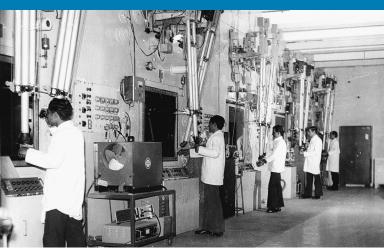


Bush Fiddles While Cheney Plots More Wars Al Gore's Crowded Bed: Bush, Barrick Gold, and Pinochet Los Angeles LYM Fractures Global Warming Consensus

LaRouche: Where The Future Lies



Founder and Contributing Editor: Lyndon H. LaRouche, Jr.

Editorial Board: Lyndon H. LaRouche, Jr., Muriel Mirak-Weissbach, Antony Papert, Gerald Rose, Dennis Small, Edward Spannaus, Nancy Spannaus, Jeffrey Steinberg, William Wertz

Editor: Nancy Spannaus Managing Editor: Susan Welsh

Assistant Managing Editor: Bonnie James Science Editor: Marjorie Mazel Hecht Technology Editor: Marsha Freeman Book Editor: Katherine Notley

Photo Editor: Stuart Lewis Circulation Manager: Stanley Ezrol

INTELLIGENCE DIRECTORS:

Counterintelligence: Jeffrey Steinberg, Michele Steinberg

Michele Steinberg

Economics: Marcia Merry Baker, Paul Gallagher, Lothar Komp History: Anton Chaitkin

Ibero-America: *Dennis Small* Law: *Edward Spannaus* Russia and Eastern Europe:

Russia and Easte.
Rachel Douglas

United States: Debra Freeman

INTERNATIONAL BUREAUS:

Bogotá: Javier Almario
Berlin: Rainer Apel
Caracas: David Ramonet
Copenhagen: Poul Rasmussen
Houston: Harley Schlanger
Lima: Sara Madueño
Melbourne: Robert Barwick
Mexico City: Rubén Cota Meza
New Delhi: Ramtanu Maitra
Paris: Christine Bierre

United Nations, N.Y.C.: Leni Rubinstein Washington, D.C.: William Jones Wiesbaden: Göran Haglund

ON THE WEB:

e-mail: eirns@larouchepub.com www.larouchepub.com www.larouchepub.com/eiw Webmaster: John Sigerson Assistant Webmaster: George Hollis

EIR (ISSN 0273-6314) is published weekly (50 issues), by EIR News Service Inc., 729 15th St. N.W., Washington, D.C. 20005. (703) 777-9451.

European Headquarters: E.I.R. GmbH, Postfach 2308, D-65013 Wiesbaden, Bahnstrasse 9-A, D-65205, Wiesbaden, Federal Republic of Germany Tel: 49-611-73650.

Homepage: http://www.eirna.com E-mail: eirna@eirna.com

Director: Georg Neudekker

In Montreal, Canada: 514-855-1699

In Denmark: EIR I/S, Sankt Knuds Vej 11, basement left, DK-1903 Frederiksberg, Denmark. Tel.: +45 35 43 60 40, Fax: +45 35 43 87 57. e-mail: eirdk@hotmail.com

In Mexico: EIR, Manual Ma. Contreras #100, Despacho 8, Col. San Rafael, CP 06470, Mexico, DF. Tel.: 2453-2852, 2453-2853.

Copyright © 2007 EIR News Service. All rights reserved. Reproduction in whole or in part without permission strictly prohibited.

Canada Post Publication Sales Agreement #40683579

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



From the Assistant Managing Editor

Where the Future Lies" is both the title of this week's *Strategic Overview*, by Founding Editor Lyndon LaRouche, and the theme of the issue. As LaRouche observes, in his commentary on an April 7 London *Economist* editorial titled, "Globalization's Offspring," the Anglo-Dutch Liberal establishment, committed to the destruction of the American nation-state, now fears "that a new world financial crisis would bring a resurgent patriotic echo of President Franklin Roosevelt back into power." Standing in the way of that urgently needed shift in U.S. policy, are the Satanic schemes of the Cheneyled war party in the Bush Administration, and the criminal foolishness of the Democrats, especially those Presidential candidates swallowing the swill served up by that overblown fraud and racist, Al Gore.

Confronting this admittedly grim picture, however, is LaRouche's observation that there is a fatal error in the *Economist*'s worldview, namely: "that it is the cultural development of the creative powers of the individual and his society which enables mankind to breach the limits which enclose the present development of society."

Our *Feature* offers fresh intelligence on Gore's genocidal activities in Ibero-America, as well on the cultural/philosophical antecedents to today's anti-science, anti-development mob, including the second part of Helga Zepp-LaRouche's 1982 essay, "The Historical Roots of Green Fascism."

In the *Investigation*, an International Research Team pulls the curtain back on the media whores, under contract to Cheney, Gore, and Blair, who are attempting a character-assassination campaign against LaRouche.

Our *Economics* lead offers a fast-track to the future, with the Schiller Institute in Denmark's testimony to the Parliament on how that nation's adoption of maglev technology can lead Europe into the Eurasian Land-Bridge, while an interview with a leading Russian economist, Stanislav Menshikov, indicates what Russia's role can be.

Two reports in *National* from the LaRouche Youth Movement War Room, answer the question of "Where the Future Lies."



EIRContents

Cover This Week

Workers at a nuclear laboratory in Trombay, India the type of technological achievement the globalizers want to suppress.



4 Where the Future Lies

By Lyndon H. LaRouche, Jr. "Former U.S. Vice-President Al Gore's recent popularity is already on the wane. 'Bio-fuels' is strictly for quick-buck swindlers and the credulities of the 'Bio-fools' upon whom they prey. In reality, the world's current trends are dominated by a surge of commitment to nuclear-fission fuels as the leading development policy of Eurasia and also other parts of the world. As an April 7th London *Economist* editorial suggests, the question on the table among all actually thinking circles of leadership around the world, is, who is going to control the economic policies of a world in which, in fact, nuclear fission and related technologies will be taking over."

Economics

12 Schiller Institute Presents Maglev to Danish Parliament

Tom Gillesberg, chairman of the Schiller Institute in Denmark, challenged the Danish Parliament to take a technological leap into the future, in his testimony to the Parliamentary Traffic Committee on the Institute's proposal for a national maglev program.

- 14 Systemic Mortgage Threat Dawning on Congressmen?
- 16 Russian Economist: We Would Support a U.S. Return to FDR's Policies

An interview with Russian economist Stanislav Menshikov on "The LaRouche Show" Internet radio program.

Feature

20 Al Gore's Crowded Bed: Bush, Barrick Gold, and General Pinochet

A public outcry in Chile against Barrick Gold's sponsorship of Al Gore's upcoming apperance at a conference in Santiago on "global warming," forced Barrick to withdraw its backing—and Gore to try rather unsuccessfully to distance himself from that branch of the global raw materials cartel.

- 23 'Green Nazis' in Germany Under Fire
- 24 From Hippies to Hedge Fund Operators: The Case of Jeff Skoll

29 The Historical Roots of Green Fascism

Part 2 of Helga Zepp-LaRouche's definitive work on the Nazi roots of the ecology movement, written in 1982.

39 Anti-Gore News

Investigation

40 Media Locusts Do Dirty Work for Cheney, Gore, and Blair

What's behind the British propaganda campaign against Lyndon LaRouche, involving ludicrous, long-discredited slanders concerning the suicide of the young Briton Jeremiah Duggan four years ago? Deeper we go into the stinking bowels of British Intelligence.

44 Blair War Clique Runs Anti-LaRouche Slander Drive

The case of Lady Sarah Hogg, the financial power looming behind the latest Duggan slander.

47 DOJ Caugt Bankrolling Anti-LaRouche Campaign

International

48 Bush Fiddles While Cheney Plots More Wars

If Vice President Cheney has his way, the United States will soon be in a war with Iran—a war that the U.S. military and intelligence establishment strongly oppose, and that powerful voices within the British Establishment are also attacking as dangerous folly.

51 International Intelligence

National

52 Los Angeles LYM Fractures Global Warming Consensus

The LaRouche Youth Movement's call for a debate on global warming has sparked an uproar in the California Democratic Party.

Documentation: The text of the LYM resolution.

54 Will Michigan, Auto Finally Heed LYM?

Departments

19 Banking

Private Equity, Public Vice.

Editorial

56 Let Us Make History

EIRStrategic Overview

Where the Future Lies

by Lyndon H. LaRouche, Jr.

April 13, 2007

his type.

Former U.S. Vice-President Al Gore's recent popularity is already on the wane. "Bio-fuels" is strictly for quick-buck swindlers and the credulities of the "Bio-fools" upon whom they prey. In reality, the world's current trends are dominated by a surge of commitment to nuclear-fission fuels as the leading development policy of Eurasia and also other parts of the world. As an April 7th London Economist editorial suggests, the question on the table among all actually thinking circles of leadership around the world, is, who is going to control the economic policies of a world in which, in fact, nuclear fission and related technologies will be taking over.

* * *

After Don Imus, Al Gore should be next.¹ The Al Gore bubble may soon prove to have been the most short-lived big-time swindle in modern political history. During the past week, the signs are out; the Gore fad is already starting to fade, and this will probably continue at an accelerating rate, and will be taking down the political ambitions of a lot of inconvenient U.S. pre-Presidential candidacies with him.

Despite the pack of what are virtually paid political prostitutes rallied around both Gore and the loudest of the voices

1. The just-dumped Don Imus has been a boosted figure of electronic media. Actually, what he peddles is, as the relevant public incident underscores, an appeal to a variety of pornography popular among the low-life bar-room set. Liking Imus tells us more embarrassing things about those who had been in his public following, than about him. That is the real motive for the dumping of the 'possum-like Imus, as a scapegoat for the same quality of degradation always near to the public surface with former Vice-President Al Gore and

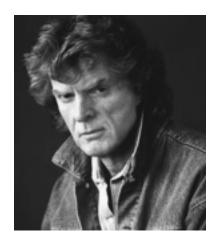
from the IPCC, the fact is, that Al Gore's "Inconvenient" promotion is not only a pseudo-scientific swindle worse than the notorious "Ponzi Scheme," but is as explicitly genocidal, in its threatened effects, especially against Black Africa, as the related ranting of Julian Huxley's fellow-eugenics freak Adolf Hitler.

The present crop of politically high-ranking and other fanatics may scream as loudly as they wish; but, the fact that Gore is both a faker with ugly right-wing connections, and a racist in fact, is now beginning to catch up with him in various places around the world. Inside the U.S.A., Imus was frankly a low-life variety of racist, and probably incurably so, but on the scale of racism, Imus is also a small-time scapegoat for the more serious offenses of an actually mass-murderous, and racist Gore. If you are really opposed to racist policies, you are working for the permanent retirement of both Gore and Cheney from political life. If not, your choice of U.S. Presidential pre-candidate will probably not be taken seriously in the outcome of the coming U.S. Presidential race.

Among the useful results which the collapse of the Gore political bubble will soon, almost certainly bring, is a rather awesome purging of the ranks of presently listed, potential 2008 Presidential nominees of a lot of diversionary political rubbish.

That does not mean that all of those who are, thus, probably foredoomed as potential Presidential nominees, are worthless as political figures. It means that, as in the case of the otherwise clever "good old boy" caught in the camera's eye during a raid on the local house of prostitution, the bloom will be off the political rose for those caught in the press spotlight; numerous prominent fellow-travellers of Gore are probably foredoomed, if not to early retirement, to a much more subdued role in our nation's political life than they ap-

4 Strategic Overview EIR April 20, 2007





An Inconvenient Truth

"After Don Imus, Al Gore should be next."

peared to represent just a few weeks ago.

On this account, I refer your attention to an important editorial statement, under the headlined feature, "Globalization's Offspring," in the April 7, 2007 edition of the London *Economist*. In effect: the *Economist* asks: who is going to be leading in a world in which (in fact) nuclear power is already on the rise, and the followers of Gore will have soon taken their fall? I agree with the *Economist* on the broad view of that trend, but differ sharply on the matter of the probable outcome.

That review begins with the following paragraph:

For as long as multinational companies have existed—and some historians trace them back to banking under the Knights Templar in 1135—they have been derided by their critics as rapacious rich-world beasts. If there was ever any truth to that accusation, it is fast disappearing. While globalization has opened new markets to rich-world companies, it has given birth to a pack of fast-moving, sharp-toothed new multinationals that is emerging from the poor world.

For all the stretch included in that single brief paragraph, there remains what is, strategically, an important hint of a strategically crucial bit of truth, buried within the *Economist*'s prose. So, the editors pose some life-or-death questions to citizens of our U.S. republic, questions which the relatively high-ranking, but foolish U.S. dupes of Al Gore have missed entirely.

The U.S.A. & Britain

The following synopsis of the historical relations between the U.S. and London since 1782, must be interpolated in summary at this time, if we are to make clear that present reality, to which the *Economist* obliquely refers. The brief, but crucial role of that de facto political boss of the British East India Company, the Eighteenth Century's Lord Shelburne, in his 1782 accession to the post of Prime Minister, was not only a crucial turning-point of inflection in the course of world history; it has crucial relevance for any competent understanding of the strategic crisis of this planet today.

Not only did Shelburne maneuver the Americans' allies, France and Spain, into separate peace negotiations, but, with the assistance of relevant freemasons under British control, notably the Martinist freemasonry, orchestrated the series of 1782-1789 developments leading into the self-destruction of U.S. ally France, that in a series of events which

began with the atrocious farce which the British orchestrated as Philippe Egalité's July 14, 1789 assault, armed and directed by him personally, at the Bastille. This was the assault conducted ostensibly on behalf of Philippe's crony Jacques Necker's candidacy for Prime Minister of Louis XVI's France.² These events included such delicacies as the succession of that Reign of Terror, and that Bonaparte tyranny which Count Joseph de Maistre's Martinist freemasonry orchestrated as the economic spoiling of continental Europe for British imperial advantage.

Thus, following the American defeat of London's Cornwallis, there was a period of more than seventy years, from those France events of 1782-1789 through the U.S. victory over London's Confederacy in 1865, during which the British Empire's control over the world's monetary-financial systems was frequently challenged, but without actual success. However, by the time of the U.S. Philadelphia Centennial celebration of 1876, the U.S. 1865 victory led by President Lincoln over the globally orchestrated, anti-U.S. schemes of Britain's Lord Palmerston, had created a new situation in the world at large. A new situation had emerged, in which the anti-monetarist American System of political-economy was widely regarded as the available alternative to submitting to the imperial tyranny of the same neo-Venetian Anglo-Dutch Liberal form of monetary system which has

EIR April 20, 2007 Strategic Overview 5

^{2.} Both Philippe and Necker were established members of relevant, quarreling international circles of the leading freemasonries of that time. Philippe was already notorious as a British asset during his Paris quarrels with Benjamin Franklin, whereas Necker had married into the same social circles as his wife's former suitor, Edward Gibbon of *Decline and Fall of the Roman Empire* notoriety. The bloodier features of the French Revolution were steered from the office of Lord Shelburne's Jeremy Bentham in the British Foreign Office's "Secret Committee" operations which ran the most significant events, such as the Danton and Marat, and Robespierre of what was called, euphemistically, "the French Revolution." One today might be tempted to say, "After all, it seems that so little has actually changed!"

dominated the world afresh, since August 1971.3

"Geopolitics" was the name of the British imperial reaction to the post-1865 copying of the key features and intentions of the Hamiltonian American System, among a significant number of nations within the continent of Eurasia, and also spreading into Central and South America. "Geopolitics" meant, in fact, defense of William of Orange's Anglo-Dutch Liberal strategy for blocking and destroying the threat represented by the rival influence of conceptions and policies, such as those of France's Jean-Baptiste Colbert, leading into the design for what became the constitutional form of of the U.S.A. economy. The result of President Lincoln's victory over the British puppet known as the Confederacy, was the outbreak of open warfare under London's direct supervision of the continuing 1895-1945 Japan policy of war against China, Korea, and Russia, and the Londonorchestrated Balkan wars leading into what became known as World War I. Lord Kitchener's invasion of Sudan has remained an included, featured pivot of British imperial geopolitics, worldwide, to the present day in Darfur.

This continuing geopolitical impulse of the post-1865 times, led, thus, into both World War I, and to the initial British sponsorship of Benito Mussolini and Adolf Hitler, leading into what became known as World War II. It was the motive for a Franklin-Roosevelt-hating Prime Minister Winston Churchill's continuing influence, even after his ouster, over the U.S.A. under Roosevelt's successor, Harry S Truman.⁴

U.S. President Franklin D. Roosevelt had managed to outflank the early-on Hitler backers in London and Wall Street, to the effect that the United Kingdom had dumped Edward VIII, to join, later, with Roosevelt, and with Stalin, in defeating what would have otherwise become a long world empire under the Hitler system. However, the same London and Wall Street which Roosevelt had temporarily weaned away from Hitler's cause, soon showed, under President Harry Truman, that once Hitler were out of the way, it was the legacy of Franklin Roosevelt which London now wished to uproot, even by methods which amounted to a return to some crucial features of the Hitler system.



Lord Kitchener's invasion of Sudan in 1898 has remained "an included, featured pivot of British imperial geopolitics, worldwide, to the present-day in Darfur." Here, a woman displaced by the war in Northern Darfur.

Among relevant circles in Boston⁵ and Manhattan, most notably, the leading intention at that time, and since, has been to assimilate Boston and Manhattan into London, as early as this might be pulled off. The assassination of President John F. Kennedy, and the ruinous effects of the U.S. plunge into the trap of a Indo-China war led, thus, to the near-triumph of what President Eisenhower denounced as the "military-industrial complex" represented, today, by the intimate alliance of Prime Minister Tony Blair, Al Gore, and the Bush-Cheney Administration.

Under the currently ongoing parody of the "Peloponnesian War" in Southwest Asia, by President George W. Bush, Jr., Cheney, and Britain's Prime Minister Tony Blair, that with the foolish complicity of many leading Sophists among

6 Strategic Overview EIR April 20, 2007

^{3.} The Anglo-Dutch Liberal form of world monetary system established by the followers of Venice's "New Party" leader Paolo Sarpi appeared as a new form of attempted world-rule by monetary usury. The American System of political-economy, as revived by President Franklin D. Roosevelt, is defined by the principles of the U.S. Federal Constitution as a credit system, as leading U.S. economists such as Henry C. Carey followed Alexander Hamilton's principles of national banking on this account.

^{4.} Over-zealous grammar freaks beware! There is no period after the "S" in Harry S Truman. The name was written and filed in that form, and remained an indicative cultural-political clue for the benefit of future historians, remaining on the official record to the present day.

^{5.} Boston's Harvard University, where British "courtesy agent" in the Confederacy tradition of "The Agrarians," William Yandell Elliott, had created the Henry A. Kissinger of the Augusto Pinochet affair and Operation Condor, imperfectly, as if from mud, and where Judge Lowell, acting on Lord Shelburne's behalf, had earlier founded the gentleman's practice of treason in America

the Democratic Party's currently leading figures, the wrecking of the U.S. and its economy is nearly completed today. So, Fabian Society agent Al Gore's "Global Warming" swindle, now added to the already existing mess, has, suddenly, nearly destroyed the U.S. Democratic Party as a viable leading institution—unless we can reverse this awful error now.

For the moment, a London-directed Al Gore is deployed to induce the U.S. to wreck itself with an insane plunge into Gore's proposed "Bio-Foolery"; but, do not be so naive as to assume that the powers behind the curtain in London intend to destroy themselves, economically and otherwise. Blair and his like are intended to be dumped, once their assigned role has been, so to speak, "used up." New policies are on the drafting board for those upcoming times.

Until recently, there is a great fear within certain Anglo-Dutch Liberal circles, including U.S. figures associated, as Henry A. Kissinger and Felix Rohatyn were, with George Shultz in putting Augusto Pinochet's mass-murderous, fascist dictatorship into power in Chile. The fear behind pushing the Bush-Cheney Administration into power in Washington, has been, that a new world financial crisis would bring a resurgent patriotic echo of President Franklin Roosevelt back into power. At the moment, the Anglo-Dutch Liberal followers of Prince Philip and the late Nazi-SS veteran Prince Bernhard, manifestly wish, that the virtual national suicide of the U.S.A. be accomplished by the Bush-Cheney Administration. This arrangement, however temporary the intention, has brought the matter to the point, that, apparently, these treasonous fellows have almost finished off the possibility that the U.S.A., or even its memory, could become again an effective obstacle to an Anglo-Dutch Liberal world empire of the sort called "globalization."

However, this current role of those Liberal circles, *should* not be construed to mean that the crew around the *Economist* intends that Anglo-Dutch Liberal world power should go down with the Liberals' successful sinking of the U.S. ship. On this point, the meaning behind the *Economist*'s April 7th editorial comes into view.

1. Enter Russia, China & India

As outgoing U.S. President Dwight Eisenhower warned, the intention of the enemies of our U.S.A. was to ruin us through operations run by an implicitly treasonous gang among us, a gang which he identified as a "military-industrial complex." At the time that President spoke, he had recently experienced the role of the "military-industrial complex" authors of the U-2 stunt, in providing the adventurous, Bertrand Russell-linked Soviet General Secretary Nikita Khrushchev with the pretext for breaking up the Paris "summit." That stunt by Khrushchev, against both Presidents Eisenhower and Charles de Gaulle, cleared the way for Khrushchev's per-

sonal, virtually physical threats to President Kennedy "in the other room" during the Vienna "summit," and, thence, the Cuba Missiles Crisis.

The attempted assassinations of President de Gaulle and others, were a typical reflection of the same interests expressed in the break-up of the Paris meeting of Khrushchev with Presidents de Gaulle and Eisenhower. The subsequent, orchestrated Profumo scandal, used to oust British Prime Minister Macmillan, and a host of high-level actual and attempted assassinations of the early through middle 1960s, has led the world of that decade through the 1968 eruptions and the installation of Richard M. Nixon as President of the U.S.A. Since then, more than a decade under, chiefly, the Nixon and Carter administrations, featuring George Shultz more than any other visible figure, tore up and smashed every leading institutional feature of the Franklin Roosevelt legacy in their reach, over the course of the 1969-1981 interval, and beyond.⁶

The pro-mercenary military policies of Cheney (as Secretary of Defense and "President of Vice"), George Shultz, and the Middlebury monster Felix Rohatyn, have been notable among the treasonous and kindred means employed to wreck the military institutions of the United States. The intention of those culprits has been to bring this effect about through prolonged wars which might effect the destruction of the U.S. constitutional institutions, especially those institutions associated with the memory of the role of the U.S.A. in defeating the Hitler who had been created by London and its Wall Street cronies during the course of the 1920s and early 1930s.

The period from 1890 to the present, is a phase in world history launched with the dumping of the strongly pro-American German Chancellor Bismarck. Bismarck was not only the author of the post-1877 "economic miracle" of Germany's development, a miracle based chiefly on the American System model of Bismarck advisor Henry C. Carey; Bismarck had been the crucial obstacle to London's geopolitical scheme for pitting the nations of the two nephews of Britain's Edward Albert, Kaiser Wilhelm II and Nicholas II, against one another, all for the grand purpose of destroying the post-1876 surge of American-style scientific-industrial development in key Eurasian nations. The relevant assassination of France's President Sadi Carnot and the Dreyfus case, was followed by the British monarchy's directing Japan into the series of 1895-1945 wars against China, Russia, and also the United States.

EIR April 20, 2007 Strategic Overview 7

^{6.} Since about 1977, there has been a secular collapse in the real (physical) incomes of the U.S. households within the lower eighty percentile. This includes both direct income, and imputable income represented by generally degenerating basic economic infrastructure provided by government and other relevant institutional facilities. "Deregulation" has been a leading factor in accelerating the rate of ruin of net actual physical income of households.

^{7.} The December 7, 1941 Japanese attack on Pearl Harbor was the outgrowth of a British-Japanese early 1920s agreement to strategic joint attack on the naval forces of the U.S.A. Britain later abandoned the plan under which Japan had been assigned to attack Pearl Harbor, but Japan continued the policy it had



Edward, Prince of Wales, leads a British royal procession in India, 1876. Since the 18th Century, it has been British policy to lure rivals into wars by which they ruin themselves, to Anglo-Dutch Liberal strategic advantage. Later, as King, Edward VII drew the United States, Russia, Germany, and other European powers into World War I.

Clipart.com

Since the days of foolish Louis XIV, it has been a persisting, pro-imperial, Anglo-Dutch Liberal "geopolitical" strategy, sometimes called a Fabian strategy, to lure targeted rivals into wars by which they ruin themselves to Anglo-Dutch Liberal strategic advantage. This was the way in which the British East India Company acquired its private world empire, through the so-called "Seven Years War" culminating in the February 1763 Peace of Paris, and the London determination, from 1763 on, to crush those American colonies which had been crucial in Britain's war to wrest Canada from France.

The U.S. War in Indo-China and the current U.S. military operations and postures in Southwest Asia, are typical of the ways in which London has induced the U.S. government to, repeatedly, play the fool in this way. Indeed, many among our Baby Boomers in the U.S. Congress are still playing the role of official dupes of that strategic game.

World War Three, or its equivalent, is a proposition now on the table, a policy to be openly rejected now, or to be adopted by default. The London-centered, still-as-alwaysgeopolitical intention, is to pit the U.S.A. into a virtual, even an actual, nuclear war against Russia, China, and India. The number of suckers ready to bite that bait, within the U.S. Senate, for example, is more disgusting than it should be

established under a partnership with Britain dating from Japan's launching of its first war against China. On this account, the Theodore Roosevelt brought into the Presidency by the successful assassination of President William McKinley, followed in the footsteps of his treasonous maternal uncle as an agent of British imperial interest.

considered surprising. A Baby-Boomer fish, running for President or otherwise, that would swallow Gore's "Global Warming" swindle, is clearly prepared to swallow almost any similarly baited hook.

2. The Economist's Predicament

The *Economist* editorial proceeds:

Indian and Chinese firms are now starting to give their rich-world rivals a run for their money. . . . The Russians have outdone the Indians this year . . . and are now running to buy Alitalia, Italy's state airline.

But the newcomer's advantages are not overwhelming. . . . Nor is cost as big an advantage to emerging country multinationals as it might seem. They compete against the old guard on value for money, which depends upon price and quality. A firm like Tata Steel, from low-cost India, would never have bought expensive, Anglo-Dutch Corus were it not for its expertise in making fancy steel. . . .

Then comes the *Economist*'s following attempt at "whistling through the graveyard."

This points to an enduring advantage for the wealthy companies under attack. A world that is not governed

8 Strategic Overview EIR April 20, 2007

by cost alone suits them, because they already possess a formidable array of skills, such as managing relations with customers, polishing brands, building up know-how and fostering innovation.

Here, on that bit of its own consoling fantasy, the *Economist* is confronted by the advantage of the superior American system of political-economy, over the neo-Venetian, monetarist ideologies of contemporary Anglo-Dutch Liberal parasitism. That fantasy, which is characteristic of neo-Venetian Liberalism, is the principle of Classical tragedy which would bring today's Liberal's imperial "globalization" to its inherent, self-inflicted doom.

The tragic principle involved is this:

The British imperial model, so-called Anglo-Dutch Liberal imperialism, is the product of an infectious disease which has long infected European civilization, but whose known origin is what ancient European civilization knew by such names as "The Asian Model." This is what those of Plato's time and later knew as the "Persian" or "oligarchical" model, as the principle of that model is summarized in Aeschylus' *Prometheus Bound.* That is otherwise known to Euro-

pean experience as typified by the succession of long-ranging failures known as the Roman, Byzantine, the *ultramontane* system to which the *Economist*'s reference to A.D. 1135 alludes, and Anglo-Dutch Liberal imperialism. All such empires of the past were intrinsically foredoomed by a certain, inherent flaw of the British system which the pathetic Edward Gibbon sought to deny. The *Economist*'s referenced editorial comment has implicitly swallowed that tragic flaw, full force.

Were the Economist's outlook for globalization realized, if only in the relatively short time, at most, the entire planetary civilization would be crushed soon, that in the most monstrous, global catastrophe of all known periods of human existence. In short, in the present instance, "the oligarchical model" were a trick which an old imperial dog had tried to perform, once too often.

The explanation for this fateful irony of current history, is to be found in the little known, but crucial implications of the *dynamics* of Bernhard Riemann, as in opposition to the foolish, *neo-Cartesian practice of mechanistic-statistical forecasting* which is followed by the current representatives of that Gulliver's Voyage to The Grand Academy of Lagado, whose likeness is met today in seemingly all "peer-reviewed" economists of the present day.

Here, we meet that true principle of Classical tragedy, of which virtually all the conventionally Romantic pedagogues and reviewers of our times are, themselves, more or less tragically ignorant. Tragedy lies not in the trait of one or more of the individuals in a drama, but in the characteristic, systemic feature of the entire culture, a trait which engulfs the habitual



views of the
Economist,
mankind is not just
another organgrinder's monkey,
who can be taught
to play tricks for
pay. Does the
magazine's
editorial board
have any notion of
what makes man
different from the
beasts?

Contrary to the

Library of Congress

responses, not of some tragic individual, but controls, like a hypnotic fantasy, virtually each and all the players on that stage. The effects of belief in the modern philosophical Liberalism of the followers of Venice's Paolo Sarpi, is such a tragic principle of that aspect of the entire planet today which accepts the inherently diseased, axiomatic presumptions of the world's present, anti-Franklin Roosevelt form of monetary-financial system.

The most appropriate, modern insight into this historical principle of Classical tragedy, is to be found in the implications of the work of Russia's Academician V.I. Vernadsky, most emphatically the profound implications of his defining the notions of *Biosphere* and *Noösphere*. From the standpoint common to the ancient Pythagoreans and Plato's circle otherwise, and to the modern scientific outlook established by Cardinal Nicholas of Cusa and Cusa's follower Johannes Kepler, we have the following essential points to be considered afresh in the context of the errors of assumption permeating the *Economist*'s misguided view of the world economy during the years immediately ahead.

The Fundamental Principle of Science

Contrary to the implied, intrinsically tragic view of the *Economist*'s referenced editorial, mankind is not just another organ-grinder's monkey, who can be taught to play tricks for pay. Were the human species a higher ape, our species' total living population on this planet would have never exceeded some millions of living individuals. Vernadsky's very choice of the term *Noösphere* to identify the principled distinction of human beings from forms of animal life, reflects the ancient

EIR April 20, 2007 Strategic Overview 9

Classical Greek understanding of this distinction of man from beast.

Or, to put the point in the modern terms of Cardinal Nicholas of Cusa and his followers in physical science, just as Kepler's discovery of the harmonic ordering of universal gravitation bounds the universe, in Albert Einstein's terms, as finite but without external bounds, so Vernadsky has bounded the four principled domains of known universal existence as the three phase-spaces of the non-living, the Biosphere, and the Noösphere, and, fourthly, the Creator's universe within which the three are functionally subsumed.

In other words, as Vernadsky insisted, like Gottfried Leibniz, in refuting the folly of Cartesian empiricism before him, the universe is not Euclidean, and therefore not Cartesian. Rather, the universe is defined by bounding conditions of universal principle, as Riemann's notion of physical hypergeometries represents this state of affairs. In the matter of physical economy (which is the only actual science of economy available to anyone), the absolute, *noëtic* distinction of man from the beasts, is crucial in seeking to address any issue of the type which the *Economist* editorial attempted to treat.

Mankind, and its potential history, is bounded by the role of those discoveries of universal physical principle through which qualitative, upward transformations in the characteristic potential relative population-density of the human species, and of a subsumed society of that species, are determined as bounding conditions.

As mankind's practiced technology, and the growth and increase of life-expectancy of individuals proceeds, that growth itself converges on bounding by practical effects of the range of discovered physical principles being employed. In other words, the universe in which human existence, the existence of human society dwells, is characteristically Riemannian. The fatal error of assumption in the *Economist*'s foolish presumption of an "enduring advantage" within the bounds of a globalized world economy, is that it is the cultural development of the creative powers of the individual and his society which enables mankind to breach the limits which enclose the present development of society.

This required development depends upon the level of scientific and related cultural development of the relatively greatest number of living individual persons, and of their accustomed practice, within society as a whole.

That is to say, that the oligarchical model, typified by the evil Olympian Zeus of Aeschylus' *Prometheus Bound*, by degrading the greater number of members of society to the form of the virtual human cattle which the enemies of the Promethean principle, such as John Locke, Bernard Mandeville, François Quesnay, and Lord Shelburne's lackey and plagiarist Adam Smith prescribe, brings the form of society so ordered to those self-inflicted limits of physical development at which a breakdown of the social system must ensue.

In practice, the Classical cultural development of Euro-

pean civilization, which has occurred with great relative force since the prompting by the European Fifteenth-Century Renaissance, and the development of the notion of the modern commonwealth under France's Louis XI and England's Henry VII, had, until the downturn in the well-being of mankind launched as U.S. developments of 1968-1981, created an explosion of the potential improvement of society and its members without precedent in known earlier history of mankind. It is the suppression of reliance on cheap labor which has been, thus, the principal source of the great upward surge of the power of modern civilization relative to all earlier known phases of human existence.

On this account, we must describe the intentions of former Vice-President Gore and his Flagellant-like following as a frankly pro-Satanic locust-plague, in the effect of what they are attempting to do to society as a whole. That is to say, that, on this account, the post-March 1945 world must contrast the post-war intentions of President Franklin Roosevelt to the exactly opposite, depraved intentions underlying the design for that proposed new global imperialism, that "Tower of Babel" called "globalization" today.

Roosevelt's intention was to uplift what we call the developing sector from the effects of colonialism, by using the scientific-technological advantages of European scientific-economic culture to afford the oppressed nations of the world access to the advantages which the combination of underdevelopment and pro-colonialist exploitation had denied them. The Globalist intention has been to destroy the nations of Europe and the Americas, which have represented science and technology, in order to establish the hegemony of a global system of imperialism under which pockets of relative prosperity in the world will be embattled bastions within a sea of brutish ignorance and oppression of a much-reduced global population as a whole.

Apart from the fact that what the *Economist* tends to support is downright evil in its inevitable effects, the fact is that there will be no imperial paradise of the type which some in London and elsewhere propose. What they will bring upon themselves, as upon us all throughout the world, would be the rapid, virtually sudden, early plunge of humanity as whole into a condition not significantly elevated among the level of troops of baboons. What they propose is, in its inevitable consequences, the most evil idea which has yet been known in all human existence to date. To say that what Al Gore is pushing is frankly Satanic, is, if anything, an understatement, when the inevitable consequences of toleration of such a policy were taken into account.

Only a generation—or, should we say "degeneration"—of Sophists such as our "68ers" could have been axiomatically irrational enough, to have entertained the ideas which Gore and other leading "globalizers" project for today. As John Smith said, the best remedy for such a mental condition of such "Baby Boomers" is to do actual "work (for a change), if you would eat."

0 Strategic Overview EIR April 20, 2007

EREconomics

Schiller Institute Presents Maglev to Danish Parliament

Tom Gillesberg, chairman of the Schiller Institute in Denmark, challenged the Danish Parliament to take a technological leap into the future, in his testimony April 12 to the Parliamentary Traffic Committee on the Institute's proposal for a national maglev program. Gillesberg proposed that the committee lead the way by preparing an official study of the maglev plan.

Committee members took the challenge seriously. They asked questions about the proposed route, why the need for magnetic levitation instead of conventional high-speed trains like those in France, and what the international context was for maglev.

Gillesberg, in response, stressed the need to make a technological leap, such as that from horse-and-buggy to railroads, which requires thinking of the physical economy in a 50-year perspective. As background, he provided Danish summaries (along with the full English text) of Lyndon LaRouche's writings on the subject: "The Economic Recovery Act of 2006" and "The Lost Art of the Capital Budget" (*EIR*, Dec. 22, 2006). These documents are available on the official homepage of the Danish parliament: www.ft.dk. (Search for "Schiller Instituttet.")

Gillesberg told them that he would provide more detailed written answers to their questions. The committee chairman said that he would forward the responses the committee had requested from the Economy Ministry and Traffic Ministry about our proposal.

Gillesberg had made the Institute's maglev proposal, linking Denmark to the LaRouche plan for a Eurasian Land-Bridge, a central feature of his Copenhagen mayoral campaign in 2006, and the plan was highlighted by Denmark's largest newspaper *Jyllands-Posten*, in an prominent interview March 20, followed by other Danish press coverage.

Gillesberg's power-point presentation is available at www.schillerinstitut.dk.

The Gillesberg Testimony

Here is the text of Gillesberg's April 12 presentation, translated from the Danish.

Greetings. I am Tom Gillesberg, Chairman of the Schiller Institute in Denmark.

Firstly, I would like to thank the Traffic Committee for receiving our delegation on such short notice.

In the Summer of 2006, the Schiller Institute published a 50,000-run campaign newspaper, where we proposed building a magnetic-levitation (maglev) line between Copenhagen and Aarhus, across the Kattegat Sea, which would reduce the travel time between Denmark's two largest cities to 25 minutes. That ought to be the first part of a Danish high-speed train network. This proposal garnered a lot of press coverage a couple of weeks ago.²

Such a maglev network ought to be in the Infrastructure Commission's and the Parliament's plans for future Danish infrastructure; therefore, we are here today to encourage the Traffic Committee to order an official study about this proposal.

A Danish maglev network will later be linked up to an international network, which, in time, will cover Europe from north to south, and reach all the way to Asia's east coast (as proposed by the American economist Lyndon LaRouche), called the Eurasian Land-bridge. Maglev trains are already now in daily use between the city of Shanghai and its airport, with a top speed of 431 km per hour.³

An Aarhus-Copenhagen maglev line, across the Kattegat

2 Economics EIR April 20, 2007

^{1. &}quot;Denmark and the Eurasian Land-Bridge," by Poul E. Rasmussen, Schiller Institute campaign newspaper, July 1, 2006.

^{2.} *Jyllands-Posten* online; *Jyllands-Posten* Aarhus; *Berlingske Tidende*; *Engineer* online, ing.dk; TV2/North's homepage, among others.

^{3. &}quot;Shanghai Maglev Transrapid Technology," Siemens AG 2001, and two video clips at www.transrapid.de.



The Danish Schiller
Insitute's Tom
Gillesberg at the
Danish Parliament,
where he testified
before the
Parliamentary Traffic
Committee on the
Institute's proposal for
a national magley
program.

Sea, should be built now because:

1) If the travel time between Denmark's two largest cities is reduced to 25-40 minutes, that will create a cohesive economic unit, and we will be able to harvest large economic benefits, due to the increase of the population density. As the Oeresund Bridge [between Copenhagen, Denmark and Malmoe, Sweden] has already shown, through the integration of Malmoe and Skane [the region of Malmoe], in the economic life of the capital city [Copenhagen]. The effect of connecting Copenhagen and Aarhus, will be a lot bigger than that, in terms of the economy, as well as in relation to jobs, research, education, health, and culture. The rise in traffic that occurred after the Great Belt Bridge [between the Danish island of Funen, and the Jutland mainland], will be surpassed many times by this new connection. Afterwards, the connection ought to be extended to Aalborg, and developed into a national high-speed network.

- 2) With a technological leap to maglev, trains will be faster, easier, and cheaper than cars, and, therefore, train traffic will really become competitive. Because of the high speed, a maglev network will also have an almost unlimited capacity, which will reach far into the future. Maglev trains also have low energy usage, which is beneficial to the economy.
- 3) A European maglev network is faster and more economical for society than planes, and will bring us closer to the other European cities. The maglev is also well suited to freight traffic.

If the Danish economic activity and flexibility are to be upgraded by this new technology, it won't be [by financing the project] through user fees, but through the expansion of the national capital budget, in order to finance the construction of such a network, just as the state paid for the existing Danish

infrastructure. The American economist Lyndon LaRouche has described this important aspect of the development of infrastructure, as the necessity of making a national capital budget, in an article addressed to the U.S. Congress, with the title, "What the Congress Must Learn: The Lost Art of the Capital Budget" (*EIR*, Jan. 12, 2007).

The effect of national investments in this type of basic infrastructure, will be multiplied many times over, during the next 50 years, due to the increased economic activity, mobility, and productivity which will be created in the economy. In the case of user-fee-financing, the ticket price will be too high, and the beneficial economic effects for the society will be lost

Planning for the Long Term

In the short term, it seems like it would be crazy to use so much of the state's money on the project, but in the long term (30-50 years),

it is crazy not to do it. And, the sooner we build it, the sooner we will get the positive results.

At the same time, the investments in basic economic infrastructure are the best answer to the current threatening economic downturn, and international economic crisis caused by the bursting housing and other speculative bubbles—both in Denmark, and internationally.

Even though this is part of a future European infrastructure (and uses German-designed technology), we cannot wait for a German initiative, as is also the case with the Fehmer Belt connection [from Denmark to Germany across the Baltic]. The optimism for the future, which is the result of our positive experience with great infrastructure projects here in Denmark, means that we can lead, and then, later, get the Germans to come along, both concerning building the Fehmer Belt connection and a maglev network.⁴

Asia is not waiting for Europe. China has already built a maglev line; and Russia, China and India have commenced close economic, technological, and scientific cooperation. They are already designing new types of nuclear power plants, and similar advanced projects. Russia and China are now cooperating on sending space probes to Mars, and are even discussing a manned mission to the Moon.

If Denmark and Europe are to play a leading role in the future, we must make a technological leap now, which, through scientific and technological progress, will create increased welfare in the future.

Thank you.

EIR April 20, 2007 Economics 13

^{4. &}quot;Denmark's Future Role in the World: From Crusaders to Bridge Builders," by Tom Gillesberg, Schiller Institute campaign newspaper 2, December 2006.

Systemic Mortgage Threat Dawning on Congressmen?

by Paul Gallagher

A few members of Congress had begun to take the U.S. mortgage meltdown seriously—as a financial markets crisis in the making—as of mid-April. But they were still avoiding the central issue of the spreading mortgage crisis: the bankrupt practices, and asset-books, of the Wall Street banks which created the mountain of collapsing debt. The moves toward a direct Federal role in halting the runaway mortgage crisis meet a basic requirement; but they still ignore the primary necessity to reorganize the U.S. banking system as FDR did in March of 1933.

Half the assets in the entire U.S. banking system—\$5.9 trillion of \$11.9 trillion, or 49%—are based on commercial or residential mortgages. A simple attempt to bail out those vastly overwatered bank assets with Federal credit and money, while motivated by pressure to help millions of households avoid foreclosure, would be a disaster. The calls for expanding and using the FDR-created Federal Housing Administration (FHA) go in the right direction (See "Lessons From FDR's Handling of Housing Crisis," EIR, April 6). But the recently exposed cases of JP Morgan Chase mortgage lending in central Ohio, and Beazer Homes Mortgage Division lending in North Carolina, Maryland, and elsehwere, show banks and financial companies effectively using FHA guarantees to aid in committing mortgage loan fraud en masse. Beazer is under criminal investigation and on the skids; Morgan should be. Many banks' operations have been indistinguishable from those of out-and-out mortgage fraudsters, in driving up home prices in a household debt bubble, now exploding.

The dawning seriousness of the systemic collapse threat showed in the April 13 comments of Democratic chairman of the House Financial Services Committee, Barney Frank. Frank told the *Financial Times* that Congress had to "stop the market from collapsing," by new regulations making banks and mortgage security companies liable, in what has been, since 2001, their devil-may-care reselling (as securities) of more and more *unpayable*, high-interest mortgage debt. The *Wall Street Journal* and the Securities Industry Association worried that this would cut down the volume of the banks' "securitization" of mortgage debt, and thus on financial flows into the housing bubble. But Frank said, with an FDR echo, "It is not part of my concern whether investment banks make

money. The purpose of housing finance is to get people in housing, not to finance the U.S. financial markets."

Sudden Drop in Demand for Mortgage Securities

In fact, the stage of deflation of mortgage securitization is already underway, as the financial disintegration stemming from the mortgage crisis spreads. As the IMF report on world financial stability was forced to warn on April 10, the so-called "U.S. sub-prime mortgage crisis" has definitely now spread beyond sub-primes into "Alt-A" mortgages and jumbo loans, and more importantly, into the mortgage-backed securities (MBS) markets. These markets sold off \$2.4 trillion in mortgage-backed bonds in 2006, making large profits for hedge funds and banks.

Focussing on the illustrative case of American Home Mortgage Investment Corp., numerous wire reports on April 11 described how mortgage lenders outside the "sub-prime concentration" are slowly but steadily losing access to liquidity in the MBS market; i.e., banks and funds are not buying these lenders' securities. The volume of so-called "Alt-A" mortgages has been even greater than subprimes; these "selfstating" mortgages (or "liar loans") in which the borrower, typically a self-employed person, simply states his or her income rather than showing it, have been usually quite large, for expensive homes, and are often of the potentially deadly adjustable-rate (ARM) type. As a result, the foreclosure rate for homes priced above \$800,000 is now over 2.5%, higher than the national average for foreclosures. But delinquency and foreclosure rates on "Alt-A" loans are nowhere near those of subprime mortgages. Rather, the mortgage meltdown has spread to this sector, above all, because mortgage-backed securities based on Alt-A mortgages are becoming radioactive like those based on subprimes.

Alt-A lenders which have "taken hits" include American Home Mortgage, whose stock and credit ratings have rapidly been downgraded since April 9; First Horizon National Corp. of Memphis, which is sliding towards a sell-off to another bank; and M&T Bank Corp., which suffered a sudden \$1 billion loss in its capital value due to its inability to sell MBS. Other big lenders and securitizers in the "heavily Alt-A" line of fire, include Countrywide (the nation's biggest), ResCap (part of GMAC), EMC Mortgage (part of Bear Stearns), and Washington Mutual, Inc. of Seattle.

Mortgage Bankers Association spokesman Doug Duncan, while downplaying the problems as best he could, acknowledged that mortgage originations (total lending) in 2007 was likely to fall to near \$2 trillion, no more than half of the 2003 level. "The fact remains that for some of the riskier [and higher-interest] products they originate, there's a lack of demand for them."

One top hedge fund manager warned the subprime and spreading mortgage meltdown will cause "a massive default cycle" in the market for collateralized debt obligations, a type

14 Economics EIR April 20, 2007

of derivatives contract sold in the trillions of dollars, and 40% based on mortgage-backed securities. Francois Barthelemy, a senior fund manager with F&C Partners, the fund-of-funds operations within F&C Asset Management, told Reuters, "I do think a massive default cycle is about to start in the CDO market. . . . The event that will destroy the CDO market has already happened."

Foreclosure Driver Keeps Building Speed

The seemingly unstoppable U.S. national "foreclosure tsunami" is making the same banks now losing capital because the MBS market is contracting, swallow assets which are rapidly losing their value. The lenders' attempts to auction off the wave of foreclosed homes as quickly as possible, to liquidate their falling mortgage assets, is pushing down home prices. Some 5,316 homes were sold at foreclosure auctions in March in California, representing a whopping 264%-increase during the past six months, according to figures compiled by Foreclosure Radar—and constituting 15% of all homes for sale in the state. Of the \$2 billion worth of properties which foreclosing banks tried to sell statewide in March, the overwhelming majority (4,796) went back to the lender after receiving no bids. The story of foreclosed homes now selling "for the price of a car" in Michigan and Indiana, is well known.

One foreclosure tracking company on April 13 released a figure of 158,000 foreclosures nationally in March. This was another large jump, after January and February had each had just over 130,000, for the first time since these data have been tracked. The first quarter, then, saw about 425,000 homes go into foreclosure (32% more than first-quarter 2006 and 220% more than first-quarter 2005)—an annual rate of one home in every 50, but a rate clearly accelerating.

The most rapid growth in foreclosures is occurring in Florida, California, and Massachusetts, each of whose rate jumped by 33% from February to March. Florida in March had 27,000 foreclosures, one for every 270 homes—if continued throughout the year, that would see one home in every 25 go into foreclosure. California in March had one foreclosure for every 370-380 homes, one home in every 30 as an annual rate. Michigan and Ohio are still higher, with annual rates of one foreclosure, roughly, per 20 homes. And Colorado and Georgia are much higher still.

The combustible fuel of unpayable household debts to drive this foreclosure wave still higher, is already aflame. Because of the strong promotion by Alan Greenspan's Federal Reserve, of ARMs and subprime mortgages from Spring 2004 on, millions of one- and two-year ARMs are "resetting" all during 2007-08, to much higher interest rates based on short-term Fed rates, and much higher payments. One million of these ARMs will reset during 2007 alone.

Studies, Congressional hearings, and investigations are showing that Wall Street banks and firms deliberately spread the foreclosure fuel now burning, particularly in the so-called "starter home" subdivisions and town districts where those foreclosure rates are now extremely high. Beazer Homes' mortgage division is the biggest, and the clearest example of what "Wall Street-designed financial products" were doing in the 2001-06 housing bubble boom. In starter-home subdivisions all over North Carolina—and in other states—Beazer Mortgage loaned new homeowners not only their interestonly mortgages, but their downpayments, their closing costs and fees, and gave them back their \$500 "earnest money" payments as a rebate after closing—all but \$1! Massive foreclosure rates of 20% blossomed everywhere in Beazer starterhome subdivisions in the South in 2005-06; some reached 30-35%. And the Charlotte Observer showed that the FHA was also being looted. The paper profiled Southern Chase, a Beazer-built and -financed subdivision of 406 homes in Cabarrus County, North Carolina. Of a total of 75 homes in foreclosure in February, 45 were insured by the FHA, which had paid \$5 million to cover foreclosures in that subdivision, and was similarly hooked through Beazer's dominions.

A Service Employees' International Union study has just showed that JP Morgan Chase banking practices are proliferating foreclosures in central Ohio in exactly the same manner—and also substantially knocking down the home values of neighbors who do not default. This is essentially mortgage fraud by the banks on a large scale, piling up assets which are really unpayable debts, but selling them as securities "bundles" of debt before that became evident. This is what is now propelling the financial disintegration of the mortgage meltdown, into the securities markets.

Even the National Association of Realtors got a bit more real about the crisis in their new 2007 forecast, released April 11. It foresees—through glasses still very rose-colored—a drop in existing home sales by 2.2%; a fall of new home sales by 14.2%; and a drop in the median home price nationally by 0.7%. Hardly credible—but the "just hit bottom and rising again" talk has disappeared.

A Congressional "summit" was being convened by Sen. Cristopher Dodd (D) of Connecticut on April 20, to decide what Federal measures to take to slow down the waves of foreclosures across the country. But this cannot be done without making the banks and other financial mortgage lenders and securitizers, write down their mortgage-based assets, which were entirely connected to a financial bubble now collapsing. Forget trying to collect securities and derivatives bets on high-interest, effectively short-term monstrosities of unpayable debt like ARMs, subprimes, "exotics," and so forth. This write-down could lead to the issuance of new, fully amortized and fixed-rate long-term mortgages with aid of the FHA, Fannie Mae, and other agencies.

To reach us on the Web: www.larouchepub.com

EIR April 20, 2007 Economics 15

Russian Economist: We Would Support A U.S. Return to FDR's Policies

Russian economist Stanislav Menshikov was a guest on "The LaRouche Show," an Internet radio program, April 7, interviewed by Harley Schlanger, the Western States spokesman for Lyndon LaRouche. This is an abridged transcript of the interview.

Schlanger: . . . Today, we're going to look at the broader strategic and economic issues involving Russia and the United States. We are honored to have as our guest, Dr. Stanislav Menshikov, an economist and professor. Dr. Menshikov is a member of the prestigious Russian Academy of Sciences, and has been a participant in a series of seminars sponsored by *Executive Intelligence Review* in Berlin, engaging in an ongoing dialogue with Mr. LaRouche.

Dr. Menshikov has done extensive studies of the U.S. economy, having written several books on the subject. His most recent book, *The Anatomy of Russian Capitalism*, has just been released in English translation, published by *Executive Intelligence Review*, and we'll tell you later in the show, how you can get a copy of this book.

Also joining in our discussion will be our panel of members of the LaRouche Youth Movement. Today's panel will include Stephanie Nelson, Alicia Cerritani, and Anna Shavin.

I'd like to begin by taking up some of the broad topics you address in your book, which I've been reading and find most interesting. Most important for our policy concern is the present state of the Russian economy, which has been negatively affected by the adoption of neo-liberal economic policies in post-Soviet Russia. You write that the dominance of neo-liberalism in the West, especially due to the Thatcher/Reagan anti-state revolution, has shaped Russian policy after 1990; and neo-liberalism as a form of globalization, in which the role of the state is minimized through free trade, privatization, and deregulation, has had an impact. In fact, in Russia, it's favored the emergence of a financial oligarchy associated with the collaborator of our former Vice President Al Gore, Viktor Chernomyrdin.

So, my first question for you is: What has been the effect of the so-called neo-liberal structural reforms on the Russian economy? And has this changed at all in the recent period under President Putin?

Menshikov: Well, the main effect was that we have a very highly concentrated oligarchic capitalist system in our coun-

try. And you in the United States, you know, have a lot of big corporations, but the amount of power that the Russian big corporations have is much larger than in the United States. Practically every branch of industry in Russia is cartelized, and this brings up prices very high. Prices in Russia, now, for the consumer, are on the level of the United States' prices—which is not so bad, you may think. But actually, they are very high, as far as most of the population is concerned, because the average wage in Russia is only \$300 per month. And with American prices, those Russian wages are far too low. That's one of the main results of the oligarchic system in Russia.

Schlanger: Has this changed at all in the last. . . ?

Menshikov: Yes, Mr. Putin, who is our President, tried to change this system. He's been trying to cut the power of the oligarchies, but he's not doing that too forcefully, and I would say, basically, the oligarchic system still remains. He is, though, trying to increase the average incomes of the people, and that's a good thing. He's trying to increase the pensions. He's also trying to bring in more state power, in the sense that he's trying to make the state invest in those areas where private capital does not invest, because they think the profit level is too low.

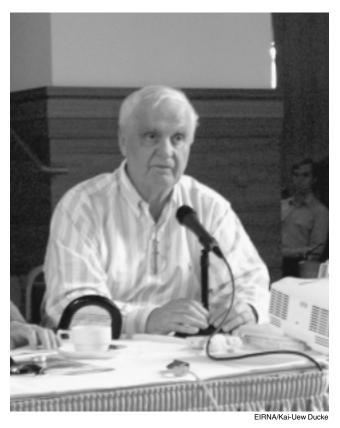
So, he's really making certain changes, but I would say that these changes are not forceful enough, and he's not going at the right speed.

The problem now is, the Russian economy, if you look at it statistically, is moving fairly fast. I mean, it's increasing at about 6% every year. But it can't go ahead at that rate, if it keeps from investing capital in most of the civilian area of industry.

Schlanger: As you know, many of the economists, the neoliberal economists in the United States, are banging the drums to warn that Mr. Putin's measures, including an increasing state role, is a return to the days of state central planning. How would you answer those economists?

Menshikov: No, I would say that that's rubbish, because of course, most—you see, 70%—of all enterprises in Russia are private now. And what he brings in, is just on a small scale. For example, he nationalized one of the oil companies, but that brought the role of the state up to about 20% only; 80% is in private hands, and the industry is as cartelized as any others.

16 Economics EIR April 20, 2007



Prof. Stanislav Menshikov, a leading Russian economist, author, and member of the Russian Academy of Sciences, appeared on The LaRouche Show April 7.

It is true that the gas industry is mostly government, but again, that is not unusual in Europe.

Schlanger: There's also been a series of articles accusing Mr. Putin of moving away from democracy, by moving against the financial oligarchy you've described. Again, how do you view that, the moves against Khodorkovsky, Berezovsky, and others?

Menshikov: Well, Khodorkovsky—I would say that he's like one of those people who went to prison in the United States for fraud. So I wouldn't talk about him so much in defense of his actions. He's really a kind of a robber baron of the olden days, so what Putin did to Khodorkovsky I don't think is too bad. I think he's in the right place, now—I mean, Khodorkovsky, in prison. . . .

Schlanger: Now, one of the other paradoxes you wrote about in the book, that emerged under the so-called free-market conditions, is that the effort to maximize profit has led to a drastic reduction of investment capital into the technological development in industry. We've seen the same process of deindustrialization in the United States. But I'd like to get your thoughts on what is the effect of this process in Russia,

both in terms of the ability to bring new technologies online, and then secondly, the effect on wages and living standards. **Menshikov:** The effect on wages and living standards is, as I mentioned, very high prices, due to over-cartelization and

I mentioned, very high prices, due to over-cartelization and over-concentration of economic power, business power. And the effect on technical progress has been stagnation. Russia has not created one single new product in the last 20, no, 15 years, say. Any new products that appear on the market are imported, or just a slight improvement over what we had before.

Schlanger: So, there's little investment, even from the state, in the development of new industries, or bringing research and development. . . ?

Menshikov: No, the state has not been developing into that either. The state has been given some money for basic science, but in the previous neo-liberal years of Yeltsin, and up till now, there's been precious little investment going into technical progress that goes to the people, that goes into the industry, into new products, into new technologies. And I would say that really, the amount of investment in new technologies is very low.

Schlanger: Now, I'd like to move on a little bit more in this discussion of the free-market ideology, the shock-therapy policies. In opposition to these policies, Lyndon LaRouche has called for a return to the American System economic policies associated with President Franklin Roosevelt, policies which lifted the United States out of the Great Depression. Mr. LaRouche, as you know, has taken this campaign for Roosevelt-style economic policies to Russia on several occasions, and we're seeing more discussion about Franklin Roosevelt in Russia, even more than in the United States, especially in commemoration of the recent 125th anniversary of FDR's birth.

Now, I know you're very familiar with Franklin Roosevelt's policies. You had a collaborative relationship with another of the leading proponents of Roosevelt, the late John Kenneth Galbraith. Do you see the prospects arising now in Russia, for an adoption of a reform policy, modelled on Roosevelt's approach, as an alternative to both the failed models of the central planning of the Soviet system, and the radical free-trade model of the post-Soviet era?

Menshikov: Well, recently we had some of our leading politicians—and I'm meaning one of the top assistants to President Putin—made a big speech about Franklin Roosevelt. And he said that we would very much like that the Roosevelt tradition return to the United States, and we would be very glad to join the policies that would emerge as the result of the coming back of that tradition. And we always thought very highly of President Roosevelt. Actually, though he died in 1945, I do think that he had a very deep impact on American policies, even after his death.

And now, I think we would very much support a return of

EIR April 20, 2007 Economics 17

the United States to Franklin Delano Roosevelt's policies—both internal policies, of course, but also his foreign policies. He wasn't actually a very good friend of the Soviet Union, he was just a very pragmatic politician. But, he saw the Soviet Union at that time (that was what Russia was called), saw it as a big power in the world, a power which the United States would better cooperate with than fight against, and he was absolutely correct.

And that's what Mr. LaRouche is preaching, and I think he's absolutely right. If instead of spending money on the resumption of the arms race, which is where George W. Bush is heading, if instead of that, we would join our resources together with China, and India, and the other countries in rebuilding, and modernizing the world economic infrastructure, that would create a lot of new jobs for people, and would be a very stable foundation for the healthy development of the world economy, which is not healthily developing right now.

Schlanger: Now, before I bring on our panel of members of the LaRouche Youth Movement, I want to ask you one other question, about Mr. LaRouche's proposal for a New Bretton Woods and specifically the role that Russia can play: You know, a central feature of this proposal is Eurasian development, particularly the initiative for a Eurasian Land-Bridge as a corridor of development, connecting Europe and North Asia and South Asia along the old Silk Road. If the U.S.—this has always been, I think, part of the thinking about economic development in Russia—so if the U.S. were to move away from the Cheney-Bush unilateral new Roman Empire geopolitical doctrine, and bring in Mr. LaRouche to negotiate with India, China, and Russia for a New Bretton Woods, what response would you expect from political leaders in Russia? Menshikov: Well, the fact is, that in spite of LaRouche's proposal being absolutely reasonable—I think the only reasonable proposal for world development—it has not as yet been discussed at any government level, and that's a pity! I would say that if the American government would change the kind of thinking it is now following, and accept at least in the main, Mr. LaRouche's program, the Russian government would respond very positively to that.

Actually, you see, what is happening: China is developing very quickly nowadays. It is developing at the rate of 10, 11% per annum. Now that is very much faster than either Russia and the United States, and if it goes on at that rate, in 20 years, China will be the biggest country in the world in terms of the economy.

Now, how is the U.S. looking at that? Instead of looking at it as a possibility to bring on more cooperation between our countries, because China's development means that many more resources can be used for rebuilding the world economic infrastructure, building the European Bridge, in spite of that, it is being seen as a competitor, as a danger, as a danger of driving America out of power in the world, reducing its geopolitical role, etc., and that's looking at it in a confronta-

tional way.

While, the way to look at it, is not confrontation, it's cooperative, the way LaRouche suggested. Because, the U.S. is a powerful, big country, a leader today, but then, China becomes the leader tomorrow. The way to work is to avoid a clash between these two countries—I'm not talking about a military clash. God forbid that! But also an economic clash: We don't want that. We want to bring those resources together. So as to assure an upswing on the world economy in the years ahead.

Instead of that, at present, we have all the makings of a new financial crisis, and the dollar is falling. In Europe, we view that very, very acutely. The dollar is going down from month to month, and you in America may be not feeling that, in your consumer prices and so on. But we are feeling that, because every time the dollar falls, prices in Russia and Europe, they rise.

Schlanger: Well, I think we do feel that, in the United States, because we're becoming increasingly dependent on imports as well, and we have a huge trade imbalance as you know. But, I think as long as the government tells Americans that there's no inflation, people must think there's something wrong with their adding and subtracting in their own checkbooks!

Menshikov: Well, our governments are telling us the same thing. But in spite of that, we have a lot of inflation. Russia has more inflation than the United States, it's about 9 or 10%, that's what the government says. Actually it's more like 15 or 20%....

Schlanger: Now, Professor, I know that you're going to be celebrating your 80th birthday soon, and you have the best wishes from all of us in the LaRouche movement in the United States. Do you have any last thoughts about the importance of this kind of intellectual collaboration and discussion?

Menshikov: All I want to say is that, if you think this is a kind of highly sophisticated book, then you are right and wrong at the same time. Because if you just read it, you'll know a lot more about Russia, written by a Russian—not by an American. And that's not because I don't like your American experts on Russia, but because you will have the Russian thinking, the way Russians think about their own economy, and that's very important. But we also have a lot of facts and figures which you won't find in other books. So, I'm trying to promote my book, as you see.

Schlanger: Well, I would highly recommend it, I'll promote it! I've read it. I think it's an excellent contribution to this discussion. Thank you so much for joining us today on The LaRouche Show, and I hope maybe we can have you on again, sometime.

To hear this full interview, go to www.larouchepub.com.

18 Economics EIR April 20, 2007

Banking by John Hoefle

Private Equity, Public Vice

It's time to put the hedge and private-equity funds out of business, before they do any more damage.

Politicians are careful about taking money from the mob, because it looks bad for elected officials to participate in the proceeds of organized crime. However, as recent news reports show, some of our leading candidates, including a few Presidential hopefuls, have received significant amounts of money from the operators of hedge funds and private-equity funds. Since the leading issue of the day, whether openly admitted or not, is the collapse of the existing financial system and the nature of its replacement, and since these funds are a major part of the disease which is destroying us, this puts these politicians in a highly compromised position. When the solution begins with a flea dip, having leaders in bed with the fleas is a critical problem.

Much has been written about hedge funds, most of it either disinformation or nonsense. The hedge and private-equity funds-which for our purposes here are basically the same thing-were created by the investment banks for two main purposes. First, to hide the bankruptcy of the financial system by sweeping the growing mountain of unpayable debts and worthless assets off the books of the banking system, the financial equivalent of sweeping dirt under the rug. Second, to use the liquidity of the bubble to increase the financial oligarchy's control over the necessities of life, as part of the transition to their brave new post-crash feudal fantasy. There are differences in the way they operate, with some involved more in gambling and others more in buying companies and assets, but when your house is infested with cockroaches, it doesn't much matter which specific

kind of roach it is, you just need to eradicate them. A roach is a roach.

According to recent statistics, there are about 9,000 hedge funds in the world, managing a combined \$2.1 trillion. Most of these funds are relatively small, with just 29 managing more than \$10 billion in assets, but the big funds are growing rapidly. The largest of them all is J.P. Morgan Chase's hedge-fund unit, which saw its assets under management rise 75% to \$34 billion in 2006, knocking Goldman Sachs off the top, even though Goldman's hedge-fund unit rose by 48% during the year, to \$33 billion. Bridgewater Associates was third, up 47% to \$30 billion; followed by D.E. Shaw, up 40% to \$26 billion; and Farallon Capital Management, up 59% to \$26 billion.

The private-equity business is smaller, with a combined \$1.4 trillion in assets under management. Privateequity funds raised an estimated \$173 billion in 2006, up from \$113 billion in 2005 and \$59 billion in 2004, according to data included in a recent Blackstone Securities and Exchange Commission filing. Private-equity firms spent some \$907 billion buying companies last year, compared to \$536 billion in 2005 and \$298 billion in 2004. The top tier of private equity firms includes KKR, Blackstone, Bain Capital, Texas Pacific and the Carlyle Group, among others.

Private-equity funds, and some hedge funds, buy companies, taking either controlling stakes or buying companies outright. These funds have become major employers, owning a surprising number of "brand-name" companies. For example, Carlyle, which has some \$56 billion under management, owns 185 companies which employ over 200,000 people. In Britain, according to press reports, an astonishing one in every five workers in the private sector is employed by companies owned by private-equity funds.

The funds' share of ownership is increasing with their size, as well. Blackstone's \$39 billion takeover of Equity Office Properties was the largest deal ever, until a group led by KKR offered \$45 billion for the Texas electric utility TXU. People are already taking bets on who will do the first \$100 billion deal.

Fund managers are hardly industrialists, and buying companies is merely a way to make money. They buy a public company, take it private, restructure it, and then flip it, selling it to another fund or taking it public again. They use a combination of their investors' money and short-term bank loans to buy a company, then they load the company up with debt, recouping their "investment," and then making a killing when they flip it. The companies are left to pay off the debts, which they do by slashing payrolls and raising prices. The funds, their investors, and the banks make a killing, and the public gets killed. It's a sweet deal, if you don't mind being a roach.

The hedge funds are also being used to ram through consolidation in the financial system, to create ever larger and more global banks. A British fund called The Children's Fund helped pave the way for the merger talks between Barclays Bank and ABN Amro by taking a stake in the Dutch bank and demanding that it put itself up for sale.

It is time to shut these funds down, before they do any more damage. More regulation isn't enough—they must be outlawed. Stop them before they kill again.

EIR April 20, 2007 Economics 19

ERFeature

Al Gore's Crowded Bed: Bush, Barrick Gold, And General Pinochet

by Cynthia R. Rush

The fact that Barrick Gold was one of the principal sponsors of Al Gore's upcoming appearance in Santiago, Chile, as the keynote speaker at the May 11 conference, "Global Warming and Climate Change: The Time To Act Is Now," ignited a public outcry from several Chilean environmentalist groups which, along with an international spotlight placed on the case by the LaRouche Political Action Committee's website (www.larouchepac.com), has forced Barrick to withdraw its sponsorship from the event. Gore, for his part, is trying unconvincingly to distance himself from Barrick.

Some of the Chilean groups have limited themselves to denouncing Barrick's environmental crimes—polluting the air with toxins and destroying Chile's glaciers—and ask how the great champion of global warming could possibly associate with a monster such as Barrick. A distraught Sen. Alejandro Navarro, Socialist Party head of the Senate Environmental Committee, reported April 7 that he was writing a letter to Gore to warn him of what "his visit's ties to Barrick Gold have provoked, so he can evaluate the impact this will have on his speech." In a statement issued on her website, Fabiola Marín Salgado of the Vida Autónoma organization, stated the same day that "every environmentalist in Chile would like to warn him that his image as an environmentalist will be ruined if he attends events sponsored by Barrick Gold." Gore's association with Barrick shows "callousness," she said.

A handful of groupings has gone further and posted exposés published by *EIR* in the late 1990s on Barrick's role in African genocide, and its links to the covert intelligence apparatus run by former President George H.W. Bush and other characters and institutions whose allegiance is to the Anglo-Dutch financial oligarchy.

But everyone is missing the fundamental point that the blimpish Gore's association with Barrick Gold isn't a fluke. *He shares the company's outlook of racism and genocide*, and has the exact same financial and political backers. These include the Bush family—you ask, but aren't they Republicans?—and major figures in the global Anglo-Dutch financial oligarchy and raw materials cartels. George H.W. Bush sits on Barrick's International Advisory Board, along with former Cana-



Al Gore was forced to publicly distance himself from Barrick Gold, when protests erupted over its sponsorship of a May 11 conference in Santiago, Chile, on "Climate Change." But Gore continues to share Barrick's commitment to racism and genocide in Africa.

dian Prime Minister Brian Mulroney. Barrick Chairman Peter Munk a protégé of the British royal family, is a member of the environmentalist millionaires' grouping known as the "1001 Club," along with genocidalist Maurice Strong.

Barrick's African Genocide

When these criminals talk about "saving the environment," they mean getting rid of a large portion of the human race, especially darker skinned populations. Barrick's record in Africa makes the point.

During the 1990s, when Al Gore was Vice President, and also serving as chairman of the U.S.-South Africa Binational Commission (formed in 1994), the Toronto-based Barrick Gold was in the forefront of an "economic invasion" of the minerals-rich nation of Zaire. In 1996, Barrick Gold simply moved in and laid claim to gold mines at Kilomoto and Doko, in the northeast province of Haut-Zaire. Others joined in the stampede, including the hoary Anglo American Corp. (based in South Africa), and the newly formed America Mineral Fields (AMF, a British Commonwealth company, founded in Canada in 1995, for "exploration" purposes), which locked in a deal for the mammoth Kipushi copper mines in Shaba province. When even all these give-away deals—signed as preliminary contracts with Mobutu Sese Seko, the President of Zaire—weren't enough for the Anglo-Dutch commodities cartel, they pursued a "regime change."

On May 9, 1997, in Lubumbashi in western Zaire, representatives of a dozen financial entities associated with the mining cartel (diamonds, cobalt, copper, gold, zinc, tin, bar-

ite, boron, magnesium), met with Laurent Kabila, who took power over Zaire and its 45 million people, less than two weeks later. All told, the raw materials grab, chaos, and strife cost millions of lives in the heart of Africa.

What About Pinochet's Nazis?

While ecology groups say they are perplexed by Gore's association with Barrick, they haven't said "boo" about the even more glaring fact that individuals and institutions tied to the bloody 1973 coup by Augusto Pinochet against then-President Salvador Allende, and subsequent 17-year Nazistyle dictatorship, are sponsoring the Santiago conference.

Gore's invitation to speak there came from multi-billionaire magnate Sebastián Piñera, failed 2005 Presidential candidate and also the driving force behind the creation, in Chile, of the "National Committee of Support for Al Gore's Candidacy for the 2007 Nobel Peace Prize." Sebastián, who with affiliated companies is paying a whopping \$200,000 to bring Gore to Chile, is the brother of fascist José Piñera, Pinochet's Labor Minister who privatized Chile's once excellent staterun social security system in 1981.

Sebastián tried to win the Presidency in 2005 posing as a "Christian humanist" and touchy-feely environmentalist who was concerned about "the poor." But in fact, he was the preferred candidate of the University of Chicago's George Shultz-Felix Rohatyn crowd that installed Pinochet in power in the 1973 coup. The Chilean people didn't buy his story, and elected Michelle Bachelet instead. And today, statesman Lyndon LaRouche has noted, by inviting the anti-African



Elko Daily Free Press/Adella Harding

George H.W. Bush sits on Barrick's International Advisory Board, along with former Canadian Prime Minister Brian Mulroney. Barrick Chairman Peter Munk, a protégé of the British royal family, is a member of the environmentalist millionaires' grouping known as the "1001 Club."

racist Al Gore down to Chile, Sebastián Piñera has fully exposed himself.

Then there's the other sponsor, the right-wing daily *El Mercurio* whose owners, the Edwards family, have served the British monarchy dating back to the 19th Century, when it fought to ensure that nothing even remotely resembling the American System of political economy would ever take root in Chile. In 1973, editor Agustín Edwards was a leading organizer of the Pinochet coup, along with Henry Kissinger and Rohatyn's International Telephone & Telegraph Co. (ITT). The daily is a proponent of the Mont Pelerin Society's fascist economics and continues to defend the late Pinochet.

Given these facts, the question is whether Gore is travelling to Chile to help the Nazis overthrow President Bachelet. Right now, Piñera is running a nasty campaign to force her out of office, putting himself forward as the man who can save Chile from the "chaos" he says she has created. What he means by that, is that Bachelet's efforts—albeit timid ones—to move Chile away from the brutal economic model imposed by Pinochet's "Chicago Boys," and still largely intact today, will not be tolerated.

As LaRouche observed April 9, "We have not yet gotten to the bottom of the Nazi connections behind the late dictator Pinochet from Chile. The Nazi is dead, but Nazism is not. And we see this in the attacks coming from various quarters on President Bachelet, which are obviously coming from the undead fascists of the Nazi tradition of the late dictator Pinochet"

LaRouche added that these are people who may be in cahoots with a filthy character from Caracas, Venezuela,

Alejandro Peña Esclusa. Peña, a former member of the LaRouche organization, subsequently became an advocate of the Pinochet dictatorship and associated with Pinochet's circles in the 1990s, and is now associated closely with the fascists in Spain and Italy, as well as the U.S. and his own country.

Bush's Gore

The Bush family directly, or banking and political interests intimately linked to the family, are among the backers of the two other conferences at which Gore is the keynote speaker. Jeb Bush's Inter-American Ethanol Commission (IEC), founded in December 2006 to resurrect the failed Free Trade Area of the Americas (FTAA) through biofuel promotion, is a major sponsor of the First Biofuels Congress of the Americas on May 11 in Buenos Aires.

One of the IEC co-chairmen is Luis Alberto Moreno, president of the Inter-American Development Bank (IADB) and former Colombian ambassador to the United States. The IADB, whose activities are now virtually indistinguishable from Jeb's IEC, is organizing the April 19 conference in Miami, sponsored by the free-market business grouping Poder New American Alliance-Green Forum, and Kissinger McLarty Associates.

Cuban President Fidel Castro's recent charge that the Bush biofuels push is the "internationalization of genocide," published as the lead item in the April 3 *Granma Internacional*, didn't sit too well with this crowd—and most emphatically not with Brazilian President Lula da Silva, who has declared that biofuels are "my obsession."

The Cuban leader took aim at the March 31 Camp David meeting between Lula and George Bush, in which ethanol production, and particularly the Brazilian model of ethanol based on sugarcane, was a key agenda item. Describing Cuba's own brutal history of sugar production based on slave labor and colonialism, Castro asserted: "No one has answered the fundamental question. Who is going to produce—and where—the more than 500 million tons of corn and other grains that the U.S., Europe, and other wealthy countries need to produce the huge number of gallons of ethanol that the large American and other corporations demand in exchange for their costly investments?" Where, he added, "are the poor nations of the Third World to find the minimal resources for their survival?"

On April 4, a very defensive Marco Aurelio García, Lula's foreign policy advisor, responded to Castro's article with the clinically insane statement that hunger in the world "is not a problem of lack of food, but lack of income." Garcia's remarks—which are characteristic of the Baby-Boomer generation's magical belief that economics is based on *money*, as opposed to *physical production*—are all the more stunning coming from a top spokesman for the Lula government, whose policy priority has purportedly been "Fome Zero," or "Zero Hunger."

'Green Nazis' in Germany Under Fire

by Rainer Apel

For the first time outside the publications of the LaRouche movement in Germany, the Greens have been denounced as on a par with the Nazis. A signed editorial on April 11, in the left-wing Berlin daily *Junge Welt*, quoted a November 1938 speech by Adolf Hitler, in which he said that, whereas in the past, he was obliged by the political constellation to talk about peace, he now feels free to talk about war. "That, or something similar, one will hear sometimes from [Green Party leaders] Reinhard Bütikofer or Claudia Roth—their commentaries about this year's Easter Marches give a taste. Everything that these people promised in the 1980s: abolition of the German Army, exit from NATO, ending arms exports. Today, it is clear that that was the same swindle as the Nazi peace policy of the earlier period," author Jürgen Elsässer wrote.

His article is a long-overdue attack on the leadership of the Green Party, which not only has adopted the neo-con program and endorsed the Bush Administration's military interventionism, especially in Afghanistan, but even called on Germany to shift its military mission in Afghanistan from peace-keeping to hot combat at the side of the Anglo-American strike force. Elsässer's article manifests the fierce brawl between peacenik sections of the party base and the leadership, in the run-up to, and during, the traditional Easter Marches for peace, when Bütikofer and Roth called the protesters ill-advised because "there are situations which require military intervention," such as Afghanistan and Darfur.

Numerous prominent Greens in the national Parliament voted for the extension of the German military mission in Afghanistan recently, defying calls by their own party base to vote against it, which left the peaceniks with no one to support but the neo-socialist Linkspartei, which rejected the mission.

LaRouche Youth Intervene

The political environment for these developments, has been created by the LaRouche movement, especially the LaRouche Youth—first, with harsh attacks in mass leaflets three years ago (when numerous Linkspartei leaders were still under the influence of Dick Cheney's anti-terrorist propaganda in the wake of Sept. 11, 2001); second, with a mass pamphlet on the "Locust Funds and Their Stormtroopers," in March 2007, which documented the neo-con and even neofascist roots of the radical ecology movement in Germany, in the tradition of Anglo-Dutch financial oligarchism. The

Green warmongers such as Bütikofer and Ralf Fücks were exposed in that pamphlet, and it is one of the ironies of this turbulent period, that the attack on the Greens as a political continuity of the Nazis was published in a leftist daily which is associated with some of the protest movements that were identified in that same LaRouche pamphlet.

Enormous frictions have developed inside the Green movement, notably after the takeover of the leadership by neo-con Greenies after 1991, who, as Elsässer put it in his article, emerged like "zombies" from the aborted leftist movement, and have killed more people with their war policies than the right-wing National Democratic Party (NPD). Therefore, if one is justified in calling for a constitutional ban against the NPD, one must also call for a ban of the Greens, Elsässer wrote. The first call for such a ban of the Greens was issued by the LaRouche movement in March 1983, when the Greens entered the West German Parliament for the first time.

Just as the Elsässer article was published, currents in the Green Party base announced their intent to oppose the warmongers at the party top, especially on the Afghanistan issue. When that news broke on April 11, the warmongers received instant support from former Environment Minister Jürgen Trittin, who accused the peaceniks of "denying reality" with their "simplistic views on war and peace." The peaceniks responded by calling Trittin and other party leaders "traitors to the cause of peace," who "have formed an axis of evil, together with Bush."

Rejection of Bio-Foolery

The Green leadership is coming under attack also on a second front: the bio-fuel issue. Green leaders such as Fritz Kuhn have endorsed massive investments in the bio-fuel sector, with a vanguard role for hedge and equity funds; this has enraged many among the party base, who do not accept the notion that giant areas of the globe should be allocated to grow food crops for fuel, at a time when the basic food supply for large parts of the population in the developing sector is still far from secured. The mass protests in Mexico recently against the lack of corn for baking tortillas, have been published and discussed broadly in Germany, and when the April 10 issue of Germany's second-largest weekly Focus ran a cover story on the drastic price increase for food, and on coming food shortages as a result of bio-fuel production, it reflected a broad protest against Al Gore and his "bio-fools."

Die Zeit, the same week, ran an interview with the CEO of the Nestlé firm (one of the world's biggest food cartels), Peter Brabeck-Letmathe, who lambasted the idea of expanding bio-fuels as "ecological insanity," which, since one liter of ethanol requires the use of 4,560 liters of water, is a "waste of our most precious resource: water." He added: "Bio-fuels cause an increase of prices for basic food items. Automobile drivers in the rich industrial nations are being subsidized at the expense of the poorest among the world population."

EIR April 20, 2007 Feature 23

From Hippies to Hedge Fund Operators: The Case of Jeff Skoll

by Harley Schlanger

The evolution of Jeff Skoll from a tech entrepreneur to a leading figure in promoting the anti-science global warming hoax pushed by the racist from Tennessee, Al Gore, provides a textbook case in how the degeneration associated with the domination of our culture by Baby Boomers has brought civilization to a moment of a final, existential reckoning.

Though not a Boomer himself—Skoll was born in 1965 he is clearly a product of the convulsions unleashed by the Congress for Cultural Freedom (CCF) through its creation of the counterculture, by its brainwashing of the Baby Boomer generation, following the death of Franklin D. Roosevelt. After receiving an MBA at Stanford University, the Canadian-born Skoll joined Pierre Omidyar in creating eBay, which began as Auction Web, an online flea market. When eBay went public in 1998, Skoll became a billionaire overnight (as did many of the dot.com "innovators," despite the fact that few of their dot.com creations survived much beyond the bonanza of the Initial Public Offering). He retired from eBay in 2000, taking \$2 billion with him. He has used that fortune to bankroll Oxford University's Skoll Center for Social Entrepreneurship, from which he has been promoting operations such as Gore's climate hoax, and to set up Participant Productions, a movie company in the news after its Gorey, lying production, "An Inconvenient Truth," won an Oscar this year for Best Feature Documentary.

Skoll described his goal for Participant, in an interview with *Wired* magazine, as a way to utilize the "power of stories to make a difference." He said he had been aware, since childhood, that "the world was going the wrong way: environmental degradation, new diseases, terrible weapons. And I thought, wouldn't it be great to write stories that got people involved before these problems could get even bigger?"

As part of its operations, Participant creates partnerships with activist groups, organizing "action campaigns" to accompany each film, and a website to create a network to follow through in solving "these problems."

Skoll's current operations bring together the various components of the counterculture, which have become institutionalized as the present Boomer culture: a decentralized, antihierarchical, post-industrial "information" age, which has been fueled by "networking," and advanced by the "tech revolution," with its promise of "democratizing" the workplace and "freeing individual creativity." This has been aided by a persistent, vicious attack on real science, as the *Executive*

Intelligence Review (EIR) has demonstrated in its exposé of the fraud perpetrated by Gore, who uses Sophistry and outright lies to push his racist Malthusianism, in the garb of "climate science."

Skoll's personal immersion in this culture is demonstrated by his admission that two of the seminal influences in his development were Ayn Rand, the rabid free market "Greed is the Highest Good" sex cultist, and Aldous Huxley, the drugpushing brother of eugenics promoter Julian Huxley. The evolution of the Boomers from "hippies" to hedge fund operators demonstrates that Rand and the Huxleys are not-suchstrange bedfellows!²

The Triumph of 'Market Populism'

There is another aspect of this, which is not immediately evident. This paradigm, which emerged in the mid-1960s, after the assassination of President Kennedy, as a post-industrial society, is responsible for the orgy of speculation of the present hedge fund-dominated financial system, which has been promoted under the guise of "market populism," and is threatening imminently to blow out the collapsing world financial system. Along with the achievement of hegemony of the Boomer counterculture has been the march of the radical anti-state monetarists, with Stanford's George Shultz leading the charge. While the hippies were "tuning in, turning on, and dropping out," the monetarists were establishing their own hegemony over economic policy, not just burying the memory of Franklin Roosevelt, but building a new globalized empire as the antithesis to his revival of the American System of economics.

Shultz and the economic neo-cons won that fight—at least temporarily—by co-opting the anti-authoritarian "feelings" of the Boomer generation, and turning them against govern-

^{1.} For more on the whole global warming/climate change hoax, beginning with coverage of the bio-fuel swindle in the feature "Bio-Foolery is Causing 'Food Shocks,' " see *EIR* Jan. 26, 2007); also "Is U.S.A. Drowning in Its Gore? The Great Luddite Hoax of 2007," by Lyndon LaRouche, and "Cosmoclimatology, Kepler and Moon's Model of the Nucleus," by Laurence Hecht (*EIR*, March 9, 2007). For daily updates on Gore's hoax and the campaign to defeat it, go to the "Breaking News" section of larouchepac.com.

^{2.} For background to Gore's predilection for racist eugenics, of the sort promoted by Julian Huxley, see "The Freaks Who Created Al Gore," by Anton Chaitkin, Leandra Bernstein, and Michele Steinberg (*EIR*, April 6, 2007)



Hollywood hoax, "An Inconvenient Truth." His current operations bring together components of the Boomer culture: a decentralized, antihierarchical, post-industrial "information" age, etc., aided by a persistent, vicious attack on real science. Gore is at the far left, as director/producer Davis Guggenheim (center) accepts the Oscar for Gore's movie.

Jeff Skoll (second from right), is the producer of Al Gore's

AMPAS/Michael Yada

ment, and against the "experts," the "elitists," i.e., those who maintained a commitment to the positive role of government, based on the history of successes of the Leibnizian American System of physical economy, demonstrated most recently by the results of the anti-Depression policies of FDR, which were based on his re-application of that American System.

In contrast, Shultz et al. argue, on behalf of financial oligarchs of the City of London and their Wall Street allies, that the FDR/American System paradigm is authoritarian and undemocratic, as it uses the power of government to usurp the freedoms of the "people." FDR's New Deal was "antibusiness," they claim, and prevented corporations from providing consumers the goods they want and need, at prices they could afford. This market populism emerged triumphant in the 1980s, as the people-as-victims-of-big-government were rallied by President Ronald Reagan's pledge to "get the government off our backs."³

This argument was used to push through radical deregulation policies, beginning in the late 1970s—first, in Great Britain under Margaret Thatcher, the same Thatcher who was the first head of state to push the hoax of man-made global

For a thorough, delightfully ironic evisceration of "market populism," see Thomas Frank's *One Market Under God: Extreme Capitalism, Market Populism, and the End of Economic Democracy* (New York: Anchor Books, 2000), especially the first three chapters.

warming—but it really took off in the U.S. under Reagan. It was sold under the broad heading of free trade, as "globalization." It should have been seen for what it was, a transparent fraud, imposed for the benefit of the corporate cartels and speculators, as a new version of the old Anglo-Dutch imperial game: cheap raw materials, cheap labor through outsourcing, disinvestment in infrastructure—it was the exact opposite of FDR's policies. It trashed the General Welfare, in favor of the short-term "bottom line" for increasingly monopolized corporate cartels. From the 1980s to the present, we have lived through one financial bubble after another, with the gap between those in the lower 80% of family-income brackets and those in the upper 20% growing wider every year, with the real physical economy contracting further after each bubble popped.

Is this what the leaders of the Baby Boom generation had in mind, when they proclaimed their commitment to rebel against authority, to bring "power to the people?"

The Prescience of LaRouche

It must be noted, at this juncture, that Lyndon LaRouche is the one commentator who was on to the degeneration of the Baby Boomers almost from Day One. His writings on this topic today are not the musings of a "Johnny-come-lately" social critic, but as one who was on the scene as the '68ers first emerged as a visible force, attempting to steer that generation from the self-destructive course mapped out for them by the likes of the Huxleys and their collaborators.

EIR April 20, 2007 Feature 25

^{3.} The market populism of the Shultzians is not new, as shown by FDR-allied economist John Kenneth Galbraith in his study of the 1929 stock market crash (*The Great Crash*, Boston: Houghton Mifflin Co., 1988, p. 70), in which he quotes Princeton University economist Joseph Stagg Lawrence, who presented a Greenspan-style defense of the stock bubble on the eve of that crash, railing against those "elites" who warned that the market was overvalued, arguing that "the consensus of judgment of the millions [of stock holders] whose valuation function on that admirable market, the Stock Exchange, is that stocks are not at present over-valued. . . . Where is that group of men with the all-embracing wisdom which will entitle them to veto the judgment of this intelligent multitude?"

^{4.} With no irony intended, the former chairman of Citicorp, Walter Wriston—who was one of the most vociferous and aggressive supporters of a fully deregulated economy—titled the last chapter of his book on the wonders of the coming New Economy, "Power to the People" (Walter Wriston, *The Twilight of Sovereignty: How the Information Revolution is Transforming Our World*, New York: Charles Scribner's Sons, 1992).

He wrote prolifically then, as now, to offer an alternative to what he has recently described as the rush of a generation, "like fabled lemmings, toward the waiting rocks below," hoping for one last Dionysian orgy before the end. In now-classic pamphlets, such as "The New Left, Local Control, and Fascism," he warned of the susceptibility of the Boomers to the fascist outlook promoted by the Huxleys and Lord Bertrand Russell, this time around, in the guise of a "peace movement" to counter the "evils of modern science," in the form of "out-of-control" technology.

LaRouche's prescience regarding the direction of the Boomers derived from his insights into the influence of Norbert Wiener, whose promotion of "cybernetics" was a conscious attack on the Classical scientific method of Johannes Kepler. Instead of the pursuit of universal physical principles, of the sort discovered by Kepler in his work on gravity, and the harmonic ordering of our Solar System, Wiener's theory of cybernetics came from his study of the mathematics of self-regulation in anti-aircraft missiles. From this, he advanced a theory of "information," which he applied to social organization, for the purpose of social control and manipulation.

Of his theory, Wiener himself was unambiguous. He wrote that "the study of ... effective messages of control constitutes the science of cybernetics."

Wiener's work was not done in isolation. From 1942 through 1946, he collaborated with a group of social-control freaks under the sponsorship of the Josiah Macy, Jr. Foundation, working to develop a mathematical construct from which to advance what he called a "theoretical understanding of all voluntary or purposeful behavior." His collaborators included Gregory Bateson, Margaret Mead, John von Neumann and Kurt Lewin, as well as Max Horkheimer, the head of the Frankfurt School.

This was not a collection of serious scientists, but a hitteam focussed on a social engineering project, working on concepts which could be employed to shift the outlook of the U.S. population in the post-World War II era away from the scientific and technological optimism generated by President Franklin Roosevelt's successful reorganization of the nation. In attacking the creative method of real science, that associated with Kepler and Leibniz, they reduced human creativity to an interface between man and machines, as organisms through which bits of information flow, and are processed.

It was from this network that the utopian concept of "artificial intelligence" was posited, as an outgrowth of cybernetic systems research.



Norbert Wiener's promotion of "cybernetics" was a conscious attack on the Classical scientific method of Johannes Kepler. Among his collaborators:
Gregory Bateson, Margaret Mead, John von Neumann, Kurt Lewin, and Max Horkheimer, the head of the Frankfurt School.

This "Cybernetics Group" worked closely with another gang of social engineers, those involved in the CIA/British intelligence project, which created the rock-sex-drug counterculture, a group which included Aldous Huxley and his LSD-pushing spawns, such as Dr. Timothy Leary, and Ken Kesey and the Merry Pranksters.⁸

It was this interface, which Lyndon LaRouche correctly identified as it was unfolding, which is responsible for the pathetic lemming-like behavior of today's Baby Boomers, who are lining up behind Gore's fraud. The counterculture has been the driving force behind the emergence of the post-industrial society, globalization, the fiasco of the "New Economy" of the 1990s—including the economically indefensible, hyperinflated dot.com bubble—and the unregulated overripe hedge-fund casino economy of this decade.

Stewart Brand and the Futurologists

The interface between the cybernetics group and the rocksex-drug counterculture in shaping the so-called cyberspace revolution has been the subject of several recent book-length studies. John Markoff of the *New York Times* revealed how these two phenomena jointly created the personal computer industry in *What the Doormouse Said*. A second contribution comes from Fred Turner, who wrote "From Counterculture to Cyberculture."

While each provides a wealth of intelligence, drawing out

^{5.} Lyndon LaRouche, "Is the U.S. Congress Dying Before Our Eyes? The Baby Doomers," *EIR*, April 13, 2007.

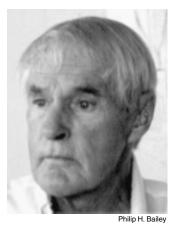
^{6.} Norbert Wiener, *The Human Uses of Human Beings* (Cambridge: Houghton Mifflin Co., 1950), p. 181.

^{7.} Quoted from a 1943 paper co-authored by Wiener, with Arturo Rosenblueth and Julian Bigelow, in David Lipset's *Gregory Bateson: The Legacy of a Scientist* (Englewood Cliffs, N.J.: Prentice Hall, 1980).

^{8.} For the interface of the Cybernetics Group with the Huxley/MK-Ultra/LSD crowd, see Jeffrey Steinberg, "From Cybernetics to Littleton: Techniques in Mind Control," in *EIR*, May 5, 2000.

^{9.} John Markoff, What the Doormouse Said: How the 60s Counterculture Shaped the Personal Computer Industry (New York: Penguin Group, 2005); and Fred Turner, From Counterculture to Cyberculture: Stewart Brand, the Whole Earth Network, and the Rise of Digital Utopianism (Chicago: University of Chicago Press, 2006).





The "Cybernetics Group" worked closely with another gang of social engineers—those involved in the CIA/British intelligence project, which created the rock-sex-drug counterculture; this included Aldous Huxley (left) and his LSD-pushing spawns, such as Dr. Timothy Leary (right).

the connections between the two groups, which operated in close proximity in the San Francisco Bay Area and at Stanford University, the authors end up offering a defense of the Boomers and the counterculture. They argue that it was the antiauthoritarian libertarianism of the generation which transformed the computer industry and the Internet from being a tool of social control and military power in the hands of the Military-Industrial Complex, to being a force for individual liberation! This analysis fits the personal conceit of Stewart Brand, who was a key link between the two groups.

Brand's Whole Earth Catalog served as an entry point into the digital utopia of cyberspace, in which he believed a new ethic of communitarianism would replace existing hierarchical structures. Turner writes that Brand, who dropped acid with Timothy Leary and Ken Kesey, while talking cybernetic theory with Douglas Englebart and other pioneers in computer sciences, worked "to create the cultural conditions under which microcomputers and computer networks could be imagined as tools of liberation," while portraying "technological production and research as hip."

Markoff and Turner seem to take the self-promoter Brand at his word. Brand titled a paean to himself and his fellow Pranksters, which appeared in *Time* magazine on March 1, 1995, "We Owe It All to the Hippies." In it, he brags, "Newcomers to the Internet are often startled to discover themselves not so much in some soulless colony of technocrats as in a kind of cultural Brigadoon—a flowering remnant of the '60s, when hippie communalism and libertarian politics formed the roots of the modern cyberrevolution. At the time, it seemed dangerously anarchic . . . but the counterculture's scorn for centralized authority provided the philosophical foundations of not only the leaderless Internet but also the entire personal-computer revolution."

Brand was promoting the idea that it was the rebellion of

the counterculture which was responsible for the dramatic economic transformations associated with the computer in advancing post-industrial society since the mid-1960s, and Markoff and Turner bought it.

What they miss is that it actually worked the other way around. Wiener's cybernetic theory was a foot-in-the-door to destroy science, by shifting the goal of scientific work from making discoveries of universal physical principles, to creating mechanisms of social control. In doing this, Wiener and his collaborators were applying the anti-human, anti-science mathematical-philosophical system of Lord Bertrand Russell to a generation, almost as a lab experiment! By combining his "information theory" with the Dionysian pleasure-seeking rock-sex-drug counterculture, the financial oligarchy which Russell represented, and which backed Wiener, which despised FDR's resurrection of the American System, created a generation which could move seamlessly from the technological optimism of the New Deal to the anti-science, anti-production orientation of post-industrial society.

This combination provided the basis for the attack on blue-collar production workers that was written into the founding documents of the "New Left," the Port Huron statement of June 1962, which was called by one of its authors, Tom Hayden, "an agenda for a generation"; 10 and in the "Triple Revolution" manifesto of March 1964, with its promise of plenty, due to the "great potential of cybernation." This piece of Sophistry, in which Tom Hayden appears again as an author, argues, "In the developing cybernated system, potentially unlimited output can be achieved by systems of machines which will require little cooperation from human beings."

Thus, the Boomer generation, believing it was freed from both productive labor, and the need to make new discoveries to increase scientific and technological progress, could "do its own thing!" Brand, in his *Time* magazine piece, wrote that, for the hippies, "'Do your own thing' easily translated into 'Start your own business,' "words taken to heart by the tech "entrepreneurs" such as Skoll and other future Bay area dot.com billionaires.

The Destructive Alliance of Gore and Newt

Some readers, trapped by the axioms of contemporary political science, may be confused by the above section. Wasn't the New Left really left-wing? Wasn't the counterculture the spawning ground of anti-business activism? Isn't Al Gore just a big, hypocritical liberal?

The erroneous beliefs implied by these questions may pass for intellectual analysis on the Rush Limbaugh show, or on Fox News, but actually represent nothing but noise

EIR April 20, 2007 Feature 27

^{10.} The Port Huron statement opened with an acknowledgement that it was addressed to the privileged children from upper income brackets: "We are people of this generation, bred in at least moderate comfort, housed in universities, looking uncomfortably to the world we inherit."

designed to obfuscate the truth: The New Left was set up to recruit Boomers to adopt fascist ideology; the counterculture has been used to destroy the FDR economic paradigm, and restore the old Anglo-Dutch liberal paradigm, now called "globalization"; and Al Gore is a Tennessee racist who is personally profiting from the speculative hedge funds set up to make a killing from bio-foolery and carbon markets.

While Gore's personal actions on behalf of the global fascist Anglo-Dutch empire have been fully covered in recent issues of the *EIR*, a further clue as to his intent comes from his alliance with former Republican House Speaker Newt Gingrich, when they were leading members of the Congressional Clearing House for the Future, which was established in 1978. With the collaboration of Alvin Toffler—whose theory of the "Third Wave" is another name for post-industrial society—they conspired to "Reinvent Government," so that government would no longer stand in the way of speculators, for whom regulations represent a constraint on innovation, i.e., innovative ways to loot the physical economy and the labor force!¹¹

Gore and Gingrich worked to deregulate every sector of the U.S. economy; they were early backers of free-trade agreements, such as NAFTA and GATT, which have furthered the outsourcing of U.S. jobs, through taking down the U.S. manufacturing sector; and they were vehement defenders of post-industrial society, arguing that we have now entered a "weightless" economy, in which wealth is no longer produced, but made through trading.

The broad goal of their alliance is the destruction of the sovereign nation-state. A leading backer of this was Citicorp chairman Walter Wriston, whose book, *Twilight of Sovereignty: How the Information Revolution is Transforming Our World*, lets the cat out of the bag, for those paying attention.

Wriston, who was an outspoken proponent of banking deregulation, and whose bank grew enormously after its implementation, literally drools over the potential to make money through speculation, especially on currencies no longer protected by national governments. For him, the destruction of the lives of millions, through the dismantling of the industrial economy, is a small price to pay—perhaps "collateral damage"—given the new wealth that can be made through financial speculation.

The full embrace of post-industrialism is evident in the opening words of his tract: "Intellectual capital is becoming more important than physical capital. Indeed, the new source of wealth is not material, *it is information*, knowledge applied to work to create value. The pursuit of wealth is now largely the pursuit of information, and the application of information to the means of production (emphasis added).

"The information technology, which carries the news of freedom, is rapidly creating a situation that might be described as the twilight of sovereignty...."

Gore and Skoll: Hedge Funds and the New Eugenics

The hoax of "man-made global warming" pushed by Al Gore and Jeff Skoll is a further product of the merger between the hippies of the late 1960s and the libertarians of the von Hayek/Milton Friedman school. Those, such as Stewart Brand and Alvin Toffler, who assert that they are liberating society from the shackles of a previous, outmoded industrial paradigm, are actually marching to the beat of George Shultz and Walt Wriston, serving as the shock troops against the nation-state and its uniquely American constitutional promise of defense of the General Welfare.

They are not motivated primarily by greed—though a glance at the corpulent figure of Gore, the astronomical fees he is receiving from right-wing ideologues, such as Sebastián Piñera of Chile, and his reinvention as a hedge fund operator, indicate he is being well-compensated for his activities.

However, underlying all the hype and nonsense about the New Economy and post-industrialism, is a profound hatred for mankind. The "weightless" economy cannot support the more than 6 billion people who inhabit our planet. Speculation on corn futures, as part of the biofuel mania, has already led to a major inflation of food prices. The effects of carbon caps and carbon trading, as part of Gore's "solution" to global warming, will mean a cap on economic development of the world's poorest nations, condemning as many as several billion people to extreme poverty and miserable deaths.

While it may seem "cool" to the Boomers who are following Gore to think that they can become rich while "saving the planet," the reality is quite different. Those Boomers are merely stroking their inflated egos, while cooking up schemes to make the kind of big bucks that Skoll made from eBay, patting themselves on the back with their delusions that they are the "Golden Generation."

The number of human beings who will die, if Gore and his followers are not stopped, would make even Hitler "Green" with envy.

^{11.} As the official responsible for "Reinventing Government" in the Clinton Administration, Gore spoke at an international conference on Jan. 14, 1999, calling on delegates to replace the "creaking government machinery of the Industrial Age" with "smaller, smarter, and more responsive" government. Later in the speech, he credited the Thatcher government of Great Britain with pioneering the notion that governments should treat citizens as "customers," thus abrogating any notion of the constitutional responsibility for the General Welfare! In the same speech, he waxed on about the importance of "free markets" for future prosperity: "In this fast-moving, fast-changing global economy—when the free flow of dollars and data are the source of economic and political strength... governments must be lean, nimble and creative, or they will surely be left behind."

For Toffler's take on this, see his "Cyberspace and the American Dream: A Magna Carta for the Knowledge Age." This was a manifesto he drafted in August 1994, which opened by arguing that the Third Wave "will not deliver on its potential unless it adds social and political dominance to its accelerating technological and economic strength. This means repealing Second Wave laws and retiring Second Wave attitudes." His co-authors included Reaganite economic charlatan George Gilder, and George Keyworth, who served as Reagan's science advisor.

The Historical Roots of Green Fascism

by Helga Zepp-LaRouche

This is the second and concluding part of Helga Zepp-LaRouche's definitive work on the Nazi roots of the ecology movement, written in 1982. The first part was in the April 13 issue of EIR. It has been translated from the German.

The Fascist International

Although anyone who knows the proverbial "corridors of power," knows that in political life hardly anything happens without unwritten deals over common purposes, plans, and methods, and although it is also understandable that certain persons have more influence than others, yet often a great scream arises as soon as you note that there is a "stringpuller" behind certain events. Just because the Nazis brought the racist bogeyman of a "Jewish conspiracy" onto the scene, doesn't mean that it can be generally denied that there are conspiracies. Yes, you can go so far as to say that nothing significant happens—good as well as evil—without a conspiracy standing behind it—that is, a purposeful plan has been carried out.

For that, you don't need to put forward any shaky hypotheses. The oligarchical elite is sometimes so arrogant that it itself describes this conspiracy. Thus the Jesuit Carroll Quigley wrote in his book *Tragedy and Hope*, in which he disclosed much amazingly accurate material about the ominous intent of monetarist oligarchical circles, that such publicity could hardly harm their goals, because this grouping has taken power so thoroughly that any resistance against it would be senseless. Marilyn Ferguson in *The Aquarian Conspiracy* expresses almost exactly the same thing, as does H.G. Wells, who speaks of an "open conspiracy."

One of the most remarkable books in this respect is the already cited book by Armin Mohler, *Conservative Revolution*. Not only because he had the boldness to "reawaken" fascist thought as early as 1950, but also because it throws some light on the corporate policy of the Siemens Company. If you consider that Peter von Siemens belonged to the Anthroposophs, and Armin Mohler, as chairman of the Siemens Foundation, is a prophet of the "Conservative Revolution," then there's no reason to wonder at the dubious role the Siemens family is playing against technological progress, especially in the area of nuclear energy.

Mohler leaves no doubt in this book—a barely revised dissertation published by Karl Jaspers in 1949—of what he speaks: "Conservative revolution" is a synonym for what is

commonly recognized as fascism.

The Conservative Revolution, according to Mohler, is comprised of small, intellectually active circles, highly disruptive sects, and, in the background, the remaining loose elite alliances. Mohler does not try to hide his disdain for the "masses."

"The great party holds its masses together through organizational ties adapted to the average person and a narrow doctrine of catchwords, and only offers space for superior minds to the extent that they concern themselves with the restraint of the masses, and keep their mental capabilities in reserve, for the esoteric realm. But the majority of the above-average intelligences gather in small circles, which oscillate in constant mental stress, believe themselves to be the only ones with the true knowledge, and accuse the mass party of *Realpolitik*, betrayal of the "idea."

If you break through the Babylonian verbal confusion in today's political life, if you take into account the confession of the numerous members of the "Conservative Revolution," there is really no difference between "right" and "left," as the ostensibly politically diverse people like Mohler, Möller van der Bruck, Daniel Cohn-Bendit, and Oscar Negt admit. For them, the contrast between "Socialism and National Socialism" as well as "right" and "left" has been lifted.

So you should not let yourself be deluded into thinking that some "Conservative Revolutionaries" have either distanced themselves from the Third Reich, or even were disdained or persecuted by it. Even though, according to Mohler, at the end of the 20th Century, it became evident to them that a successful National Socialism "would falsify their goals as much as a successful communism," they remain the spiritual mentors of fascism, then, as today.

The title "Conservative Revolution" certainly goes back to Hugo von Hofmannsthal for its first formulation, and then back to Möller van der Bruck, but it is in no way a specifically German thing. Mohler names the following names in this connection: Hans Grimm, Oswald Spengler, Ernst Jünger, C.F. Jünger, Albrecht and Karl Haushofer, Schultze-Boysen, Möller van der Bruck, Hugo von Hoffmannthal, Nietzsche, Richard Wagner, Stefan George, and other in Germany. But, for example: Dostoevsky and the two Aksokovs for Russia; Sorel and Barres for France; Unamuno for Spain; Pareto and Ebola for Italy; Lothrop Stodart, Madison Grant, and James

EIR April 20, 2007 Feature 29



The back-to-nature cults of the early 20th Century, such as depicted in this 1913 drawing of "spiritual German youth," were a deliberate creation of the oligarchical elite who called themselves the Conservative Revolution. These nihilistic, anti-technology youth eventually fed into the mass fascist movement.

Burnham for the United States. These "thinkers," who did not actually come from oligarchical families themselves, are like their modern followers: Peccei, Forrester, Meadows, Jungk, Cruhl, Gvishiani, Frolov, King, etc., to a certain degree the court ideologues of these families. Today, they work predominantly with think-tanks and foundations, or as controllers of "movements" and terrorists. They carry out what Mohler calls "restraint of the masses."

The indulgence, and with it the corruption, which many older people today show toward the "Greens," goes together with minimization of the significance of their own early membership in an old youth movement. Now, surely, not every Wandervogel [wandering bird, the "green" youth movement of the 1920s and '30s] later became fascist, just as all Greens are not unsalvageable, but the old youth movements were the transmission belt for the later fascist leadership. They were, just like today, a "revolt against the world of the father," against the "world of appearance," and of the "artificiality" of the cities and factories, which threaten to suffocate everything.

In addition, the different phases, unions, splits, and new formations point to strong parallels with today. Mohler speaks of a first wave, the "Wandervogel," which was shapeless and anarchic, and a second phase, of the Free German Youth. Both had taken effect in the Weimar Republic in almost all the conservative-revolutionary groupings, when their leaders were transformed, for the most part, into paramilitary forms of the youth movement.

After the First World War there arose out of a mixture of the Freikorps, youth groups, and then "dropouts," a "new revolutionary type," which was "nihilistic," totally in the Nietzschean sense. Mohler points insightfully to the fact that these "revolutionaries" would have increased their dangerousness and clout, but for their non-involvement, which is also true for today's dropouts.

Because today there is the well-founded suspicion that these right or left extremist movements may indeed tend toward violent acts themselves, but are only providing a cover for the professional political murder of the champions of technological progress.

The forerunner of the Murder, Inc. "Permindex," which was responsible for the assassination of [John] Kennedy and the attempts against de Gaulle, or, in recent times, the attempts on Reagan and the Pope [John Paul II], was, in the early 1920s, the secret organization OC (Organization Consul), which was responsible for a series of assassinations, among them, German Foreign Minister Walter Rathenau.

The OC was controlled by the Thule Society. Around the Thule Society there was an elite secret organization, to which belonged Prof. Karl Haushofer, Princess Maria von Thurn und Taxis, Countess Westarp, Baron von Seydlitz, von Sebottendorf, Scheubner-Richter, Rudolf Hess, and Alfred Rosenberg. This organization had available extensive financial resources and the best connections to the leading noble families and intelligence services. The Thule Society functioned as the "mother organization" of a plethora of parties, societies, paramilitary units, and terrorist organizations. The most momentous creations of the Thule Society are those of the NSDAP [Nazi Party], which it founded, and Adolf Hitler.

The Epistemology of Fascism and Christianity

If an ordinary person gets involved with the cult-ideas of different currents in the fascist environment, he is generally surprised about the depth of pathological hell which opens up before him. Although it is not pleasant to study these outpourings, an investigation of the history of this illness is surely necessary.

Supporters of the Conservative Revolution have different views on certain topics, and it would actually raise suspicion about them if they all agreed with one another. So it is with the "criticism" of the Conservative Revolution by Romano Guardini, to whom Mohler significantly concedes a "flair for distant thrill." Guardini, former collaborator of the Action Circle, founder of the Quickborn Movement, and of the foundation named after himself, has brought himself under suspicion with his writings, of being one of the "Christians who are not Christians."

Christian heretics like [Hans] Küng, the Jesuits, but also the likes of Guardini, to begin with, want to soften the ontological, universal truth of Christianity, when they describe it as

a religious mode of interpretation like many others. In short, they deny that there is *one* truth and along with it, error, and they deny the provability of this truth in the physical universe.

You can unquestionably recognize those who want to destroy the "Christian view of the world," because they want to change Christian doctrine on the decisive point whose absence would rob it of its life's breath. That is the *Filioque*, the idea that Christ is simultaneously God *and* Man, and thus divert from the fact that every human being participates in the Divine through the redemption of Christ. As Mumford correctly noted, this human participation in the Divine is the moral barrier to genocide.

In considering the enormous political consequences of this, the role which Christianity has played over the last 2,000 years must be underscored yet again. And in this connection, the recent encyclical, *Laborem Exercens*, by John Paul II, as well as his pastoral letter "Familiaris Consortio," have primary strategic significance.

In these documents the Pope stressed unmistakably the character of man in the "image of God," and that the mission of man to subdue the Earth, obtains for all time. The encyclical is, from an epistemological standpoint, the most comprehensive, because it proceeds from the coherence of the lawfulness of the universe, of man, and of mind, and thus accepts the process of continuous perfection. The process of creation continues through man on Earth, and with the help of technology, which explicitly is called the ally of man. Yes, the Pope explicitly demands political and legal reforms so that the world's political order is adjusted and corrected to cohere with this lawfulness. Concretely, that means massive transfer of technology to the Third World, and with it, the comprehensive breakout which the Conservative Revolution fears the most.

In a chapter with the not-mathematical, but mystical title, "Lines and Spheres," Mohler expresses his fear: The idea of ceaseless progress at a certain point devalues the present in favor of a better future. Therefore, it would make no real difference whether it means a step forward toward the Christian Kingdom of God, or a classless society or some other goal.

Because Mohler constantly uses the term "linear" in connection with this (constant) progress, you must certainly acknowledge that he does not know his enemies as well as he thinks. Neither the Platonic idea of constant perfecting, nor the Christian or scientific ideas of progress is meant linearly, but strives for higher orders, and are thus negentropic, and of growing complexity. So much for Mohler's understanding.

"In any case, Christendom has become fatefully decisive for the Occident. Together with its secularization, progress in every area, it has created the 'modern world,' against which the conservative-revolutionary revolt has taken aim."

And then he again cites Guardini with a passage which exposes the current danger to the Pope:

"Nothing is more false than the idea that the modern mastery over the world in knowledge and technology must have been achieved in opposition to Christianity, which would keep man in indolent servility. The opposite is true: The enormous adventure of modern science and technology, whose scope we experience in the most recent inventions with deep uneasiness, was only made possible because of the *personal independence* which Christ has given to man."

Once Again: Fascist Epistemology

At this point, it is appropriate to once again point out that the members of the Conservative Revolution are at least right on one point: that the "right" and the "left" ultimately become the same, when "nationalism" and "socialism" collapse into one; that right and left are rather useless, if it matters, to describe political opposites. The fundamental opposition lies between Christianity and the idea of progress on the one side, and the Conservative Revolution on the other.

And so Mohler broods already in 1949, when every normal person in Germany is concerned about building up the country again from the rubble:

"Our time offers a strange spectacle. On the one side, the linear world of progress, by harnessing nuclear power, is speeding toward its high point, and seeks to cover the last free spot on Earth with its network of chimneys, railroads, and cables. But on the other side stand spokesmen who are witness to a world of midday-like stillness."

In 1927 Hermann Hesse wrote in his Steppenwolf:

"Human life is reduced to real suffering, to hell, only when two ages, two cultures and religions overlap. . . . A nature such as Nietzsche's had to suffer our present ills more than a generation in advance. What he had to go through, alone and misunderstood, thousands suffer today."

Unfortunately, the members of the Conservative Revolution are not satisfied with tolerating this dual power situation, but they want to win (even if the world should perish as a result).

Thus Ernst Jünger already remarked:

"We stand at the turning point between two ages, as with the change between the Stone and Bronze Age."

Therefore, a kind of interregnum, for which otherwise the "great" Nietzsche has represented allegedly the absolute turning point.

Whoever currently would argue that this has nothing to do with the Greens, now can grasp the proof that there is at least a great similarity. Marilyn Ferguson's book *The Age of Aquarius*, which was only the popular, expanded version of a study by the Stanford Research Institute in Palo Alto, California, should be referenced once again.

This institute must be considered one of the most important planning centers of the Conservative Revolution. Out of there came not only various experiments with drugs, but also all conceivable "alternative life-styles" were developed. What Ferguson describes in her book, is the undermining of society, above all the youth, through the "Aquarian Conspiracy." The age of Christianity and scientific rationality—char-

EIR April 20, 2007 Feature 31

acterized by her as the Age of Pisces—will now be cut off by the Age of Aquarius. Here it is feeling, not reason, that matters, and all the conspirators would participate in a common cosmic consciousness, would recognize one another, and would advance in all realms of life, including the military itself. Ferguson in other respects proceeds to praise conservation and all forms of alternative life-styles.

In Steppenwolf it says:

"I have also lived austerely for years, and also fasted for long times, but at the time I stood again under the sign of Aquarius, a dark and moist sign."

Mohler, in describing the change desired by the Conservative Revolution, writes in 1949:

"In others, this idea even condenses into the image of a succession of one age to a new one. . . . Knut von Ermsen, for example, sees this change in connection with cosmic changes: We stand at the edge of the change from the Age of Pisces to the Age of Aquarius. That, for him, is National Socialism, whose temporary dominance he, in his 1932 book *Adolf Hitler and the Coming Age*, had stated as fact, only one of the first fever blisters, which announce such changes. That the fish is a symbol of Christ, served him well in this connection."

The Age of Aquarius, could also be translated as the dominion of Dionysus. For Nietzsche it is the Christian God that is dead, not the "god" of reappearance, whether it is named Dionysus, Mithra, or something else.

When it becomes clear to anyone that the American highinterest-rate policy is bringing not only the American economy itself, but also the rest of the world, into depression, the normal reaction would undoubtedly have been a lowering of interest and building up of production through cheap credits. A frequently heard argument was: "But it is not in American interests to ruin their own economy!" Arguments like that disregard the fact that there are certainly people who not only reject reason, but even desire chaos. Ernst Jünger writes thus, quoted by Mohler:

"We march towards a magical point zero, which we will only overcome, when we have other, invisible sources of power at our disposal."

"Thus, with this magical point zero," Mohler writes, with evident fascination, "we enter the inner circle of German nihilism." It is the belief in absolute destruction, that turns into absolute creation. For, 'decay' does not occur in the essential core. . . . Our hope is attached to what remains," he quotes Jünger again.



Armin Mohler

The reader of this article is, perchance, acquainted with the fact that people today who

look to the "Conservative Revolution," and who are responsible for the current crisis, seriously believe, that in the event of a nuclear war, they could go to Argentina—and have already set up residences and bank accounts there.

How criminal and close to today's terrorism this way of thinking is, is plainly laid out in another Jünger quotation, in which the state of mind of "heroic realists" is expressed by him, as, "He, who with pleasure can blow himself up, and who, in this act still sees a confirmation of order." What else should motivate terrorists today?

In Hesse's *Steppenwolf*, the union between green terrorism, and an "inner joy" over genocide, was already present:

"The inscription, 'Off to the Merry Hunt! The Great Automobile Hunt!' appealed to me. . . . I grasped at once that it was the long-prepared, long-awaited, long-feared war between man and machine, now finally broken out. On all sides, lie bodies dead and torn to pieces. . . . On every wall, wild and stirring posters, demanding, in gigantic letters, that flamed like torches, to finally mobilize man against the machine; at last, to strike dead the oily, beautifully clad, perfumed idle rich, who, with the help of the machine, have squeezed the fat from the bodies of others, by means of their great, coughing, terrible, snarling, devilish, confining automobile. At last, to set the factories afire, and depopulate the soiled Earth a little bit! With that, grass can grow again; out of the dusty, cement world, something like woods, meadows, heath, brook, and moor may grow again.

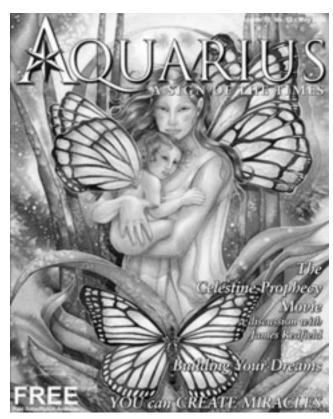
"It was war, which was not concerned with a Kaiser, a republic, national borders, flags, or colors, but where anybody, for whom the air had become too close, and for whom the land no longer tasted right, gave hard-hitting expression to his anger, and tried to initiate the general destruction of this metallic, civilized world. I saw how the lust to kill, to destroy, smiled in everyone's eyes, and to my own self, these wild, red flowers also bloomed on high."

And finally,

"Yes, there are indeed too many people in the world today. Before, one did not notice it. But now, where everyone does not have pure air to breathe, but instead, each wants an automobile—now one notices it. Of course, what we are doing is nonsense, not rational, as the war was also massive nonsense. In time, mankind will have to learn to check its increase by rational means. Meanwhile, we respond to an unbearable situation rather irrationally—however, we basically do what's right—we reduce."

For a normal person, this is difficult to comprehend, but this camp does not claim to be rational in the least. Mohler concedes that there are many contradictions in cyclical thinking. The Conservative Revolution in fact would distrust any system that makes sense. Logic, for them, is only a tool for processing insights attained by other means.

"The Conservative Revolution believes, that ideas that 'add up,' occur in a space devoid of reality: Only thus, in



The shift from the Christian era (Age of Pisces) to the antitechnology, anti-human "Age of Aquarius," is a primary tenet of the Conservative Revolution, and serves as the foundation for the nihilistic youth movements now organized around "environmentalism." Here, a modern representation of the Aquarian age.

unopposed emptiness could better elements be joined together in a continuous construction." Here lies the probable reason, why the members of the Club of Rome do not themselves believe their prognoses.

For what Mohler writes here, certainly applies to the manipulative pseudo-knowledge of global systems analysis, but not to reality. But that already gives these people too much credit. Another "conservative revolutionary" by the name of Quabbe acknowledges: "For the conservative, reflection on the bases of his own worldview is a kind of profanity . . . the reduction of an irrational value to a rational standard, a secularization of the Divine for which the attraction of the inexplicable is taken. . . ."

Mohler rushes to dispel any possible awkward misunderstandings, and acknowledges that in the name "Conservative Revolution," the word "conservative" was an unfortunate choice. "Preserving" and "maintaining" would indeed involve the idea of influencing events as a whole, which would be the position of the party adverse to progress.

That there are additional points of contact between the

conservative revolution and the Greens, is revealed in their common worship of wilderness. Nature, which is often ennobled much more beautifully through man, is not enough for them: there must be wilderness. "It is above all the wilderness, which becomes an image of poetry for the followers of Nietzsche—wilderness not seen from the 'linear' world as destruction, but as a wound-healing sleep," says Mohler.

Yet Mohler expresses himself even more plainly:

"In the wilderness, the laws of economics do not apply. The wilderness is the background before which the global emotion unfolds, which we want to describe here: whence it goes out, it always returns."

From F.G. Jünger to Eppler

In case someone still requires proof that the Greens march in fascist footsteps, then one should refer to the modern identity of the argumentation of Friedrich Georg Jünger in *The Perfection of Technology*, written in 1939, and Robert Jungk's *The Atom State*.

What Jünger says in the book itself, is certainly clinically interesting. He warns of the dangerous illusions that are associated with technological progress. In almost the same manner, all the Greens after him spoke out, including [Aurelio] Peccei, who recently proclaimed that science cannot "magically" solve all problems. Not magically—but rationally.

Jünger is not even original, when he argues that science has nothing to do with the creation of wealth; he simply repeats the well-worn arguments of the Physiocrats, who belatedly provided the East India Company with justification for the exploitative methods of British colonialism. From a scientific standpoint, Jünger's views are really outrageous. He thus maintains that all industrial operations are entropic:

"Thus, the smallest technical operation requires more energy than it generates. How then should a surplus be created through the sum of these procedures?"

We now propose, that people who think this way, be consistent, and eat grass with the aid of clods of ore, instead of still hypocritically making use of the results of technology. Or even better, stop eating altogether, since, according to their "theory," energy can be saved in this way.

All the others have copied from Jünger—directly or indirectly—Jungk or Gruhl (in Gruhl's *A Planet Is Plundered*, whole passages on the depletion of nature are shamelessly copied). Jünger wrote "Global 2000" 40 years before [Social Democratic Party leader] Erhard Eppler and Jimmy Carter:

"[Technology] fills the air with smoke, pollutes the water, destroys forests and animals. This leads to a condition, in which Nature 'must be protected from rational thought.'

The direction this wind is blowing, becomes clear in the next passage:

"[The technician] ruins factory owners through inven-

EIR April 20, 2007 Feature 33

tions which are not anticipated. The wealth and ruin of the capitalists is as indifferent to him as that of the proletariat. For him, there is neither debt and interest, nor the sustenance of life...."

That is a deeply anti-capitalist, monetary mindset, which is characteristic of fascism. And the magic word—the sacred cow of the oligarchy—is stated: Technological progress ruins *interest!*

In all respects, this book teems with mere monetary truisms, which, as all arguments of the oligarchy, are nothing but cheap, deliberate lies; as, for example, that progressive technology is responsible for inflation! The International Monetary Fund dishes out the same garbage, solely for the purpose of keeping developing nations, which want to proceed with their industrialization, under the yoke of colonialism.

On the one hand, Jünger is obliged to concede, that "technological thinking is rational," but then, on the other hand, he speaks of "demonic trends in technology." Thus, evidently, rationality is, for him, somewhat horrible. He goes to the extent of arguing, that industrial accidents with progressive technology have turned out to be so numerous, that they equal the frequency of military casualties. But, there are many more people killed during bear-hunting than working in the laboratory.

The theses proposed at the beginning, that the members of the Conservative Revolution are the most elite, most evil species, is confirmed by Jünger in the following way:

"We must recognize that technological progress and the *education of the masses* go hand in hand. . . . Technological progress is most powerful in that realm, where *education of the masses* is the most advanced [emphasis added]. . . . They [the masses] are the most useful, most pliant material for the engineer, whose work plans could not be implemented at all without them. . . ." And, "We associate with the conception of the masses, notions of ponderousness, weight, and dependency. Vulgarization."

For the oligarchy, educated masses—numerous educated people—is a horrible idea, because they would end their privileged, elitist position as oligarchs, who are happy to rule over uneducated masses.

The idea of republican nation-states, based on technological progress, is horrible for the Conservative Revolution on exactly the same ground. Friedrich Hielscher, a "Conservative Revolutionary" from the Jünger circle, thus demanded the breakup of nation-states into "tribes" and "rural areas." Another subdivision of the Conservative Revolution, the Pan-European Union of Otto von Habsburg, also consistently demands the creation of a "Europe of the Regions." It ought, in turn, no longer be astonishing, if now left-Socialists demand the strict decentralization of nation-states and militantly precipitate attempts at autonomy by all conceivable minorities. Even less surprising is the fact, that from this narrow angle,



Hermann Hesse, taking directly from the nihilism of Nietzsche, wrote the book on the anti-Christian ideological shift the Conservative Revolution wishes to achieve.

the developed national languages are criticized, in favor of slang and regional dialects. In contrast to this, the pathological hatred which the Club of Rome bears toward the idea of the nation-state is really significant and dangerous. Typical is Aurelio Peccei's speech before the International Institute of Applied Systems Analysis (IIASA), in Spring 1981, in which he declared the nation-state bankrupt, and called it the main obstacle to a global technical correction culminating in a "new world order."

The Siemens Problem

That Peter Siemens, as the director of a company which controls almost the entire nuclear energy area of the Federal Republic, and which has been characterized as a "state within the state," is an anthroposoph, would in itself be alarming enough.

Citizens must immediately be enlightened, as to what is hidden behind the allegedly harmless façade of health food stores and Waldorf schools: the writings of Rudolf Steiner, a fanatical cultist. Steiner believed not only in the reincarnation of man; he promoted the worship of Lucifer! That alone would indeed be revealing, but might seem to be the private affair of Mr. Siemens. Unfortunately, that is not so.

Armin Mohler did not write his thesis on the Conservative Revolution, for example, in youthful levity, but rather still today, he thinks essentially the same way, while being the director of the Siemens Foundation. This becomes clear from a Mohler brochure, which has now been mailed out by the Association of German Electrical Engineering Technicians (Regional Association of North Bavaria) as "talking points."

In the brochure, "The Dream of the Natural Paradise," Mohler speaks somewhat pathetically about the "ecological woe" which has already stormed the bastion of public opinion. He poses it simply there, indeed even says that a world outlook, which has achieved such a position—is hardly challenged any more "from the outside," but rather only "from within." If Siemens were really a company that wanted to



Aurelio Peccei (1908-84), the founder and first president of the Club of Rome, followed in the footsteps of the Conservative Revolutionaries in his attacks upon industrial growth, and the ability of human reason to solve the problems faced by mankind.

UN Phot

promote technological progress, what should prevent Mohler from assailing the ecological movement "from the outside"?

Thus, in 1981, Mohler "criticizes" the green movement "from within," and then also reiterates in essence his earlier theses, that the rise of the "ecological woe" is associated with the de-Christianization of the modern world. It is extremely noteworthy, that Mohler's conception of Christianity is presented here very much "from the outside." He apparently does not know the neo-Platonic, Augustinian tradition.

For a person who knows of Mohler's Conservative Revolution of 1949, it is extremely informative, that he calls the ecological ideology a "salvation doctrine," thus equating it with his earlier observations of cults. He even sketches the path "from Rousseau to the current ecological woe," via the intermediary of Romanticism. "Thus, according to the example of the archetypal plant, 'nature' turns into a kind of personal entelechy, against which one can sin as against a lady." At the same time, the comparison throws an interesting light on the fantasy life of Mr. Mohler.

After this brief introduction, the actual criticism "from within" now takes place. Mohler lets the cat out of the bag: The new youth movement has a forgotten "demanding task-master"—"founding father" Friedrich Georg Jünger. He has gone far ahead of the youth movement, so that that which was formulated by him could become a casually wielded, anonymous commodity. Jünger, however, had already formulated everything better and more tightly.

The "criticism" which Mohler makes of the Greens, is limited to the fact that they have constructed an incomplete thought-model, in which creation only took place once, right at the beginning—and since then only destruction. In contrast, Mohler places the *Conditia humana* (human condition), being fixed between birth and death, between new creation, which always reoccurs, and destruction, which likewise recurs. And

although Mohler expresses himself here cautiously, we are already once again at the yo-yo principle of the "eternal return of the same."

If an organization which deals with advanced technology, offers its members nothing better than such "talking points," then that is disconcerting. What Mohler does here, is typical of the *modus operandi* of the Club of Rome: An illusory debate is set up, as to who is now the better "Green," the "right-wing" Jünger, or the "left-wing" ecologist. That both, "from outside" reason, are quacks, had to have been said and proven. But, as Mohler says in the epilogue of the new edition of his *Conservative Revolution* of 1971, the new youth movement is quite close to the Conservative Revolution, and this does not surprise him, but rather only confirms the "inevitability" of such processes. The yo-yo principle also here.

But whence does it arise, that someone, who, as the director of the foundation of a company which is predominantly engaged with technology, would have to have access to modern scientific expertise, either does not have this or does not use it? Is it then not known to the Siemens Foundation, that in the meantime, the empirical proof has also been produced in many scientific areas, that the universe is organized in a non-entropic manner and not according to the yo-yo process (this is proven for plasma physics, biology, astrophysics and the pre-human evolutionary process), and that therefore, and for many other reasons, ever higher energy densities and organizational states are necessary in the production process, if a drastic lowering of the sustainable population—genocide—is not to be the consequence?

Why is Mr. Mohler of the view, that it is only possible to argue "from within"?

It is worthwhile to return once again to Mohler's *Conservative Revolution*, in which he cites the book penned by a certain Schauwecker, *Germany Alone*, of 1931. Schauwecker writes there, that the world of progress could only be attacked with its own weapons:

"For this period is only worth being destroyed. But in order to destroy it, one must first know it accurately. Otherwise one succumbs to it. One had to completely subdue the technology, while one developed it fully. Then it was no longer a problem, but rather a foregone conclusion, about which one was no longer astonished. The admiration for machines, that was the danger. They deserved no admiration at all, they only had to be used, nothing more."

And Mohler added without pausing:

"The words of Schauwecker show, that the national revolutionaries do the same as the adherent of progress, and yet mean it completely differently."

Now, why has Siemens created a situation in many areas under the utilization of the patent law, where real technological progress, for example in the postal system, is blocked, because no one can get around Siemens? Or, why, for example, is Siemens now against the construction of the high-

EIR April 20, 2007 Feature 35

temperature reactor? Or what is the cause of the obvious failure of the Siemens firm in the area of advanced computer systems?

The Arrogance of the Oligarchy

Every time the oligarchs are certain that they have already won, they openly acknowledge, that they are the real leaders of this movement. Thus, the president of the Italian World Wildlife Fund, Fulco Protesi, proposed in November 1981, in an interview with the Italian newspaper *Il Mondo*, that either the chairman of the Club of Rome, Peccei, or Bussati Troverso, the president of the European Society of Culture, should become the chairman of a new oligarchical mass party in Italy. The choice between Peccei and Troverso, that would be the choice between NATO/intelligence and the "Global 2000" faction of the U.S. Administration, or of an extremely influential "intellectual" elite combination of the old Venetian oligarchy. Both merely represent different nodal points of the same network.

Such a nodal point earlier in history was the circle around the magazine *Die Tat*.

Under the concept of an "action circle," that group of influential German intellectuals, "Conservative Revolutionaries," which, from 1908, gathered around the publisher Diedrich, and set up the monthly *Die Tat* as the organ of anti-Christian, geopolitical, mystical-Arian and later, openly fascistic movements. Diedrich himself was the publisher of the *Zeitschrift für Geopolitics* (Magazine for Geopolitics), founded by Karl Haushofer, which helped prepare intellectually for the later *Drang nach Osten* (Push Towards the East), and which included as a collaborator Friedrich Wilhelm von Oertzen, the father of today's Hanover SPD Chairman Peter von Oertzen.

In the development of *Die Tat*, perhaps three phases are to be identified: From the founding of the magazine in the year 1908 by Ernst and August Horneffer, both employees of the national Nietzsche Archives in Weimar, until approximately 1914, articles were mostly about the "neo-Christian" movement in the framework of the "youth movement" massively promoted by Diedrich. The Horneffer brothers promoted a new "Christendom in Action," which, in essence, constituted a turning away from Christian humanism, and a turning towards mysticism and the theosophy of the anthroposoph Rudolf Steiner.

After the end of World War I, this policy was resumed by *Die Tat* and also introduced into the Catholic Church via the above-mentioned anti-technology philosopher Romano Guardini.

From 1928, *Die Tat* experienced a radical about-turn in the direction of the fascist mass movement, when Hans Zehrer, Giselher Wirsing, and Ferndinand Fried purchased the magazine. By 1932, *Die Tat* became the most-read monthly of the Weimar period, with a strong pro-fascist, geopolitical

orientation—its circulation exceeded that of the *Weltbühne* (World Stage).

It is also important, that the Horneffer brothers were connected to the notorious Thule Society. Karl Jaspers also belonged to the group around *Die Tat.* He was the doctoral advisor to the current Lower Saxony Governor Ernst Albrecht, who helped another member of the Club of Rome, Eduard Pestel, obtain a ministerial position. One should not forget, that it was Albrecht, who prohibited the nuclear reprocessing facility at Gorleben; no one but he was the reason for the "political unenforceability" of this project. Finally, Karl Jaspers was the mentor of Armin Mohler, after Mohler had briefly—as a Swiss citizen (!)—requested membership in the SS, before he became the secretary of Ernst Jünger.

If one adheres to the self-definition provided by the Conservative Revolution, many connections become clear. Then one is not amazed that such an ostensibly "left," radical "green" politician as Mencke-Glückert, the FDP Ministerial Director in the Interior Ministry, maintains contact, on the one side, with a—mildly expressed—extreme "conservative" institute such as the European Cultural Foundation, and on the other side, with—also mildly expressed—such extreme "left" circles as the Pressedienst Demokratische Initiative (Democratic Initiative News Service, PDI). In turn, besides Robert Jungk ("The Atom State"), also such friends of the Berlin-squatter-scene as Ingeborg Drewitz, who not accidentally is regarded as an expert on the Romantic movement of the 19th Century, works in the PDI.

Robert Jungk in turn collaborates with Mencke-Glückert via the Futures Group, one of the most evil think-tanks in the U.S.A., which has specialized in teaching the so-called "Delphic Method" to management and politicians. By this is meant the capability, according to the Greek Oracle of Delphi, of generating, with the help of the media and through ostensibly "contrary" positions, an illusory debate for the public, which is supposed to forget that reality looks entirely different.

Another specialty of the Futures Group is intellectual and psychological conditioning by means of computer-simulation. The target groups in such "courses of instruction," in addition to the economic and political executives, are, above all, the representatives of the nations of the Third World. Computer simulations, which are based on the systems-analysis model of the Club of Rome or "Global 2000," are put in front of the participants in the courses of instruction. Accordingly, it is only a matter of the unbridgeable contrast between overpopulation and limited resources. Now the participants in the courses of instruction are permitted to change the variables—within the pre-determined program of course. In doing so, one shows greater appreciation of "ethnic concerns" respecting the reduction of the population. The game, of course, ends with the fact that every "positive change" of the variables only aggravates the overpopulation/limited re-



The campaign which Pope John Paul II waged for the dignity of labor, and development in the Third World, as reflections of man's nature as made in the image of God, most clearly exemplifies the Christian legacy which the Conservative Revolution, and the Green fascists, want to wipe out. Here is the John Paul during his visit to the United States in 1979.

Library of Congress

sources problem and completely demoralizes the participants in the course of instruction.

The 'Movements' Today

To return to the initial thesis: The disaster can only be averted if it is worked through, in Germany and in other parts of the world, from a conceptual standpoint of the history of where the roots of fascism lie, and of what its subsequent history is.

In other locations, we have developed in detail, what the theoretical economic foundations of fascism are, and as well, we have thoroughly documented the danger that leading financiers would react today to the world economic crisis with fascist economic policies. We only footnote here, that without a new world financial system for the financing of broad technology transfers for the industrialization of the Third World, as a war-avoidance strategy, no actual solution could be found.

As far as the subjective side is concerned, the danger of fascist mass movements, a conceptually historical consideration is also indispensable, because only in this way can the emergence of a new, differently colored species of sheep in the same pasture be prevented.

If one applies the conceptual apparatus which we have undertaken to develop here, to the present, it becomes clear where the fascist potential lies. The characteristics are—and this is no "German" problem—the cult of irrationalism, the assault on scientific thought, which Nietzsche termed the "Socratic dialogue." Further characteristics are, that irrationalism

takes organized forms, and that its adherents try to force their irrational will by violence, on those who think differently.

From this standpoint, it can be said that terrorism is generally fascist, as indeed was demonstrated by the "P-2" scandal in Italy: The fascist international controls both "right" and "left" terrorism, through the logistical support of the mafia.

Fascists, irrespective of the nationality or era to which they belong, deny the perfectibility of man. They have often termed this the "dictatorship of reason." What they want, is the Dionysian, existentialist living-out of feelings, the undisturbed fulfillment of "needs," at the expense of everyone else.

If this spiritual attitude is viewed from a Neoplatonic or a Christian standpoint, therefore, from the threefold division of the human consciousness into sensual desire, understanding, and reason, then this lowest condition corresponds to sin, in the Christian view, or seen from the humanistic standpoint, to extreme infantilism, which manifests itself, in its organized form, as fascism.

If a two-year-old wants to live out his sensual desires, this is normal, and requires only compassionate education by his parents. However, if ostensible adults express the same mental condition, then they are spiritually underdeveloped. So it is no coincidence, that these infantile adults, if they come into contact with a complex reality which upsets their infantile fantasies, react in a paranoid fashion.

Paranoia, the wild fear about the inadequacy of one's own self, is a very important marker of fascism—paranoia over an inner emptiness, mixed with the "green discharge of nausea," which must be overcome in a Dionysian frenzy. Paranoia is

EIR April 20, 2007 Feature 37

the completely normal consequence, if reason goes into decline

It is highly revealing, that in the London Tavistock Institute for psychological warfare, studies of the phenomenon of "U.S. Cowboys" as a psychological type were undertaken, and the not-surprising fact was discovered, that the chief characteristic of the "cowboy" is his paranoia. Normal cooperation or collaboration is impossible, and the "cowboy" must either be "on top," or somebody is "on top of him."

This paranoid form, which unfortunately has often decided American foreign policy, can, in an unfavorable strategic constellation, lead to war, because the reality principle is rejected, and everything is only viewed by this standard of "who is on top?"

The idea that fascism is not possible in the U.S.A., is, there, very widespread indeed, but unfortunately, is completely false. Once rejecting a certain open genocide-promoting part of the last administration—look at "Global 2000"—America is already, to a startling degree, a "programmed society." The average television consumption of five hours per day, per capita, is more conducive than anything else to banishing every sense of reality, and engendering a basic paranoid mood in the population. Goebbels' propaganda machine and its popular reception is pushed far into the shadows by today's U.S. television.

If the emergence of "freaks" in America represents a new version of the Weimar counterculture and youth movement, the current emergence of a country-and-western cult promoted by the entertainment industry is a new version of the "people's movement." The country-and-western-cowboy cult is not only a banalization of human sensibility to an extremely low level; it also has all the cultish elements of every "blood-and-soil" cult, opening the floodgates.

Since the entertainment mafia, which moreover is closely interwoven with the drug mafia, has in recent years led frustrated mainstream America—in a reaction against the wave of rock-music programming—unconsciously toward "truly American culture," namely, cowboy and western schmaltz, and has now introduced a new phase. Now that America's youth is vastly corrupted through rock, disco, and drugs, the rest of the population now has to be pulled away from their belief in the "American Way of Life," that being the belief in the unbounded possibility of solving the world's problems through technological progress. Slowly, the cowboy cult will fuse with the "green" movement, and to this end, the *New York Times* recently brought out a stirring history of the virgin American West, which must be shielded from the evils of industry.

As part of the psychological affliction of fascism, and as part of the fundamental outlook of cultural pessimism, are also the sensations of anxiety, grief, and woe, and Kirkegaard saw the world as meaningless and shattered, and expressed the opinion that anxiety and doubt must be the necessary consequence of that. The "grief" of Heidegger, which is so

often and so deeply felt by the Greens, is nothing other than the paranoid reaction to problems which are only susceptible to being solved with rational methods. And finally, the "ecological woe" is plainly a lie. Whoever actually strives for improved environmental protection, doesn't lament, but becomes an engineer or a scientist, in order to overcome obsolescence of old technology with better, new technologies.

The 1981 Christmas message from Pope John Paul II is, against this background, an extraordinarily *political* intervention. In it, he presents the idea that hedonistic forces have undermined the morality of the so-called "developed sector" to a level of moral senility. This moral decay, this cultural pessimism, has made necessary an intervention by the Church for the benefit of the intangible, of the value of human life—for which the Pope nearly had to pay with his life. The tracking of the assassins behind this attempt on his life would lead Sadat and Reagan back to the forces behind destabilization.

If we would prevent the danger of a new fascism, this time worldwide, and of a new world war, then the track of those who targetted the Pope must be investigated, and the guilty must be called to account.

Therefore, if the question is posed, how it could happen, that Hitler came to power in Germany, although the majority of citizens were against him, then something becomes clear about today's situation. The majority of Germans were not fascists, but "small people," who said, "Oh, what could I do about it?" or, "Actually, things aren't so bad, and everything will get better."

Today, if one looks at how the [Willy] Brandt sections of the SPD, the FDP, and the CDU-CSU are getting in bed with the Greens, on grounds of election tactics, then he would have to be afraid that these politicians haven't learned anything from history. What price did all the democratic politicians pay, who tolerated the Nazis, with their "tactical" alliances, citing "reasons of advantage"?

Then, as now, no cooperation with fascists ought to be tolerated. If a Hasselmann and a Biedenkopf, and others, propose collaboration with the "black" Greens, the CDU ought to consider very seriously whether they should even tolerate these people. The same goes for party functionaries in the SPD, concerning Eppler and the defenders of Brandt.

Perhaps there is still time to overcome the cult of irrationalism. One of the most important prerequisites for doing that it to reform the "reform," which is to a large degree responsible for the current "youth movement": the so-called "school reforms" of the 1970s.

A humanistic education in the spirit of the Classics and of Socratic dialogue, which the reactionaries so fear, is the best antidote against the forces of irrationalism. Throughout the history of human society, the very concepts we need today are those which Christianity and humanism have advanced, without which there would not have been progress. We should employ them, with that optimism which so annoyed Hesse's "Steppenwolf."

38 Feature EIR April 20, 2007

Anti-Gore News

Architects Denounce Gore Speech at AIA Convention

A barrage of opposition to the American Institute of Architects' well-paid invitation to Al Gore to address its national conference in San Antonio on May 5 has broken out among the AIA's membership.

The first batch of negative letters is introduced in the Nov. 10 issue of AIArchitect's "Taking Care of Business Section" with this warning: "Some members took issue with Al Gore speaking at the AIA national convention. . . . Here's what they said (minus the personal insults and unprintable language)."

A small sampling:

An AIA member from Savannah, Georgia wrote, "I am totally opposed to the AIA spending the money to have someone of Al Gore's caliber as a speaker... Surely the leadership can find someone with better credentials to speak...."

A member from McKinney, Texas wrote, "I for one will not be in attendance or in support of [Gore's] presence at the event, and can't believe you even requested the presence of such a divisive person. . . Do the right thing for San Antonio's environment, and tell Al Gore to stay as far away from there as possible."

And from Farmington, New Mexico, "I would recommend in the future to have keynote speakers who speak for the common folks with good reason and who would inspire architects in a positive way, instead of pushing issues without backing it with substance. Just a thought."

Geologists, Astronomers: Global Warming Is Bogus

In an interview on Rupert Murdoch's Sky-News TV, featured on April 12 on *The Australian* newspaper's website, Ian Plimer, a professor of Mining Geology at the University of Adelaide in South Australia, succinctly devastated Al Gore's Global Warming hoax.

Noting that he is "not in the game of popularity," Professor Plimer began by observ-

ing, "Looking at the long history of Planet Earth, we see we've had massive climate changes, driven by the orbit of the Earth, driven by mountains being built and washed away, and driven by the Sun. And all these features have been ignored in the climate connection hysteria that we are hearing. And I think if we ignore history, we do it at our peril. Even slight changes that we are experiencing today, we can relate to solar activity."

Interviewer: "So you're saying we're playing no part in any this?"

Plimer: "We're playing a very, very small part indeed, because the main greenhouse gas is water vapor. Carbon dioxide is a very minor gas in the atmosphere and about 90% of the CO2 in the atmosphere comes from de-gassing of the planet, through volcanoes, carbon dioxide oozing out from the soils, from algae, from bacteria, from plants. And the human contribution of carbon dioxide probably only contributes about 0.1% of the global temperature. So what we are doing is having an extremely minor effect on the planet."

Interviewer: "So, you'd have to be in the minority among scientists, though?"

Plimer: "I'm not in the minority in the geologists and astronomers. The scientists who are making the noise, and who are frightening people witless, are the atmospheric scientists who are having a wonderful long party of operating in self-interest in doing research on the atmosphere. We have in this country far more geologists than we have atmospheric scientists, and you can count them on the fingers of your hand, the number of geologists who take a contrary view to mine."

Growing Anti-Gore Ferment Over Food and Third World

Several leading news media of Germany began in mid-April to voice criticism of the bio-fuel drive. The *Focus* weekly ran an article warning of drastic price increases for food, if corn-growing for bio-fuels expands. The weekly *Die Zeit* interviewed the CEO of Nestlé, one of the world's largest food producers. Peter Brabeck-Letmathe lam-

basted the idea of expanding bio-fuels as "ecological insanity."

Since the production of one liter of ethanol requires the use of 4,560 liters of water, it is a "waste of our most precious resource: water," Brabeck-Letmathe said." He added, "Bio-fuels cause an increase of prices for basic food items. Car drivers in the rich industrial nations are being subsidized at the expense of the poorest among the world population."

Climate Science Analyst: IPCC Report 'Unscientific'

"There is no scientific evidence for all these 'projections' and 'estimates,' says Dr. Vincent Gray, the only New Zealander who has served as an expert reviewer for all the UN Intergovernmental Panel on Climate Change reports. "It should be obvious they are ridiculous," he notes in an April 12 release from the New Zealand Climate Science Coalition.

Gray notes that because of his intervention, the IPCC changed its second report, which had a section headed "Validation of Climate Models." "I commented that since no climate model has ever been validated, that the word was inappropriate. They changed the word to evaluate 50 times, and since then they have never predicted anything. All they do is make projections and estimates

"No climate model has ever been properly tested, which is what validation means, and the IPCC's projections are nothing more than the opinions of experts with a conflict of interest, because they are paid to produce the models. There is no actual scientific evidence for all these projections and estimates."

The hard data show something far different than those projections and estimates. For example, global temperatures have not been rising for eight years, and that New Zealand temperatures in the last 50 years have gone down with volcanoes and up with El Niños but have no signs of warming. Christchurch has not warmed since 1917. The sea level in Auckland has been much the same since 1960

EIR April 20, 2007 Feature 39

EIRInvestigation

Media Locusts Do Dirty Work For Cheney, Gore, and Blair

by an International Research Team

The following statement was released by EIRNS on April 10, 2007.

The *Berliner Zeitung (BZ)*, on April 4, 2007, made itself a part of a character-assassination campaign against the organization of Lyndon LaRouche, a campaign which bears all the markings of a classic "Black Propaganda Operation" by the British Secret Service. This involves totally absurd slanders in the repeatedly discredited history of lies concerning the causes and circumstances of the suicide of the young Briton Jeremiah Duggan four years ago. Behind this campaign, lie circles of the London Fabian Society and the American neocons, who are obviously feeling the pressure of the exposure of their various shameful acts in international publications associated with LaRouche.

It is certainly astounding that Erica Duggan, Jeremiah's mother, has meanwhile been involved with a highly impressive mixture of PR firms, legal firms, and media locusts, as well as political circles in the environment of Dick Cheney, Al Gore, and No. 10 Downing Street. Surely the sums laid out for these methods are as huge and grotesque as the low-level methods of slander, methods of which, the chairman of the board of the PR Firm Dezenhall Resources, Eric Dezenhall, is so proud.

It is part of the strategy of these PR firms to always produce more and more new "investigative results" of "experts" from the realm of fantasy, which have only one aim: to launch new waves of slanders in the media. You simply place arbitrary, crazy assertions into circulation, such as that Jeremiah did not, as the official forensic report and several eyewitness reports have definitively asserted, throw himself many times, with an obviously suicidal intent, against passing vehicles, but that he was already dead, and therefore murdered. In each case, such "experts" again reflect the mentality of the pre-

viously expressed remarks of the "pit bull of public relations" Eric Dezenhall, as somehow being reality.

The occasion for the *BZ* article, which was in other respects totally sloppily researched, was the London meeting of several "experts" on March 27, 2007, where a PR firm, whose activities trace directly into the high-level political and financial circles of the English Establishment, stepped forward with their political-institutional supporters such as House of Commons official Louise Ellman and Lord Janner. This was arranged by the London firm Luther Pendragon, the British affiliate of the Washington-based firm Dezenhall Resources. Luther Pendragon is led by David Elstein, formerly in a leading position with the media entities of Rupert Murdoch. Elstein worked at Murdoch's Sky TV and founded another TV channel, Channel 5, for the media group.

Murdoch's Sky TV, in March 2007, provided the logistics for Al Gore, the former U.S. Vice President and current "climate advisor" to British Prime Minister Tony Blair, to launch his new Internet propaganda project in England, Current TV. The chief target group for Current TV is the young generation between 18 and 35 years of age. The cooperation between Gore and Murdoch goes back to a discussion at Murdoch's private home in 2006, where the two became close associates in the global media campaign on climate change. Murdoch directly funds the climate project run jointly by Al Gore and Britain's Prince Charles.

In Elstein's development we find a further instructive aspect in his role as founder of the firm Brook Associates in 1982. This firm later merged with Brian Lapping Production, and moved forward as Brook-Lapping; for example, in 2004, with the production of a documentary film on the American warhawk Richard Perle and his leading role in the "War Against Terror," a project of the Corporation for Public Broadcasting (CPB), which feeds America's Public Broad-



British Prime Minister Tony Blair is at the center of intelligence-linked media and public relations outfits which have provided the cover for dirty operations, like the attempt to smear the LaRouche political movement in the Duggan case.



Eric Dezenhall, chairman of the Washington-based PR firm Dezenhall Resources, is known as the "pit bull of public relations." In the words of one researcher: "He infiltrates opponent groups, steals stuff from their trash, lies, and does anything to bring down their opponent."

casting System (PBS). The CPB chose and funded a series of movies on the theme, "America at a Crossroads" (after the events of Sept. 11, 2001). This media project traces back to the initiative of Lynne Cheney, the radical neo-conservative activist and wife of the American Vice President Richard Cheney. On the CPB project we find John Train, a years-long coordinator of operations against LaRouche, in a prominent position.

Eric Dezenhall has specialized in the aggressive, heavily publicized defense of companies (initially in the oil sector) and right-wing organizations against environmental groups and other public critics. The notorious "pit bull" Dezenhall described his methods in a speech in 1999 to an event of Lynne Cheney's Independent Women's Forum: "Put the attackers [critics] themselves at risk." The method, which is obviously also being employed in the ongoing "publicity campaign" in the Duggan case, calls for attacking the attacker above all, through associates in the media, so that he draws in his horns from further assaults.

Curt Davies, the Director of Research for the Greenpeace Organization, briefly described the method of Dezenhall as known to him: "He infiltrates opponent groups, steals stuff from their trash, lies, and does anything to bring down their opponent." The hair-raising "new facts," which were presented on March 27 in London in the Duggan case, remind one after all of the type of criminal mystery, for which Dezenhall, as an author in his avocation, is famous.

The London company Luther Pendragon keeps in the closest contact with the Cabinet Secretariat of the British Prime Minister, for which it has arranged repeated far-ranging propaganda campaigns. Mike Granatt, one of the partners of Luther Pendragon, came out of the Information Office of the British government, and was promoted in 1998 onto the Cabinet staff of Prime Minister Tony Blair, where he did the preliminary work for Cabinet Secretary Sir Richard Wilson in his efforts to improve the public image of the government through an active media campaign. "Granatt also took a leading role," according to the Internet encyclopedia Wikipedia, "in co-ordinating public information from the government

during the run up to the millennium, the nationwide fuel protests of 2000, and the hoof-and-mouth disease outbreak in 2001."

The service which Granatt provided in this case, got him the assignment for working out a concept for the Civil Contingencies Secretariat (CCS), which was put in place in June 2001, and after Sept. 11, 2001, was brought fully into action in the realm of a new regime of "anti-terrorist" measures. Within the year, Granatt took over the leadership of the Government Office for Information and Communication (GICS), one of the highest positions in the government bureaucracy.

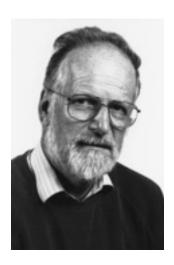
The mission of the GICS extends, in the realm of home affairs, to maintaining contacts with the media, as well as to the House of Commons and the police, and in the realm of foreign affairs, to advising governments. The Internet site of Luther Pendragon presents Granatt as the person who, in addition to the already mentioned positions, is also paid by the Defence Academy of the U.K., through which connection, he provides commentaries to the BBC on questions of terrorism and emergencies, and through which he provides education on environmental themes—an extremely useful feature for the ongoing campaign by Blair and Gore on the so-called "climate emergency."

The Mysterious Case of the Death Of Dr. David Kelly, and the Duggan Case

In Granatt's environs one finds Phil Bassett, formerly the labor editor of Murdoch's London *Times*, who in 2002, advanced to the leadership of the "Research and Information" division in Tony Blair's Cabinet (10 Downing Street), and, together with Blair's Press Spokesman Alastair Campbell, created the transatlantic propaganda alliance of Blair with Bush and Cheney for the "War Against Terror" and the Iraq War, back in 2002. In this phase, up to Bassett's transfer in September 2003, came the massive campaign to discredit the English weapons-expert Dr. David Kelly, under the controlling participation of Campbell. Dr. Kelly had, in all probability, called into question the infamous Blair Dossier of Septem-



Mike Granatt, one of the partners of Luther Pendragon, the British affiliate of Dezenhall Resources. After 9/11, he took over the U.K.'s Government Office for Information and Communication, one of the highest positions in the Blair Administration.



Weapons-expert Dr. David Kelly had, in all probability, questioned the infamous Blair Dossier of September 2002, which was decisive for the manufacture of lies which led to the Iraq War. At the high point of the Blair-driven media witch-hunt against Kelly, he was found dead in July 2003. It was called a "suicide."

ber 2002, in discussion with BBC correspondent Andrew Gilligan, the dossier which was decisive for the manufacture of the lies which led to the Iraq War. At the high point of the Blair-driven media witch-hunt against Kelly, he was found dead in July 2003, under unclear circumstances. The official, but broadly doubted explanation is that it was "suicide."

Then at the same time, began the campaign by the British media, to reinterpret the suicide of Jeremiah Duggan in a perfidious way, in a series of slanders against LaRouche. Bassett is the husband of Baroness Elizabeth Symons, who was already active in the first media campaign against LaRouche in the Duggan case, in the Summer of 2003.

David James Smith and Carol Midgley had already written the early slander articles against LaRouche for Bassett's previous employer, Murdoch's *Times*, for which Smith played a special role in attempting to intimidate several members of the LaRouche movement in Germany and France with the Duggan campaign, and to collect "information" as material for a future slander article.

Since 2003, Bassett has been a personal expert advisor to Lord Falconer, the chairman of the Constitutional Commission, who in March 2007, was named leader of the newly Blair-created Justice Ministry, and is taking his advisor Bassett into his new position. Bassett's wife, the above-mentioned Baroness Symons, after having various functions in the British government since 1974, is currently active as an advisor for the British-American law firm DLA Piper, which does the lobbying for the U.S. aerospace and weapons company Lockheed Martin. Lynne Cheney had a position as director there from 1994 to 2001, when her husband became Vice President in Washington; Liz Symons herself arranged a military contract for Lockheed Martin with the British government.

DLA Piper belongs, next to Murdoch's Sky TV, among the seven sponsors of the "Business Summit for Climate Change," which Prince Charles will convene on May 1, 2007. There, Al Gore, having in the meantime become "climate advisor" to Blair, is also expected to appear. Already an appearance by Gore before 1,000 invited guests at Sheffield in the beginning of February 2007, was organized through that office of DLA Piper.

Public Relations for Locust-Capitalism

What concerns the real sponsors of the slander campaign against LaRouche, who is feared as a determined opponent of the monetarist-exploitative practices of the "locust funds" in the British-dominated financial circles, is uncovered by looking at the businesses of the previously mentioned PR firms, Luther Pendragon and Dezenhall Interests. In a review of developments of June 2002, Business Week, on April 17, 2006, reported that Dezenhall had organized for his client ExxonMobil, protestors who agitated with provocative slogans like "Capitalism Is Crazy!" or "Stop Global Misery!" against environmentalist groups who had criticized the oil companies. The counter-demonstrators were recruited out of Grover Norquist's money-channelling dirty-tricks organization "Americans for Tax Reform." Asked about the event, Dezenhall said: "We routinely support think tanks and other experts whose positions are consistent with our clients' views, and will continue to do so unapologetically."

Dezenhall also stood on the side of the locusts in the case of the energy management company Enron, which, due to its rabid business methods, which acutely endangered the security of power production in California, became justifiably the butt of broad public criticism. And the oil company Halliburton, which had come under attack, among other reasons, for its robber-baron methods in 2003 in militarily occupied Iraq, recommended Dezenhall, to finish off its critics without compromise.

Luther Pendragon also handled, among other accounts, the publicity work for the Menatep-Group, the earlier majority shareholder in the Russian oil giant Yukos, which had been pulled together with mafia methods into an oil empire during the "wild reform years" of the Yeltsin era in Russia,

after 1991, under the leadership of Mikhail Khodorkovsky. On the sidelines of the G-8 summit in June 2006, an international media campaign was run against the Russian President and summit host Vladimir Putin, in which he was accused of being the author of the worst alleged machinations against Khodorkovsky, the real perpetrator and a tax-evader on the level of billions of dollars. In charge of this media campaign, for the most part, was the London PR firm APCO, led since September 2005 by Darren Murphy, a former political secretary in Blair's headquarters at Downing Street.

The London *Times* wrote about APCO, on July 13, 2006: "The company is also working with fellow London firm Luther Pendragon, which does media relations for GML, formerly Group Menatep. GML owns 51% of Yukos, formerly owned by Mr. Khodorkovsky. Luther Pendragon has been advising GML over litigation against the Russian Federation about assets seized from Yukos for alleged non-tax payment."

But Luther Pendragon also runs public relations for David and Simon Reuben, who had, during the 1990s, made millions in assets through the criminal takeover of parts of the Russian aluminum industry, carried out by the internationally notorious predators Marc Rich and Michael Chernoy. The Reuben brothers, in doing so, acted with the protection of the London Metal Exchange. Marc Rich had been convicted on account of similar business in the U.S. already in the 1980s, but he was able, obviously with the help or complicity of his lawyer Lewis Libby (the 2001-06 Chief of Staff for Cheney, recently convicted of perjury in Washington, in a spectacular trial), to flee abroad to Europe, and there, soon make contact with the Reuben firm TransWorld Metals Group, which in the Yeltsin era, completed its rise to the majority position in the Russian aluminum sector.

As regards the developments in the post-Soviet "reform era" after 1991, the rise of a certain Yulia Tymoshenko, the former Prime Minister of Ukraine, is interesting. This took place, first, in the context of the brutal privatization of Ukrainian industry, and later, was garnished through political activities through which she became an icon of Western geopolitics against Russia. The current publicity campaign for Tymoshenko in Washington has been run by Dezenhall.

Lawyers and Press Whores

While the interests of the Duggan campaign in Germany are being run by the legal firm of Becker, Conen and Strucke, which has a prominent history of work with the left-radical and green milieu, there is also active on the English side, a law firm with matching orientation: Martyn Day of Leigh & Day. Up until a year ago, Day was the chairman of English Greenpeace, and is still a trustee of the organization. It is surely an irony of history, that Day is today cooperating in the Duggan campaign with the London affiliate of Dezenhall, whose people, back in 2003, ran a campaign to crush Greenpeace by getting U.S. tax authorities to investigate them, on behalf of ExxonMobil.

One of the lawyers, who represents the Duggans in Germany, is Nicolas Becker, who in the 1970s and '80s defended Red Army Faction (RAF) members; later, Erich Honecker, the former East German leader; and the ETA (Basque) terrorist Ramos Vegas. Becker comes from an interesting legal family; his father, Hellmut Becker, defended [Nazi Foreign Ministry official] Ernst von Weizsäcker in the Nuremberg Trial. The official website of the Frankfurt School reports that his grandfather, Carl Heinrich Becker, belonged to its founding members, back in 1927. Another lawyer, who wants to present a constitutional complaint in Karlsruhe for Mrs. Duggan, represents many Kurds; his most prominent client was Ocalan, the head of the extremist Kurdish organization the PKK.

The author of the slander article in the *Berliner Zeitung* of April 4, Frank Nordhausen, had already in April 11, 2004, reported in a similar slanderous manner on the Duggan case. Nordhausen has worked closely for a long time with Pastor Thomas Gandow, the "sect expert" of the Evangelical Church of Berlin-Brandenburg, who was connected in his time with the infamous Father Haack, the German representative of the American Family Foundation (AFF). The AFF stems from Anglo-American secret intelligence operations of the Cold War, such as the CCF (Congress for Cultural Freedom), the Cybernetics Group, and the MK-Ultra Project, and enjoyed the best relations with Wall Street.

As relates to the *Berliner Zeitung*, it was swallowed up in 2005 by British Mecom group, which is a financial project of Lady Hogg—she was on the BBC Board of Governors and helped Tony Blair stage a coup against BBC leaders who had previously exposed his war lies and had broadcast Lyndon LaRouche in that connection—and by the American and London investment fund Veronis Sulher Stevenson, which specializes in media takeovers. The editorial board resisted in vain the takeover by these "Anglo-Saxon locusts." Thus the head of Mecom, David Montgomery, as well as the new chief editor, Josef Depenbrock, are well known for their reckless profit-oriented mode of operation. They declared that their profit must increase by 20%.

This has absolutely nothing to do with honest journalism. Andrew Marr, the publisher of the British paper *Independent*, in which Montgomery, as head of the Mirror Group, has a decisive influence, compared Montgomery's methods with those of the *Independent* and the *Berliner Zeitung:* "To anyone who worked in the '90s at the *Independent*, it was all very well-known. David's obsession was then to get as far away as possible from the traditional reporting of a newspaper, and instead to turn it into a scandal sheet for Yuppies."

One thing is clear in any case: If you shine light on the background of the persons and interest groups which have shown their colors writing about the Duggan case, a veritable chasm opens up. The lies about the alleged circumstances of the suicide of Jeremiah obviously originate in a rich wealth of experience from their own peculiar practice.

Blair War Clique Runs Anti-LaRouche Slander Drive

by Anton Chaitkin

'A Vote for Hogg is a Vote for Hitler'
—old election slogan

They wrote the lies Tony Blair used, to take Britain into the war catastrophe with Dick Cheney. When the British Broadcasting Corporation repeatedly put Lyndon LaRouche on the air to expose the Cheney-Blair lies, and when BBC reported on how this clique manufactured the "weapons of mass destruction" hoax, they reacted with fury. BBC's intelligence source against the liars, government weapons scientist David Kelly, died suddenly, a supposed suicide. They neutered BBC—Britain's national public network, purged BBC's leaders and acted to crush all media opposition.

Since then, still desperate to block LaRouche's persistent leadership aimed at bringing them down, this same tight-knit clique has operated an international slander campaign against LaRouche, managing the Jeremiah Duggan affair—a case which was cooked up during Spring, 2003, when LaRouche addressed Great Britain over BBC.

The slander case was built around the March 2003 suicide of a psychologically unstable British student Jeremiah Duggan, who had attended a conference of the LaRouche Youth Movement in Germany. German police said he had thrown himself in front of cars on a highway; but his mother was brought into contact with Blair circles, who promoted a media attack accusing murder.

The first Duggan slander was put through the London *Guardian* on July 12, 2003—one month after LaRouche's second (June 9) BBC broadcast calling for Vice President Cheney's impeachment in the faking of Iraq weapons intelligence. Five days after the slander (July 17), David Kelly was treated savagely by Blair's goons during his forced testimony to Parliament. The next day (July 18), Kelly died suddenly. In this chaotic terrifying situation, three days later (July 21, 2003), BBC itself broadcast the Duggan slander.

An ongoing *EIR* probe into the London public relations firm managing the Duggan slander has led directly to the Blair terror clique that crushed BBC, and that runs this attack top-down nearly four years later.



Lady Sarah Hogg is the Blair ringleader on the BBC board of governors. The Baroness is the moneybags for right-wing media bigwig David Elstein, and the financial power behind the latest Duggan slander spread inside Germany.

The following are central to the story:

- The London crisis-management firm **Luther Pendragon**, a private arm of the Blair regime, which managed publication of a key 2004 report demanding BBC be dismantled. Luther Pendragon now officially manages public affairs for the Duggan slander campaign.
- Rightist media executive **David Elstein**, the author of that 2004 anti-BBC report. David Elstein is now chairman of the firm, Luther Pendragon, running the Duggan slander.
- Lady Sarah Hogg, the Blair ringleader on the BBC Board of Governors. Lady Hogg is David Elstein's financier, and the financial power looming behind the latest Duggan slander spread inside Germany.
- **Greg Dyke,** BBC Director General forced out in the 2004 terror. Dyke publicly identified Lady Hogg and her little gang in the Blair coup at BBC.
- Philip Bassett and Baroness Elizabeth Symons, husband and wife. Philip Bassett was co-manager of the Blair propaganda team that "sexed up" the Iraq WMD dossier. Baroness Symons was the Blair regime's military procurement chief, tied in with Mr. and Mrs. Dick Cheney and with Lady Hogg's little gang, in the Iraq War. She has been the highest ranking Blair-regime official personally directing the Duggan slander campaign against LaRouche.

^{1.} First LaRouche program: April 3, 2003, BBC's "Live Five" news show, six-minute interview. Second LaRouche program: June 9, 2003, "Live Five," 12 minute interview.



David Elstein is the chairman of the firm Luther Pendragon, whose website, shown here with his photo, is running the Duggan slander.

The Hogg Ring

Baroness Sarah Hogg married into the notorious Hogg aristocracy in 1968, wedding Douglas Hogg (3rd Viscount Hailsham. Lady Hogg's father-in law, Quintin Hogg, brought the family peculiar notoriety due to his strong backing for Britain's September 1938 pro-Hitler deal at Munich. The next month Winston Churchill and others opposed Hogg's campaign for Parliament, on the slogan, "A vote for Hogg is a vote for Hitler." The family's money, lands, and ugly reputation originated with "Hitler" Quintin's great grandfather, James Weir Hogg (first Baron Hogg), the long-time director of the East India Company, and the director when India's rebellion brought the Company down.

Lady Hogg went into action as the Blair government was being pounded in the wake of David Kelly's death. Alastair Campbell and Phillip Bassett had been forced out as Blair's number one and two communications chiefs for concocting the Iraq dossier. Blair commissioned an "Inquiry" into the Kelly death, chaired by Lord Hutton. The Inquiry's findings were leaked to media lord Rupert Murdoch, and disclosed prior to official release. Murdoch was demanding that BBC be destroyed.

The Hutton Report came out Jan. 28, 2004, whitewashing Blair in Kelly's death and blaming BBC in the scandal! The chairman of BBC's board of governors, Gavyn Davies, resigned immediately. The next day, Jan. 29, BBC board of governors member Lady Hogg led the board in forcing BBC director general Greg Dyke to resign.

Later that year, Greg Dyke wrote a column in the *Observer* (Aug. 29, 2004), on how "pillars of the establishment helped to engineer a very British coup at the BBC."

Dyke wrote, "Sarah [Hogg] actively disliked me. The feeling was mutual. . . . Sarah Hogg never left her politics or prejudices at the door of governors' meetings. She was married to a land-owning Tory MP, Douglas Hogg, and lived in a political world. When we tried to update our political coverage, Sarah led the opposition: we shouldn't upset the

"She . . . lived on the family estate in rural Lincolnshire.

"Her term as a governor was due to finish, and she didn't want it renewed. Neither did [board chairman] Gavyn [Davies] or I. By the time Hutton published his report, Sarah's time was almost up.

"The day it appeared the governors ... began discussing what should happen to the management team. We had agreed with [board member] Pauline Neville-Jones [of Lady Hogg's ring] the previous night that it would be impossible for Gavyn and I to resign at the same

time. . . .

"Sarah Hogg had her last chance to settle old scores. I now know that she arrived determined to get rid of me.

"...Pauline [Neville-Jones] and the deputy [board] chairman, Richard Ryder [also in the Hogg ring, sent word they] wanted to see me.

"Ryder was pretty blunt. He said the governors had decided I should go. . . . I asked if this was the view of them all. Richard told me he . . . was reporting the views of the rest. Pauline said nothing. I was completely shocked. . . . Gavyn [went] . . . to say a final goodbye . . . but . . . he walked into the room he found the atmosphere had changed completely. It was a very hostile environment, with the aggression mainly coming from Sarah, who, he said, 'was seething.'

"I've since discovered that [Hogg] told Gavyn the day before that . . . I should [resign]. He told her there were no circumstances in which he'd let me go while he stayed, and I think that was one reason Gavyn resigned: if one of us should go it should be him, and that way he would protect me. Others at that meeting say that when Gavyn walked in Sarah launched a ferocious attack. . . . [What the governors] did that January night was bow to pressure from a political thug called Alastair Campbell."

The Hogg ring traces back to the 1990-1995 period of the John Major Prime Ministry. Lady Hogg had been head of the Policy Unit at 10 Downing Street, designing the schemes for privatization and globalization, and was Major's main advisor at the time of the 1995 creation of the World Trade Organization. Husband Douglas Hogg helped run Major's Foreign Ministry, as did Pauline Neville-Jones. Richard Ryder was the Parliamentary "Whip" for Hogg's globalization policy, beating back a revolt in the Conservative Party against the Maastricht Treaty.

In 2004, as the Hogg ring was purging BBC, Pauline Neville Jones was enriched as chairman of QinetiQ, a giant defense company supplying Iraq War weapons, a firm jointly



The Hogg ring traces back to the 1990-1995 period of Prime Minister John Major. Lady Hogg had been head of the Policy Unit at 10 Downing Street, designing the schemes for privatization and globalization, and was Major's main advisor at the time of the 1995 creation of the World Trade Organization.

owned by the Blair government and the Bush family's Carlyle group. Neville-Jones personal QinetiQ shares were owned through Carlyle, whose European chairman was former Prime Minister John Major himself.

After Blair had "privatized" Qinetic, its armor and copters could be procured through Baroness Elizabeth Symons, the Minister of State for Defence Procurement from 1999 to 2003.

Hogg, Elstein, and the Duggan Scam

On Feb. 24, 2004, 25 days after Greg Dyke's ouster as BBC Director General, the "Broadcasting Policy Group," chaired by David Elstein, issued its report calling for the dismantling of BBC as a public agency. The Conservative Party had commissioned the report and had selected Elstein (previously head of programming at Murdoch's British Sky Broadcasting, then CEO of Murdoch's Channel 5 Broadcasting), while Murdoch was in a longstanding public drive to destroy BBC.

The London firm Luther Pendragon, which had been running crisis management cases for the Blair government Cabinet Office, handled public operations for the Elstein report, ratcheting up the repression of opposition to the Blair war policy.

In 2002, Baroness Hogg had joined the giant global private equity firm, 3i, as its chairman. Lady Hogg's 3i firm subsequently made a special project of investing its assets in Sparrowhawk Media, whose chairman is the same David Elstein who wrote the report against BBC. For example, in April 2005, 3i sponsored Elstein's purchase of the Hallmark Channel (TV).

In March 2006, David Elstein, still the chairman of Lady



DoD/R.D. Ward

Baroness Elizabeth Symons was the Blair regime's military procurement chief, tied in with Dick and Liz Cheney, and with Lady Hogg's little gang, in the Iraq War. She has been the highest ranking Blair-regime official personally directing the Duggan slander campaign against LaRouche.

Hogg's Sparrowhawk project, became chairman of Luther Pendragon. The *Guardian* reported: "Mr. Elstein said he took up the position after being impressed with Luther Pendragon which handled his Broadcasting Policy Group report on the future of the BBC."

At Luther Pendragon, chairman Elstein could depend on the firm's partner Mike Granatt, whose background with the Blair/Campbell/Bassett liar brigade, the firm's website describes thusly: "Mike Granatt joined Luther as a partner in January 2004 after 25 years in Whitehall [i.e., the British government], 18 in top-level director of communications posts. . . . Mike was Director General of the Government Information and Communication Service (GICS) for seven years until he joined Luther Pendragon. . . . From June 2001 until late 2002, and alongside his GICS role, he devised and led the UK Government's civil crisis management unit, the Cabinet Office Civil Contingencies Secretariat. He also developed the News Co-ordination Centre, the public information hub for national emergencies." Luther Pendragon partner Granatt is a "terrorism expert" broadcast by the new, tamed BBC.

The reader may now be able to properly assess the press release, issued by Luther Pendragon on behalf of, "Justice for Jeremiah," announcing an anti-LaRouche meeting to be held in the Parliament office building ("The Attlee Suite, Portcullis



Political thug Alastair Campbell, along with Liz Symons husband Philip Bassett, were dumped as Blair's number one and two communications chiefs for their roles in concocting the Iraq dossier.

House, Westminster") on March 27, 2007.

Luther Pendragon does not disclose when they officially took up management of the Jeremiah Duggan operation. But the trail leads back through Luther Pendragon's staff to 2004, the year of the BBC purge.

The press release for the March 27, 2007 Parliament-office meeting gives the phone number for Luther Pendragon consultant Andrew McGuinness to contact for the Duggan case. There, Luther Pendragon reports that McGuiness joined

www.justiceforjeremiah.com/html/deutsch.html

the firm in June 2006, three months after Elstein took over as chairman. But they also report that McGuiness had earlier been editor of the independent University College Dublin newspaper, the *College Tribune*.

In fact, at that paper, in **November 2004**, editor McGuiness inserted his own long Duggan slander against LaRouche. McGuiness wrote that "Baroness Symons, the Foreign Office representative has been a real tonic to the family, assuring them from an early stage that she was very concerned about the case and that she was going to try and help them as much as possible, impressed by her industrious manner.... Symons was able to appoint an international lawyer, who in turn was very helpful in going to Germany and appointing a German lawyer."

On April 4, 2007, eight days after the Parliament-office session against LaRouche, the German-language *Berliner Zeitung* ran a stepped-up Duggan slander, attacking German authorities for reporting the suicide, and demanding murder charges.

That newspaper, the *Berliner Zeitung*, had been bought up in the Autumn of 2005, by a British media company sponsored by Lady Hogg's 3i. The Hogg firm itself took part publicly in the initial purchase negotiations, alongside her investment vehicle, the Mecom media-takeover company, to which 3i has made repeated non-interest loans. After protests from the newspaper staff against the deal, Hogg's 3i dropped from view and Mecom completed the takeover in Berlin. Perhaps that German city was not prepared for its media to be run by the family, of whom it had been said 67 years earlier, "a vote for Hogg is a vote for Hitler."

DOJ Caught Bankrolling Anti-LaRouche Campaign

The Bush Justice Department has been caught bankrolling the Simon Wiesenthal Center, a promoter of hate crimes against LaRouche.

At the very same time that the Wiesenthal Center's Paris-based international relations director Dr. Shimon Samuels has been caught in the middle of a vile British slander operation targetting Lyndon LaRouche and the LaRouche Youth Movement, the Los Angeles headquarters of that organization has been found to be bankrolled by the Bush Administration Justice Department to the tune of tens of millions of dollars. According to Simon Wiesenthal Center Tax Exemption Form 990s for 2002-2004, and the U.S. Department of Justice's Internet grant index

for 2002-2007, the Cheney-Bush Administration has been providing between a quarter to a third of the Center's total international budget, principally through Justice Department grants, ostensibly for anti-hate-crime law enforcement training projects, including one called "Tools for Tolerance."

According to the 2002 Form 990, the Center received \$10 million in government grants, and approximately \$3.5 million the following year. More recent 990 Forms have not yet been obtained by *EIR*; however, records of the DOJ's Office of Justice Program show that Justice Department grants of similar size have continued through 2007.

In recent published statements, Shimon Samuels has shown himself to be a total fool, identifying LaRouche slanderers Dennis King and Chip Berlet, and Erica Duggan (mother of Jeremiah, the young man whose suicide is at the center of a smear campaign against LaRouche) as the world's three leading experts on Lyndon LaRouche and the LaRouche Movement.

ERInternational

Bush Fiddles While Cheney Plots More Wars

by Jeffrey Steinberg

If there were any doubt that Vice President Dick Cheney still presides over a powerful war faction inside the Bush White House that is committed to engineering a military confrontation with Iran, the April 10 meeting of the President's key foreign and national security advisors proved the point. Going into the meeting, the State Department was strongly advising that the United States release the five Iranian Revolutionary Guard officials seized in Irbil in January. According to the April 14 Washington Post, Cheney put his foot down, and Secretary of State Condoleezza Rice caved in. The five Iranian officials, who were detained while on an official visit with the Kurdish regional government—at an Iranian diplomatic mission—will remain in U.S. custody in Iraq, pending a review in July.

By the time that review comes up, if Vice President Cheney has his way, the United States will be in a shooting war with Iran—a war that the U.S. military and intelligence establishment strongly oppose, and that powerful voices within the British Establishment are also attacking as dangerous folly.

Even within Israel, government officials are being forced to contend with intense pressure from the Cheney clan in the Administration—including National Security Council Middle East chief Elliott Abrams—to reject Syrian offers to reach a bilateral peace deal with Israel. Instead, the Cheney clan, represented by daughter Liz, a former top State Department Middle East official, now out of the government, is demanding, at minimum, the total isolation of the Syrian regime.

In an April 12 op-ed in the *Washington Post*, Ms. Cheney railed against Damascus, pronouncing herself prosecutor, judge, and jury, and finding that the Syrian President was guilty of a series of still-unsolved assassinations in Lebanon, beginning with the February 2005 killing of former Lebanese Prime Minister Rafik Hariri.

Liz Cheney, a true chip off the old blockhead, ranted, "talking to the Syrians emboldens and rewards them at the expense of America and our allies in the Middle East. . . . They are an outlaw regime and should be isolated." Going one step further, she directly attacked Congressional Republicans and Democrats alike, who recently traveled to Damascus for talks with Syrian officials.

An Historic Knesset Briefing

The Cheney tirade appeared in the *Post* on the very day that an historic event was taking place in Israel: For the first time, a Syrian addressed the Israeli Knesset (parliament) with a message of peace from Damascus. Ibrahim Suleiman, a Syrian-born, naturalized American living in Maryland, who participated last year in Syria-Israeli back-channel talks with former Israeli senior Foreign Ministry official Dr. Alon Liel, briefed the Knesset's Defense and Foreign Affairs Committee on Syria's readiness for peace talks.

"Syria right now is ready to speak peace. I challenged the Israeli government to answer President Bashar [Assad]'s call for peace and sit[ting] down together," *Ha'aretz* quoted Suleiman telling a press conference after his Knesset briefing. "I think it can happen in six months."

Both Suleiman and Alon Liel briefed the Knesset committee on their secret talks, held between 2004 and 2006 (see "Even Sharon Allowed Israel-Syria Talks," *EIR*, Jan. 26, 2007). Suleiman, who reportedly enjoys good relations with the Assad family, presented various possibilities, including a return to Syria of the Golan Heights, in exchange for a full peace agreement, normalization of relations, and economic cooperation. He reportedly told the committee that Syrian President Assad has appointed a committee, headed by one of his Army generals, to coordinate talks with Israel. He also conveyed messages from Syrian Foreign Minister

48 International EIR April 20, 2007

Walid Moallem.

Calling for secret negotiations, Suleiman said, "I believe that only secret negotiations between Israel and Syria, far away from the eyes of the media, will lead to peace." Thanking the committee for inviting him, he said, "I'm very glad I came. I hope that both sides will begin to meet and we, as a private channel, will disappear. My presence here makes everything possible."

Knesset member Yahava Gal On, of the Meretz party, who initiated the Knesset briefing, said, "In a peace agreement, Syria would agree to stop supporting terror against us and cut ties with Hezbollah, and would demand that we return to 1967 borders in the Golan Heights." She added that the briefing "was a huge step, especially because it returns the Syrian option to public discourse. . . . It is important that Israel begin formal talks with Syria. . . ."

Although committee chairman and right-winger Tzahi Hanegbi of the Kadima party said he did not believe the time was right for negotiations, he also said it was "important for the committee not to silence other views, particularly when the man outlining these views claims to have direct access to the Syrian leadership."

Only Yisrael Katz, a member of the Likud party and a crony of its chairman, Benjamin Netanyahu, told Suleiman that Israel will never withdraw from the Golan Heights.

While in Israel, Suleiman met with a group of Israelis who have been promoting peace with Syria. He also held talks at the Economic Cooperation Foundation, a think-tank involved in the informal peace process. It is led by Yossi Beilin, chairman of the Meretz-Yahad party. Suleiman also visited the Yad Vashem Holocaust Memorial.

Neither the Israeli Foreign Ministry nor the Prime Minister's Office received him, for fear that it would look like a peace negotiation. Suleiman's visit was preceded by that of U.S. Speaker of the House Nancy Pelosi (D-Calif.), who used her recent visit to both Israel and Syria as an effort to promote peace between the two countries, which was rebuked by Vice President Cheney as "bad behavior." Although Pelosi brushed aside Cheney's ravings, Israeli Prime Minister Ehud Olmert apparently did not want to suffer a similar rebuke.

While underscoring the significance of Suleiman's visit to Israel, one Israeli intelligence source told *EIR* that as long as Olmert refuses to buck the Bush Administration, the prospects for agreement are slim.

In yet another indication of President Assad's desire to strike a peace agreement with Israel, he met in Damascus on March 16 with a prominent Jewish-American peace activist and Middle East scholar, Dr. Norton Mezvinsky, a professor of history at Central Connecticut State University, who coauthored an important book on Jewish fundamentalism, with the late Israel Shahak. The two-hour discussion between Dr. Mezvinsky, which he detailed in an April 5 op-ed in the *Hartford Courant*, was arranged by the Syrian Ambassador in Washington, Dr. Imad Moustapha, and was part of a week-

long visit to Syria, which involved public lectures and meetings with other prominent leaders of government and civil society. In his *Courant* commentary, and in an interview the next day with the *New Britain Herald*, Mezvinsky sharply criticized the Bush Administration's policy of shunning diplomatic talks with Damascus—precisely the policy demanded by Liz Cheney, Elliott Abrams, and the Vice President.

Shortly after the Mezvinsky visit, President Assad met with the Pelosi delegation, which included Rep. Tom Lantos (D-Calif.), the chairman of the House Foreign Affairs Committee, a close ally of George Soros and a leading voice within the Congress for the Israeli lobby.

General Ivashov Speaks

If the contrasting policies on Syrian-Israeli bilateral peace talks underscore the Armageddonist orientation of the war party at the White House, the real issue of confrontation centers around Iran, where, according to U.S. military sources, the Vice President is still firmly committed to a confrontation before Team Bush leaves office, and probably by the Summer of this year. According to one retired U.S. four-star general, who served in the Middle East for decades, the naval buildup in the Persian Gulf can only be explained by the fact that the Administration is committed to a confrontation with Iran, but knows that none of the ground-based U.S. military assets in the region, especially U.S. Air Force and missile capabilities, can be deployed, because every Persian Gulf state is officially opposed to an attack on Iran and refuses to grant authorization for those capabilities to be used in any attack. In early April, the government of Bahrain explicitly announced its opposition to any attack on Iran, and the presence of the Iranian Foreign Minister at the recent Arab League summit in Riyadh further underscored the point.

However, the forces behind Dick pay no mind to those concerns. They intend to use the first pretext to launch a massive bombing attack on Iran, and the presence of two U.S. Naval carrier groups in the Persian Gulf, and the anticipated arrival of a third carrier group led by the *USS Nimitz* in early May, virtually guarantee that some tactical incident involving U.S. and Iranian ships will occur, providing the pretext for the long-premeditated preventive attack.

Russian Gen. Leonid Ivashov (ret.), who headed the international relations department of the Russian Ministry of Defense and is close to President Vladimir Putin, directly hit at the reason for the Cheney obsession with starting a new Persian Gulf war.

In an article that he first published in the March 30 journal of his own Strategic Culture Foundation, and which was reprinted on April 9 by the Canadian online publication *Global Research*, Ivashov detailed U.S. military plans to bomb as many as 1,500 Iranian targets, including a wide range of sites linked to an alleged underground nuclear weapons program. Ivashov asserted that such a campaign could only be carried

EIR April 20, 2007 International 49

out with the use of tactical nuclear weapons.

"What is the real reason that the U.S. is unleashing this military conflict?" he asked. "The activities having consequences of global proportions can only be intended to deal with a global problem. This problem itself is by no means something secret—it is the possibility of a crash of the global financial system based on the U.S. dollar. Currently the mass of U.S. currency exceeds the total worth of U.S. assets by more than a factor of ten. Everything in the U.S.—industry, buildings, high-tech, and so on—has been mortgaged more than ten times all over the world. A debt of such proportions will never be repaid. It can only be relieved."

He concluded: "The solution is already in the plans. The U.S. has nothing to offer the rest of the world to save the declining dollar except for military operations like the ones in Yugoslavia, Afghanistan, and Iraq. But even these local conflicts yield only short-term effects. Something a lot greater is needed, and the need is urgent." Ivashov then outlined a nightmare scenario of a conflict between Iran and the United States, backed by Israel, leading to a global asymmetric religious war that "will be in all respects much more nightmarish than World War II."

A British General Speaks Out

The grave fears of such a war are being heard elsewhere around the world, including in Britain and the United States. On April 15, Gen. Sir Michael Rose (ret.), former head of the British SAS and the former commander of the United Nations forces in Bosnia, gave an interview to the *Daily Mail*, in which he lambasted Prime Minister Tony Blair for allowing Britain to be drawn into the fiasco in Iraq, and for eroding the British military to the point that there was a total breakdown of discipline under fire, when the Iranians captured the 15 British sailors and marines in March 2007, in disputed waters in the Persian Gulf. While the general made no direct mention of the danger of a new war in the Persian Gulf, he assailed the Prime Minister's "slithering" behavior, bluntly noting, "If Blair had been a director of Enron, he would be doing 40 years."

Echoing widely publicized warnings by retired U.S. Army General Barry McCaffrey about the hollowing out of the U.S. military, particularly the U.S. Army and Marine Corps, Rose told the *Daily Mail*, "Iraq has undermined the military ethos. You trust troops to do the ultimate, but they trust you not to throw them into situations that are pointless and wasteful."

British and American sources report that Rose's remarks were widely read as a warning that Britain must avoid any further military confrontation in the Persian Gulf, precisely because of the global consequences of such a misadventure.

Rube Goldberg to the Rescue

Back in Washington, a number of retired American generals were grabbing headlines over their rejection of White

House offers to become "War Czar," a new post being promoted by former Speaker of the House Newt Gingrich (R-Ga.) in an 18-point memo he recently circulated to key Bush advisors.

On April 11, the *Washington Post* reported that three retired four-star generals had rejected the offer of the job, which would, in effect, supercede the role of Chairman of the Joint Chiefs of Staff, who, by law, is the chief military advisor to the President.

One of the generals who rejected the offer, Marine Gen. John J. Sheehan, a former NATO commander, confirmed to the Post that the job offer had been discussed with National Security Advisor Stephen Hadley, but he had rejected the offer in a note to the White House in late March. "The very fundamental issue is, they don't know what the hell they're doing. . . . So rather than go over there, develop an ulcer and eventually leave, I said, 'No thanks.' " Sheehan elaborated that he had called around Washington and found that the Cheney apparatus was still on top at the White House, and that greatly affected his decision. "There's the residue of the Cheney view—'We're going to win, al-Qaeda's there'—that justifies anything we did. And then there's the pragmatist view—how the hell do we get out of Dodge and survive? Unfortunately, the people with the former view are still in the positions of most influence."

According to sources close to the Bush Administration, at least some White House officials, including Chief of Staff Josh Bolten, saw the idea of a "War Czar" as a way of placing a seasoned military professional close to the President to offset the powerful Cheney factor. However, this "Rube Goldberg" scheme was unacceptable to the Chiefs, and was thus leaked to the *Post*.

The reality, which few in Washington wish to face, is that, so long as Cheney remains on the job, the likelihood of a war with Iran, triggering a global asymmetric nightmare, remains high.

Some U.S. intelligence sources fear that the string of U.S. provocations, from the arrests of the Iranian officials in Irbil, to continuing low-grade covert operations on the ground inside Iran, have convinced hardline factions in Tehran that war is inevitable. Some among those hardliners reportedly are convinced that the regime will survive the air war, reform factions promoting dialogue with the West will be crushed, and Iran's regional power status will increase.

All this makes for a hyper-volatile situation. The efforts to offset the Cheney factor in the White House, to date, have failed. An incident in the Persian Gulf, this time involving an American Naval vessel, could easily turn into a shootout, providing Cheney with exactly the pretext he seeks to bypass Congress and the United Nations and go to war.

Isn't it time for Cheney to be removed from office?

Dean Andromidas and Muriel Mirak-Weissbach in EIR's Wiesbaden, Germany office contributed to this article.

50 International EIR April 20, 2007

International Intelligence

Jordan Weighs Proposal To Replenish Dead Sea

Jordan's Water Resources Minister Zafir al-Alim announced April 12 that Jordan is considering a proposal to save the Dead Sea, which is drying out fast. The first of three phases of the project would bring water from the Red Sea to the Jordan River and the Dead Sea.

This would involve construction of a \$1 billion, 115-mile pipeline carrying 1.9 billion cubic meters of water a year, more than double Jordan's 1997 water usage. At that time, the nation's projected water usage for 2003 was 1.135 billion cubic meters.

The second phase would involve desalination of water to run generators for producing hydroelectric power stations serving Jordan, Israel, and the Palestinian territories.

The third stage would involve constructing channels to carry desalinated water for agricultural, commercial, and domestic uses.

At a 19-nation water conference in Singapore April 11, reported by AFP, senior government officials said that desalination and recycling of water are the key to protect the world from water starvation in the future.

"The concern has taken a greater importance with the increased frequency and prolonged periods of droughts being experienced worldwide," said Muhammad Said al-Kindi, United Arab Emirates' Minister for Environment and Water

Iran-Pakistan-India Gas Pipeline Moves Forward

Following an April 11 agreement among the three nations on pricing mechanisms, a further step has been taken towards building the Iran-Pakistan-India gas pipeline, despite opposition from the United States.

The Iranian IRIB broadcasting network reported that the Economic Coordination Committee of the Pakistani cabinet, chaired by Prime Minister Shaukat Aziz, approved a gas-sharing deal in which Iran would provide 2.1 billion cubic feet (bcf) of gas a day,

in an initial phase, with equal shares for Pakistan and India.

In a second phase, Petroleum Secretary Ahmad Waqar said, Iran would supply 3.2 bcf. Out of a total of 5.3 bcf from Iran, Pakistan is slated to get 2.1 bcf and India, 3.2 bcf.

A recommendation by the Ministry of Petroleum was also approved, which recommends the pipeline be constructed in sections: Iran is to build it up to the Pakistani border, Pakistan will continue it to the Indian border.

Iran has reportedly already broken ground. Overall construction work is to begin next year, and will be completed in four years. First deliveries are scheduled for 2012.

The United States remains officially opposed to the project.

Russia Maps Ores, Plans Floating Nuclear Plants

Following an April 9 announcement that Russia will be building eight floating nuclear plants to supply electricity to its northern and eastern coasts, sources have reported an ongoing survey of four major underdeveloped mineral deposits in the Russian interior.

According to Sergei Cherkasov of the Vernadsky State Geological Museum in Moscow the survey is intended to provide the government with an assessment of mineral resource potential.

The geological survey department of a major European government is expected to aid in the study.

Deputy Prime Minister Sergei Ivanov announced April 9 that Russia's first floating nuclear power plant will be commissioned in 2010, and supply electricity to the Arctic port of Severodvinsk, according to the Interfax news service.

Russia's vast mineral deposits and specialized know-how in exploration and extraction will play a crucial part in the development of the Eurasian landmass, envisioned in LaRouche's "New Silk Road" development program, and his recent strategic memo on resolving the Cheneyacs' Iran

crisis, and their threat of spreading war in southwest Asia.

High-Speed Rail Corridors Planned for India's South

According to a senior Indian Railway official cited in *The Hindu* of Chennai, a number of inter-city high-speed train (HST) corridors connecting cities of the Indian states of Tamil Nadu and Kerala, have been planned.

The rail-building plans coincide with just announced plans for a vast expansion in nuclear power development in the southern region.

On April 10, India's premier atomic energy research center's director, S.Banerjee, had told reporters that India would be starting 12 nuclear reactors within two years to add another 10,000MW of electrical power capacity by the nuclear power sector by 2012.

The majority of these reactors are to be located in Tamil Nadu, Banerjee added.

Power for the railway and much-needed water desalination plants will come from the nuclear reactors now approved for construction.

"The railway is focusing on high-speed inter-city trains, the most profitable segment of passenger business. HST provides the highest safety for passengers, as there have been hardly any accidents on such exclusive corridors world-over.

Migration of traffic to rail will boost the nation's economy since it directly helps in energy conservation," the official told *The Hindu*.

Already a few private Indian corporations have expressed interest in investing in the Chennai (formerly Madras)-Coimbatore sector that will be taken up in Phase I. This will be followed by other routes: Chennai-Madurai, Chennai-Bangalore, and Thiruvananthapuram (formerly Travancore)-Calicut.

For its longer-term energy needs, India is working with Russia on a program of development of thorium breeder reactors, using the nuclear fuel which is abundant on India's beaches.

EIR April 20, 2007 International 51

ERNational

Los Angeles LYM Fractures Global Warming Consensus

by Leandra Bernstein, LaRouche Youth Movement

"Now, the resistance against [the New Politics], has taken the form of stubborn refusal to face the issues that had to be faced, and also by a panic-stricken embrace of a piece of clinical insanity, and mass-murderous insanity at that, Al Gore and his program of destroying everything."

—Lyndon LaRouche, addressing the March 31 town hall meeting of the Los Angeles County Democratic Party's Franklin Roosevelt Legacy Club.

Faced with the severely morally challenged Baby-Boomer leadership in the Democratic Party, who are being tempted to go along with racist Al Gore's anti-human global warming policies, the LaRouche Youth Movement's Franklin Roosevelt Legacy Democratic Club (FRLDC) disrupted that impulse and opened up a crucial fight within the ranks of the largest Democratic party in California. In what was supposed to be a debate of the FRLDC's resolution on the global warming hoax, the Los Angeles County Democratic Party (LACDP) Resolutions Committee voted to table the resolution, causing an outcry from top officials in the party. The LYM intervention allowed the officials to clearly see the illboding tendencies of those among their ranks. Rather than address the pseudo-science of global warming, the policy effects on Third World development, and lying Al Gore's carbon-swap thievery, the majority voted to silence the opposition.

Since the launching of the LYM several years ago, the Los Angeles chapter has been persistently stirring up controversy—for the good—in the LACDP, providing the moral leadership that has recruited caucus leaders and elected officials to increasingly join the LYM in the fight for the republic. The LYM's role in the district has undergone a profound

transformation from the early days of the 2003 State Convention, when the LYM intervened as a raggedy-pants brigade, to the present day, when LYM members hold four elected positions on the party central committee, in addition to the Franklin Roosevelt Democratic Legacy Club. The lasting effects of this leadership were tested at the April 10 would-be debate.

Previously, during a meeting on April 3, the LACDP Resolutions Committee agreed to submit the LYM's anti-global warming resolution for a floor debate at the following meeting. The chair of the Women's Caucus noted that, because the two crucial issues for the 2008 Presidential election would be global warming, and the Iraq War, the party should reach a consensus before issuing any official statements. Immediately following the Resolutions Committee meeting, Theodore Smith III, the chair of the African American caucus, was a guest on the widely listened-to Rob Nelson radio show. What was scheduled as a 15-minute segment with Smith turned into a two-hour discussion of the LYM resolution and the Democrats' position on global warming.

The 'Debate' Begins

When the body reconvened for the debate on April 10, the LYM were surprised to learn that, according to the by-laws, they had to gather 25 signatures from the 103 party officials in attendance. As the LYM struggled to gather the signatures, they found a number of officials who, despite previous support, were afraid to sign their names. Meanwhile, the moderator read the text of the resolution, while a few Baby Boomers in the audience grumbled, and laughed out of context at the mention of a new New Deal. The signatures were easily gathered, and the moderator called the first speaker to the floor.

52 National EIR April 20, 2007



EIRNS/Wynneal Inocente

Quincy O'Neal of the FDR Legacy Club; Amelia Boynton Robinson of the Schiller Institute; and Ted Smith, head of the L.A. County Dems African American Caucus, shown here at a March 13 meeting of central committee, joined the LYM in supporting a resolution exposing the global warming hoax.

Los Angeles LYM member Ian Overton made the first statement, and, in the context of the continued threat of Cheney's war and the collapse of the economy, Overton laid out the fraudulent science of global warming, and Gore's hedge fund robbery. There was applause and some hissing from Baby Boomers, mostly at the mention of science, and Gore's green profiteering.

Before the moderator called for a representative to speak in opposition to the LYM's anti-global warming resolution, a rather fat Baby Boomer, who was one of the 25 signers, lifted himself up to say, "I rise to move to table this resolution." Tabling the resolution was the only motion the opposition could make, because no one was in line to debate the LYM.

The moderator spoke quickly: "Motion on the floor is to table this resolution. All in favor, the crowd roared, "Aye!" All against, the crowd roared, "Nay!" When the votes were counted, 65 were in favor of tabling the resolution, 38 opposed it. The co-chair of the Resolutions Committee, enraged at the fight that broke out after the ruling, demanded respect for all positions, particularly the majority position, and pushed ahead to the next resolution.

At the end of the meeting, LACDP Central Committee chairman, Eric Bauman, stepped up to the same spot where, only one month before, Amelia Boynton Robinson, Schiller Institute/LaRouche PAC leader, and heroine of the Civil Rights Movement, had addressed the very same party body. "Let me point out that [the resolution] got tabled because it is a LaRouche resolution," Bauman said. "It could have just as easily been a Stonewall [lesbian, gay, bisexual, and transgender community] resolution or a New Frontier [African-American community] resolution. We should not use tabling as a

rule to cut off debate. It's not necessary." Obviously disturbed by what the party showed itself capable of, he concluded, "The worst thing we could have done was table a resolution that we knew would not have passed."

After this intervention by Bauman, the president of New Frontier Club, the oldest African-American delegation in the party, asked to be recognized from the crowd. She spoke in defense of the LYM and the debate, and raised her concerns over how global warming policies would effect African development. Previously, Quincy O'Neal, LYM member and president of the FRDLC, had spoken with her and had given her a package of *EIR* material on Gore, racism, eugenics, and the astrophysical science of climate change. She read the material, and responded to O'Neal with a number of questions. Then she watched the majority in her party willfully censor those questions that had been provoked after only a cursory investigation of the issue.

The real debate is far from over. Heading into the April 2007 California State Democratic Convention, the LYM has already set up multiple meetings to focus key members of the party on destroying the fascism clearly represented in Gore's global warming hoax. Ranking officials in the party have already told the LYM that the resolution *will* be brought up again at the state convention April 20. If the issue of global warming is to take precedence in the 2008 election, the party needs a national statement reflecting a unified position. To get a unified position, they need consensus. The LYM-led opposition fractured that consensus.

Documentation

LYM Resolution vs. Global Warming Hoax

The following is the text of a resolution, written by members of the Los Angeles LaRouche Youth Movement and submitted to the Los Angeles County Democratic Party on March 26, 2007. The resolution will also be submitted to the California Democratic Convention along with bibliographic material and the text of the Emergency Recovery Act.

Resolution on the Fight Against Global Warming

WHEREAS, a significant number of scientists world-wide, with varying specialties in atmospheric science, ocean-ography, cosmoclimatology, paleoclimatology, geophysics, chemistry, radiology, glaciology, and vulcanology, have, independently and collectively, publicly denounced the Intergovernmental Panel on Climate Change's (IPCC) February

EIR April 20, 2007 National 53

2007 conclusion, that "Most of the observed increase in globally averaged temperatures since the mid-20th Century is very likely due to the observed increase in anthropogenic greenhouse concentrations," specifically as this relates to industrial CO₂ emissions, as recently as the March 2007 production of "The Great Global Warming Swindle" documentary on Britain's Channel 4 television, among other publications, AND;

WHEREAS, long-term variation in climate change has been connected experimentally to geologic and astronomic cycles, including the shifting of the Earth's tectonic plates, obliquity of its axis, precession of its equinoxes, and changing eccentricity of its orbit, and also the frequency of sunspots, intensity and remission of solar wind, cosmic rays from other stars influencing cloud formation, and movement of our solar system through the Milky Way, thus overturning the linear statistical correlation used by the IPCC, of bubbles in ice cores to temperature, referenced repeatedly by former-Vice President Al Gore, including in his widely distributed movie, An Inconvenient Truth, AND;

WHEREAS, were Al Gore's 21 March 2007 recommendations to the Senate Committee on Environment and Public Works and House Committee on Energy and Commerce adopted as economic policy by Federal and State governments of the USA, the effects would literally tax out of existence the agro-industrial sector required for the creation and management of crucial resources, such as food, fresh water, electricity, medical isotopes, aluminum, cement, steel, ceramics, and plastics, all of which are required to sustain the growing populations of California, the USA, and the world, thus resulting in a human catastrophe tantamount to genocide against the lower 90% of income brackets of the world; however, the policy would temporarily increase the financial profits of domestic and international financiers who speculate in carbon futures, such as Al Gore.

THEREFORE, BE IT RESOLVED, that the California Democratic Party recognizes Al Gore as a leading United States spokesman for an economic policy premised on dubious science, which undermines the Constitutional obligations of representative government, and accelerates, at his personal profit, the deepening economic disparities between the rich and poor, AND;

THEREFORE, BE IT FURTHER RESOLVED, that the California Democratic Party rejects the policy recommendations of Al Gore as disastrous to human existence, rejects the IPCC's argument that human industrially derived CO₂ emissions are a main driver of climate change as scientifically fraudulent, and reaffirms its commitment to the "New Deal" principles of Franklin D. Roosevelt, specifically the issuance of protected national credit to stimulate research and development within the agro-industrial sector, such as nuclear fusion, maglev transit systems, water desalination, and universal medical coverage, all as part of a solution to domestic and international economic injustices.

Will Michigan, Auto Finally Heed LYM?

by Rob Ainsworth

A resolution demanding that "the Congress of the United States establish a 'Marshall Plan' for the U.S. automotive industry" was introduced into the Michigan State Legislature April 12, by Fred Miller, the chair of the House Labor Committee. Alluding to the crisis now wracking the auto sector, with tens of thousands of workers fleeing the dying industry in the recent months alone, the state government and United Automobile Workers have finally taken action, even though the resolution comes almost two years too late, and thus, is virtually irrelevant to what the U.S. economy now faces.

The measures in Resolution No. 31 are wholly inconsistent with the crisis: the looming takeover of Chrysler by a consortium of vampire hedge funds; GM already under the control of similar speculative interests; while Ford slides ever closer to bankruptcy. On top of these crises, the state of Michigan is itself facing a budget shortfall of \$940 million.

The resolution echoes the UAW's 2006 proposal for a "Marshall Plan," and limply calls for "a level playing field among all automotive companies," ignoring the reality that the entire world economy is in the process of disintegrating! The resolution also foolishly calls for Federal assistance to accelerate the production of alternative fuels and energies, such as ethanol, fuel cells, and clean diesel, while mentioning nothing about the auto industry's historic competence to produce, among other necessities, components for rail systems and nuclear power plants.

Resolution No. 31 stands in stark contrast to Lyndon LaRouche's *Emergency Recovery Act of 2006*, which would have transformed the auto industry into a powerful center of infrastructure production. It is only by helping to rebuild the overall economic infrastructure of the United States that the auto sector could hope to survive. As collapsing auto sales demonstrate, without an immediate shift to a production-oriented economy, the population will neither be capable of sustaining current levels of consumption, nor of lifting the country out of bankruptcy. *It is this essential point that the UAW has refused to recognize, along with Michigan's legislators*. The resolution will do nothing to stop the unprecedented hemorrhaging of the auto sector or the other remains of America's formerly great industrial base.

Getting Out From Under Wall Street's Thumb

That any resolution has been introduced is, however, a reflection of LaRouche's initiative, in combination with the

54 National EIR April 20, 2007

intensive mass organizing of the LaRouche Youth Movement over a span of several years. Across the Midwest and elsewhere, cities and states have passed resolutions echoing LaRouches *ERA*, calling on the Federal government to save the auto industry. In fact, Michigan legislator LaMar Lemmons III had introduced a resolution on May 18, 2005, demanding all the initiatives outlined by Lyndon LaRouche at that time. Unfortunately, lackluster UAW President Ron Gettelfinger, under intense pressure from Wall Street thugs such as Felix Rohatyn, capitulated; he would not endorse LaRouche's proposal, despite scores of his own members organizing for it, both in the Midwest and on Capitol Hill, with the LYM.

It is significant that, only two weeks before the resolution was recommended by the House Labor Committee, the LaRouche Youth Movement was in Lansing, the state capital, for two days, rallying the legislators to action. A dozen official meetings took place, as well as numerous impromptu discussions on the streets, and in the halls of the legislature.

In addition to these meetings, with music the LYM shattered the legislature's bleak pessimism. A chorus stood beneath the chamber's acoustically attuned dome, which vaults upward at least six stories, and sang the most beautiful canons and other Classical compositions in their repertoire, including Mozart's Ave Verum Corpus. One organizer related how, "as we sang, more and more people started looking over the second-, third-, and fourth-floor balconies to see who was singing. Several reps and lobbyists gazed down at us as we sang. One Democrat, who is very young, has always been afraid to meet with us. and complained in the past that we are too aggressive, stood behind our chorus, staring transfixedly throughout the whole piece. When we ended there was silence, then suddenly the entire dome filled with applause, which echoed through the whole capitol." This continued with Bach's Jesu, meine Freude, receiving widespread applause from all corners after each section of the motet was performed.

Elevating Little People

What the LYM confronted, both in their meetings and in their discussions with staffers and legislators on the street, reflected the littleness of the "Marshall Plan" resolution. The legislators were almost universally pessimistic about the future prospects of the state, with some commenting that the majority of phone calls they receive from their constituents relate to the wave of bankruptcies, layoffs, and foreclosures hitting the population. Others believe they can only slash the state budget or increase taxes. As the LYM have also discovered in Washington and elsewhere, the people governing this country tend to have no conception of what a real economy is. They think about, and look for, solutions within the framework of a system increasingly based upon gambling, a system which, as Lyndon LaRouche has frequently asserted, is doomed. Thus, when the LYM addresses them with questions



IRNS/Sharon Stone

A resolution calling for a "Marshall Plan" for the auto industry was introduced April 12 into the Michigan State Legislature, reflecting several years of intensive organizing by the LYM; unfortunately, it has come far too late. Here, a LYM chorus sings and organizes outside the state capitol building in Lansing.

of philosophy, physical science, and music instead of a power point presentation, they are confronted with a profound paradox!

The issue the LYM continuously returns to, which is fully demonstrated by Resolution No. 31, is the failure of policy-makers to recognize what *exactly* is shaping their own decision making: their unobserved and thus unquestioned axioms. By addressing the most fundamental of ideas and principles, the LYM is able to elevate people out of their own self-imposed limitations; and so it is lawful that beautiful music be given to a culture drowned in ugliness, that some meetings revolved around the breakthroughs of Johannes Kepler, while others attacked the genocidal racism of Al Gore.

As one Democratic legislator was told, "LaRouche is saying, that at this moment, *only the impossible will work*. You're going to have to do things that aren't on the traditional list of possible actions. Large-scale economic changes must be made, but above all, creative thinking."

When the LYM departed from Lansing, they left behind a legislature invigorated with new ideas, which two weeks later, is now taking at least a first tentative step in more or less the proper direction, despite the particular drawbacks of the resolution itself. What is really needed, is LaRouche's *Emergency Reconstruction Act*, combined with an overall financial reorganization and rebuilding of the now decimated auto industry, all of which to be adopted as a comprehensive national economic policy. Nothing less will succeed in dealing with the immensity of the crisis. LaRouche and the LYM are providing the necessary leadership on the streets, in the halls of Congress, and around the world; as one legislator acknowledged, "the LaRouche movement are the only people out there."

EIR April 20, 2007 National 55

Editorial

Let Us Make History

Lyndon LaRouche provided the following message of good wishes to the fifth-anniversary conference of the Russian organization called the Anti-Globalist Resistance, which convened on April 14.

At first, the wicked turn in U.S. politics which has been led by the partnership of British Prime Minister Tony Blair and the former U.S. Vice-President Al Gore does tend to spread pessimism in many parts of the world. However, we must recognize, at the same time, that the pro-globalization policies of the current U.S.-British alliance are an absolutely unworkable program.

The present world monetary-financial system has entered the terminal phase of an onrushing general breakdown crisis of that system. In the meantime, we see that the Blair-Gore policy is being resisted by a rising commitment to the immediate introduction of programs of development of sources of power based on presently existing, improved designs for nuclear power. In fact, there is no possibility of sustaining civilization globally without this shift to a nuclear-fission and even more advanced modes of generation and application of power.

In fact, it would be possible to escape from the presently onrushing threat of a general monetary-financial breakdown globally, through a return to the kinds of policies which U.S. President Franklin Roosevelt had intended for the post-war world. A sudden and more or less world-wide reform would be required for such a remedy, but this means that the reform must be submitted by a concert of nations built up around leading cooperation among the world's present leading nations: the U.S.A., Russia, China, and India. Without a concert of agreement represented by these four crucial and other nations, the needed reform could not be introduced in a timely fashion.

Therefore, the urgent task of the moment is to build up a working agreement on the most crucial features of such a needed reform. Knowledge of what that reform must include, is a precondition for the will to implement it.

Otherwise, the objective remains essentially that

which President Franklin Roosevelt had intended for the post-war world, had he lived. We require a world composed of respectively sovereign nation-states, united by an understanding of the essential cultural role of the principle of national sovereignties, and the need for cooperation among those nations on common goals and means for raising the level of existence of all parts of the planet, each to contribute in its own way.

There is no guarantee that we will succeed in this, but there is no moral choice for humanity today but to attempt to bring this about. Our discussion of this challenge, and of the means of bringing this change about, should be foremost on our agenda now.

* * *

LaRouche's message reflects his determination that the creation of a Four Nation policy, which brings together the Eurasian bloc of Russia, India, and China, with a United States freed of the albatross of the lunatic Cheney-Bush combination, holds the key to bringing the world out of the current crisis. Through their recent activity, which centers on intensified economic cooperation, even in defiance of the United States' wishes, the three Eurasian nations have indicated their understanding that it is the global economic breakdown crisis, which lies at the root of the world strategic crisis, and that they are determined to deal with it.

However, it must be emphasized that there will be *no* solution without the necessary change in the United States, to permit its collaboration in this effort. Despite their determination to preserve national sovereignty, and a way forward for their people, none of these three nations have the global outlook required to pull together a new monetary system in the interests of humanity as a whole. That outlook lies uniquely in the tradition of Franklin Delano Roosevelt which still resides, however buried, in the political-cultural matrix of the United States.

Indeed, it is only because this is so that the Anglo-Dutch oligarchs are working so hard to *destroy* the FDR legacy, most definitely in the person of the leading representative of the FDR tradition, Lyndon LaRouche.

56 Editorial EIR April 20, 2007