal and plant species sustained, directly or indirectly, by human activity; and not least of all by the increased activity of the human population itself.

From this standpoint, the thesis, that the growth of industry has negatively influenced the Biosphere as a whole, appears more than doubtful. Again, due to the erroneous idea of a

so-called natural equilibrium, many people have been misled into equating change automatically with destruction. Unfortunately, hardly anyone among the vocal participants in recent environmental debates, has put forward a scientific criterion for what is “good” or “bad” for the Earth's Biosphere!<sup>3</sup>

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3. Ironically, it is not clear whether a so-called “global warming,” attributed to an increase in atmospheric CO<sub>2</sub> concentrations due to human activity, would really be a “bad thing” for the Biosphere as a whole. Some scientists argue, not without reason, that both the increase in CO<sub>2</sub> and increase in average temperatures might greatly benefit plant growth on the planet, and also counteract tendencies toward cooling and glaciation, as the Earth gradually moves toward a new ice age according to the well-known geophysical cycle. This does not rule out many unpleasant effects which might result, in different regions of the world, if the “global warming” thesis is true.

On the other hand, the evidence presented up to now in favor of the thesis of “global warming” is far from conclusive, in my view; it does not justify the imposition of a regime of international constraints, that might interfere with economic development decisions of sovereign nations. Without wanting to go here into the scientific issues around “global warming,” I would suggest approaching the question instead from an economic-technological point of view:

There is no doubt, that the present degree of one-sided dependence of most nations on simple combustion of fossil fuels, in the present form at least, is an expression of rampant technological stagnation and backwardness in the world economy. This same backwardness and underdevelopment—including in the so-called industrial countries—is the chief source of the destruction of the environment and the human population, which is now going on throughout the world. In fact, we possess technologies such as nuclear power production and electricity-based automated high-speed transport systems, for example, which not only produce orders of magnitude less pollution, but are intrinsically far more efficient and productive than presently dominating technologies.

Unfortunately, the worldwide utilization of nuclear energy was brought to a standstill in the 1970s by the Carter Administration of the United States, as a crucial feature of a neo-malthusian policy to prevent so-called “Third World” countries from obtaining access to advanced technologies, while at

In my view, the only rigorous measuring-rod for the improvement or degradation of the Biosphere, available to us today, is the impact of changes in the Biosphere upon the ability of man to maintain and increase his population potential.

Stated in that way, however, my proposed criterion contains a significant paradox: Practices, which appear to improve man's existence in the short term, might very well lead to a disastrous collapse of the human population in the long term—for example, as the result of exhausting or destroying the natural resources upon which society's existence depends. That paradox takes us into the domain of economic policy.

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### 3. Looting the Environment, As an Expression of Wrong Economic Principles

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The recent collapse of the U.S. and other financial markets, underlines the distinction between real profit—derived from increases in the productive powers of labor—and fictitious profit, associated with speculative inflation of paper assets and looting of human and natural resources. In fact, the entire so-called U.S. economic miracle of the 1990s was based on an speculative inflation in financial asset prices, plus a gigantic net inflow of capital and physical goods from the outside world.

The collapse of the U.S. bubble, and with it a large part of the nominal wealth in the global financial system, points to the fact that we must first get a clear idea about the source of economic wealth, before we can define and measure economic growth. Here there are two basic, conflicting schools of thought.

One of them, associated historically with the feudalist tradition in Europe (the tradition of the Roman Empire)—the French physiocrats and the British imperial tradition of Adam Smith and Thomas Malthus—sees wealth essentially as residing in so-called “natural resources”—the soil, minerals, and so forth—whose quantity is ultimately fixed and finite. One consequence of this way of thinking is, that an increase in wealth in one place, must be compensated by a decrease some-

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the same time transforming the already industrialized nations into parasitical, so-called “post-industrial societies.” Since nuclear energy was key to the “breakthrough” of the world economy into a new technological era, the sabotage of nuclear energy development had the effect of imposing technological backwardness upon the world economy as a whole.

On the other hand, a future growth of nuclear energy does not automatically imply a corresponding decline in the consumption of petroleum products. Rather, we will learn to make better use of petroleum, as a complex and valuable organic substance, than simply burning it up in internal combustion engines in the present manner. In the future, we can expect a larger portion of petroleum to be processed into higher-value synthetic fuels and chemical products. No doubt, the addition of increasing amounts of hydrogen, which can be produced with the help of nuclear energy in a variety of ways, will play a growing role in this process.

where else.

The idea of fixed, limited resources was revived and popularized in the 1960s and 1970s by the Club of Rome in its famous book *Limits to Growth*; we can find it echoed again in many modern economics textbooks, such as those of Paul Samuelson or Gregory Mankiw, which define economics as “the science of how a society manages limited resources.”

But this whole view of man and economy was decisively refuted by Gottfried Leibniz at the end of the 17th Century, and later by such founders of the so-called American or industrial school of political economy as Alexander Hamilton, Henry Carey, and Friedrich List. This second school—which has historical roots in Renaissance thinkers such as Nicolaus of Cusa and Leonardo da Vinci, and is most prominently represented today by the American economist Lyndon LaRouche—sees economic wealth not as lying in natural resources *per se*, but rather in the development of the productive powers of labor through scientific and technological progress. Such progress in turn depends on the creative powers of the individual human mind to discover new physical principles, and to realize such discoveries in new technologies and analogous improvements in the organization of human activity. These are exactly the powers that distinguish man from all other species of living organisms, and have made possible the spectacular, and continuing, increase in the population potential of the human species.

The scientific incompetence of the Club of Rome's “limits to growth” thesis becomes most obvious, when we consider the impact of scientific and technological progress on so-called “natural resources.” Reflecting on that, we quickly realize that the concept of “natural resources” and “raw materials” is only a relative concept, not an absolute one. The same is true of so-called “limits” of resources, which never exist in an absolute sense, but only relative to a given state of human knowledge and technology, and relative to a given level of development of human labor power. In fact, scientific progress constantly opens up new types of resources for economic development, while improved technologies expand the range of existing types of resources, that can be exploited in an economic way.

So, for example, the concept of “iron ore” did not exist for the Stone Age man. Similarly, prior to the discovery of nuclear fission, the concept of “uranium fuel” did not exist. But today, using nuclear fission reactors, we can extract from 1 kilogram of uranium fuel, the caloric equivalent of 50,000 kilograms of coal! With the realization of controlled nuclear fusion, we will one day be able to produce, from the hydrogen isotopes contained in a single liter of sea water, the energy equivalent of over 100 liters of gasoline!

### Mineral Reserves Grow, Not Shrink

In a less dramatic, but equally important way, we have a constant tendency for growth in the exploitable reserves of mineral resources, as the result of an ongoing accumulation of thousands of small improvements, introduced every year

into the techniques of prospecting, mining, and processing of materials. It is interesting to study the list of 11 vital minerals which the Club of Rome claimed, back in 1972, might be exhausted by the end of the 20th Century. In practically every case, the known reserves of those minerals, including petroleum, are larger today than they were three decades ago—even through gigantic quantities were extracted and consumed in the meantime! Similarly, existing resources—such as petroleum for example—will find more varied and valuable uses in the future, as a result of technological progress.

For related reasons, it is wrong to speak of fresh water as a limited resource, as is often done. We know how to produce fresh water, in any desired amounts, by the industrial desalination of sea water, the latter existing in practically unlimited quantity in the Earth's oceans.

You have a wonderful example of this right here in [the United Arab Emirates]. Using desalination technologies it will be entirely possible, within this century, to create the equivalent of "artificial rivers," permitting presently desertified regions of the world to be transformed into fertile areas for human habitation. Of course, desalination involves considerable costs in the form of investment into plant and equipment, supplies of energy and other inputs into the process. But those costs, also, are only relative, not absolute: As an economy becomes more productive, under the influence of overall improvements in technology and the qualification of the labor force, the social cost of producing any given material requirements decreases further and further, relative to the total output of the economy.

These considerations are crucial for understanding the very real problem of looting, of natural resources as well as the human population itself, which is occurring today on a vast scale, particularly in the so-called developing countries.

It is no accident that (generally speaking) real destruction of the environment strongly correlates with economic backwardness and lack of technology, as in many so-called developing countries in recent decades; or with a distortion of the economic process leading toward major financial and economic crises.

### **Fallacy of 'Natural' Resources**

Indeed, if we believe, as taught by the traditional "British system" of economics, that wealth is ultimately derived only from natural resources, and not from the creative powers of the human mind, then we will define the most successful economic practice, as the one which is the most effective in stealing from both man and nature! The result of such an economic practice, in the long run, is both to loot natural resources and to collapse the population potential of the human species. Both of these characteristics were rampant in the colonies of the British Empire, as they have become, increasingly, in the developing countries as a whole over the last 30 years, under the policies of the International Monetary Fund and World Bank.

A further side-effect of this fundamentally erroneous con-

ception of economic wealth, is the suppression of real scientific and technological progress. Indeed, apart from a mere elaboration of scientific principles already discovered in the early decades of the 20th Century, there has been a relative stagnation in fundamental scientific and technological progress over the last 30 years. This is, in large part, an effect of a systematic policy of de-emphasizing scientific education and industrial forms of employment, in the United States and other Western nations, in recent decades.

That policy, going hand-in-hand with the shift toward speculative forms of investment, and outright looting of the base of the world economy, has increasingly transformed the United States and other formerly industrial nations into parasitical "service economies," whose populations are falling into extreme forms of moral and intellectual decadence. Should we be surprised, then, to find ourselves now plunged into the worst global financial and economic crisis in modern times?

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## **4. Improving the Planet**

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The present crisis, and the hysterical response to it from the side of the United States and some other governments, greatly aggravates the risk of war. On the other hand, the collapse of the post-1971 global financial system also represents a precious opportunity to rethink fundamental assumptions and to launch new policies, that can provide for the survival and development of human civilization in the 21st Century. Very soon, I believe, the question of how to rebuild the world financial and economic system will become the number one topic of international discussion.

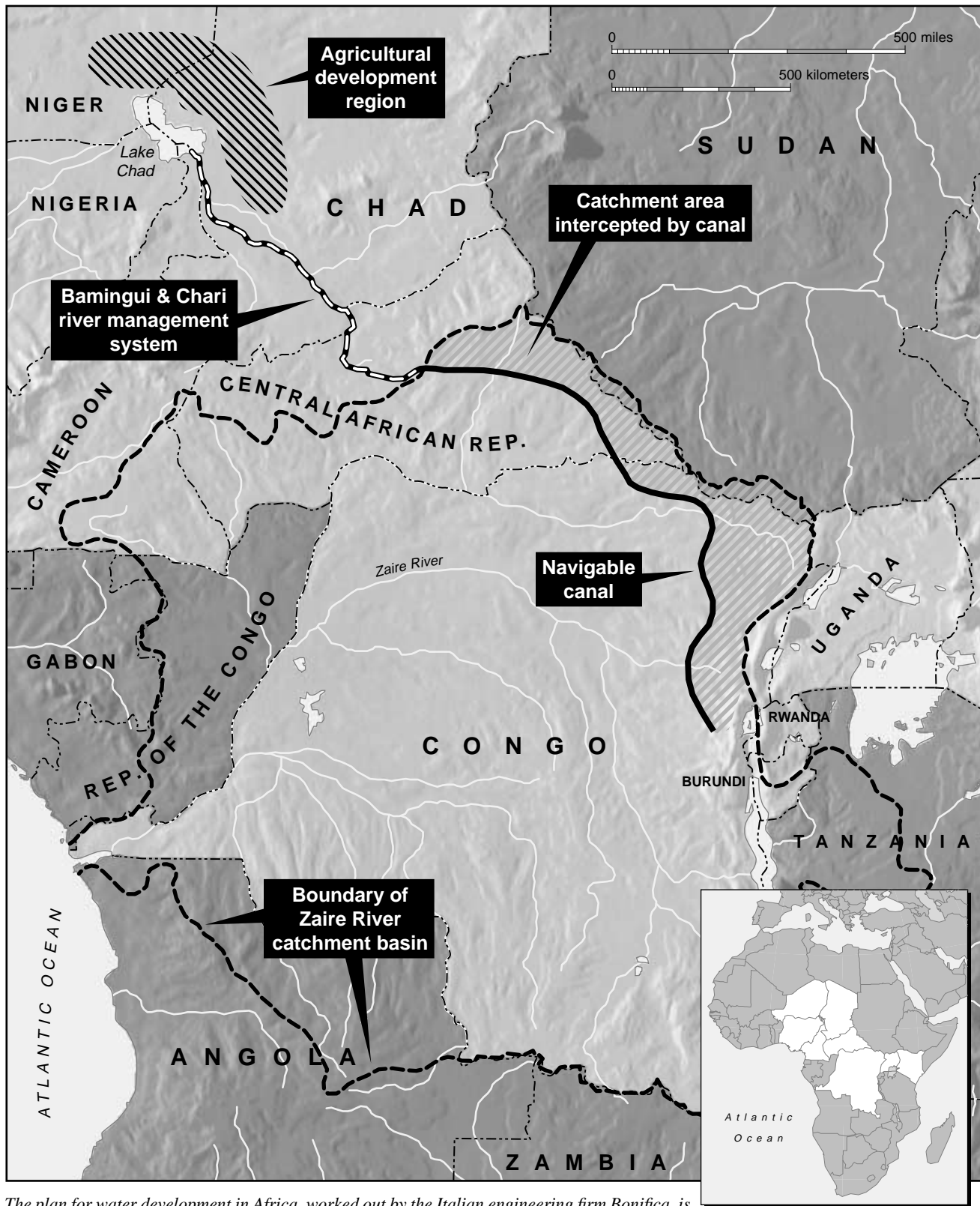
We need a real development perspective for the planet, which is not just nice talk, but is connected with concrete, large-scale projects and endeavors that will transform both the economy and the environment in a positive direction. This is exactly the sense of the interlinked proposals by Lyndon LaRouche and his collaborators, for a "New Bretton Woods" reorganization of the world financial and monetary system, and for the launching of worldwide infrastructure projects centering on the so-called Eurasian Land-Bridge.

I would like to give a concrete example, which shows most clearly how rebuilding the world economy can go hand-in-hand with major improvements in the natural environment of this planet.

Let us resolve to transform, in the course of the 21st Century, substantial portions of the present desert areas of the world into fruitful agricultural and residential regions, using large-scale desalination of sea water, combined with advanced methods of irrigation, water distribution and management, intensive agriculture, gardening and ecosystem development.

Nuclear energy provides, without doubt, the most advantageous power source for this kind of development, particularly in the form of compact, modular nuclear reactors that

FIGURE 1  
**The TransAqua Project for Central Africa**



*The plan for water development in Africa, worked out by the Italian engineering firm Bonifica, is an example of the kind of large-scale projects that will transform both the economy and the environment in a positive direction.*

can generate both electricity and process heat for desalination and other industrial applications. Thanks to developments of recent decades, it is now possible to manufacture inexpensive, modular high temperature reactors (HTRs), that are simpler and more robust than conventional nuclear plants, and possess 100% intrinsic safety as well as high efficiency.<sup>4</sup> HTRs also have interesting applications to the processing of natural gas and oil into synthetic fuels and other high-value products.

On this basis, let us move to establish a network of agro-industrial complexes, centered on the combination of modular nuclear reactors for power and large-scale desalination of sea water, and other industrial processes utilizing nuclear electricity and process heat. Adjacent to these complexes we build up urban residential areas, modern industrial facilities and regions of high-density, high-yield agricultural production. These complexes will serve both for agro-industrial production, and as centers for education, training, and experimental research—i.e., technical universities—focussing especially in areas related to the uses of nuclear energy, state-of-the-art desalination technology, agriculture and plant breeding, forestation, and Biosphere sciences.

Now, link these centers with each other and with existing, major population centers of the participating countries, by “infrastructure development corridors,” centering on modern, high-speed freight and passenger transportation systems (above all high-speed rail and maglev), water pipelines and canals, and energy distribution systems. In this way, settlement and development will be spread from the agro-industrial centers themselves, into the areas along the corridors—where water, energy, and transport will be readily available—and from there more and more into the surrounding regions, providing for rapid growth of the human population.

Combining nuclear-based desalination and agro-industrial production with education and research activities is of the greatest importance, for two reasons. First, mastery of nuclear energy and other advanced industrial technologies provides a “locomotive” for rapid development of the scientific and engineering cadres in developing countries. Second, I am convinced that concentrated efforts of scientific research and development will lead in the coming period to major breakthroughs in the technology of desalination, as well as to developments in biophysics and related areas.

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4. South Africa is embarking on a major program for construction of modular high temperature reactors (HTRs), based on the German “pebble bed reactor” technology, but incorporating a high-efficiency helium turbine and other improvements. A test reactor of this type is now in operation in China. Japan is also operating a high-temperature test reactor of a somewhat different type. In the United States, advanced HTR technology has been developed by the General Atomic Corporation. The French Atomic Energy Commission (CEA) has launched a program for development of HTR technology, including applications to desalination and other industrial processes. Several other countries are also involved in the multilateral cooperation around this technology.

These will revolutionize agriculture and medicine, as well as our understanding of how to improve the Biosphere as a whole.<sup>5</sup>

### What Is the Real Cost?

When we discuss this plan with people from the region, and in international organizations, we often get the reaction: “but all of this is far too expensive!” I would like to briefly respond to that question.

Firstly, we should ask ourselves: What about the trillions of dollars that have been sucked away from the world’s real economy in the recent period, and channeled instead into financial speculation and other forms of waste, and which are now being wiped out in the financial crash? Was that form of so-called investment not “too expensive”?

If it is possible to generate dozens of trillions of dollars of fictitious assets “out of nothing,” then why should it not be possible to bring nations together, to create a system of long-term credits for real investment and development of our countries?

Aside from that rhetorical comment, I should like to point out the following: On the level of national or regional economics as a whole, “cost” has only the significance of the difference in rates of development of the productive powers of labor, resulting from alternative courses of policy. We “pay” for a wrong policy by a deficit of development, relative to what would have occurred, had we followed a more correct policy. Whereas, properly considered, we do not “pay” for a correct development policy at all, but only gain from it.

For example, the over-dependence on imports of consumer and other finished goods, in exchange for export of raw materials, constitutes “zero development”; in the long term this is virtually the most “costly” of all policies for a nation, short of war. On the other hand, mobilizing populations for the purpose of great projects and great endeavors, such as the “greening of deserts” during the 21st Century, is the most rapid way to develop the productive labor power of a nation or a group of nations.

This assumes that we have in place a proper and reasonable system of regulation and support of prices, credit and capital flows, and protection of domestic or regional producers, to insure that development policies achieve their intended aims.

Ultimately there is no other source of economic wealth than the improvement of the Earth, and especially of human life, which is its greatest treasure.

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5. In part I have in mind revolutionary implications of current research concerning the so-called “biophoton” emissions of living processes, which relate directly to fundamental questions raised by Vernadsky and Alexander Gurwitsch, concerning the fundamental physical distinction between living and non-living matter. The potential benefits of this research go far beyond the limits of present-day molecular biology and so-called genetic engineering.



# Man: A Unique Guarantor For the Earth's Future

*The author is with the Fusion Energy Foundation, based in Germany.*

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## 1. Planetary-Induced Environmental Catastrophes

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The international press has extensively reported, that on June 14 of this year, we survived a “near miss”: A small asteroid missed the Earth by only 100,000 kilometers (a small distance from the planetary perspective), and the object was only detected three days *after* its close approach.<sup>1</sup>

Such a small asteroid could, nonetheless, cause quite serious damage to a nation and to some biological habitats. Bigger objects, i.e., with a diameter greater than 1 km, pose a very serious threat to the entire human and biological system of our globe, and the possibility of such an event, indeed materialized itself some weeks ago.<sup>2</sup>

The probability that such a catastrophe could indeed happen, is not so small,<sup>3</sup> and for this reason, NASA has been asking the American government to improve both the power of detection and provide a better definition of countermeasures to destroy or divert the path of such objects. At the present level of knowledge and technology, only measures linked to mastery of space flights and the eventual use of nuclear explosions could have some chance of being effective.

I cannot but endorse the following declaration of the American Institute of Aeronautics and Astronautics: “If some day an asteroid does strike the Earth, killing not only the human race but millions of other species as well, and we could have prevented it but did not because of indecision, unbalanced priorities, imprecise risk definition, and incomplete planning, then it will be the greatest abdication in all of human history not to use our gift of rational intellect and

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1. Asteroid 2002 MN, with a diameter of 120 meters, a speed of 36,000 km/h, passed at 119,000 km from the Earth. By comparison, the Moon's orbit is at 380,000 km.

2. On July 9, NASA announced the discovery of Asteroid 2002 NT7, with a diameter of 2 km, with some probability (Torino scale=1) that it could collide with the Earth in the year 2019.

3. The expectation of a collision of a big asteroid with the Earth has a statistical frequency of 100,000 years, according to NASA.



*Dino de Paoli: “The only way to conserve life in our planetary system depends on the constant increase of the survival power of life itself, by the contribution of our scientific and technological discovering power. It seems as if we are doomed to be creative!”*

conscience to shepherd our own survival, and that of all life on Earth.”<sup>4</sup>

It is clear that a policy concerned only with ecologism, fiscal austerity, speculation, and the “New Economy,” is intentionally sabotaging the few possibilities that we would have to prevent such a massive “environmental” catastrophe here on Earth. I would like to cite here what I wrote as a conclusion to an article in 1997:

“A collision with an asteroid, the evolution of the Sun, etc., can dramatically change, or destroy, biological life on our planet. In any of such events, no animal could do anything to help; only man could do something, but not a man dominated by a culture which has reduced itself to the technology of wind mills, nor by an economic ideology which could have an imaginary President declaring on CNN: ‘Dear citizens, we know a big comet is going to hit the Earth, you can follow it on the Internet! We have the technology to stop it, but we are not allowed to incur any more debts; we have no money to deploy to stop the comet!’ ”

We may laugh, and think that such a foolish President does not exist, but in reality many governments today are implicitly operating under such assumptions. Now, I want to push the example of a planetary catastrophe to its own limit, so that the contradictions of the presently dominant way of thinking are even more clearly exposed.

## Colonization of Other Planets As a Horizon

Our present knowledge tells us that in some remote future time, the Sun will evolve, increasing the temperature of the Earth to a level where life will be practically impossible.

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4. “Response to the Potential Threat of a Near-Earth-Object Impact.”

There is only one infinitesimal chance that life, as we know it, can be conserved, and that small chance depends entirely upon our morality, our creative powers, and our will. We can survive if we already today start orienting R&D toward assuring the means to progressively colonize the outer planets, and even to go outside the planetary system itself. At the same time, we have to pursue the understanding of the fusion reactions inside the Sun and see if we can stabilize such processes for a longer period.

How? I do not know, but it is wrong to think about the future only by linear extrapolation from today's technological capacity. All we really know is, that there is no law of nature which states that it is impossible to do something and that we should not even try. What we know is, that the only way to conserve life in our planetary system depends on the constant increase of the survival power of life itself, by the contribution of our scientific and technological discovering power. It seems as if we are doomed to be creative!

Therefore, the ultimate resource is not located in some raw material here on Earth, but in our own mind, and we can maximize the chances and activate the necessary means only by gaining the support of entire societies and the active cooperation of more and more people.

Such a level of planetary cosmic catastrophe may appear to some of you to be science fiction, but these are very real possibilities—in a sense, even more real than some of the catastrophes imagined by the simple use of mathematical models based on data correlated according to imprecise theories.

Naturally, this does not mean that we should ignore other short-term natural or man-made catastrophes, but I think that we have to relocate the existence and the activity of man inside a bigger notion of “environment” than the one used by ecologists. We have learned to locate events on a time-space scale that would have been impossible even to dream of only 500 years ago, and we have learned that we can master fire and not panic like any animal does—although I am sure that the first man who tried to do so, burned himself!

It is from the standpoint of such an expanded notion of “environment” that I see the dangerous shortcomings of dominant environmentalism. With the excuse of “defending the Earth from man's technology,” we are cutting or eliminating programs for the colonization of other planets, programs for further research in “hard energies,” programs to search more deeply into particle physics, etc. If such policies were implemented till the end, then we would create an irreversible situation, where man would have no real power to react to terrestrial and planetary catastrophes, and, therefore, it would be like deciding in favor of collective suicide, probably of the entirety of life on Earth.

The fact that otherwise intelligent people refuse to see such obvious contradictions, tells me that behind the hysteria about “over-population” and the “negative effect” of technological progress, there are people with an agenda which is

different from their stated environmental concern. To show that this is probably true, let me expose how the issue of “over-population” was used long before the words “environmental concern” had even been conceived.

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## 2. A Short History of the ‘Over-Population Threat’

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Let us focus first on the policies presented by a few representatives of the British Empire in the 18th and 19th Centuries:



Adam Smith

The British economist Adam Smith (1723-90), the so-called father of modern market economy, wrote: “Every species of animals naturally multiplies in proportion to the means of their subsistence, and no species can ever multiply beyond it. . . . In civilized society it is only among the inferior ranks of people that the scantiness of subsistence can set limits to the further multiplication of the hu-

man species; and it can do so in no other way than by destroying a great part of the children which their fruitful marriages produce. . . . The market would be so overstocked that it would soon force back its price [wages]; in this manner the demand for men . . . necessarily regulates the production of man, . . . stopping it when it advances too fast.”<sup>5</sup>

Smith uses here one of the main laws of animal ecology, which today is called “carrying capacity”: The level of resources functions as an absolute limiting factor for the population level of an animal species. In the case of human beings, according to Smith, it is the manipulation of wages that will induce a scarcity of resources and therefore reduce the population by starving the children of the poor.

Thomas Malthus (1766-1834), another employee of the British East India Company, having in mind the booming population in America, formulated his so-called law:

“The population when unchecked . . . increases in geometrical ratio . . . while the rate of increase of the natural products is not so. . . . When all the fertile land is occupied, the yearly increases of food must depend on the amelioration of land in possession. This is a stream which, from the nature of all soils, instead of increasing, must be gradually diminishing.”<sup>6</sup>

Malthus did not believe in the power of the market; There-

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5. Adam Smith, *The Wealth of Nations*, Chapter 8.

6. Thomas Malthus, *Essay on the Principle of Population*, Vol. 2, 1826.

fore to reduce the population, he asked the state to actively intervene by preventing marriages of the poor and by cutting their social welfare.

It is important to note here that Malthus, after Smith, introduced another key axiom of modern ecological theories, an axiom that is today called “the necessary increase of entropy.” Malthus, above, clearly says that “natural fertility” has to be considered as a stream of energy continuously and gradually losing its power to do work. Thus, farmers will constantly experience the so-called “law of diminishing returns.” But, if such a law is really absolute, then there is no lower limit to population reduction, and it is only a question of time until no population at all would be able to drink out of this constantly diminishing stream.

The German economist Friedrich List, a contemporary of Malthus, in his *National System of Political Economy*, immediately exposed the inherent contradictions in Malthus. List explains that if one were to search for an optimum population level only in relation to a fixed “diminishing natural fertility,” then one would discover that the 1 million hunters of the Paleolithic era were already over-populating!

## Environmentalism and Social Darwinism

Charles Darwin in 1859 used Malthus’ ideas to elaborate his famous *The Origin of the Species and . . . the Preservation of Favoured Races in the Struggle for Life*, and later expressed more explicitly the brutality of his thinking about over-population.<sup>7</sup> For example: “Thus the weak members of civilized societies propagate their kind. No one who has attended to the breeding of domestic animals will doubt that this must be highly injurious to the race of man. It is surprising how soon . . . care wrongly directed, leads to the degeneration of a domestic race; but excepting in the case of man himself, hardly anyone is so ignorant as to allow his worst animals to breed.”

“A most important obstacle in the civilized countries to an increase in the number of men of a superior class, has been . . . that the very poor and reckless . . . produce many more children. Thus the reckless, degraded . . . tend to increase at a quicker rate. . . . In the eternal ‘struggle for existence,’ it would be the inferior and less favored race that had prevailed by virtue of its faults.”



Charles Darwin

7. Darwin’s quote comes from *The Descent of Man and Selection in Relation to Sex*, 2nd ed. (London: J.Murray, 1874), pp. 46, 133, 138, 140. For more quotes see Dino de Paoli, “The Real Darwin,” *21st Century Science & Technology*, Fall 1997.

“If the specified checks . . . do not prevent the reckless . . . and other inferior members of society from increasing at a quicker rate than the better class of men, the nation will retrograde, as has too often occurred.”

Darwin, like Smith and Malthus, seems to be less concerned about the environment than about conserving the power of the aristocracy, which was notoriously inbred.

But it is such reflections which directly shaped the axioms of the “science of ecology,” which was then founded. It is Ernst Haeckel, a German biologist and, later, Nazi sympathizer, who in 1869 introduced the term Ecology as: “the study of the economy . . . of animal organisms. This includes the relationships of animals with the inorganic and organic environments, above all the beneficial and inimical relations Darwin referred to as the conditions for the struggle of existence.”

Haeckel’s ecology, and modern ecology thereafter, fully incorporated the fundamental axiom of Darwinism: *Natural evolution does not recognize any notion of “progress,” but only of “variation,” that is, only quantitative differentiations.* This means that science is not allowed to attribute any special status to man. Therefore, human beings operate “naturally” only when they operate like animals, and any divergence from this “natural” behavior must be considered a danger for the natural environment and the equilibrium of nature. For example, if medicine helps the weak to survive, this is an action against natural law. If technology allows more people to eat, this also is against natural law.

## Neo-Social Darwinism

Now I want to jump to the period after the Second World War, to see the implications of this hatred of man’s “specificity.” Malthus’ argument about the decline in natural land fertility was proven to be wrong—especially in the U.S.A.—through the introduction of fertilizers by Justus Liebig, and the use of mechanization. As a result, Malthusianism was reformulated approximately in the following way: *Technological progress can momentarily increase natural fertility and therefore can allow for population increase. But, in the long run, industrialization, by increasing the transformations of energy-matter, will accelerate the overall entropy or the overall degradation of the environment and the exhaustion of resources. Therefore, population growth must be controlled, and this can be done only with the old ideas of Smith-Malthus-Darwin.*

Two very famous people associated with this reformulation of Malthusianism are worth mentioning here. The first is Bertrand Russell, who, in 1951, wrote against technological progress, saying that he hoped that mass starvations and famine in the Third World could help solve the problem of over-population.<sup>8</sup> That these were not abstract wishes in the British Commonwealth, has been revealed by recent declassification

8. Bertrand Russell, *The Impact of Science on Society*, 1951.

of top-secret files from the National Archives of Australia, which have revealed that the Nobel Prize winner for biotechnology, Sir Macfarlane Burnet, recommended (in a secret report for the Australian Defense Department in 1947) the spread of controlled infectious diseases to target food crops of other Asian countries, to stop the over-population which could threaten Australia.



*Bertrand Russell*

The second person is the no less famous Norbert Wiener, the founder of cybernetics, who, in 1950, in *The Human Use of Human Beings*, attacked medicine for allowing too many



*Norbert Wiener*

people to reach old age, and detailed how crucial it is to eradicate the “myth” of progress, which causes only destruction of the environment, and exhaustion of resources in the following 50 years (more than 50 years have passed!) without being able to control over-population. Therefore, the only functioning policy is application of Malthus’ old ideas of active population reduction. It is through Wiener that ecology and sociology were unified and transformed

into system analysis, that is, reduced to mathematical models with emphasis on so-called cybernetic negative feedbacks, i.e., policies able to counteract the perceived acceleration of human activities.

The project to reduce industrial output did not find much resonance during the period of post-war reconstruction in Europe, but it accelerated again in the 1960s.

In 1961, the World Wildlife Fund was founded by Britain Royal Consort Prince Philip, who later said that his wish was to be reincarnated as a virus so as to be able to solve the problem of over-population by killing human beings.<sup>9</sup> In 1967, the military organization of NATO itself started organizing workshops on the issue of energy, environment, and over-population. In 1968, the famous Club of Rome was formed, with the explicit aim of lobbying for world policies of zero growth and post-industrial or “technetronic” societies. A technetronic society, in its essence, meant the following: Africans do not need to go through the industrialization phase, instead we can give them the Internet; in this case, they will

9. Deutsche Presse Agentur, August 1988.



*Prince Philip, who vowed that he would like to be reincarnated as a virus so as to help solve the “over-population” problem.*

not need to access any difficult know-how, but need only to learn the use of a keyboard. In May 1969, the United Nations published *World Population, a Challenge to the United Nations and Its System of Agencies*.

### **United States Adopts NSSM-200**

In this climate, in 1969 President Nixon sent to Congress his “Special Message on Problems of Population Growth.” Thus began the explicit commitment of the United States to actively reduce the over-population of the Third World. In 1973, the so-called oil crises arrived conveniently to prove that, indeed, resources are limited and that the Arabs would abuse the power they had over fossil fuel. (Today we know a bit more. The then-Minister of Oil of Saudi Arabia, stated in an interview to the *Observer* of Jan. 14, 2001, that he knew that Henry Kissinger had been pushing for an increase in oil prices.) In 1974, Nixon’s National Security Adviser, Henry Kissinger, ordered the drafting of National Security Study Memorandum 200, to determine the “Implications of World Population Growth for U.S. Security and Overseas Interests.” This secret memorandum (which remained classified for 14 years) details how and why continued rapid world population growth gravely threatens U.S. and global security.

Kissinger pursued the same policy under President Gerald Ford who, according to National Security Adviser Brent Scowcroft, “believes that United States leadership is essential to combat population growth and to advance United States security and overseas interests.” The same policy was followed up with Zbigniew Brzezinski under Jimmy Carter in 1977, and expressed through reports like *Project for the 1980s* and *Global 2000*. With Brzezinski there is a stronger emphasis placed on the issue of technetronics, the “New Economy,” etc.<sup>10</sup> Since then, we have seen only an acceleration of the

10. Zbigniew Brzezinski had started such reflections already in 1965, together with Samuel P. Huntington (today famous for his Clash of Civilizations thesis), under the project called “Agenda for the Year 2000.”

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NSSM 200

IMPLICATIONS OF WORLDWIDE POPULATION GROWTH  
FOR U.S. SECURITY AND OVERSEAS INTERESTS

December 10, 1974

CLASSIFIED BY Harry C. Blaney, III  
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Henry Kissinger, with his National Security Study Memorandum 200, which denounced population growth in the Third World as a “national security threat” to the United States, and laid out a classified strategy for grabbing the raw materials of those nations, on behalf of an English-speaking world empire.



Zbigniew Brzezinski in 1975, before becoming Jimmy Carter’s National Security Adviser. Brzezinski continued the Malthusian policies introduced by Henry Kissinger during the Nixon Administration.

policy of disinvestment in R&D under the pretexts of ecology, austerity, and fantasies about the “New Economy,” while, in the meantime, indeed the world population has been suffering famine, AIDS, lack of water management, etc.

I hope I have been able to make clear, with this partial overview, that the issues of over-population and the “danger” of technological progress have been often used in the context of a social power struggle, more than for honest environmental concerns. The brutal paradox is that the implementation of such policies, diminishing scientific breakthroughs in the last 50 years and sabotaging the technological development of the Third World, is the real cause behind much of the environmental degradation and famines we observe today.

### 3. Some of the Axioms Must Be Revised

The reason why policies based on reducing the “specificity” of man and imposing zero technological growth, will cause only irreparable damage, lies primarily in the fact that the axiomatic base of Social Darwinism is false. In reality, far

from reflecting universal laws of nature as it pretends to do, Social Darwinism reflects an attempt to stop a basic law in our universe, which can be so formulated: *Conservation is possible only by progress through creative evolution.*

Let me briefly elaborate this point as my conclusion. There is no doubt that growth processes are always confronted with relative limits, and that degradation develops when one tries to overcome such limits with the wrong means, or if a population tries to use the same type of resource for too long a period. But there is no absolute law of nature that supports the theory that such limits cannot be overcome by creative transformations, thus avoiding the struggle for survival over limited resources.

As we have seen, Malthus and Darwin used three implicit axioms, which are still the backbone for modern modeling of relations between man and nature:

1. The natural energy flow, or natural productivity, constantly degrades itself.
2. Life is a product of the degrading energy flow, although it seems to follow its own law of growth against such degradation.

Any interrelation of life and energy using the above two axioms creates a contradiction: If life is an effect of energy, how it is possible for life to express a tendency toward organization instead of degradation? The usual answer is approximately the following: *An organism is kept alive only by a*

*constant supply of energy, without which it would rapidly disintegrate, and, therefore, respond to the universal law of degradation of energy and matter.*

But to explain life in this way is like saying: *If an airplane consumes its fuel, it will fall, and, therefore, this proves that an airplane is also subjected to the law of gravity.* Indeed, but the interesting issue was to study how and why such a piece of metal that we call an airplane could be transforming energy fluxes so as to be able to fly and go against the gravity field.

The interesting issue to debate is not whether a dead cell responds to the law of entropy, but why and how our universe allows for the existence of “living cells,” of such new possibility and state of energy organizations. Why does the universe make it possible not only to fall, but also to fly?! One should admit the possibility that a few scientists approached the issue from the wrong side. In order to make a long story very short, let me quote the great French biologist L. Pasteur: “You put matter before life, and you make matter eternal. How do you know that the progress of science will not force you to affirm that life is eternal and not matter? You go from matter to life, because your present knowledge tells you that you cannot understand things in a different way. . . . Who assures me that in 10,000 years we will not say that it is impossible not to go from life to matter?”<sup>11</sup>



Louis Pasteur

### Life and ‘Energy’

I think that Pasteur’s approach, the same as P. Curie’s or V.I. Vernadsky’s, could help solve an otherwise seemingly impenetrable contradiction which is misleading science and which is being abused to define wrong and dangerous social policies.

It is around the contradiction about life and energy—life that grows and energy that diminishes in quality—that the basic model of population dynamics, as we already observed in Smith and Malthus, is constructed. The growth of the population of living organisms will reach impassable limits defined by the slower cycles of matter and the degradation of energy.

Indeed, this seems to hold true for isolated animal species



Vladimir I. Vernadsky

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11. Louis Pasteur, *Pages choisies* (Paris: E. Sociales, 1970), p. 56.

in local ecosystems. But if we move our attention to the complex evolution of the total biosphere; then, as Vernadsky elaborated, we observe a continuous change in the limiting factors: We observe the formation and transformation of the composition of the atmosphere, of the oceans, of the climate, of the biogeochemical flux, etc. We have to admit that living processes are based on actively adapting or transforming the geochemical environment to their own biological needs.

Moreover, it is wrong to affirm that life acts like a parasite, selfishly eating energy and minerals. I expect to see some ecologist start protecting minerals from the destructive activity of Life! Living organisms, by transforming solar radiation and producing organic material, not only construct the elements to sustain themselves and the next generation, but, in so doing, they perform positive work for the whole universe.

It is known that a planet without life reflects solar radiation totally and therefore spreads out heat, which is considered in physics to be an indication of the increase in entropy, or progress toward the so-called “warm death of the universe.” The Earth’s biosphere incorporates some of the Sun’s radiation into organic matter and, therefore, in a sense, “cools” down the system, reduces entropy, and keeps the universe alive a bit longer!

Therefore as long as the interaction between living and inert matter remains an open question, we should at least abstain from deriving social policies which abuse concepts as the universal degradation or life “eating” energy.

3. The third axiom of the Social Darwinism can be so summarized: *Man is only the last and most powerful parasite in the chain of beings, inside that complicated parasite called the biosphere.*

Platonic philosophy, and especially the three monotheistic religions, have no difficulty in stressing what is obvious to each man: that human beings have something specific and unique. Not only that, but that such a unique quality, although it may be wrongly used, is a gift of God and not of the devil.

## Cognition and Life

Modern science, for sociological and methodological reasons, has found it easier either to exclude man from the universe it studies, or to include a man robbed of his nature, his essential qualities. Again, to render a long and complicated issue in brief terms, I think that the same reproach Pasteur made to the materialist concerning the issue of life, is valid concerning the existence and functioning of creative cognition in relation to life and matter. As long as we try to reduce life to matter, and reduce the mind to the brain, we will have difficulties in explaining life and human cognition except as aberrations, as parasitisms or even as diabolical forces.

If we try to approach the issue from a different perspective—that the human mind is a lawful, causal force acting in this universe, in the same way that life is—it seems to me that many paradoxes disappear.

The human species cannot be studied as if it were just another animal species; it has in itself the same quality of

power that life in its totality had. What life did by coupling the higher transformation of energy flows with different genetic species, reappears in human history as the coupling of increase in energy flows with new genetic forms of technologies. In so doing, man is carrying life’s intentions further, and through man’s action, total populations can be increased and supported at levels never seen before.<sup>12</sup> Therefore, the concept of environment, when applied to man, becomes continuously bigger and more complicated, tending to include more and more the entire planetary system.

## ‘We Are Doomed To Be Creative’

If we think back to biological life on Earth, it is obvious that it encounters a couple of limits which are hard to overcome: the finiteness of our planet and the fact that the Sun, its main source of energy, cannot be directly transformed by biological organisms—it is too hot and too far away. But it is also obvious that such limits are easier to overcome if we include man as the carrier of cognitive creative powers inside the biosphere. This tells us that the concepts of limit must change again and again.

The power of mind allows life to transcend its own limits, not with the selfish aim of satisfying the greedy needs of a few; on the contrary, human creative power is the “life insurance” of the Biosphere, and by increasing the Biosphere’s anti-entropic function, it allows the universe to conserve itself. In this sense, science should not reject *a priori* what religion says: that “human labor is a participation in the creative activity of God . . . in the process of transformation of the created.”<sup>13</sup>

Usually, the ultimate defense of the environmentalist is to ask, “But, does man have the moral power to sustain his intellectual power? What is the guarantee that he will not abuse it?”

I have no easy answer to such a question, but I know that any serious team leader, if faced with the choice between a road leading to a sure death, and a risky road which can lead to survival, would take the second one. While in the case of biological evolution, we can visualize some kind of inner necessity; in the case of man, the recognition of such necessity is more difficult. Man has a free will, he can always fall prey to “the fears that he often has of his own scientific discoveries.”<sup>12</sup> And a culture of death and existentialism is there, ready to manipulate such fears, by insisting that we should be a bit more animal and a bit less man.

Therefore, science is not a purely analytical debate, but it is a hard fight, a fight for truth even when a majority seems to think differently: a struggle to go back to our responsibility and to move out in the open frontiers of our cosmos.

---

12. In this section, I am using essential concepts from Lyndon H. LaRouche Jr.’s notion of physical economy, elaborated for this conference by Dr. Jonathan Tennenbaum.

13. From the speech of Pope John Paul II, “Science Must Serve Men,” 1991.

## For Citizens Who Enjoy Thinking: Why My Candidacy Is Unique

by Lyndon H. LaRouche, Jr.

*This statement was issued by the LaRouche in 2004 Presidential campaign committee.*

August 5, 2002

The once-popular expression was, "It's an ill wind that blows nobody good." The shock of the collapse of such popular delusions of the 1990s as the "the new economy" hoax, has caused a good deal of widespread awakening from what had become our students' and citizens' prevalent habit, the habit of preferring to react impulsively, as if by conditioned reflex, rather than actually think.

Today, the typical problem for those people, is that actually thinking about the economy today, is like being awakened from a silly dream, to discover that they are living in a real-life nightmare. For many, the end of the hours of dreamy denial of the reality of a financial debacle, comes as it does to the man hiding from reality by cowering in his foxhole, into which a grenade has just been dropped. Some have described their experience in words to the effect, "I know you told me to get out of the markets, but I needed the profits. Now, I have lost everything." I did warn them, early and often. Are they prepared to do what must be done now? More and more of them are now doing some serious thinking; and, that is good.

More and more people, both ordinary citizens and institutional figures, from around the world, are now looking to me for guidance on dealing with problems for which they can offer no clear solution. Fortunately, I know enough of the answer to such questions, to show how we can survive the present monetary-financial collapse. I do not have complete answers, but enough to get us through the emergency, and

give us time and freedom to attack the remainder of the immediate issues.

It is for good reasons, that such circles are now looking, increasingly, in my direction. The most important subject of today, is *solutions*. For example, one should wonder whether some value between \$800 and \$1,000, or higher, at this time, would be the right price for gold, within that fixed-rate, gold-reserve system, which must now, suddenly, replace the self-doomed floating-exchange-rate monetary system. However, defining solutions requires that we define the sickness to which the remedy is to be applied.

During more than thirty-five years to date, I had gone on the public record with what became widely circulated series of long-range economic forecasts. The outcome of those forecasts would have been a stunning success for any leading professional in any field of science. Events have proven, repeatedly and consistently, that my published forecasts have never been mistaken. Although I am widely known, and my work discussed, and often hotly debated, among leading circles in most parts of the world, no critic has competently refuted any of those forecasts, even when most have now been fulfilled.

The essential basis for my success has been, that I never forecast any development which was not already in progress. As I shall explain in these pages, my success illustrates the most elementary principle of scientific method, that a set of wrong policies of a nation, form a system, which, once put into practice, may define a trajectory of one or several decades' duration, or longer, leading toward the inevitable, systemic catastrophe which waits, fatefully, like death, at the end of that track. Unless that nation gets off that track, unless those





*Not your usual sort of Presidential candidate: Lyndon LaRouche (center) tours the Vernadsky State Geological Museum in Moscow, in 2001, with his wife, Helga. Dr. G.V. Naumov briefs his guests on the work of the great Ukrainian-Russian scientist V.I. Vernadsky (1863-1945), whose concepts of the Biosphere and Noösphere are resonant with LaRouche's own thinking. On the left, museum exhibits on the Solar System, geology, and magnetism.*

errant, but popular policies are scrapped, the catastrophe will be as inevitable as the reappearance of Halley's Comet. The included function of long-range forecasting, is to warn society to abandon its popular, but blundering opinions, in time to avoid the already lurking systemic disaster ahead.

Now, a terrible, global monetary-financial disaster has struck. It will soon be clear to nearly all persons around the world, that the kind of monetary-financial system associated with the present IMF and World Bank, is dead, and soon buried, one way or another. No one could save that system now; only a man driven to lunacy out of desperation would try. The world has reached the end of that track. All the world could do now, is to adopt a new system of the type I have defined. If that latter choice is not made very soon, the planet will be plunged into a new dark age of incalculably vast dimensions and duration.

Therefore, everything I had forecast could have been verified by any competent economist. However, with very few exceptions, virtually all known leading economists, and governments, have been terribly, repeatedly wrong on these issues, during the sweep of the past thirty-five-odd years. They have clung faithfully and tenaciously to the anchor of the doomed ship, sometimes in prayerful admiration of foolish Captain Alan Greenspan and his crew. For chiefly that reason, all of the leading U.S. political parties, and their Presidents have been intellectually bankrupt in their economic and social policies, intellectually and programmatically, throughout the past thirty-five years. Before August 15, 1971, and afterwards, the overwhelming majority of the academically cen-

tered university and think-tank specialists, and their textbooks, have been systemically incompetent in what they claimed as their profession. This is most emphatically the case for most of the professionals who entered universities during, or after the mid-1960s.

It is true that those Presidents were voted in, more or less democratically, and perhaps increasingly less, rather than more. That was foolish behavior, especially since at least one available Presidential candidate was qualified for dealing with the ongoing world crisis; but, like the ancient Roman Empire, bad systems rely on support, or, at least, tolerance from popular opinion for their existence.

This failure of economists, bankers, political parties, and governments, was possible only because of a widespread, popular habit, of not thinking seriously about systemically significant policies and practices. People generally preferred "bite-sized" answers of the type the TV talk-shop hosts demand, answers which exclude the possibility of actually thinking; a typical such answer is the silly, "Yes, I believe in free trade." Even after the surge of present global "crash" of the 1990s took over, beginning in 1997, professionals generally have clung hysterically to assumptions and formulas which, in fact, had no scientific basis.

Now, that could change, rapidly. That must be considered good.

### **The Problem Was the System**

Now, as I forecast the fate of the incoming George W. Bush Presidency, shortly before that President's inaugura-

# LaRouche's Campaigns for the U.S. Presidency

*In every election since 1976, "at least one available Presidential candidate was qualified for dealing with the ongoing world crisis; but, like the ancient Roman Empire, bad systems rely on support, or, at least, tolerance from popular opinion for their existence."*

—Lyndon H. LaRouche, Jr.



**1976**

*Jimmy Carter, campaigning in New York City, meets up with supporters of LaRouche's Presidential bid.*



**1980**

*LaRouche and Ronald Reagan at a Presidential candidates' debate in New Hampshire.*

**1984**

*LaRouche's campaign for the Democratic Presidential nomination stressed the need for a national emergency defense-industrial mobilization, in the context of the Strategic Defense Initiative.*



*LaRouche Democrats protest vote fraud in Baltimore against their candidate.*



**1988**

*LaRouche organizers campaign in the New Hampshire primary. One year later, LaRouche became a political prisoner of the George H.W. Bush Administration, the result of a years-long effort by a "Get LaRouche" task force that spent millions of dollars in an effort to shut him up.*



*A pamphlet circulated by "Democrats for Economic Recovery: LaRouche in '92."*



**1992**

*Bill Clinton, campaigning in the New Hampshire primary, is greeted by LaRouche supporters, who hand him a pamphlet calling for LaRouche's exoneration. LaRouche spent five years in prison, but campaigned for the Presidency and the Congress from there.*

**1996**

*LaRouche gives a press conference in Norfolk, Virginia, March 29, 1996.*



**2000**

*LaRouche supporters in Albany, New York, file 50,000 signatures gathered in the dead of Winter, to get their candidate on the ballot for the Democratic primary.*

*The Al Gore crowd in the Democratic Party, in violation of the 1965 Voting Rights Act, excluded LaRouche wherever possible, and stole his legally-elected delegates to the national nominating convention.*



tion, the present world monetary-financial system has passed over from crises, to disintegration. The phase has been reached, at which nothing could save that system in its present form, the form associated with the intellectually bankrupt International Monetary Fund and World Bank. It is now the end-times for the existing monetary-financial system, a time when survival demands a profound change in thinking of ordinary citizens, as much as by leading political figures.

To define the presently disintegrating monetary-financial system as a system, we must focus upon fundamental changes in the character of the U.S.A.'s and relevant other economies, from the system developed by U.S. President Franklin Roosevelt's leadership, 1933-1945, to the modified post-war version of Roosevelt's design, 1945-1964, and the contrast of both with the present, failed system, which took over during the interval of the U.S. 1964-1972 Indo-China War.

The 1945-1964 post-war system, featured included injustices and other faults, but it was, overall, a net success as measured in terms of physical results for the economies and their people as a whole. The presently doomed world monetary-financial system, that of the present IMF and World Bank, has been a global catastrophe. The Roosevelt recovery and the 1945-1964 Bretton Woods System, are characterized by great build-up of basic economic infrastructure, including health-care systems, and per-capita increase of the net physical productive powers of labor in agriculture and industry. The characteristic of the evolution of the present system, since the 1960s, has been a shift from a productive society, to what has been called, alternately, a "post-industrial" or "consumer" society. That shift must now be reversed. Admittedly, that needed reversal will not be simply a carbon copy of the 1945-1964 Bretton Woods System, but it will be a system with similar characteristics.

So, the sick world monetary-financial system which was formally installed by President Richard Nixon, on August 15, 1971, crafted under National Security Advisers Kissinger and Brzezinski, and which has been ruled since October 1979 by Federal Reserve Chairmen Paul Volcker and Alan Greenspan, is the chief cause for the presently accelerating collapse of the physical economy, throughout the Americas and Europe, as well as Africa. The U.S. economy, like that of Europe, has now entered a bottomless collapse which, unless stopped, will be far worse than 1929-1933. Unless we put the present monetary-financial system through drastic bankruptcy-reorganization, suddenly either wiping hundreds of trillions of dollars equivalent of purely fictitious values from the books, or freezing them for the time being, there is no future for any part of the Americas, Europe, and Japan at this juncture.

Although most U.S. citizens have not yet faced the full reality of our present situation, eyes and minds are opening to a degree we have not seen in the U.S.A. during approximately two decades. The Rip Van Winkles of our popular opinion have been sleeping for no less than a generation. It is

the relentless thunder of the presently rising economic storm, which has, finally, disturbed their ideological slumbers. In the final analysis, "It's an ill wind, that blows nobody good." Leibniz insisted, therefore, that ours is the best of all possible worlds; it is a world in which the good will ultimately prevail. Therefore, why wait; why not seize the existing opportunity now?

In such a manner, you and I have entered into one of those tumultuous times, when, as Heraclitus wrote, "Nothing is permanent but change." It is time to understand the changes, for worse, for better, and for worse, which have come over the U.S.A. since 1929-33. More and more among you must now accept the reality of the idea of change.

Stop merely reacting to what you see, hear, and feel from moment to moment. As the discoverer of universal gravitation, Johannes Kepler, demonstrated, you could not determine the future position of a planet from its past and present positions; you must, first, discover the long-range orbit which controls the planet's motion. You must see economic processes as systems, in the sense that we describe Kepler's discovery as defining a system. You might imagine yourself in Heaven, looking down upon the past 2,500 years of European civilization's history. See yourself, as if from Heaven. Ask, what does the experience of history teach us, about the orbital-like trajectory which is moving the U.S.A. to its destiny in the near future?

I invite you to think. Forget the popular opinion which misled you into the trap. Think! I give you the following essential clues to the reasons for my unique success as an economist, and, therefore, my unique qualifications as a candidate for the U.S. Presidency under conditions of the kind of *systemic*, global economic crisis I describe here.

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## 1. History As Systemic Real-Life Drama

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A comparative study of Classical tragedy, against the backdrop of actual history, shows us that all true real-life tragedy has been brought upon a people by a prevalent, *systemic* tradition which controlled both relevant leading popular opinion and the leadership of authoritative institutions.

When the society steers the trajectory of society's flight into directions contrary to the laws of nature, as the U.S. has drifted over the recent thirty-five years, that society is impelling itself toward its self-destruction. The Classical stage, as developed from benchmark cases, from Sophocles, Aeschylus, and Plato's dialogues, through Shakespeare, Lessing, and Friedrich Schiller, has earned the distinction of exposing, prophetically, the self-doom of once powerful nations and cultures, such as Hapsburg Spain, by the long-range impact of pathetic ruling beliefs, beliefs no sane person would wish to repeat today. The great works of the Classical stage,

well performed, are the most efficient instrument yet developed for producing audiences which, as Schiller emphasized, leave the theater wiser and better people than those who had entered it.

It is, thus, by the will of their adopted false gods, that a people is self-destroyed, such as the Greek culture of the *Iliad*, as the culture of the House of Atreus was. So, those who seek to play the role of such false gods, are also ultimately doomed themselves, as Aeschylus warns in his *Prometheus Bound*.

That is precisely what has happened to the U.S.A. and its people during the recent thirty-five-odd years since the beginning of the U.S. war in Indo-China.

As a result of changes which coincided, approximately, with the outbreak and continuation of that needless war, the U.S.A. is currently at the brink of its self-destruction, that in a way no different than what is described in the great Classical tragedies.

Tragedy is not a matter of inevitable outcomes. The human will is free to choose alternate trajectories for its course of action. Our ability to forecast the likely future of a nation, is limited to our knowledge of the trajectory which has been implicitly chosen. True prophets do not predict history; they, as *The Bible* describes Jonah, warn against the ruin which must occur if presently ruling opinion prevails. Do not blame the prophet for the catastrophe; blame the people who do not heed the evidence of their own folly.

In this universe, there are no absolutely predetermined events. God's Will, if not ours, could always intervene to change destiny. Yes, the universe is pervasively lawful, but man's free will is able to discover new laws, such as universal physical laws, and to apply them, to change man's destiny. Man is also able to discover the errors in his beliefs, and to free himself from the doom those errors will cause. There exists always the possibility of a culture's escape from such self-imposed doom, the possibility that a culture might be induced to change itself in ways which would enable it to survive. But, it is not free to make arbitrary choices; it must accept the reality of those conditions.

Admittedly, every known culture of pre-modern times has been entirely, or partially self-destroyed. More recently, Europe, during the course of the Twentieth Century, reduced itself to a much lowered status in the world at large, by plunging foolishly into two general wars. These wars were brought upon Europe by nothing but European peoples' folly, their failure to abandon what were fairly described metaphorically

as its assortment of cultural childhood diseases: the Romantic legacies of its imperial, monarchical, and Napoleonic traditions, for example. There were no need for Germany, Austro-Hungary, Russia, France, and the United Kingdom to have plunged into those so-called "geopolitical" wars. In the first case, it was two silly Kaisers, a silly Czar, and a mad Clemenceau, who drowned their own nations in the mutual ruin, by allowing themselves to be duped by the greatest fool of them all, England's Imperial Edward VII.

So, just as those who murdered Wallenstein, out of loyalty to a foolish monarch, doomed Europe to the continuation of the Thirty Years War. So, Europe plunged itself into the two so-called World Wars of the past century.<sup>1</sup>

The European heads of state who led their nations into World War I, bore immediate, personal responsibility for the war, but, as Shakespeare emphasizes in the final scene of the tragedy, it was not Hamlet who doomed ancient Denmark; it was the culture of the people of Denmark at that time: *It was the system*. It was the customs of Venice's puppets, such as the Hapsburg and Hapsburg house, which bear the principal guilt for that holocaust. So, it was the customs of the Greece of the House of Atreus which doomed itself. They cling to their failed traditions, as did the self-doomed passengers who refused to abandon a sinking ship.

The cause for the relative powerlessness of a wrecked Europe today, relative to the power of a U.S.A., now itself in the process of panic-stricken self-destruction, lies, still, in those continuing cultural traits of Europe, which express the continued influence of the folly which led into those two general wars of the last century. Nations which reject their true prophets bring ruin upon themselves. A culture which rejects a true prophet dooms itself as morally unfit to survive. So, a doomed culture must say to itself: "The fault lay not in our stars, but in ourselves." That people, both those wielding great power, and others, were of little minds, little minds so filled with a Romantic's traditions, that no space remained for serious thinking.

In this way, earlier, each of the ancient empires of Mesopotamia, brought their own destruction upon themselves, as empires which lacked the essential cultural qualities of fitness to survive. Athens destroyed itself with the folly of launching the Peloponnesian War. Rome's moral unfitness to survive, led to its own self-imposed doom, as the same Romantic tradition doomed the Byzantine Empire, as it doomed both the fraudulent ultra-montane system of theological imperialism in feudal Europe, and the imperial maritime power of Venice.

Yet, although all known cultures have undergone either temporary or permanent self-destruction in such ways, the

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1. Wallenstein was as Schiller portrays the situation, a truly tragic figure, who only dallied with possible escape from the war, but it was those who murdered him and condoned that action who bear responsibility for the continuation of that religious warfare.

paradoxical evidence is, that mankind has progressed. Whereas, no variety of higher ape could have ever achieved a level of current population above the order of millions of living individuals, mankind today numbers in the billions, most of the rate of increase was made possible by the radiating impact of Europe's Fifteenth-Century Renaissance. It was that Renaissance which revived the best of the Classical Greek heritage, to craft the principles used to establish the first sovereign nation-state republics, in Louis XI's France and Henry VII's England, and to launch modern experimental physical science.

Like all true, ontological paradoxes, the existence of that paradox begs the recognition of an efficient universal principle.

Whereas all poor beasts are traditionalists, man's goodness lies in those qualities which define ours as an intrinsically revolutionary species. "Free will" is not arbitrary freedom, not mere opinion; true free will is what is typified by Kepler's uniquely original discovery of universal gravitation: the discovery for use of what is demonstrated, experimentally, to be a universal physical principle. In the practice of the Classical artistic tradition, as distinct from the axiomatically irrational practice of Romanticism and modernism, this same revolutionary quality, which sets the human individual and society absolutely above the apes, is often identified in the English expression of Classical culture as the principle of "the Sublime."

### Economics as the Sublime Science

Now, think again. Have some real fun!

Economics did not exist as a scientifically rational form of knowledge, prior to the Italy-centered, Fifteenth-Century, anti-Romantic, Classical Renaissance. Economics, so defined, has two aspects. It is the interactive combination of those two aspects, which defines the only competent approach to defining the systemically characteristic features of all globally extended, modern European civilization.

The first aspect, is the essential distinction between a normal human individual and any beast. The power of "free will," is the power to generate an hypothesis, in Plato's sense of that term. This is an hypothesis which can be proven experimentally to be a universal physical principle, as Kepler, Leibniz, Gauss, Riemann, Vernadsky, et al., have defined the standard for a universal physical principle.

The second aspect, is the transmission of such discoveries of universal principle, by replication of an original act of discovery within the mental processes of another individual. It is that latter, *social* feature specific to human relations, the uniquely human power to transmit ideas of valid universal principle, which defines human society as distinct from a bestial heap of biological individuals.

That combination of the two distinctions I have just summarized, is, as I shall show here, the precondition for any competent understanding of economics.

When a society discovers and adopts an experimentally valid universal physical principle, the human species' power in and over the universe is increased, not merely in degree, but qualitatively. Whereas, among animals, the *potential relative population-density of the species* is limited genetically, the human species' power to discover the employment of universal physical principles causes an increase in mankind's potential relative population-density, a physical effect which could occur among lower forms of life only through upward-directed biological evolution.

Many cultures, such as the best periods of ancient Egypt and Classical Greek culture, most notably, made great steps

## A 'Culture' of Predators: Locke, Elliott, Kissinger

At the founding of the United States, there was a debate as to whether or not the Preamble to the Constitution should be the Lockean "Life, Liberty, and Pursuit of Property" or the Leibnizian "Life, Liberty, and the Pursuit of Happiness." Happily, the influence of the great philosopher and scientist Gottfried Wilhelm Leibniz, whose writings had informed the Founding Fathers, won out in favor of the latter.

However, efforts to reverse this "American Heresy" have been unceasing since the Constitution was ratified. After the Confederate insurrection was laid to rest, that cause was spearheaded by a band of emulators of the "lost cause" of the Confederacy and Ku Klux Klan, known as the "Nashville Agrarians," who emerged in 1915.<sup>1</sup> Among their leaders was the Oxford-trained head of Harvard University's Government Department, William Yandell Elliott, who was also the creator of two de facto "Presidents" during the Nixon and Carter Administrations, respectively (Sir) Henry Kissinger and Zbigniew Brzezinski.

Much of the Nashville Agrarians' pro-Confederate ideology—particularly on the question of "property"—was drawn from Lord Shaftesbury's agent John Locke (1632-1704), propagandist for the feudal rentier-financier oligarchy. Locke justified an anti-Leibnizian imperial concept whereby a small handful might own almost all

1. Stanley Ezrol, "Seduced From Victory: How the Lost Corpse Subverts the American Intellectual Tradition," *EIR*, Aug. 3, 2001.

of scientific progress, both in physical science and in what were recognized by the Fifteenth-Century Renaissance of Filippo Brunelleschi, Leonardo da Vinci, and Raphael Sanzio, as Classical forms of artistic composition. However, prior to that Renaissance's introduction of the notion of a sovereign republic based on the principle of the general welfare, the social side of scientific practice was a crippled, morally defective one.

The characteristic feature of the revolutionary change in European culture, sought by Dante Alighieri, and defined by Nicholas of Cusa and Jeanne d'Arc, was that no government possessed the moral authority to rule, except as it was efficiently committed to the promotion of the general welfare of not only all of the living, but of posterity. Such are the three fundamental, universal principles (sovereignty, general wel-

fare, and posterity) upon which the legitimate expression of the U.S. Federal Constitution is unconditionally premised.

Before that Renaissance, human beings were divided politically among rulers and their henchmen, on the one side, and classes of persons treated as human cattle, on the other. The cattle were subdivided between herded and wild cattle. Even in today's U.S.A., there are morally degenerate citizens who, as utilitarians in the Jeremy Bentham tradition, still insist that children and youth should not be educated "above their predestined social station in life." Those utilitarian degenerates are thus included among those who regard people as "human cattle," as virtually a form of property. On account of such opinions about education, even some of today's U.S. parents regard their own children as property in fact of practice, as they do the progeny of the neighbors.

land, raw materials, and manufactories, while holding the rest as serfs or slaves. It was Locke—whom some wrongly take to be the mentor of the American Founding Fathers—who wrote the "Fundamental Constitutions for the Government of Carolina" in 1669, upholding black chattel slavery.<sup>2</sup>

In his *Essay Concerning Human Understanding*, Locke argued that man could not, through scientific discovery, come to more perfectly understand God and his creation, through cognitive processes. Therefore, as Lyndon LaRouche has characterized Locke's system, the power of the rentier-financier oligarchy was upheld by popular belief in the "magic of the marketplace," run by "little green men" under the floorboards of the universe.

Elliott sought to recreate a "New British Empire" or *Pax Britannica*, arguing in *The City of Man: A Declaration of World Democracy*: "England [is] where modern man first rose to his dignity. . . . Universal peace can be founded only on the unity of man under one law and government. . . . Therefore the City of Man must be much more than a League of Nations or a coalescence of continents. It must be the Nation of Man embodied in the Universal State, the State of States." Elliott's discussion of this "democratic State of States" is reminiscent of the Athenian democracy that murdered Socrates on the basis of *vox populi*, or popular opinion (*populi* deriving from the Latin word for "predator").

Although Elliott never names the oligarchic agents H.G. Wells and Lord Bertrand Russell, his 1949 essay, "Can We Organize a Free World, Under Law?" is suffused with their doctrines about the rule of a one-world government. "If humanity is bent on extinction by the tens of

millions in all the main centers of population," he wrote, "conceivably a Dark Ages might descend once more and insects might have their innings at trying to develop a higher form of life. . . . What is really in question is how a future world order is going to be created that will succeed nationalism."

In the same essay, Elliott hails the Roman legions—the model for the utopian army today invoked by Harvard's Samuel Huntington and the Pentagon's Paul Wolfowitz—arguing that "it was, after all, the Roman legions, Roman roads and Roman engineering skill, which laid the groundwork for that acceptance and which, the the first instance, imposed the will of SPQR [the Roman Senate and *populi*] by force."

The future "Sir" Henry Kissinger proved to be an apt pupil of this fascist imperialist. National Security Study Memorandum 200 (NSSM-200), entitled "Implications of Worldwide Population Growth for U.S. Security and Overseas Interests," produced in 1974 under Kissinger's auspices, argued that capital would not be allocated for development of the Third World, which would be condemned to permanent poverty, disease, manipulated civil, ethnic, and religious wars, all aimed at population reduction. The growth of population in those nations was described as a "national security" threat to the United States. Those countries targetted were: India, Bangladesh, Pakistan, Nigeria, Mexico, Indonesia, Brazil, the Philippines, Thailand, Egypt, Turkey, Ethiopia, and Colombia. NSSM-200 remained the official policy of the Carter Administration, both through Federal Reserve Chairman Paul Volcker—who usuriously exploded the indebtedness of such nations to force genocidal austerity—and through the geopolitical manipulations Elliott's second epigone, Zbigniew Brzezinski.

—Scott Thompson

2. Philip Valenti, "The Anti-Newtonian Roots of the American Revolution," *EIR*, Dec. 1, 1995.

The intrinsically Sublime nature of humanity, is rightly conceived, as composed of sovereign individual personalities, endowed with the intellectual potential of generating valid hypotheses which serve as universal principles. This requires that social relations be premised on the expression of that Sublime quality.

We must educate all young in the direction of encompassing within themselves the finest fruits of human scientific and Classical-artistic progress to date. We must educate them as human beings, not as trained beasts of the field and barn. It is that transmission of an upward evolving culture, from one generation to the next, which defines sane human relations, a sane society. It is the fostering of the creative potential of all persons, the potential to replicate original acts of discovery of hypotheses which prove to be universal principles, on which any guarantee of a durably, systemically successful economy depends.

The characteristic feature of all known cases of failed cultures, is that they are either simply predatory cultures, whose members share the benefits of looting the people of other cultures, or they are composed of those who rule by whim over those who serve them in the capacity of herded human cattle. The latter was the system of Physiocrats such as Quesnay. The British monarchy combined both odious features—brutishness at home, and “invisible earnings” from abroad—under the utilitarian doctrines espoused by Jeremy Bentham. The doctrine of John Locke, which defined people as “property,” the more radical version of Locke, Justice Antonin Scalia’s dictionary-nominalist dogma of “shareholder value,” and the predatory doctrines of Harvard Professor William Yandell Elliott echoed in National Security Adviser Henry A. Kissinger’s NSSM-200, are examples of philosophies of practice which define failed cultures of an essentially predatory type.

The needed, systemic conception of humanity as a whole did not exist in the practice of any presently known culture, prior to Nicholas of Cusa’s revolutionary works, as typified by his *Concordantia Catholica*, setting the stage of a community of principle among sovereign nation-state republics, and his *De Docta Ignorantia*, the book which launched all valid currents of modern physical science. This conception of humanity is most quickly recognized by proceeding from the standpoint of my original contributions to the *science of physical economy*.

Economic science is, as Leibniz was the first to define a science of political economy, in his related writings of the 1671-1716 interval. My own original, 1948-1953 discoveries in the science of physical economy, were rooted centrally in my 1936-1940, adolescent adoption of the essentially Platonic standpoint of Gottfried Leibniz, in opposition to such representatives of the British, French, and German “Enlightenment” and its empiricist predecessors, as Francis Bacon, Thomas Hobbes, John Locke, René Descartes, David Hume, and Immanuel Kant. The significance of that youthful education, and its later role in my discoveries as a physical econo-

mist, is, I think, made most readily clear, pedagogically, by a comparison of the origin and development of my own original discoveries with Vladimir Vernadsky’s definition of the *Noösphere*.<sup>2</sup>

## The Noösphere

Since the discovery of the Noösphere, by Russia’s biogeochemist Vladimir Vernadsky, no competent modern scientist actually believes in the utopian superstition currently popularized under the name of “ecology.”<sup>3</sup> As I shall show, in summary, I came to conclusions during 1948-1953, which largely parallel much of Vernadsky’s definition of the Noösphere, but from a different starting-point, and with some significantly different results. My discoveries in the branch of science known as physical economy, are based on the conclusions reached during that 1948-1953 interval. My unique success as a long-range forecaster depends essentially on the elaboration of those discoveries. My distinctive qualifications for defining solutions to the present crisis, are the fruit of decades of application and refinement of those discoveries.

From my standpoint, there are, as I shall explain, two crucial, categorical omissions in Vernadsky’s work. However, looking at Vernadsky’s unique accomplishments from the vantage-point of my own discoveries, is probably the most efficient approach to teaching a quality of economics relevant for dealing with the global crisis wracking the world at this time.

I explain this and its relevance to U.S. economic policy-making today.

For pedagogical reasons which I need not detail here, I propose that the student, presumably at the level of a bright college undergraduate or graduate student, keep the following points of historical reference in sight.

The fundamental difference of principle, between the economic science of Leibniz and the then contemporary camera-lists, has its concentrated expression in his employment the German term *Kraft*. This signifies *power* in the same sense that Plato defined power as the quality which places a surface on a higher order of *physical* existence than a line, and a solid as a higher order of *physical* existence than a surface.

The same physical principle which Leibniz associates with that use of *Kraft*, is the central feature of Gauss’s 1799 paper announcing his fundamental theorem of algebra. Gauss defines the physical-geometric meaning of the complex domain, by exposing the blunders of D’Alembert, Euler, and

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2. Lyndon H. LaRouche, Jr., *The Economics of the Noösphere* (Washington, D.C.: EIR News Service, 2001).

3. For reasons related to the pathological practice sometimes called “company manners” or “politeness,” what people say that they believe, often differs from what they actually believe. For example, even some brilliant physicists, whose achievements were effected in defiance of generally accepted peer-review standards, will cringe piteously before the pagan gods of generally accepted classroom mathematics. Excepting pathetic FBI cases such as the celebrated “Unabomber,” the widespread lip-service to “ecology” has more to do with Federal and foundation grants than any actually scientific evidence.



Lagrange. The notion of powers, in Gauss's definition of the complex domain, has the same ontological significance as the notion of powers in Plato's work, and Leibniz's notion of *Kraft* as an economic principle.

The same concept of *Kraft* is central to Riemann's celebrated 1854 habilitation dissertation, which builds chiefly upon the preceding work of Gauss. Riemann defines a purely physical, *anti-Euclidean* geometry,<sup>4</sup> one without the pathological features inherent in any *a priori* geometry, such as Euclid's.<sup>5</sup> In Riemann, the idea of an *a priori* dimensional space-time, is replaced by a geometry whose "dimensions" are experimentally proven universal physical principles.

In Plato, Leibniz, Gauss, and Riemann, for example, to go from a line to a surface requires a form of *physical action*, a potential for action which is non-existent within the line, an action, ontologically *outside that line*, which generates a higher order of power, the surface.<sup>6</sup> So, a specific *physical action* is required for generating a solid from a surface. Thus, these *transformations*, these *physical actions*, are reflected as shadows cast upon naive geometries.<sup>7</sup>

Take any experimentally valid universal physical principle, such as Kepler's unique discovery of gravitation. Can

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4. The first modern scientist to make this distinction between a non-Euclidean and an anti-Euclidean geometry was Abraham G. Kästner, a leading Eighteenth-Century scientific figure, the crucial teacher of Lessing and, later, of Carl Gauss, and an insightful, feared, and hated opponent of the destructive rampage of the Romantic ivory-tower science of that century. Non-Euclidean geometries, such as those of Lobatchevsky and young Bolyai, make significant insertions of an axiomatic quality into Euclidean geometry. Anti-Euclidean geometries, as proposed by Kästner, scrap the system of definitions, axioms, and postulates of customary classroom Euclidean geometry, as Riemann did, and as I follow Riemann in this. Gauss's anti-Euclidean standpoint, reflected in such locations as the 1799 documentation of the fundamental theorem of algebra, was, as Gauss explained later, suppressed in most of his later work, because of an aversive political environment maintained by the Romantic circles of Lagrange, Laplace, Cauchy, G.W.F. Hegel, and others. Gauss's continued anti-Euclidean standpoint is most clearly reflected in Riemann's 1854 habilitation dissertation, which was premised essentially on the foundations defined by Gauss.

5. Excepting the Xth through XIIIth books of *The Elements*.

6. Similarly ontologically absurd is the wildly reductionist, "a line is the shortest distance between two points." A line is properly defined as the pathway of the quickest distance within physical space-time. as Fermat, Christian Huyghens, Leibniz, and Jean Bernouilli successively defined this notion. E.g., the principle of the catenary. The catenary, or "hanging chain" principle, which exists, functionally, only within the complex domain as defined by Gauss's 1799 attack on the axiomatic blunders of D'Alembert, Euler, and Lagrange, is, for today's classroom in elementary secondary and university undergraduate mathematics, the proof that no real-world geometry but physical geometry exists, that in the sense the relevant work of Kepler-Fermat-Leibniz-Bernouilli-Gauss-Riemann on the subject of the principle of universal least action attests.

7. This signifies, as a first step in removing rubbish from teaching of Euclidean geometry, that space is not definable in three linear senses of direction connectable by simple rotation. Rather it reflects, as Classical scientists from Archytas and Plato through Eratosthenes, already knew, both the difference in power between line and surface, and between surface and solid. Gauss's 1799 proof of the efficiently real existence of the complex domain, is therefore a pivotal feature, the virtual ABC, of all competent modern science.

you see, hear, smell, or touch gravitation? Yet it exists quite efficiently. What we see, hear, smell, and touch, is not gravitation, but, rather, the effects of gravitation on the world of our sense-perceptions. Thus, we must distinguish between what our senses portray, sense-perceptions which are merely shadows of the real universe, and the efficient universal principles whose control over the real universe is reflected to the skilled experimenter's demonstration of the efficient existence of principles not directly represented by sense-perception.

Such is the central lesson to be learned from Gauss's 1799 proof that what ivory-tower mathematicians such as Euler and Lagrange only imagined to be "imaginary" numbers, reflected the existence of efficient physical principles, existing outside sense-perception, but efficiently controlling the action reflected as the shadow-like effects registered as sense-perceptions. The complex domain of Gauss, Riemann, et al., is the physical domain.<sup>8</sup>

That principle of reality is crucial for understanding Vernadsky's achievements.

The Riemannian view, so situated historically, is intrinsically indispensable for any competent form of economics teaching and practice today. Since man's power in and over nature, per capita and per square kilometer, depends upon the discovery and application of experimentally verifiable universal physical principles, the study of economic processes requires, that we view physical-economic space as defined by an expanding number of dimensions, each of which are experimentally validated universal physical principles. It is the process of discovery and application of those principles, which is the source of society's increase of its powers over the universe, the primary source of all increases in the productive powers of labor.

Vernadsky, using the same principle of experimental proof employed by Kepler, defined the universe as composed of what are, from the standpoint of Riemann, three multiply-connected, but nonetheless functionally distinct universal phase spaces: the abiotic; the living and its fossils; and, the physically efficient creative powers of the individual mind. My own work acknowledges Vernadsky's accomplishments, as far as he goes, but my discoveries in physical economy depend upon two added considerations lacking in Vernadsky's known work:

Although Vernadsky states his intention to study Riemann's work, there is no evidence in relevant available texts that that study was conducted to any significant effect. Riemann's conception of a multiply-connected, *anti-Euclidean* geometry, is indispensable for carrying Vernadsky's clearly intended objectives to a successful outcome.

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8. Euler's and Lagrange's blunder, in relegating the complex (physical) domain to the realm of mere fantasy ("imaginary numbers"), was also expressed by Euler's enraged attack, in his *Letters to a German Princess*, on Leibniz's definition of the infinitesimal calculus. Leibniz's mathematical definition of the infinitesimal calculus is found in his collaboration of Jean Bernouilli, defining the catenary-tractrix relationship as reflecting the principle of a pathway of universal least action.

Vernadsky's definition of the distinction between the Biosphere and Noösphere, which he identifies as the noëtic principle of the individual human mind, is valid, but Vernadsky's writings miss the crucial social aspect of the noëtic (creative, cognitive) processes. He is right as to the function of the individual creative intellect, but misses the crucial role of the social process of *specifically cognitive* transmission of the experience of replicating original discoveries of universal principle. My own 1948-1953 discoveries in physical economy were premised on precisely those two considerations absent in the known work of Vernadsky.

Although I came to conclusions paralleling Vernadsky's distinction among the abiotic, the Biosphere, and the Noösphere, my own point of departure was chiefly the Platonic (Socratic) principle of cognition, as this permeates the method and conceptions of Leibniz. Otherwise, I was influenced, as Vernadsky and many others were, by the principled distinction between abiotic and living processes spread widely by the influence of Louis Pasteur and his circles.

My point of departure was my commitment, since adolescence, to defining Leibniz's notion of cognition against Kant's *Critiques*. Professor Norbert Wiener's "information theory" hoax, is what set me, from 1948 onward, on the track of showing the relationship between "voluntaristic" discovery of universal physical principles and systemic increases of the physical-productive powers of labor.

I went further. My fascination with the gap of nearly two millennia between the Classical scientific culture of Greece and the revival of that knowledge by the modern European culture, impelled me to compare the function of Classical forms of irony in poetry and drama, with the reenactment of original discoveries of physical principle after an interval as long as that between the death of Archimedes and the renaissance of scientific method and knowledge by such figures as Leonardo da Vinci and Johannes Kepler. I focussed upon certain figures whom early Twentieth-Century opinion falsely identified as "Romantics," including Keats, Shelley, Goethe, and Heine, and worked through my own critical assessment of William Empson's *Seven Types of Ambiguity*<sup>9</sup> as a point of reference for my work of the 1948-1953 interval.

This led me to conclusions which I later adopted, during the late 1950s through early 1970s, and my own version of Vernadsky's concept of the Noösphere. Although all the essential features of my own discoveries were established before my attention turned to Vernadsky's work, my own views were greatly enriched by the latter encounter. For that reason, among others, I heartily recommend study of Vernadsky as a mandatory feature of any competent secondary and university undergraduate education in economy today. That said, I need spend no more time on the certain differences between our conceptions, and may freely treat the combination as a unified pedagogical experience for the thinking student.

9. William Empson, *Seven Types of Ambiguity* (Middlesex: Penguin Books, 1961).

## My View of the Noösphere

The pivotal issue of all scientific work, is the elementary difference between what is merely learned *sense-perception*, in which the lower forms of life often surpass us in performance, and *knowledge*, which is uniquely the province of both the Creator and the human beings whose essential self is made in His species-likeness. The best known pedagogical paradigm for conceptualizing this distinction, is the allegory of Plato's Cave.<sup>10</sup>

Plato, as echoed by the Apostle Paul, in *I Corinthians* 13, warns that what our sense-perceptions present to us, are, at their best, merely shadows of the reality by which those shadows are prompted. Plato compares these to shadows on the irregular surface of the walls of a dimly firelit cave. In their best performance, perception presents us with those sense-organs' reaction to a real, but unseen stimulus. As we learn to distinguish, and correlate similarities and differences among sundry such experiences, we learn to perceive as if by radar.

*Knowledge* of the objects which prompt the shadows of sense-perception, is a different matter. Knowledge begins as a reaction to some evidence that sense-perception, taken for itself, is an unreliable guide to reacting to the universe. This evidence has the characteristic which the relevant formalism terms an *ontological paradox*. In Classical artistic composition, an ontological paradox is typified by a valid *metaphor*, a *metaphor which expresses a stubbornly actual self-contradiction in the ostensibly literal evidence afforded by simplistic sense-perception*. In all cases, physical science or Classical artistic composition, for example, the method for overcoming these ambiguities of meaning, these ontological paradoxes, is the Socratic method, the method of Plato's Socratic dialogues taken as a single, multiphased *spiritual exercise*, as a method of training the mind in the science of knowledge.

The first step, at that point, is to define what we must understand as the meaning of the term *universal physical principle*.

Take three examples from physical science. First, the discovery of the *principle of universal gravitation*, exclusively by Kepler. Second, *the discovery of the calculus*, accomplished uniquely by Leibniz, but brought to initial completion, as expressing a universal principle of least action, in collaboration with Jean Bernouilli. Third, Gauss's discovery of *the complex domain*. All three involve the discovery and proof of efficient existence of a universal physical principle, one which is proven to control the behavior of sense-experience, but one not found as an object of perception within the bounds of sense-perception.

Vernadsky's work within the field he defined as geobiochemistry, applied Kepler's methods for defining a universal physical principle of mathematical physics.<sup>11</sup> These methods

10. *Plato: The Republic*, Loeb Classical Library, Vols. I and II (Cambridge, Mass.: Harvard University Press, 1963).

11. Kepler himself explicitly attributes this method to Nicholas of Cusa, Luca Pacioli, and Leonardo da Vinci, as his predecessors in scientific method.

as developed by Kepler's followers, Fermat, Huyghens, Leibniz, Gauss, et al., were employed to prove experimentally that there exist three respectively distinct classes of efficient physical action in the known universe. All competent practice of economics for today's world depends upon comprehension of that fact and its specific significance for general application.

In scientific method, there must be a true ontological paradox in the relevant persistent experience of learned sense-perception. The evidence that the Mars orbit is virtually elliptical, not circular, was Kepler's initial definition of precisely such a paradox of regular, but non-uniform motion. This required the discovery of some efficient intention, acting upon the Solar system. The fact that the planetary orbits are approximately elliptical, and, more remarkably, that the Sun is located at one of the foci of the ellipse, produced the proof of principle which Isaac Newton bowdlerized from his reading of Kepler's published work as the so-called "three laws."<sup>12</sup> That role of the Sun, and the harmonic characteristics of each of the orbits and their relations within the Solar system, led Kepler to defining the universal principle of gravitation. That discovery was the central event in the birth, by midwife Kepler, of competent forms of modern mathematical physics.

Vernadsky used the same modern method in defining ontologically paradoxical distinctions among three classes of universal physical evidence: first, what are the ostensibly entropic abiotic processes; second, the characteristically anti-entropic living processes, and their fossils; and, third, the anti-entropic actions of the noëtic processes existing uniquely in man.<sup>13</sup> As Pasteur's work on beer and wine underscored, there

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Cusa's *De Docta Ignorantia* was the first introduction of the method of modern experimental physical science.

12. It was broadly known that Hooke was the probable source for Newton's plagiarism of Kepler's work. Recently, an associate found a location in which Newton himself writes a reference to his copying from Kepler.

13. Prior to the hoaxes of two utopian devotees of Bertrand Russell, "ivory tower" mathematicians Norbert Wiener ("information theory") and John von Neumann ("systems analysis," "artificial intelligence"), the term "negative entropy" ("negentropy") was commonly used to identify an experimental principle which distinguished living from non-living processes. The clever, but doubtful speculations of former Ludwig Boltzmann student Erwin Schrödinger and the outright hoaxes by Wiener, von Neumann, and their dupes, obliged me to adopt the term anti-entropy, to avoid confusion with the pack of popularized ivory-tower speculations associated with Wiener et al. The relevant concoctions of Wiener and von Neumann were rooted in the earlier, wild assumptions of the wild reading of the work of the Ecole Polytechnique's Sadi Carnot, by the collaborators Clausius, Grassmann, and Kelvin, and the reductionist dogma of "three laws of thermodynamics." These reductionist conceptions of those collaborators were bad enough, until the positivist fanatics associated with Ernst Mach and Boltzmann made matters worse, especially after the hideous frauds perpetrated against Max Planck by the Machians. Wiener and von Neumann are reflections of Bertrand Russell's association with the radical-positivist circles of the Machians. The common epistemological characteristic of all these ivory-tower mathematicians, Boltzmann notably included, is that they are radical reductionists of the type which demand that nothing be allowed to exist outside of a purely mechanistic Euclidean space. Thus, Wiener defined "negative entropy" as a statistical event within the type of abiotic universe in which no human being

are determinations of a lawful character, which occur in living processes, but which are absent in non-living forms. As my work has emphasized, the willful increase of the human species' potential relative population-density, through application of discoveries of universal physical principles, is a phenomenon which does not exist in lower forms of life. Thus, distinctions of this type, once proven by the experimental standards required for defining a universal physical principle, divide the universe among three distinct, but efficiently multiply-connected phase-spaces.

The nature of that multiple-connectedness is itself of crucial significance. The implications have two categorical relevancies.

First, as Vernadsky's work in geobiochemistry showed, the cumulative increase of the Earth-ball's ration of combined living processes and their fossils, including fossils such as the atmosphere and water, shows the intention of life to dominate non-life increasingly. "In the long run," the principle of life is more powerful.

The second implication is more profound, both for the scientist and the theologian. We are confronted with evidence supporting a proposition which I posed to our Fusion Energy Foundation during the early 1980s, a proposition which we presented to Lawrence Livermore Laboratories: Where did the planets, with their orbits, come from? If the Solar system is "Keplerian," rather than "Newtonian," and if the universe is organized as a system of multiply-connected, abiotic, living, and cognitive phase-spaces, consider propositions of the following type. There was considerable debate and discussion of this among the senior physicists and others associated with our Foundation, among whom the most notable figure was Professor Robert Moon. The corollary topic was: Are we willing to discard today's generally accepted classroom mathematics when it conflicts with the physical evidence? Professor Moon was among those who were willing to support and explore that proposition; some other distinguished physicists among us, were not.

Broadly, the implication of Kepler's work for modern astrophysics, is the presumption that the Sun was once a fast-spinning "ball," shedding much of its material in its rotation. However, if we assume the kind of thermonuclear fusion we attribute to that Sun, how do we account for the known periodic table of elements of today's planetary system? Iron? Yes; but, what of the higher region of table? I posed the question: Would the material spun off in the early phase not tend to be "polarized," and hit with such radiation from the Sun that polarized fusion could be induced in the generated envelope? Would this be sufficient to account for the known "natural" periodic table of the Solar system? The expert estimation was that it would be sufficient.

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is allowed, mathematically, to exist. Not merely incidentally, active wits might pose philosophical doubts of the real-world existence of Wiener and von Neumann. The appropriate term for real-world use, in which human beings exist, is therefore "anti-entropy."



The late Dr. Robert Moon, of the Fusion Energy Foundation, was one of the few distinguished physicists in dialogue with LaRouche during the early 1980s, who were willing to support and explore LaRouche's proposition that generally accepted classroom mathematics should be discarded, when it comes into conflict with physical reality. Here, Dr. Moon addresses a meeting of the Club of Life in Chicago in 1983, with a proposal for revitalizing the city.

If those propositions could be adopted, then the Solar system would be generated by the Sun through a kind of "fractional distillation." According to Kepler's principle, material falling into Keplerian orbital pathways would condense into planets and associated moons, such that the orbiting body would have the Keplerian orbital characteristics of the plasma distributed along the orbit as a whole.

That hypothesis is only partially proven, but I cite it, nonetheless, only as a convenient way of illustrating a crucial point which will otherwise be a startling contention for most readers.

In a universe composed of multiply-connected phase-spaces, as I recast Vernadsky's Noösphere, the following conditions prevail.

First. The term "universe" can be used only to define existences within the scope of what are experimentally validated as universal physical principles. Nothing exists "before," "outside," or "after" that universe.

Second. By virtue of the nature of mankind as a cognitively creative being, contrary to Isaac Newton and Immanuel Kant, for example, a *universally efficient* God is proven to exist throughout the scope of that universe, as an object of scientific certainty, as a cognitive being.<sup>14</sup>

14. Respecting the relevant aspects of the nature of man: Cf. Plato, *Phaedo*, and Moses Mendelssohn, *Phaedon*. Also compare Philo Judaeus of Alexandria on the subject of the soul. Cognitive action, the act of discovery, or cognitive transmission of a universal principle, requires a notion of time which is distinct from action located axiomatically within sense-perception. The individual so acting lives efficiently in a physical-space-time, in which ordering persists, but clock-time is only a shadowy reflection of sequence. The cognitive individual lives forever in his or her "place" in the universal

Third. The principle of action within that universe is of the characteristics reflected by mankind's own progress through discovery and application of universal physical principles.

Fourth. The characteristics of all three phase-spaces are acting jointly in every aspect of the universe as a whole, to such an effect of that anti-entropy typical of life, and also that typical of human cognition.

Fifth. God's manifest purpose, is the redemption of man as made in the image of the living Creator of the universe. This is otherwise stated as the principle of *agapē*, as identified by Plato, and as reflected in the *Gospel of John* and *I Corinthians* 13. This notion of *agapē* is otherwise known as the principle of the *general welfare*, or *common good*, on which the existence of the sovereign form of modern nation-state republic was premised from the Fifteenth-Century Renaissance on, as in the work of Nicholas of Cusa. The purpose of the individual is *to do good*, as Cotton Mather and Benjamin Franklin emphasized in their leading roles in the building of the sovereign U.S. constitutional republic.

*Is this economics!!!?* It is real economics, as I shall explain the most crucial features of the basis for my unique record of success as a long-range forecaster. My recognition of the indispensable function of Riemann's discoveries is itself an essential advantage over Vernadsky's approach, in dealing with the relationship between the individual discovery of a physical principle and economic progress; but, by itself, it would fail to address the decisive nature of the challenge with

eternity of cognitively ordered physical space-time. So, if we relive the acts of discovery by Plato or Archimedes, their discovery lives within us, and they are acting, still today, upon us, over the span of intervening time.

which economy confronts society. On the latter account, those five epistemological issues of theology which I have just described, are crucial.

It is the cognitive mode of transmission of formally Classical ideas of physical science and artistic composition, as typified by Plato's Socratic dialogues, which defines the "mechanisms" by which the transmission of knowledge of true principles is effected. It is the way in which social processes, including general education, operate, to foster or impede such cognitive forms of transmission, which predetermine the likely outcome of the behavior of the present adult generation for society two generations later.

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## 2. Conclusion: Us As Tragedy

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So, the catastrophic failures of the U.S.A. since 1964, have produced the sheer awfulness of the global economic-strategic situation today. If the adult generation of child-rearers today fails to meet its obligation to do as Cotton Mather and Benjamin Franklin prescribed, the obligation to do good, it is their grandchildren and great-grandchildren who, as now, are likely to reap the resulting catastrophe, even, as now, an imminent global catastrophe brought about chiefly through the corruption of the generation entering universities during the middle to late 1960s, and their corruption of the generation which they, in turn, reared.

Like the orbit of a planet of the Solar system's outer rings, the completion of a cycle of history is not a matter of mere years, but sometimes generations. Just as knowledge of the laws of the Solar system demands attention to the completed orbit, rather than assumptions based on mere recent experience, so "my experience" of a generation is almost worthless as evidence of a principle, except as we are able to show the consequences of that generation's activity several generations later, at least implicitly so.

For precisely that reason, no economic teaching is competent, except as it is based on long-range forecasting of the type which I have practiced. To have a competent grasp of anything important respecting an economy, it is essential to treat the economic process as a multi-generational social-physical system, as I have done.

For example, even the simplest form of financing of modern large-scale investments in basic economic infrastructure, requires that the capital outlays required be offset by income and repairs conducted over approximately a quarter-century: a contemporary generation; and that the further impact of that improvement be assessed over a cycle of not less than two generations: a contemporary, brief interval of a half-century. We must measure such effects for not only the investments we make, but also for the injury to future society by the investments we failed to make. (Do not be like the fool who died of a grenade explosion because he insisted, "I am not leaving this foxhole until I know that the war is over.")

All such and related matters considered, the power of society to survive and prosper, depends upon the quality and extent of the development of the cognitive qualities of the individual members of society. To what degree can they think scientifically, for example? Even more important than physical science, is the development of the moral potential of the individual through acquired self-discipline in those principles of Classical artistic composition which coincide with Plato's Socratic method. It is the combined cognitive development of the young individual in the cognitive side of both physical science so-called, and also Classical artistic principles in poetry, drama, plastic art, and music, which nurtures the moral potential of the future adult.

This moral potential is expressed by the student's coming to embody within his, or her cognitive being, a cognitive reexperiencing of the discoveries of principle effected by individual minds of the past, including such distant past sources as figures of Classical Greek culture. The study of human history from the standpoint of that reexperiencing of the history of contributions of cognitive ideas, is the only way in which to induce efficiently a true moral sense to the maturing young individual, the method sometimes described as a Classical humanist education.

All failures of all known societies before our time, have been the fruit of an inadequate emphasis on, or even lack of, such a Classical humanist approach to fostering the cognitive powers of the individual mind.

The combination of valid and absurd ideas, which are implicitly embodied as principles for practice within a population and its institutions, forms a system, in which these ideas serve as an aggregation of interacting definitions, axioms, and postulates of that system. The discrepancy between that aggregation and the principles of a durably successful form of society, are the essence of the tragic factor in all known cultures to date, including the U.S.A. today.

The idiot racing toward self-destruction today, is the person who denies the existence of truth, lest it interfere with his commitment to that irrationally composed mere opinion which is guiding our nation toward self-destruction.

It is thus by our nation's popular opinion, and it now hovers on the brink of a waiting self-destruction. It is the fool who refuses to think, since he has already made up his mind, who lurches like a legendary lemming, over the cliff's edge of generally accepted popular opinion, to the waiting tragedy on the rocks below.

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## Perle War Party Reeling From Murawiec Exposé

by Jeffrey Steinberg

The Richard Perle-Paul Wolfowitz “cabal” inside the Bush Administration, which has been pressing for war against Iraq and other imperialist adventures, is reeling from a torrent of international reactions against the July 10, 2002 Defense Policy Board (DPB) session, where Rand Corporation “senior analyst” Laurent Murawiec delivered a lunatic diatribe, calling for the United States to place Saudi Arabia atop the list of “axis of evil” states targeted for American aggression.

Murawiec, a long-ago defector from the staff of *EIR*'s European office, was brought into the Defense Policy Board session, apparently at the invitation of the Board's chairman and long-suspected Israeli spy, Richard Perle. (Perle had hosted Murawiec at an American Enterprise Institute forum several years back.) His 24 power-point presentation at a Pentagon auditorium, in which he accused the Saudi government of sponsoring the al-Qaeda terror apparatus—and demanded U.S. action against Saudi assets abroad, and possible military occupation of the Saudi oil fields—was leaked in an Aug. 6 *Washington Post* story. Earlier, its writer, Thomas Ricks, had reported that the same session of the Defense Policy Board had called for “heads to roll” among the senior American military officers who oppose Perle's faction's wild utopian war schemes against Iraq.

The concluding power-point slide shown by Murawiec, as reported in the *Post*, declared, “The Saudis are active at every level of the terror chain, from planners to financiers, from cadre to foot-soldier, from ideologist to cheerleader. . . . Saudi Arabia supports our enemies and attacks our allies. . . . [It is] the kernel of evil, the prime mover, the most dangerous opponent.”

### The LaRouche Backlash

Within moments of the publication of the Ricks Aug. 6 report on the Murawiec presentation, key Bush Administration figures scrambled to disavow the deranged accusations.

Secretary of Defense Donald Rumsfeld immediately declared that the views expressed did not reflect the policy of the Administration. Privately, sources report, Rumsfeld was furious at the revelations, because they made him personally look like a fool for allowing such anti-Saudi diatribes to be presented at a Pentagon forum, and then find their way onto the front page of the *Post*.

For more far-reaching reasons, Secretary of State Colin Powell was even more angry. Powell immediately phoned the Saudi Foreign Minister, Prince Saud al Faisal, to assure him that the Murawiec presentation did not “reflect the views of the President of the United States or of the U.S. government,” according to State Department spokesman Philip T. Reeker. The Rand Corp. issued its own repudiation of its analyst. David Enger, director of external communications for the Santa Monica, California think-tank, issued an official statement, widely circulated by e-mail, stressing that Murawiec's briefing “was not a Rand research product.”

Among the proponents of the “war on Saudi Arabia” policy, there was a desperate attempt to “change the subject,” by trying to link Murawiec's rabid views to his former associate, Lyndon LaRouche. On Aug. 7, *Slate* magazine, an online publication, ran an article by Jack Shafer, attempting to implicate LaRouche in Murawiec's Saudi-bashing. The piece, titled “Saudi-Bashing: Perle to Murawiec to LaRouche?” noted Murawiec's 1980s association with *EIR* in Europe, and launched into the typical media name-calling against LaRouche.

Indicative of the malice involved, the *Slate* piece linked to the American Family Foundation website, and to slanders against LaRouche coming from Dennis King, whose book-length anti-LaRouche slander was financed by the Smith-Richardson Foundation. Smith-Richardson money supports the American Enterprise Institute, the Hudson Institute and the Middle East Forum, which all promote the same anti-

Saudi, Clash of Civilizations policy espoused by Murawiec at the Pentagon auditorium.

But this attempt to damage-control the exposé of the Perle-Wolfowitz cabal, backfired internationally. *EIR* began widespread circulation of a comprehensive dossier on Murawiec, detailing his mid-1980s break with LaRouche. (Murawiec was compelled to lie and be evasive concerning this, in an Aug. 12 *Le Monde* interview on the events.) The break followed *EIR*'s publication of a special report exposing Ariel Sharon and the Israeli mafia ties to the Jonathan Pollard spy affair, and the attempts by Likud Party founder Vladimir Jabotinsky's heirs in Israel to provoke a religious war by blowing up the Islamic holy sites on the Temple Mount.

The LaRouche campaign had already, before the "Pentagon briefing" flap broke, distributed several million leaflets in the United States, exposing the role of Senators Joe Lieberman and John McCain in the effort to blackmail President Bush into launching the Iraq war, to provoke the Clash of Civilizations. And *EIR* had circulated tens of thousands of more comprehensive reports on the whole scheme to blow up the Middle East, including a detailed account of the campaign to break the strategic partnership between the United States and Saudi Arabia.

### Saudi Counter-Attack

The damage control effort finally blew up when, in an Aug. 12 National Public Radio interview with Saudi Foreign Minister Prince Saud al Faisal, the Prince cited Lyndon LaRouche in debunking the briefing's content (see article following). He objected pointedly to its sponsorship: "The only interesting fact is that it was brought to the attention of so high a committee as the Advisory Committee for the Department of Defense. That is the only curious thing about the affair."

The Saudi media, in addition to high-profile, favorable news coverage of Lyndon LaRouche during that time, opened a second flank. On Aug. 9, the leading Saudi daily newspaper *Al Watan* noted that "Christian fundamentalism is no less dangerous to international peace and security than extremists in other religions. Rather it is more dangerous, especially if it controls the policy of the United States." The *Saudi Gazette* continued the same theme: "The Christian fundamentalists are encouraging American militants to raise a dust of hatred about Saudi Arabia, which has been maintaining an exemplary relationship with the United States." Citing the July 10 DPB session, the paper warned, "The Saudis value their friendship with the U.S., but they do not accept such trash."

### The Real War Motives Revealed

Sources close to the Bush Administration report that the Perle backlash has badly damaged the neo-conservative



*President Bush and his Cabinet were drawn into public opposition to the Richard Perle's "secret Pentagon briefing" targetting Saudi Arabia. That backlash, combined with LaRouche's nationwide leafletting mobilization, has opened up the fight against an Iraq war as well, and against the entire "perpetual war" faction.*

"mole hill" inside the Bush Administration. Senior State Department officials have jumped more aggressively into the fight inside the Administration, backing Secretary of State Powell, who has been fighting other Cabinet and lower-level officials over the Iraq war, the Israel-Palestine peace process, and other vital policy issues centered on the Middle East.

Outside the Administration, a circle of close associates of former President George H.W. Bush have also become more outspoken against the warmongers. On Aug. 15, former Bush Sr. National Security Adviser and political confidant Gen. Brent Scowcroft, penned an op-ed in the *Wall Street Journal*, strongly opposing a war against Iraq. Scowcroft warned that an invasion of Iraq would completely wreck the President's war on terror, which, he said, remained the number-one foreign policy priority.

The Murawiec rant had served a useful purpose, in that it exposed for all to see that the Wolfowitz-Perle faction's objectives are the total breakup of American ties to the moderate Arabs, in favor of an Anglo-American-Israeli imperial policy. This involves potential takeovers of all Persian Gulf oil fields—starting with Iraq, but rapidly extending to the Eastern Province of Saudi Arabia, and then the rest of the Persian Gulf and Caspian Basin.

The fight to unseat the Sharon-ites from the Bush Administration has gone from a behind-the-scenes bureaucratic war to a public policy debate. And some fundamental questions have been raised. Why has Richard Perle not yet been fired from his post as chairman of the Defense Policy Board? Until Perle is ousted, and his allies in the Pentagon similarly given their walking papers, the world will, justifiably, continue to view the Bush Administration with grave doubts.

As the Saudi Foreign Minister aptly observed, what will be done about the dogs that didn't bark?

# Saudi Diplomat Rejects Iraq War, Ridicules Rand Corp. Provocation

by Muriel Mirak-Weissbach

It is widely known that extensive plans are on the drawing boards of geopolitical strategists in Washington, for redrawing the map of the Persian Gulf and Middle East. Numerous scenarios for the upcoming Iraq war, replete with maps of invading armies, have been floated in the press; President Bush has recently announced that he is for “regime change” in Tehran, as well as Baghdad; and Saudi Arabia, once the staunchest Arab ally of the United States, has been labelled “the enemy” by a Rand Corp. analyst at a Pentagon briefing.

If chaos and destabilization are the name of the game, important players in the Middle East have announced that they will not play. Recent developments point in a diametrically opposite direction: Powerful regional forces, such as Saudi Arabia and Iran, as well as the Arab League, are taking all possible steps to thwart the war.

Opposition to a U.S. attack against Iraq, which has been growing in the region, reached a highpoint on Aug. 4, when Saudi Foreign Minister Prince Saud al-Faisal travelled to Tehran, and there issued a joint statement with the Iranians against any attack.

In an interview with Associated Press on Aug. 7, Prince Saud explicitly ruled out the use of Saudi territory for the planned war: “We have told them we don’t [want] them to use Saudi ground. We are against any attack on Iraq because we believe it is not needed, especially now that Iraq is moving to implement United Nations resolutions.” In following days, he reiterated this stance several times.

On Aug. 13, the Secretary General of the Arab League, Amr Moussa, stated in Morocco that *every* member of the Arab League opposed any military action against Iraq, and that the organization, representing 22 countries, was launching an initiative to arrange a formula for returning UN inspectors to Iraq, to eliminate the pretext for war.

## The Special Case of Saudi Opposition

The Tehran Saudi-Iranian meeting occurred on Aug. 4. Two days later, the *Washington Post* published a widely circulated leak, of a briefing presented to Richard Perle’s Defense Policy Board, which defined Saudi Arabia as “the enemy.” The briefing had taken place July 10, almost one month earlier. Why did the leak occur on Aug. 6? Among others, a Lebanese paper, *Al Mustaqbal*, mooted that it was a direct

response to the Saudi-Iranian joint commitment against the war, and, more broadly, to the shift in the direction of a vast regional opposition.

The Saudi response to this Pentagon briefing came in a barrage of press articles, which pointed an accusing finger, surprisingly, at “growing Christian fundamentalism” inside the United States. *Al-Watan* wrote: “Christian fundamentalism is no less dangerous to international peace and security than extremists in other religions. Rather it is more dangerous, especially if it controls the policy of the United States.” The *Saudi Gazette* stated: “The Christian fundamentalists are encouraging American militants to raise a dust of hatred about Saudi Arabia that has been maintaining an exemplary relationship with the United States.” And, with reference to the Defense Policy Board briefing per se, the *Gazette* wrote: “The Saudis value their friendship with the U.S., but they do not accept such trash.”

Prince Saud al-Faisal dismissed the briefing, given by Laurent Murawiec (who had once been a member of the LaRouche movement, but dropped out in 1990; see preceding article), as “ridiculous.” In an interview with Sam Donaldson and Cokie Roberts on ABC News on Aug. 11, Prince Saud made three decisive points, each of which destabilizes those hankering for war. First, he confirmed that Saudi Arabia had received 16 al-Qaeda suspects, who had sought refuge in Iran, been identified by the Iranian authorities, and turned over to the Saudi government in Riyadh on request. He explained that the suspects were in jail, being interrogated, and would be freed if innocent; jailed, if not. Asked what the point was, Prince Saud responded: “I’m not trying to make any point. I am just explaining the facts that exist here, that Iran cooperated with us in handling these prisoners.” Whether or not this would lead to a softening of the U.S. stance on Iran, he said, that was a matter of bilateral relations between the two. “But,” he added, “it seems to me [Iran’s] cooperation with us has been very important and very significant in fighting this terrorism.”

The second point dealt with the war against Iraq. Roberts asked: “And in talking about cooperation with Saudi Arabia, of course one of the areas that is foremost in the minds of many Americans is the question of attacking Iraq. And you have been quoted as saying that you don’t want U.S. troops



using Saudi soil to stage their attacks on Iraq. Is that the case?" And later, more bluntly, she asked, if the United States goes to war, "can this country put troops on your soil?"

To which the Saudi Foreign Minister responded, "Well, under the present circumstances, and with no proof that there is a threat imminent from Iraq, I don't think Saudi Arabia will join in . . . the war. No, I don't." The Kingdown will not allow its territory to be the launching pad for a U.S. attack.

### 'The Dog Who Didn't Bark'

The third point raised related to the infamous Defense Policy Board briefing itself. Roberts noted that although the administration had disavowed the policy enunciated by Rand's Murawiec, many people in Washington were reassessing U.S.-Saudi relations. The response of Prince Saud was unexpected: "Well," he started, "this is a report made by somebody who is considered even outlandish to Mr. LaRouche. So I don't assume that what he said will be taken seriously. The only interesting fact is that it was brought to the attention of so high a committee as the Advisory Committee for the Department of Defense. That is the only curious thing about the affair."

When Roberts pressed that many institutes and publications had accused the Saudis of supporting suicide bombers, etc., Prince Saud had recourse to a metaphor: "Isn't it curious that these facts, presumed facts, come from study groups and think-tanks, rather than from the administration? I think if there is anything that the President has shown himself adamantly against, it was these criminals who are terrorizing the international community including Saudi Arabia. How come the administration is not accusing Saudi Arabia of these things? Here it reminds me of a story of Sherlock Holmes where . . . he was constantly asking—Sherlock Holmes—'The dog didn't bark? The dog didn't bark?' And people were curious because, they said, people usually ask, 'Why is the dog barking or not barking?' Well, Mr. Laurent—I don't know what his second name is—has barked about these things. What is worrying us, is those dogs that haven't barked. And the interest in the story of Sherlock Holmes is, of course, [that] the dog didn't bark because the perpetrator of the crime was inside the house, not outside the house."

The interviewer gasped: "And does that—what does that mean? Does that mean the perpetrator of the crime is inside the White House? Inside the Saudi establishment? What does that mean?" Prince replied, "We're asking what Mr. Laurent has said—has been giving to the committee—which was the largest advisory committee to the Department of Defense. But we only heard one voice from that committee, which was Dr. Kissinger, who came out against this study. . . . *But we haven't heard from the rest.*"

Any intelligent viewer would grasp the importance of Prince Saud's conversation. He undermined the credibility of U.S. claims against Iran, while reconfirming his country's cooperation with Tehran; he again said no to the war; and he

raised the relevant question, provoked by the Defense Policy Board story: Is this the policy of that committee? Who in Washington adheres to it? Why haven't they been fired?

### The LaRouche Factor

It cannot have gone unnoticed that Saud al-Faisal, brought up Lyndon LaRouche, who had denounced Murawiec's nonsense—the Prince knew what LaRouche had said, and what his publications had printed on the matter (see *EIR*, Aug. 16). LaRouche, not coincidentally, appeared in major Saudi press organs in the days immediately thereafter. On Aug. 12, the leading, internationally distributed Saudi daily, *Asharq al-Awsat*, ran a piece by Iqbal al-Qazwini, on LaRouche's Eurasian Land-Bridge strategy; *Al-Watan*, one of the largest national dailies inside Saudi Arabia, ran "Conversations With Lyndon LaRouche on the Most Dangerous Issues of the World"; and *Al-Watan* published an *EIR* article on LaRouche's assessment of Defense Policy Board head Richard Perle's frustrations with those U.S. military layers opposing the Iraq war.

No one in Washington or anywhere else could miss the point of the extensive Saudi coverage of LaRouche, precisely at that juncture. A senior foreign policy expert in Moscow spoke to *EIR* about it on Aug. 14. The laudatory articles in the Saudi press, he said, reflect the Saudis' understanding that LaRouche is an important factional opponent, inside the United States, of the "war party" within the Bush Administration.

"This positive coverage of Mr. and Mrs. LaRouche, has a lot to do with the growing tensions between the Saudis, and powerful elements in the Bush Administration, typified by Donald Rumsfeld," he said. "The Saudis know very well what Mr. LaRouche represents. I see this as a negative message to Rumsfeld, and others who are supporting the attack on Iraq." From this standpoint, he emphasized that the Saudis view the Murawiec/Rand provocation as more a function of "ongoing fights in the National Security Council and Pentagon," than as an immediate threat to the Saudi Kingdom.

The Russian strategist emphasized that the Saudis are now in the midst of a significant series of policy moves, reconciling with both Iraq and Iran, as part of a broader process of reconciliation within the Arab and Islamic worlds. Further, "You have to understand, there is a collapse of the foreign policy of the American Administration, that is now ongoing. The price for an attack on Iraq is growing every day, and I really wonder whether Bush will dare do it. Our information in Moscow, is that if the Americans strike at Iraq, Colin Powell will resign, and this will be a severe blow to the administration. Our reading is also, that Bush will never dare to attack Iraq, without the permission of the Congress, at a time when the Democrats could well be victorious in the November mid-term elections."

The word in Washington should be: "Back to the drawing boards!"

# Major Saudi Coverage Shows LaRouche Role

by Hussein Askary

In the week following the Aug. 5 *Washington Post* exposé of secret Washington briefings in which Richard Perle's war faction targetted Saudi Arabia as an "enemy of the United States," Saudi press carried much coverage of the "other American leadership," Lyndon LaRouche.

The London-based Saudi daily *Asharq Al-Awsat*, the world's largest Arabic business daily, on Aug. 12 published a comprehensive review by Iqbal Al-Qazwini (an Iraqi citizen living in Germany) of LaRouche's Eurasian Land-Bridge as the strategy to save the world economy from the current crisis, and on Helga Zepp-LaRouche's election campaign for Chancellor in Germany as a turning point for that country's political history. That same day, one of the largest national dailies inside Saudi Arabia, *Al-Watan*, published an op-ed, "Conversations with Lyndon LaRouche on the Most Dangerous Issues of the World," by Dr. Ahmed Al-Kedidi, former Tunisian diplomat and current professor at the University of Qatar.

And *Al-Watan* for Aug. 9 had featured an article by *EIR*'s Jeffrey Steinberg which anticipated on the immediate breaking development noted by the Saudi foreign minister in a U.S. interview. Steinberg gave LaRouche's assessment of Richard Perle's outlook toward the U.S. military as a "Night of the Long Knives."

## 'What Is Special About LaRouche'

Iqbal Al-Qazwini's article, "The Eurasian Landbridge, a Silk Road for New Development," opens by saying: "Calls for a new financial system have increased in recent years, in order to face the economic and financial collapse around the world." She cites examples of the "two-decades collapse of the American real economy."

"One of the most prominent advocates of a new system is the economist and politician Lyndon LaRouche, a candidate for the 2004 Presidential elections. He believes that the solution is to finance a gigantic project of building a land-bridge connecting Asia, Africa, and Europe, as a new Silk Road. LaRouche's ideas have come under greater light recently, after the outbreak of the financial scandals and the bankruptcy wave among major U.S. corporations," she added. After reviewing features of the crisis in terms of LaRouche's Triple Curve function, she added: "From a reading of the hard reality, which augurs catastrophe, LaRouche and his *Executive Intelligence Review* came to the idea of building a system of Eurasian transport networks."

Al-Qazwini also referred to the internal political-economic paradox and the turmoil inside the United States, Britain, and Israel, the three imperial powers that want to wage a war against the world. She emphasized that the Middle East would be the pivot and a connecting point for all continents on the new development road, if correct economic policies are adopted. "What is special about LaRouche is his view of the Arab-Israeli conflict, which is diametrically different from any other views, because he denounces the fascist policies of the Israeli army against the Palestinians." Moreover, she continued, "LaRouche, in his political work inside the U.S., exposes not merely the Zionist lobby, but also those he calls the fanatic Christian Zionists. His institution also published a book on the lies around Sept. 11 and their dangerous consequences. The authors of the book try to prove that powerful elements from within the U.S. government might be involved in these events, considering these events an internal coup d'état."

The last part of the article is dedicated to Helga Zepp-LaRouche's German election campaign. "What remains to be said, is that LaRouche's ideas and those of his institution are the backbone of the political program of a German party calling itself 'Citizens Rights Movement Solidarity.' This party is preparing to participate in the coming elections. It is headed by Helga Zepp-LaRouche, the writer and political activist, and also wife of the American economist. Mrs. LaRouche and her party are unique in dealing with the situation in the Middle East with a truthfulness which German citizens have not been used to—the German citizens who have been told and reared since Germany lost the war to be cautious, and even to be afraid of saying anything critical about anything Israeli or Jewish, lest they be called anti-Semites."

Al-Qazwini concluded her article: "If this party enters the German parliament, Germany will have passed a major stage in its post-World War II history, and would have to rise to a new and active role in shaping world politics. Today, the world stands at a crossroads. Probably, these proposed economic projects could become the first material nucleus for a dialogue among civilizations, which can pave the way upon which the human society could march towards true peace. Arab and Islamic civilization, which has been acknowledged and accredited in history as a bridge between the Greek civilization and the European Renaissance, could, if it wanted to, resume its prominent position and contribute to changing its current condition and build a future of dignity for its peoples."

## 'The Most Dangerous Issues'

Dr. Ahmed Kedidi described his "Conversations with LaRouche on the Most Dangerous Issues," in the first of three articles in *Al-Watan*. "I found my friend as I had left him" in 1984, Kedidi wrote, "lively, enthusiastic and with the same alert looks, despite the 80 years of age which he will celebrate in September. I asked him about the drumbeats that have

been sounding from the U.S. to attack Iraq.” The author cited LaRouche’s answers, from the collapse of the financial-economic system, the financial oligarchy controlling the drumbeat for war, and their plans for redrawing the whole map of the Middle East; also Senators McCain and Lieberman’s role as mouthpieces for the oligarchy; and finally the intellectual ground for the Clash of Civilizations and war party as represented by Brzezinski, Kissinger, and Huntington.

Kedidi gave LaRouche’s view of the objective behind the Sept. 11 attacks as pushing the United States into a war against Islam, from Iraq to Iran, Syria, Lebanon, Saudi Arabia, and so forth. “The result of these wars, according to the war party, would be the destruction of the new bridges being built among China, India, Russia, and Pakistan, and to isolate Central Asia and reshape the Middle East.”

Kedidi cites LaRouche, “The world today urgently needs an international development based on a community of principle, the which I have been fighting for for half a century. The world today is divided between developed and rich nations with a small population, and populated poor nations . . . this is a ‘molotov cocktail’ ready to explode. . . . And, unfortunately, those hawks are trying to light the wick.”

Steinberg’s analysis for *Al Watan*, written before the “get Saudi Arabia” Pentagon briefing was exposed, was entitled, “Heads Will Roll, but Whose Heads?” It described the frustration of Defense Policy Board members over American military leaders’ opposition to their planned war on Iraq, opposition that includes the Chairman of the Joint Chiefs of Staff. “The members of the DPB threatened that ‘many heads would have to roll’ in order to ignite the war against Iraq,” Steinberg reported.

“Lyndon LaRouche,” Steinberg wrote, “announced that Richard Perle’s behavior and that of the members of the DPB reminded him of the Adolf Hitler’s circles, who targetted German military leaders for liquidation who were opposed to Hitler’s crazy war plans. General von Schleicher, who was German Chancellor before Hitler’s election in 1933, was actually assassinated by the Nazi Party due to his public opposition to the Nazi war propaganda. LaRouche asked: ‘Are Perle and his friends proposing to assassinate American military leaders?’”

Steinberg gave many examples of the growing opposition inside the U.S. military against the proposed war against Iraq, and that they prefer the continuation of the “containment policy.” He cited warnings that a war against Iraq now would create a series of grave crises in many parts of the world, especially in the Islamic and Arab states. He concluded the article, describing the nightmare of the top U.S. military leadership—Ariel Sharon. “The military leaders are convinced that Sharon is against any peace plan, and that he would find the first excuse to trigger a war in the region, in order to justify the forced transfer of 2-3 million Palestinians from the West Bank and Gaza to Jordan. Sharon would start that war the minute the U.S. starts its military operations against Iraq. The

## Yeni uluslararası terörizm



*Terörün üstü örtülen bir “annesini” ya da “dayısı” vardır: Londra. İngiliz-Hollanda merkezli uluslararası finans oligarşisi, etnik ve dini azınlıkları ulus devletleri yıpratmak için terörize eder.*

**LYNDON LAROUCHE**  
YAZISI 10. SAYFADA

*Lyndon LaRouche was widely covered not only in Saudi Arabia in early August, but elsewhere in the Mideast as well; here, Turkey’s Yarin newspaper carried several analyses by LaRouche associates in one issue.*

coincidence of the U.S. attack against Iraq, and Israel’s war against Syria, Lebanon, and the Palestinians, would convince the Arab and Muslim world that the U.S. and Israeli are conspiring against Islam.”

Steinberg’s conclusion went to the heart of the U.S. leadership fight, in which LaRouche is centrally engaged, and which vitally concerns *Al Watan*’s readers: “Richard Perle and his cohorts at the Defense Policy Board were right when they said that ‘heads will have to roll.’ Far better that it is their heads that roll, and that President Bush stands up to the pressures of these lunatics.”

# New Rabin Option For Israel, or Another War?

by Dean Andromidas

Haifa mayor Amram Mitzna's newly-announced challenge for the leadership of Israel's Labor Party represents a desperate attempt to bring together a pro-peace opposition to head off Israel Prime Minister Ariel Sharon's new Middle East war. At a press conference in Tel Aviv on Aug. 13, Mitzna declared that Sharon "is leading us to a disaster. Nothing he is doing on security and economic issues is getting us anywhere. That's why so many citizens have lost all hope. . . . There is no time to lose. We must, without delay or preconditions, start talks with the Palestinians, so that the two sides can return to the path of peace."

Mitzna, a retired general of the Israeli Defense Forces (IDF)—as was Labor Party Prime Minister Yitzhak Rabin, killed in 1995—is committed to a two-state solution to the Israeli-Palestinian conflict, which would include turning over all of the Gaza Strip and 95% of the West Bank to the Palestinians, and even uprooting some of the Jewish settlements, if necessary. He calls it impossible that the Israel invests "20 times" more in the settlements than in other development towns.

The former soldier supports unilateral withdrawal: "If there is no partner, then we will have to take unilateral steps for security separation. A unilateral move is obviously less good than a peace agreement, but it would bring us security separation and a security border. The world will then have to advance Palestinian society, and a new diplomatic horizon and peace agreement will be the eventual result." This relative sanity is Mitzna's alternative to "force, more force, and more force" in the conflict with the Palestinians. But he promised not to let up in the battle against terror. "We will continue to strike at terror and to use every means to destroy it."

By changing Israel's security situation from Sharon's disastrous war-making, Mitzna wants to "bring back foreign investors, tourists, and to get the wheels of the Israeli economy turning again. . . . As someone who cares deeply about the country's future, I decided I could no longer wait on the side while it falls through our hands. The security situation is getting worse every day. Every day, more people are losing their jobs, there are more people with less food in their refrigerators, and more people have nothing to look forward to."

## Sharon Government's War-Fever Campaign

Although elections are not scheduled until November 2003, that date could be moved up to next January, as Sharon's



*New Labor Party  
leadership candidate  
Amram Mitzna.*

government could collapse if the Knesset (parliament) votes down the 2003 budget in October. On Nov. 19, the Labor Party will hold its primaries to determine its leadership and Prime Minister candidate. Mitzna is being seen as a welcome alternative to current Party Chairman and Israeli Defense Minister, Benjamin Ben-Eliezer, who shares Sharon's waistline and his hard-line policies. New polls show that Mitzna could get 52% of the Labor Party primary votes.

On Aug. 13, when Mitzna announced his candidacy, Sharon and his generals launched a propaganda campaign aimed at preparing the Israeli population for military—including nuclear—strikes against Iraq. The government initiated a debate, with banner headlines in the Israel press, on the need for mass smallpox inoculation of the entire population, in case Iraq fires biological weapons of mass destruction. The Defense Ministry has announced the mass distribution of Lugol's Iodine tablets for protection against radiation poisoning, in case of a "dirty nuclear bomb" attack. Wild allegations are being made that Iraq could be financing "mega-terror" attacks to come, by Palestinian organizations.

Israeli commentator Meron Benvenisti, in *Ha'aretz* on Aug. 15, exposed Sharon's real intentions. "Fanning anxiety with reports of 'Home Front readiness' are not about 'defensive' measures. They are about declarations by the Sharon government that 'this time Israel will certainly respond to any Iraqi attack.' The worse the hysterical fear of an NBC attack . . . the more pressure will rise to 'stick it' to Saddam Hussein, whether it is necessary or not. . . . The warnings about the destructive ramifications of an attack on Iraq for the entire Middle East are not deterring Israel—they are encouraging it. . . . An American assault on Iraq and an Israeli involvement, even if only symbolic, leads to the collapse of the Hashemite regime in Jordan. Israel executes the old 'Jordanian option'—expelling hundreds of thousands of Palestinians across the Jordan River." Benvenisti concluded that America should be "warned that an assault on Iraq could unleash ethnic cleansing of the Palestinians. Nobody should be allowed to say they weren't warned."

## Growing Support for New Alternative

Support for Mitzna has come from key Labor leaders, including Tel Aviv mayor Ron Huldai; Culture and Science Minister Matan Vilnai, also a retired General; Yossi Katz, an important Labor party Knesset member from Haifa; and northern Israel party boss Yisrael Savyon. Even Yossi Beilin, the architect of the Oslo accords, said that Haim Ramon, the other party candidate, would most likely pull out of the race and support Mitzna. One of Labor's founding fathers, 96-year-old Yitzhak Ben Aharon, declared his support: "If we are able to present a clear candidate who speaks from the heart and who people can believe can be counted on, it will only strengthen the country." Ben Aharon, who had been a minister in David Ben-Gurion's 1960s government, had announced his resignation from the party, declaring that it had lost its way by joining Sharon's government. He pronounced Ben-Eliezer and Ramon "not the people who are able to turn over a new leaf with regard to Israeli society and our relations with the outside world."

One senior Israeli peace camp leader told *EIR* that it is too early to be over-optimistic, since it is not clear that Mitzna could beat Sharon or the other Likud front-runner, Benjamin "Bibi" Netanyahu. But he added, "Even if he doesn't win, a real opposition is finally forming. . . . Everyone is talking about Mitzna, and the right wing is totally freaked out." Those backing Mitzna not only want to start talks with the Palestinians, but are very nervous about an Iraq war. This nervousness is being felt in the military-security establishment.

A senior military source who knows Mitzna told *EIR* of "The Mitzna Affair" of 1982 during the Lebanon War. At a meeting of senior Israeli military officers convened by then-Defense Minister Ariel Sharon at Paratrooper House, Amram Mitzna stood up and called upon Sharon to resign because of his handling of the war. "You have to be pretty courageous to do something like that," the source said. Mitzna resigned from the IDF in 1982, over Sharon's speech denouncing the formation of a commission of inquiry into the Sabra and Shatila massacre in Lebanon. But Mitzna's resignation was not accepted by the Chief of Staff, despite Sharon's demand that he be cashiered; instead, Sharon was thrown out of the government and declared unfit to ever be Defense Minister again. Sharon has not forgotten "The Mitzna affair," nor has he forgiven Mitzna.

## The 'Intifada General'

Although Mitzna was close to slain Prime Minister Yitzhak Rabin, he is not well liked by former Prime Minister Ehud Barak. In February 2001, a few days before Barak resigned as Prime Minister, Mitzna wrote an open letter demanding that Barak leave office. This followed Barak's fiasco at Camp David, and his attempt to invite Sharon into a national unity government.

Mitzna was called the "Intifada general," because he commanded Israeli troops in the West Bank in 1987, during the

first Intifada. Criticized at the time by the right as too soft, and by the left as too hard-line, Mitzna resigned as commander in 1989 after a search-and-arrest mission led to the death of four Palestinians and the wounding of 12 others.

Israel needs a leader who can not only pull together left and right, but who can also bridge the gap between secular and ultra-Orthodox. He must also address the desperate needs of Israel's Arab community, caught between a rock and a hard place since the beginning of the Intifada. Having been Mayor of Haifa, Israel's third-largest city, for almost ten years, Mitzna may well be prepared for this task. Haifa is unique, in that it is an important port and industrial center and a Labor party stronghold, and represents a cross-section of Israeli society, with secular and Orthodox Jews and a large Arab population. As mayor, Mitzna has forged a coalition that includes the Labor party, the religious parties, and Hadash, the pro-communist and overwhelmingly Arab political movement. He even has support from city councilmen from the Likud.

But winning Labor Party leadership will be easier than beating Sharon or Netanyahu. While Sharon is responsible for the horrendous security situation—with now over 600 Israelis having been killed, mostly civilians—the polls say that Sharon's Likud party is expected to beat Labor by a considerable margin. Nonetheless, if Mitzna replaces Ben-Eliezer as head of the party, "They will have a choice," says one leader. This source pointed that Mitzna's connection between the need for peace, and reviving the collapsing Israeli economy, is crucial, including regional economic projects.

In the coming weeks, Mitzna's candidacy will be intersecting a social explosion caused by the impoverishment of broad sections of the population, which Sharon's war and killer budget will make even worse. In September, during the month of all the important Jewish holidays, the media will be filled with stories of how thousands of Israelis will not be able to buy all the special food for the celebrations. Thus, when the Knesset reconvenes in October to debate the killer budget, says this source, "there'll be a social explosion; it will be just too much for people to bear."

A senior member of the peace camp cautioned that Sharon, with the backing of the war party in Washington, may launch his war before Israel goes to elections. And if war is forestalled, can Mitzna succeed, where Rabin lost his life, challenging the right wing, the settlement enterprise, and the fascist ideology it is premised on? His chances of success here depends a great deal on what happens in Washington.

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# Sharon's 'Squadristi' Launch Anti-Arab Pogrom

by Dean Andromidas

Radical Israeli settlers, the fascist *squadristi* of Israeli Prime Minister Ariel Sharon, have begun to launch anti-Palestinian pogroms. On July 28 in the West Bank city of Hebron, Jewish settlers ran riot throughout the city, which was under strict curfew, firing Army-issued M-14 assault rifles, breaking into Palestinians' homes, destroying cars, and looting shops. A 14-year-old Palestinian girl was shot dead and her brother wounded when the settlers fired indiscriminately into Palestinian homes. Even Israeli soldiers and police were brutally assaulted when they tried to bring the riot under control.

The rampage occurred during the funeral march for a soldier, Elazar Liebowitz, who had been killed in a Palestinian attack two days before. Liebowitz had been a resident in one of the Jewish enclaves in Hebron, one of the West Bank's largest cities. These enclaves, along with the settlement of Kiryat Arba just outside the city, are the center of the most radical fascist settlers. It is from here that Dr. Baruch Goldstein, in 1994, killed at least 26 Palestinians at a mosque, and these were the same settlers who helped incite Yigal Amir to assassinate Prime Minister Yitzhak Rabin.

## 'No Provocation From the Palestinians'

An eyewitness report by Col. (res.) Moshe Givati, an adviser to Public Security Minister Uzi Landau, in the daily *Ha'aretz*, was hair-raising. He called the riot "a pogrom against the Arabs of Hebron, with no provocation on the Palestinian side." He had attended the funeral in his capacity as liaison between the settlers and the Ministry of Public Security.

Givati said that violence began when a group of Jewish youths invaded a Palestinian house in the city and burned and vandalized its possessions. Police and border patrol arrested three youths, including two of the dead soldier's brothers.

Givati said that "there were 20 or 30 people, who were mostly not from Hebron," and that he suspected the thugs were from outposts in the area of Itamar and Yitzhar. "For some reason they were all carrying Army-issue weapons, and they charged into the Palestinian houses. That's when the fracas began. I saw everything from very close range. There were long bursts of fire by the Israelis—into the air and at the houses. . . . Dozens of thugs, including youths from Hebron, burst into Arab houses for no reason. They broke windows,

destroyed property, and threw stones. These people were there for the purpose of making a pogrom. . . . Police officers were beaten." In Givati's view, the police and Army "were too restrained. Considering the events, much more force should have been used. We cannot allow such harm to the rule of law. It's inconceivable that soldiers and police be cursed that way."

Colonel Givati's rage against these settlers is not unique; the vast majority of Israelis see these particular settlers as the murderers of Prime Minister Rabin. Givati was dismissed as commander of the Hebron Brigade at the end of the 1980s, because he was using helicopters to hunt down Palestinians, in the same way that poachers hunt down wild animals in Africa. But for Givati and others on the right, the "rule of law" reserves such operations for the military and the state. If Sharon's *squadristi* are allowed to run rampant, then the whole facade of the "legality" of official Israeli actions would collapse.

This does not say that these thugs are not supported by official circles. On the contrary, the Israeli Defense Forces (IDF) high command, which was in charge of securing the funeral march in conjunction with the settlers, seems to have played an ambiguous role.

"The Israeli forces in the field are prepared to defend the Jewish settlement area from attacks by the Palestinians, but they find it difficult to defend those that the Jews themselves attack," a senior commander in Hebron was quoted saying. Not one settler has been charged in this riot, even though Israeli police officers and soldiers had been brutally beaten.

## U.S. Official's Step-Son Beaten

Another reason for Givati's outrage could be because of the diplomatic fallout caused by this anti-Arab pogrom, especially given that one of the victims was Benjamin Lowry, the step-son of U.S. Undersecretary of Defense Dov Zakheim. Lowry was a photographer who was in Hebron at the time, working on a project on life in mixed cities. According to a report in the Aug. 1 *Ha'aretz*, "Lowry was on the edges of the funeral procession when two kippa-wearing thugs walked up to him and forbade him to photograph. Lowry didn't manage to get a word out when a fist landed in his face and one of his valuable cameras was ripped from his neck and smashed to pieces. An [Israeli] policeman who tried to get him into one of the alleyways, out of trouble, ran for his own life when a dozen settlers joined in on the rumble against the photographer. Lowry was knocked to the ground, kicked in the ribs and head. Someone grabbed the camera straps around his neck and began strangling him." He was eventually rescued when soldiers arrived.

It is not clear whether Zakheim will tell his colleagues at the Pentagon, such as Deputy Defense Secretary Paul Wolfowitz, a promoter of a Clash of Civilizations, "a thing or two about a kind of terror that the conservatives in the building probably know nothing about," as *Ha'aretz* put it.



*From the “lunatic fringe” which murdered Prime Minister Yitzhak Rabin in 1995—the crime against the Israeli nation for which the responsible forces have never been investigated or punished—fascist crimes are now being committed which appall even IDF generals, and threaten the breakdown of society.*

## The Sharon Connection

These fanatics are often referred to as the “lunatic fringe,” and even the broader settlers movement often distances itself from them. But this is a dangerous assumption. This was underscored by Yoel Marcus, in *Ha’aretz* on Aug. 2 in a commentary entitled “A Green Light for the Next Murder.” “These people,” he wrote, “the likes of whom we also saw this week in Hebron, running wild and coming to blows with Israeli policemen, go from funeral to funeral spreading fear and panic, and most of all hatred. They are referred to as the ‘lunatic fringe,’ but in practice, they set the tone. They terrorize the state and their impact on the national atmosphere threatens Israel’s democratic character.”

Reminding his readers of the assassination of Prime Minister Rabin, Marcus wrote, “The atmosphere of today is even more poisoned than it was in the last month of Rabin’s life. The poster of Rabin in an SS uniform held aloft at Zion Square; the non-stop personal incitements of Prof. Hillel Weiss of the Professors for a Strong Israel who explored the possibility of prosecuting Rabin as a traitor—in the end, all produced a murderer.” Marcus concluded that it is intolerable that “this minority should infect an entire nation with its messianic disease, and use freedom of expression and the weakness of the law enforcement system to give a green light for the next murder.”

Sharon’s squadristi are ideologically controlled by a network of extremist fascist rabbis such as Moshe Levinger, founder of the radical settlers movement Gush Emunim. Levinger is the founder and resident rabbi at the Hebron settlements. His son was arrested in April for participating in an

attempt to bomb a Palestinian girls school (see “Jewish Terror Plot in East Jerusalem,” *EIR*, May 31, 2002). Levinger worked closely with Sharon for over three decades, building settlements inside the occupied territories.

Sharon controls this grouping through his man on the scene, Ze’ev Hever, whom he refers to as “my friend, Zambish.” In December 2001, Sharon presented Hever with the “Menachem Begin Award.” They meet several times a week to discuss the Jewish settlements, a practice they have kept for over 15 years.

In 1982, Hever was sent to prison as a member of the infamous Jewish Underground terrorist organization, which targeted Palestinian political figures for assassination. One of its members, an Air Force pilot, was arrested in the 1980s for planning to destroy the al-Haram, al-Sharif/Temple Mount by flying a plane full of explosives into one of Islam’s most holy sites, the al-Aqsa Mosque, atop al-Haram

al-Sharif. Hever spent 11 months in prison for attempted murder, after he and his accomplices tried to plant a bomb under the car of a member of the Palestinian National Guidance Committee. He lives in the Kiryat Arba settlement, outside of Hebron, which was home to mass-murderer Baruch Goldstein. This settlement is the headquarters of the so-called lunatic fringe.

Hever is a religious Zionist and close to Rabbi Levinger. While the latter is of the first generation of Israeli fascists, Hever, 48 years old, is of the second, and is now responsible for the rising third generation, which conducted the pogrom in Hebron. He is the secretary general of Amana, the settlement arm of Gush Emunim, and is responsible for all the illegal settlement activity. According to media reports, nothing happens in the settlements unless Hever approves. This includes all the so-called outposts, which are manned by the lunatic fringe. Forty-four of these outposts have been created since Sharon came to power.

Danny Yatom, former head of the Mossad, told *Ha’aretz*, “If you don’t pay attention, he builds new roads without authorization of the head of Central Command, and if he doesn’t get authorization, he tries to create facts on the ground.”

Although Hever is said to stay in the shadows, he is the most powerful leader on the Yesha Council of settlements. Uri Elizut, the editor of *Nekuda*, the journal of the Yesha Council, told *Ha’aretz* on July 12, “When he speaks, everyone listens quietly.”

## Selling to the Enemy

Only a few weeks before the pogrom, Israeli authorities

arrested a network of soldiers who sold over 50,000 rounds of ammunition to Palestinian militants. The soldiers were from the settlements of Adura and Telem, also outside of Hebron. These settlements were initiated by Sharon in 1982, who deployed members of Betar, a right-wing organization linked to the Sharon's Likud party, to occupy them. The Adura settlement was the site of a Palestinian attack earlier this year, which left three settlers dead and several wounded.

Some of the arrested soldiers were indicted for driving Palestinian vehicles through Israeli checkpoints for \$20 a vehicle. Did those vehicles contain explosives or suicide bombers?

Those arrested were all reservists or on active duty, including one major, and were from elite units, including the paratroopers. One was a member of the Border Patrol. Their arrest reportedly sent shock waves throughout the settlements, as it is possible that Israelis who have been killed or wounded could have been hit with ammunition supplied by members of the same settlements.

One obvious implication of this case is that Israeli extremists, starting with Sharon, are encouraging Palestinian violence for their own political purposes. Sharon provokes Hamas to undertake terror attacks, and when he came to power, he told the settlers, "Israel will do things that we will never admit to" in order to crush the Palestinians.

It has not been learned whether those arrested are linked

to Sharon's squadristi; the details of the cases are still under wraps. Nonetheless, the case reflects the intense corruption and criminality that is spreading throughout Israeli society as a result of Sharon's war of attrition. One Israeli intelligence source pointed to the degeneration of Israeli society because of the war and impoverishment. "Under these conditions, where we have one of the most corrupt governments ever, people will begin doing things like this. Look, if you're unemployed, \$20 for driving a car through a checkpoint is a lot of money."

This is reflected in the two settlements themselves. Both are inhabited by who support Sharon's hard-line policies. Some were still suffering from the wounds of previous Palestinian attacks. Yet these two settlements, like many others, are on the verge of collapse, not because of the security situation, but because economically they are failures. Most of the residents have left, and are seeking work within Israel proper. Those who remain, have jobs that are related to maintaining the settlements, such as municipal and medical workers, and are subsidized by the government. Most of the young people, who see no future in "settling the land" of Greater Israel, have also left.

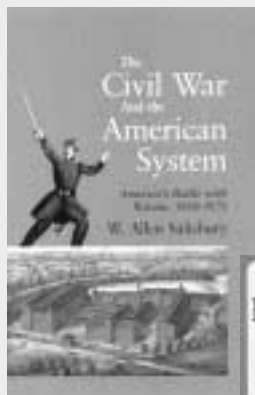
Unless Sharon is stopped, the situation can only get worse. In the shadow of an American attack on Iraq, Sharon will deploy his army and squadristi to force all the Palestinians out of the West Bank.

# KNOW YOUR HISTORY!

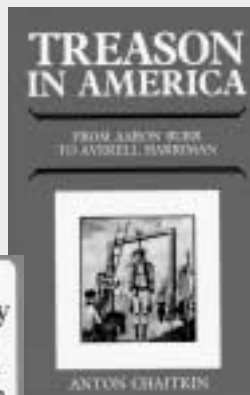
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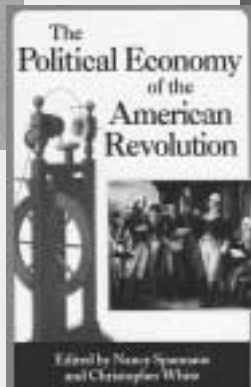
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# U.S. Report Finds Human Disaster in Palestine

by Mary Jane Freeman and Dean Andromidas

A “humanitarian emergency” exists in the West Bank and Gaza Strip, is the conclusion of the Aug. 5 U.S. Agency for International Development (USAID) report, which contains the “preliminary findings” of a survey of more than 2,000 Palestinian households. But the survey—whose purpose was to uncover the extent of food shortages and humanitarian needs “since the onset of the second Intifada in the West Bank and Gaza Strip (WBGs) began in September 2000”—actually shows that a policy of deliberate genocide has been imposed on the citizens in the occupied territories by the Israeli government of Ariel Sharon. Israel’s war against Palestine has brought an already fragile economy to a halt, resulting in conditions of slow death.

In the broadest terms, the initial data document that nearly 55% of Palestinian children, ages 6 months to 5 years, suffer from either acute or chronic malnutrition, varying in degree from severe to moderate to mild, while almost 20% of children and 11% of childbearing-age women have severe or moderate anemia throughout the region. The direct correlation of these conditions to the Israeli war drive is explicit in the report. The “WBGs, and especially the Gaza Strip, face a distinct *humanitarian emergency* in regards to acute, moderate, and severe malnutrition,” which is exacerbated by Israeli military “curfews, incursions, border closures, and checkpoints” which disrupt supplies of food.

In *EIR*’s July 19, 2002 exposé, “Sharon’s Collective Punishment: A War Crime,” we documented that between June 19 and 24, at the height of Israeli incursions, curfews, and sieges of just seven of the most populated towns and cities of the region, more than 1.4 million Palestinians were confined. Supplies of essential services were cut off, and access to potable water and medical aid was halted. Also in June, the UN World Food Program reported that because of a collapsed economy resulting from Israeli security operations, food aid was needed for 800,000 Palestinians in the West Bank, Hebron, Jenin, and Nablus alone. World Bank estimates are that 50-60% of Palestinians now live in poverty; i.e., on income of less than \$2 a day.

The USAID data now add to an indictment of Prime Minister Sharon for his willful infliction of “conditions of life calculated to bring about [the] physical demise in whole or in part” of a target group, expressly prohibited by the 1951 Convention on the Prevention and Punishment of the Crime

of Genocide.”

Israeli government reaction to the report was swift. The Israeli daily *Ha’aretz* reported on Aug. 7 that Israeli Maj. Gen. Amos Gilad, Israel’s coordinator of activities in the occupied territories, protested that there is no hunger there. Demonstrating that he is a candidate for a war crimes tribunal, Gilad told the Israeli Knesset Foreign Affairs and Defense Committee, “I say there is no hunger in the territories. Hunger is when there is a lack of basic commodities. Hunger is when people have swollen bellies and fall over dead. There is no hunger now.” Gilad’s adviser, Dr. Yaakov Eldar, attempted to discredit the report by asserting that Palestinians were involved in the surveys, and therefore the report has a bias.

The USAID report, “Preliminary Findings of the Nutritional Assessment and Sentinel Surveillance System for West Bank and Gaza,” is the initial compilation of data collected beginning in June 2002. The USAID’s West Bank/Gaza Mission, in coordination with Johns Hopkins University School of Public Health, CARE International’s Emergency Medical Assistance Program, and Al Quds University in Jerusalem, have used their collective expertise in the fields of public health and humanitarian aid to devise a “three-component nutritional assessment” comprised of household, market, and clinic surveys. It is designed to “assess the causes of malnutrition and anemia” so as to pinpoint areas of strategic intervention to alleviate the distress. To complement this, due to “the curfews, road closures,” and movement “restrictions placed on . . . the Palestinian population,” a “sentinel surveillance system” was initiated to “measure humanitarian health indicators including food security.” The current report does not yet include data from the clinical survey, which will be completed at the end of August, nor final data from the household and market surveys, which will continue into early September. A final report is expected in September.

## Acute and Chronic Malnutrition

The reader is reminded that the root cause of this unfolding disaster of hunger is the denial of economic development, a condition imposed by Israel’s continuous occupation of the Palestinian territories, and now exacerbated by the brutal war conditions. Taking the current results of 1,000 households surveyed throughout the West Bank/Gaza Strip, evaluating the “most vulnerable groups”—i.e., women and children—and utilizing a “three-stage stratified random sampling” along with internationally accepted medical standards, the USAID report shows that cumulatively 54.5% of Palestinian children from 6 months to 5 years of age suffer from either acute or chronic malnutrition, which includes severe, moderate, and mild cases of malnutrition. “Acute malnutrition or wasting reflects inadequate nutrition in the short term period immediately preceding the survey.” Whereas “chronic malnutrition or stunting,” indicates a “past growth failure, implying a state of longer term . . . undernutrition.” The chronic form can lead to serious growth and development delays.

**Table 1** shows that for children 6 months to 5 years old, for

TABLE 1

### Children 6 Months to 5 Years With Acute or Chronic Malnutrition

(Percent)

	West Bank	Gaza Strip	WBGs*
Acute cases, mild to severe	16.1	27	22.3
Chronic cases, mild to severe	25.9	37.3	32.3

\*West Bank and Gaza Strip combined

Source: *EIR* analysis of USAID Aug. 5, 2002 report, "Preliminary Findings of the Nutritional Assessment and Sentinel Surveillance System for West Bank and Gaza."

severe, moderate, and mild cases, across the WBGs region, cumulatively 22.3% suffer from acute malnutrition and 32.3% from the chronic form. Of the 22.3% acute cases in WBGs, 9.3% are moderate to severe cases, which "is considered an emergency by most humanitarians and public health officials," the USAID report notes. In just the Gaza Strip the moderate to severe cases are well above this emergency norm, standing at 13.2%.

A breakout by each area of the cumulative incidents is a grim picture. Within the Gaza Strip alone the rate of incidents of the acute form is 27% for all types, or 3.8% severe, 9.4% moderate, and 13.8% mild. In the West Bank, acute cases total 16.1%, or 0.2% severe, 4.1% moderate, and 11.8% mild. But it is the longer term chronic malnutrition statistics which reveal the impact of Israel's new Israeli Defense Forces chief Moshe Ya'alon's "war of attrition" strategy.

Chronic cases account for nearly one-third of the children surveyed in the WBGs. If we look at the rate of incidence in each area, we see the makings of a holocaust. Chronic or stunting cases in the Gaza Strip totaled 37.3% of the children surveyed, with 7.9% severe, 9.6% moderate, and 19.8% mild. In the West Bank, total cases constituted 25.9%, with 2.9% severe, 5% moderate, and 18% mild.

Another metric used in the survey was the incidence of anemia found in children and women in the WBGs. Anemia is a by-product of malnutrition which can cause impaired learning and growth (in children), low birth weight and/or premature infants, fatigue and diminished physical and mental activity (in adults), and decreased immunity from infectious diseases (all ages). The report found, to date, "Nearly one-fifth of Palestinian children (6 months to 5 years) are moderately and/or severely anemic" across the whole WBGs. Specifically, cumulatively 19.7% suffer from severe or moderate anemia. If one adds to this the number of "mild" cases of anemia in these children, then cumulatively an incredible 43.8% of WBGs children suffer from anemia (see **Table 2**). Anemia was also measured in women ages 15 to 49 years. In the WBGs cumulatively, 10.9% of women suffer from severe to moderate anemia. Add this to the number of "mild" cases, and the percentage shoots up to 48.6% (see **Table 3**).

TABLE 2

### Children 6 Months to 5 Years With Anemia

(Percent)

	West Bank	Gaza Strip	WBGs*
Severe	0.5	0.2	0.3
Moderate	20.4	18.7	19.4
Mild	22.8	25.2	24.1
<b>Total</b>	<b>43.7</b>	<b>44.1</b>	<b>43.8</b>

\*West Bank and Gaza Strip combined

Source: *EIR* analysis of USAID Aug. 5, 2002 report.

TABLE 3

### Women 15 to 49 years With Anemia

(Percent)

	West Bank	Gaza Strip	WBGs*
Severe	0.1	0.4	0.3
Moderate	9.4	11.6	10.6
Mild	34.3	40.8	37.7
<b>Total</b>	<b>43.8</b>	<b>52.8</b>	<b>48.6</b>

\*West Bank and Gaza Strip combined

Source: *EIR* analysis of USAID Aug. 5, 2002 report.

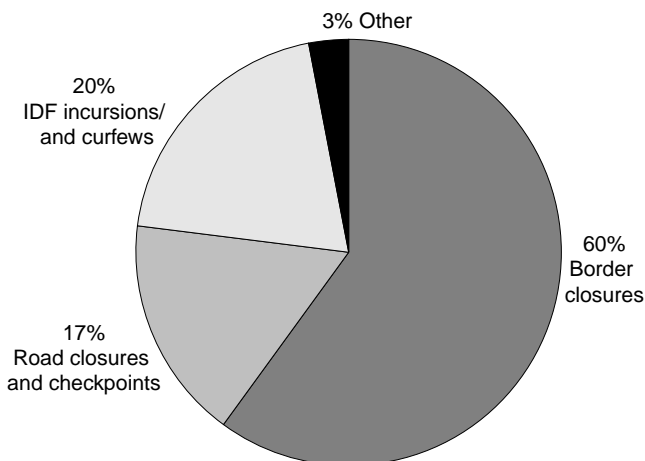
## IDF Operations Disrupt Food Supplies

The purpose of the nutritional assessment "market survey" is to "evaluate whether staple foods of the Palestinian diet were available in the marketplace"—comparing month-over-month supplies—and to "identify significant causes" of disruptions of food stuffs to retail and wholesale businesses. The U.S. researchers found that the availability of foodstuffs was insufficient. Dairy products, particularly powdered milk and products for infants, were lacking in half the food shops, with a severe shortage in the Gaza Strip. A total of 800 retailers and wholesalers across the WBGs were surveyed, in a two-stage stratified random sample including urban, large village, refugee camp, and small village establishments.

The survey found that during June 2002—at the height of the Jenin and Ramallah sieges—"significant marketplace disruptions for wholesalers and retailers" resulted from Israeli military actions. For example, 52% of West Bank wholesale disruptions were due to road closures and checkpoints, and 34% due to Israeli incursions and curfews. In Gaza, the numbers were bigger: 63% of wholesale disruptions were a result of border closures, 18% due to road closures and checkpoints, and 15% from IDF incursions. Gaza Strip retail outlets reported similar figures, although they suffered a higher rate of food supply disruptions due to IDF incursions and curfews (20%) than in the West Bank (see **Figure 1**).

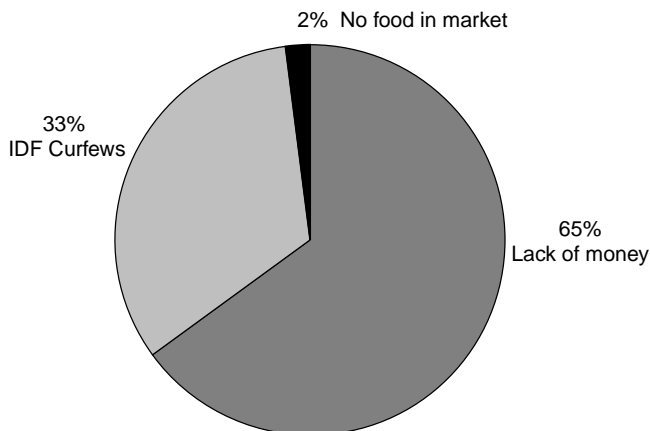
From the "sentinel surveillance system" data collected

FIGURE 1  
**Gaza Strip Retail Outlets,  
 Causes of Disruptions in Food Supply**



Source: USAID Aug. 5, 2002 report, "Preliminary Findings of the Nutritional Assessment and Sentinel Surveillance System for West Bank and Gaza."

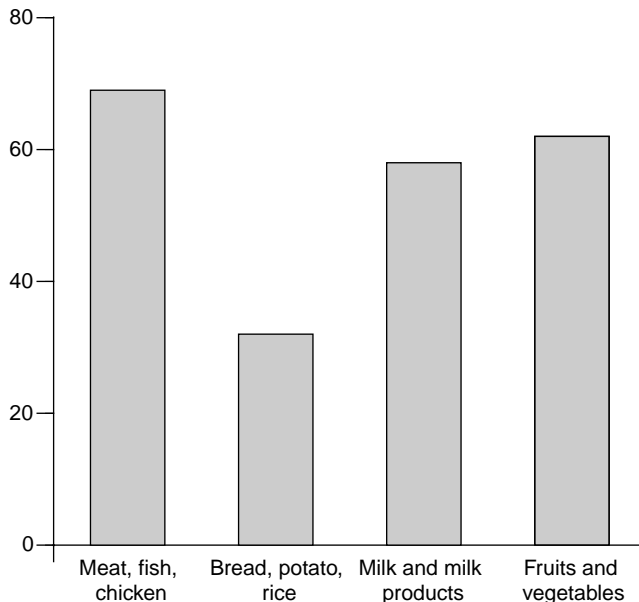
FIGURE 2  
**West Bank/Gaza Strip,  
 Reasons for Decreased Food Intake**



Source: USAID Aug. 5, 2002 report.

from 1,280 households, a clear picture of reduced food consumption emerged. "Throughout all districts of WBGs 56.6% reported that the amount of food eaten by household members had decreased for more than one day during the previous two weeks" surveyed. Of the households reporting this, "two-thirds cited lack of money and one-third cited curfews/closures as the reasons" (see **Figure 2**). In the eight-week period

FIGURE 3  
**West Bank/Gaza Strip,  
 Percent of Homes Denied a Healthy Diet**



Source: USAID Aug. 5, 2002 report.

for this data, food prices did not change. Yet, 53% of households were forced to borrow money to get food, while 17% were forced to sell assets to buy food! These rates were higher in various towns, ranging from 88.8% to 70% for borrowing, and 41% to 32% forced to sell belongings.

Lastly, the study confirms that the "inability to purchase high-protein foods is consistent with the diminished protein consumption" data of the household and market surveys detailed above. A high-protein diet is essential to correct anemia and malnutrition. Yet, **Figure 3** shows that 69% of households surveyed bought less meat, fish, and chicken, while 58% purchased less milk and milk products, 62% had less fruit and vegetables, and *almost a third (32.3%) couldn't even buy bread, rice, and potatoes*. The wartime causes of food supply disruptions described above "affected key high-protein food" consumption, especially "infant formula and powdered milk," the report concludes.

The situation could be reversed if immediate action were taken. USAID notes, "Today's acute malnutrition . . . will be tomorrow's chronic malnutrition . . . unless a variety of interventions—economic, political, and health-related—are made. The Sharon government's intentional "starvation of civilians as a method of warfare" and willful "impeding of relief supplies," all in violation of the Geneva Conventions, must cease, and full-scale economic development projects must be launched, to halt this holocaust.

## John McCain: Are His Backers Out of Prison?

by Jeffrey Steinberg, Richard Freeman, and Anton Chaitkin

On Oct. 15, 1982, President Ronald Reagan signed into law the Depository Institutions Deregulation and Monetary Control Act, otherwise known as “Garn-St Germain,” after the principal Congressional sponsors. As a direct result of this disastrous deregulation legislation, within the span of a decade, a small, tightly organized network of financial pirates—many with close ties to the Meyer Lansky National Crime Syndicate—would pull off the biggest heist in American history. By the early 1990s, the U.S. savings and loan industry (S&Ls)—once the backbone of the home mortgage industry and the preferred safe depository of household savings—was wiped out. Many of America’s oldest industrial corporations were looted and left for dead, through hostile takeovers, engineered by junk bond financing. To untangle the S&L carnage, the Federal government created the Reconstruction Trust Corporation (RTC) and eventually shelled out \$200-250 billion in taxpayers’ money, to avert an even deeper collapse of the U.S. real estate and banking sectors.

A handful of the crooks—including Ivan Boesky, Michael Milken, and Charles Keating—were imprisoned for their roles in the looting scheme. Briefly, a few members of Congress were spotlighted and slapped on the wrists for their own profiteering and coverup efforts. But the full extent of this criminal looting of America was barely known, and today is largely forgotten. The biggest political beneficiary of the public’s amnesia is John McCain. With the exception of Sen. Joseph Lieberman’s (D-Conn.) own ties to hedge fund bandit Michael Steinhardt, no American politician is as beholden to organized crime as the senior Senator from Arizona and would-be 2004 “Bull Moose” spoiler candidate for the Presidency.

### ‘The Keating One,’ and Carl Lindner

From 1981—the year before John McCain ran for U.S. Congress—until the early 1990s, the former Navy pilot was

totally beholden to junk bond swindler Charles Keating for his political fortunes. When the S&L scandal exploded and Federal prosecutors were breathing down Keating’s neck, it was McCain who tried to bully Federal regulators into backing off. While the affair became known as the “Keating Five” scandal, none of the other members of the Senate and House implicated in the ethics violations, were as closely tied to Keating as John McCain.

And Charles Keating was no “loan assassin.” He was but one player in a larger organized crime apparatus that ran the \$200 billion-plus rip-off, in what may have been the biggest actual RICO (racketeering) scheme ever.

Between 1959 and the late 1980s, Charles Keating was the business partner of Carl Lindner, the Cincinnati, Ohio-based financier who would be one of the central figures in the \$200 billion S&L rip-off. In 1959, Lindner and Keating co-founded American Financial Corporation (AFC). Keating served as the mortgage and insurance company’s general counsel, and later as vice president.

Between 1974 and 1976, Lindner and Keating engineered a series of stock purchases and mergers with some of the leading figures in the Lansky crime syndicate—who had followed the Bronfman family recipe, and gone from “rags, to rackets, to riches, to respectability.”

In 1975, Lindner’s AFC allied with Detroit financier Max Fisher, formerly of the murderous Purple Gang; Detroit real estate developer Alfred Taubman (a Fisher associate); and Paul and Seymour Milstein, to grab a 50% controlling interest in the United Fruit Company. Drug Enforcement Administration officials had confirmed to the authors of *EIR*’s bestselling book *Dope, Inc.: Britain’s Opium War Against America*, that United Fruit was a major force in the Latin American cocaine trade—a business that skyrocketed following the Lindner-Fisher, et al. takeover.

The Lindner group’s takeover of United Fruit was only



*Lincoln Savings megaswindler of the 1980s, Charles Keating (left) and junk-bond king Michael Milken (right). "Until the early 1990s, the former Navy pilot [McCain] was totally beholden to junk-bond swindler Charles Keating for his political fortunes."*

made possible by the mysterious death of the company's chairman and largest stockholder, Eli Black, on Feb. 3, 1975. Black fell to his death from the 44th floor of the Pan Am Building in New York City, in what was officially declared a suicide.

At the same time that Lindner, Fisher et. al. were grabbing United Fruit, Lindner's AFC simultaneously allied with a group of other Lansky-linked entities to establish a formidable pool of interlocking companies that would collectively form the core of the junk-bond raiders. By 1977, **Lindner owned:**

- 40% of Saul Steinberg's **Reliance Insurance Company**. Steinberg had gotten his start as a business partner of Britain's Lord Jacob Rothschild and later had extensive dealings with Kenneth Bialkin, the longtime Chairman of the Anti-Defamation League (ADL) and a top New York City lawyer representing many junk bond pirates and corporate raiders of the 1980s.

- 40% of Meshulim Riklis' **Rapid-American Corp.**, which at the time, owned Schenley Distilleries, Playtex International, Lerner Shops, and RKO-Stanley Warner Theaters. Riklis was an Israeli immigrant mobster and onetime British Mandate police informant, who had been bankrolled, from the 1950s, by Burton Joseph, a Minneapolis grain merchant and top ADL official. Riklis was so close to Israel's top mafia politician, Ariel Sharon, that he bought Sharon his Negev Desert ranch.

- The largest minority share of Laurence and Robert Preston Tisch's **Loew's Corp.**, the theater, hotel and real estate corporation that had also evolved out of the Prohibition-era Lansky move into Hollywood's motion picture industry. Laurence Tisch was later a founder, with Michael Steinhardt, of the secretive "Mega" group of some 50 billionaires, which today supports Ariel Sharon's war drive and the broader Clash

of Civilizations.

- 10% of **NVF**, the holding company of Victor Posner, who had been the chief accountant for Meyer Lansky and the National Crime Syndicate.

- 8% of **Gulf & Western**, the debt-pyramided conglomerate run by Charles Bludhorn, which owned Paramount Pictures, Simon and Schuster Publishers, *Esquire* magazine and extensive properties in the Dominican Republic.

- 19% of **Charter Oil**, the Florida-based company partly owned by Armand Hammer. Charter was at the center of the late 1970s "Billygate" scandal, implicating President Jimmy Carter's brother with Libyan dictator Muammar Qaddafi and Italian Propaganda-2 Freemasonic

Lodge gangster Michele Papa.

Over the years, this group of companies' ill-gotten money created and funded 70 separate pro-Israel political actions committees—all part of the American Israel Public Affairs Committee money-machine, earmarked to buy members of the U.S. Congress.

### The Overworld Meets the Underworld

As Lindner and Keating were forging their corporate alliances with Steinberg, Tisch, Fisher, Riklis, and Posner, two of the leading Anglo-American financial groups—JP Morgan and the banking and brokerage empire of Baron Edmund de Rothschild—were sealing their own alliance. These top bankers transformed the relatively small investment bank/brokerage house of Drexel Harriman Ripley, during the 1970s, into Drexel Burnham Lambert.

Baron Edmund de Rothschild personified the intersection of the overworld of high finance with the underworld. Between the 1950s and the 1970s, the Geneva-based Rothschild had bankrolled the careers of Purple Gang tough Max Fisher; pyramid swindler Bernie Cornfeld of Investors Overseas Services (IOS) infamy; pioneer drug-money launderer Robert Vesco; and hedge fund pirate George Soros.

The newly built Drexel Burnham dispatched hotshot bond trader Michael Milken to their newly established Beverly Hills, California office.

Then the screws of usury were tightened on the whole economy. In 1979, Federal Reserve Chairman Paul Volcker began driving interest rates up over 20%, gutting America's productive agro-industrial sector, and the stage was set for the looting and carnage. The passage of Garn-St Germain in 1982, after interest rates had soared past the 20% mark, was the final step.

The Securities and Exchange Commission slapped a \$1.4



*“The name’s Bond.  
Junk Bond.”*

million fine on Charles Keating for his role in his and Lindner’s AFC in the late 1970s. Keating then formally left Lindner’s employ. The split was in name only. Keating bought AFC subsidiary American Continental Homes, which he later parlayed into American Continental Corp.—with funding from Lindner. In 1979, Keating moved to Arizona. Two years later, he was introduced to John McCain, and he immediately began bankrolling McCain’s political career. In this, Keating joined McCain’s new father-in-law and other major financial backer, beer distributor Jim Hensley, a pivotal figure within the Kemper Marley-run Southwest crime syndicate. (The political smoke had not yet cleared from the 1976 gangland bombing that had killed investigative reporter Don Bolles, over his probe into the Marley/Hensley ties to the mafia’s Emprise company.)

In 1983, Keating bought the Irvine, California-based Lincoln Savings and Loan, which had \$2.2 billion in deposits. By 1987, Lincoln’s deposits had soared to \$4.2 billion—largely through brokered deposits, referred to in the industry as “hot money.” These are short-term deposits, placed by large institutions like pension funds and insurance companies, seeking high-yield but secured “parking lots” for their funds. Prior to Garn-St Germain, S&Ls could only hold 5% brokered deposits. In connection with Garn-St Germain, all restrictions were lifted.

Once the Milken scheme was under way, Drexel floated high-risk, high-yield corporate bonds—the cash used by the “monsters” to buy up corporate America, and then asset-strip and sell off the carcasses to meet the payment schedules on the high-interest bearing bonds. S&Ls like Keating’s Lincoln, and corporations like the Riklis, Posner, Steinberg, and Tisch enterprises, were both the purchasers and the generators of the Milken-brokered junk. By the time the bottom fell out of this vast Ponzi scheme, Keating alone had palmed off \$250 million in now-worthless junk bonds to 20,000 Lincoln customers; thousands of elderly depositors were wiped out.

The total cost of the Lincoln bailout was between \$2.2 and 3 billion in taxpayers’ money. At least \$110,000 of that

money had gone directly to the campaign coffers of John McCain, according to FEC records.

## **McCain in the Keating Family**

Keating and Hensley first put John McCain up for the House of Representatives in 1982.

Charles Keating and his family and employees made 40 donations, including at least 12 of \$1,000 each, to the McCain campaign. Keating’s American Continental company political action committee had only two beneficiaries in the 1982 campaign—\$5,000 to McCain, and \$2,500 to Sen. Jake Garn (R-Utah). The Garn-St Germain bill was the license to steal; McCain was to drive the getaway car.

In February 1984, Keating assumed formal ownership of Lincoln Savings, formerly a bank servicing many minority people. In April 1984, Keating attended the “Predators’ Ball”—the annual junk-bond gangsters’ strategy and celebration session in Los Angeles.

Billions of dollars were now flowing out of and through Lincoln, through Keating, to Lindner and his co-conspirators at Drexel Burnham. Over \$134 million also went to Keating’s partner, Sir James Goldsmith, notorious corporate black-mailer and backer of the Central American “Contras,” alongside Carl Lindner’s United Fruit Company. The Keating loot helped Sir James fund his brother Teddy Goldsmith, sponsor of Jacobin “anti-globalization” anarchist demonstrators whose real target is the nation-state.

McCain’s second Congressional race in 1984 was a Keating extravaganza. There were at least 32 individual contributions of \$1,000 each from Keating family members and employees. Of this, \$4,000 came from Brad Boland and his wife; Boland was John McCain’s former staff driver, who had been selected by Keating’s staff to date and marry Keating’s daughter Elaine.

Another nine \$1,000 contributions to the McCain campaign came from crooked Atlanta lawyer Lee J. Henkel and his partners and spouses. Henkel would soon go to center stage in a spectacular Keating/McCain attempt to sabotage U.S. government oversight of the S&Ls.

As the *Arizona Republic* reported (Oct. 8, 1989), “the McCains—sometimes with their daughter and baby sitter—made at least nine trips at Keating’s expense from August 1984 to August 1986, aboard either Keating’s American Continental Corporation jet or chartered planes and helicopters owned by (Lansky-originated) Resorts International. Three of the trips were for vacations at Keating’s luxurious retreat in the Bahamas.”

## **The U.S.A., or the Gangsters?**

In 1985, a showdown loomed.

Ed Gray, chairman of the Federal Home Loan Bank Board (FHLBB), appalled at the plundering of the S&Ls, called for re-regulation and the end of brokered deposits.

Gray’s attention was first called to the Keating scheme in particular, when Gray saw that Alan Greenspan, then a big-

name economist for J.P. Morgan, was being paid by Keating (\$30-40,000, in fact) to lobby and lie about how honest and sound Keating was in running Lincoln Savings and Loan; this was two years before Greenspan was appointed Federal Reserve chairman.

Keating now demanded that Gray be fired and/or blocked. He got Representative McCain and three Senators to write to Gray, to delay new rules that would cut off Lincoln's looting.

On Jan. 31, 1985, Gray got the Bank Board to roll back the limit on speculative non-home-mortgage investments by S&Ls to 10% of their assets. Keating responded by falsifying his records to make speculations look like permitted loans. Tension was rising; would McCain's benefactor keep getting away with it?

In 1986, John McCain ran for Senate. At least 45 individual contributions of \$1,000 for that campaign appear in Federal records for individuals identified with the Keating organization. Meanwhile, in April 1986, mob-appointed beer distributor Jim Hensley and his daughter Cindy, John McCain's wife, invested \$359,100 and became the main owners in a Keating-run shopping center.

In a personal letter to John McCain, July 31, 1986, Charles Keating asked McCain for action against Ed Gray, calling Gray's FHLBB a "mad dog."

Then: double pay dirt! On Nov. 4, 1986, Keating's man, John McCain, was elected to the Senate. Three days later, Lee J. Henkel, Keating's agent and McCain's backer, was appointed by President Reagan to the Federal Home Loan Bank Board, upon the insistence of Keating's politicians. Henkel's purpose was to overpower Gray on the Board. At his first Board meeting, Dec. 18, 1986, Henkel proposed a plan to raise the direct investment (speculation) limit for Lincoln savings bank alone! On the same day, Keating's Arizona firm transferred \$3.7 million to Henkel's blind trust. Henkel withdrew \$250,000 cash the next day.

But Gray's allies moved ahead with plans to seize Lincoln Savings, and in March 1987, Keating asked his kept politicians for direct political help to stave off the regulators. All accounts of these events show John McCain to be worried stiff over the outcome, and evidently aware that he is acting as a criminal. Keating met with a nervous McCain, they had a stormy scene, and Keating called in his chips. On April 2, 1987, FHLBB Chairman Ed Gray met with the new Senator McCain, and three Democratic Senators, Dennis DeConcini (Ariz.), Alan Cranston (Calif.), and John Glenn (Ohio).

The *Arizona Republic* later wrote, "The meeting had a clandestine air. Gray came alone. None of the senators brought their aides." Gray was asked to withdraw regulations so as to aid Keating's S&L. He refused. Within a few days, Lee Henkel resigned in disgrace from the FHLBB; his ties to Keating had been leaked to the press.

### 'McCain Was the Weirdest'

But a second meeting took place one week after the first. There were McCain and the other three Senators, plus Don

Riegle (D-Mich.), and more regulators. According to notes made by William Black, deputy director of the Federal Savings and Loan Insurance Corp., a frantic McCain started this second meeting with the comment: "One of our jobs as elected officials is to help constituents in a proper fashion. ACC [owner of Lincoln S&L] is a big employer and important to the local economy. I wouldn't want any special favors for them. . . . I don't want any part of our conversation to be improper."

Black told reporters, "McCain was the weirdest. They [the Senators] were all different in their own way. McCain was always Hamlet . . . wringing his hands about what to do."

Rather than submit to the political blackmail of elected officials demanding favors for nation-wrecking bandits, the regulators played their trump card, informing McCain and the others that the Justice Department had just been directed to start criminal prosecution against Keating's operation. A shaken McCain left the room, and, it is claimed, never spoke to his moneybags Keating again.

Seized in 1989, Lincoln Savings involved the biggest Federal bank fraud case ever. An *Arizona Republic* reporter (Sept. 29, 1989) asked McCain about his ties to Keating. McCain replied, "You're a liar. . . . That's the spouse's involvement, you idiot. You do understand English, don't you?" When reporters probed further on the Hensley-Keating investment tie, McCain retorted, "It's up to you to find that out, kids." And, referring to his days as a prisoner of war, McCain said, "Even the Vietnamese didn't question my ethics."

Charles Keating was sentenced to ten years in prison for fraud, and served five. Lee Henkel was barred from dealing with banks. Lee Fishbein, Keating-Lindner attorney/co-conspirator, Anti-Defamation League official, and heavy contributor to McCain's campaigns, was banned from ever having any dealings with banks or any other financial institution.

But the Senate Ethics Committee, considering the "Keating Five" Senators, gave McCain merely a rebuke for exercising "poor judgment" in trying to bend Federal regulators. McCain went on in the same orbit, minus one of the stars. In each of his later Senate campaigns, 1992 and 1998, McCain received at least \$3,000 in contributions from Dope, Inc. godfather Carl Lindner; McCain got into some bad odor around Scottsdale, Arizona, in the late 1990s, for pushing officials to give in to a Lindner land scam.

Today's "McCain the Reformer" is an image crafted by media backers allied to the Tisches, and the old Wall Street-gangster axis.

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# Bush Administration Readies Detention Camps

by Edward Spannaus

The Bush Administration is preparing to expand its policy of indefinite detentions of persons labelled “enemy combatants” in military jails, the *Wall Street Journal* reported on Aug. 8—which report has not been denied by the administration or the Justice Department. *Newsweek* also reported that the administration, under the direction of Solicitor General Ted Olson, is considering expanding “enemy combatant” designations, in order to be able to round up suspected terrorists and hold them indefinitely.

The White House is said to be considering creating a high-level committee (consisting of the Attorney General, the Secretary of Defense and the Director of Central Intelligence) to determine who should be labelled an “enemy combatant” and therefore detained by the military.

Officials told the *Wall Street Journal* that the Navy brig at Goose Creek, South Carolina (near Charleston), now has a special wing that could be used to house about 20 such detainees.

The implication of these reports, is that the Justice Department is in fact moving slowly but deliberately, to implement a detention-camp policy reminiscent of the detentions of Japanese-Americans during World War II, or the camps which were held in readiness for “national-security risks” from the late 1940s through at least the 1970s. Among other things, the practice now being implemented, constitutes a suspension of the right of *habeas corpus*—a right considered so fundamental, that it is written into the body of the Constitution itself (not the Bill of Rights), and can only be suspended in time of rebellion or invasion.

This is what is at stake in the fierce fight that the Justice Department is waging, to defend the ongoing military detention of two U.S. citizens, José Padilla and Yaser Hamdi.

When José Padilla, a U.S. citizen arrested on U.S. soil, was transferred from civilian to military custody in June, Attorney General John Ashcroft breathlessly announced that the U.S. government had disrupted a plot to set off a radiological (or “dirty”) bomb. However, *Newsweek* and others have reported that government officials now admit that the case against Padilla was “blown out of proportion,” and that evidence on Padilla is very weak, with it mostly coming from one very unreliable informant. This is one reason why the Justice Department is now vigorously arguing that a Federal court can’t review the basis for Padilla’s detention at the Navy brig in Charleston.

In the Hamdi case, the Justice Department is also refusing

to providing any substantial evidence to justify holding Hamdi without charges, and without allowing a lawyer to contact him. At a hearing in Norfolk, Virginia on Aug. 13, Federal District Judge Robert Duomar grilled government prosecutors as to the government’s basis for holding Hamdi. Duomar harshly questioned the prosecutor over the reasons for the government’s designation of Hamdi as an “unlawful enemy combatant,” which the Justice Department justifies solely on the basis of a two-page declaration by one Michael Mobbs (described simply as a “special adviser” to the Undersecretary of Defense for Policy).

“I tried valiantly to find a case of any kind, in any court, where a lawyer couldn’t meet” with a client, Duomar said. “This case sets the most interesting precedent in relation to that, which has existed in Anglo-American jurisprudence since the days of the Star Chamber.”

Duomar also declared, “I do think that due process requires something other than a basic assertion by someone named Mobbs that they have looked at some papers and therefore they have determined he should be held incommunicado. Just think of the impact of that. Is that what we’re fighting for?”

(Judge Duomar was certainly right to be asking what qualified Mobbs to make such a designation. Mobbs, a lawyer whose specialty is Russia and disarmament issues, is a hardcore member of what is known as the “Wolfowitz-Perle cabal” in the Pentagon. The Undersecretary of Defense for Policy, whom Mobbs “advises,” is Douglas Feith, himself a protégé of Defense Policy Board Chairman Richard Perle. Mobbs is also a board member of Frank Gaffney’s Center for Security Policy—a grouping which pulls together the most notorious warhawks in the neo-conservative faction; and in the mid-1980s, Mobbs worked directly for Perle.)

According to the *Journal*, a major reason why the White House and the Justice Department are seeking to expand the “enemy combatant” category of detainees, is that the two cases which have gone into Federal courts have not gone well for the government. The cases cited are those of Zacarias Moussaoui and John Walker Lindh. The popular characterization of the Moussaoui case is that it has turned into a circus, with Moussaoui discharging his court-appointed lawyers and filing dozens of motions on his own; the deeper reason for the government’s concern, is that prosecutors apparently have no evidence linking Moussaoui to September 11.

The case of Lindh (the so-called “American Taliban”) also was launched with great fanfare, and concluded with a whimper—a plea bargain and a 20-year sentence. The government was forced to drop all conspiracy charges and any claim linking him to either al-Qaeda or to the killing of CIA officer Johnny Spann, and to settle for guilty pleas regarding supplying services to the Taliban, and using explosives.

Ashcroft has now decided he can avoid any more embarrassing trials, by simply detaining such persons indefinitely, without bringing any charges against them.



# Iraq 'Opposition' Is Full of Minuses for War

by William Jones

To beat the drums for a war against Iraq's Saddam Hussein, the Pentagon warhawks around Deputy Secretary Paul Wolfowitz and Defense Policy Board Chairman Richard Perle laid out the red carpet for a semi-official visit of the "Iraqi opposition." It was a conglomeration of six disparate Iraqi exile groups, who are doing their best to present a "united front" for their American handlers. Even characterizing them collectively as an "opposition" raises the question as to whether their opposition to the ruling regime of Saddam Hussein is greater than their opposition to each other.

The group held a meeting at the State Department on Aug. 9, jointly sponsored by Undersecretary of State Marc Grossman and Undersecretary of Defense Doug Feith, a former aide to Perle and a key player in the pro-Zionist Clash of Civilizations crowd. On Aug. 10, the opposition groups went to the White House for a teleconference with Vice President Dick Cheney, who was vacationing in Wyoming. As if to highlight the significance of the visit, Defense Secretary Donald Rumsfeld met personally with the group at the White House. These were the highest-level meetings yet for this motley crew.

Both Cheney and Rumsfeld told them that the Bush Administration is committed to ousting Saddam. Perhaps also aiming in part at these meetings, President Bush, speaking from his vacation in Crawford, Texas on the day of their White House visit, told reporters, "As I said, I have no timetable. But I do believe that American people understand that weapons of mass destruction in the hands of leaders such as Saddam Hussein are very dangerous for us and our allies."

## Full of Risks

Nevertheless, the game that administration warhawks are playing is high risk.

This was not the first visit by the "opposition" to the nation's capital. Since the late 1990s, there have been rather concerted efforts by those wishing to "teach Saddam a lesson" to cobble together some form of credible Iraqi opposition out of the gaggle of exile Iraqis, to be in readiness at the point the United States decides to strike against him.

For many years, the "Iraqi opposition" had been the Iraqi National Congress (INC), headed by London-based Ahmed Chalabi, a graduate of the University of Chicago and MIT, a fast-talker and a real wheeler-and-dealer. Chalabi had long

been a great favorite of Republican Saddam-bashers, such as Senate Minority Leader Trent Lott (Miss.) and Sen. Sam Brownback (Kan.). He thrived in his self-styled role as leader of the opposition. In its heyday, the INC had headquarters, a radio station, and a veritable army of its own, based in the U.S.-protected Kurdish territory in northern Iraq, with the CIA pouring over \$100 million into the venture. A foiled military operation against Iraq in 1995 led, however, to the eviction of the INC from Kurdish territory, with numerous allegations that Chalabi had misused the funds he received from the CIA.

Farhad Barzani, the Washington representative for the Kurdish Democratic Party—now another opposition party—told the *Washington Post* that Chalabi had left "a lot of debts," delayed payment to some INC officials when he left northern Iraq, and refused to disclose details about the INC's finances to its members. Chalabi had been convicted of banking fraud in Jordan, which prevents his ever operating from Jordanian territory. Nevertheless, he was given a clean bill of health by none other than Sen. Joseph Lieberman (D-Conn.), who called him "the face of the Iraqi opposition in Washington." "He is a person of strength, principle and real national commitment," Lieberman had extolled him, after they had met in Lieberman's Capitol Hill office in 1999. But Lieberman, a protégé of the notorious Wall Street speculator Michael Steinhardt, is not one to ask where the money comes from, nor where it is going.

Nevertheless, Chalabi's personal reputation was giving "the Iraqi opposition" a very bad name. The United States helped pull together a meeting in New York in 1999, under the direction of Undersecretary of State for Political Affairs Thomas Pickering, in which the INC was broadened, and new faces brought in. Although Chalabi was still labeled a member of the INC leadership, his previous role was drastically curtailed.

During the recent visit to Washington, the prime spokesman of the INC, and the combined opposition, has been the dapper Sharif Ali bin Al Hussein. This is ironic, indeed, as Sharif Ali, the head of the Iraqi Constitutional Monarchy Movement, is a cousin of the last Hashemite King of Iraq, Faisal II, and he himself has pretensions for reestablishing the throne in Iraq, and placing himself on it! For now, however, Sharif Ali is content to work with other opposition groups in order to topple Saddam Hussein and establish "a democratic regime" in Iraq, the expressed goal of the United States.

## The Man Who Would Be King

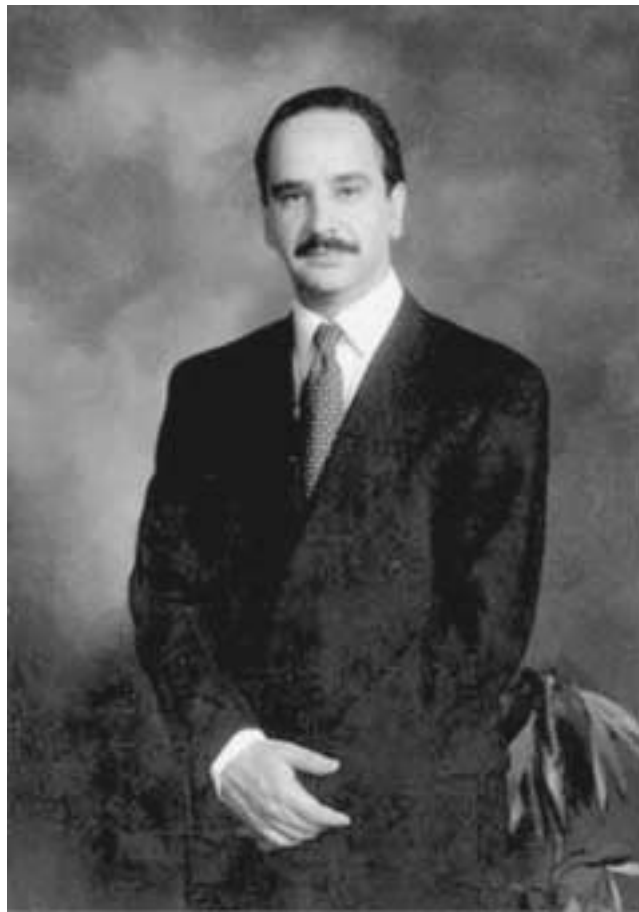
Speaking at a "National Press Club Newsmaker" press conference in Washington on Aug. 8, Sharif Ali insisted that he was committed to the goal of establishing democracy in Iraq, but that he would continue to work for a constitutional monarchy. Sharif Ali also painted the rosy "cakewalk war" scenario of the Perle-Wolfowitz crowd, predicting that

the Iraqi people would rise up, and greet the invading American forces and their puppet regime, strewing flowers in their path. “No Iraqi is willing to fight and die for Saddam Hussein,” Sharif Ali claimed. “And which Iraqis are willing to fight and die for you?” *EIR* pointedly asked him at the press conference: “Why do you think anybody would rush to meet your people with open arms, after your decades spent in exile, and riding in on U.S. tanks?” Sharif Ali had to admit that they had no clear reading of their support within Iraq—if any—but insisted that people were so unhappy with the regime that they would embrace any alternative. He also urged that the United States military planning try to limit any “collateral damage” that might negatively effect the thinking of the Iraqis!

But there is more to this opposition than this uncrowned King of Iraq. On the one hand, there is the Kurdish opposition, consisting of two major groups—the Kurdish Democratic Party of Massoud Barzani and the Patriotic Union of Kurdistan, of Jalal Talabani. Although at each other’s throats for years, the two have learned to live together since the Gulf War in the U.S.-protected northern Iraq, and with a modicum of prosperity. They are none too eager to become engaged militarily in operations against Saddam Hussein which might upset their applectart. Indeed, not even a personal meeting with President Bush could entice Barzani to the Washington meeting, still angry with what he considers insufficient guarantees for Kurdish fighters who might engage in action against Saddam. Their ultimate goal has always been an independent Kurdistan, which would encompass not only northern Iraq but also a large chunk of eastern Turkey. Fears of fueling Kurdish ambitions have hitherto kept Turkey out of play in any new Iraq operation, and the Kurds find little public support for their broader plans among U.S. administration officials. They are therefore limiting their demands, for now, to achieving autonomous status in a united Iraq.

The other major player is the Supreme Council of the Islamic Revolution in Iraq (SCIRI), which represents the opposition among the Shi’ite population in Persian Gulf regions of southern Iraq, bordering Iran. During the Iran-Iraq War, the Supreme Council had fought alongside their religious compatriots from Iran against Saddam Hussein, and the Supreme Council still has its headquarters in Tehran. With Bush having designated Iran as a part of the “axis of evil,” it is doubtful that the Supreme Council would really be granted a seat at the table in a post-Saddam Iraq.

A sixth group, the Iraqi National Accord, includes a number of former Iraqi military officers. It is not clear what role these people would play in the anti-Saddam campaign. U.S. officials have held numerous meetings with former Iraqi military officers over the last few months. But parading the Iraqi generals would not provide an effective political cover for U.S. military action, as it would raise the obvious outcry that the United States was trying to replace Saddam with another



*The “democratic Iraqi opposition” had as chief spokesman, during recent meetings at the Pentagon and elsewhere, the would-be king of Iraq! Sharif Ali bin Al-Hussein, who says he wants to be a constitutional monarch, is one problem with this “transition to democratic rule” crew.*

dictator. So the military discussions remain hush-hush and behind closed doors.

While administration officials are assuring skeptical U.S. allies in the Persian Gulf that they would never agree to an ethnically based balkanization of Iraq, they are building their envisioned coup/invasion plans on Iraqi forces, most of which have been fully committed to just such a balkanization. While trying to convince a skeptical American public that they wish to establish a “democratic regime” in Iraq, they have revamped the discredited INC to be headed by the self-styled “heir-apparent” to the Iraqi throne. Is there any surprise that the world stands aghast at the audacity of the “New Empire” crowd in Washington, attempting to revamp the world according to their whims, as if they were engaged in some “virtual reality” computer game?

The stakes in this particular game are, however, extremely high, with a U.S. military action against Baghdad threatening to unleash spreading war, and an unprecedented wave of anti-Americanism throughout the region.

# D.C. General Hospital Now Focus of Mayor Race

by Edward Spannaus

It's the scandal that won't go away: Last year's shutting down of the national capital's only public hospital, D.C. General, has now become a central issue in Washington's mayoral race. It's also Mayor Anthony Williams' worst nightmare: that his criminal complicity with the Financial Control Board, in overriding the unanimous vote of the D.C. Council, is now coming back to haunt him.

Now that Williams—the darling of the *Washington Post*, the Wall Street banking interests, and Joe Lieberman's Democratic Leadership Council—has been thrown off the Democratic ballot for petition forgery, and has also been fined \$277,700 by the District's Board of Elections and Ethics, the mayoral race is wide open.

On Aug. 12, the Rev. Willie Wilson, pastor of the 8,500-member Union Temple Baptist Church in Anacostia, announced that he is launching a write-in campaign for the Democratic nomination, making the shutdown of D.C. General a primary issue of the campaign. Wilson made his announcement at a press conference and rally of 300-400 people, held in front of the now-vacant hospital, on the exact site where the LaRouche-led Coalition to Save D.C. General itself had held many, many rallies.

Wilson's announcement shook the political rafters in Washington, because he was instrumental in helping to elect Anthony Williams four years ago; and earlier, he also played a key role in the campaigns of former Mayor Marion Barry. And Wilson's church hosted most of the mass meetings held by the Coalition to Save D.C. General last year, with Wilson often giving the invocation which began each town meeting.

In his announcement, Wilson said that he has been in "serious prayer and meditation" over the last several weeks, "anguishing" over the plight of the city and the people. He said he decided for the first time in his 32 years of public life to run for office, because today, "It is time to act." He called himself compelled to act, because Williams put property *before* people, and that he, Wilson, "will stand up and speak for the voiceless, the hopeless, the disappointed, the disgusted, and the hopeful people of our city."

"I stand here today on the grounds of D.C. General Hospital, a site symbolic of Mayor Williams' lack of visionary leadership and his insensitivity to the needs and wishes of the citizens of the District of Columbia," Wilson told the hundreds attending his announcement. "When senior citizens, clergy, and numerous community leaders, and concerned doc-



*The Rev. Willie Wilson chose the site of shut-down D.C. General Hospital, which he fought to keep open during 2001, to announce his candidacy for the Democratic nomination for Mayor, against incumbent and D.C. General-killer Anthony Williams.*

tors, nurses, and citizens, urged and pleaded . . . to keep this most vitally needed hospital open, the Mayor unequivocally stated, 'I am going to close D.C. General Hospital, and if you don't like it, you know what you can do.' "

## 'Replacement' Hospital Downgraded

It is therefore not surprising, that the largest cluster of contributions to Mayor Williams' reelection campaign, came from officers and employees of Doctors Community Healthcare Corp. (DCHC), the Arizona-based privateers that were given the contract to take over the services previously provided by D.C. General.

As *EIR* has reported, DCHC's for-profit Greater Southeast Community Hospital, which was supposed to "replace" D.C. General, was downgraded in February by the national agency which rates hospitals, due to violations of patient-care and management standards. And then, as a result of its downgraded status, Greater Southeast was notified by the U.S. Department of Health and Human Services, that it is at risk for losing its ability to collect Medicare reimbursement from the Federal government.

*EIR* has obtained the results of the health-care and fire-safety surveys conducted at Greater Southeast: They show numerous defects and deficiencies, including improper handling and dispensing of medications, improper use of restraints and failure to monitor their use, failure to conduct proper and timely nursing assessments of incoming patients, and failure to maintain proper post-operative records. The surveys also showed that patients presenting themselves for treatment at the emergency room at the old D.C. General Hospital did not have proper access to specialists and consultants.

This provides still further evidence of Williams' criminality of closing D.C. General, and should provide more fuel for the fight to reopen it as a full-service public hospital.

# Transforming the Military for The Clash of Civilizations

by Carl Osgood

Secretary of Defense Donald Rumsfeld has often said, in recent weeks, what kind of regimes he would like to see in both Afghanistan and Iraq. He has become fond of saying that he would like to see regimes that do not harbor terrorists, that do not threaten their neighbors, and where democracy and human rights are respected. However, in a world characterized by the onrushing global financial disintegration, the strategic policies being implemented by Rumsfeld and his policymakers in the Pentagon reflect the outlook of the Clash of Civilizations, as enunciated by Harvard professor Samuel Huntington going back to 1993. This fact has significant implications for the organization and doctrine of the U.S. military establishment.

One of Rumsfeld's top priorities, since he arrived at the Pentagon in January 2001, has been "military transformation." During a Jan. 31, 2002 speech at the National Defense University, Rumsfeld defined transformation in mostly technical terms. "We need rapidly deployable, fully integrated joint forces," he said, "capable of reaching distant theaters quickly and working with our air and sea forces to strike adversaries swiftly, successfully and with devastating effect." He added that "Our goal is not simply to fight and win wars, it is to try to prevent wars. To do so, we need to find ways to influence the decision-makers of potential adversaries, to deter them not only from using existing weapons, but to the extent possible, try to dissuade them from building dangerous new capabilities in the first place." He used the employment of B-52's, dropping satellite-guided bombs, in conjunction with special forces troops on the ground in Afghanistan—sometimes riding horses—as one example of what this transformation should look like. He said that this combination of the old and the new "showed that a revolution in military affairs is about more than building new high-tech weapons. . . . It's also about new ways of thinking, and new ways of fighting."

## Millennium Challenge 2002

Some of the "new ways of fighting" were tested in an exercise called "Millennium Challenge 2002," which was run out of the U.S. Joint Forces Command, headquartered in Nor-

folk, Virginia, from July 24 to Aug. 15. The exercise, or experiment, as the military refers to it, involved 13,500 troops conducting live force operations at nine training ranges in the Western United States and off the West Coast, and simulated operations at 17 other locations. The experiment was designed to test new conceptions for organizing and executing military operations. These conceptions include effects-based operations, operational net assessment, the standing joint force headquarters, and the joint interagency coordination group. The hypothesis of Millenium Challenge, as explained by Col. Phil Mixon, the director of Concepts Development and Experimentation at the Joint Experimentation Center in Suffolk, Virginia, is that a standing joint force headquarters, which uses operational net assessment, and employs effects-based operations can achieve decision superiority, enabling rapid decisive operations.

Now, what does all this mean? A standing joint force headquarters (SJFHQ) is a team of qualified experts attached to the headquarters of the unified combatant commander. When a crisis erupts, this team can remain on the combatant commander's staff—or, if a task force is deployed to handle the crisis—the team can "plug in" to the task force commander's staff, and provide expertise on the region involved and on conducting operations in that region. At all times, the SJFHQ is responsible for doing the operational net assessment (ONA). The ONA is a "nodal analysis," as Colonel Mixon described it, which looks at the adversary as a "system of systems," looking at not only his military capabilities, but also political, economic, and social factors, and information systems and economic infrastructure. Included in this assessment, is a look at the battlespace, U.S. capabilities, and how the enemy sees us. This assessment is used to answer the question, "What kind of effects do you want to achieve?" The means to generate the desired effects are not limited to military ones, but also can include diplomatic, information and economic means, as well.

## The Clash of Civilizations' Worldview

What kind of world does all this presuppose? Brig. Gen. James B. Smith, the officer in charge of Millenium Challenge

2002, made it explicit in an interview (see below). He pointed to the “end of the Western construct of warfare,” which he traced back to the 1648 Treaty of Westphalia that ended the Thirty Years War in Europe. The Treaty of Westphalia defined war as between nation-states, and such states were not to get involved in each other’s internal affairs. In the last ten years, conflict has been characterized less as between nation-states, and more as intervening into states against human rights abuses, ethnic cleansing, and so forth. General Smith pointed to a number of events, going back to the bombing of the U.S. Marine barracks in Beirut in 1983, to indicate how “our adversaries” have attacked the United States, not as a nation-state but as “hostile participants, terrorists, against our weaknesses.”

While General Smith was quick to specify that he was only expressing his own opinion, and that it had nothing to do with Millennium Challenge, this view is quite prevalent at higher levels of policymaking. Samuel Huntington wrote, in his infamous 1993 article “The Clash of Civilizations?” in *Foreign Affairs*, that “the great divisions among humankind and the dominating source of conflict will be cultural,” meaning that the “clash of civilizations will be the battle lines of the future.” Huntington described a phase of conflict beginning with the French Revolution, which he called “the Western phase,” defined as nation-state versus nation-state, which ended with the end of the Cold War. What has replaced it is “the interaction between Western and non-Western civilizations and among non-Western civilizations.”

Huntington’s Clash of Civilizations thesis is being propagated throughout the military professional establishment, as well. Jeffrey Record, writing in the Summer 2002 issue of *Parameters*, the professional journal of the U.S. Army War College, said: “Weak and failed states, not strong ones, have become the primary source of international instability, and they have attracted U.S. military intervention because they have become shelters and breeding grounds for such transnational threats as terrorism, drug-trafficking, refugee generation, environmental degradation, and political and religious extremism.” In an earlier work, Record wrote, “As the world’s sole remaining superpower, the United States performs on a global basis the same imperial policy task that the British military performed within the British Empire.” There is no formal, territorial empire of the United States, but “there is an American empire, nonetheless.”

Record makes no mention of the role of Huntington’s collaborator, Carter-era National Security Adviser Zbigniew Brzezinski, in creating, in particular, those transnational problems in Afghanistan, beginning months before the 1979 Soviet invasion of that country, with his “Arc of Crisis” policy for ringing the Soviet Union with hostile regimes and insurgencies. Record teaches strategy at the U.S. Air Force’s Air War College, and so, is in a position to indoctrinate up-and-coming military officers in his outlook.

Huntington’s view is also well represented in the Penta-

gon by such ideologues as Deputy Secretary of Defense Paul Wolfowitz, Undersecretary of Defense for Policy Doug Feith, and chairman of the Defense Policy Board Richard Perle, among others. Their commitment is to return to pre-Treaty of Westphalia conditions and perpetual wars of religion, obliterating the sovereign nation-state.

### **LaRouche: A Positive Mission for the Military**

The alternative to the Clash of Civilizations utopian thinking is to define a positive mission of the military within a system of nation-states. *EIR* founder and contributing editor Lyndon LaRouche has defined such a positive mission, as well as identifying the enemies of the nation-state.

On Sept. 3, 2000, in response to a conference question, LaRouche said: “The function of strategy and strategic thinking is to secure the kind of world order which we require, as a result of commitments which were shaped, essentially, in the 15th-Century Golden Renaissance. That is, we are for a system of sovereign nation-states, each committed to the general welfare of all its people and their posterity, and who believe that the relations among such states must be joint action to ensure the common ability of each such state to efficiently defend the general welfare of its own people.” The military officer, functioning as a strategist, “is not trying to find out what war to fight. He’s trying to understand what the *threat is, to the effort to defend and build this kind of state and this kind of relationship among states.*” LaRouche went on to specify that the enemy of the general welfare is the British monarchy, the British Empire, which wants to exterminate this general welfare principle, but without taking an unacceptable penalty to do so. “And therefore,” LaRouche said, “we have to have the military means to back up our will, in terms of this policy. And that’s Classical strategy. . . .”

LaRouche went on to counterpose this to the “Cabinet warfare” doctrine, as exemplified by Henry Kissinger during the Vietnam War, where he would “turn the war on and off,” in order to manipulate the Paris peace negotiations with the North Vietnamese, attempting to modify their behavior by the application of force. “This kind of foolishness,” LaRouche said, “*destroyed the U.S. military,*” which was “induced to destroy itself by accepting this kind of State Department directive on conducting Cabinet warfare.”

LaRouche concluded by defining the principle of statecraft. “The principle of statecraft, as has been proven, is the establishment of sovereign nation-states, whose only legitimate authority is their efficient commitment to the promotion of the general welfare. *And,* the proposal of a system of relations among sovereign nation-states, where we *assist each other,* and cooperate with each other, in promoting the general welfare of the people of each nation. And we will fight as necessary to protect and promote that policy. That’s Classical military thinking. And whatever is necessary to be known, or to be done, to fulfill that, is what is proper military conduct.”

## The New Face of War In the 21st Century

*Brigadier General James B. Smith is the officer in charge of the Millennium Challenge 2002 joint forces experiment. He was interviewed on Aug. 1, in his office at the Joint Warfare Center in Suffolk, Virginia, by Carl Osgood.*

**EIR:** What is your role as the officer in charge?

**Smith:** We've been putting this together for two years, and it runs the gamut of working technical integration, our experimental architecture, if you will, for command and control, being close to the integration of the models, working with the services so that we can bring together service experimentation as a part of the joint experiment, and working through the everyday challenges of how to take a monster of this size, and shape it so it works. So, it's been kind of a hands-on experience for the last two years.

**EIR:** So you've been working on the planning of this almost from the beginning. Can you give me a notion as to how you arrived at these concepts, a little bit of the history behind this?

**Smith:** With a clean sheet of paper, you have to ask yourself what's fundamentally changed in the last decade that would suggest a transformation is due. What would you say is the answer to that?

**EIR:** The world has changed tremendously in the last ten years.

**Smith:** Yes, that's the first one. The world has changed. The second is, technically, the information revolution. So, with a clean sheet of paper, you ask yourself, how would I leverage the information revolution, to improve the way I make decisions and plan and execute military campaigns? So, if you start with that as a baseline, you say, "Well, the first thing I'd like to do is know more about the adversary than we've ever known before." And, in a perfect world, know more about an adversary than he knows about himself. Now, that may be a stretch, but if you look back in the last year, in the global war on terrorism, our adversaries know more about us than we know about them. And you might even be able to make the argument that, on 9/11, they knew more about us than we knew about ourselves. So, I don't know if that's a stretch. That's the first thing I'd like to do, know more about an adversary than we've ever known before, which leads you to this idea of information superiority

or the ability to migrate towards knowledge, from just information.

So, if I'm going to do that one, then I run an experiment to figure out how I would do that, so that takes us kind into the first concept, which is operational net assessment. If I can understand the adversary—and it's a cliché—as a system of systems. . . . I can understand his military structure, the joint intel preparation of the battlefield, we do that pretty well; but now, if I can lay over the top of that, his infrastructure, his political system, economic, social, cultural, economic, information infrastructure, if I can lay those systems on top of each other and understand the dynamic of all of that, and see where those nodes cross and influence each other, then I've come pretty close to knowing as much about as an adversary as you can know. So, that would be the first thing I would experiment on, and that is the first piece of the experiment.

So, if you can do that (and I say "if," because when you're doing an experiment, you're trying to stress the "what could be" instead of "what is"), if I could see an adversary as a system of systems, and where those nodes cross, how would I use U.S. national power against him? Instead of just dropping bombs or, what we call "kinetic solutions," how would I bring together our diplomatic, our information, our military, economic, and all the other pieces of U.S. national power, or coalition power against him? How would I know in what sequence to do different things? How would I be able to influence him, to shape an environment, to dissuade him, instead of just reacting to him?

That takes us to our next concept, which is effects-based operations. So, if I can understand him, and I can leverage all of our power against him, that takes us to the first two, and you stand back from that, and say, "If I can do those two things, what kind of organizational changes do I need to make to be able to effect those?"

Well, the first one is, I can't do this on the fly. I'm going to need some sort of entity that's building this database and operating in peacetime, and influence not just after a crisis starts, and that's where we get this idea of a standing headquarters. Early on, we realized that the way we stand up joint task forces, today, doesn't really work, because a crisis hits, and that's when we start bringing national power together, in an ad hoc fashion. That's when we start planning military plans, and it takes a long time for that organization to form, to figure what it's going to do and then to go execute, and the world is operating much too fast, in the information age, to be able to do that. So, the standing headquarters is that entity which is doing that all the time; and then, as a crisis starts to evolve, to get larger than that entity, which is at the combatant commander's headquarters, larger and more complex, that's for the joint task force, which follows on top of it, and enables it. So, that's the third piece. An observation that we can't do these two things and make it really work, unless somebody's doing it.

And that takes us to the fourth piece, which is: You can't fundamentally change the way we do military operations, unless you take another look at the way our nation makes decisions, which is bringing the interagency together. There is no such thing as a strictly military operation. There never really has been, and there certainly is not, today. So, to be able to bring to bear national power, you've got to reorient the way the interagency works with the military to influence a crisis, to operate in that crisis, and in the transition to end-state development. So, that's where we get the joint inter-agency coordination group.

So really, those four pieces evolve from a clean sheet of paper, from saying, "Okay, what would you do now, given that the world is changing? . . . Two years ago it hadn't changed as radically as it did last September, in some ways the thought process of how do you leverage the information revolution, bore out. . . . 9/11 did nothing to deter the thought process, except to accelerate the idea that this kind of transformation is important. Just a long-winded way of where we got to that.

There's a lot more detail and professional concept development work that went into it, from the J9 [Joint Experimentation Center] and the concept developers, but we started with a clean sheet of paper and said, "How would I leverage the information revolution to improve the way I do military planning and operations?" Those are the four pillars we get to.

And then, what falls out from that, the whole plethora of problems we had integrating the military, how we plan by deconflicting the services, we need to evolve to integration. We need some standardization in our command and control, communications, computers, intelligence, reconnaissance, surveillance, how we've got to bring together the intelligence community—again, a lesson of 9/11, we've already been working with that one. How you bring together information that's not technically intelligence, but is certainly important to understanding an adversary. That's how we started.

**EIR:** You're saying that everything that you're doing with this is new?

**Smith:** I said, it came from a clean sheet of paper, but I don't mean we need to throw out the baby with the bathwater. We targetted 2007 for the scenario for a reason, because that's inside the FYDP [Five-Year Defense Plan], inside the budgeting cycle. The focus of this was not buying new equipment, like tanks or airplanes. The idea was, let's take everything we've got and everything that's planned to be funded within the next five years, and see how we can use that better. The next step might be to look at force structure, but you know, twice in the last decade we've gone through a painful QDR [Quadrennial Defense Review] cycle, which is focussed on force structure. We didn't want this experiment to be another QDR debate, and it hasn't become that. It's an issue of, "Okay,

with all the equipment, our organization and manpower, today, how can you improve the way you can use that?" and then, start collecting information about where the holes are, and what we need to do with the next step.

**EIR:** If we just look at the military piece of this, how does it change the way you would actually conduct an operation, as opposed to the way you might have done the same kind of operation ten years ago?

**Smith:** Well, I happened to be in that one, ten years ago. In the notional thing, where you have a freedom of access problem, how would you traditionally have done that? We would have done it—and we did do Desert Storm in the same planning process that we did Overlord [in June 1944]—which is, we do . . . rehearsals, we do buildup, ISPs, en route support bases, force buildup, and then we set up lodgements, Omaha Beach, Utah, Sword, Gold—and from that you go out in a phased campaign plan: This is D+7, D+14. You're using air power to hit some key strategic targets, but essentially, you draw a line and move in that direction. It's mostly kinetic. It's mostly bombs, and you measure your advance in terms of days and the phasing.

What's happening in Afghanistan? Have you been in a Pentagon press corps briefing, or seen anything in the paper where you've seen lines: "The enemy is here, and our line is there?"

**EIR:** No, I haven't seen anything like that on Afghanistan.

**Smith:** That would be a good question to ask. Why have I not seen that in this operation? I have seen every operation and captivity, but I haven't seen any lines. What we're saying is that, using Afghanistan as an example, "I don't need lines." What I need to do is attack quickly, and decisively, bring enough force to bear at certain key points, with military, with information, economic information—so, if you think of all this as fires, it could be kinetic/non-kinetic, it could be lethal/non-lethal, and you attack the coherence of an adversary in a fight, not just go line by line, like we did in Normandy.

That is actually what you've been seeing in Afghanistan. Clearly, the limitation of using Afghanistan as an example for the future, is enemy strength. We had freedom of access. Airplanes could fly almost at will, and we didn't have the kind of problem we would face with an adversary who had operational-level advantage or parity. You have to think about how you're going to attack. . . .

So, this experiment takes an Afghanistan model, and gives this guy [the opposing force] a lot of combat power; and what you've been looking at, there, in Afghanistan, is very explicit. You say, "Okay, can I do that against somebody who really can fight back?" That's the concept that we're looking at. It's actually pretty exciting.

Now, I see no lines. Except for Afghanistan, every time you go into an exercise, whether a real world operation or an

exercise, what's the first thing you see up on the wall?

**EIR:** A map.

**Smith:** Right, a map. Now, when we put lines on a map, why? Maneuver Control System is the Army's battalion and above command-and-control system. Tactical Control Operations is the Marines' command-and-control system. Do you think they talk to each other?

**EIR:** Probably not.

**Smith:** Probably not. So, when you're putting together a campaign plan, and you're deciding, "Army on this side of the line, and Marines on that side of the line," we're going to say, "We're coming into here," so you've got Army on one side, and Marines on the other side. Ah, the maneuver control systems won't talk to each other, so, the simplest thing to do is just draw a line: "You stay on that side, and you stay on that side." That's called "deconfliction." We fixed this. In the last year, we found a technical solution that has those two command-and-control systems talking to each other.

So, now, we expect this ground commander not to draw a line, but to integrate. Huge change. Why? Current doctrine for joint force land component commander, which is draft, says, "I'll stand up this organization called a JFLCC, joint force land component command, if I have to deconflict." So, our systems and our thinking are all oriented towards drawing a line. Then we draw this other line, here, and we say, "Air Force, you stay on that side, and, Army, you stay on that side," and they fight over that line, every day, because terrain is like . . . important.

But again, in Afghanistan the lines go away. In order to make that work . . . these guys got have to be interoperable, and the command as a whole has got to be interoperable. Does that make sense?

**EIR:** Yes.

**Smith:** Fundamental change in the way that we think about the employment of forces into deconfliction, which is what we do today, into integration. If you look at the thought process in Afghanistan—I was looking at it as an outsider, just like everybody else, but I characterize it as the four A's: air power, [Special Forces] A-Team, alliance, and agency. The integration of our intelligence, in terms of the CIA, both as an intelligence entity and an operational entity, using our SOF forces, bringing air power to bear, and the alliance structure within the Northern Alliance. A coherent strategy based on the integration of all those. Not based on one service, as the dominant service, but based on the integration of that capability. I think that's not an unrealistic construct to explain how that integrating concept might reflect the power of what Millennium Challenge might bring on a much larger scale.

**EIR:** Obviously, information seem to be a big part of this—it seems to be what brings everything together. What I asked

Joint Forces Command commander Gen. William B. Kernan about, when he came up to the Pentagon, was getting into the mind of the enemy, which seems to me not just a matter of information. How do you view that? How do you get to know the enemy?

**Smith:** First thing you've got to do, is walk a mile in his shoes. You've got to understand what motivates him. You've got to understand culture. . . . You really have to understand in a strategic construct what the conflict is all about. Clausewitz had an expression: "First the grandest, most decisive act of a soldier, a statesman, is to rightfully understand the war in which he is engaged." He argued that warfare takes on a character all its own. When you start shooting, you lose the memory of why it started. So, the first piece is to understand what the conflict is all about, and to keep it from taking a character all its own. If you look at the current challenges we face in the world, and you've got an adversary who has a fundamentally different view of culture than you do, you have to separate those things that are cultural differences: What's religious, and what is just an individual who may be an egomaniac using these things to his advantage? How do you separate all of that, and focus on what the problem is? I call that looking at strategic, then operational, then tactical, rather than putting together a plan to execute and look for victory militarily with no follow-on of what that means.

So, you have to know as much about him as you can, and some of that is going to come from your classic intelligence. Some of that is other information: scholars who understand religion and culture, political science. Now, how do you tap into that, and have a picture of understanding, knowledge? Sun Tzu said, know your enemy as yourself, and in a thousand battles you won't be defeated. That's really what we're trying to get at.

**EIR:** But the flip side of that is knowing yourself, because all of these things that you're looking at, these cultural, religious, and other factors, are factors in your own behavior as well. How do you prevent that from prejudicing your own actions?

**Smith:** Well, you've actually started to wade into some of the shortfalls that we've got in the way that we do training and modelling. In the military, all of the models that we use, in our computer-based simulations, are what we call attrition models. They're tank on tank, airplane on airplane, airplane on tank and ship; and you go out and run either a training event or simulation and you look at attrition, and from that you determine who won.

When you get into effects-based operations to find the effect you want to achieve, you've got to go to an order of thinking much higher than that, which is, "Yes, I may be destroying his tanks, but what am I doing to him?" So, if you look at some of the new work that's being done on effects modelling, you've got to get past what I call mirror imaging. In other words, doing something and assuming the effect on the adversary is going to be the same as I would interpret it.



It might not be that way, and there's some work that's being done by DARPA [Defense Advanced Research Projects Agency], as well as JWAC, the Joint Warfare Analysis Center, to start looking at how an adversary interprets your action through the lens of his own culture.

You said the world's changing. Tell me how you think the world's changed in the last decade, and what it means for us?

**EIR:** Well, to begin with, the Cold War ended, which meant that you no longer had two superpowers in a stand-off, and one of the superpowers disappeared, which opened up whole regions of the world, particularly Central Asia, Eastern Europe, that we did not have any sort of access to previously, that we viewed as part of the enemy. That certainly has been a major factor in how things have changed. And I know that's one of the arguments for changing the structure of the military, because the heavy forces that were integral to the defense strategy of the Cold War are not usable in the same sense that they were before.

**Smith:** Well, I think that's true. Let me offer to you a much bigger challenge than just the Cold War thinking, although I think the Cold War era is hugely important. It's easy to see Cold War thinking in other people; it's hard to see it in yourself. And, I'm a history guy, so I look at things. I go back and read about dead people to find answers. But it seems to me, that for about 350 years, we've been living with a construct of what I call the Western form of warfare. And again, this is my personal opinion—it's got nothing to do with the experiment. It's the discussion of how the world has changed. The Treaty of Westphalia, 1648. There were about 192 signatories of that, and they were nation-states. The Treaty of Westphalia defined for us that warfare would be between nations. From the Treaty of Westphalia, you get the "just war" theory, we evolved the Geneva Convention and all of the pieces that we call the Western form of warfare. Now, unwritten in that, was the idea that what went on inside the borders of that nation-state was its business. Warfare was going to be between nation-states, the governments and leadership. So, for most of that time, you didn't see nation-states getting involved in the internal affairs of another nation-state. It was a war more often than not declared, until this century. And I think that's all changed.

If you look at what's happened in the last decade, the things that we've done in Rwanda and Bosnia and Kosovo and Afghanistan, it hasn't been conflict of nation-state against nation-state. There's been our involvement in human rights abuses, ethnic cleansing, which is a movement away from the classic Westphalian view of warfare, and our adversaries have preceded that movement, when you look at the Beirut [Marine barracks] bombing, the *USS Cole*, Khobar Towers, World Trade Center, you see an adversary that is attacking us, not nation-state to nation-state, but hostile participant, terrorists, against our weaknesses. So, while we would like to line up

our airplanes and tanks in one line and go against their airplanes and tanks in another line, they're not going to fight that way. So the whole construct of the Western form of warfare is not acceptable to an Eastern culture, and I think it has huge implications in the way we go about doing business, and certainly militarily is one of them.

I think that's a political transformation that's already taken place, and we are perhaps trying to react to it, as opposed to happily assuming we can transform and lead the future. We may be able to do so militarily, but I think in a global sense, there's a fundamental shift in the way that adversaries are going to relate to each other.

**EIR:** That's actually a perfect lead-in for something else I've been thinking about. Not long ago I read the memoirs of Douglas MacArthur. Looking at how he conducted the campaign from Australia, up the northern coast of New Guinea: Rather than attacking Japanese strong points, he went behind them, and cut them off, and isolated them and made them irrelevant. I'm wondering whether that kind of thinking, of outflanking the enemy in that way, still has application in this new environment?

**Smith:** I think so. MacArthur's an intriguing character. If you look at his grand strategy for the Pacific, it wasn't to beat the Japanese in fixed positions. It was a strategic construct of island hopping. And, like in New Guinea, he didn't care about taking all of New Guinea. He wanted a piece of that, so he could use it as a stepping-off point, back toward the Philippines and as a way point, actually to get to Tinian and Guam, to be able to have B-29 operations against Japan, and to set a base of operations from which he was going to invade mainland Japan; and for most of that time, as a kind of end-game, before we went to Okinawa, it was to operate from Taiwan and China, along that axis.

He had in mind a certain effect he wanted to create, and it wasn't to obliterate the Japanese force head-long, although tactically there were these kinds of engagements and battles, but his campaign was much different than, say, the German campaign to Moscow. It was not attrition warfare at the strategic level. It was very much maneuver warfare strategically. Interesting dynamic. I hadn't thought about that as a parallel. MacArthur always thought strategically, first, I don't think there's any question about that. And if you look at his time in Japan, magnificent, in terms of his strategic view of things. Now, at the tactical level he was frustrated, but he thought strategically first.

**EIR:** Do you think, then, that there is still application for that kind of thinking?

**Smith:** Absolutely. To use force on force against an enemy, the generals are overpromoted sergeants. But you've got to do that in more than just military. You've got to have political—all the interagency people that have a place in this, have got to be a part of the planning and execution.

# *LaRouche's Agenda for Economic Recovery*

There is plenty of reason to see disaster immediately ahead in the path of the Bush Administration's next steps; but the only efficient response to what is looming, is to make Lyndon Larouche the front-runner for the Democratic nomination for President. The ongoing mobilization of millions of leaflets across the United States on "The Electable LaRouche" is changing the political landscape quickly; it has already borne fruit in the early August Michigan Democratic primary elections, and it can quickly knock Senators Joseph Lieberman and John McCain out of the running as serious Presidential contenders. With Lieberman, will go the unelectable Al Gore. Those are the conditions under which Bush's disastrous course can be changed.

After President Bush's much-ridiculed economic forum in Texas, LaRouche moved to accelerate planning, by his campaign and economic researchers, for rebuilding the crumbling American economic infrastructure. His first steps to stop the debt-induced economic collapse are clear, and known to American leaders at all levels: The huge volumes of unpayable stock, "junk bond," and related debt which is crushing one economic sector after another, must be frozen in an orderly, government-guided process of bankruptcy *which protects employment, incomes, and productive investments*. The United States has to join with nations of the Eurasian Land-Bridge regions to build new high-technology transportation and development "corridors." LaRouche has now commissioned a physical assessment of what will be necessary—in investment, jobs, and new capacities—to rebuild the *literally vanishing* major economic infrastructure of the North American continent itself.

These are the "economic fundamentals" so often spoken of by officials who are not even aware what they are saying. The cascading series of major airline bankruptcies are more than a financial matter: these air carriers are chaotically shrinking themselves back to 1950s and 1960s levels of air travel service. Passenger and freight rail all over the nation is being taken out of service, brought down to lower speeds, or cannibalized

among railroads. The United States' steel industry is shrinking to nothing, with the massive loss of paid-in pensions and nothing individual unions can do to stop it. Farmers in a score of states are losing their crops and seed to searing drought, and told by the President that he cannot even afford to allow them the expected disaster aid and loans! What are the "economic fundamentals" if not these—and in American history, they have never been worse.

That LaRouche has to take the lead now, is understood by many forces in or around governments in many parts of the world. Suddenly, governments in Italy, Germany, Poland, and Russia, for example—driven by sickening drops in production and trade—are all taking, or publicly considering, moves to use LaRouche's unique principles of national banking on a large scale, to generate government credits to "get back to production."

President Bush is going through "Hoover II": facing a worse crash than Hoover did, and discrediting himself not because there is a collapse on, but because he is being advised to lie consistently to the American people about a "recovery" and "sound fundamentals." He is being pushed by the McCain and Lieberman operation, and by the "molehill" within his administration, to go into a spreading Mideast war, one which will make the economic crisis far worse; pushed into huge and disastrous IMF bailouts for international banks; and he is so squeezed by disappearing government revenues, that he is now forced to renege on hard government promises—security expenditures for the nation's airports, disaster aid, and others. The credibility disaster of his Texas economic forum shows dramatically, that his policy teams have got to be shaken up and replaced.

But nothing will be gained by easy criticism of the President and his predicament. Only one response to it is effective: admit Lyndon LaRouche's electability, as much of the world does; and make him the front-runner for the Democratic nomination. That will change the axioms of the President, and the country.

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