Above all, Sherr berates Western leaders for having "underestimated" the Russian leadership's assumption that it should have "equal say" with other nations, concerning security issues in Europe. The British analyst proceeds to catalogue weaknesses of the current Russian system, which could contribute to cutting Russia down to size. He expresses particular interest in the potential for internecine strife in the Russian intelligence and law enforcement community, to undercut Putin's authority while he is still in office, or to disrupt an orderly succession. In the economic field, Sherr points to vulnerabilities in Russia's energy sector, which "is seen by many in the Kremlin as a foundation of the country's power and an engine of economic growth and modernization."

Sherr concludes that "Russia is underestimating its own shortcomings and our potential leverage," and opines, "We should not."

A Kosovo Trigger?

When all is said and done, the Kosovo situation is the most likely trigger for a sharper confrontation between Russia and NATO countries. A new Kosovo government was elected in early January, and is headed by Hashim Thaci, who promises an early declaration of independence.

The first round of the Serbian Presidential elections, held Jan. 20, set the stage for a Feb. 3 run-off between incumbent President Boris Tadic and Serbian Radical Party leader Tomislav Nikolic, the top vote-getter in the first round. A staunch opponent of Kosovo independence, Nikolic voices confidence in Russian support for his stand. (And Moscow has not failed to exploit Serbia's need for support: On Jan. 22, Russia's Gazprom acquired a majority stake in NIS, the Serbian national oil company, in a deal with no competitive bidding, which some Serbian officials denounced as a politically motivated "humiliation" for Belgrade.)

On Jan. 17, Lyndon LaRouche called on U.S. officials to order Richard Holbrooke to shut his mouth. The former top State Department official has been a leading provocateur on the Kosovo issue, promoting its unilateral independence from the Serbian Republic, and pushing for both U.S. and European Union endorsement of it. Thaci himself was a virtual protégé of Holbrooke's Wellsian cohort, former Secretary of State Madeleine Albright.

Lavrov put a sharp point on the crisis, specifying that a declaration of independence by Kosovo, backed by NATO powers in circumvention of the United Nations, would be one of the threatened global "breakdowns" he talks about—a "red line," as he has also called it. *Vremya Novostei* of Dec. 21 quoted Lavrov: "If NATO and the EU now state, after ignoring all legitimate legal mechanisms that exist in the United Nations, that they will decide on how to divide Serbia, how to bite Kosovo off from it, and how to prevent Serbs who live in Kosovo from expressing their opinion on the matter, they will put themselves above international law." Lavrov added that such a "dangerous game" would mean that these Western

countries no longer respect the UN, and intend to decide major matters outside of it.

Speaking on Vesti-24 TV Dec. 21, Lavrov warned once again that—though he said it is not Russia's policy to promote this—independence for Kosovo will be taken as a precedent by the administrations of Abkhazia and South Ossetia, autonomous regions within the Republic of Georgia that are "in fact functioning on their own" already.

Rachel Douglas contributed to this article.

Top Brass Hoodwinked By New CSIS Fraud

by Tony Papert

The CSIS Europe and International Security Programs, in partnership with the Noaber Foundation, hosted on Jan. 10, the launch of "Towards a Grand Strategy for an Uncertain World: Renewing the Transatlantic Partnership," under the signatures of some of the most respected retired military leaders of the United States and Western Europe.

Last November, LaRouche PAC exposed the fraud of the CSIS (Center for Strategic and International Studies) report, "Alternative Futures for Russia," in which a provocative script of assassinations, dictatorship, and executions in Russia was smuggled into a collation of expert forecasts.

Now, CSIS has produced a hoax which is far more crooked. While the names of U.S. Gen. John Shalikashvili; Gen. Dr. Klaus Naumann of Germany; Gen. Henk van den Breemen of Holland; Britain's Field Marshall The Lord Inge; and French Adm. Jacques Lanxade are featured, these grey-bearded generals are nothing but simple victims of a

hoax. The actual authors of the 155-page report are a mating pair of twenty-something "Strangeloves"; far-out neoconservatives Douglas Murray of Britain, and Benjamin Bilski of the Netherlands. Murray's first book was a biography of Oscar Wilde's homosexual lover; his latest is Neo-Conservatism: Why We Need It. Both authors belong to the Muslim-baiting school recently made infamous by the blasphemous "Danish cartoons." Murray, born 1979, is



Douglas Murray

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a frequent confederate, in these outrages, of David Horowitz, who runs a right-wing campus witchhunt on behalf of Bush-Cheney policies. His British website, Center for Social Cohesion," mimicks Horowitz's Muslim-baiting in the U.S., and reportedly wants to halt all immigration of Muslims into Europe.

Bilski, for his part, sponsors and translates anti-Muslim blasphemies by the Iranian émigré Afshin Ellian. His specialty at the University of Leiden, where he teaches, is "Social Cohesion and the Role of the Right."

Both young military-strategic gurus are completely innocent of any military or strategic experience. They are also obviously very well-acquainted with each other: sort of the "Cohn and Shine" of the McCarthy era.

Call for Pre-Emptive Nuclear Strikes

Under the misused names of these top generals, Bilski and Murray call on NATO to be prepared to launch pre-emptive nuclear attacks to prevent use of weapons of mass destruction by its enemies. They call first-strike use of nuclear weapons an "indispensable instrument" as part of an overall "grand strategy" to deal with the current dangerous world. Key to that "grand strategy" is inducing uncertainty in the mind of the enemy, so that he has no idea what to expect. "Nuclear escalation is the ultimate step in responding asymmetrically, and at the same time the most powerful way of inducing uncertainty in an opponent's mind." Then in language reminiscent of Richard Nixon's "madman theory," they declare that "unpredictability is an important element of any strategy that aims at conflict prevention and termination. Opponents must never know which step could be the next one, and must never have a chance to rule out any of the options in their opponent's arsenal."

The duo writes that the "risk of further proliferation is imminent and, with it, the danger that nuclear war fighting, albeit limited in scope, might become possible. The first use of nuclear weapons must remain in the quiver of escalation as the ultimate instrument to prevent the use of weapons of mass destruction." Due to the spread of nuclear technology, there is "simply no realistic prospect of a nuclear-free world." They call for allowing the use of force without UN Security Council authorization when "immediate action is needed to protect large numbers of human beings."

They want a large-scale reform of NATO and a new pact among NATO, the U.S., and the EU to sanction such action.

According to British press reports, this hoax has been presented at the Pentagon and to NATO Secretary General Jaap de Hoop Scheffer. They even claim it will likely be on the agenda of the NATO summit in Bucharest in April.

In addition to the usual neocon drivel about "Islamist terrorism," the two also include a huge freakout about China in Africa. They complain that China's willingness to invest in and give aid to African countries is "detrimental" to "good governance."

'Rogue Trader' Triggers Collapse

Lie-Masters Invent New Fairy-Tale

by Helga Zepp-LaRouche

The author is chairwoman of the Civil Rights Solidarity Movement (BüSo) in Germany. This article was translated from German.

Now we can all breathe a sigh of relief! The world financial system isn't in the throes of a systemic crisis after all! Monday's worldwide stock market crash was caused by a lone perpetrator, who swindled the French bank Société Générale out of EU4.9 billion over the course of the past year, and who was able to avoid triggering the control mechanisms which normally kick in at sums in the EU100-200 million range and higher. And the poor fellow didn't even do it for his own enrichment: He gambled away EU5 billion because he had been traumatized by the death of his dad!

This outrageously tall tale was served up by this week's British press—and also, in slightly modified form, by the German *Spiegel* online—while French commentators preferred to point instead to its timing, coming just before Société Générale is to release its latest annual report. The fact that the crash began in Asia and not in Paris, gives the theory a small blemish, though—one which many would rather simply conceal underneath one of those tidy little bandaids.

But these were not the only places that are coming to resemble scenes from the theater of the absurd as staged in Charenton. Already on "Black Monday," we were regaled with a flood of pictures of teary-eyed stock traders tearing their hair. And by Tuesday, the panic suddenly turned to euphoria, as the European Central Bank came in with a new financial injection, and the U.S. Federal Reserve lowered its rate by 0.75%. But as the U.S. economy slides ever more deeply into depression, threatening to bring the rest of the world economy down with it, only a few scattered idiots still harbor the illusion that yet another long-lasting orgy of profits might be set into motion after the announcement of Bush's "stimulus package" with its tax and interest cuts. As U.S. economist Lyndon LaRouche stressed, a stimulus program within the current collapsed world financial system, will simply bring on hyperinflation all the more quickly, and is therefore the stupidest thing one could possibly do. Unless there is some drastic re-thinking, this dynamic can easily spread over the entire planet, plunging the world into