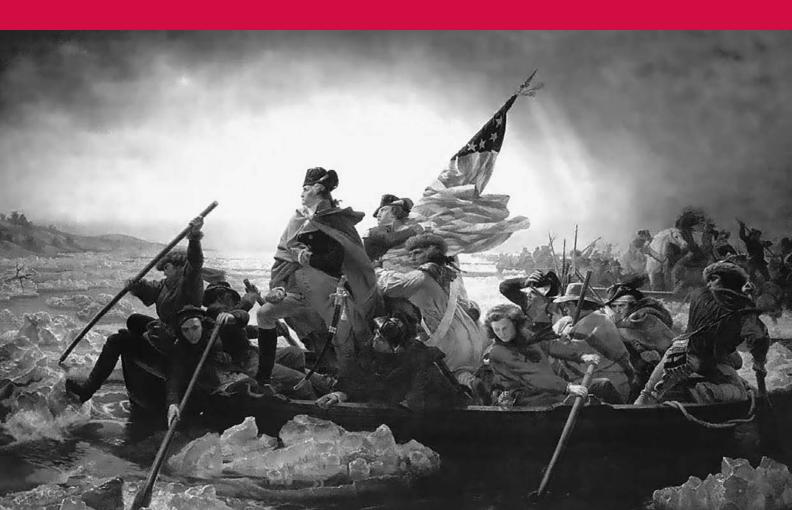


LaRouche: For the Moment, There Are Only Two Candidates 'British Imperial Free Trade Doctrine' at a Dead End Obama and McCain Support 'Concert of Democracies'

The Current Strategic Situation: Our World-Outlook Now



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The Banking

System
Has Alread
Collapsed!



"There is no possibility of a non-collapse of the present financial system—none! It's finished, now!"

-Lyndon H. LaRouche, Jr., webcast, July 25, 2007

Unless the Homeowners and Bank Protection Act "is enacted as a first order of business of the 110th Congress in September [2007], many millions of Americans will be evicted from their homes.... The foreclosure tsunami is occurring, not as a result of a mere housing or mortgage crisis, but a disintegration of the entire global financial system."

-EIR Editorial, Aug. 31, 2007

"My view of the economy is that the fundamentals are strong."

-President George W. Bush, Dec. 20, 2007

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From the Managing Editor

With the suspension of Hillary Clinton's campaign for the Democratic Presidential nomination on June 7, the world strategic outlook has entered a new phase. In our lead story, "For the Moment, There Are Now Only Two Candidates," Lyndon LaRouche draws out some likely implications. He arrives at a judgment that will surprise you; he is not looking at the chess-pieces on the board—the two now ostensibly leading candidates—but rather, watching "the fellows in the back room ... who know how a pawn becomes a queen." These are the spawn of the "fellows" who put Hitler into power, the Anglo-Dutch Liberal financier oligarchy, and they are operating at a time of imminently even worse financial/economic crisis than President Franklin D. Roosevelt faced upon his inauguration in 1933.

LaRouche's longer piece, "Our World-Outlook Now," provides the historical and epistemological background to understand what must be done. In the closing section, he challenges the United States to quickly join with Russia, China, and India to save the world's physical economy from careening "toward the brink of its doom."

Very few people on the planet, he writes, "recognize yet how deadly, and how terribly near the presently immediate threat to every part of the world today has become," such that we are now "as if minutes away from the worst global catastrophe in what has been recorded as the narratable history of mankind." The solutions lie at hand, but, as during the Thirty Years War, the possibility of those solutions being implemented "depends upon some degree of recognition, especially in high places, of the nature of the sheer global horror" which looms just ahead.

EIR has recently documented the emerging shifts in Eurasia that reflect the potential for such recognition of the crisis. As we go to press, important developments are occurring in that region, which we'll cover next week. In this issue, we feature the summit of the UN Food and Agriculture Organization (FAO) in Rome, with a report from one of several EIR correspondents on the scene, who pressed the delegates to depart from the usual sophistical diplomacy of such gatherings, and address head-on the global food shortage and hyperinflation. Although the meeting's resolutions were inadequate, as Helga Zepp-LaRouche writes, it is abundantly clear that British free trade is dead. The Venezuelan delegate put it most incisively: "The 900 million persons suffering from hunger cannot wait."

Susan Welsh

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"The proverbial fly in London's dish, is that the present international financial-monetary system is already at the verge of an early plunge into a vortex, a global breakdown-crisis now menacing the world at large. Thus, the effort to ram through the Lisbon Treaty, creates a world crisis which is already echoing, immediately, many of the kinds of economic and related features which are to be associated with the earlier outbreaks of the two so-called world wars of the previous century."

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Corrections: Due to a printer's error, the last 8 pages of our June 6 issue were dropped from our print edition. Some of the articles are included in this issue; others have been superseded by news events. All were included in the online edition (www. larouchepub.com/eiw).

On page 21 of the same issue, a typographical error misidentified the name of the Catedra Pio Tamayo Center for Studies of Current History of the Venezuela Central University's Institute of Economic and Social Research website.

Fig. Feature

IT IS NOT OVER YET:

For the Moment, There Are Now Only Two Candidates

by Lyndon H. LaRouche, Jr.

June 6, 2008

As of Saturday, June 7th, it is now official; there are now only two major-party candidates. Or, perhaps not.

The two current Presidential pre-candidates are Senators John McCain, a Republican, and Barack Obama, a Democrat.

Both candidates have shown the temperament of a hand-grenade with a loose pin. With McCain, the problem is well known; with Obama, the problem of a flakey temperament is no longer hidden. It is doubtful that either will actually be nominated. Some people in the back room of politics have a different idea, people operating from behind the scenes at a very high level in the



johnmccain.com $John\ McCain$

circles of world power. McCain and Obama are political chesspieces on the board; the fellows in the back room are chess players who know how a pawn becomes a queen.

Now, as we speak, the hands of the players are already moving.

In that case, it is probable, as of now, that the game will be rigged to hand the election to a Republican candidate who will probably be selected to replace Senator John McCain. The Democratic candidate who will be selected to replace the soon-to-be discredited Obama, will probably be destined in advance to lose. In that situation, it is not the candidate who will determine the outcome of the election, or the program of the next President, it will be the chess-players, whose policies will not be chosen by either candidate.

There is an alternative, that some other player, a third factor, tips over the chessboard.

During the coming two months, while these events are being put into motion, the crisis of the world financial system will be accelerating. By the end of July, the world situation, as also the situation inside the United States, will have changed radically as we approach the first anniversary of the late-July 2007 outbreak of the world's presently accelerating, inflation-

ary, general financial breakdown-crisis.

Whatever you think you know conditions will be, from the news media or gossip overheard on financial streets, the present world monetary-financial system is already as good as finished. Bear-Stearns was given a financial funeral of sorts; the next big one to go may not be so lucky. Behind the scenes, it



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Barack Obama

is the issues of this presently accelerating general physicaleconomic breakdown of the world's present financial-monetary system, which are on the mind of those who are the players planning to create a new system.

Neither McCain nor Obama have the qualifications the chess players consider useful. Come two months from now, both are likely to be gone. It is not certain that this will occur, but a smart bettor would not bet much that it won't happen.

To some people, those players to whom I have referred are feared as virtually all-powerful. I admit that they are powerful; but, I know that they are not all-powerful.

I am neither all-powerful, obviously, nor am I omniscient, but I know a lot, and it is my job to share what I know with you. Together, we have a chance of flanking the present crisis-situation; it is only a chance, but it is the only thing worthwhile doing.

Our World-Outlook Now

by Lyndon H. LaRouche, Jr.

May 30, 2008

Synopsis:

With London's continued efforts to ram through the Lisbon Treaty which the Fabian Society's London had intended to impose on continental Europe before the Summer, London clearly did not intend that it should submit its own self to that imperial tyranny, the presently proposed Treaty, which it has been hastening to impose on the western and central regions of the continent. Ambrose Evans-Pritchard's almost incoherent babbling recently, reflects the consternation being spread in Britain and Ireland out of fear that that Lisbon Treaty might also be actually imposed now on the British Isles. As time passes, the anxiety and fear grows within the United Kingdom and Ireland, while Prime Minister Gordon Brown sits uneasily in his chair.

As a coquettish fit uttered by the Daily Telegraph's Evans-Pritchard warned us lately, neither London's reigning oligarchy, nor actual British patriots, ever really intended to put the United Kingdom and Ireland under the reign of the new, radical substitute for the earlier, failed version of the Lisbon agreement. The intention of the relevant Fabians, in particular, was, frankly, shades of the war-time Nazi occupations of the continent, a scheme to get continental Europe locked into what would be a British occupation-style dictatorship under the Lisbon Treaty, but with Britain itself remaining to gloat over the prisoners of that Treaty, while London preyed merrily upon the suckers' plight from a safe diplomatic distance, from without.

The proverbial fly in London's dish, is that the present international financial-monetary system is

already at the verge of an early plunge into a vortex, a global breakdown-crisis now menacing the world at large. Thus, the effort to ram through the Lisbon Treaty, creates a world crisis which is already echoing, immediately, many of the kinds of economic and related features which are to be associated with the earlier outbreaks of the two so-called world wars of the previous century.

A Lesson From Dunkirk:

The spreading doubts from inside the United Kingdom now grow rapidly. Those who remember the years and fears of 1938-1940, before Dunkirk, will think back, more and more, to the years when Britain's leaders, including members of the monarchy's family, had boosted not only dictator Mussolini, but also Hitler, into power, but then began to regret it



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"The effort to ram through the Lisbon Treaty," LaRouche writes, "creates a world crisis which is already echoing, immediately, many of the kinds of economic and related features which are to be associated with the earlier outbreaks of the two so-called world wars of the previous century." Here, German dairy farmers protest on May 28, in Freising, Bavaria, demand higher prices for milk.

later, as Winston Churchill did.¹ A similar reflex is being expressed, increasingly in the same or similar quarters today. Some might even be tempted to ask: "Is Gordon Brown a virtual new Neville Chamberlain'?" Brown is certainly not a happy camper right now; but, like the once celebrated "Miniver Cheevy," he has his reasons.²

The launching of the Lisbon Treaty, on London's initiative, coincides with the role of such British traditional financier assets under fascism as Lazard-Freres (e.g., Felix Rohatyn) and also Soros' money operating inside the currently leading U.S. Democratic Party circles, the latter now currently working to rig, or wreck the U.S. Presidential elections. To be clear, I repeat my earlier reports, that these are Party circles nominally led by a Democratic Party Chairman Howard Dean, the Dean who is backed by the formerly fascist, financier circles now led by Lazard Freres offshoot Felix Rohatyn, who is the de facto controller of House Speaker Nancy Pelosi, together with Howard Dean's own de facto financial backer, the notoriously predatory, London-created financier George Soros. Net blame for that ugly Democratic Party leadership's charade, must be traced, obviously, much more to the apparently very deep pockets of Soros and Rohatyn, rather than those of the not-so-wealthy, readied replacement for the early 1930s Morgan interests' John Raskob, Howard Dean.

The hatred of Dean and his backers against Senator Hillary Clinton, like Felix Rohatyn's repeatedly expressed, personal hatred of me, is clearly rooted in a virtually primordial hatred by Rohtayn, against the memory of President Franklin Roosevelt. I am honored to be regarded, as Rohatyn has warned, by being considered by him as a model for the policies of a potentially new President Franklin Roosevelt, which is a quality none of these fascists, such as synarchist-like Felix "pee-pee-pee" Rohatyn, are prepared to tolerate in a new U.S. President at this time, or, if they had their wishes, ever before, or after my time.³

The indicated part of the operation from inside the Democratic Party leadership, is designed, as Senator Obama's pledge⁴ to London implied, to wreck any possible role of a future U.S. President who would be potentially independent of the tyrannical, imperialist, Anglo-Dutch Liberal financier cartel now operating within the U.S. political system: this at the ominous point that London stooge and virtually-legacyless George W. Bush, Jr. is about to leave the U.S. Presidency.⁵

Hence, we see London's fanatical, vastly funded effort to pretend, at least temporarily, to secure the Democratic Presidential nomination for the now recently avowed stooge of London, Senator Barack Obama. Actually, the primary motive for London's backing of its virtual financial captive (by George Soros, et al.), U.S. pre-candidate Senator Obama, is prompted by London's and other circles' hysterical hatred of the memory of President Roosevelt, haters such as the Bushes, whose expressed hatred against Senator Clinton, and her husband the former President, prompts them to prevent any Clinton from "getting anywhere near" to the U.S. Presidency at this time.

Hence, the fact that only an obviously unbalanced Obama could have become so desperate under pressures to which he is subjected, as to permit himself to be lured into being chargeable in today's press as proffering the position of the future Secretary of State, virtually simultaneously, to three current

^{1.} Winston Churchill was a shamelessly public booster of Benito Mussolini's fascist dictatorship almost up to the day Italian forces joined with Hitler's forces in the invasion of France. As Germany's Field Marshall Walter von Reichenau said: "We have not conquered France. She was given to us." The fascist character of the culpable Synarchist-controlled government of France, was already massively documented in U.S. intelligence reports received during that period. See the report filed on the relevant archive materials by EIR's Pierre Beaudry on the massively documented subject of Synarchy. When last seen alive, Benito Mussolini was being chased by the U.S.A.'s OSS field chief for Italy, Max Corvo, while Mussolini himself was in desperate flight, accompanied by his mistress, driving frantically toward the Swiss border where Mussolini's old crony Winston Churchill was waiting. Mussolini and the mistress turned up hanging, upside-down, in a gas station, minus the trailer full of documents which Mussolini was taking toward the Swiss border, documents which turned up only in some part, much later. Churchill's own stated part in the affair of Britain's King Edward VIII, may be read as one might choose. After all, it was the head of the Bank of England, Montagu Norman, who pushed Hitler into power with cooperation of a business partner, Prescott Bush, who is the grandfather of U.S. President George W. Bush, Jr. and who was the relevant financial officer of Brown Brothers, Harriman at that time. See Anton Chaitkin et al. (Webster Tarpley and Anton Chaitkin, George Bush: The Unauthorized Biography [Washington, D.C.: EIR, 1992]) on the Bush connection to the relevant financing of Hitler's Londonbacked rise to power.

^{2.} The poem of Edward Arlington Robinson, reputed as highly esteemed by President Theodore Roosevelt.

^{3.} In the aftermath of the defeat of Lord Palmerston's armed attempts of 1861-1865 to destroy both the U.S.A. and President Benito Juarez' Mexico—with the aid of Napoleon III's and Spain's monarchy at that time, the policies of the British Foreign Office made an important adjustment, from its earlier use of Palmerston-controlled '48ers such as "Young Europe's" Karl Marx, to a new fad, *synarchy*, which has continued to exist in many parts of the world under such titles as either anarchism, or fascism. The Confederacy of 1861-65 was created by the American branch of the British Foreign Office's Mazzinian projects, as a "Young America" extension of "Young Europe." This was, in significant part, a parody on, and outgrowth of what Simon Bolivar himself was to denounce, from Colombia, as Jeremy Bentham's "Bolivarian" movement.

^{4.} Speaking by telephone to a fundraising meeting in London on April 28, Obama said that America's "special relationship" with Britain needed to be "recalibrated." An Obama advisor explained, according to the *Guardian*: "We have a chance to recalibrate the relationship and for the United Kingdom to work with America as a full partner. It's no longer going to be that we are in the lead and everyone follows us."

^{5.} President George W. Bush, Jr. has been shielded from the rather obvious charge that his policies of practice have been liberally fascist, by both the doubts concerning his mental health, and, also, the evidence that poor Bush was chiefly a mere tool of the Vice-President Dick Cheney who was, in turn, a tool of the same George Shultz who, with the complicity of Felix Rohatyn, installed the fascist Pinochet dictatorship and its fascist advisors in the massmurderous dictatorship of that government of Chile.



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Is Barack Obama "losing it"? asked LaRouche, after Obama reportedly offered the job of Secretary of State in his presumed administration to three Senators: John Kerry (shown here with Obama), Joe Biden, and Chris Dodd. Could the stress of meeting the demands of the London manipulators of his campaign be pushing him over the edge?

Senators, Kerry, Dodd, and Biden, in return for their respective endorsements of Obama's campaign. Obama's failure to quickly deny this evidence of attempted moral corruption, is clearly a sign that Obama himself is "losing it" under the stress of his sponsors' desperation in pushing his Presidential campaign.

How This Mess Came About

This operation targeting both the future Presidency and the U.S. Senate, came to the surface at the beginning of 2006, representing, thus, today, the current fruit of a continuing British imperial policy-trend in London's efforts to hold the U.S. captive to London-centered international financier predators such as the "hedge funds." This echoes a trend to be traced from such past experiences as the roots of current British policy in the intention of Winston Churchill's London, as typified by an effort then intended, near the close of that war, to wreck the anti-colonialist policies of Franklin Roosevelt's U.S.A. The present phase of that continuing operation, since that time, has now been timed to coincide with the July-August 2007 entry of the current world monetary-financial system into an intrinsically hyper-inflationary form of an already ongoing, general breakdown-crisis of the planetary monetary-financial system as a whole.

The British imperialists, and some of their lackeys in Germany, had already telegraphed this now current intention several years ago, during the same general time-frame during which one spokesman for such influential political opinion boldly bragged to us of his solidarity with dedicated, anti-U.S.A., western and central European circles which were, in

fact, associated with Britain's Prime Minister Tony Blair's avowed and practiced policies at that time. The policy was, as the relevant German gentlemen stated it, and as it is an open fact of practice today, that there was an intention by Blair et al., to eradicate the tradition of the "Peace of Westphalia," an eradication to be accomplished by the influence and efforts of leading, anti-U.S.A. circles operating throughout western and central Europe. These efforts were intended not merely to prevent the nations of western and central continental Europe from returning to a Westphalian policy, but to eliminate the existence of those national sovereignties by means of which they would be sovereign nations retaining the power to make a decision in favor of a return to a Westphalian policy.

So, accordingly, the crisis of Germany's Red-Green coalition, which led into the present government of Chancellor Angela Merkel, was already a crucial step

in the direction of what has now become the Lisbon Treaty draft. That draft has been a step which, adopted, would eliminate all future possibility of sovereign governments from relevant parts of western and central Europe. It is currently intended that this should be done, and that very soon, in favor of a dictatorship over Europe operating from London. This change reflects a commitment to foreseeable mobilization of NATO and other military forces based in a Europe united into the nuclear-armed force of a single British colony under the reign of the draft Lisbon Treaty. This would be a dictatorship designed for launching what is already in progress as escalated postures of armed confrontation, and even nuclear-armed "preventive" warfare against Russia, China, India and their Asian and African partners.

This is the evil policy-trap into which pre-candidate Barack Obama has become snared, under the influence of the largely Europe-based financier cabal which has controlled his election campaign thus far.

The best present estimation available now, is, that indicated presumption, that an incoming U.S. government reduced to impotence by the combination of a general financial-breakdown-crisis and by the London-directed operations against the Clintons, would be easy political prey for a London armed with the captive resources of a united western and central Europe's NATO and related military forces.

The Clintons, Obama & World War

So, in point of fact, Russia, China, and now India, have reacted, together with others, chiefly from Asian ranks, who have responded to these strategic, existential threats from



hillaryclinton.com/Barbara Kinney

Hillary Clinton's sweep of the popular vote, with 18 million cast for her in the primaries, represents a rising trend of massive support for FDR-style economic recovery measures from among households in the lower 80% of family-income brackets. Clinton is shown here campaigning in Puerto Rico May 24, where she won another landslide victory.

London with relevant strategically asymmetric postures. From the relevant Asian view, and the view by others, too, the crucial issue posed to the members of the new Asia-based coalition, is an echo of the famous slogan uttered by our Benjamin Franklin in the context of the outbreak of the American Revolutionary War: "Either we hang together, or we hang separately." A potential new kind of world-wide war is implied in this present set of chiefly London-steered arrangements. That war, if uncorked, will include the use of relevant new types of nuclear weaponry, and the warfare so fought will be a global nuclear-armed manifestation of what the late British agent Alexander Helphand ("Parvus") had called the British Fabians' policy of "permanent war, permanent revolution."

Crucial aspects of my own economic and complementary assessment of this situation are now therefore gaining acceptance as to point of fact, that rather rapidly, among significant circles of leading opinion in Eurasia and other quarters. Like the recent statement of Europe's social-democratic "Elders," this kind of reaction rarely mentions my name publicly—at least, not so far, but many leading elements of that "Elders" statement echo, coincidentally or otherwise, key provisions of my widely circulated analysis and proposals bearing upon the

world's current economic and political situation.

The strategic economic and military issues of the current U.S. Presidential election campaigns, now come into globally strategic focus, accordingly.

Back here, in the U.S.A., the pattern of results from Democratic Presidential primary elections shows, so far, a rising trend of massive support for the kind of political ferment from among households from the lower eightypercentile of family-income: a ferment which represents support for the leading economic-reform measures associated, coincidentally, but not accidentally, with the candidacy of Senator Hillary Clinton. Notably, she is bitterly hated, and also feared, by circles such as those associated with the Bush family interests, feared as a threat

to the current strategic schemes of Britain and its U.S.A. and continental European-licking variety of lackeys.

In the matter of economic and related issues, for example, Senator Clinton's views are, not surprisingly, also widely supported sentiments among the rank and file of leading circles representing the recent voters for Senator Barack Obama's candidacy, although these issues and related policies are conspicuously absent from Obama's campaigning. Thus, the prevalent current estimates are, that Senator McCain would humiliate, even almost obliterate an Obama candidacy in a Presidential contest, whereas Senator Clinton's broad and deep popular base would tend to overwhelm a McCain candidacy; such are some among the highly relevant considerations were an Obama candidacy posed against what the Republican campaign is likely to be, crafted around the figure of Senator McCain opposed by Senator Obama, as contrasted with a McCain campaign against Senator Clinton, the former would be a very, very ugly package with prominent pro-fascist (e.g., "pee-pee" features) embedded in the Republicans' choice of McCain's Vice-Presidential nominee.

Therefore, a very careful and thorough preliminary examination of some among the most crucial, continuing, strategic implications of the contrast between Senators Clinton and Obama, is required.

Obviously, there is the making of a unity of the majority of the Democratic voters for the Presidential nomination, in the coincidence of sentiments, if not between the candidates, among the portion of the constituency which expresses the vital interests of the lower eighty percentile of income-brackets from among voters. This coincidence is as absent from the

^{6.} Helphand had been an asset of the British Fabian Society since his mid-1890s Pilgrimage to London, where he was inducted through the encouragement of a meeting with Fabian Society asset Frederick Engels. "Parvus'" services to British intelligence included a role in gun-running and kindred activities from within the context of London's direction of the Young Turk operation.

^{7.} See "Free Markets Cannot Ignore Social Morals," EIR, June 6, 2008.

actual policy-statements of Senator Obama, as there was a similar lack of a programmatic platform in the self-inflicted 2000 defeat of the Presidential candidacy of former Vice-President Al Gore, the thudding beat of the Al-gorerythm that gave the U.S.A. a resulting two terms under President George W. Bush. Jr.

Amid these ironies of the situation, the best forecasts based on such considerations, show us, clearly, that the notorious Chairman Howard "Scream" has yet to improve his performance over that he showed at the close of the 2004 Missouri primary campaign. Of course, getting an artificed majority, as by Dean's exclusion, or chopping out the votes from the legally binding conditions of conducting the Florida primary when it occurred, and fraudulently reassigning the votes of the legal voters in the Michigan primary, is neither a rational definition of a real consensus, nor intelligent policy generally, especially under conditions of the nation's presently grave, and rapidly worsening economic-breakdown crisis.

However, the existence of a potential majority for a needed kind of policy exists, if Dean and Company had not done so much to ruin both the potential unity, and thus the likelihood of a Democratic November victory. Thus, Senator Obama would be ill-served, in the end, if he continued to entertain the kind of advice he has been receiving from relevant, inherently corrupt and otherwise objectionable, international financier and related quarters. Bringing together that majority of the popular base from both campaigns, including Senator Clinton's, would be the obvious key to any reasonably foreseeable Democratic victory in the November general election.

In short, that same Fabian-led London crowd (i.e., the heirs of butcher of Africa Cecil Rhodes and of H.G. Wells of *The Open Conspiracy* and *The Shape of Things to Come* notoriety) which is presently controlling the critical mass of the funding of Howard Dean's efforts to suppress the votes of the Florida and Michigan voters, is in deadly fear of the ghost of U.S. President Franklin D. Roosevelt's victory, with support of "the forgotten man," over both Democratic Party bosses, such as Morgan's Raskob, and over the catastrophic Presidency of Herbert Hoover. Notably, meanwhile, the major financing of all parts of the leading political campaigns in the U.S.A. at present, is currently under de facto control of London-based financier-cartel circles of the type typified by Lazard Freres offshoot Felix Rohatyn and London-created George Soros, or even worse.

London is now at the verge of a situation in which the termination of Senator Clinton's candidacy would free London to dump the rather readily defeatable November candidacy of Senator Obama, and that, probably, quickly, and readily. The likely result of that outcome of the primary campaigns would be the virtually assured defeat of a shattered Democratic Party in the general election. This defeat would be built up around the painful experience of the crafting of yet another Republican Administration like, but far worse than one dragged out of Prescott Bush's tribe.

This presently threatened situation has been created by the fact that Obama's campaign is, so far, all charismatic "personality," without any relevant commitment to economic substance, despite the ironical reality that the motivation of most serious leading supporters of the Obama campaign, unlike Obama himself, has been oriented, increasingly, to serious social and economic issues. In fact, they would prefer Hillary's programmatic postures to Senator Barack "Lady Godiva" Obama's attempt to caricature the role of a naked black man on a white horse (or, perhaps, vice versa).

That much said by me here, so far, the really defining issue of the present U.S. election-campaign is not personality as such, but program. Recall the chiefly self-inflicted defeat of the former Vice-President Al Gore who refused to craft and utter a program which would address the actual leading economic-crisis issues of Y2000. However, for this occasion, no program but that which I have offered, could be treated seriously, from any source, during the Autumn months when the selection of the next U.S. President is presently scheduled to occur.

Any intelligent citizen's curiosity should be piqued by the extreme irregularity of the behavior of the present Democratic Party's largely London-owned leadership. The question to be asked is of the form: "Why are we experiencing an electoral phenomenon like Winter in Summer-time, or something equally absurd?"

What Does London Intend Now?

The world as a whole is not only gripped by a great depression, far more menacing than that of the 1930s, but an intrinsically hyper-inflationary, incurable, general breakdown crisis, akin in its quality of menace to that of the Fourteenth-Century "New Dark Age." Under these conditions, with their presently built-in potentials for major nuclear conflicts amid other forms of asymmetric warfare, the existing world monetary system could not be maintained, or saved. Only a radical, sudden return to the principles expressed by President Franklin Roosevelt's 1944 Bretton Woods design, could bring the presently soaring world crisis under reasonable degrees of control.

Why is the obviously sane, proven alternative, that provided so uniquely by President Franklin Roosevelt's example, pushed so fanatically, as Speaker Pelosi might express it, "off the table"?

I repeat the important point, that every indication so far indicates, on balance, that London currently intends, still, to dump Senator Obama whenever it considers Obama's utility as a "Clinton-slayer" will be used up. That London commitment is still, currently, subject to change, as we have already seen such changes as a shift, but not any essential change, in the secondary features of London's policy toward Obama, since the Chicago Rezko trial.

What most so-called political and financial experts, such as the official mourners deployed to decorate the ceremony of the interment of Bear Stearns, either do not, or will simply but



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The Rockefeller Foundation's scheme for infrastructure "pee-pees" (public-private partnerships), is a copy of the medieval 14th-Century Lombard League, as can also be seen in the fascist Lisbon Treaty for Europe. Here (left to right): Rockefeller Foundation president Judith Rodin, Pennsylvania Gov. Ed Rendell, California Gov. Arnold Schwarzenegger, and New York Mayor Michael Bloomberg announce the creation of Building America's Future for federal investment in infrastructure, Jan. 19, 2008

hysterically refuse to understand, is the following crucial set of facts.

London's goal is that typified by a kind of revival of the city-based financier-oligarchical system of the Venetian financier oligarchy's doomed Fourteenth-Century Lombard League. That Lombard system of debt-management is the equivalent for today, as I have already indicated, of the fascist model used to create the Mussolini dictatorship. This Mussolini model is that which has been resurrected now by the Rockefeller Foundation, New York Mayor Bloomberg, Governor Schwarzenegger, et al. as their "city state" centered, "pee-pee" program. However, amid all such scurrilous doings, it remains clear that Obama has not been intended, by London, to perform more than a potential wrecking role against Senator Clinton. Wrecking Senator Clinton's campaign would be essential to clear the way for the election of the kind of McCain candidacy whose campaign London could then recraft as the carrier of the fascist program, based on the Rockefeller Foundation's and Mayor Bloomberg's proposal for "pee-pee-pees," a scheme which is intended to become something as medieval as a Mussolini-modeled copy of that self-doomed Fourteenth-Century Lombard League.

I stress the point, that the latter policy, that known as "public private partnerships ("pee-pee-pees") is again, what I have just identified above, as the same policy which has been expressed in the frankly fascist "infrastructure" policies of New York Mayor Bloomberg, Governor Arnold Schwarzenegger, et al., and the Rockefeller Foundation. This expresses exactly the same London policy-matrix for all of western and central Europe plainly to be seen in study of the

clearly fascist Lisbon Treaty's scheme.

This scheme, echoing the imperialist follies expressed by the Fourteenth Century's Lombard League, is the key to the intended creation of a single, world-wide empire over a world whose population would be rapidly reduced to less than one billion survivors, that through the greatest holocaust of mass-death of entire cultures in the prior known history of mankind.

If one had any doubt that that is London's policy, as much as it is Mayor Bloomberg's, read the medieval map laid out in the fine print details of imperial London's current Lisbon Treaty scheme.

Such are those reflections of the issues of global strategy which are to be recognized as symptomatic features of current global

strategy. That much said, turn attention now to the principal subject of this report, to the matter of strategy itself.

1. Our U.S.A.'s Imperial Enemy

Let us be clear, this author wishes nothing but good for the people of the United Kingdom, and for the nominal nationalities of which that kingdom was composed. He demands, however, the elimination of the empire in all its guises. On this account, it must be stated, that that empire is the only actual empire which exists in the world today. On this account, the root of London's implicitly adopted enemy status against our republic, in times past, as now, has always been nothing other than premised on the control over the kingdom exerted by the international, Venetian financier cabal represented by the legacy of Paolo Sarpi, his Liberal dogma, and his following in the financial centers, internationally, of the entire world today.

The myth to be exposed and dispelled on that account, is the widely popularized, and frankly racialist delusion, that the design of that British empire occurred as the expression of a spontaneous national sentiment among the three traditional

^{8.} Since I have a large dose of English as much as French ancestry, those dating in America since about the middle of the Seventeenth Century, and a strong addition of Scottish from the middle of the Nineteenth Century, with a bit of Irish thrown in, I do admit a certain affection for the memories of those who were "left behind" on the old sod, so to speak.

kingdoms of England, Scotland, and Wales. The dangerous delusion which that myth carries with it, is the errant, underlying presumption that the empires which European civilization has experienced within it, were essentially secretions of some national ambition by the people resident in the vicinity of whatever the current ostensible capital of that empire.

The fact of the matter is, that the phenomenon of empire as Europe has experienced it since ancient Babylon (in particular), has been the political equivalent of a pandemic political-social disease, which has moved its headquarters of the given moment, to one location or another. imperialism within the extended European experience.

Admittedly, there have been periods of rival empires, in the ancient and medieval past, as in some more recent times. The issues involved, when dealing with phenomena of modern European times, are centered in the nature of monetary-financial systems, as typified by the inherently anti-imperialist, "Hamiltonian" character of U.S. money under our Federal Constitution, as opposed to the monetarist system such as the Anglo-Dutch Liberal financial system, under which Europe, for example, (when not protected by the U.S. Bretton Woods system), has been the victim of Anglo-Dutch Liberal imperialism, as since the developments of the early 1970s.

That much said, return to the matter of the ancient roots of modern imperialism.

This pattern of migration of the incarnations of this empire, since Babylon or earlier, has been a social phenomenon which seeks to extend its power to world rule, as the Anglo-Dutch Liberal imperialism does still today, and has more of the character of a disgusting pandemic disease than the home-grown artefact of the people resident in the vicinity lately chosen as the empire's new capital.

Let us attempt to make the present practical implications of this fact clear, through the following crucial illustration.

Begin now with a refreshing glance at the principal facts of the conflict between what became our United States and our republic's past, present, and continuing foe, the British empire, since February 1763. Then, that done, turn to the genetic roots common to that series of empires which has been changed in variety and circumstances, but has never been actually broken "genetically," to the present moment. This has been the case during the span from ancient Babylon through that of Rome, and into the Anglo-Dutch Liberal system of imperialism which regained its domination of the world at large in the aftermath of a series of events, beginning with the assassination of U.S. President John F. Kennedy, the consequent U.S. long war in Indo-China, and President Richard Nixon's

wrecking of the Bretton Woods monetary agreements. This includes the creation of what has become the imperial power of London's BAE, through operations centered on the global swindle which established the Amsterdam "spot market" power to manipulate the values of the currencies of the world, including the values of the U.S. dollar itself.

So, go back to the proximate beginnings of this struggle, in ancient Mesopotamia, between what has become the cause of that British empire, and what became the United States, to which that British empire has been the principal enemy, from the February 1763 Peace of Paris, until today.

So, the actual date of conception of what became known as the British empire, occurred preceding the later birth of the United States of America, on the occasion of the February 1763 Peace of Paris. At that point, the British crown established itself an implicit empire, but, did this actually on behalf of an imperial, private enterprise which had its own army and puppet governments, an entity called the British East India Company. The threat which this London policy represented to the liberties of the populations of the North American English colonies, was delivered immediately during that period, in the course of the adoption and continuing implementation of that 1763 Peace of Paris.

Thus, the two most notable, English-speaking cultures, one, that centered in the English-speaking colonies of North America, predominantly committed to freedom, the other centered currently in the Anglo-Dutch Liberal financier-oligarchical factions in Britain, the latter committed to oligarchical-imperial tyranny.

The British empire as such, was actually formed originally as a kind of unification among a set of nominally "national" so-called "India" and related private companies, which emerged as essentially united in a combined, Eighteenth-Century role as a chiefly privately owned empire, implicitly from February 1763 onward. This remained largely a private empire deep into the Nineteenth Century.

This Company was led by Lord Shelburne from about the time, in 1763, that Shelburne dispatched his lackey, the miserable swindler and plagiarist Adam Smith, for espionage against France, and also assigned to plot against both France and the English colonies in North America. This was done with regard for the political institutions of growing relative economic independence emerging in North America, an English-speaking colonization which was considered by Shelburne et al. as the chief source of long-term threat to the empire from within the globally extended culture of the English-speaking world. This was a threat seen increasingly from London and

^{9.} For me, the attributable interest of the British people lies not in plausible rumors of descent from Norman chivalry, but the cultural development, especially since the accession of Henry VII, of the great Renaissance Classical cultural upsurge from the Fifteenth Century, a culture to which the followers of the Winthrops and Mathers of the Plymouth settlement and the Massachusetts Bay colony, such as Benjamin Franklin, and the intellectual heirs of Gottfried Leibniz, have owed so much.

^{10.} It is notable that this assignment was made in 1763, following the 1759 publication of Smith's pathetic *Theory of the Moral Sentiments*, and preceding, by more than a dozen years, the outcome of Shelburne's assignment to Smith. Smith's explicitly anti-American tract of 1776, *The Wealth of Nations*, relied heavily on extensive plagiarisms taken from A.R.J. Turgot's *Reflections on the Formation and Distribution of Wealth*: a case of the disgusting pilfering of the supposed wisdom of the defective.

Amsterdam, as like a dagger pointed at the British East India Company's imperial throat.

The Interim Phase: Queen Anne

The professional historian, the late H. Graham Lowry, spent his major efforts between 1983 and 1989, in tracking down what he had characterized, as early as 1983, as what he termed a "missing link" in the presented account of the interval between the great influence of Gottfried Leibniz within the Englishspeaking world during the interval of reign of Queen Anne, until the temporary crushing of Leibniz's former great influence in England with the death of Queen Anne and installation of the United Kingdom under George I.11

This was essentially the interval between the crushing of the Massachusetts Bay Colony's independence in 1688-89, and the resurgence of the influence of the ideas of the Winthrops and Mathers, with the emer-

gence of the leading role of Benjamin Franklin in both Europe and North America. Graham Lowry explored, and solved the apparent mystery of the gap between those two phases.

Graham Lowry's book still speaks for itself, as its own essential contribution to the understanding of the real history of the origins of the United States. The aspects of that matter of crucial relevance for our subject immediately at hand, pertain to the background to the crucial shift, as expressed most prominently in examining the source of the role of the international genius of the scientist and statesman Franklin, in shaping relevant positive developments throughout much of Europe, as also in North America. The importance of this work, as Lowry shared my sense of the crucial special importance of his work on this matter, is, that it represented a shift from the usual historian's effort at interpretation of predicates of a period of history, to the more appropriate, crucial role of the subject of the ideas of principle themselves, rather than the supposed percussive effects (predicates) of mere events, as the actually determining, long-ranging effects in the shaping of history.12



The death of England's Queen Anne (r. 1702-14), who counted among her allies Gottfried Leibniz and Jonathan Swift, ended the hope of establishing republics in Europe based on the principle of the common good. That hope was then focussed on the English colonies in North America.

Franklin's resumption of the emphasis on the European influence of Leibniz, on both sides of the Atlantic, is the most significant feature of the American War of Independence, and of the adoption of the 1776 Declaration of Independence and the Federal Constitution. It defines the axiomatic quality of difference in underlying principles of the founding and persistence of our U.S. republic, to the present day, as contrasted with the predominantly pro-oligarchical principles of the prevalent, respective empiricist and Habsburg ideologies which define the oligarchical traits still prevalent, top down, in the societies of western and central Europe today. Since the deaths of U.S. Presidents Franklin Roosevelt and then John F. Kennedy, the pendulum of ideological history has swung against the influence of the ideas which had characterized the U.S. patriotic leadership of 1776-1789.

That unfortunate swing of the ideological pendula notwithstanding, the imprint of the historical past is still embedded deeply within the American psyche. This imprint is currently marked most visibly to all by the turn-out for Senator Clinton's candidacy's emphasis on the practically urgent issues of life faced by normal citizens from the lower eighty percentile of the income-brackets of our population, and is also expressed, with great importance, although less conspicuously, by those dedicated professionals associated with government service, who provide an indispensable sort of professional quality of what might appear to be a conservative outlook among circles found in both leading parties.

We of that latter special category of what may be called the patriotic professionals, provide a factor with a touch of a sense of immortality in our devotion to the service of our republic. We think of ourselves, of course, but, as Graham Low-

niz and Johann Sebastian Bach, was also the key figure in the European circle which reached out to assist Franklin, was also a key figure in the work of Gotthold Lessing et al. in reviving the life's work and tradition of William Shakespeare from Germany, and was the leading educator in mathematics and its history during that century. E.g., his *Geschichte der Mathematik* (1796), Reprinted: (Hildesheim-New York: Georg Olms Verlag: 1970). Unfortunately the preface added to this reprint edition includes a representation of Kästner's influence during the late Eighteenth Century, which is a typically fraudulent comment all too typical of late-20th-Century gossip respecting Kästner's rank among mathematicians of his own lifetime.

^{11.} H. Graham Lowry, *How The Nation Was Won: America's Untold Story* (Washington, D.C.: Executive Intelligence Review, 1988).

^{12.} Cf. Lyndon H. LaRouche, Jr. *Science & The Making of History, EIR*, June 10, 2008. Abraham Gotthelf Kästner (1719-1800), a leading Eighteenth-Century mathematician and leading defender of the work of Gottfried Leib-

ry's work attests to the commitment expressed in his book, there is among us a quality of devotion to past and future alike, which is both deeper and higher at the same time, which knows what is to be ashamed of what our nation has sometimes done in its past, but with a strong commitment to the conditions we work to bring about for a time when we will have been deceased. We of this inclination love life, but, nonetheless, care less for what we experience in life now, than what we, like the Biblical Moses contemplating his death, do in service to our accountability for the past which has been bequeathed to us, and for the future we contribute to causing, but will not otherwise experience ourselves.

It is the quality of that latter special category which is of the greatest ultimate significance for any culture, any nation. That is a quality rooted in ideas of the kind to which the heritage of Leibniz belongs in the shaping of the history of peoples.

This British imperial interest's deadly fear of the success of the U.S. economy, expressed a fear born in the empire's awesome prospect of the future. This experience was brought to a proverbial fever-pitch for the British empire, by the victory of a United States led by President Abraham Lincoln over the creations of Britain's Lord Palmerston, a victory over the Confederate insurrection, as also the British, Napoleon III's French, and Spanish pro-fascist invasion of President Benito Juarez's Mexico and the mass-murder campaigns conducted by Britain's Habsburg puppet, the Emperor Maximilian.¹³

The leading patriots of the North American English-speaking colonies, recognized that kind of imperial threat from Anglo-Dutch Liberalism as early as the February 1763 Peace of Paris, and sought to flank the threat from London in sundry more or less peaceful ways, until the Revolutionary war had become clearly inevitable in July 1776.

At the same time, that set of developments which had begun during 1763, established what has remained a party of treason within English-speaking North America, chiefly within the American branch of the British East India Company. This division, between patriotic "American Whig" and

treasonous "American Tory," has been a key factor in U.S. and world history since that time, ¹⁴ up to and including the present-day operations currently conducted within the body of the Democratic Party now formally led by Chairman Howard Dean and his accursed, London-connected financier circles centered around such viciously predatory, British-coordinated financier powers as Lazard Freres offshoot Felix Rohatyn and London-steered George Soros.

This has been the governing spirit of the history of that party of treason against our republic, from within as from without, which was once represented by the Aaron Burr who was controlled by the British Foreign Office's Jeremy Bentham. It is, to the present day, a continuing party of what are intended as treasonous goals within the U.S.A., a party of treason formed through what has come to be regarded as the "Wall Street" gang, to the present day. Hatred of President Franklin Roosevelt became the most relevant hall-mark of the spirit of that party of treason among us, since the time Franklin Roosevelt was placed in nomination for the 1932 Chicago nominating convention.

Therefore, the question should be: where do these recent developments of today fit within the skein of world history over the recent several thousands of years? Where, especially, within the skein of the history of specifically globally extended European civilization? In other words, where does the conduct of the leading world financier power of today, the Anglo-Dutch Liberal form of imperial financial system, fit into the legacy of empire traced to such origins as the legendary fall of the Belshazzar of Babylon?

Our nation's history has deep roots, spanning more than many thousands of years, and reaching deep into regions below the superficial awarenesses of contemporary cultures and their present times. One of these roots of today's globally extended reach of European civilization, is the history of a continuing institutional phenomenon, called imperialism, a phenomenon no less ancient than what the principal surviving leader of Christianity then, the Apostle John, identified as that old whore called Babylon.

This principle of empire is not something merely to be described; the principle is that which has generated every known empire based in Europe and the Mediterranean region, and their extensions beyond, since no later than the historical time referenced by Giuseppe Verdi's *Nabucco*.

The Spread of That Empire

Thus, that empire, which is traced from Asian sources such as ancient Babylon, was reincarnated through the extended influence of the Babylonian priesthood, into control over the Achaemenid empire which it infested. It was also reincarnated as the resurgence of that imperial tradition, through a pact established between the Octavian who became

^{13.} While it was Lord Palmerston, the one-time sponsor of Britain's asset Karl Marx, who supervised these operations by himself and by his creation Napoleon III, the roots of that operation go back to 1782 with Lord Shelburne's launching of the British Foreign office, and the appointment of Shelburne's lackey Jeremy Bentham as the head of a Secret Committee which not only ran the Foreign Office from within, but sculpted the Bolivarian revolution in South America (as Simon Bolivar later personally denounced this), as an imperial anti-U.S.A. operation, and as Bentham had also created the Lord Palmerston who authored the launching of Britain's treasonous puppet, the Confederate States of America. Understand the strategic significance of the situation of the restoration of the legitimate Mexico government of President Benito Juarez through the U.S. victory over Britain's slaveholding, Confederacy puppet. The attribution of "fascist" to Maximillian's occupation of Mexico refers, historically, to the roots of synarchism imported from Napoleon III's France, and to the persistence of the synarchism which Maximilian bequeathed to his present-day admirers in Mexico, and to other parts of Ibero-America.

^{14.} Cf. Anton Chaitkin, *Treason in America: From Aaron Burr to Averell Harriman* (Washington, D.C.: Executive Intelligence Review, 1999).

known as Augustus Caesar, with the oriental priesthood of Mithra¹⁵.

Later, out of the rotten husk of what had become the Roman empire in the west, quasi-Asiatic imperialism was reincarnated as the Byzantine empire. Then, with the decadence of Byzantium, blood-sucking vampire called empire reappeared, as if reincarnated, in a Venetian financier-maritime power which treated the medieval system of Norman chivalry as the plague it controlled through Crusades and kindred devices, like blood-sucking vampires from the British version of the Dracula legend, creating, thus, the empire formed around Venice usurers and their crusading dupes and partners of the Norman chivalry. The Venetian blood-sucking creatures, like the vampire bats associated with Britain's Prince Philip today, 16 the creatures which infested the Lombard banking system, also created the role of the Habsburg dynasty as the anointed parasite to suck on the

deceased realm of Italy's Frederick II, and then to gobble up the leading royal family of Spain in that family's own marriage-bed.

Then, came the Habsburg imperialism of the Sixteenth-Century Philip II (the real-life model for the fictional Don Quixote with the latter's disgusting affinity for an old whore) and beyond, and the emergence of the new-model Venetian imperial system, founded under Venice's Paolo Sarpi, of Anglo-Dutch Liberal financier power.

That is a short sketch, but it sets the stage for the essentials to be considered here.

The essential point which must be made clear, if the present world strategic situation is to be competently understood, is what can be summarized as the fact, that the experience of empire, as I have sketched the outlines and continuation of European imperialism here, is not a history of a series of em-



History is not made up of a series of empires, LaRouche writes, but rather, "the expression of but one single empire, which, like the legendary Phoenix, would appear to die in one place, but reincarnate itself, as if from ashes, in another." The Hapsburg imperialism of Philip II (r. 1556-98; shown here in a 1573 portrait by Alonso Sánchez Coello), is exemplary of the new-model Venetian imperial system

pires as if each were phenomena created independently of one another; rather, all of these and related expressions of empire within that outlined range of historical experience, are the expression of but one single empire, which, like the legendary Phoenix, would appear to die in one place, but reincarnate itself, as if from ashes, in another. Empire is, in principle, a self-subsisting form of foul disease, which infects sundry locales in each time it appears as if reincarnated.

Therefore, to understand empire, we must look at it from the top, down, rather than as credulous historians and others have done, from the bottom up. A remark on that point itself, is required here and now.

The Role of Principle in History

To many readers, that foregoing statement will be taken as considerably beyond the bounds of what they presently consider, mistakenly,

as their informed belief. This should not be surprising, since most of what most people believe, even in universities today, are fairy-tales, minted by tall-story-tellers as "the wisdom which my ancient ancestor passed down to a fellow who told me personally," a credulity cloaked, thus, with the doubtful reputation of representing sacrosanct "traditions." One must, therefore, adopt precaution in approaching such academically, or otherwise popular lunacies. We must adopt the view, that, in such matters, what can not be recreated scientifically, as corresponding to the actual conditions of each part of real or imagined history, may be merely innocent fiction, or worse.

As I have emphasized the relevant, crucial issue of scientific method in locations published earlier, we must recognize, as in the instance of the so-called *a-priori* assumptions of Euclidean geometry, that popular assumptions have often turned out to have been scientific nonsense, as modern physical science has shown in that case.

For as far back as the reasonably detailed knowledge of the principal issues of strategy in the history of European civilization, as the Seventh Century B.C., the principled issue of strategy has always remained, in fact, the conflict describable, in modern terms, as that between the notion of the sovereign nation-state and that of empire. From the time since the outbreak of the Peloponnesian War, until approximately the A.D. 1439 great ecumenical Council of Florence, the recurring

^{15.} Ominously, for relevant theologians, the birth of Jesus of Nazareth coincides with the reign of Augustus Caesar, and his crucifixion was ordered by the authority of the Tiberius resident on Capri at that time. The execution was ordered by Tiberius' adopted family member Pontius Pilate. The Roman imperial mass-murderous persecution of Christians was at the order of the imperial successors of the Tiberius associated with the cult of Mithra's palace on Capri.

^{16.} Prince Philip's World Wildlife organization provides tokens in the form of stuffed vampire bats for those who support that association's work.

trend had been toward the temporary triumphs of successive empires. With the launching of the expulsion of the Jews from Spain, by the murderous monster Torquemada, empire was given rebirth as the regained power of Venice.

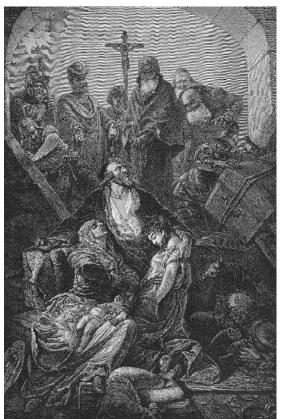
For those who have had access to relevant knowledge of history, the point I have just made should have been obvious. Unfortunately, in what passes for current knowledge on the matter of strategy, for example, the knowledge of the relevant issues of strategy ranges from very poor, to worse than nonexistent. The core of the issue was expressed with clarity by Aeschylus in his famous Prometheus Bound. The core conception of empire is to be recognized in the conflict, as presented there, between the monstrous Olympian Zeus and noble Prometheus, in which that ostensibly fictitious Zeus serves there as the citable model for the notion of emperor.

This work by Aeschylus is crucial for any competent insight into the nature of empire. The banning of human underlings' knowledge

of the principle of fire, by the figure of the Olympian Zeus, in that drama, pin-points the axiomatic principle of imperialism. "Fire," in that instance, signifies mortal man's knowledge of universal physical principles, or principles of the same genre. "Fire" in that drama symbolizes any knowledge of universal physical principles by means of which mankind can willfully increase the human species' power to exist, or, in other words, the opposition to Malthusianism as practiced by Britain's Prince Philip and his World Wildlife Fund today.

Friedrich Schiller's Jena lecture on history, on the subject of Solon versus Lycurgus, typifies the core of the distinction to be made by the competent modern historian. That principle can be defined to the following effect.

In both competent doctrine of law, and in social practice, the principal issue of all strategy is expressed, at its root, in the age-old conflict between what modern history identifies as science-driven economic progress, versus the kinds of evil expressed by the Malthusians, from the British empire's thoroughly evil Jeremy Bentham, through today's Prince Philip of World Wildlife Fund notoriety and his American lackey, former Vice-President Al Gore. The issue is that of the working definition of the distinction between the individual human being and the beasts; it is the great principle common to the



The Expulsion of the Jews, in 1492, by the murderous monster Torquemada, Inquisitor General of Spain, signalled the rebirth of the Empire, under the Venice of Paolo Sarpi.

1648 Peace of Westphalia and the Preamble of the U.S. Federal Constitution. This is the issue of the conflict between the principle of freedom upheld by the Declaration of Independence, and the practice and advocacy of slavery of human beings by Britain's John Locke.

In this matter, the Olympian Zeus' prohibition against transmitting knowledge of the use of fire (e.g., nuclear fission) to ordinary people, exposes the essence of empire. Such is the notion of the word "empire" when stripped of its tinsel-like tokens of courtly pageantry. In British (or, Brutish) ideology today, the cult of ignorance of principles is called "free trade."

I explain.

The Ancient Roots of Modern Empire

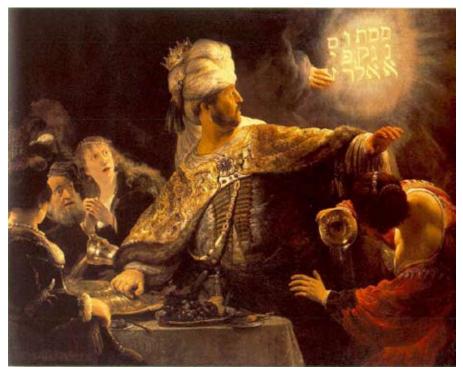
The only true empire existing on this planet today is that of the so-called "British Empire," otherwise better identified as the Anglo-Dutch Liberal system of financier power. This British Empire is that

which was established as a private company, the British East India Company, under the conditions of the February 1763 Peace of Paris. Later, title to the empire was formally conferred upon Britain's Queen Victoria and her heirs, up to the present day, a change under conditions provided by the combination of that Company's financial difficulties and the U. S.A.'s defeat of Lord Palmerston's 1861 launching of combined forces of the United Kingdom, of Britain's French puppet Napoleon III, of the monarchy of Spain, and of Habsburg interests against both the United States and Mexico.

Any competent view of the global situation of strategic crisis today, will abandon the sundry popular and academic mythologies respecting that empire's origins and current nature.

However, to understand that empire, its character, and its origins, we must recognize it as, in principle, an institution established as Babylon, whose priesthood handed over the title, but not the essential power of that empire, from the possibly apocryphal figure of Belshazzar, to a succession of other Asian dynasties. and, later to the succession of European empires, beginning, most notably with ancient Rome.

In the process of those transitions, there was a period of an



To understand the British empire today, we must go back to Babylon, says LaRouche, "whose priesthood handed over the title, but not the essential power of that empire, from the possibly apocryphal figure of Belshazzar, to a succession of other Asian dynasties and, later, to the succession of European empires, beginning, most notably with ancient Rome." Here, Rembrandt's painting of "Belshazzar's Feast" (ca. 1635).

apparent break, but, as I emphasize here, this was a case of the exception which proves the rule. The attempt of that empire to extend its power to European territories, was blocked, partly, over a long period, by Egypt, and, more briefly, by Greek resistance to the Empire's attempts to take over what is called ancient Greece today. However, in the wake of Athens' great folly, in its criminal acts against the people of Melos, which launched what became the Peloponnesian War, power in Europe was temporarily transferred to a significant degree to King Philip's Macedon. The break came, first, briefly, with Alexander's defeat of the Achaemenid rule, and with the division of the territory under Alexander's command by his successors. Later, the empire was re-established by agreement between the legal heir of Julius Caesar, the so-called Augustus Caesar (Octavian), and the priests of the oriental cult of Mithra, a pact struck upon the Isle of Capri, an island which, consequently became the sacred property of the Roman emperor for the subsequent period of approximately half a millennium.

The crucial change, in the transition to the Roman Empire, has been the "geopolitical" shift of the character of the empire's pivotal center, from an inland, to a maritime power, implicitly a division of the territory from approximately east of the Halys and Euphrates rivers, the core of the old empire, to the Mediterranean rim. Some crucial aspects

of this history were clarified with post-World War II archeological discoveries respecting both the iron-working Hittite domain east of the Halys and the nature of the monetary features, of the shift from a parchment, back, temporarily, to the cuneiform mode of denoting property-titles in trade, for the commerce between that Hittite domain and Mesopotamia, prior to the decline of the Hittite power.¹⁷

Thus, the distinction of the emergence of the Roman empire, was that it marked the attempted reunification of the elements of what implicitly were intended to become a universal empire, combining the inland area to the east with the maritime centers to the west.¹⁸ Since that time, the maritime character of imperial power remained culturally dominant, until a powerful, but temporary challenge to maritime supremacy was made by Charlemagne, until his death, with the launching of the inland-waterway system of continental western and central Europe (a design finally completed, by closing the link of Rhine to

Danube, just recently); but, then, later came the mightier challenge to the British empire, the challenge created by the U.S.A.'s development of its transcontinental railway system. This system was the successor to densely developed inland waterways; this feature of the American system established the geopolitical aspect of the conflict between the British Empire and most of the rest of the world, during the second

^{17.} This was an included subject of the author's elaboration of his notions of the evolving notions of money and commerce within the bounds of a science of physical economy, during the early to middle 1950s. The crucial feature of that period of ancient history, there, was the temporary decline of the use of parchment for writing contracts in trade, with a reversion to a system of cuneiform tablets which involved the placement of a title in an inner baked tablet, combined with a baked outer clay-tablet element. Unfortunately, Biblical archeologists exploring Mesopotamia during a relevant period, were too busy searching for the street address of Abraham in Ur, to concern themselves with decent treatment of the precious historical knowledge to be adduced from study of ancient cuneiform records. The use of parchment records for financial or kindred modes in transactions, is generally attributed to the influence of Tyre in commerce.

^{18.} This involved the curious evolution of the status of the cult of Mithra, within the Roman empire, that from the time of Octavian/Augustus Caesar's negotiations with the Mithra cult, on the Isle of Capri, onwards. Despite the Mithra cult's status as a protected cult of the Caesars, it was not accepted in the city of Rome until a later time.

half of the Nineteenth Century.19

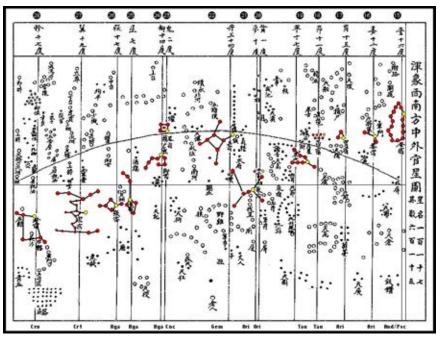
Thus, since the aftermath of World War I, the halting and then, the post-World War II destruction of national-railway systems as the principal mode of long-distance transport of goods and people, has been the characteristic expression of the effort, led by the Anglo-Dutch Liberal-led financier cartels and corrupted governments to turn back the clock of progress in a fashion typified by the role of the British Royal family (e.g., Princes Philip and his son Charles), and also Prince Charles' virtual lackey, former U.S. Vice-President Al Gore, to turn the world-clock of history back to medieval conditions and levels of world population.

Now, implicitly contrary to the intention of the Anglo-Dutch Liberal policy, with the appearance of magnetic-levitation ground-transport, and the prospective liberation of nuclear-fission power utilization from the geopolitically-motivated resistance organized by the British empire and its dupes, a great new era of mankind is now, prospectively, on the ho-

rizon, if we first remove the factor of resistance to this by the so-called British empire²⁰.

The Imperial Maritime Oligarchies

As already emphasized above, the gap, from the death of Alexander the Great to the emergence of the consolidated, Mediterranean-rim-based empire with its capital at Rome, is to be seen as a process of the shift of the phoenix-like continuity of empire from a land-based, to a maritime-based system of economic and military power. As I have emphasized repeatedly in sundry studies since the 1950s, the civilizations which emerged in the aftermath of the great melting, beginning about 17,000 B.C., of the last great glaciation in the northern hemisphere, were chiefly coastal and upriver reflections of the impact of transoceanic maritime cultures upon the areas of settlements, such as the founding of Sumer by a non-Semitic maritime culture, along the emerging new coastlines. This process



The establishment of coastal and upriver settlements by transoceanic maritime cultures was steered to a large degree by astronomical calendars whose characteristics reflected products of continuing transoceanic navigation over very long intervals of time. Here, an ancient Chinese astronomical calendar.

of transition was steered to a large degree by astronomical calendars whose characteristics reflected products of continuing transoceanic navigation over very long intervals of time.²¹

Notably, the very idea of science depends crucially upon the notions of "universe" and "universal systems of change" which, contrary to the essential dogma of modern Sarpian empiricism, are crucially self-defined as reflections of the impact of sustained navigation by oceanic navigators, as these are reflected in evidence of ancient calendars.

Let angry scholars lambaste the Roman culture's Sicilian chronicler Diodorus Siculus as it may please them to do so, Diodorus' report, based largely on extractions he identifies as from Egyptian chronicles and interviews with Berber populations of his time, has characteristic internal features. It is an account with features which are in accord with the notion of the Atlantic maritime origins of the Olympian myth emphasized by such sources as the Homeric²².

^{19.} So, the appearance of magnetic levitation technology, to supersede friction-rail systems, and the present commitment to a Bering Straits link between Eurasia and the Americas, define a high-speed mass-transit medium of passengers and freight, world-wide, which outflanks air-transport of freight and of much passenger transport economically.

^{20.} Notably, for a United Kingdom freed of the encumbrance of its imperial parasites, both of these developments would be a great boon. Thus, most of the population of the United Kingdom is kept in reduced physical-economic and related conditions of life by nothing as much as the special greed of its imperialist classes. More on the important subject of this paragraph at a later point here.

^{21.} As, for example, Bal Gangadhar Tilak compares Vedic with European sources in his *Orion, or Researches into the Antiquity of the Vedas* (1893).

^{22.} We can not simply pass over the issue of crucial differences often arising between actually scientific method embedded in these immediate observations, and forms of scholarship which substitute interpretation of text per se for what should be recognized as the higher authority of physical-scientific methods which take into account the quality of considerations of principles of human mentation which I have emphasized here, as in related earlier literature. Scholars who lack that relevant kind of intellectual development which I emphasize should be ashamed of themselves.

It were generally safe to say, that cultures based upon functions such as those of trans-oceanic maritime cultures, are the only ones capable of development of a competent and comprehensive basis of knowledge of physical science's practice. The relevant best illustration of this point provided in European history is the case of the development of science in Egypt, known to the Pythagoreans, and Plato, for example, as also Thales, as compared with the crucially inferior, usually referenced Mesopotamian mathematics. The importance of Sumer, for example, lies in the fact that it was a product of colonization by an Indian Ocean-based maritime culture.

The factor to be taken into account, for a properly refined view of this subject-matter, is the effect of the subjugation of a poorer quality of culture by an inland population, in the case the latter is subjugated by a morally degenerating maritime culture, such as the Anglo-Dutch Liberal imperialism of today. The result must tend to be, as case studies attest to this, precisely the kind of pro-Satanic effect we encounter in both the Zeus of Aeschylus' *Prometheus Bound* and in the pro-Satanic culture of the Delphic Apollo-Dionysus cult. In these cases, it were permitted to suggest that "absolute power corrupts absolutely." The asserted "absolute" authority of "free trade," for example.

It should follow clearly from reflection on that observation, that the "will of the popular masses," if they are ignorant, is not good government. However, the will of a parasitical oligarchy which depends upon keeping the masses of the subject population relatively stupid, as in the trend in U.S. education during recent decades, is not merely bad, but unquestionably Satanic.

The history of empire, from such known examples as ancient Babylon, through Rome, to Anglo-Dutch Liberalism and its control of the London-steered, current Howard Dean leadership of the U.S. Democratic Party organization today, is the effects of the degradation of the entire society when the mass of the population is subjugated to the arrogance of those corrupted strata which wield power in service of the depraved conceptions associated with our former Vice-President Al Gore

Stupefying the general population, by wielding neo-malthusian cult-dogmas to the effect of suppressing employment in ever more advanced technologies of characteristically higher energy-flux density, such as nuclear-fission technologies, typifies the kind of virtually Satanic practice of evil which Prince Philip's World Wildlife Fund and his minions, such as former Vice-President Al Gore, typify.

This illustrates the essential principle of empire, from Babylonian through British. Imprison the popular masses by cultivating their banalities and stupidities, denying them thus the competence to rule themselves, that they might be reduced to the cognitively helpless political condition of virtual cattle, and thus as dependent upon the higher authority which sends them to slaughter, as are the farmer's cattle. Popular leaders, under such conditions, tend to be those selected from among persons who imitate the bull whose interest lies in the next available cow-in-heat, a passion which obscures that bull's view of what the farmer intends as the poor destiny of that bull and his targeted cow alike. It is that principle of empire, like the Wall Street stock market, which has repeatedly incarnated itself, Phoenix-like, as the succession of known empires of European civilization from Babylon to Brutish Britain today.

2. To Bury a Brutish Empire

The lesson of that history whose key feature I have identified in the preceding chapter of this report, is that the safety of future generations of humanity now depends absolutely upon our now burying, forever, all of the genetic traces of the systemic characteristics of empire, as I have identified empire here.

On the negative side of this task, we have the image of the empire as the enemy-in-principle of all mankind, the most terrible of the diseases specific to mankind. We must recognize that the existence of empire so defined, must be described in law as the specific ideological infection which, over recent thousands of years of repeated experiences, has proven to be, the worst known living enemy of mankind, the current mother of all great evil during this entire span. The very fact that existing institutions have the characteristics of empire which I have identified here, is sufficient reason to nullify the continued existence of such wretched habits as theirs, as if they were the true embodiment of the essential evil which has infected mankind.

On the positive side of this same task, we must affirm Prometheus' cause, the liberation and development of the specific creative powers of the individual human mind, as the work of Johannes Kepler most aptly affirms this in two essential ways: as science, and as the significance of the work of Kepler, as a person being among the most typical victims of that specific evil which is that evil legacy of Paolo Sarpi called philosophical Liberalism. That is to say: the Liberalism to be seen as the freedom to be stupid and to lie officially, as our currently leading U.S. press is now habituated to do. This, Liberalism, has been the chief evil unleashed on the minds of people of this planet during the recent four centuries.

Among the affirmative measures presently required, if we are to fulfill such requirements, there is the need for a truly efficient affirmation of the 1648 Peace of Westphalia, the Peace which is not only the exemplary affirmation of a Christianity liberated in practice from the pro-Satanic evils of the Inquisition and kindred horrors, but the appropriate affirmation of common aims of mankind, whatever man's nominal religious

affiliation.²³ We must free mankind from the persisting tendency, as during the reigns of Britain's Prime Minister Tony Blair and President George W. Bush, Jr., for the relationship of man to man in society to often mimic that of feral beasts.

Why Kepler?

We must understand that that distinction of humanity from the beasts, lies essentially in that which defines the human being as unique among all living creatures, as being a universal being, a being whose unique power, among all known living creatures, is to know, and to act upon the discovery of universal principles. Thus, we have the exemplary significance of Kepler for modern society, in defining the principle which we must adopt for our indicated purposes. This principle lies, to a large degree, in his choice of subject-matter for his work as an avowed follower of Nicholas of Cusa, the ontological uniqueness of the principle by which the universe is efficiently ordered.

Albert Einstein's argument on this subject of Kepler's importance bears on our intention here: no different approach than that fulfilled by Kepler, qualifies our work as a competent ful-

filment of a foundation in method for science in general. However, its more immediate significance is, that the knowledge of that which makes humans universal beings, must be seen as the principle which defines the ordering of the relations among human individuals, as also among nations.

On this account, one might think, honestly but mistakenly, that the British empire, the modern prototype of a maritime power, more than all other candidates to be considered on this account, would have seized upon the work of Kepler as its only proper choice in defining modern science. Ah! But, for them to do so would give away the secret of their business, those principles of science which the Delphic archetype presented as Aeschylus' Olympian Zeus were most passionately



The knowledge of the universe, through scientific investigation, as practiced by humanity over generations, is intolerable to the oligarchy. Like the Olympian Zeus, who punished Prometheus for carrying fire to mankind (as depicted in this 17th-Century painting by Jan Cossiers), today's imperialists attempt to deny mankind the right to develop nuclear power.

committed to concealing from ordinary mortals in general; thus, for the rulers of that empire, the true principle of science, must be concealed from those over whom they rule. The principle which they are at pains to conceal, is, that in the stellar system considered as a whole, as by Kepler, lies the pathway of access to the secret of "fire."

For the human observer, that true secret of fire lies, in its symbolic significance as exemplifying the existence of a universal value. As I have pointed out on earlier occasions, the significance is expressed in the proof, as supplied by the characteristics of gravitation expressed in relations among the principal bodies of the Solar system, as this is supplied in the evidence that it is the human mind, rather than the human senses, which defines the truth about both the universe and ourselves as knowable by mortal human beings.24 That knowledge, as I have already emphasized in such locations, is the true meaning of the "fire" to which Aeschylus' Prometheus Bound refers.

As I have implied in the preceding paragraphs, there is also a higher truth involved here, the truth concerning that aspect of the nature of the

human mind which defines man as a universal being, a quality which is lacking in all other presently known living creatures. Such is the meaning of the individual human soul, as distinct from the nature of all lower forms of life.

I am obliged to emphasize again, in this immediate location, that the greatest of the evils embodied in doctrines respecting moral and other law today, is the evil epitomized by the Olympian Zeus of Aeschylus' *Prometheus Bound*, the evil embedded in Aristotelean dogma, that Zeus' "Malthusian's" ban on the transmission of the knowledge of "fire" to mortal human beings.

As the friend of the Apostle Peter, Philo of Alexandria insisted, the doctrine of Aristotle is an evil one, which in fact mocks the Creator in what must be seen as a truly Satanic fashion. The false doctrine of Aristotle and his followers argues, as such notorious followers of Aristotle as Euclid and Claudius Ptolemy do, that God had crafted a perfect universe,

^{23.} Notably, Britain's former Prime Minister Tony Blair has been, recently, the most notable offender on account of his service to the father of lies, in his fully witting promotion of the misguiding of the poor, credulous, and mean-spirited fool of a President in the White House, into a recently, prolonged, criminally stupid adventure in practice of evil, the war in Southwest Asia. On this account, among others, Blair's behavior was clearly Brutish, not Christian.

^{24.} E.g., analysis situs, expressed as the principle intrinsic to the Kepler-Leibniz notion of the *ontologically* (rather than spatially) *infinitesimal*.

but perfect only in the sense that the work of creation had been so perfectly completed that no change could be introduced by Him, and should not be introduced by any other agency. This implicitly Aristotelean doctrine of a self-castrated Creator, is functionally equivalent to the pro-Satanic doctrine of the referenced Olympian Zeus.

Every known consequence of the attempt to enforce that policy, as attributed to Aristotle, has proven in historical practice to have been nothing but cruelly evil.

Once it were made clear, that it is the creative powers of the human mind, as Kepler's successful method of work illustrates this, which distinguish the individual member of the human species, then society must define human relations accordingly. This consideration places the greatest emphasis on fostering the expression of those uniquely human powers, instead of relegating most members of society to the status of virtual cattle, as

the Olympian Zeus of Aeschylus' *Prometheus Bound* does. It is when we recognize that true science, as Leonardo da Vinci's follower Kepler illustrates the fact, and Classical art alone, among all forms of art, are what is suited to human beings, rather than keeping the mass of humanity as cattle, in cattle-like service to the amusements, comforts, and other typical pranks of a reigning imperialistic oligarchy and its brutish lackeys.

Such is the nature of the true morality which society must practice. The progressive elevation of all mankind to the sense of personal identity and its values specific to that outlook which I have just described, should be seen as the true meaning of Gottfried Leibniz's intention in posing the notion adopted by the U.S. 1776 Declaration of Independence, "the pursuit of happiness."

Hence, also, the significance of the principle which underlies the 1648 Peace of Westphalia.

Westphalia: The Practical Challenge

The specific expression of the creative powers of the sovereign individual human mind, is the notion of value as something located in a principle of progress. This is a principle whose practical nature is expressed in the benefits of those creative innovations which are typified by the discovery of universal physical principles, or, kindred principles of Classical artistic composition. These benefits are expressed in both



EIRNS/Brian McAndrews

"We must establish an order of affairs among nations which is consistent with Gottfried Leibniz's principle, named the 'pursuit of happiness' in the 1776 U.S. Declaration of Independence," LaRouche writes. Here, LaRouche PAC organizers discuss the ideas that can make this happen with citizens of Philadephia May 21.

the human individual and social practice of our species as a whole, by the increase of the potential relative populationdensity, per capita and per square kilometer of planetary surface.

The nature of the presently onrushing general collapse of the currently existing modalities of world economy, especially the awfully defective financial system, has prompted me to set forth three distinct types of steps of interim reform of relations among what presently exist, or should become respectively, truly sovereign nation-states.

- 1.) A principle of law of economies in a systemically bankrupt condition, as relevant law should be typified in practical expression by my proposal for a Homeowners' and Bank Protection Act for the United States of America.
- 2.) A two-tier credit-system within and among sovereign nations, to provide a low, fixed range of discount-rates for certain specific, preferred activities and investments, while allowing interest-rates on other classes of borrowing to float. This is done as an aid to safely liquidating the present great mass of socially undesirable, relatively worthless types of holding and investment of nominal monied values implicitly in circulation: it is to be done to shrink the great mass of both counterproductive and unproductive fictitious values, while protecting and encouraging healthy reconstruction within what is otherwise a presently, hopelessly bankrupt world system.

3.) That the U.S.A., should approach the key large nations of Russia, China, and India, with the proposal to combine their separate powers and influence to the common purpose of establishing an early and powerful rallying point for bringing most of the nations of the world together, voluntarily, to create a new kind of global fixed-exchange-rate system of international credit, this for the purpose of establishing a mechanism for establishing and maintaining a true and enduring realization of the intention, *the benefit of the other*, sought by the 1648 Peace of Westphalia.

In other words, we must establish an order of affairs among nations which is consistent with Gottfried Leibniz's principle, named *the pursuit of happiness* in the 1776 U.S. Declaration of Independence.²⁵

My emphasis here is on the third and last of those three stated categorical measures. My emphasis, at this point, is upon the coincident economic and moral principles which are to be served by the outlined arrangement in world affairs. While these purposes, and the measures they imply, have moral value, no consideration akin to sentimental, utopian moralizing is implied as tolerable by me here; I abhor *a-prioristic* mere sentimentalities as the sophistries which they are, as others should, too. The attempted dichotomy of physical science and Classical art must be ended, to such effect that the reason given for any adopted principle must qualify itself as well-designed, in physical practice, to achieve an intended physical effect for mankind in general.

The standard of achievement required, must be that principle of a science of physical economy known as the increase of the potential relative population-density of the human species at large: for, as actual history has warned those who can think clearly, any set of measures which failed to promote that indicated type of outcome, has been the work of fools, charlatans, or worse.

The principled character of the argument to be made on that account is efficiently illustrated by summarizing the criminal effects of that presently hegemonic "free trade" system, the system which has been the principal mechanism by which the presently, hyperbolically accelerating breakdown-crisis of the world economy has been brought about during, most clearly, the course of the 1971-2008 interval. The obvious alternative to be considered, in judging the presently bankrupt "free trade" system, is the design presented by U.S. President Franklin D. Roosevelt to the 1944 Bretton Woods conference.²⁶

Vernadsky's Relevant Contribution

In all cases known to me from the recent decades following the close of World War II, my own methods for long-range forecasting (e.g., those of a span of approximately a decade or more), have enjoyed a relatively unique success in terms of their performance on record thus far.

My advantage in this respect lies less in what might appear to some as my extraordinary cleverness, than the stubborn adherence of relevant academic and other professional practice to intrinsically incompetent kinds of axiomatic presumptions. In fact, my principled advantages have been entirely due to my reliance on what should be recognized as the concept of dynamics which I adopted for economics, first, from the work of Gottfried Leibniz, and, later, that of Bernhard Riemann's habilitation dissertation. I came to recognize dynamics as having been adopted by Leibniz from the essential principles of the ancient principles of Sphaerics of the Pythagoreans, such as the constructive solution for the duplication of the cube, by Archytas, and from Plato.²⁷ Whereas the prevalent practice among economists today employs a statistical method attributable to roots in Descartes, Laplace, or worse.

One of the most significant contributions to my approach to long-range forecasting, has been my slow, but persistently increasing attachment to the discoverable implications of the relevant work of the great Russian (and, also Ukrainian) Academician V.I. Vernadsky. Whether Vernadsky would agree with me entirely today, or not, is not yet clear to me;²⁸ however, his argument in defense of reductionist notions of thermodynamics presented on an occasion during the 1930s, is plainly in error, whatever evolution in his views has oc-

its approximations. On President Roosevelt's death, his successor and Winston Churchill sympathizer, President Harry S Truman, acted to assist the British empire in both restoring the Anglo-Dutch and related colonial systems which Roosevelt intended to eliminate, and adapting neo-colonialist arrangements to the proposal which Keynes had presented to the 1944 Bretton Woods meeting, an abandonment of President Roosevelt's design, in favor of adapting the post-war Bretton Woods system, internationally, to the Anglo-Dutch Liberal monetarist system, rather than a system of truly sovereign national currencies. The last significant effort to save the most essential elements of President Franklin Roosevelt's design, went down the shaft with the combined assassination of President John F. Kennedy and the fraudulent launching of what became the 1964-1975 warfare in Indo-China. The 1969-1981 administrations of Presidents Nixon, Ford, and Carter, eliminated all the most essential remaining traces of economic sanity from our national practice. After that, it was only a matter of the passage of time before the presently onrushing general collapse of the world financial system would be the fruit of what had been planted by the measures of the 1969-1981 interval.

- 27. This was reflected in my use of the term "Dynamic Economic Methods," which I abbreviated to form the title "*Dynemco*" during the 1959-1962 interval
- 28. My uncertainty on this point was increased by the experience of a 1994 debate, in Moscow, with a subsequently deceased friend, Pobisk Kuznetsov, on the subject of "energy," in which Pobisk echoed an error, a defense of the reductionist misconception of energy by Clausius et al., from some of Vernadsky's arguments during the 1930s.

^{25.} It is to be understood that the place of Leibniz's "pursuit of happiness," in the U.S. Declaration of Independence, is the principle of fundamental law which subsumes the fundamental principle of law permeating the design of the U.S. Federal Constitution, as in its Preamble.

^{26.} Note, as I have emphasized elsewhere, that President Roosevelt's design was intended to break up the British and like imperial arrangements, and terminate monetary systems of the Anglo-Dutch Liberal "monetarist" types, this as an indispensable part of eliminating the existence of bald colonialism and

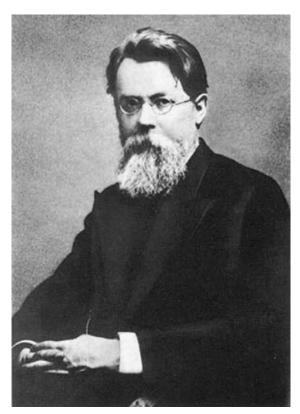
curred during the last years of his life. In any case, his defense of reductionist thermodynamics is systemically inconsistent with his emphatic and repeated arguments for a Riemannian, dynamic conception of the Biosphere and Noösphere. In any case, Vernadsky's conception of the Biosphere and Noösphere was emphatically Riemannian otherwise, and is, therefore, a crucial approach to a solution to some of the most important scientific issues, including those of my field, the science of physical economy, facing mankind today.

The crucial point to be taken into account, in beginning this specific part of the discussion, is that neither the method of Aristotle, nor the modern empiricist followers of Sarpi and their like, accept the existence of the kind of experimentally defined universal principles associated, on the one side, with the *dynamics* of the ancient Pythagoreans and Plato, or, for modern times, the method of the founder of modern science, Nicholas of Cusa, and his followers such as Kepler,

Fermat, Leibniz, and Riemann. This difficulty of the modern reductionist is expressed typically by the latter's lack of comprehension of the deeper implications of Leibniz's presenting the notion of the problem of *analysis situs* confronting all mathematicians' efforts to supersede the symbolic implications of a mere mathematics in ways which convey the real action which were presumably to be adumbrated as a suitable reform of mathematics.²⁹

Whatever we might discover, or belatedly recognize as Vernadsky's insight into the error of Clausius' and Grassmann's aberrant ontological dogma, Vernadsky's ultimate conclusions respecting the implications of the concept of Noösphere require a rejection of the reductionists' error in the matter of thermodynamics.

As I have previously emphasized in various relevant locations, the comparison of the changes in composition, as to mass, among the three relevant categorical components of the mass of planet Earth, the abiotic, the Biosphere, and the



The great Russian-Ukrainian scientist V.I. Vernadsky's conception of the Biosphere and Noösphere represents a crucial approach to a solution to some of the most important scientific issues facing mankind today, including the science of physical economy—the field now dominated by LaRouche's unique discoveries.

Noösphere, reflects a principled, physically efficient, categorical division of the total mass of the planet, such that a principle of life not yet located by us within the abiotic processes, is increasing its portion of the planet's total mass, and that the principle of human cognition, absent among the lower forms of life, is increasing the total mass it specifically generates, relative to the respective abiotic, Biosphere, and total mass of the planet as a whole. All of this is congruent, systemically, with the principles of Riemannian dynamics.

The typical error in method among the assorted varieties of reductionists, is to insist on attempting to derive the replication of a relatively higher systemic state of existence, as if from the relatively lower. Thus, the science pervert, Professor Norbert Wiener, sought to derive life virtually from mechanical processes, and Wiener's younger and more rabid ally, John von Neumann, avowed that human consciousness could be derived from his outlook for computer

technologies. Such infantile errors as theirs, in the practice of what is presumed to be science, are to be recognized as being simply the implicit assumption of that method of William of Ockham drawn out towards the extreme, as many of the post-World War II followers of Bertrand Russell's fanatical *Principia Mathematica* have done³⁰.

While we do not actually know that human creative cognition is the upper limit of the demonstrably universal principles within the still higher rank of the universe *per se*, we must recognize the existence of those categorical expressions of distinct universal principles, non-life, life, and creative human cognition, as included among what are known to be efficiently universal physical principles. All deconstructionists of contrary opinion be damned, as they all surely are.

^{29.} The problem of representing the *ontologically infinitesimal* of a competent physical calculus, is the prototypical example of the relevant problem. See Riemann on this matter.

^{30.} Although this view of economics was already advanced, on the premises of Russell's *Principia Mathematica*, during the late 1930s, it was the wartime and post-war development of von Neumann's and Oskar Morgenstern's successive editions of *The Theory of Games and Economic Behavior* which sparked the related, radically positivist rampage in the field from the beginning of the post-war period.

The Economy of Our Noösphere

As the late Dr. Edward Teller had already stated during the 1980s Erice conference, the watchword for a united nations of humanity now, is still the "the common aims of mankind." As I had already emphasized in earlier portions of this present report, this common interest of mankind depends upon avoiding the inherently brutalizing, imperialist lunacy of a new attempt at the implicitly pro-imperialist tyrannies of a Tower of Globalist Babble: for this purpose we must establish a new quality of cooperation among the respective sovereignties of nations of differing principal language-cultures.

Where Rome sought to control its system of imperial military repression with roads, the great Charlemagne enriched the progress of European civili-

zation with the aid of a system of inland waterways. Roads made travel easier than without them, but inland waterways gave society the advantage of an improvement in physical principle of movement of people and freight, as did our own experience with waterways in the development of the North American colonies, as the United States continued the legacy of Charlemagne for Europe. It was the leap in physical-economic development of the use of territory typified by the American transcontinental railway-system, which became the crucial, world-wide challenge to the role of the imperial form of Anglo-Dutch, global maritime supremacy developed on the initiative of Paolo Sarpi.³¹

It was this development of the U.S.A. as an integrated continental nation, from ocean to ocean, and from Canadian



Transrapid

The development of "the economy of our Noösphere" requires a unified intercontinetal magnetic-levitation (maglev) transport system, designed to meet requirements of a modern standard of living and productivity for the entirety of a nation's population. Shown: the maglev at Long Yang Road Station, Shanghai, China.

and Mexico border, through both inland waterways and transcontinental rail grids, which became that great, geopolitical challenge to British imperialism which prompted the Britain of Prince Edward Albert to react against what the monarchy hated as the assassinated U.S. President Abraham Lincoln, and to prepare the launching of those holocausts which became known as both World Wars I and II, and the present Brutish imperialist campaign for both the methods of Malthus, and, now, the Lisbon Treaty approach to realization of the system of virtual slavery of peoples, called Globalization.

Now, we have available a greater, and better technology than transcontinental rail systems, the feasibility of uniting nearly all continents by a single, continuous network of magnetic-levitation transport systems for both people and freight. With the presently urgent investment in geometrically expanding generation of power, through very-highenergy-flux-density nuclear and also thermonuclear sources of power, mankind as a whole is implicitly enabled to employ productive technologies far superior to those presently available otherwise, and to effect the systemic physical-economic integration of production and transport of useful goods and passengers in a way which outmodes all alternative methods of aerial and ocean-borne transport for both high-value produced goods and, in most cases, passengers, too. It is notable to recognize that magnetic-levitation transport eliminates the presently problematic practice of relatively short-haul

^{31.} As the experience of our "melting pot" nation has demonstrated, it is not language as such which defines a sound national sovereignty, but a viable, and richly self-developing language-culture. It is the challenge of developing a common national culture through forcing this development through the exertion involved in stimulation of the varieties of language to a truly dynamic process of sharing a common culture. The uniqueness of the Preamble of our own Federal Constitution prescribes, and has demonstrated what is required. The cases of China and India today typify the relevant principled challenge to nation-building. The seemingly contradictory goals of unity of national purpose while preserving the legacy of the ironies located in language-customs, must be utilized, as we of the U.S. should have learned, and demonstrated for the edification of others. It is notable to include the plan for development of a China railway system by Sun Yat Sen.

passenger and other air transport.32

However, the realization of the full benefits of an efficiently unified intercontinental magnetic-levitation transport system also requires, implicitly, a required end to the practice of transferring production of virtually everything to markets where the nominal cost of labor is the cheapest and where the development of the basic economic infrastructure is not designed to meet requirements of both a modern standard of living and productivity for the entirety of a nation's population as a whole. The principles of real economy require that there must be an end to the use of the practice of the financial oligarchy's routing of the production of produced goods to locations where the price of labor employed is made the cheapest for the purpose of creating virtually slave-labor conditions in the world's standard for production of essentials. The transfer of production to cheap labor markets actually lowers the productivity of the planet as a whole by eliminating the payment of implicit costs of production, and thus lowering the average productivity of the planet per capita and per square kilometer!

The goal of production and transportation must be the increase of the productive potential per-capita and per-square-kilometer throughout all territories of the world. This requires a constant increase in the relative physical investment in both production and infrastructure, per capita and per square kilometer, for almost all inhabited parts of the world. It also means a continuing, interrelated trend of rise in both the physical investment in infrastructure and in modes of production, in localities throughout the nations of the world. It also means an emphasis on raising the level of relative energy-flux density for modes of production, as typified today by a shift to magnetic-levitation modes of mass transport of goods and people, and a constant rise of relative energy-flux density, as by use of nuclear-fission power, of modes of production employed.

That much said on that account thus far, return attention now to economies in production and distribution. Take the example of the absolute silliness of making the world rely as much as it does currently, on the transport of the highly speculated, but essentially cheap substance called petroleum, used as a fuel, over long distances around the world. The goal should be continual up-shifts of the energy-flux density of sources of power for production, transportation and public utilities. The optimum goal for the present, is the use of high-energy-flux density nuclear-fission power for such uses as local generation of hydrogen-based fuels from water, shifting

the major part of consumption of petroleum to its realization as a chemical feedstock. Another use of nuclear fission power, is its required part in supplying sufficient desalinated water for direct and also urgent, indirect requirements of human consumption.

Take into account the folly of shipping a cheap product long distances, as opposed to converting the relevant raw material which is now being shipped long distances, into use as a chemical feed-stock which is to be usually shipped, when shipping is warranted, as a product of vastly greater economic value, per ton, when shipped.

Similarly, if we measure the cost of living per capita in terms of the cost of production per square kilometer and per unit of distance shipped of the products produced to sustain that standard of living, the advantage lies with capital-intensive investment in production relying on high-energy-flux density modes of production and transportation, and a relatively small, optimal ration of consumed production produced at great distances from the point of consumption.

Then, consider the costs per ton and per passenger for transport of various modes of transportation, such as air, highway, rail, and local commuter automobiles. Measure costs of transportation in hours expended by the commuter from household to work and return, as well as the incurred cost per hour of the transportation itself. For all short- to medium-haul purposes, the equivalent of rail or magnetic-levitation-based transport is the most economical and efficient in both cost and time lost. Include the effect of longer hours of transport required per day or week on the effective standard of living and quality of cultural life of the commuter and his or her family.

Obviously, every trend of change in the organization of communities, of production and of personal life, which has occurred since the death of President Franklin D. Roosevelt has been increasingly for the worse. The spread of dense suburban areas filling up a large expanse of the territories around towns and cities, rather than spreading agriculture, in areas between urban developments, and rather than emphasizing production of consumed agricultural products in the nearby rural territories, has been both stupid and cruel.

Take the bellwether example of metropolitan New York City. What an economic horror-show the policy-changes made there, since the death of Franklin Roosevelt, have been

New York City, and its associated metropolitan area was an industrial power-house, on which product the available standard of living and tax-revenue base depended to sustain the incurred costs of maintaining what became, increasingly a looted, de-industrialized city. When we consider the antiquity of much of the infrastructure base of public services and the like, the actual costs per capita and per square kilometer are far greater than what current estimates imply.

The foregoing examples just given in this section of the chapter, above, provide some highlights of the much larger treatment required; but the illustrations supplied here should

^{32.} It is to be recognized that the take-down of the U.S. railway transport grid, in favor of substitution of highway and air transport, since the close of the 1939-1945 war, was a deliberate, pro-Malthusian swindle by the powerful Anglo-Dutch Liberal and allied financier monopolies, just as export of industrial and agricultural production to areas outside the U.S.A. and Europe, has effectively pauperized those sectors of the world, at an accelerating rate, especially since 1969. These are clearly pro-Malthusian measures in their intended effects.

be found sufficient to illustrate the direction of the argument to be made.

That much said, return to the lessons to be learned from Vernadsky's work.

The Real Cost of Production

In general, the cost of investment in increasingly capitalintensive and other capital investment in improved technologies, increases the potential productive power of labor, per capita and per square kilometer of the relevant area by a factor which is usually much greater than the incurred cost represented by the investment in the relevant progressive technology. This includes not only investments in production of goods, but investments in elements of infrastructure which are essential to the improvements of productivity. The essential margin of profitability is provided by those creative powers of the individual human mind which do not exist among lower forms of life.

This factor of technological "leveraged gain" in productivity of labor, applies to the costs of public education, and to other investments which increase the potential for productive advances in technology and other capital factors of net gains in productive powers of labor. Look at these factors which I have just mentioned in terms of a physical economy whose advancement is driven by the principles expressed in terms of V.I. Vernadsky's notion of the "capital factors" of Biosphere and Noösphere.

For example, useful capital investment in the increase of the productive powers of labor per capita and per square kilometer, has typically added more to the output of labor than the cost incurred by that capital investment.

Consider the problematic case of bio-fuels. The use of bio-fuels represents a net loss in value to the relevant society, a loss caused by bio-fools, relative to the useful consumption of the product used for extracting bio-fuels, had the living material been employed for consumption by man or animals, or used for increasing the productivity per square kilometer through living growth, such as trees.

The effect of increasing the acreage of trees, for example, is the lowering of the temperature of the relevant area by what is in net effect a very significant amount. The absorption of solar radiation in growth of plant-life, especially trees, is very significant for both moderating the temperature of an area, and in other ways. Using plant growth for bio-fuels is net waste, and bio-degradation of the locality. The benefit to be encouraged is in the order of magnitude of between 2% and 10% of the solar radiation consumed in the production of biomass by living plants.

The principle of life itself is a physical force, just as the development of the human mind (i.e., the Noösphere) through effects of creativity unique to the powers of the human mind, is a physical force which increases the productivity of society.

These same considerations have other implications of

major significance. Examine the current best estimates for the increase of the ratio of biomass to abiotic masses of the planet. *Life did that!* Look at the astonishing rate of rate of increase of the mass of the Noösphere, relative to the mass of biomass, caused by the activity of society. Take the period from the beginning of the European Fifteenth-Century Renaissance to the present time; consider the estimated increase of the mass of the Noösphere relative to both the abiotic mass of the Earth, and to the rate of increase of the biomass relative to non-living processes. The factors of life, and of advances in technology-driven productivity of labor, are each active agents in increasing the planetary ratio of biomass to abiotic mass, and of the mass accumulated by action of the Noösphere relative to the Biosphere.

Contrary to the formulations for reductionists' thermodynamics, life and human creative reason, and living processes are each creative forces not available in non-living processes. The generally accepted idea of "energy" is a terrible mistake. The universe is not entropic, but is inherently expanding, both quantitatively and qualitatively. The universe is anti-entropic.

However, there is a certain problem in all this.

The magnitude of, for example, abiotic resources for use by mankind is finite, whereas the increase of man's activity, as through population-growth and elevated productivity consumes those abiotic resources at relatively increased rates of consumption. This does not mean that those resources are destroyed by the fact of their use; it does mean that there is increased use of the finite mass of those materials per capita, and by the population as a whole, even when much of the consumed material is returned to the stock of supply.

The problem, as defined, so, for abiotic resources, exists in a somewhat similar way, for biotic resources used, or affected as if used by mankind.

There is no limit in sight, nonetheless. The limits are essentially relative, not absolute. The limit is relative, and is defined by the requirement for a more or less steady advance in primary forms of technology, as by scientific revolutions turned into society's productive and environmental practices.

This does mean, however, that any society which accepts the rule of the Olympian Zeus, of banning knowledge of qualitatively more advanced technologies of human practice, as such bans are imposed by the methods of the Malthusians, or those of Britain's Prince Philip, Prince Charles, and former Vice-President Al Gore, creates an "environmental barrier" for its own continued, more or less stable existence, often a catastrophic barrier as the world is experiencing many expressions of such a catastrophic barrier which has been closing in upon the world through the recent forty years (1968-2008) of so-called "environmentalist" lunacy under the present reign of the "Baby Boomer" generation's increasing control over the policies of our planet.

It should be clear, that the only hope for avoiding a general, planetary "new dark age" for the planet as a whole, is the elimination of every change in policy away from those policies which are typified by the intentions associated with President Franklin Roosevelt on the day that OSS Chief Donovan left the office of a visibly dying President Franklin Roosevelt, saying softly to his associate in the waiting area outside the President's office: "It's over!"

We must go back, insofar as such were possible, and adopt policies which, in effect, restore that President's policies, as they were, in principle, then.

The New Factor To Be Added

Now, the terrible time has come, to return our attention to the third of the three immediate actions which I identified as needed to check the presently onrushing, hyper-inflationary breakdown-crisis of the economy of our planet. I refer to the proposal which the President of the United States must proffer to Russia, China, and India, a proposal, in effect, to assemble the willing nations of the world to save the world's physical economy from the present careening of the world's physical economy toward the brink of its doom.

We have not yet reached the condition at which military establishments can be treated as things of the past; however, we can, and must effect an efficient design for seeking a permanent peace, an opportunity which can be put within our reach by nations' fear of the horrifying onrushing conditions among the principal nations of this planet right now. This means a certain quality of extension of the principle of the Peace of Westphalia, as my proposal for the U.S.A.'s approach to Russia, China, and India implies such a reform: in effect, using the United Nations' role, implicitly, as an available medium of facilitating agreement to cooperation among what must remain, respectively, perfectly sovereign nation-states.

In my estimation, the current Russian plan for a rail bridge across the Bering Straits (**Figure 1**), if upgraded to a magnetic-levitation system connecting the Americas, Africa, and the Eurasian nations, would define the most obvious pivot for creating, in effect, a system of administration of essential elements of mass transport of people and freight, a system which would serve as the optimal opportunity for global progress shared among sovereign nations into the foreseeable future, perhaps for a century or more ahead, before additional categorical reforms became suitable³³.

Such a system of transportation, based essentially on the development of magnetic-levitation transport for people and high-grade freight, will serve, clearly, as the point of reference in policy-shaping, for organizing a world system of trade and credit among the nations of the world, catalytically, as a system into which each nation can "plug in," so to speak,

33. At my age of eighty-five, I am not awe-struck by contemplation of the lapse of a mere century.

without impairment of its effective sovereignty.

Indispensable other elements, include the need for a durable, fixed-exchange-rate money and credit system, and for nested sets of long-term treaty agreements, concerning credit and trade, of certain common development targets over approximately the coming next two or more generations, developments which are needed for promoting a stable system of parity in national currency and credit among the participating nations.

The most essential precaution to be adopted, concerns the proper nature of national currency. The experience under the British empire, and earlier history, warn us that usury can not be permitted, and, similarly, that the existence of monetary systems must be eliminated, and replaced with an international, treaty-based credit system based on the same "Hamiltonian" principle of economy built into the happier times of the U.S. Federal Constitutional system. The result of the reform must be a fixed-exchange-rate among currencies, including such tariff and related protectionist arrangements as may be required from time to time.³⁴

The number of conditions which a concert of nations imposes upon itself, must be limited to some essential terms of cooperation, and additional standards developed because they are admired, more than because they are prescribed.

It is time to make peaceful cooperation through development, the principal standard for relations among nations, rather than the implicit adversary relationship associated with the term competition, thus far today.

This matter which I have just outlined in these few closing paragraphs here, must be seen in terms of the terrible misery which prevails for most among the populations and nations of the world, not only in the forms of brutal conflicts and relative deprivation, but in the poor regard for one's neighbor, whether another nation, or among one's fellow-citizens, throughout most of today's populations in the world today. In my view, there is no credible reason why such nasty conditions present must exist, except that they have become more or less habitual.

My point on this here and now, is, that while very few people living on this planet today recognize *yet* how deadly, and *how terribly near* the presently immediate threat to every part of the world today has become, especially during the courses of the recent two decades, especially the most recent one nominally under U.S. President George W. Bush, Jr., we are now all as if minutes away from the worst global catastrophe in what has been recorded as the narratable history of mankind.

The world is now, also, at the point of the somewhat comparable case of the adoption of the 1648 Peace of Westphalia, that, then, after thirty years of a horrible war. This was a kind of persistently recurring war, since 1492, in which, in the de-

^{34.} Let the currencies be pegged at fixed-rates, and allow the prices to float according to those standards of parity for the physical product.

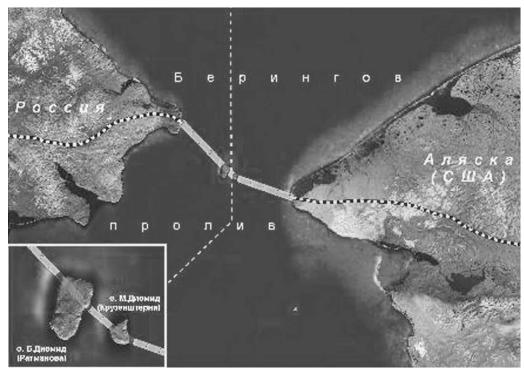






Agencia Brasi

FIGURE 1 The Bering Strait from Space



LaRouche has called upon the United States to join with the leaders of the three great Eurasian nations— China, Russia, and India—"to save the world's physical economy from the present careening toward the brink of its doom." (Pictured here: Chinese President Hu Jintao, Russian President Dmitri Medvedev, and Indian Prime Minister Manmohan Singh.)

Figure 1 shows the route of the tunnel across the Bering Strait, projected onto a Russian satellite photo, where Russia is on the left, and Alaska is on the right.

scription by Friedrich Schiller, men fought men not as men, but as beast to beast, as in much of Southwest Asia presently. It was only with the sheer horror of that Thirty Years War, after the similar conflicts of the earlier century, that men and women despaired sufficiently to accept the peace.

The world now faces what threatens to become a far worse holocaust than the conditions of that Thirty Years War might suggest. The possibility of the kind of peace which I propose, summarily, here, depends upon some degree of recognition, especially in high places, of the nature of the sheer global horror which looms just before people throughout this planet, unless the specific type of treaty-agreement which I propose be initiated by a U.S.A. proffer to Russia, China, and India, to be taken up very soon.

It is time, at last, to venture into the domain of the moral adulthood of the human race.

So let us, at least, bury the Olympian Zeus of Aeschylus' Prometheus Bound.

EXECONOMICS

The Banking Crisis Is Back in the Headlines

by John Hoefle

After more than a month of claims that the worst is behind us, the banking crisis is suddenly back in the headlines. Those who compare the propaganda to the calendar will see a pattern forming, revolving around the fiscal quarters, in which the beginning of the quarter is dominated by the reports of the losses from the previous quarter, followed by a period in which it is claimed that, with all that bad news, the worst must be behind us. Then, as the quarter enters its final month, the propaganda machine begins preparing the population for another round of losses. June is the final month of the second quarter, and right on cue, the bad news reports have begun. The banking crisis itself is not back, because it never went away, and is worse than ever.

Far from having been stabilized, the global banking system is on life support, kept alive by extensive government funding while it is being restructured; capital injections are being arranged for failing institutions, steps are being taken to keep the book values of worthless securities from plunging to zero, while the banks are being forced to write down the values of their assets.

This downsizing is already traumatic, but it has really only begun, because the reason for the existence of much of the banking system has disappeared. With the collapse of the securities bubble, the markets in which the banks played are gone. The casino has closed, and the gamblers have been left out in the cold. When the system dies, so do the players.

June Swoon

It was as if, suddenly, a switch had been thrown, with the banking crisis suddenly reappearing in the headlines. Gone is the talk of the worst being over; instead heads are again on the chopping block; there is talk of big losses to come, and even rumors that a major investment bank is in serious trouble.

Wachovia Corp., the fourth-largest U.S. bank holding company by assets, dumped its CEO, G. Kennedy Thompson, after relieving him of the chairman's position in May. Formed by the 2001 merger of North Carolina's First Union and Wachovia, the bank has gobbled up lots of smaller institutions, including the \$26 billion acquisition in 2006 of Golden West Financial, a huge thrift with heavy exposure to California and Florida real estate. Wachovia reported \$363 million in losses for the first quarter, then amended that figure upward to \$708 million. The bank has already written off some \$7 billion in assets, and raised \$10 billion in emergency capital. The firing of its CEO is an indirect admission of much bigger problems.

Washington Mutual, the nation's largest savings and loan bank, stripped Kerry Killinger of his chairman's position, though he remains as CEO. WaMu, as it is called, has already written off over \$9 billion, and raised \$10 billion in capital, including a big chunk from pirate equity fund TPG (née Texas Pacific Group). A heavy lender in the plunging West Coast real estate market, WaMu, like Golden West and many others, is helplessly watching its asset-base dissolve.

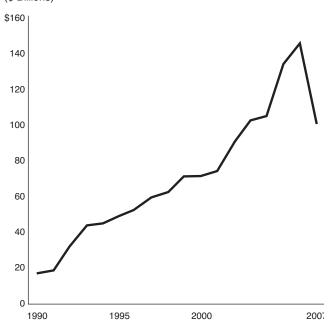
In Britain, where Northern Rock was nationalized, another mortgage lender is in trouble. Bradford & Bingley, which specializes in making loans to landlords, has dumped CEO Steven Crawshaw, and sold nearly a quarter of itself to TPG for a paltry \$300 million. TPG was introduced to B&B by Goldman Sachs, and the injection took Citigroup and UBS off the hook for underwriting a \$600 million share offering. The rescue was "shepherded" by Britain's Financial Services Authority. Unfortunately for B&B, it still has a deal with GMAC to buy some \$4 billion in mortgages by the end of next year, as GMAC tries to avoid the bankruptcy of its own mortgage unit.

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FIGURE 1

Net Income at FDIC-Insured Banks Annually, 1990-2007

(\$ Billions)



Source: FDIC

In other bad news, State Street Corp., the 13th-largest U.S. bank holding company, is facing a reported \$3.4 billion in losses on its mortgage-related securities portfolio, and is seeking to raise \$2.5 billion in capital. The bank, like many others, is issuing new stock to raise funds, thereby diluting the value of the stock already held by existing stockholders.

The investment banks are also taking a beating. Standard & Poor's has downgraded Merrill Lynch, Morgan Stanley, and Lehman Brothers by one notch each, saying it had lost some confidence in the banks' abilities to meet their financial obligations. Given the promiscuous quality of S&P's ratings in the past, and its dependence upon the investment banks, these downgrades are tokens of much more serious problems.

Also indicative of growing problems is the announcement by the FDIC that the \$5.8 billion in profits reported by commercial banks in the fourth quarter of 2007, has since been restated downward to a mere \$646 million, the lowest quarterly profit since 1990 resulting in \$100 billion profits on the year (**Figure 1**). The FDIC said the banks were still profitable in the first quarter, earning \$19 billion, but that is about half the \$36 billion the banks reported in the first quarter of 2007, as loan losses grew, and the values of securities held by the banks declined. The level of loan-loss reserves to non-current loans fell to \$0.89 in reserves for every \$1 of non-current loans, the lowest level since 1993, despite the addition of \$37

billion to those reserves—and the official level of non-current loans is just the tip of the iceberg.

Life Support

Since this financial crisis began last year, the world's banks—commercial and investment—have written off nearly \$400 billion in assets and credit losses, led by the big institutions. Citigroup, UBS, and Merrill Lynch have all taken writeoffs in the \$40 billion range; HSBC has written off nearly \$20 billion, and Royal Bank of Scotland, Bank of America, and Morgan Stanley hover around \$15 billion each.

These are big numbers, but they pale in comparison to the monies the central banks have injected. Since last Summer, the central banks, led by the Fed and the European Central Bank (ECB), have made some \$3.5 trillion in loans to the banks, an intervention unrivalled in human history.

In the United States, the Fed has created a number of what it calls "lending facilities" as the crisis has deepened. In mid-December, it created the Term Auction Facility (TAF) as a way to make loans to depository institutions. The first TAF auction occurred on Dec. 12, 2007, offering \$20 billion; the demand was high, with 93 banks submitting bids totalling \$62 billion. Another \$20 billion was auctioned Dec. 20, with 73 banks seeking \$58 billion. In this way, U.S. banks were given \$40 billion in December to help them clean up their books at the end of the year. In January, the Fed increased the loan limit at its twice-monthly TAF auctions to \$30 billion each, and in March, bumped it up again, to \$50 billion. In May, the limit was raised to \$75 billion; and for June, the Fed plans to hold three auctions instead of just two. To date, the Fed has lent \$585 billion through the TAF, with another \$150 billion available later in the month. Assuming all the money is taken—and it has been every time—that would bring the total to \$735 billion in just a bit over six months (Figure 2).

The Fed created two more lending facilities in March, the final month of the first quarter. On March 11, the Fed announced the Term Securities Lending Facility (TSLF), under which it would lend up to \$200 billion to primary securities dealers, through weekly auctions beginning March 27. Before the TSLF could begin, however, disaster struck in the form of the Bear Stearns crisis, so the Fed created yet another facility, the Primary Dealer Credit Facility (PDCF), to lend an unspecified amount to the primary dealers effective March 17. In less than three months of operation, the TSLF has lent out over \$378 billion (Figure 2). The Fed does not report the amount of money it lends through the PDCF, but before the month of June is out, the Fed should easily surpass the \$1 trillion mark in loans to financial institutions through these new facilities.

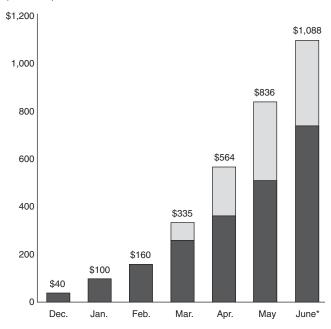
These loans, it must be noted, are gross, not net. Most of them are 28-day loans, meaning they must be paid back. When a loan is paid back, the net amount is zero, and the money is available to be loaned again, so a cumulative total of \$1 trillion in loans does not mean that there is \$1 trillion outstand-

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FIGURE 2

Cumulative Fed TAF and TSLF Loans by Month, December 2007-June 2008

(\$ Billions)



*June figure includes the \$225 billion TAF lending already announced for June, and the \$27 billion in TSLF loans isssued June 4.

Source: Federal Reserve

ing. According to the Fed, the amount of loans outstanding through these credit facilities and others, such as the discount window and the repo market, have increased from \$76 billion in mid-December, to \$440 billion at the end of May.

Supposedly, these loans are being made to mitigate the effects of the "credit crunch," but providing the banks with money is only half the story. When they take out these loans, the banks provide collateral to the Fed, which means that, in effect, the Fed is trading cash for "illiquid" securities. What is really going on here is a huge debt-recycling scheme, in which worthless securities are transferred from the books of the banks to the Fed, in exchange for cash or Treasuries, which helps the banks hide the fact that they are insolvent.

In theory, the banks should get their collateral back when they repay the loans, but it is also possible that the Fed keeps the collateral in lieu of full or partial repayment. The Fed is silent on this issue; asked explicitly about it by *EIR*, the Fed punted, directing us to a page on its website which does not answer the question. Even if the collateral is returned, the issuance of one-month loans twice a month provides plenty of room to repay old loans with new ones, keeping the collateral away from the banks' books.

These types of maneuvers are nothing new. Nazi/British banker Hjalmar Schacht used similar methods to recycle

German debt via Mefo bills, and Felix the Fascist Rohatyn used similar measures to loot New York City with Big MAC. Austerity, backed by fascist economic policies, is old hat.

What is new, is the scale of these actions, in a crisis which is just beginning. The accompanying figures give a hint of what is to come as the bailout escalates to cover the growing holes in the books of the players in this bankrupt casino. Will the existing facilities be sufficient to get through June, or will more extraordinary measures be required, as they were in March, when Bear Stearns collapsed, and the Fed intervened to stop a chain reaction of derivatives defaults?

Bear Stearns was the smallest of the major investment banks, and is no more, having been taken over by J.P. Morgan Chase with some \$50 billion in help from the Fed. That leaves Lehman Brothers as the smallest, and rumors are swirling around it like sharks in a feeding frenzy. Lehman insists—just as Bear did—that it is solvent, that there is nothing to worry about—but that can't possibly be true, for it or its larger cousins. They are creatures of a dead system, a system which no longer has the capacity to support them all. The securities market is virtually dead, and the shrinking of credit is crushing everything in its path, from households to corporations to financial institutions. The system is not coming back, and without it, the speculators have no chance of survival. The world these dinosaurs inhabited is no more.

The danger, as is becoming more visible every day, is that the attempt to save these beasts—and the money they represent—is sending the dollar into a hyperinflationary frenzy. There are consequences to pouring trillions of dollars into such a process to try to save it, instead of shutting it down. Those consequences can be seen every time you go to the gas station or the grocery store, in soaring prices, and if that's where you see them, you are one of the lucky ones. In a growing number of countries, the food is too expensive for most people, and in some places, the food simply isn't there.

In a very real sense, there is no banking crisis because the banking system is already gone. The path we are on, with the futile and foolish attempt to bail out the money, will inexorably lead to the sort of hyperinflationary shock which destroyed Weimar Germany and paved the way for Hitler. The fascists are now in the wings, waiting for the opportunity to make their move. The fascists on the Right, typified by Cheney and the howling mob around Fox News; and the fascists on the Left, typified by Rohatyn, Soros, and Gore, are but two sides of the same coin.

The only alternative to that is a return to the American System policies of Hamilton, Lincoln, FDR, and LaRouche. Either the U.S. government steps in and asserts its sovereignty to put the financial system through bankruptcy, or the financier oligarchy will put the government through bankruptcy. If the former, we can quickly begin rebuilding our nation and the world; if the latter, we will soon have a much more sensuous understanding of how the Nazis came to power in Germany.

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The London Loophole

Oil Prices: Senators Want Truth, Not Soros

by Paul Gallagher

From the coverage in the London *Independent* and *Financial Times*, you'd have thought that George Soros, the British financial oligarchy's favorite megaspeculator, had dominated the June 2 hearings in the U.S. Senate on speculation and manipulation of oil prices. The *Financial Times* opened dramatically: "George Soros stood before the panel of U.S. Senators, and witheringly..." etc., and went on for a couple of thousand words in that vein. But in truth, Soros was sitting down throughout the hearing, like the other witnesses; and far from being "withered" by his testimony, the six Democrats and two Republicans generally ignored it, as they demanded hard information from other witnesses about the "London loophole" for investment banks' and hedge funds' massive speculation on oil prices, and how the United States could close it.

Soros simply did not tell the panel of the Senate Commerce Committee the truth about what's driving the exploding hyperinflation in oil prices, and they knew it. Addressing them as if they were fellow futures market speculators, Soros warned them that the "speculative bubble" in oil futures might collapse—obvious to them already—and even suggested they might keep pension funds and mutual funds from investing in oil. But he kept hidden what he knows about who's driving that speculative explosion.

Not so, two other witnesses: University of Maryland law professor Michael Greenberger, a consultant to the Justice Department and the Commodity Futures Trading Commission (CFTC); and Dr. Mark Cooper of the Consumer Federation of America. So while Soros sat virtually silent for two hours, Senators Maria Cantwell (D-Wash.), Byron Dorgan (D-N.D.), Bill Nelson (D-Fla.), Olympia Snowe (R-Me.), Barbara Boxer (D-Calif.), John Thune (R-S.D.), and Thomas Carper (D-Del.) engaged in urgent colloquy with Greenberger and Cooper about unregulated energy speculation on London's "offshore" futures markets.

London's Offshore Haven in Atlanta

At a time when bank and hedge fund speculation, fleeing the securities markets on which it has taken huge losses, has been pouring into the commodities futures markets for metals, foods, and especially oil products, sweetheart agreements between the U.S. CFTC and the British Financial Services Agency have made American commodities futures markets into, essentially, London offshore havens. Greenberger and Cooper laid out in detail, how 35% of West Texas crude futures are traded on a market headquartered in Atlanta, Georgia—the Intercontinental Commodity Exchange, or ICE—which by CFTC staff actions, is juridically a London offshore market, overseen only by the British Financial Services Authority (FSA)! Cooper called the FSA, correctly, "a bad joke—look how it regulated in the Northern Rock Bank case." And oil futures trading on the New York Mercantile Exchange (NYMEX) is now "regulated" only by the London-controlled financial authority of Dubai, under another CFTC staff agreement.

On what are effectively British offshore markets, Greenberger said, a group of banks and hedge funds are simply "continuing and repeating the 'subprime' crash of the securities markets, and all their derivatives, on the commodities markets." He named the investment banks—Goldman Sachs, Morgan Stanley—along with JPMorgan Chase. Some 70% of all oil futures trading in the United States is speculative, Greenberger said, and 30% of all U.S. oil futures trading is being done by those three investment banks. "I find it highly ironic that when you control the price of oil, you can 'predict' when it will go from \$130 to \$200 a barrel," he noted, answering Cantwell's question about the "predictions" of \$150-200 oil by Goldman Sachs and Morgan Stanley, which around May 20 launched the latest superspike in prices.

These banks and hedge funds are also buying large volumes of oil products and holding them off the market while they play the falling dollar, which continually raises the oil products' price. This hoarding is not just speculation, but manipulation of the market, the existence of which is denied by the CFTC and Securities and Exchange Commission. But, "the biggest owner of heating oil in the Northeast is Morgan Stanley," Greenberger reported.

The "London loophole" is actually at least two. The CFTC, deferring to the British FSA as "its model," is allowing these banks and hedge funds to be designated as "commercial" rather than "speculative" traders—as if they were airlines or gasoline distributors which needed to buy future oil products—and thus subject to no speculative limits on how large their positions. And second, with one-third or more of futures trading for West Texas crude oil going through British offshore "dark markets," no reporting of trades and speculative positions is going to any U.S. regulatory agency. Add margin requirements of only 5-6% for trades (i.e., a debt leverage ratio of 15-20 to one, like that which blew out Bear Stearns, and the debt securities markets not required to report them), and you have London and Wall Street financial firms driving a wild speculative hyperinflation.

On May 25, Cantwell and 22 other Senators had released a letter to the CFTC and the Federal Trade Commission (FTC) demanding that the "London loophole" be closed. CFTC

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chairman Walter Lukken had responded on May 29 promising action, after which he earnestly requested that the British FSA give the CFTC some data by Fall. "He's [Lukken] gotten down on his knees to the British," Greenberger said to questions by Dorgan.

Cooper told the Senators, "Roll up your sleeves, assert the national authority of the United States, and regulate these markets. Overhaul the futures markets from top to bottom."

Cantwell said after the hearing, "Now there will be a lot more than 23 Senators; and I believe CFTC will take the action required by the economy, and by the morality of the American people, now." If not, she believes the Senate will legislate to force CFTC's hand.

Soros: It's Just Supply and Demand

As for Soros, he had also repeated, in his testimony, the claims of executives of the ICE futures market, who told the *Washington Post* that U.S. government re-regulation would drive the speculative banks and funds to flee U.S. oil futures markets. Greenberger strongly disagreed with this threat by the ICE, but added, "If a Morgan Stanley really flees, goes offshore, we'd have a lower oil price as a result—I'd say, 'Let them go.'"

Late in the proceedings, Soros appeared to become uncomfortable at being pushed aside, and interjected strong disagreement with Greenberger and Cooper. "I think this whole approach [focussing on speculation] is the wrong way of looking at it," Soros complained. "What is happening with the oil price is fundamentally a matter of demand and supply... Oil fields around the world are aging. Consumption is growing by nations in the Third World. The recession will bring down the bubble, but only temporarily. The more important issue is the longer term, which is global warming."

So much for Soros's "witheringly" warning the Senators about a giant bubble created by speculators! He was flustered into making the same "nobody here but us fundamentals" argument as did the CEO of British Petroleum, or the head of the CFTC, Lukken.

Adding insult to the injury to the great speculator's British ego, Dorgan then directed the first question in an hour to him: "You reportedly, with your hedge funds, made a profit of \$3 billion last year.... Did any of that come from speculation in oil?" "No, no!" said Soros. "And you're saying," pursued Dorgan, "that this price bubble will be wiped out by a recession, that we don't have to do anything about it?" "No, no," Soros repeated, and explained hurriedly that he really didn't know very much about oil futures markets at all!

Lyndon LaRouche commented that Soros's surprising isolation at the hearing could indicate that "the word is out, and some people are getting disgusted at what he's doing" politically, with the huge sums he has thrown into Democratic Party factions on behalf of British political objectives.

Economist Glazyev Made Full Member of Russian Academy of Sciences

Economist Sergei Glazyev's elevation to full membership in the Russian Academy of Sciences is welcome news in his own country and abroad, for everybody who grasps the importance of a flourishing Russia, as Eurasia's keystone nation, for the world. Glazyev has fought relentlessly, in the political arena and in economic science, in defense of Russia's physical economic development and the welfare of its population. He is known for taking surprising and courageous actions: In 1993, he was the only member of the Russian Government to quit the cabinet when President Boris Yeltsin abolished the Russian Parliament (Supreme Soviet) for its refusal to adopt the full free-trade and privatization agenda that was to wreck Russia for most of the 1990s.

In June 2001, Glazyev, then chairman of the State Duma's Committee on Economic Policy, held hearings on the subject of "Measures To Protect the National Economy Under Conditions of Global Financial Crisis." As lead-off witness, he invited U.S. economist Lyndon LaRouche. Other speakers included the late Academician Dmitri S. Lvov, economists Andrei Kobyakov and Tatyana Koryagina, and Schiller Institute founder Helga Zepp-LaRouche. In an interview with the nationalist weekly *Zavtra* in May, titled "Ten Steps To Rein In the Crisis," Glazyev recalled those hearings, saying that "if the leaders of the Central Bank and the government had listened to the recommendations from the parliamentary hearings, which we held seven years ago," losses Russia has already sustained in the current financial collapse could have been avoided.

Glazyev's election at the May 28 general assembly of the Academy was announced as filling a vacancy in its Economics section. Thus, Academician Glazyev effectively takes the seat of his teacher, longtime collaborator, and friend, Academician Dmitri S. Lvov, who died in 2007. Lvov, who especially fought the looting of Russia's raw materials, carried on a public dialogue with LaRouche on questions of physical economy, over the course of more than ten years.

It is noteworthy that the Academy candidacy of Vladimir Mau, one of the London Institute of Economic Affairs-trained economists who drove privatization and deregulation in the 1990s, failed to be voted up.

Born in the steel belt of Ukraine, Glazyev studied economics at Moscow State University, doing his post-graduate work under Professor Lvov at the Central Mathematical Economics Institute (CEMI) of the Academy of Sciences. In 1991, at the age of 31, he became first deputy minister, and

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EIRNS/Wolfgang Lillge

Sergei Glazyev's elevation to full membership in the Russian Academy of Sciences is a worthy recognition of his dedication to the development of Russia's physical economy. Here, economist Glazyev is shown speaking at an EIR seminar with Lyndon LaRouche (to Glazyev's left) in Berlin, Germany, June 28, 2005.

then minister of foreign economic relations of the Russian Federation—part of the team of "young reformers" who had been groomed by foreign free-trade fanatics to take over post-Soviet Russian economic policy and bind it hard and fast into the process of globalization. Based on what he witnessed as a cabinet member, Glazyev rebelled against this policy, then quit the government in the 1993 crisis. In his 1998 book *Genocide*, Glazyev wrote that "the rate of annual population loss [in Russia that decade] has been more than double the rate of loss during the period of repression and mass famine in the first half of the 1930s.... There has been nothing like this in the thousand-year history of Russia." (EIR News Service published the English edition of *Genocide* in 1999.)

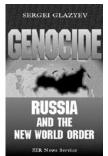
Glazyev was elected to the State Duma as a leader of the Democratic Party of Russia in 1993, and again on the Communist Party slate, several years later. In 2003, his recently-founded Rodina (Homeland) Party shocked the political scene by polling 9% in State Duma elections. Glazyev mounted a run for the Russian Presidency in 2004, but was out-maneuvered by powerful opponents from within the Kremlin.

Glazyev did not seek re-election to the Duma last year. He is currently director of the New Economy Institute and head of the National Development Institute of the Academy of Sciences. He also chairs the Customs Union of the Eurasian Economic Community, which groups Russia, Belarus, Kazakstan, Kyrgyzstan, and Tajikistan. In a recent media poll, he was named the most-cited Russian economist of 2007.

At a May 15, 2007 special session honoring Prof. Stanislav Menshikov, held at the Presidium of the Academy of Sciences with most of its Economics division members in attendance—and LaRouche as a foreign guest of honor—Sergei Glazyev gave this account of his mission as an economist: "It is difficult, today, to get the people dealing with economic policy in our country to think," he said, congratulating Menshikov for his ability to do that. He thanked Menshikov, saying that "what he does is truly a great deed. And he does this great deed with love for our country, and with faith that we shall succeed in overcoming stupidity and living by our own wits.... Unlike many of my friends, who always issue pessimistic forecasts, Stanislav Mikhailovich carries a great charge of optimism, which permeates all of his work. I wish for him to keep that. I don't know about reaching the year 2027 together with Stanislav Mikhailovich, but at least for all our working lives, I wish for us to find meaning in policies for our country. Thank you very much."

The proceedings of Glazyev's 2001 hearings were published in *EIR* of July 20, 2001, and are available online at www.larouchepub.com.

GENOCIDE RUSSIA AND THE NEW WORLD ORDER



Russia in the 1990s: "The rate of annual population loss has been more than double the rate of loss during the period of Stalinist repression and mass

famine in the first half of the 1930s . . . There has been nothing like this in the thousand-year history of Russia."
—Sergei Glazyev

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Economist Dr. Sergei Glazyev was Minister of Foreign Economic Relations in Boris Yeltsin's first cabinet, and was the only member of the government to resign in protest of the abolition of Parliament in 1993.

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Agriculture in the Tropics: Seeking To Be Self-Sufficient

by Mohd Peter Davis

Mohd Peter Davis is an agricultural scientist from the Institute of Advanced Technology, Universiti Putra Malaysia, and a collaborator of the LaRouche movement. This article was published in the Malaysia Star on June 1. It presents the dramatic animal production breakthroughs developed in Malaysia, in the context of Helga Zepp-LaRouche's Emergency Call to Action to double world food production and eliminate the World Trade Organization. With this system, known as "Deep Tropical," the whole of Borneo (Malaysian Sarawak, Malaysian Sabah, Brunei, and Indonesian Kalimantan) has the potential, with the backing of their governments, to be turned into a major world supplier of milk, prime beef, and lamb. The Deep Tropical animal production system can also be rapidly adopted by other rainforest countries in West Africa and the Amazon.



Courtesy of the author Mohd Peter Davis



Courtesy of the author N. Yogendran

For an earlier piece by Davis on the Deep Tropical system, see EIR, April 25, 2008.

In light of the global food crisis, the FAO [UN Food and Agriculture Organization] is being urged to restructure world agriculture and food production. A Made-in-Malaysia system may be just the answer in the area of livestock farming.

The world food crisis is threatening billions with hunger and starvation. An international call has been made for the FAO emergency conference in Rome 3-5 June to completely restructure world agriculture and double world food production. Malaysia is beginning to answer this call with a Deep Tropical animal production system described by Mohd Peter Davis, (mohd_peter@hotmail.com) an agricultural scientist from Institute of Advanced Technology, Universiti Putra Malaysia and its inventor, livestock entrepreneur N. Yogendran. The system is based on the tremendous all-year-round bio-

mass production from grass farms in rainforest climates which can help make Malaysia self sufficient in milk, beef, goat, and lamb meat and turn the whole of Borneo and the peninsula into a major world supplier.

Protein Requirement

Human beings have a biological requirement for carbohydrates (usually supplied by rice, bread, and potatoes), fruits and vegetables (for fibre and vitamins), and protein (best supplied by fish, milk, eggs, and meat). The protein requirement is the most difficult and expensive to supply. To enjoy a good productive life, every person needs one gram of protein per kg body weight per day. A 60-kg person therefore needs 60 g of protein per day, which can be supplied for example with 300 g meat (chicken, beef, or lamb) or two litres of milk. For a world population of 6.6 billion, that is a tall daily order.

Our Deep Tropical animal production system, which took 20 years to develop from basic research, right up to successful commercial farms, is designed to help meet this challenge and supplement the milk and meat now produced mainly in temperate climates by grazing animals on pastures. European-type grazing of animals in the humid tropics has a sorry history due to four basic biological problems that have proved extremely difficult to overcome by conventional farming:

- 1. Poor productivity of temperate animals and crosses with tropical animals in the humid tropics;
 - 2. Heat stress;
 - 3. High tropical disease and parasite burden; and
- 4. Poor nutrition from native grasses and high maintenance of improved pastures to keep out the jungle plant species

These problems have prevented Malaysia from becoming self-sufficient in milk, beef, and mutton. Despite the country's historically tiny population, now only 27 million, Malaysia has never been more than 50% self-sufficient in food.

The Deep Tropical System

The Deep Tropical system simultaneously solves all these biological limitations, by housing productive temperate breeds in cool-climate barns and hand feeding with young cut grass from grass farms. This stunningly simple solution improves the health, nutrition, and welfare of what we term happy domestic animals. Successful models of small-scale commercial Malaysian sheep and goat farms already exist

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around Malaysia. The intensive farming system is now going large-scale.

A RM 50 million [\$15.4 million] dairy farm in Pahang has just been established with pregnant Jersey cows air freighted from Australia and housed in cool, hygienic climate barns. These are being fed highly nutritious 35-day-old, fresh-cut grass from a nearby grass farm. Grass greatly reduces feed costs, is the natural food of ruminant animals, and is useless as human food, or for anything else. Malaysia's all-year-round perfect rainforest climate supports the highest rate of biomass production in the world, and with our management techniques, grass grows 91 cm in 35 days, and can be harvested ten times per year for up to three years before ploughing and re-seeding.

The first calves and marketable milk from the new dairy farm are scheduled in June. Scaling up, a RM 1 billion [\$300 million] investment with farms totalling 60,000 cows would lift Malaysian self-sufficiency in milk from the present 5% to 25%. The same dairy farms will produce cattle for the prime beef market and replace 75% of live cattle presently imported for fattening in Malaysia.

Pilot studies on smaller commercial farms demonstrate that the Deep Tropical farming system can produce three times more milk and beef per hectare of land compared to the best New Zealand grazing farms. Sheep farming based on the same system is even easier and can be established more rapidly than dairy farms, and with less investment to meet the urgent food demand. The minimum commercial scale is a 100-sheep farm.

Call for Emergency Action!

Looking to the future, Malaysia can become self-sufficient in milk and ruminant meat in a remarkably short time with the Deep Tropical system. The future also looks bright for Malaysian and Indonesian Borneo, with vast lands for Deep Tropical farming to supply top quality milk and *halal* meat for world markets.

In the face of food riots in 40 countries, and mass starvation threatening developing countries on a scale never before seen in history, an urgent call to double world food production is receiving tremendous support from governments and institutions around the world. Leading the call for the FAO Rome Conference is Helga Zepp-LaRouche, founder of the Schiller Institute and chairperson of the Civil Rights Solidarity Movement (BüSo) in Germany. "Food is something you eat; food is what you offer your neighbour. Don't speculate: double food production, eliminate both the World Trade Organisation and the diversion of food to biofuels!"

At the request of 82 countries, the United Nations Human Rights Council held a Special Session in Geneva on May 22 to discuss the world food crisis. The initiating countries come from the Non-Aligned Movement, the African Group, the Organisation of the Islamic Conference, and the Group of Arab States, and at least 15 other countries, including China and Italy. Their pre-meeting statement is inspiring: "The world can produce enough food to feed twice the entire global population. Therefore, in a world overflowing with riches, hunger is not inevitable. It is a violation of human rights."

In an unusually bold statement on April 25, Nina Fedoroff, editor of the prestigious journal *Science*, wrote: "There is an acute need for another jump in global agricultural productivity, a second Green Revolution. Can it happen?"

However, these growing humanitarian calls to defend the welfare of the world's population are not universally shared. Ever since the false theory of Thomas Malthus 200 years ago—that the Earth is overpopulated and [population] must be reduced to protect the food supply—evil people have used this flimsy excuse to hold back development and decrease population in poor countries.

Throughout history, mankind's creative discoveries and inventions have enabled the human population to expand by leaps and bounds above the population of wild animals. The graph of world population since the invention of agriculture 10,000 years ago is really the chart of wave upon wave of scientific, technological, and social breakthroughs to the present day. With only a few million people on Earth before agriculture, the world population grew to 300 million by the time of Jesus and leapt magnificently following the European Renaissance and the rise of modern science and technology to the 6.6 billion people we have today. It's predicted to rise to 9 billion by 2050. In the post-World War II recovery, world food production doubled in 17 years up to 1970. The Green Revolution in the 1960s and 1970s involving hybrid super seeds, enabled China and India to become self-sufficient and major exporters of rice.

Scientific Food Production

The developing green agricultural revolution, with genetically improved crops and domestic animals, combined with the rapid development of nuclear power with its cheap and abundant electricity and desalinated water, was well on target to eliminate world hunger. But then everything began to grind to a halt! Scientific progress from the 1970s was systematically sabotaged by the internationally coordinated anti-nuclear, anti-pesticide, anti-technology campaign of the green environment movement. This was followed in 1995 by the World Trade Organisation's insistence, against all humanitarian arguments, that free trade is more important than

Now, with our agriculture shattered and biofuels destroying anywhere between 10% and 20% of world food, we have ended up with today's completely unnecessary man-made humanitarian catastrophe, with millions facing hunger and starvation. Malaysia only produces half of its food and is also directly threatened with starvation, as during the Japanese Occupation when the food ships were stopped by war-time naval blockade. History must not be allowed to repeat itself.

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World News

FAO SUMMIT: FREE TRADE AT A DEAD END

Now Is the Time for a New, Just World Economic Order

by Helga Zepp-LaRouche

Mrs. Zepp-LaRouche is the founder of the Schiller Institute and the chairwoman of the Civil Rights Solidarity Movement (BüSo) in Germany. She issued an appeal on May 3 (see EIR, May 9), for an emergency mobilization to put doubling of world food production on the agenda of the UN Food and Agriculture Organization's (FAO) June 3-5 summit in Rome. The call was circulated worldwide for endorsement. This article has been translated from German.

Certainly the bad news from the FAO conference in Rome, is that the measures agreed upon fall far short of what will be necessary to solve the world hunger crisis. The final communiqué promised a mere \$8 billion, without even specifying how it is to be spent. But despite this, the conference's outcome can be termed a partial victory for the cause of humanity, because the champions of the "British imperial free trade doctrine," as Friedrich List once described them, have suffered a decisive defeat.

The so-called developed countries should nevertheless be ashamed that the dividing line between those states whose leaders spoke in favor of food security and protectionist trade measures, and the partisans of unfettered free trade, ran more or less precisely between the G7 nations on the one side, and the underdeveloped nations on the other. And so, it is hardly surprising that among the developing countries, the view was widespread, that the G7 is pursuing a neo-colonial policy, and is unwilling to help the world's poor countries—a view which was already anticipated back in April by FAO Director Jacques Diouf. (At least the German delegation, as the conference was winding up, evinced "respect" for the positions of Argentina, Venezuela, and a few other countries.)

But since it has become increasingly evident that the

neo-liberal system of globalization is light-years away from humanity's real needs, and is only benefitting a tiny caste of speculators, it should also not be surprising that the institutions and organizations associated with globalization are all becoming obsolete. For example, in Paris, the G6—the European Union, the United States, Brazil, Japan, China, and India—failed in their last desperate crisis talks aimed at bringing the seven-years-long negotiations of the so-called Doha Round to a conclusion, which they had hoped would finally secure the complete liberalization of world trade.

In Geneva, WTO Director-General Pascal Lamy then proceeded to suspend all further meetings, arguing that negotiations have only resulted in further setbacks, and that some participants are no longer even trying to get results. EU Trade Commissioner Peter Mandelson complained that a failure of the WTO agreement would mean there would be no guarantee against protectionist reactions. All options, he said, have been exhausted, and with the U.S. Presidential elections under way, the window of opportunity has now been closed. (They had hoped to get the agreement signed, sealed, and delivered well before the end of Bush's Administration.)

Former WTO director-general and current BP chairman Peter Sutherland bemoaned the fact that half a century of advancement of free trade has now come to a standstill, and is about to go into reverse. According to him, the Doha Round could completely break down within the month.

That is all excellent news, because it has never been more clear than right now—at a time when the global systemic collapse and rampant worldwide inflation have unleashed an unparalleled hunger catastrophe—that the doctrine of free trade is in fundamental opposition to the existential interests not only of the developing countries, but

also of Europe's farmers, and thus of all consumers everywhere.

Nations Take the Law Into Their Own Hands

A rapidly growing number of countries are therefore taking their own independent measures to increase domestic food production, move toward food security, restrict exports,

and invest in sectors which are run contrary to the WTO's trade conditions and the IMF's conditionalities. These countries are driven by a courage born of desperation. In Haiti, for example, during the hunger revolt which led to the collapse of the government, the rioters were shouting that they had no reason to fear the policemen's bullets, since they were on the verge of starving to death anyway.

These countries are simply doing what Friedrich List, the father of the German Tariff Union, had called for in his book on National Economy, namely, that the lesser-developed

nations must erect protective tariff barriers for their domestic economies, so that they might have a chance to build up a strong internal market and increase their citizens' purchasing power. List, who traveled to America in 1825 and studied what he termed the American System, along with the diametrically opposed English System, advocated the same theory as Henry Carey did later on: that the source of all social wealth is not the principle of Manchester free trade—"buy cheap, sell dear, and demolish all trade barriers"—but rather, wealth comes from increases in productivity, as the fruit of scientific and technological progress. For it is only by increasing the productivity of a nation's entire workforce, that a nation can achieve actual growth of its national physical assets.

List's accusation against Adam Smith's British System holds just as true now for the proponents of free trade, as it did back then: namely, that it is for export only, in order to prevent underdeveloped economies from building up their own productive forces, while British manufacturing remained shielded from foreign competition. In the same way, Great Britain today has forced the monster of Maastricht and the euro onto continental Europe, and, in the words of [British commentator] Ambrose Evans-Pritchard, has induced Brussels to pursue a 100% British-made policy, while Britain itself remains free of the Maastricht corset.

On Nov. 3, 1827, while in Philadelphia, List wrote that the Americans (and today, the world as a whole—HZL) must finally understand, "that with his books, Adam Smith did not intend to enlighten nations, but rather aimed at confusing them, for the benefit of his own land [England]." The same is true of the free-trade faction's ideas today. So, free trade isn't all that free after all, since, for example, 90% of agricultural



Friedrich List (left) and Adam Smith. List's accusation against the British free-trade system still holds true today: It is for foreign consumption; the British protect their own interests. But their system is completely bankrupt!

production worldwide is now controlled by five mega-cartels. The purpose of "appropriate technology" is not to help people in the developing countries, but rather it is for deliberately perpetuating those countries' underdevelopment. And under the rubric "sustainable development," the continuation of that injustice is supposed to be made permanent.

Free Trade Is Obsolete

But just as Russia's new President Medvedev was correct when he announced, on his first visit

to Berlin, that NATO and its eastward expansion have become obsolete, so also is this true for the WTO and the entire British imperial free-trade doctrine. Russia, China, and India, along with a growing number of developing countries, are drawing their own conclusions from the failure of globalization. What is most necessary now, is a worldwide public debate on what a real industrial policy is, one which is capable of conquering world hunger and poverty in the long term. That must include Japan's promised assistance for a new Green Revolution in Africa, as well as Senegal President Wade's plan to build a "great green wall" from Dakar to Djibouti, i.e., from the Atlantic coast to the Gulf of Aden, cutting across an area consisting mainly of desert—a forested corridor, and thus a new "green lung" for the African continent.

Over the coming months, the world financial crisis will worsen dramatically, with all the predictable consequences. The agenda item which the FAO conference in Rome failed to address, must now be discussed elsewhere, in other forums. By the time the UN General Assembly meets in September, at the very latest, the issue of a New, Just World Economic Order, a New Bretton Woods System, and a "New Deal" for the world economy, must be on the agenda. It is high time that our planet's political and economic order be brought into harmony with the Creator's order, the laws of the physical universe, and the dignity of Man as the crown of that Creation.

Showdown in Rome

EIR Puts Food Security On FAO Summit Agenda

by Alexander C. Pusch

Whoever thought that the High-Level Summit of the Food and Agriculture Organization (FAO), which took place in Rome June 3-5, would result in a swift and clear program of action, with concrete and direct means to deal with the world hunger crisis, had another think coming. As Helga Zepp-LaRouche had suspected, and repeatedly warned, the Summit developed into a veritable showdown between the forces of national sovereignty, on the one side, and the British imperial interests controlling globalization, on the other.

This became obvious in the final hours of the Summit, when the Committee of the Whole, even after hours of debate, was unable to come to an agreement on the final conference communiqué. We owe that to the proud delegations from Argentina and Venezuela, and many other countries of the South, who did not want to bend to the pressure, and submit to a declaration that included language condemning "restrictive trade barriers." From this seemingly formal objection to free-trade language arose a revolt of countries of Ibero-America, which declared their solidarity with the hungry in the world, and attacked the hypocrisy of the debate. How could one seek to ameliorate the situation for the 900 million desperately hungry persons on this planet, while at the same time, pushing or submitting to free-trade policies harkening back to the heyday of the British Empire?

The representative of Venezuela used her concluding remarks to point to the fact that a great opportunity had been tragically wasted with the Summit. "The 900 million persons suffering from hunger cannot wait," she proclaimed, in her speech supporting the Argentinian delegation's determination not to go along with the "consensus." The only thing which remained to be added, was that this tragically missed opportunity was due to the willful sabotage of all constructive debate by the delegations from Great Britain, the U.S.A., and other countries currently under the thumb of the British imperial institutions.

Food Security vs. the 'Market'

From the opening of the Summit, there were clear signs that the world food crisis had led at least some officials to recognize the necessity of touching upon the "forbidden" subjects. Rome Mayor Gianni Alemanno, for example, a former agricultural minister, made emphatic remarks concerning the inability of the market to create food security; and Italian President Giorgio Napolitano stated, in his opening remarks: "We cannot rely on the balancing forces of the market to overcome the food crisis and provide a perspective of real food security!"

During the three days of the Summit, *EIR*'s representatives provided participants with a clear definition as to where the lines were drawn. There was not a press conference that took place during the entire Summit, in which there was not at least one *EIR* spokesman pointing to the irreconcilability of the goal of increasing agricultural productivity, on the one hand, and the ideologically motivated initiatives for further trade liberalization and the "speedy conclusion of the Doha Round of the WTO [World Trade Organization]," on the other.

For instance, during the initial press conference, an *EIR* reporter directed a question to FAO director-general Jacques Diouf:

"I'm Andrew Spannaus of *Executive Intelligence Review*, the magazine of Lyndon LaRouche," he began.

"There is much discussion of the importance of coordinated intervention to deal with the crisis," Spannaus continued. "However, there is a large contradiction: At the same time, trade liberalization is being pushed with the Doha Round of the WTO.

"In speaking with delegations from developing countries, many see this policy of trade liberalization as a continuation of the IMF policy, and colonialism, of only exporting to rich markets. In Europe, there is also a spirited defense of the Common Agricultural Policy.

"Would it not be better to work together for a policy of guaranteeing investment and food self-sufficiency, and abandon the market policy, which is subject to financial speculation and distortion, rather than having to clean up the mess created by that market policy afterwards?" Spannaus proposed.

Diouf began with a passionate response to the problems in the low-income countries. There is a lack of investment, technology, inputs, and infrastructure, which does not allow those countries to produce efficiently, Diouf said. Some countries, with only 2-4% of their population, are able to produce and export; others, with 60-80% of their population in agriculture, do not succeed in producing enough. Seed and fertilizer are needed. Investment must be increased. This is the supply response.

He then failed, however, to challenge the "rules of the game" set by the conference organizers, adding: But, there is also the demand response. Some progress has been made. The question is whether there is enough supply to meet demand. There are problems, represented by subsidies, tar-

iffs, and property rights on seeds, which prevent supply from meeting demand. So it is a complex question, we have to look at all of the issues.

In terms of priority, Diouf concluded, immediate measures need to be taken for planting, to allow countries to deal with the immediate crisis.

Behind Closed Doors

At the next press conference, an *EIR* reporter asked former UN Secretary General Kofi Annan a similar question. The press conference had been convened as a signing of a Memorandum of Understanding between the World Food Program, the FAO, and the International Fund for Agricultural Development (IFAD), with the Alliance for a Green Revolution in Africa, a Rockefeller Foundation- and Gates Foundation-funded initiative, of which Annan is the chairman. *EIR* pointed to the need for an industrial revolution as the basis for a Green Revolution in Africa, given the drastically inadequate infrastructure development. As Lyndon LaRouche has emphasized, the amount of food that is destroyed after the harvest, by pests and rot, is a big part of the problem.

"When one considers this," *EIR* stated, "the memory of the great American President Franklin Roosevelt must come to mind, who led such an industrialization program in the U.S. But development of infrastructure and industry requires long-term investment, which in turn, requires long-term financial stability. This has been much discussed recently in light of the blowout of the U.S. housing bubble and the related securities sector. For example, there has been a letter circulating recently in Europe by 14 former prime ministers and finance ministers, calling for a reform of the financial system. Therefore, my question to you is, whether there is a willingness to consider and discuss a Green Revolution in Africa from the standpoint of systemic reform."

The former secretary-general responded, "You are right!" But then he made clear that he was not willing to commit publicly to one or the other side of the divide between national sovereignty and development, and free-trade, imperial policy.

On the sidelines of the conference, and in the ensuing press availabilities, one of the main subjects of discussion among the delegates was the LaRouche PAC Food Policy Memorandum (see *EIR*, June 6, 2008), which *EIR* was circulating there, and which helped to create an environment in which, particularly the delegations from the smaller nations found the support to resist the pressure from the G-8 nations and the EU.

Setting a New Agenda

Many delegates expressed joy at the presence of associates of LaRouche, as they themselves, being diplomats and

government representatives, did not have the freedom to publicly express themselves concerning the more fundamental aspects of economic policy, which *EIR* is known for having no qualms about raising.

The president of the African Development Bank Group (AfDB), Donald Kaberuka, was asked by *EIR*, whether he saw the willingness in international institutions such as this conference, to consider the food crisis from a systemic standpoint, and from the perspective of the necessary reform of the financial and economic system. He answered: "I think this food crisis has acted like a wake-up call for the whole world, and I think this wake-up call means that we have to re-analyze, to re-think the way we support agriculture. In the developed countries, as well as in the developing countries, there will have to be a rethink of the way we conduct our business."

The following discussion ensued between *EIR* and Emilia Harahap, Assistant Minister for Institutional Relations and International Cooperation in the Ministry of Agriculture of the Republic of Indonesia:

EIR: What is your view of the outcome of this conference?

Harahap: Well, I think, from this conference, at least all stakeholders will build our recommitment to the importance of agriculture; that is the main point.

EIR: I have been in discussions with many delegations, especially from the developing sector, which expressed that on the one side people are talking about investment; on the other side, there is also a lot of talk of trade liberalization, and concluding the Doha Round of the WTO. Was there any tension around these issues here?

Harahap: I think, there are, of course, two issues: We need to have close cooperation; on the other side, the question is, how to build food security. Not only globally, but starting at the regional, the domestic level, the household level, the national [level]. Then we come to the bigger and bigger scale. Of course, by having this experience of the food crisis, now we realize that one country depends very much on another country, which means that we should create fair trade, for this, and the developed countries—I don't like to say the developed countries....

EIR: You mean the G-8 nations?

Harahap: Well, what I want to say is that one country cannot impose its power and policies on other countries, because food is the essential basic need. I think one country, even though it be a rich country, cannot let other people die because of lack of food. So the essential thing is the interest of humanity! That's why I think the Doha Round also has to consider changes. Now, I don't know. They are still stuck with several issues on the agenda, particularly agriculture.

They have to re-think the situation and deal with it in a more wise manner. We should not let one group try to determine the policies; it would be better if we work together, hand-in-hand, fight for the best solution of how to fulfill food security to better the lives of our people and protect our planet. I think that is the very basic, again, the interest of humanity.

What's Next?

In spite of the good intentions of some participants, the result of the Summit will be seen as totally inadequate in the face of the continuing escalation of the worldwide crisis, since there were no decisive measures taken, that would treat the situation as it should be: as an emergency for all of humanity. The declaration finally adopted by the conference consists mainly of commitments of a far too general nature, and there remains the commitment to biofuels, emphasized by the U.S. delegation in a final statement in the plenary session.

This is a head-long dash into a suicidal policy, although it has been opposed by a group of nations led by Egyptian President Hosni Mubarak. The continued destruction of food for creating fuels is sold to developing countries as a wonderful means to return to prosperity by joining the frenzy. Brazil, in particular, has fallen victim to this trap, as it has a developed sugar cane industry from colonial days, still functioning in much the same way it did then, and therefore it hopes to make it big in the ethanol business. But with the continued decline of food security, the issue will again come to the top of the world's agenda.

A special High-Level Task Force was created to continue the coordination of the UN response to the food crisis. This Task Force does not have any representative value, as it is linked to the IMF and World Bank, in which it is the developed, rich countries which have the last word, whereas the FAO still has a "one country-one vote" framework. All of this is a great disappointment, given the hope for real change with which many had come to Rome, and with which many around the world watched the proceedings there

Director-General Diouf reflected this reality in the final press conference, noting that, with 181 countries represented, consensus would never be easy to reach, and one should not expect universal solutions in this context.

This will not be the case, of course, until there is willingness to admit the total and irreparable bankruptcy of the current system, as LaRouche has consistently and correctly forecast. Effective structural, systemic reforms have to be devised from this standpoint.

And the foundation has certainly been laid for this to occur, with the strategic alliance of the powerful nations of Russia, China, and India coming together to resist the plans of the representatives of British imperial policy, as the crisis unfolds.

What They Said at the FAO World Food Summit

The following short summaries provide a sampling of the official presentations in Rome at the June 3-5 High-Level Conference on World Food Security: The Challenges of Climate Change and BioEnergy, of the UN Food and Agriculture Organization. The excerpts are grouped by theme.

Food: A Human Right

Egypt: President Hosni Mubarak spoke of "the inalienable human right to food and life," and decried the biofuels craze, saying that "agricultural crops [should be used] as food for human beings, not as fuel for engines."

China: Minister of Agriculture Sun Zhengcai identified the causes of the current global food crisis as, "the continuous sharp rise of international oil prices, the general increase of production costs, the rapid growth of bio-energy, the rising demand for food, reduced production caused by national disasters, and the manipulation of speculative capitals."

Sun added, "Food security for all is a fundamental human right in modern societies. The continuous growth of global demand for food is an irreversible trend for a pretty long time to come. Eradication of hunger and malnutrition, proper increase of food consumption levels, and steady improvement of living standards is not only a common wish and justified right of the people in the developing world, but also a main indicator of the world's development and progress.... There are still 820 million undernourished people in the developing world. The surge of food prices has caused them great suffering and could lead to further social riots and political unrest, putting the permanent peace and common prosperity at risk.

"The basic function of agriculture is to satisfy food demand for human survival and development. The production of grain-based biofuels has driven up grain utilization, exacerbated the already tight food supply and demand balance, with potential to trigger off more and far-reaching problems.... We will adhere to the principle of 'no competition for grains with people and no competition for land with grains,' putting stringent control over the production of biofuels using feedstock such as maize and oilseeds, while at the same time promoting biofuel production using crop straws and stalks, or by way of proper expansion of energy crops.

"China is committed to contributing to the development of world food and agriculture.... China is taking advantage of its agricultural expertise such as hybrid rice to assist other



FAO/Giulio Napolitano

FAO Director-General Jacques Diouf presided over the High-Level Conference on World Food Security, where, despite numerous positive interventions for expanded production and against free trade, there was no decisive action plan put together to stave off the onrushing famine crisis.

developing countries to increase agricultural and food production. China has established, or is establishing, over 20 demonstration centers of agricultural technology in some countries in Asia, Africa, and Latin America. We have dispatched nearly 1,000 agricultural experts and technicians to other developing countries."

UN Special Rapporteur on the Right to Food: Olivier de Schutter said: "At its Special Session of 22 May on the global food crisis, the Human Rights Council invited the FAO to provide the High Commissioner for Human Rights, Ms. Louise Arbour, and myself, an opportunity to convey a message to this Summit. This Special Session was the first one ever to focus on a thematic issue. Calling the worsening of the world food crisis a serious threat to the realization of the right to food for all, the 47 member governments of the Human Rights Council adopted, by consensus, a resolution affirming the importance of taking into account the right to adequate food, as recognized in international law, in the current answers to the crisis.

"International law firmly defines the right to adequate food as one which States must not only respect, protect and fulfill on their territory, but also as one which imposes extraterritorial obligations, incurred vis-à-vis populations outside the national territory. Indeed, this is why the States party to the International Convenant on Economic, Social and Cultural Rights, recognizing the fundamental right of everyone to be free from hunger, have committed themselves to 'take, individually and through international co-operation, the measures, including specific programmes, which are needed, ... taking into account the problems of both food-importing

and food-exporting countries, to ensure an equitable distribution of world food supplies in relation to need' (Article 11[2]).

"In addition, it follows from Article 56 of the Charter of the United Nations as well as from the International Covenant on Economic, Social and Cultural Rights, that States cooperate in the identification and elimination of the obstacles to the full realization of the right to food. This is directly relevant, of course, in situations of crisis, such as that following a natural disaster: as a correlative to the obligation imposed on all States in need of assistance to request such assistance, States in a position to assist are under an obligation to provide such assistance. But the obligation of international assistance and cooperation also has a broader significance, which goes

far beyond such emergency situations resulting from natural disasters: it requires that States cooperate in establishing an international environment which is conducive to the full realization of the right to adequate food at national levels....

"This, in my view, has three implications. States should set up an appropriate institutional framework based on the right to food, as one means to better protect their population from the impact of the volatility of prices on the international food markets. It should guide us in our search for solutions, a 'new deal' in agriculture which is called for. And it requires that we move along the causality chain from the situation of the hungry and the malnourished, to the actions and omissions which result in such violations of the right to food, without neglecting any of the factors which we can act upon....

"One specific concern, also related to the role of the private sector, is the potential obstacle strong patent rights may represent for the availability of quality seed. Many developing countries are facing a critical shortage of quality seed. Wherever necessary, consistent with Article 15 of the International Covenant on Economic, Social and Cultural Rights ... a balance may have to be struck between the intellectual property rights of corporations holding patents on seeds, and the need to ensure that agricultural inputs remain affordable for smallhold farmers and that they receive a fair remuneration from their work.

"Finally, one factor which needs to be addressed is the role of speculation on the markets of primary commodities, particularly food commodities, in the current increase in prices...."

Expand Food; Stop Biofuels, Cartels, IMF

Argentina: President Cristina Fernández de Kirchner blasted the grain cartels and the IMF (International Monetary Fund) for contributing to the food crisis. The IMF told Haiti, she said, "to abandon rice production. Today, Haiti can't even be treated as an emerging country. It is barely a country that survives." If the global crisis isn't dealt with, she said, "we are going to see scenes like those from the Middle Ages where, perhaps at the door of a bakery in Magreb, or in some faraway place in Africa, people will beat each other and die searching for a plate of food."

India: Agriculture Minister Sharad Pawar said the impact of diversion of land which grows cereal for human consumption, into production for biofuels, is likely to be self-defeating. What is needed is increasing investments in rural infrastructure, and agricultural research and development, and transferring new technology to farmers to enable them to grow more and better. He made the point that there need be no production crisis; India uses 3% of world water and 5% of arable land to feed 17% of the world's population.

Sri Lanka: President Mahinda Rajapakse reported: "We opened our doors so wide to the global market forces, that ... we failed at the same time to protect several of our national interests." Rajapakse pointed out that the lack of infrastructure and adequate investment for decades in agricultural research, and the insane diversion of food grains into making high-price ethanol, have brought at least 100 million people to the verge of starvation today.

Senegal: President Abdoulaye Wade described an ambitious project which the Sahel-Sahara nations have launched in Africa to prevent the spread of desertification. The project, called the "Great Green Wall" is a continental effort coordinated by Senegal in connection with the Commission of the African Union.

As Wade put it: "This project consists in planting trees over a distance of 7,000 km from Dakar to Djibouti to constitute a 5 km-wide green strip across the desert to stop any further progress of desertification process. With the regeneration of biodiversity, we plan to give our planet a new 'green lung' and contribute thus to the fight against climatic changes.... We have already identified the course of the Great Green Wall and selected the tree species to be planted according to climatic zones, each country crossed by the Great Wall being responsible for its edification within its borders.

"Alongside the Great Green Wall, we are planning to build water capture basins. The process consists in collecting rainwater during the rainy season at the lowest point of each village, by compacting the ground as a basin. Every year during the rainy season we lose important quantities of water by evaporation, infiltration underground, or running off to the ocean. With water capture basins, these resources are valorized to enable farmers in rural areas to grow food all year long, develop fish farming and satisfy their nutritional needs and even export market garden produce."

Wade noted that, "the investment for a water retention basin is around \$140,000. We have built more than 200 in Senegal and the life of beneficiary populations has improved qualitatively."

Zimbabwe: President Robert Mugabe of Zimbabwe challenged the former British colonial masters of his country: "My country's primary agriculture policy objective remains that of ensuring national and household food security through our own production. In this regard, Zimbabwe has recognized the importance and centrality of land in agricultural production and food security. Thus, over the past decade, Zimbabwe has democratized the land ownership patterns in the country, with over 300,000 previously landless families, now proud landowners.

"Previously, this land was owned by a mere 4,000 farmers, mainly of British stock. While this land reform program has been warmly welcomed by the vast majority of our people, it has, however, and regrettably so, elicited wrath from our former colonial masters. In retaliation for the measures we took to empower the black majority, the United Kingdom has mobilized her friends and allies in Europe, North America, Australia, and New Zealand to impose illegal economic sanctions against Zimbabwe. They have cut off all development assistance, disabled lines of credit, prevented the Bretton Woods institutions from providing finanical assistance, and ordered private companies in the United States not to do business with Zimbabwe. All this has been done to cripple Zimbabwe's economy and thereby effect illegal regime change in our country.

"Funds are being channelled through non-governmental organizations to Opposition political parties, which are a creation of the West. Further, these Western funded NGOs also use food as a political weapon with which to campaign against the Government, especially in the rural areas."

Russia: Agriculture Minister Alexei Gordeyev stressed the need for new technologies, rejected food-based biofuels, and stated Russia's commitment to increasing food exports. He said the magnitude of the current food crisis had caught the world, "including many international organizations," unprepared. The FAO, said Gordeyev, is, and must remain, the chief venue for addressing the crisis, though other organizations, such as the WTO (World Trade Organization), may "discuss it within their mandates"; but he said that the world food price surge is more complex than the WTO's "international trade liberalization" agenda can handle.

Backing for WTO/IMF, Biofuels

United States: Agriculture Secretary Ed Schafer railed against protection and food self-sufficiency, while demand-Continued on Page 44

Schiller Institute

Agriculture Group: No Limits to Growth!

This memorandum of the Agricultural Commission of the Schiller Institute was formally submitted to the UN Food and Agriculture Organization (FAO) meeting in Rome on June 3-5, 2008.

When the book *Limits to Growth* was published in 1972, it was the beginning of a planned development that can correctly be characterized today as global genocide. The oil crisis was the first step in bringing the population of the world into economic dependency. With the debt trap and the highinterest-rate policy at the end of the 1970s, the nations of the Third World were condemned to sell their food at dumping prices, on the markets of the industrial nations, in order to meet their obligations to pay interest. At the same time, these imports were used as substitute for animal fodder, dairy, and poultry farming. This was when the well-known "lakes of milk" and "mountains of meat and butter" were created, sold again on the world markets with subsidies and export grants, while ruining traditional national markets. With this grandiose redistribution, gigantic streams of goods emerged, which were controlled by just a few agricultural companies (Car-

gill, Bunge, ADM, Toepfer, etc.). That this development did not occur by accident, but rather was consciously manipulated, can be gleaned from the U.S. position paper NSSM-200, issued while Henry Kissinger was National Security Advisor.

The world again needs independent, self-employed farmers, who are appreciated as a part of the *Mittelstand* [small and medium-sized productive businesses] in the economy as a whole. This can only be achieved by bringing back the following points as rights and as law:

- 1. Continuous agricultural production is to be guaranteed in all areas of production through parity prices, and to be stabilized in periods of inflation through a timely equalization of value.
- 2. Supply-regulating measures like milk quantity regulation, sugar market regulations, and starch quotas, etc. are to continue, which has to be ensured by func-

tioning external protection.

- 3. Agricultural production has, first of all, to serve the national population, according to respective local situations and nourishment traditions, and not the benefit of big agricultural cartels.
- 4. Market demand is to be regulated and guaranteed by the state, by providing for the buildup of respective reserves; it cannot be handed over to private firms.
- 5. The rules and regulations of the WTO, as practiced in recent years, are not appropriate to ensure feeding the world's population. Quite the contrary, its incomprehensible measures are aimed at global population reduction.

The right to adequate food is a basic right of man, and applies to the entire world. Therefore, food production worldwide must be increased. For this purpose, dry areas which have been unusable up to now, must also be turned into arable land, through irrigation.

Food is not a substitute for scarce raw materials to produce energy; and in no case can it be an object for financial speculation, which at present is primarily to blame for the increase in food prices.

In order to grant the hungry population of this world the necessary aid now, it is necessary to locate the stocks of the large agricultural business groups, and to make them available at low prices to needy nations.

Signed: Josef Kremmeter, Helmut Eichinger, Josef Lebmaier, Alois Krumbachner, Josef Perschl, Walter vom Stein.

For further information: Schiller Institute Agricultural Commission, 49-0611-2052065, www.schiller-institut.de.



www.schleswig-holstein.de

Germany's high-technology agriculture is being squeezed into bankruptcy by globalization.

ing that "all countries should abide by global trading rules agreed to through the WTO." He insisted that all nations must also "lift trade-restrictive policy measures, such as export restrictions." On biofuels, Schafer said: "Let there be no mistake, the U.S. is firmly committed to the sustainable production and use of biofuels, both domestically and globally."

Brazil: President Luiz Inácio Lula da Silva continued his defense of biofuels, denouncing protectionism as the primary cause of hunger. He blamed climate change, speculation, and people eating more, as secondary causes, but "above all, the maintenance of absurdly protectionist farm policies in rich countries" is to blame.

World Bank: President Robert Zoellick targetted protectionism, and called for completing the Doha Round, suggesting that derivatives on weather forecasts for poor countries would help. He had the chutzpah to call this, "a New Deal for agriculture."

International Monetary Fund (IMF): Managing Director Dominique Strauss-Kahn began his speech by denying reality: "There is one important fact about the global food crisis that stands out: it is not a global food shortage. In fact, there is enough food to feed the world."

Japan: Despite Prime Minister Yasuo Fukuda's plan for doubling rice production in Africa, announced at the historic Japan/Africa conference May 28, and repeated in his FAO speech, he opened his speech with praise for the genocidal Club of Rome: "In 1968, a think-tank was formed here in Rome gathering the wisdom of wise men from all over the world who accepted the call of Dr. Aurelio Peccei, an Italian. This think-tank was to be known as the Club of Rome. Four years later, in 1972, the Club of Rome released a report titled "The Limits to Growth," which gave a warning on exhaustion of resources and destruction of environment.... [But] we continued our dependence on fossil fuels without reflecting upon our lifestyle of mass production, mass consumption, and mass waste, thereby steadily increasing the emission of greenhouse gases. Thirty years have passed since the Club of Rome issued the report. We are finally hearing the scream of the Earth."

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The Lisbon Treaty

A 'Yes' Vote Means Death to Democracy

The Lisbon Treaty will see sovereignty taken from the people without their consent, write five Members of the European Parliament—Harry van Bommel, Jeremy Corbyn, Jean-Paul Lecoq, Lars Ohly, and Paul Schäfer. This article was published in the May 22 edition of the Irish Examiner, and several other newspapers.

Three years ago, an overwhelming majority of the electorates of two of the European Community's founding member-states voted to reject the European Constitutional Treaty. In France and the Netherlands, despite solid backing from main-stream political parties and organisations representing both sides of industry, this latest step in the top-down integration of Europe failed to win support. The only democratic course would have been to consign it to history and, after widespread consultation, present the peoples of Europe with a real alternative vision of the Union of our nations.

Instead, a virtually identical treaty is to be imposed on us, with only the Irish being allowed to vote to accept or reject it. In France and most likely the Netherlands there will be no new referendum. Nor will there be a vote in the United Kingdom, despite the governing Labour Party's manifesto pledge. In these three countries, ruling elites insist that the Treaty of Lisbon is very different from the Constitutional Treaty, and that lacking the rejected measure's constitutional implications it need not be put to a vote.

Elsewhere, those who support the new treaty are more honest. In Germany, where a referendum has never been in the cards, Chancellor Merkel has said that "the substance of the Constitution is preserved." José Zapatero, Prime Minister of Spain, whose voters—though on a very low turn out—backed the Constitutional Treaty in a referendum, assured the Spanish people that "We have not let a single substantial point of the Constitutional Treaty go," adding that the new treaty was "a project of foundational character, a treaty for a new Europe." Even [former Irish prime minister] Bertie Ahern noted that there had been no "dramatic change to the substance of what was agreed back in 2004."

The similarity between the two texts is disguised by a structural sleight-of-hand. Instead of a single document to replace the existing treaties, Lisbon is a series of amendments to those treaties. A study by the British think-tank Open Europe has shown that only ten of 250 proposals in the "new" treaty differ from those in the text rejected three years ago,



EIRNS/Karsten Werner

Organizers from the Civil Rights Solidarity Movement (BüSo) in Dresden, Germany on May 28. The banner reads, "No to the EU Dictatorship! We demand a referendum on the EU Treaty!" The BüSo, headed by Helga Zepp-LaRouche, is rallying opposition to this disastrous treaty. At the megaphone is BüSo mayoral candidate Marcus Kürth.

and that these are of no great significance. Left intact is an assault on democracy and on national sovereignty which will represent a major step towards the creation of a superstate. In a democracy, sovereignty belongs to the people. It cannot be given away without their informed consent. Yet this is precisely what is happening.

The loss of sovereignty is best illustrated by the handing over of veto rights. Only recently, the Dutch have been able to block an EU directive that would have had a very negative influence on their pension system. In the new treaty, veto rights in important areas such as justice and home affairs, asylum, and migration will be surrendered, while the EU will gain more powers, free once more of any national veto, over such matters as energy and climate change policy. Clearly, these are all matters which require international cooperation. Yet national cultures and attitudes vary so greatly that an attempt to impose a "one-size-fits-all" policy on the Twenty-Seven [EU members] prove counterproductive, further undermining popular support for the whole European project.

Under this treaty, moreover, the already dominant influence of multinational corporations will be reinforced. Privatisation, liberalisation, and deregulation will cease to be matters which may be voted for or against at national elections, becoming instead articles of constitutional writ. Social ownership, even of essential services, will come under everincreasing pressure.

There is an idea, completely false, that the new treaty

will address the problem of the democratic deficit. The vaunted increase in powers for the European Parliament provides no effective substitute for those lost by national parliaments. Most of these powers have not been transferred to the European Parliament at all, but have, along with those of other institutions directly or indirectly answerable to the people, been placed in the hands of centralised. undemocratic, bureaucratic institutions. In addition, there is no real European public or political space, and no European public media. Indeed, a recent Eurobarometer survey shows that the majority of the Dutch people does not even know that Euro-MPs are directly elected. Under these circumstances, granting national parliaments the right to block EU legislation is a clear sop, especially as to do so they will need the support of either the European Council or European Parliament.

Under the Lisbon Treaty, the European security and defence policy will acquire expanded "aims and ambitions," in particular as regards Member States' military capabilities; an expansion in the list of "Petersberg tasks"—the humanitarian, crisis management, and peace-building tasks which the EU may undertake; a reference for the first time to the European Defence Agency, a body aimed at encouraging greater and more co-ordinated defence capabilities; the possibility of "subcontracting" of security and defence tasks to "coalitions of the able and willing" among the member states; and the possibility of instituting special arrangements among a group of Member States possessing greater military capabilities. The treaty directly undermines Ireland's neutrality, stating that "The Union and its member states shall act jointly in a spirit of solidarity if a Member State is the object of a terrorist attack or victim of a natural or man-made disaster. The Union shall mobilise all the instruments at its disposal, including the military resources made available by the member states...."

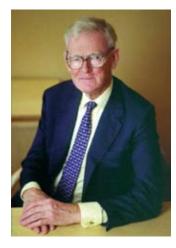
In sum: this treaty does not differ significantly from its rejected predecessor. It is a treaty desired by the elite, not by the people. Ireland could play an important role, since its citizens, uniquely, have the right to vote. This is a plea for you to seize this opportunity and vote for all of us.

Harry van Bommel MP, The Netherlands; Jeremy Corbyn MP, United Kingdom; Jean-Paul Lecoq MP, France; Lars Ohly MP, Sweden; Paul Schäfer MP, Germany.

Interview: Stuart Wheeler

Conservative Briton Takes Brown Gov't To Court To Force Lisbon Referendum

Conservative Party member Stuart Wheeler began a legal challenge April 22 to the refusal of British Prime Minister Gordon Brown to hold a referendum on the Lisbon Treaty, as promised by all parties in election manifestos issued during the 2005 general election. Although few thought he would succeed in forcing the Brown government to change its policy on the Wheeler Treaty,



granted permission to proceed with his legal challenge on May 2. This took Brown and his cabinet by surprise, and has breathed new life into the fight to force the government to hold a referendum on the Treaty. The court challenge will be heard on June 9-10, and could influence the Irish referendum, which is to be held just two days later, on June 12.

Wheeler is well-known in Britain as the 1974 founder of the IG group, which specializes in speculating on commodity indexes, and he is currently the largest donor to the Conservative Party in Britain. He is also a major financial supporter of scientists and groups that oppose Al Gore's genocidal global warming hoax.

Wheeler is also well-known for his campaign against torture, and for supporting charities that fight torture and help the families of victims. He is appalled by the Bush Administration's use of waterboarding in the wake of 9/11, and describes the Administration's behavior as "frightful." "How can anyone think that waterboarding is not torture?" he asks. Last year, he co-financed a film, titled "Extraordinary Rendition," dealing with the Bush Administration's abuses.

Wheeler spoke with Gregory Murphy, associate editor of 21st Century Science and Technology, on May 29.

'Legitimate Expection'

Murphy: How did your judicial review of the Brown government's refusal to hold the referendum on the Lisbon

Treaty—after all three parties has promised in the last election that they would hold one—how did this review begin?

Wheeler: Well, I've always been very interested in Europe, and I take a Euro-skeptical stance. And some people who'd actually got things going a little bit on their own, got me interested. So I went to see legal counsel, and they told me that, contrary to what we'd all expected—we'd all expected that our best argument to get a judicial review, would be that Parliament had the right to do anything it wanted, but didn't have the right to give away its own powers, which to a considerable extent this proposed treaty does. But when I went to see counsel-we saw two of them-they said: "No, that is not your best argument by any means. Your best argument is, the well-established legal doctrine of "legitimate expectation," which, in lay terms, means the government made a promise, or rather, over and over again they made the same promise in this case, and they've got to keep it. And therefore, you can ask for a judicial review, and we hope, get the declaration that vou want."

Murphy: Is it the case that the Brown government is using sophistry, saying that the Lisbon Treaty is not the same as the EU Constitution?

Wheeler: Well, certainly, that is one of their arguments, and they're quite strong on that. But, we feel—to put the matter shortly—really, that we have a very good answer on that: A lot of analysis has been done, there are about—I think, exactly—250 clauses, and once you've applied the complicated form in which the Lisbon Treaty is drafted and compared it with the Constitutional Treaty, you find that 240 out of the 250 clauses are identical. And that the remaining 10—many of them are on such matters as whether to have a flag, and whether to have a anthem.

And, if you look at the matter from another angle, one after another head of state or very senior minister in Europe, had virtually gloated that the *two* treaties are, in substance, the same. And an Italian minister went so far as to say, "We had to make the Lisbon Treaty very difficult to understand, because if people had been able to understand it, we would have had to have a referendum."

So therefore, we hope that we'll be able to persuade the court, without too much difficulty, that they've failed in that

argument. And they haven't, in fact, put forward yet—and it's getting very late—any argument as to why the treaties are different.

The hearing of the judicial review itself, will be on June 9 and June 10. I don't know if you understand the sequence of events: In order to get a judicial review, you, first of all, have to apply for permission to have one. And the government opposed this; they said, we should not have permission because we had not got an arguable case.

And there was hearing on that, which went very unusually, just the best part of a day. And we had my Queen's Counsel and his junior, and the government had the senior government barrister and his junior, and I think they expected to win that. But they lost it rather conclusively, so that the judge, all he had to do was to find that we had an arguable case; and he rather emphasized that, in his judgment. But, nevertheless, his judgment was sufficiently robust, that one could almost say that he was saying we had a very arguable case. He didn't use those words, of course.

And so now, everyone's taking my case really seriously. The government is still retaining the normal top barrister, but they are putting over his head, to lead him, another QC, called Jonathan Sumption, who's a very, very well-known, able, expensive barrister. On top of that, the Speaker of the House of Commons has very unusually sought permission to intervene in the case, and I think he's more or less got that permission.

And so, when the hearing takes place on June 9, we will have two QCs for the government; and, as a separate matter, there'll be one QC—"QC" stands for "Queen's Counsel"—representing the Speaker of the House of Commons, as well as my own counsel.

Murphy: What does the Speaker of the Commons claim?

Wheeler: The reason why he has to intervene is to make sure that rights accorded by the Bill of Rights—I think that's [from] 1689—and various other documents and laws, that we don't interfere at all with Parliamentary privilege. That is, roughly speaking, we can't interfere in any way, with anything Parliament does or wants to do, or anything that's said in Parliament. And we say, we're very clearly not interfering in any way in that. And in any case, those points will be argued against us by the government's two QCs. Therefore, though we have no particular objection to the Speaker of the House of Commons being represented as well, it seems just a duplication, because those arguments will be made anyway.

'Upping the Ante'

Murphy: Yes, that's why it appears—that the government is trying to, as we say in the United States, "up the ante."

Wheeler: Well, the government is upping the ante. Of course, the Speaker of the House of Commons is definitely supposed to be completely independent of the government, so

his intervention should be a completely separate matter. But he does have the same Solicitor, with, I suppose, Chinese walls

Murphy: Yes, that appears to be the case.

Mr. Wheeler, sources have told me, that it's possible that the judges may be reluctant to rule in your favor, on this review, raising the question, of the separation of powers within the government.

Wheeler: Well, it is true that the courts are very reluctant, not so much perhaps to oppose the government, as to do anything which has the slightest sniff of interfering with Parliament. Our place is entirely against the government, in the shape of the prime minister and the foreign secretary. It doesn't ask that Parliament should do anything or not do anything, and it doesn't interfere in any way with what is said, or might be said in Parliament.

And indeed, we'll make the point, if necessary, that even if I get what I would like, which is a referendum on whether the Lisbon Treaty should be ratified, and even if there is a referendum, and it went very strongly against ratification, as a matter of law, Parliament would still be entitled to go ahead with the steps needed to ratify it.

So as a matter of polity, I think it would be very difficult for the government to go ahead in that way, if the court had said that their behavior was unlawful, but they couldn't actually be prevented from doing it, not legally.

The Appeal Process

Murphy: The other question I have on that same matter, is, if the judges fail to rule in your favor, and you seek for appeal, how does the appeal process work? And how far can this issue be appealed?

Wheeler: Oh, it can be appealed a long way. The judicial review will be in front of two judges, in what is called a "divisional court." Unusually, one of the two judges will be one of the Lord Justices of Appeal, that is, a Court of Appeal judge, the other one will be a normal High Court judge. Then the losing side, whichever it is, can appeal to what we call the Court of Appeal, which is quite higher up than the court in which this case will be heard. And then, finally, the losing side can appeal to the judicial side of the Judicial Arm of the House of Lords, which is our highest court. And indeed, I think if I win on Monday and Tuesday, it is virtually certain that the government will appeal. If I lose, there's a very high chance that I will appeal. So it's not particularly unlikely that it will go all the way to the House of Lords Judicial Arm.

But the timing makes the whole thing very tricky. Because as it so happens, certainly a coincidence, the debate in our House of Lords—that's not the Judicial Arm, it's rather confusing: One of the two arms of Parliament, the House of Lords—the debate there on an amendment seeking a referendum happens to be going to take place almost certainly on the

One after another head of state or very senior minister in Europe, had virtually gloated that the two treaties are, in substance, the same. And an Italian minister went so far as to say, "We had to make the Lisbon Treaty very difficult to understand, because if people had been able to understand it, we would have had to have a referendum."

11th of June—happens the day after the second day of my hearing; and the Irish referendum—at the moment, Ireland's the country of the European Union which is having a referendum—is the day after that, upon the 12th of June. So that week's going to be a very important one for this treaty.

I should say, however, in the permission hearing, that is, the original hearing when the government tried to get the thing thrown out, when that was heard, the judge, although he finally delivered a robust judgment, as I would characterize it, in our favor, he did "reserve judgment." I don't know whether I'm talking to a lawyer or not, so forgive me if I'm teaching my grandmother to suck eggs—a "reserve judgment" means that he doesn't give the judgment on the spot; you get it ten days later, after considering the matter.

Murphy: My background is nuclear power. So this is all very interesting what you're bringing up, and really explains a lot, because most media coverage is just reporting what the events have been, not necessarily what the process is.

Wheeler: Yes, in a way, it will be slightly unusual, but the next hearing is just like any other normal case. It goes to what's called the Court of First Instance, I suppose, and then, as I say, it can be appealed as any other can, to the Court of Appeal.

If it goes to the Court of Appeal, and the losing side can then appeal to the House of Lords; they actually have to get permission to appeal to the House of Lords, but I think this case is now regarded as of quite big public importance, and I don't think it would be difficult for the losing side to get that permission. But the timing is difficult, because, I think, if I win in the judicial review on [June 9-10], as a matter of politics—though not of law—I don't think the government could really just go ahead and ratify the Treaty anyway. So therefore, they would be pressing very, very hard for a very quick hearing in the first appeal.

If, on the other hand, I lose, and decide to appeal, I think the government would not feel constrained, having won the case, and they would try to go ahead and ratify the Treaty quickly. So if I lose and have an appeal, I shall then be the one who's asking to have it brought on quickly.

Labour Party Losses

Murphy: The recent losses of the Labour Party in the London Mayoral election and the recent by-election, and

your getting granted your judicial review: In your view, does this put pressure on Brown and [Secretary of State for Foreign and Commonwealth Affairs David] Miliband to hold a referendum? Since clearly, clearly the population wants one.

Wheeler: I don't think so. I think it puts big pressure on the Labour government, and particularly on Brown, whose position as prime minister is under some threat. But I wouldn't say it puts pressure on them to have a referendum. I think they've been adamant that they will not have a referendum—I mean, it's horrid, they certainly should, in my view, but they've maintained stoutly that they will not.

And so, I think that, without being forced to give in—in other words, without me winning my case—I think they would feel that they were making yet another circle U-turn, and that they would look very weak. They've made some U-turns already, I think they would be anxious not to make another one.

Murphy: Would this pressure, all this happening in the atmosphere, what you're talking about the week that's very important, with the debate in the House of Lords, and your judicial review, and the Irish referendum, does that change the geometry of how maybe the vote in the House of Lords may go?

Wheeler: Well, much depends on whether the court gives judgment on [June 10], that's the day before the debate in the House of Lords. If nothing happens in court, and they reserve judgment, I'm not quite sure, unless the judges make some sort of pertinent intervention which gets reported. So I don't know what effect that would have.

I mean, as you may have heard, the Liberal Democrat Party has behaved in a most extraordinary way in this matter. Three or four years ago, they explained with eloquence why it was essential to have a referendum at that time, even though they were keen that the Treaty should be ratified. They said the people were entitled to have a vote—this is very important.

But, nevertheless, this time round, in the House of Commons, they drafted a very unusual procedure: They used a three-line whip, it's called—that's the biggest sort of stick when they're MPs—to say they should abstain. It's a very peculiar thing to demand that your MP should abstain, rather than vote one way or the other. And, illogically, their current

intention in the debate in the House of Lords is to tell them that they've got to vote with the government. And it's really very hard to explain all these contradictions.

And if they do maintain that position of instructing or asking the members of the House of Lords to vote with the government and those members abide by it, it's going to be hard, though not absolutely impossible, for the skeptics to win a vote in the House of Lords demanding an amendment.

Murphy: Yes, some of the groups that are tracking the referendum, and demanding a referendum, and are currently projecting based on party instructions, and right now it's like three votes for the referendum; and if you look at another group, it's three against—I mean, it's very, very tight. I know Lord Lawson and Lord Lamont have been going around speaking in Ireland and other places, trying to organize votes to get the referendum amendment added. You know that's been reported in the press a few times. I think Lord Lawson is actually using it as a way to show that there's broader action and broader geometry on it, to try to get people who are on the fence, to come on and say, "Yes, we need to pass the referendum amendment in the House of Lords."

Wheeler: It's getting closer than it was. And for some reason, which I really can't remember what the reason is supposed to be, somebody was anxious to tell me that in a referendum of this type, the "no" vote always gains a bit in the last week. I don't know why that should be so, really, but if it is so, it could be very tight indeed, in Ireland.

Murphy: I know a lot of the unions have come out, fishing unions, and farmers unions, have come out against the Lisbon Treaty.

Wheeler: Our unions over here, some of them are very much against ratification of the Treaty....

You asked what the effect of my case would be on the debates in the House of Lords.

I mean, if the court gives judgment straightaway, and it might, and the judgment's in my favor, I really don't know what would happen. I think the government would try to postpone debate, and want it appealed, or something of that kind. But I really can't say; it would be a dramatic situation.

Murphy: That's definitely the case. What if the review came in your favor; would this change the vote in the House of Lords, or the possibility of a referendum?

Wheeler: Yes. I think, if it came in my favor on [June 10], and the debate was the next day in the House of Lords, my guess is they might try to postpone it. But if it came the next day, after the court had declared the refusal of a referendum to be unlawful, I would have thought that might well affect the vote in the House of Lords. Yes.

—Mr. Wheeler can be reached at his website, www.stuart wheeler.co.uk.

Dutch Citizens Hold Poll on Lisbon Treaty

by Vyron Lymberopoulos

What is going on in Europe?

More specifically, what is about to happen in my country, the Netherlands, in June 2008? There is a strong push to reform the close cooperation between the nation-states of Europe into a centrally governed United Europe. In this scheme, the Netherlands, as all other nations in the European Union, will lose all remnants of sovereignty. As a citizen of the Netherlands, I can say my country has a long tradition of holding dear its ancient rights, and when the proper leadership was on hand, fighting for those rights, during the long course of our history.

The Romans failed to fully conquer us when we were known as the Batavians. The great poet and historian Friedrich Schiller documented his famous *Revolt of the Netherlands*—the attempt by the Habsburgs to take away our ancient rights. Under the able leadership of William the Silent, the Dutch people defeated the Habsburgs and founded the Republic of the Seven Provinces of the Netherlands, while at the same time, we enjoyed a great Golden Renaissance. Our revolt against Spanish rule demonstrated that there is hope when people unite for a just cause.

As a result of Napoleon's failed adventure of building a European empire, the Netherlands lost its republican form of government at the Congress of Vienna (1815), becoming a monarchy; nonetheless, it preserved its sovereignty. In the last century, the Nazis defeated the Netherlands in their quest of empire, but under the leadership of the United States, this attempt was defeated once more, by a coalition of sovereign nations of the world. After the war, the Netherlands, with other sovereign nation-states, promoted European cooperation to avoid any recurrence of the horrible wars of the past.

In 2005, the Netherlands, along with every other nation in the EU, once again was threatened with the loss of its sovereignty by the launching of a scheme to transform the EU into a super-state, an ultramontane empire of the 21st Century. A European constitution was drafted, and countries were invited to join in the process, which would change the character from close cooperation into centralized government. All the major political parties in the Netherlands Parliament, including the ruling Christian Democratic Appeal and the Labor Party, voted for the Constitution. Only the small Socialist Party and several small Christian parties voted against. In their own exuberance, the ruling parties, supporting the constitution, decided to hold a referendum, confident that the majority would vote in favor of European unification.

The same occurred in France, where then-President Jacques Chirac, in the tradition of Charles de Gaulle, also decided to hold a referendum. In the Netherlands, the institutions of the state and the media, were all marshalled into organizing, what in fact became a great national debate, in the run-up to the referendum. Live debates, led by party leaders who supported and opposed the constitution were organized throughout the country. But to their surprise, which would later turn to horror, the people fully engaged themselves in the debate. Lecture halls which seated 500 people found as many as 2,500 citizens at the doors demanding to participate.

The people heard both sides of the debate and exercised their sovereign right and voted. Over 60% voted "no." In some districts over 90% voted "no," as did the people of France. Thereby, the unification process was aborted.

So the designers of this European constitution went back to the drawing board, and decided to repackage their next attempt to create an European ultramontane empire. Thus on Dec. 13, 2007, the Lisbon Treaty was signed by the heads of state of 27 European nations. This time there was to be no popular referendum, because the Treaty was no longer a constitution, according to this well-organized piece of sophistry by the Pan Europeans, who therefore decreed that no referenda would be necessary. Nonetheless, Ireland was mandated by law to hold a referendum because of the constitutional nature of the changes in the Treaty.

So, the argument was put forward in 26 countries, that the Lisbon Treaty was no longer a constitutional treaty, while Ireland, apparently seeing through the sophistry, stated that it was in fact constitutional, and a referendum is mandatory! Elected officials and scholars, those who have read it, have admitted that 95% of the Treaty is the same as the rejected European constitution. How do they get away with this?

The founder of the Schiller Institute, Helga Zepp-LaRouche said: "The Lisbon Treaty is to be implemented by stealth, with a minimum of fuss." This time, the institutions of government and the media are used to "avoid" an honest debate in the public domain.

Citizens' Initiative

In the Netherlands, as in all states other then Ireland, the powers of the state, as well as the media, were employed not only to suppress a call for a referendum, but to suppress all open debate. This time, no lecture halls were hired, the government parties are committed to suppressing legislation by the Socialist Party of the Netherlands, the nation's third-largest party, calling for a referendum. Citizens that voted for the Labor Party (PvdA) in 2006 were promised that there would be a referendum. There was outrage when Labor joined the new cabinet on the promise not to sue for a referendum. A similar stunt was pulled by the British Labour Party. The news media is all but mute on the question. All has been done to keep the population in ignorance.

And since none of the great polling agencies have been

commissioned by the government or anyone else who could afford to hire them, this author, with the help of two other citizens, his parents, one of whom has worked in the polling business, decided to take up the challenge. We improvised on this subject. The poll was held in the central part of the Netherlands during the first part of April. We interviewed 89 people. The pollster stated that the poll did not meet standards of representation and quality. At the same time, she said that the results might not have been much different if we would have polled a 1,000 or 10,000 people.

The first question we asked: "Are you familiar with the Lisbon Treaty?" Sixty-four percent answered "No!"

The strategy of stealth, media blackout, and lack of a public debate thus bore its bitter fruit.

The second question: "Would you like to have a referendum on this Lisbon Treaty?" A demoralized 49% answered "No." Of the remainder, 40% said "Yes," being unsure and undecided. But even with this figure, it is not hard to believe that, if people would have had the opportunity to know more about the Treaty, the results to this question, would have been similar to that of 2005.

The third question informed people that: "Under certain conditions capital punishment will be reinstated in Europe," and asked, "Can you live with that?" 67% disagreed with this idea, while 24% supported it; 9% were undecided. Traditionally, the idea of the penalty of death is universally abhorrent to most Europeans.

In May 1940, The Dutch people resisted Nazi conquest. The country capitulated after five days and was subjected to rule of tyranny for five years. Next question: "Can you live with the fact that important decisions on the future of the Dutch people will be made in Brussels?" Forty-four percent had capitulated already to this centralized European government, while 44% would rather keep sovereignty of their own nation; 12% were undecided at the time of the poll.

Our poll demonstrated that an absolute majority of the population does not support this treaty. Given the fact that an absolute majority of 60% of the population voted against the Constitution in 2005, it is not unreasonable to assume that, if a high-profile campaign were begun today, as in 2005, the numbers in any subsequent poll would change in the direction of opposition to the Treaty. That is why the supporters of the EU are now using the powers of the state and the "fourth estate" to suppress the will of the people.

The Dutch Parliament will vote on the ratification of the Lisbon Treaty on June 5. Up until now, no public announcement has been made about the specific date in public!

It is expected that the Netherlands will fall in line with the other nations who have capitulated to the unification scheme. The last line of defense is the Irish referendum to be held on June 12.

Pockets of resistance in the form of legal battles will continue, outside the view of the public. Count on us to keep you informed.

British 'Concert of Democracies' Backed by Obama and McCain

by Edward Spannaus

At the groundbreaking ceremony in Washington June 5 for the new headquarters of the U.S. Institute of Peace, a speaker quoted President John F. Kennedy's declaration, at his 1963 commencement address at American University, in which he said: "The United States, as the world knows, will never start a war."

"By contrast," the *Washington Post* reported the next day, former Secretary of State George Shultz, sharing the platform with President George Bush, "said Bush will be remembered kindly for promoting the idea that wars must sometimes be launched to address potential threats before they are realized." Addressing Bush on the subject of preventive war, Shultz said: "In your time, I think this is one important idea that has real legs and staying power."

This notion of preventive war is a crucial feature of the Final Report of the Princeton Project on National Security, whose honorary co-chairs were George Shultz and former

George P. Shultz, strong advocate of Bush's pre-emptive war strategy, now heads a "bipartisan" drive to implant the same policy in the next Presidential administration, be it Republican or Democratic.

Bill Clinton National Security Advisor Anthony Lake. Although the Princeton report—promoting the British-sponsored idea of a "Concert of Democracies" which would carry out military interventions around the world, outside of the framework of the UN Security Council—was billed as an alternative to the policies of the Bush-Cheney Administration, one of the background papers for the Project, a March 2006 speech delivered by Shultz at Princeton, sounds wordfor-word like a speech by Cheney or Bush, claiming that the war with Islamic terrorism ("Islamofascism") actually began 30 years ago, that passivity only encourages the terrorists, that you must go on the offense and take the fight to the enemy, and that even while pursuing diplomacy, "we must retain the option and the will to use force."

If anyone thinks that there is any significant difference between Barack Obama or John McCain (as of this moment, the two official major-party candidates), or that either represents

any break from the policies of the Bush Administration, consider this:

The scheme to create an Anglo-American led Concert of Democracies is being promoted by top advisors to the Obama campaign—specifically Anthony Lake and Ivo Daalder—who are working hand-in-glove with leading neocons and McCain advisors. McCain himself explicitly endorsed the Concert of Democracies scheme in a May 26 speech to the Los Angeles World Affairs Council.

Co-chair of the Princeton Project, Lake is a top advisor to Obama; the other co-chair, Shultz, is a McCain endorser. Obama foreign policy advisor Daalder, along with McCain foreign policy advisor Robert Kagan, also co-authored an even more strident call for "Concert of Democracies" military interventionism, and targetting Russia and China, which we will review below.

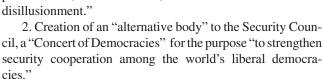
A Perpetual 'Coalition of the Willing'

The major difference between the Bush-Cheney approach and that advocated by the proponents of the Concert of Democracies, is that the unilateral-

ism of Bush-Cheney is replaced by a more-or-less permanent multilateral "Coalition of the Willing," which would bypass or even replace the UN Security Council.

In the Princeton report, this takes two forms:

1. "Reform" of the UN Security Council, to eliminate the veto power possessed by Russia and China, two of the five permanent members of the Council. "The veto should be abolished by UNSC resolutions authorizing direct action in response to a crisis," the report says. "It makes no sense, in 2006, for five countries that represent the distribution of power at the end of World War II to have individual vetoes over what constitutes legitimate action.... [T]he veto is a license for prevarication, obstructionism, and disillusionment"



Additionally, the Princeton report calls for changes in NATO, "to eliminate the veto rights of smaller NATO states and other impediments to collective action."

There is no dispute with the Bush-Cheney regime on what they define as "the preventive use of force—attacking a state or a non-state actor before a threat fully materializes."

As we shall see, the British-sponsored Concert of Democracies proposal¹ represents a frontal assault on what vestiges remain of the post-World War II international system of sovereign states envisioned by President Franklin Roosevelt, as well as on the very concept of national sovereignty that inspired the 1648 Peace of Westphalia that ended the Thirty Years' War.

The other critical feature of the Princeton report—neither original with them, nor the last word—is the right to intervene in sovereign states even when there is no threat to other countries. In the recent period, this refers to the Chicago speech by then-British Prime Minister Tony Blair, on the eve of the 1999 NATO summit, calling for a "globalized"







Mariusz Kubik
Anthony Lake (left), a top advisor
to Barack Obama, and Robert
Kagan (above), John McCain's
foreign policy advisor, couldn't
agree more on a policy of
targetting Russia and China with
a "Concert of Democracies"
policy of military interventionism.

NATO" prepared to carry out "humanitarian interventions" around the world.

Citing "the responsibility to protect," the Princeton Project declares that when sovereign states are unwilling to protect their own citizens, "responsibility must be borne by the international community."

The Princeton Project went so far as to propose a "Charter for a Concert of Democracies" in which military action against a non-member sovereign state could be authorized by a two-thirds majority of member states.

Target: Russia and China

As a "consensus document" reflecting the views of dozens of participants, the Princeton report could not be as explicit as Shultz and others would have liked.

This failing was remedied, in an article published a few months later, in the January-Febuary 2007 issue of *The American Interest*, entitled "Democracies of the World, Unite." Its authors were the Dutch-born, British-educated Ivo Daalder, and James Lindsay of the Robert Strauss Center at the University of Texas.

The Daalder-Lindsay piece is absolutely explicit, that the target is Russia and China, as well as those two powers' defense of national sovereignty.

The two authors contend that the United States can't go it alone any more, but they also claim that an *ad hoc* coalition of the major powers, or a "great power concert," won't work either, because "Russia and China see their interests differently" than does the U.S.A.

"Moreover, disagreements among the great powers are

^{1.} *EIR* (May 30, 2008), under the headline, "Will Obama Reject the Pinochet Team?" reported that the Concert of Democracies scheme directly echoes the League of Democracies plan put forward in 1938 by Anglophile Clarence Streit, an American leader of Lord Lothian's Milner Group; Streit proposed that the United States, including its currency and its military, be absorbed into the British Empire as the "nucleus of a world government" that could impose its will by armed force.

the sharpest on perhaps the defining issue of our day: the extent to which sovereignty should remain inviolable," Daalder and Lindsay write. "Russia and especially China have become the foremost defenders of the principle that states are the exclusive masters of their own internal affairs. They have resisted—from Kosovo to Darfur to Burma—every action proposed by the United States and the European Union that would interfere in the domestic circumstances of other states."

The UN can't provide a suitable forum for authorizing such interventions, they complain, because it operates by consensus; the Security Council couldn't even agree on Iraq, leaving it to the United States, the United Kingdom, and a few others to act.

Another reason for the UN's failings, they contend, is its universality; while some see this as its source of legitimacy, it is actually the UN's greatest curse, making it beholden to its least cooperative members.

Moreover, the UN focusses on the relations *among* states, but today, the major threats to security come from developments *within* states, and "the UN's founding Charter insists that a state's domestic affairs remain essentially outside the purview of others." But, they continue, "this principle of absolute sovereignty is unsustainable in an age of global politics. When developments within one state can profoundly affect the security and well-being of peoples in other states, the only practical way for countries to ensure their security is to interfere into the internal affairs of other states."

"Democracies understand that international peace and justice in an era of global politics rest on protecting the rights of individuals," write Daalder and Lindsay. "Nation-state sovereignty can no longer be the sole organizing principle of international politics. Since what happens within a state matters to people living outside it, tackling these internal developments cooperatively is vital to the security and well-being of all."

The solution, they write, is to establish a "Concert of Democracies" as a formal institution, with a full-time secretariat, a budget, ministerial meetings, and regular summits. Upwards of 60 counties would qualify as "democracies," others would not, including (in the authors' named order) China, Russia, Saudi Arabia, Pakistan, Zimbabwe, and Cuba.

"Can a Concert of Democracies succeed if it excludes large countries such as China and Russia?" they ask. "Of course it can. Many successful international organizations do not count China or Russia as members. Neither country belongs to NATO, the European Union, or the OECD. China doesn't belong to the G-8, and Russia stands (at least for now) outside the WTO. Yet no one argues that these institutions are ineffective because of these exclusions.

"A related objection is the fear that the creation of a Concert of Democracies might encourage China and Russia to create an alternative organization—some sort of League of

Authoritarian States. But if authoritarian governments find it in their interests to cooperate—as Beijing and Moscow apparently do already in many cases—they will do so regardless of what the world's democracies may decide," they conclude.

From this standpoint, it shouldn't be surprising that Obama advisor Daalder, known generally as a "liberal" on foreign policy, should hook up with a neocon warhawk like

"This principle of absolute sovereignty is unsustainable in an age of global politics. When developments within one state can profoundly affect the security and well-being of peoples in other states, the only practical way for countries to ensure their security is to interfere into the internal affairs of other states."

-Ivo Daalder and James Lindsay

McCain advisor Kagan. In the mid- to late-1990s, Kagan (and his usual scribbling partner William Kristol) were leading the drumbeat against what they called the rising threat from China. Only after 9/11, did they discover that "Islamic terrorism" was suddenly the biggest threat.

The Daalder-Kagan Concert

Daalder and Kagan wrote a joint op-ed, "The Next Intervention," for the Aug. 6, 2007 Washington Post, a condensation of a longer article they had written for the Stanley Foundation titled "America and the Use of Force: Sources of Legitimacy." A central feature of the two pieces, was that the UN Security Council is useless, because it is deeply divided and paralyzed by the presence of Russia and China—"two countries that are governed in ways that are antithetical to everything America stands for."

"Russia, China, and a host of developing nations continue to view sovereignty as the defining principle of international affairs," Daalder and Kagan protest, "and they steadfastly maintain that a country's borders demarcate an international no-go zone."

We have to change our view of sovereignty, they demand, from seeing it as a *right*, to seeing it as a *responsibility*—i.e., do what we say, or else.

The New British Empire

"Responsible sovereignty" is likewise a major theme of British Foreign Secretary David Miliband. As always, "re-

sponsible sovereignty" as well as "democracy," boil down to acceptance of British free trade and globalization—the 21st-Century British Empire. Among other places, Miliband laid this out in a Feb. 29, 2008 speech at Beijing University, "Responsible Sovereignty: A New Bargain for the International Community."

"Responsible Sovereignty" begins at home, Miliband asserted, meaning that a nation's domestic and economic policies cannot be separated from its foreign policies. He poses three major "shared threats" faced by a globalized world:

- 1. Protectionism: "Responsible sovereignty demands that we keep the forces of protectionism at bay. It demands that we dismantle barriers to trade. The UK will, for our part, continue to argue strongly for open trade and investment."
- 2. Climate change: "Climate change is not just a threat in itself—it acts as a multiplier on existing stresses over scarce natural resources," such as shortages of food, water scarcity, etc. Miliband gushed over how the United Kingdom will help China and other emerging economies to "leapfrog the industrialized world and move straight to low-carbon development."
- 3. Faltering States: These are "states that are either too weak to guarantee the rule of law and protect their citizens, or states that are too strong [!] and threaten the safety of neighboring states." We have to provide incentives for good governance and global engagement, Miliband insists, but if these don't work, then we'll have to apply pressure. "Decisions to interfere in another country's affairs must never be taken lightly," and, in acute cases, "responsible sovereign nations must be prepared to intervene together where they see a risk to regional stability and where a state is unable or unwilling to address the problem itself."

Miliband generously offered that the United Kingdom will nurture this "new bargain" of "responsible sovereignty" through its influence in international institutions, and, regarding China, through its bilateral ties. "In the past, the UK was seen as a bridge between Europe and the United States. I believe, in what may come to be known as 'the Asian Century,' Britain must become a global hub. That means it has to deepen its relationship with China and other emerging powers. The popularity of the English language and UK universities, the UK's world-class science base, and the global financial hub provided by the city of London provide a basis."

To aid this, Miliband insists that Europe must speak with one voice, and must adopt the anti-nation-state Lisbon Treaty. "The institutional changes provided by the Lisbon Treaty, in particular, the introduction of a permanent president of the European Council, and the creation of the position of high representative for Foreign Affairs and Security Policy is a major opportunity for Europe to translate



British Foreign Secretary David Miliband is a spokesman for the 21st-Century British Empire, whose policies are the same as those of the "Concert of Democracies."

common interest into common positions."

This seems to be as about a clear a statement as one might expect to find, of Britain's intention to suck Europe into the Lisbon Treaty, and to suck the rest of the the world into destroying itself through free trade and environmentalism—while the U.K. remains above it all, as the "hub" of the new empire now called "the new international bargain."

Preserving the 'Anglo-Sphere'

The Princeton Project itself is tightly tied to its British sponsors. On May 1-2, it co-sponsored a conference held at the Royal United Services Institute for Defence and Security Studies (RUSI) in London. The Princeton Project was clearly launched as a effort to control the agenda for the 2008 U.S. Presidential elections (indeed, at the moment of the release of its final report in September 2006, one of its principals was meeting with Obama's office), and the London meeting was shamelessly explicit about this, calling itself the "Global Leadership Forum: The 2008 US Presidential Elections and the Future of World Politics."

Michael Clarke, the director of RUSI, in an essay written for the conference, tried to counter what he called the "strategic malaise" now affecting the United States and Britain. After all, he wrote, "Britain or the United States, either individually or together, have prevailed in every major—strategically important—conflict of the last three hundred years. Every single one." Clarke expressed his hope for the continuation of what he called "the dominance of the Anglo-sphere in modern international history."

Both Obama's and McCain's chief advisors would seem to have no dispute with that corrupt perspective.

International Intelligence

A.Q. Khan Blows Hole In Western Lies

In a June 3 interview with the McClatchy news organization, the much-reviled "nuclear proliferator," Pakistan's Dr. A.Q. Khan, went straight for the jugular of the self-proclaimed promoters of nonproliferation, when he said he introduced German, French, and South African suppliers to Iran and Libya. "When Iran and Libya wanted to do their program, they asked our advice. We said: Okay, these are the suppliers, who provide all." Khan said that the companies who provided the technology were European.

On the North Korean nuclear proliferation, Khan said that nuclear secrets obtained by North Korea came from Russia. "All the North Korean scientists and engineers studied in Russia," Khan said, and he described Pyongyang's program as having "excellent technology with very sophisticated designs."

Khan was kept under house arrest after President Pervez Musharraf, who was all powerful in the U.S.-designed "war on terror" campaign in Pakistan until recently, claimed in 2005, that Khan had supplied the drawings and technologies of nuclear enrichment to Iran, Libya, and North Korea. Subsequently, Musharraf muzzled Khan, kept him under house arrest, and allowed the real proliferators (and violators of the primary clauses in the nuclear non-proliferation treaty) to blame a "lone Pakistani wolf" for all the mischief, and hide themselves.

Israeli Minister Mofaz Threatens Iran Strike

Israeli Transport Minister and Deputy Prime Minister Shaul Mofaz told the Israeli daily *Yedioth Ahronoth* June 6 that an Israeli attack on Iran is unavoidable, because sanctions have failed to stop Iran's uranium enrichment program. "If Iran continues with its program for developing nuclear weapons, we will attack it. The sanctions are ineffective. Attacking Iran, in order to stop its nuclear plans, will be unavoidable," said the former army chief and defense minister.

This is not the first time that Mofaz has issued such a threat. On May 1, speaking at Yale University, he linked the Nazi atrocities to the Iranian threat: "Israel will not tolerate a nuclear Iran; and I'd like to believe that the rest of the world will not allow it to happen. All is fair in the efforts to make sure it doesn't happen."

Mofaz told the Yalies, "Appeasement has not proved an efficient policy, and in the Middle East, it is perceived as weakness."

The Iran-born Mofaz also said in the June 6 interview that Iranian President Mahmoud Ahmadinejad, who has called for Israel to be wiped off the map, "would disappear before Israel does."

Mark Regev, a spokesman for Prime Minister Ehud Olmert, did not address Mofaz's comments directly, but said that "all options must remain on the table," and that more could be done to put financial pressure on Tehran. "Israel believes strongly that while the United Nations sanctions are positive, much more needs to be done to pressure the regime in Tehran to cease its aggressive nuclear program," Regev said.

Obama Hit Right and Left On Jerusalem Comments

Democratic Presidential candidate Barack Obama's June 4 statement to the American-Israel Political Affairs Committee (AIPAC) in Washington, that he was committed to a "united" Jerusalem, and his "clarification" that followed, have been hit from all sides.

Gush Shalom, the Israeli peace bloc headed by Uri Avnery, placed an advertisement in the daily *Ha'aretz* June 6, denouncing Obama's call for a "United Jerusalem": "Every child in Israel knows by now that there will be no peace without dividing Jerusalem. But the candidate Barack Obama declared this week that 'united' Jerusalem must be the capital of Israel alone. Don't his advisors know that this worn-out mantra is becoming obsolete even in Israel?"

Meanwhile, Obama's "clarification"—

that he meant that Jerusalem is "not going to be divided by barbed wire and checkpoints"—has enraged the right-wingers, who had just applauded him a few hours earlier, when he first made the remarks at the AIPAC event. The *Jerusalem Post* quotes Natan Diament, of the Union of Orthodox Jews, saying that his organization was "extremely disappointed," and implying that Obama has now misrepresented a formulation that everyone know means, "The holy city must remain unified under Israeli rule."

Morton Klein, president of the Zionist Organization of America, who had also lauded Obama for his comment, found his clarification "troubling," and said that, "It means he used the term inappropriately, possibly to mislead strong supporters of Israel that he supports something he doesn't really believe in."

German Milk Farmers Win a Battle

A ten-day milk strike in Germany ended June 5 when the milk industry and food store chains agreed to pay farmers more for their milk, thus giving them an approximate parity price. Although consumers will pick up the tab, the point was made that farmers cannot produce milk at their own expense, while the processing industry buys milk cheap and sells it dear.

The successful end to the milk delivery strike and protest actions across the country was made possible—despite heavy blackmail attempts by the industry—through the solidarity of milk farmers in other European countries, who staged boycotts of French and Swiss dairies, for example, to make sure no strike-breaking milk could be brought into Germany.

A concluding strike rally in Berlin June 5 drew about 7,000, farmers, from as far away as Bavaria and Friesland, many coming with their entire families—wives, children, and grandparents. LaRouche Youth Movement organizers reported that several thousand newspapers, brochures, and a new farm campaign leaflet were snatched up like hotcakes.

Editorial

Destroy British Imperialism!

"Russia, China, and India have taken a profound step in the past days, to respond directly, in a coordinated fashion, to the Anglo-Dutch oligarchy's war drive," Lyndon LaRouche recently commented. "Were the United States to join that effort, the Four Powers could defeat the British Empire once and for all, and humanity would owe a debt of gratitude for many generations to come."

LaRouche made this statement in the wake of the May 15-16 summit in Yekatarinburg, Russia, attended by the foreign ministers of Russia, India, and China. The commitments made at that meeting by the three major Eurasian powers, comprising one-third of the human race, to challenge the British push against national sovereignty, including in the case of the independence of Kosovo, clearly shifted the world strategic geometry. As of this writing, that shift has accelerated in a dramatic fashion, as the recent diplomacy by Russian President Dmitri Medvedev and Indian External Affairs Minister Pranab Mukherjee attest.

Mukherjee visited China on June 6, where he gave a highly significant speech at Beijing University. "India is ready to ensure peace and stability in Asia, and 'beyond,' by joining hands with China to evolve a new flexible security architecture," Mukerjee said. This should be an "open and inclusive" architecture, he added, which is flexible enough to accommodate the great diversity in Asia. To underscore the new openness in India's stance, Mukherjee also made a striking shift in his country's view of its long-standing boundary disputes with China. "We have to be patient on the border issue," he said. "China and India should work together on security issues in the region. Both of us have a common responsibility and a common interest in saving our border. We have gained experience to maintain peace and tranquility on our borders." In effect, experts note, Mukherjee adopted the formulations generally put forward by Beijing.

In line with the Yekatarinburg declaration, Mukherjee specified the Association of Southeast Asian Nations (ASEAN) Forum, the Conference on Interaction and Confidence-Building Measures in Asia, and the Shanghai Cooperation Organization as venues where the broad security issues of the region could be discussed.

Also on June 5, Russian President Medvedev, who had visited China ten days before, made a major diplomatic initiative for a European security conference and treaty, in order to "break the vicious circle of unilateral action and reaction" which has been typified by the issues of Kosovo independence, NATO expansion, and missile defense. The United States and Canada would also be invited to attend this conference, Medvedev said, in which each country would take part as an individual nation, not as a member of a bloc.

The speed and intensity of these anti-imperial developments reflect the speed and intensity of the global economic and institutional collapse. The window of opportunity is narrow indeed. And while the leaders of these Eurasian nations are not, in and of themselves, competent to formulate the alternative, there are significant forces in each country listening to the individual who has put the solutions on the table: Lyndon La-Rouche.

There is one major question outstanding: Which direction will the United States go? If the U.S. sticks to its current course, and lets the British imperialists determine its policy, we are headed for international confrontation, and World War III.

But if leading U.S. patriots follow LaRouche's advice, dump British globalization policy, and link up with the governments of Russia, India, and China on their current anti-British imperial track, the prospects for fruitful collaboration to rebuild out of the current world disaster are as clear as day.

The appropriate image is that of Franklin Roosevelt's vision for a post World War II world—led by a partnership among the United States, Russia, and China, which would wipe out British and other colonialism and guarantee the Four Freedoms to all nations. Today, we add India, a great power in her own right, to this partnership, but the quality of the alliance is the same. It calls for a coalition of sovereign nation-states determined to act for the benefit of all mankind.

Build an FDR alliance! Destroy British imperialism!

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- Fri: 2:30 a.m.
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- WUWF.ORG Click Watch WUWF-TV. Last Mon 4:30-5 pm (Eastern)

- **BIRMINGHAM** BH Ch.4: Wed 11 pm
- UNIONTOWN GY Ch.2: Mon-Fri every 4 hours; Sun Afternoons

ALASKA

ANCHORAGE GCI Ch.9: Thu 10 pm

CALIFORNIA

- **BEVERLY HILLS** TW Ch.43: Wed 4 pm
- CLAYTON/CONCORD CO Ch.26: 2nd Tue 7 pm; AS Ch.31: Tue 7:30 pm
- CONTRA COSTA CC Ch.26: 2nd Tue 7 pm
- COSTA MESA
- TW Ch.35: Thu 5:30 pm HOLLYWOOD
- TW Ch.24: Tue 4:30-5 pm
- LANCASTER/PALMDALE TW Ch.36: Sun 1 pm
- LONG BEACH CH Analog Ch.65/69 & Digital Ch.95: 4th Tue 1-1:30 pm
- LOS ANGELES TW Ch.98: Wed 3-3:30 pm
- LOS ANGELES (East) TW Ch.98: Mon 2 pm
- MARINA DEL REY TW Ch.98: Wed 3 pm; Thu/Fri 4 pm
- MIDWILSHIRE TW Ch.24: Tue 4:30-5 pm
- ORANGE COUNTY (N) TW Ch.95/97/98: Fri 4 pm
- SAN FDO. VALLEY (East) TW Ch.25: Sun 5:30 pm
- SAN FDO. VALLEY (NE) CC Ch.20: Wed 4 pm
- SAN FDO. VALLEY (West) TW Ch.34: Wed 5:30 pm
- SANTA MONICA TW Ch.77: Wed 3-3:30 pm WALNUT CREEK
- CO Ch.6: 2nd Tue 7 pm; AS Ch.31: Tue 7:30 pm VAN NUYS
- TW Ch.25: Sun 5:30 pm

COLORADO

DENVER CC Ch.56 Sun 10 am CONNECTICUT

- GROTON CC Ch.12: Mon 5 pm
- NEW HAVEN CC Ch. 23: Sat 6 pm

DISTRICT OF COLUMBIA

WASHINGTON CC Ch.95 & RCN Ch.10: Irregular Days/Times

FLORIDA

ESCAMBIA COUNTY CX Ch.4: Last Sat 4:30 pm

ILLINOIS

- CHICAGO CC./RCN/WOW Ch.21: Irregular
- PEORIA COUNTY IN Ch.22: Sun 7:30 pm

- QUAD CITIES MC Ch.19: Thu 11 pm
- ROCKFORD CC Ch.17 Wed 9 pm

QUAD CITIES MC Ch.19: Thu 11 pm

KENTUCKY

- BOONE/KENTON COUNTIES IN Ch.21: Sun 1 am; Fri Midnight
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LOUISIANA

ORLEANS PARISH CX Ch.78: Tue 4 am & 4 pm

MAINE

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MARYLAND

- ANN ARUNDEL Annapolis Ch.76 & Milleneum Ch.99: Sat/Sun 12:30 am; Tue 6:30 pm
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- MONTGOMERY COUNTY CC Ch.21: Tue 2 pm & Fri 11 pm

MASSACHUSETTS

- BRAINTREE CC Ch.31 & BD Ch.16: Tue 8 pm
- BROOKLINE CV & RCN Ch.3: Mon 3:30 pm; Tue 3:30 am; Wed 9 am & 9 pm;
- CAMBRIDGE CC Ch.10: Tue 2:30 pm; Fri 10:30 am
- FRANKLIN COUNTY (NE) CC Ch.17: Sun 8 pm; Wed 9 pm; Sat 4 pm
- QUINCY CC Ch.8: Pop-ins.
- WALPOLE CC Ch.8: Tue 1 pm

MICHIGAN

- BYRON CENTER
- CC Ch.25: Mon 2 & 7 pm DETROIT CC Ch.68: Irregular
- GRAND RAPIDS CC Ch.25: Irreg.
- KAI AMAZOO
- CH Ch.20: Tue 11 pm; Sat 10 am KENT COUNTY (North) CH Ch.22:
- Wed 3:30 & 11 pm KENT COUNTY (South)
- CC Ch.25: Wed 9:30 am LAKE ORION
- CC Ch.10: Mon/Tue 2 & 9 pm LANSING
- CC Ch.16: Fri Noon.
- LIVONIA BH Ch.12: Thu 3 pm
- MT. PLEASANT CH Ch.3: Tue 5:30 pm; Wed 7 am
- PORTAGE CH Ch.20 Tue/Wed 8:30 am; Thu 1:30 pm
- SHELBY TOWNSHIP CC Ch.20 & WOW Ch.18: Mon/Wed 6:30 pm
- WAYNE COUNTY CC Ch.16/18: Mon 6-8 pm

MINNESOTA

- CAMBRIDGE
- US Ch.10: Wed 6 pm
- **COLD SPRING** US Ch. 10: Wed 6 pm
- COLUMBIA HEIGHTS CC Ch.15: Wed 8 pm
- DULUTH CH Ch.20: Mon 9 pm; Wed 12 pm, Fri 1 pm
- MARSHALL Prairie Wave & CH Ch.35/8: Sat. 9 am
- MINNEAPOLIS
- TW Ch.16: Tue 11 pm
- MINNEAPOLIS (N. Burbs) CC Ch.15: Thu 3 & 9 pm

- NEW ULM TW Ch. 14: Fri 5 pm
- **PROCTOR**
- MC Ch. 12: Tue 5 pm to 1 am
- ST. CLOUD AREA CH Ch.12: Mon 9:30 pm
- ST. CROIX VALLEY
- CC Ch.14: Thu 1 & 7 pm; Fri 9 am
- ST. LOUIS PARK CC Ch.15: Sat/Sun/M/T Midnite, 8 am, 4 pm
- ST. PAUL CC Ch.15: Mon 10 pm ST. PAUL (S&W Burbs) CC Ch.15:
- Wed 10:30 am; Fri 7:30 pm
- SAULK CENTRE
- SCTV Ch.19: Sat 5 pm WASHINGTON COUNTY (South) CC Ch.14: Thu 8 pm

NEVADA

WASHOE COUNTY CH Ch.16: Thu 2 pm

NEW HAMPSHIRE

MANCHESTER CC Ch.23: Thu 4:30 pm

NEW JERSEY

- BERGEN CTY TW Ch.572: Mon & Thu 11 am; Wed & Fri 10:30 pm
- HADDON TWP CC Ch.9: Sun 10 am
- MERCER COUNTY CC Trenton Ch.26: 3rd & 4th Fri 6 pm Windsors Ch.27: Mon 5:30 pm
- MONTVALE/MAHWAH CV Ch.76: Mon 5 pm
- **PISCATAWAY** CV Ch.22: Thu 11:30 pm
- UNION CC Ch.26: Irregular

NEW MEXICO

- ALBUQUERQUE CC Ch.27: Thu 4 pm
- LOS ALAMOS CC Ch.8: Wed 10 pm
- SANTA FE CC Ch.8: Thu 9 pm; Sat 6:30 pm
- SILVER CITY CC Ch.17: Daily 8-10 pm

NEW YORK

- ALBANY TW Ch.18: Wed 5 pm. TW Ch.572: Mon & Thu 11 am: Wed & Fri 10:30 pm
- **BETHLEHEM**
- TW Ch.18: Thu 9:30 pm BRONX CV Ch.70: Wed 7:30 am
- **BROOKLYN** CV Ch.68: Mon 10 am TW Ch.35: Mon 10 am TW Ch.572: Mon & Thu 11 am; Wed & Fri 10:30 pm
- CHEMUNG TW Ch.1/99: Tue 7:30 pm
- **ERIE COUNTY**
- TW Ch.20: Thu 10:35 pm
- **IRONDEQUOIT** TW Ch.15: Mon/Thu 7 pm
- JEFFERSON/LEWIS COUNTIES TW Ch.99: Irregular MANHATTAN TW & RCN Ch.57/85
- Fri 2:30 am ONEIDA COUNTY
- TW Ch.99: Thu 8 or 9 pm PENFIELD TW Ch.15: Irregular
- QUEENS TW Ch.35: Tue 10:30 am; TW Ch.572: Mon & Thu 11 am; Wed & Fri 10:30 pm
- QUEENSBURY TW Ch.71: Mon 7 pm
- ROCHESTER TW Ch.15: Sun 9 pm; Thu 8 pm
- ROCKLAND CV Ch.76: Mon 5 pm

- **SCHENECTADY**
- TW Ch.16: Fri 1 pm; Sat 1:30 am STATEN ISLAND
- TW Ch.35: Thu Midnite. Ch.34: Sat 8 am. Ch 572: Mon & Thu 11 am; Wed & Fri 10:30 pm
- TOMPKINS COUNTY TW Ch.13: Sun 12:30 pm; Sat 6 pm
- TRI-I AKES
- TW Ch.2: Sun 7 am, 1 pm, 8 pm
- WEBSTER TW Ch.12: Wed 9 pm

NORTH CAROLINA

- HICKORY CH Ch.3: Tue 10 pm
- MECKLENBURG COUNTY TW Ch.22: Sat/Sun 11 pm

ОНЮ

- AMHERST TW Ch.95: Daily 12 Noon & 10 pm
- CUYAHOGA COUNTY TW Ch.21: Wed 3:30 pm OBERLIN Cable Co-Op
- Ch.9: Thu 8 pm

OKLAHOMA

NORMAN CX Ch.20: Wed 9 pm

OREGON

- LINN/BENTON COUNTIES CC Ch.29: Tue 1 pm; Thu 9 pm
- PORTLAND CC Ch.22: Tue 6 pm. Ch.23: Thu 3 pm

RHODE ISLAND

- E. PROVIDENCE CX Ch.18: Tue 6:30 pm
- STATEWIDE RI I CX Ch.13 Tue 10 pm

TEXAS

- HOUSTON CC Ch.17 & TV Max
- Ch.95: Wed 5:30 pm; Sat 9 am KINGWOOD CB Ch.98: Wed 5:30 pm; Sat 9 am

VERMONT

- **GREATER FALLS** CC Ch.10: Mon/Wed/Fri 1 pm
- MONTPELIER CC Ch.15: Tue 9 pm; Wed 3 pm

VIRGINIA

- ALBEMARLE COUNTY CC Ch.13: Sun 4 am; Fri 3 pm
- ARLINGTON CC Ch.33 & FIOS Ch.38: Mon 1 pm; Tue 9 am CHESTERFIELD COUNTY
- CC Ch.6: Tue 5 pm FAIRFAX CX Ch.10 & FIOS Ch.10: 1st & 2nd Wed 1 pm; Sun 4 am.
- FIOS Ch.41: Wed 6 pm LOUDOUN COUNTY CC Ch.98 & FIOS Ch.41: Wed 6 pm
- ROANOKE COUNTY

CX Ch.78: Tue 7 pm; Thu 2 pm

- WASHINGTON KING COUNTY CC Ch.29/77: Tue 10 am
- TRI CITIES CH Ch. 13/99: Mon 7 pm: Thu 9 pm

WENATCHEE CH Ch.98: Thu 1 pm

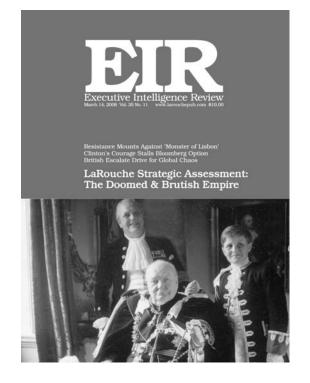
- WISCONSIN MARATHON CH Ch.10: Thu 9:30
- pm; Fri 12 Noon MUSKEGO TW Ch.14: Sat 4 pm; Sun 7 am

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