called on UN Secretary General Kofi Annan to send "international security forces" to Ambon, a blatant threat to Indonesian sovereignty. Simultaneously, the independence movement in Irian Jaya (West Papua), with well-documented support from the British Commonwealth nations of Australia and New Zealand, including, notably, through the mining interests of Rio Tinto, which works the world's largest gold and copper deposits in Irian Jaya, has called on the UN to send "international forces" to the province, threatening another East Timor-style intervention and the further disintegration of Indonesia.

Historically, these separatist movements enjoy protected status in the former European colonial powers, notably, Britain, the Netherlands, and Portugal. In the case of Indonesia, Lord Avebury's NGO "Tapol" (the term for "political detainee"), which was set up, ostensibly, to counter oppression under the regime of General Suharto, has continued sponsoring separatism since the democratic elections of 1999. Tapol functions as a central clearinghouse and support network for all of the Indonesian separatist movements, from Aceh in northern Sumatra, to Irian Jaya (West Papua), and East Timor. Britain and the Netherlands also provide safe haven to unrepentant participants in the failed attempt in the late 1950s, armed and supported by the Anglophile Dulles brothers in the Eisenhower Administration, to set up an Independent Republic of South Molucca.

As for Abu Sayyaf in the Philippines, it is a direct spinoff of former U.S. National Security Adviser Zbigniew Brzezinski's and Britain's Afghansi school for terrorism, with strong links to the accused mastermind of the World Trade Center bombing, Sheikh Abdel Rahman's Harakat al Islamiya, and the Gamma-at-Islamiya (Muslim Brotherhood) in Egypt, which has enjoyed liberal protection under Britain's "safe haven" law. Furthermore, the Indonesian separatists, the Muslim separatists in the Philippines, and Filipino Communist leader Jose Maria Sison are linked through the Unrecognized Nations and Peoples Organization, based in the former colonial power, the Netherlands.

In both countries, no one has claimed responsibility for the bombings, nor have any suspects revealed their sponsors. In the Philippines, the coordinated bombings may well have had input from individual military or other professional layers, and some leaders of the opposition to President Estrada claim that the bombings were provocations to distract from the ongoing impeachment trial, possibly carried out by military-linked interests to justify martial law or a return to military rule. But any investigation must proceed from the combination of two facts well documented in the pages of EIR over the years: first, the manner in which the international financial oligarchy promotes the violent destabilization of nation-states in order to assert its will; and second, the fact that international terror has historically and continuously been based in London, as a self-professed tool of British colonial and neo-colonial policy (see "Put Britain on the List of States Sponsoring Terrorism," *EIR*, Jan. 21, 2000).

Germany Enters 2001 Without Leadership

by Rainer Apel

With the exception of its recent policy of trade of economic infrastructure for energy with Russia, the German government enters the new year without a foreign policy guided by clear principles. It has a leadership crisis which may make German citizens turn instead to the leader of the Christian Social Union (CSU).

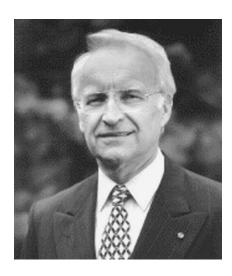
There is a tendency to *be present* in some interesting places, such as China, Malaysia, India, and possibly Brazil and Mexico, but this never comes close to yielding any economic or political activity worth noting. With the exception of Russia, no potential for breakthroughs in economic relations can be monitored, in Germany.

For a nation without raw materials that lives on its revenues from exports, this general inaction is a disastrous, short-sighted approach to global policy. What's more, the government is not interested in initiatives for substantial changes in monetary and world economic affairs: It believes in the International Monetary Fund and its conditionalities, in the basic values of Federal Reserve Chairman Alan Greenspan's Wall Street bubble economy, in the alleged benefits of the free market and the New Economy, and it also holds onto the suicidal balanced-budget criteria of the European Union. Whatever the government does in labor and investment politics, is borrowed from the textbook of neo-liberalism: tax cuts, cuts in state subsidies, privatization, and deregulation.

The Socialist-Green ("red-green") government of Chancellor Gerhard Schröder, which has been in power since late October 1998, is dwelling in this environment of inaction, because it is not challenged by the opposition Christian Democrats (CDU). The CDU, the bigger of the two German conservative parties, is still caught in deep paralysis, after the loss of government in the 1998 elections, and the reshuffle of its party leadership in the wake of the "party funding" scandals which began in November 1999. The new leadership of the CDU is no longer guided by the principles of Christian values, which were already much weakened during the era of longtime party chairman (1973-98) Helmut Kohl, but were still there.

The new party leader, chairwoman Angela Merkel, believes that the transformation of the traditional industrial economy of Germany into a predominantly New Economy orienting toward the chimera of the "information society," is possible. Friedrich Merz, the new chairman of the CDU group in the national legislature, is advertising himself as a post-1968 baby-boomer, who relaxes by listening to the

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Edmund Stoiber, chairman of the Christian Social Union and possible challenger for the German Chancellorship.

culturally pessimistic rock music of late 1960s rock groups such as the Doors. And Laurenz Meyer, the new national party manager of the CDU, has just kicked off a public debate over forming a future coalition government with the Greens, who are completely discredited since the oil- and energy-price hyperinflation hit Europe.

Making things worse, Merkel has even endorsed present Public Health Minister Andrea Fischer, a leading Green Party member who has become the most-hated cabinet minister because of her disastrous project of "health sector reform" on the American example of the so-called health maintenance organizations (HMOs). In a Dec. 31 interview with *Welt am Sonntag*, Germany's second-largest national Sunday tabloid, Merkel said that Fischer was a "value conservative" like herself. The statement was more revealing about Merkel than Fischer, naturally.

Challenge From the CSU

And, the new CDU leaders show little if any interest in affairs that reach beyond the requirements of the protracted power struggles among the post-Kohl generation of CDU party politicians. European and international policies do not exist for the new CDU leadership—the party is no challenge to the present government. A certain exception on the Christian Democratic side is Edmund Stoiber, the chairman of the Bavarian CSU, who also is Governor of Bavaria, Germany's second-largest state in terms of population and economic potential. Stoiber, who maintains many of the conservative values that have been sacrificed by the executive of the sister party, the CDU, is seen by many CDU members and supporters as a viable alternative.

This does not imply that CDU members will join the CSU, but it does have implications for the upcoming decision: Who will challenge Chancellor Schröder in the next national elections. Recent opinion polls show that Stoiber has overtaken Merkel in terms of popularity, trustworthiness, and voters' expectations. The margin over Merkel is still small, not bigger than 2 or 3%, but it is already big enough to secure a Stoiber

victory in an inner-CDU nomination vote. The vast majority of the CSU is firmly behind Stoiber.

But the main obstacle to Stoiber's potential candidacy is not the views of the Christian Democrats—it is the unwritten law of postwar German politics that says that no Catholic from Bavaria must ever be allowed to become Chancellor and run Germany. The last Bavarian to try to break through that barrier was CSU party chairman and Bavarian State Governor Franz Josef Strauss, who managed to get the CDU nomination for Chancellor candidate in 1980, but lost in the national election the same year, against incumbent Chancellor Helmut Schmidt (Social Democrat). But, in 1980, Schmidt was still at the peak of his power, and the negative effects of the German government's adoption of the high-interest-rate policy of the governments and central banks of the United States and of Britain were not yet fully felt. It was more difficult to "dethrone" Schmidt in 1980, than to dethrone Schröder in 2001 or 2002 (the year of the next, scheduled national elections).

Schröder Government on the Rails

The Schröder government already is as unpopular as the government of Kohl, when it lost the elections of 1998, and the Schröder government is decomposing: The near-default of German Railways led to the resignation of Transport Minister Reinhard Klimmt several weeks ago, and two other cabinet ministers, Walter Riester (labor and social affairs) and Andrea Fischer (public health), only survived the end of the year, because the Chancellor decreed an end to the debate about cabinet reshuffles. The debate died down, then, because of the Christmas recess, not because of Schröder's decree. Now, the debate is back, and so are the increasing public calls for the dismissal of the two ministers.

A third cabinet minister, Karl-Heinz Funke (agricultural affairs), has come under public attack during the last two weeks, for his attempt to suppress a public debate about the scope of "Mad Cow" disease and what measures are needed to counter it. Since that is a matter reaching into the domains of the Public Health Ministry, Fischer has come under additional public attack over the "Mad Cow" issue. Chancellor Schröder is very much absorbed by the attempt to keep the cabinet together and these three ministers in place. There is little maneuvering space left for real policymaking, therefore.

Thus it were important, that the opposition Christian Democrats confront the paralyzed government on crucial policy issues. The present CDU leadership has so far failed to do so. Therefore, the next moves by Stoiber, who has signaled his interest in international political and economic issues with visits abroad, to China and to the United States (where he met with Deputy Governor of the Federal Reserve William MacDonohue, for example), should be watched carefully. Should Stoiber proclaim his commitment to become Chancellor candidate, and should he be nominated, a politician who could seriously challenge incumbent Chancellor Schröder would enter the stage. The next weeks will tell more about that.