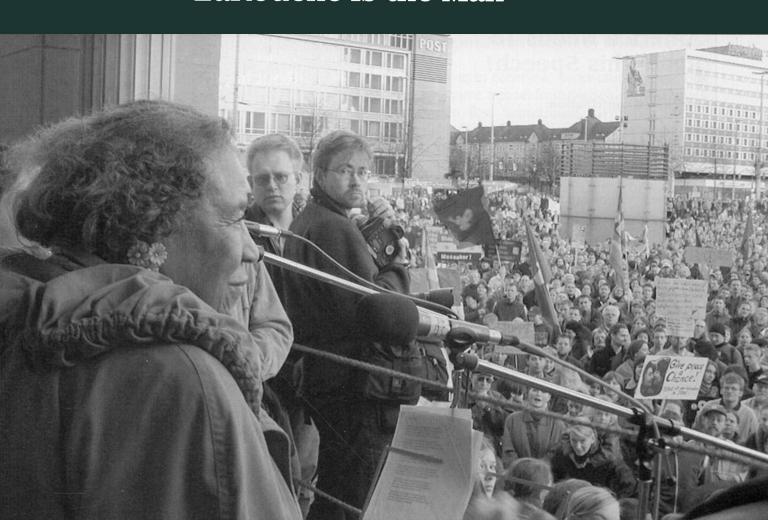


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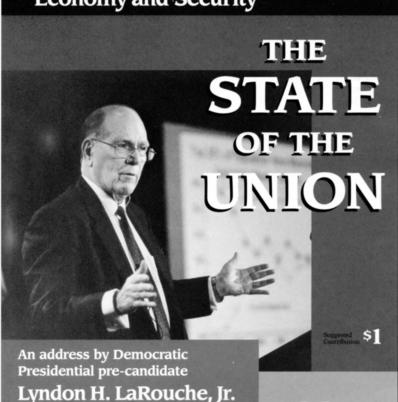
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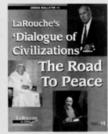
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EIR (ISSN 0273-6314) is published weekly (50 issues) except for the second week of July and the last week of December, by EIR News Service Inc., 317 Pennsylvania Ave., S.E., 3rd Floor, Washington, DC 20003. (202) 543-8002. For subscriptions: (703) 777-9451, or tollfree, 888-EIR-3258.

World Wide Web site: http://www.larouchepub.com e-mail: eirns@larouchepub.com

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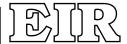
Japan subscription sales: O.T.O. Research Corporation, Takeuchi Bldg., 1-34-12 Takatanobaba, Shinjuku-Ku, Tokyo 160. Tel: (03) 3208-7821.

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Domestic subscriptions: 3 months—\$125, 6 months—\$225,

1 year—\$396, Single issue—\$10

Postmaster: Send all address changes to EIR, P.O. Box 17390, Washington, D.C. 20041-0390.



### From the Associate Editor

Starting with Lyndon LaRouche's article on "Rumsfeld as 'Strangelove II, "our *National* section presents a hard-hitting array of articles on the imperial delusions that have temporarily seized control of the U.S. Presidency; who and what is to blame for this state of affairs; and who is speaking out, exposing the corruption of the "Wolfowitz cabal," and the utopian foolishness of Donald Rumsfeld. The widest possible circulation of this issue will do a lot to defeat the war party, which has never been so vulnerable.

LaRouche, in a letter to a journalist on April 2, underlined another aspect of the problem, and its solution: "I wish to emphasize the importance of the connection between the Reichstag fire-like aftermath of Sept. 11, 2001 and the neglected opportunity to enact those reforms in monetary-financial institutions needed to enable the vast opportunities for cooperative economic growth which are centered in Eurasia today. We must not overlook the lessons of 1928-1933, that the failure to take effective action to remedy a systemic monetaryfinancial crisis, fosters the influences under which a Hitler, or the present spread of 'preventive' warfare may seize power. Emphasis on the prospect for long-term economic cooperation within Eurasia and elsewhere, must be included prominently among the publicly advertised alternatives to imperial wars directed by draft-dodgers or corporals like Hitler."

This conception of long-term economic cooperation within Eurasia is the subject of our Feature, a panel from the Schiller Institute's March 21-22 conference in Bad Schwalbach, Germany. Distinguished experts from half a dozen Eurasian countries spoke on the prospects for improving the lives of all peoples along the Eurasian Land-Bridge, if LaRouche's program is implemented. This is the alternative toward which the United States must look, to replace the currently prevalent Nietzschean delusions of "the will to power."

The intervention of civil rights heroine Amelia Boynton Robinson and the LaRouche Youth Movement, in the anti-war rally in Leipzig, Germany (pictured on our cover), shows that victory is within our grasp. The "Leipzig process" that toppled communism in 1989 is once again on the march, and, with the right leadership, can bring about a revolutionary transformation, a new Renaissance.

Susan Welsh

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Amelia Boynton Robinson addresses 50,000 demonstrators against the Iraq war in Leipzig's famous Augustus Square.



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American Civil Rights movement heroine Amelia Boynton Robinson, 91, spoke at the weekly "Monday demonstration" against the Iraq war, in Leipzig, Germany. A new leader has arisen to continue the dream of Martin Luther King, she told them. "This man is an economist, a scientist, and loves the people, and he is an candidate for the 2004 Presidential elections. This man is Lyndon H. LaRouche, Jr., and he is leading the fight against the Iraq war inside the U.S. today!"

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To Stop War, Break With IMF.

# **EXECONOMICS**

# Extreme Tension Spans The Financial Markets

by Lothar Komp in Wiesbaden

Every new and broader shock could be the doom of several banks and insurance companies. The global financial system found itself in a catastrophic condition already before the outbreak of the war in Iraq. Some of its pillars, like the stock markets, have already thoroughly crashed. Permanent intervention by the central banks, now open and public as often as hidden, is demanded to preserve the 15-digit dollar volumes of reciprocal obligations. And with each new day of war, the potential grows for new tectonic convulsions in the financial system.

So, the stock markets do not see an end to the horror. For more than three years now, the exchanges have plunged almost without uninterruption. First it was the favorites of the Internet and telecom bubble. But for a long time now, banks and insurance companies have been at the center of the implosion of financial values. Stocks of enterprises like Allianz or Munich Re, once the most solid holdings imaginable in the German-speaking regions, have come to be traded as one would treat the carriers of contagious diseases. Just in the first quarter of 2003, the stock prices of Allianz, Munich Re, and Hypovereinsbank have halved once again, after two or three previous halvings in the past couple of years.

"It is unclear how many additional strains the EU [European Union] banking system can still absorb," warned a private study of the European Commission, revealed by *Der Spiegel* magazine. The German banks had just required a "special alert," as both their earnings and their stock prices have been pulled sharply down. It is in light of the global structure of the banking system, that one must see the danger cited in the study, that "the problems of one member-state can quickly spread to another."

But by worldwide measures also, the financial experts of the European Commission see rapidly growing "imbalances" and "downward risks": "The international financial system, which in the past year has been struck by a series of negative events, looks to be vulnerable to further shocks." The disposition of the stock markets remains "fundamentally negative." Banks, insurance companies, and pension funds are being forced by this to sell their holdings. This could come to further "fire sales," and these could have "grave effects upon the equities markets, and bring on a downward spiral of capital values, and further selling."

# **'Exceedingly Great Challenge' for Governments**

Additional danger threatens through the building of new debt bubbles, the study warned—as in mortgages and real estate—as well as through the dependence of the world economy on American exports financed by foreign obligations. A flow of capital out of the United States would be "a meaningful risk not only for the U.S. economy, but for the entire world economy." The risks for the global financial system would be "substantial," and the challenge for governments "exceedingly great," especially since they have long since used up their "classical" arsenal of means for reviving their economies.

That such fears are in no way being expressed only in private banking papers, is proven by the new study of global financial stability by the International Monetary Fund (IMF). At the presentation of the bi-annual "Global Financial Stability Report" on March 27 in Frankfurt, Germany, Gerd Häusler, IMF Director for the International Capital Markets Department, and responsible for the report, warned against the illusion that the worldwide financial and economic crisis would simply disappear after the end of the Iraq war. One must assume that even more after the war, the weight of "post-conflict uncertainties" and increasing geopolitical risks will afflict both the markets and the world economy, he said. On the financial markets, according to Häusler, even if one makes the assumption that the Persian Gulf region could stabilize

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rapidly after the war and avoid more terrorist attacks, each deviation from this rosy scenario will, for certain, further weaken the already-shaken trust of investors and cause further plunges of the stock markets. He concluded that the question is, how many additional shocks the battered banks and insurance companies in America, Europe, and Japan can still withstand.

Häusler noted, "After three years of losses, many financial institutions are weakened—in particular, the European insurance firms, which are more and more heavily invested in stocks. This poses the danger of a 'Devil's crisis': The insurance companies, selling stocks into a falling market in order to shore up their liquidity, thereby worsen their solvency measures." This could then bring about the failure of one of the large insurance companies. From the standpoint of the stability of the financial system, this would probably not be as dangerous as the collapse of a large bank. But Häusler stressed that as a consequence of the vastly expanded volume of financial derivatives contracts between banks and insurance companies—he referred particularly to so-called credit derivatives—the fall of a single large insurance company could definitely become a risk for the financial strength of several banks.

In view of the rapidly growing market for credit derivatives, one has to seriously worry, according to Häsler, that with these risky contracts, market participants who wrongly estimate the risks of the highly complex derivatives could tumble. This applies all the more to this unregulated market, as it not only has to do with banking and insurance, but also with speculative undertakings which are regulated by no public authorities.

### End Is Nigh for the Carry-Trade

The IMF sees a further danger for global financial stability in the rapid spread of the so-called "carry-trade" contracts of the big banks, especially in the United States. Through this mechanism, the financial institutions have incurred enormous levels of debt with (currently) low-interest securities, and against them, purchased (currently) higher-interest financial securities. This trade is lucrative—until the point when suddenly the entire financial structure changes. Thus, market participants from the whole world invested very heavily in the "yen carry-trade" during the late '90s, since interest rates in Japan were near zero, and the yen at the same time was tending to lose value. However, when the yen suddenly shot up in October 1998, a global financial panic broke out.

Today, interest rates for short-term credit are at their lowest level in the last 40-50 years, not only in Japan, but also in the United States and Europe. The new form of the "carrytrade" lies in borrowing with short-term paper, to buy longterm investments—above all, government bonds and mortgage credit. In this connection, an extremely dangerous situation has developed, especially for the American mortgage financiers Freddie Mac and Fannie Mae. Should there be unexpected changes in interest rates, such as another rise in short-term interest rates, this could have dramatic consequences for both these U.S. financial institutions, and with that, for the entire American housing market. To be sure, Freddie Mac and Fannie Mae were created by government initiative; however, they were not provided with any explicit government guarantee.

Considering the unusually sharp warnings from the European Commission and the IMF, the question is posed directly: What recommendations do both these institutions really have to contribute for overcoming the worldwide financial emergency? The answer is loud and clear: None at all. This is really no surprise, for all the governments of the Group of Seven "industrial" nations ignored the global financial breakdown for a long time, with catch-phrases and emphasis on the "sound fundamentals," to go along with "hope for better times."

The dirty work, at this point, falls on the central bankers: Money is pumped into the financial system in ever more fantastic forms, in order to delay a total financial collapse. In this way, it resembles the way that the destruction on the battlefields in the Near East is simply raised to a higher degree every day. An end of the horror can only happen through the operation of governments, which recognize the complete failure of the current methods, and shift onto a radically different track: a New Bretton Woods global financial reorganization.

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# 'War and Economics' Join To Change Brazil Policy

by Lorenzo Carrasco

The unilateral decision of the administration in Washington to launch a war against Iraq, has sharply accelerated the diplomatic efforts of the Brazilian government to define an independent foreign policy, in order to guarantee the country some maneuvering room in the face of growing pressures in the areas of security and international trade. This reaction is not insignificant, in view of the obsessive intention of the chicken-hawks in Washington to turn the strategic Triple Border region in South America—where Paraguay, Brazil and Argentina meet—into a focus of foreign intervention; or, when one considers the intent to define the Free Trade Area of the Americas (FTAA) as a looting zone, expressed explicitly by pure-blooded chicken-hawk Robert Zoellick, President Bush's U.S. Trade Representative.

Brazil's position, which aligned instantly, in February and March, with the German-French-Russian effort to try to stop the war from being launched, has rapidly evolved into a series of strategic actions. It was in this context that Malaysian Prime Minister Dr. Mahathir bin Mohamad made a state visit to Brazil in mid-March, giving a clear signal that Brazil is closely eyeing the Malaysian example—breaking with the policies of IMF and George Soros.

### **'Principles Are Not For Sale'**

In an inteview published March 31 in the newspaper *Folha de São Paulo*, Brazilian Foreign Minister Celso Amorim, who is heading this new diplomatic effort, fiercely defended the government's tough opposition to war. Asked if Brazil did not fear retaliation, including economic, from the United States, Amorim responded: "Principles are not for sale! But I do not believe there will be retaliations. I don't believe that would be in the interests of the United States. First, they know that there is no anti-Americanism, no antagonism, against them. And second, what interest would they have in weakening the largest democracy on the continent, after themselves? I couldn't understand that."

Amorim granted this interview from Athens, where he was participating in the European Union meeting with Ibero-American countries, which inaugurated a tour that took him to the Vatican, Russia and France.

In Rome, Amorim was received by Pope John Paul II, to whom he delivered a letter from President Luiz Inácio Lula da Silva which stressed the political and spiritual importance of the Pope. "The international community is in particular need of moral authority and spiritual leadership," and the Pope has an extremely important role to play in reinitiating dialogue on the future of Iraq and in the reorganization of the world order, Amorim said. The President's letter emphasized that "Brazil, the country with the largest Catholic population in the world, which lives peacefully with other creeds, shares the Vatican's concern over the creation of a new center of instability and possible aggravation of extremisms."

After being received by the Pope, Amorim met with Cardinal Jean-Louis Tauran, the Vatican Undersecretary of State for Relations with States, with whom he discussed questions related to Ibero-America, specifically with regard to the Brazilian initiative of the Group of Friends of Venezuela.

### **Potential New World Order Emerging**

The next day, on April 1, the Brazilian Foreign Minister was in Moscow, where he met with Russian President Vladimir Putin and his Foreign Minister Igor Ivanov. Amorim was accompanied by the Foreign Ministers of Peru and Costa Rica, Allan Wagner Tizón and Roberto Tovar Faja; all three, representing the Rio Group. Out of that meeting came a "Declaration of Moscow," which in a clear message to the United States, states: "The Foreign Ministers reaffirmed the central role of the United Nations and Security Council in international relations, as the leading universal instrument for maintaining peace and international security, and in support of economic and social development. They also stressed the need for strict observance of the UN Charter and universally recognized principles and norms of international law."

Wagner reported that the four Foreign Ministers had "converging views" that the combat in Iraq must end "as soon as possible."

The Foreign Ministers agreed "that a central objective of the international community should be to reduce the threats of conflict on any scale to an absolute minimum," pointing to the intensification of threats to national, regional and international security, such as international terrorism, the illegal drug trade, transnational organized crime, and poverty and extreme poverty, "which put stability and democratic governability at risk."

The 19-member Rio Group is the informal consultative mechanism which is the closest thing to an integrated political body which the Ibero-American nations have. All the major nations of Ibero-America are members, with one Caribbean country participating each year in representation of that part of the Americas.

Thus, as Ivanov noted, the visit of the Rio Group troika was "a remarkable event in relations between Russia and the Latin American countries," with special importance at this crucial and dramatic time. Overall, our discussions focused on how that crisis may affect the creation of a new world order, he reported.

Peru's Wagner, speaking as the current chairman of the

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Rio Group, agreed that the meeting marked a "new stage in relations between Russia and Latin American countries." He announced that given "the high degree of coincidence of our views," it was decided that Russian-Troika meetings would be held yearly, and a heads of state meeting between Russia and the Rio Group would be taken into consideration. A Russian-Ibero-American heads-of-state summit would mark a major shift in decades of geopolitics, indeed!

While still in Moscow, Amorim took care to respond to concerns that a great distancing from the United States was occurring. He added, however, that he felt it necessary for Brazil to meet with U.S. authorities. "I am absolutely interested in this, and am trying to see how this can occur," he told the daily *O Estado de São Paulo* on April 2. "It is fundamental for us. . . . I see no reasons for a deterioration in relations, because we do not hold an anti-American sentiment. The fact that we have differences does not mean that we are adversaries."

Asked by *O Estado* if "Brazil's strategy to clearly align itself with countries that oppose the war is motivated by the country's old ambition to join the Security Council as a permanent member," Amorim answered adamantly, no. "Our motivation in favor of peace and international law is authentic, genuine, and reflects the sentiment of the Brazilian people as expressed by the two houses of Congress."

### **Break With Empire, Financial System**

But all of this laudable effort in the field of diplomacy will fail, unless the underlying cause of war and the drive to empire is addressed: the global economic breakdown crisis. This, the Lula government has not done, as it instead continues to adhere to the genocidal policies which the International Monetary Fund (IMF) has dictated to Brazil. This, in turn, has created a domestic political nightmare for the Lula government, since an important part of the ruling Workers Party adheres to the policies of George Soros (economic conservatism and social radicalism), which clearly represents the Achilles' heel for the Lula government, and concomitantly, of its own foreign policy.

Hunger will not be defeated by good intentions, nor will peace be won by waving white handkerchiefs, was the central message of an historic speech given by Congressman Enéas Carneiro on March 27 to the plenary of the Brazilian Chamber of Deputies, and directed to President Lula. Citing warnings from "the renowned American economist and thinker Mr. [Lyndon] LaRouche" that this international financial system based on "pure speculation, without any correspondence to the physical world" is leading to "the abyss," Carneiro stated that the only effective form of opposition to the Bush's government's imperial impulse is a rupture with the IMF system.

He stated firmly: "At this time, when the majority of the civilized world states that it is opposed to the invasion of Iraq by the United States, it is not enough for us from Brazil, a

continental power, to say we are not in agreement with the invasion. . . . There is only one way to oppose that true genocide. . . . And that is by the definitive rupture with the rotten model that is imposed on us by the international financial system, of which the IMF, the World Bank, the Inter-American Development Bank, the World Trade Organization and company are all tentacles.

"And now I speak directly to His Excellency, the President of the Republic of Brazil. Your Excellency has in your hands an opportunity without equal in the history of Brazil. Take advantage of the historic opportunity that is being offered us by the owners of the world themselves. Say, *Enough!* to this nauseating and infected model that sucks out the innards of the nation," he urged.

### **Armed Forces and Rupture**

Although the press refused to cover Enéas' speech—he is, nonetheless, the head of a faction in the Congress, elected in 2002 with a historic record vote in São Paulo—the newspaper Ombro a Ombro, which represents the most nationalist wing of the Armed Forces, supported his statement in its April editorial, entitled "Empire and Rupture." "Some might question the mixing of war with Brazilian economic and financial policy. In fact, this goes to the very heart of the matter. This war is the expression of an imperial impulse to maintain a dysfunctional and failed financial system, the same one that is subjugating us, forcing us to depreciate our public patrimony, reduce wages, and keep growing masses of citizens unemployed, creating conditions for transforming part of our territory and cities into ungoverned areas, in certain cases vulnerable to invasion by that world power emerging so brutally," the paper wrote.

"Rupture with this financial servitude would be the expression of an independent foreign policy in defense of our sovereignty and territorial integrity. . . . A planned rupture is preferable to an improvised one, perhaps forced as an emergency response to a combination of serious internal and extrenal factors. This could organize the process of national reconstruction, mobilizing the sane forces among our political leadership and productive sectors of the economy, the vast majority of public opinion, and, of course, including the support of the Armed Forces. The only thing lacking is the decision of the Commander in Chief."

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## LaRouche Is in Debate On Peru's Economic Plans

### by Manuel Hidalgo

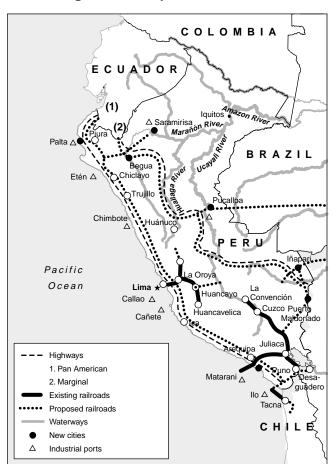
The economic ideas of U.S. economist and Democratic Presidential pre-candidate Lyndon H. LaRouche saturated the first conference of the Interregional Coordination Council of Peru, held March 14 in Piura. This gathering of the governors of Peru's northern provinces focussed its discussions around the perspectives for constructing a Northeastern Bi-Oceanic Corridor, including navigability of the Amazon River and an outlet through Pacific Coast ports. A leading Peruvian associate of LaRouche, Sara Madueño, gave a 30-minute presentation to the governors, which defined the situation as follows: "The world will have to choose between a war against Iraq and its consequences, or Eurasian development corridors and their extension to the Americas." Madueño explained the world strategic conjuncture, counterposing against British geopolitics the strategy of development according to the American System of political economy.

The Council pulled together recently elected governors of the region for the first time and, despite the fact that separatist and other tendencies plague the area, the Council is serving as an important forum for airing the development needs of the regions as a whole: among these, the strategically key North Macro-Region (the provinces of Tumbes, Piura, Amazonas, Loreto, Lambayeque, La Libertad, San Martín, and Cajamarca). This is the basin of the Amazon River and its tributaries, Marañón and Huallaga, as well as the coastal provinces, and this region can complete the ocean-to-ocean river transport (the "bi-oceanic corridor"), in cooperation with Brazil. Piura Congressman Iván Calderón Castillo organized EIR's participation in this first Council gathering. One week earlier, on March 7, Congressman Calderón had presented an order-of-the-day motion before the Peruvian Congress, in which he emphasized LaRouche's evaluation of the world financial crisis and the war against Iraq (see box).

The governors of the North Macro-Region added their voices to the demand to carry out this great project of a Bi-Oceanic Corridor which, in truth, will be next to impossible to bring about short of a region-wide political mobilization in its favor. The government of President Alejandro Toledo, a former World Bank economist, has built some highways along the route; these have had minimal impact on the real needs of the area, as was demonstrated clearly in the presentations of the official spokesmen at the conference. In fact, Toledo's government has just slashed the already-depleted budget for economic infrastructure, by another 13%.

Madueño began her presentation by reading from a Reu-

### **Peru: Integrated Transportation Infrastructure**



LaRouche associate Sara Madueño's presentation to Peru's northern governors' conference included the urgent outlines of completing the "Bi-Oceanic" infrastructure corridor, by extending the Amazon River system through Peru to the Pacific and constructing new ports and railroads in the country.

ters news service story dated June 20, 1994, entitled "World Bank Censures Third World Public Works Projects," which states that developing nations were "wasting a large portion" of the \$200 billion annually allocated to "generous public works projects." Madueño pointed out what hid beneath this language: Serious continental infrastructure development initiatives are a casus belli to the world's financial oligarchy. She referred to the 19th-Century efforts of Peruvian President Manuel Pardo (1871-76) to undertake a central Andean bioceanic link, which effort was aborted by his assassination and the launching of Britain's 1879 War of the Pacific, which suspended these great projects. "We must revive the war for development," Madueño said, explaining LaRouche's concept of "development corridors," as initially elaborated by those great exponents of the American System of political economy, Alexander Hamilton, Friedrich List, and Abraham Lincoln.

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Madueño also explained LaRouche's famous Triple Curve "typical collapse function," and why the financial crisis leads to war. She explained his initiative for a New Bretton Woods, strongly backed by Congressman Calderón. Madueño's participation in the Council conference ended with interviews on Piura's Channel 7 television and with the newspaper *Correo*, as well as a distribution carried out by the event's organizers themselves, of LaRouche's latest press release on the war against Iraq, and an open letter demanding a New Bretton Woods fixed-rate monetary system.

The presentations of the government envoys from the National Decentralization Council, the Transport and Communications Ministry, and the privatization agency Proinversion, showed that not only are the state's development efforts minimal, but they are now being cut still further. This is despite the regional development actions of the Brazilian government and its "Advance Brazil" program, and the South American Regional Integration Initiative (IRRSA), which has the financial backing of Brazil along with the Andean Development Corporation (CAF). Unfortunately, glaringly absent from the Piura meeting were representatives from Brazil,

without whom the Bi-Oceanic Corridor will not be built.

The sabotage came from the Peruvian Foreign Ministry, among others, which has made it clear that the Northeastern Bi-Oceanic Corridor—which would involve a waterway from the Amazon to the planned ports of Saramirisa or Yurimaguas, and a highway corridor that would cross the Andes and end in the Pacific ports of Paita, Bayovar, or Etén—is simply not a priority!

Further, the Peruvian government cannot allocate even the little funding from IIRSA to this project, because its letter of intent signed with the International Monetary Fund commits it to limiting its foreign indebtedness for projects. No such limit exists on debt payments, of course.

These realities did not escape the attention of Peru's northern governors who, at the conclusion of the conference, issued a resolution committing themselves to "fight for a Northeastern Bi-Oceanic Corridor." As the closing act of the conference, Piura Gov. César Trelles Lara, host of the event, declared that such a fight is "a very important development for the history of the republic." Trelles Lara will serve as the new president of the Council for the next six months.

### Congressman Cites LaRouche

Peruvian Congressman Dr. Iván Oswaldo Calderón Castillo on March 6 proposed a resolution to Peru's Congress, incorporating Lyndon LaRouche's warning of the consequences of an unstoppable war in the Mideast. Major points of the resolution are excerpted here.

#### WHEREAS:

- John Paul II has proposed that "in a globalized world, where threats to justice and peace have repercussions on a broad scale which harm the weakest, a global mobilization of conscience is called for. . . . It is necessary to respond to the negative forces who seek to make of the whole world a theater of war, with the logic of justice and love. It is not possible to fully re-establish the broken order if justice and forgiveness are not joined together. . . . We must together firmly oppose the temptation of hatred and violence, which only give the illusion of resolving conflicts and bring about real and permanent losses."
- In 1950, the UN General Assembly adopted the principles of international law. This legal doctrine is the keystone of the entire international order upon which relations among all the sovereign Nation-states are based.
- The long historical tradition of the United States as an open and democratic society, which obeys the law, is threatened by the frontal violation of the current President

- of that country. . . . All of a sudden, President Bush declares himself ready to use, arbitrarily and unilaterally, his military superpower, including, if he finds it expedient, nuclear weapons.
- A nuclear first strike is no longer taboo. The United States will not refrain from the use of these weapons against non-nuclear nations, unless we stop this insanity. Several prominent Democrats, among them the Presidential pre-candidate Lyndon LaRouche, and Senators Edward Kennedy and Dianne Feinstein, have already warned the public of this insane change of policy by the utopian war-mongers inside the U.S. government.
- As Lyndon LaRouche has warned repeatedly, this would mean the beginning of a Third World War, that would very likely be a nuclear one;
- This may be the last opportunity to avert an insane and devastating U.S. aggression against Iraq, which would pave the way for unleashing a process of perpetual war, and possibly plunge the world into a new dark age;

#### THE CONGRESS OF THE REPUBLIC AGREES:

- To demand that the United States and Iraq adhere to UN resolutions, based on the reports of inspectors, whose goal at all times is to avoid war, and to condemn any unilateral action on the part of the United States and its current allies, contrary to the UN resolutions.
- To request that the U.S. and Iraq disarm and destroy their prohibited nuclear weapons or weapons of mass destruction, under the instructions and supervision of the United Nations (UNO).

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# **EIRFeature**

# How To Reconstruct A Bankrupt World: The Eurasian Bridge

We publish here the March 22 panel—on the Eurasian Land-Bridge idea—of the Schiller Institute conference, "How to Reconstruct a Bankrupt World," held March 21-23 in Bad Schwalbach, Germany. The panel was opened by EIR editor Muriel Mirak-Weissbach, introducing keynote speaker Helga Zepp-LaRouche. The full presentations by Zepp-LaRouche and Academician Vladimir Myasnikov, and also the Bad Schwalbach Declaration for worldwide circulation from the conference, were all published in EIR for April 4. We republish here only brief concluding sections of the speeches of Zepp-LaRouche and Myasnikov, within the entire proceedings of the Eurasian Land-Bridge panel.

**Introduction: Muriel Mirak-Weissbach:** Good morning, members and friends of the Schiller Institute, and distinguished guests: I want to welcome you to the second day of our annual conference. Today we will be discussing the historic task of implementing the Eurasian Land-Bridge, as the means to rebuild this bankrupt world.

The Land-Bridge is also known, historically, as the Silk Road, the great trade route—or better, routes—that joined the East and the West of the Eurasian continent. It was not only silk, but numerous commodities that were traded along the route: gold, ivory, precious stones and metals, and glass were taken into China by caravans from the West; and furs, ceramics, bronze objects, jade, and iron, among other goods, were transported in the other direction. And, it was the perfect communication route for ideas as well: new technologies, like the production of paper, were transmitted across the Silk Road, revolutionizing the economies of many countries. Religions also spread along the Silk Road: Buddhism from India into China; Christianity, from Rome into the East; and Islam.

The Silk Road was a development corridor along which new cities sprang up, with magnificent architectural achievements in cities like Samarkand and Bukhara, for example; but also Baghdad, which was one pearl in the string of pearls that stretched from the Arab world through Persia, across Central Asia and into China. The quest for learning was as great a motivation for travel across the continent, as was commercial interest. One famous Muslim saying attributed to the Prophet



Helga Zepp-LaRouche (center) with youth participants at the Schiller Institute conference. The Eurasian Land-Bridge, she said, "will not only lead to an economic miracle, but it will transform humanity out of the present state of barbarism."

goes, "Seek ye knowledge, though it be in China!"

This magnificent process of economic cooperation, trade, and cultural interchange, has been the target of oligarchical interests for many centuries, and entire nations and peoples have been subjected to the brutalities of what was called "The Great Game" in the 19th Century. Britain's desire to rule was pivotted on its strategy to control the "Eurasian heartland," as geopolitician MacKinder put it, in order to control the world, by pitting one nation, one people, against another.

### Helga LaRouche, the 'Silk Road Lady'

Today the heirs to the 19th-Century imperialists seek to replay the Great Game, and to target the entire Eurasian continent for destabilization and destruction. The name Baghdad today stands as a symbol of that intent.

Baghdad, under the Abbasid dynasty of Harun al-Rashid and al-Mamun, was an intellectual and cultural jewel, whose radiance shone not only in the Arab and Islamic world, but also in the Europe of Charlemagne. Today, the skies over Baghdad are being illuminated by cruise missiles and massive aerial bombardments, wreaking unspeakable human suffering. People in Baghdad are saying, "Well, this is not the first time that the barbarians have invaded." The reference is to the Mongol invasions of the 13th Century, which destroyed Baghdad, but did not extinguish the spark which continued to glow.

The barbarians of today will not prevail. As our speakers today will demonstrate, the nations of the Eurasian heartland are responding in a new way to the geopolitical threat, and are redefining their historic role, in terms of rebuilding the ancient Silk Roads with tomorrow's technologies, and

thereby establishing a counterpole of peace through economic cooperation and development for all mankind.

Helga Zepp-LaRouche, our first speaker, is the founder and international chairwoman of the Schiller Institute. In 1996, she travelled to China, for the second time. Twentyfive years earlier, she had been the first Western journalist to visit revolutionary China. In 1996, on her second visit, she was a guest speaker at the "International Symposium on Economic Development of the Regions Along the Euro-Asia Continental Bridge," in Beijing. She spoke on "Building the Silk Road Land-Bridge as the Basis for the Mutual Security Interests of Asia and Europe." There she developed the concept, of how the revival of the historic Silk Road would provide the solutions to our modern-day crisis, also in the West. Since that time, she has campaigned internationally, in hundreds of conferences, as well as election campaigns in Germany, for the realization of this vision. And as a result, she has become known in Chinese circles as the "Silk Road Lady."

I want to present to you the Silk Road Lady.

# The Land-Bridge and Dialogue of Cultures

**Helga Zepp-LaRouche** (conclusion): But, [the Eurasian Land-Bridge] is more than [an economic transformation]: It will not only lead to an economic miracle, but it will transform humanity out of the present state of barbarism. Because we need a new paradigm. And, the Eurasian Land-Bridge must

FIGURE 1 **Eurasia: Main Routes and Selected Secondary Routes of the Eurasian Land-Bridge** 



be combined with the Dialogue of Cultures along the Eurasian Land-Bridge. And, as you know, our Land-Bridge will go through the Bering Strait into Latin America, and through Egypt and Gibraltar into Africa.

We have to start, in this dialogue, with what is universal about all human beings: What distinguishes man from all other beings? It is his cognitive ability. Man is the only being capable of reason, and this reason is unlimited in being perfectible. (This was, by the way, the argument, already, [Russian Finance Minister] Witte made, about the difference between man and beasts: That man is capable to improve the fate of mankind through his creativity.) Isn't this a wonderful thing? The cognitive powers of human beings enable man to produce ideas—immaterial things—and these immaterial things lead to scientific and technological progress, which in turn, increases the productivity of the production process, which increases the living standard of the population, and longevity, and so forth.

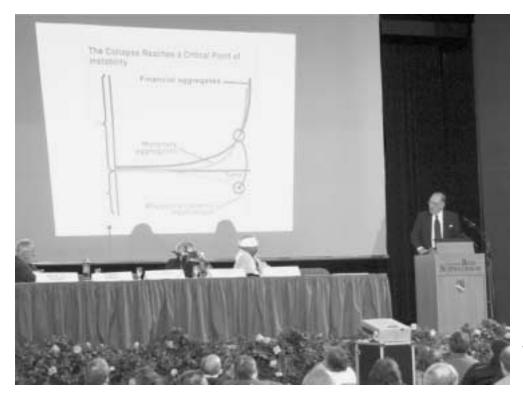
Lyn [LaRouche], in developing his notion of the relative potential population-density, for the first time established a yardstick, to measure scientifically what is good, and what leads to the increase of the chances of mankind to survive in the long term. Nicolaus of Cusa was the first one who talked about the law of evolution, the development from the inor-

ganic, [to] the living, and reason, and then God; however, the development, not going from below to the top, but from above. Vernadsky picked up on the same idea, and made the point that with the evolution of man, the Noösphere is increasingly becoming dominant over the Biosphere. Sri Aurobindo Ghose, from the Indian point of view, had the same idea: That the spiritual man will eventually become the dominant form of human existence. Schiller had the notion of the "beautiful soul," where genius is the only one who fulfills that condition.

And the LaRouche Youth Movement has declared many times, they are determined to make Lyn's personal creativity the standard for all human beings to come.

Now, the crisis can only be overcome if we activate, in this moment of severe challenge, *all* of the universal ideas, *all* the best minds who lived in history so far.

As the institutions of the old order collapse, the present crisis has also created a tremendous chance. Because it is very clear that the international law, as it has developed since the Peace of Westphalia, and is written in the UN Charter, is not sufficient, because it did not succeed; it was not sufficient to solve this present crisis. What we saw is that international law was defeated, and that the "law of the stronger" dominated; which proves the fact, that international law, *Bürgerrecht*, the



Lyndon H. LaRouche, Jr., in his keynote speech to the conference, described how Wall Street, in 1999, decided to use a "wall of money" policy to stop the meltdown of the financial system. This created a hyperinflationary trend which is shown in the graphic on the screen behind the speaker.

"law of the people," is still in a very rudimentary form. Now it must be developed.

What is lacking in international law? Well, natural law. And, it does exist, as the concept of Nemesis makes so totally clear. What we have to introduce into international law is the following: We know, from the evolution of mankind, that there is a provable coincidence and cohesion between the laws of the microcosm and macrocosm. The same idea which exists in Leibniz's notion of the monad: that each monad, in germ form, contains all the laws of the universe.

Now therefore, what we have to do, is to bring the cosmic order, the laws of the real universe, into the political realm, and we are only at the beginning to understand the implication of what that means. But cosmic laws, the laws of the microcosm, must be reflected in international law, if mankind is supposed to grow up. In *The Federalist*, Alexander Hamilton asked the question, the big question, which will decide on the future of the United States: Can man give himself laws to self-govern himself according to the common good of the people?

This is the big challenge in front of us today. So, for the first time this question must be answered, not for one country, but for all countries on the planet. Nicolaus of Cusa had the idea, that concordance in the macrocosm can only exist, if all microcosms have the maximum development, and each microcosm not only desires his own maximum development, but also that of the others. Applied to nations, this means that all nations must be relating to each other like members of a family, where the father wants the best development for the daughter, and vice versa.

This has been the dream of the Schiller Institute from the beginning. But now, at the moment of incredible crisis and incredible vacuum, we have to realize this.

Now, I propose that we, as an organization, take this challenge, and make this question of Lyn's policies—the New Bretton Woods, the Eurasian Land-Bridge, and the need to develop international law, the cultural Renaissance on the basis of a Dialogue among Cultures—to turn this, in the next two days, into the Bad Schwalbach Declaration; and intervene, in the next days and weeks, so that these policies become realized, and that the Age of Folly of Mankind is ended forever.

# The Strategic Triangle Russia/China/India

Academician Vladimir S. Myasnikov (conclusion): A strange but probably logical recourse of events can be observed in history. The advent of the 19th Century was marked by Napoleonic wars, and the beginning of the 20th Century, by World War I. Now, at the dawn of the 21st Century, we are witnessing the rapid lowering of the security threshold for the whole world. Notwithstanding the clear striving to peace manifested by a number of leading powers, the world again finds itself at the brink of war. In his address of Jan. 28, 2003, Mr. Lyndon LaRouche, one of the most highly reputed and honest analysts, quite correctly noted that bombing of Iraq

and making the latter a theater of hostilities could trigger a new world war and a new great depression. Lyndon LaRouche once again emphasized that the world would face an economic crisis more severe than the crisis of 1928-1933. However, Iraq is not the only potential trigger. . . .

It appears that along with reorganization of the UN structure, the authority of this organization as the only world-scale forum to address the problems of international security could be enhanced by such measures, as: to conduct the G-8 summit at the UN—while resolving global issues, the G-8 must not isolate itself from the rest of the world, because otherwise it would place itself in confrontation with many states and with many movements; to continue the Year of Dialogue Among Civilizations and, to this end, to select the UN as the venue for the Asia-Europe summit, Islamic Conference Summit, and Conference on Islam and Europe (the latter planned to take place in Spain); to conduct the APEC and OPEC summits within the framework of the UN; to hold a special session of the UN General Assembly that would address unification of all forces in the struggle against international terrorism (as discussed above).

The UN could make all the above-listed summits more transparent for the world public, and thus create an atmosphere of better confidence in the world. Such Eurasian powers as Russia, China, and India are interested, probably more than others, in the UN being again an efficient instrument of peace for the world community, and this is one of their shared positions, where they have started to apply coordinated efforts.

### **Economic Crisis, New Bretton Woods**

The third group of unfavorable factors is connected with the economic aspects of international security. In the new system of international relations at the dawn of this century, the economic component has grown considerably. This growth has been predetermined by three elements: 1) the objective course of globalization; 2) depletion of world energy resources: and, 3) global ecology problems—such as the shortage of freshwater and depletion of soils.

Apart from these rather obvious factors, there are factors, which are not very visible for the broad public, but which could blow up all economic ties in the world. By this, I mean the condition of global finance.

The situation is presented most fully and clearly in the Resolution of Sept. 25, 2002, passed by the Italian National Parliament, with regard to authorizing the government to take measures that would help Argentina to overcome the crisis. The Parliament proceeded from recognition of the fact that escalation of the banking and financial crisis, which started from crises of 1997 in Asia, Russia, and Latin America, and has lasted through to the recent failure of the "new economy" in the United States, the massive and, so far, lasting banking collapse in Japan, and the bankruptcy of Argentina, cannot but cause concern in all countries—among the population,



Russian Academician Vladimir Myasnikov: The interaction of the countries at the center of Eurasia "must be put on the solid platform of economic and science-technology cooperation."

ruling classes, companies, investors, and depositors—because this is not some chance string of events, but rather expresses the crisis of the entire [global] financial system, marked by the staggering gap between the volume of speculative capital—worth \$400 trillion (\$140 trillion of which the United States accounts for)—and a world gross product worth only \$40 trillion.

This is exactly the delayed-action mine laid within the international financial system. The authors of the above-cited parliamentary resolution consider it necessary to convene a new Bretton Woods-like international conference that would address the adaptation of IMF and IBRR [World Bank] activities to the new conditions. The evident task of such a conference would be to free European countries from the dependence on the U.S. dollar, in connection with enactment of the euro, and to try to provide the same international parity for the euro as the one that was provided at Bretton Woods for the U.S. dollar. The nearest future will show if these efforts help to save the world from the so-called "vampire capital" i.e., the continuously growing speculative capital, which is capable of causing damage not only to individual national economies, but to entire regional economies, too. So far, however, all countries should be prepared for a sudden and painful attack on the part of that vampire.

Such preparations seem to be a reasonable element of interaction among Russia, China, and India within the framework of their constructive partnership. The prospects for interaction in the 21st Century among such countries as Russia, China, other SCO member countries, and India, Mongolia, Iran—i.e., the countries that historically are connected with the center of Eurasia—are not at all exhausted by the vectors addressed in this presentation. Certainly, interaction of all these countries must be put on the solid platform of economic and science-technology cooperation.

# China's Economic Development Prospects And New Measures in Opening Up

Dr. Bi is Deputy Director of the Institute for International Economic Research of the State Development and Reform Commission of China, in Beijing. This is his presentation to the Eurasian Land-Bridge panel on March 22.

Good morning, Ladies and Gentlemen. It's my great pleasure to have this opportunity to address the conference.

As you know, the rising of China is an important event in the 21st Century. As a peace-loving country, with a long history of splendid ancient civilization, China's development will constitute no threat to any country. On the contrary, a prosperous China is not only in the interest of the Chinese people—which account for one-fifth of the total population living on this planet—but also will provide more opportunities to other countries. We will benefit the other countries' development.

With the construction of the Euro-Asia Land-Bridges, especially the expansion of the network of railroads in these two continents, China's connection, and the cooperation with the European countries, has also been intensified.

As you know, the European countries in total, are the third largest trading partner of China, and Germany is China's first trading partner in the EU. Just as has been mentioned, China is involved in getting a lot of technologies, and equipment and capital, from Germany. The first magnetic-levitation rail line in the world has been put into operation in Shanghai, which is a symbol of the cooperation between China and Germany.

You have discussed a lot of things about how to construct Land-Bridges on these two continents; so today, I would like to tell you something about the prospects for China's economic development, and its new measures for opening up.

### Measures Against 'Asia Crisis'

Over the past several years, especially since 1997, the internal conditions for China's economic development have changed drastically. So, for the external environment, we have seen the Asian economic crisis, the IT bubble bursting in the United States, the U.S. recession, the slowdown in the world economy in recent years—all these events have made China's external environment worse. At the same time, since China has increased its productivity radically since the initiation of economic reform, most of the products in China's

markets have been in excess supply, since the mid—the later part of the 1980s.

And on the other hand, the economic restructuring, especially the structural adjustments in the state-owned enterprises, also generated a lot of laid-off workers, which added new difficulties for China's economic development. Generally speaking, currently, with the changing environment, the insufficiency of effective demand has been a major constraint on China's economic development.

So, in order to maintain a rapid economic growth, China's government has taken a series of measures in response to this changing environment. From 1998, 1997, the Chinese government has shifted its economic development strategy from focusing on stimulating exports, to expanding domestic demand. During the [Asian] financial crisis, as a responsible country in the world, China insisted on maintaining the stability of the exchange rate of its currency with the other countries, which has not only helped stabilize the situation in East Asia, but also enhanced foreign investment in the Chinese economy. And at the same time, the Chinese government took other measures, such as the tax refund to give some support



Dr. Bi Jiyao: "Can China maintain its rapid rate of growth in the long run—in 10 or 20 years into the future? My answer is yes."

for the export sector.

Most important, from 1998, the Chinese government began to adopt a pro-active fiscal policy, and a prudent monetary policy, by issuing a large amount of Treasury bonds, to put money into the construction of infrastructure. In 1999, the Chinese government initiated another great strategy; that is, to implement the Western Development Strategy to enlarge China's economic development space. So, this western development campaign, combined with the pro-active fiscal policy, put more and more money into construction in the western part of China, especially in railroads, pipelines, power grids and so on.

Besides this, the Chinese government also put a lot of money into strengthening the social security system, to provide basic support for the laid-off workers, and to enhance consumer confidence.

So, generally speaking, over the past five years, the Chinese government has taken a series of measures that have helped China to overcome the difficulties generated by the financial crisis in Asia, and the market changes in China itself.

### **Eurasian Economic Cooperation**

At the same time, China also stepped up its efforts to participate in international cooperation. So, this slide shows some aspects in which China has been involved. For example, in regional economic cooperation, China has established bilateral currency swaps with Japan, South Korea, Thailand, and so on, designed to stabilize the financial situation in Asia. On the other hand, China also has undertaken cooperation with Japan, South Korea, and the ten ASEAN countries, in the "10+3" framework; and now China is negotiating with the ASEAN countries to establish a Free Trade Area in ten years.

In Eurasian economic cooperation, the Chinese government has taken a very active attitude to strengthening the political dialogue between China and the European Union, and also proposed a lot of beneficial suggestions on how to strengthen bilateral trade and economic relations with the European countries. Also, in more broad areas—that means in the Asia-Pacific basin—China has taken some measures to facilitate the environment, and the trade among the Asia-Pacific areas.

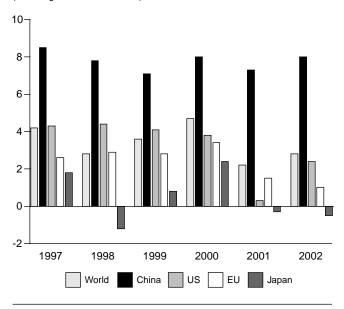
On the other hand, the most important thing for China, in recent years, is that China has gone a long way to enter the World Trade Organization (WTO), which means that China has fully integrated with the world economy.

So, this figure (**Figure 1**): As you can see, with these measures, China has maintained a rapid economic growth over the past five years; and over this time, you can see that no matter where the world economy growth rate, or that of Japan, the United States, or European countries—the growth rate has been faltering—but China has largely maintained a quite stable growth rate, between 7% to 8%.

Now, the past year—I mean, in 2002—was the first year that China joined the WTO. The economic performance was quite good, and it exceeded expectations. The economy

# FIGURE 1 Maintaining China's Rapid Economic Growth, GDP

(% Change from Previous Year)



Sources: China National Statistics Bureau; IMF; U.S. Commerce Dept; European Commission.

maintained a relatively rapid growth, with GDP increasing 8%; and capital investment registered a historically high increase since 1996, making a big contribution to the GDP growth. Consumer spending also continued to increase: in housing, in cars, telecommunications, tourism has been the spotlight of China's new consumption. Imports and exports also increased strongly, and foreign direct investment (FDI) reached a new high last year.

Now, **Table 1** shows some of the main macroeconomic indicators for 2002. You can see, the economic growth rate is higher—is as high as 8%—and the capital investment increased to 16%. And I must mention that in recent years, the increase of capital construction in the western part of China—as compared with the eastern part—has been much higher. Of course, we also have some problems. You can see the Consumer Price Index (CPI) has been declining, some deflationary pressures are still on our economy. And unemployment, unfortunately, has risen to 4%, which is the registered urban jobless rate. And we still have 4 million laid-off workers from state-owned enterprises, who are waiting for jobs.

So, to summarize, the major factors for China to maintain rapid economic growth, are as follows: The first one is, the correct policies, macro-economic policies, have to be adopted by the government. The second is, with the market-oriented economic reform, the market has played a key role in resources allocation, with non-public-sector investment increasing largely in recent years. The third one, is that the

TABLE 1
China's Main Macro-Economic Indicators,
2002

Economic Activity	Growth/Decline
Real GDP	8.0%
Agriculture	2.9%
Industry	9.9%
Services	7.3%
Fixed Investment	16.1%
Capital Construction	16.4%
Technical Renovation	11.1%
Real Estate & Housing	21.9%
Retail Sales	8.8%
Urban Area	10.0%
Rural Area	6.8%
Consumer Price Index	-0.8%
Urban Area	-1.0%
Rural Area	-0.4%
Employment	1.0%
Urban Regist. Jobless	4.0%
Laid-Off SOE Workers	4.1 Million
Trade Volume (\$620.8 Bn)	21.8%
Exports (\$325.6 Bn	22.3%
Imports (\$295.2 Bn)	21.2%
FDI Inflow (\$52.7 Bn)	12.5%
Foreign Reserves (\$286.4 Bn)	

Source: China National Statistics Bureau.

economic reform injected vitality to economic activity, especially in small and medium enterprises (SMEs) and the private sector, which has become more and more important in China's economic development.

### **Outlook for China's Economy**

Of course, on the other hand, in the external environment, frankly speaking, the moderate recovery of the world economy, and the U.S. dollar depreciation, also provided some support for China's exports. Because China's currency is pegged to the U.S. dollar, so the depreciation of the dollar to some extent gives some support for China's exports. And lastly, the accession to the WTO improved China's trade environment in general, which is beneficial to China's exports, and also encouraged more inflows of FDI.

We know, in the past, before China joined the WTO, many countries, including European countries, always used the anti-dumping measures to restrict China's exports. When China joined the WTO, to some extent, the number of anti-dumping cases have been reduced.

Even though we have made some achievements in economic development of the Chinese economy, there are still a lot of problems with China's economy. Currently, we have seen the following major problems that should be solved in the near future. One is, that inadequate effective demand still constitutes a constraint on economic growth, with many products oversupplied in the market, which is inconsistent with

China's economic development in the current stage. The reason is, that most of the people, especially the people living in the countryside, have low income. They have no money to buy the goods. On the other hand, the supply structure also has some problems, and cannot meet the diversified demands of the consumers.

The second is that prices, such as CPI, the Consumer Price Index, and the retail price index, are still falling, with deflation trends not being reversed. The third one is that the employment pressures are mounting, not only with over 4 million urban laid-off workers waiting for jobs, but we also have 150 million rural laborers in surplus, who should find jobs in the cities, which requires our government to make a good effort to step up its urbanization process.

And finally, the external environment is also confronted with uncertainties, due to the Iraqi war, the hike in oil prices, the moderate [growth of the] world economy, and the potential financial crisis and turbulence.

In spite of these difficulties, the general outlook for China's economy in 2003 is bright. In the just-concluded Tenth National People's Congress, the new Chinese government proposed an economic growth target for this year at 7%, but many economists and institutions made their projections of over 7% growth for this year. The Chinese government—the Party and the government—have decided to maintain the continuity and the stability of its macro-economic policies, which means that the pro-active fiscal policy and the prudent development policy will continue to be implemented this year. Which will provide the support for expanding the domestic demand.

And the consumption, and the investment, from the nongovernment sectors, will also play an increasing role in sustaining economic growth.

Fourthly, economic restructuring will add new impetus to growth, with infrastructure improved, manufacturing upgraded, and IT and high-tech sectors developed rapidly in recent years.

Foreign direct investment is expected to pour into China, due the strengthened confidence of overseas investors in China's economy. Last year, China's actual utilization of foreign capital was over \$53 billion, ranking the first in the world. And this year, we expect that the FDI will also surpass \$50 billion.

Finally, foreign trade will also maintain an appropriate growth rate despite the sluggish world economy, because China's exports are mainly labor-intensive products, which are daily necessities for common people. So, no matter whether the world economy is in a boom, or stagnant, I think that people need the goods made in China.

### **Can China's Growth Continue?**

Last year, the 16th Communist Party of China Congress proposed an ambitious plan to build a high-standard, well-off society—in Chinese, we call it a *Xiao Kang Shi Wei*, a well-off society, in the first 20 years in this century. The Tenth

National People's Congress has confirmed this plan, which means that China is to quadruple its GDP by 2020, over 2000, on the basis of optimizing structure and enhanced efficiency; which means that China's economy should maintain at least a 7.2% annual average growth, in order to achieve the well-off society's level of growth.

So, the question, is if China can maintain its rapid rate of growth in the long run—in 10 or 20 years into the future? My answer is yes. Because we have some favorable conditions to support the continued rapid economic growth in China. First, China can maintain its political and social stability, which is a key precondition for economic development. Secondly, as the most populous developing country, China has a huge potential domestic market. Last, the per-capita GDP of China has approached \$1,000. With economic development, the people will

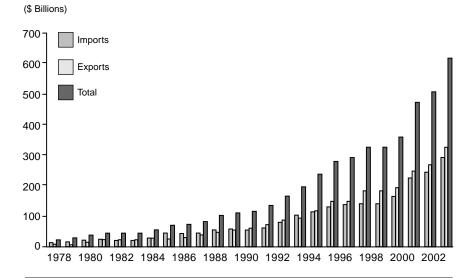
get richer, and the purchasing power will also increase, which means China has a huge potential market. We have enough domestic demand to support long-term economic growth.

Thirdly, the infrastructure, which is the basis of economic development, has been improved largely in recent years. Over the past five years the Chinese government issued 660 billion yuan, which is equivalent to some \$80 billion, in Treasury bonds. The money has been put into the construction of the railways, highways, and pipelines, and all such kinds of infrastructure. This is funding from the government, which has also induced a large investment from non-public sectors, so that total capital construction, over the past five years, amounts to 3.2 trillion yuan, which I think is \$400 billion, in the total amount. The large amount of investment in infrastructure has strengthened the basis of China's economic environment in the long run. The other thing is, China has a high-quality and a cheap labor force, which is unique in the country of China. I think we can maintain these advantages over the next 10-20 years.

On the other hand, we also have other favorable factors: such as the rapid development of the private sector; acceleration of the urbanization process—which has generated a lot of demand for products and services; further optimization of industrial structures; development of the vast western regions, which can enlarge the space for economic development; and the determination of the Chinese government to implement a sustainable development strategy.

So, in conclusion, I think that the ambitious goal proposed by the Party and the government, that we build a well-off society in 2020, is achievable.

FIGURE 2 China's Imports and Exports, 1978-2002



Source: China National Statistics Bureau. European Commission.

### **Trade and Investment**

Next, we come to the opening-up aspect. Opening to the outside world has been China's long-term national basic policy. The experience shows, that over the past two decades, owing to the opening to the outside world, China has introduced a lot of foreign capital and technologies, which has made a great contribution to encourage China's economic restructuring and development. And the WTO entry marked a new stage of China's opening up. So China will further expand its opening up, and participate in international competition and cooperation so as to optimize resources allocation globally, and enlarge the space of economic development.

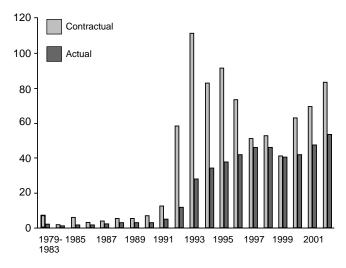
Let's show some results of China opening up. China's foreign trade volume (**Figure 2**)—on this figure you can see that the amount of imports and exports have increased gradually over the past two decades. For example, the total trade volume—that means the exports plus imports—has increased from only \$20 billion in 1978, to over \$600 billion last year. And the ranking of China in the world has also risen from the original 32nd, to 5th. For FDI also, a great achievement has been made over the past two decades. At the end of 2002, there are over 400,000 foreign-funded enterprises which have been established in China, with a total inflow of FDI amounting to \$447 billion, ranking first, for the past 9 years, among the developing countries.

Here are some figures (**Figure 3**), the development of China's investment. You can see, before 1992, the FDI into China was small. In 1992, the paramount leader, the late Deng Xiaoping, made a historic tour to the south of China, and China began to enlarge its opening to the outside world. So, we can see, from 1993 to 1997, the inflow of FDI has

#### FIGURE 3

# China's Foreign Direct Investment Inflows, 1978-2002

(\$ Billions)



Source: China National Statistics Bureau

increased steadily, and largely. And owing to the financial crisis in Asia, FDI dropped in 1998 and 1999; and in the recent years, the [last] two years, the FDI into China has begun to grow again.

When China joined the WTO, China began to take some new measures to open up its economy. The first one is, to reduce its tariffs, and expand market access. In 2002, China reduced its tariffs on over 5,000 items, with general tariff levels reduced from the original over 15%, to only 12%, and also abolished import quotas on eight items, such as grain, cotton, and fertilizer. From the beginning of this year, China further reduced its tariffs on 5,000 items, with general tariff levels reduced to only 11.5%, and relinquished import quotas on 31 items. So, this step is very big. This means that China has honored its commitment to the WTO.

Besides this, China also took some measures to open up its FDI sectors, including measures such as revising the laws on foreign-funded enterprises in line with WTO rules, promulgating new FDI industrial guidelines, and so on. As for revising laws on the foreign enterprises, China has three important basic laws concerning foreign ventures, or foreign-funded enterprises, which were issued, I think, at the beginning of China's opening up, in the early 1980s. By that time, the most part of China's economy was under the planned system, and in order to give space for joint ventures, China designed the three basic laws. However, because the laws at that time had some aspects which were not consistent with international laws, when China joined the WTO, it had to revise them; and now, it is in full compliance with the general practice of the WTO, on FDI.

In February and March 2002, the Chinese government also issued new regulations on directing foreign investment and the industrial guidelines for foreign investment, which gave some general guidelines for foreign investment. The main gist of these guidelines is, that more and more fields, or sectors, are open to FDI, open to foreign investment. And even the service sectors, such as banking, insurance, trade, tourism, telecommunication, transportation, accounting, auditing, laws, and other professional services, are also gradually opened to foreign investments.

All these measures have increased China's transparency of government policies and regulations. In the past, as you know, our government generally used internal documents to guide the activity of the companies. When we joined the WTO, we have changed these traditional measures, and tried to increase the transparency of policies and regulations. That means that investors, especially overseas investors, now can enjoy a more favorable investment environment in China. So, this shows some specific measures that the Chinese government has taken.

### 'Going Abroad'

If over the past two decades, our opening up to the outside world was mainly focussed on "bringing in," now China has begun also to "go abroad," to implement a "Going Abroad" strategy—which means we also encourage the Chinese enterprises to go abroad, to participate in the international cooperation with the other countries. This is a new dimension of China's opening-up policy.

This is just the beginning stage of the progress. Only preliminary progress has been achieved in going abroad. By September 2002, over 6,000 Chinese enterprises have some connections and investments overseas, in over 160 countries, with the Chinese contractual investment being \$9.2 billion (official figures). The actual overseas investment of Chinese companies, in the other countries, is larger than the government statistics. China has participated in over 200 cooperative resources development projects, such as petroleum and natural gas exploration, mineral production, in forestry and fishing, in more than 50 countries and regions.

Most of the important aspects of our going abroad is to seek cooperation with other countries, to develop the projects that are important, such as petroleum and natural gas.

In order to adjust to the new situation, the Chinese government is also planning to reform, to simplify, administrative examination and approval procedures on investment overseas, because there currently are still a lot of restrictions on Chinese enterprises when they try to make investments and they engage in international cooperation with other countries. So, the next task is to simplify and reform the management system, so we can also provide a more supportive environment for Chinese enterprises going abroad, and provide them with a more extensive cooperation.

Okay, this is my very simple presentation. Thank you for your attention.

# Prospects of Economic Cooperation in N.E. Asia

Dr. Kim is the Secretary General of the East Asian Common Space Secretariat in Seoul, South Korea. He spoke to the Eurasian Land-Bridge panel on March 22.

I would like to thank the organizers of the Schiller Institute for having me again, to have this opportunity to say a few words to all of you. It's a very different setting from what I normally am used to: I'm used to sitting with diplomats, politicians, journalists. But, here, I see in this gathering, a group of people with like-minded visions of a better world, a noble cause, high moral standards for individuals. Therefore, I



Dr. Kim Sang-woo

feel somewhat out of place. Because, I've heard what Mr. LaRouche had said yesterday, in his passionate speech; and to regard him as a politician is very unnatural. Because I've been in politics now for more than 10 years—I've been a member of Parliament in Korea, as well—and I find that, to be a noble and honest individual in politics, in the *real* world, is not necessarily a trait that benefits the individual.

While I was coming to Frankfurt, yesterday, on the plane, I had an opportunity to watch a movie, a video. It was called, *The Emperors Club*. It had some effect on me, briefly; but I would like to mention what happened in that movie, that I would like to tell you. In that movie, the teacher believed, that molding and forming character for the future—preparation of future leadership of great causes—was very necessary, and very important; because, "with great power comes great responsibility."

But, he had found in a student of his—who comes from good family, where the father, a very successful politician, and he himself, is also aspiring to become a politician—said: The teacher lives in an imaginary world, unreal world. And the real world is: In order to achieve your object, if it's necessary, you'll lie, cheat, do whatever. And that gets things done. And, of course, the teacher was very disappointed, feeling that his life was a complete failure. But, what I liked about the movie, of course, was that the ending was not depressing. The ending was that, through his other students, he was able

to see that certain qualities of human nature are always nega-

The reason why I'm saying this, and taking this approach, is that, after a day—half a day and yesterday night—listening to what has been said here in this conference hall, and from the experiences that I've been encountering in what is happening in my part of world—the situation of development of the North Korean nuclear crisis, and how things are not working in the way we had first perceived it. Because when President Kim Dae-jung, the former President of South Korea, came into power, we saw, for the first time since the division of the country, a genuine possibility of North-South Korean reconciliation.

For 50 years, we've been separated. We had a war. We had been taught that the "other side" was our enemy, and that there is no possibility of peace or reunification. And, we believed that. We were living under the influence of the Cold War. And we certainly took the position of supporting our patron, the United States, which represented the Free World. And of course, North Korea took the position of supporting the Soviet Union, their patron. And we thought that that was how life would be, for Korea. But, since the inter-Korean summit, in June 2000, the unexpected happened. And again, we felt that it was now quite possible, that Koreans could determine the future of their fate. And, for the year 2000, we were very optimistic, upbeat, of the possible prospects. And, of course, things changed.

### **Impact of Bush Policies**

The direct result of the U.S. Presidential election had had considerable effect. President Bush, once he came into power, the first thing that he did, of course, was to announce North Korea's leader to be one of the "axis of evil." And, certainly, when he had his first summit with President Kim Dae-jung, he made it clear that he didn't like the North Korean leader, and that North Korea was a very terrible regime. That certainly changed the prospects for the Korean Peninsula. And then, of course, the Bush Administration postponed a North Korean policy for six months, making the North Koreans very anxious, and very concerned. And everything went downhill, since then.

Regardless of the efforts made by North and South Korea to improve relations—in its own way, they made progress; small steps, but progress: of separated families' reunions, and trying to link South and North Koreas' railways, which was part of the grand vision that former President Kim Dae-jung had. He's the first Korean President ever to, officially, make, as policy, the concept of establishing an Iron Silk Road from Pusan to Paris. Of course, the new President, who has more or less stipulated that he would continue the policies in regards to North Korea, in regards to its foreign policies, has said that the new Northeast Asian prospects of economic cooperation will be even greater. And made recommendations to [Japanese] Prime Minister Koizumi, that they should build an underwater tunnel, so that Tokyo will be connected to the Eur-

asian railway system.

But, I must say, that whether or not real progress will be made, will depend on many things. And one of the main things, of course, is how the United States perceives this Land-Bridge, or this connection of Europe and Asia: whether it is perceived to be against the interest of the United States, or in the interest of the United States. So, if the United States perceives it to be against its interests, it will certainly not be an easy task to achieve, because we have experienced other incidents, where we found that it is not easy to actually accomplish things that the United States would sometimes not condone.

For instance, when we had the "Asian financial crisis" in 1997, we found that the financial system that was dominated by the IMF (International Monetary Fund) and the World Bank, did not really provide the necessary support, nor the solutions to overcome the crisis. So, Japan had advocated to create an Asian Monetary Fund, but it was quickly rejected by the United States, because it might weaken the IMF and the World Bank, and the economic system that we have now. So, that was quickly dropped.

So, we see the limitations of what the rest of the world can do, in light of the strong influence and opposition of the United States. We could say, here, that that is wrong. The United States shouldn't do this. It goes against all the interests of the rest of the world. But, whether or not we will be able to prevent these things from actually happening, is another matter. We've now experienced this first hand, with the attack on Iraq. And, this is why it gives me some displeasure, in standing here and addressing you, in a more or less pessimistic or negative way. Because I should be here, trying to rally the forces that are against this kinds of unilateralism that goes against international cooperation.

### Northeast Asia's Prospect

I just want to point out, that we live in a world, that is very gray; it is not black and white. Sometimes that makes things quite difficult to actually ascertain. Because, it will be quite easy to look at the situation, "good versus evil," or "black and white." But, there are certain points, that make the situation a little more blurry. For instance, it is true that Saddam Hussein is a terrible leader. It is true that his regime has done and committed quite serious atrocities against its own people. It is also true that North Korea's Kim Jong-il, the leader, is also a terrible leader; and that, it is doing things to its people that we certainly would not condone, in the normal circumstances.

But, because we do the best we can, under the circumstances in the situation we have, I do think that we have to address these issues, and try to find a middle way out of the situation. For instance, Northeast Asian cooperation is something that we really need to work at, but there are other factors that are at play, that make that difficult as well. For instance, we just do not look at the Northeast Asian economic cooperation aspect; but we look at the security and the military alli-

ance in the region, as well. We know that the United States regards Japan as its Northeast Asian ally, and that it will strengthen that alliance, which will certainly make China feel very uneasy and uncomfortable in the future. And Korea, of course, is not a major player in the region, because Northeast Asia is a region which has all the great powers of the world involved, and certainly playing for their national interests. And it will be a very difficult region in which to reach a kind of consensus.

But, looking at the situation under the rather more complex circumstances, I feel that still—regardless of all that there is a genuine prospect for improving and developing the region as a whole. The process that has been started by the ASEAN countries, in 1999: ASEAN consists of 10 Southeast Asian countries, which are not considered to be very important countries, in the sense of economic might, nor military might. It is developing countries. But still, it has been able to achieve a certain sense of unity and cooperation, since 1967, which now looks at a possible common market and common currency. And it has initiated, to the greater powers in the region-namely, China and Japan-a framework, that enables these three countries to have regular summits, in the forum of the ASEAN+3. It's a very unnatural title, because, although the initiation and the leadership is seemingly provided by ASEAN, certainly, of course, China and Japan would be regarded as the real powers behind this framework. Nevertheless, Japan and China were not able to really have a consistent, regular, cooperative relationship—because of past history, because of their rivalry, and because of the regional nature of the relationship, geographical relationship in Northeast Asia.

I think that has somewhat been alleviated through this process of having regular meetings, and also providing a venue for the leadership to sit down and talk about positive cooperation between their countries.

Not just because of Iraq, but certainly because of the prospects of what might happen on the Korean Peninsula, and because the U.S. Bush Administration has taken a very different approach from its normal U.S. position—in other words, defying the multilateral system of the United Nations—by pre-emptive attack on a country, just because it feels that it serves the interests of the United States. [This] has now created a precedent; very scary. And, whether or not the United States, the only superpower in the world—in the true sense, militarily as well as economically—will continue to take this attitude of unilateralism; certainly it will spill over to other countries, as well.

The prospects are gloomy, but at the same time, it also does tend to give us more reason, for trying to work out a peaceful solution, and finding the kind of future that Mr. LaRouche and others have conveyed during the conference. And therefore, I hope the Schiller Institute and the people involved in this Institute continue the struggle, and power to you. And hopefully, you will succeed in your endeavor. Thank you.

# Economic Outlook For The Eurasian Railroad

Dr. Chin is vice president of the Korea Maritime Institute (KMI), a government research institution under the South Korean Prime Minister's Office. He is also president of the Korea Logistics Society, which deals with all modes of transportation across Asia. He has been a railroad and intermodal consultant to the UN ESCAP for the Trans-Asia Railroad Project. He received his Ph.D. in Economics from the State University of New York at Binghamton, in 1985. The full title of his speech is "Eurasian Railroad: Current Operation, Prospects, and Its Meaning to the Northeast Asian Economy." A selection of his graphics is published here. EIR will print a more extensive documentary presentation in a future issue.

Thank you for allowing me to speak about the Eurasian Land-Bridge. Usually, as a transportation authority, many times I speak about these kinds of things as a very serious subject; and frequently, I'm talking in a foreign language, about a serious analysis in an academic setting. Here I think you are

already very serious and sincere, so I will try to help you with your desire to learn something important.

I have been working for some time as a Korean advisor to the Ministry of Construction and Transportation in Seoul, regarding the entire Eurasian Land-Bridge. In this presentation, I summarize our own work at the Korea Maritime Institute on the Eurasian Land-Bridge. I had already planned to visit Russia to further our own research there, when *EIR* asked if I could address your seminar in Germany, so we adjusted our schedule, and we came here. Actually, I was speaking in the United States in 2000, in Seattle, and a researcher, Mr. Hal Cooper, gave me the *EIR* report on the Eurasian Land-Bridge. I found it to be a wonderful and very fine report, so I contacted *EIR*, saying, "You produced a very good report." That's how my relationship with *EIR* began. I think *EIR* also has very good inputs and improvements in making the Eurasian Land-Bridge possible. Also, we have many problems.

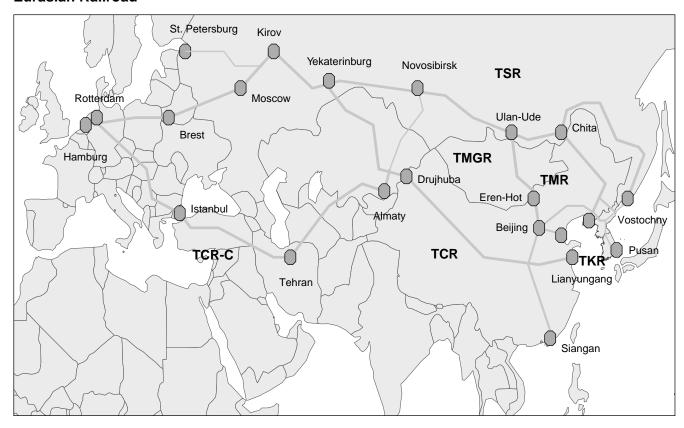
So now, I will talk about, as a researcher, I will present to you what the economic advantages will be, and what the potential is, and some operational and management aspects, and required investments, and government regulations—there are so many aspects to be achieved, and to be considered and pursued.

This is the Eurasian Land-Bridge proposal for five systems (**Figure 1**), and until now, most important has been the Trans-Siberian Railroad [TSR]; but there is also the Trans-Mongolian Railroad [TMGR], Trans-Manchurian Railroad [TMR], Trans-China Railroad [TCR] (obviously also a very important railroad), and the Trans-Korean Railroad [TKR].



Dr. Chin Hyung-in: "If we construct both [East and West Railways], it will be better."

FIGURE 1 Eurasian Railroad



You see here the TSR, from all the way from Vostochny to Moscow, Brest, and you can go even farther west to Hamburg, and Rotterdam. Then the Trans-China Railway, starting from the main port in China at Lianyungang, to connect with Chita, to the north of China; and there is Beijing, Eren-hot, and Ulan-Ude, also very important for Korea.

Here (**Figure 2**)) you can see the Trans-Korean Railway connection. One, at the left, is going from the west side of Korea to China, the Kyongui Line. The other, at the right, is going from the east side of Korea, to Russia, the Donghae Line. And, there are several different interest groups debating as to which one should be connected first, or which is more important.

But as a specialist, I think both are important, so it's no problem. If we construct both, it will be better! Meanwhile the construction of both is under way, and one will go through Shinuiju, as you see on the left side, and on into China. And the other one will go through Tumengang on the right, at the mouth of the Tumen River, where North Korea, China, and Russia meet, and into Russia. Russia is naturally very concerned about completing the railroad on the right, so that cargo can then go all the way through, starting from Vostochny, through to Moscow and Europe.

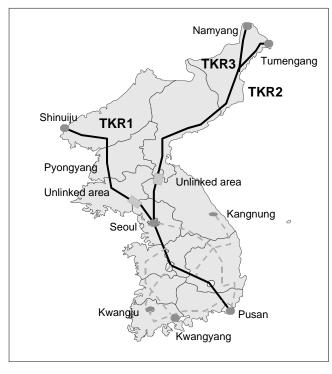
But personally, as a researcher and area expert, I'd prefer the priority to be the left side, because we need more cargo and communications there right now (between Seoul and Pyongyang), and we already have very well-developed shipping channels, from Pusan to the right-hand line (TSR to Russia). But anyway, both are very important, so both will be constructed soon, and very energetically.

Please note the grey shaded boxes marked "Unlinked Area." Please imagine the Demilitarized Zone (DMZ), the 38th parallel, as a line dividing Korea crossing from left to right, passing through the center of these unlinked areas. Inside these unlinked areas, this is where we are now concentrating our efforts to re-construct the Trans-Korean Railroad for the first time in 50 years. As one North Korean official told former U.S. Ambassador to South Korea Donald Gregg: "We are ripping up 50-year-old trees and tearing up all the land mines, to rebuild the railroads and highways, which shows that we would prefer to have peace."

There is one unlinked area on the west side at left, running from Seoul northwest to Pyongyang and Shinuiju.

There is the second unlinked area on the east side at right, running from Seoul northeast across the DMZ and then up the northeast coast to Tumengang where the three countries

FIGURE 2 **Trans-Korea Railway** 



meet, to the lines of the TKR in Russia. And you can see that Seoul is a kind of center of a large "X" connecting all the rail lines on the Korean Peninsula.

Here (**Figure 3**), I'm showing the details inside the "unlinked areas" on the previous slide, where these two rail lines are now being re-connected. The top of this slide shows the western Kyongui Line from Seoul northwest to Pyongyang, Shinuiju, and into China. The bottom half of the slide shows the eastern Donghae Line, from Seoul northeast to Wonsan, Tumengang, and Russia.

At the top of the slide is the western railway, and you see there the Demilitarized Zone, in the middle of the line. And on the left you see, starting from the south, in South Korea: Seoul, and then Munsan at the southern edge of the DMZ, and then you see the DMZ, and then the town of Bongdong in North Korea at the northern edge of the DMZ. And this line continues to Kaesong in North Korea, where it is proposed to build the important Kaesong Industrial Complex as an Inter-Korean industrial project, and to Pyongyang, Shinuiju, and into China.

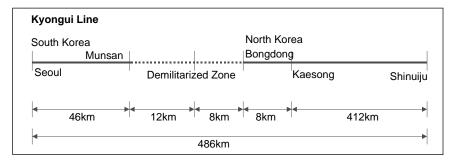
As you see, from Munsan at the southern edge of the DMZ, there is only remaining to be rebuilt 12 kilometers to the Military Demarcation Line at the center of the DMZ, and then only 8 kilometers more, north to Bongdong at the northern edge of the DMZ. As South Korean President Kim Dae-jung said many times, just 20 kilometers of Iron Silk Road will connect the whole Eurasian Land-Bridge grand transcontinental line from Pusan to Paris. And the total dis-

tance from Seoul to Shinuiju, where North Korea meets China, is 486 kilometers.

From Seoul up through Munsan, President Kim had already accomplished the completion of the railway inside South Korea, to the beautiful new Dorasan Station at the end of the line. visited by President Bush in February 2002. So there is no problem from the South Korean side of the line. There are, of course, many problems on the other side, technical and other problems. But South Korea has been preparing for this connection for so many years, that we even have a proverb in South Korea, "Come Spring, the connection of the 'missing link.' "So, we are eager to connect the railroads, but things are not that easy, I assure you.

And the bottom of the slide shows the second unlinked area on the east side of the Korean Peninsula. On the left side of the slide you see South Korea, and we don't show Seoul here; you have to

FIGURE 3
Unlinked Areas Along the TKR



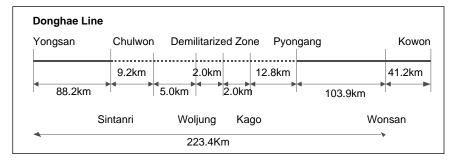


TABLE 1
Railroad Facilities of South and North Korea

	South Korea	North Korea
Length of Routes	3,125 km	5,214 km
Electrification		
Length	661 km	432 km
Percentage	21%	8.3%
Double Track Rail		
Length	901 m	156 km
Percentage	29%	3%

imagine Seoul is further to the left. This is the line running from Seoul to Yongsan at the southern side of the DMZ, then northeast across the DMZ eventually up the east coast to Russia. We tried to show that inside the DMZ, this line has several segments at different stages of development. For example, from South Korea, 9.2 kilometers to Cholwon is one segment. Then another 5.0 kilometers, a different kind of segment; and another 2 kilometers to the Military Demarcation Line at the center of the DMZ. And so on.

So the eastern line to Russia has, inside the DMZ, five different segments at different stages, with lengths of 9.2+5+2+2+12.8 kilometers, a total of only 31 kilometers. Anyway, this line runs by Cholwon, northeast into North Korea at the town of Pyongang (please do not confuse this with North Korea's capital in the northwest, Pyongyang). It then runs to the key North Korean port of Wonsan, then to Kowon, up the east coast to Tumengang where the three countries meet, and into Russia connecting, as I said earlier, to the Trans-Siberian Railway. And despite all the problems with the rail connections, I am pleased to tell you that we did reopen the automotive and bus highway along this route in February, for the first overland crossing of the DMZ in over 50 years. Many South Koreans have already travelled this route by land to the famous Diamond Mountain or Mount Kumgang in the North, also commemorated in songs and legends in the 5,000-year history of Korea. . . .

As to rail length (**Table 1**), actually the length in South Korea is shorter than in the North; it has not been extended very much. In the South, however, we have more electrification (21% versus 8.3% in the North) and a higher percentage of double lines, which makes the system much better. And of course in the North, the facilities are very old, and not very efficient.

### **The Russian Connection**

I'll now talk about some new developments, politically and in operational aspects.

Reviewing relations between Russia and the Trans-Ko-

rean Railway: First, regarding North Korea, with respect to the TSR, Russia wants to participate in the modernization of North Korea railroads related to the TSR. Russia intends to renew its political and economic relationship with North Korea. Russia also is also trying to solve North Korea's problem of debts owed to Russia, through cooperation among South Korea, North Korea, and Russia. They are all trying to devise some measures to solve that problem, by making new financial arrangements linked to the railroad project.

I have visited Moscow a few times, as a consultant on this railroad; and this week, traveling in Russia I learned new facts. So I would like to add here to what I had planned to say earlier: The concept of the Eurasian Land-Bridge seems to have changed a little bit.

Before, when we in Korea spoke of the Eurasian Land-Bridge in Russia, we usually thought about "transit costs." We are shipping goods through Russia, so that Korean cargo goes from the Pacific end from Pusan, or Seoul, or Vostochny, all the way to Europe, in such a way, that Russia can charge a transit fee. That is one concept of the Eurasian Land-Bridge, of Russia primarily as a transit corridor.

However, the economy right now in Moscow is growing, and trade between Russia and Korea is increasing. Trade volume is going increasingly high. So right now, the trade volume between Seoul—and not only Seoul, from Pusan—to Moscow, is increasing, which makes Moscow itself an important destination for Korean goods. The most important products are electronic goods, produced by Samsung and LG, other well-known Korean manufacturers. They have a large market share in Russia.

But further, I learned that now much of the cargo is moving not actually from Vostochny to Moscow, but from Vostochny to Finland, and from Finland to Moscow, due to the fees and regulations. So the goods are shipped over a longer route via Finland, to avoid some government regulations in Russia, especially customs regulations, because the Russians are imposing a very high customs tax. So certain Russian regulations are causing reduced efficiency of the overall shipping lines.

Another problem is that of empty containers. If you deliver container cargo from Point A to Point B, then you should be able to backload the empty containers, to load another cargo at Point B and ship it somewhere—but the cargo is unbalanced between Vostochny and Moscow in one direction, and back in the other direction, back into Eurasia. So, there are problems with empty containers.

This means, that we are talking about the Russian aspect of the Eurasian Land-Bridge a lot, but in reality, the Russian government does not fully utilize enough, the available facilities for making it more efficient and to make it an automatic system.

As to North Korea, of course, the Trans-Korean Railway project could offer them the opportunity to earn foreign capi-

tal which they desperately need to develop their economy. They could charge transit fees for allowing transit cargoes to go from South Korea to Russia, and encourage foreigners to invest in their development projects.

There has already been important dialogue between North Korea and Russia with respect to the TSR. North Korean Chairman Kim Jong-il visited Moscow and Russian President Vladimir Putin has been in twice in Pyongyang, where they have each time discussed putting strong efforts into the reconstruction of the TSR.

In February 2000, they signed a new North Korea-Russia Treaty of Amity and Cooperation. In July 2000, Putin and Kim met and agreed to pour all efforts into re-vitalizing the TSR along the east side of Korea. They also agreed that connecting the other western railroad between Seoul and Pyongyang (122 kilometers) and modernizing the railroad between Pyongyang and Khassan were important issues, among others.

In August 2001, Chairman Kim Jong-il visited Russia by TSR train, and talked about the TSR and TKR, and also their staffs have discussed it again since then. In August 2001, the Russian government expressed its intention to invest about \$500 million into modernizing the entire Kyong Won Railroad Line inside North Korea.

#### Problems To Be Overcome

As I told you earlier, there have been some barriers and problems to resolve. For example, the documents of the different countries have different Codes, different Document Requirements, and different Customs Clear Restrictions, and even the languages are different; as yet, no common language has been decided. This is causing delays by making it necessary to re-prepare the documents each time in each country. And if there are not easily usable documents, people and cargo will be pulled aside and not easily allowed to pass over the border, and the shipments are delayed while you have to send far away for proper authorization back home.

So next, we need the establishment of close cooperative relationships between bordering nations with respect to the Trans-Asian Railway (TAR) operations, to secure rapid and safe border crossings for TAR trains. We also need to set an institutional agreement to ensure effective and efficient through traffic, especially for transshipment of cargoes, among TAR nations.

For the transportation to be effective, trains should run regularly. It should be just like shipping vessels, often called liner vessels, because those ships usually leave on time. So also the trains should leave on time, regularly, once a day, or twice a day, or three times a week, in a precisely scheduled way. If we have regular train operations, this will allow the railway transport to be linked economically with ocean liner vessels' time schedules in the major regional ports such as Vostochny, Nahodka, Lianyungang, Pusan, and so on.

We also need to improve operating block trains between major cities such as Berlin, Moscow, Nahodka, and Brest. Operating block trains are those trains running for a certain block between certain cities, and these are not running well within Eastern Russia right now. Also, last year at this time, I heard that there are some block trains running between China and Russia, but they are very expensive. But as I said earlier, the cost of the regulations is very expensive, and so not many cargoes are coming directly into Moscow.

I am regularly visiting Moscow, and I see it's not modernized, and their facilities can be improved a lot. There is a lack of facilities, and extreme over-regulation, which is an obstacle against running the block trains—that's one of the major obstacles. I think.

Another issue is that currently, various TAR nations are applying different rate criteria to freight transportation, which also creates problems in communications and payments, and so it also delays shipments. For example, there are two rate application systems, ETT (European Common Tariff) and ITT (International Transport Tariff). In the ETT rate structure, the shipping rate increases in direct proportion with transport distances, whereas under the ITT structure, the rate increases in proportion with decreasing distances. Two different ways of thinking.

We need to have a recorded "through rate," which can be applied for cargo all the way from Seoul to Moscow, or Belarus, or Berlin, so that the freight forwarder can charge a uniform through rate for the shipper, and he can pay that cost to the railroad. This is very important, but it's very difficult to achieve agreement. When I was working at the UN ESCAP on this, there were many railroad officials from many countries—Germany, Poland, and Belarus, of course Russia and China—who sat down together, and talked about that, many, many times; but this is the most difficult part.

So various nations will have to make concessions and compromises to achieve unified operations profitable to all. Russia has proposed that certain big international freight forwarders come out strongly and take the initiative to apply a certain uniform international rate, but still it has not been made to work well, and still we have problems.

Also, rail transport cost structures could be different from each nation to the other, because each TAR nation has a different rail transport structure. Sometimes costs are calculated differently, because the physical railroad structure itself is different from country to country, and so the unit cost for transit is actually rather different among nations.

Then we have to consider even the size of the railroads in different countries. Some have a long distance, some have a shorter distance. For example: Russia has a long length of rail transport, whereas a small nations such as Poland has a short length of rail transport. Therefore, the unit cost of transport (cost per km) could be higher in Poland than Russia.

Reaching an agreement to apply a uniform through rate across the TAR is not easy, due to these differences. A uniform acceptable rate which rationally reflects these differences remains to be developed.

Also, we need the establishment of multimodal transport rates, for not only railroad transport, but for ocean shipping, and port stevedoring, all together recorded as coherent multimodal transport rates.

In the case of ocean transportation, a multimodal transport rate is well developed in most of the routes. The TAR rate is composed of the ocean shipping rate, the port charges, the rail transport rates, the customs charges, the border passing charges, etc. At the present time, the consigner has to pay each of these expenses separately, so it causes a lot of inconvenience. A system needs to be developed so that the consigner pays a unified multimodal rate to the freight forwarder or to the multimodal transport operator, all at once.

The other matter that's important is the reliability and safety of the cargo. Securing safety of cargoes through all the procedures of the transport routes is a very important factor to further activate a wider use of the TAR. It has been improved a lot, but still the rail transport operation is not as dependable as the shipping operation. Shipping operations are very dependable, and they are very good, so the shipper does not have to worry about that at all. But on the railroad, still on the Eurasian Land-Bridge, sometimes the shipments get lost—so it can be improved a lot.

Also, the safe reverse flow of empty containers needs to be ensured. This factor is especially important to re-enforce TAR marketing. The difficulty of securing the safe back-haul transport of empty containers is one of the major obstacles to increasing the use of the TAR.

Developing an effective information system could be an adequate solution to this problem. Applying a discount rate for empty containers could also be a good measure to promote the use of TAR. This is also a very important factor.

As you might guess, the information network is also important in every aspect of the world, in business, and we need a more efficient information network system to be connected. Establishing a broad network of information is essential to promote the exchange of documents among various transport agents. Also, information can be stored and exchanged in real-time through this information system. Customers can locate their cargoes all along the transport route using this information system.

### **Development for Eastern Russia**

Actually, this has been improving, so in Russian railways, for example, now, if they are asked to locate a shipment, they can now often find the location of the shipment and inform the shipper. But this was not true several years ago. And we should strive to make it more as it is in the United States, where you have an electronic identification tagging system

on the container or the shipment, so that when the train passes regular recording locations, each shipment is electronically identified and tracked, with a sophisticated system of automated identification. That kind of system needs to be exported for the TSR.

Currently, in order to get a container all the way to Moscow, since there is no Trans-Korean link yet, we need to use a ship from Pusan to Vostochny, and that ship unit rate per distance was normally very high, about \$1,000, even though the distance is only 500 miles. To compare, for example, the cost by ship from Pusan all the way to Lisbon is almost the same, at \$1,200, for a distance of about 10,000 miles. Recently the Pusan to Vostochny rate has been reduced to \$600, as fluctuations in the shipping market occur widely. But still, the unit distance cost of maritime shipping is high in Northeast Asia, shipping large cargoes over relatively shorter distances. The unit cost per distance over such local areas should be much lower by rail—if we had the new railroad.

Overall, however, right now, of course the cost of using the entire TSR railroad is a little bit higher than the cost of ship transportation, due to the reliability and other issues which we discussed. So, although container volume from South Korea to Europe was 468,270 TEU [20-foot-equivalent units] in 1999, among these, only 17,791 TEU was carried by TSR through Vostochny.

But scientifically, if we improve the railroads, we will get an ultimate great benefit in cost reduction for all goods per unit distance. And already the time is shorter by five days using TSR than by ship. So more and more, the shippers are concerned to reduce time rather than reducing transport costs, so they are increasingly using TSR. For example, in the case of electronic goods, the shippers don't care so much about the cost of the shipment; they are more concerned about the rapid time and whether it is dependable or not.

But still, the volume using TSR is very low, and if the TSR develops, it will be a good thing for the development of the Northeast Russian provinces. The Russian Northeast has some merits to activate its economy: It is close to Korea; has a labor supply with lower wage levels; and is linked to Siberia, where natural resources are rich. These factors, combined with the TSR, which connects this region with Northeast Asia and Europe through rail, could make the economy of this region develop fast.

The Russian government recently has poured its efforts into improving TSR operations. Recently for the passenger trains, the trip from Vostochny to Moscow is only seven days. This is a very good improvement, and it was done by changing government regulations, such as easing the border passing regulation, and lowering the rate for transit cargoes. Also, the duration of TSR transportation from Vostochny to Belarus has been reduced to seven days.

The Nahodka industrial complex, which is located near

Vostochny, could be the place where trade between Korea and Russia is centered. This also could be the spot where several large industrial projects between Russia and Korea, such as development of Siberian oil and gas fields, and UNPP projects, could be promoted actively.

# **Evaluation of TSR by the South Korean Government**

What is the evaluation, in summary, of the TSR by the South Korean government? When the Koreans think this is very good, sometimes we are in too much of a hurry and make too much noise, but in fact, right now, the South Korean government is thinking very seriously and scientifically about re-connecting to the TSR, TCR, and TKR. We're trying to. After some time, Koreans will make things happen in reality. This is my personal opinion, and I told the South Korean Embassy in Moscow this, that the modernization part should be done by Russia, and of course China. It's not the work of the Koreans. We should wait until things improve.

Activation of TSR operation could be beneficial to the growth of the regional economy of such nations as South Korea, North Korea, Northeast Russia, Central Asia, and Russia as a whole. The TSR could promote trade among nations in the regions of Northeast Asia, Central Asia, the Middle East, and Northeast Europe.

Why is it so important that we have the policy to establish Korea as the logistics hub in Northeast Asia? We're taking logistics very seriously in Korea right now, because all the manufacturing companies are going to China; even major Korean manufacturers are moving factories to China, and then there will be enormous competition for our manufacturing industries, so how can they survive? We need to concentrate on our advantages, such as providing services for the manufacturing companies, so we are trying to emphasize logistics. . . .

In closing, I would like to say we are in an environment in which the Chinese economy is developing, and the Korean economy, both North and South, is developing, and we're in the center of it geographically—in the center of China, Japan, and Korea. We can offer all our routes for them as the hub for all transport in and around Northeast Asia and all of Asia.

Korea is connected by the ocean to every country, so if we complete the rail, we will be connected also to the entire Eurasian continent. Then it will be excellent for trade of every country to expand the entire Eurasian Land-Bridge, and it will definitely promote our economy much more.

We in Korea are thinking very seriously about this Trans-Korean Railroad, and we hope it will be connected soon, so that we can invest in the development of Northern Korea, and also Manchuria and the rest of China. I'm sure that will give Korea the best opportunity to improve our economy and to improve the economy of the entire region. Thank you very much.

### Chandrajit Yadav

# Why We Need Peace And Eurasian Union

Chandrajit Yadav is a former Union Minister of the government of India under Prime Minister Indira Gandhi. He spoke to the "Eurasian Land-Bridge" panel of the Bad Schwalbach conference, on March 22. Subheads have been added here.

Since yesterday, many heartbreaking statements have been made, and I am sure that today and tomorrow, more ideas will emerge, because this gathering, in my opinion, is here to consider, in a new emerging world situation, what kind of world we are going to build. Yesterday Mr. LaRouche gave a very detailed kind of road map of tomorrow's world. And today, Helga [Zepp-LaRouche] gave us a very thoughtful and very educative historical development of the forces. We have to learn some lessons from the events of history.

Unless and until we learn proper lessons, draw proper conclusions, and also work out our proper strategy for today, the alternative strategy is a doomed world and a doomed humanity. Science and technology, on the one hand, provided all the necessary facilities for life; they have made our life very much easier, though it is not for the entire population, it is for a few privileged sections of the society. But on the whole, if you see, the progress of science and technology has turned its service to humanity. But we should not forget at the same time, that they have also given us the potentiality to destroy the whole world. And today the world has got so much nuclear armaments, that they can destroy the entire world not once and twice, nor a dozen times, but they can destroy this world a thousand times. So we are at a crossroad, humanity is today at the crossroad.

### Mahatma Gandhi's Leadership

And therefore we are here; and perhaps this Iraq crisis has provided us an opportunity to give a very serious thought. Before I make some observations about . . . how can India play a role in Eurasian cooperation, in cooperation with Europe and Asia, Africa—the whole world—I would like to read a statement of Mahatma Gandhi, and I would like our young friends here to know, that Mahatma Gandhi, before he started leading our freedom struggle in India, he started raising his voice against this racist regime in South Africa. When he went—he was visiting South Africa when still very young, and like you; and he saw how the racist regime was bringing oppression against the natives of Africa, how they were deny-



Chandrajit Yadav: "I have great faith in youth, and I call upon all our young brothers and sisters: Make a pledge, that we are the soldiers of a new world."

ing them the fundamental human rights—he raised his voice there; he started the beginning of his freedom struggle in South Africa. And 20 years later he came to India and then he made it a mass movement.

How did he do that? He did it being with the people, seeking the cooperation of the people, doing certain things on the basis of some idealism. He was a man with idealism. He was a man who has immense faith in non-violence, immense faith in truth, immense faith in justice. And therefore with the convictio, with the faith, he started the movement in a peaceful manner. And when we were in our freedom struggle in India, our young people sometimes were losing patience, wanting truly to take arms in their hands, wanting to organize guerrilla warfare against the British rulers. Gandhi said: "No, you cannot defeat violence with violence; you may achieve perhaps some result, but it will not be lasting. Don't do that! Fight on the basis of your ideals." And when there was some kind of upsurge—bloodshed, at one time there was—he said, "No, I cannot tolerate violence." And he was educating our people, that the freedom struggle is not against the British people, it is against the imperialism. It is not a question of white and black. . . .

So, I want to drive your attention to what he said six decades before. How would he look at the world, what we are discussing? He spoke about the world of tomorrow. A small quotation of what he said, I would like to read to you. I am not reading the whole thing. He said about the world of tomorrow: "Perhaps never before has there been so much speculation about the future as there is today." (The same

speculation about our future is today. This he said six decades before.) "Will our world always be one of violence? Will there always be poverty, starvation, misery? Will we have a firmer and wider belief in religion, or will the world be godless? If there is to be a great change in society, how will that change be wrought? By war, or revolution? Or will it come peacefully?

"Different men give different answers to these questions, each man drawing the plan of tomorrow's world as he hopes and wishes it to be. I answer not only out of belief, but out of conviction. The world of tomorrow will be, must be, a society based on non-violence. That is the first law: Out of it all other blessings will flow. It may seem a distant goal, an impractical Utopia. But it is not in the least unobtainable, since it can be worked for here and now. An individual can adopt the way of life of the future—the non-violent way—without having to wait for others to do so. And if an individual can do it, cannot whole groups of individuals? Whole nations?"

Then he said, and I will underline it: "Men often hesitate to make a beginning, because they feel that the objective cannot be achieved in its entirety. This attitude of mind is precisely our greatest obstacle."

Nothing is impossible, but if in our mind we have doubts, we have hesitation, we do not have the capacity to take a decision. Then the real trouble starts. "This attitude of mind is precisely our greatest obstacle to progress—an obstacle that each man, if he only wills it, can clear away."

So, this is a small quotation, which I have read from his idea of the world of tomorrow.

### War on Iraq and the UN

So I am saying, today the world is facing the real crisis. Nobody could imagine this. As I said yesterday, the 21th Century is going to be a century of such a great challenge. We will be confronted with the annihilation of society, annihilation of certain values. Today it is not the question, that Mr. Bush and Mr. Blair jointly have attacked Iraq. The question is: They have attacked the United Nations Security Council an institution, world-institution, which came into existence after such great sacrifices were made, wars were fought. After that, that institution came into existence. That institution today is facing a challenge: What will be of this tomorrow? And I am glad that in San Francisco the day before yesterday where the [United Nations] idea got the roots, where it got its shape—our young people in San Francisco, U.S.A., our intellectuals, our women, our students; they came, in thousands and thousands, against their own government, against their own President, this barbaric American leader. They have been arrested in thousands in San Francisco.

It is not the United States of America which is attacking Iraq, it is a gang of people, a group of people, with the wrong idea, without understanding of the world situation. They are out to destroy these values. So I am saying that this is the situation we are confronted with today. Mr. LaRouche, you are an international personality, you are a known economist, I am glad that your ideas, your vision is catching up. People

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are giving serious thought to it. And that happens always with new ideas, that people do not understand, they misunderstand, they have doubts, there are people who deliberately want to defeat. There is a kind of battle between the evil and the good. In our society, in our civilization, there exists in all the time, for the whole eternity—in our mind there is a continuous battle between the good and the evil. When the good becomes stronger, evil is defeated. But when evil becomes stronger, then good is defeated. And that is how the role of the individual is important. This importance—we must give a very serious thought to all this.

I am so glad, that today Mr. Bush says: Either you are with me or you are my enemy; either you fall in line with me, otherwise I will treat you as my enemy. Who can say this? This only a dictator, a despot can say. What Mr. LaRouche says—I don't know—he said, that he [Bush] is a drunkard. I don't know, what kind of things he drinks, but one thing is very clear, after the attack on Iraq: that at least he is a power-drunkard and he wants power for himself.

And once the man becomes the victim of ego, he has no future. Egoist man is always defeated, maybe today, maybe tomorrow, maybe the day after tomorrow. So the whole world today is—now think of this thing—a new kind of movement is coming. The question is that one head of a state, Mr. Bush—maybe by manipulation he won his election, but it is a fact that he is the head of state of a very important country, so-called the only superpower in the world today; he is the head of the United States—one head of state is giving an open call to assassinate another head of state. What is this, if it is not a crime, what else? Can one head of state give a call that he wants to assassinate another head of state? And then he names his operation, this attacking Iraq, Operation Iraq Freedom. He has got the monopoly to launch the freedom for every country.

### **New Imperialism and Poverty**

This is a new kind of imperialism which the world is confronting today. And therefore we have to think about this, very seriously. And I am saying that even our young people in the United States of America—lots of people were killed, suffered in the Second World War, in the Vietnam War. And those people in the United States of America, they want to build a new kind of society free from war and for peace. Now, they are also confronted with this kind of illegality which is now there.

So I am saying that this is a new kind of situation the world is confronting. But another thing: This serious development is taking place at a time, when the world is facing a very serious socio-economic crisis. In spite of tremendous progress in science, technology, communications, space science, Internet, information technology, what is the condition of the common man, who is responsible for the creation of the wealth?

Today the wealthiest 20% of the world accounts for 87% of private consumption, while the poorest 20% accounts only for 1.4%. The number of unnourished people—almost all live

in the Third World countries—was 800 million in the year 2000, as against 570 million 20 years before. Now it is increasing, the population of undernourished people is increasing continuously, in spite of all the development and the progress the world is claiming that it is making.

There are 1.3 billion poor people in the Third World to-day—that is, one out of every three, that still lives in poverty; in my country also, one-third of our population. Many friends do not know—a friend of mine from France today, we were just having breakfast together, then he said: How do you face the problem of 800 million population in India? I said, it is not 800 million, it is now more than 1,000 million population. We have crossed the line of a billion. So Jawaharlal Nehru used to say, that we have as many problems as our population. So our problem has increased. We have more than 1,000 million population and we have got more than 1,000 million problems in India.

We are a very complex society, but in spite of the complexity, we have survived more than 5,000 years. One of the most ancient societies in the world. We survived only because of our philosophy, because of our commitment to our idealism, because we have a very strong family unit. In spite of the fact that one-third of our young people are unemployed, they are not on the streets; their parents are there to take care of them. If parents are not there, their brothers are there to take care of them; if brothers are not there, their relatives are there to take care of them; our family unit is very strong. And that is one of the strongest points in our society, and that gives us a lot of power to sustain.

The World Bank, in its latest report on poverty, predicts that the number of people living in absolute poverty could reach 1.5 billions. So it is continuously increasing, it is not decreasing. It is a matter of serious concern, that the world is becoming poorer; that those who are creating proper wealth, they are becoming poorer, because of this system we have today, this exploiting system. The stronger has the power to get more in the society.

### The Condition of Children and Youth

According to WHO [World Health Organization], one-fifth of the children of the world are undernourished and half of the world population has no access to essential drugs. Each year, 12 million children under five die—even today—and 95% of them die of poverty-related illness. Because of poverty they die. They don't have even the bare bread to eat and therefore they become the victims of all kinds of diseases. One-third of the population in the developing countries have no access to suitable drinking water.

My dear friend Bi [Jiyao], a professor, a doctor, and an economist, has presented a very good picture of his country. China is becoming in our days a matter of notice, because of its speedy fast development; because it has got a vision, it has got planning; they are determined to remove poverty, they are determined to remove unemployment, they are determined to

build a better progressive society. But in spite of that—I think you are 300 million more than us in population, and you were telling me, "Maybe in another ten years you will cross our population, you will become number one."

Maybe we will become number one, but with this system, what we have in India, we cannot become a number-one rich country or richer country. Maybe our problems will increase, maybe our population will increase.

So I am saying that this is now the situation, that this is still the situation in the world. The Third World foreign debt, which totaled some \$500 billions in 1981, has reached now more than \$2.5 trillion. So far, the developing countries' debts are also increasing. More than a billion adults remain illiterate; more than 130 million school-going children are growing up without access to basic education, the dropout percentage—below six is standard; it is terrifying. They go to school, but they cannot afford to go to school for a long time. If school expenditure is increasing, fees are increasing, education is becoming costlier and costlier every day. Therefore their parents force them to go to do some work. They are not able to remain in this school, so the dropout percentage is also very high.

The truth which cannot be hidden is that there are currently 800 million people who are suffering chronic hunger and have no access to healthcare services. In addition, the AIDS virus is spreading fast among the poor countries, especially in Africa and Asia. In its territories, 35 millions are affected with HIV. Helga: When you visited India with Mary [Burdman] and some of your friends, you were taken to some areas of poor people in Delhi, our national capital. And you saw with your own eyes, there are voluntary organizations, but this is a growing problem, because the poverty is the main culprit of these things. They have no access to healthcare. And they are poor people. So this virus is growing.

### Who Is Responsible?

The important question which has to be answered is: Who is responsible for this situation? And then, What is the solution? This is what I want you to think of. I am not giving you any kind of "my" solution. I know my limitation, I know my capacity. I am not an economist. I am not that kind of intellectual. I am basically like an ordinary worker, who was born in an ordinary peasant family, got self-educated, and came into politics with a certain idea, a certain vision, inspired by great people of the world. Not only Mahatma Gandhi inspired me; not only Jawaharlal Nehru inspired me; Abraham Lincoln inspired me, Lenin inspired me, at one point of time Mao Tse-tung inspired me. . . . But then, where are we today? So I am saying that these are the questions we have to think about today.

Are the rich industrial countries morally obligated to come forward to assist these unfortunate people and take care of their well-being? Developed countries are every year spending billions of dollars on the research, development, and

manufacture of deadly armaments. Can they, in the name of humanity and justice, divert a considerable percentage of that money to wipe out the miseries of these poor people? The answer is very simple: So long as this madness of arms race continues and the present capitalistic system remains, one should not expect any help from them. It is estimated, that the attack on Iraq by the United States will cost not less than \$50 billion. Mr. LaRouche was saying, that it will be perhaps more than that, it will not remain only \$50 billion. So on the one side poverty, unemployment, diseases, children dying; and on the other hand \$50 billion that one country can mobilize to destroy another country? What is this world, we are building today?

Now, the globalization. Unfortunately, we thought a few years ago, maybe 12, 15 years ago, that there are two parallel systems working in the world: capitalism versus socialism or communism. After the disintegration of the Soviet Union, after the disintegration of the Eastern European countries—I could never imagine, that Bulgaria will join United States of America in attacking Iraq. I could never imagine.

I was a friend of Bulgaria. I visited Bulgaria several times. I thought, it is a beautiful country. And I remember, when I was going to visit Bulgaria, I met our Prime Minister, Indira Gandhi, and told her that I have been invited to visit Bulgaria, so I am going there. I was . . . in the Communist Party at that time. So she said: "Chandrajit, you are visiting a small country, but they are beautiful people, a very affectionate people. They are peasants like our peasants. But one thing you must always keep in mind: Never treat any country, as that it is a small country. Every country has got its own personality. They have got their own history, their own culture, their own aspirations, their own artists; therefore respect those artists. Respect them. Don't go divide up the country."

And I am so sorry that Bulgaria today is on the side of Mr. Bush and attacking, saying that we are fighting a "war of peace," we are fighting for the freedom of Iraq.

### **Crisis Provides Opportunity**

But now I am saying: Every crisis also provides an opportunity. So the Iraqi crisis is again providing an opportunity for the thinking mind of the world. For our younger generation, this may be Mr. Bush's policy. But he has been exposed. And what is happening today? Even a few months before I used to tell, in my public meetings, that Europeans have shown the wisdom, they have united. They have a European Common Market. They have a European Parliament. They have one currency, the euro, for the whole of Europe. Why can not Asia, why can not Africa also follow that? I used to quote that as an example.

But today, what is happening to this European Union? The European Union, as Mr. LaRouche says, it will not survive. The beginning has started, where it has to be broken—but broken on a principle, broken on a cause. And France and Germany, two important European countries, taking a stand



"Men often hesitate to make a beginning," said Mahatma Gandhi, "because they feel that the objective cannot be achieved in its entirety. This attitude of mind is precisely our greatest obstacle."

against this mad policy, it is a good sign, it is an important sign, that one has to note.

So I am saying, to meet this situation, what role India can play. Very briefly I will tell you. India must play a role. India is not only a country of more than a thousand million people. India has played this role, even when we were not free. Mahatma Gandhi did play a role, Jawaharlal Nehru did play a role. Jawaharlal Nehru used to visit European countries. He was invited by Mussolini as a young leader, and he refused to accept his invitation. He said, I cannot meet a dictator because I am one of the freedom fighters. So India has played a role. India played a role with China and other countries, with Egypt and other African countries. We became one of the founders of the Non-Aligned Movement.

So I am saying that this opportunity is provided.... Countries must revitalize now, they must come together. African countries must see that African unity is strong. They are not divided. We must see today that this triangular idea—Eurasian cooperation, Russia, China, India, along with Korea and other countries—they must come together.

They must seize this opportunity, and I want to tell you, for your understanding. Mr. Bi is sitting here, representing his country. India and China unfortunately were in a border conflict. For many years, we were not talking to each other; but ultimately, wisdom prevailed in both countries. Both leaders today—I remember visiting China about 15 years before, and I was meeting one of their top leaders, and he said about the India-China border solution, [he quoted] our late Prime Minister Gandhi: He said we have problems, but we cannot afford to be permanent enemies. We are two great people, two great populations, two great civilizations, how can we

become permanent enemies? The border solution, he said, has to be solved with patience, with understanding, and with mutual interest. But let us talk on other things also.

We are talking. Today Russia and China and India are good friends. We are planning, how intellectually we can work together, and I am sure that this Iraq crisis has given more ideas to work on that. So, I am sure that this 21st Century, which is an important century, it has to be taken full care of. Without peace there will be no development. Peace is the most important factor for development. Therefore peace at every cost. We must become the peace workers. We must work for peace and our priorities will be today: Unite the movement, not only the governments; not the Indian government, not the Chinese government, not the Russian government, not the French and German governments, but the peoples who are there. A bigger factor than the governments are the people. Now they have come on the road, they have raised their voice against this aggression.

### Youth Is Revolutionary by Nature

So let us make a plea to unite the people of the world. Let the people of the world today unite for peace, against injustice, against violence, against terrorism, against war. And this is where I am going to finish. In my opinion the role of youth is most important today. The youth is revolutionary by nature, youth is forward-looking by nature, youth is anti-establishment, youth is against traditions. Youth have got new vision.

So the role of youth is very important, and youth must work with faith, must work with conviction, must work with determination. And they must say we are not going to tolerate the world, the ideas and vision of Mr. Bush and Mr. Blair; the new kind of imperialism which wants to destroy the whole world. We are going to work for peace, unity, for a better world.

And with these words I call upon the youth, who are participating in this conference in a large number: Go with a mission, go with a conviction; go with the faith that whatever it is, if we have to make sacrifices, we make them. I know that many, many youth in every country, for their freedom, for their independence, they gave their lives, they gave their blood. They did not achieve freedom in their own life, but their blood did not go to waste. Their blood brought the freedom, their blood brought the better future.

So I have great faith in youth, and I call upon all our young brothers and sisters: Make a pledge, that we are the soldiers of a new world.

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### Dr. Markku Heiskanen

# Eurasian Land-Bridge Viewed From the North

Dr. Heiskanen, an official of the Finnish Foreign Ministry, is a senior fellow of the Nordic Institute of Asia Studies, working in Denmark. This is his presentation on March 22 at the Bad Schwalbach conference.

Thank you very much, Mme. Chairperson. First of all, I would like to congratulate the organizers of this impressive and very important conference, and extend my warm thanks for the opportunity to speak in front of such a dynamic and young audience, which is quite an exceptional process, and noted also by Ambassador Kim.

I am speaking here, primarily in the capacity of a visiting senior fellow of the Nordic Institute of Asian Studies. It's an institute which is maintained by the Nordic countries: Finland, Sweden, Norway, Denmark, and Iceland. I basically come from the Finnish Foreign Ministry, where I have been serving as the Deputy Policy Planning Director; my special focus of interest being the Northeast States of Eurasia. In that capacity, as the Deputy Policy Planning Director, in 1999, when Finland held the presidency of the European Union, I had the honor to chair the policy planning and analysis working group of the European Union. And the working group produced a 30-page report, entitled, "Perspectives for Multi-Lateral Support to Security and Cooperation in Northeast Asia: The Role of the European Union." I return to this report a little bit later in my presentation.

A third role that I have also, in a way, today, is that in my private life, I'm chairman of the Finland/Northeast Asia Trade Association. I think this capacity links me to the concept of the Eurasian railway, not only as a transportation link, but particularly as a geo-economic, and increasingly, as a geopolitical factor, as was referred to by earlier speakers today and yesterday.

I think this is the seventh conference, symposium, meeting, workshop I'm participating in, dealing with the question of Eurasian railways. Last year in April, my association organized a Eurasian railway symposium in Helsinki, which was very successful; and I think the most important thing—we had, certainly, all relevant countries participating, including both Korean states. That was the first time that North Korea participated in such a meeting. And the last meeting, last year, before this conference, was in Beijing in December. And the map you can see here—I think it's a very interesting and important map; because it doesn't show only Eurasia, but also



Dr. Markku Heiskanen: "There is already a functioning Eurasian railway connection."

the Northern Hemisphere including North America. I'll return to this map a little bit later.

### **How Eurasian Railway Functions**

Perhaps I can say a few words about the conclusions of the informal, and "Track II" symposium we had in Helsinki. The basic point of convening such a symposium was, that we wanted to make known that there is already a functioning Eurasian railway connection, which is quite unknown for the time being. As the previous speakers said, there are a number of problems: opening the transport and railways connecting the different railways you can see there to the European system. There are problems with crossing the frontiers, and so on and so on. One of the conferences in which I participated last year was in Lianyungang in China, a Chinese harbor which is the terminal of the Euro-Asian railway which was initiated ten years ago. The other terminal, in Europe, is Rotterdam. And that was quite interesting, because it was the Euro-Asian Land-Bridge ten-year anniversary. And some 250 participants: I was the only European there, and I am not even related to the connection in Rotterdam. So it says something about reality of this Lianyungang-Rotterdam corridor. It's working; but so many problems. Because you have to cross so many countries with different gauges; the width of the rail; electronic systems, locomotives, whatever-I'm not a railway man, so I don't know so much about the technology; but it doesn't work very well.

On the other hand, what is fairly unknown (not as much as it was in April 2002) is that from Finland—it's not exactly from the capital of Finland, Helsinki, but close to Helsinki—

we have very large logistics centers, which provide daily train connections; about 1 kilometer-long freight train is leaving every day from Finland, for Vostochny, which is the port of Vladivostok in the Russian Far East. And unlike it was formerly believed, the trains are very, very punctual. I think you have this high-tech monitoring, so the customers know the time, where the containers are, what time they are arriving in their destination port. Many people remember the old days when there was a department in the Russian, and probably in the Soviet, Ministry of Railways, "Department of Missing Trains"; and I think the trains really were missing sometimes. I had a friend of mine, a diplomat from Poland, who moved from Tokyo to Helsinki, and all his home disappeared on the way from Vladivostok to Helsinki. And he got compensation from the insurance company, and two years later, the container was found. And I don't know even today, how it was solved by the insurance company.

So, the point is, that there is a working and operating, very effective, and increasingly used, Eurasian railway, from Finland to Vostochny, but not only to Vostochny. The majority of the freight from Vladivostok/Vostochny goes to Pusan, in South Korea. And of course, it is—for everybody using the Eurasian railway lines—very important if one day we can reconnect with the Trans-Siberian Railway. But it may take time. It's very much possible that in spite of all the nuclear tensions and so on, on the Korean Peninsula, the final reconnection of the railway tracks will take place this week, or next week, according to information we have received through international media from the two Korean states.

But, however, connecting the Trans-Siberian Railway:

I think primarily it is a symbolic, psychological, and very important political confidence-building measure in Korea, and in the region at large. It may take several years, I think, before the Trans-Siberian network can really serve as an effective destination of the Eurasian railway.

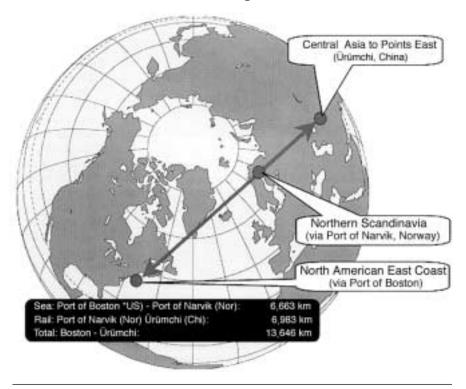
So, this railway-ship connection between Finland, Moscow, Vladivostok, and Pusan can work pretty much to the concept which was mentioned by the previous speaker, which was multimodal transportation systems. That is a multimodal transportation system. It's working very well. From Helsinki to Vladivostok, it's, I think, more than 9,000 kilometers. Even if the freight trains run quite slowly at the moment, it takes only 12 days. Then, when you reload the freight, and transport it by ships to Pusan—so, 16 days, only about two weeks later, they're already in Pusan. If you use more common means of transportation through the Suez Canal, it takes about 45 days average-and you are never sure exactly when the goods are arriving in their destination.

So, I think this multimodal system, combining freight transportation and road transportation, of course. The Korean Demilitarized Zone is now connected, and it's open—I think the two road corridors are open. So, of course, the multimodal transportation includes also road traffic, shipping, and naturally, to a certain extent, also air traffic.

#### Northern East-West Corridor

Well, then, I think there's no time now to speak on the geo-economic and geopolitical importance of the railways. I think on the Internet you can find a lot of material on this, by clicking the keyword "Eurasian Railways." You can also find the report of the meeting we held in April; it's about a 200page report with a lot of power point material, statistics, like was shown by the previous speakers' presentations; various presentations by dignitaries, participants in the symposium, and so on. But, at the end of my presentation here, I would like to say a few words about this map you can see, which has been produced by the International Union of Railways. And the International Union of Railways—which has about 160-170 railway companies, from all over the world, as its members—they organized, in cooperation with the Chinese Ministry of Railways in Beijing, in December, a very large international conference on a project which is called Northern East-West Freight Corridor. The basic line, as you can see on the

FIGURE 1
Northern East-West Sea/Land-Bridge, Boston to China



Source: Adapted from Transportuvikling.

map, is from Lianyungang, China, via Beijing, via the Trans-Siberian Railway—on that map it goes through Kazakstan, but there are also possibilities to use the Vladivostok and other connections. So, the idea, and I think quite revolutionary, in a positive sense, is that you connect this Lianyungang connection up from Russia, through Finland, to Sweden, to the port of Narvik, in Norway.

The rationale of combining or connecting this railway to the port of Narvik in Norway, is that Narvik is the only Atlantic harbor in northern Europe, which is a deep-water harbor and an ice-free harbor; and what's even more important, that it's connected by railway to the Swedish and Finnish, and then Russian system. We must keep in mind that, for historical reasons, Finnish and Russian railways have the same gauge. The same width of rail, which facilitates very much also the running of the present northern-most Eurasian corridor. When the train starts from Vladivostok, so it's about ten days later on the frontiers of Finland, you don't have to change any wheels, and it takes about half an hour to cross the frontier. So, by utilizing this connection, and taking the containers to the port of Narvik, you can then use already-existing ship transportation lanes, to North America.

And there's also interest—besides the Chinese and Russian governments, who participated in the Beijing meeting at the vice-railway minister level—there's also concrete interest

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in the United States and also in Canada, in this project. At the moment, the port of Boston is the key connection, and the director of the port of Boston also attended this Beijing conference.

What was also important was that—not at a very high level, but anyway—there was also a representative of the U.S. government, from the Department of Commerce, who had participated in this conference. So, I think at a certain level—we heard some quite pessimistic views, by my Korean colleague [Ambassador Kim] about the situation at the moment, and I agree with him, to some extent. But on the other hand, especially if we read the recent international media, it's very difficult to find any good news from Korea, from that region, from these things—I think we should do something to make also this positive development more largely known.

### A Step Towards Eurasian Union

I would like to conclude by saying just a few words about the European Union, which I referenced at the outset of my presentation. Very recently, only a few weeks ago, in the United States, there was a very authoritative taskforce, which was chaired by one of the leading U.S. experts on Korea, Selig Harrison. They produced a 30-page report, entitled "Turning Point in Korea: New Dangers and Opportunities for the United States," and I think it's a very timely report; you can find this on the Internet.

What is interesting is that, in this report, they are suggesting that a seven-nation conference should be convened in Brussels, with the European Union as host, on the topic of Security and Economic Development in Korea. With the participation of the European Union, as the host of the conference, plus the United States, South Korea, North Korea, China, Russia, and Japan. Also, the European Parliament has suggested in January, the end of January this year, that the European Commission—that means the Commission of the European Union—should convene in the late Spring, or early Summer, seven nation talks, about the situation in the Korean Peninsula, focussing on economic security and nuclear disarmament issues.

I haven't seen any official reactions yet to this proposal, but I think this raises some hope, that some serious multilateral prospects will be discussed, and I do hope that this conference can be convened. I believe that it's quite difficult to have an overall conference on the Korean question—the highly political nuclear issues, and so on, and not situating the questions at large. But I think the conference could be started by very good preparation in the working groups dealing with economic cooperation, and I think the railway is really one very concrete thing.

I may finish my presentation—thank you very much for your attention—by saying the same thing I said in Beijing, when I was speaking under the title "Eurasian Railways: Toward a New Logistical World Order." I said that what's going on now, could be the first step toward a future Eurasian Union. Thank you very much.

### Dr. Zbigniew Kwiczak

# Realizing LaRouche's Idea of Economy

Dr. Kwiczak is an economist from Poland. He made this presentation, "The Role of a State in Reconstructing a Collapsing Economy and Preventing Dangerous Socio-Political Consequences," to the March 22 Bad Schwalbach session on the Eurasian Land-Bridge. Subheads have been added.

It is a great honor to participate in this conference.

Realization of the harsh 18th-Century capitalism's ideas, like that of socialism's ideas with the all-powerful centralist system in every sphere of the economy, social, and political life, led to their disintegration and decline. However, societies suffered huge losses and costs. Therefore, a question arises whether a change of the present economic system is possible without suffering further enormous economic and social costs.

It seems that further costs will be borne by the societies of individual countries. However, the principal question—as to whether these costs can be curbed by taking counteractions and implementing the new "development economy" ideas propagated by Lyndon LaRouche—remains. I am convinced that the closer the total global collapse of world economy and the global scale crisis, the larger the chance for realizing the concept publicized by Lyndon LaRouche. In my view, however, this will not happen without, again, huge suffering and misery to the societies of many countries.

Therefore, I would like to stress the great role and significance of the LaRouche movement, and express my hope that we shall direct all our efforts towards developing this movement, and thus reducing the social and economic costs associated with the present system and its change into the development economy system.

### **Neo-Liberalism Leads to Bankruptcy**

It is obvious, that the realization of neo-liberalism's concept and policy, not only in Poland but also in the world (apart from China and a few other countries), leads to bankruptcy of the economy and global crisis (Argentina, Asian countries, Latin America, and the accumulation of crisis in the U.S.A., Germany, and other countries).

Generally speaking, the neo-liberalism idea is realized with the help of: a free and all-powerful market; globalization; stock exchange games; speculative capital movements; and financial markets.

Many years of experience in Poland and several other developed countries showed that a free market is not able to

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solve all problems, and especially the basic ones, in any given country, as on the global scale. It cannot ensure a correct—from the social, economic, and political point of view—allocation of investment funds and economic development.

Free market activity is closely associated with the idea of globalization, understood as a free flow of capital and other material and non-material means, the only aim of which is to maximize profits on a global scale by powerful supranational concerns. The management of these concerns has nothing in common with a free market or liberalism. They are bound by a centralized system of management and investment allocation aiming at maximizing gains without any concern for social costs.

The idea of such a form of globalization is in particular served by the World Trade Organization, World Bank, International Monetary Fund, Organization for Economic Cooperation and Development, and other international organizations.

The experience of several recent years indicates that the realization of globalization, in this understanding, mainly happens through speculations on stock exchanges and speculative capital flows, maximizing profit.

For that purpose the newest achievements in technology are used, in the spheres of computer science and electronics, as well as satellite telecommunication for transferring information all over the world.

Therefore one ought to consider, what are the consequences of the neo-liberal system with its free and unrestricted market, financial and stock exchange speculations, and the realization of the globalization concept—in this understanding—which only aim at maximizing profit in Poland, Europe, and world-wide.

In terms of economy, this means bankruptcy, and going backwards in the development of many countries and continents, as well as the accumulation of catastrophic crisis on the global scale.

As far as social aspects are concerned, this means general poverty, hunger, and destitution, affecting the majority of a society in terms of individual countries and continents. It leads to the growth of the death rate and the reduction in the birth rate, and subsequently, to a drastic decrease of the population, especially in Africa and Latin America, as well as in Asia. Without doubt, this will lead to wars as well as to nationality and religious conflicts.

In terms of politics, this will mean lack of equilibrium and peace in the world, and destructive fights between certain nations.

The aim of the idea of globalization, mentioned in this paper, is to weaken and eliminate the role and function of a state, and especially those who serve the given society.

### LaRouche's 'Development Economy'

What transpires from the above argument is that the realization of "development economy" ideas, proposed by Lyndon LaRouche, is possible by strengthening the role and func-

tion of a state, especially within economic and social matters. Moreover, it is necessary to fight the globalization idea, understanding it in this way, and the functioning of a market which leads to anarchy.

It is obvious that a market should be one of the tools for effecting the national economy's policy, but it should not be seen as the superior and domineering tool.

I am far from proposing such a model of a state. When I talk about strengthening the role and function of a state, I think, amongst others, about: defining the directions for development, methods and means; the allocation of investment funds; using economic and financial instruments for development (taxes, excise duties, foreign exchange, and so on); protection of economic, social, and political interests of a state and nation; and increasing the living standard and development of the country's citizens.

So understood, strengthening of the state's role and function, and overcoming the concept of neo-liberalism and globalization, will serve to reinforce the idea of Lyndon LaRouche's "development economy" and create a Eurasian bridge, which will aid the development of the economies of individual countries as well as the world economy.

Poland is not so big a country as Russia, China, and India, but it is in Central Europe, located along the so-called New Silk Road. Today, its important role in building the Eurasian Land-Bridge linking Western Europe with Russia and Asia—and the most important factor for us—is, however, the fact that Poland is located on the so-called New Silk Route. In this situation, Poland may bring the following contribution to construction of the Euro-Asian Bridge:

- Passage through its territory of transport, energy links, gas;
  - Pipelines and oil pipelines and telecommunication links:
- Knowledge of the Russian language, of the mentality, culture, and customs of Russian continent;
  - Ability to work with the East;
  - Possession of scientific and intellectual potential;
- Participation in investments realized on the Euro-Asian route;
  - Performance, supply, and technical backup;
- Participation in exchange of goods along the New Silk Route.

Realizing Lyndon LaRouche's idea means that at the present level of technology development, the problem of hunger can be solved, wars and conflicts can be eliminated, and economic, social, and cultural development on Earth can be secured.

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### **Image** International

## Historic Leipzig Peace Rally Hears: 'LaRouche Is the Man'

by Thomas Rottmair in Dresden

A world-historic individual, 91-year-old American Civil Rights leader Amelia Boynton Robinson, spoke at a historic demonstration against the Iraq war in Leipzig, Germany on March 31. The Leipzig weekly "Monday demonstrations," which 13 years ago brought down the Berlin Wall, have begun again, this time to bring down the imperial war policy; and Mrs. Robinson told the 50,000 demonstrators that U.S. Presidential pre-candidate Lyndon LaRouche was their

leader to do it.

"Greetings from the other America!" were the opening words of Amelia Robinson's speech that rang out in front of the Leipzig Opera House, recalling memories of the 1963 speech of Dr. Martin Luther King, and of Marian Anderson's 1939 concert at the Lincoln Memorial. Mrs. Robinson was introduced to the Leipzig peace demonstration by the famous Father Christian Führer, as a collaborator of Dr. King in the

American Civil Rights movement, and as a representative of the other America today. She took the microphone before the crowd of 40-50,000, and speaking slowly and with great dignity for 15 minutes, painted a picture of history.

She described the time when Dr. King came to Selma, Alabama, where she and her late husband, S.W. Boynton had launched the struggle for voting rights. Instead of being welcomed, Dr. King was slandered as a communist and a rabble-rouser. It was Mrs. Robinson who shared her office with Dr. King, gave him a place to stay, and continued to fight alongside him, not only for the civil rights of the American people, but for a higher principle of justice for all the people of the world. She told the demonstrators that those were difficult times, and when in 1968 Dr. King was assassinated, the dream shattered.

"But today," she put forward, "a new leader in the tradition of Franklin Delano Roosevelt and Dr. King has arisen in America to pick up the broken pieces, and



50,000 demonstrators against the Iraq war in Leipzig's historic Augustus square, including a contingent of the LaRouche Youth Movement, wait for civil rights heroine Amelia Boynton Robinson (left) to address the "Monday demonstration" of March 31.

is continuing the dream of Martin Luther King!" Tension built up throughout the crowd as Mrs. Robinson's words were translated into German. "This man is an economist, a scientist, and loves the people, and he is an candidate for the 2004 Presidential elections. This man is Lyndon H. LaRouche, Jr., and he is leading the fight against the Iraq war inside the U.S. today!"

The crowd answered Mrs. Robinson's passionate conclusion with loud and hopeful applause, and with great curiousity about LaRouche. She had been brought to the famous Augustus Square in front of Leipzig's St. Nikolai Church to speak, through the intervention of the international LaRouche Youth Movement; and one of its organizers, Abdul Ali of Philadelphia, came up to join her on the stage, where together they inspired the demonstrators to sing the Civil Rights spirituals, "Oh Freedom"

and "This Little Light of Mine," Mrs. Robinson's personal favorite. Thus this internationally important demonstration, revived to intervene in a great crisis, did not fall into the "entertainment" of rock-and-roll, but was inspired by the music of justice.

The LaRouche youth were welcomed back for continuing demonstrations. Lyndon LaRouche himself stressed that this was an intervention of the highest strategic importance, particularly since the entirety of Amelia Robinson's speech was broadcast by radio and TV stations all over the region.

#### 'Who Is LaRouche?'

After the LaRouche Youth Movement had earlier been refused the chance to speak in Leipzig, by the convention of groups that is organizing the demonstrations, Father Führer was led through a process of development by German youth organizers sending him encouraging letters about his role in history and faxes with articles about and by Mrs. Robinson. When the Schiller Institute then offered him the opportunity to meet her—she is the vice chairwoman of the Schiller Institute in the U.S.—he happily agreed. She came to Leipzig early on March 31 to the Nikolai Church, and Father Führer was very excited and grateful to have a living legend in his church. Mrs. Robinson was then invited to join the peace prayers in the church, where she was introduced to all the people and the media that were there.

During the day the LaRouche Youth Movement set up a booktable near the church, where they organized the people—generally pessimistic about the spreading war crisis—to come hear Mrs. Robinson and draw hope from her optimism that "We can stop this war!" After the prayers, the Youth Movement joined the demonstration march through the city



Mrs. Robinson gave a dramatic 15-minute speech, translated by LaRouche organizer Patricia Ivanov of Mainz; Mrs. Robinson and LaRouche Youth leader from Philadelphia Abdul Ali (at right), then led the crowd in singing the spiritual "Oh, Freedom."

with banners and signs, and taught the crowd to sing "Oh Freedom." The marching crowd had gathered in front of the Opera House, and once Mrs. Robinson gave her speech, the entire crowd was transformed. One youth organizer was standing in the crowd just in front of her, and at her triumphant declaration that LaRouche was carrying on the fight of Dr. King, a man reached out to grab the organizer's arm and demanded, "Who is LaRouche?!"

In fact, nearly everyone wanted to know more about LaRouche, asking for the leaflets of the Bad Schwalbach Declaration (see *EIR*, April 4) which were distributed by the LaRouche activists: Demonstrators completely surrounded their booktable. This was the first time a real solution for the crisis had been offered, and the people were given a sense of potency, that they could join Mrs. Robinson and LaRouche to do something to change what's going on, instead of just protesting the war. Even after the demonstration had formally ended, people wanted to have Amelia Robinson's autograph on their signs and banners, and many young people came over, wanting to know more about the youth movement that is joining with LaRouche and to create an economic and political revolution.

### The Peace Prayers in Leipzig

It was proven in 1989, that these Monday demonstrations are something very special, and have the ability to change the international geometry. The peace prayers led by Father Christian Führer, and the demonstrations, were a crucial factor that made the reunification of Germany possible, and freed the people from the utopian policies of the Cold War. Just as in the Civil Rights movement in the 1960s in America, said Führer, in an interview with the German Schiller Institute

magazine *Ibykus*, "the spirit of Christ of non-violence lifted up the masses" and "became a peaceful force." The roots of the peace prayers lie back in the year 1980, when a program called "Peace Decade" was initiated; then in 1982, a group of young people proposed to have these prayers every week.

In 1989, people began to gather in front of the Nikolai Church for candlelight vigils after the prayers, and the crowd grew from week to week, until the famous Monday, Oct. 9, 1989, when 100,000 people marched peacefully through the city. One month later, on Nov. 9, the Berlin Wall fell, and the Soviet bloc dissolved. LaRouche, then a political prisoner in the United States, immediately provided leadership with a plan for economic reconstruction of the former East, called the Productive Triangle. This would turn eastern Germany into a motor of production to reconstruct the former Soviet bloc. But this great opportunity for establishing an economic order based on the principle of the general welfare, and killing the ugly geopolitical policy once and for all, was missed. The great optimism of the people in 1989 diminished into smallmindedness; now, that revolutionary spirit has to be revived, to finish the job of defeating imperial geopolitics.

As in the days following Amelia Robinson's intervention—where the MDR Radio/TV channel blamed Mayor Tiefensee of Leipzig for allowing "misuse" of the demonstrations to promote LaRouche, whom they slandered as a "communist and radical"—Father Führer had described in a 1990 interview how in 1989, he was blamed for misusing institutions. To the question of the church's intention, he answered, "The idea was, that we could support with our efforts a social environment in which the people could feel better. These goals were supported by people who, spiritually, wanted exactly the same, but they were just very few. Some 'crazy intellectuals' and 'lunatics'. . . . They understood the great value of history and always supported it."

Today, Amelia Boynton Robinson, Lyndon LaRouche, and Father Christian Führer are among the few people who understand the great value of history and their responsibility to act as historic individuals, demonstrated so beautifully in Leipzig on Monday, March 31. The impact of such actions can lead the whole humanity out of economic collapse, war, and hate, into a new renaissance—their immortal part in the simultaneity of eternity.

## The War Must Be Stopped Now! Remove Rumsfeld, Cheney and Co.!

by Helga Zepp-LaRouche

This is the text of a leaflet distributed beginning April 3 across Europe by the Civil Rights Movement Solidarity (BüSo) party in Germany, and allied parties and the Schiller Institute Europe-wide.

The war of aggression against Iraq must be ended immediately. Already there exists the clear danger that there will be no "after the Iraq war"; rather, it is threatening to spread into a global war, in the course of which the U.S.A. will implement its new military doctrine of "preventive" first-use of nuclear weapons. Donald Rumsfeld and Colin Powell have already mentioned "consequences" for Syria and Iran. The Iraq war has already triggered a clear aggravation of the situation around North Korea, and the Japanese Defense Minister warned of a possible "pre-emptive" war against the North Korean nuclear arms potential. If we want to prevent a world catastrophe, this war must be stopped *now*.

This is possible only if the war party—the so-called "Chicken-hawks," Rumsfeld, Cheney, Wolfowitz, Feith, Perle, Shulsky and Co.—is thrown out of the Bush Adminis-

tration immediately. And this is not impossible, since:

1) The war is not the "cakewalk" that Rumsfeld promised, but rather is about to turn into a new Vietnam. The "cheap" blitzkrieg, with predominant deployment of aerial bombardments and limited ground troops, has shown itself to be a fantasy of the utopian military faction. Now it has come out that Rumsfeld rejected the highly developed Pentagon document for war planning (TPFDL: time-phased and force deployment list), and with it any centralized military planning, as well as the advice of traditional military professionals. Rumsfeld's military incompetence is obvious.

2) The entire war has been built on lies. The intelligence department of the Pentagon, newly installed by Wolfowitz, under Abram Shulsky, systematically circulated disinformation, in order to construct the basis for war. For example, the alleged facts about Iraqi weapons of mass destruction, in the "White Papers" which were published in Britain and the United States in September 2002. For example, the forged documents purporting to show that Iraq tried to import uranium from Niger, and the alleged proof that Iraq had links

to al-Qaeda. All these lies created the basis for Powell's speech before the UN on Feb. 5 of this year.

3) It has come to light that an astonishing number of members of the war party are not only followers of the philosophical fascists Leo Strauss and Allan Bloom, but are also lining their pockets with money, as a result of the war. Richard Perle ("Mr. Regime-Change-in-Germany"), has already had to resign as chairman of the Defense Policy Board; and Democratic Congressman John Conyers has opened an investigation into Perle's conflict of interest, whereby he used a public office for private gain. Perle, through his company, Trireme, reportedly attempted to extort \$100 million from Saudi princes, in exchange for stopping the attacks against Saudi Arabia as a sponsor of terrorism—attacks Perle himself had initiated! Perle is also involved in a scandal around the sale of Global Crossing.



Organizers of the LaRouche Youth Movement and BüSo Party in Frankfurt. "Stop the War of Cultures. Peace Through Development," reads the sign.

Vice President Dick Cheney and his daughter Elizabeth Cheney are involved in a scandal around the firm Halliburton, which, among other things, has already won bids for contracts for reconstruction of Iraq. Former CIA chief James Woolsey is an advisor to the firm Booz Allen Hamilton Inc., which in 2002 received Pentagon contracts worth \$688 million. He is also linked to a firm which has contracts for Ashcroft's homeland defense.

The danger is enormous, that this war, built on lies, incompetently planned, and in flagrant violation of international law, may lead to a dangerous escalation.

### 'Uniting for Peace' Resolution

Therefore, it is urgent that a session of the United Nations General Assembly be convoked, to decide on the immediate end of the war. A precedent for the convening of the UNGA is Resolution 377, "Uniting for Peace," which the UN adopted in 1950 during the Korean War, and which can be activated—in the event a Security Council action is blocked by a veto—by a simple majority of the member nations, or the vote of seven members of the UN Security Council.

The League of Arab States, the Non-Aligned Movement, Russia, and China have already called for the General Assembly to meet. But many of these countries believe that they can resist the pressure of the United States, which has designated such a General Assembly as an unfriendly act, only if Germany and France join those calling for its convocation. When it is a question of war or peace, a question of the danger of a new horrible world war, which would thrust mankind into a

new dark age, then world public opinion must be established by which it is powerfully demonstrated, that the absolute majority of people in the world are opposed to this war! This General Assembly of the UN must take place at the level of heads of state.

Therefore: Germany and France must immediately support the call for the UN General Assembly!

The current Iraq war crisis also makes clear, that things cannot continue with the current world economic order. People in most parts of the world are suffering cruel injustice, through hunger, poverty, and disease, which cut short their lives. A financial and economic world order in which tens of thousands of children starve daily, and one-third of humanity goes hungry—when this could be prevented—is not acceptable. This world financial system has reached the final phase of its collapse, and herein lies the real source of the war dynamic.

The demand of the leading opposition political figure in the United States, and Democratic pre-candidate for the Presidential elections, Lyndon LaRouche, for a new financial system—a New Bretton Woods—must be implemented urgently by the governments of Eurasia. Only when the systemic financial and economic crisis is overcome, can the war danger be permanently eliminated. The construction of the Eurasian Land-Bridge—that is, the infrastructural and economic integration of Eurasia—is the only way that unemployment in our countries can be overcome, and an upswing accomplished which overshadows the Rooseveltian New Deal and the 1945 Marshall Plan. Peace through development!

## UN 'Uniting for Peace' Resolution Could Demand End to U.S. War on Iraq

### by Mike Billington

Both the 22-member Arab Group at the United Nations, and the 57-member Organization of Islamic Conference (OIC) Group, have determined to introduce a resolution to convoke an emergency meeting of the General Assembly of the United Nations (UNGA), demanding an immediate end to the U.S. invasion of Iraq. Their intention is to demonstrate the overwhelming international opposition to U.S. unilateral warfare, and to discuss means to bring about a withdrawal of all foreign troops from Iraq. The Non-Aligned Movement of 115 nations, and several national governments, including Russia, China, Indonesia, and Jamaica, have also expressed their support for an emergency UNGA session, under the 1950 UN Resolution 377, known as "Uniting for Peace," which allows the General Assembly to take over the responsibilities of the Security Council, in the event that the Security Council "fails to exercise its primary responsibility for the maintenance of international peace and security."

The Uniting for Peace Resolution was designed, ironically, by the United States, for conditions precisely like the current one, in which one or more members of the Permanent Five on the Security Council (United States, Britain, France, Russia, and China), which enjoy veto rights over any issue, are themselves the aggressors, and can use their veto to subvert any attempt by the Security Council to end the aggression.

Both the Arab Group and the OIC have published drafts of the resolutions they wish to introduce to the emergency UNGA session. The Arab Group resolution reflects the Arab League resolution passed at its Cairo meeting on March 24, calling for an immediate end to the war, reaffirmation of Iraq's sovereignty, and the return of UN inspectors and staff to run the oil-for-food program. That resolution was passed unanimously, with Kuwait abstaining.

As of this writing, no nation has formally requested that UN Secretary General Kofi Annan convene such an emergency session, as required. Once that request is made, the Secretary General will poll the 191 member-states, and as soon as half (96) respond positively, the emergency session will be held within 24 hours. (Alternatively, seven members of the Security Council itself can request that Uniting for Peace be invoked.)

The Arab League and the OIC have indicated that their

member-states will make such a formal request, probably the first week of April. From numerous diplomats at the UN and in Washington, *EIR* has learned that the primary reason that the call has not already been issued, is the concern that Western countries which opposed the U.S. war before it began—especially France and Germany—have not demonstrated their support, at least not in public. The smaller nations are concerned, lest the emergency session be reduced to a "Cold War" division of the world, or take the form of the "Third World against the West," the diplomats said. They fear this might further incite the Clash of Civilizations fanatics, who are openly promoting their intention to move on after Iraq—to Iran, North Korea, China, Russia, and on and on.

Their fear also derives from the open thuggery coming from Washington, threatening countries calling for an emergency UNGA session, that they, too, may end up on the U.S. enemies list.

These same diplomats report, however, that if the European countries do not act soon, and the destruction of Iraq continues, their nations will proceed with or without the European powers.

#### U.S. Thuggery

On March 18, two days before the war was launched, the United States sent a démarche to its embassies, with instructions on how to handle the groundswell for invoking the Unity for Peace resolution. Several nations leaked copies of the communication to organizations supporting the Uniting for Peace effort, and Greenpeace put it on the Internet. The State Department has officially refused to deny its authenticity. Titled "Possible UNGA and CHR Sessions" (the Commission on Human Rights, CHR, also tried to pass a resolution condemning the war, but it was voted down), the démarche reads in part: "Some members of the UN General Assembly have been discussing holding a General Assembly Emergency Session on Iraq, should the Security Council not produce an additional Chapter VII resolution on the subject. We urge you to oppose such a session, and either to vote against or abstain if the matter is brought to a vote." It continues that the Security Council was still "seized of the matter," and therefore, "the GA must refrain from taking up the matter." Of course, it was



Pope John Paul II meets with Brazil's Foreign Minister Celso Amorim to map out stopping the U.S. war on Iraq. Large groups of nations are working to invoke the 1950 Uniting for Peace Resolution 377, which would convoke the UN General Assembly, and override stonewalling within the Security Council to bring the war to an immediate end.

precisely such a situation in 1950—with the Soviet Union blocking action in the Security Council at that time—which prompted the United States to introduce the Unity for Peace Resolution!

The démarche then insists that the United States intends to go to war, claiming (falsely) that it had the authority under earlier UN resolutions to do so, and then threatening, "Given the current highly charged atmosphere, the United States would regard a General Assembly session on Iraq as unhelpful and as directed against the United States. Please know that this question as well as your position on it is important to the U.S."

In the delusional world of "You're with us or you're against us," such threats are taken seriously, especially by smaller, weaker nations. Finding the courage to act requires true leadership.

### The History of 'Uniting for Peace'

In 1950, UN Resolution 377 was passed into law under the tutelage of U.S. Secretary of State Dean Acheson. North Korea had invaded the South in June 1950. The UN Security Council acted promptly to deploy UN troops, under U.S. Gen. Douglas MacArthur, to repel the North Korean forces. The Soviet Union was boycotting the UN at the time, and thus was not able to exercise its veto power as a member of the Permanent Five. When the boycott ended, however, the Soviets did subsequently use their veto in votes related to the war, leading Acheson to promote the Uniting for Peace Resolution, to circumvent the Soviet veto. It was adopted by the General Assembly in November 1950, but was not actually invoked until 1956.

The 1956 Suez crisis was even more strikingly parallel to the current situation, since it was two Western members



The world's people demand peace. Here an international peace rally in Leipzig, Germany, against the U.S. imperial war on Iraq. Peaceful demonstrations in this city in 1989 brought down the Soviet colossus.

of the Permanent Five-England and France-which were the aggressors, having invaded an Arab state, Egypt, in league with Israel! Israel first invaded Egypt on its own, but when the Security Council attempted to take the actions required under the UN Charter to end the aggression, the British and the French exercised their veto. In response, Yugoslavia, with the full support of President Dwight D. Eisenhower, invoked the Uniting for Peace Resolution, and the subsequent General Assembly emergency session demanded the immediate withdrawal of Israel from the Sinai. When that was not forthcoming, the emergency session, on Nov. 5, 1956, created the United Nations Emergency Force (UNEF), an armed force intended to be a buffer between the Israelis and the Egyptians (much as the Palestinians are today calling on the UN to send troops to protect them against the Israeli occupying army).

The very next day, the British and the French, rather than conceding to the will of the world's nations, invaded Egypt themselves, occupied the Suez Canal, and claimed (falsely) that the Egyptian nationalization of the Suez Canal was illegal under international law.

U.S. President Eisenhower recognized immediately that the British and the French were flaunting the body of international law established after World War II, while reviving their 19th-Century unilateralist, imperial policies. Eisenhower not only put his full weight behind the General Assembly's UNEF, which arrived in Egypt on Nov. 16, but he also threatened to cut off oil supplies to the invaders. Under such pressure, and exposed for their criminal activity, the invaders withdrew.

There have been nine situations in which the Uniting for Peace Resolution has been used: Hungary in 1956; Lebanon in 1958; Congo in 1960; the Middle East in 1967; and (since 1967) Bangladesh, Afghanistan, South Africa, and Palestine, several times. The most recent Res. 377 emergency session

began in 1997, dealing with East Jerusalem. This session is still standing, and was last convened in August 2002. Some Arab leaders have considered reconvening this same emergency session to address the war in Iraq, as intimately connected to the Mideast crisis.

### A Necessary Step

Today, as in 1956, two members of the Permanent Five have taken it upon themselves to launch unilateral aggression, and impose a military occupation, on an Arab state, with the support of an extremist government in Israel—against the express will of the vast majority of the world's nations and people. But today the stakes are incomparably higher—due to both the power of the aggressor, including the U.S. war party's promulgation of a new strategic doctrine allowing the use of nuclear weapons against non-nuclear countries, and due to the drastic state of collapse of the world economy. As the U.S. government has, at least for the moment, fallen into the hands of forces fiercely opposed to the historic mission embedded in the U.S. Constitution, promoting instead a parody of 19th-Century British imperialism and 20th-Century European fascism, it is incumbent on all nations, large and small, to speak out and act to bring the United States to its senses.

The Uniting for Peace Resolution was designed, during a better moment in our nation's history, for just such a time. Those who argue that the General Assembly can only express opinions, without enforcement powers, are ignoring the wording of the resolution itself, and ignoring the power of ideas to move individuals, and nations, to rise above a crisis of civilization.

### Documentation

### UN Resolution 377 (V). Uniting for Peace, Section A

Resolves that if the Security Council, because of lack of unanimity of the permanent members, fails to exercise its primary responsibility for the maintenance of international peace and security in any case where there appears to be a threat to the peace, breach of the peace, or act of aggression, the General Assembly shall consider the matter immediately with a view to making appropriate recommendations to Members for collective measures, including in the case of a breach of the peace or act of aggression the use of armed force when necessary, to maintain or restore international peace and security. If not in session at the time, the General Assembly may meet in emergency special session within twenty-four hours of the request therefor. Such emergency special session shall be called if requested by the Security Council on the vote of any seven members, or by a majority of the Members of the United Nations.

### Arab Nations Changed, Shaken by the War

by Muriel Mirak-Weissbach

Among the factors which the United States and Britain misevaluated, in preparing their war in Iraq, is the power of resistance, not only of the Iraqis but of the entire Arab world. In the year before the invasion Lyndon LaRouche repeatedly warned that it would rapidly undermine the governments of neighboring Mideast nations, inflaming the Arab masses, leading to mass demonstrations; those governments which were either supporting the war, or not explicitly opposing it in words and deeds, would be threatened with overthrow.

As the invasion entered its third week in early April, just such a process of regional destabilization had begun. Protests and demonstrations were growing daily Egypt and Jordan, the two most important Arab "moderate" allies of the United States. Both Egyptian President Hosni Mubarak and Jordanian King Abdallah II have been placed under unprecedented public pressure, and have had to "correct" their positions. Similar popular dissent has been witnessed in Kuwait and Saudi Arabia; despite repression, it continues to simmer. In such a crisis, governments must represent the will of their people, who are rightly opposing an unjust war, or they will be thrown overboard.

War planners in Washington and London must be asking themselves how could this happen. Since it did not require a Middle East specialist to foresee such developments, the real question is: Why didn't they foresee this?

### The People vs. the Regime

With the outbreak of war, masses poured into the streets of Cairo, Amman, and other Arab capitals. Governments responded initially with brutal police repression and mass arrests. Egypt jailed up to 1,000 demonstrators, including two leading independent members of Parliament. They were released only on March 31. Although the authorities tried to prevent students from marching out of the university campuses onto the city streets, protesters broke therough the cordons, and demonstrations swelled in number and intensity. Particularly painful for the United States, the American University of Cairo was among the vanguard campuses in the protest. It is not Islamist radicals, but the leading families of Egypt's intelligentsia who send their sons and daughters to study there.

President Mubarak, prior to the war, had warned of its consequences, including regional destabilization. He tried to pragmatically adapt to circumstances once the bombardments





Destabilization of Egypt's President Mubarak (left) and Jordan's King Abdallah was a foreseeable consequence of the war. Iraqi resistance has triggered a widespread mobilization of Arabs.

began, and issued a statement placing the responsibility for hostilities on Saddam Hussein's government. The chief editor of the government-linked daily *Al-Ahram* had echoed the same line.

The response was more and bigger public protest. On April 1, reflecting the pressure of the street, Mubarak shifted gears. In an address to the officers of the Third Field Army, he stressed that Egypt "has adopted a clear-cut standpoint of rejecting the war option and refusing to participate in any military operations by the coalition forces against Iraq." Speaking to army commanders, Mubarak warned that the war would create hundreds of bin Ladens. "The armed confrontation in Iraq between the coalition forces who are seeking to overthrow the regime and the Iraqi armed forces who are defending their territory . . . is resulting in an appalling human tragedy with victims on both sides and the destruction of a people," Mubarak said. "I fear this war will have enormous consequences and lead to an increase in terrorism. When this war ends, there may be 100 bin Ladens, instead of just one. The war will have political, economic and social consequences that will be difficult to face."

Mubarak also responded to appeals that the Suez Canal be closed to warships—a leading demand of 15,000 students demonstrating in Cairo—by saying that the Constantinople Convention of 1888 forbids closure of the canal to any nation with which Egypt is not at war. Foreign Minister Ahmed Maher told BBC on April 3, that the Egyptian government and people were "in the same boat" regarding developments in the situation in Iraq. He cited Mubarak's urgent call to end the war, to avert a regional catastrophe. To explain the "state of frustration in the Arab streets," he pointed to the double standard used towards Iraq and Israel, regarding implementation of UN resolutions.

In Jordan, the confrontation took an utterly unprecedented form. Although the Hashemite Kingdom is not part of the "coalition," reports have it that American troops are in the country's East, on the Iraqi border, and also coming in from the Red Sea port of Aqaba. These are reportedly elite troops, estimated at 10-12,000. Furthermore, Jordanian sources report that from Jordan, the attacks on the Iraqi airfields H1 and H2 were launched and forces were sent towards Baghdad. The government has denied any U.S. presence—or has stated they are there to prevent Iraqi attacks against Israel (not a popular objective in Jordan).

All Jordanians are opposed to the war. King Abdallah is under massive pressure, and "there are those who are armed," as one source put it. In short,

there is the fear that the King could be assassinated. Key people in the regime have therefore been telling King Abdallah that his government is endangering the Kingdom. He has been given the choice: either stand with the Jordanian people, who are completely in opposition to the war and in support of the Iraqis; or on the side of the Anglo-American invaders. The former chairman of the House of Deputies, Abdulwahab Al-Majali, warned explicitly that if the war continued, the King and the royal family may be overthrown.

On March 31, ninety-five prominent personalities delivered a petition to the King, urging him to "declare the illegality of the aggression against Iraq." The letter demanded that Jordan should at least join other nations, such as France, Germany, Russia, and China, in condemning this war; and called on the King to declare that Jordan would not accept its political or legal outcome.

The petition represents an unprecedented move, uniting figures across the spectrum of political life from former government figures to the leading Islamist opposition figure of Jordan, Laith Shubeilat, who launched the initiative. Shubeilat, who had been condemned twice for lèse majesté and once given the death sentence, was joining with those established political forces who had opposed him, now in the interest of national security. As the official government daily, the Jordan Times, reported: "Anger at the U.S.-British campaign on Baghdad has brought together popular figures who have historically belonged to opposite sides, analysts and signatories point out. This explains why a maverick Islamist, twice jailed for lèse majesté, and the veteran leader of the once-underground Communist Party put their signatures beside those of former top intelligence officers and chiefs-of-staff."

#### Jordan's Fate at Stake

In the petition, they had written: "The current tragic circumstances, with a brotherly Arab state that has always been a loyal supporter of its fellow Arab countries, is facing an aggressive war and its people are threatened by occupation, death, and humiliation, urge us to turn to Your Majesty. The moral, national and legal duty oblige all Arab governments, including Jordan's, to clearly denounce the illegitimacy of the aggression on Iraq. We honestly believe that Jordan's interests require such a strategic stand." Signers included former Prime Ministers Mudar Badran (1980-1984 and 1989-1991), Ahmad Obeidat (1984-1985), Taher Masri (June-November 1991), and Abdur Ra'uf S. Rawabdeh (King Abdallah's first premier, in office from March 1999-June 2000). Former Royal Court Chief Adnan Abu Odeh, who also served as political advisor to both King Abdallah and his father, the late King Hussein; the former head of the anti-corruption unit at the General Intelligence Department; Sen. Samih Bino; former Deputy Prime Minister Ayman Majali; and scores of former ministers and deputies of different ideological and professional backgrounds also signed.

Motivating the petition was not only concern over the fate of Jordan, but much more. As one signatory, former Deputy Prime Minister Ayman Majali, said: "I differ with the Iraqi regime. But we are now talking about the future of the Arab world, because this war will not stop within the boundaries of Iraq."

As for Jordan, the perceived menace is clearly to the King's personal safety, threatened by a revolt from angry Jordanians, or probably through a provocation from Israel. This was clearly expressed by former Chamber of Deputies Chairman Al-Majali, also one of the open letter's signers, who told AFP: "We want the King to express a clear position against the aggression, because we know the King's capabilities to move internationally to make an effort to stop the war." Al-Majali asked the government to make a move "identical to that of the Jordanian street to support the Iraqi people, before [Israeli Prime Minister] Sharon manages to carry out his plans to invade Jordan in a few hours, and expel the ruling royal family, and to establish his declared alternative homeland" for the Palestinians.

King Abdallah did not hesitate to respond, albeit indirectly. In an interview with the Jordan News Agency Petra, on April 3, the King said his position "rejects war and calls for resolving the crisis by peaceful means and through the United Nations," and recalled his own warnings that the war would have "devastating effects, not only on Iraq but on the entire region as well." He articulated Jordan's position vis-àvis regime change and more: "The Iraqi people are the only people that have the right to choose their leadership. Because we believe in democracy and the right of peoples to choose their leadership, we cannot imagine that people would accept the outside imposition of a leadership against their will." The King added that Jordan has insisted and continues to insist

"that weapons of mass destruction should be removed from all states without any exception, so that the Middle East becomes an arms-free zone and the peoples of the region can enjoy comfort, security and stability."

Asked point blank about "rumors" of Jordanian (pro-"coalition") activity in the war, he flatly denied that Jordanian airspace was being used, or that American or Israeli troops were on Jordanian soil. Asked about the petition, the King replied: "I have read several documents and I respect their points of view but I wonder if all that we have done and are doing for our brothers in Iraq differs from what these documents indicate. I am a Muslim, an Arab, and a Hashemite. No one can outbid my concern for my people and nation." He defined what is "common ground agreed to by everybody, . . . the condemnation of war and the keenness to preserve our national unity." He concluded, that "in these difficult circumstances that are prevailing in the region and our country, the most important thing is the solidarity of our internal front." This, indeed, was precisely what the petition sought to establish.

### **Revival of Arab Pride**

The mood among Arab intellectuals and masses has changed significantly since the last Gulf War. In the interim, the Israeli-Palestinian conflict has assumed barbaric proportions, and against it no one, apparently, dared to lift a finger. Now, with the U.S.-U.K. assault on Iraq, in defiance of the UN and world public opinion, the frustrations with an obvious double standard, in dealing with Israel and Iraq, have reached the boiling point. Just the sign of Iraqi resistance would trigger the explosion. That resistance, unexpected by the Washington and London war planners, has changed the face of Arab politics, regardless of the military outcome of the war. After years of humiliation and defeat, they have rediscovered in this resistance the courage to stand up and fight for justice. This is something the allies "have not grasped," as one regional expert put it. Volunteers are streaming in from Syria, Jordan, the whole Arab world. The character of this mobilization is such that it transcends support for the Iraqi government as such. If that government were defeated, it is likely that those now fighting would continue to do so.

The Iraqis "undressed Bush," Laith Shubeilat commented. "All he has left is his underwear. The most important thing is, the Iraqis are fighting. Regardless of the outcome, we can walk through the streets of Europe and be proud to be Arabs." The worldwide anti-war mobilization has also proven crucial for Arab morale, a point underlined by Syrian President Bashar al-Assad in acknowledging the critical role of Pope John Paul II in sparking that mobilization. "After Sept. 11," Shubeilat said, "we feared a Clash of Civilizations, but the demonstrations show that people do not hate people; they love one another." Iraq has become the "rallying point for the anti-imperialist drive."

### Hardly Any Germans Support Iraq War

by Rainer Apel

According to legend, the ancient Greek goddess Nemesis had a very sharp memory—she would never forget any evil deed, and would pursue the culprit relentlessly until he (or she) were caught to receive his sentence. The problems which U.S. chicken-hawks like Richard Perle and Donald Rumsfeld are running into, indicate that a "nemesis factor" is at work in the United States; and it is also causing its first casualties on the German side. Christian Democratic Union (CDU) Chairman Angela Merkel, the pro-war cheerleader, has experienced a rapid decline in popularity at home, ever since she met with leading chicken-hawk representatives in Washington in February. In its latest opinion poll, N-TV noted that her support is down from 66% at the end of last year, to 42% at the end of March. And a lot of those remaining 42% are Germans who oppose Chancellor Gerhard Schröder's economic-social policy. Many voters still have the illusion that Merkel's Christian Democrats would be an alternative, and only 33% of Germans support Social Democrat Schröder. But on the issue of war, 73% support Schröder's anti-war position.

Prominent politicians who spoke out against the war during the first two weeks of combat in Iraq, include two former Presidents, one former Chancelllor, and many other leading figures of both major parties. The two former Presidents are Walter Scheel (Free Democratic Party) and Richard von Weizsäcker (CDU), both criticizing the new U.S. strategic concept of preventive war as "going against international law." Former Cabinet ministers Rita Süssmuth and Heiner Geissler (both CDU) made the same point.

The remarks of Karl Lamers, a longtime CDU member of Parliament, is worth special mention, as he has worked for the U.S.-German relationship and for Franco-German cooperation at the same time, over more than 40 years. In an interview with the *Rheinische Post* on March 31, Lamers said: "I don't understand Angela Merkel, that she is clinging to the Americans so unconditionally. This turns us into a passive appendix, rather than into a subject of political action." Lamers said that "the Americans wanted that war in any case," irrespective of how Saddam Hussein behaved. "This is a war of prevention. Any reference to an Iraqi threat to the Americans is nonsense." The real driving force behind the war is the new U.S. strategic doctrine, Lamers said, and its authors "want a unipolar hegemonic world." He added that against

this strategic background, the intensification of Franco-German cooperation is crucial.

### Schmidt Rejects 'Clash of Civilizations'

Of special interest are also remarks by former Chancellor Helmut Schmidt (Social Democrat), in a speech in Munich on March 29, addressed to the Hanns-Seidel Foundation. Schmidt's speech was a *laudatio* for former President Roman Herzog (CDU), whom the foundation had just granted an award for outstanding statesmanship. The fact that Schmidt was chosen to speak at this Christian Democratic foundation, reflects how certain currents among the German political elite think about the present strategic situation, across party boundaries.

The Iraq War may provoke a "new, general enmity of the 1,200 million Muslims worldwide, against America, maybe against Western civilizations in general," Schmidt warned. "It is possible that Samuel Huntington's gloomy prognosis of a worldwide Clash of Civilizations will become real." Schmidt quoted from a speech that then-President Herzog gave in Islamabad in 1995: "I do not share the view of Samuel Huntington that a clash of civilizations is unavoidable. . . . Nothing could be more disastrous. . . . Even the propagation of such ideas, I deem entirely inappropriate."

Schmidt furthermore warned that another casualty of the Iraq War and the new U.S. drive for world hegemony may be the ongoing project of European integration, which is being disrupted by the Bush Administration attempt to recruit allies for its war drive, behind the backs of the French and the Germans. Schmidt said that one should be prepared for a situation getting so bad, in economic as well as in militarystrategic terms, that the European Union could not be maintained any longer, because new challenges would require new and unprecedented responses. In order to secure genuine European interests, as distinct from the Anglo-American designs for global hegemony, the strengthening of the Franco-German entente, as crucial for the national interest of Germany, must become an absolute priority, Schmidt said. For Germany, a meaningful policy under the foreseeable turbulent conditions of the 21st Century can be pursued only in close coperation with France, Schmidt added.

There are two policy designs competing with each other, now, Schmidt said: the principle of dialogue and cooperation, as referenced in Herzog's 1995 Islamabad speech; as opposed to the "friend-enemy principle" which "the Nazi ideologue Carl Schmitt defined as the essence of politics." Identifying Schmitt as a spiritual source of ideologies such as those formulated by Samuel Huntington and his chicken-hawk followers, is all the more important, coming from a former Chancellor of Germany. And whether Helmut Schmidt intended that or not, his attack on Carl Schmitt will remind many people that there is one political organization that has run that attack on Schmitt for years: the LaRouche movement in Germany and internationally.

### Lyndon LaRouche on BBC

### 'A War That Has No Satisfactory Exit'

Democratic Presidential pre-candidate Lyndon LaRouche was interviewed on April 3 on the BBC' international news program "Five Live Up All Night" from London, on the Iraq war. This is the portion of the interview with Richard Ballyn aired that night.

**BBC:** I understand from what I've read, that you are diametrically opposed to the war that America is conducting with Britain in Iraq. This is very much at odds with the vast majority of opinion in America. Why are you so against it?

LaRouche: I think what may be reported as opinion in America, and what is actually the opinion in the United States, may be two different things. Of course, there is a lot of orchestration, this is a wartime situation, and you have to expect this sort of thing. The point is, this is a war which has no exit strategy, and from a military standpoint, very little competence. The generals are competent, but I think the Defense Secretary is not competent—at least, from what we've seen. And I know a good deal about how this war was engineered. It's unnecessary; the matter should have remained in the United Nations. We, as a group of nations, have the ability to control any actual problem which existed there. It was not necessary to go to war, and this war can not stop with Iraq, because it's a war that has no satisfactory exit, as we say in the United States, no satisfactory exit strategy.

**BBC:** You say "no satisfactory exit strategy"—[but] there is no intention, as far as one can judge, to take the war any further. This is it. There is a specific purpose of removing Saddam Hussein from power, and destroying his weaspons of mass destruction. That seems clear enough, doesn't it?

**LaRouche:** No. If you look back at the record of this thing, if you go back to January 2002, when the President [gave his] State of the Union address, in which he formulated this concept of "axis of evil." If you know the details of the policy, as I do, looking behind the scenes, to what is the policy. The policy is a policy of a group of people, who outlined this in 1991, under the direction of then Defense Secretary Cheney, who is now the Vice-President. Subsequent to Sept. 11, 2001, Cheney resurrected his war plans from 1991. And that crowd, which includes Richard Perle and some of the people around him, are the people who are orchestrating the policy over very strong objections from the ground-based military generals, both retired and active, serving.

So this is the general situation. I don't see how it can be stopped. The next problem to look at, among others, is the possibility of a spread in the Middle East, of conflict. The question of the Iranian threat, that is the threat perceived, and also, much more significant, the North Korean situation, which does require attention at this time, and has become much more hot, as a result of the Iraq war.

**BBC:** What you're saying, that the war should be stopped now, the troops should be withdrawn.

**LaRouche:** Essentially, if the President has the courage and the conviction to do that. The thing should go back to the United Nations. I think the United Nations could handle any real problem, without getting into the complications of this particular venture, which is rather messy at the present time.T...

**BBC:** But it would be a good thing for Saddam Hussein to be removed from power. You would go that far, wouldn't you?

**LaRouche:** No, I wouldn't say we—. Maybe we shouldn't do it. We have a lot of problems around the world, a lot of governments which may have objectionable features, but if we start going about and do what Hitler threatened to with Benes in 1938, or what Hitler did with Poland in 1939, we'd have a rather complicated world. That we must avoid. This concept of preventive war, of getting rid of people we don't like, is rather, it's imprudent activity. We don't need it.

**BBC:** Well, you use, you brought in Hitler into our conversation, here, I believe, you were saying back two years ago that there would be new Adolf Hitlers would appear; and this time, inside the United States. Who are these new Adolf Hitlers you mean?

**LaRouche:** Well, they're people who have adopted—followers of the late Leo Strauss. Most of the people in this circuit around Rumsfeld and Cheney, including Paul Wolfowitz, for example, Perle is in the same circuit, another fellow outside, but actually in it [Bill Kristol], is in it.

**BBC:** And Leo Strauss, let's be clear what he says.

**LaRouche:** Leo Strauss, was a—came from Marburg, Germany. He was a protégé of the Carl Schmitt, who created the *Notverordnung* under which Hitler came to power in 1933. He shares those views, he's a Nietzschean of those propensities. He's credibly a fascist, and he's produced—out of Chicago University—principally the secondary, as well as the primary students of his, such as Paul Wolfowitz, who all share this kind of ideology. This is very much, a Hitler in the bunker kind of thing.

**BBC:** That was Democratic Presidential pre-candidate Lyndon LaRouche that you've been listening to.

### Lyndon LaRouche on Iranian Radio

### 'The War on Iraq Is A Drive for Empire'

This interview with Democratic Presidential pre-candidate Lyndon H. LaRouche, Jr. was conducted by Iranian National Radio on March 20.

**Q:** In your point of view, what is the real purpose of America and the British to launch war on Iraq?

**LaRouche:** Well, I don't think the President of the United States actually knows what his purpose is. However, the people who are controlling his policies, which include Vice President Cheney, and that circle, are intent on actually world empire, not Iraq. Iraq is simply treated as an opportunity to start a larger war, in which, of course, China is ultimately targetted, Iran is among the targets, and so forth.

**Q:** How do you evaluate the successful outcome of the American and British attack on Iraq?

**LaRouche:** This goes back to 1991, at the end of the socalled Desert Storm, when the President and his then military commander, Colin Powell, said: "Don't go to Baghdad," that the Iraqi invasion of Kuwait had been reversed, "The Iraqi forces involved had been destroyed, do not occupy Iraq."

Cheney and others disagreed. And together with certain forces in the right wing in Israel, have maintained this policy ever since. After the Sept. 11, 2001, Cheney and his friends became active again. They are now going for world empire, sort of a caricature of a Roman Empire, with nuclear weapons. That's their policy. I don't think the President himself understands it, but these people behind this, including those in Britain who are supporting it, understand this very well.

**Q:** France, Germany, and Russia, don't agree to launch unilateral war on Iraq. . . . [What will be] the situation of the world after this war?

**LaRouche:** Their view is correct, as expressed by the French Foreign Minister, in particular, in the United Nations. They are very aware that the Iraq issue is not the issue. The issue is an imperial policy for a world empire. They understand that. That's why the so-called triple alliance of Russia, Germany, and France has emerged on this issue, why China supports it, why others support it. They recognize that—... Let me give you an example of this that will help to explain it.

What the United States has done, in launching this attack on Iraq, despite, in defiance of, the United Nations, is the same thing Hitler did in threatening Czechoslovakia in 1938, and the same thing Hitler did in invading Poland in 1939. Europeans involved, understand that, and understand that this is a revival of a Nazi-like policy, which we outlawed at the end of the war, the last war.

**Q:** Throughout the Foreign Ministry and [inaudible] say that after this war is carried out, the UN is not the practical institution, but is only a moral institution. How do you argue about this?

**LaRouche:** I don't agree at all. What is happening is, the United States is pulling itself down, by this kind of adventure. For example, you can probably imagine what the war is going to cost, if you add an occupation as well. The attempt to occupy a destroyed Iraq, is going to cause confusion throughout the whole region. You're talking about trillions of dollars, over several years. The United States already has a Federal deficit of over a trillion dollars a year, approximately. There is no way the United States can, financially, economically, sustain this kind of war. In the meantime, the international financial system is collapsing; it will collapse anyway. If the United States opposes cooperation with the Asian countries, Eurasian countries, such as Europe and Asia, then the United States has no chance of recovering from this depression. Therefore, the economic factor is going to cut in, and will be increasingly decisive in determining what happens with the outcome of this war.

**Q:** There is news that Saddam Hussein organized a suicide pilot to target the Americans and British in the present war. Do you think this would be successful for the Iraqi regime or not?

LaRouche: Iraq is in a desperate situation. And, when you put a country in a desperate situation, with a leader such as Saddam Hussein is, you can expect anything. I don't think that these particular type of things, individually, mean much. The most deadly thing that Saddam Hussein has threatened—and I understand that oil is being pumped into trenches for it—is to set fire to the oil fields. He would destroy the oil fields of Iraq, rather than allow anyone else to occupy Iraq. That's one of the threats which he's made, which is very, very, credible.

**Q:** The American authorities say that, after two or three weeks, they will be successful in war, and can change the regime of Iraq. In your point of view, if this war goes longer than two or three weeks, what will be the consequences on the American situation?

**LaRouche:** First of all, the people who are saying that, or advising President Bush to say it, are incompetent, militarily. All of the leading flag officers, retired, and serving, that I know of, from the U.S. Army, from the U.S. Marine Corps, and similar authorities in Britain, that is, the leading senior military authorities in Britain, have all denounced it, saying this is totally incompetent. So this is a war which is decided by



The main gate of the Mausoleum of the King of the Lamp in Shiraz, Iran. The Cheney gang has made clear that they will not stop at Iraq: Iran is among their next targets.

Corporal Hitler, not by competent military forces. Therefore, what is being said from the U.S. government, as propaganda, on the two- to three-week outcome of the war, is false. Yes, Iraq could be virtually destroyed by these kinds of attacks, physically, but that does not mean it can be successfully occupied, or that the region will not blow up in the United States' face, if they continue this attack.

**Q:** The other question is about after this war, after the changing of Iraq. What is your point of view about terrorist attacks on the U.S. soil, and the British?

**LaRouche:** I think what we are going to see, is the people behind Bush—I'm talking about Cheney, I'm talking about that crowd around Cheney—these people will not stop at Iraq. Iran is obviously among their targets, they've made it very clear. China is another ultimate target. North Korea is among their targets, and so forth and so on. So there is no limit to what the war will become if these fellows remain in control of the policy.

But the other side of it is, what they are proposing to do, it's insane, and we can not anticipate in advance, what the

consequences will be. All we know, is that they will be horrible, for the United States, as well as everybody else.

**Q:** What about the psychological war on Iraq?

**LaRouche:** Everything is going on. But it is madness. One has to understand that the people in the United States, and in Britain, who are pushing this, are insane. That you can not assume that what they say, or what they think they believe, is true. The real world rejects them, and I think the expression of Russia, France, and Germany on this question, is very mild. It is appropriate, but it very much understates what I think many of the people behind the scenes actually think about this. It is insane.

**Q:** How do you evaluate the humanitarian catastrophe in Iraq after this war?

LaRouche: Oh, God, this is terrible. I think of the people. First of all, this is a Hitler-like war, as I said, like Hitler's invasion of Poland, or what he intended to do in Czechoslovakia. This is a Nazi conception. As a matter of fact, the people in the United States, who developed this policy, designed it on the basis of Nazi policy. For example, the people behind Cheney—Cheney himself expresses a Nazi policy, publicly, on this war question. These people are conducting wars of virtual extermination, in the worst ways the Nazis did. You probably know them from the Iran-Iraq War period, what they were doing on the Iraq side, for example. This is a war of extermination. And I just—the people, the people, you know, to me, it's horrible, because I know they are human beings, and human beings should not be killed like this. Children, women, everything, it's horrible.

**Q:** What is your opinion about the future of Iraq?

LaRouche: I am determined to finally bring justice, if I am able. Iraq should just be left to make its own decision. I do not believe in externally imposed solutions. A people must make their own government, and their own solutions. External forces must not try to create puppet states. You see the horrible thing that has happened in Afghanistan, as an example. What happened there is not a success. United States actions made the situation worse than it was before the U.S. actions. And it will explode again. The Taliban will come back, and surface, they'll take over again. The drug trafficking will increase. The danger to the neighbors will increase. Nothing good can come out of this operation, with the way that the present U.S. government intends it.

I intend, if I have the power to do so, to bring justice, to give the people of the region an opportunity for peace, and for development. But when it comes to the case of Iraq, the Iraqi people themselves must make their own decision. And we must allow them to do that, and we must help to find the conditions under which they can do it. Otherwise, we will not have a stable neighbor in Iraq.

### Danger to India In Anti-Muslim Policy

### by Ramtanu Maitra

A major flaw in India's foreign policymaking showed up in the wake of the U.S.-U.K.-led invasion of Iraq. Prime Minister Atal Behari Vajpayee recently told the Cabinet of his coalition government that a stridently anti-U.S. posture is not in India's national interest. This was the cited reason for turning down the opposition's plea to pass a parliamentary resolution condemning the invasion.

The inability of New Delhi to pass a resolution in parliament stems from the fact that a group within the Bharatiya Janata Party (BJP), the dominating party in the coalition government, has become rabidly pro-United States and pro-Israel. This group, exemplified by the Vishwa Hindu Parishad (VHP), a powerful faction within the BJP, has made its mark in the Indian political scene as the torchbearer against the Muslim population. The VHP-influenced domestic policy of the country in recent years has strayed far from the path of removing abject poverty and building up the nation. It has hurtled down the path of least resistance into the abyss of exploitation of Hindu-Muslim conflicts, templemosque conflicts, Gujarat killings, building of the Ram Temple in Ayodhya, Jammu and Kashmir, and so on and so forth.

### The Triangular Cooperation

The anti-Muslim policy exhibited by New Delhi in recent months is in direct conflict to the overall foreign policy of the country. Since the end of the Cold War, India has developed strong economic and bilateral relations with the United States which benefit both nations. However, there is a realization in New Delhi that the United States is not a reliable ally. Washington's opposition to India's nuclear weapons program and New Delhi's market protection policies, shows up from time to time, often in the form of imposition of, or threats to impose, economic sanctions. Moreover, Washington's policy towards the nations of the Indian subcontinent is fraught with narrow American interest. Washington is not generous to share this interest with New Delhi, most Indians complain.

This understanding of the United States has also pushed India to seek cooperation in the Asian region with the larger nations—Russia and China. Russia had been for years a close ally, even throughout the Cold War days. A significant part of India's military hardware comes from Russia. Relations

with China, however, were strained following the border clash in 1962. The relationship began to improve since the mid-1980s. Having ridden through a few troughs along the way, Sino-Indian relations are now on an improving track. New Delhi has watched with amazement the pace at which China developed in the post-Mao years, and has realized that a meaningful collaboration with China, and Russia, would help India to develop its economy assuredly and at a faster pace.

Also notable in recent years was India's initiative to have a closer realationship with the nations in Southeast Asia and Indochina. India's then-External Affairs Minister Jaswant Singh went to Indochina in 2001 to inaugurate the Mekong-Ganga Development Plan, which if pursued, would develop effective infrastructure linkages between India and Southeast Asia.

BIMSTEC (Bangladesh, India, Malaysia, Sri Lanka, Thailand Economic Cooperation) established in 1998 at the Indian initiative, was an attempt to forge cooperation with India's neighbors in the East and to start cooperation among the littoral states of the Indian Ocean region. The policy has remained moribund due to lack of focus.

It is vitally important for India to pursue these relationships, particularly from the viewpoint of ensuring a more stable regional economic process and improving the security situation in the region. The vast Central Asian plains that link Asia to Europe to the north have great potential, but need concerted developmental efforts to make them flourish. China is already actively involved, linking up with Europe by land through Central Asia. Russia is already there, and it is now a necessity for India to participate in this trilateral cooperation to develop that area. The success of that vast developmental project will ensure energy security to India and China, in particular; provide Europe with an opportunity to grow, play a useful role in the region's security, and keep the out-ofregion big powers from colonial-style powerplays in the region. The main thrust of India's foreign policy still is in that direction. However, some very serious flaws have emerged which can marginalize India on the world scene.

### War on Terrorism, Jammu and Kashmir

Within India—particularly within the BJP—exists a very strong group of Muslim-baiters. These blame India's failure to emerge on the world scene, on the Muslim nations in the region, Pakistan in particular. During the Cold War days, India was close to the erstwhile Soviet Union, while Pakistan was virtually a colony of the United States. Since the 1970s, Pakistan also has gotten friendly to China. Both the United States and China, at the time, were considered as adversaries by the Indian authorities.

Following the end of the Cold War, and the emergence of a weak Russia, India began to mend its fences with the United States. India's testing of nuclear devices in 1998 strained the

Indo-U.S. relations. At that time, the BJP-led government set about to restore the once-friendly relations with Washington. What followed, however, was the spectacle of grovelling at Washington's feet. At the end of ten rounds of talks, projected in New Delhi as diplomacy, and after a loud endorsement of the war on terrorism, India's foreign policy got onto the wrong path.

A section of the BJP, represented by the VHP and Interior Minister L.K. Advani, seized upon this opportunity to push India's foreign policy to meet American approval. According to this group, the key necessity for India is to settle the Jammu and Kashmir issue—exactly what Washington wants, though for different reasons.

While the extension of India's support to the United States' declared war on terrorism was not an unreasonable move, what followed from there was a spectacle. According to the VHP—which heartily approved the U.S. stand on Iraq—close cooperation with the United States in rooting out the Muslim terrorists would help India curb Pakistan's support of Kashmiri militants.

Obsessed with Pakistan and clinging to the U.S. promise, this group then enmeshed India's policy with the U.S. policy toward Pakistan. When the Indian Parliament was attacked on Dec. 13, 2001, the VHP and the other anti-Pakistan and anti-Muslim fanatics wanted to invade Pakistan, but Washington prevented it. Subsequently, India assembled more than 700,000 troops with armaments along the India-Pakistan borders, threatening to invade. After six months and billions of rupees, the troops were brought back. That, too, was done under pressure from Washington.

It is evident that the VHP-led group has moved India down the proverbial primrose path. New Delhi's failure to extract any concession from Pakistan in the war on terrorism has made it more anti-Pakistan than ever. Having come to realize that Washington would not lift even its finger to help India on the cross-border terrorism, it has begun to dawn on New Delhi that Pakistan is the cornerstone of Washington's "war on terrorism." The Pakistani Army and Inter-Services Intelligence (ISI) had nurtured and strengthened the two elements that the United States was keen to eliminate—the Taliban and al-Qaeda terrorists. Without Pakistan's help, Washington had virtually no ability to achieve even a nominal level of success in this venture.

The Bush administration's double-talk and the anti-Muslim fervor of the Indian policy group, also exposed a deep flaw in New Delhi's subsequent analysis of the Pakistani domestic situation. It did not seem to be evident to New Delhi that Washington hopes to derive maximum benefit from its relationship with Pakistan in the future, only if Islamabad continues to remain under control of the Pakistani Army. It did not occur to New Delhi that Washington does not have enough latitude to play around with the Pakistani civilian leaders because of the growing emergence of anti-American Islamic fundamentalists in the region.

In other words, although the Bush Administration's policy toward Islamabad clearly indicated that the Pakistani Army will continue to have a firm grip on the nation's foreign policies, New Delhi believed otherwise. That means that the Kashmir issue will be kept alive, and the Pakistani policy of bleeding India, in revenge for India's role in breaking up Pakistan in 1972 to create Bangladesh, will continue.

### **Dangerous Waters**

This obsession with Pakistan, and trust in the United States in the post-Sept. 11, 2001 period to help India to get rid of the "Muslim terrorists," led to another policy distortion. For instance, a number of members in the present Indian government have found a new ally in Israel. Maj. Gen. Uzi Dayan, head of Israel's National Security Council, visited India last year for a "joint strategic dialogue." Former Foreign Minister Shimon Peres, during his visit to India last year, dubbed India "Israel's best friend" in the region.

A delegation from the Jewish Institute for National Security Affairs (JINSA), a U.S.-based pro-Israel lobby that has become increasingly powerful in light of the war against Iraq, was in Delhi early this year. It included a number of highlevel Israeli military officers. From the United States came Gen. Wayne Downing, an important member in the cabal of hawks in the Iraq war, and former FBI counterinsurgency chief Steve Pomerantz, who is known to partner with Islambaiters in the United States. The JINSA group, during its stay in India, participated in a conference organized by one Indian chamber of commerce, and met with many senior leaders in the government.

The pro-Israel group in India is growing and drawing in a large number of military personnel. For years now, oodles of arms deals signed between India and Israel with the blessing of the United States have muted India's voice in support of the Palestinian nation. In total, more than \$2 billion in arms contracts have been signed between Israel Aircraft Industries and the Indian Defense Ministry, with Israel selling surface-to-surface Barak missiles, pilotless planes and radar systems, and renovating hundreds of MiG-21 and MiG-29 planes and Russian-made T-72 tanks. India is also in the process of acquiring Israel's Arrow Theater Missile Defense System. Significantly, Israel is also providing consultancy to India on how to deal with the cross-border terrorism influx from Pakistan into the India-held part of Jammu and Kashmir.

By directing India's foreign policy to align with the anti-Islam, anti-Muslim cabal, New Delhi has set itself on a dangerous path. India, with a billion-plus people and a well-developed technological base, may soon be identified as an anti-Muslim nation—a prospect it can ill afford. Should India get bogged down as an anti-Muslim nation, with two large Muslim nations—Pakistan and Bangladesh—totalling more than 250 million people, to its west and east, the country will be truly, permanently straitjacketed.

# Bush: Mugabe 'Threatens U.S. Foreign Policy'

by David Cherry

"The actions and policies of certain members of the Government of Zimbabwe and other persons . . . constitute an unusual and extraordinary threat to the foreign policy of the United States, and I hereby declare a national emergency to deal with that threat," President George Bush declared, in an Executive Order signed March 6. The language seems very up to date in its imperial pretensions. The Order freezes all assets in the United States belonging to 77 Zimbabweans, including President Robert Mugabe, Cabinet ministers, and other leading government figures. It also bans U.S. citizens from doing business with them. Given the disparity between the language of this preamble, and what is actually ordered, other actions may be under way.

Bush's Executive Order is one more step in the war between the government of Zimbabwe and the Anglo-American powers, for control of that country. When, in the 1990s, President Mugabe was going along with the International Monetary Fund's destructive structural adjustment program, he was knighted by the Queen of England in 1994 as Honorary Knight Grand Cross of the Order of the Bath. The IMF policy ravaged Zimbabwe, and Mugabe turned against it. He also sent troops to defend the Democratic Republic of Congo against the invasion of Anglo-American assets Uganda and Rwanda. He began the redistribution of British- and settlerowned lands. He developed a friendship with Malaysian Prime Minister Mahathir Mohammed, an anti-IMF strategist.

Now Mugabe was a demon, and London and Washington determined to be rid of him. As Zimbabwe's elections approached in March 2002, British Prime Minister Tony Blair fumed, "There can be no question of Mugabe being allowed to stay in power," unless the elections are "free and fair." The Anglo-American oligarchs and their governments, in 1999, created the opposition party, the Movement for Democratic Change (MDC); fund it; and demand a fair shake—or better—for their fifth column.

In a series of articles from April through August 2000, *EIR* exposed this fraud of "free and fair" elections: The Zimbabwe Democracy Trust (ZDT) of Britain and the United States acknowledges its purposes are to fund the populist opposition and to feed propaganda into Zimbabwe and around the world. ZDT's chairman is Lord Robin Renwick of Clifton, KCMG, former ambassador to Washington, vice chairman of JP Morgan PLC, and a member of the advisory board of RAND Europe. ZDT's patrons include three former British foreign

secretaries, including Lord Douglas Hurd, who admits that some people would accuse ZDT of neocolonialism. ZDT keeps its membership roster secret.

The older Westminster Foundation for Democracy is funded by the British government, and funnels money to opposition parties abroad using Britain's political parties as conduits. It may have sent \$1 million or more to the MDC. It boasts Tony Blair among its patrons. From the U.S. side, the MDC is supported by the International Republican Institute (using funds from the U.S. Agency for International Development, USAID), and the National Democratic Institute. USAID also provides backing to the Southern Africa Media Development Fund, said to have provided the opposition's *Daily News* with \$500,000 when it was in financial trouble.

The MDC is also the party to which Zimbabwe's remaining white commercial farmers adhere. The leadership of the Commercial Farmers Union says it shares the views of the British ambassador and meets with him regularly.

#### **Enter France and China**

But the Anglo-American powers are no longer the only significant forces on the field of battle. They lost support in Africa as they exposed their imperial ambition to invade and conquer Iraq: France is stepping into the vacuum. French President Jacques Chirac, at the Feb. 20-21 Franco-African summit (with Mugabe in attendance), offered to be Africa's international advocate. He also offered to help South Africa and Nigeria in resolving democracy, rule of law, and land ownership issues in Zimbabwe. President Thabo Mbeki of South Africa and President Olusegun Obasanjo of Nigeria accepted the offer. China is also on the field. In February, Mugabe signed a contract with the China International Water and Electric Corp., owned by the Chinese government, under which the company will prepare 247,000 acres of land in Zimbabwe for commercial-scale farming, and will build the necessary infrastructure. The project by itself could feed half the country. It gives substance to Mugabe's claim that he will no longer work with the IMF and World Bank.

The arrival of France and China has no doubt given the Anglo-American powers a sense of urgency.

As Bush's Executive Order shows, the instinct of the Anglo-American powers is to tighten sanctions against Mugabe's government. But Africa objects. President Mbeki's spokesman Bheki Khumalo said on Jan. 24, "There is no need for sanctions against Zimbabwe. We are totally opposed to it. It is not even a last resort. There will be total chaos and a meltdown that will threaten the very Zimbabweans we are trying to help." One important sanction, suspension from the Commonwealth, imposed in March 2002 by the delegated troika of Mbeki, Obasanjo, and Australian Prime Minister John Howard, came up for review last month. But Mbeki and Obasanjo informed Howard that there was no need for the troika to meet, because the two of them had decided that sanctions had to be lifted. This so enraged the Common-

wealth's British helmsmen, that Commonwealth Secretary General Don McKinnon announced on March 16, at a meeting of Commonwealth diplomats in London, in an in-your-face lie, that "the members of the troika have now concluded" that continued suspension is best. Commonwealth heads of state participating in the February Non-Aligned Summit in Kuala Lumpur, Malaysia were unanimous in endorsing a decision opposing sanctions against Zimbabwe.

The most potent card in the hands of the Anglo-American powers is a mobilization of the MDC to lead a strike wave that will bring the government to its knees. The International Crisis Group, an important catspaw for the U.S. and British governments, wrote in its March 10 report on Zimbabwe, "The success or failure of mass action may be the most important determining factor for the future of the MDC," and by implication, one might add, for the future of Anglo-American control. Beginning in late 2002, there was increasing pressure on the MDC from the non-governmental organizations, to overcome its fear of repression and go into action. Baroness Valerie Amos, Minister of State in the British Foreign Office, met in London with MDC parliamentarians in December and January. After some small, scattered actions, the MDC pulled off a successful two-day general strike on March 18-19, and gave Mugabe a two-week deadline to meet 15 political and human rights demands. Senior MDC officials said the strike was a "test run" to gauge the mood of the people, and the next action would take a different form if the party's demands were not met.

The MDC's deadline for the government to respond to its 15 demands, passed on March 31. The MDC is now considering its next move. Its leader, Morgan Tsvangirai, told supporters, "This will be the final push that will restore our sovereignty, liberty, and freedom. . . . It will be a struggle that calls for extreme sacrifices, indeed even the supreme sacrifice. . . ." However, MDC spokesman Paul Themba Nyathi told BBC News "that the next step would have to be carefully chosen because of the 'risks involved. . . . We don't want to draw our people into an ambush." Richard Cornwell of the Britishinfluenced South African Institute of Security Studies has warned the MDC not to move while the Iraq war continues, because the Mugabe government's "lethal reaction" would go unnoticed internationally.

But the government's Achilles' heel is its inability to reverse Zimbabwe's economic collapse. It is having increasing difficulty in paying for vital imports, including oil and electricity, and the outflow of workers is putting a burden on Zimbabwe's neighbors. This provides the Anglo-American powers with an opportunity to exert leverage. Indeed, when the Southern African Development Community's (SADC) foreign and defense ministers meet in Harare, Zimbabwe in the first week of April, they will reportedly consider arranging a meeting between Zimbabwean and British officials. The ubiquitous Baroness Amos has been in South Africa for a week, insisting that there will be no New Partnership for Africa's Development (NEPAD) if SADC doesn't dump Mugabe.

Interview: Yitzhak Ben-Aharon

### Only New Thinking Will Bring Peace

Mr. Ben-Aharon, one of Israel's founding fathers, is a founding member of the Labor Party, and a trade union leader. He served as a minister in the government of Israel's first Prime Minister, David Ben-Gurion. He was one of the first Israeli leaders who called for the return of all the territories occupied by Israel in the Arab-Israeli war in June 1967. At 96, his counsel is sought by many political leaders, including current opposition leader Amram Mitzna, chairman of the Labor Party. Dean Andromidas conducted this interview through written correspondence in early March.

**EIR:** Could you please briefly tell our readers about yourself, and the role you played in the founding of the State of Israel and in its first decades?

**Ben-Aharon:** I came to Palestine in 1924 as a leader of the Zionist youth movement in Romania, and to some extent in Germany as well. I joined the kibbutz [communal farm] in Haifa and we worked for three years on the drainage of the Kishon swamps, stretching from Haifa to Akko. It was there that I started [to play] a leading role in the Jewish labor movement, in its two-pronged presentation via the Histadrut [labor federation] and the Labor Party.

[Earlier], With the founding of the State of Israel, I became a member of the Knesset [parliament], and pursued that activity for 22 years in succession. I was also the Minister of Communication in Ben-Gurion's Cabinet in the 1950s, as well as Secretary General of the Histadrut. With the outbreak of the Second World War, I joined the volunteer pioneer formations, received a commission, and then was drafted from the western desert to Greece. That move was a terrible failure of the British, and in no time, we were captured by the Germans, and I spent the duration of the war as a POW in Nazi Germany. Unexpectedly, I survived, and upon reaching my home, I was in no time declared a leader of the Haganah underground and was put on a military court trial. That was obviously the British way of remuneration for my military service, and without lauding myself, I was also a very active member of the underground intelligence.

I have been a member of my kibbutz, Givat Haim Meuhad, from its founding until today.

**EIR:** What is your assessment of the political situation within Israel and the ongoing conflict with the Palestinians? **Ben-Aharon:** The current political situation concerning the conflict between Israel and the Palestinians appears to be a

tragedy with no immediate solution in sight. Both sides appear to be reluctant to commit themselves to far-reaching compromises, which in my view is the only chance for peace and understanding. The Sharon government, as of today, is unfortunately, in its composition, unable to act to initiate negotiations.

**EIR:** Amram Mitzna has sought your advice and has won your endorsement. What is your assessment of this man and the political path he is struggling for?

**Ben-Aharon:** Labor Party Chairman Amram Mitzna is, in my mind, a new face within the political establishment of Israeli democracy. He is a man of perfect integrity, and it appears that ahead of him awaits a painful struggle for the recognition of his leadership.

**EIR:** What is your assessment of Ariel Sharon? Will he launch a new regional war?

**Ben-Aharon:** I am not aware that Ariel Sharon will ever launch a regional war; therefore, he should not be charged with aggressive intentions against our neighbors. What can be said fairly is his belief in the ultimate power of arms. He appears to expect total surrender from his opponents, and yet I would not exclude the possibility, that in this last political leadership, he might open himself to President Bush's dictates. When all is said and done, the real and decisive power lies with the Americans, and Mr. Sharon is a dutiful partner in the American hegemony.

**EIR:** What is your vision of a just solution to the conflict, not just between Israel and the Palestinians, but the region as a whole?

**Ben-Aharon:** I have already formulated above some principles for the end of the bloody conflict. A just solution must be of a political nature, and there can be no solution by an Israeli policy of an unconditional surrender by the Palestinians. Therefore, although the Palestinians, for the past century, have rejected all attempts at a solution, Israel is bound today to assist the Palestinians to establish their own state . . . albeit with a delay of more than 50 years.

**EIR:** Prior to the Jan. 28 elections, the Labor Party was a full partner in Sharon's government. Many of our readers were surprised by this fact, especially by the role of Shimon Peres as Foreign Minister, who was so much identified with the Oslo Accords and his vision of a "New Middle East." How would you explain this phenomenon?

**Ben-Aharon:** The participation of the Labor Party in Mr. Sharon's government for the past two years was almost its undoing. Your remarks about Mr. Shimon Peres are correct, but it must be admitted that his obsession for collaboration with the religious [parties] and the right is a precondition to lead Israel back to the negotiation table. Shimon Peres is also a riddle to me, but there cannot be any doubt about his idealistic view of a New Middle East. From a practical view,

he should have retired to a position of the elder statesman of Israel.

**EIR:** You were a participant in the founding of the State of Israel. You no doubt embarked on this lifelong struggle with many hopes and a mission for the State of Israel you envisioned. Do you see that something has gone terribly wrong? If so, could you discuss the when, where, and how?

**Ben-Aharon:** With the founding of the State of Israel, there were three dark holes left open. The first was the surrender to the Orthodox [Jewish denomination] and giving up the moves for a constitution, thereby empowering a theocratic establishment under the umbrella of the state and its finances. The second was the giving of concessions to the wealthy, in the hope of attracting foreign investment by such anti-social surrender. From the start, Israel took upon itself a role as a forerunner for capitalism in the Middle East. The third was the failure to realize the national and religious entities of the Arabs. There was a belief that the new Israel's bounties would pacify the Arabs' desire for national independence.

Therefore, I acted almost throughout my political activity, in opposition to all governments' social policies. I still believe that socialism is not just a Utopian dream. With its adaptation to reform, including private initiative, it can be and should be materialized. The collapse of the Soviet Union is a clear indication of how even progressive ideas can be abased.

**EIR:** You have played a leading role in the kibbutz and labor movements. I can imagine that you are critical of the liberal economic system and how it has been adopted in Israel.

**Ben-Aharon:** As a member of the kibbutz movement, and as a veteran leader of hired labor and of creative collective systems, I am naturally opposed to the present liberal economic system of the Sharon governments.

**EIR:** The founder of *EIR* is American statesman Lyndon LaRouche, who has been a life-long critic of the British liberal economic system. He has called for dramatic reform of the international financial system, which at this point is bankrupt. Premised on the theme "peace through development," LaRouche has drafted a proposal for Middle East peace, to be centered around the development of water and transportation systems on a regional basis.

**Ben-Aharon:** I regret to confess that I am not familiar with Mr. Lyndon LaRouche's philosophy and his political platform. Certainly I view favorably every struggle to at least reform the globalization of the world economy. As far as your question about the importance of the water problem in our region, there is certainly a great contribution to a regional peace settlement by developing all water resources on a transnational basis. The Middle East has very limited water resources, but technology can give the proper answers to the problem. From this point of view, the approach of Mr. LaRouche can be very helpful.

### **ERNational**

'INSANITY AS GEOMETRY'

## Rumsfeld as 'Strangelove II'

by Lyndon H. LaRouche, Jr.

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

March 26, 2003

The first week of President George W. Bush, Jr.'s Middle East war sufficed to unmask the military doctrines of Defense Secretary Donald Rumsfeld, Vice-President Cheney, and their pack of Chicken-hawks, as the work of fools or, most probably, worse. Since then, the Bush Administration's current Defense Department's utopian military policies, are now ever more widely recognized among relevant professionals, and qualified other critics, as combining elementary military incompetence with several dimensions of unworldly delusion. The relevant delusions of Rumsfeld's, Cheney's, and Ashcroft's flock, are to be recognized as an outgrowth of the fusion of two ingredients: the first, the Nietzschean fascism of Professor Leo Strauss; the second, that imperial, and frankly satanic, Wells-Crowley-Russell-Hutchins, English-speaking utopianism of the high-flying "military-industrial complex," which has been the principal, alien adversary of the Classical U.S. military tradition in statecraft since the closing phase of World War II.

Predominant control over the present Bush Administration has been secured, until now, by a Cheney-led fusion of the combination of Chicago University's imported fascist—that Professor Leo Strauss—with Wells' and Russell's goal of world government through Hitler-like, preventive nuclear war. Speaking in terms of epistemology, the "genetically" Nazi-like ideology of a Strauss, was that of a figure whose own writings, like those of his underling Allan Bloom, recall those of the Nazi philosopher, Martin Heidegger, who influenced Strauss. Strauss's dogmas are those of a Nietzschean

parody of the wicked Thrasymachus from Plato's *Republic*. That same Strauss is the central ideological figure of that cult of his devotees known as the current Bush Administration's "Chicken-hawks." It is these Chicken-hawks who, in Donald Rumsfeld's Hitler-and-the-generals routines, have been the controlling, lackey-like figures of President Bush's post-2001 drive toward imperial, nuclear-weapons-wielding world war.<sup>1</sup>

The shocking lessons of the first week of the new Iraq war's battlefields forced many to look back to the sum-total of relevant recent weeks' developments in and out of the UNO Security Council. Increasing numbers are being forced to recognize that President Bush's maddened lurch into a new Iraq war, was induced and intended by the President's current Chicken-hawk controllers, as a trigger for an enraged utopian's Hitler-like, chain-reaction-like plunge into what, unless stopped, will be spread, more or less rapidly, as a new world war. On that account, the French Foreign Minister Dominique de Villepin's UNO Security Council warning against Bush's proposed war, must be endorsed for fact, by all reasonable governments around the world, as many among them have either stated or clearly implied. Of that, I say, as I have said in various forms and locations before this: That new world war, implicit in President Bush's current Middle East policies, unless stopped soon, will have an outcome comparable, on a global scale, to something worse than what Europe suffered during the 137 years preceding the Treaty of Westphalia.

<sup>1.</sup> Cf. Field Marshall Erich von Manstein, *Verlorene Siege* (*Lost Victories: The War Memoirs of Hitler's Most Brilliant General*), Presidio Press, 1994, for a devastating account of foolish fascist Adolf Hitler's comparable, Rumsfeld-like tyranny over his generals.



To begin to understand how President George W. Bush, Jr. came to this presently tragic state of his government, look back to January 2001, shortly before his dubiously contrived inauguration.

Just prior to the January 2001 inauguration of that current U.S. President, I delivered, from Washington, D.C., what must now seem to many as a prophetic public address to an international audience. In that address, I warned that the inauguration of that Presidency coincided with the U.S.A.'s previous entry into the terminal phase of the collapse of the world's current monetary-financial system. I warned that audience, then, that Bush's inauguration, under today's 1928-33-like conditions of terminal monetary-financial crisis, coincided with the likelihood that powerful insider forces behind the scenes would arrange a thus-threatened, early outbreak of an incident paralleling the Feb. 27, 1933 burning of the German Reichstag.

That Reichstag burning which I referenced in that address, was the incident which was used by the Nazi government to establish the Hitler dictatorship. The Reichstag event thus precluded the alternative: that the March inauguration of President Franklin Roosevelt would mean that the similar recovery programs of Roosevelt and Germany's Dr. Wilhelm Lautenbach might be adopted by Germany instead of Hjalmar Schacht's. Thus, by late Summer 1934, some form of World War II had become inevitable, under a world governed by the European leaderships of that time.

That new "Reichstag Fire" of which I warned in that Janu-

ary 2001 address, actually came, less than nine months later, on Sept. 11, 2001. Like Hitler's Reichstag fire of 1933, the Sept. 11, 2001 attack was exploited by Vice-President Dick Cheney and such followers of the Nazi-like Professor Leo Strauss as Attorney-General John Ashcroft, to unleash an attempted step-wise, fascist takeover of the U.S.A. from within.<sup>2</sup> That incident of Sept. 11, 2001 was then used to unleash a campaign of intended world-wide warfare, warfare modelled on Athens' tragic folly of the Peloponnesian war, and on such Classically fascist precedents as those of the Roman Caesars, the Emperor Napoleon Bonaparte, and Adolf Hitler. Thus, the ideology of that thieving, imperial outlook of Cheney and his fascist Chicken-hawks, now combines the nuclear "preventive war" dogmas of Bertrand Russell with the imported Nietzschean mode of fascist ideology of Germany's Carl Schmitt, Martin Heidegger, and Leo Strauss.

More recently, George W. Bush, a U.S. President of starkly limited intellectual capability, has reacted in a fit of rage to the combined effect of both his desperation over a U.S. economic situation far beyond his capacity for rational decision-making, and his anticipation of a then immediately imminent political defeat of his war policy in the UN Security Council. That wildly irrational outburst of rage, orchestrated by "Svengali" Cheney, has triggered "Trilby" Bush's declaring a needless, lawless, and reckless war against Iraq, a war in violation of the relevant international code of law. Worse, this is a war for which the policies of arm-chair warlords Cheney and Rumsfeld had left existing U.S. forces both poorly deployed, and severely under-equipped for the mission assigned to them. Rumsfeld's playing "Hitler and the generals" in the Defense Department, produced the result, that within the lapse of a week of that war, signs of a new "Vietnam War" syndrome could no longer be hidden.

The President's lawless doctrine of "regime change" threatened Saddam Hussein, personally, with preventive war against Iraq, exactly as Hitler, in 1938, had personally threatened Eduard Benes with "regime change." Our poor President was moved to this action by puppet-strings of lies jerked by a special, Goebbels-like, Chicken-hawk intelligence unit in Rumsfeld's Department of Defense. So, the President invaded Iraq on the same type of pretext used by Hitler for his 1939 invasion of Poland. All this was done under the influence of a deceased German fascist emigré, Carl Schmitt-sponsored Leo Strauss, whose only disqualification for Nazi Party membership had been the Jewish ancestry which could not be expunged from his birth record.

So, the events of the first week of that war, have made

<sup>2.</sup> Not only was Chicago University Professor Leo Strauss's career launched by the sponsorship of Germany's Carl Schmitt, the designer of that *Notverordnung* used to award Hitler post-Reichstag-fire dictatorial powers. The war policy of the Bush Administration, and the "Patriot Act" drafts and Guantanamo base and related doctrines of Ashcroft, are copies of the Nazi concentration-camp and related dogma in law developed by Carl Schmitt.

undeniable the delusions under which the trio of the President. Vice-President, and Rumsfeld had been operating, going into the war. As the war entered its second week, the watching world saw proof of that lunatic disregard for elementary Classical considerations of modern warfare and strategy, which is deeply embedded in the "Chicken-hawk" utopians' "Revolution in Military Affairs." Although U.S. power could crush Iraq, even despite Rumsfeld's Hitler-like muddling, sooner or later: yet, as for the 1960s Defense Secretary Robert McNamara's Indo-China war, there was no foreseeable, acceptable exit from the kind of war which the Rumsfeld-Cheney Chicken-hawk set had planned. The only solution for President Bush, had he been rational, was to get out of the war, and return to the UNO process. President George "Flight Forward" Bush has so far lacked the proverbial "brains and guts" to make such a rational choice.

There would be an ultimately suicidal outcome for civilization already looming in failure to abort the Straussian Chicken-hawks' imperial strategic policies. These are the policies expressed by both the White House utopians and also kindred circles, such as the Conrad Black-backed McCain-Lieberman-Donna Brazile cabal, the cabal now dominating the Democratic Party bureaucracy. That cross-party, Nietzschean flight-forward impulse, is typified by the warlike flock of the followers of the now-deceased, professed Nietzschean fascist, Chicago University Professor Leo Strauss, whom I have identified, repeatedly, above. This role of second- and third- generation followers of fascist fanatics Strauss's and Allan Bloom's teachings, is typified by Vice-President Cheney's present brood of Chicken-hawks, the would-be "little Hitlers," or "Goebbels" such as Chicago's Wolfowitz, thieving magpie Perle, slippery Bill Kristol, and kindred Brechtian beggars-opera types.

The Nazi-like, Leo-Straussian pathology of Dick and Lynne Cheney's circles, could be, and must be described in political-historical, military, and related technical terms. Nonetheless, technical analysis of the political-strategic issue, however necessary as far as it goes, still fails to get to the more deeply determining, psychological core of the matter.

The crux of the matter is, that like a man of kindred Nietzschean disposition, Adolf Hitler, that pack of Straussian Svengalis which has been directing President George "Trilby" Bush's ongoing imperial world war, is not merely misguided; it is, morally and otherwise, functionally insane. In global terms, that pack's Nietzschean policies are as evil as Hitler's in both intent and effect.

Worse, the many, so-called "ordinary" Americans among that sizeable minority which still foolishly supports the war policies, are also insane in the strictest clinical sense of that term. As Shakespeare's Cassius warned Brutus: the popular insanity of these foolishly pro-war American populists lies not in their stars, but, in themselves, that they think as "underlings." So many leading members of the Congress have also reacted today like the "underlings" described by Shake-

speare's Cassius.

The problem of that typical "underling's" mentality must be recognized and corrected, as a disorder which is spread much wider than the indicated clique of Leo-Straussian fanatics. What has impelled many wild and foolish Democratic Party figures, and others, to support or tolerate war-mongering fanatics such as Cheney, Rumsfeld, McCain, and Lieberman, is a culturally embedded tendency, in popular entertainment, and otherwise, to submit to the kind of neo-Nietzschean existentialist impulses which have taken over much of that "Baby Boomer" generation which came to adulthood during the period of the 1964-1972 U.S. War in Indo-China. That heretofore widespread toleration of such policies, is purely, simply, a case of personal and collective group-insanity shared among those sharing the relevant populist ("underling") mentality. The danger inhering in this global situation will not be overcome, unless that controlling factor of widespread, popular group-insanity is taken adequately into account, and addressed with a certain ruthlessness, as the aging Solon addressed his errant Athenians, as I do here.

I have now stated the problem. I have situated the paradoxes. Now, I shift to developing the solution.

### 1. What Is Sanity?

My first-approximation definition of *sanity*, is dedication to discovering and acting according to a principle of discoverable truth, as Plato's dialogues define truthfulness, contrary to the schizophrenic word-play of Strauss and Bloom. For example, when a typical U.S. politician says that he, or she is "going along to get along," he, or she usually means to say that one must "learn" to get along in such domains as politics or public office, in university life, in one among many public-school classrooms, using opinions expressed by major new media, or in the company board-room, or in cringing submission to some sitting U.S. Federal Fourth Circuit judges, and some Virginia judges I have known. The theme, in each case, is, one must "put the issue of truth behind us."

The categorical form of that widespread denial of the efficient existence of truth, is the central feature of the intentionally fraudulent life's work of that now-deceased Professor Strauss, the Nietzschean den-mother of today's Chickenhawk brood.<sup>3</sup> It is the core of his fascist, Thrasymachian doc-

<sup>3.</sup> We meet a related form of truth-hating insanity in the argument of U.S. Associate Supreme Court Justice Antonin Scalia's practiced doctrine of text. Contrary to the frankly kabbalistic textualism of Leo Strauss and his dupes, the Socratic dialogues of Plato, the principal target of Strauss's expressed hatred, are premised on experimentally demonstrable principles of construction, like the same Pythagorean tradition of Archytas and Plato which Gauss's 1799 paper puts into the form of the mathematical physics of the complex domain. With Plato, one need not debate the interpretation of the text; one must repeat the experience of the experimental construction which Plato provides. Any debates over a translation or copying of a Plato writing, are resolved solely through those epistemological methods of construction.



"Rumsfeld has been playing Hitler to the generals," LaRouche says: the utopian, imperial military policy was set loose by the use of the events of Sept. 11, 2001 as a "Reichstag Fire," including Atty. Gen. Ashcroft's (inset) moves toward suspension of Constitutional rights.

trine, as that of his underling Allan Bloom. It is also the dogma of like-minded truth-haters, such as Strauss's cronies among the German fascists of the Frankfurt School circles. The latter include such pro-Satanic existentialists as official Nazi philosopher and Strauss mentor Martin Heidegger, and the fascist truth-haters Theodor Adorno and Hannah Arendt.

The promotion, or acceptance of doctrines, such as the fascism of Hitler and Leo Strauss, or preference for popular, or learned opinion, over truth, are also symptoms of what is to be defined as a mental disease, a systemic delusion. Look at phenomena such as support for President Bush's unlawful, present war-drive, as expressing a form of mass-insanity. I point to mass-insanity such as that which, for a while, seized the majority of the German voters under Hitler. It is form of mass-insanity which, more recently, seized the political forces which reduced the list of leading 2000 candidates for U.S. President to two Chicken-hawk-linked, known incompetents, each of whom was more or less equally likely to launch world-wide war within a few years of his inauguration.

The type of mass-insanity to which I am pointing, is best understood by defining it, first, in terms of some commonly

Strauss's and Scalia's method of argument from text, are examples of specifically schizophrenic forms of radically nominalist word-play, a demonstration of diagnosable expressions, in the form of use of language, corresponding to, and often reflecting schizophrenic thought.

occurring mental disorders expressed among students whose judgments have been shaped through drill-and-grill in empiricist and, especially, radical-positivist mathematical physics, still today. I now proceed accordingly.

### **Math and Madness**

For our purposes here, let us first define "insanity" as it appears in the guise of even the most elementary forms of dysfunctions in a formal mathematical physics.

Thus, in those terms, the empiricists Galileo, Thomas Hobbes, John Locke, the notorious Adam Smith, and the famous René Descartes, were, like Bertrand Russell and his devotees, systemically insane, in the strictest formal use of the term "insane." That is to say, that Descartes' way of thinking about the physical universe, was based on subordination of the physical evidence to included axiomatic presumptions which, in fact, can be found only in a non-existent, "ivory tower" uni-

verse. President George W. Bush, Jr.'s and former Vice-President Al Gore's opinions on economic and military matters, express, systemically, more or less extreme versions of the insanity of that same general ("ivory tower," utopian) type.

In mathematical physics, this same clinical type of systemic insanity encountered in the follies of Descartes, is echoed by Euler and Lagrange, as the latter cases were exposed by Carl Gauss's 1799, correct statement of the Fundamental Theorem of Algebra. The same pathological element typical of Galileo, Descartes, Euler, and Lagrange, is pervasive in classrooms and textbooks still today. Thus, I chose the case of that short, but crucial paper by Gauss, as the pivot on which to premise the program of higher education for the participants in the new youth movement I was sponsoring. My principle was, and is, that, for reasons I shall explain here, no youth movement among the 18-25 university-age population could succeed in leading society out of the kind of cultural disorientation which grips most of globally extended European civilization today, unless the participants in that movement were to proceed from discovery and mastery of an "ivory tower"-free, empiricism-free, elementary proof of the existence of knowable truthfulness.

I explain that connection by successive stages, in the course of the following pages.

At first glance, the mathematical definition of systemic insanity which our youth movement's pedagogical program

derives from that Gauss example, apparently differs from the relatively more shallow-minded notion of clinical insanity usually proffered by psychiatrists. Nonetheless, a morally competent psychiatrist, following my argument here, would feel himself, or herself obliged to nod assent to the direction of my argument, and would probably qualify that assent with an observation which would be, more or less, to the following net effect.

To understand the relevant difficulty of the professional psychologist, ask yourself, what should we mean if we say that some persons are neurotic, or worse? Should we not mean, in the case of the neurotic, a person whose judgment is often efficient in dealing with many challenges in day to day life, but who suffers from the recurrent triggering of some emotionally driven, pathological quirk, a quirk which impels that person toward acting in a way contrary to physical reality? In one setting, that person appears rational; in another, his or her behavior is functionally absurd. Typical of such neurotics, is the alcoholic or drug-user, or the ordinary bipolar personality, who may be competent at work, but who beats his wife, or also his children, or, threatens to do so under certain circumstances, or does so more or less periodically. The empiricist is categorically insane in a similar sense and degree.

Speaking in the very broadest terms, there are two general types of practical cases of systemic disorders of individual judgment. There is, first, the case of simple ignorance, in which the subject is exposed to a challenge of which he or she simply lacks relevant elementary knowledge, like an individual reared in a jungle tribe, trying to operate a bulldozer at first sighting. In a second general type of case, the individual, or society, is reacting under the influence of axiomatically false assumptions respecting man and society. For him, or her, these false assumptions function like the "ivory tower" axioms of a Euclidean geometry, thus exerting a more or less severe, even deadly pathological influence over individual, or collective group behavior. These errors are the typical origin of insanity, or "non-sanity," as defined from a Classical Greek standpoint of reference.

In Euclidean, or Cartesian geometry, as in the empiricism of Paolo Sarpi's lackey, Galileo Galilei, the victim's mind is polluted by so-called *a priori*, so-called "self-evident," "ivory tower" definitions, axioms, and postulates, each of which, in fact, has no correspondence to the physical universe. In contrast to those popularized, Euclidean, empiricist, and Cartesian forms of insanity, in the pre-Euclid, ancient scientific practice of Thales, the Pythagoreans, and Plato, the principle of physical construction defines the universe as a domain of physical geometry, as a universal physical space-time. With the Fifteenth-Century European Renaissance's rebirth, as associated with Filippo Brunelleschi, Nicholas of Cusa, and Leonardo da Vinci, the mainstream of scientific progress returned, from the decadence of Latin Romanticism, to the Platonic tradition of Classical Greece, that tradition also typi-

fied by the work of Eratosthenes, Aristarchus, and Archimedes. Out of these Renaissance origins, came the work of modern Classical giants most usefully typified by Johannes Kepler, Gottfried Leibniz, Carl Gauss, and Bernhard Riemann. Out of this modern, Classical scientific tradition, we have inherited the notions associated with a Riemannian form of Classical physical geometry, from which we have expelled the clutter of all those *a priori* definitions, axioms, and postulates associated with Euclid, of the empiricists in general, and of the Cartesians in particular. Only what are proven experimentally to be universal physical principles, are allowed.<sup>4</sup>

This Riemannian concept of physical geometry serves not only for what today's convention signifies as "physical science"; it also applies to provable principles of those aspects of social relations which determine mankind's effective social relationship to the universe in which we live. As I shall explain below, this same principle corresponds to the distinguishing principle of Classical (as opposed to Romantic or Modernist) composition and performance of art, as it does to physical science as such.

Therefore, as a matter of scientific precision, we ought to limit the use of the term "insanity," to those sets of practiced belief which are demonstrably in efficiently systemic violation of that combined, Riemannian physical geometry which encompasses both the individual mind's knowledge of the physical universe around it, and also the efficient and valid universal principles of social relations governing society's coordination of its relationship to that same universe.

Ordinarily, the teaching and practice of psychology do not attempt to reach such a strictly scientific definition as that one. The relatively better practice among that profession, nonetheless seeks to define sanity in terms of definable principles, but usually falls far short of recognizing the functional significance of rigorously defined, truly universal principles, both truly universal physical principles and also their social correlatives.

Usually, among the least competent choices of standard for psychology, is the more or less frequent reliance upon an arbitrary standard of so-called "normal behavior." All true scientific geniuses of society today, are, by definition, "abnormal." Therefore, the only competent definition of a sick society, is, "axiomatically," one in which its prevalent standard of sanity is that set of belief which is usually considered "normal," or, as in the instance of the wrong ideas concerning economy, which are rampant in the U.S.A. today. The crisis hitting the U.S. today, has been caused by what have come to

<sup>4.</sup> Bernhard Riemann, Über die Hypothesen welche der Geometrie zu Grunde liegen, H. Weber, ed. (New York: Dover Publications reprint edition, 1953).

Among the worst cases of popular misuse of "normal" as a standard, are instances of threatened or actual violence promoted by racial and religious bigotry.

be widely accepted as "normal" forms of belief and mass behavior. To escape that trap, we must discard "normal" as a standard, and choose, instead, a standard which is provably universal, without use of the sometimes useful, but always slippery notion of "normal."

For example. In Classical tragedy since the best work of the ancient Greeks, as in the modern productions of Shakespeare and Schiller, the root of all that tragedy which corresponds to a nation, a people in crisis, lies in the currently prevalent mental habits of the general population represented. Shakespeare writes, that "there is something rotten in the kingdom of Denmark." It is Hamlet's fear of that conventional rottenness of his society, his terror of the prospect of immortality, which impels him, like his successor Fortinbras, to continue the same folly of Denmark which felled the foolish Hamlet. So, it is in Schiller's Don Carlos, the real-life tragedy of religious warfare which carries the real-life Philip II, his followers, and Spain itself, as in Schiller's play, into the culturally deserved ruin which Cervantes foresaw, and which Spain thus became in the course of the Seventeenth Century. The tragic doom of nations, lies, first, as Athens' Solon warned: in the foolish norms of its current, decadent culture; and, second, in the nation's failure to nurture and select leaders who will lead a tragic people to mend its foolish customs. So, Aeschylus' *Prometheus Bound* paints the doom of Greece under a culture polluted by the polymorphous perversity of its inhuman Olympian gods.

Therefore, especially in times of crisis, we must reject that which may happen to appear to be normal, and define what should have been adopted as normal, instead. As the aging Solon rebuked his foolish Athenians, it was always what had come to be accepted as "normal" behavior which brought about the subsequent threat of self-inflicted doom. Such is the more or less indispensable function of redefining mass insanity in society as I do here.

Therefore, for related reasons which I shall explain more fully here, I chose Gauss's 1799 paper on the Fundamental Theorem of Algebra, in opposition to the empiricists Euler and Lagrange, as the best choice of standard launching-point for a modern university or comparable education.

The young American, for example, must enter adulthood with a secure mooring of his or her sense of personal identity in a valid sense of the meaning of truth. Not what is prescribed as "truth," as by textbooks, or so-called popular opinion. It must be what he or she knows to be truth, by means of nothing but the internal authority of knowledge, as the experimental validity of an hypothesized universal physical principle, a principle free of the encumbrances of "ivory tower" definitions, axioms, and postulates signifies actual knowledge of truth. The young such American must command valid certainty of at least one such universal principle, as a benchmark from which to proceed with his or her personal, life-long mapping of the universe. Thus, to define a shareable mooring-point of that quality, I chose and proposed the Gauss paper.

#### The 'No Future' Crisis

There were also special, contemporary considerations compelling me to insist upon that standard at this point in the globally extended history of current European civilization. I point to the conflict between the typical representative of that "Now Generation," which entered adulthood during an interval of, approximately, 1964-1972, the interval of the rise of the "rock-drug-sex youth-counterculture," and the so-called "Now Generation's" children. Today, more than a quartercentury later, the former "Now" generation has produced children who became university-age young adults, and adolescents, condemned to be part of a "No Future Generation." Despite the significant, smaller rations among both of these generations which are more or less exceptions to this pattern, the conflict between the two sets of generations, is widespread and deep-going; it is a conflict which must be recognized, and overcome, if this civilization is to find a civilized future during the generations immediately ahead.

Prior to the rise of "the rock-drug-sex youth-counterculture," the typical outlook of that normally moral U.S. or European adult, who was conscious of his or her mortality, was a commitment to a brighter future for the children and grand-children of one's own generation. Most among such Americans and Europeans were scarcely saints, but they had that degree of a sense of an efficient personal immortality. Most would have tended to accept the *New Testament* parable of the "talents." We are each given a mortal existence of uncertain duration. That is our finite talent, called mortal life. Therefore, wisdom says, "Spend it well."

Unfortunately, that moral tradition began to be swept away with the advent of the "rock-drug-sex youth-counterculture" of the middle to late 1960s. The resulting present moral and economic crisis of America and European society is a reflection of this change.

The "Beatniks" and earlier "rock culture" of the Elvis Presley generation already echoed the Dionysian cult-legacy of the European existentialist degeneration of Heidegger, Jaspers, Leo Strauss, Theodor Adorno, Hannah Arendt, and such French followers of the Nazi Heidegger as Jean-Paul Sartre. This corruption, copied from the most decadent elements of Weimar Germany's post-Versailles 1920s, was subsequently carried to an extreme by the "rock-drug-sex youth-counter-culture" of the mid-1960s. This led, more than a decade later, to the epidemics of "mid-life crisis," and kindred, pathetic bleats of "I must change my life-style," which were among the frequent lawful, middle-age consequence of joining a "now generation" imagined to dwell on the backside of a history which had come to nearly its Hegelian-Nietzschean end.

As the Baby Boomer generation's position within adult society became more and more dominant, the degeneration of the economy and other cultural attributes, into the characteristics of a so-called "post-industrial," or "consumption" society, accelerated. The economy degenerated under the increasing popular influence of post-industrial Baby Boomer



The faction around Cheney are Straussians, students of University of Chicago's late Prof. Leo Strauss and his followers. Strauss was a protégé of "Nazi Crown jurist" Carl Schmitt.

fads. Degeneration of the nation's culture and economy were not recognized as the catastrophe they were in fact, because, for the existentialist "Now" generation's Baby Boomer culture, which was then moving toward the higher ranks of social, economic, and political life, their slide into decadence had become "the norm."

What, then, to do with the Baby Boomer's children? For the "Now" generation, their children, such as those maturing children entering university age, were an increasingly uncomfortable reality, just as the senior citizens, their own parents, were seen by Baby Boomers, such as former Colorado Governor Lamm, as becoming inconveniently costly to support. The maturing children of the Baby Boomers, whether adolescent or young adult, found themselves thrown on the dump of what was implicitly labelled a "No Future" generation. The latter's passion for acquiring a future, clashed increasingly with the contrary cultural norms of the "Now" generation's impulses. The resulting friction is often ugly, as it is all too often as impassioned as a racial conflict might be.

Under these condition, the apparent "norms" of the "Now" generation—or, should we say "degeneration"—are, for the "No Future" generation, worse than useless norms of belief. In this circumstance, mere custom fails as a substitute for morality; the search for a standard of truth, must replace a presently failed, traditional reliance upon invoking custom as an authority for continuing adherence to the tragically failed traditions of the mid-1960s cultural-paradigm shifts. The continued existence of civilization now depends, absolutely, upon an immediate shift away from the traditions of the "Now" generation.

What might be recognized, in functional terms, as the morality of a people, occurs in two degrees. On the lower level, it is expressed as a commitment to the betterment of the conditions and persons of coming generations of one's own, and other nations and peoples. The famous 1648 Treaty of

Westphalia, on whose precedent civilized life among modern nations depends, still today, is an example of this simpler expression of morality. On a higher level, we meet the exceptional individual, as typified most simply by France's martyred Jeanne d'Arc, or the Reverend Martin Luther King, Jr., who follows in the imitation of Christ, to spend one's mortal life wisely, for the sake of the betterment of future humanity.

The significance of the emergence of rampant, even rabid existentialism, in the cultural currents of the post-World War II U.S.A., is that it tended, rather efficiently, to uproot the simple kind of popular morality from the population, and national custom in general. The intrinsically immoral influence of the cult of the "Now Generation," the generation of President George W. Bush, Jr., has tended to uproot and eliminate that idea of progress, on which all the true achievements of our U.S. republic had depended. This form of moral corruption typified by the "Now Generation," became something like an expression of cultural cannibalism toward both that generation's own parents, and own children. The latter victims of the 1960s counterculture, are the present "No Future Generation." Thus, today's President Bush's policy-making outlook expresses in the extreme, the same ugly essence of that moral decay, as the explicit, Leo-Straussian, Hegelian-Nietzschean "end of history" doctrine of the Baby-Boomer generation's Cheney-Rumsfeld Chicken-hawks.

That implicitly awful present conflict among generations exists. How might we overcome it? My view, which is corroborated in a significant degree by the recent impact of our youth movement's activity, is: A youth movement of this specific type is capable of reawakening a sense of a meaningful future among even a large part of the generation which had been sucked into a long sojourn within the ranks of the "Now" generation. In that way, we can bridge the gap, and reconcile the two antagonistic generations around the common cause—the future—which this youth movement already represents. Therefore, we must look more deeply, and with cultural optimism, into the matters just identified.

### 2. Who Is Really Human?

This carries this discussion of mass-sanity into deeper issues of mass social behavior. Look again at the age-old question: Is there a fundamental difference between man and ape? What is that difference? For, example, do the parents of apes believe in future grandchildren? Therefore, is it really an exaggeration, to ask the question: Was that behavior of Professor Leo Strauss, to which I referred above, actually human, or a product of some kind of "reversed cultural evolution," into becoming something less than human?

Who, then, is really human? Should we not recognize that Professor Strauss, Allan Bloom, and their Rumsfeld-Cheney-linked Chicken-hawk followers were, and are collectively insane: human beings who, like Adolf Hitler, or the Emperors

Tiberius, Caligula, Nero, England's Richard III, Spain's Philip II, Napoleon Bonaparte, and the immediately relevant cases of G.W.F. Hegel, and Friedrich Nietzsche, before him, have reverted to forms of human behavior which are essentially unnatural, forming, in effect, a type of pseudo-human species? They have become equivalent to a species whose very existence is morally, and functionally worse than that of naturally determined lower forms of life.

These are not only formal questions of science. As I am emphasizing here: The ideological connections between Adolf Hitler and those Chicken-hawks presently inhabiting Rumsfeld's and Cheney' roosts, demonstrate, that these questions I pose here, are foremost among today's issues of national security, including "military affairs."

To define, and locate the answer to such questions of both science and of national security and its strategy, we must find the answer in the axiomatic differences between the Romanticism of extended European civilization's modern empiricists, on the one side, and the Classical European legacy shared among Plato and the connection of his modern followers, such as Nicholas of Cusa, Leonardo da Vinci, Johannes Kepler, Gottfried Leibniz, Gauss, and Riemann, with the crafting of the U.S. Declaration of Independence and of the world-shaking Preamble of the U.S. Federal Constitution.

The working definition of humanity which is crucial for understanding the cause and cure of that kind of imperial fascism typified by such followers of the late Professor Strauss as Rumsfeld, Cheney, and their Chicken-hawks today, runs more or less as follows.

1. The crucial issue is, first: What is the absolute difference between the human species and each and all species of possible members of a class of higher apes?

The empirical evidence is: If the human species were a member of the biological class of known, or other higher apes, that species could not have achieved a total living population of more than several millions individuals under conditions associated with the ice-age cycles of the recent two or so millions years. The living human population today is estimated by some sources as greater than six billions individuals.

2. The crucial issue is, secondly: Any human society's ability to achieve sustainable population-levels depends, in the first approximation, on the willful employment of transmissible ideas from an accumulation of that which contemporary notions of physical science identify as technological derivatives of known, experimentally demonstrable universal physical principles.

The supplementary, crucial answer is, as I have shown in various earlier locations: No representative of the class of higher apes can generate the Platonic type of hypothesis which leads to the discovery of a universal physical principle.

3. The crucial issue is, similarly: Man's technological progress to that cumulative effect, depends on transmission of knowledge of the universal principles underlying that technology, which means the re-experiencing of the original

act of discovery.

The supplementary, crucial answer is: No representative of the class of higher apes has shown the ability both to develop and use a language appropriate for transmission of such conceptions. This is an essential, qualitative distinction of principle, between the quasi-societies of higher apes, and an actual society of the type required for generating, transmitting, and employing discoveries of universal physical principle.

The knowledge of those three points is reflected in such results as geobiochemist V.I. Vernadsky's division of the universe of known geobiochemical effects, among three types of interacting, but experimentally distinct universal phase-spaces: a) the abiotic; b) the living as such, the Biosphere including its fossils; and, c) the Noösphere, physical effects, including the fossils of such actions, attributable solely to those cognitive functions of the individual human mind which do not occur in any other living species. In the language of Bernhard Riemann's celebrated 1854 habilitation dissertation, these three phase-spaces are multiply-connected, to the effect of defining the known universe, in a factual reading of the internal history of modern physical science, as essentially Keplerian and also Riemannian. The human individual's function within that universe is unique.

4. Therefore, the most crucial issue is: What specific act do human beings perform, which no lower form of life can do, to generate those effects which set the human species, thus, apart from, and above all others?

The answer is implicit in Carl Gauss's referenced, 1799 attack on the willful falsifications of the Fundamental Theorem of Algebra by such empiricist ideologues as Euler and Lagrange (and, notably, also Immanuel Kant).

I explain, repeating as briefly as possible what I have said or written on this subject in numerous locations.

### **Perception or Knowledge?**

This brings the continuing quarrel between Lagrange and Gauss into fresh focus. The essential issue was whether or not man is just another, if talking species of higher ape. In the domain of physical science so-called, this deep-going issue of personal morality, is whether or not man's knowledge of the universe is limited to a combination of "facts" as defined by sense-perception, as interpreted according to a set of arbitrary, "ivory tower" definitions, axioms, and postulates, such as those of Euclidean geometry.

The empiricist ideologues Euler and Lagrange had gone to great lengths, even outright frauds such as that of Euler's associate Maupertuis, to insist that mathematical physics must be limited to a combination of sense-perceptions with a Cartesian sort of ivory-tower set of arbitrary definitions, axioms, and postulates.

The founders of modern physical science, as typified by Brunelleschi, Cusa, Leonardo da Vinci, Kepler, Fermat, Pascal, Huyghens, Leibniz, Bernouilli, Lavoisier, et al., had each

and all emphasized experimental evidence which had proven man's ability to discover a class of discoverable universally efficient physical principles which are invisible to direct observation by the human senses. Typical of the latter is Kepler's uniquely original discovery of the universal physical principle of gravitation, as the details of this process of discovery are presented in his 1609 *The New Astronomy*. The development of the discovered physical principle of universal least action, by the successive work of Fermat, Huyghens, Leibniz, and Bernouilli, is, when combined with Kepler's discoveries, the most conclusive basis in experimental scientific discovery for the proof that the arguments of Euler and Lagrange, which Gauss attacked, were hysterical falsehoods, as Gauss's 1799 paper showed them to be.

To continue to set the stage for the relevant point to be developed here, add the following background point as a matter of clarification.

In an attempt to rebut Gauss's referenced 1799 paper, Lagrange, and also his faction, insisted, that Gauss had "cheated" in the 1799 paper, by "bringing in geometry," not sticking to deductive arithmetic. In an argument "genetically" similar to that of Lagrange, and also that of Lagrange's follower, the plagiarist Augustin Cauchy, Germany's Felix Klein came to Euler's posthumous defense, by crediting what Cusa and others had already proven, the "transcendental" quality of pi, to the successive work of the empiricist mathematical ideologues Hermite and Lindemann.

The fraud, or hysterical self-deception of Euler and Lagrange, was their evasion of the fact that the physical universe does not correspond to a deductive mathematics of Cartesian geometry. What Gauss attacked, specifically, was Euler's and Lagrange's fraudulent evasion of the fact that their false argument depended axiomatically on "ivory tower" adherence to the prescriptions of a Cartesian geometry. What Gauss had demonstrated in his 1799 paper on the fundamental theorem, is that the real universe, the physical universe, does not conform to a mathematics premised on the assumed self-evidence of Cartesian geometric assumptions, but, rather, a different universe, that of the complex domain, in which Leibniz's universal physical principle of least action occupies a central position.

Gauss's argument was not entirely original. In his 1799 attack on the fallacies of Euler and Lagrange, Gauss was restating in modern terms exactly what had been shown by such followers of the Pythagoreans as Archytas and Plato, for the distinction in powers among lines, surfaces, solids, and physical space-time. Gauss addressed the matter of relations of powers among line, surface, and solid as the Classical Greeks had, but with the context of a modern physical science as defined by such modern predecessors as Cusa, Leonardo, Kepler, and Leibniz.

That much said on that matter of mathematics as such, we come to the crucial feature of the issue at hand, the difference between man and ape.

### **Knowing or Feeling?**

The sense-organs of the human individual are an integral part of the physiological processes within the bounds of his skin. What his senses register is, at best, not the world outside his skin, but, instead, the reactions of his sense-organs to some external stimulus. A formally Euclidean or Cartesian geometry arises from the assumption that the individual's interpretation of the arrangement of his sensory apparatus defines, "self-evidently," the physical geometry of the physical space-time of the universe outside his skin.

The scientific thinker rejects the delusion that such imaginary geometries define the real physical space-time outside his skin. The scientific thinker says, in effect: "I must assume that the real world, outside what my senses might lure me into believing, is not as my habits of sense-perception suggest. Instead of blindly imagining what that real universe might be, let me attack the problem indirectly. Let me see if I can control that outside world in some significant degree, and thus force sensible and durably efficient kinds of changes in a world which, in reality, is invisible to my senses."

Turn, then, to the pages of Kepler's 1609 *The New Astronomy*, the same pages from whose later English translation, the fanatical empiricist Isaac Newton and Newton's helpers forged their attempted plagiarism of Kepler's original discovery. Even their plagiarism was not original; they resorted to an action-at-a-distance fraud by the notorious empiricist, and teacher of Thomas Hobbes, Galileo Galilei, to attempt to cover the tracks of their own forgery.

Kepler focussed upon an anomaly arising in more careful normalization of observation of the Mars orbit, to recognize a common unscientific error in the astronomy of ancient Claudius Ptolemy, and also the modern Copernicus and Tycho Brahe. From study of this anomaly, which actually controlled the planetary orbit, Kepler demonstrated the existence of an efficient, but unseen universal physical principle, called gravitation, existing outside the pro-Aristotelean, "ivory tower" presumptions common to the practice of those three misguided astronomers. A similar study of an anomaly contrary to ivory-tower faith in geometry of sense-perception, guided Fermat and his successors to Leibniz's universal physical principle of least action.

These and comparable successes in discovery of universal physical principles, have each and all been accomplished by that *method of hypothesis* which is the central feature of Plato's method of Socratic dialogue. Any qualified experimental proof of such an hypothesis, defines that proven hypothesis as an unseen, but efficient universal physical principle. It is through the willful application of such principles, that the human species—a society—increases its power to command the universe outside man's skin.

#### Classical Art as Physical Science

The same principle just illustrated for the case of what is usually called "physical science," also defines the principles

distinguishing the methods of Classical artistic composition from such intrinsically irrationalist modes of composition or performance as the Romantic or the sundry shades of Modernist.

The neatest demonstration of that connection, is the case of the distinction of Classical Greek sculpture from the tombstone-like, so-called Archaic. As John Keats' *Ode on a Grecian Urn* should inform us, Classical Greek sculpture, like the revolutionary approach to painting by Leonardo da Vinci and Raphael Sanzio, and by such Rembrandt productions as "The Bust of Homer Contemplating the Blind Aristotle," replaces death-like "stilled life" with a living instant of continuing motion. This is no illusion, no magic; it is the same principle expressed by the use of the catenary by Brunelleschi for constructing the cupola of Florence's Santa Maria del Fiore cathedral, as echoed by Leibniz's discovered definition of the relationship of the complex domain's catenary to a universal principle of least action.

In poetry and music, the principle of the Pythagorean *comma* is a crucial key to artistic and physical scientific composition. The comma is defined, by the account of Pythagoras' argument, by a natural difference generated by contrasting the most natural, (e.g., Florentine) *bel canto* singing voice to the divisions of a lifeless linear monochord. The difference between human and linear music is not a mathematically determined, but a naturally determined reflection of the difference between a living instrument and a dead one.

In Classical poetry, the role of the potentially *bel canto*-trained human singing voice is crucial. Similarly, well-tempered counterpoint, as defined with scientific precision by J.S. Bach, defines a distance from the pathetic, "curry sausage"-like productions of the virtually brain-dead reductionist Rameau. As Franz Schubert illustrates the point concisely and simply with his setting of Goethe's *Erlkönig*, it is the apposition of voicings and voices which distinguishes the communication of the intent of irony and metaphor—the which are the essence of expressed human qualities of thought—from both the monotonous run-on babbling of teletype-like text, or meaningless Romantic or Modernist boom and babble.

The common characteristic of all Classical art and its performance lies essentially, not with the senses as such, but in the shared imagination of speaker and hearer. In the well-performed Classical drama, such as that of Shakespeare, the audience's attention is quickly transported from the vision of the stage to the stage of the audience's imagination, as Shakespeare points out in the opening role of Chorus for *Henry V*. It is the same for the performance of great works of Classical music, where composer, performance, and witting audience meet minds together in the common domain of the cognitive powers of imagination.

The connection between Classical art and Classical science, such as that of Plato, Cusa, Kepler, Leibniz, and Gauss, has the purpose of joining the cognitive powers of individual

members of society together in exertions to a common end. Through the training of social relations within society, by aid of composition and performance of Classical modes of artistic composition, we are best enabled to muster individual discoveries of those universal physical principles dwelling in the unseen and unheard, into the mission-oriented common purposes of the social process through which mankind conquers external nature. It is by that means that man rises above the beasts, and distinguishes himself from the apes.

There is more to it all than just that.

Our mortal life is as but an instant of eternity. To see our personal identity merely in terms of our fragile and momentary mortal existence, would tend to promote despair whenever we were confronted with awful circumstances. However, if we see ourselves as assimilating, enhancing, and transmitting the revolutionary ideas, such as valid discoveries of universal physical principles, from past, to present, and future, and perhaps adding something to that stock, we gain a sense of our personal existence as located essentially as befits creatures of ideas, in the eternity of past, present, and future human existence.

Thus, when we think of the benefits we may be transmitting in this way, to our predecessors whose dreams we fulfill and to the children and grandchildren after us, we are justly optimistic about ourselves, about our visiting the present, for whatever the span of our mortal life might prove to be. Any person, from any past time, whose original discovery is known to me, or other universally important person of that time, such as the peasant girl Jeanne d'Arc, once known to me as a universal idea, will never die for me as long as my mind lives. I will therefore fight for their cause. That is the way the good person lives.

Here lies the undeniable importance of an upward movement of the young, even under the most threatening and depraved circumstances of society in general. It is not a matter of feeling good; it is matter of actually being good, in the manner the principles of the U.S. Federal Constitution's Preamble prescribe, being good in the sense which the depraved John Locke's chief adversary, Leibniz, defined, as the rightful pursuit of happiness. It is the happiness of living efficiently, as an historical, thinking being, in past, present, and future, all at once.

For these same reasons, the exceptional political, as well as scientific and artistic leader remains, to the present time, a crucially indispensable leader of society, especially a society gripped by a time of self-inflicted tragedy, like the U.S.A. today. It is a role, which for lack of qualified substitutes, I am obliged to fill. I present to you, the future. See, here, your children, their children, and those yet to be born. Protect them from the evil that the like of Old Wicked Witch Strauss's predatory Chicken-hawks and their wars and thieving schemes represent, for combined past, present, and future humanity today. Humanity is good. It is the best creature in the Creator's eternity. Defend it accordingly; be truly human.

### Rumsfeld's Military Thinking and the Nazis'

by Steve Douglas

The criticisms of Secretary of Defense Rumsfeld and his chicken-hawk cohorts, by members of the "traditionalist" U.S. military leadership, are not unlike those lodged against Hitler by various German Army leaders steeped in the traditions of the Prussian/German Staff. Hitler's perverse fascination with Wunderwaffen/"Shock and Awe" high-tech weapons of his day, was duly noted by Field Marshal Erich von Manstein, the most able of the German Army's group commanders: Hitler "was amazingly familiar with the effect of the very latest enemy weapons and could reel off whole columns of figures on both our own and the enemy's war production. Indeed, this was his favorite way of side-tracking any topic that was not to his liking," Manstein wrote Lost Victories: The War Memoirs of Hitler's Most Brilliant General.

"Moreover, Hitler's interest in everything technical led him to overestimate the importance of his technical resources. As a result, he would count on a mere handful of assault-gun detachments, or the new Tiger tanks, to restore situations where only large bodies of troops could have any prospect for success. "What he lacked, broadly speaking, was simply military ability, based on experience—something for which his 'intuition' was no substitute. While Hitler may have had an eye for tactical opportunity and could quickly seize a chance when it was offered to him, he still lacked the ability to assess the prerequisites and practicability of a plan of operations. He failed to understand that the objectives and ultimate scope of an operation must be in direct proportion to the time and forces needed to carry it out-to say nothing of the possibilities of supply. He did not-or would not-realize that any longrange offensive operation calls for a steady build-up of troops over and above those committed in the original assault. All this was brought out with striking clarity in the planning and execution of the 1942 Summer offensive. Another example was the fantastic idea he disclosed to me in the Autumn 1942, of driving through the Caucasus to the Near East and India with a motorized army group."

Field Marshal von Manstein's observations about Hitler's belief in the power of the will are equally applicable to the chicken-hawks' mentality today: "This brings me to the factor which probably did more than anything else to determine the character of Hitler's leadership—his overestimation of *the power of the will*. This *will*, as he saw it, had only to be translated into *faith* down to the youngest private soldier, for the correctness of his decisions to be confirmed and the success of his orders ensured. . . . The will for victory which

gives a commander the strength to see a grave crisis through, is something very different from Hitler's will. Such a belief inevitably makes a man impervious to reason and leads him to think that his own will can operate even beyond the limits of hard reality—whether that reality involves the presence of far superior enemy forces, problematic conditions with respect to space and time, or merely in the fact that the enemy also happens to have a will of his own.

"In the face of his will, the essential elements of the 'appreciation' of a situation on which every military commander's decision must be based were virtually eliminated. And with that, Hitler turned his back on reality."

Manstein's counterposition of Hitler's obsession with the micro-management of small army formations, from a distance of hundreds or even thousands of miles, against the battleproven Prussian military tradition of Auftragstaktik, could well have been made with reference to Rumsfeld's conduct today. "It has always been the special *forte* of German military leadership, that it relies on commanders at all levels to show initiative and willingness to accept responsibility, and does everything in its powers to promote such qualities," Manstein said. "That is why, as a matter of principle, the 'directives' of higher commands and the orders of medium and lower commands always contained so-called 'assignments' or 'missions' (Aufträge) for subordinate formations. The detailed execution of these 'assignments' was the business of the subordinate commanders concerned. This system of handling orders was largely the reason for the successes scored by the German Army over its opponents, whose own orders generally governed the actions of subordinate commanders down to the very last detail. . . .

"Hitler, on the other hand, thought he could see things much better from behind his desk than the commanders at the front. He ignored the fact that much of what was marked on his far-too-detailed situation maps was obviously out of date. From that distance, moreover, he could not possibly judge what was the proper and necessary action to take on the spot.

"He had grown increasingly accustomed to interfering in the running of the army groups, armies, and lower formations by issuing orders which were not his concern at all.... There were to be quite enough clashes with the Supreme Command as a result of Hitler's meddling."

Hitler's purge of the Army leadership in 1938—coupled with his creation of the OKW (Armed Forces High Command) assembly of yes-men and sycophantic mediocrities who translated his utopian ravings into military orders—bears remarkable similarity to Rumsfeld's purge of the joint planning staff, as reported by Seymour Hersh in the *New Yorker*. Manstein wrote, "Hitler had so organized the Supreme Command that no one was vested with the authority to advise him on grand strategy or to draft a war plan. The Operations Staff of OKW, which was theoretically qualified to discharge such a task, in practice merely played the role of a military secretariat. Its only *raison d'être*, was to translate Hitler's ideas and instructions into the terminology of military orders."

## New 'Pentagon Papers' Scandal Could Bring Down Rumsfeld, Cheney, and Bush

### by Edward Spannaus

Are the leaks coming out of the U.S. military showing Donald Rumsfeld's interference in military war plans for Iraq, the opening stages of a new "Pentagon Papers" scandal? This was the question asked recently by Presidential pre-candidate Lyndon LaRouche, who noted that this scandal could quickly expand beyond Defense Secretary Rumsfeld, to Vice President Dick Cheney, and could potentially bring down President George Bush himself—if he is foolish enough to continue with the Iraq war.

Just as the "Pentagon Papers"—a top-secret history of U.S. involvement in Vietnam—showed that the American public had been systematically misled by the U.S. government, the recent leaks and criticisms of Rumsfeld coming out of the military may just be the beginning of a torrent of disclosures, showing that competent intelligence and military professionals strongly disputed the flawed assessments of Rumsfeld and his civilian advisers such as Paul Wolfowitz and Doug Feith, who had predicted a quick and easy victory in Iraq. Both the American people and the troops on the ground were misled by the "chicken-hawk" gang surrounding Rumsfeld, with the result that U.S. troops going into Iraq found a very different situation than they had been led to expect. Rumsfeld's expectation was that there would not have to be any ground war, because U.S. troops would be welcomed as liberators, and the Iraq forces would quickly sur-

The deeper issue, beyond Iraq, is the utopian military policies promoted by the gang now controlling the Defense Department and the Bush Administration, which are transforming the United States into an aggressive, imperial power, contrary to this nation's traditional policies toward the rest of the world.

Within a week of the commencement of the invasion, rumblings began to be heard from the ranks of the uniformed officer corps. Among the first to report this was Knight-Ridder's Joseph Galloway (regarded by some journalists as having the best military sources), who quoted unnamed Pentagon officials as saying that Rumsfeld had cut off the flow of Army units into Iraq, saying that the war would be over in two days. Galloway reported that Rumsfeld, Deputy Secretary Paul Wolfowitz and other civilians in the Pentagon ignored the advice coming from the CIA and the Defense Intelligence Agency, preferring to listen to the Iraqi opposition, and to Israeli sources who predicted an immediate uprising against

Saddam, once the Americans attacked.

Other sources told *EIR*, that a major methodological flaw was that the war-planning was relying on the racist views of Jabotinskyites (such as Doug Feith) who don't accept the very idea of Arab nationalism or patriotism—and therefore had no expection that Iraqis might rally to the defense of their country in the face of a foreign invasion, irrespective of their attitude toward Saddam Hussein.

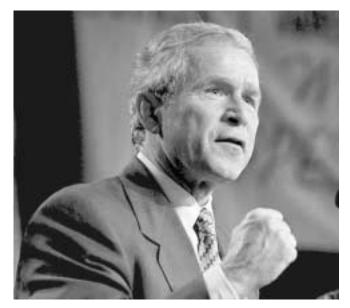
More specific reports came out over the March 29-30 weekend, in which comparisons between Rumsfeld, and the Vietnam-era Secretary of Defense Robert McNamara, began to be drawn.

A prominent Washington Post article featured interviews with both serving and retired officers, who charged Rumsfeld and his aides with "micromanaging" the Iraq deployment plan, out of a mistrust of Army generals, and in an attempt to prove that their own theory: that a light, maneuverable force could handily defeat Iraqi President Saddam Hussein. (This is an essential component of the Administration's strategic doctrine of pre-emptive attacks on "rogue states," which requires the United States to have the capability of swatting down distasteful regimes all over the world at any time, without a full mobilization of American's military forces.)

One military officer told the *Post* that the civilians in Rumsfeld's office "vetoed the priority and sequencing of joint forces into the region, as it was requested by the war-fighters, and manipulated it to support their priorities." He explained that "it desynchronized not only the timing of the arrival of people and their organic equipment, but also the proper mix of combat, combat support, and combat service support units." Retired Gen. Barry McCaffrey, an Army division commander in the 1991 Gulf War, was quoted in the *Post* article as saying, that Rumsfeld "sat on each element for weeks at a time and wanted an explanation for every unit called up out of the National Guard and Reserve, and argued about every 42-man maintenance detachment." McCaffrey said that, at bottom, there was "a lack of trust that these Army generals knew what they were doing."

### A Direct Hit from Seymour Hersh

Over the weekend, advance copies of the third Seymour Hersh article, in the April 7 *New Yorker* magazine, began to circulate—the latest in his series exposing the chicken-hawk apparatus as a bunch of war-party fanatics who, true to the





Are current leaks about flawed war-planning for the Iraq invasion the beginnings of a new "Pentagon Papers" scandal, that could send President George W. Bush the way of Richard Nixon? The original 1974 disclosure of the "Pentagon Papers"—a secret history of the Vietnam conflict, based on Pentagon and CIA documents—set into motion a chain of events that led to the impeachment and resignation of Nixon. Daniel Ellsberg—a former Marine and Defense Department analyst—became convinced of the immorality of the Vietnam War; After leaking the documents to Congress and various newspapers in 1971, he was indicted by the Justice Department. In April 1973, during Ellsberg's trial, the Watergate prosecutor notified the trial judge that two of the operatives involved in the Watergate Hotel breakin—Gordon Liddy and E. Howard Hunt—had also been ordered by the White House to break into the office of Ellberg's psychiatrist. This was the first link of Liddy and Hunt to the White House; discovery of the direct White House role in the Watergate break-in quickly followed—leading to resignations of top Nixon aides, impeachment proceedings, and his resignation in August 1974.

methods of Leo Strauss, overtly lied to get their Iraq war project going. The previous week's article had exposed the use of crudely forged documents as the basis for accusations that Iraq had tried to buy 500 tons of "yellow cake" uranium precursor from Niger. Before that came the now-famous exposé of Richard Perle's conflicts of interest, showing how Perle had used his position as chairman of the Defense Policy Board for personal and political gain, including a crude blackmail effort directed against Saudi Arabia.

Hersh's article described the role of Rumsfeld personally in wrecking the Joint Chiefs of Staff and their top war-planners' efforts to devise a competent war plan against Iraq. Hersh reported widespread fury among military brass at Rumsfeld, who, over the past year, had altered the war plan six separate times, always telling the generals to reduce the number of ground troops to be used. The Iraq war plan, said Hersh, "was repeatedly updated and presented to Rumsfeld, and each time, according to the planner, Rumsfeld said, 'You've got too much ground force—go back and do it again.'

According to planners, "Rumsfeld had two goals: to demonstrate the efficacy of precision bombing and to 'do the war on the cheap.' Rumsfeld and his two main deputies for warplanning, Paul Wolfowitz and Doug Feith, 'were so enamored of shock and awe that victory seemed assured,' the planner said, 'They believed that the weather would always be clear, that the enemy would expose itself, and so precision bomb-

ings would always work."

Hersh also reported that Rumsfeld had contempt for the top military officers, particularly the Army chiefs, and ran a purge of the Joint planning staff, eliminating anyone who opposed his utopian madness, and replacing them with people who would "churn out products to make the Secretary of Defense happy." (This recalled the report about the July 10, 2002 meeting of the Defense Policy Board, at which Perle and the chicken-hawks insisted "heads will roll" among the military officers opposing the drive to invade Iraq.)

Hersh also reported that Rumsfeld made matters far worse by lying about his role. In February 2003, according to a senior Pentagon source, Rumsfeld spoke at the Army Commanders Conference, and, when directly asked about his personal involvement in the deployment of combat units, said "I wasn't involved. It was the Joint Staff."

Rumsfeld continued the same pattern of lying in a number of Sunday television talk-show appearances on March 30. When confronted with quotes from Hersh's article, Rumsfeld flatly denied what Hersh had charged, and then went on to make the incredible statement, that "I think you will find that if you ask anyone who has been involved in the process, from the Central Command, that every single thing they've requested has in fact happened." Rumsfeld also said that the plan being used was developed by Centcom Commander Gen. Tommy Franks. Throughout the day, Rumsfeld labelled the allegations being made by military officials "false," and re-

peated the lie about the plan being developed by Tommy Franks.

Hersh's article also described Rumsfeld's interference with the operational-logistics plan known as "TPFDL"—the Time-Phased Forces-Deployment List. This aspect of Rumsfeld's meddling was described in a more detailed article in the non-political National Journal on March 28, by James Kitfield. This article says, that the most disruptive change to the battle plan was Rumsfeld's decision in November to slash Centcom's request for forces, which cut the size of the assault force in half in the final stages of planning; "it had a ripple effect on Centcom and Army planning that continues to color operations to this day." The scrapping of the TPFDL—by which needed forces are identified and deployments managed in order of priority—necessitated the "rolling start," and left commanders trying to manage the forward battle while also trying to manage the unloading and flow of additional forces to the rear. The strain on the supply train was exacerbated by the cutting of critical additional support forces. There were only 150 heavy transport trucks, whereas planners estimated 700 were needed. The convoy north became chaotic, with accidents, vehicles running out of fuel, overtired drivers, and so on.

At the Defense Department press briefing on March 25, at the first question asked of Rumsfeld about the criticisms from military officers, Joint Chiefs of Staff Chairman Gen. Richard Myers jumped in (quite out of character for him) and denounced the criticisms as "bogus," saying, "they're false, they're absolulely wrong," and, "it's just harmful to our troops who are out there fighting very hard, very courageously." Myers was highly agitated, according to eyewitnesses, and Rumsfeld was also even more hysterical than usual. The *New York Times* noted the next day that Myers' comments were taken as a "shot across the bow" in military circles—as a thinly veiled warning that they could be accused of insubordination. Elsewhere, it was reported that colleagues of Lt. Gen. William Wallace—the V Corps Commander in Iraq—wondered if his head was on the chopping block.

Two sharp reactions came immediately.

That evening, General McCaffrey shot back: "I'm quite proud to be part of an attempt to explain to the American people what's happening to their young people. This war is too important to be left to the Secretary alone. I'm a professor of national security studies," McCaffrey continued," and I know a lot more about fighting than he does. The problem isn't that the V Corps serving officers are commenting or that retired senior officers are. The problem is that they chose to attack 250 miles into Iraq with one armored division and no rear-area security and no second front."

Joining the ranks of former commanders attacking Rumsfeld—which up to this point were primarily from the Army—was Marine Corps Gen. Joseph Hoar (ret.), who wrote an op-ed for the *New York Times* entitled "Why Aren't There Enough Troops in Iraq?" Hoar said that over previous months, many military officials had reported to what he called

"the community of retired officers," that there were serious disagreements between the uniformed military and the civilian leadership. Hoar said that he was told that those uniformed officers who had called for using three additional divisions in Iraq, were ridiculed for their "old thinking." (Hersh reported, that one witness recalled Rumsfeld confronting the Army Chief of Staff, Gen. Eric Shinseki, in front of many junior officers, waving his hand and demanding to know, contemptuously, "Are you *getting* this yet?" Are you *getting* this yet?")

Hoar recounted that one retired four-star general warned, that the dispute was about more than just Iraq, "that civilians wanted the war done in new, leaner way to justify their vision of the 'transformational force' expected to be in place by 2010." Notably, Hoar likened the views of the Bush White House, to those of the Clinton Administration, in that there is a belief among civilians that military technology has advanced to the point, where wars can be won with relatively few ground forces. But, Hoar declared, there is a cost to this, and in this case, "the cost will be measured in American lives."

Under the title, "Washington's Republican Guard," CBS commentator Dick Meyer pointed out that with the Pentagon's military strategy under siege: "The most listened-to critics were not Democrats, protesters, or foreigners. They were generals, ex-generals, and wise men, often anonymous, associated with the regime of Bush the Elder."

### **An Unexpected Flank**

A highly revealing indicator of the military's broader attitude toward the current Bush Administration, is the intervention of a star-studded group of retired military officers, in the University of Michigan affirmative action case, which was argued in front of the U.S. Supreme Court on April 1. The officers, including three former Chairmen of the Joint Chiefs of Staff (Gen. John Shalikashvili, Gen. Henry Shelton, and Adm. William Crowe), plus other prominent retired officers such as Gen. Anthony Zinni and Gen. Norman Schwarzkopf, who have been critical of the Administration's Iraq policy, signed a friend-of-the-court brief supporting the Michigan program, and stating if the court sided with the legal position taken by the Bush Administration, the admissions policies at all the service academies will be overturned. They argued that it is a matter of "compelling national interest," that the officers corps of the U.S. military have broad representation from all racial and ethnic groups. "African-American troops, who rarely saw members of their own race in command positions, lost confidence in the military as an institution," the brief argued. The retired officers argued that the court must take into account institutional and societal issues, not just individ-

The willingness of prestigious former four-stars to come out openly challenging the George W. Bush Administration, is of great significance, part and parcel of the battle between the uniformed military services, and the neo-conservatives who have seized control over the Bush Administration, and are leading this nation into certain destruction.

### Whole Gang of Iraq War Profiteers Must Go

by Michele Steinberg

More than a dozen "task forces" embedded accross the national security spectrum of George W. Bush's Administration have been secretly planning for the takeover of Iraq, with full-blown plans for installing an "occupation government" comprised entirely of an "inner circle" of Anglo-American neo-conservative operatives and businessmen, who stand to reap great profits from the nation they just destroyed militarily and will be paid to rebuild. This occupation government will be controlled and staffed by what the New York Times of April 3 calls "Wolfie's people"—the loyalists to the Bush Administration's leading follower of the late Leo Strauss, U.S. Deputy Secretary of Defense Paul Wolfowitz. The plan is, in effect, the full colonialization of Iraq, the only strategically placed Middle East country with both vital resources—oil and water. The Washington Post reported on April 3 that Royal Dutch Shell Oil executive Philip J. Carroll has already been picked to take over the Iraqi oil fields, reporting to Gen. Jay Garner (ret.), the "JINSA Viceroy" who is already in Iraq.

"Wolfie's people" are led by two of his decades-long closest associates and fellow Likudniks (faithful to the Ariel Sharon/Benjamin Netanyahu group in Israel): Doug Feith, the Undersecretary of Defense for Policy; and the now degraded Richard Perle, who until March 27, chaired the Defense Policy Board. The group would have far less power, were it not for their patrons—Secretary of Defense Donald Rumsfeld, and Vice President Dick Cheney, whose staff, headed by Lewis "Scooter" Libby, in effect, runs the occupation plans.

"This is nepotism," said Lyndon LaRouche, candidate for the 2004 Democratic Party presidential nomination, "It's a bunch of carpetbaggers planning on taking over and looting everything in sight. What kind of a plan is this? There's no reconstruction: This is deconstruction. It's like post-Hayes-Tilden Reconstruction."

But, with the dumping of "Prince of Darkness" Perle as chairman of the Defense Policy Board, as details of his myriad conflicts of interest were revealed, the very exposure of the occupation plan could be its undoing. The situation is ripe for sweeping the Administration clean of of the Straussian chicken-hawks. Only such a bold cleanout of corruption in

the Administration, says LaRouche, will make it possible to *stop* this war.

Congress must take emergency action now to bring about an investigation of these issues. Already, Marine Gen. Joseph Hoar (ret.) and Rep. John Convers (D-Mich.) have moved in that direction. Hoar, who headed the Near East's Central Command from 1991-94, called for Senate hearings in a New York Times op-ed on April 2, saying that "the senior military commanders and the civilian defense officials can testify.... Then the American people will know, if belatedly, why we didn't send enough troops to begin with." And, in a dramatic, April 1 letter to Rumsfeld, Conyers, who had initiated action against Perle's conflict of interest with a previous letter to the DOD's Inspector General, called for probing all 30 members of the Defense Policy Board. Convers wrote, "I am writing to request copies of the financial disclosure forms submitted by the members of the Defense Policy Board as well as the minutes of all past Board meetings."

"As the Ranking Member of the House Judiciary Committee, which has jurisdiction over conflict of interest rules," Conyers continued, "I have a strong interest in insuring that our laws are being complied with, particularly those which touch on the integrity of our ethical requirements at a time of war." At least one "Wolfie" appointment to the occupation government, former CIA Director James Woolsey, is a member of the Board.

While Hoar, a decorated military man, calls for waiting until after the war for a Senate investigation, in deference to the soldiers in combat, the real issue is to *change* the policy of the United States, so that the unnecessary, illegal war is stopped. And, such an investigation will find that the same grouping involved in financial profiteering, is also at the center of concocting the bogus intelligence which painted the Iraq war as a "cakewalk," and which has been used, along with outright fabrications and forgeries, to bamboozle Congress into voting for an imperial, pre-emptive, possibly nuclear war. It is these elements that also deliberately misled the President, and rammed through the insane military plan now in play.

### Dividing the Spoils of War

Action by Congress and every other possible watchdog, including the British House of Commons, to prevent the colonialization of Iraq, is urgently needed. The *Washington Post* reported on April 4, that Rumsfeld has already delivered a memo to Bush to set up an "interim government."

There is—so far—no Congressional oversight of any of the appointments being made to run the occupation government in Iraq, beginning with "Viceroy" Garner, a close supporter of the Israeli ultra-right through the U.S.-based Jewish Institute for National Security Affairs (JINSA). In fact, when the Senate called Garner to testify before the Foreign Relations Committee, just two weeks before the war began, Rumsfeld and Wolfowitz stiff-armed Sen. Richard Lugar (R-

Ind.), the head of the committee, and refused to let Garner appear. Furthermore, when eight highly qualified Middle East former Ambassadors and experts were chosen by the State Department, reportedly at Garner's request, the order came from the Pentagon—presumably Rumsfeld and Wolfowitz—for them to "stand down." They are being replaced by "Wolfie's people."

In addition, from what is known so far about the occuption contracts—the scandals are monstrous.

Dick Cheney's Halliburton's subsidiary, Kellogg Brown and Root, has contacts to rebuild and repair the Iraqi oil wells that are being destroyed during this war. Cheney is from Halliburton, receiving \$1 million a year in deferred payments. Isn't there a conflict of interest in that Cheney's daughter Elizabeth is Assistant Secretary of State for the Near East, and makes decisions about "reconstruction" contracts for Iraq? Kellogg Brown and Root also has contracts to build U.S. military bases. Isn't that convenient, since one closely-guarded post-Iraq war chicken-hawk plan is to make Iraq the *major* U.S. military base in the area—a permanent colony.

Another beneficiary is George Shultz's Bechtel—a major construction firm. A clear conflict, since Shultz—who assigned Wolfowitz and Perle to George W. Bush's campaign in 2000, to turn him into a passable candidate—is head of the Committee for the Liberation of Iraq, which was created last year, with organized-crime-linked Sen. John McCain (R-Ariz.) also involved.

James Woolsey, the maniac who says "World War IV" is already here, is being placed as Iraq's "Minister of Information." Woolsey has been the advisor to the Iraqi National Congress, headed by convicted embezzler Ahmed Chalabi; and the INC, which received tens of millions of dollars in U.S. government funding, pays Woolsey's lawfirm, Shea & Gardner, to represent them. Woolsey also recently joined the board of Booz, Allen, which also has Iraq war contracts. Woolsey is is very close to Perle.

### **Rummy Takes Over a Country**

On Jan. 10, Knut Royce, a leading investigative journalist with Long Island *Newsday*, a New York daily, authored an explosive exposé, revealing Pentagon plans to finance an Iraq war and post-war military occupation by seizing Iraqi oil revenues. "There are strong advocates inside the administration, including in the White House, for appropriating the oil funds as 'spoils of war,' according to a source who has been briefed by participants in the dialogue," Royce wrote. "There are people in the White House who take the position that it's all the spoils of war. We take all the oil money until there is a new democratic government," the source added. Royce noted that Justice Department attorneys are cautioning that all this talk of "spoils of war" and "oil grabs" may be illegal. The article hinted that the "White House" enthusiasts are in the office of Vice President Cheney.

Dr. Halim Barakat, a recently retired professor of Arab studies at Georgetown University, told Royce that if the report is accurate, "it would mean that the real . . . objective of the war is not the democratization of Iraq, not getting rid of Saddam, not to liberate the Iraqi people, but a return to colonialism."

Royce reported that in December 2002, the Center for Strategic and Budgetary Assessments prepared a study on the Iraq war, which advocated the oil grab, to cover the occupation costs. The study was commissioned by Andy Marshall, the suspected "X Committee" member (Israeli intelligence agents), and RAND Corp. Pentagon godfather, who has run the Secretary of Defense's Office of Net Assessments since 1975. On Dec. 13, Paul Wolfowitz greeted the scheme enthusiastically.

Several other Administration officials are also involved in planning the oil grab. Elliott Abrams, the convicted perjuror of the Iran-Contra era, who now heads Middle East policy at the National Security Council, heads the task force planning the oil revenues grab. Abrams, the son-in-law of neo-con founders Norman Podhoretz and Midge Decter, was convicted—then pardoned by President George H.W. Bush—for lying to Congress—a matter which has become an art-form for the Wolfowitz cabal.

Now, they have gone even further, with taking over a sovereign country. On April 4, *Washington Post* columnist David Ignatius wrote that the list for the Pentagon's occupation government, is like "the guest roster for a neoconservative gabfest."

Michael Mobbs, who designed the plans for using military tribunals to hold accused terrorists without charges, or time limits, will run "civilian affairs" for 11 ministries. Mobbs is the former law partner of Doug Feith. Defense Minister will be Walter Slocombe, a former advisor in the Clinton Administration.

Most outrageous, however, is that Rumsfeld is pushing Ahmed Chalabi to head the Iraq government. Chalabi, who was convicted in Amman, Jordan for embezzling millions from the bank he owned, is one of the most notorious liars of recent history, and the main reason that the Iraq "opposition" unity disintegrated, even when the war started. Iraq experts from ex-CIA agent Robert Baer, to former UN chief weapons inspector Scott Ritter have spoken and written volumes about Chalabi's disinformation.

In remarks published April 4, Saudi Arabian Foreign Minister Prince Saud bin Faisal said that "the worst thing that could happen" is a U.S. military occupation. It would "give truth to what is being presented as an effort . . . to rob Iraq of its wealth, rather than to bring peace and stability."

From the UN Security Council, to the British Parliament, to key U.S. allies, and forces inside the State Department itself, there is a growing clamor against the occupation. But the answer is not a "multilateral" blessing on regime change. Instead, the war must be stopped.

### **Editorial**

### To Stop War, Break With IMF

Dr. Enéas Carneiro's landslide election to Brazil's Congress last year, along with six other Congressmen from his new PRONA party, shook up Brazilian politics. A friend of U.S. Presidential pre-candidate Lyndon LaRouche, Dr. Enéas' first major speech in Brazil's new Congress hit the most crucial nail of worldwide opposition to the imperial Iraq war, on the head: To stop this "perpetual war" requires a new global economy. He addressed Brazil's Presidency:

"In truth, the reasons which brought the United States to carry out an armed invasion of a free and sovereign country, at least in theory, have little to do with any concern for the destiny of humanity, by eliminating possible foci of international terrorism. And, even less, does it signify consideration for the conditions of liberty and democracy of the Iraqi people.

"To properly understand the process, it is necessary to go back to the agreement signed in 1944, in Bretton Woods, where...the dollar-gold standard was set up. In 1971, President Nixon broke the rules established at Bretton Woods....

"Fabulous fortunes on the order of 1 to 2 trillion dollars circulate daily from one point of the planet to another, by means of computer pulses. Of these, barely some 2-3% correspond to commercial transactions. The rest are *pure speculation*, with no correspondence with the physical world, as has been pointed out by the renowned American economist and thinker Mr. LaRouche, in the weekly *Executive Intelligence Review*, a publication in which he studies, dissects, and explains the crisis of the international financial system as heading towards an abyss which, if not stopped, will take humanity into a a New Dark Age. . . .

"At this time, when the majority of the civilized world states that it is opposed to the invasion of Iraq by the United States, it is not enough for us in Brazil, a continental power, to say we are not in agreement with the invasion. It doesn't help in the least to wave white handkerchiefs and hold marches for peace. Since we don't possess a minimum of military potential, due to the programmed deterioration that our Armed

Forces were subjected to, . . . there is only one way to oppose that true genocide. And that is by a definitive rupture with the putrid model that is imposed on us by the international financial system, of which the IMF, the World Bank, the IADB, the World Trade Organization and company are tentacles.

"And now I speak directly to His Excellency, the President of the Republic of Brazil. Your Excellency has in your hands an opportunity without equal in the history of Brazil. Take advantage of the historical opportunity that is being offered to us by the owners of the world themselves.

"Order that, by unilateral rupture, no more interest payments will be made on the Public Debt, the which reached 114 billion reals in 2002. This must be done, and it is almost already too late, because the total Public Debt, including both domestic and foreign, grows like a malignant tumor, and has already passed the astonishing level of 1 trillion reals.

"A suspension of service payments on the Public Debt will, as is forseeable, bring us some difficulties in various areas of foreign trade. . . . [But] we would instantly attract France and Germany, which have expressly stated their repudiation of the anti-American action in Iraq. . . . And China, as well as Russia and India—along with various other countries—could be excellent trade partners, should retaliations from the American Empire occur. . . .

"In addition, our brothers of Latin America and Asia will be ready, without doubt, to establish partnerships with us, aiming as well to liberate themselves from the Octopus that sucks their blood.

"Issue the cry of economic independence. Take a step forward. Do not fear. Your Excellency will be followed by all the Brazilians who lifted you into your current position."

This is key to the ongoing shift in Brazilian foreign policy, reported elsewhere in this issue. But the break with the IMF, and convening a New Bretton Woods, is also the only step for China, Russia, India, France, Germany, and other nations: the only effective way of stopping the spreading Mideast war.

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