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LaRouche Says, Bush Must Purge Neo-Cons Now
To Fix the Shuttle, Change American Culture
Russia Reacts to Cheney Nuclear-War Policy Threat

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'The World at a Turning Point'**



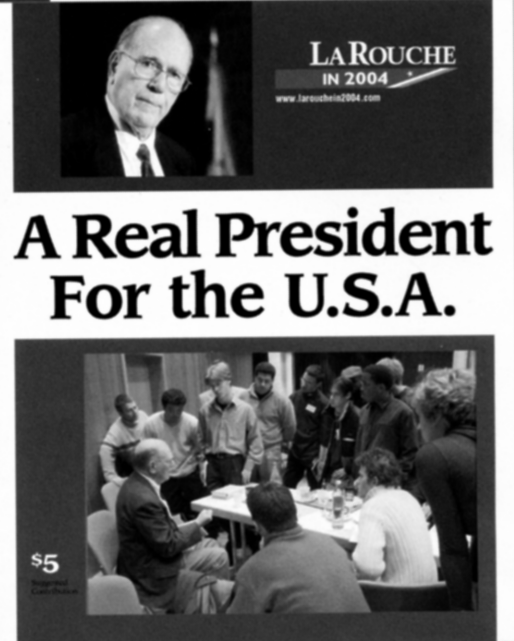
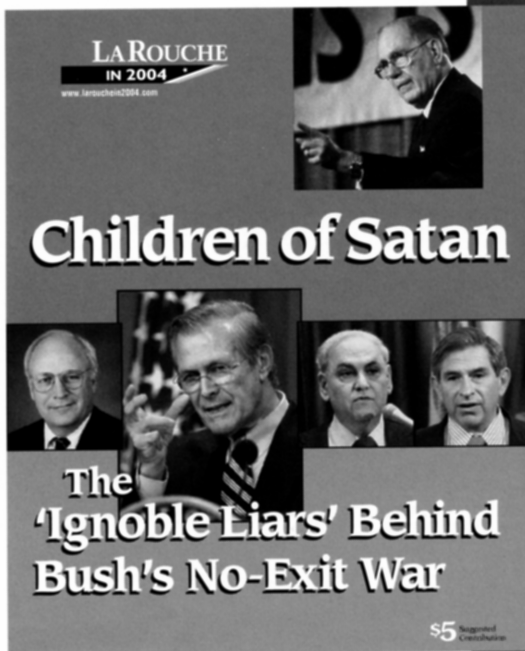
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From the Associate Editor

At last year's Labor Day conference of the LaRouche movement, Lyndon LaRouche called for a mass mobilization behind his "emergency November program" to rebuild America's decrepit and deregulated infrastructure. The only alternative, he said, is a descent into war and a collapse of the global financial and economic system.

Where do we stand, a year later? See LaRouche's conference keynote (in the *Feature*), for an overview of the crisis now upon us. News articles elaborate the picture: There was the disaster of the Space Shuttle *Columbia* in February, as a result of 30-plus years of wrong economic thinking (p. 4). We have the present near-bankruptcy of our occupation force in Iraq (p. 54), and the threat of chaos and a Dark Age there (p. 40), as Dick Cheney's carpetbaggers move in to grab Iraq's resources (p. 60). We have had power blackouts, and the further collapse of our infrastructure.

LaRouche's marching orders now are: Defeat the recall in California! Get Cheney out! LaRouche's 2004 Presidential campaign committee has issued a White Paper titled "Who Robbed California? Vote No on Recall." This will be the focus of a *national* organizing effort—since the focus is not only Sacramento, but more especially, Washington.

On our cover, are two honorary members of the LaRouche Youth Movement, who rallied conference participants on both the East and West coasts to organize up a storm, in the weeks before the California election—and beyond. They were joined by 91-year-old civil rights movement heroine Amelia Boynton Robinson, and by her "daughter," Helga Zepp-LaRouche, both of whom told the audience (as did Dr. Chandrajit Yadav of India): Don't be afraid! Overcome your fears, develop your mind, locate your identity in the Sublime!

I am sure that all those who attended the two-coast conference agree that the most sublime aspect was to see the Youth Movement in action: their rapid intellectual development and profound mastery of LaRouche's ideas, as shown notably in the conference panels on "What's This Music Stuff All About? LaRouche Youth Movement Throws Down the Gauntlet: Rules vs. Creativity and Bel Canto" and "The Crab Nebula and the Complex Domain." The presentations are archived at www.larouchepub.com, and portions will appear in print soon.

Susan Welsh

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Chandrajit Yadav, chairman of India's Centre for Social Justice (left) and Lyndon H. LaRouche, Jr., at the Schiller Institute/ICLC conference in Reston, Virginia on Aug. 31.



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To Fix the Shuttle: Change American Culture

by Marsha Freeman

The release of the report by the Columbia Accident Investigation Board (CAIB) on Aug. 26 garnered numerous headlines blaming “NASA’s culture” for the loss of the Shuttle and its crew on Feb. 1. While that might be an easy and convenient way to dispose of the accident, a careful reading of the report paints a quite different, and even more disturbing picture. As Lyndon LaRouche said the day after the accident, if you want to find the cause, “blame the bookkeeper mentality.”

The flaws in “NASA’s culture” are a reflection of the cultural paradigm shift from the values of the early 1960s to today. Policies to advance technology and breakthroughs in science, in order to develop the economy vectored toward a qualitatively improved future, have been replaced by shareholder value, a fixation on what things “cost,” rather than what they are worth, and by the population’s willingness to give up progress and exploration because of an emotionally driven perceived personal “risk.”

It was certainly the case that NASA managers made flawed decisions before and during that Shuttle mission.

The loss of foam insulation from the Shuttle’s External Tank had been observed on previous missions, but its potential for damage to the orbiter had been underestimated. From that flawed analysis came the decision not to investigate the extent of the damage over the course of the Columbia’s two-week mission, or consider it a “safety of flight” issue that required immediate attention before any more orbiters could be launched.

But, the board asks, how did this happen, in an agency that prides itself in making safety the paramount consideration for flight? What priorities were competing with safety considerations in carrying out Shuttle launch decisions and operations? What external pressures were acting upon NASA managers that led to this tragic result?

The board found that the answers lie as far back as 30 years ago, when the Space Shuttle program began. The issues span Democratic and Republican administrations, and Congressmen from all varieties of ideology.

The board decided from its inception—just a few hours after the accident—that finding the physical cause of the break-up of Columbia alone would not “fix” the Shuttle; that other problems could well be lurking in the background, only to produce another catastrophic accident in the future. The members decided that their investigation would include “a safety evaluation of the entire Space Shuttle Program.”

The board stated in its report, that it “recognized early on that the accident was not an anomalous, random event, but rather likely rooted to some degree in NASA’s history and the human space flight program’s culture.” And the board had the integrity to probe the history of the manned space flight program, and the external pressures on the space agency that shaped NASA’s “culture,” without holding back criticism of people and institutions who they determined should be held accountable for the Columbia accident.

The board sees the organizational causes of the accident as rooted in “the original compromises that were required to gain approval for the Shuttle, subsequent years of resource constraints, fluctuating priorities, schedule pressures, mischaracterization of the Shuttle as operational rather than developmental, and lack of an agreed national vision for human space flight.” The “NASA culture” that helped cause the accident stemmed from the resignation particularly on the part of managers responsible for the program, to the fact that they were unlikely to have available the resources or authority they needed to operate the Shuttle the way it should be operated, and the compromises they had to make in order to have any manned space program, at all.



The Columbia Accident Investigation Board, seen here at a May 28 press conference, found that the history of the political environment and budgetary constraints of the space program were as much the cause of the accident as the shedding of foam. Left to right: Lt. Col. Woody Woodyard, public affairs officer; Chairman Adm. (ret) Harold Gehman; Brig. Gen. Duane Deal; Maj. Gen. Kenneth Hess; and Dr. Sheila Widnall.

The “culture” at NASA that was allowed to develop in response to this environment can be described as a “siege mentality,” where engineers were overruled or not listened to by managers who were under constant political and budgetary pressures. In this environment, criticism from outside was seen as hostile, and often went unheeded.

The space program is at a crossroads. The board’s report calls for a broad national debate about the future of space exploration, and places the lack of vision squarely at the doorstep of the White House and Congress.

The initial response from lawmakers to the report is disappointing. During the first hearing on the CAIB report, before the Senate Committee on Commerce, Science, and Transportation on Sept. 3, Senators did *exactly* what the board warned against. Sen. Ernest Hollings (D-S.C.) railed at the board for not finding individuals at NASA who should be blamed for the accident and fired, which the board had specifically stated would not solve the problem.

Sen. Ron Wyden (D-Ore.), asked NASA Administrator Sean O’Keefe to prepare a cost-benefit analysis of human space flight to present to the committee within six months. It is precisely this accountant’s mentality, the board report makes explicitly clear, that contributed to the “culture” responsible for the accident.

The CAIB report states repeatedly that flying the Shuttle is “rocket science.” The accident “shows that space flight is still far from routine. It involves a substantial element of risk, which must be recognized, but never accepted with resigna-

tion. The seven Columbia astronauts believed that the risk was worth the reward.”

Failed Policies From the Beginning

The CAIB states that the Feb. 1 accident “reaches more than 30 years into the past, to a series of economically and politically driven decisions that cast the Shuttle program in a role that its nascent technology could not support.” Thirty years ago, it fell to President Richard Nixon, as President Kennedy’s lunar Apollo program drew to a close, to decide what was next for manned space flight. NASA envisioned a constellation of space stations, reusable vehicles to service them, and the manned exploration of Mars. President Nixon “rejected NASA’s ambitions with little hesitation,” the report states, “and directed that the agency’s budget be cut as much as was politically feasible.”

NASA’s leadership knew that if there were to be any manned space flight program at all, it would have to be “sold” to Nixon’s Budget Office. With no long-term justification for a Space Shuttle on the horizon—after Earth-orbiting space stations and trips to Mars had been shot down—the only remaining selling point to the accountants was that a reusable vehicle would make space flight “cheaper.”

To do that, and recover the huge sunk cost of developing a new manned vehicle, the flight rate would have to be high, which would depend upon, not only NASA’s science missions, but payloads paid for by commercial interests and the military. But to interest the Department of Defense in using this new capability, NASA had to tackle “tremendous technological hurdles,” designing the orbiter to be able to carry 40,000 pounds of cargo in a 60-foot-long payload bay, and accommodate landing requirements that led to larger stresses on the vehicle’s delta-shaped wings and thermal protection system.

As the technical design for the Shuttle grew in complexity to meet these demands, “the Office of Management and Budget forced NASA to keep—or at least promise to keep—the Shuttle’s development and operating costs low,” the report states. “In May 1971, NASA was told that it could count on a maximum of \$5 billion spread over five years” for the Shuttle program. NASA had no choice but to “promise” it could do that.

Summarizing these earliest years of the Shuttle program, the report states: “It is the board’s view that, in retrospect, the

increased complexity of a Shuttle designed to be all things to all people created inherently greater risks than if more realistic technical goals had been set at the start. Designing a reusable spacecraft that is also cost-effective is a daunting engineering challenge; doing so in a tightly constrained budget is even more difficult. Nevertheless, the remarkable system we have today is a reflection of the tremendous engineering expertise and dedication of the workforce that designed and built the Space Shuttle within the constraints it was given.”

In 1979, the Carter Administration wanted to make sure the Shuttle program, which was over its budget, was worth the cost. That White House decided that the Shuttle would be important in launching military intelligence satellites to verify the Strategic Arms Limitation Treaty, and so continued development. Due to a combination of the technical challenges for the world’s first reusable spacecraft and the continuing budgetary challenges, the first Shuttle launch slipped from 1978 to April 1981.

The day of the first launch, the *New York Times* editorial described the winged orbiter as a “white elephant.” Diatribes were printed about how the Shuttle had run over budget and was not worth the cost. In fact, the board’s report states, the development of the Shuttle was only 15% more than its projected cost, “a comparatively small cost overrun for so complex a program.”

The Challenger Accident

President Ronald Reagan had the honor of welcoming the first Space Shuttle crew back to Earth, after their 54-hour mission in April 1981. Anxious to cut back government funding for the Shuttle program, along with many other research and development programs, such as second-generation nuclear energy technology, the Administration pressured NASA to offset some of the cost of operating the system through the launch of commercial satellite payloads.

To make this shift, from an experimental manned vehicle for science and engineering, to an “operational” vehicle, or a “space truck,” President Reagan declared on July 4, 1982, when he welcomed Columbia home after only its fourth flight, that “beginning with the next flight, the Columbia and her sister ships will be *fully operational*, ready to provide *economical and routine access to space* for scientific exploration, commercial ventures, and for tasks related to the national security” (emphasis added by the board).

NASA was under the budgetary gun to fly as often as possible, in order to lower the cost of each mission, even though the Shuttle system was “proving difficult to operate, with more maintenance required between flights than had been expected.” The board reports that the pressure of “maintaining the flight schedule created a management atmosphere that increasingly accepted less-than-specification performance of various components and systems, on the grounds that such deviations had not interfered with the success of previous flights.”

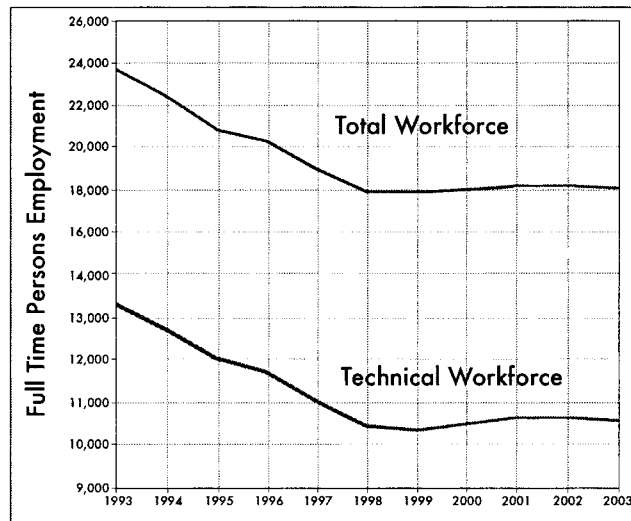


Figure 5.4-2. Downsizing of the overall NASA workforce and the NASA technical workforce.

NASA went along with this new “operational” designation also because it was anxious for the Administration to approve the next step in the infrastructure for manned space flight—a space station—which would give the Shuttle a mission, beyond that of a “space truck” to make deliveries in Earth orbit, but as the stepping stone to the Moon and Mars.

The budget and schedule pressure on the Space Shuttle program led to a similar chain of flawed decisions on Jan. 28, 1986 when the Shuttle Challenger was launched, as it did during the Columbia mission.

One of the conclusions of the CAIB, in juxtaposition to the designation of the vehicle as “operational,” is that the Shuttle “is a developmental vehicle that operates not in routine flight, but in the realm of dangerous exploration.”

During its investigation of the Challenger accident, the Rogers Commission noted that the increasing flight rate before 1986, led to schedule pressures including “the compression of training schedules, shortage of spare parts, and the focusing of resources on near-term problems.”

In discussing the shift in NASA’s culture during the period of transition between the manned lunar exploration program and the operation of the Space Shuttle, the Columbia Board makes the important point that through Apollo, NASA had been characterized as a “can-do” agency, which, when presented with near-impossible missions, achieved success.

The board states that NASA’s culture at that time, “valued the interaction among research and testing, hands-on engineering experience, and a dependence on the exceptional quality of its workforce and leadership that provided in-house technical capability to oversee the work of contractors. The culture also accepted risk and failure as inevitable aspects of

Fiscal Year	Upgrades
1994	\$454.5
1995	\$247.2
1996	\$224.5
1997	\$215.9
1998	\$206.7
1999	\$175.2
2000	\$239.1
2001	\$289.3
2002	\$379.5
2003	\$347.5

Figure 5.5-3. Shuttle Upgrade Budgets (in millions of dollars). (Source: NASA)

operating in space, even as it held as its highest value attention to detail in order the lower the chances of failure.”

By the end of the 1980s, two things changed. NASA’s premier engineering and scientific cadre were to operate a Shuttle which repeatedly went around the Earth, with no challenging long-term vision; a different kind of “mission” than Apollo.

As the report describes the situation: “NASA’s human space flight culture never fully adapted to the Space Shuttle Program, with its goal of routine access to space, rather than further exploration beyond low-Earth orbit. The Apollo-era organizational culture came to be in tension with the more bureaucratic space agency of the 1970s, whose focus turned from designing new spacecraft at any expense, to repetitiously flying a reusable vehicle on an ever-tightening budget.” While the board errs in suggesting that during the Apollo program, NASA had a “blank check” in terms of funding, it was an agency established with a mission of exploration, which the nation decided it could not “afford” when Apollo ended.

Secondly, values were changing from exploration to cost-benefit analysis. The end of the Cold War, and dissolution of the Soviet Union, removed one of the motivating principles of the space program in the minds of lawmakers, which, in the 1960s, had given it an urgency, and something of a priority.

Former astronaut Dr. Sally Ride, a Columbia Accident Investigation Board member, remarked during the board’s deliberations, that in the Columbia investigation, she heard “echoes of Challenger,” on which investigating board she had also participated. Her reference was to the flaws in decision-making and the “NASA culture” that had not changed appreciably over the 17 years since Challenger.

The board reviewed many of the reports produced by panels of experts independent of NASA over the past decade, and found that not many of their recommendations to improve

safety had been implemented, nor their warnings heeded, by the space agency. More important, however, than any internal “bureaucratic” resistance to change, was the continued substitution of ideologically driven political decisions for sound engineering, or sound economic policy.

‘Reinventing’ NASA

Through the Reagan and George H.W. Bush Administrations, NASA’s budget was in continuing decline. In 1990, the White House chartered a committee to review NASA’s programs. The Augustine Committee concluded that the space agency was trying to do “too much with too little,” and that a “reinvigorated space program” would require a 10% per year real growth rate in funding, to reach a level of about \$30 billion by the year 2000. In actual Fiscal Year 2000 dollars, the amount would have been \$40 billion. NASA’s budget that year was \$13.6 billion—in real dollars, about one-third of the level during the Apollo program. The board observes that over the past decade, “neither the White House nor Congress has been interested in a “reinvigorated space program.”

On the contrary, during the Clinton Administration, “faster, better, cheaper,” became the slogan of the space agency, with the tenure of former TRW executive Dan Goldin as NASA Administrator, under the rubric of Vice President Al Gore’s “reinvesting government” scam. Between FY 1993 when the Clinton Administration took office, and FY 2000 after which it left, NASA’s budget continued its downward slide from \$14.3 billion to \$13.6 billion. This represented a 13% loss in purchasing power over the decade.

During that decade, the Space Shuttle budget, however, declined by 40%. A major reason, was the insistence by the Office of Management and Budget (OMB) in 1994, that any cost overruns in the International Space Station program had to be made up from within the budget allocation for human space flight, rather than from the agency’s overall budget. With the political turn in the 1994 elections that brought a Republican majority to the House of Representatives, there was even greater pressure to loot the space program to help “balance the budget.”

Administrator Goldin was anxious to concentrate resources on new initiatives, such as robotic missions to Mars, which he believed would garner public interest and support, and provide the agency with a longer-term vision. These efforts themselves ended up suffering from his “faster, better, cheaper,” policy, when three Mars missions ultimately failed, due to a rushed schedule and underfunding. But the Space Shuttle—an already-established and less sexy effort—would bear the brunt of NASA’s new philosophy.

Over the 1990s, the Shuttle workforce was “downsized” to cut costs. The board report states that Goldin also de-emphasized engineering in the Shuttle program, preferring to use those skills for completing the Space Station, and his Mars projects. Even before Goldin’s arrival in Washington, squeezed by rising station costs, NASA announced a goal

of saving 3-5% per year in Shuttle budgets over five years. Between 1991 and 1994, contractor personnel working on the Shuttle declined from 28,394 to 22,387, while NASA Shuttle personnel fell from 4,031 to 2,959. When the “Conservative Revolution” took over the leadership of the House of Representatives in 1995, the budget level NASA projected it needed for the Shuttle over the following five years, was \$2.5 billion more than the White House budget office was likely to approve.

By the middle of the 1990s, “spurred on by Vice President Al Gore’s ‘reinventing government’ initiative, the goal of balancing the Federal Budget, and the view of a Republican-led House of Representatives,” the report states, NASA was told to “privatize” the Shuttle, to cut costs.

The awarding in November 1995 of the Shuttle flight operations contract to Lockheed Martin and Rockwell’s joint company, United Space Alliance, was designed specifically to reduce cost. (See *EIR*, Feb. 14, 2003 for a discussion of the impact of “privatization” on the space program.) This first step did not satisfy all of NASA’s overseers. In 1998, Congress passed the Commercial Space Act, directing NASA to “plan for the eventual privatization of the Space Shuttle Program.” Sheer madness!

There were other failures of policy throughout the 1990s. There was an uncertainty about how much money should be allocated for Shuttle improvements, repairs, and upgrades, due to an uncertainty about how much longer the fleet of vehicles would be flying. In reviewing a series of false starts in efforts to design replacement vehicles, the board concludes that each—from President Reagan’s “Orient Express,” to the 1990s X-33—was a pattern of “optimistic pronouncements about a revolutionary Shuttle replacement, followed by insufficient government investment, and then, program cancellations, due to technical difficulties.”

By the late 1990s, even Dan Goldin realized that NASA’s Shuttle funding and manpower had been cut to the bone. Some funding was added, new were people hired, and some upgrades were approved.

Although the Columbia Board had complete cooperation from NASA, and the Congress tried to stay out of its way as much as possible, the Bush Administration, citing executive privilege, refused to give it access to budget deliberations between NASA and the OMB. Each year, every agency prepares a request for its budget level for the following year; it then negotiates with the OMB. The Budget Office sets the final amount, which goes then to the Congress from the White House. If the board were privy to those discussions, it would have been able to find out how much funding NASA determined it needed, versus what the White House was willing to approve. This action by the Bush Administration was a repeat of Vice President Cheney’s refusal to allow the Congressional General Accounting Office access to the deliberations of his energy task force, which formulated an energy program upon

the advice of Enron and other corporate looters.

The board reports that in 2000, NASA identified 100 Shuttle ground infrastructure items that demanded immediate attention. There had been complaints, even by Congressmen, that parts of the ceiling were falling down in the Vehicle Assembly Building at the Kennedy Space Center, where the Shuttle orbiters are prepared for launch. Investigators had described the situation as “deplorable.”

NASA submitted a request to the Office of Management and Budget during the White House deliberations on the FY 2002 budget at a level of \$600 million for an infrastructure initiative. No funding was approved. Nothing much had changed.

In 2001, a new Administration rode into Washington.

Budgeteers in the Space Agency

When the Bush Administration decided to replace Dan Goldin at NASA, its major concern was the report by NASA that the International Space Station was more than \$4 billion over the projected cost to complete the orbital facility. By appointing former OMB official Sean O’Keefe as NASA Administrator, the Bush Administration made plain where its priorities lay: budget constraints and “competitive sourcing.”

To deal with the immediate budget crisis, O’Keefe made a devil’s deal with the White House: Not only would the Shuttle budget continue to be looted to pay for Space Station cost overruns, but the schedule of Shuttle launches would be determined to meet an artificial date O’Keefe promised the White House NASA could meet. The first phase of station construction would be completed in February 2004, he proposed, within budget. This would establish “NASA’s credibility with the Administration and the Congress for delivering on what is promised,” O’Keefe stated. The White House agreed that if NASA could prove itself, the Administration would reconsider whether or not to complete the station.

As the report states: “The White House and Congress had put the International Space Station, the Space Shuttle Program, and indeed NASA on probation.” Managers now had to convince themselves the Shuttle was able to fly on schedule, even if the vehicle was telling them it was not ready. The pre-Challenger pressure on the launch schedule had returned, with a vengeance.

The Columbia Board has made 29 recommendations, 15 of which are prerequisite to the return the Shuttle to flight. They deal with improvements in the foam and thermal protection system, other Shuttle components and systems, and management “culture” issues at NASA.

Although the board clearly states which institutions, and ideologies, are ultimately responsible for the Columbia accident, it could not legislate that the nation’s political leaders toss out 30 years of failed policies and cultural values that made an accident inevitable.

It is now up to those leaders to do so.

Will Germany Revive Nuclear Power?

by Rainer Apel

A great disservice done to the German economy under the present government coalition of Social Democrats and Greens, is the formalized ban on nuclear technology. Existing power plants can be operated until the year 2020, but new plants are not getting permits. Instead, the Greens and their radical-ecologist co-thinkers among the Social Democrats keep dreaming of a German energy future based mainly on solar and wind power.

The extraordinary heat wave of this past Summer, which showed a lot of sun but almost no wind, has worked a backlash against the Greens, because many parts of Europe were able to meet demands only through extra purchases of electricity from other countries, which fortunately did have surpluses to sell. Also Germany, where a lot of money has been invested in windmill parks that stood still for several Summer weeks this year, was forced to purchase electricity abroad. This situation has worked to the advantage of the several hundred citizen initiatives in Germany that are opposed to the windmill nightmare, for reasons ranging from complaints about noise, to concerns about safety, and anger about rising energy consumption prices. Anti-windmill groups, which were neglected by politicians and by the media, are now being paid more attention.

This also has to do with the international shock caused by the giant power blackout Aug. 14-16 in the northeastern regions of the United States. On Aug. 28, a blackout occurred in a similar though smaller way in London, affecting a half-million citizens during the rush-hour. Back in June, Italy suffered a national electricity blackout.

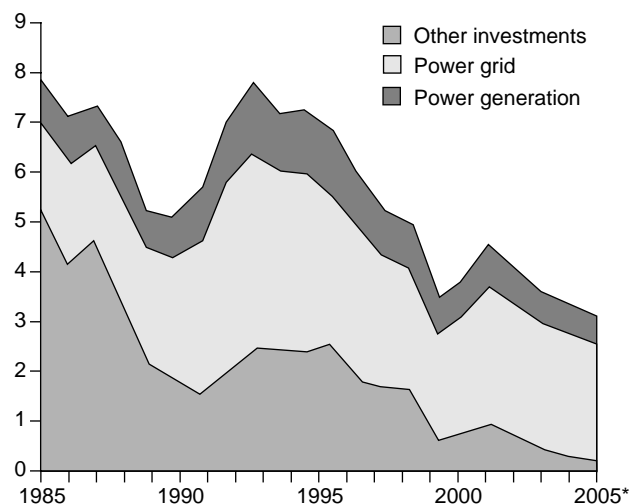
Unions, Politicians Shift

All this has sparked a new debate in Germany about a return to nuclear power. On Aug. 29, Günter Schmoltdt, national chairman of the labor union of the energy and utility workers, said that these blackouts contained the message that for a modern industrial nation, a secure power supply cannot be provided without nuclear technology. Building new nuclear power plants in Germany must not be ruled out, Schmoltdt said, in what is a statement the more remarkable, as the labor unions in Germany usually polemicize against nuclear power.

Following Schmoltdt, two leading Christian Democrats took to the media to call for a return to nuclear technology.

FIGURE 1
Investments by German Power Utilities

(Euro Billions)



*After 2002, Planned Investments.

Sources: IFO Institute; EIR.

Due to much higher investments into the power grid in the past, the German electric power system is still more reliable than those in the United States, Italy, or Britain, where large-scale blackouts have occurred. But investments into power generation and power grids in Germany have declined by 50% since the start of liberalization (deregulation) five years ago.

Angela Merkel, national chairwoman of the Christian Democratic Union (CDU), said in an Aug. 31 interview with Germany's leading Sunday mass newspaper, *Bild am Sonntag*, that the German economy would be better off, if pioneer technology sectors of industry were no longer boycotted by the Social Democratic-Green government. "Pharmaceutical industry, genetic research, or nuclear power, many branches of the future are being driven abroad," Merkel said. "I am asking myself: What shall we earn our money with in Germany, in the future? Just with unprofitable wind energy, maybe? A government led by the CDU-CSU would permit the utilities to operate nuclear power plants as long as they want." And Christian Wulff, Governor of the northern state of Lower Saxony, told *Welt am Sonntag* another leading Sunday paper, on the same day, "The energy blackout in the United States shows us how vulnerable the power supply of the industrial states can be." The main conclusion to be drawn from that, is "to permit the industry to consider new, technologically improved nuclear power plants and to begin building them, again," Wulff said, adding the important remark that "only under those circumstances, will young Germans decide to study nuclear physics again."

Indeed, the small handful of young Germans that is coura-

geous enough to enroll for studying nuclear physics at universities, can hardly expect ever to work in this profession inside a nuclear technology sector that is being phased out in Germany. The situation is well-known abroad, and it has occurred repeatedly during state visits of German politicians, that their hosts in India, China, Russia, and South Africa have offered their own know-how and manpower, to help Germany overcome bottlenecks in the nuclear power sector.

Investment Has Fallen

An important contribution to this debate was made by Joachim Schneider, board member of ABB, a leading nuclear-technology producer, and head of the energy section of the German association of the electrical engineering and electronics industry, ZVEI. In an interview with the daily *Frankfurter Allgemeine Zeitung* on Aug. 30, Schneider emphasized that wind energy, for principled reasons, cannot solve energy problems in Germany. For every 100 megawatts of wind power installations, one has to keep a reserve of 80 megawatts available from other, traditional energy sources in order to maintain power security! (In other words, wind energy's reliability is that it works except when it doesn't work.) Due to much higher investments into the power grid in the past, the German power system is still more reliable than those in the United States, Schneider said—however, as a consequence of ongoing energy deregulation, this is going to change (see **Figure 1**). Energy suppliers are under pressure to cut costs; therefore investments into power generation and power grids have declined by 50% since the start of liberalization five years ago.

The Aug. 28 blackout in London has shown, stated Schneider, that a secure energy supply is no longer guaranteed in Europe. In London, it was cost-cutting pressure due to liberalization which prevented any substantial investments into Britain's power grids, which were already in a miserable state when liberalization started.

About 40% of the German power plants have now reached the end of their life span and need replacement in the coming years. In view of the giant amount of required investments—about 40 billion euro just for power generation—the construction of new power plants, but also new overland power lines, should rather start right away, Schneider said.

The Civil Rights/Solidarity (BüSo) party in Germany, the movement headed by Helga Zepp-LaRouche, has said that for a long time; apparently, some people in other political camps have begun to adopt the same view.

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Interview: Denis Labayle

The Phantom Rulers

*Dr. Labayle of Paris is a medical doctor, and author of *The Life Before Us: An Investigation of Retirement Homes (1995)*; and *Tempest Over the Hospital (2002)*. He was interviewed on Aug. 22 by Agnès Farkas and Emmanuel Grenier of EIR's Paris office, in the wake of the death of nearly 10,000 primarily elderly French citizens, according to the government's report, in a devastating heat wave which saw temperatures at or over 100°F for more than two weeks.*

EIR: Is death by dehydration as we have just experienced it, a new phenomenon in France?

Labayle: New? Well, yes and no. What is amazing about the statistics is that no one bothers about them, provided the deaths remain within the "norm," in other words, below a certain percentage. Every year, we are faced with dehydrated old people. Old people don't count for anything. They don't even vote. Don't even belong to your own family. Save money for the pension funds, eh? Our society has become utterly cynical.

We have been vigorously ringing alarm bells for years now, that in the month of August, the hospitals are on the razor's edge; that we're in a difficult situation. The phenomenon recurs every year, except that it's been degenerating from one year to the next. The heat wave this year simply exposed the underlying reality.

EIR: You had already warned about this in two of your books, in 1995, with regard to old people's homes, and in 2002, on the hospitals.

Labayle: At the time, when I dared to denounce how dismally run-down the homes were, the Chairman of the Association of Old People's Homes, Pascal Champvert, shot me down in flames on a "France Inter" live radio broadcast. He swore I was a liar! A man in his position, denying a situation that was staring us in the face; and look where that has got us.

Even today, there are no statutory guidelines for old people's homes (elevator, wheelchair access, equipment, health and safety, staff training). There are no statutory rules in this country, just vague guidelines which are not legally binding.

EIR: Is it true that 50% percent of the dead during this year's heat wave were over the age of 85?

Labayle: No! The statistics are being massaged. At this very moment, the hospitals are being asked to report all deaths due to heat stroke, but the way the authorities define heat stroke is severely restricted: As soon as another factor comes into play, for example, a lung infection, the cause of death is not

supposed to have been heat stroke! Between 10-14,000 excess deaths, that is the reality. Not the aged alone, but anyone in fragile condition, with cancer, lung disease, cirrhosis of the liver. . . . Mortality of the population overall has shot up, not just mortality amongst the aged.

EIR: Is there a link between the excess deaths, and the abnormally large consumption in France of sleeping pills and anti-depressants?

Labayle: In old people's homes, the elderly are put into their beds between 7-7:30 p.m., as the staff want to go home then. It's an aggravating factor, because an old fellow will lie there without food or drink, but having been given medicines, until 7:30 in the morning when the staff come back on. Many old people are rushed to the hospital when they fall, but the very reason they fall is because they are chock-a-block with medicine, and suffer dizzy spells.

Personally, I believe that we have been prescribing the elderly far too many drugs against depression and anxiety. As soon as the weather becomes very warm, and they become dehydrated, a concentration of those chemicals can be potentially very dangerous. Also, in August, house doctors, nurses, and specialists out of the hospital system as such, all go off on holiday. Thus, the so-called "medical" old people's homes that rely, in the main, on such people, no longer qualify as "medical" in the month of August.

EIR: What are things like in hospitals?

Labayle: In terms of numbers of beds, the strategy has been cut, cut, cut; and we are on the razor's edge year round, insofar as the seriously ill or injured are concerned. Not that we've kept quiet about the danger that presents! But, for three decades now, the public has been told that 60,000 beds must be done away with. In 1975, in 1980, and in 1995, and then again now, the magic figure: 60,000. Whereas, between 1970 and 1995, 54,600 beds were already done away with. In other words, the 60,000 are gone, but governments continue to wave the self-same figure, without explaining why, not in the slightest. What, pray, are the scientific criteria on which the strategy to cut back on beds is based?

EIR: And what happens when you wave your arms about and shout?

Labayle: On the other side of the desk, we're faced with ideologues who know little to nothing of the grassroots. For example at the headquarters of the Hôpitaux de Paris (APHP), there sit 150 hospital managers, who cogitate in their ivory tower, and draft documents. Few, precious few, actually deign to visit a hospital: Those managers and officials are people who have acquired a degree in law or political science, and who've been trained at the National School for Health at Rennes. But such studies afford them virtually no competency in medical matters, apart from a three-month trainee course, which is completely inadequate to grasp the highly complex

modus operandi of a hospital, laboratory emergencies, X-rays, or even just plain meals. These ideologues have become every bit as arrogant as the caste of doctor-mandarins who lorded it over the medical profession 40 years ago. What is more, they have had it ground into them during their studies that doctors like to throw money about, and are thus wont to exaggerate the needs. And since the new mandarins wouldn't put a foot near a hospital, there's scarcely any risk that they see the light!

EIR: On what statistical basis are a given geographical area's medical and hospital needs worked out?

Labayle: They've developed a computer program, PMSI.¹ It's really nothing but an economic argument, which they claim is an epidemiological system—absolute madness. Plus the fact that the classification system is based on three letters, MSO, which stands for Medicine, Surgery, Obstetrics. To assess needs, fine, put obstetrics to one side. But how can one lump together under M, geriatrics, pediatrics, gastroenterology, dermatology?

I find it hard to believe that in the year 2003, one might wish to use so vague a system as a basis, one which must necessarily lead to wrong-headed forecasts.

EIR: What about the problem in the emergency wards?

Labayle: Get ten emergency room doctors round a table, and they will all speak with one voice: "Find us the beds, and the emergency room issue will be solved." Hospitals are not designed to be a giant parking lot where one dumps people, but rather a place where people are properly treated, and then leave. We've got to set up light structures to treat people with "slight emergencies" that don't need all that high technology, out of the emergency room proper. It's been discussed for years, and nothing budges.

EIR: Since the early seventies, no matter the government, the same plaintive whine is heard on national health matters: too many beds, too many doctors and nurses.

Labayle: For years now, there has been a caste over and above the heads of all governments, whom I call the phantom rulers. These are the people who really rule the national health scheme. No matter who may be in power, they pop up! The man who introduced PMSI, under a left-wing government, never trained in a hospital. All he did was to put in some trainee course in the U.S.A., on their national health scheme, no doubt holed out in a library somewhere. It was this man who ran the French national health scheme under Edmond Hervé, and he is still one of the big think-tankers. Overall, there is a group, made up of about 30 people, who have seized power from the hands of government, and who will have nothing whatsoever to do with people actually on the terrain.

To my mind, democracy has been trampled upon.

1. Programme de Medicalisation du Système d'Information.

Heat Wave: Is the French Health-Care System Falling Back to Middle Ages?

by Agnès Farkas

On August 26, the Italian daily *Corriere della Sera* ran a front-page editorial by a European Central Bank Governor, Tommaso Padoa-Schioppa, known as one of the “fathers of the euro.” Padoa-Schioppa demanded sweeping reforms in pensions, national health, labor law, schooling and so forth, guided “by a single principle: Cut back on the social safety net that, throughout the 20th Century, has gradually come to screen the individual from the brutality of life, the turn of Fortune’s wheel, that formerly rewarded or punished one’s own shortcomings or qualities.” To Padoa-Schioppa, we need to get back to that golden age, 50 or so years ago, when “health was God’s grace,” and men and women were grateful for whatever crumbs might fall from Fortune’s table.

Events in France during the recent terrible heat wave, tend to indicate that Padoa-Schioppa’s golden age is already with us. In early August, Patrick Pelloux, head of the French Association of Emergency Room Physicians, demanded that the government call out the Army and open all the Red Cross dispensaries and hospitals, to prevent mass death by dehydration. At the time of his press conference, French hospitals patients were stacked two deep in corridors lacking all air conditioning or even fans and room ventilation.

The Undertakers Associations say that at least 13,600 people died as a direct consequence of the heat wave. When the government belatedly decided to react, refrigerated vans and even a hall in the Rungis meat market had to be cordoned off to store corpses. And when it did call out the Army, it was to set up refrigerated army tents around Paris for the bodies. During the final fortnight of August, dozens of corpses lay for days in people’s scorching apartments in Paris and its suburbs, rotting, because the undertakers and morgues were swamped, a thing unseen in Europe since the Middle Ages. Hundreds of bodies are, in late August, being buried in paupers’ graves. The relatives of the dead have gone into hiding, because they will not, or cannot afford 5,000 euros for a funeral.

The French government is now engaged in a furious attempt to massage the figures, whereby those whose death could be ascribed to heart attacks, or thrombosis during the heat wave, will not be counted as heatstroke victims.

Forget the media hype about beautiful women, perfumes, silk scarves and lovers drifting over bridges on the Seine. This is a country of 60 million people, where 10% of the labor force is officially unemployed, while 50% of those who do have a job, earn less than 1,500 euros a month, gross.

Health Scheme Sick from Unemployment, Low Wages

In France, there is a national health scheme similar in some respects to that in Germany and Great Britain: In theory, every Frenchman or legal French resident must belong to the scheme, by paying national insurance dues monthly. In exchange for those dues, he is entitled to health care.

When the scheme was set up after World War II, it was designed to be at not cost to the patient. However, as unemployment began to rise sharply, after the Davignon Plan to deindustrialize Europe was introduced in 1974, and ever-less dues were paid into the scheme, a so-called ticket *modérateur* was introduced, which now means that patients must cover 35-45% of their medical costs. As a rule, they must also advance the full cost of most treatment, before being reimbursed by the scheme. Low wage-earners accordingly hesitate before consulting a doctor, although certain categories of the poor are treated cost-free, as discussed below.

Most of the hospitals in France are public (Assistance Publique). Although surgical and other medical care is generally state-of-the-art, the buildings and infrastructure are, in the main, delapidated, and often, owing to staff shortages, not especially clean. Severely overworked as they are, medical staff working in the Assistance Publique are fiercely committed to the idea of the national health scheme. Outside the hospitals, however, doctors in private practice (known as *médecine libérale*) do not share so generous a view, and represent a considerable force in Parliament. Powerful insurance firms, notably AXA, have been lobbying Parliament and the medical profession for over a decade, in favor of full privatization of the system on the American “health maintenance organization” model.

As a point of comparison to what follows, bear in mind

that today, it costs at least EU 700 a month to rent a shabby two-room flat in a working-class area in Paris, before one ever deals with electricity, telephone, etc. Now, 4.5 million people are entitled to free medical care, because their income falls below EU 500 a month. What this means is that something like 10% of the French population lives in such extreme poverty that they cannot even afford to rent a tiny flat in any major city.

Who are these people? Well, roughly 1 million elderly live on what is known as the *minimum vieillesse*, that now stands at about EU570 per month per person, or EU1,000 for a couple. A further 800,000 people are on the disability allocation of around EU569 per month. And 2 million or more people live off the minimum entry-level wage, which stands at about EU415 per month. These categories, which may tote up as high as 5 million people, are entitled to free medical care, assuming they can get an appointment: Most practitioners are very reluctant to see such patients, as the authorities deliberately take weeks or months to reimburse the visit.

Anyone whose pitiful resources are slightly over those allowances, must put up 35-40% of all medical costs himself.

Death at Home and in Hospital

Another major poverty-linked factor in the high mortality during the heat wave, is the quality, or rather lack of it, of French housing. This brutally de-industrialized nation has, over the past 20 years, become the country of the lowest housing specifications imaginable, thanks to a construction industry dominated by one or two major groups. Standards are so low, that the population in Germany or Scandinavia would not put up with such lodgings for 5 minutes. Nothing is too cheap, too flimsy, too fly-by-night.

In any event, old people on *minimum vieillesse* do not have the energy nor the income to fight for double-glazed windows, which cuts 65% of the Sun's intensity, nor even for shutters or heavy blinds.

And what about their children, faced with sky-high rents, who will often be too poor to rent a flat or house large enough to house their children, let alone their parents?

As for the public hospitals, the policy decision has been to install neither air conditioning, nor even room ventilation on the wards. A person undergoing surgery will thus have left the operating theater and recovery room, both air conditioned, and be straightaway moved up to a ward where temperatures will lie between 32-40°C. How many patients did die this Summer of thermic shock under those circumstances?

Two or three years ago, the government closed down several perfectly functional hospitals in Paris, on the argument that the new "super-modern" Hôpital Georges Pompidou would take up the slack. Super-modern, perhaps, but entirely without air conditioning or room ventilation. The

temperature on the Pompidou's glass-fronted wards was over 40°C. How many patients did die?

According to the Chairman of the Association of Directors of Retirement Homes, Pascal Champvert, French retirement homes have three to four times less staff than in Germany, and the average wait for a glass of water in "normal," pre-heat-wave times, is 45 minutes. During the months of July and August, owing to vacations, the hospitals, already severely understaffed, operate with 50% fewer staff still. Prime Minister Jean-Pierre Raffarin was almost lynched by doctors and nurses, when he finally got round to visiting a Bordeaux hospital in the second fortnight of August.

What France Must Reflect On

For the past three decades of austerity, national health strategy throughout Europe has rested upon a fiction, namely that human life is made up of normalcy. It is not. Man lives on planet Earth, with its tidal waves, drought, flood, epidemics, forest fires, and all the rest of it. There is no such thing as normalcy. Either one builds into the system the resources to deal with an emergency that is certain to strike at some not-too-distant point, or one accepts to return, as Padoa-Schioppa would have us do, to the Middle Ages.

What will happen this Winter if a second round of SARS strikes? Or some other fell disease, amongst a population of the ill and aged already severely weakened by the heat wave? Perhaps in some ministry, there may be people, reclining in air-cooled rooms, who calculated that the last three weeks of a person's life is the costliest, often "costing" 100,000 to 300,000 euros. Perhaps they saw the heat wave as a Godsend. Perhaps they thought that if an entire generation of the over-80s can be got to die for the cost of a bottle of mineral water, isn't that a cost-effective way of dealing with "useless eaters"?

One hopes that France will now reflect on the implications of what has just happened. Just as the purpose of law is to protect the weak against the strong—the strong need no protection—so the purpose of a national insurance scheme is to protect the weak or old from misery and disease. The hale and hearty need no help. One day, we shall all be old and weak. What then?

We publish below an interview with France's Dr. Denis Labayle. The critical point he makes is that a shadow government of about 30 persons, unknown to the public and indeed, to most in the medical profession as such, has, over the last 30 years, and rather like the private committee that runs the Bank of England, been making the essential decisions as to who gets what, strictly on a cost-benefit basis.

Let the names of these phantom rulers be known. Let their ties to the banking and insurance firms become known. Let there be public debate over whether the countries of Europe shall continue to be ruled by an anti-industry, anti-science, anti-life clique of craven egotists.

A TALE OF TWO CITIES

Washington and Sacramento: What the Dickens Is Going On?

by Lyndon H. LaRouche, Jr.

Here is Mr. LaRouche's keynote speech on Aug. 30 to the Labor Day weekend conference of the International Caucus of Labor Committees and Schiller Institute.

About seven years ago, there was an epidemic, of deregulation, which began to run like a rampage throughout the United States. The policy was to break up the energy system, the power organization of production and distribution, of electrical power, other power, which had been built up, in response to the collapse of the U.S. economy under Coolidge and Hoover. Franklin Roosevelt led, as President, in restoring a system of regulation, which was an integral part of the economic

recovery of the United States, from a Depression, where incomes had collapsed to about half of what they were in the 1920s. And, we went on to become the greatest productive power on this planet, as a result of those and similar measures.

Then, about four years later, the impact of this deregulation—the separation of production of power from distribution, the lack of regulation of prices—led to the first panic in California, as the result of an energy crisis that Summer. The following year, we had an artificial Presidency of sorts. You didn't quite know who was President. And looking back, you might say, that the Vice President was President, and the only thing that George Bush could manage was vice.

So, at that point, the severity of the effect of deregulation began to take hold. It's now reached the point that the state of California, has been looted of *tens of billions of dollars, by the people behind deregulation*. This looting occurred, in part, because the Vice President of the United States, who lived up to his reputation for vice, lied, and suppressed the reports which were available at that time, on the Williams case, the Williams Power case. And therefore, the feeding went on.

It's now reached the point, that the same people who were behind the policy, the same international financial forces behind the policy, are now running a freak show, called Arnie Schwarzenegger, as the governor of California—and, he is a freak show. I compared him to a case of a film that was done, called "Nightmare Alley," which featured Tyrone Power—the younger Tyrone Power—as an actor; in which this poor fellow degenerated, in the play, and went down to become what is called a "geek." From which the word "geek act" comes: Eating a live chicken, before an adoring crowd, for



*Lyndon LaRouche:
"There's no leader
for a time of crisis
who's one damn bit
good, unless he's
going to take on the
people, and point
out their
corruption, in
themselves, and tell
them to change it,
whether they like it
or not."*

pay—the only thing he could still do. Now, we have a geek act who, I suggest, should make a re-make of “Nightmare Alley,” in which he struggles, in the final scene, to eat a live turkey vulture, that’s going for him. He’s a big man: Give him a large bird!

But, this man’s a freak. He acts, in films, each film: a freak. He did a film, called “Junior,” in which he tried to portray the role of Ariel Sharon! If you don’t believe it, look at the two! Compare the two! Compare the cuts, of Schwarzenegger, as Junior, and Ariel Sharon. You see who he’s trying to live up to.

But, he’s only a freak show. If he were elected, he would become dangerous, in the same way that Adolf Hitler became dangerous. He will not be dangerous, if you put him out of politics now, as we should have put Adolf Hitler out of politics, earlier. But, he is not the problem.

Now, I’m going to lay out a number of things to you, now, which are all relevant; which have to be put together, to understand what the problem is we face. It is obvious, that what’s happening in California, is a fraud—the recall action is a fraud. Let’s see the Three Stooges [see photo]. All right, these are the re-make of the Three Stooges. And the quality is not improved, in the process: Warren Buffett, the so-called second richest man in the world; Arnie Schwarzenegger, the biggest sex freak in the world; and then, Jacob Rothschild. This is taken at his estate, Rothschild’s estate in London, where a large meeting was occurring to decide on the fate of the world, among powerful financial forces. This is where the Schwarzenegger campaign came from.

Now, go back—forget them for a moment. They are the Three Stooges. You’ve seen them before. You can see them on old TV, any time.

Roosevelt Against the Synarchists

Where’s this start? Well, let’s take a step back. Let’s go back to June of 1940. In June of 1940, Winston Churchill, who was then the Minister of Defense of the United Kingdom, expressed to Franklin Roosevelt, the President of the United States, a need for immediate assistance. Here you had the British troops at Dunkirk; the fear was, that they’d be overrun at Dunkirk; there’d be no British Army left to defend the United Kingdom. That Hitler would move in, in the United Kingdom, and the following scenario would occur—and, this was according to the discussions between Winston Churchill and Franklin Roosevelt at that time:

At that moment, an organization, which is known to us as the Synarchist International—a terrorist organization, run by private merchant bankers, a syndicate, had put Hitler into power; had put Mussolini into power; had put Franco into power; had put Degrelle and so forth into power; had put the Iron Guard into place in Romania; and so forth and so on.

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The History of Synarchy’s War Against America
Blair Testifies on WMD Lies: Will He Resign?

Cheney’s Energy Pirates Behind Calif. Recall Hoax



On Sept. 5, EIR featured the “Three Stooges,” left to right: Warren Buffett, Arnie Schwarzenegger, and Lord Jacob Rothschild, at Rothschild’s Waddesdon Manor in England in September 2002.

And, they were now moving, by the occupation of France, to take over the French Navy, hopefully the British Navy; they already had an agreement with the Japan Navy. Their plan was, to take England, to take the United Kingdom, into this fascist alliance—with the aid of the Laval and Vichy governments in France, which were already in the works, they were part of the Synarchist operation. And, to immediately eliminate the Soviet Union. And then, having this combination of navies, of the French, the German, the British, the Italian, and the Japanese Navy, they planned for an attack on the United States, which the Japanese carried out, in fact, on Dec. 7, 1941.

But, Roosevelt and Churchill, who did not like each other, who had opposite policies, but were both guided by certain motivations—on the side of Churchill, the motivation was, not to make the British Empire an appendage of a Nazi Europe. There were some very nasty people: like Lord Beaverbrook, who is, in a sense the den mother of the Murdoch press, the den mother of Conrad Black’s press (or the de-press, if you prefer to call them that); Lord Halifax, who was involved in the pro-Hitler plot. So, by a kind of coup inside the United

Kingdom, these fellows—Lord Halifax was the ambassador to Washington; Beaverbrook became a part of the Churchill war machine, even though he had been a Nazi-lover, a Hitler-lover before then. And, because of national pride, or national impulses, the British pulled themselves together, with the cooperation of the United States.

And, the United States and Britain entered into an alliance among two people, who despised each other: Franklin Roosevelt and Winston Churchill. And that alliance went on to win World War II.

At the end of the war, or before the end of the war, once the Normandy invasion had succeeded, and the defeat of Hitler was in hand—not right to be taken at the moment, but in hand—the German military, in July [1944] planned a revolt against Hitler, in order to get peace. That is, the war was hopeless. But, some people, in Britain and elsewhere, betrayed the plotters in Germany, who were then wiped out by Hitler, with the aid of a law, of the guy who gave us Prof. Leo Strauss at the University of Chicago: Carl Schmitt. And therefore, the war took a little longer to get over.

But, in the process, those in the United States, and in the United Kingdom, who *hated* Roosevelt, but had worked with him, because he was considered necessary until the war were won; now, knowing that the war were won, moved to eliminate him. They knew that he was ill. He was suffering from the effects of poliomyelitis, was worn down, and was about to die, of complications which could hit him at any time. They put in Truman, who was sympathetic, shall we say, to the scoundrels that put him in.

Truman's Evil Legacy

Truman dropped the unnecessary bombs on Hiroshima and Nagasaki, against the explicit advice of Eisenhower, and the implicit advice of MacArthur: There was never a legitimate military reason for dropping those bombs. Or, for that matter of fact, the firebombing of Tokyo; or for that matter, the terror-bombing of Germany, civilian centers.

The object of war, is to win the peace. Win the war, as expediently as possible, with as little damage to both sides as possible; and use what survives as the premise for peace—exactly what people didn't think about, when they were going into Iraq.

So, at the end of the war, with the dropping of those bombs, we had a tendency in the United States, and in Britain, called the “utopian” tendency. People say: “The world of history has come to an end. With nuclear weapons, and with the ability to deliver them by air, by aircraft, the world has changed. We don't need armies and navies, in the old sense, any more.”

We can now terrify the world, exactly as Bertrand Russell said, publicly, in 1946. But that was his policy earlier. Bertrand Russell was the author of this policy, of nuclear terror. We create weapons so horrible, such monstrous weapons, that nations will give up their sovereignty to world government,

in order to avoid war involving such weapons.

This became known as the “utopian faction” in U.S. military policy: The “revolution in military affairs” was started around the building up of the Air Force, and Truman supported it.

We avoided the worst consequences of that downturn, in our policy, because we were so disgusted with Truman, we couldn't elect a Democrat at that time. So, we elected Eisenhower, who represented the traditional military policy of the United States, and we had a sweet relief, for two terms, when we paid a price for it. But, we were so sick of Truman—as I was sick of Truman, then, as returning veteran: the right wing, the terror, what we call “McCarthyism”; *all the evil*, that hit the United States and terrified the population, came under Truman.

And we got relief from this—the drive toward nuclear war was stopped, because some people realized that Truman had gotten us into the Korean War, which was unnecessary, and he had miscalculated. Therefore, they said, “Get rid of that. And get rid of the Democratic Party, for the time being, because it might have the stink of Truman left on it.” And the American people breathed in relief, especially when Eisenhower shut down Sen. Joe McCarthy.

It wasn't good. Because the party of Roosevelt, of Franklin Roosevelt, that had saved the nation from the effects of Coolidge and Hoover; which had saved us, and saved the world from a world empire, a Hitler-like dictatorship; that party was now crippled. Crippled from the inside, by what Truman represented. And it never fully recovered.

There was an attempt to do so, under Jack Kennedy. But Jack was not ready for the job, really. Jack did not understand the military problem. He didn't understand what he was getting into. He began to—and then, *they killed him*.

On Our Way Toward Fascism

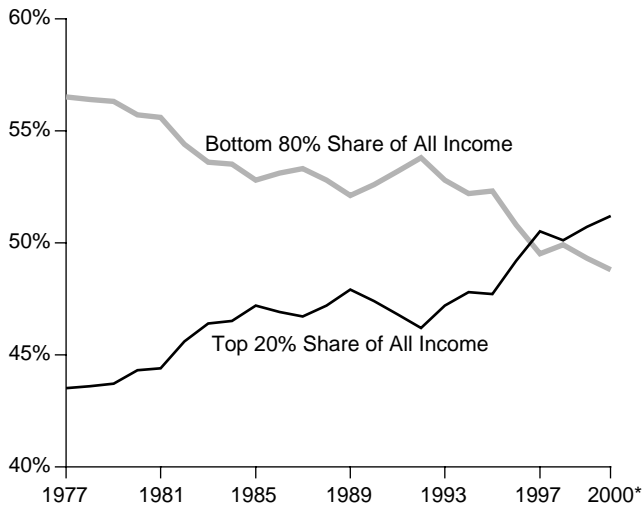
And then, we had a change: We had a meeting, between Presidential candidate Richard Nixon and the Ku Klux Klan in Biloxi, Mississippi. This became known as the “Southern Strategy.” We were on our way toward fascism.

Then, at the end of the 1970s, the Democratic Party went to the right, with the founding of the Democratic Leadership Council. And the Southern Strategy came over to the Democratic Party: It was called the “Suburban Strategy.” Amounts to the same thing.

Since 1977—I think we can show that one, the drop in income, of the lower 80% of family-income brackets of the United States [Figure 1]. We have had a disassociation of the general welfare, from the population as a whole. We have a doctrine, which comes out of the fascist majority of the Supreme Court, typified in the extreme by Antonin Scalia, which is called “shareholder value”: In other words, if you bought a health-care plan, which is going to take care of you; and some stockholder had come in and bought a share of a company that had taken over the health-care plan, an HMO-style com-

FIGURE 1

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



* = projected

Sources: Congressional Budget Office; EIR

pany, the shareholder of that company (who just bought the stock yesterday) had the right to a given rate of profit, even if it meant taking your life, by denying you the care you needed! That's the kind of change we made.

And, that was what happened in 1977: Infrastructure went down; industries began to collapse; the physical standard of living collapsed. The Federal Reserve System cooked up this so-called "Quality Adjustment Index," under Volcker—1982-83—and the Federal government has been *lying* about the rate of inflation—and I'm talking about 10% and 20% ratios—ever since. Look at the physical standard of living of somebody in 1975, the middle of the 1970s: Look at what a week's wage would buy, in terms of a standard of living; what kind of improvements in the community; what public library; what hospitals; what kind of health services would be provided to you *physically*, as a percentile of your wage.

Look at it now.

They took away the factory where you were employed. Now you work cheaply. You commute long distances. You have no family life, because you're on the road, commuting, in traffic jams most of time. You're working odd jobs, to try to make it. And you can't quite make it.

So, there's a transformation in our country, from a society based on the general welfare principle of our Constitution, to a society based on a Lockean conception of "shareholder value"; which was called, in the Confederacy, "slaveholder value."

So, we underwent a change. And therefore, people say to themselves, "Well, you can't do anything about it. The

Democratic Party has abandoned us. The Republican Party is out to eat us." "There's nothing you can do about it. You can't put the toothpaste back in the tube." And so, these things happened. And so, deregulation came.

But who's behind it?

The Plot To Destroy the American Revolution

Go back to the 1930s, and look at this organization, which had been formed, called the Synarchist International. And take another step back, to the 1780s. What was happening in the 1780s? The American Revolution had happened. The American Revolution was a project *conceived in Europe*, by the greatest minds in Europe. Mediated, in part, especially since the 1750s and 1760s, through Benjamin Franklin, who is the leader of this nation: the man who actually decided what would be written in the Declaration of Independence. Franklin re-wrote the draft, which his subordinate, Jefferson, had sketched, after the discussion: crossed out this; crossed out that; put this back in; and so forth. Franklin is the father of this country, not George Washington, to whom certain honors belong. But Franklin was the father of this country. And Cotton Mather, before Franklin, in a certain sense.

So, this is an intellectual movement, about the idea of creating a republic, modeled upon the idea, the Classical idea, associated with the memory of Solon of Athens, and the work of Plato: to create a true republic. In which the republic would be sovereign; the people would be sovereign. They would have no external overlord, over the nation, or over themselves. The legitimacy of the government would be based, entirely, on a commitment of the government, efficiently, to promote the general welfare of *all* of the people. And to promote the general welfare of *posterity*, as well. The principles of law enshrined in the Preamble of our Constitution, which is the fundamental law of our Constitutional republic.

We created that republic, at least in embryo, as a commitment. At that point, all of Europe was inspired by the American Revolution. The American Revolution was in the process of taking over Europe. France was first on the list. The whole group in France, which had been behind the American Revolution—supported it—wanted to do the same thing in France. Throughout Germany, the leaders of Germany, of the Classical humanist tradition in Germany, were mobilized around the American Revolution, during the 1770s and 1780s.

People aspired to *free* Europe, from the systems of Europe. And to have a system in the nations of Europe, which corresponded to the *intent* of the Constitution of the United States.

That did not make everybody happy.

You had the head, the actual political controller of Barings Bank and the British East India Company, Lord Shelburne, who from 1763 on, began to make major moves, in several directions, to try to stop the American Revolution, which was already seen by them, at that time. And once it had happened, when Shelburne was Prime Minister in 1782 and 1783, he set



The father of the United States, Benjamin Franklin, supervises the drafting of the Declaration of Independence. (Thomas Jefferson is second from the left.)

into motion, through his agents in Switzerland and France—especially French-speaking Switzerland, especially around Geneva, Lausanne, and around Lyon in France—set into motion a cult, which became known as the Martinist freemasonic cult: of Cagliostro, of Mesmer, of Joseph de Maistre, and so forth. This cult.

This cult pre-orchestrated the French Revolution, from 1789 through the fall of Napoleon, through all phases. And it was controlled by British intelligence, under the direction of Lord Shelburne, then Jeremy Bentham, his key man, and associates.

For example: the siege of the Bastille, on July 14, 1789, was orchestrated by two British agents: Philippe Egalité and Jacques Necker. Why was it done? Because Bailly and Lafayette had led, in forming a Constitution, presented it to the monarchy. The monarch had rejected it at first, but it was still on the table. The storming of the Bastille was a terrorist incident, run by synarchists, under the direction, and sponsorship, and control, of Lord Shelburne—from England, from London. Danton and Marat were agents of Shelburne's, and were personally trained and *directed* by Jeremy Bentham. And so forth, and so on.

What the synarchists did, and they outlined this conception in their writings of that, time and later—they're called the "synarchists" now; but, they were called then, the "Martinists"—they laid out, what happened in the French Revolution, from 1789 to the fall of Napoleon. It was a plan! It was a doctrine; it was an ideology. And they ran every step of the way, in concert with certain forces in Britain, around the British East India Company, and Barings Bank.

What was this for? This was to stop the spread of the American Revolution's idea in Europe! The American Republic was the greatest danger, to whose interests? The Martinists? Well, they're fascists—what we call fascist, today. These are your Hitlers; these are your monsters. These are your Nietzscheans.

Bankers' Rule

But, who was behind them? Bankers. What kind of bankers? Venetian-style bankers. *Private, family, merchant banks*. Like the India Companies; those are the India Companies of Holland and Britain. Private banks, like Schlumberger interests, and similar kinds of interests, which exist to the present day.

These banks were already penetrating the United States, with agents like Gallatin: *an enemy agent, inside the government of the United States!* Gallatin! A Swiss agent—actually a synarchist agent.

What did they decide? They said: "Never will we allow—we bankers—we will never allow the existence of a government, which places the authority of the state above the interests of the bankers."

What do you have in Europe, today? What kind of a system do you have, as opposed to the Constitutional system, prior to the Federal Reserve Act? What you have in Europe, today, is essentially, the Anglo-Dutch liberal model of parliamentary government.

How does it work? It works on the basis of: You have a state apparatus, under a monarch, or some nominal President, which just keeps running as a state apparatus. You have a parliament, which can be dumped, any time you decide to orchestrate a crisis. A parliamentary government *has no continuity*; it has no assured continuity.

Then, you have a third branch of government, called, today, an "independent central banking system." The independent central banking system controls the emission of currency; controls national credit; and, any time the government displeases it, it uses its power to orchestrate the overthrow of the government.

So, the issue, today, is to rid the world of that vestige of the Anglo-Dutch liberal parliamentary model. And, to return to what the American Constitution prescribed and *intended*, which we were not able to carry out fully, because we were isolated by these developments in Europe of that period, the Napoleonic period and afterward; and because we had internal problems we could not resolve.

It was not until Lincoln brought this nation to victory over slavery, that something resembling the actual intention of the Constitution came into being. And even that was in trouble. In the meantime, within our own country, we had a banking interest, centered in Boston, centered in New York City, which had the same kind of mentality, and often direct connections to what we call the synarchist bankers of Europe. That has been our problem.

Now we come to a point, that the entire system is collapsing; the entire international financial system is collapsing—just as the Versailles system was collapsing, in the 1920s; but this time, it's much more severe, much deeper as far as Europe and the Americas as concerned, at least, and Africa. Therefore, the amount of debt which is outstanding, financial debt in the system, *could never be paid by the existing nations*. Never!

So, what does that mean? That means, that nations have the choice of either telling the financial interests, *to eat their losses*: because the care for the people and the nation comes first—. The power of sovereign government, is the care the people and the nation. But, if government runs a bankruptcy receivership operation, which it must do now, with the entire IMF system, with the Federal Reserve System, and so forth, then what happens to these powerful bankers? *We pay what has to be paid, first*. We meet the standard of the general welfare and posterity. We exert our sovereignty, that *no external authority*, including bankers, can subvert our sovereignty; can destroy the general welfare of our people from outside; can damage our posterity.

What's the bankers' reaction? Well, some bankers will say, "All right. I'm just a banker. Put me through reorganization. I'll stay in business. I'll work for you. I'll get back in business." But others: "No."

And that's what this is.

You have powerful, private banking interests, of a family, merchant-banking style, who operate as a syndicate, like a Venetian oligarchy, Venetian financier oligarchy: They were behind the synarchist operation, or the Martinist operation, which was the French Revolution. This is the organization—exactly the same organization—in Europe, which put Mussolini into power in 1921; Hitler into power, 1933; Franco into power; and so forth and so on.

This was agency which was determined to destroy the United States in 1940! *This is our enemy!* That was our enemy, *then*. That is our enemy, *today!*

The difference today is, the leadership of the enemy, at that time, came from Europe, which was determined to destroy the United States. The problem today is, the leadership of that operation is *in* the United States. And, its *puppet*, is the Bush Administration. Its puppet is those in the Democratic Party National Committee, who are the instruments of this kind of policy.

And, if you go by that standard—you say, "Here we're in a great crisis, great financial crisis. Worse than Versailles; worse than the collapse of the Versailles system. We have one

choice: If we make the choice, of defending the sovereignty of nations; of promoting the general welfare of each and all nations; of promoting the interests of posterity of each and all nations; if we come to treaty agreements and cooperation, in taking over the IMF and so forth, under these terms: Then, we shall survive." We can not create instant prosperity out of this great poverty. But, we can take the road *up*, as Roosevelt led the road up, in 1933, in March of '33 on. We can do that. We can give optimism and a future to our children and grandchildren. And, that's about the best we can do. And survive, in the meantime.

A Community of Sovereign Nation-States

We can also, we hope, by coming to agreement in a great crisis, which is the times, that people make, usually, great decisions: We can say, "An *end* to this kind of conflict! An *end* to a Hobbesian world!" The time has come, to create what the United States has always been committed to, by its Founders, from the beginning: the establishment, around the United States, of a community of respectively sovereign nation-states on this planet, sovereign nation-states, which together form a community of principle.

The essence of this matter is—and, I'll take for a moment, this deeper question: Why a sovereign nation-state? It's very difficult to define a sovereign nation-state to most people in today's culture, because our culture is so decadent. In former times, when we had the semblance of a Classical culture in schools, before we had Hollywood, before you would have a Hollywood screen, which would feature so much of this Schwarzenegger on it: a freak show [see photo]! Not drama: a freak show! Television: not drama: a freak show! You have the fathers of the bride!

Our culture is so degenerate, our popular culture, that our people do not know what it is, that gave us the great culture that we did have; the great political institutions we did have. There is no longer Classical culture. People don't know what irony is. They don't know what poetry is. They don't know what great music is. They think "thump, thump, thump," like a bunch of chimpanzees in heat, is music! They think entertainment is one big rave dance. They think a political convention is a rave dance.

So, they don't understand the difference between man and the beast. Just as a synarchist does not understand that. The idea of man: Prior to Christianity, and prior actually to the Renaissance, the 15th-Century Renaissance, most people were treated as cattle. Either as hunted cattle—you go out and hunt them down, put their horns on your mantelpiece. Or, you herd them, like cattle. If you're nice to them, you put them in the stall, and feed them every night—and you only cull them when they stop giving milk! The way we're doing with our health-care program today: it's called a "culling process." Sometimes it's called "triage." In the animal kingdom, it's called "culling the flock," of people, who are not "useful" to you any more. Because, after all, "shareholder

value” must be supreme.

So, in that kind of culture, where we don’t accept the value of man, as man, not as a beast. And, the difference is, man’s ability, which no beast has, to discover from the anomalies of sensual experience, to discover physical principles of the universe “out there”; to master these principles; to prove them experimentally; and apply them to increasing the power of man to survive, the power of man to improve our conditions on this planet; and to take responsibility, for the management of this planet, for the benefit of all the people who live in it: That’s man.

Therefore, the human individual is sacred. This quality, that we have, of being able to discover principles; to transmit them to others; to transmit them from generation to generation: That is humanity. That is culture. Now, this culture is associated, in every case, with what is called a “language-culture.” People have a language, in which the legacy of the ironies of the past, their Classical art, and so forth, are transmitted in terms of that culture, their language-culture. Not in the dictionary reading of the language, but, in the usage of the language, with its characteristic, artistic ironies.

Therefore, if we’re going to have self-government, it has to be a self-government *by* the people, not just for the people. It must involve the participation of the people, in understanding and agreeing upon the policy deliberations which are made. That can only be done, in terms of the culture of the people. And changes can occur, only by strengthening, and improving, and developing the culture of the people.

Therefore, to have a community of nations, rather than a collection of cattle, roaming around the planet, without national identity or whatnot; in order to have that, you have to protect the people as being sovereign in their own decisions; their own policy decisions, as a people. Then, you have sovereignty. Otherwise, you have a capricious situation, where the nation does not know what a principle is, and therefore, they’re easily moved, in the short term, by sudden impulses, by sudden fads; crazy ideas—like the idea that Arnie Schwarzenegger is human, or something like that. Crazy ideas.

And therefore, you have to have a people that has moral character. And moral character is not a set of do’s or don’ts. Moral character is the understanding that we are not beasts, we are not animals: that’s number one. That the other fellow next to you is not a beast; he’s not a animal, number two. And that the transmission of culture, and the cooperation in terms of the culture, is what makes us human. And therefore, you have a moral sense, which is derived from the root of the conception, of the difference between man and beast.

Therefore, if we try to build any system of government on this planet, which does not recognize that, does not recognize the importance of the sovereignty of the nation, in terms of its choice of culture, and the participation of its people in its culture, we will create a monster which will fail us.



Schwarzenegger, the freak-show act. In the 1994 film *Junior*, he plays a scientist who impregnates himself with a frozen egg.

‘The Advantage of the Other’

The time has come, because of the great troubles that the world faces—the troubles from the United States, the threats from the United States, from Cheney and so forth—the time has come to change that. The time has come, to recognize, in a time of trouble, *we need each other*.

The time has come to make real, on an international scale, the agreement which ended the great religious war of 30 years, of 1618 to 1648, the principle of “the advantage of the other,” which is the only thing that brought peace under those conditions. *We must recognize the importance, of the “advantage of the other nation”!* And ask them to do the same for us. The advantage of the other; not *competition against* the other, but the advantage of the other. We are one human species. Not different species. We must live together on this planet.

But we must live as human, in terms of human cultures, in terms of cooperation of human cultures, and compassion and love for people of a different culture. And say to them: “What should we do *for you*? And, we will tell you, what we

would like to have you do for us.”

We can live on this planet. Yes, we will probably still need strategic defense capabilities, for some time to come. But, the time has come, in this time of crisis, to come to that point—which means we must stop treating ourselves as beasts. As we are treating ourselves as beasts, with deregulation, by this kind of destruction. We’re treating ourselves as beasts, by the idea of shareholder value: that somebody *owns us!* That the Three Stooges own us! And therefore, we have to obey their rules, *because they own us!* They *own* our indebtedness, which they created!

And, what you’re seeing in California, with deregulation: the rape of the United States, the rape of California, by the Three Stooges, for which this freak show, Arnie Schwarzenegger, is working.

Are we going to continue to submit to that? Think! Think where we are: We are on the edge of nuclear war, of a new kind, throughout this planet. Not this year; perhaps not next year. But already, nations in Asia are thinking in terms of new methods of warfare, by which they could constrain a *nuclear threat from the United States!* It would be several years, before they are ready to do that. But, probably, in the middle of the next Presidency of the United States (if it should happen), the danger point will come, for war. For nuclear war, of an asymmetric type, of the type that nobody in Washington, right now, is thinking about.

And that, I have confirmed. That is exactly what the situation is, right now. That’s what governments, which are capable, are *thinking* about! Now! And *doing something* about—now!

If we wish to avoid that, then we’d better make sure that what Cheney represents, inside the United States *is out of power*. We must understand, that we can not submit to the Synarchist International, any more! We must understand, that we must show at least as much courage as Roosevelt and Churchill did, in stopping what would have otherwise become a world takeover by Adolf Hitler and his type.

The Task of Leadership

Now, my job in this, is rather significant, even though it’s sort of a funny situation to be in. I’m on the inside; I can tell you that.

We’re in a situation, where we’re not only facing a war, but the problem we have, the problem the American people have, is, in a sense, largely of their own making: When the American people voted for deregulation, they were crazy! They were stupid! Just absolutely no reason to do so! But, they were stampeded into it, because, over the period since the assassination of Kennedy and the start of the Indochina War, and the missile crisis before then, they became stampeded into new values: They ran away from productive society, from technology; and ran into the idea of consumer society, of the “now society,” the “me society,” the “pleasure

society,” the consumer society—as opposed to productive society.

And therefore, they voted for this stuff. Everybody in California who could vote, at the relevant moment, voted for deregulation. No one is innocent! They’re all guilty!

But, should they die, because they’re guilty? Are we going to say, “consequences,” like George Bush with Death Row in Texas? “Consequences,” therefore, you die?

No. They made a mistake. The cultural trend, in the United States, over the past 40 years, has been a mistake. What is treated as generally accepted popular opinion, is wrong! And this is only an example of it.

Therefore, the time has come, where the survival of the people in the United States *demand*s that *they change the way they’ve been behaving*, especially their political behavior! They’ve got to come to their senses, in time to be saved.

Now, it’s the characteristic of people, up to this point, that people generally don’t come to their senses willingly. They come to their senses, when they’re frightened. When the pants are scared off them.

But, that’s not enough: There has to be the sublime element, as Schiller points out. Someone, or some people, must stand up as leaders, and *confront the people*; and say, “*You fools! Stop being fools—or you’ll die!* You can live, but you’ve got to give up your *stupid* ways. You’ve got to give up that in you, which allowed you to tolerate deregulation. You’ve got to give up that in you, which resists taking immediate, emergency action, to *reregulate the entire U.S. economy*. Because we won’t survive, unless we do that.”

So therefore, someone has to be the maverick. Someone has to violate all the rules of good courtesy, in the existing society, because the society’s rules stink! Because the society stinks! And, when a society stinks in its behavior, there’s something wrong with the basic assumptions which are popularly accepted.

So, there’s no leader for a time of crisis who’s one damn bit good, unless he’s going to take on the people, and point out *their* corruption, in themselves, and tell them to change it, whether they like it or not. That’s what Franklin Roosevelt did. That’s what every capable leader has done. That’s what Abraham Lincoln did. That’s what Benjamin Franklin did. That’s what Cotton Mather tried to do. There is no such thing as “democratic consensus,” “the expression of the consensus.” When people become stupid, the consensus is their worst enemy.

And, at that time, someone has to step up, and say to them: “You’ve been wrong! Change it. Change it.” Don’t worry about hurting their feelings. Better you should hurt their feelings, than let them die. Or let them kill each other.

And, we’re at that time. And therefore, my situation, and that of some other people, who more and more are tending to work around me—with some degree of reluctance, because they get upset by what I do: I tell the truth. And they say,

“Can’t you, sort of, soften it up a bit?” I say, “No. It won’t do any good.” You’ve got to confront the people, with the fact that this *is* the truth. Don’t try to influence, through appeals to public opinion. Public opinion is what is wrong! But, you’ve got a situation, in which the public is capable of recognizing that its opinion is wrong. And the California case, is a case in point.

So, what we have, overall, strategically, is the following: We have a so-called election campaign going on, now, in the United States. And, I can’t find a rival anywhere!

People say, “Well, what will you do, if you’re elected?” I look at them. I say, “Do you know what world you’re living in now? The question is: Are we going to *get* to the next election?!”

The Stakes in California

For example, you’ve got a case for disorder: Suppose, by some chance, that they elect a monkey, Arnie Schwarzenegger, the governor of California. What’s the effect? You’re going to have a fascist movement throughout the United States—run by the Three Stooges, or people like that. You think you’ll get the United States back? You know that the way California goes, will determine the way the nation goes, in the 2004 elections? If California is not on the Democratic Party side, or is not in the camp of sanity, who do you think can win an election, in an honest election, inside the United States?

No, every citizen of the United States has to be concerned about what’s going on in California in these weeks, between now and Oct. 7. They *have* to be concerned about it! Otherwise, *you may have no United States*, implicitly, after Oct. 8. That could happen!

I don’t think Arnie Schwarzenegger’s going to make it. I think we’re going to damage him enough. I can not assure you we’re going to win the case in California. But, I can assure you, that the only chance we have, is to stage the kind of *fight*, which will moralize the nation to fight. You know, I say, “You can often lose a battle, in warfare. But, you don’t say, ‘Let the battle decide the outcome of the war.’ ” But, if you have not lost the confidence of the people, or if you’ve mobilized the confidence of the people, you’ll find a new way to fight. You will find new options, as every great commander in warfare does.

The point is, if we sit back, and were to sit back, and let it happen in California, without the kind of challenge which will shake the enemy in his boots, we don’t have a chance. Therefore, we must fight. We must fight to turn back this threat. And, what is at stake, is not California. What is at stake is Washington. What is at stake, is the world, because of the danger of nuclear war, if something like Cheney continues to control Washington.

That’s the situation we face. We are now in a situation which is comparable to that of the conversation between Churchill and Roosevelt, in June of 1940. It’s that serious:

The fate of the world depends upon those of us who will take on that fight now, with that understanding, and that determination.


Our job is not to win the next election: Our job is to win the nation, back to safety. And, if we win the nation back to safety, in these months ahead, starting with the three-month period of crisis immediately ahead of us, then we will have the forces mobilized, *to carry the next election*. To transform this country—and to transform the world, which is waiting for us to do something decent about the world situation today.

So therefore, the next election is not the thing to worry about. The question is, are you going to be in a *position*, to win the next election? Are you going to be able to *carry* the nation, and its people, and mobilize them, to make sure that we’re going to bring back the Democratic Party—as Mervyn [Dymally] has emphasized? Bring it back! Re-create it! Use the Franklin Roosevelt model. Re-create the Democratic Party, the way he sort of brought it back out of the grave, back then.

And *that’s* what’s important.

I’m not running for the next election. I am, but I’m not. The serious running is not done by going into the polls, and organizing for the polls, next November. Running, now, for President, *is being* like a President, now! And, providing the leadership that this nation needs.

Thank you.



“You won’t read about it in *Science or Nature*, but the big news in science today is the growth of a youth movement, committed to the principle of *discovering the truth.*”

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The Role of Young People In Building a New World Order

Dr. Chandrajit Yadav, chairman of the Centre for Social Justice (CSJ) in New Delhi, addressed the afternoon panel of the ICLC/Schiller Institute Labor Day conference on Aug. 31. He was Union Minister for Industry under Mrs. Indira Gandhi's prime ministership in the 1970s. A former parliamentarian, Chandrajit Yadav was a member of the Congress Working Committee and General-Secretary of the All-India Congress Working Committee in the 1970s. Shri Yadav has kept close contact with China and played a significant role in the late Prime Minister Rajiv Gandhi's historic visit to China in 1988. He has been organizing youth from various parts of India through the CSJ.

Subheads have been added to his speech.

Respected Mr. Lyndon LaRouche; my dear friend Helga—because of some urgent, important work, is absent—but my regards to her; Mr. Chairman of the panel; participants of this important conference; my dear sisters and brothers: It gives me immense pleasure to be with you, here, at a time when you see the world at a turning point. I do not know whether the world is going to turn left or going to turn right, or going to turn about-turn!

So, but this title of the conference shows a sense of concern. It shows there are imminent changes. Changes are a part of life. Without change there is no life. So, changes are inevitable. The question is, in what direction? Today, science and technology, and knowledge, has given immense opportunity. It has been responsible for the progress of the human being; it has made our life comfortable, a lot of conveniences have been provided to the society as such. Therefore, it is called, that today's world is "an era of knowledge."

But, today's world is also an era of materialism. Today's world also looks like an era of conflict and violence. Today's world also looks like an era of restlessness, an era of frustration. Sometimes it looks like, that we have a hope in future; sometimes, it looks like future is doomed.

So uncertainty prevails. The question is: For what are we meeting here? I ask myself this question. Why did I come here, at all? What has brought me here from thousands of miles, from India, to this beautiful city of Reston, beautiful state of Virginia—and very important country of the world, United States of America? What has brought me here? Why did I come? And then, I found the answer: That last March, I

had the occasion, because of the kindness of Schiller Institute; because of the kindness of Lyndon and Helga; because of the kindness of Schiller Institute family, they invited me to come to Germany. And I addressed that meeting, which was held there, in the last week of March [at Bad Schwalbach].

That was the beginning of an avid relationship. And that meeting proved so useful, so fruitful, that we decided that we had to do something. Because, when we were meeting in Germany, the attack on Iraq was imminent. We knew that it was going to take place. And it *did* take place during our conference there, just two days after, when we were meeting there. The attack on Iraq created a worldwide concern. It created totally a new situation. And, for all thinking minds, it provided an opportunity to think: What kind of world we want to build? What is our future?

The Iraq War: LaRouche Was Correct

And I was very impressed, in the Germany conference, by the young people who were attending the conference. Those youth attending the conference, they were asking: Are we there only to fight war? Are we born from one war, to another war? To give our life, to give our youth? Are we born for that purpose, only? Are we in the hands of those forces, who created situation of war? Who made the world helpless? Who take us for granted, and send us to the war fronts? That was the question they were asking.

My dear friends, all of you who are participating here: I know that you have come here with a purpose; you have come here with an objective. LaRouche impressed me highly. He's a candidate for the Presidential election within Democratic Party. But, while addressing you, he said: My purpose is not to win Presidency. My purpose is to win nation. My purpose is to work for a cause. My purpose is, to serve the cause of humanity. My purpose is, to contribute certain values, which will make life more peaceful, more beautiful—a life worth living. *That* is objective.

I will ask you, also, especially young friends: You should ask this question to every one of you. Ask this question to yourself. A great saint, a sage, an Indian *rishi*, Saint Ramana, used to say, that everyone should ask, "Who am I?" Ask every time, "Who am I?" And invariably, you will find the answer. "Who am I?" will give a purpose to your life, will make your vision clear, will give you perspective of future, will give

you confidence, will give you inner restraint, will make your life purposeful.

Iraq War: Those forces who attacked Iraq, we must thank God, that they did not succeed. Though they thought they declared they have won the war! I remember, there Lyn—you said there, in Germany conference—that they have not won. They said, “War is over!” And Lyn said, “War is not over.” That proved to be correct, today: War is not over.

Now, those who attacked, they went there with this desire, that they had finished Iraq. Now they’re finding themselves in great difficulty. They are finding now: How to get out of that problem? They are going with folded hands to many countries: “Give us troops. Give us more troops. Now, give us money, also!” Because, their economy is in trouble; their people are in trouble; they cannot afford to spend \$1 billion every week in Iraq. And, who knows—that \$1 billion will, tomorrow, become \$2 billion?

See, had they won, we would have a great danger for the future of the world. And after Iraq, there might have been Iran. After Iran, there might have been Syria. After Syria, there might have been North Korea. Who knows how many countries? They would have thought that it is easy to bring war, it is easy to dominate the whole world!

So, when we are meeting here, we should ask, I’m not for one new world order: I’m for a *just, new world order*. Let us be very clear in our minds: A new, a *just* new world order. Not the new world order of the vision of the capitalist forces. Not the new order of the perception of the colonial/imperial forces. But, new world order based on justice; based on equality; based on human dignity; based where peace should prevail; where peoples should live as brothers and sisters; where there should be no fear of war: When our children go to bed, they should go with this full confidence, that tomorrow there will be beautiful morning! And, the day after tomorrow, will be more beautiful morning! Where all young people will feel that they will have a meaningful role to play. They will build a new world, of their understanding, of their vision.

And for that, it is important to understand, that science and technology has not only produced missiles; has not only produced nuclear bombs; has not only produced computer and Internet: But this 21st Century has also produced a new man, a new man, with a sense of pride; a new man with a sense of vision, a new man who wants also his share in the development of the society, in the governance of his own country. So, a new man is also born. And that new-born man has to be awakened, has to be arisen, has to be organized. Let them play their role! They should not sit silent.

The Bangalore Conference

Young people—my dear young friends: I have come to tell you this! I know there is a sense of frustration. In my own country, maybe 20% of young men are unemployed in my country. India, in spite of its poverty, in spite of its backwardness, but India is India: India is a great country. Many people

in the world do *not* know India. But, I would like the young people to understand. I would like young people to know, not only India—why India, only? They should know Africa. They should know what is Latin America. They should know what is Australia. They should know what is Russia, what is China, what is United States of America, itself—they must know. They must know.

But, they should not get frustrated. If the frustration comes, then there is anger at everything. Don’t become the victims of frustration. Don’t become the victim of pessimism.

Youth, in my opinion, is the symbol of change. Youth, in my opinion, is the symbol of revolution. The youth, in my opinion, is the one who revolts against the establishment, who wants new ideas; who wants to do things in his own way. And that is the main thing. Youth must have a very high vision, a great desire. You should have the courage, and you should have the desire to climb the Everest—the highest mountain peak of the world! You should not fear, that while I’m going to climb, there are too many dangers—there will be a snow-storm; there will be avalanches; there will be so many problems. No! You nurture those feelings of fear—then you can’t do great things.

So, friends, the Chairman mentioned about Bangalore conference. In Germany, we decided, that after Iraq War, the world situation must be understood. We took the responsibility; Centre for Social Justice in India, of whom I am the chairperson; Schiller Institute; we both jointly organized the conference, in a city called Bangalore, one of the most beautiful cities of south India. And in that conference, Lyn came, Helga came; political consul of China came; the Cuban ambassador came; the Afro-Asia People’s Solidarity was represented by Nouri Razzaq. Delegates from all over India came. Governor of Karnataka addressed the conference; chief justice of Karnataka addressed the conference. Prominent intellectuals participated in the conference.

But, the most important thing of the conference was, that the young people, men and women, youth, in a large number: They participated in the conference.

So, in Bangalore, when we passed this declaration, which is known as Bangalore Declaration, in the first paragraph, we said: “The Centre for Social Justice and the Schiller Institute organized an international conference on ‘World Situation after Iraq War,’ at Bangalore, on May 26-27, 2003. The conference, the first of its kind in Asia, and held over two days attended by 260 participants, was addressed by eminent personalities, experts, scholars, from a number of countries, besides India. A major contribution came”—underlined it—“a major contribution came from the educated, politically aware, young men and women, who took active part in discussions.” That was the beauty of the conference. That young men and women actively participated in the conference.

In that Bangalore Declaration, saying other things about Iraq, we said: “Developments leading to war, especially the position adopted by some of the leading powers, demonstrates



“Those forces who attacked Iraq, we must thank God, that they did not succeed. Though they thought they declared they have won the war! . . . The attack on Iraq created a worldwide concern. It created totally a new situation. And, for all thinking minds, it provided an opportunity to think: What kind of world we want to build?”

that the international order is becoming less aligned. This opens new opportunity, to extend the process, and build a more cooperative international order.” And that is what I have come to tell you.

Those who see only the doomed aspect of the world, say that the world was earlier too much aligned. There was the communist camp; there was so-called democratic camp; there was so-called non-aligned camp—so many camps.

But, today’s world, with this Iraq War, has created one opportunity: France and Germany, are they now blind followers of United States of America? First time United States of America, after committing this blunder of attacking Iraq, got isolated in Europe. Two major European powers said, “You are wrong!” First time United States of America was totally isolated in [UN] Security Council. They thought that Security Council of UNO is in their hand—they will do what they

would like to do—but, no! They could *not* get approval of Security Council. They were totally isolated.

Overwhelming majority of the governments of the world, they did not support the attack on Iraq. So, the world today, is more *non-aligned*: This provides an opportunity. Does it not provide an opportunity, to think over, to build a new kind of force, battling those forces which are trying to behave like a world police? Who think that world should accept their ideas? World should accept their system? World should accept their dictates? World should go the way they would like to go?

No. Human nature has its own understanding, has its own requirements, has its own vision, has its own history, has its own tradition, has its own necessities: and therefore, they have to build according to their own requirements.

So, we said, this opens new opportunities, to extend in the process, and build a more cooperative international order. What we need is, a new [community] of nations—of states, non-aligned in military terms—but aligned against all forms political, social, economic injustice. *That* is the main thing, today. *That* is what is, in my opinion, a new, just world order: That you have to build a world. The world should be free from political, social, economic injustice. And, a global movement to pursue a new, just, political-economic order, a just political new economic order.

And, also we said, that “The world situation today, as a consequence of the war on Iraq, demands the people of the world to come together. Take an active part in provoking the peace and prosperity, with dignity and social justice in the world.” *Dignity and social justice in the world*. “Establishing a just and equitable economic order in the world, is an urgent necessity, for the vast majority of people in the world.” Are we to enjoy the benefits of human and scientific progress, peoples will, in expanding democratization of the world, is the surest way to guide political will towards the direction.

How Gandhi Changed the World

I’ll say in what kind of world we are living today: This country, United States of America, known as the most powerful country, supposed to be the richest country. Mr. LaRouche has exposed the horridness of this economic extent of this country. And also, he has pointed out the dangers, that if you do not change the path, if you do not reform in the right direction, if you do not adopt a correct policy, then the serious dangers are ahead. But, in this rich country, the so-called richest country, what is the situation, today—in this country? In Western countries, there is no dearth of wealth, but they have no peace. Even in the U.S.A., half-percent of households own more than what 90% of the population owns, while more than 30 millions are classified as *poor*! In this richest country, 35 million people are poor.

And, what is the situation in the world, today? Where does the world stand, today, after so much progress, so much contribution of economic science and technology? I will just

draw your attention to certain things: Today, the wealthiest 20% of the world accounts for 87% of *private consumption*; while the poorest 20% accounts for only 1.4%. Is this the world that we want to build? Is all the contribution of science and technology, and toiling masses, and young people, or liberals, or peasants, or artisans—is it meant for this? That 20% of people should enjoy 87% of consumption, and 20% of people should have only 1.4%? The number of un-nourished people—almost all live in the Third World countries—was 800 million in year 2000; and I’m sure it must have increased by now. Mr. LaRouche will be able to tell you. As against 570 million, 20 years before. Now it is increasing: The population of undernourished people is increasing, continuously. And, in spite of all the development and the progress the world is claiming that it is making. That is why, the need for a new, a just new world order.

This world is divided into two parts: the world of rich people, the world of powerful people, the world of prosperous people; and a world of poor, exploited, and weak. And therefore, we have to change this world. Therefore, we have to work, with a new vision, with a new commitment. Our freedom is not complete. The leader of our country, the man of this era, Mahatma Gandhi used to say, when he was fighting the battle of our freedom, he used to say: With the independence of India, the war of independence is not over. As long as any part of the world, or any country in the world, is enslaved, our freedom will be incomplete. He used to tell our people that: Our battle for progress, our battle for social-economic development, will not be complete, so long there are tears in the eyes of a single man or woman.

That was the vision. And that man, who led an historic war, when he was fighting with the weapon of non-violence and truth, he used to tell our young people: Young people, do not take guns in your hands. He said: You think you will defeat British imperialism, by your arms? Then, you will be disillusioned; you will be disappointed. British imperialism, at that time, was a *mighty* imperialism. We used to say, “The Sun does not set in British imperialism.” If it sets in one part, it rises in another part—so big British imperialism was.

And Gandhi challenged it: Challenged it without arms, challenged with the arms of non-violence and truth! And do you know? At that time, the great Prime Minister of Britain, Churchill, making a statement on the floor of British Parliament, he ridiculed Gandhi. He humiliated Gandhi. He said: “There is a naked *fakir*—” (you know, *fakir* means, in English, “saint”—because Gandhi used minimum clothes). So, Churchill said, “There is a naked *fakir* challenging our imperialism. How can he do that? How dare he do it?” And then, he said that Gandhi must understand, that we are not going to leave India. Because, if we leave India, India will become an anarchic state. So, we’ll rule India, in the interest of Indians. Our presence is a necessity for the sake of Indians. So, we’ll make Indians enslaved; we will be the ruler, but it will be in the interest of India.

Do you know what Gandhi said? He wrote a very small letter—very small letter; Gandhi never used to write big letters. To the point, he wrote a small letter: Mr. Prime Minister, I have been told that you call me a “naked *fakir*.” You use the language of humiliation, for me. But I take it as a great honor, because you called me “*fakir*,” you called me “saint.” “Saint” is a very elevated personality. I am a humble man. I have not yet reached that state, where I should be called *fakir*, or saint. So, I take it as an honor, that you called me *fakir*.

And, then he said: But, I want to tell you. You are very concerned about our people. So, you want to rule us. You don’t want to go. And I want to tell you—this is what Gandhi said—I want to tell you, *please get out of our country, as soon as possible. We will prefer anarchy, than British imperialism!*

And, this was the answer of Mahatma Gandhi. [applause]
This was the answer of Mahatma Gandhi.

Youth Movement of Truth and Non-Violence

So, young people: Kindly, don’t be frustrated. As soon as I landed in United States of America, I read in one newspaper, in San Jose, in California—California has, months and years, been going through a period of political turmoil, or period of political discussion, or political decision; whatever you call it—so, I read that young people, young voters in California, they constitute 14% of the population. Therefore, it is in their hands, whether recall will succeed or will fail: It depends on young people. Then, the paper writes: But, unfortunate thing is, that the youth of California, they are *disillusioned*. They do not like Republican Party. Neither they like Democratic Party. And therefore, they are disinterested. Therefore, though the decision is in their hands, but only 41% young voters in California have registered themselves.

What does it show? It shows lack of interest. It shows that youth of California is not activated, to play its role—which they must play. I hope—there is still a month ahead—I’m sure, that some of you young people, who are participating in this conference, and there is strong LaRouche Youth Movement in California. . . . I am sure that youth of LaRouche Movement will become the leadership of the young people in California, and they will *do* what they feel is in the interest of California and in the interest of their own future.

So, don’t be the victims of frustration, at any time.

I would like to say, that, now, this is the time, that when world is changing, that we must think what the world wants. When I was coming here on the podium, a very dear friend of mine, Dr. J.S. Yadav, who is by profession a scientist—he is here, who is attending this conference—he told me: “You must also tell the young people about sacrifice.” Why did he tell me about sacrifice? Without sacrifice, *no great work is ever done*. Every great work needs sacrifice.

And, I’ll tell you, from the experience of our own independence movement, that when Gandhi came, he came with a clear vision. As I told in Germany, I’m telling you here: Gandhi did not start his freedom movement on the Indian soil. He

started far, far away, in the land of South Africa. He went there, as a young man, as a young barrister. He saw there injustice; he saw there tyranny; he saw there exploitation; he saw there every naked shape of imperialism: That blacks, in their own land, were not allowed to live in normal colonies, but far away from the main city. Blacks were not allowed to travel in those trains, in first-class coaches, in which white people were travelling.

And while Gandhi was travelling, also, he—knowingly, that it is against the law of South Africa at that time, that no non-white is entitled to travel in a first-class coach—he purchased a first-class railway ticket. Why did he purchase it? He said, “This is my birthright! If I have money in my pocket, and if railway is a public transport, why should I be denied the right to travel in first class? I’m not travelling without ticket.” He went in the first class. And the railway authorities came. “You—how did you dare to come in first-class coach?”

He said, “Why? See, I have a first-class genuine ticket?”

So, they said, “No! Law does not permit you, to travel in first.” They said, “These are for white people, only.”

So, he was thrown out from the coaches. He said, “I will not go!” He spent his cold night on the railway platform. He said, “Let the world know, that this kind of injustice, this kind of unjust administration, is here!”

So, he started his movement there, in South Africa, for the human dignity; for human equality; for human rights; for the independence of the people.

So, after gaining experience in South Africa, he came to India. When he came to India, young people listened—like you—youth of India was getting restless, and they were saying, “What Gandhi will do? How can we defeat British imperialism? How can we fight, unarmed, the most powerful imperialism of the world?” So, some of the young people, they took revolvers; they started making bombs; they are started organizing youth, in a revolutionary way. And they said, “We will fight this battle, violence with violence.”

Gandhi disapproved it. Gandhi said, “No! Only you’ll give your precious lives! Go to the people! Talking is on your side. The time is on your side. Awaken the people! Organize the people! Tell the people, that you should have the courage to fight for justice. Tell the people to be fearless: So long as fear dominates your mind, you cannot fight.”

So, some of our very revolutionary young people, Shaheed Bhagat Singh; Chandra Shekhar Azad; Ashfaqullah—three names only I’m taking; there were dozens of young revolutionaries—they took the path of violence; they made bombs; they took revolvers. Shaheed Bhagat Singh went to the Parliament, threw a bomb in the Indian Parliament. Only he said, made a very strong statement: “This bomb, I’m not dropping to kill the people. This bomb, I’m dropping on the highest forum in this country, *only* to draw the attention of the whole world! That there is an unjust government, that is an imperialist government.” All these three names, young

people, I have told you—they were hanged by British imperialism. They were hanged. They gave their life, smiling. While they were going to the gallows, they gave a call to the young people of India: “Young men and women, our young friends: Do not submit to the British imperialism. Fight, fight, fight! Fight, fight, fight! Go to the people, and fight!”

They played their own part—I’m not [gain]saying that. I’m not one of those who condemn them! I know they, in their own way, made their contribution. I know that young people, in my opinion, young people must be an angry young man or a woman. If you see atrocities; if you see that someone is killing an innocent man, would you not be angry? You should be angry. If you see somebody organizing riots, on the basis of religion, on the basis of caste and community: Should you not be angry? You should be angry.

So, your anger will be justified. But, anger, with a balanced mind. Anger, accompanied with wisdom, with wisdom, with understanding, with a program.

So, they contributed. But, Gandhi said, “I’ll wait for the freedom of India, if I have to wait for two, three generations,” because he thought that he would live at least 100 years. But a fanatic killed him, because they did not tolerate Gandhi’s ideas, Gandhi’s wisdom.

Beware of Fundamentalism, Clash of Civilizations

Gandhi was working for Hindu and Muslim *unity*.

Gandhi, the leader of freedom movement, when we got the freedom, when our Parliament met in Delhi, to celebrate freedom; when the power was being transferred from Britain to India, when Jawaharlal Nehru was fluttering the tri-color, our national flag—Gandhi was not present there. He should have been there. Normally, had he been an ordinary human being, he should have been there; he could have become the President of India; he could have become the Prime Minister of India; he could have become anything! But, he was *not* in Delhi. He was in Bengal, in Noakhali. Unfortunately, at the time of Partition, Hindu-Muslim riots were taking place! So, he said, “My place is there, where my brothers and sisters are fighting out of *madness*! So I should be there, to tell them, ‘Do not fight. You are all brothers and sisters. Your religions may be different; your country is the same. Your life is the same. Your future is the same! Do not fight, amongst yourselves!’ ”

He did not bother about power. He was deaf [to it]. That was the man. And, that man said, “Build a new world. A world based on justice, based on equality, based on human dignity.” He said, “Let there be a permanent peace in the world.” He said, “No power.” And he told, “Look here!”

Our young friends, I will tell you, also, that you must understand, that those who are busy all the time, to plan war and destruction, they are not almighty, though they think they are. They are not almighty. No military power survives for long. Wealth and prosperity, we certainly need to alleviate

the poverty of the masses. But if we imagine, that with mere wealth, problems will be solved, then we are mistaken. No problems are solved, only with mere wealth.

So, I will tell you, that one thing which you have to understand in Western countries: That life will not be a peaceful life, life will not be a happy life, if we become only the slaves of materialism. Spiritualism and materialism both have to be combined. Life should be with a purpose. Life should be the life of service of humanity.

Life should not create, as the people, today, are trying to create on the basis—one scholar, I will not name, and I'm sure you all will know him [Samuel Huntington]: He has written a book, "The Civilizational Clashes." He is propounding a theory, that the Third World War will be between Christianity and Islam. He is trying to create such a situation—horrible situation: Islam is a danger; Islamic countries are danger; and they will be responsible for the Third World War.

This kind of understanding—are they people who are religious people? There are many fundamentalist forces, today, in the world working. Be careful of them! In the name of religion, they are trying to divide our people. In the name of religion, they are trying to create mistrust among one community and another community. In the name of religion, they are trying to create a situation in an atmosphere of hatred. Be careful of those forces! And now, today, they are in every country. And those forces of capitalism and imperialism, they always try to use religion as an instrument. They want to keep people ignorant. They want to keep people misled. They want to keep people to be always the victims of mistrust and victim of this kind of conflict.

And therefore, we must understand, that basis of all religion is justice. Every religion talks of justice, if you see if you are really a religion. Every religion says, serve the poorest of the poor. Every religion says, that the most important thing is the service of the humanity.

'We Have a Duty'

And therefore, I am saying, that: Young people, what a great leader from your own country, Martin Luther King, said—I would like to repeat that; and I would like you to remember that, what Martin Luther King said. "The ultimate measure of a man, is not where he stands in the moments of comfort and convenience. But, where he stands at time of

challenge and controversy." That is the *test*, of a real man [applause]. That is the test of a real man.

My dear LaRouche—may I call you "Lyn"? I feel more comfortable. [laughs] I appeal to you as my elder brother—and I must say: The work you were doing, many people are asking me, "Why? *Why?* His ideas are excellent. His vision is a great vision. He looks like a brave man. And, my friend Yadav was saying, today, he is highly impressed by you. He is a great scholar—knowledge of everything: economy, polity, science, philosophy, religion, literature, and, perhaps, music, also!" So, you are a scholarly person. So, somebody said, "Why he's not getting that big support?"

You know Tagore—great Indian poet. The only poet from India, who became Nobel Laureate. Tagore said, at one time, that if you have conviction in some idealism, in some ideals; if you have a purpose; if you have a goal in life—he said, "*Ekla chalo.*" My friend, Maitra knows I am speaking in Bengali, his language. "*Ekla chalo:* Go alone! March alone! Don't bother, [whether] people are coming with you or not coming with you. But, you are treading the path of truth. You are connected to certain idealism, you have a goal before you."

So, my dear friend Lyn: *Ekla chalo!* March alone, and people will come with you! March alone! [applause, laughter].

So, sometimes in life, sometimes in history, one has to do like that—one has to do. And it is what young people must do. Young people must do! You are our future. You are our hope. You are the reservoir of strength, energy, courage, confidence. Have determination! Have a goal before you! And say that, "We have a duty."

The world has assigned—this era has assigned a duty on you, my dear young friends. World is marching; world is facing problems; world is in turmoil. Now, the future—can you imagine, that three, four countries, the United States of America, Russia, China, France: They have enough nuclear weapons, mass destruction weapons, if they wish to destroy the world. The amount of weapons they have today in their store—nuclear weapons—they can destroy this world not once and twice, but they can destroy it *a thousand times!* This destructive capacity they have got, today—what for?

Why are you doing that? When the major part of humanity is, now, generations after generations, they have no access to pure, drinkable, drinking water. Can you imagine? One-third of world population has no access—forget milk! Forget chocolate! Forget Coca-Cola and Pepsi, which is a great product of 20th Century [laughing]! But, one-third of population has no access to drinking water. Now, one-third. Millions and millions of our young people are without jobs, or they are doing *under-employment*. They are wandering on roads, for lack of jobs. And some people are trying to exploit the whole thing.

Who created wealth? Whose wealth is this? Is one person's wealth? Who is employing masses? Who is producing grains for people to eat? Who is producing cotton and cloth,

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for the people to wear? Who is producing all those things, which we need today? Our working class, our toiling masses, our common people. And then, they are *doomed* to remain starving: It's not acceptable. It's not acceptable! It should not be acceptable in 21st Century, and at least, it should not be acceptable to young people, to *your* generation.

Have a vision! Have a vision, that we have to build a new world, based on—as I said—justice, equality, human dignity. World where there will be no war. World where there will be a ban to manufacture *all kind* of weapons.

Buddha Had Only Five Supporters

Why do you say, India should not be a nuclear power? Is India an irresponsible country? The oldest civilization in the world? We thought that we are 5,000-year-old civilization, but latest discoveries say, that [we are] 10,000-year-old civilization. Maybe later on, we will discover, we are older than that. Buddha came on our land! Can you imagine, the Buddha came on our land, 500 years before Christ came? Twelve hundred years before Prophet Mohammed came? And, what was the message of Buddha? “Love, compassion, non-violence.” But, young people ignore Buddha.

He was born in a prince's family, royal family. He was a handsome young man of 20 years. Someone told him that, perhaps his understanding is, that he wants to serve people, he may leave the worldly life, and go become a saint. So, his parents do what they will do. They say, “He may not leave the family. So get a beautiful young girl, as his wife, so that he may be attracted to worldly life.” So, he was married to a beautiful princess. Then, he got a newly born son. Son was not even one year old, but he used to see the miseries of the people, when he was going in kingdom. He used to see why people are so poor, why people are so exploited, why people are so unhappy! So, he started thinking, “I should do something for, to make humanity a happy humanity.”

So, he left his kingdom, in the search of happiness—not for himself, for the entire humanity. He left his kingdom. He went from place to place, from place to place, wandering here and there. And some of his very dear friends, they ridiculed him, when he said, “No: Love. Only love. Compassion. Only non-violence. The message is only for the whole humanity. Live like brothers and sisters. Live a life of principles. Live a life of values”—when he was saying this, they said, “Oh! He's a madman. What is he teaching?”

So, he got only five disciples. Remember [to LaRouche], you have got one thousand at least, this time, here and in L.A.? A thousand of your followers, your supporters are sitting here. But Buddha had only five!

But then, the Buddha became the man of history: The Buddha became a great, great—we call him, that he was incarnation of God, because he served humanity.

So, all the big things you do, you get obstructions; you get obstacles; you have criticism. You may have to go to jail, also. Sometimes, people are sent to jail because you are

truthful, you want to say what you feel; you want to be honest to yourself, you want to be honest with your people. So, all these things *do* happen!

The Call of Your Nation

So, now I'm going to wind up: Again, young people, what I need from you—I need from you, three things:

Number one, have a mission in your life. And, to achieve that mission, have a *passionate love for masses*. Love your masses. Love your people. Have passionate love for your masses, for your people. There should be passion—a passion of love: Only then, you will get, in return, also, love. And you will also get in return, love and cooperation, and blessing, and everything! You will get blessings, also, in return.

The second thing, I will like from you is this: Don't talk of only reforms on papers! Be practical! Be very pragmatic! Build an organization, build a team. Without team, nothing is done. So, the second thing, I expect from you: You should build a team, and work in a team.

And, third thing, and last thing, my dear friends: There will be obstructions in your path: Don't lose your courage. Have the willpower, to overcome the obstructions, and say, that, “We will make it.” So, in the world of great saints, Swami Vivekananda, who came to this land more than 100 years before, when the world religion conference was held at Chicago. He came alone from India. He came with a message, and that message he gave to the world religion conference. He said, “My dear sisters and brothers: Do not try to say that ‘My religion is superior to your religion.’ Do not try to humiliate, and ridicule, and insult another religion.” He said, “I come from a country, where we feel that rivers may originate from any part of the Earth. But, they all go and merge in the sea, and become one. So, all religions of the world lead to that Supreme Power—you may call ‘God,’ you may call ‘Supreme Power’; I say, ‘Bhagwan.’ You say, ‘God.’ My Muslim friends say, ‘Khuda.’”

So all, the same! You call this water, “water.” I call this water, “*pani*.” You call milk, “milk.” I call that milk, “*doodh*.” It is same—with different names, only! Only with different names.

So, he said, addressing the young people, he said—and that, I want to, just one sentence, I want to read from what he said. Addressing the young people, he said—Swami Vivekananda: “Young men, my hope is in you.”

So, my hope is also in you. Vivekananda's hope was in young people, and Chandrajit Yadav's hope is also in young people. So my hope is in you.

Will you respond to the call of your nation? Today, I say: Will you respond to the call of the world, today? Not only nation, but the whole world? He said, “Each one of you has a glorious future, if you dare to believe in yourself! Have confidence in yourself! Have determination!” And ultimately, he said, “Awake, arise, and march forward!”

Thank you, very much.

LaRouche Defends Zayed Centre

by Lyndon H. LaRouche, Jr.

August 31, 2003

It is my information, which I have received through channels which I know to be responsible and reliable, that the closing of the Zayed Centre for Coordination and Follow-Up (ZCCF) in Abu Dhabi, where the U.S.A.'s James Baker III once spoke, as I had done, occurred under heavy pressure from elements within the U.S. Bush Administration. Such action by the United States is another piece of idiocy, like the continuing U.S. war in Iraq, which is directly contrary to the current and long-term security interests of my republic, the U.S.A.

Under the present circumstances, when I am, at this moment, the only legally registered candidate competent to be chosen in the 2004 U.S. Presidential election, I have a special responsibility to speak out, on various occasions, in defense of the present and future integrity of the Presidency of my nation. Therefore, on this occasion, it is my immediate duty to point out the important role which the Zayed Centre had performed in contributing to the cause of world security and peace, and for which it is needed, more than ever before.

The world at large must accept as a matter of fact, that since the aftermath of the events of Sept. 11, 2001, the control of the U.S. Presidency has been usurped by a group centered around Vice-President Cheney. This group around Cheney is part of those same circles, formerly known as the Synarchist International of the 1921-1945 interval, which U.S. President Franklin Roosevelt and Britain's Winston Churchill united to join with others in defeating during World War II. This same Synarchist current which brought us Hitler then, is presently a powerful, subversive influence inside the institutions of the U.S.A. Cheney and his so-called neo-conservatives, are an instrument of that influence.

On account of that usurpation, my responsibility at this time, is to play a certain central role of leadership, in the effort

to free the United States from the grip of that still-active Synarchist interest, which has usurped control of my nation. I am committed, as all thoughtful anti-colonialist, and well-informed leaders of my nation, to work for the establishment of that just new world economic order at which President Franklin Roosevelt, and the 1976 Colombo conference of the Non-Aligned nations had aimed, and which is urgently needed today for the peace and security of the world at large.

The strategic problem posed by the Middle East today, is historically situated, summarily, as follows.

Since the beginning of historical times, about 6,000 B.C., when something like modern geography and patterns of climate had emerged from the approximately post-17,000-10,000 B.C. melting of the last great Ice Age, the region of Southwest Asia has emerged to become a principal cockpit or flank of great struggles throughout adjoining regions of Eurasia and Africa. Since approximately the emergence of the Sumerian colonization of southern Mesopotamia, the area bounded by Egypt, Sudan, Ethiopia, Persia, Turkey, and the Transcaucasus had developed as a center of both conflict and civilization for much of the world at large. Today that region, with its presently geographically extended, largely Islamic cultures, contains many of the elements which will tend to be a crucially included factor, or even a trigger, of unleashed generalized, asymmetric modes of nuclear warfare throughout the world at large today.

It is time to speak frankly about ending the relevant follies of current U.S. policy generally, and, with special emphasis on the urgency of establishing not only peace, but a durable peace in Southwest Asia.

What I am working to bring my U.S. fellow-citizens to understand, urgently, now, is that the current, grotesquely aberrant policies of Vice-President Cheney are insane from any rational military-strategic standpoint, as many retired and



U.S. Presidential candidate Lyndon LaRouche spoke at the Zayed Centre for Coordination and Follow-Up of the Arab League, in Abu Dhabi on June 1, 2002; inset shows Arabic press coverage of his theme. The United States and British pressured Abu Dhabi into closing the Centre in late August.

serving U.S. general officers and others have said variously; that, in their own way, within the bounds of professional discretion incumbent upon them.

The essential military policy of the U.S.A., as of other leading nations, is governed by a doctrine of Classical strategic defense, a doctrine shaped by the 1648 Treaty of Westphalia, the leadership of the great commander Lazare Carnot in France, by the circles led by Scharnhorst in Germany, and exemplified by the work of von Wolzogen and others in designing the strategy for defense of Russia against the Grande Armée of the Emperor Napoleon Bonaparte. That should be the policy of the United States and other powers today.

The presently contrary, imperial, utopian doctrine of world government, was brought about through a terrifying use of nuclear weapons, which was authored principally by Bertrand Russell. Now as then, the utopian military faction—that U.S. enemy from within which President Eisenhower called a “military industrial complex”—has always threatened, since Hiroshima and Nagasaki, in 1945, to plunge the entire planet into a prolonged dark age. Whoever proposes such a utopian “revolution in military affairs,” such as a policy of nuclear preventive war, as Cheney and his confederates have done, must be considered a threat to all of humanity, including the U.S.A. itself.

Now, we witness what was virtually inevitable, accelerating irregular warfare resistance of the people of Iraq against the looting and other destruction being conducted by the occupying forces at the disposal of imperial pro-consul Bremer. The informed circles of the world know that the U.S.A., as long as it remains under the present Administration, and as long as a durable Israeli-Palestinian peace has not been se-

cured, must withdraw from all roles which suggest a military occupation of any part of the Middle East in general. Otherwise, the situation created by continued U.S. occupation will produce even incalculable effects for the larger world, including the United States itself.

The behavior of the United States, in its bullying of nations of the Middle East region today, is often a copy of the extortionist “protection rackets” by those U.S. organized-crime circles which Cheney’s Halliburton operations are imitating today. Such thuggery may induce temporary submission today, but will drive enraged victims to war-like violence tomorrow, as we see in the irregular warfare building up in Iraq today. If we do not protect the governments of the region against such blackmail, the people of those nations will revolt against the governments which submit to such pressures, and bloody chaos will result. Soon, unless Cheney’s role is checked, or, better, his removal effected, it were inevitable that the violent reaction will not be limited to the territory of Iraq.

Therefore, the United States must get out quickly, and the UNO must be brought in under appropriate conditions and mandates, with a mandate for the early reestablishment of a stable and fully sovereign Iraq. There might be a U.S. alternative, were I already President of the U.S.A.—a President the people of the region could trust. Otherwise, there is no sane alternative. The U.S.A.’s submission to a UNO role is the only realistic course of action presently available. The practical question is: How shall that effort, involving the UNO’s leading role, be made successful? At the present, degenerated state of affairs produced by the war and the lunatic practice of the U.S. occupation, peace in Iraq can no longer be an Iraq

issue. Peace requires the voluntary, active cooperation among the nations of the region of Southwest Asia bounded, most immediately, by the Caucasus, Turkey, Iran, and Egypt.

The consequences of the stupid and outrageous folly of some U.S. representatives' thuggish attempts to stifle the voice of the Zayed Centre, must be assessed against that background.

The Arab world within that region of Southwest Asia is a group of relatively small states, many thinly populated, with much of their area presently desert. These states, many of which are fiercely jealous of their independence, do have profound common interests; but they require a forum through which definition of those common interests may be deliber-

ated; that, with little obligation but that of free choice to accept the influence of moral and intellectual persuasion.

If we are to build durable peace to replace the presently ominous situation in Southwest Asia and adjoining places, we must engage the consent of the people, the nations, which inhabit that region. We need means to step outside the formalities of formal diplomacy, to create the environment which is fertile for successful diplomacy. U.S. pressures to shut down the Zayed Centre are disgusting to anyone who prizes democratic freedoms of peoples. Such disgusting measures, as presently set against the background of Proconsul Bremer's role in supervising the carpetbagging role of Cheney's Halliburton, are not the road to successful diplomacy; under the

Why Centre Was Shut Down

The Zayed Centre for Coordination and Follow-Up (ZCCF), sponsored by the government of Abu Dhabi and functioning under the umbrella of Cairo-based Arab League Organization, was officially ordered to be shut down in Aug. 27, 2003 upon orders from the President of the United Arab Emirates, Sheikh Zayed bin Sultan Al-Nahyan. The office of Sheikh Zayed issued a statement in his name. The reason given, was that the ZCCF had engaged "in a discourse that starkly contradicted the principles of interfaith tolerance."

The real reason for the closure was massive pressure exercised for a period of months by elements in the U.S. Administration, combined with threats from Britain and Australia, the two countries that joined the Cheney neo-conservative fascists to launch the war against Iraq. The ZCCF has functioned since its founding in 1999 upon a request of Sheikh Zayed and approval of the Arab League's Foreign Ministers, as a unique forum for free discussions among Arab thinkers, economists, scientists, and cultural personalities on the one hand; and between these Arabs and their western counterparts; on issues related to the dialogue of civilizations, economic cooperation, and the pursuit of peaceful solution to international conflicts, especially in the Middle East. The Centre invited hundreds of government officials, former heads of state, economists and politicians. It held conferences and seminars on a wide range of political, economic and scientific issues.

The campaign against the ZCCF began in earnest following Lyndon LaRouche's historic visit there on June 2-3, 2002, during which he addressed a group of UAE ministers, Arab diplomats, professionals, intellectuals, economists, and press on "The Middle East as a Strategic

Crossroad." The speech was the keynote to a conference on "Oil and Gas in World Politics." The speech by LaRouche was subsequently published as a book by the ZCCF. The book also included a lecture on the subject of "Dialogue of Civilizations" which was contributed by Helga Zepp-LaRouche, founder of the Schiller Institute and the wife of Lyndon LaRouche.

Sources in the ZCCF told *EIR* that as soon as LaRouche's participation in the conference was announced, threats were made by U.S., British, Australian, and Canadian officials in a concerted effort to disinvite the American Presidential candidate. Both the Zayed Centre and the Foreign Ministry of the UAE were threatened through informal and formal messages. It reached the level of informing UAE officials that such a matter "would harm economic and political relations" with these countries.

Arab Critics of War Silenced

More pressure was applied in the period of preparation of the invasion of Iraq. From September to February, the ZCCF invited speakers from Europe, Britain, and the United States who were opposed to the war plans against Iraq, and who refuted the claims of the Bush Administration and the Blair government, of Iraqi possession of weapons of mass destruction.

The pressure was part of a larger intimidation of the Arab regimes to submit to the "will of power" of the U.S. Straussian neo-cons, marching to the Middle East to "change all the regimes" and "redraw the map" of the region. When it became obvious that these chicken-hawks were getting themselves into a "Vietnam in the desert," and could not fulfill their scheme for the region, they resorted to dirty tricks to shut down sources of criticism of these policies. That included the ZCCF and all the prominent Arab newspapers and media outlets. Journalists in the Gulf told *EIR* that any criticism of the U.S. policy in the Middle East "is currently regarded as blasphemy." Strict orders

circumstances, such behavior by certain U.S. officials is less than human.

The Zayed Centre's role as a place for such a forum among the member states of the Arab League, has been proven most appropriate, and valuable on this account. Here, the world has had the opportunity to engage in dialogue with the Arab world most immediately, and, implicitly, with a larger part of the world of Islamic cultures. Until now, the Zayed Centre's role in fostering of emergent consensus among Arab states, on numerous matters, has become a critical element in defining constructive goals among nations of the region. We need that channel more than ever in its past existence, at this time. By "we," I mean also the United States.

were given to journalists that any such criticism would be censured.

Immediately after the Iraq invasion, the ZCCF came under a heavy smear campaign by the Israeli intelligence/neo-con "think-tank" Middle East Media Research Institute (MEMRI)—based in Washington and Berlin—and the ADL. The charge this time was, that the ZCCF was spreading "anti-Semitic" and "anti-American" propaganda.

The UAE government's response to the campaigns against the ZCCF, in shutting the Centre, does not reflect a belief in these charges of anti-Semitism and anti-Americanism. It was, rather, a response to threatening manipulation by elements in the U.S. Administration, pulling of family and factional strings in the UAE, especially at a point when that country is faced with a succession issue, as Sheikh Zayed is entering old age and suffering chronic sickness. Certain elements within the U.S. State department have been suggesting that there is a dispute among the sons of Sheikh Zayed: Sultan, who was the Chairman and sponsor of the ZCCF; and his older brother Khalifa. According to these State Department elements, they were in a dispute over the role and practices of the ZCCF.

The intimidation by the U.S. "war party" of the Arab governments and political elite is threatening to destabilize the whole region. The population in these countries are seeing their governments succumbing to the demands of what they currently regard as an "enemy."

The Zayed Centre was a unique forum for free exchange of ideas. Its loss would be a loss for the whole region and the world in general. Its continued closure would just deepen the belief in the region that the United States is a tyrannical power, which wants neither free speech nor democracy there. The fact that the ZCCF was threatened for inviting LaRouche, the American statesman respected and esteemed by people in the Arab world as "America's voice of reason," adds to Arabs' frustration.—*EIR Staff*

Late-Summer Nightmares Shattering Blair Regime

by Mark Burdman

British Prime Minister Tony Blair has taken such a political battering, during the usually quiescent British Summer, that serious observers are asking who and what can replace him? Blair has suffered a number of severe shocks. On Aug. 29, Alastair Campbell, his Downing Street "spin doctor" and main psycho-political crutch, resigned. In the first week of September, Lord Hutton's inquiry into the July 17 death of British WMD expert Dr. David Kelly heard testimony that sent the Blair regime reeling.

Kelly's widow Janice and daughter Rachel testified on Sept 1. Speaking via video-conference, Janice Kelly proclaimed that "in his final days, my husband felt belittled, betrayed and let down by his superiors." Such words most directly undermined Defense Secretary Geoff Hoon, in whose Ministry of Defense (MOD) Kelly worked; Hoon is likely the next government member to leave office. But beyond that, her account, in the words of one leading British commentator, "thoroughly trounced" Blair and Downing Street.

Then, on Sept. 3, the entire basis of Blair's justification for going to war against Iraq was blown apart by two senior intelligence officials. The first was Dr. Brian Jones, originally an MOD scientist in 1973, just retired as a branch head of the Defense Intelligence Analysis Staff. Jones's department was dedicated to investigating Iraqi weapons of mass destruction (WMDs). He showed that the content of Downing Street's controversial September 2002 dossier on Iraqi WMD was dictated by political expediency, and exaggerated, in substance. Next, Jones's testimony was buttressed by a very senior MOD witness, only identified as "Mr. A," and who testified via video with his voice muffled. He was described as Britain's foremost authority on chemical warfare, working in the MOD's Counter-Proliferation Arms Control Department. Mr. A charged that "spin merchants," rather than intelligence experts, determined how the subject of Iraqi WMD was conveyed to the public, and that intelligence claims cited in that dossier, were fundamentally mistaken.

Effectively, the two men confirmed that Downing Street had "sexed up" the September 2002 dossier—the accusation at the center of the last months' storms. Blair, in his own testimony before the Hutton inquiry, on Aug. 28, had attempted to counter that, had the dossier been "sexed up" by his office, it "would have merited my resignation."

One of Britain's leading political historians told *EIR* on Sept. 2: "I can't tell you when or how this British government might be replaced, but what I can say with certainty, is that Tony Blair is in deep trouble. . . . "Whatever Hutton's final verdict is, Blair's credit has been destroyed. The sharp end in Iraq itself, is absolutely ghastly. In short, what you have is that, at home, there is a collapse in trust in the government, particularly over its case for war against Iraq; the case made for the war is unravelling, while at the same time, we are witnessing, day after day, the calamitous aftermath of that decision to go to war. This is politically deadly, both for Blair here, and, potentially, for Bush and Cheney across the Atlantic," said the historian. He affirmed that there is much behind-the-scenes talk and maneuvering for a "post-Blair era."

Indeed, what is going on in Britain, should be very much on the minds of the Dick Cheney gang in Washington. Blair has been their most faithful collaborator and tool. As we have documented, the September 2002 Iraq dossier was crucial, not only for war against Iraq, but also for activating the "preventive war" policy enunciated in the September 2002 Bush-Cheney Administration's "National Security Strategy for the United States." This is all the more relevant, with the leakage by the *Washington Times* on Sept. 3, of a secret U.S. Joint Chiefs of Staff report and timeline, showing that the war drive against Iraq really got under way at the end of August 2002.

Number One Sophist Bites the Dust

Of the disasters most besetting Blair, foremost was the unexpected resignation of Alastair Campbell. There was a general anticipation that he would be leaving, because of all the controversy around him, but not so precipitously, and so soon after Blair had lavishly praised him in late August. Campbell has been dubbed "Spinocchio," because of his obsessive perception games attempting to make Blair and his policies "look good." Campbell is a creature modelled on the Sophist rhetoricians lambasted by Socrates, in Plato's dialogues (cf. *Gorgias*), and on what Jonathan Swift exposed in his "The Art of Political Lying."

Campbell was the culprit accused by BBC's report for having "sexed up" the September 2002 dossier. But worse, what has been overlooked: that Campbell was a key in composing, and having circulated, the fraudulent February 2003 Downing Street dossier on Iraqi WMD, the which was regrettably praised by U.S. Secretary of State Colin Powell, in his disastrous Feb. 5 report to the United Nations Security Council, where he attempted to build the case for war against Iraq. This fraud was nicknamed "the dodgy dossier," because it was based on doctored, decade-old "intelligence," plagiarized from an academic's doctoral thesis.

Campbell was a key functionary in a bizarre outfit known as the Coalition Information Center (CIC), a permanent shared venture of the White House and 10 Downing Street,

originally established to counter opposition to the bombing of Afghanistan, after Sept. 11, 2001. As an *EIR* exclusive documented, the CIC was the brainchild of U.S. Gen. Wayne Downing, a disreputable character who had been head of counter-terrorism at the National Security Council until June 2002. The CIC was deeply intertwined with the Office of Vice President Dick Cheney, and with a dirty, right-wing Israeli complex. (See "Behind the Iraq Dossier Hoax: Intelligence Was Cooked in Israel," *EIR*, Feb. 21, 2003.) With Campbell's downfall, the exposure of his CIC link to Cheney, should make the American Vice-President nervous.

Campbell's black propaganda efforts, around Afghanistan, Iraq, and other issues, are only the latest chapters in an ugly career. According to his biographer Peter Obone, Campbell, while in his 20s, was a gigolo in southern France. He then became a top figure at the *Daily Mirror* tabloid, and from there a key component of the media and financial empire of Robert Maxwell, the late, notorious wheeler-and-dealer who was liberally used, by the British, Israeli, and Soviet secret services. Campbell became an alcoholic, and after a nervous breakdown, he was put together as an "alpha male" arch-manipulator, and a central protagonist in Blair's immensely destructive "New Labour" project.

'Absolutely Calamitous'

Barely had Blair time to reflect on Campbell's departure, than David Kelly's family intimates came into the public eye. Janice and Rachel Kelly calmly described the ordeal that Kelly, a decades-long civil servant, suffered at the hands of the brutish Blair regime. Mrs. Kelly used words like "desperate," to describe his state of mind as he was propelled into the center of public attention, and then belittled and harangued, by government officials, and by Blair minions in the Parliament. Janice Kelly told the inquiry: "I had never, in all the Russian visits and all the difficulties he had to go through in Iraq—where he had lots of discomforts, lots of horrors, guns pointing at him, munitions left lying around—I had never known him to be as unhappy as he was then. It was tangible."

Her focus was mainly directed at the Defense Ministry and Geoff Hoon. But she also revealed her husband's frustrations with 10 Downing Street, as when a Campbell underling derided him as a "Walter Mitty." For many, her trenchant account stands in stark contrast to Blair's cold-bloodedness, during his testimony, when he refused to express the slightest regret about Kelly's death.

'Quicksand for Downing Street'

After the Sept. 3 testimony by the two defense intelligence officials, the *Independent's* lead article asserted: "Tony Blair's case for invading Iraq was in tatters. . . . Yesterday's criticism from the intelligence community reinforced the impression that the Hutton inquiry has turned into quicksand for Downing Street." The *Daily Mail* charged that

the case for war has been “shot to pieces,” and that the Blair government’s credibility has been “blown out of the water.” The *Guardian* headlined, “Bombshell Hits Government Claims.”

Systematically, Jones insisted that the September 2002 dossier was composed without regard to crucial input from his expert team and without recourse to usual intelligence-evaluation methods, but with concern for political expediency, over truth. Blair’s foreword, he said, that Saddam could launch deadly WMDs “within 45 minutes,” was “too strong.” He called into question the single, supposedly “reliable agent” who proffered that claim, asserting that this source may have been “trying to influence and not inform” British officials.

Jones responded to a question by Hutton inquiry chief counsel James Dingeman, saying, “My concerns were that Iraq’s chemical weapons and biological weapons capabilities were not being accurately represented in all regards, in relation to the available evidence.” He reported that a chemical weapons expert within his branch was uneasy over the dossier’s intelligence on Iraqi production of chemical weapons: “He was concerned he could not point to any solid evidence of such production.” In general, Jones stressed, his department had been concerned about “the tendency . . . to, shall we say, over-egg certain assessments, particularly in relation to the production of chemical weapons.” He affirmed that “significant” changes suggested by his scientists had not been acted on by the official intelligence assessment team, which made one of his key experts on chemical weapons “very concerned.”

Jones told the inquiry: “The impression I had, was that on Sept. 19, the shutters were coming down on this particular paper. The discussion and argument had been concluded. It was an impression I had at the time, that our reservations about the dossier were not being reflected in the final version.”

Jones was followed by the MOD’s “Mr. A.” It was revealed that, in an e-mail to David Kelly, on Sept. 25, 2002, one day after the Blair dossier was released, Mr. A had stated that the government was “grasping at straws,” and that the policy was being put together, not by experts, but by “the spin merchants of this administration.” Asked by Hutton counsel Dingemans what this “spin merchant” comment meant, Mr. A answered: “It’s really a general working comment about perceived interference. The dossier had been around the house several times, to find a form of world which would strengthen political objectives.”

Mr. A also castigated the dossier’s claim, that Iraq’s al-Qa’qa phosgene plant was of “particular concern.” He had demanded, at a meeting attended by David Kelly, that this claim be deleted, stressing that the plant was producing only small, legitimate amounts of phosgene, and that, as the Iraqis had never weaponized phosgene, it would be “wrong” to include it in the dossier. Mr. A wrote to Kelly in his e-mail:

“I’m with the manager of al-Qa’qa—it’s a pretty stupid mistake for the British to make.”

‘Blair Should Relinquish His Premiership’

A chorus is building in the British media for Blair to resign. On Aug. 30, veteran investigative journalist Tom Bower wrote a commentary in the *Guardian*, entitled, “The Deceit Over the Dossier Will Be Blair’s Watergate.” Bower made a very tight set of comparisons between Tony Blair’s time of troubles and President Richard Nixon’s 1972-74 Watergate downfall. Writing after Campbell’s surprise resignation, Bower compared Campbell’s resignation with that of Bob Haldeman, Nixon’s spinmaster, just days after Nixon had praised his integrity—just as Blair had praised Campbell. Bower noted, “Without Haldeman, insiders predicted Nixon’s days were numbered.”

While outlining many other parallels, Bower stressed that things could get very bad for Blair, if the Hutton inquiry made a “judicial order to reveal all the messages between Downing Street and the White House, which would explain why Blair was determined to invade Iraq. . . . Exposing those secrets would be the next step towards Blair’s Watergate.”

Also dated Aug. 30, the weekly *Spectator* ran a cover story, by former BBC journalist Rod Liddle, now the magazine’s associate editor, entitled, “Tony Must Go: The Hand of History Is Pointing to the Door.” According to Liddle, “The government brought Lord Hutton’s inquiry into being directly, through its open actions. . . . This is a government in total paralysis. . . . Tony Blair should relinquish his premiership.” Liddle charged that the Hutton inquiry has unveiled “a deliberate attempt to mislead. . . . None of us can be sure what verdict will be delivered by Lord Hutton. . . . I for one am convinced that the Prime Minister is palpably guilty.”

Blair’s Hero, Pontius Pilate

According to one British insider, the way Blair will try to squirm out of his problems, in the end, is by holding his Joint Intelligence Committee chief Sir John Scarlett responsible for the intelligence on the dossier. Scarlett, a loyal minion, will undoubtedly play along. Alternatively, other scapegoats will be found.

It is probably too late for such games to work. But it must be remembered, that Blair’s hero in history—as *EIR* revealed soon after he first came to power on May 1, 1997—is Pontius Pilate, the nephew of the Roman Emperor Tiberius, who coordinated the trial and murder of Jesus Christ, and arranged to have the Jews blamed for it all (see “Tony Blair Adopts Pilate As Role Model,” *EIR*, June 13, 1997). As much as he may find Pontius Pilate “fascinating,” and “so nearly a good man,” it is probably too late for Blair himself to wash his hands of the abominable mess that his criminal policies and actions have caused.

Russia Reacts To Cheney Nuke-War Policy Threat

by Jonathan Tennenbaum

The strategic insanity of Dick Cheney's Bush Administration, including the new U.S. doctrine of "pre-emptive" use of nuclear weapons, has triggered a far-reaching shift in military planning on the part of Russia, China, India, and other nations, that can have very nasty consequences for the United States and the world. Most explicit has been the response from Russia. For the first time since the end of the Cold War, decisions on development and deployment of new weapons systems are being moved by the realization, that in the event of a continuation of the present policy-course in Washington, the eventuality of a large-scale war involving nuclear weapons is becoming increasingly probable. The activities of the Russian military-scientific-industrial complex are being reshaped in accordance with the intention to develop an "asymmetric response" to this war threat, involving some crucial elements of technological surprise.

An indication of this shift, was given by Russian President Vladimir Putin's July visit to the Russian Federal Nuclear Center at Sarov—the nation's top nuclear weapons laboratory, famous in Soviet times as the "closed city" Arzamas-16. At a well-publicized roundtable discussion with the scientific leadership of the Nuclear Center on July 13, Putin declared: "The quality of our nuclear weapons is the basis of Russia's security. These weapons must fulfill the most stringent demands. . . . Your institute is the most powerful center of advanced science in the world. Here are concentrated the talents and knowledge of generations of Russian scientists. . . . We need the broadest possible spectrum of scientific investigation, experiment, construction, and testing. Now you are concentrated on perfecting the battle-readiness of nuclear weapons, both those already developed and those now in the process of development. . . . Russia is, and will remain, a great nuclear power."

Subsequent statements and actions by leading military and scientific officials made it clear that Putin meant business. On Aug. 26, a member of a leading strategic institute in Moscow commented to *EIR*: "For some time now, particularly in response to the declarations of preventive war, from President Bush in June 2002, and then the U.S. 'National Security Strategy' of September 2002, Russia has been moving to bolster its defensive capabilities in a very big way. The hard facts have been covered openly in the press, but the Americans prefer not to see it." The Russian expert emphasized the development of new types of nuclear weapons; the ongoing upgrading of Russia's multiple-warhead missile

force; and the construction of new, "ultra-quiet" types of submarines; and pointed also to the holding of large-scale naval and air maneuvers in the Far East region in late August.

These exercises involved the Pacific and Northern Fleets, the strategic and front-line aviation, and troops of the Far Eastern Military District ranging from the Sea of Okhotsk to the Bering Sea and Sea of Japan. Adm. Viktor Kravchenko, chief of the General Staff of Russia's Navy, called them "unprecedented in the history of the Russian Navy in terms of scale, range of participants, and area."

Meanwhile, in an interview with the military news service Itar-Tass, Adm. Vladimir Kuroyedov, chief commander of the Russian Navy, underlined a shift in strategy connected with the coming "fourth-generation" of submarines, that are to rejuvenate the Russian undersea forces. "We won't build giant submarines any more," he said, pointing to the example of the planned delivery to the Navy, in 2006, of the first submarine of the new 935 Borei series. The Borei class will be fast, half the size of the Typhoon-class, and will carry 20 sea-launched ballistic missiles of a new type.

Opening Up Nuclear Pandora's Box

Most far-reaching, however, is the unleashing of a qualitatively new "nuclear arms race." On Aug. 12, the 50th anniversary of the first Soviet hydrogen bomb test, former Atom Minister and now scientific director of the Federal Nuclear Center Viktor Mikhailov told the daily *Nezavisimaya Gazeta*: "The development of new thermonuclear weapons is now going on in several countries, including the U.S.A. and Russia. The spectrum of such weaponry is extremely large. . . . Up to 1953, we were behind the Americans in the development of nuclear weapons; but starting 1953, and up to today, *we are ahead of them.*" Mikhailov dropped a bombshell by pointing to some revolutionary areas of nuclear research, now being pursued in Russian laboratories, that have the potential to change the entire "geometry" of warfare.

Nuclear weapons existing up to now, are based on fission—the splitting of nuclei of heavy elements, which provides the energy source of the atomic bomb, now mostly used as the "detonator" for the much more powerful hydrogen bomb—or, on fusion of nuclei of light elements, the energy source of the hydrogen bomb. But during the cold war, scientists also examined many alternative nuclear processes, including some very exotic and "devilish" ones; however, none of these were developed into operational weapons. But now, thanks to Cheney, a nuclear "Pandora's Box" is being opened, with unforeseeable consequences, Mikhailov said. "I just want to emphasize, that nuclear energy does not only mean the energy of fission or fusion, but can be, for example, the energy of transition of the magnetic moment of certain nucleons (neutrons and protons)."

Mikhailov meant changes in the physical-geometric configuration inside an atomic nucleus, leading to an array of states of the nucleus called "isomers." The transitions from one isomeric state to another, can be accompanied by intense

radiation in the form of ultra-short-wavelength gamma-rays, opening up the possibility of isomer-based “gamma-ray bombs” with very different characteristics than known nuclear weapons. “We have a very large field of work in nuclear energy,” Mikhailov said. “Isomers can be found in nature in an excited state that is capable of transition to a stable state. And this, in principle, is also nuclear energy. . . . The energy of nuclear fission exceeds that of chemical reactions by 10 million times, in terms of calories released per unit volume or mass. But who says we need such powerful weapons today? The transition of isomers releases an amount of energy exceeding that of chemical reactions by 1,000 times.”

An “isomer bomb” might not equal an atomic bomb in explosive power, but it would have other characteristics of potential military significance. One is possibly very small size and novel destructive effects; another, that such devices, before being detonated, would not emit any radioactivity and would be more difficult to detect than “conventional” nuclear weapons containing radioactive elements. Such devices might, for example, be deployed by super-quiet submarines as sea mines, in a manner that would defy conventional counter-measures.

But the isomer bomb—whose possibility has also been discussed in the United States—is just one small example of things to come, once the “nuclear Pandora’s Box” is opened. The development of nuclear shaped charges and nuclear-explosive-powered “directed radiation” devices, begun in the 1980s, is receiving renewed attention. Also, new categories of non-nuclear, but equally non-conventional, weapons are emerging, including new types of high-power electromagnetic-pulse weapons, capable of playing havoc with sophisticated “smart weaponry,” computers, and communications infrastructure.

A senior Russian military expert warned *EIR* that the policies of the Cheney crowd are forcing nations around the world to prepare for the eventuality of having to defend themselves from an imperial United States. “Of course this means an asymmetric approach to warfare, there is no other way. Those nations with technological potentials, will develop new weapons systems, while poorer nations will prepare to use age-old methods of passive and active resistance,” unleashing various forms of irregular warfare, he said. The Russian expert said that without an urgent change in U.S. policy, the world is headed for a “very dark period.”

In a recent article, Lyndon LaRouche emphasized the self-delusion of Cheney et al. in believing in a supposed invincibility of U.S. military power. On the contrary, LaRouche warned, there are many ways in which the apparent overwhelming military superiority of the United States could be made “relatively, asymmetrically obsolete: as by, in effect, by-passing it with warfare in a different technological space than it is designed to fight. This is not a matter of a particular weapons-system, but it could be a matter of a threatened adversary’s dreaming up a feasible technological dimension which you, perhaps, had simply not thought about.”

Afghan Opium Wave Ready To Drown the Region

by Ramtanu Maitra

The Afghan opium harvest this spring is now getting converted into heroin and has begun to move to Europe via Central Asia and Russia. This year’s harvest, close to 3,500 metric tons, will not only serve the masses, but may help feed many war parties now in action in the region.

The massive opium and heroin outflow from Afghanistan has rattled Russia, Ukraine, and Central Asia in particular. The British press, led by the *Guardian*, has pointed out that 90% of the heroin consumed in Britain is of Afghan origin. Fears have been expressed in Pakistan as well, where millions of addicts are eagerly waiting for the drug carriers to arrive.

In the midst of all this, one could not help but acknowledge the bitter irony. The largely successful operation against the Taliban and al-Qaeda has not resulted in the reduction of opium production. In October 2001, when the United States landed its troops in Afghanistan to oust the Taliban from power in Kabul, one of the stated objectives of Washington was to curb, if not eliminate, the Afghan drug. At a recent Pentagon press briefing, U.S. Defense Secretary Donald Rumsfeld, when asked by an Army newsman why the opposite had happened, threw up his hands saying, “You ask what we’re going to do, and the answer is, I don’t really know. My impression is that in a very real sense it’s a demand problem; it’s a problem that there are a lot of people who want it, a lot of people with money who will pay for it, a lot of people who will steal from others to pay for it.” In essence, then, what the Defense Secretary is saying is almost verbatim what a concerned citizen gets from a street cop. That nothing more will be done to stop the Afghan opium plague, coming from the U.S. Defense Secretary, makes the situation doubly scary.

Russian Concerns

On Aug. 27, Russia’s drug control chief Viktor Cherkosov told reporters in Dushanbe, Tajikistan, after meeting with Tajik President Emomali Rakhmanov, that in light of the massive amount of narcotics flowing northward from Afghanistan, his government would soon open a permanent office in Tajikistan that would “allow the maximum use” of both nations’ resources. World leaders and international organizations have to make “a political decision” to put joint pressure on Afghanistan to reduce production of drugs. The remarks came a day after Cherkosov’s deputy Aleksandr Mikhailov said that a rising tide of heroin from Afghanistan has swept through Russia, with drug traders quickly spreading their operations across the country’s 11 time zones and distributing



Opium production has swelled again to huge levels in Afghanistan, despite edicts from the Karzai government and the presence of nearly 15,000 American and other NATO troops. U.S. Defense Secretary Rumsfeld said nothing could be done; the Russian government is protesting.

drugs among young children. “A heroin attack from the South has become the most acute problem for us,” Mikhailov told reporters in Moscow.

Russian officials reported in August the nation’s largest-ever drug bust—420 kilograms of heroin found in a truck stopped just outside Moscow—and Mikhailov said that the bust had a street value of more than \$22 million. During the first half of this year, Russian border guards alone have confiscated 2.9 metric tons of drugs, half of it heroin, Mikhailov said. The amount of drugs seized accounts for roughly 10% of the actual flow, he pointed out.

Russia is now a major victim of the Afghan narco wave. Russia has between 3-4 million drug users out of a population of about 145.5 million, and the consumption of heroin has jumped by 23 times between 1998 and 2002, Mikhailov said. He pointed out that about 70% of heroin in Russia originated in Afghanistan, which accounts for about three-quarters of the world’s opium, the raw material for producing heroin. While Moscow, St. Petersburg, Russia’s Baltic exclave of Kaliningrad, and Yekaterinburg have remained the main drug hubs, many smaller cities have also developed a drug habit, Mikhailov said.

Drug Explosion in Central Asia

A recent report of the UN International Narcotics Control Board said that in Central Asia, drug abuse has risen most sharply in Tajikistan, with an estimated 720 addicts per 100,000 people. But the rate remains highest in Kyrgyzstan, with 1,644 addicts per 100,000 residents, which is about 1.65%.

The report went on to say that the ready availability of opiate drugs in Central Asia makes them increasingly the

drugs of choice, replacing marijuana. The rise in intravenous drug use has led to an increase in HIV-AIDS infections. As many as 80% of people with HIV in parts of Kazakstan, Kyrgyzstan and Uzbekistan, contracted the disease through drug injections, according to the report. According to the UN report, Turkmenistan has not reported any seizures of opiate drugs or chemicals since 2000, even though significant quantities had been found before.

Despite the ostensible lack of cooperation by the Turkmen government with the UN Narcotics Control Board in providing necessary data, it is widely acknowledged that the drug addiction problem is a serious one in Turkmenistan. Although one cannot extrapolate numbers, in 1989 the UN report showed Turkmenistan having 124 addicts per 100,000 when Russia had about 30 addicts per 100,000. According to the UN Office for Drug Control and Crime Prevention (UNODCCP), Turkmenistan has about 13,000 heroin users and this number is growing. The Turkmen Health Ministry reported on 4,087 officially registered drug users in 1996, with 5,809 in 1997, and almost 8,000 in 1998. Today the Mary province alone has nearly 3,000 registered drug users. These are the official statistics. The actual number of drug users is unknown.

The 860 kilometer Turkmen-Afghan border has always been peaceful and quiet. The Turkmenistan government in Ashgabat explained that this phenomenon results from its good neighborly relationships with every Afghan government. Drug barons, however, use this quiet border for drug trafficking. In the words of Chary Atayev, an officer at the Turkmen office of the UNODCCP, “Turkmenistan is used for drug transit from Afghanistan, Iran, and Pakistan.” According to at least one report, 80 tons of drugs go through Turkmenistan (partially remaining there) to Uzbekistan, Kazakstan,

Russia, and so on.

It is evident from going through observations and various reports, that the Turkmen officials are keen to project low trafficking activities along the Afghan-Turkmenistan borders. According to official Turkmen statistics, last year the Turkmen customs seized 2,900 kilograms (over 3 tons) of opium and 220 kilograms of heroin. In comparison, in 1997 the Turkmen customs and Russian border guards seized more than 40 tons of drugs, including 2 tons of heroin, 1.5 tons of opium and 38 tons of hashish (a concentrated form of marijuana). Turkmen officials point out that present trend indicates that the border guards are catching less.

The decreasing "catch" of drugs on the Turkmen border, however, does not mean a decrease in drug transit. Observers agree that the withdrawal of Russian border troops from Turkmenistan (at Ashgabat's initiative) late in 1999 has made the southern Turkmen border transparent. The Turkmen authorities have proved not very efficient in controlling the Turkmen-Afghan border. It is no secret that local customs lack equipment to check people and vehicles that cross the borderline.

In addition to the Central Asian nations, another neighbor of Afghanistan, Pakistan, is awaiting the bumper opium harvest with a great deal of trepidation. Pakistan is not only a key route for the international narcotics smuggling from Afghanistan, but is also a big market, with its estimated 4 million drug addicts. Pakistan is also an opium poppy producer, despite a strong crackdown on farmers in the country's lawless tribal region neighboring Afghanistan.

In 2001, Pakistan managed to wipe out poppy cultivation, but high market prices of drugs attracted many farmers to resume production of the banned crop, said Thomas Zeindil, Pakistan's chief of the United Nations Drug Control Program (UNDCP). "Afghanistan has a bumper poppy crop this year," said Brig. Liaquat Toor of the Army-led Anti-Narcotics Force of Pakistan. "This is going to affect Pakistan."

Central Asian Plan

Neither the United Nations nor the Central Asian countries are ignoring this menace now. Struggle against drug aggression was at the top of the agenda of the Dushanbe summit of the Central Asian heads of state last October. At the time, there was some hope among the Central Asian governments that the anti-terrorist activities in Afghanistan, and the stated objective of the United States to curb opium production, would result in providing relief to the Central Asian countries.

Almaz Garifulin, head of the Department for Controlling Drugs under the Kyrgyz government, told Russia's RIA Novosti exclusively, that presently the situation around illegal drug turnover in Central Asian republics "has somewhat stabilized." Nonetheless, Kyrgyz experts at the time had forecast that the number of attempts to illegally transit drugs via Central Asian republics' territory is likely to skyrocket, for according to international experts' data, 3,500-5,000 tons of

opium and heroin are still stored on Afghan territory, "the yield" of the present year not considered.

Specialists say 1 kilo of heroin in Kyrgyzstan costs about \$7-8,000, whereas in Russia and West Europe the prices for it are a dozen times higher, which allows low-income strata of the population to get involved in drug trade. All these data, in Garifulin's words, indicated grounds for saying that Central Asian republics are on the whole exposed to narco-aggression on the part of international criminal organizations that earmark the laundered money from illegal drug trade to finance terrorism and religious extremism.

At the summit, the Kazak President Nursultan Nazarbayev announced Kazakhstan's initiative to create an "international anti-drug center," and asked the region's states to become its co-founders. President Nazarbayev pointed out at the summit that Kazakhstan, Kyrgyzstan, Tajikistan, and Uzbekistan need to focus their cooperation on three priority aspects: strengthening national borders, counteracting international terrorism, and fighting against drug dealing.

Subsequently, in June this year, the United Nations Office on Drugs and Crime (UNODC) launched five new major drug-control projects worth more than \$17 million to combat the illegal drug trade in Central Asia. The UNODC press release cited the need for stronger, concerted, and coordinated action to deal with both opium poppy production in Afghanistan and the trafficking of heroin in the countries surrounding Afghanistan. According to the UNODC, the new projects will focus on improved law enforcement measures, better border controls, and cooperation among Afghan and Central Asian enforcement agencies.

But despite these measures taken by the Central Asian nations, it is widely acknowledged that unless Afghanistan's opium production is curbed, the situation will get worse. What worries the neighbors most, is that the Afghan farmers are producing a bumper crop of poppies this year, despite a ban imposed by President Hamid Karzai's government, and just three years after the Taliban clamped down on cultivation. It is also evident that although United States and NATO troops are inside Afghanistan, the entire spectrum of drug activities, ranging from production to trafficking, is moving along smoothly.

Massive poppy cultivation could not happen without the knowledge of powerful warlords who still control most of Afghanistan with their loyal militias. It is widely known that the warlords, commanders, and corrupt officials buy opium from the farmers and provide safe passage to drug barons, who smuggle out either raw opium or refined heroin processed in makeshift factories.

Since a kilo of heroin in Afghanistan is worth from \$5-20,000, according to one estimate, but in the international black market the price soars to \$70-300,000, it is unlikely that less than drastic measures could stop this lucrative business from flourishing. Listening to the U.S. Defense Secretary, it seems that no one is really interested any longer to make that effort to take on this menace.

Who Wants Civil and Religious War in Iraq?

by Hussein Askary

The August 29 car-bomb attack on the Shrine of Imam Ali in the holy city of Al-Najaf, claiming the lives of more than a hundred mosque-goers including the leader of the Shi'ite Supreme Council of the Islamic Revolution in Iraq (SCIRI) Mohammed Baqir al-Hakim, was a terrorist crime unprecedented in the modern history of Iraq. Although the real perpetrators of this crime are not yet known, the clear purpose of the attack was to shift the attention from the growing recognition of the total failure of the U.S.-British neo-cons' war and occupation policy for Iraq. It also aims at directing the rage of the Iraqi population towards a new enemy wrapped in an ethnic and sectarian cloak.

Unless urgent measures are undertaken internationally and regionally to bring order and security to the country, by transferring power to the Iraqi people in cooperation with the United Nations, outbreaks of chaos and violence will be inevitable. This would mean an outbreak of sectarian-ethnic violence, combined with an armed uprising against the occupation forces.

The fact that rumors were spread a few hours after the bombing in Al-Najaf, about the arrest of Saudi "Wahhabi" fanatics and Iraqi "Sunni" terrorists in the city, was an indication of the intention behind the bombing. Shi'a and Sunni Islam are the two main currents of Islamic faith. Iraq is divided geographically between these two sects, with the Shi'a being the majority in the South and in Baghdad. There are also Shi'a-Sunni combinations in Saudi Arabia, Bahrain, Lebanon, Iran, Afghanistan, Pakistan, and India. But there has not been any record of sectarian violence of any significant scale.

In Iraq itself, the religious leaders of both the Sunni and Shi'a groups, including Al-Hakim, have been warning against attempts to create this schism. Only a "third party" would be interested and capable of provoking such a catastrophic outcome, and such a disgusting act against one of the holiest sites of Islam. In addition, car-bombing techniques—starting with the bombing of the Jordanian Embassy and the UN headquarters in early August—are completely unheard of in Iraq. It is an imported mode of operation.

Shi'ite Restraint Near Breaking Point

The real issue in Iraq, which was addressed by Al-Hakim himself minutes before his assassination, is the failure of the

U.S.-British policy. Al-Hakim, whose group SCIRI, through his brother, is represented in the U.S.-controlled Iraqi Governing Council (IGC), had himself warned that unless the U.S. occupation administration in Iraq does what the Bush Administration had promised—in terms of restoring normal living conditions and transfer of power to representatives of the Iraqi people within a clear timetable—civil disobedience and resistance against the occupation forces would be legitimate acts.

The attack on Aug. 29 took place within the context of growing frustration in southern Iraq, leading to riots and armed attacks against British and U.S. forces in the predominantly Shi'ite, southern cities of Basrah and Imara. The occupation forces usually claim that the armed attacks against the U.S. troops in Baghdad and the North are committed by "Sunni" supporters of the former regime of Saddam Hussein. This claim does not fly in the South. The restraint called for by the Shi'ite religious leaders there, has reached its breaking point.

In that atmosphere, sectarian-ethnic provocations were launched. It started with attacks and counter-attacks between "Shi'ite" Turkmen and "Sunni" Kurds in the northern cities of Tuz Khurmatu and Kirkuk in the third week of August. This was followed by an assassination attempt on Aug. 24 against one of the most important Shi'ite clerics in Al-Najaf, Ayatollah Mohammed Saeed Al-Hakim, uncle of the slain SCIRI leader Mohammed Baqir Al-Hakim. Ayatollah Al-Hakim survived the attack, but two bodyguards and a staff officer were killed when a bomb inside a gas cylinder exploded outside his office. Ten passersby were also wounded. SCIRI spokesman Adel Abdel Mehdi said: "We think this is an attack done by remnants of the ex-regime." Although no evidence was provided for this claim, he indicated that "it has the same aims and the same goals as the attack that took place against the UN headquarters." Mehdi said that SCIRI had been demanding more protection for Hakim and other senior ayatollahs.

Another theory had it that "other Shi'ite rivals, who oppose their [the Al-Hakims'] collaboration with the U.S." are behind the attacks. At the demonstrations after the Aug. 24 attack, some reportedly accused Moqtada al-Sadr, another Shi'ite leader. Al-Sadr is a shady character, fanatically opposed to the Iraqi Governing Council. It is rumored that he is "controlled" by the Iranian supreme religious leader Ayatollah Ali Khamenei and by Ayatollah Al-Ha'iri, an Iraqi religious leader based in the holy city of Qom, Iran. This theory is supported and propagated by such supporters of the U.S. neo-conservative cabal as Amir Taheri, an Iranian exile living in London. Following the later attack on the mosque, Taheri wrote in the *New York Post* that Iran's "Khomeinists" may have done it as a warning not to collaborate. Taheri says the Iranians had warned Ayatollah Mohammed Baqir al-Hakim not to join the Governing Council; and he points to Iran-backed Hezbollah as a group capable of

such a car-bombing.

Khamenei himself condemned the attack: "Such criminal acts risk giving a pretext to the occupying forces to impose their suppressive policies on the defenseless people of Iraq and will lead to insecurity in the war-torn country, at a time when the Iraqi people are in dire need of unity and solidarity."

There are indeed faction fights going on among Shi'ite leaders in Iraq, regarding various questions: the role of the IGC; whether or not the Hawza (Shi'ite theological school/authority) should enter politics; and so forth. However, these disputes are generally settled through discussion, not violence.

United States Blamed

At the funeral of Al-Hakim, his brother Abdel-Aziz al-Hakim, a member of the U.S.-picked IGC, spoke to 400,000 mourners. He charged that the occupation is responsible for this tragedy. "The occupation force . . . is ultimately responsible for achieving security and stability. They are responsible for all the blood that is shed in every part of Iraq. Iraq must not remain occupied, and the occupation must leave so that we can build Iraq as God wants us to do." The mourners walking along behind the cleric's coffin chanted, "No, no to America."

Meanwhile, Grand Ayatollah Ali al-Sistani, supreme spiritual leader of the Iraqi Shi'ites based in Al-Najaf, issued a strong statement warning the Iraqi people against provocative propaganda trying to sow the seeds of sectarian conflict. Al-Sistani said: "This barbaric crime and the recent crimes committed in holy Al-Najaf and other parts of Iraq, are being perpetrated by those who don't wish security and peace to return to this wounded country. . . . However, we are confident, that the Iraqi people realize this truth, and will stand in one line against the intentions of the enemies, and shall overcome the current calamity." Pointing the finger of blame at the occupation authorities, al-Sistani said: "While denouncing these disgusting acts, we believe that the occupation forces bear the responsibility for the chaotic security situation in Iraq and the increase of criminal actions. We once more call for supporting the Iraqi national security forces and enabling them to provide security and stability."

Al-Sistani's words, and those of many other Shi'ite clerics who called on all Iraqis to practice restraint, were answered by the population. Al-Sistani, who opposes the occupation but does not support violent resistance, rejected an offer to meet U.S. civilian administrator Paul Bremer a few days before the attack. A famous religious cleric in Baghdad, Sheikh Jala Al-din Al-Saqir, imam of Bratha mosque, said, "Bremer had gone to Najaf to meet Ayatollah Sistani, but he didn't accept the invitation." al-Saqir stressed, "Before the explosion in UN headquarters in Baghdad, Mr. Sistani had accepted the meeting invitation of Sergio Viera De Mello, and it means that Shi'ite authorities want a more active role by the UN

in Iraq."

On the other hand, the leading Sunni cleric Dr. Ahmed al-Kubaisi responded to the statement by al-Sistani with one of his own. Al-Kubaisi, who is chairman of the Board of Islamic Clergymen of the Sunni denomination, ruled out that such internal struggle would take place, because both Sunni and Shi'ite leaders are acting "with reason and moderation." He emphasized that his Board is keen on "preventing the shedding of even a single drop of blood of either a Shi'a or a Sunni Muslim, because they don't want enemy to have such an opportunity." Al-Kubaisi charged, "It is the U.S. policy to divide Iraq along sectarian and ethnic lines." While al-Kubaisi criticized some of the hard-line Shi'a leaders in Iraq and Iran, he had much praise for al-Sistani, the Iranian Foreign Ministry, and Iran's President Mohammed Khatami, who, he said, "had reasonable and moral stances."

President Khatami himself issued a statement in which he pointed to "foreign powers" as responsible. "I expect that criminal foreign elements could be involved in the acts to eliminate such leaders as Al-Hakim," Khatami told *Al-Hayat* after the bombing. "I don't believe that these acts are conducted by normal groups. It must be a state or a group of states that have such powerful capabilities and organized groups." Khatami suggested that Israel is the party which benefits most from such acts.

No Solution in Iraq Without the UN

Taking the issue from a higher reference point, the solution to the situation in Iraq must come from the international community, in order to prevent a total disaster. In the words of Gen. Anthony Zinni, former Commander of the U.S. Central Command, the situation in occupied Iraq is only "weeks away from chaos." The Bush Administration is now looking for collaboration in Europe, Asia, and among Muslim states, in order to stabilize "post-war" Iraq. Russia, France, China, Germany, Turkey, and many Muslim states, now being urged to assist America and Britain, firmly opposed the Iraq war. Russia and France insist that a concerted international effort must be made to find a way out of the current mess in Iraq. However, this could occur only under the mandate of the UN Security Council, and with a clear time-table for Iraq regaining its sovereignty.

In a statement issued Aug. 31, Lyndon LaRouche, Democratic Presidential pre-candidate, emphasized that only through the United Nations is a solution for Iraq possible. "The U.S.A.'s submission to a UNO role is the only realistic course of action presently available," wrote LaRouche, stating what no other political figure in the United States has dared to say—at least not in public. "At the present, the degenerated state of affairs produced by the war and the lunatic practice of the U.S. occupation, peace in Iraq can no longer be an Iraq issue. Peace requires the voluntary, active cooperation among the nations of the region of Southwest Asia" (see *International*).

An Israeli Hero Calls for Justice

by Michele Steinberg

On Aug. 29, a powerful statement of conscience from Avraham Burg, an Israeli Labor Party Knesset (parliament) member who had served as Speaker of the Knesset (1999-2003), was published on the front page of *The Forward*, the national Jewish newspaper in the United States. The article is entitled "A Failed Israeli Society Collapses While Its Leaders Remain Silent."

Like Israeli Prime Minister Yitzhak Rabin's heroic statement in September 1993 following the signing of the Oslo Accords, in which he toasted "those with the courage to change axioms," Burg's essay is a call for peace. He writes: "The Zionist revolution has always rested on two pillars: a just path and an ethical leadership. Neither of these is operative any longer. The Israeli nation today rests on a scaffolding of corruption, and on foundations of oppression and injustice. As such, the end of the Zionist enterprise is already on our doorstep. There is a real chance that ours will be the last Zionist generation. There may yet be a Jewish state here, but it will be a different sort, strange and ugly.

"There is time to change course, but not much. What is needed is a new vision of a just society and the political will to implement it. Nor is this merely an internal Israeli affair. Diaspora Jews for whom Israel is a central pillar of their identity must pay heed and speak out. If the pillar collapses, the upper floors will come crashing down."

Burg's article has been published on hundreds, if not thousands, of websites, in English and other languages. It is being widely discussed in the United States.

On Sept. 13, 1993, at the White House signing of the Oslo Accords, Prime Minister Rabin surprised nearly everyone when he addressed Palestine Liberation Organization Chairman Yasser Arafat and the Palestinian people directly: "We who have come from a land where parents bury their children, we who have fought against you, the Palestinians, we say to you today in a loud and clear voice: Enough of blood and tears, enough!"

In response to critics who said he should not have shaken Arafat's hand at the White House ceremony, Rabin scoffed, saying, "You make peace with your enemies, not with your friends."

It is in this spirit that Burg addressed his fellow citizens, during one of the darkest hours, when, following targeted assassinations of Palestinian leaders by the Israeli Defense Forces (IDF), a suicide terrorist killed 19 Israelis, including

children, on a bus in Jerusalem.

Burg decries the silence in the face of Israeli Prime Minister Ariel Sharon's policy of killing. "The opposition does not exist," he writes, "and the coalition, with Arik Sharon at its head, claims the right to remain silent. In a nation of chatterboxes, everyone has suddenly fallen dumb, because there's nothing left to say. We live in a thunderously failed reality. Yes, we have revived the Hebrew language, created a marvelous theater, and a strong national currency. Our Jewish minds are as sharp as ever. We are traded on the Nasdaq. But is this why we created a state? The Jewish people did not survive for two millennia in order to pioneer new weaponry, computer security programs, or anti-missile missiles. We were supposed to be a light unto the nations. In this we have failed.

"It turns out that the 2,000-year struggle for Jewish survival comes down to a state of settlements, run by an amoral clique of corrupt lawbreakers who are deaf both to their citizens and to their enemies. A state lacking justice cannot survive. . . . The countdown to the end of Israeli society has begun. . . . "Even if the Arabs lower their heads and swallow their shame and anger forever, it won't work. A structure built on human callousness will inevitably collapse in on itself. Note this moment well: Zionism's superstructure is already collapsing like a cheap Jerusalem wedding hall. Only madmen continue dancing on the top floor while the pillars below are collapsing."

Burg seems prophetic when he writes, "We have grown accustomed to ignoring the suffering of the women at the roadblocks. No wonder we don't hear the cries of the abused woman living next door or the single mother struggling to support her children in dignity. We don't even bother to count the women murdered by their husbands." Only a few days later, a Palestinian baby died at an Israeli military checkpoint where its mother, a pregnant Palestinian woman, had been detained too long and had given birth.

Burg also warns, "We could kill a thousand ringleaders and engineers a day and nothing will be solved, because the leaders come up from below, from the wells of hatred and anger, from the 'infrastructures' of injustice and moral corruption.

"If all this were inevitable, divinely ordained and immutable, I would be silent. But things could be different, and so crying out is a moral imperative.

"Do you want the greater Land of Israel? No problem. Abandon democracy. Let's institute an efficient system of racial separation here, with prison camps and detention villages. Qalqilya Ghetto and Gulag Jenin.

"Do you want a Jewish majority? No problem. Either put the Arabs on railway cars, buses, camels, and donkeys and expel them en masse or separate ourselves from them absolutely. . . . There is no middle path. We must remove all the settlements, all of them, and draw an internationally recognized border between the Jewish national home and the Palestinian national home."

Sharon's Time Bombs In The 'Jewish Underground'

by Dean Andromidas

Israel's Shin Bet domestic security service has arrested nine Jewish settlers in July and August who were planning terror attacks on Palestinians. At arrest, the network members were in the possession of 5 kilos of military explosives, testimony that they had massacre on their minds. The network constitutes part of Israeli Prime Minister Ariel Sharon's "infrastructure of terror" when brutal provocations are needed. The real anti-Palestinian terror comes from the Israeli Defense Forces (IDF) which openly admits that it is applying what it learned from the Nazis' destruction of the Warsaw Ghetto, to its task "pacifying" the Palestinians on their own territory. The Jewish terror networks' role is to provide a well-timed provocation when it would be useful for Sharon's regional war plans.

It should be remembered, that the first suicide attack after the Oslo Accords were signed ten years this week, was not committed by Hamas, Islamic Jihad, or any other Palestinian group, but by Jewish settler Dr. Baruch Goldstein. On Feb. 25, 1994, Goldstein machine-gunned to death more than 30 worshippers at Hebron's Cave of the Patriarchs mosque. Goldstein's attack began the spiral of violence that has since drowned the Oslo Accords in a sea of blood.

The police who made the August arrests of nine Israeli terrorists discovered that they were planning to make attacks during the implementation of the Road Map to a Middle East peace. For Sharon—if Hamas was not prepared to oblige him by launching a suicide bombing—then a massacre of Palestinians would be sure to re-ignite mass violence and dead-end the Road Map, once and for all.

The suspects are not young people on the fringe who have "gone bad." They are the second and third generation of Jabotinskyite and messianic fascists, who are responsible for the entire settlement enterprise, of which Sharon continues to be chief architect. They are the vanguard of the so-called "hilltop youth," who have been building the illegal outposts that Sharon refuses to dismantle as he agreed to do. This latest cell to emerge is linked to the same circles as Baruch Goldstein. They are accused of being connected to the killings of eight Palestinians in various attacks over the past two years. Significantly, they are linked to the same cell, that in April 2002, placed a powerful bomb in front of a Palestinian hospital and girls school in Arab East Jerusalem (see "Jewish Terror Plot in East Jerusalem," *EIR*, May 31, 2002). If that plot had not been foiled, the intended butchery would have been far worse than the suicide bus bombings by Palestinians.

The Israeli security services claim, that they have difficulty investigating because of the networks' shadowy nature, is a fraud. These networks are all well known, and controlled by the same web of extremist rabbis and terrorist organizations that have been active for decades. The real difficulty in putting an end to their activity, is that they enjoy the protection of the highest levels of the political establishment that backs the settlements.

As Israel's major daily *Ha'aretz* underlined in an editorial on Aug. 25: "The recent arrests demonstrate the nest of terror exposed from time to time in the homes of Yesha settlers is not a marginal phenomenon. Rather, they are the central idea of the settlements taken to an extreme. . . . It would be appropriate for the settlers and their leaders to denounce the distorted version of the settlement philosophy their sons have adopted. But this type of denouncement will not relieve them of responsibility for this phenomenon."

Sharon's Infrastructure of Terror

A look at some of the suspects leads directly to Sharon and the other extremists in his government.

The financier of the ring is Yitzhak Pas, who reportedly was seeking revenge for the killing of his infant daughter in a Palestinian attack, a despicable crime that outraged Israel. But, it also created outrage against Pas and other extremist settlers, who expose their small children to lethal danger in the name of their blindly fanatical ideology. Her death even sparked calls in the Knesset (parliament) for action against parents who expose their young ones to such dangers.

Pas lives in the settlement in the old city of Hebron—the site of Abraham's tomb, and therefore sacred to the Abrahamic religions; the settlement is known within Israel as being under control of lunatic extremists. On Aug. 19, the Israeli-Palestinian human rights group B'Tselem released a report, documenting that the Hebron settlers, with de facto backing of the IDF, have been carrying out "ethnic cleansing" against Palestinians in the old city: As a result of vigilante attacks, relentless harassment, and prolonged curfews, several thousand Palestinians have already left the district.

Pas' controller is his rabbi, Uzi Sharbaf, who runs the Avraham Avinu Yeshiva (religious school) in that settlement. Who is Sharbaf? He brings us directly into the center of the Jewish terror web, part a network of rabbis who train and control the extremists. Sharbaf was a member of the infamous Jewish underground, which in the 1980s targeted Palestinians for assassination, and even tried to blow up Jerusalem's Al Haram Al Sharif/Temple Mount, another multi-confessional holy site. In 1984, Sharbaf was sentenced to life in prison for participating in the murder of Arab students at the Islamic University in Hebron in the 1980s. He and other members of the group were pardoned by the Israeli President in 1985; at the same time Israel released a large group Palestinian prisoners, a prisoner exchange that was part of a deal with Ahmed Jibril, leader of the Popular Front for the Libera-

tion of Palestine-General Command (PFLP-GC).

One of Sharbat's comrades, who also went to jail in the 1980s, was Ze'ev Hever, whom Sharon affectionately calls "my friend Zambash," Hever's nickname. Hever is more than that: He is Sharon's agent in the entire settlement enterprise. Hever, who lives in the Kiryat Arba settlement on the outskirts of Hebron (as did Baruch Goldstein), is the most powerful settler leader. Nothing happens in the settlements without his approval, including building illegal settlements, outposts, roads, and conducting political activities. He meets several times a week with Sharon, and his word is as good as Sharon's own.

Sharbat is the son-in-law of Rabbi Moshe Levenger, whose son Maneshe, was arrested last year in East Jerusalem hospital/girls school bomb plot. Levenger founded the radical Gush Emunim movement which established the first settlements in the Israeli-occupied West Bank. He also founded the Hebron settlement where Pas lives. Not surprisingly, Levenger was one of the spiritual guides of Yigal Amir, who assassinated Prime Minister Yitzhak Rabin on Nov. 4, 1995.

Another suspect is David Libman, also from Hebron. He and suspect Ronen Arousi played a leading role in the movement to established illegal outposts. Libman's father, Rabbi Menahem Libman, once headed Shavei Yeshiva in Hebron, one of the most radical schools. The yeshiva received 20,000 shekels from the Tourism Ministry in 2002, to conduct guided tours of the old city—but there were no tourists "sight-seeing" Hebron that year, in the peak of the Al Aqsa Intifada uprising.

Tourism Minister Rabbi Benny Elon publicly preaches that the Palestinians should be "transferred"—meaning ethnically cleansed—from the West Bank and Gaza, and forced into Jordan. In his latest ministry budget, with the approval of Finance Minister Benjamin Netanyahu, Elon transferred 12.5 million shekels for "tourism projects" in the occupied territories, at a time when tourism has virtually ceased to exist. Might "tourism" be "terrorism" misspelled?

Before entering politics, Elon was the rabbi at the Ateret Cohanim Yeshiva, on Mount Scopus in Jerusalem. This is the training ground for the lunatic "Temple Mount Faithful," whose goal is to destroy the Islamic holy sites on the Al Haram Al Sharif/Temple Mount, in order to "rebuild" the Third Temple of Solomon. In 1998, Elon's niece, Margalit Har Shefi, was convicted for "not preventing a crime" about which she had foreknowledge: the assassination of Yitzhak Rabin by her friend, Yigal Amir. Only a few months ago, Amir declared in open court that he had told Elon what he had planned.

Libman's brother, Yehuda, is a leader of the movement to establish illegal outposts, and a leading member of the radical Yosef Chai Yeshiva in the West Bank city of Nablus at what is called "Joseph's Tomb" (Yosef Chai means "Joseph lives"). In reality, the tomb is the resting place of an Muslim sheikh. Yosef Chai Yeshiva is run by extremist Rabbi Noam

Livnat, whose father was a member terrorist Stern Gang, in pre-state Palestine. Livnat's sister Limor is Sharon's Minister of Education, who dreams of becoming Israel's second woman prime minister. Yigal Amir has named Noam Livnat as one of those who showed him the "lighted path" to the assassination of Rabin.

The Shin Bet has only arrested nine Jewish terrorists in Sharon's infrastructure of terror: There are perhaps thousands out there, who could launch an attack for Sharon's convenience.

New Temple Mount Provocation In The Works

The same week that the arrests were announced, Sharon ordered the re-opening of Al Haram Al Sharif/Temple Mount to non-Muslims. The Muslim Wafq, which is the trust that bears responsibility for Islamic holy sites, protested the move. The site had been closed to non-Muslims since Sept. 28, 2000, when Sharon made his infamous march onto the site, accompanied by thousands of police, thereby igniting the Al Aqsa Intifada and the mass violence that has wracked Israel and Palestine ever since. Within the first days of its opening, Israeli police allowed the Temple Mount Faithful fanatics onto the site. The group recited Psalms and even bowed down in prayer, which is forbidden on the site and hence constitutes an obvious provocation. Despite bitter complaints from the Wafq, the Israeli police did nothing.

Allowed on the Al Haram Al Sharif were Yehud Etzion, head of the Chai Vekayam movement; Rabbis Yosef Elboim and Yehuda Edri, leaders of the Movement for Re-establishing the temple; Yoel Elizur, a researcher of the Temple Mount; Hillel Ben Shlomo and Dr. Yoel Cohen, among others members of the Temple Guard Group; Cohen is also a researcher of rabbinical rulings on the Temple Mount.

Right-wing Knesset members are making their way to the site. MK Eliezer Cohen, of the fascist National Union, and Gilad Erdan of the Likud (Sharon and Netanyahu's party) both visited, in a provocative demonstration of the illegal Israeli claim to sovereignty over of the site.

Likud MK Yehiel Hazan is also planning to visit. Prior to entering the Knesset, Hazan ran Ariel Sharon's office on the West Bank. Another Likud MK planning to visit is Inbal Gavrieli, whose uncle is suspected of being a member of the Israeli mafia and who runs illegal gambling casinos in Israel.

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Neo-Cons' Allies Out In the Philippines

by Mike Billington

Within days of the July 27 mutiny by dozens of young Philippine military officers, demanding the resignation of Defense Minister Gen. Angelo Reyes and the head of military intelligence Gen. Victor Corpus, the latter tendered his resignation. The young officers had put their careers on the line, charging Reyes and Corpus with complicity in arms sales to insurgents, and for the direct instigation of terrorist acts, aimed at facilitating U.S. support for the Philippine military and direct U.S. involvement in anti-terror operations in their country, despite explicit constitutional restrictions against such foreign military operations on Philippine soil. General Reyes, however, refused to step down, insisting that his presence was essential to preventing a coup against the government of President Gloria Macapagal-Arroyo.

On Aug. 29, with the nation descending rapidly into economic and social chaos, Reyes was fired. Arroyo accepted Reyes' "resignation" with "deep regret."

Reyes had become the leading asset within the Philippines for the Washington neo-conservatives, centered around Vice President Dick Cheney and Defense Secretary Donald Rumsfeld, who are now exposed for the lies which were used to justify the activation of their pre-emptive war doctrine against Iraq. Their lying in the Philippines was just as overt, if not as deadly—at least as yet.

When Secretary of State Colin Powell travelled to the Philippines in August 2002, he assured the worried U.S. ally that the United States would help defeat the Abu Sayyaf terrorist gang, but had no intention of re-establishing bases in the nation, nor deploying troops into combat, both of which were outlawed by the Philippine Constitution. As in many foreign policy issues then and now, this State Department policy was in conflict with that of the civilian leadership at the Pentagon. In fact, most U.S. military officers, recognizing the anti-American character of the Rumsfeld/Cheney doctrine of pre-emptive warfare, look more to former General Powell at the State Department than to Rumsfeld to represent their interests.

Clearly not happy with Powell, Rumsfeld called for Philippine Defense Secretary Reyes to come to Washington on Aug. 12, where the two established a joint civilian-to-civilian Defense Policy Board, explicitly to circumvent the direct military-to-military chain of command, bypassing Powell at the same time. Rumsfeld's goal was to use the Philippines

as a basing area for the neo-cons' intended confrontation with China.

That policy has now been dealt a significant blow. President Arroyo actually had no other choice than to fire Reyes. Just hours before his "resignation," the press in Manila had reported that the "media managers" for the President had informed her that Reyes must go, or the political crisis in the population and within the military could get out of control. More than one ranking officer in the Philippines military told *EIR* that Reyes must "pull a Corpus"—i.e. resign, for the benefit of the nation.

Summit With the Opposition

The exposure of Rumsfeld's dirty hand in the Philippines is an opportunity to get beyond the endemic political infighting in Manila. The subversive threat has been exposed and partially removed, but the legacy of manipulated political coups (mostly directed from Washington) leaves many other scars. President Arroyo did the right thing in dumping Reyes, and also in her simultaneous call for a "summit" with the Congressional opposition forces, possibly to form a "government of national unity" until the national elections in May 2004. Some of the opposition have accepted the proposal for the summit, including Sen. "Gringo" Honasan, although he is at the same time facing an indictment charging him with complicity in the July 27 mutiny! However, Arroyo has not as yet sent a formal invitation for such a summit, but has allowed the discussion to be carried out via the press.

Several important opposition factions may reject the proposal anyway. Former President Joseph Estrada, who was overthrown in the military coup of January 2001 (under the cover of a "people's power" movement) and is now in detention facing a trial for corruption, has insisted that the coup was patently unconstitutional, and that he is therefore still the legitimate President. Sources tell *EIR* that he is unwilling to contradict that formal position, fearing talks with Arroyo would legitimize her Presidency. In addition, Panfilo Lacson, a former police chief under Estrada who is now a candidate for President, has launched a campaign accusing Arroyo's husband of corruption, which looks eerily like the campaign used to bring down his former boss, Estrada. Lacson, too, is so involved in the political mud-wrestling that he is unlikely to join the summit.

Looking to Asia

President Arroyo has shown signs that she is trying to face the reality of the nation's economic and social crisis. Discussing the run on the peso and the fall in the stock market, she spoke of the "speculators" trying to undermine the Philippines economy—a charge much despised among her backers in New York and London. Arroyo has accepted most demands from these international financial institutions, but has also maintained close ties with Malaysia's Prime Minister Dr. Mahathir bin Mohamad, the champion in Asia of resisting the



An asset of U.S. Defense Secretary Rumsfeld (left), Defense Minister Gen. Angelo Reyes (right), is forced out in the Philippines.

free-trade mantra of the International Monetary Fund (IMF). Perhaps Arroyo is at last willing to follow his lead.

Arroyo also signed two historical agreements with China on Sept. 1. After years of sitting on the sidelines of the substantial progress by the East and Southeast Asian nations in building independent institutions to counter Western financial dictates, the Philippines has now joined the “Asian swap” regime, concluding a \$1 billion swap arrangement with China which will provide regional reserves to defend against speculators, and to move toward investing a portion of the Asian currency reserves directly in Asia. China also extended a \$500 million long-term, low-interest credit to be used in rebuilding the decrepit Philippines rail system, and in agricultural development.

These steps mark a positive direction for a nation facing disintegration in the midst of a global financial breakdown. Uniting behind these and similar economic and strategic matters, making these the subject of debate for the upcoming elections, points a way out of the morass.

The Real Coup Threat

The *Philippines Tribune*, although it has been the voice of the most virulent anti-Administration polemics, from both the Estrada and Lacson camps, exposed a far more serious threat of a coup against Arroyo—from none other than former President Fidel Ramos. Ramos has been the hatchetman for the international banking cartels for the past 20 years. The coup against President Ferdinand Marcos in 1986 was orchestrated by Ramos, with Washington’s backing, using a group of “civil society” non-governmental organizations (NGOs) under his control, together with his networks in the military. Cory Aquino was placed in the Presidency. During her term, and during his own subsequent two terms, Ramos turned the nation over to the international banks and energy cartels, deregulated the economy, and signed corrupt

foreign contracts which destroyed the energy industry and other essential utilities.

Ramos was also the power behind the January 2001 “people’s power II” coup which replaced the popular “Erap” Estrada with his Vice President, Gloria Macapagal-Arroyo. Ramos, again with Washington’s backing, gave then-Chief of Staff General Reyes the orders to withdraw the military’s support for President Estrada, his commander-in-chief.

Nor has Ramos shied away from pressuring Arroyo when she took steps toward addressing the desperate situation of the poor, or toward cooperating with regional nations to form an independent financial system for Asia. On Jan. 20, 2002, the first anniversary of the 2001 coup against Estrada, standing with Arroyo at the Edsa Shrine, the scene of the “people’s power” demonstrations of both 1986 and 2001, Ramos threatened Arroyo that if she did not desist from her appeal to the poor, and “secure the support of civil society and the business sector in the next 12 months,” that there would be another “people’s power” revolt and she would be dumped.

The new coup plot by Ramos and his circle, revealed by the *Tribune* on Sept. 3, is a move to carry out that threat. First, Peping Cojuangco, the brother of Cory Aquino, held a meeting with several retired military officers and leaders of the Council on Philippines Affairs, the liberal “civil society” NGO under Ramos’ influence, which ran the previous “people’s power” coups. Their plan was to counter the potential that President Arroyo might join forces with the opposition against their interests, by forcing her to resign immediately, making way for Vice President Teofisto Guingona, as a figurehead for the Ramos group. While Cojuangco denied any such coup plans, he admitted that the meeting had taken place, to discuss “remedies to the crisis the country is facing.”

The *Tribune* also reported that Ramos was working with Reyes and others to recruit military officers to force Arroyo to step down, perhaps by threat of mass resignations.

The Westphalia Approach

Were both Arroyo and the opposition to take the high road, and put aside the often legitimate grievances, as European countries did in the 1648 Peace of Westphalia, then a solution could be found. Certain pressing issues must be faced immediately: a peace agreement with the Moro Islamic Liberation Front (MILF) must be signed (Reyes twice sabotaged such an agreement), and real economic development begun in Mindanao; the investigation into the young officers’ charges against Reyes and Corpus must be pursued, to root out the neo-con subversion; and stronger relations with Asian nations must be forged, to defend against the unfolding global depression, and to bring Asian optimism into the Philippines again. This requires taking advantage of the removal of the neo-conservatives’ regional cohorts, and uniting against the war and depression policies they represent.

Synarchists Under Fire

Prime Minister Howard has been caught lying on Iraq, and his Synarchist stringpullers have been exposed as well.

A political bombshell exploded in Canberra on Aug. 22, when a former top Australian spy, Andrew Wilkie, testified that the Australian Government deliberately lied about Iraq's weapons of mass destruction, in order to "stay in step with Washington."

"The Government lied every time it skewed, misrepresented, used selectively and fabricated the Iraq story," Wilkie charged, in evidence to the Parliamentary Joint Committee on the Australian Security Intelligence Organization. "The Government lied every time it linked Iraq to the war on terror."

Wilkie's testimony is devastating to the Australian Government, and to Prime Minister John Howard, who hitherto has escaped the personal pressure Tony Blair has felt in Britain. Wilkie was a former analyst at Australia's Office of National Assessments (ONA), the nation's senior spy agency, which coordinates the intelligence from all other agencies to provide assessments directly to the Prime Minister. Thus, he was heavily involved in the Iraq issue throughout 2002, and up until his resignation on March 10, 2003, in protest at the Government's determination to go to war against Iraq. He testified how cautionary, contextual words used in ONA's intelligence assessments on Iraq, such as "perhaps," and "probable," were removed by Howard's minions, and replaced with words like "massive" and "mammoth." "Before we knew it, the Government had created a mythical Iraq, one where every factory was up to no good and weaponization was continuing apace," he said. "Sometimes the exaggeration was so great it

was clear dishonesty. I will go so far as to say the material was going straight from ONA to the Prime Minister's Office and the exaggeration was occurring in there. . . . The Prime Minister and the Foreign Minister, in particular, have a lot to answer for."

In response, Prime Minister Howard attacked Wilkie's credibility. "I am denying his allegations," Howard blustered, "ONA has indicated he had virtually no access to the relevant intelligence." Wilkie charged that this attack is further evidence of the Government's culpability: "In response to my attempt to explore . . . the gap between what the Government said before the war and the reality of after the war, the Government's defense was to attack me personally again, to call me a malcontent, to call me hysterical. . . . When confronted with the need to explain themselves, they continue to play the man and not the ball. It makes me think that they can't explain . . . the fact that we were sold the invasion of a sovereign state without UN backing."

Wilkie's explosive testimony strikes at the heart of the fascist apparatus that has seized on the "Reichstag Fire" incident of Sept. 11, 2001, and the Bali bombing of Oct. 12, 2002, to transform Australia into a police-state, and commit it to the U.S. Cheney-acs' perpetual war agenda. This is the international Synarchist network, which Lyndon LaRouche identified in the Aug. 8, 2003 *EIR*, as an "occult freemasonic conspiracy," originally founded on the worship of Napoleon Bonaparte and his financier-backed plans for world empire. One of the cen-

tral institutions of modern Synarchism, LaRouche said, is the private financiers' front group known as the Mont Pelerin Society.

The Mont Pelerin Society (MPS) totally controls the Howard Government, and he personally has long been affiliated with the Society's Australian fronts and their radical dogma of "free market" deregulation and privatization, which has devastated Australia's once-proud industrial economy. MPS's fronts were first exposed in a series of reports published in *EIR* and the *New Citizen*, the publication of LaRouche's Australian associates, the Citizens Electoral Council, in 1996.

Now, Australia's "mainstream" media has picked up those exposés. From Aug. 11-13, Australia's oldest and most respected newspaper, the *Sydney Morning Herald*, documented the growing influence of neo-conservative think-tanks in Australia—in particular the Sydney-based Center for Independent Studies (CIS)—all of which were generated by Mont Pelerin. Clearly echoing the 1996 *EIR/New Citizen* reports, the *Herald* exposed the CIS's funding from such financier interests as Rupert Murdoch, Philip Morris, and Shell, and its history, which it traced back to Friedrich von Hayek, "the global godfather of this neo-conservative movement." Hayek founded the "secretive" MPS in 1947, which works through front organizations, like the CIS and its U.S. sister organization, the Heritage Foundation.

Both the Wilkie evidence, and the *Sydney Morning Herald's* exposé of the Mont Pelerin Society, reflect, each in their own way, the global "counter-coup" which U.S. 2004 Democratic Party Presidential candidate Lyndon LaRouche has been organizing against the Synarchists and their stooges in government, such as Howard, Cheney, and Blair.

Sophism: Ideology That Destroys Societies and Nations

by Michael Liebig

This presentation was given to the Schiller Institute Summer Academy in Frankfurt, Germany, on Aug. 16. Subheads have been added.

What I'm about to say here, you should situate in terms of Lyndon LaRouche's "Visualizing the Complex Domain" essay, as well as his recent "Truman" paper ["World Nuclear War When? How Harry Truman Defeated Himself"; both papers available at www.larouche.org and www.larouchein2004.com]. What I'm about to say is situated within a more than 30-year continuity of historical work in the LaRouche organization. This ongoing History Project is based on the rather fundamental concept: *Isochronicity* is a central feature of creative mentation. Without breaking apart the Cartesian mental corset—with its rigid categorization of the past, the present, and the future—creative hypothesizing is impossible. The isochronic understanding of history, in view of the current world situation and future generations, is a fundamental point for any political action that is committed to truth. And—a point to be emphasized—the isochronic understanding of history has nothing to do with the widespread, obsessive fixation of drawing artificial, mechanical parallels between the past and the present.

Another fundamental point, in terms of the LaRouche organization's permanent History Project, has been, that it never accepted the separation of the history of ideas, and so-called "general history." The two are inseparable. They are one. And, my remarks today will focus on precisely this: the power of truthful ideas, and the negative, destructive power of ideologies in history. It is ideas that make nations and states. And it is ideologies that break nations and states. Ideologies typified by Sophism, about which we will talk here in some depth.

The process of self-destruction of nations—allowing

themselves to slide along the track of an ideology, which repudiates the crucial ideas of truth-seeking and the progress of culture—has been addressed, many times, by LaRouche, in respect to Rome: the Roman Republic destroying itself and turning into an Empire, which then, over time, decomposed. We owe it to a man of crucial importance for Europe's reconstruction after World War II and a passionate admirer of Franklin Delano Roosevelt, to have given us crucial advice [on this]. It's 90-year-old Max Kohnstamm, who, in Spring 2002, told Mark Burdman and myself: "LaRouche is right on Rome; but also, look at Athens. Look up Thucydides again. Go through, again, the Athens-Melos encounter during the Peloponnesian War."

Athens From Solon to Plato

And, indeed, the more one looks into the history of Greece, and the history of Athens in particular, you recognize, how ideas were generating fabulous progress—in terms of culture, statecraft, and the economy. And, you see as well, how fast Athens went down, once it got endemically infected with the ideology of Sophism. Both the rise and the fall of Athens are unique, spectacular achievements (and failures) occurring in an astonishing density. With all due respect for India, its culture and history, which I admire so much—mankind owes so much to what India generated culturally long before there was a Greek culture—but, having said this, there is, to my knowledge, nothing in world history, so far, that compares with the cultural achievement in Greece during the roughly 200 years between Solon and Plato. And, for Greek history and culture, Athens was the center. So, the history of Athens—in a positive, but also, as we will see, in a negative respect—is a *unique experiment* so to speak in terms of world history.



The descent of ancient Greece into decades of war between Athens' Attic League and Sparta's allies, occurring so soon after their great and successful common defense against the Persian Empire, can be attributed to Athenian imperialism and "overstretch." But there was a deeper cause, as the historian Ernst Curtius described it—Sophism.

Now, let's look at this time-table for the period between Solon and Plato:

- B.C 624-560:** Solon of Athens
- 624-546:** Thales of Miletus
- 611-546:** Anaximander of Miletus
- 535-470:** Heraclitus of Ephesus
- 580-500:** Pythagoras of Samos
- 490:** Battle of Marathon
- 480:** Battle of Salamis
- 479:** Battle of Plataia
- 477:** The Attic Naval League
- 461:** Sparta/Athens rupture
- 500-429:** Pericles of Athens
- 450:** Beginning of "Democratic Rule" of Pericles
- 431:** Beginning of Peloponnesian War
- 415:** The Sicilian Expedition
- 404:** Downfall of Athens, end of Peloponnesian War
- 399:** Judicial murder of Socrates
- 480-410:** Protagoras
- 490-416:** Gorgias, chief representative of Sophism, teacher of Callicles and Thrasymachos
- 469-399:** Socrates
- 427-347:** Plato
- 387:** Founding of the Platonic Academy

And, let's look at these maps of ancient Greece and Athens. This reminds me of a truly outstanding man and friend of ours, who was murdered last week in his Moscow appart-

ment: Prof. Grigory Bondarevsky. He would tell us, many, many times: "Without a good map, you won't understand almost anything." So, keep that in mind. Maps are very relevant for understanding history.

Now when it comes to the history of Greece and Athens, we have, luckily, general access to a crucial primary source: Plato's *Dialogues*. They do contain excellent historical material and insights, especially if you add the works of Xenophon. But we are also lucky, that there exists a truly outstanding work on Greek history by a towering personality of ancient historiography: Ernst Curtius. Between 1857 and 1868, Curtius published his three-volume *Greek History*. And I think this work is a rare example of what one may call Classical historiography—with a depth of insight and a breadth of knowledge of ancient Greece that later generations of historians have been unable to match.

If you are interested in the history of Rome, there's Theodor Mommsen's six-volume *History of Rome*, written in the late 19th Century, which, I believe, is translated both into French and English. And there is Eduard Meyer's *Das Prinzipat des Pompejus und die Monarchie Caesars (The Consulship of Pompei and the Reign of Caesar)* on the final phase of the Roman Republic (published in 1919). Also to be recommended is Meyer's seven-volume *Geschichte des Altertums (History of Ancient Times)*. Last, not least, as a crucially important source on Roman history, there are Shakespeare's Roman plays, which, as Muriel Mirak-Weissbach has shown, provide a much better historical insights than most of academic works of 20th-Century historians.

Why Athens' Downfall?

Now, on the question of the fantastic rise of Athens, and its subsequent rapid downfall, Ernst Curtius has made a crucial point. Most people would say—and not really wrongly so—that Athens fell because its productive middle-class of farmers and artisans became—like in the case of the Roman Republic—marginalized by oligarchical families engaged in maritime trade, banking operations, and large, slave-running manufactures and *latifundia*. The transformation of the Attic League, in which Athens was the *primus inter pares* of Greek city-states, into a quasi-Empire of Athens, led to the latter's dependency on "forced subsidies" from its vassals—one may call, more simply, looting. This looting, in turn, was used to subsidize Athen's once productive middle-class citizenry. And, in that process, Athens' citizen-soldiers and citizen-sailors became increasingly substituted by mercenaries, which was an important aspect of Athens' "imperial overstretch"—and ultimately of Athens' defeat in the Peloponnesian War. All these observations are true, and one could elaborate on them a lot more, but they miss a crucial point.

I won't read many quotes here today, but this quote from Vol. II of Ernst Curtius' *Greek History* is crucial: "Athens did not fall, because of its external enemies. Athens fell through itself. . . . Stains of a treasonous spirit were recognizable in



The ancient historian Thucydides saw the crucial error of the Athenians in dealing with the neutral city of Melos: their belief that they could abandon justice, as of no practical account, because they had the power to do so.

Athens already during the times of the Persian Wars. . . . But these tendencies became a genuine threat to the state when the teachings of Sophism penetrated Athens. It was Sophism, which, above all, stimulated the force of destruction. Sophism dissolved the bonds that brought together the hearts of the citizens into common aims. . . . A wealth of the finest talents was there, but they were turned into their opposite. The best minds became the worst enemies of their state, [Sophist] ‘education’ became a poison that destroyed the marrow of the Athenian state.”

You will later see that Plato, almost *verbatim*, came to the same conclusion.

Many of you, here in this room, have studied Plato. You know, that the majority of Plato’s Socrates dialogues, either explicitly or implicitly, deal with Sophism. The attack on Sophism is a through-going *leitmotif* of Plato’s Socrates dialogues: Take the *Sophists*, take *Protagoras* or *Gorgias*. The latter dialogue, I would want to address a bit more thoroughly, because *Gorgias* deals with Sophism—and Athenian politics—most directly and most ruthlessly.

Even if you know little about Greek history, you will know the term “sophistry”—and what you, here and today, spontaneously associate with that term “sophistry”—a sly, mean, dishonest attitude—is quite on the mark. During the Fifth Century B.C., Sophism emerged as a “fashionable” ideology, which increasingly became the hegemonic “counter-culture” in Greece. Almost no original Sophist texts have survived—and that’s no great loss. Most of what we know about Sophism, we know from Plato. And a bit also from Aristotle, who later “re-packaged” Sophism into a new ideological “product,” so it could be brought back on the “culture market”—after Socrates and Plato had completely discredited it in its original form. If you want to define the core features of Greek Sophism, you might say:

- There is no knowable truth, period! There is only sense perception, so leave it there and try to have a good time!
- Cognition is a fantasmagoria, because: 1) There is nothing “beyond” the sense perception of objects; 2) Between the sense perception of objects and the perceived objects as such, stands an irresolvable dichotomy; 3) Since all sense percep-



Solon dictating the laws of Athens. “The Greek Sophists had a very precise idea of how to repudiate and suppress the intellectual heritage of Solon, Thales, Anaximander, Heraclitus, and Pythagoras. They had a project and its *leitmotif* was: ‘You’ve got to get the youth.’ ”

tion of objects is subjective, any attempt to communicate about the perception of perceived objects is a double waste of time.

- There are no higher principles of lawfulness in nature; therefore the method of hypothesis for discovering higher principles in nature is mere wasting time. *Hypotheses non fingo*, period!
- As higher principles in nature are denied, there are, of course, no higher principles governing society. Natural law is a fantasmagoria. In society, there are only arbitrary—social, political, legal—settings, either tending in the direction of pragmatic “conventions” or, more, towards postulates like, “The strong rule the weak.”

One can easily see that the core features of Sophism mean the radical repudiation of the intellectual breakthroughs of early Greek science and philosophy, for which the names of Thales, Anaximander, Heraclitus, and Pythagoras stand. They were the first to begin lifting the veil from the complex domain. They laid the very foundation of European science and philosophy. They pushed aside mythology, as well as reductionist sense-perception, in their search for understanding the universe. They were working towards concepts of higher principles, that are “beyond” or “behind” what is perceived by the senses. And they developed a method of hypothesis, of being able to conceptualize such higher principles.

So, this all was rejected and repudiated by Sophism. Thus, Sophism is *anti*-Thales, *anti*-Pythagoras; and Sophism is *anti*-Solon.

‘You Have To Get the Young People’

Here is a very important point: the parallelism, during the Sixth Century in Greece, of the emerging concept of higher



An artists' rendering of the inner city of Athens in Pericles' time, the "height" of the power of the Attic Naval League which Athens dominated, and the period of spread of the influence of Sophism, some of whose leading figures were Persian-backed and supported to destroy Greece from within.

principles governing nature, and natural law governing human society. What Thales, Anaximander, Heraclitus, and Pythagoras did for science and philosophy, Solon did for statecraft in laying the foundations of natural law—stipulating the concept of a Republic committed to the Common Good. Thales for sure, possibly Anaximander, personally communicated with Solon.

So, this is a very sketchy first attempt to give you some insight into what Greek Sophism was. And, if this is too vague and abstract—which probably it is—then think about the modern Sophists. There's very little new under the Sun, when it comes to empiricism, reductionism, skepticism, relativism or phenomenology in the history of philosophy. The bestial Superman theory of Nietzsche is as much a re-invention of Sophism as are most of the teachings of Hobbes, Locke, Kant, or Leo Strauss. All of the basic ideological concepts of Enlightenment and post-Enlightenment "modern" philosophical reductionism are derived from Sophism.

Leo Strauss, obviously thinking he can give himself a special aura of intellectual superiority, makes exactly this point: He asserts that there is nothing worthwhile in the development of political philosophy since the Greek period—but what he is intellectually basing himself on, is Greek Sophism.

The Greek Sophists had a very precise idea of how to repudiate and suppress the intellectual heritage of Solon, Thales, Anaximander, Heraclitus, and Pythagoras. They had a project and its *leitmotif* was: "You've got to get the youth. You have to make Sophism fashionable. And you've got to set it up in way that we—the Sophists—will make a lot of

money out of it. Sophism has to become the 'in thing' for young people, especially when they are talented and come from wealthy and influential families." And this is exactly what happened in the course of the Fifth Century in Athens. And again, there's not much new under the Sun when it comes to engineering a "counterculture"—just look at what has happened during the last 30-40 years—in culture, the economy, and in politics!

In Plato's *Protagoras* dialogue, the top Sophist Protagoras, debating with Socrates, makes a sort of programmatic declaration on the "Sophist Project": "I tell you quite openly, I'm a Sophist, and I'm an educator. . . . Other teachers [like Socrates] torture the young people, by forcing them, who just escaped from science, back into the study of science, even though the youth does not like it.

They force upon them the teaching of mathematics, astronomy, geometry, and music. But the youth coming to me, will learn nothing but what they desire to learn. I teach them how you become successful with your personal business affairs. And in what concerns political affairs, I educate them in such a way, that they develop the skills—in words and deeds—to be able, and most efficiently so, to participate in governing the state."

Quite a blunt statement for a Sophist, one may say. Protagoras' statement also reveals that the ultimate thrust of the "Sophist Project" was *political*. This becomes even clearer in Plato's *Gorgias* dialogue.

The *dramatis personae* in the *Gorgias* are: Gorgias himself, besides Protagoras, was probably the most influential (and wealthiest) among the top Sophists. In a surviving text on epistemology, Gorgias repudiates human cognition as a fantasmagoria. Plato presents Gorgias as the sly, more pragmatic, "Locke-like" Sophist. One has to know that Gorgias, coming from Sicily, played an important role in dragging Athens into the disastrous "Sicilian Expedition" of 415-413 B.C.—the turning point of the Peloponnesian War. The second character in the dialogue is Polos, who is what you would call, in German, a *Klugscheisser*, a petty Sophist, who pompously tries to "assist" Gorgias when he feels things get somewhat unpleasant for the latter. But, of course, being a sly Sophist, Gorgias doesn't exactly like it, because it's so obvious. The third character is Callicles—brutal and ruthless, representing the "Nietzsche school" of Sophism, which probably is the most important variety of Sophism. And, of course there is Socrates.

(The following dialogues are not in the original quotes, but an attempt to summarize them, while avoiding indirect speech.)

Gorgias: When ‘Evil Is Appropriate’

So, the dialogue begins, by Socrates asking Gorgias: “Who are you? What are you doing?” Slimy Polos cuts in, praising Gorgias’ intellectual greatness. Socrates responds: “Listen, we want to know what Gorgias is doing. He himself should say, what he is doing.” So Gorgias answers: “I’m a Sophist, concerned with, primarily, rhetoric: the art of speaking—irrespective of the content of speech. I teach the art of persuasion, in particular in politics and legal affairs. And, I may say, that I have developed this skill of rhetoric to the point that I stand above those who possess real knowledge.” Socrates answers: “So you admit, you operate with opinion, assumptions—not knowledge and scientific competence. And for your rhetoric to succeed, you need an audience, a crowd. The Sophist, without any real knowledge, appears to the ignorant crowd, as knowing more, and being more convincing than those who do possess genuine knowledge.”

Polos cuts in, “You bet. The words of a first-class Sophist are so powerful that they can put people in prison, or force them into exile, or even have them killed.” Gorgias has to intervene, and says, “It is not exactly wrong, what he is saying.” Socrates goes on, “Now, I wonder: What about justice? You claim, whatever you do with all your special Sophist rhetoric skills, will be done in the service of justice?” And Gorgias says, “Oh yes. I’m committed to justice. But I cannot exclude that there are those who will use their skill in Sophist rhetoric, for unjust purposes.” Socrates says, “Ah, ah! Let’s stick to that point.” And Gorgias continues, “A wise man may wisely choose to do something evil, if certain circumstances necessitate it.”

And then Socrates says, “Well, Gorgias, now you said it yourself—you do not have a firm commitment to justice.” And the fascinating thing in the dialogue is, Gorgias shuts up. From this moment on, Gorgias barely opens his mouth. And now, Socrates goes fully on the offensive: “Now that you admitted that, I tell you what your great Sophistic skill really is: You try to create in people a feeling of being flattered, or adulated. This is how you target your audience. That’s more efficient than intimidating a crowd. Coaxing, wheedling, but no truth, no competence. And for the feeling you generate in the crowd—that of being flattered and adulated—I have a comparison. This is the same feeling you have when you scratch an itch. It gives you a certain release, but one would barely call it feeling well.”

And then, Socrates states, “Listen, Gorgias, aren’t you really operating on the dark side of politics? If you are sick, if your body is sick, you turn to medicine. You try to adopt a healthy life-style, you do sports. You try to stick to *sophrosyne*—avoiding excesses of all kinds. That’s what it means,

The leading Greek Sophist Gorgias with whom Socrates did philosophical battle in the Gorgias and many other of Plato’s dialogues. This battle, of life-or-death character for ancient Greece, is the explicit or implicit subject throughout the Dialogues as a history.



becoming healthy again and staying healthy. If I make an analogy to Sophism, I would say, it’s no medicine, no sports, no *sophrosyne*—Sophism is cosmetics, creating a false appearance.”

Socrates adds, “I want to say to say something else. In terms of your notion that occasionally the Sophist has to be unjust, has to do evil things, if he thinks that the circumstances are such that this appropriate: This is stupid, Gorgias. Doing evil, beyond anything else, is self-destructive. Injustice is self-destructive.”

After this, Gorgias remains silent for the rest of the dialogue. Instead, Callicles, the Athenian Nietzsche, moves in: “I think I have to speak up now. What’re you talking about here, Socrates? Are you joking? The fact is a very simple one: There are the masters, and the slaves. There are the strong, and there are the weak. And the strong are those, who are strong in terms of willpower and instinct, and who possess a lot of wealth. And the good thing about the Sophists is, they have recognized this. You, Socrates, you don’t want to face the reality of master and slave, strong and weak, of lust and impotence. All this nonsense you are telling us here—virtue, goodness, morality, justice—are inventions by the weaklings, for the weaklings. The strong don’t need that. I would advise you, Socrates, stop trying to seduce the youth. Some philosophy for little kids is all right; But, from a certain age on, when a child is maturing, philosophy is no longer his business, because it makes the young person weak. It dampens his aggressiveness; it dampens his willpower; it dampens its instincts. And this is simply no good.”

So, Socrates responds, “Oh thank you, Callicles, I must admit, you are frank. Others are not so frank, and, in that sense, I appreciate what you are saying. But, let me repeat what I said earlier: Doing evil, endorsing injustice, is stupid. It’s self-destructive. It might appear that it works for a short while, but it doesn’t. You hail the excesses you say the strong must engage in, to enjoy life. I wonder what you’ll be like when you grow older. Your body will degenerate, you will get sick and weak, Callicles. But, that’s not really my concern. My concern is your mind, and your soul. You’ll get a sick



The trial and judicial execution of Socrates in 399 B.C., in the aftermath of the downfall of Athens through the Peloponnesian War, was the result of his fight for the truth against the spread of Sophism; the leading Sophists such as Callicrates had directly threatened him to stop teaching philosophy to the youth, “or else.”

mind. And, you’ll get an ever sicker soul. You will suffer from a ‘rotting soul.’ ”

Isn’t that a most interesting notion—“rotting soul”—of Socrates and Plato, in terms of what Helga Zepp-LaRouche said yesterday, on Friedrich Schiller’s notion of the “beautiful soul”?

Socrates vs. Athen’s Heroes

Now, one is hardly surprised, when Callicles begins to insinuate threats against Socrates. I will be frank, responds Socrates, knowing that I might get indicted and even killed for what I’m saying. He then moves straight into the center of Athenian politics, naming those who are seen as the political heroes of Athens during the Fifth Century: Miltiades, the victor of Marathon; Themistocles, the victor of Salamis; Cimon, the builder of the Attic League; and Pericles, the “liberal imperialist” who launched the Peloponnesian War.

You praise Miltiades, Themistocles, Cimon, and Pericles, says Socrates, because they “made Athens great,” but isn’t it clear that Athens “became just puffed up, while decaying internally,” through what the four leaders did? “They pushed aside *sophrosyne* and justice, while filling up the city with harbors, wharfs, walls, customs, and the like.” Socrates denounces Miltiades, Themistocles, Cimon, and Pericles as the “originators of evil” for Athens. They all were no good, because they failed in what is most important in a society: to educate the citizens, and the youth in particular, so that they become morally and intellectually better human beings. They failed to “implant the sense of justice” into the hearts of the

Athenians. Worse, says Socrates, the people of Athens have morally degenerated “under those who present themselves as statesmen as well as those who present themselves as Sophists.”

About himself, Socrates says in the *Gorgias*: “I think I, together with a few other Athenians—as not to say I alone—engage in true statecraft.” His fellow-Athenians thought otherwise. We know what happened in 404 B.C., when Athens was utterly defeated in the Peloponnesian War—occupied by Spartan garrisons, its walls pulled down and its navy seized. And then came the culmination of Athens’ self-destruction—the judicial murder of Socrates in 399 B.C.

But, that is not the end of the story. The political battle for Athens was lost. The war, in world historical terms, was won by Socrates and Plato. Because, the “youth movement” that Socrates had built up over more than three decades of teaching, developed an intellectual strength which drove the Sophist ideology onto the defensive and soon discredited it completely.

Through Socrates’ master pupil, Plato, a density of philosophical and scientific thought was generated, which not only preserved the enormous heritage of Thales, Anaximander, Pythagoras, and Solon, but developed it qualitatively further. Sophism was crushed by Socrates and Plato. And, in 387 B.C., Socrates’ “youth movement” took the institutional form of Plato’s Academy in Athens.

From Plato’s Academy flows everything that has been truly great in European culture—up to what we have been discussing in the last two days, here in this room.

LaRouche Says: Bush Must Purge Neo-Cons Now!

by Jeffrey Steinberg

George W. Bush returned to Washington from his month-long vacation in Crawford, Texas, to face the biggest policy crisis of his crisis-wracked Presidency. Iraq viceroy Paul Bremer had made an emergency trip home in late August, to warn the Administration that the entire Iraq occupation regime was bankrupt, and would need an instant infusion of \$5 billion to survive. The bombings at the Jordanian Embassy and United Nations headquarters in Baghdad, and most recently at the Shi'ite holy site in Najaf on Aug. 29, had further exposed the abject failure of the U.S. occupation policy, a policy shaped by the neo-conservative-led civilian bureaucracy at the Pentagon and in the Office of Vice President Dick Cheney.

As the result of the accelerating fiasco, a growing chorus of serious policy-thinkers—foremost among them Lyndon LaRouche—have been calling for the entire Iraq effort to be turned over to the United Nations. LaRouche, a leading candidate for the 2004 Democratic Presidential nomination, in a series of public appearances and campaign statements, called for the withdrawal of the U.S. military and the rapid establishment of Iraqi sovereignty, backed by a full-force international effort to rebuild the entire regional infrastructure. LaRouche further warned that, unless President Bush begins the long-overdue purge of the Cheney-led neo-con “war party,” *en bloc*, from his Administration, he will be unable to effect these urgently needed policy changes, and the President will drown in his own folly.

The Military Speaks Out

The already-strained U.S. military deployments—in Iraq, Afghanistan, the Balkans, and Liberia—have prompted an unprecedented outpouring of criticism aimed at Defense Secretary Donald Rumsfeld, and the Bush national security team as a whole, from some of America’s most respected retired

three- and four-star generals, who have been demanding that the Iraq occupation/reconstruction effort be turned over to the United Nations. Typical of this outpouring, was the Aug. 31 interview with the Italian daily *Corriere della Sera* by former commander of the U.S. Central Command Gen. Anthony Zinni, who also served as President George W. Bush’s special envoy to Israel and Palestine for a brief period in 2002.

“We are on the verge of chaos. We need a new mandate of the United Nations,” Zinni told the paper. Asked whether he thought that the Iraq crisis could get out of control in a matter of days, Zinni replied: “Maybe not in a matter of days, but of weeks, yes. We are in a rush against time. The U.S. has neither resources nor personnel enough for the security and the recovery of Iraq. We need a massive intervention of the international community . . . [and] also a real Iraqi government is urgent, with its own police and army.”

Zinni urged that the United States should ask for a United Nations mandate “to NATO and Islamic countries that want to participate. . . . It is not necessary that the troops wear UN blue helmets, as we have seen it in Bosnia. But it is necessary that Americans and Europeans are flanked by Muslims, otherwise they will remain or become targets.” Zinni added that the Administration must make concessions to France, Germany, and Russia, and added, “But I believe that, even reluctantly, they are getting there, they have understood that they have no alternatives. It was indicated by Deputy Secretary of State Dick Armitage, a friend of mine.”

State Department in an Uproar

Indeed, even before the President returned from vacation, on Aug. 26, Deputy Secretary Armitage publicly floated the idea of a U.S.-led, United Nations-mandated multinational peacekeeping force for Iraq. Armitage’s remarks, which were reportedly not pre-cleared with the White House, capped an

extraordinary period of behind-the-scenes policy wrangling, that surfaced with an Aug. 4 *Washington Post* leak about Secretary of State Colin Powell's and Armitage's plans to leave the Bush Administration right after the Jan. 20, 2005 inauguration, unless policies change. As LaRouche stated at the time, the leak was tantamount to Powell's making an ultimatum to President Bush and White House chief political strategist Karl Rove: Dump Cheney and the neo-cons, or else I walk! Powell and Rove both know that, were the Secretary of State to leave, it would be a near-fatal blow to Bush's reelection plans.

Within days of the *Post* report, Powell and Armitage made a two-day visit to Crawford, for closed-door meetings with the President. LaRouche, at the time, anticipated that in the coming days, President Bush would have to make some monumental decisions.

The day after Powell and Armitage left Crawford, Defense Secretary Rumsfeld arrived, along with Gen. Richard Myers, Chairman of the Joint Chiefs of Staff. According to a report in the Sept. 4 *Washington Post*, in their day-long discussion with the President, General Myers broke profile and made a forceful argument for a multilateral force for Iraq, under UN control. In late July, General Myers had been in the Persian Gulf, where he met with Gen. John Abizaid, the new Central Command chief, during which they concurred on the urgent need to get international troops into Iraq. Abizaid maintains close contact with Secretary of State Powell, who had been the elder President Bush's National Security Advisor.

Two days after the Aug. 19 car-bombing of the UN headquarters in Baghdad, Powell met with UN Secretary General Kofi Annan, and the latter made it clear, that "the best feasible option was a multinational force under U.S. command," according to the Sept. 4 *Washington Post* account. Five days later, Armitage made his public pitch.

On Sept. 2—President Bush's first day back in the Oval Office—Powell met with the President and with National Security Advisor Condoleezza Rice. There, he reportedly delivered a near-ultimatum, on behalf of the State Department and the Joint Chiefs. Powell reportedly walked out of the meeting with a green light from the President, to announce U.S. support for a new UN resolution, internationalizing the Iraq mission.

The Middle East as a Whole

The draft UN Security Council resolution, now in circulation among the Permanent Five members—United States, United Kingdom, Russia, China, and France—has met with a frosty response from Germany and France, which insist on a much larger role for the international community, both in the military and economic reconstruction missions. Senior Arab sources report that there are larger issues at the heart of the ongoing Washington-Berlin/Paris conflict. These sources say that, throughout the month of August, Secretary Powell

was in regular contact with the German, French, and Russian foreign ministers, discussing both the Iraq fiasco and the equally dangerous situation between Israel and the Palestinians.

All parties involved in the talks agreed, that it would be folly to act responsibly in Iraq, and yet to ignore the danger of a total blowup of the Israel-Palestine conflict, with spillover potential into Lebanon, Syria, and Iran. In the talks, according to the sources, there was a consensus for a NATO deployment of peacekeepers into the Palestinian National Authority.

Zionist Lobby Obstruction

Any such move to install international peacekeepers has been virulently opposed by Israeli Prime Minister Ariel Sharon and his Likud party gang, and among the right wing of the Zionist Lobby internationally. *EIR*'s sources report that, just before Bush's return to Washington, there was a full-scale mobilization of groups such as the American Israel Public Affairs Committee (AIPAC) and the Zionist Organization of America, along with their Christian Zionist allies, to stop the NATO deployment into Israel-Palestine.

As the result, for the time being, President Bush "decoupled" the two parts of the proposal, allowing serious discussion about a UN mandate over Iraq, while cutting off the kind of coordinated action to publicly box in Sharon. One source reported that Bush vowed to "tranquilize" Sharon through behind-the-scenes pressure, while avoiding a public confrontation. Thus, the Bush Administration squeezed Israel not to launch military incursions into the Gaza Strip, after several rockets were fired into Israeli territory.

The President's refusal to publicly take on Sharon is a reflection of the same cowardice that prevents him from purging the Administration of the neo-con menace, which is not-so-slowly sinking his Presidency into quicksand.

Indeed, as Secretary Powell and the Joint Chiefs were making their move, the mouthpiece of the neo-cons, the Rupert Murdoch-bankrolled *Weekly Standard* published a Sept. 1 editorial by William Kristol and Robert Kagan, two protégés of the late fascist philosopher Leo Strauss of the University of Chicago. Under the headline, "Do What It Takes in Iraq," they warned the President against flinching in the face of the chaos, and demanded the deployment of more American troops and civilian advisors, and the allocation of more American money, to "get the job done." Under no circumstances, they warned, should the Iraq mandate be turned over to the hated United Nations. A few days later, Sen. John McCain (R-Ariz.), whose 2000 Presidential challenge to George W. Bush was directed by Kristol, delivered the same warning to Bush.

It is clear that until some leading neo-cons are publicly ousted, no one in the world is going to trust a word from the President. So long as Dick Cheney is occupying the Vice Presidential office, there will be no confidence that any sane policy act by the Administration is the final word.

Ahnuld Is Dick Cheney's Overpriced Geek Act

by Scott Thompson and Jeffrey Steinberg

Tyrone Power starred in a 1947 Hollywood motion picture, "Nightmare Alley," which exposed the depraved life of a group of travelling carnival personalities. Chief among the sick characters was the "geek act," the disheveled, half-deanged figure who, at the appropriate moment, was brought on stage to bite off the head of a live chicken, before stalking off, like a "beast-man," his mouth dripping with the dead animal's blood.

While there is no evidence that the present California Republican gubernatorial candidate and Hollywood caricature, Arnold Schwarzenegger, ever consumed the head of a live chicken before a carnival audience, the image, nevertheless, of a "geek act," is appropriate to Arnie, whose own rags-to-riches rise was based on his steroid- and pot-driven bodybuilding career, and his later reincarnation as a Hollywood "beast-man" action hero. In Arnie's case, a fair characterization would be: that he is "Dick Cheney's overpriced geek act."

From his secret sessions with Enron boss Kenneth Lay, at the height of the energy pirates' looting of the state of California, to his embrace of the racist Proposition 187, denying immigrant offspring the right to public education, Schwarzenegger is the poster-boy for the kinds of imperial policies being peddled by the Vice President and his neo-conservative allies, through Cheney's Energy Task Force, his promotion of perpetual wars abroad, and his private-cartel looting of the general welfare at home. If you liked the ripoff of California, to the tune of approximately \$70 billion, by Enron, Reliant, Williams Energy, et al. between 2000-01, you will love Arnie's future plans for the further looting of what is left of the California state economy.

Two Snapshots of a Speculator's Puppet

Two recent photos shed further light on the real powers behind the Schwarzenegger throne, and further underscore that Arnie is a willing carnival geek act for some of the biggest rentier financier ripoff artists in the world banking establishment today:

- On Aug. 15, 2003, most major American newspapers featured the same photograph of Arnie, unveiling his gubernatorial campaign advisory team, flanked by its two most prominent members: George Shultz and Warren Buffett. Buffett,

the Omaha-based mega-speculator and energy pirate, is Schwarzenegger's business partner in NetJet and a string of other ventures.

Shultz is the heir to the Milton Friedman throne of rabid free-trade economists, who are committed to the permanent end of the nation-state system, through the creation of a one-world financial dictatorship to be run through the Bank for International Settlements (BIS) or directly through the private financier oligarchy. Shultz, from his perch at the Hoover Institution and the Bechtel Corporation, also shares the distinction—along with mega-speculator George Soros—of being the leading U.S.A. promoter of the total legalization of all drugs, including heroin and crack cocaine. Shultz was the architect of former President Richard Nixon's take-down of the Bretton Woods System on Aug. 15, 1971, which brought on more than 30-years of economic collapse, speculative looting, and mass death throughout the planet. Shultz is the Dark-Age architect of beast-man candidate Schwarzenegger, one of the leading "Synarchists" of the day.

- On Sept. 23, 2002, the British Isles press, including BBC and *The Scotsman*, featured another prominent photograph of Arnie, again in the company of Warren Buffett, along with Lord Jacob Rothschild. The three were hosting a gathering at Lord Jacob's Waddesdon Manor in the English countryside, of a group of financier elites from Europe and America, to plot out how to make maximum profits as the planet plunges into war and chaos. Among the participants in the event: London *Times* financial correspondent Anatole Kaletsky, who wrote about the "dark age" gathering several days later; Nick Oppenheimer, of DeBeer Diamonds; former Federal Reserve Board chairman Paul Volcker, who would, several months later, attend a session at Nobel Prize-winning economist Robert Mundell's Siena, Italy castle, where plans for a single world currency under BIS control, would be mapped out; and James Wolfensohn, head of the World Bank.

Kaletsky reported that two "senior Washington officials" had attended the Lord Jacob-hosted closed-door event, and had provided the assembled with inside information about then-imminent plans for an Iraq war, and follow-on wars throughout much of Eurasia. While Kaletsky did not name the two Bush-Cheney officials, it has been subsequently learned that they were David Frum and Harold Rhode.

Frum earned brief notoriety as the George W. Bush speechwriter who inserted the "axis of evil" formula into the President's January 2002 State of the Union speech. His overblown ego led to his dismissal, but he remains a prominent figure in the neo-conservative stable, working at the neo-con "temple of doom," the American Enterprise Institute, and doubling as an editor of both the *Weekly Standard* and *National Review*, two leading war party propaganda organs. Harold Rhode is one of the most important, albeit little-known Pentagon war-mongers. The chief "Islamic world" advisor to Deputy Defense Secretary Paul Wolfowitz; and the intimate

colleague of British “Arab Bureau” elder and author of the Clash of Civilizations dogma, Bernard Lewis; Rhode is formally housed at Andrew Marshall’s Office of Net Assessments in the Office of Secretary of Defense Donald Rumsfeld. But he has been a key activist in the intelligence fakery that led to the Iraq War. Rhode travelled frequently to London, in the run-up to the war, to meet with Iraqi National Congress chief Ahmed Chalabi, a convicted financial swindler (in Jordan), and the chief source of the fake intelligence on so-called Iraqi weapons of mass destruction, al-Qaeda links, etc.

Pumping Steroids: The Real Arnie

Arnold Schwarzenegger was born on July 30, 1947 in a small town nearby Graz, Austria. He was the son of Gustav and Aurelia (née Jadorny) Schwarzenegger, and Arnold’s father was the sort of alcoholic family tyrant who frequently would produce a manic-depressive “beast man” in his two boys. Yet, in the 1977 book by Arnold and Douglas Kent Hall, *Arnold: The Education of a Bodybuilder* (A Fireside Book by Simon & Schuster), Arnold is laudatory of his formerly brutalizing father, who took great “joy through strength” in Arnie’s pumped-up muscles and beautiful floozies.

Ironically, as Arnie’s steroid-pumped dreams (he started on heavy doses of the drug at 13) began to be realized, when he broke into the movies to a significant degree, he found it necessary to cover his back by hiring Los Angeles’ Simon Wiesenthal Center to investigate his dad’s role in the Holocaust. Rabbi Marvin Hier obliged Arnie, and pronounced his father, Gustav, although a Nazi Party member, not guilty of any overt war crimes. In return, Schwarzenegger has been a steady donor to the Center ever since, pouring at least \$750,000 into the institution.

More recently, 30 years after Gustav’s death in 1972, new archives were made publicly available. Not only was Gustav Schwarzenegger one of only 11% of Austrians, who after the *Anschluss* Nazi annexation of Austria, became members of the Nazi Party; but he served in the SA (*Sturmabteilung*) Brownshirts. Aaron Brightbart of the Simon Wiesenthal Center told *EIR* that after the collapse of the SA, Gustav became a member of the 521st Gendarmerie of the Fourth Panzer Division, which operated in Eastern Europe. Like the *Einsatzgruppen*, this unit shot partisans in cold blood, and burned villages.

Arnie’s physical description of his father, in the first chapter of *Arnold: The Education of a Bodybuilder*, sounds like you-know-who: “He was always neat, his hair slicked back smooth, his mustache trimmed to a line.” Later he described his father’s reaction to his bodybuilding obsession. His mother was dead set against his weight-lifting and the loose women with whom he socialized. “Things were different between me and my father,” Arnie wrote. “He assumed that when I was 18, I would just go into the Army and they

would straighten me out. He accepted some of the things my mother condemned. He felt it was perfectly all right to make out with all the girls I could. In fact, he was proud I was dating the fast girls. He bragged about them to his friends. . . . He was showing off, of course. But still, our whole relationship had changed because I’d established myself by winning a few trophies and now had some girls. He was particularly excited about the girls. And he liked the idea I didn’t get involved.”

What the Wiesenthal Center found in its second “vetting” of Arnie is as yet difficult to say. However, through the brutality of his father, Arnie became known as a man capable of extremes of “Thrasymachus”-type sadism upon fellow athletes and “movie star” competitors.

Backers from Mega Group and Bohemian Grove

As Arnie rose to stardom, he accumulated a fortune estimated at \$100–200 million. His 63-page “Economics Interest” filing with the Secretary of State for the recall Gubernatorial race, lists over 19 mutual funds, real estate conglomerates, and companies in which he has over \$1 million invested. On his own website, “The Governor” boasts of his business acumen, which he learned from his “mentors,” including: underground economy-promoter Milton “legalize drugs” Friedman; casino magnate Donald Trump; real estate wheeler-dealer Leslie Wexner, co-founder with Charles Bronfman of the Mega Group, which replaced the “Billionaire’s Club” in support of fascist Gen. Ariel Sharon; and Warren Buffett. These financial promoters of dictators are Arnie’s business associates.

For his political associates, it is notable that the *San Francisco Chronicle* reported as follows from last Summer’s Bohemian Grove gathering of the aura-of-power crowd in the West Coast forests on July 23, 2003: “Behind the Count. All eyes will be on the California Secretary of State’s office today for the big recall count—but the real plays are going on well behind the scenes. . . . From what we’ve heard, the Republican hierarchy—especially those close to former Gov. Pete Wilson—would favor Schwarzenegger. At least that’s the word that came out of the Bohemian Grove this last weekend, where a number of state and national GOPers, including Presidential adviser Karl Rove, happened to have gathered at a club getaway.”

Former Gov. Pete Wilson—author of the racist Proposition 187 that would deny social services to non-naturalized immigrants—has emerged as Arnie’s campaign chairman.

One element of the Terminator that emerges in Wendy Leigh’s *An Unauthorized Biography: Arnold* (Congden and Weed, Inc., Chicago, 1990) is that Arnie, too, is a deep-dyed racist, who hates Hispanics, Africans, and anyone with darker-skinned complexion. Once was enough for an exported leader from Austria.

LaRouche National Conference Aims To Take Sacramento and Washington

by EIR Staff

Meeting simultaneously in northern Virginia and California over the Labor Day weekend, 1,100 organizers and activists of Lyndon LaRouche's campaign in the United States were told by the Presidential candidate that defeating the California recall, and forcing Dick Cheney out of office, are the crucial immediate steps to save the country from fascism and win the White House. LaRouche's strategic keynote speech was addressed in particular to his expanding LaRouche Youth Movement, hundreds of whose leaders attended the conference; it was otherwise marked by panels which presented and demonstrated principles of Classical art, science, and music which these youth are working to master. LaRouche was joined by an international leader and organizer of youth groups in India, former government minister and Congress Party parliamentary leader Dr. Chandrajit Yadav, who is planning an international youth conference hosted by India and keynoted by LaRouche (see *Feature*, for Yadav's and LaRouche's presentations).

All the sessions of the conference and two-day "cadre school" of classes which followed, were linked by video-conference between the Los Angeles and Reston, Virginia sites. A highlight was the Aug. 31 science panel on "The Crab Nebula and the Complex Domain," presented interactively by five LaRouche Youth Movement leaders from Philadel-

phia and Los Angeles, which will be published soon. The panel took the challenge of understanding the extraordinary and paradoxical growth, radiation, and other processes in the Crab Nebula, as a scientific great project for the 21st Century. The young scientists reviewed both the technological breakthroughs which could make that possible, and the more important Socratic scientific method necessary: "You must first realize that no human being can know anything, without realizing that sense experience deceives."

The Presidential candidate's keynote emphasized that the mobilization of the LaRouche Youth Movement in California to defeat the "recall" coup by corporate mega-looters around Halliburton's Cheney—the same ones who looted the state of tens of billions of dollars by electricity deregulation—has been joined by former President Bill Clinton's intervention into the state to stop the recall. The rest of the Democratic Party leadership and candidates are ignoring this crucial fight entirely, as they are avoiding or sabotaging the fight to force Cheney's resignation. Since the mobilization of LaRouche forces and Clinton's intervention, the drummed-up populist support for this corporate looters' coup is falling, as is support for their would-be fascist dictator of austerity, muscle-geek movie star Arnold Schwarzenegger.

Who fights, and who wins these battles now, in 2003,



Some of the LaRouche Youth Movement organizers who attended the conference on the West Coast, gather outside the hall in Los Angeles; at right, a picket line of young LaRouche activists intervene at California State University in Long Beach against Arnold Schwarzenegger, who is trying to steal the state's governorship for his financier backers.

LaRouche stressed, is central to the Presidential election's outcome. His fundamental argument is that a candidate must provide Presidential leadership for the nation in the course of his campaign—"campaign by acting to change the country"—in order to qualify as fit to hold the Presidency.

'Recall Deregulation, Not Davis'

"Deregulation was bad; recall is even worse. Please, don't be a sucker for the same swindle twice!" warns the candidate's Foreword to his campaign white paper already circulating in tens of thousands in California, along with leaflets describing Schwarzenegger as "A Living Case of Stage Fright." Hundreds of LaRouche Youth Movement organizers and older activists are mobilized in the state, even as the youth movement continues to expand around the rest of the country (several hundred youth organizers attended the East Coast conference sessions in Virginia).



Presidential pre-candidate Lyndon LaRouche delivers keynote on Aug. 30, calling for the defeat of the deregulation "freak show" in California. Part of his audience of 650 in Reston, Virginia listens; another 450 attended in Los Angeles.

Along with the white paper are bumper stickers which say "Vote for the Man, Not the Machine" (Schwarzenegger's standard movie role is a robot) and "One Imported Austrian Head of State Was Enough." LaRouche's Foreword contin-

Dymally: Revitalize Democrats

Former Congressman and current California Assemblyman Mervyn Dymally offered these remarks to the Schiller Institute conference on Sept. 2, speaking from Burbank, Calif.



I'm here today to challenge you, to save the Democratic Party from extinction in California.

We are faced with a crisis of unprecedented dimensions. They tried their best to steal the Presidency, and we beat them. They stole Florida with the support of U.S. Supreme Court, and now today they're trying to steal California. And I believe, if you do, in the next two or three weeks, as well as you do during the entire year, we can turn them back, and we can beat the recall.

Yesterday, my staff and I spent a great deal of time, with Sam [Dixon, a LaRouche Youth Movement organizer], working out a schedule. We're going to go up the

valley, and down the coast, taking the word, with your help, to revitalize the Democratic Party, to put some new life in the party, and save the party from being extinguished. We run a good chance of seeing this country become a fascist country, if we do not stop it.

Now I'm attracted to your movement, because of Harley, who understands what friendship is. When I don't call him, he calls me. But I'm attracted because of some personal experiences that I've had.

During my time in Congress, like the rest of the uninformed members of Congress, I paid very little attention to the role of the IMF. Until I went back home in Trinidad, to see where they had taken over a government. As a little boy, as a colonial, we had free health service, free water, free transportation, free electrical power. They have taken over—the IMF—taken over electrical power, taken over water, transportation. They have taken over the country. So, I had a personal experience, about the role of the IMF, and so that began to make me recollect the mistakes I made in Congress, and why it is I need to be teaming up with you.

I thank you very much for this opportunity. I'm looking forward to working with you. As soon as the [legislative] session adjourns, on Sept. 12, I'll be on the road. Thank you very much.

ues, “There are also other important facts in this White Paper: such as President Bush’s demand for a new round of deregulation, which will make things worse than most Californians could even imagine was still left to steal. Then, there is the Arnie Schwarzenegger freak-show, backed by big-time super-swindlers such as Bechtel’s George Shultz and ‘the second-richest man in the world,’ Warren Buffett. These are the big-time financial sharks who are deploying Arnie to do to the entire state of California, on a bigger scale, what Lazard Freres’ Felix Rohatyn did to New York City with ‘Big MAC’ in 1975. Think! Who is to blame for what happened to California under deregulation?”

California’s current fiscal and economic collapse was caused by deregulation policies emanating from the national level, among Cheney-Bush circles typified by Enron’s pirate chairman Kenneth Lay. A Republican governor pushed electricity deregulation and every single State Legislator was duped into voting for this disaster, as were most of California’s citizens into supporting it. To blame the ensuing economic devastation on Democratic Gov. Gray Davis, is the strategy of Cheney’s national cabal’s forces, who want to put the state through another round of brutal looting, even ungovernability.

The LaRouche Youth have been intervening ruthlessly in Schwarzeegger’s gala photo-op “press appearances.” This is appropriate with a would-be police-state dictator whose financier backers are trying to push him in through a phony, circus-like recall “election,” because they could not win a real election in the nation’s most populous and economically important state. In one typical encounter, LaRouche forces blanketed an Aug. 26 Schwarzenegger show at California State University in Long Beach with “Stage Fright” leaflets, and spread out throughout the audience to pepper “Ahnuld” with polemical questions, until he had his security staff try to push them all out of the way. The LaRouche youth then held their own press conference, giving interviews to local television stations, the BBC and French media, and others.

At the same time, LaRouche has denounced California Lt. Gov. Cruz Bustamante as a “traitor to the Democratic Party” for giving the recall “legitimacy” by entering as a candidate to replace Governor Davis. Bustamante is a friend and mutual backer of pro-Iraq War Sen. Joe Lieberman (D-Conn.), who is on his way out as a Presidential candidate. Support for the recall in California polls, recently 60% or more, has fallen to 50%, with a month remaining.

In an important new flank of LaRouche’s mobilization, former Congressional Black Caucus chairman and Democratic leader Mervyn Dymally—also a former California Lt. Governor—has begun mobilizing among minority groups and organizations across the state for a mass vote against the recall. The state representative’s staff and the LaRouche Youth Movement are coordinating statewide appearances and registration actions for the maximum impact against the recall. Dymally spoke at the West Coast LaRouche conference.

Cheney’s Carpetbaggers: Looking for The Loot at the End of the Tunnel

by Edward Spannaus

Going into the Iraq War, Vice President Dick Cheney and his cronies were not only telling Congress and the American people that the invading U.S. troops would be welcomed in the streets as “liberators” by the Iraqi people, but that those streets would be paved with gold. Cheney and Co.’s public line was that the war would pay for itself and that reconstruction would be self-financing. Privately, they were cooking up fanciful schemes to loot Iraq’s oil resources as soon as the war was over, as a by-product of their imperial dreams of dominating and remaking the the Gulf region and the Middle East.

In a Feb. 27 appearance before the House Budget Committee, Deputy Secretary of Defense Paul Wolfowitz—one of Cheney’s architects of the imperial war doctrine in 1991-92, when Cheney was Secretary of Defense—was questioned about the costs of the coming Iraq War and its aftermath. Wolfowitz blithely dismissed various projections for both costs and troop requirements as “quite outlandish.” Gloating over Iraq’s “\$15 billion to \$20 billion a year in oil exports, which might finally be turned to a good use,” plus billions more in frozen assets, Wolfowitz declared, “There’s a lot of money there.” And referring to the costs of the occupation and reconstruction, he protested that “to assume that we’re going to pay for it is just wrong.”

Dick Cheney, in his now-notorious March 16 appearance on NBC’s “Meet the Press,” stated repeatedly that U.S. troops “will be greeted as liberators” by the Iraqi people. When host Tim Russert asked him about estimates that the war and recovery might cost \$100 billion over two years, Cheney answered, “I can’t say that, Tim.” Cheney pointed out that Iraq has got “the second-largest oil reserves in the world,” and that “It will generate billions of dollars a year in cash flow, if they get back to their production of roughly 3 million barrels of oil a day, in the relatively near future.”

At the outset, we warn that it is a fraudulent oversimplification, by those too cowardly to face the full, horrific implications of Cheney’s drive for fascist world domination, to claim that oil was the primary motivation for the Iraq War. Nonetheless, Cheney and his cronies did and do expect, as a side benefit, to personally profit from this and coming imperial wars. Let’s look at his scheme, step by step.

Cheney's Energy Task Force

Ten days after taking the oath of office, President George W. Bush created a task force, headed by Vice President Dick Cheney, to develop a national energy policy. Less than four months later, the task force's report was issued.

Its final chapter deals with global energy supplies. Noting that the United States currently imports 53% of its net oil requirements, the report declares that continued access to international energy supplies is a vital matter of national security. Strategically, the report divides the sources of oil into two categories: the Middle East—with 67% of proven world oil reserves—and the rest of the world. The report asserts that the Persian Gulf region “will remain vital to U.S. interests,” and it will be “a primary focus of U.S. international energy policy.”

The report's recommendation is for Saudi Arabia, Kuwait, Algeria, Qatar, the United Arab Emirates, and other suppliers “to open up areas of their energy sectors to foreign investment.” Iraq is not mentioned by name, even though Iraq has the second-largest reserves, next to Saudi Arabia—and potentially, with full exploration, even the largest. Moreover, because of special geological conditions, Iraq oil can be extracted considerably more cheaply than in most areas of the world.

Was this somehow just overlooked by Cheney and the Task Force? Or did they have other ways in mind to “open up” Iraq for foreign investment?

The Secret Iraq Map

In mid-July 2003, the watchdog group Judicial Watch announced that, as a result of a court order, it had just obtained a set of documents concerning the Energy Task Force, which included a map of Iraqi oil fields, pipelines, refineries and terminals, as well as two charts detailing Iraqi oil and gas projects, and a list of “Foreign Suitors for Iraqi Oil Field Contracts”—pertaining, of course, to contracts with the Saddam Hussein regime.

The maps and charts were dated March 2001—at the peak of activity of the Cheney task force; it was created at the end of January, and issued its report in mid-May 2001. The only other countries for which such maps were provided were Saudi Arabia and the U.A.E., both of which were openly discussed in the Task Force report.

It took Judicial Watch more than two years, and a court order, to obtain these documents, and it's not hard to imagine why. The implications are rather staggering, when the documents are examined in the context of the Task Force report final chapter, which places overwhelming importance on opening up the Gulf region for foreign investment. The deliberate omission of Iraq is itself almost an admission of guilt, for we know that Cheney and Co. had their eye on Iraq since the 1991 Gulf War, which they considered a failure for not going on to Baghdad to remove Saddam Hussein from power.

The 1991 draft Defense Policy Guidance, prepared by

Paul Wolfowitz, Lewis Libby and Eric Edelman (all key players in the current Administration) for then-Secretary of Defense Cheney, called for the United States to prevent the emergence of any rival superpower globally, and to prevent domination of any strategically critical region by any hostile power. Among seven classified scenarios for war, was one involving Iraq.

Halliburton's Contract

Even before the second war against Iraq was officially launched in March 2003, Dick Cheney's Halliburton Co., through its subsidiary Kellogg Brown & Root (KBR), had received a no-bid contract to extinguish oil fires in Iraq and to rebuild Iraq oil facilities. The contract is reportedly worth up to \$7 billion. Over time, as details of the secret contract leaked out, it was learned that the contract also contained provisions for KBR to operate the Iraqi oil fields and organize distribution of Iraqi oil.

While all sorts of grandiose plans to quickly restart Iraq oil exports were flying around, the big problem, as more sober observers noted, was that it might prove impossible to find anyone to *buy* Iraqi oil, because of the problem of legal title. Who owns it? The United States certainly doesn't, and there was no recognized Iraqi government. The lack of clear title was making it impossible for oil purchasers or shippers to even get insurance for their deals.

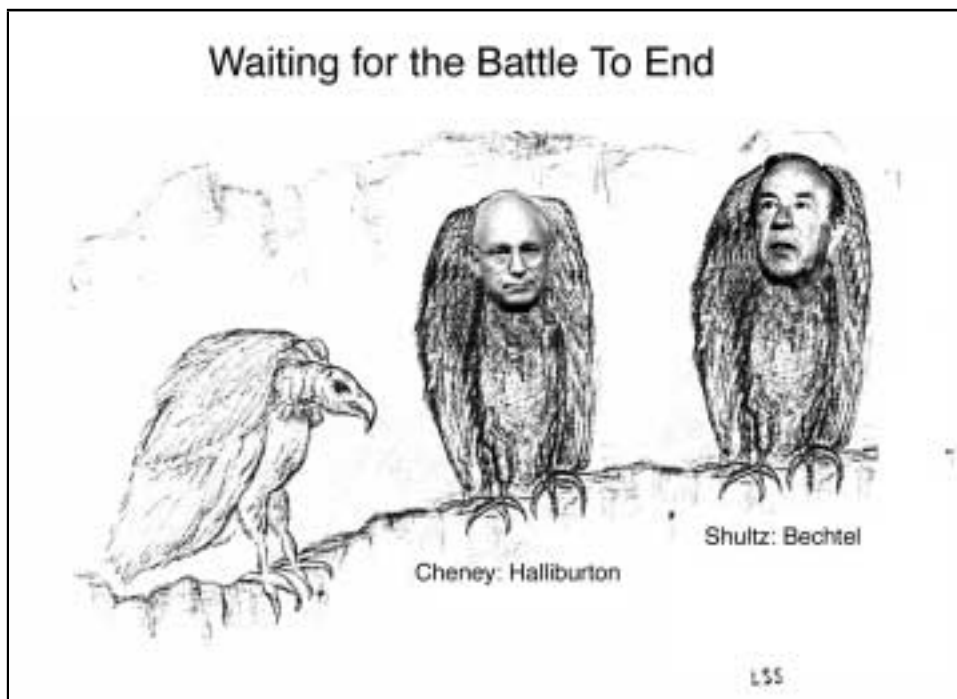
Because of this legal cloud preventing the United States from selling the oil, and with protests from other countries against the U.S. plans to simply grab the Iraqi oil, the United States was compelled to put the Iraqi oil revenues under some fig-leaf of United Nations control. This was done through a plan to create a new “Development Fund for Iraq,” which was established under UN Security Council Resolution 1483, adopted on May 22. The funds accumulated under the UN Oil-for-Food program were to be deposited in the Fund, along with all future proceeds from oil and gas sales.

The Fund is controlled by Paul Bremer, the Administrator of the Coalition Provisional Authority (CPA). According to CPA Regulation No. 2, issued by Bremer on June 15, the Fund is managed “in coordination with” the Federal Reserve Bank of New York, where all receipts of Iraqi oil and gas sales are to be deposited and held. Provision is also made for coordination with the Bank for International Settlements (BIS), if accounts are opened there.

Mortgaging Iraq's Oil

Already in the works by this time, was a plan developed by Halliburton, Bechtel and others, to mortgage future Iraqi oil revenues to pay for their reconstruction contracts. The plan, contained in a U.S. Export-Import Bank memorandum dated May 28, is that the Ex-Im Bank or another facility would issue bonds secured by future oil revenues, and use the proceeds of the bonds to pay for reconstruction contracts, i.e. to pay Halliburton and Bechtel. The June 19 *Wall Street Journal*

Waiting for the Battle To End



reported that the plan “has the enthusiastic endorsement” of Halliburton and Bechtel, who are also operating through the “Coalition for Employment Through Exports.” This was also confirmed to *EIR* by sources at the Ex-Im Bank.

(After Cheney became the CEO of Halliburton in 1995, he sharply increased its political contributions and lobbying activities. Under Cheney, Halliburton received \$1.5 billion of guarantees or direct loans from the Ex-Im Bank and related agencies, including projects in Russia and the Caspian Sea region.)

The oil-revenue grab was outlined in the Ex-Im Bank’s May 28 memorandum “Financing the Reconstruction of Iraq.” Under the caption “Securitizing Future Oil Revenues,” it noted that, under UN Resolution 1483, some 95% of Iraqi oil and gas revenues are to be deposited into the Development Fund for Iraq, and that there will be many competing demands on these revenues. If investments are made to upgrade Iraqi oil industry facilities, estimated oil revenues could reach \$10-15 billion a year, so the question is, how to seize these funds—in advance—for the contractors who will do the reconstruction? The mechanism proposed, is “securitization,” issuing bonds against the anticipated future revenues. According to one account, this would be managed through an “Iraq Reconstruction Finance Authority.”

Yet, there were still a few flies in the ointment, namely legal ones. There was the question of the existing contracts between Iraq and foreign oil companies, largely European and including Russia. Then there was the even bigger question, of who has the authority to void the old contracts, and enter into

new contracts? Traditionally, only a recognized, sovereign government can do so.

As Rep. Henry Waxman (D-Calif.) put it in a July 11 interview with the *Los Angeles Times*, on the oil-mortgage scheme: “Unless a reconstituted Iraqi government or the UN Security Council authorizes the plan, it appears to violate international law.”

This is why the Bush-Cheney administration was so eager to obtain some kind of UN endorsement of the CPA. But what the UN did, was to recognize the United States and Britain as “occupying powers”—which imposes strict legal responsibility and liability. Under the international law of occupation, the occupying powers are responsible for the

health, welfare, and safety of the population of the occupied country, and are subject to civil and even criminal liability.

Something else was, therefore, needed, to protect Cheney’s cronies and their plans to loot Iraq’s oil.

Immunizing the Oil Grab

What they came up with, was a sweeping scheme to fence off the revenues from any legal action or seizure. This was done in two steps:

1) UN Resolution 1483, drafted by the United States, provided immunity from legal process for the revenues from oil sales deposited in the Development Fund. Specifically this protects the funds from claims by creditors or those with claims against the previous Iraq regime.

2) On May 22, the same day that Resolution 1483 was adopted by the UN Security Council, President Bush signed Executive Order 13303, which gives U.S. oil companies and contractors blanket immunity from any liability or claims arising from anything to do with Iraqi oil. The EO was published in the *Federal Register* on May 28, and went unnoticed for weeks.

The EO is entitled “Protecting the Development Fund for Iraq and Certain Other Property in Which Iraq Has an Interest.” In it, President Bush declares that “the threat of attachment or other judicial process” against the “Development Fund for Iraq, Iraqi petroleum and petroleum products, and interest therein, and proceeds, obligations, and any financial instruments of any nature whatsoever” related to the sale or marketing of such petroleum or petroleum products,

“constitutes an unusual and extraordinary threat to the national security and foreign policy of the United States,” such that Bush even felt bound to declare “a national emergency” to deal with this threat!

Many observers were simply bowled over by the sweeping nature of this declaration. Oil companies, etc. are given immunity for anything relating to Iraqi oil and the revenues derived therefrom.

Said a spokesman for another watchdog group, the Government Accountability Project (GAP): “In terms of legal liability, the Executive Order cancels the concept of corporate accountability and abandons the rule of law.” GAP accurately describes it as “a license for corporations to loot Iraq and its citizens.”

Meanwhile, on June 24, Representative Waxman had sent a letter to the U.S. Army Corps of Engineers—which oversees private contractors—asking for information about “U.S. plans to mortgage Iraq’s oil to pay for contracts with private companies like Halliburton and Bechtel.”

Waxman wrote, “For many months, opponents of the war in Iraq have been arguing that the real purpose of the war was to obtain control for the United States over the vast oil fields of Iraq. In response, the Administration has consistently said that Iraqi oil belongs to the Iraqi people.”

What Waxman has pointed out elsewhere, is that Vice President Dick Cheney headed Halliburton for five years, in between the Bush 41 and Bush 43 Administrations, and that he continues to draw up to \$1 million a year from Halliburton. As to Bechtel, it is guided by its leading board member, former Secretary of State George Shultz, who put together the team of neo-con “Vulcans” who dominate the current Bush Administration, and who is now a leading advisor for Arnold Schwarzenegger’s California “geek show” recall/gubernatorial campaign.

On Aug. 7, Ryan Henry, the top deputy to Undersecretary of Defense for Policy Doug Feith responded to Waxman, stating: “There have been several stories in the media on this topic. . . . These stories describe discussions with some parts of the United States government on the possibility of using Iraq’s future oil and gas revenues as security to borrow funds for rebuilding Iraq. This is not our policy. We have no plans for any such use of Iraq’s natural resources. Iraq’s natural resources belong to the Iraqi people.”

Despite the Defense Department’s denial, the securitization proposal is still under active discussion in the Ex-Im Bank. An Ex-Im Bank spokesman told *EIR* on Aug. 29 that the proposal is still under evaluation, as one of many possible ways of facilitating the reconstruction of Iraq.

Bremer Is Broke

Undoubtedly, a major reason why the oil-mortgaging scheme for future oil revenues is still being pushed, is that current oil revenues are merely a trickle—contrary to the

pre-war claims that there would be billions of dollars in oil revenues to be used for reconstruction contracts and rebuilding Iraq’s infrastructure.

On Aug. 26, proconsul Paul Bremer went to the White House to deliver a dire message: The occupation’s Coalition Provisional Authority (CPA) is broke. Knowledgeable sources advised *EIR* that the White House was “shocked” by Bremer’s report, and Bremer was ordered to go out and “soften up the press and the people” about the situation. In an interview published in the *Washington Post* the next day, Bremer declared that the costs of rebuilding Iraq are “almost impossible to exaggerate,” that oil revenues will not cover the bill, and that he does not expect Iraq to return to pre-war oil export levels until at least October 2004.

This is clearly one of the factors behind the Bush Administration’s about-face on going to the UN to seek a new Security Council resolution, in the hope that this will induce other countries to contribute money and troops. “We’re watching the Americans verge on a change of heart,” says Rosemary Hollis of the British Royal Institute of International Affairs, according to AP. “Astonishingly, they thought, before this, that not only would Iraqi oil pay for the reconstruction, but also that U.S. companies . . . would make considerable money out of it.”

Because of continuing breakdowns and sabotage, oil flows out of Iraq are at best, only about 10% of pre-war levels, dashing the neo-cons’ pre-war predictions of a “gusher of petro-dollars” that would make the war and reconstruction self-financing. Moreover, the costs of maintaining the military occupation force are far higher than anticipated, due to the expanding guerrilla warfare against the occupying forces.

So, it is now reported that reconstruction projects involving the most basic infrastructure—oil, gas, and water—have been put on hold, because the CPA does not have the funds to start or continue work.

An internal CPA report says that it “has inadequate funds for security, electrical, water, sewage, irrigation, housing, education, health, agriculture.” As the *Christian Science Monitor* put it on Sept. 3, this means “leaving many Iraqis with worse standards of living than they had under Saddam Hussein,” and also, that many of those suffering the effects, are joining the resistance.

Thus, the Cheney-Shultz vultures, hovering and waiting for the spoils of this war, may have to wait a while longer, or else start a new war someplace else.

— FOR A —

DIALOGUE OF CULTURES

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‘The Dog Ate The Jobs’

Or rather, in the case of the ever-more-bungling President George W. Bush, “China ate our jobs.” This latest teleprompter card handed to “Trilby” Bush, by Svengalis Cheney and Rove, is potentially as insane as the Cheney-acs’ current project of testing their preventive war doctrine in Iraq; or Cheney’s and Rove’s domestic war on California, aimed at installing a muscle-man geek as governor by stealing a phony election. The President’s absurd public attempt to blame the value of China’s currency for the wreckage of the U.S. industrial economy; and the Treasury Secretary’s “Snow Job” trying to browbeat all Asia into floating their currencies for the benefit of Bush’s re-election campaign; have already failed. China’s leadership, to whom a stable currency policy is essential to its ongoing industrial and infrastructural development, has said no. But the Cheney-acs are increasing the pressure, pushing Bush to make more public demands for China to float its currency, and throwing masses of speculative money into bets that it will.

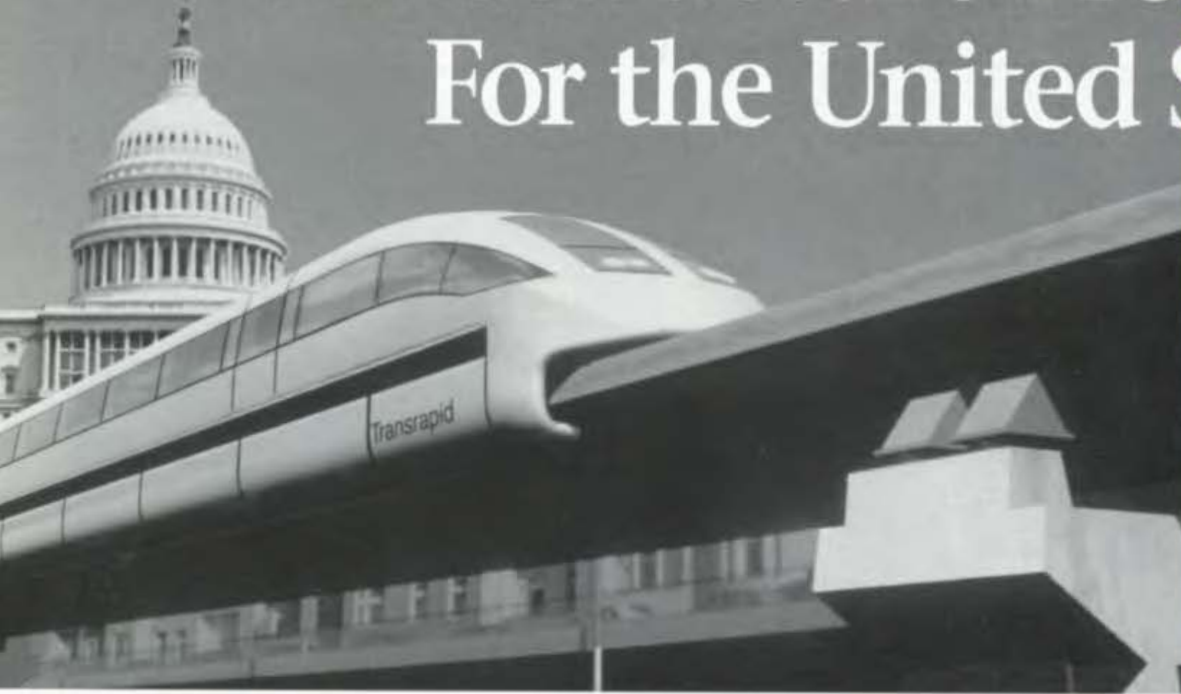
The Administration’s attempt to force-float and/or dramatically upvalue all the major Asian currencies—in midst of a potential nuclear-war crisis in Korea—is an act of sheer policy desperation. If successful, it would set off a wave of inflation throughout Asia, and could do far worse. It is clear how strongly the region’s governments oppose this lunacy, if even the Australian Finance Minister Peter Costello warned against it on Sept. 4, remembering how the floating of the Thai baht triggered the devastating 1997-98 Asian financial crisis. Corporations doing business in Asia, including American firms, oppose it. The *International Herald Tribune* warned on Sept. 4 that “China’s financial system remains fragile, and sudden currency volatility could lead to a banking crisis that could spell disaster for the world economy.” The same editorial noted that China’s imports are, in any case, already growing faster than its exports, and the trend will continue as it pursues its policy of investing in internal economic development.

The United States economy lost another 95,000 jobs in August, defying the guesses of “experts” and giving the lie to the latest round of “recovery around the corner” hype. The jobs which have disappeared from the economy now total 700,000 for 2003 so far; 3 million since the beginning of 2001; of which 2.5 million were manufacturing jobs. Manufacturing employment is now down to 10% of the employed American labor force. The U.S. labor force itself has now shrunk in size by 600,000 people in just July and August, continuing the alarming trend of the unemployed giving up the search for work, or “employing themselves” in such occupations as searching the Internet trying to find work for their friends and neighbors. The labor market has revisited the “hard times” state of the 1930s Great Depression.

This cause of this calamity has nothing to do with China’s policies, but everything to do with the last 30 years’ G-8 policies of deindustrialization, globalization, and the “New Economy” and consumer-economy bubbles. NASA employment has dropped by 25% in the last decade; has the space agency moved to China? American machine-tool industry employment has virtually completely disappeared; are we buying precision machine tools from China? The United States is not building any high-speed rail (but eliminating it), nor adding to and modernizing its power transmission grid, nor building nuclear power plants, nor developing vitally-needed new water management and supply systems; is this because China is exporting hydroelectric dams to us?

The stark fact which the President’s Svengalis would hide is that those 2.5 million lost manufacturing jobs are *permanently* lost, unless the President fires Haliburton looter Cheney and completely changes the axioms of American economic policy. Lyndon LaRouche’s proposed “Super TVA” program of high-technology infrastructure rebuilding with government credits, will do the job. Otherwise, Bush may as well blame the dog, as blame China.

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