U.S.A. and NATO as a whole, have lost the ability to conduct regular warfare. The chief reason is economic. As in "Desert Storm," and as is shown in the resumed war on Iraq, and the recent war against Yugoslavia, NATO is not capable of fighting war to win with military force on the ground. The very adoption of the lunacy of "Air-Land Battle 2000" by the U.S.A. attests less to what the U.S. military forces can do, than what they have lost the capability of doing.

In the war against Yugoslavia, NATO did not fight war; indeed, both NATO and the President of the U.S.A. insisted, that this was a punishment expedition, not an actual war. What NATO's bombing attacks did, was to destroy the economy of most of the nations bordering the Danube east of Vienna. Once the British monarchy prevailed upon President Clinton to abandon the reconstruction perspective he had announced earlier, that entire region of southeastern Europe has been transformed into a bloody mass of attrition which will soon destroy, chain-reaction style, the entire economy of both northern and western Europe.

To assess the larger strategic realities in which the Blairdriven search for nuclear confrontation with Russia is situated, the war-threat becomes more immediately ominous than would be implied by the facts I have referenced thus far. We must take into account the strategic military implications of the presently onrushing meltdown of the world's financial system, including that of the U.S. economy.

Significantly, the British state apparatus (representing a much higher level than lackey Tony Blair) has announced a special security program, named "Operation Surety," to go into effect, beginning September 9, 1999. This operation is designed to anticipate a deadly social crisis's eruption under the conditions of the world financial meltdown expected for the interval between September 9, 1999 and the close of the year. No one I know—and I do have many high-level sources in various parts of the world—can give me a definite date, other than "soon, perhaps next week, perhaps October," for the expected date of the chain-reaction collapse of the world's financial system. However, that kind of collapse, of a kind far worse than October 1929, is already onrushing; it is not something which could happen; it is something which, in fact, is already happening.

The intervention of the effects of this world financial collapse into the present strategic situation, automatically and immediately changes all of the determining parameters of the worldwide strategic situation. No existing government could last long enough to carry out a pro-warfare posture effectively under such circumstances.

Notable is the situation in Russia itself. Whatever else may happen there, and there are many possibilities, virtually all extremely dramatic ones, the present situation in Russia is not to be expected to last past the end of September, if that long.

Were I President of the U.S.A., I would know how to deal with this mess. Given the very advanced state of sundry

presently ongoing world crises, I could not guarantee success, but I am the only figure who might have a chance of success.

Yeltsin coup in Russia increases war danger

by Konstantin George

On the morning of Aug. 9, Russian President Boris Yeltsin issued a decree, firing Prime Minister Sergei Stepashin and dismissing the cabinet. In a statement from the Presidential Press Office, as carried by Itar-TASS, Yeltsin named Vladimir Putin, who has been head of the Federal Security Service (FSB, the successor of the domestic KGB) since July 1998, as Acting Prime Minister. The appointment of Putin was a transparent coup by the Yeltsin family and its friends among Russian financial oligarchs and the allied Western financial oligarchy, intended to thwart the orderly constitutional transition of Russia to the post-Yeltsin era through State Duma (lower house of Parliament) elections on Dec. 19, and Presidential elections six months later.

The events which rocked Moscow mirror similar moves toward extra-constitutional political shifts, or coups, being taken by the British oligarchy at home. Calculating from the standpoint of a post-financial-crash world, these oligarchical circles are positioning themselves to assure absolute power, through emergency measures, like those contemplated in "Operation Surety," a plan for military rule inside the United Kingdom itself.

Putin's closest ties are to former Prime Minister Viktor Chernomyrdin, the notorious Russian cohort of U.S. Vice President Al Gore, the City of London crowd, and Britishallied financial interests on the European continent—whose perspective is to weaken Russia for coming decades, while they exploit its raw materials and run the country as a Third World colony—and Anatoli Chubais, the most notorious International Monetary Fund henchman of post-Soviet Russia. These connections are lawful, because the coup is a brazen attempt to keep the IMF comprador layer in place at all costs.

'He thanked me - and fired me'

The dismissal came right after a morning meeting in the Kremlin between Yeltsin and Stepashin, who had just returned from Dagestan. He had been sent to that Caucasus republic over the weekend by Yeltsin, ostensibly because of the escalating crisis there.

The news of Stepashin's ouster broke shortly after 8 a.m. Central European Time (10 a.m. Moscow time). Russian TV showed a somber-faced Stepashin addressing his outgoing

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cabinet as follows: "This morning I visited the President and he signed a decree on my resignation. He thanked me—and fired me." Confirming that he was angry over his dismissal, Stepashin said: "I expressed my position concerning the resignation to Boris Nikolayevich, but, this is his right. I told the President that I have been, am, and will remain with him until the end."

Stepashin's dismissal is the first step in an obvious maneuver by Yeltsin to postpone the Duma elections. Aug. 9 was to have been the day when Stepashin was to formally announce Dec. 19 as the date of the elections. What Yeltsin said later that day on TV could not mask the fact that an unconstitutional coup had been launched.

Yeltsin's decision to sack Stepashin was made on Aug. 5, when he informed Putin of his coming appointment as Prime Minister. What triggered the decision, was the merger, in early August, of Moscow Mayor Yuri Luzhkov's Otechestvo (Fatherland) Movement, with the All-Russia Movement, led by Tatarstan President Mintimer Shaimaiyev, and which has the support of most of Russia's 89 governors. Stepashin had refused to take a hostile position against this powerful electoral alliance, and, in the interest of national reconciliation, had even put out feelers to it, thus angering Yeltsin.

Signals were abundant in the Russian media in the days before Aug. 9, that a coup was brewing. The weekly *Argumenti i Fakti* on Aug. 3 published a column, entitled "A Plot Against Stepashin," saying that the Kremlin had demanded that Stepashin take steps against Luzhkov and others, but that "Stepashin does not have the strength to do this," and that Yeltsin's Chief of Staff, Aleksandr Voloshin, was pushing for Stepashin's ouster. On Aug. 4, Interfax said that the creation of the new electoral alliance had "shattered" Stepashin's position: "More and more often can the Presidential administration be heard complaining that Stepashin proved weaker than he seemed to be, and that by his desire not to quarrel with any of the current political and business figures, he demonstrates excessive flexibility." The article named Putin as one possible successor to Stepashin.

On Aug. 6, *Moscow Times*, in an article entitled "The [Yeltsin] Family Has Few Legal Options Left," stressed that the new electoral alliance had further isolated Yeltsin, the "family," and allied tycoons including Boris Berezovsky and Roman Abramovich. The paper warned that after the dismissal on Aug. 5 of *Kommersant* editor Shakirov (after the paper was taken over by Berezovsky), Stepashin could be next. "Stepashin has reportedly disappointed his backers by being too weak. Various names are being bandied about as possible replacements, and some media have focussed on FSB Director Vladimir Putin—a tough customer who might be described as a Yuri Andropov for energetic young reformers," the article said.

Yeltsin's Aug. 9 statement that the Duma elections will proceed, does not mean very much. He said: "Esteemed citizens of Russia, today I signed the decree on elections to the

State Duma. They will take place on Dec. 19. Exactly on schedule as it is provided for by the Constitution and the law." Then, Yeltsin proclaimed that Putin is his choice to succeed him as President of Russia: "Next year, for the first time in the country's history, the first President of Russia will hand over power to a newly elected President. Whatever the case, he will be your President, esteemed citizens of Russia, who will have won in the course of clean, honest elections. I thank you for your attention" (emphasis added).

As one leading Russian military expert commented on Aug. 10, Yeltsin dumping Stepashin for Putin "makes no sense if he is interested in free and fair elections." The military source explained: "Declaring Putin as his appointed successor as President is a non-starter; it guarantees that Putin will get 1-2% of the vote." This expert's reading is,

LaRouche on Russia's 'coup from above' in 1998

After an earlier palace coup in the Yeltsin entourage, Lyndon LaRouche wrote an article titled "Russia: A Coup From Above," published in EIR, April 3, 1998. Here are excerpts.

On the morning of March 23, 1998, international news dispatches from Moscow featured the announcement of an ongoing purge of the Russian government of Prime Minister Viktor Chernomyrdin, ordered by President Boris Yeltsin. . . . Our task here, is to provide the reader an appropriate insight into the strategic circumstances in which this coup from above has occurred. . . .

Coup in Russia? The historically literate mind recalls images of the famous 1905 and 1917 revolutions. The first of these was triggered by the combination of a London-orchestrated, international financial crisis of 1905-1907, and the impact of the Russo-Japanese War. The second, was the reflection of economic disaster, combined with large, useless losses of peasant soldiers in the foolish continuation of Russia's hopeless war against Germany. In both cases, the confluence of a social and economic crisis, intersected a general loss of confidence in the potential usefulness of a discredited government. Given, a spectrum of previously established nuclei of revolutionary political institutions, and a seemingly endless worsening of combined social, economic, and political crises under the existing government, mass-based revolutionary ferment was likely.

There are analogous leading features in Russia's situation now. . . .

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that "elections are not on the table. They're not an option for the kleptocracy at the top. The reality is, we're going into a revolution. There is mass support in Russia now for a change in economic policy, but people hope it will come through the ballot box. The people behind Yeltsin have something else in mind."

A pretext for 'rule by decree'

Yeltsin asked the State Duma to approve Putin as Prime Minister, at its scheduled Aug. 16 session, and Duma Speaker Gennadi Seleznyov indicated that that would happen. This would deprive Yeltsin of an immediate pretext to dissolve the Duma and rule by decree. Only if the Duma were to reject a Putin nomination three times could he dissolve the body.

But, there are other ways in which the crisis could be

precipitated. As the military expert said: "I'm expecting new provocations. It wouldn't surprise me if there is a decision taken to bury Lenin this weekend, before the vote in the Duma to confirm Putin. This would create the basis for dissolving Parliament and ruling by decree. It would create a confrontation with the Communists and nationalists, who would be accused of destabilizing the country, and who would refuse to confirm Putin. We would then hear the appeals for law and order. I see more provocations, to destabilize the situation, and then establish rule by decree in Russia."

He stressed that "the Kremlin is desperate to keep power. Otherwise, they will lose their money and their freedom. They're fighting for their damned lives and money."

In his first speech to the cabinet as Acting Prime Minister, Putin told them that they would keep their posts, but he used

Those sundry revolutionaries of those past periods, from Marx through the social-democrats and Bolsheviks of 1917-1923, were victims of fundamental errors of assumption respecting the nature of man, history, and society. Those are not minor errors, but axiomatic errors, errors otherwise described as "crucial," or fundamental. . . . The crucial errors in their understanding, we must reject; but they were not half as misguided, or ignorant, as those foolish statesmen, who approach the present global situation with the delusion that the immediate weeks and months ahead are not a revolutionary interval of history, in the strictest sense of that term.

This is most clearly relevant in face of the presently onrushing revolutionary crisis in Russia today. It is crucial, that President Clinton and his policy advisors (among others) recognize, that whatever comes out of the months immediately before us, it will be a revolutionary change of some kind. At this moment, the prospect of a revolutionary change—of one sort, or another—inside Russia, is an agenda-item of high priority....

Russia's intellectual crisis

This issue of the truth about the French Revolution, is an essential part of the key to solving Russia's most crippling intellectual crisis: the fact, that it has yet to undertake the needed scope and depth of rational review of the roots for what is popularly identified by many as "the failure of Soviet Communism." Under Gorbachev, Russia leaped, blindly, out of the ship of Soviet Communism, into the most radically decadent slum of so-called "western" economy, and that with the combined zeal and awkwardness of a drunken sailor storming the bed of a common prostitute. One should not be astonished by the relevant result.

On the other side, we have national economies, such as those of the United States and Germany, which had

previously accomplished virtual "economic miracles," until the late 1960s, through investment in development of infrastructure, and in energy- and capital-intense scientific and technological progress. Now, both are destroying themselves with the same monetarist carpetbagging tricks of "mergers and acquisitions" which have looted the remains of former Soviet national resources and capital improvements of Russia. At present, this has gone almost to the point that national extinction of Germany and the U.S.A. is now already visible, on the horizon a few years ahead.

If Russia does not change suddenly, it is doomed, and that very soon. If it attempts to change, without participation in early agreement to the appropriate, revolutionary "New Bretton Woods" system, Russia might survive as a national identity in the long run, but at the price of a terrible sacrifice in the medium-term. . . .

The coup from above will not succeed in even the relatively short-term. Symptomatic responses will not still the mounting disquiet. The actual source of energy for the political instability, must be addressed, directly. The heart of the solution is to recognize the real enemy. Since he is bankrupt, in fact, we have but to put him through the obvious, sensible, liquidation in bankruptcy, by means of which we may rid ourselves of that cause of our affliction, that parasite, once, and, hopefully, for all.

Those changes are the choice of revolution which must be made. If we fail to take that option, then we are doomed to other kinds of revolutions none of our nations were likely to survive. What we are seeing in the circumstances behind Russia's recent coup from above, is the shudder of leaves at the edge of the oncoming storm. That storm will devastate us all, unless we quench, very, very soon, the religious fervor of that present lunatic majority among the policy-shaping set.

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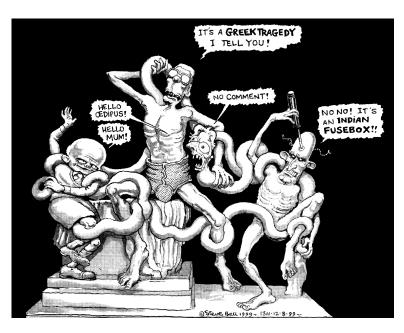
Prince Philip is 'hoist with his own petar'

Britain's Royal Consort Prince Philip's racism is nothing new, of course, but it seems that some among the British elites have decided to make an issue of it, as the accompanying cartoon by Steve Bell, published in the *Guardian* newspaper on Aug. 13, vividly demonstrates. (From left to right, the caricatures are of Conservative Party chairman William Hague, former Prime Minister John Major, former Prime Minister Margaret Thatcher, and His Royal Highness Prince Philip.)

On Aug. 10, Buckingham Palace was forced to apologize for a racist remark made by Prince Philip. According to the London *Times*, "The Duke of Edinburgh made his fastest public apology yet yesterday, after he made an insulting joke during a factory tour. The Duke pointed at an old-fashioned fusebox at the Racal-MESL factory near Edin-

burgh and said it looked as if it had been 'put in by an Indian.' "

Within 2 hours and 14 minutes of Prince Philip's statement, Buckingham Palace issued the following announce-



ment: "The Duke of Edinburgh regrets any offence which may have been caused by remarks he is reported making earlier today. With hindsight he accepts that what were intended as lighthearted comments were inappropriate."

the special police unit jargon, that "everyone stays put." Continuing in a not so civil tone, he said, "Sergei Vladimirovich [Stepashin] and I are military servicemen, and we obey orders." Asked by journalists whether he would run for President next year, Putin replied, "I will."

Escalation in the Caucasus

The firing of Stepashin was closely linked with the interaction of the Caucasus crisis and the Russian internal political situation. The first ten days of August have witnessed a grave escalation of the war in the Caucasus republic of Dagestan. This was precipitated when bands of armed, British-controlled Wahhabite Islamic fanatics, of various ethnic origins, including Chechen, Dagestani, Arab, and Afghan, entered Dagestan from Chechen territory and took up positions in the mountains.

The question now is, how will the Dagestan crisis be exploited for unconstitutional moves in Russia as a whole. On the same day as the Yeltsin-Putin coup, the Wahhabite insurgents made the following proclamation: "We, the Muslims of Dagestan, officially declare the restoration of independence to the Islamic state of Dagestan." The declaration called on

"all Muslims" to help Dagestan get rid of Russian "occupants." The insurgents, adding yet another provocation, called on Chechen terrorist Shamil Basayev to head up their "state."

The first signs that the Putin government could use Dagestan as the pretext for police measures in Russia proper, were visible on Aug. 10, when the Moscow police said that they were beefing up security in the capital because of outbreaks of violence in the North Caucasus. Police were also reported to be taking control over key transportation and communications centers, such as train stations. Putin, in his first statement on the Dagestan crisis, announced that he would restore "order and discipline" to Dagestan. "We are facing the emergence of mass terror on Russia's southern border. . . . The situation in Dagestan will return to normal within a week and a half to two weeks," he said.

No serious observer agrees with his assessment, because there there are up to 2,000 Wahhabites lodged in the remote mountainous areas of Dagestan. They have come under heavy bombardment from Russian artillery and helicopter gunships, but even if, by some miracle, they were to be driven from Dagestan within two weeks, they would simply fall back to Chechen territory, regroup, and re-enter Dagestan.

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Stepashin's response to the crisis had been tough, but measured, although there were problems with combat proficiency in some Russian units. Through Aug. 7-8, Stepashin had reiterated his stance that, while Russia would proceed with force to crush the Wahhabite armed groups, he would "not make the same mistake twice" and engage in indiscriminate action against Chechnya. This was a clear reference to his co-responsibility for the December 1994 decision to invade Chechnya. Stepashin was also sending a clear signal that he agreed with Chechen President Aslan Maskhadov, who had declared, correctly, that he and the Chechen government had had nothing to do with the armed incursions into Dagestan.

In short, Stepashin's inclination was to target what he called "bandits" in remote mountainous areas, but to avoid another Chechen-type quagmire. For this reason, Stepashin was in Dagestan on Aug. 8, working with Gen. Anatoli Kvashnin, Chief of the General Staff and Gen. Col. Ovchinnikov, Commander of Russia's Interior Troops, on how to proceed.

Oil and NATO

But, the Dagestan crisis has another dimension, of far greater strategic consequence. Dagestan is the Russian Federation's Caucasus republic through which Caspian Sea oil pipelines run. It is also the republic that links Russia to Azerbaijan, which, since the dissolution of the Soviet Union, has been an independent republic.

In the words of one British specialist on the Caucasus, "The real prize is Azerbaijan." He explained: "That's where the oil wealth is. If Dagestan falls to the rebels, Azerbaijan is just over the border. The Lezgin ethnic group is on both sides of the Dagestan-Azeri border, and they could be expected to make their claims. There are various options that would become possible. What would happen, in any case, is that Azerbaijan couldn't defend itself, and it would call on NATO for protection. If that happens, NATO will come in, in some form, likely predominantly Turkish forces. [Azeri President] Heidar Aliyev has already asked for NATO help."

Since the beginning of this year, Aliyev, a wholly owned British asset, and cohort of Al Gore, has openly asked NATO, the United States, or Turkey, to establish military bases on its soil. Although no firm plans have been announced, U.S. Defense Secretary William Cohen, during a recent visit to neighboring Georgia, reiterated NATO's willingness to allow such Caucasus republics to join the alliance. Such an extension of NATO, Moscow has made known, constitutes a "red line" which dare not be crossed.

Were this insane option to be pursued, by British geopolitical maniacs of the likes of Zbigniew Brzezinski, there is no doubt that Russia would perceive a NATO move as a threat to the existence of Russia itself. As Lyndon LaRouche warned in a campaign statement on Aug. 12, this could become the trigger for thermonuclear confrontation.

The southern Eurasian potential

British monarchic interests are intent on destroying the growing potential for the entire belt of southern Eurasia—extending from the Balkans and extending through the Caucasus, the Caspian Sea region, and onward across the South Asian Subcontinent into Southeast Asia—to become a beehive of cooperative infrastructure development. This potential was highlighted in EIR's January 1997 Special Report, "The Eurasian Land-Bridge: The 'New Silk Road'—Locomotive for Worldwide Economic Development." Here we present excerpts from that report.

Practically unnoticed by most Western commentators outside of LaRouche and EIR, the concept of reviving the old Silk Road has become the focus of a profound strategic shift in the relations among the nations of southern, central, and eastern Asia. Although the process of reordering the strategic map of Eurasia was first set into motion by the collapse of the Soviet Union, the growing momentum toward regional cooperation and development around a policy for a New Silk Road has so far been centered on China and Iran. That policy is drawing support from an ever larger circle of nations of the region including Turkey, the Central Asian nations, Russia, Pakistan, and India. The growing momentum behind the New Silk Road land-bridge development policy opens the way toward gradually overcoming the countless conflicts and hot spots in this part of the world, and realizing the common economic interests of the nations and peoples through concrete projects. Above all, *speed* is of the utmost importance in realizing the promise of the New Silk Road: Concrete, positive developments must be achieved as soon as possible, in order to reduce and finally eliminate the potentials for geopolitical manipulation and sabotage from the side of London and its allies. . . .

The rail development, agreements, and mutual understandings between Iran and Turkey, with the encouragement of China and some other states, point to a potentially very far-reaching shift from an earlier, aggressive competition for influence in Central Asia and elsewhere, toward a consensus in favor of long-term cooperation. Numerous transport and energy projects are on the table, or have already been launched, reaching out from Iran eastward to Pakistan and India (see below), and northward through the Caucasus and Central Asia to Russia. Iranian Foreign Minister Ali Akbar Velayati provided the following interesting formulation of his government's policy: "We cannot have a peaceful country in a region plagued by instability, and we cannot have a rich country in a region of poverty."

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