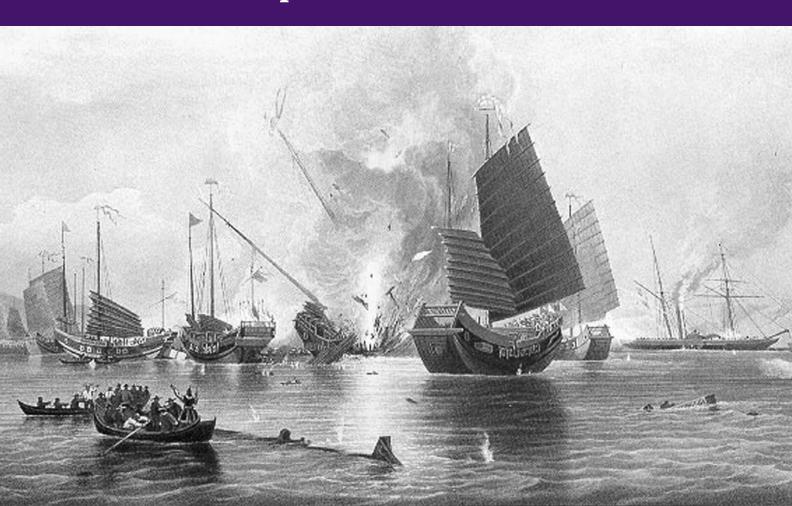


British Plan To Recolonize the Subcontinent Gains Ground Solving the Food Crisis: Egypt, Sudan Have Vast Potential Investigating 'The Swamp Whence Al Gore Came'

### Combatting Britain's New Opium War



### SUBSCRIBE TO EIR ONLINE

## 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

EIR Online's Subscribers Know What Is Really Going On.... Do You?

To subscribe:

www.larouchepub.com/eiw Call 1-800-278-3135 (toll-free)

Founder and Contributing Editor: Lyndon H. LaRouche, Jr. Editorial Board: Lyndon H. LaRouche, Jr., Antony Papert, Gerald Rose, Dennis Small, Edward Spannaus, Nancy Spannaus, Jeffrey Steinberg, William Wertz

Editor: Nancy Spannaus Managing Editor: Susan Welsh Assistant Managing Editor: Bonnie James Science Editor: Marjorie Mazel Hecht Technology Editor: Marsha Freeman Book Editor: Katherine Notley Photo Editor: Stuart Lewis Circulation Manager: Stanley Ezrol

#### INTELLIGENCE DIRECTORS

Counterintelligence: Jeffrey Steinberg, Michele Steinberg

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

Ibero-America: Dennis Small Law: Edward Spannaus Russia and Eastern Europe: Rachel Douglas United States: Debra Freeman

#### INTERNATIONAL BUREAUS Bogotá: Javier Almario

Berlin: Rainer Apel Copenhagen: Tom Gillesberg Houston: Harley Schlanger Lima: Sara Madueño Melbourne: Robert Barwick Mexico City: Rubén Cota Meza New Delhi: Ramtanu Maitra Paris: Christine Bierre

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

#### ON THE WEB

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

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

European Headquarters: E.I.R. GmbH, Postfach 1611, D-65006 Wiesbaden, Germany; Bahnstrasse 9a, D-65205, Wiesbaden, Germany Tel: 49-611-73650 Homepage: http://www.eirna.com e-mail: eirna@eirna.com Director: Georg Neudekker

Montreal, Canada: 514-855-1699

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

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

Copyright: ©2008 EIR News Service. All rights reserved. Reproduction in whole or in part without permission strictly prohibited.

Canada Post Publication Sales Agreement #40683579

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



### From the Assistant Managing Editor

Over the past week, two things became abundantly clear: one, that the financial system is now in its death throes; and two, that the reaction among many nations and their leaders is to wake up finally to the realization that the policies and proposals that Lyndon LaRouche has placed on the table for the past 30 years must be taken up without further delay. This week's issue presents the undeniable reality (except to those in the deepest state of denial!) of both of those dynamics.

One of those events which had the power to challenge hard-wired axioms, was the brilliant rescue, on July 2, after years of captivity, of Ingrid Betancourt and 14 other hostages, from the grip of the Colombian narcoterrorist FARC. As Jeffrey Steinberg writes in the lead to this week's *Feature*, the combined efforts of Colombia, France, and the United States, delivered a crushing blow to the British empire's "New Opium War" scenario, aimed at spreading chaos across the planet. There is now a concerted effort to "roll up" the London-directed international drug traffic, from the jungles of Colombia to the mountains of Afghanistan and Pakistan, thereby drying up the trillions of blackmarket dollars that fill the piggy banks of the Anglo-Dutch Liberal system.

The unraveling of that system at mach speed is the determining factor in present history. A case in point is the G8 Summit in Japan, as Helga Zepp-LaRouche documents in the *International* lead. Talk about a "Ship of Fools"! The systemic collapse, which is completely obvious, is not even on the agenda of the world's leading industrial nations! As Zepp-LaRouche notes, "we can only speak of this as a tragedy, in the Classical meaning of that term."

Yet, it is precisely these profound shocks, that will propel those sane forces among the nations of the world to act. As LaRouche has stressed, it is under such crisis conditions that the "unthinkable" can happen. Even the moribund the U.S. Congress can be forced act to dump the corrupt Speaker of the House Nancy Pelosi, who is now protecting the speculators who have blown up the oil markets and the mortgage markets, causing untold suffering among our citizens (see *National* lead). Now is the time to push through LaRouche's Homeowners and Bank Protection Act!

And, be sure to watch LaRouche's July 22 webcast—the fireworks have only just begun.

Ponnie Jame

### **Contents**



attack Chinese junks in Anson's Bay, 1841, in the First Opium War against China.

4 Combatting Britain's New Opium War

The Colombian military's dramatic rescue of 15 hostages held by the narcoterrorist FARC delivered a blow to the Anglo-Dutch financial oligarchy's "New Opium War." This was a coordinated effort by at least three nations, working in concert, and precisely fit Lyndon LaRouche's March 1985 proposal for a Western Hemisphere war on drugs.

- 7 LaRouche on Colombia: Replace Terrorists with Farmers!
- 7 Colombia-Venezuela Railroad: LaRouche 'Land-Bridge' Is Back on the Agenda A statement by Maximiliano Londoño, president of the Lyndon LaRouche Association of Colombia.
- 8 Max Londoño: Build the Metro to China!
- 12 LaRouche's 15-Point Plan for a War on Drugs On March 13, 1985, LaRouche sent this message to a Mexico City conference.
- 14 The 1985 'Guatusa' Plan: Proving Narcoterrorism Can Be Defeated
- 16 The British Empire vs. the Pan-American RR

### **Economics**

18 Put Up the Firewall, **Bring In the Shrinks!** 

The Federal Reserve and the Treasury Secretary Paulson are frantically pushing for more bailouts and deregulation, as institution after institution flames out, in an effort to bail out the bankrupt system which cannot be resuscitated.

- 20 A Global Shift in Nuclear **Energy Policy**
- 22 Egypt Can Attain Food **Self-Sufficiency Once WTO Globalization Is Shut Down**
- 26 Defying Britain's Genocide System: Sudan's Great **Project in Agriculture**
- 30 World Food Crisis: Is It a Policy of 'Silent Genocide'?

### **International**

34 G8 Summit Fails Again: New Bretton Woods, Now!

By Helga Zepp-LaRouche. The collective avoidance, by the G8 governments meeting in Japan, of any discussion of solutions to the global economic crisis, will result in the complete collapse of the financial system, unless something extraordinary is done.

- 37 Zimbabwe: U.K. Leads G8 in Spitting on Africa
- 38 The British Plan To Recolonize the Subcontinent Is Gaining Ground
- 43 Blair, Bush Cover Up Iraq Invasion Crime by Sealing UN Files

### **National**

44 Pelosi Is Covering Up for 'Money-Changers in the Temple'

Instead of going after those who had put the pursuit of profit and speculation before the welfare of the people of the United States, as Franklin Roosevelt had done, House Speaker Nancy Pelosi has overseen efforts to suppress all legislative initiatives which would go against the interests of the speculators.

46 Slime Mold on the 'Back Stairs': The Swamp Whence Al Gore Came

> Dennis J. Mason, of the LaRouche Youth Movement, describes the truly evil masters whom Gore serves, so that they are held accountable for their crimes.

- 53 'Revolution in Military Affairs': Behavior Modification Is No Strategy for War
- 55 National News

### **Editorial**

56 One Year Later— But Still Not Too Late

### **Feature**

# Combatting Britain's New Opium War

by Jeffrey Steinberg

The stunning July 2, 2008 rescue of Ingrid Betancourt and 14 other hostages, including three Americans, from FARC narcoterrorists in Colombia, was far more than a victory against that nation's longstanding narco-insurgency. The combined efforts of Colombia, the United States, and France delivered a serious blow to the British oligarchy's "New Opium War" program, a geopolitical scheme to spread chaos throughout the planet, inflict drug addiction on potentially billions of people, and generate trillions of dollars in black market revenue, laundered through Anglo-Dutch offshore hot-money havens like the Cayman Islands, the Dutch Antilles, and the British isles of Man and Jersey. This New Opium War is at the very heart of what Lyndon LaRouche has labeled the Anglo-Dutch Liberal system, which is now unraveling, as the entire post-Bretton Woods system of globalization, unbridled free trade, rampant speculation, and unregulated black market trafficking in drugs, weapons, and slaves, comes to a crashing end.

The Colombia hostage-rescue, which was conducted as a coordinated effort by at least three sovereign nation-states, working in concert, precisely fit the perspective spelled out by LaRouche in his March 1985 proposal for a Western Hemispheric war on drugs (see p. 12). LaRouche called for a coordinated effort by sovereign governments of the Western Hemisphere, against an international narcotics and narcoterrorist cartel that posed a threat to all of the nations of North, Central, and South America. LaRouche's proposal called for the United States to provide technical support—satellite intelligence, other high-tech surveillance, and resources, as well as advanced training—to military and police forces of targeted nations, to enable them to take down the drug cartels, while retaining full sovereignty over their territories and peoples.

The Colombia operation was the fruit of years of intelligence coordination, training of Colombian special forces units, and tracking of the FARC units; it was described by one well-informed U.S. intelligence official as a "picture perfect" operation. He freely acknowledged that the ultimate target of the Colombia action, dubbed "Operation Checkmate," was the City of London and the British oligarchy, which has backed Ibero-American narco-insurgencies by providing safe-haven on British soil, facilitating fundraising and other support activies throughout Europe,

4 Feature EIR July 18, 2008



Left: Opium poppy cultivation in Afghanistan. Below: Hostages freed by the Colombian military are greeted by Defense Minister Juan Manuel Santos Calderón (in white shirt), July 2. Former Presidential candidate Ingrid Betancourt is fourth from left.

www.armv.dnd.ca

and demonizing governments that refused to negotiate away their sovereignty to the narcogangs.

The success in Colombia also involved French intelligence, which, according to U.S. sources, also played an invaluable intelligence support role in securing the freedom of Betancourt (a French-Colombian dual

citizen and a former Colombian Presidential candidate) and the three Americans, who had been held by the FARC for more than half a decade. According to one U.S. source, French President Nicolas Sarkozy, and the French institutions, made a dramatic policy shift in recent months, abandoning a long-standing policy of providing support and comfort to the Ibero-American narco-insurgents, competing with London for control over this vast destabilization capability, and promoting Venezuelan President Hugo Chávez as the "honest mediator" between the FARC and the Colombian government. The French policy shift, the U.S. source emphasized, played an important part in the success of the operation, and portends future Franco-American efforts to counter Britain's global opium insurgency.

#### **Targeting British 'Managed Chaos'**

The Colombia rescue operation, which delivered a neardeath blow to the longstanding FARC narco-insurgency, following an earlier successful raid on a FARC camp across the border in Ecuador, came simultaneously with a number of other international initiatives, all vectored against the British SP-Presidencia

oligarchy's policy of global "managed chaos." As former British prime minister Tony Blair announced in a speech in Chicago, in the Spring of 1999, the British oligarchy is peddling the lie that the world has entered a "post-Westphalia" era, in which the nation-state system is finished, and will be replaced by London-dominated new global institutions, to control a vastly reduced world population. The British oligarchy's policy is to orchestrate failed states, ethnic, tribal, and religious wars, and narco-insurgencies, to proactively destroy the nation-state system, including, above all, the United States. The vast expansion of narcotics trafficking and narcoinsurgencies is an integral part of this global scheme, and the British have counted on the idea that most major governments and intelligence services will fail to see the Anglo-Dutch guiding hand, and will be impotent to defeat it. All told, London's Dope, Inc. global drug cartels generate over a trillion dollars a year in black market retail sales revenue. Those funds are laundered through Anglo-Dutch offshore financial havens, and form one arm of the global speculative system.

Recent breakthroughs in the global war on drugs suggest that the "invisible" hand of the British oligarchy may no

July 18, 2008 EIR Feature 5



Supporters of the terrorist PKK demonstrate in "Londonistan."

longer be so invisible.

Simultaneously with the Colombia operation, a number of other actions have been taken, signaling a more coordinated international push-back against Britain's New Opium War.

On May 30, the U.S. Drug Enforcement Administration (DEA), which has recently created a special national security division targeting narco-terrorism worldwide, announced that the separatist/terrorist Kurdish Workers Party (PKK) has been placed on the U.S. government's list of Drug Kingpins.

In a keynote address to an International Drug Enforcement Conference in Istanbul, on July 8, the U.S. Ambassador to Turkey, Ross Wilson, highlighted the significance of the action. "The PKK funds itself through extortion and trafficking in arms, human beings, and drugs.... Given the PKK's significant involvement in international drug trafficking, President Bush recently designated it a Drug Kingpin. DEA worked closely with Turkish law enforcement in order to nominate the PKK for this designation. It will allow us to strengthen our joint efforts against PKK narcoterrorists through focussed targeting of the assets of individuals and businesses associated with it," the ambassador said.

For the past hundred years, the British have manipulated the "Kurdish separatist card" against the governments of the region, beginning from the time of the Ottoman Empire, and extending into the creation of modern Turkey, Syria, Iraq, and Iran, which all have Kurdish minorities, and which are all targeted by the PKK and such spinoff organizations as PJAK. U.S. intelligence sources have informed *EIR* that the British are now running a major destabilization of Turkey, using the PKK, among other assets. Thus, the targeting of the PKK has important strategic implications, and represents a direct U.S.-Turkish hit against a leading British surrogate.

Indeed, the action against the PKK not only targets one of the major narcoterrorist organizations, destabilizing Southwest Asia, especially Turkey and Iran. It is also part of a renewed effort against the Taliban and al-Qaeda, which are part of the massive heroin-growing and -smuggling operations, centered in Afghanistan and the North West Frontier Province and the Federally Administered Tribal Areas (FATA) of Pakistan. This combined Afghanistan/Pakistan area is responsible for an estimated 75-90% of all the world's heroin. The Taliban

alone garners 10% of all the revenue of the Afghan opium lords, and these narco-revenues finance that ongoing insurgency, which targets China, Central Asia, Russia, and Iran. London has virtually created a narcostate, under the Taliban and allied tribal control in remote areas of Pakistan and Afghanistan. As long as the region generates hundreds of billions of dollars in heroin sales, the insur-

gency will grow, and the region will remain in a state of permanent war and chaos—just what the British intend. Early this year, the Karzai government in Kabul expelled two British "diplomats" from the country, after they were caught arming and bankrolling Taliban units that were taking control over whole regions of Afghanistan. (See article, p. 38.)

The PKK's designation as a Drug Kingpin is directly tied to the Afghan heroin trail. PKK has become one of the major smuggling organizations for Afghan heroin, coming into Europe.

### Other Targets, Other Breakthroughs

At the same Istanbul conference of anti-drug officials, Michele Leonhart, the Acting Administrator of the DEA, delivered another major presentation, in which she spelled out a number of recent breakthroughs in the global war on drugs. She confirmed the links between the PKK and Taliban drugsmuggling operations, citing "Operation Containment," a program involving 18 governments, all working to halt the flow of Afghan heroin into Western Europe.

Leonhart also cited the arrests of Mansur al-Kassar and Victor Bout, two leading figures involved in arms trafficking to the FARC. Al-Kassar was arrested in June 2007 in Spain, and was recently extradited to the United States. He was caught in a sting operation, involving arms sales to the FARC. Bout, a Russian "mafiya" boss and leading illegal arms dealer, was also captured in a sting operation, involving arms sales to the FARC. He was captured in March 2008 in Thailand.

A number of these recent international anti-narcoterrorist operational successes have flown in the face of policies—made in London—that have been associated with the Bush-Cheney White House, over the past seven years. *New Yorker* magazine investigative journalist Seymour Hersh recently described the Bush Administration's covert backing to the PKK and PJAK organizations, which have been carrying out crossborder sabotage and terror actions inside Iranian territory. While there is no evidence that the Administration has changed its stripes, sources in and around the U.S. intelligence and military establishment say that they themselves are using their institutional authority to carry out these operations, regardless of the political fallout in Washington and in London.

6 Feature EIR July 18, 2008

### LaRouche on Colombia

### Replace Terrorists With Farmers!

"The time has come for the governments of South and Central America to take the action on whose behalf we've been working for many years," U.S. statesman Lyndon LaRouche said July 8, in welcoming the highly successful operation carried out July 2 by the Colombian government and military, which freed 15 hostages held by the FARC narcoterrorists. LaRouche was also responding to Colombian President Alvaro Uribe's July 5 call, supporting an earlier proposal by Venezuelan President Hugo Chávez, to build a continental railroad linking Colombia with its immediate neighbors, Venezuela and Ecuador, and with extensions into Central America and farther south into all of South America.

"These developments make it possible to bring about a revolution in the region," LaRouche asserted, "which throws the British out of the area for good, as originally intended by the Monroe Doctrine." British imperial support for the FARC over decades is notorious, as is the controlling role of City of London financial interests in the international drug trade, in which the FARC is the leading cocaine cartel.

"What we now have in our hands," LaRouche said, "as recognized by various people in South America, is that the FARC, essentially, is dead meat, politically. Its time has passed. What has happened is a very sophisticated operation, carried out by elements of the Colombian government and military, with intelligence support by elements of France, including the institution of the Presidency, and institutional elements of the United States. They set up an operation, which is a long-ranging operation, which came to fruition recently.

"Although carried out in Colombia, by Colombians, what has happened is not a Colombian phenomenon, as such. It's something that was created over a long period of time, probably more than 20 years, with some institutions in the United States, operating within their relevant authority, helping to set an operation against things like the FARC, against the drugterrorist operation.

"Now, this has succeeded recently because of many years of preparation. It is not something that just happened yesterday," LaRouche explained.

LaRouche went on to discuss the Chávez-Uribe rail proposal, noting that, for decades, he and his associates throughout the region have presented detailed proposals for the physical integration of South and Central America with great infrastructure projects, including maglev rail links.

"We have worked on these rail proposals before," La-

Rouche stated, "including the idea of linking them up with agricultural projects. The time has come to replace terrorists with farmers. All the pieces lie at hand to do that now, including rehabilitating motion towards a Bank of the South, to facilitate such great development projects. What is needed is only the political initiative.

"The British—including British free trade and globalization policies—have no place in the hemisphere, or the world. The time has come to return to the tradition of Lincoln, of McKinley, and of Franklin Delano Roosevelt's Good Neighbor policy."

### Colombia-Venezuela Railroad

### LaRouche 'Land-Bridge' Is Back on the Agenda

by Maximiliano Londoño Penilla

Mr. Londoño is President of the Lyndon LaRouche Association of Colombia. He issued this statement in Bogotá, July 7.

Barely three days had passed since the Colombian Army's successful operation July 2 rescuing former Presidential candidate Ingrid Betancourt, three American citizens, and eleven policemen and soldiers who had been hostages of the narcoterrorist FARC (Revolutionary Armed Forces of Colombia), when President Alvaro Uribe once again surprised the country.

On July 5, he announced that during his upcoming trip to Caracas, Venezuela, that he was prepared to sign a memorandum of intent on the building of the Colombia-Venezuela railroad proposed by President Hugo Chávez, one of whose lines would connect the Venezuelan plains with the Colombian plains to reach Ecuadorian territory. A second corridor would go from Venezuela through Colombia and then into Central America via the Caribbean.

These projects are part of the agenda for the physical integration of the nations of Ibero-America proposed by American statesman Lyndon LaRouche in his 1982 "Operation Juárez." There, he explained how to use the "debt bomb"—a moratorium on foreign debt—to put an end to the usury practiced by Wall Street and the City of London. In 1986, La-Rouche commissioned the book *The Economic Integration of Ibero-America: 100 Million Jobs by the year 2000*, which detailed the railroad, water, industrial, and agricultural projects, that could transform the region into a great industrial power.

Speaking from Aguadas, Caldas on July 5, Uribe said: "In the past, President Chávez proposed that we move forward

July 18, 2008 EIR Feature 7

with railroads to integrate our nations. We believe we should accept that proposal. It is my hope, therefore, that in our July 11 meeting, we can sign the memorandum of intent, accepting President Chávez's proposal to integrate our countries by building railroads—one line alongside the Caribbean, and the other through the Eastern Plains. [Let] Venezuela and Colombia become integrated in both directions; and may the line built through the Caribbean be the beginning of our integration with Central America, and also with Mexico, with a vision of Mesoamerica.

And, Uribe continued, "let the line that extends toward the Southwest, through the Eastern Plains—first through Venezuela's plains and then through Colombia's—move us toward integration with our sister nation of Ecuador. Then, hopefully, thinking big, we can continue moving south. This is the subject we are very excited about, looking toward the July 11 meeting."

### The LYM Makes a Proposal

On Aug. 31, 2007, Chávez visited Uribe's countryside residence in Hato Grande, Colombia; during their final press conference, members of the LaRouche Youth Movement proposed that Chávez consider the proposal to finance a railroad that would unite Colombia and Venezuela, and link the two nations to the rest of the world. This would lay the groundwork, so that the high-speed railroad corridors of the Eurasian Land-Bridge could, after linking Russia's Far East with Alaska via the Bering Strait tunnel that would be built by the Russian government, extend through North and Central America and continue on to South America, with Colombia as their entryway.

At least one line would border the Caribbean Sea, from Colombia, passing through Venezuela and continue south, finally reaching Argentina after crossing Brazil. A second line would be closer to the Pacific Ocean and extend down to the Argentine Patagonia. Lyndon LaRouche and German leader Helga Zepp-LaRouche have taken the lead in proposing construction of these great development and infrastructure corridors to link all of the planet's continental masses.

On Oct. 27, 2007, in an article entitled "Maglev Trains and Nuclear Energy Should be the Priorities for the Bank of the South," I warned that "President Chávez should eliminate his anti-U.S. posture, and instead seek a new relationship with the country to our north, through a Democratic Party revitalized by LaRouche's leadership. If Chávez really wants to unite the nations of the continent, he should invest Venezuela's petrodollars in the great Railroad of the Americas or the Pan-American Railroad, as this latter project was known in 1889, when the United States organized the first conference to promote this integrationist initiative."

Unfortunately, by 1923, the railroad project had been replaced by the Pan-American Highway, which in turn was interrupted by the ill-named Darien Gap (henceforth, this should be referred to as the Darien Train). The nascent Bank of the

South could be the vehicle through which this great project to physically unite the nations of the continent, and particularly those of the region, could become reality.

On Nov. 4, 2007, in an article entitled "Prometheus, the Bogota Metro and the Bolivarian Railroad," I proposed building what is now being called the Colombia-Venezuela Railroad: "Taking advantage of the warm friendship he enjoys with President Hugo Chávez, President Uribe could request that the sister republic of Venezuela invest in the Bogota Metro, and also in the building of the Bolivarian Railroad. The latter would connect Venezuela with Colombia, entering through Arauca, continuing on to the plains, then through Villavicencio and intermediate points until reaching Ecuador."

A new era has begun in the Americas, in which a lasting peace can be secured, not only by defeating narcoterrorism, but by simultaneously launching economic reconstruction. Specifically, security for both Presidents Chávez and Uribe must be strengthened, to prevent their assassinations by the hit men controlled by the Anglo-Dutch financial cartel that seeks to control the world. To date, the British Empire has succeeded in imposing a dictatorship of global free trade, and to create perpetual warfare which prevents any discussion of industrialization projects. It is now time to revive the legacy of Benjamin Franklin, George Washington, Alexander Hamilton, Abraham Lincoln, Franklin Delano Roosevelt, John F. Kennedy, and the American System of political economy, today embodied in the American statesman and economist Lyndon LaRouche.

### Max Londoño: Build The Metro to China!

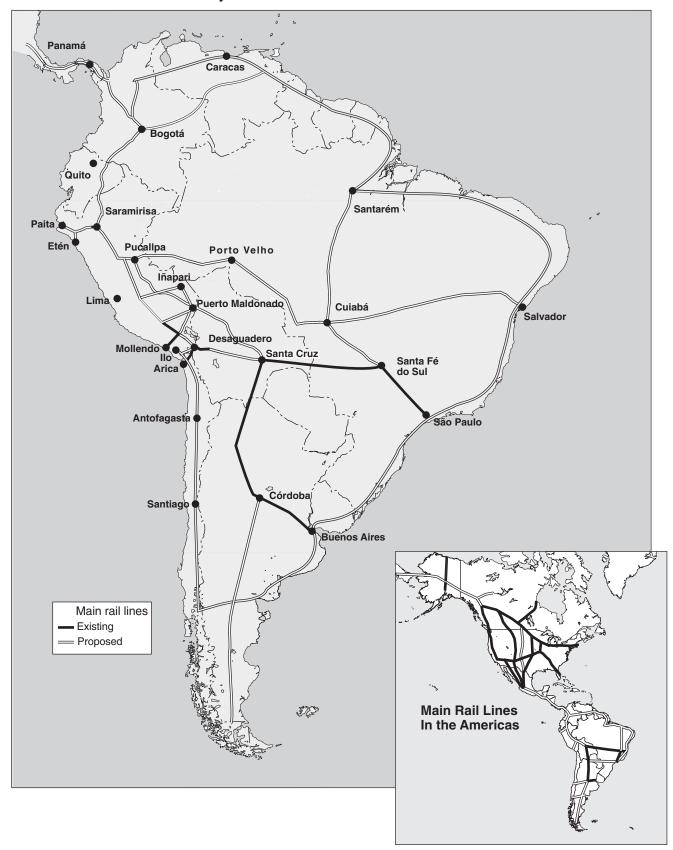
We publish below the presentation given by Maximiliano Londoño, President of the Lyndon LaRouche Association of Colombia, before a December 6, 2007 forum in Bogotá, entitled "the Bogotá Metro, an Unpostponable Challenge." Held in the Eliptical Room of the National Congress, and transmitted nationwide by the Congress's TV station, the forum occurred just weeks after the October electoral victory of Samuel Moreno as Mayor of Bogotá. Development of the Metro was a central element in Moreno's electoral platform.

Both the LaRouche Association and the LaRouche Youth Movement not only played a critical role in that victory, but also helped to shape the broader environment in which Colombian President Álvaro Uribe's July 5 acceptance of Venezuelan President Hugo Chávez's proposal to build a regional railroad, could take place.

The LaRouche forces organized aggressively on the streets and in the universities, distributing 70,000 leaflets headlined, "Vote for the Darien Train and the Bogotá Metro." The leaflet

8 Feature EIR July 18, 2008

### **South America: Great Rail Projects**



July 18, 2008 EIR Feature 9

proposed that Colombians view the Metro, not just as a local project, but as a crucial link to the Eurasian Land-Bridge elaborated by La-Rouche and his wife, Helga Zepp-LaRouche, leader of the German BüSo (Civil Rights Solidarity) party. The Land-Bridge's extension into the Americas, the leaflet pointed out, would become possible through the tunnel under the Bering Strait that Russia is proposing to build.

In the period between Moreno's election and his taking office in January of 2008, the LaRouche Association widely circulated its Strategic Alert with such articles as "Prometheus, the Bogotá Metro and the Bolivarian Railroad," and "The Reasonable Is Possible: The Darien Train and the Bering Strait Tunnel."

In the December forum, Londoño's testimony stood out for its op-

timistic view of what Colombia can achieve, if its leaders abandon the Malthusian conceptions peddled by the World Bank and the IMF, and embrace the "think big" vision that Franklin Delano Roosevelt so successfully applied in the 1930s United States, and that the Eurasian Land-Bridge embodies today. Londoño has incorporated these programmatic proposals into every campaign he has waged in Colombia, dating back to 2002 when he ran for Congress on the electoral slate of Presidential candidate Gen. Harold Bedoya.

General Bedoya, former head of his country's Armed Forces, used the 2002 campaign, as he did in earlier campaigns for the Presidency, to propose a Marshall Plan-style of national reconstruction program for Colombia, one that would also include close cooperation with the United States in dealing with the narcoterrorism that plagued the nation. Bedoya expanded on those proposals during a joint press conference with Lyndon LaRouche, held in February 2000, in Washington, D.C.

### 'Crazy' Ideas

I don't have the highly developed ability of Dr. Paul Bromberg [the former Mayor of Bogotá] to think small. We have to think big. We have to conceptualize things and do them—make possible what is reasonable, and push demagogy aside. We are at the best possible moment to build not only the Metro, but an entire integrated network of rail corridors to connect the country with the rest of the region and the world.

Look at what's happening. In April, the Russians announced they were going to build a tunnel under the Bering Strait. That's crazy, right? It's 110 kilometers! But it means



Maximiliano Londoño

that you could start from any European capital, and after traveling across Europe, go 10,000 km on the Trans-Siberian Railroad and reach the Americas. This is the topic of conversation right now in Canada, Russia, and in the United States. And we also have to take it up.

The only other significant problem for those railroad corridors would be the so-called Darien Gap. which, from now on, should be called the Darien Train. The railroad that was being discussed in 1890 was never built because people, like Dr. Bromberg, weren't thinking big. He says that we poor people can't think big. But we have to think big. For example, right now, in Italy, there is discussion of building a tunnel under the Mediterranean. Listen carefully: 164km to connect Sicily with Tunisia, and they're going to build four artificial

islands with the left-over refuse.

Wow, that's crazy! Demented! Just as demented as President Kennedy was when he said, "I believe that this nation should commit itself to achieving the goal, before this decade is out, of landing a man on the Moon and returning him safely to Earth." Now, what do those programs mean? Breaking with existing paradigms—breaking with the "limits to growth." The meaning of going to the Moon wasn't that we brought back some rocks and used them for minerals. The key was the advancement in science and technology.

So, society advances with new principles. Right now, specifically in the case of Bogotá, introducing the Metro, a system that isn't just about transportation, will allow us to reorganize everything. That's how societies work, on the basis of new principles.

At any given moment, seeing something in context is useful, but we can't just stay there. There are several things that are clear right now. If we're going to have a Metro, what will it be like? Well, we have to think of what it will be like 50 or 100 years from now. People work in surrounding areas, so of course, we're going to have to connect them through rail corridors, but with wide-gauge electric trains. We're talking about locomotives with electric traction, like the European ones.

What's wrong with our political leaders? They travel and see progress in the United States and in Europe, but what do they bring back? Small things! A return to the cavemen! In Europe, you can travel at speeds of 300-350 km an hour, on trains with electric traction, not diesel electric, but entirely electric traction. Why can't we do the same thing here?

10 Feature EIR July 18, 2008

One of the problems is financing. Let's look at what the United States has done. They are our friends. They've helped orient us, sometimes in the wrong direction, as we know. But the World Bank report that Dr. Bromberg so favorably discussed, tells us we can't build infrastructure, and much less, rail corridors. The Bank said in 2005 that infrastructure was only acceptable in the area of highways, and then, only through privatizations, through concessions. Anything else is impossible.

### Think Big!

We have to think big. In 1956-57, President Eisenhower decided to build a federal highway system, for reasons of security. How did they do it? They made a decision to have a parallel budget for capital investment. Of course, if we look at our current budget, there just isn't any money. The minister has been told there's no money. They gave him a hard time over building just 2,500 km of highways. So now he's a little bit scared and doesn't want to discuss this.

Now we want him to be our commander of the Metro, and of the railroads too. He has profound theological conceptions and knows that faith moves the physical. Human beings think, conceptualize, imagine, dream—that's what moves us, not the little things.

Of course, we have to make ideas become reality. Let's look at the budget issue, a capital investment budget, because we're talking about long-term investment. We're going to need \$2.3 billion for the Metro, and they tell us: "Horrible! You're going to take food out of the mouths of the poor. You're not going to be able to build the bridges."

No! What did Eisenhower do? At that time, they were talking about a \$100 billion budget, but it was to be extended over 33 years. They imposed a two-cent federal tax per gallon of gasoline which was used to cover the amortization of bonds, issued to attract private capital to finance a public project.

They took as their model what Franklin Delano Roosevelt did in 1933. He took office with the economy paralyzed. [The government] had followed Wall Street's rules: First finance the debt—but then there's nothing left over for investment. He said, very simply, we have to put people to work; there's no place else to cut. So what did he do? The State built infrastructure projects. He used a financing corporation that Herbert Hoover had set up to save the banks, and then empowered it to issue bonds.

Here in Bogotá, we need a district corporation that can issue bonds to be capitalized. That way, we can ensure that savings, of any kind, can be part of this process. There were a number of different processes that came together in what Eisenhower did. He said, we're going to issue bonds, because debt is an instrument for generating wealth. Money in itself isn't wealth. Credit is an instrument to activate people who have organizational and administrative abilities, who have ideas and can mobilize others to create tangible wealth.

Credit can also become an instrument of usury. Right now,

we have the best conditions to effect change. Take the Bank of the South, for example, which is being discussed because the need for a new international financial architecture is being posed, and former Argentine President Néstor Kirchner and Ecuadorian President Rafael Correa understand this.

Look at what Argentina is doing. It abandoned orthodoxy, and now they're building a bullet train, the kind that travels at 350 km an hour, between Buenos Aires and Rosario, and they're going to build another one. The Chinese are building railroads, including magnetic levitation. So, here in the District of Bogotá, we can build the Metro and many other things.

#### The FDR Model

We can do what Franklin Delano Roosevelt did in 1933. People were downtrodden and he said: How can we employ them? So they began to build infrastructure projects, and in the first three months of his term, 4 million were put to work. Doing what? They weren't mowing the lawn or sweeping the streets. They built railroads, highways, canals, airports, etc. And, just as a reference point, remember that when Gen. Gustavo Rojas Pinilla was President, he invited David Lilienthal to Colombia.

Lilienthal was the head of the Tennessee Valley Authority (TVA), the largest water management project ever seen by mankind. It extended over seven states, and took care of the region's flooding problems. The TVA built more than 20 dams, not to mention all the other projects. Rojas invited Lilienthal to come up with a proposal for our country, and [Lilienthal] said that the Cauca River Valley and the Sinú River Valley should be the pioneers, to do there what the TVA did in the U.S.

This was Rojas's real program, and through it, he built 18 airports, besides Bogotá's El Dorado airport. After him, President Alberto Lleras sold the land that Rojas had bought for these projects. Rojas was a visionary; he built what infrastructure we have, and now we have to take the next step.

We know for sure that we need the Bogotá Metro, connected to a train for the surrounding Sábana, which will go beyond the existing one. We also need rail corridors nationwide. How can we solve our problems with Venezuela? It has a plan for a train to reach Arauca. So why don't we have a train that will go through Arauca, Casanare, Meta, Caquetá, and Putumayo, and ends up in Ecuador? Of course, then, we'll have our Gran Colombia<sup>1</sup>—we'll have it physically, integrating ourselves through rail corridors.

What the Russians have proposed, to link up the Eurasian Land-Bridge—this is the name for the network of rail and development corridors—with the corridors of the Americas, is a higher-level principle that completely changes the planet. Now we, with the Metro idea, which is a metaphor, an infini-

July 18, 2008 EIR Feature 11

<sup>1.</sup> Historically, Gran Colombia included present-day Venezuela, Colombia, and Ecuador.

tesimal of this new geometry, have to hook up with this.

There are several things we can do. The Bank of the South is an instrument to create credit. We can create a district financing corporation, which, as I mentioned earlier, will be able to issue bonds. Even if it's public, it won't depend on the regular budget, so that we won't hear from the finance minister later on that "there's no money." So, we have a number of options right now.

As LaRouche says—he's the American statesman who's organizing inside the Democratic Party—we have to get rid of this obsolete financial system. Debt is growing faster than nations' revenues. Even the United States has been hurt by this. Last year, 65 auto factories shut down, and the U.S. aerospace sector has been dismantled.

There's also a fight going on inside the Democratic Party to steer it in a different direction. There's a debate about these rail corridors. I want to say that it is possible to have here something like what Franklin Delano Roosevelt did in 1933, which was known as the New Deal. He said: We're going to put people to work on infrastructure projects. So, let's start with the Metro, then continue with the Cundinamarca train, and the surrounding areas, and build the rail corridors. And, Mr. Minister, to give you a few more problems, wed yourself to the Metro! Let the President wed himself to this project! Wed yourself to the railroad. We need it.

Thank you very much.

### LaRouche's 15-Point Plan For a War on Drugs

On March 13, 1985, Lyndon LaRouche sent a message to a Mexico City conference on the drug traffic, laying out a 15-point "war plan" to combat it. Here are excerpts.

- 1. What we are fighting, is not only the effects of the use of these drugs on their victims. The international drug traffic has become an evil and powerful government in its own right. It represents today a financial, political, and military power greater than that of entire nations within the Americas. It is a government which is making war against civilized nations, a government upon which we must declare war, a war which we must fight with the weapons of war, and a war which we must win in the same spirit the United States fought for the unconditional defeat of Nazism between 1941 and 1945.
- 2. Law-enforcement methods must support the military side of the War on Drugs. The mandate given to law-enforcement forces deployed in support of this war, must be the principle that collaboration with the drug traffic or with the financier or political forces of the international drug traffickers, is treason in time of war.
  - a) Any person caught in trafficking of drugs, is to be

classed as either a traitor in time of war, or as the foreign spy of an enemy power.

- **b)** Any person purchasing unlawful substances, or advocating the legalization of traffic in such substances, or advocating leniency in anti-drug military or law-enforcement policy toward the production or trafficking in drugs, is guilty of the crime of giving aid and comfort to the enemy in time of war.
- **3.** A treaty of alliance for conduct of war, should be established between the United States and the governments of Ibero-American states which join the War on Drugs alliance to which the President of Mexico has subscribed. Other states should be encouraged to join that military alliance.
- **4.** Under the auspices of this treaty, provisions for actions of a joint military command should be elaborated. These provisions should define principles of common action, to the effect that necessary forms of joint military and law-enforcement action do not subvert the national sovereignty of any of the allied nations on whose territory military operations are conducted. These provisions should include the following:
- **a)** The establishment of bilateral military task-forces, pairwise, among the allied nations;
- **b)** The establishment of a Common Command, assigned to provide specified classes of assistance, as such may be requested by designated agencies of either of any of the member states, or of the bilateral command of any two states;
- c) Under the Common Command, there should be established a central anti-drug intelligence agency, operating in the mode of the intelligence and planning function of a military general staff, and providing the functions of a combat warroom;
- **d**) Rules governing the activities of foreign nationals assigned to provide technical advice and services on the sovereign territory of members of the alliance.
- **5.** In general, insofar as each member nation has the means to do so, military and related actions of warfare against targets of the War on Drugs, should be conducted by assigned forces of the nation on whose territory the action occurs. It were preferred, where practicable, to provide the member nation essential supplementary equipment and support personnel, rather than have foreign technical-assistance personnel engaged in combat-functions. Insofar as possible:
- a) Combat military-type functions of foreign personnel supplied should be restricted to operation of detection systems, and to operation of certain types of aircraft and antiaircraft systems provided to supplement the capabilities of national forces; and
- **b**) Reasonable extension of intelligence technical advice and services supplied as allied personnel to appropriate elements of field operations.
- **6.** Technologies appropriate to detection and confirmation of growing, processing, and transport of drugs, including satellite-based and aircraft-based systems of detection, should be supplied with assistance of the United States. As soon as the

12 Feature EIR July 18, 2008

growing of a relevant crop is confirmed for any area, military airborne assault should be deployed immediately for the destruction of that crop, and military ground-forces with close air-support deployed to inspect the same area and to conduct such supplementary operations as may be required. The object is to eliminate every field of marijuana, opium, and cocaine in the Americas, excepting those fields properly licensed by governments.

- **7.** With aid of the same technologies, processing-centers must be detected and confirmed, and each destroyed promptly in the same manner as fields growing relevant crops.
- **8.** Borders among the allied nations, and borders with other nations, must be virtually hermetically sealed against drug traffic across borders. All unlogged aircraft flying across borders or across the Caribbean waters, which fail to land according to instructions, are to be shot down by military action. A thorough search of all sea, truck, rail, and other transport, including inbound container traffic, is to be effected at all borders and other points of customs-inspection. Massive concentration with aid of military forces must be made in border-crossing areas, and along relevant arteries of internal highway and water-borne transport.
- **9.** A system of total regulation of financial institutions, to the effect of detecting deposits, outbound transfers, and inbound transfer of funds, which might be reasonably suspected of being funds secured from drug trafficking, must be established and maintained.
- 10. All real estate, business enterprises, financial institutions, and personal funds, shown to be employed in the growing, processing, transport, or sale of unlawful drugs, should be taken into military custody immediately, and confiscated in the manner of military actions in time of war. All business and ownership records of entities used by the drug traffickers, and all persons associated with operations and ownership of such entities, should be classed either as suspects or material witnesses.
- 11. The primary objective of the War on Drugs, is military in nature: to destroy the enemy quasi-state, the international drug trafficking interest, by destroying or confiscating that quasi-state's economic and financial resources, by disbanding business and political associations associated with the drug trafficking interest, by confiscating the wealth accumulated through complicity with the drug traffickers' operations, and by detaining, as "prisoners of war" or as traitors or spies, all persons aiding the drug trafficking interest.
- 12. Special attention should be concentrated on those banks, insurance enterprises, and other business institutions which are in fact elements of an international financial cartel coordinating the flow of hundreds of billions annually of revenues from the international drug traffic. Such entities should be classed as outlaws according to the "crimes against humanity" doctrine elaborated at the postwar Nuremberg Tribunal, and all business relations with such entities should be prohibited according to the terms of prohibition against trading with

the enemy in time of war.

- 13. The conduct of the War on Drugs within the Americas has two general phases. The first object is to eradicate all unlicensed growing of marijuana, opium, and cocaine within the Americas, and to destroy at the same time all principal conduits within the Hemisphere for import and distribution of drugs from major drug-producing regions of other parts of the world. These other areas are, in present order of rank:
- a) The Southeast Asia Golden Triangle, still the major and growing source of opium and its derivatives;
- **b)** The Golden Crescent, which is a much smaller producer than the Golden Triangle, but which has growing importance as a channel for conduiting Golden Triangle opium into the Mediterranean drug-conduits;
- c) The recently rapid revival of opium production in India and Sri Lanka, a revival of the old British East India Company opium production;
  - **d**) The increase of production of drugs in parts of Africa.

Once all significant production of drugs in the Americas is exterminated, the War on Drugs enters a second phase, in which the war concentrates on combatting the conduiting of drugs from sources outside the Hemisphere.

- 14. One of the worst problems we continue to face in combatting drug trafficking, especially since political developments of the 1977-81 period, is the increasing corruption of governmental agencies and personnel, as well as influential political factions, by politically powerful financial interests associated with either the drug trafficking as such, or powerful financial and business interests associated with conduiting the revenues of the drug trafficking. For this and related reasons, ordinary law-enforcement methods of combatting the drug traffic fail. In addition to corruption of governmental agencies, the drug traffickers are protected by the growth of powerful groups which advocate either legalization of the drug traffic, or which campaign more or less efficiently to prevent effective forms of enforcement of laws against the usage and trafficking in drugs. Investigation has shown that the associations engaged in such advocacy are political arms of the financial interests associated with the conduiting of revenues from the drug traffic, and that they are therefore to be treated in the manner Nazi-sympathizer operations were treated in the United States during World War II.
- 15. The War on Drugs should include agreed provisions for allotment of confiscated billions of dollars of assets of the drug trafficking interests to beneficial purposes of economic development, in basic economic infrastructure, agriculture, and goods-producing industry. These measures should apply the right of sovereign states to taking title of the foreign as well as domestic holdings of their nationals, respecting the lawful obligations of those nationals to the state. The fact that ill-gotten gains are transferred to accounts in foreign banks, or real estate holdings in foreign nations, does not place those holdings beyond reach of recovery by the state of that national.

July 18, 2008 EIR Feature 13

### The 1985 'Guatusa' Plan

### Proving Narcoterrorism Can Be Defeated

by EIR Staff

In the predawn hours of Oct. 28, 1985, a battalion of Guatemalan Army troops, led by guides from the Guardia de Hacienda (Treasury Police), descended into the dense jungles of the state of El Peten, near the Guatemala-Belize border, in a search-and-destroy mission targeting that nation's growing narcoterrorist menace. By the time the troops of Special Task Force COBRA emerged from the jungle 48 hours later, to assume their positions as part of the security for Guatemala's Nov. 3 Presidential and Congressional elections, over 40 marijuana plantations—an estimated \$50 million in drugs—had been seized and destroyed. Hard evidence had been captured, proving beyond a doubt that the international drug networks operating within Guatemala's borders were indistinguishable from the Soviet- and Cuban-backed terrorist organizations that had been waging a 20-year campaign of violence against the Guatemalan people.

Two days later, on Oct. 30, a select group of international and national journalists were invited by the public-affairs director of the Guatemalan Armed Forces to travel from the capital, Guatemala City, to the area of operations, to witness the destruction of the marijuana plantations, inspect the captured evidence, and interview several of the dozen prisoners caught during the anti-drug effort. Two *EIR* journalists, Jeffrey Steinberg and Herbert Quinde, were among these journalists, who broadcast to the world that the operation had been a success.

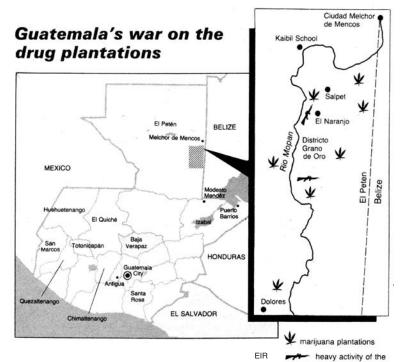
That EIR was on the scene of what was known as Operation Guatusa-1, was no anomaly. For, the backdrop to the Guatemalan government's successful operation was a process of cooperation between the government of Guatemala, the LaRouche movement, and sections of the government of the United States, which aimed to establish a modus operandi for defeating the scourge of narcoterrorism. And while that kind of cooperation was subsequently suppressed, due to a counterattack by the defenders of the drug trade, Operation Guatusa-1 remained a significant proof of principle that the narcoterrorists can be physically defeated, lawfully, and with minimal bloodshed, if sovereign governments, including the United States, agree to cooperate to that end.

#### **How Guatusa Came About**

The explosion of the international drug trade which lawfully followed from the 1971-72 dismantling of the Bretton Woods system by the Nixon-Shultz Administration, became immeasurably worse with the election of the Carter Administration in 1977. Not only did the Carter Administration and its financial backers advocate the legalization of narcotics, but they actively opposed government actions to suppress the drug trade, and the burgeoning narcoterrorist apparatus which it was funding, on the grounds that there operations "violated human rights."

Lyndon LaRouche and his political movement had taken the point on this question in the most dramatic way with the publication, in 1978, of the book *Dope, Inc., Britain's Opium War Against the United States*. LaRouche followed up this powerful expose with political campaigns internationally, including establishing Anti-Drug Coalitions in Europe, South America, and the United States.

By the Spring of 1985, the narcoterrorist insurgencies in South and Central America were so strong that they threatened the ability of many governments, including those of Colombia and Guatemala, to protect their populations. Although the U.S. government was not prepared to give these governments any backup, leading forces in some of the countries looked to the U.S.A. for help, and specifically to LaRouche. Indeed, a delegation from Guatemala visited LaRouche that Spring, to consult on how to deal with their



This map, published with EIR's coverage of the Guatusa-1 operation on Nov. 15, 1985, shows the location of the plantations which were raided by the Guatemalan military, who deployed out of the Kaibil School for Special Forces.

14 Feature EIR July 18, 2008

narcoterrorism crisis.

On March 13, 1985 LaRouche addressed the question of a continental strategy for a war on drugs in Mexico City, at a conference attended by numerous representatives of Ibero-American governments and the press. His action plan (see p. 12) outlined means of collaboration between governments for effective action against the drug trade through establishing a treaty organization that would wage the war, inclusively against those financial organizations behind the drug trade.

This initiative was followed up in July, when *EIR* released a 33-minute film documentary on Guatemala's battle against the narcoterrorists, and a 109-page Special Report entitled "Soviet Unconventional Warfare in Ibero-America: The Case of Guatemala." This had been produced through collaboration between LaRouche's *EIR* and Guatemalan

sources, and presented the state of the war which the narcoterrorists, supported from outside Guatemala, were waging against that country. In the film, LaRouche urged the U.S. government to assist other governments who had the will to fight, like Guatemala, in wiping out both the drug-trafficking apparatus, and their logistical base of support. The film, produced in Spanish and English, was played simultaneously on all Guatemalan government-run television stations on Sept. 8 and 15.

In the course of this collaboration, the Guatemalan government adopted LaRouche's approach, and agreed to the idea of carrying out a pilot project (Guatusa-1) against the narcoterrorists. Specifically, the idea was to launch a military operation on the eve of upcoming the Presidential elections, elections in which the pro-drug, "human rights" apparatus left over from the Carter Administration was interfering, in opposition to the government, by maintaining an arms embargo and applying other pressures.

Operation Guatusa-1 was scheduled for Oct. 28. The Presidential and Congressional elections occured Nov. 3.

#### Guatusa-1

Technically, the special operation run against the narcoterrorists in Peten province went off perfectly. A 450-man battalion of special forces gathered at the Kabil School, in a manner designed to avoid detection. Overnight, on Oct. 28, they broke up into patrol units and moved by truck into the target area, where they located and secured over 40 plantations where marijuana was being grown. Also secured was hard evidence of the fact that foreign terrorist fighters had been present in the area, which clearly, as reported by Guatemalan Colonel Castellanos, had been linked with the "logis-



EIRNS/Jeffrey Steinberg

Guatemalan soldiers are shown here overseeing the burning of tons of marijuana, confiscated in Operation Guatusa.

tic command" for the guns-for-pot operations centered in British Honduras, also known as Belize.

Because of the sensitivity of the Guatemalan government to charges of human rights violations, it had decided to bring in eyewitnesses. Thus, Guatusa was carried out with a team of observers, including the two *EIR* journalists mentioned above, as well as active duty and retired officers from the U.S. Army. The latter included one official who worked in the office of the Secretary of Defense.

The observer team served two purposes: first, to ensure the results were fairly reported, and two, to further cooperation between the parties involved.

It is a matter of abiding shame for the United States that the U.S. cooperation in this kind of war against narcoterrorism was not continued. Forces within the Reagan Administration, epitomized by Col. Oliver North, and his protector, Vice President George H.W. Bush, worked tirelessly to prevent the war on drugs. In fact, as *EIR* also documented extensively, North was running a U.S. network that was *collaborating* with the narcoterrorists—including by running drugs-for-guns operations into the United States. While North was never prosecuted, as he should have been, the exposure of his crimes did help keep him from being elected to the U.S. Senate.

But, despite official sabotage, it is clear that the lessons of Guatusa were not forgotten with the institutions of the U.S. military establishment. If the U.S.A. provides logistical support to allied governments, and permits them to carry out their sovereign obligation to protect their territory and people, drugs and drug-based insurgencies can be defeated. Hopefully, the recent Colombia success marks the revival of such an approach.

July 18, 2008 EIR Feature 15

### The British Empire vs. The Pan-American RR

### by Anton Chaitkin

The accompanying map was drafted by U.S. Army engineers for the Intercontinental Railway Commission and was presented to President William McKinley in 1898. The projected railway, uniting the Western Hemisphere, was not built, due to the murder of McKinley, and the accession to power of British imperial ally Theodore Roosevelt

The subsequent lock on U.S. strategic policies by the London-Wall Street axis nullified the Lincoln legacy of anti-imperial cooperation with Latin America, until Franklin Roosevelt restored it with his Good Neighbor Policy beginning in 1933. But Depression conditions and World War II prevented the revival of the hemispheric railway project before the death of FDR again threw the U.S. off the track.

U.S. passion for modern development south of the border began with President Abraham Lincoln's struggle for the Union against the British-sponsored Confederacy, a struggle in which he was allied with Mexico's fight against the 1862 British-French imperial invasion. Lincoln restored relations with Peru, that his predecessor James Buchanan had severed, and began sending people qualified to aid Peru's growing ambitions to integrate South America with rail lines and steel mills.

In the 1870s, American engineer Henry Meiggs built heroic Peruvian railroads into the Andes mountains, aiming at a future breakthrough across the continent. The British Empire reacted with fury, supplying the money and naval power for a proxy attack on Peru by Chile, known as the War of the Pacific (1879-1883).

In 1881, U.S. President James Garfield and his Secretary of State, James G. Blaine—the last great American economic nationalist leader—aided Peruvian resistance aginst the British-Chilean assault. President Garfield was soon murdered and Blaine was fired, leaving the British free rein to destroy and plunder Peru.

President Benjamin Harrison re-appointed Blaine Secretary of State in 1889, and Blaine immediately pulled together the Pan American Conference: Representatives of the U.S. and Central and South American republics met in Washington to discuss a customs union and other measures to develop modern conditions, and to unite the Americas against British imperial designs.

### **Connecting the Great American Cities**

On May 12, 1890, Blaine submitted to the President and Congress the plan agreed on by the Conference, for a "survey for a railway line to connect the great commercial cities of the American hemisphere."

Blaine reported that "the railways of Mexico have been extended southward, as well as northward, and toward the two oceans. The development of the Argentine system has been equally rapid. Lines of track now reach from Buenos Aires to the northern cities ... and nearly to the Bolivian boundary. Chile has a profitable system of railroads from the mountains to the Pacific Ocean, and the completion of the tunnel that is now being pierced through the Cordilleras will bring Valparaiso within two days' travel of Buenos Aires [Chile had temporarily shaken off British control and was working with Blaine.] In the other republics similar enterprise has been shown. Each has its local lines of railway, and to connect them all and furnish the people of the Southern Continent the means of convenient and comfortable intercourse with their neighbors north of the Isthmus [of Panama] is an undertaking worthy of encouragement and co-operation of this Government."

A Commission was formed to do the survey and plan the great project. The chairman was Alexander Cassatt, a Pennsylvania railroad executive who was part of Philadelphia's nationalist economics leadership grouping around Lincoln's advisor, Henry C. Carey (1793-1879).

U.S. Army engineers and other military and civilian personnel, aided by Latin American experts and governmental authorities, mapped out 5,456 miles of new rail lines that were to connect with thousands of miles already in operation in North and South America.

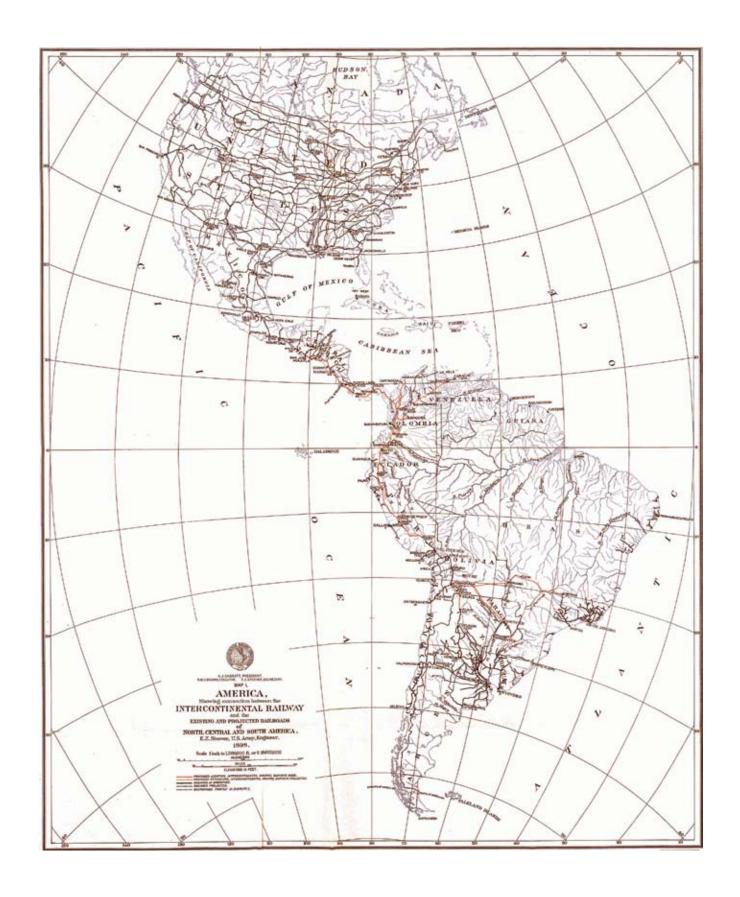
Blaine died in 1892, and the completed proposal—an eight-volume report with 123 illustrations and 311 maps and profiles—was presented to President McKinley, Blaine's pro-nationalist protégé. McKinley was discussing this and other plans for hemispheric cooperation at the 1901 Pan-American Exposition in Buffalo, New York, when he, like Lincon and Garfield before him, was shot to death.

Ascending to office by the bullet, Theodore Roosevelt cast the project aside. Seeking to demonstrate that the United States was allied with Britain as its overlord, he broke off negotiations with Colombia for the cooperative construction of a Panama Canal, and staged a phony revolution to break off the Panama state from Colombia.

To the present day, no railroad, nor even any automobile road passes between North and South America.

The present proposal, for a Columbia-Venezuela cooperative railway project, places back on the table the initiative for inter-hemispheric connection and progress that was born in the American republics' mid-19th-Century fight for survivial.

16 Feature EIR July 18, 2008



July 18, 2008 EIR Feature 17

### **Exercise** Economics

### Put Up the Firewall, Bring In the Shrinks!

by John Hoefle

As their speculative financial system crumbles around them, the bankers and their regulators are in obvious denial about the nature of the problems they face, and the nature of the solutions. Rather than being guided by reason, they are being guided by their compulsions, trying to save what cannot be saved, by methods which have failed repeatedly. Like crack addicts or compulsive gamblers, they find themselves unable to stop their destructive behavior, even when they know, deep in their hearts, that their actions are leading them to their doom.

All the signs are there. Fed chairman Ben Bernanke has rather openly stated that the Fed's escalating series of emergency bank loan operations will continue, thereby confirming that the U.S. banking system is insolvent. Treasury Secretary Henry Paulson, while talking openly about the possibility of the failure of a major U.S. investment bank, is pushing for further deregulation of the financial system. Regulators are discussing the possibility of using the big private equity funds to inject badly needed capital into the banks, in exchange for further deregulation; and some of the bankers, like J.P. Morgan Chase CEO Jamie Dimon, are calling for the banks to be allowed to operate like private equity funds. Congress, under the guise of protecting homeowners, is pushing legislation designed to protect the banks and other holders of mortgage-related debt. More bailouts, more deregulation, more of the same poison that is killing us all.

Meanwhile, the disintegration continues. The FDIC is gearing up to handle a rash of commercial bank failures, as rumors of problems circulate amid suggestions that quiet runs on suspect banks have already begun. The FDIC is, at least nominally, focussing its attention on small and medium-sized banks with large exposures to their local/regional commercial real estate markets, in the hope that the Plunge Pro-

tection Team can head off the open failure of the giant banks. The situation is far worse than they will publicly admit, and they have no solution other than buying time, in the hope that the financial markets can somehow be brought back to life.

What they are doing is the equivalent of rearranging the deck chairs on the *Titanic*, trying to keep themselves and their passengers calm as their ship sinks beneath the waves. They are in denial, paralyzed with fear, and making the same mistakes over and over again. They obviously cannot stop themselves so we must intervene, get them some professional psychiatric help, and let more reasonable minds take over.

### It's the System

The tendency of most people, regulators and citizens alike, is to approach this banking crisis through the prism of individual institutions. As institution after institution flames out, from mortgage lenders to giants like Bear Stearns, we are treated to a series of soap operas, a new cast of villains to be blamed for our trouble. The Justice Department has indicted over 400 individuals in the mortgage-loan business as part of Operation Malicious Mortgage, including two former officers of Bear Stearns. While we leave it to the courts to decide the innocence or guilt of individuals, there is certainly no shortage of criminal culpability in the mortgage sector, and people who committed fraud should be held to account for their actions. However, this approach falls far short of what is needed.

Take the cases of Fannie Mae and Freddie Mac, the big government-sponsored enterprises that buy mortgages and issue mortgage-backed securities. Both institutions, due to their huge exposure to the collapsing residential mortgage system, are effectively insolvent, and both have had their

share of investigations and accounting problems. Nevertheless, the Plunge Protection Team and the Congress are using both Fannie and Freddie, along with the Federal Housing Administration, as integral parts of their bailout machine. The name of the game is to convert as much of the private mortgage paper as possible into government-guaranteed paper, even though that will ultimately mean huge taxpayer bailouts.

Former St. Louis Fed president William Poole made the point about Fannie and Freddie explicitly, in a interview with Bloomberg News July 9. "Congress ought to recognize that these firms are insolvent, that it is allowing these firms to exist as bastions of privilege, financed by the taxpayer," Poole said. Poole later told the *New York Times*, "We are potentially looking a crisis in the face, and we must not allow this to happen. The government must intervene."

Poole's comments helped accelerate the slide in the stock prices of both institutions. Fannie Mae's stock is off 76% from a year ago, Freddie Mac is down 83%, and they are now at their lowest levels in 17 years.

Poole's blunt comments and the stock slide had both Paulson and Bernanke in damage-control mode during Congressional hearings July 10. Paulson claimed that both companies were "adequately capitalized" and "working through this challenging period," while Bernanke claimed that they "are well capitalized in a regulatory sense." Given the dismal track record of this pair and the weakness of their statements, they were less than reassuring.

Sooner, rather than later, Fannie Mae and Freddie Mac will blow up and require huge bailouts. Inevitably, investigations will be launched to find out what went wrong, and those investigations will likely focus on events and personalities inside the companies, whereas the real culprits will be people like Paulson and Bernanke, whose policies put the companies in an untenable situation.

To understand what has gone wrong, one must focus on the system itself, the overall process, rather than merely one or two components of the system. It is the policy of attempting to bail out the bankrupt system, which will be the cause of the damage to come.

#### Coverups

What is required, is for the public to be told the truth about the condition of the financial system, and the costs—monetary and societal—of the bailout operation. No constitutional republic can function properly when the citizens are lied to, repeatedly and systematically, about the most important matters before them. The citizens have a right to know the true condition of their financial system. Instead, what we get are lies and coverups, designed to hide the damage.

Perhaps the most egregious case of this is the speculation in oil and food. Much of the money being stolen from the population through this oil and food speculation is being funnelled into the financial system to fund the restructuring now under way. Despite a series of Congressional hearings on the subject, nothing has been done to curb this speculation. Regulators like the Commodity Futures Trading Commission (CFTC), which are supposed to defend the citizens, are instead captives of the financial markets, and protect the looting apparatus. The CFTC, like its regulatory peers, is determinedly oblivious to what is so obvious to the rest of us. "We see no evidence" is the mantra they repeat over and over.

Not only that, but this deadly price-gouging is being actively protected by Wall Street. After a recent House Agriculture Committee hearing in which he testified on the need to rein in speculation, Rep. Bart Stupak (D-Mich.) reported that a "Wall Street warroom" had been set up to block any action by the government against speculation. Later, Stupak told *EIR* that this warroom was being run by investment banking giant Morgan Stanley, and that the banks and other financial companies are doing all they can to stop any action aimed at ending speculation in food, oil, and other commodities.

### **Blowing Out**

This "Wall Street warroom" operation is another sign of the desperation of the bankers to avoid dealing with the truth of their situation. Despite their efforts, and in many cases, because of their efforts, the banking system continues to disintegrate. Mortgage lender Countrywide has now been absorbed into Bank of America, at a cost of making the problems faced by Bank of America even worse. Now we see IndyMac Bank, a spinoff of Countrywide, disintegrating before our eyes; it's laid off over half its workforce and ceased making loans. It is but the latest in a never-ending series of disasters.

The regulators and the financiers assured us that the "subprime crisis" was contained and would not pose a threat to the banks—but they were wrong. The regulators and financiers assured us that the "credit crunch" was contained and did not pose a threat—but they were wrong. Now, after hundreds of billions of dollars of admitted losses to the world's banks, they tell us that the banking system is safe despite its problems—but they are wrong. They tell us that Fannie Mae and Freddie Mac are safe, even while they use them as vehicles to transfer enormous losses from the speculators to the taxpayers.

The bankers' plan is to save themselves by sticking the government, and thus the taxpayers, with their losses, to protect their looting rights at all costs, and to eliminate any laws, regulations, and government efforts which get in their way. They will accept consolidation among their ranks, and even the demise of some important institutions, in order to protect the system itself.

The irony is that their own efforts to protect themselves will destroy them. They cannot bail themselves out, even via the government, because our economy can not support the debt. It can't be paid, and all their bailout schemes do is add more debt to a dead system.

### A Global Shift in Nuclear Energy Policy

by Marsha Freeman

Between July 7-9, the Group of Eight (G8) industrialized countries met in Japan to discuss the multiple crises facing each of them, and all other nations. The summit endorsed no sensible solution to the world food crisis, nor the skyrocketing cost of energy, or the global financial collapse. But there was one initiative that, if acted upon, could have an impact on the world economic crisis—the endorsement of nuclear energy.

The consensus reached on nuclear energy marks a turning point in the irrational and self-destructive anti-nuclear policies that have dominated Western Europe's stand, for the past 20 years. Although the discussion of nuclear power is couched within the idiotic framework of stopping "global warming," the final "Chair's Summary" of the meetings, presented by Japanese Prime Minister Yasuo Fukuda on July 9, also promotes nuclear power as a means to address "energy security concerns." The declaration is based on the joint statements issued by the G8 energy ministers a month ago. Only Germany, among the G8 countries, objected to a stronger call to support nuclear energy.

Like self-sufficency in food, which was declared virtually illegal for the past two decades, by the world financial institutions which run the "free market," energy self-sufficiency became impossible for most developing nations, when nuclear development was sabotaged, beginning in the 1970s. Now, with the price of fossil fuels being driven by a mad speculative frenzy, what were somewhat more leisurely plans for new nuclear plants have become more urgent.

Russia has already positioned itself to be a world leader to meet this demand.

In an article in the German newspaper *Frankfurter Allgemeine Zeitung*, dated July 7, during the G8 summit, Russian nuclear energy head, Sergei Kiriyenko, made the case very clearly. He stated that, for "all the major issues that were on the G8 agenda—the food crisis, global warming, and uneven distribution of development resources among countries ... nuclear power is not the only means of overcoming the crises, but it is undoubtedly a major instrument in resolving the three problems." For Africa, he declared, nuclear energy is key, because of "its ability to generate energy and to desalinate water at the same time."

#### **European Turnaround**

For 20 years, under the propaganda cloud of the 1986 Chernobyl accident in Ukraine, not only was nuclear power

plant construction halted in nearly all of Europe, but "popular" referenda in countries such as Germany and Sweden, mandated the phased shut-down of nuclear power plants that were *already operating*. Now, reality has overtaken propaganda.

Germany was heavily targetted by the anti-nuclear "movement" in the 1980s, when the nightly television news featured violent "protesters" attacking nuclear power plants. But the hysteria created after the Chernobyl accident is waning. A poll by Forsa for *Stern* magazine, released on July 9, showed 46% of voters queried to be in favor of extending the lives of Germany's operating reactors—the same number who want the plants to be closed. A similar poll in February 2007, showed 38% for operating the plants, and 56% in favor of the phaseout. These results mirror those across Europe as a whole. A recent early July poll of 26,750 citizens from 27 EU countries, also found support for the use of nuclear power at 44% has risen from 37% three years ago.

Although German Chancellor Angela Merkel has, in the past, said that she personally does not support the plan to phase out Germany's 17 nuclear power reactors by 2021, at the G8 summit, she defensively countered calls for more nuclear power: "I don't think that climate protection is decided by the question of nuclear energy alone." Completely beside the point. In June, at a meeting of her Christian Democratic Party in Bavaria, the Chancellor said that the nuclear phaseout law was "absolutely wrong." If this is what she believes, this is what she should be fighting for.

The reality of the European energy situation is that nuclear energy, which provides 29% of the EU's power, is the largest single source of electricity for the 27-nation bloc. No one believes that the targets that have been set for Europe to use Middle Ages-style "renewable" energy sources, such as windmills, can be met. Energy independence for Europe means more nuclear.

On May 22, the Italian government of Prime Minister Silvio Berlusconi made a stunning announcement, before a meeting of the Italian employers' federation, Confindustria: "We can no longer avoid an action plan for a return to nuclear power," said Economic Development Minister Claudia Scajola. "During the term of this parliament, we will lay the first stone for the construction in our country of a group of new generation nuclear power stations." In 1987, the Italian government had decided, through referendum, to close the country's four operating nuclear plants. That policy has now been reversed.

In early 2007, the Swiss government announced a new energy policy, reversing the moratorium on building new nuclear plants that it observed throughout the 1990s. Switzerland is facing an energy shortfall equal to about half the country's current electric generation capacity, by 2035. Its five operating nuclear plants, which produce 38% of its electricity, will be replaced as they reach the end of their operating lives, it was decided. In addition, Swiss energy

company Atel has submitted an application for approval of a new nuclear power plant, which would be built alongside an operating unit, to increase capacity and meet increased demand.

In Sweden, the post-Chernobyl decision to phase out nuclear energy is now supported by only 15% of those recently polled. It is time for a change in policy.

France, which is nearly 80% nuclear, and never succumbed to the anti-nuclear assault during the 1980s, is the only country in Western Europe well positioned to take advantage of the orders for new nucler plants that are now coming in from around the world. Its nuclear industry is scrambling to expand manufacturing facilities quickly enough to meet the demand.

But Russia has been preparing for the strategic global shift toward nuclear energy for more than two years, and has moved into a prominent place in the world nuclear equation.

### Russia on the World Stage

For the past 50 years, Russia's nuclear industry complex has provided for the construction of new nuclear power plants almost exclusively in Russia, the countries of the former Soviet Union, and the former East Bloc nations, which were part of its political and economic sphere of influence.

But more than two years ago, the Russian government made a bold move, to upgrade and consolidate the multi-enterprise research and development, power plant construction and servicing, equipment manufacturing, uranium mining and fuel fabrication, and export arms of the industry into a coherent, centralized nuclear industry.

In March 2006, President Vladimir Putin explained that nuclear power engineering is a "priority [industrial] branch for the country, that makes Russia a great power; the most ambitious projects and progressive technologies are linked with this branch." For Russia, advanced nuclear research is recognized as a driver for overall economic advancement.

Rosatom head, Sergei Kiriyenko, explained that Russia plans to build 60 nuclear power plants abroad, in order to finance the construction of the reactors Russia itself needs to have on line by the middle of this century. Russia's outreach for nuclear cooperation agreements, and commercial orders for new plants, encompasses countries in every corner of the globe.

Russia has secured a contract to build a new nuclear plant in Bulgaria. It



Sergei Kiriyenko

is increasing cooperation with China and India, the two Asian economic powerhouses that are going nuclear. Elsewhere in Asia, in May, the government of Vietnam held an International Nuclear Energy Exhibition in Hanoi. An executive of Rosatom said at the meeting that Russia is willing to cooperate with Vietnam to build their first plant, and that Russian companies have a good prospect of winning such a bid. A month later, the parliament of Vietnam overwhelmingly passed a law to enable the peaceful use of atomic energy.

And right in the United States' backyard, Russia is offering nuclear cooperation to nations in Ibero-America. Speaking at the meeting for foreign ministers from Russia, India, Brazil, and China at the end of May, Brazilian Foreign Minister Celso Amorim said, in an interview with Russia's Interfax, that Brazil seeks to develop cooperation with Russia in the peaceful use of nuclear energy. There exists an agreement ... between our countries, signed in 1994," which includes research and the construction of energy reactors. A few weeks earlier, Science and Technology Minister Sergio Rezenda of Brazil reported that an executive order could be signed by the President soon to create a nuclear development program.

On July 8, a high-ranking official of Russia's nuclear export company, Atomstroyexport, was quoted stating, "We are planning to expand our range of works, including in the South American market, particularly in Chile and Ecuador."

### **Back to the Future?**

More than 50 years ago, President Dwight Eisenhower's Atoms for Peace program promised that civilian nuclear energy technology would be made available to all of the nations of the world. During the first international conference, in 1955, on the Peaceful Uses of Atomic Energy, 38 nations made presentations on their plans for nuclear development; 73 countries participated. On the first day of the conference in Geneva, papers were presented by India, Brazil, Japan, Argentina, China, Egypt, Korea, Pakistan, the Philippines, Thailand, Jordan, Israel, Puerto Rico, and many East Bloc nations allied with the Soviet Union. How many of these nations have operating nuclear power plants today?

The promise of Atoms for Peace was sabotaged in the 1970s, in the West by the anti-nuclear "movement," funded by London financial interests, and in the developing sector countries, through "globalized" economic warfare, and the "technological apartheid" that was justified by the specter of weapons "proliferation."

Now, after lost decades, confronted with catastrophic shortages and the unaffordability of energy, fresh water, and food, and aided by the strategic global shift in nuclear energy policies, dozens of developing nations are not just presenting papers and proposals, but are taking the steps necessary to build their first nuclear power plants.

### Egypt Can Attain Food Sufficiency Once WTO Globalization Is Shut Down

by Marcia Merry Baker and Ramtanu Maitra

On July 8, a speech was presented at the Developing Nations (D8) Summit in Malaysia, by President Hosni Mubarak of Egypt (read by his Minister of International Cooperation, Fayza Abul Naga), stressing that, "There is a dire need to start an international dialogue between the food and fuel exporting and importing countries in an attempt to hammer out solutions that could meet the food and fuel needs of the world population."

As of the time of this conference, and that of the Group of Eight (G8) in Japan—at which Russia called for a world grains summit—the world market for food has completely broken down. Following the crack-up of the financial system which began last Summer, food prices and supplies have gone out of contol from hyper-speculation, years of agriculture underproduction, and mass diversion of food to bio-energy. The premises of the "one world—one market" of the GATT/World Trade Organization years are shattered, leaving the challenge of how to rapidly increase food supplies. The grain cartel interests—Cargill, ADM, Louis Dreyfus, Bunge, Soros/ConAgra—are having a field day, making killer profits, and deciding who gets food, and who doesn't. On July 10, the Italian offices of Cargill and Bunge were raided by EU and government authorities, for illegal food trade practices.

Provision of adequate food to the 80 million people in Egypt, is in itself an urgent national and international task. This nation, self-sufficient in rice (producing 4.4 million metric tons), has come to rely on annual imports of over 7 mmt of wheat, to meet its yearly consumption needs of 14 mmt. Additional tons of other grains are imported.

Over just the last year, world wheat prices have doubled, while this year, the amount available on the market is declining. World wheat "carryover stocks," from one year to the next, are down to the level of likely only 110 million tons this year, which is barely 17% of annual consumption, the lowest level in decades.

As a group, the world's biggest wheat importers are the five nations of North Africa—Algeria, Morocco, Tunisia, and Libya, as well as Egypt, together importing in the range of 16-18 million tons yearly in recent times, out of the total of some 110-116 million tons exported on world markets. The next biggest wheat-importing group is the "Middle East" (so called by the U.S. Department of Agriculture), importing in the range of 10-12 million tons of wheat annually. (Lebanon, Israel, Jordan, Iraq, Iran, Yemen, Saudi Arabia, Kuwait,

U.A.E., and Oman). The two groups combined have imported over 25% of annual world wheat on the market. Now where is it going to come from?

In recent times, Egypt has obtained wheat from Kazakstan, Russia, Australia, and Argentina, as well as from the United States, at one time, its principal supplier, beginning in the 1970s, when Henry Kissinger began enforcing the dependency on U.S. agriculture capacity as a "food weapon," on behalf of London-based interests. However, there is now no guarantee of wheat supplies to Egypt, at any affordable price. This year, Egypt is seeking 7.8 mmt of imports, and has put a stay on exporting rice under the circumstances.

In addition to the welfare of the Egyptian population, the role of that nation is critical to the well-being of countries beyond its borders, and not only in the Nile Valley. It is well-established that Egypt's strong presence is necessary to resolve the ongoing conflicts in Southwest Asia and northern Africa. Thus, because of its current food dependence on the outside world, Egypt, as a nation, is endangering its people *and* compromising its role in this volatile part of our world. Making a break with the decades of insecurity will have beneficial effects worldwide.

### **Correct What Happened Over Last 30 Years**

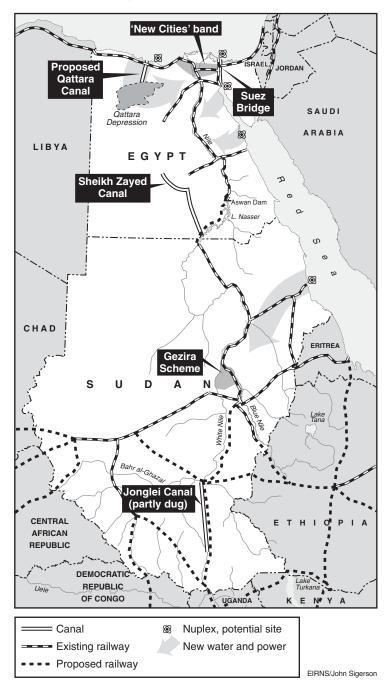
At the D8 Summit, President Mubarak said, "The root causes of the current food crisis go back to the past three decades at least. This is why we should adopt a well-studied methodology, with a view to reaching sustainable solutions, that could pool the efforts of the international community in a bid to put them into effect.

"These solutions should be based on finding a way to deal with the expanding gap between the supply and demand of food. There is a dire need to start an international dialogue between the food and fuel exporting and importing countries in an attempt to hammer out solutions that could meet the food and fuel needs of the world population.

"Within this framework, we think there is a need to move at the national, regional, and international levels. Egypt is due to outline a national strategy for pooling together all agriculture resources and works to discuss vistas of cooperation with neighboring countries that are sharing with it the Nile water...."

In fact, the physical possibilities and constraints for agriculture in the lower Nile Basin for Egypt and Sudan, and in

Egypt and Sudan: Selected Infrastructure Projects, Present and Proposed



the upper Nile also, underscore the challenges of meeting food needs for other nations and continents, with less dramatic physiography. In short, for Egypt, there is no way ahead except to resume the commitment of 40 years ago for nuclear power, to achieve the volumes of plentiful water and energy required for expanding food production; and to collaborate

with Sudan and assist the trans-Jordan in the process.

In the meantime, full attention must go to potential gains from further stop-gap measures, ranging from reclaiming whatever more agricultural land is possible with groundwater, water re-use and diversion, and other means; reconsidering export cash cropping, so it might produce domestic staples instead; and more "partnering" with other nations, as long as the investment aids staples for domestic consumption, and does not simply "export water" in the form of foodstuffs.

Finally—and most importantly—is the prospect of collaboration with Sudan, through which almost limitless food could be supplied. This is the recommendation of Egyptian scientist, Dr. Rushdi Said, who headed up the Egypt Geological Survey during the Nasser years, and literally "wrote the book" on the Nile. (*The River Nile—Geology, Hydrology and Utilization*; Pergamon Press, 1993). In 2007, Dr. Said reiterated that Sudan is "a beautiful area to develop." Egypt should use its fossil water for industrial development, until nuclear-desalted supplies come on-line. He said that, "The best union you can have, is with the Sudan, of course. And that's why, the history of Egypt was tied with the Sudan all the time. The separation of the two countries is bad for the Sudan, and bad for Egypt."

It is no exaggeration to say that the biggest strategic impediment to Egypt's food security in recent years, has been the London-centered destabilization of Sudan and all north Africa, through the British intervention to create and perpetuate the "Darfur crisis."

A counter-example of what achievements are possible in physical economy, is shown in northern Sudan, with the recent completion of the new Merowe Dam on the Nile River, 370 km south of the Egyptian border (see accompanying article). The first wheat crop related to this project was harvested this past April. This is the result of collaboration of China and Sudan, along with participation by European engineering firms.

The following is a review of some of the particulars of the challenge of providing full food security for Egypt, as part of the world policy dialogue now underway for agriculture sufficiency in the post-WTO era.

### **Confined in the Nile Valley**

The 80 million people of the desert nation of Egypt are confined to only 6% of the land area, principally along the Nile River—in its Delta, and within about an 8-km-wide strip along its 900-km course, plus in oases

and certain sites of the "New Villages" program. This puts Egypt foremost worldwide, in density of persons per square kilometer of inhabited land. As of today, fully 25%, or 18 million people, live in the greater Cairo area. At the same time, 55% of the population lives in rural areas, conducting intensive farming.

The total area of agriculture cultivation is only 8.6 million feddans (3.6 million hectares, or ha), which is about the same size as in farm land as the U.S. state of Alabama.

Given the constraints of being a desert nation (in size, a bit over three times the area of the U.S. state of New Mexico), the agricultural achievements of Egypt are striking, though not sufficient for the population. Two and three harvests a year are possible for many crops. The yields-perhectare rank among the highest in the world. The Egyptian rice yield of 4.2 tons per feddan is the world's best. Egypt ranks first in sugarcane, with an average production of 51.4 tons per feddan. And second for corn; fourth for wheat, and so on.

According to the Egyptian State Information Service, ratios of food self-sufficiency in Egypt today include: 85% for wheat, 75% for sugar, and 75% for meat.

The challenge all along has been simply to expand the habitable and arable area. This requires sufficient and timely water. In most locations, the problem is not the desert sand itself, which is not hopeless beach-type sand. Rather, the sands of large parts of the country are potentially convertible to productive soils, with the addition of humus, fertilizers—even silt from the Nile, and successive cropping.

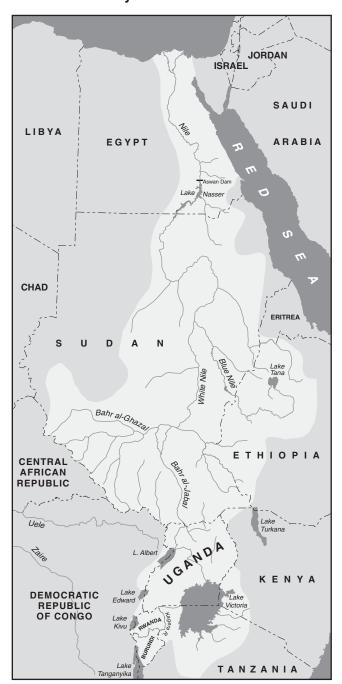
After World War II, expanding power, water, land use, and food in the Nile Valley was a priority in the U.S. Atoms for Peace perspective. At the core was nuclear power. In the 1950s, the chief of Detroit Edison, Walker Cisler, brought a table-top scale model of a nuclear reactor to Egypt (and to Iran), to discuss details of providing nuclear power plants in Egypt and the Southwest Asia, with then U.A.R. President Gamal Abdul Nasser. A special goal was the training of Egyptian engineering cadre to construct and run the intended nuclear power network. Besides power for desalinating seawater, plentiful electricity was intended for meeting the needs of large-scale hydroponics—"controlled agriculture"—to produce food in climate-controlled, soilless conditions, especially appropriate in the desert.

None of this was to be. As of the 1970s, the entire perspective was thwarted, with the imposition of the IMF financial regime of anti-nuclear, pseudo-environmentalist policies of forced backwardness. In particular, Egypt was one of the 13 nations specified in the 1974 secret policy document by then U.S. Secretary of State Henry Kissinger (National Security Memorandum 200), on behalf of London interests, to be economically suppressed, in the name of saving scarce resources for Anglo-Dutch-American use.

Lyndon LaRouche campaigned internationally against this subversion. In 1975, in Baghdad, he issued a regional development plan, with the specific proposal of an International Development Bank (IDB). He promoted an "Oasis Plan" throughout Southwest Asia and North Africa, for both nuclear power, and big water infrastructure projects—such as the Mediterranean-Dead Sea Canal, the Qatarra Depression power/water project, and high-tech desert agriculture.

FIGURE 2

The Nile River System



### The 'Math' of the Bread Crisis

The "math" of the present-day wheat crisis in Egypt makes the point that nothing other than this kind of collaborative, high-tech farming approach is realistic. With a population of 80 million-plus to support, Egypt has now become wheatshort nation. The country consumes over 14 million tons of wheat every year and grows less than 9 million tons. This

means Egypt has had to import at least 5-7 million tons per year. This shortfall, however, is not a recent development, although the amount of shortfall is on the rise. What is ominous about the shortfall, is that surplus wheat of any amount is no longer easily available worldwide, and there is no indication that the prospect will change any time soon.

Even before the food-grain prices began to soar in 2007, the world market price made wheat a burden for Egypt to import. Cairo has always been judicious in subsidizing food for the poor. It was a necessary action, but it also is a drain to the economy. In December 2007, Egyptian Prime Minister Ahmed Nazif caused a stir when he suggested that the decades-old government-subsidized food staple system be replaced by a monetary handout to those who need it. The suggestion was aimed in part to reduce a budget deficit estimated at 5.3% of GDP in 2006-07, but it was—to the relief of the population—rejected by President Mubarak.

Now that world prices have risen even more sharply, Cairo has to spend a much larger amount to buy food and subsidize it even more, and withal, hope that food becomes available at any price in the world market, with no strings attached.

Why not increase domestic wheat production? Given an average wheat yield per hectare of around 3 tons, Egypt, in order to produce 6 million tons of wheat a year, would have to open up about 2 million hectares of land within a very short time. This would constitute a dramatic increase in currently cropped land total of 3.6 million hectares!

In addition, to irrigate that amount of land for wheat production would require about 18 billion cubic meters of water annually. The current estimates of available groundwater are in the range of 7.5 billion cubic meters, apart from the potential of new "finds" and technology. As for utilizing more of the Nile River flow, Egypt is already using its share—55,500 million cubic meters, which is its annual entitlement under the 1959 water-sharing agreement with Sudan.

Thus, to home-grow more wheat, involves *large numbers*, impossible to meet without a break-out into new kinds of collaboration with Sudan, and new potentials from implementing nuclear power for agriculture infrastructure—desalinating seawater, and other agro-requirements.

### 'Out from the Nile'

**Figure 1** shows selected infrastructure projects, and depicts the nuclear power effects (arrows) which are indicative of the way out of the apparent impasse of the restricted natural resource base. This was prepared nine years ago for an *EIR Special Report* on a 1997 conference in Walluf, Germany, by the Schiller Institute, titled, "Peace Through Development in Africa's Great Lakes Region." (EIR-97-003)

At that time, the world was locked into globalization practices imposed by the IMF/World Bank/WTO and private cartels, enforcing free-trade looting and destabilizations. But now, the whole system has crashed. Therefore, it is urgently "practical" to plan and build for advanced, large-scale power,

water, transportation, and other infrastructure.

In the meantime, any further land reclamation gains from various projects, inclusively referred to as, "Out from the Nile," are urgent. These involve using groundwater, diverting Nile flow, re-using wastewater, etc. In 1997, a long-term plan was begun (through 2017), to add about 3.4 million feddans of reclaimed lands to the national total. The increase in area of cultivated land in Egypt has risen from 7.3 million feddans (3.1 million ha) in 1997, to over 8.6 million feddans in 2007; every increment of increase is critical.

The "Nubian Aquifer" is the catch-all phrase for the fossil water present in various deposits underlying the territory of most of Egypt and Libya, Sudan, and parts of Chad. Libya is tapping this for use by its coastal population, through its pipeline system called, the "Great Man-Made River," going from inland well-fields to the coast. Dr. Farouk El-Baz, the Egyptian-American geologist who has worked for years to map this groundwater through satellite overflight and test wells, advises that groundwater be used cautiously, but be used. There are wells making use of it in the West Egypt Desert.

In 2007, El-Baz proposed its use in Darfur. "It is fossil water—meaning that it's not being rejuvenated—and it is deeper water. Much of the Nubian Aquifer is several hundred to 1,000 meters below the surface. And that water is rather expensive to pump up, and you need to work with it very sparingly, because you know it is going to run out, not being rejuvenated...."

Here are some of the projects underway.

East Egypt Desert. A program began here in the early 1980s, making use of groundwater, and also diverting Nile flow. The El-Saliha farm operations have reclaimed 20,000 hectares of land from the desert and the area is irrigated by Nile water brought in from a distance of about 60 miles. Thirty percent of the project is a fully mechanized dairy farm, which produces milk, an important source of protein. The pasture is irrigated, and the remainder is given over to fruit orchards and greenhouses growing salad vegetables (cucumbers, tomatoes, peppers, etc.). This produce is not consumed in Egypt, but the fruits and vegetables are currently exported to Europe, especially in Winter, when they command high prices.

**Toshka Project.** This project, in the West Egypt Desert, is associated with using Nile waters from Lake Nasser. In the 1970s, a Toshka overflow canal was built; and in October 1996, it was filled when the Lake reached a record height. Today, a giant pumping station lifts water up and into the new Zayed Canal, intended to reclaim some 1 million feddans of new land for farming. Groundwater pumping is also part of the scheme.

As Salam Canal. This conveyance, opened in 1997, goes through a tunnel under the Suez Canal, to carry Nile water to the arid Sinai Peninsula. The overall program is transforming some 620,000 feddans of desert into farmland, and opening up conditions for resettlement of 1.5 million residents of the Nile Valley.

### Defying Britain's Genocide System: Sudan's Great Project in Agriculture

by Hussein Askary

As the world faces one of the deadliest food crises in modern times, Sudanese farmers used modern machines in April of this year to reap the first wheat harvest in Merowe, near the newly built dam by the same name. This harvest, although still small in scale, is a symbol of what can be achieved in Africa, not only to feed Africans, but to give those nations a high living standard within less than a generation. That is not just a possibility, but a reality in progress.

While the public in the United States and Europe was being bombarded by lying, British-orchestrated reports about genocide in Tibet and Darfur, the Chinese and Sudanese nations were finalizing one of the world's major sensations this year—and one of the greatest in Africa in many, many years. This was something which almost no one, outside of activists and readers associated with the LaRouche international movement, heard a word about.

On April 16, workers completed the third and last diversion for the Nile River path, and the closure of the last spillway gate in preparation for the formation of the Merowe Dam's reservoir (**Figure 1**), which stores the water needed for power generation and irrigation. This signalled the near-completion of the largest engineering project in Africa in decades.

This project, which is being accompanied by other largescale infrastructure and agricultural projects in Sudan, largely in collaboration with China, also signifies the total bankruptcy of the current trans-Atlantic speculative financial system and the dawn of the system of long-term physical-economic collaboration among sovereign nation states.

Sudan is admittedly a poor nation, which has been targetted by Anglo-American destabilization in the form of sanctions, civil war, and threats of invasion, and has been cut off from any financial or economic assistance from the International Monetary Fund, the World Bank, the European Union, and the United States. For Sudan to accomplish such achievements is, to say the least, historic. It shows the tendency in Africa and Southwest Asia to move away from the bankrupt British free-trade system, and into collaboration with what Lyndon LaRouche has called the Strategic Triangle of China, Russia, and India.

But imagine what Africa would look like if the full economic and technological force of the United States and Europe were put behind hundreds of such projects all over the continent! This was the vision of U.S. President Franklin D. Roosevelt in the 1940s, and now, of Lyndon LaRouche and his associates.

Sudan's emerging oil industry has been developed to a large extent through collaboration with China and Malaysia. The income from the oil has been used wisely to develop the country's infrastructure. China has been involved in building oil pipelines and refineries in Sudan for national consumption and for export. Sudan has also been aided financially by oil-exporting Arab countries in the Gulf, which have realized the importance of Sudan even for their own food security, and have contributed to finance the dam project, and other infrastructure and agricultural projects.

### The Merowe Dam and Its Spin-offs

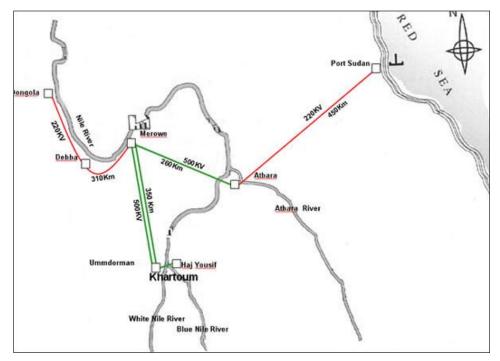
The construction work for the Merowe Dam was launched in 2003, near the city of Merowe at the fourth cataract of the Nile River. It lies about 350 km from the capital, Al-Khartoum. The construction work has been largely performed by Chinese and Sudanese engineers. One of the conditions of the contract between the two governments was that the project should include the training of 4,000 Sudanese engineers, who have been involved in all aspects of the construction and installation work.

The main construction work was carried out by a Chinese consortium (CCMD), comprised of two Chinese state-owned companies: The China International Water and Electric Corporation (CWE), and the CWHEC Company, which was involved in the construction of the giant Chinese Three Gorges Dam. Harbin Power Engineering Company, Ltd. is installing the power-generation equipment and will draw the 400-km power lines from the dam to other major cities. The turbines are provided by the French Alstom company, and the German firm Lahmeyer International provided the engineering consultation assistance.

In mid-April this year, the work on the main body of the dam was completed, and the last spillway gate was closed in preparation for the formation of the Merowe Dam's reservoir. The first two turbines (of the Francis type) out of a total of ten, are being installed now, and are expected to start operation in October, producing 250 megawatts per hour. Two of the other eight turbines will be installed every other month, to be completed in Autumn 2009. The new 1,250 megawatts per hour will double Sudan's electricity output on its national network.

This dam project is the largest ongoing engineering proj-

FIGURE 1
Sudan's Merowe Dam



Sudaninside.com

ect in all of Africa. The 9.2-km-wide project includes a 311-meter homogeneous earth dike and a 4.4-km concrete face rockfill dam on the right bank; a 154-meter spillway, and a 370-m power intake dam in the right river channel and on Mirwi Island. On the left river channel is a 841-m major earth core rockfill dam, and on the left bank, there is a 1.4-km concrete face rockfill dam and 1.7-km earth dike. The dam at the power intake point will stand 67 meters high.

In conjunction with the dam construction, 400 km of high tension electricity transmission lines were built, along with an additional railway line, a 350-km highway, and a major bridge on the Nile, south of the dam, to replace the primitive ferry transport between the towns of Merowe and Karima. The bridge, built jointly by Chinese and Sudanese engineers, is called Friendship Bridge, a fitting name. A new airport is also being built in Merowe, and many industries are expected to move to the region, including mining companies.

### New Modern Villages and Farms

The resettlement plan for the affected villages at Hamdab and other areas upstream, is one of the most interesting undertakings in the country. Instead of living in primitive mud houses and working the land with methods that are as old as the ancient pharaohs, 70,000 inhabitants have been compensated and resettled in five modern villages with paved roads, electricity, running water, sewage systems, and modern

schools, health-care centers, and technical-assistance centers for the farmers.

Of great importance for the food question, 100,000 new hectares of farmland have been prepared for the farmers who have been resettled (1 hectare, or ha, is about 2.5 acres). Modern agricultural methods and machinery will be used in cultivating the land. The project will be irrigated through a 41-km irrigation network fed with water from the dam, through a new 9-km canal, which is supported by nine pumping stations to be run with electricity from the dam power station.

In April, about 8,000 hectares of wheat planted the previous year were harvested, with excellent results. The harvest operations were done simultaneously at the three agricultural projects in Hamdab, Amri, and New Manaseer. (The names refer to

the villages that were resettled.) Although limited in scope, this symbolic first harvest is significant, in that it shows what can be achieved in a short time, if the right measures are taken.

The financing of the project reflects the importance of reliance on national sovereign credit and intergovernmental credit lines. Sudan did not get a nickel from the IMF, World Bank, EU, or U.S.A.—which, ironically, could be the reason for the project's success. The \$1.9 billion to finance the project was provided by the Sudanese government (\$575 million) and the Chinese government (\$525 million). The Chinese loans for the project have an allowance period of 6-7 years before the first repayment, and the maximum repayment period is over 20 years. The rest of the funding came from oil-exporting Arab countries in the Gulf, such as the United Arab Emirates, Saudi Arabia, Oman, and Qatar.

There are many other giant projects waiting to be accomplished, especially in collaboration with China, such as the Kajbar Dam farther north, near the Third Cataract. This would be as large as the Merowe Dam.

As expected, a resistance movement to this dam project and other water projects is being organized (literally) out of London; the opposition claims that the water from the dam will bury the Nubian historical heritage. Of course, the government has to take into consideration the social and cultural concerns of the population in these areas, but the only way to do that, is through development, giving the population a decent living standard. And, the only way to accomplish that,

is to build the country's infrastructure and develop its agricultural and industrial potentials.

### **Sudan's Agricultural Potential**

Sudan is Africa's largest country in area, with 2.5 million sqare kilometers. According to the UN Food and Agriculture Organization and other government estimates, more than one-third of the total area in the country is suitable for agricultural development. This is, however, an underestimate, because it takes into consideration only the current level of technology available, and excludes the real potential of building massive infrastructure in the whole country.

As a nation, Sudan is self-sufficient in basic food requirements. However, lack of rainfall in certain seasons can create acute shortages of food, especially in central Sudan, which points to the necessity of developing water infrastructure systems in that part of the country, to avoid the impact of fluctuations in rainfall.

Sudan has not been called the world's "bread basket" without good reason. A look at the potential of agricultural production in Sudan makes this clear. The cultivable area is estimated at about 105 million hectares, 42% of the total land area, while in 2002, the land that was cultivated only amounted to 16.65 million ha, or 7% of the total land area and 16% of the cultivable area.

As in other African countries, a substantial part of the agricultural output is lost, or productivity is reduced, because of the lack of efficient infrastructure for irrigation and for removing mud and silt from the canals; for lack of pesticides; and for lack of storage facilities and adequate transport of products. With the introduction of modern infrastructure and cultivation techniques, both the cultivable area and productivity would increase beyond the current estimates, to feed not only Africa, but other nations as well.

About 65% of the labor force in Sudan is engaged in farming or livestock grazing, but with a low productivity level. Crop production in 2000 included large quantities of cereal grains, such as sorghum and wheat (3.9 million metric tons); root crops, such as potatoes and yams (170,100 metric tons); fruits, such as dates (963,580 metric tons); and pulses (178,500 metric tons). Sugarcane, processed into sugar by local industry, is also grown. Cotton is Sudan's leading cash crop; it is produced in large amounts in the Al-Gezira Project.

Sudan's livestock population is the second-largest in Africa. In 2000, the livestock numbered 37 million cattle (cows and water buffalo), 40-46 million sheep, 38 million goats, 3 million camels, and 42 million poultry. However, more than 90% of that livestock is raised in traditional pastoral systems, mainly in the western states of Kordofan, Darfur, and in the southern states; the ranches represent a low level of productivity because the animals must cover huge areas of the country to find fodder. Fodder cultivation covered less than 126,000 ha in the late 1990s.



Government of Sudan

With the introduction of modern infrastructure and cultivation techniques to Sudan, productivity would increase, allowing the country to produce enough to feed all of Africa.

#### The Issue of Water

Sudan has abundant water resources, but, as elaborated here, the variability of water resources, both in terms of rainfall and the rivers, presents a tremendous challenge to the nation.

In addition to the waters of the White and Blue Niles, much rainfall in the South supports both agriculture and cattle grazing. Were the Jonglei Canal (in the state of Jonglei) to be completed, much more water could be saved from the Sudd swamps, and the massive drained area itself would become added agricultural land. The Sudd covers over 16,200 square kilometers.

The Jonglei Canal was projected to be 370 km long, 75 m wide, and 5 to 8 meters deep. About 250 km had been excavated when the work was halted by the civil war in 1983. A new agreement was reportedly signed between the federal Southern Sudan government and the Egyptian government in 2007 to resume the work on the canal. It is estimated that the Jonglei canal project would produce (save) 5-10 cubic kilometers of water per year. Much of that water disappears through evaporation now. The canal would also reduce the river transport distance between south and north Sudan by 300 km.

Sudan's total natural water resources are estimated by the FAO to be 149 cubic kilometers per year, of which 30 cubic km/

yr are internally produced. In a dry year (which happens one out of every ten years), the internal water resources are reduced to about 22.3 cubic km/yr. Of the internal water resources, 28 cubic km/yr are surface water, and 7 cubic km/yr are groundwater. As a result of the Nile Waters Agreement with Egypt, the total actual renewable water resources of the country amount to 64.5 cubic km/yr, and Egypt is to receive 55 cubic km/yr.

The high variability of river flows necessitates storage facilities. The total storage capacity of the existing four main dams (not including the new Merowe Dam) is estimated at 8.73 cubic km, reduced to about 6.90 cubic km because of sedimentation.

- The Sennar Dam on the Blue Nile has a potential capacity of 0.93 cubic km, but a present capacity of 0.60 cubic km. It used for for the flood control and irrigation of the Al-Gezira Project.
- The Roseires Dam on the Blue Nile with a present capacity of 2.2 cubic km is for flood control, hydroelectric power generation, and water for irrigation. In April 2008, Sudanese President Omar Al-Bashir and Chinese Ambassador Li Chengwen signed an agreement to increase the dam height and its water reserve capacity to about 4.0 cubic km. The construction work will be performed jointly by Sudanese engineering companies and the Chinese Sinhydro Corporation. The \$390 million project is partially financed by the Arab Development Fund based in Saudi Arabia.
- The Jabal Al-Awlia Dam on the White Nile has a capacity of 3.5 cubic km.
- The Khashm Al Girba Dam on the Atbara River has a capacity of 1.3 cubic km, but at present it holds only 0.6 cubic km, and is used for flood control, hydropower, and irrigation of the New Halfa Project.
- The Merowe Dam, when completed, will contain a reservoir of 12.5 cubic km, or about 20% of the Nile's annual flow. The reservoir lake is estimated to extend 174 km upstream.

### **A Fluctuating Water Budget**

The fluctuating characteristics of the rainfall and the flow of the Nile make the development of water systems a lifeand-death issue for the nation of Sudan. The average annual rainfall is 416 millimeters, but ranges between 25 mm in the dry north and more than 1,600 mm in the tropical rainforests in the South. Rain-fed agriculture in Sudan is mainly concentrated in the Central-South of the country, but is seasonally limited because the dry season extends for about eight months, and the productivity varies widely from one year to another. The potential annual evaporation ranges from 3,000 mm in the North to 1,700 mm in the South.

The fluctuations of water supply extend also to the rivers. The flow of the Blue Nile reflects the seasonality of rainfall over the Ethiopian highlands. The flood period, or wet season, extends from July to October, with the maximum in August-September, and the low flow or dry season extends from November to June. The average annual flow of the Blue Nile and

its tributaries is about 50 cubic km; the daily flow fluctuates between 10 million cubic meters in April, to 500 million cubic meters in August (a ratio of 1:50!). This shows the urgent necessity of regulating the water flow through water management systems.

As for the White Nile, the loss of water in the Sudd swamp area, leaves that area with only about 16 cubic km, out of the 37 cubic km it has on entering it. The daily discharge fluctuates between 50 million cubic meters in April, to 110 million cubic meters in November (a ratio of 1:2). During the flood period, the Blue Nile forms a natural dam that obstructs the flow of the White Nile, and consequently floods the area upstream of the confluence.

Groundwater. The major groundwater basins are the Nubian Sandstone Basin (north and northeast of Sudan) and the Umm Rwaba Basins (west). In 2007, the geologist Dr. Farouk El-Baz said he had discovered the imprint of an ancient underground lake, as large as the state of Massachusetts, in Darfur, where a civil war is raging, fueled by Western intervention and aid. The discovery could make possible the construction of 1,000 wells, which could run for 100 years, El-Baz said. He and a team of 20 other Boston University researchers identified possible streams running from a 5,000-year-old lake, which was once replenished by rain and is now obscured by the arid sands of northern Darfur.

El-Baz, an Egyptian scientist, who worked with NASA on the Apollo Project, has visited Sudan to show his discovery and satellite images to Sudanese officials, and Egypt is helping to drill the first 20 wells. With electricity from the water dams, the underground water will give great hope for economic reconstruction and growth for this dry region.

**Irrigated areas.** Different Sudanese governments have historically put great emphasis on regional development projects. These have become the main food and income source for the nation generally. The Al-Gezira Project, located in Al-Gezira state, between the Blue and White Niles, before they meet in Khartoum, is the world's largest farming operation under a single management, and provides a substantial portion of foreign exchange and government revenue. This storage irrigation project, which covers 840,000 hectares, has an additional potential of 2 million hectares.

Under the British colonial rule, this project was initiated for production of cotton for the British Empire's textile mills. Part of that legacy remains, as a great part of that area is allocated for cotton production for export. The project is run by the government Ministry of Irrigation and Water Resources (MIWR), jointly with the farmers association through the Al-Gezira Board.

Other major farming projects are the one watered by the Khashm Al-Qirbah Dam on the Atbarah River (Al Qatarif state) and the Rahad Project (Southern Kordofan state).

Although the irrigated area in Sudan constitutes only about 11% of the total cultivated land, it contributes more than half of the total volume of the agricultural production. Irri-

gated agriculture has become more and more important over the past few decades, as a result of drought, rainfall variability, and uncertainty. It remains a central option to boost the economy in general and increase the living standard of the majority of the population.

According to the FAO, the total area equipped for irrigation in 2000 was 1,863,000 ha, comprising 1,730,970 ha equipped for full or partial control irrigation, and 132,030 ha equipped for spate irrigation. Only about 800,000 ha, or 43% of the total area, are actually irrigated, because of deterioration of the irrigation and drainage infrastructures. In 1995, surface water was the source for 96% of the total irrigated area land; the remaining 4% was irrigated from groundwater. The irrigated area where pumps are used to lift water was 346.680 ha in 2000.

In May 2008, the Chinese Ambassador to Sudan, Li Chengwen, signed an agreement with the governor of the State of Al-Gezira permitting China to develop 500,000 hectares of land adjacent to the Al-Gezira project. This Chinese initiative can expand potentially to 1 million hectares, which would mean a doubling of the irrigated area in the same project to about 2 million ha.

Additionally, Arab countries, such as the United Arab Emirates, Saudi Arabia, Qatar, Oman, and Jordan have been entering agreements with the government of Sudan to finance new irrigation projects to secure their own food needs.

### The Bankrupt Liberal Free Market Policy

The futility of liberal free market policies, can be seen in an anecdote from the Al-Gezira project in the 1990s: Under pressure from the IMF in 1995, and as part of the liberalization of the economy, the government withdrew from financing the cost of irrigation services, among other things. As reported by the FAO, farmers were left to pay irrigation fees to the newly established Irrigation Water Corporation (IWC), which would use these fees to supply water services to the farmers.

Instead of setting up its own mechanism for collecting the fees directly from the farmers, the IWC relied for collection on the agricultural associations that were managing the project. Because the associations themselves were facing financial difficulties, a great part of the fees paid by the farmers were used for other urgent activities. This resulted in the inability of the IWC to collect sufficient resources to deliver the water services. This in turn led to the accumulation of sediment in the irrigation canals, and deterioration of the water regulation structures, machinery, and pumps.

Fortunately, the IWC was dissolved by the government in 2000, and the Ministry of Irrigation and Water Resources once again took responsibility for the management of the irrigation projects. The Ministry of Finance and National Economy now provides the MIWR with the annual budgets for operation and maintenance. And everything is functioning as well as possible.

### World Food Crisis

### Is It a Policy of 'Silent Genocide'?

by Karel Vereycken

It will hopefully shock you to discover that the largest genocide ever in human history is taking place openly in front of our eyes. The reason you haven't heard about it, is, because it is a "silent genocide": the killing of the not-yet-born can be done without too much noise.

Let me explain: Statistics on demography generally start with indicating the steep rise of demographic curves since the early beginning of mankind on the planet (**Figure 1**). Note that some major irregularities appear on the curve of population growth over the millennia. One of the first is the birth of Christianity around 1 A.D.; another, under the Sung Renaissance in China, 970-1279 A.D.; the sudden drop caused by the Black Death of 1348-51; and then, the explosive acceleration of population growth starting with the Italian Renaissance, bringing us up to about 1 billion people inhabiting the planet by 1800, reaching 2 billion by 1930 (130 years later); 3 billion in 1960 (30 years later); and 4 billion in 1974 (14 years later).

If one continues that rising rate of increase, by halving the time required to add an extra billion people, we should have been 5 billion in 1981 (7 years later); 6 billion in 1985 (4 years later); and 7 billion in 1987 (2 years later).

But that did not happen: There are now only 6.8 billion people, 11 years later, in 2008, while we should have already gone over the 10 billion mark in 1990.

Why?

In the early 1970s, the London-based international financier oligarchy decided that the world population had to be "stabilized" at maximum around 8-10 billion people, a number they, in their magnanimity, considered to be the absolute limit of what they, ideologically, have determined to be a fixed universe with limited resources.

That program was the objective of the Club of Rome's 1972 *Limits to Growth*, of which 30 million copies were sold in 30 languages, and which became the de facto practice throughout the world, over those years. Lyndon LaRouche condemned the policy at the time as "a blueprint for extinction."

Today, according to statistics published by the International Data Base of the U.S. Census Bureau (the 2008 First Update), the yearly increase of the world population reached a peak in 1990, with an increase of 85 million for that year; the

# World Population (Billions of People) 8 - end Start of S

yearly increase started declining from there on (Figure 2).

6000

B.C

5000

B.C.

4000

B.C.

3000

B.C.

2000

B.C.

1000

B.C.

A.D.

7000

B.C.

World population's yearly increase fell to only 79 million in 1998, and the Bureau's projections anticipate a sharp drop after 2013, leading to a yearly increase of only 40 million each year, the same number as in 1950.

Remember that the evil Rev. Thomas Malthus, a leading propagandist for the British Empire, "predicted" that population growth increased geometrically (1, 2, 4, 8, 16, 32...), while lying that available resources increased only arithmetically (1, 2, 3, 4...) forming a straight line: obviously, a total fraud in respect to history.

Current fascist sick-minded demographic "planners" have decided to prove that Malthus was wrong. Not by showing how leaps of human creativity can provoke the necessary increases of productivity and resources, allowing mankind to cope with exponential population growth, but by *curbing population growth*, in order to make it as linear as the rate of growth of the means to sustain it! (**Figure 3**).

### Pol Pot or 'Hitler-Light'

FIGURE 1

4

3

2

1

2-5 million

While UN statistics emphasize that they expect world population to reach 9.8 billion in 2050, they "forget" to tell you that this is only one of their three long-range scenarios (**Figure 4**).

1. The "low" variant, the perfect fantasy for the oligarchy, would give the planet a demographic peak of about 8 billion people in 2050, and then steadily *reduce* world population to

a mere 4.3 billion people in the year 2150!

- 2. The "medium" variant would give us 9.8 billion people by 2050, and then "stabilize" the world population from then on, at around 11.5 billion in 2150.
- 3. The "high" variant (which, again, is nothing but a linear arithmetic projection) would give the planet up to 28 billion souls by 2150.

If the "low variant" looks like a Pol Pot genocide program, the adopted "medium" version remains a "Hitler-light" version.

Note here that even the UN's "high" variant is only a linear projection of world population, while even Malthus, for the benifit of his own demonstrations, said that population growth was not linear (as the UN

pretends) but geometric and exponential! However, this "Hitler-light" medium variant is what all the leading institutions (International Monetary Fund, World Bank, UN Food and Agriculture Organizaiton, etc.) have officially adopted as their objectives and figures of reference since at least 1991!

9 2025 A.D.

Black Death—The Plague

1000

A.D.

So am I accusing the United Nations of committing genocide?

Yes! An article published in the *New York Times* on July 1, 1999, titled "U.N. Takes Up Plan To Limit Population," reads as follows: "The General Assembly today began debating an action plan first drawn up five years ago to limit world population growth, although developing countries remained deeply divided over some aspects of the plan. 'We have to stabilize the population of this planet,' Secretary General Kofi Annan said in an address opening the special session.

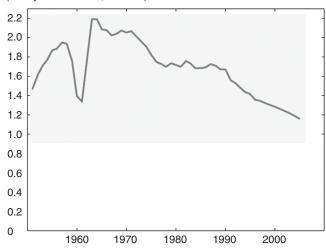
"Most of the plan—which seeks to freeze the world's population, now 6 billion, at 9.8 billion in 2050 by improving the status of women—is accepted and being put into effect.

"But a small group of conservative Muslim and Roman Catholic third-world countries, backed by the Vatican, continues to oppose certain aspects. During negotiations today those countries, which include Libya, Egypt, Argentina, Sudan and Nicaragua, pressed on with their campaign to water down provisions calling for safe abortions, sex education in schools and contraceptive advice for young people."

Five years earlier, on September 1994, the International

### FIGURE 2 Increase in World Population

(Yearly Growth Rate, Percent)



Source: U.S. Census Bureau, International Data Base, 2008 First Update.

Conference on Population and Development (ICPD), took place. It was a remake of the infamous Bucharest 1974 conference, where Helga Zepp-LaRouche personally intervened to expose the Club of Rome's Malthusian fascism.

Already, in the *Courrier de l'UNESCO* of November 1991, the popular French Commandant Jacques Cousteau, an insider in the Malthusian cult, stated that he was uncertain whether modern medicine was that good for humanity:

"The elimination of viruses proceeds from a noble idea, but creates in turn enormous problems. Between the year 1

and the year 1400, population levels remained nearly unchanged. Through epidemics, nature sanctioned the abuses of birthrate with abuses of mortality.... We desire to eliminate the suffering and the sickness? The idea is nice, but maybe not entirely beneficial on the long run. One has to fear that it will compromise the existence of our species. It is terrible to say so. The world population has to be stabilized and therefore, 350,000 people should be eliminated each day. It is so horrible to say so, that one should not even speak about it."

One is reminded of Prince Philip, the British royal consort and head of the World Wildlife Fund, who, more than once, expressed the desire to be reincarnated as a deadly virus, so that he could contribute to reducing overpopulation.

Poverty and the destruction of the world's food production is obviously the

most efficient way to make disease successful and reduce the world population.

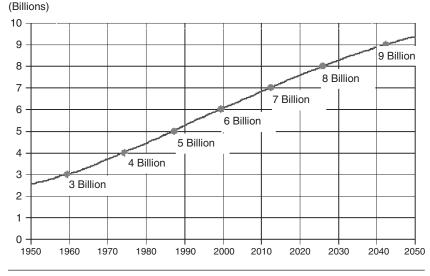
### The Green Face of Malthusian Fascism

Unfortunately, Malthusianism has quite some followers in the United States. As writes Nicolas Eberstadt, a "scholar" in Political Economy at the American Enterprise Institute (AEI): "Further, 'stabilizing world population' is a prospect that has been welcomed and financially supported by many of America's most prominent and successful captains of industry: among them, self-made multi-billionaires Ted Turner, Warren Buffet, and Bill Gates. The propriety—or necessity—of 'stabilizing global population' has been expounded by a wide array of respected writers, spokespersons, and commentators in the U.S. media. Politically, the goal of 'stabilizing world population' is officially approved by USAID (America's foreign aid apparatus). And the quest to 'stabilize world population' is championed in the United States by political figures who are both influential and widely popular: one of America's most passionate and outspoken exponents of 'world population stabilization,' former Vice President Al Gore, very nearly won the Presidency in the closely contested 2000 election."

Today, Eberstadt lectures, as does Gore, on global warming, the green face of Malthusian fascism, and on July 2, Eberstadt shared a forum with World Bank boss Robert Zoellick called "Was Malthus Right? Was Today's Global Food Crisis Inevitable?'

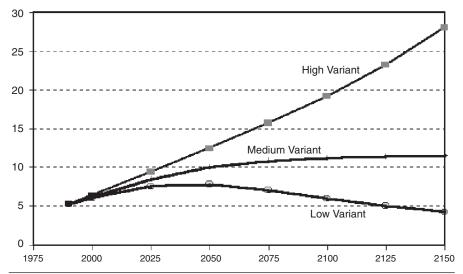
Indicating how political this all is, is another article by Eberstadt, titled, "The future of AIDS" published in the November 2002 *Foreign Affairs*. There, Eberstadt claims that the HIV/AIDS pandemic "is set to shift from Africa to Eurasia. The death toll in that region's three pivotal countries—

### A Malthusian Projection of World Population: 1950-2050



Source: U.S. Census Bureau, International Data Base, 2008 First Update.

FIGURE 4
United Nations Long-Range Projections 1990-2150
(Population, Billions)



Source: United Nations.

Russia, India, and China—could be staggering. This will assuredly be a humanitarian tragedy, but it will be much more than that. The disease will alter the economic potential of the region's major states and the global balance of power. Moscow, New Delhi, and Beijing could take steps to mitigate the disaster—but so far they have not."

Eberstadt wrote that "stabilizing world population" is officially approved by USAID. On page 14 of a report of the International Programs Center (IPC) of USAID, titled, "World Population Profile: 1998, with a special chapter focusing on HIV/AIDS in the developing world," one senses the worried tone in the statement that, "Population growth has continued throughout the past three decades in spite of the decline in fertility rates that began in many developing countries in the late 1970s and, in some countries, in spite of the toll taken by the HIV/AIDS epidemic. Even though the increase in world population in 1998 reflects a slowing of growth, in absolute terms world population growth continues to be substantial. World population increase is currently equivalent to adding a new Israel, Egypt, Jordan, West Bank, and Gaza to the existing world total each year.... The current Census Bureau assumptions about future trends of fertility and mortality imply that world population will increase to a level of nearly 8 billion by the end of the next quarter century, and will reach 9.3 billion persons by 2050."

If their "successes" in curbing population growth are officially attributed to "better family planning," now renamed "access to reproductive health care," the reality is far less healthy. Even inside the UN, some voices of concern have

been raised, saying that the United Nations is engaged in population-control without regard to economic development.

For instance: "The whole tenor of the negotiations appears to be long on population control and short on development," said Jeanne Head, chief UN lobbyist for the International Right to Life Foundation. "In the review document, the term 'reproductive health' is listed 57 times, where 'basic health' is in there only three times." According to UNFPA (United Nations Population Fund) data, many women in developing countries have access to birth control, but lack access even to clean water. In Haiti, 81% have access to contraception, whereas only 28% have access to safe water. In mountainous Nepal, 95% have access to contraception, but only 44% have clean water.

### Crushing the 'Green Revolution'

In reality, the demographic collapse coincides perfectly with the implementation of the IMF's and World Bank's Structural Adjustment Programs. In the name of the "Washington Consensus," a world dictatorship of British Empire-inspired "free trade," forced privatizations, and unbridled liberalization that destroyed food security and food self sufficiency, has been imposed.

In the name of these free-trade economic "reforms," developed countries were forced to privatize or close down their state-administered agriculture programs, enslaving them to the irregular income of cash crops, and if that failed, emergency food relief. The "Green Revolution," a heritage of the farm policies of President Franklin Roosevelt's Secretary of Agriculture Henry Wallace, that revolutionized seed production in Mexico after the Second World War before being successfully adopted by India, Pakistan, the Philippines, and Zimbabwe, among others, is now on the way of being crushed by these Malthusian maniacs.

The resulting hunger and poverty have created a vast terrain where new epidemics could prosper and the older ones reappear. Major epidemics such as polio and malaria, which were on the path to being eradicated from the planet, are now again increasing their daily toll, killing every year at least 15 million people in the developing nations, where 90% of all infectious diseases prosper.

On the other hand, by employing advanced technologies based on nuclear fission and fusion, for irrigation, desalination, electric power, transportion, etc., the planet can easily support a healthy and thriving population of 25 billion—pending human colonization of Mars, and beyond.

### **INTRINTERNATIONAL**

### G8 Summit Fails Again: New Bretton Woods, Now!

by Helga Zepp-LaRouche

Mrs. LaRouche is the chairman of the Civil Rights Solidarity Movement (BüSo) in Germany. This article was translated from German, and subheads added.

Before our eyes, the world financial system is disintegrating at an ever more dramatically increasing rate; the G8 states are meeting for their annual summit in Japan—and the systemic collapse is not even a topic on its agenda, let alone are they finding a solution for ending the crisis! These governments' collective avoidance of reality continues to mislead them into looking for escape-hatches within the confines of the collapsing system—escape-hatches which in fact don't exist. Considering the fact that this is the collective wisdom of the governments of the seven leading industrial nations, plus Russia, and that the weal or woe of the vast majority of humankind hinges on their expertise, we can only speak of this as a tragedy, in the Classical meaning of that term.

In no time at all, it's going to dawn on even the dullest ignoramus, that there's nothing in this universe that can save the current global financial system. Freddie Mac and Fanny Mae, the two U.S. mortgage giants, are "insolvent," according to former Federal Reserve governor William Poole. "The financial crisis has returned in full fury," according to Spiegel-online. The *Financial Times* Germany edition headlined "There's Blood on the Floor in Zurich's Financial Center." The Danish Roskilde Bank is collapsing. The mortgage and real estate crises are escalating in the United States, Great Britain, Spain, and other countries, and more investment banks, such as Wachovia, JP Morgan, Lehmann Brothers, UBS, and Créadit Suisse, are on the skids. In Austria, the

government is supposed to shoulder the liabilities of Bawag Bank. The death-gyrations of the American airline companies are making another round, with mass layoffs of another 20,000, while in Germany, Siemens is firing almost 18,000 employees. And the list goes on.

The intensifying crisis of the government-backed mortgage financing companies Fannie Mae and Freddie Mac "signals the final collapse of the Greenspan bubble," commented Lyndon LaRouche. "This is not a crisis of these two institutions. It is the concentrated collapse of the entire globalized debt bubble Greenspan created—falsely called the 'U.S. subprime mortgage bubble'—falling onto these two institutions. And it signals that the next phase is the total explosion of the entire financial system." In the event that the U.S. government intervenes on these two institutions-whose stock value plummeted by almost 50% on July 11—and takes them over, it will be the taxpayers who must pick up the tab, while the problem of the systemic crisis will remain unaddressed. For we must keep in mind that the primary function of these two institutions, has been to keep the bubble economy pumped up, by turning debts into assets which could then be resold as structured securities.

One well-placed source in the financial sector stressed that something gigantic, of unfathomable and unimaginable proportions, must be done by Aug. 1, or the world financial system will collapse completely. If the Americans could only think through the implications of Freddie Mac and Fanny Mae's bankruptcy, he said, they would realize that we're in the greatest financial crisis of all time. But instead, they're all leaving on vacation, as if everything were just fine.

34 International EIR July 18, 2008



Russian President Dmitri Medvedev in Hokkaido Toyako at the summit, July 8. He offered cooperation in nuclear energy to all countries that want it.

In the month of June alone, financial institutions in the United States repossessed 110,000 family homes, and foreclosures were announced for an additional 250,000 homeowners. The number of such repossessions is four times greater than at the height of the Great Depression of 1933, and since July 2007, approximately 3 million homeowners have been in foreclosure proceedings, while \$3.5 trillion in real estate value has been obliterated. The flood of foreclosures has, in turn, caused real estate prices to collapse, and many

homeowners with mortgages they thought were secure, are now left with a house that is worth less than their mortgage; and so the spiral continues downward.

#### **Hyperinflation and Austerity**

The financial oligarchy's determination to keep its failing institutions afloat just a few days longer, even if it means hyperinflation, is typified by a press conference which International Monetary Fund Managing Director Dominique Strauss-Kahn gave on the side at the G8 summit. He recommended that the G7 countries' financial authorities should keep extremely careful watch over their respective financial sectors, and should come to the rescue of all institutions that get into difficulty, with injections of liquidity.

Now, that is truly outrageous: It's precisely the same "helicopter" strategy which earned Federal Reserve Chairman Ben Bernanke his nickname: the crazy idea that in an emergency, it would be better to fly helicopters over American cities and drop banknotes, than to permit large financial insti-



Indian Prime Minister Dr. Manmohan Singh and Chinese President Hu Jintau at the summit. Their bilateral discussions, including on close cooperation for nuclear energy development, were probably more significant than the multilateral summit itself.

tutions to go bankrupt. And this, knowing full well that the resulting hyperinflation would devour the savings of all the so-called little people.

Just how the neoliberal oligarchy envisions the continuation of the crisis, is as clear as day: massive reductions in the population's standard of living, in the tradition of Hitler's Economics Minister Hjalmar Schacht. Strauss-Kahn presented the brilliant idea that price inflation in energy and food should be fully passed on to consumers, since this would create an incentive for producers to increase their production, while for consumers it would be an incentive to reduce consumption. And in typical British "lady-do-rightly" manner, he suggested that there be a safety net for the poor. Lorenzo Bini Smaghi, a member of the European Central Bank's board of directors, blew on the same horn, arguing that the sacrifices which the population will have to make, must be distributed evenly.

The fact that for the majority of the population, who in recent years haven't been able to accumulate savings, such a

International July 18, 2008 EIR 35 "reduction of consumption" and "equal distribution of sacrifice" mean a further plunge into poverty, with incalculable social and political consequences, is evidently a matter of indifference to these incompetents, whose own personal salaries would not be affected in the least by such a "distributed sacrifice."

#### **One Contradiction After Another**

The only positive result coming out of the G8 summit, was their unanimous commitment to a renaissance of nuclear energy worldwide—except for Germany, of course. Russian President Dmitri Medvedev announced the massive expansion of nuclear energy in Russia, as well as international cooperation with all countries which desired it. Perhaps more important than the G8 summit itself, was a bilateral side-meeting between Indian Prime Minister Manmohan Singh and Chinese President Hu Jintao, where they agreed on their countries' close cooperation in nuclear energy development.

Within the G7 states, however, one contradiction is piling on top of another, with the interests of nation-states sharply clashing with the ideology of the neo-liberal free-trade faction. French President Nicolas Sarkozy, for example, assured the European Parliament in Strasbourg that under no circumstances would he sign the final documents of the World Trade Organization's so-called Doha Round, which has been set to occur at a meeting on July 21 in Geneva. Admittedly, Sarkozy used a free-traders' argument that Brazil and China are also refusing to open their markets; but his real, more compelling reason, was surely the 100,000 agricultural jobs that would be eliminated in France, were the Doha agreements to go into effect. The WTO had made a desperate attempt to push the negotiations through by early June at the very latest, so that governments could get the required arrangements into place while the Bush Administration was still in office.

But the G8's inability to even put the problem of the systemic crisis onto its agenda, or to give serious consideration to a new financial architecture, is a sure sign that, very soon now, there will be an extremely rude awakening for governments who have insisted on clinging to their ideological prejudices. Just as the Communist system collapsed in 1989-91, so also the speculative system, which was started at the latest by Richard Nixon in 1971, and which, starting in 1987, was puffed up by Fed Chairman Alan Greenspan into the most immense casino economy the world has ever seen, is now finished. The invention of derivatives and other "creative financial instruments" created a global monster which has led to the absolutely unpayable indebtedness of the system, along with huge mountains of unmarketable structured financial securities.

#### No Breakthrough in Europe

The European side of this monster was bestowed upon us by Margaret Thatcher and François Mitterrand with the Maas-

tricht and Amsterdam treaties, the currency union, the Stability Pact, and the Treaty of Nice. Thanks to these, we now have the bubble economy of the so-called catch-up economies, and in Germany, the collapse of the *Mittelstand*—small and medium-sized industries—and the past decade's reduction of real wages. The only ray of light in this otherwise dismal picture, is the Irish people's "No" on the referendum on the proposed Lisbon Treaty for European supranational government, and the subsequent declarations from the Presidents of the Czech Republic and Poland, that the Lisbon Treaty is a dead letter.

What has unfortunately become all too clear in this attempted coup from above, in which heads of government had sought to impose the EU Treaty in a cloak-and-dagger operation without any public discussion, is that democracy in Europe is in miserable shape. Even now, after the Irish "No" has at least ensured that the population knows that the Lisbon Treaty exists, there has not been a single in-depth analysis or presentation of the treaty in the media, with the exception of a brief talk show on the Phönix network. If it is true that Germany's Chancellor Angela Merkel actually did demand that President Horst Köhler sign the EU Treaty right now, even though the Constitutional Court's decision on relevant cases is still outstanding, then this is a truly hair-raising deficit in democracy, in a woman who, already back in 2005, said on the occasion of the 60th anniversary of her party, the Christian Democratic Union: "For truly, we do not have any legal claim to democracy and the social market economy for all eternity." So, what, then? Dictatorship?

#### A Solution Can Still Be Implemented

One thing is clear: The world is now facing shocks of an extent heretofore unknown. Lyndon LaRouche's proposal that it is only if the world's four most powerful nations—the United States, Russia, China, and India—join in cooperation, that a solution can be found for a new financial architecture (a "New Bretton Woods") may seem unlikely to many, but under the crisis conditions we are now headed for, it is not so. The world's people are currently thinking about solutions: for example, a continental Eurasian solution, without the U.S.A. and Great Britain, or a strictly Asiatic or South-South solution, or a ruble zone, or a British-Scandinavian zone, etc., etc. But already in the 15th Century, Nicholas of Cusa recognized that universal problems cannot be solved on the basis of side-arrangements, and that concordance in the macrocosm is only possible if all microcosms develop into a harmonious whole.

And so, even if today this might appear unlikely to most citizens, the only way to prevent humanity from being plunged into a really dark age, lies in our ability to establish a new and just world economic order, one which can secure the survival of all people and all nations, in human dignity. And the best thing that we in Germany can do, is develop ourselves into true citizens of our country.

36 International EIR July 18, 2008

# Zimbabwe: U.K. Leads G8 in Spitting on Africa

by David Cherry and Dean Andromidas

With British Prime Minister Gordon Brown taking the lead, the heads of the Group of Eight (G8) nations, meeting July 7-9 in Hokkaido Toyako, Japan, spat upon the African Union's July 1 resolution on Zimbabwe. That resolution called for Zimbabweans to resolve their problems themselves, and for "states and all parties concerned to refrain from any action that may negatively impact on the climate of dialogue." The AU also confirmed its support for the mediation efforts of South African President Thabo Mbeki. But the G8 statement on Zimbabwe of July 8 flatly declares, "We will take further steps, inter alia introducing financial and other measures against those individuals responsible for violence [in Zimbabwe]," and it recommends that the UN Secretary General appoint a special envoy "to support regional efforts to take forward mediation between [Zimbabwe] political parties," a move designed to undercut Mbeki.

South Africa's Deputy Foreign Affairs Minister Aziz Pahad, in a press conference July 4, had put emphasis on the language of the AU resolution, saying, "There is now an African Union decision on the way forward and all other parties (the UN or any other international organizations) must respect the will of the African Union Summit."

The G8 statement claimed, "We deplore ... the absence of appropriate conditions for free and fair voting as a result of [Zimbabwean authorities'] systematic violence, obstruction and intimidation. We do not accept the legitimacy of any government that does not reflect the will of the Zimbabwean people." There is, however, no mention of the effect on "free and fair voting" and on "the will of the Zimbabwean people" of British-inspired economic warfare designed to alienate the people from their government, and of British creation and funding of the opposition party, the Movement for Democratic Change of Morgan Tsvangirai, as a battering ram against the government.

At the G8 meeting, the Zimbabwe issue had first been discussed on the sidelines with a group of seven African heads of state, including Mbeki, who, as Africa's mediator in the Zimbabwean crisis, cautioned the G8 leaders that sanctions would be counterproductive and could lead to civil war. Despite opposition from Brown, President George Bush, and German Chancellor Angela Merkel, Mbeki received the support of the African heads of state, and of Russian President Dmitri Medvedev, Italian Prime Minister Silvio Berlusconi, and Japanese Prime Minister Yasuo Fukuda.

Berlusconi said that some countries in the region fear that sanctions "could create a situation of civil war," if they lead to Mugabe's downfall. He added, "South Africa says that it is best to seek an agreement between the President and the leader of the opposition. I am of the same opinion." A spokesman for the Fukuda government made a similar statement. Senior Russian negotiator Alexander Pankin said, "Threatening sanctions is not the best way to settle the issue. We believe there should be negotiations between the parties involved with the participation of African leaders."

What did Brown do to force these governments to join in his insulting statement, despite their stated opposition to sanctions? The London *Times* reports his "shock tactics": pulling aside those who supported Mbeki to show them photos of an atrocity killing allegedly committed by the ruling Zanu-PF party during the recent election campaign. But what of charges that such killings are being done by people trained by former Rhodesian Selous Scouts, and wearing Zimbabwe Army uniforms, so that the killings can be blamed on the ZANU-PF government? Did Brown use other pressures?

#### Russia Breaks Ranks

For a brief moment, the British were confident that, with Russia on board, they could ram through a UN Security Council resolution imposing an arms embargo on Zimbabwe, along with travel bans and asset freezes on leading individuals. China, they believed, would not veto the resolution, because they wanted to avoid any power plays around its Olympic Games. But Russian President Medvedev, in Hokkaido Toyako July 9, pointed out, correctly, that the statement makes no reference to the UN Security Council: "But there were no statements regarding decisions which should be taken by the UN in particular," he said.

Even though Russia and China ultimately vetoed the U.S.-drafted resolution, it is not a satisfactory outcome. All G8 members showed contempt for the African Union by signing the statement. More important, winning individual battles isn't everything. The British are willing to lose every battle, so long as they win the war. A principled stand is needed.

British screeching about dictatorship and violations of human rights in Zimbabwe is all pretext. They have nothing against authoritarian governments, which they oppose very selectively. Their own government, following the Venetian model, is highly authoritarian, behind the democratic window dressing. They care nothing for the welfare of the Zimbabwe people: Their own policy for Africa is genocide, most clearly stated by Prince Philip's Worldwide Fund for Nature and the Club of Rome.

The weakness of Africa's defense is that African governments accept the issues as falsely defined by the Anglo-Dutch oligarchs, instead of bringing the real issue of British ambitions to control Africa to the fore.

July 18, 2008 EIR International 37

# The British Plan To Recolonize The Subcontinent Is Gaining Ground

by Ramtanu Maitra

The massive suicide bomb attack on July 7, which killed 41 people at the Indian Embassy in Kabul, Afghanistan, including the Indian military attaché and counsellor, indicates the ruthlessness of Pakistan's Inter-Services Intelligence (ISI)-British MI6-aided Tehrik-e-Taliban Pakistan (TTP), or Pakistani Taliban, to break up Pakistan, and create a new, and unstable, nation bordering the resource-rich Central Asia and Iran. Although the Western media is keen to blame the "Taliban," it is clear that the Afghan Taliban was not involved, and that it was the handiwork of the TTP.

A day earlier, on the first anniversary of the Pakistani Army's raid of Lal Masjid at the heart of Pakistan's capital, Islamabad, a suicide bomber blew himself up, killing at least 19 people, mostly police officers. On the same day the Indian Embassy was attacked, terror struck Pakistan's largest city, Karachi, six times within an hour, as unknown terrorists triggered a series of blasts that wounded over 50 people, including children and policemen. Karachi, the largest Pakistani port, is the main disembarkation station of nearly 70% of the supplies that go to Afghanistan by road to the battling U.S./ NATO troops. The supplies pass through the famed Khyber Pass—a 30-mile stretch between the Khyber Hills. At the time of this writing, the Khyber Pass, and a part of Peshawar city, 22 miles east of the Pass, remain infested with militant local tribes working hand-in-glove with the TTP.

The only way to comprehend what is happening is to first step back, and look at the key geostrategic puppet-master in the region: the British Empire.

#### **British Geostrategy for the Subcontinent**

The British policy toward South Asia, and the Middle East as well, is uniformly colonial, and vastly different from that of the United States. Even today, when Washington is powered by people with tunnel vision, at best, the U.S. policy is not to break up nations, but to control the regime, or, as has become more prevalent in recent years, under the influence of the arrogant neocons, to force regime change. While this often creates a messy situation—for example, in Iraq—the U.S. would prefer to avoid such outcomes.

Britain, on the other hand, built its geostrategic vision in the post-colonial days through the creation of a mess, and furthering the mess, to break up a country. This policy results in a long-drawn process of violent disintegration. That is the process now in display in Pakistan, as well as in many other nations, including Zimbabwe and Kenya—where the British colonial forces had hunted before, and still pull significant strings.

When the British left the Indian subcontinent in 1947, it was divided into India and Pakistan. The British colonial geostrategists, coming out of World War II, realized the importance of controlling the oil and gas fields. If possession could not be maintained, the strategists argued, Britain and its allies must remain at a striking distance, to ensure their control of these raw material reserves, and deny them to others.

At the end of British rule, Pakistan consisted of East Pakistan (which since has been liberated to form Bangladesh) and West Pakistan. West Pakistan's western wing (west of River Indus) bordering Afghanistan and Iran, consisted of Baluchistan, the North West Frontier Province (NWFP) and the Tribal areas. North of all these, was the state of Jammu and Kashmir, which was a princely state under the Maharaja of Kashmir. Of the three areas, Baluchistan and the Tribal areas had not been brought under the British occupation and were kept instead as British protectorates. This was because the Tribals were ferocious, and made it clear they would not accept British troops within their territories. Moreover, the British crown figured that these areas would act as a buffer with Afghanistan, where the British were worried the Russians would show up.

Pakistan's North West Frontier Province (NWFP), however, is a different story. The NWFP, inhabited by Pushtun Muslims, was under the Indian National Congress, and led by Khan Abdul Ghaffar Khan, a close associate of Mohandas Karamchand Gandhi. Ghaffar Khan had no intention of joining Pakistan, but when the British called for a referendum to decide which way the NWFP would go, Ghaffar Khan decided not to let his party participate, ostensibly because he feared violence. Because of this, the referendum won by only 50.49% in favor of joining with Pakistan.

It is evident that Britain did not want India to have any direct land link either to Afghanistan, or Russia, or Iran. In the North, when the dispute over the status of the state of Jammu and Kashmir (J&K) arose, India's access to the North was blocked as well. The Kashmir dispute, the handiwork of London, showed what the British were looking for. Using a large number of Mirpuris (Mirpur is a part of J&K) who had

38 International EIR July 18, 2008

migrated to Britain soon after the partition of the subcontinent, the MI6 built up a very strong anti-India lobby in J&K and encouraged the demand for an independent Kashmir. At the same time, MI6 lent a hand to the Pakistani ISI, to implement terrorist acts within the India-held part of J&K which would undermine India's efforts to stabilize the area. The policy has not worked so far, but a royal mess has been made, thanks partly to India's misguided, and often ruthless, policies.

The MI6 mouthpiece, and a link to the British colonial establishment, was Eric Lubbock (Lord Avebury). He was the first British Member of Parliament to publicly support the Kashmiri secessionist movement, which he did in an address to a secessionist group, JKLF (Jammu Kashmir Liberation Front), at a conference in London, in 1991. There, he also announced his support for an armed struggle, according to *The Dawn* of Karachi. In a March 1995 issue of the JKLF's *Kashmir Report*, Lubbock condemned Indian policy in Kashmir as equivalent to what would have occurred if "Britain had been invaded in 1940," and suffered Nazi occupation. He demanded that Indian troops be withdrawn. "New Delhi fails to understand that if peaceful initiatives are thwarted, the inevitable result will be further violence," he threatened. Lubbock is still around pushing the colonial policies.

#### Who Are the Afghan Taliban?

For the uninitiated, it is important to realize that there exists a distinction between the Afghan Taliban and the Pakistani

### Who's Who

**ISI:** Pakistan's Inter-Services Intelligence; composed of all three branches of the military services, it is deeply infiltrated by Britain's MI6 foreign intelligence service.

**JI:** Jamaati Islam, a conservative Islamic party that has existed since Pakistan's formation in 1947. Britain's MI6 and Pakistan's ISI jointly created it.

**JKLF:** Jammu Kashmir Liberation Front, a Kashmiri secessionist group, formerly headed by the late Amanullah Khan.

**Al-Muhajiroun:** A London-based group ("The Emigrants") used by MI6 and the CIA to recruit mujahideen to fight the Soviets in Afghanistan during the early 1980s. It became the recruiting arm for al-Qaeda in London

**TTP:** Tehrik-e-Taliban Pakistan, or the Pakistani Taliban; based in the essentially ungoverned Federally Administered Tribal Areas (**FATA**).

Taliban. The Afghan Taliban, along with many other Afghans, are engaged in a war against the occupying U.S. and NATO troops, with the objective of driving them away so they can gain control of their land. In other words, these Afghans are ready to fight any foreign troops, be they are American, British, Canadian, or German. But they have no intention of doing harm to others who have not lent troops to the occupying forces. At the same time, the Afghan Taliban would accept help from anyone, including the Pakistani Taliban, or any jihadi group functioning along the Pakistan-Afghanistan border, including the much-vaunted al-Qaeda. It must be noted that no Afghan Taliban has ever been spotted, either in Iraq, or Palestine, where the Western, or pro-Western troops are engaged in battling the local Islamic groups.

On the other hand, while it is true that the Afghan Taliban have no love for the Indians, nonetheless they would not risk setting up a large operation of the kind that must have preceded the attack on the Indian Embassy. Moreover, the Afghan Taliban control large swathes of land in southern and eastern Afghanistan, but ground information suggests that they still are not in a position to carry out major attacks inside Kabul. Last April, an elaborate operation was put in place to assassinate Afghan President Hamid Karzai in Kabul. Initially, the operation was attributed to the Afghan Taliban, but later the Afghan authorities charged that it was the Pakistani ISI behind the failed attempt.

The Pakistani Taliban, however, are an altogether different kettle of fish, and are presently involved in breaking up Pakistan on behalf the geostrategic interests of the British colonials. This outfit, besides having a large number of tribes representing Pakistan's virtually ungoverned Federally Administered Tribal Areas (FATA) and Northern Areas bordering Afghanistan and the disputed state of Jammu and Kashmir, is guided by the Pakistani ISI and British MI6. The Pakistani tribal groups, who have never formally accepted Islamabad's authority, see, in the present situation, an opportunity to carve out a separate nation bordering Afghanistan in the West and River Indus in the East. This objective, however farfetched it may have seemed just months ago, is now a distinct possibility, not only because the ISI and MI6 have chalked out a design for achieving it, but also because of Washington's reckless approach to taming the Taliban and al-Qaeda at any cost, including undermining of Pakistan's sovereignty.

The increasing disintegration of Pakistan's political establishment has added to the threat. The ISI has been deeply infiltrated by MI6, and the Pakistani Army does not have the will to engage in a bloody civil war to prevent yet another break-up, nor does Pakistan's weak political elite have a clue as to how to integrate the increasingly militant tribal areas with Pakistan.

#### ISI-MI6 Link-Up

On the other hand, there exists a policy agreement between the ISI and MI6. Following the withdrawal of the

July 18, 2008 EIR International 39

defeated Soviet Army in 1989, the ISI moved in to arm and train the Taliban. The intelligence agency also brought in al-Qaeda, and was in the process of developing what is called "strategic depth," which, it argued, was necessary to protect the country from its "mortal enemy," India. The civilian governments in Islamabad, under the late Benazir Bhutto and Nawaz Sharif, had little choice but to allow the Pakistani Army and the ISI to pursue this objective.

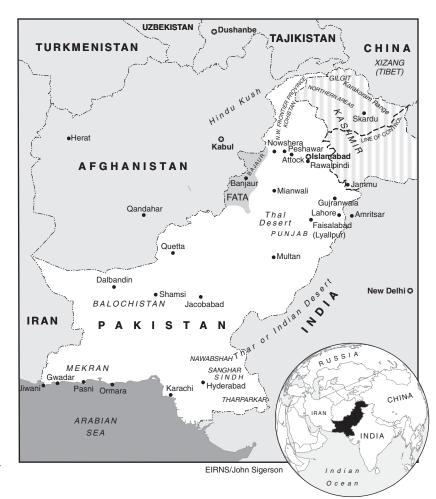
After 9/11, the scene changed rapidly. The Bush Administration identified Afghanistan, which was under Taliban rule, as the staging ground of al-Qaeda, and invaded the country with the intent of eliminating both the Taliban and al-Qaeda, in one fell swoop. Neither the ISI, and by extension, a section of the Pakistani Army, nor the British colonial operatives, wanted these assets, set up over years with the intent of controlling Central Asia, and undermining Russia, China, and India, to be sacrificed. Pakistan's ungoverned FATA immediately became the shelter of many who were facing Washington's wrath. In December 2001, Asia Times reported that the former ISI chief and a close collaborator of the MI6, "Hamid Gul, nicknamed the 'Godfather of the Taliban,' is believed to be behind moves to help the Taliban establish

a base in Pakistan's autonomous Pushtun tribal belt."

The added irony, is that Washington's foolhardy approach involves two of its "best allies"—Britain and Pakistan—who had built up these assets, and were keen to protect them from Washington's missiles and rockets. The outcome of Washington's policy is now plain for everyone to see: Having routed the Taliban, and driven them from power within weeks following the invasion, almost six and a half years later, Washington is now facing an enemy which is surely much stronger than it ever was before. The credit for this, of course, goes to the ISI and MI6. Both have now come to realize that not only can the assets be protected, they can be "officially" lodged in a country carved out of Pakistan.

#### What Drives the ISI?

The question is, why would the Pakistani ISI want the separation? Putting aside the British control over the ISI for the moment, what must be recognized, is that the ISI was the brainchild of an Australian-born British intelligence officer, Maj. Gen. R. Cawthorn, Deputy Chief of Staff in the Pakistan Army in 1948, who later served in Australia as head of their Secret Intelligence Service. The ISI was structured to be



manned by officers from the three main military services, and to specialize in the collection, analysis, and assessment of external intelligence, either military or non-military. At the time, as it exists even today, the ISI considered India its "mortal enemy," and the key to hurting India was to wrest control of the disputed state of Jammu and Kashmir, where Muslims are in majority.

There is yet another "meeting of minds" between MI6 and the ISI in recent days: their mutual hatred of Afghan President Karzai. The ISI rejected Karzai out of hand because the Afghan President is close to India, and even Russia—but cool toward Pakistan. So, the ISI feels it necessary to replace Karzai with someone who will be pro-Pakistan and anti-India.

Nor does MI6 like Karzai, and has joined with the ISI to remove him, because he is controlled from Washington, and has become openly anti-British: Last December, when Karzai learned that two British MI6 agentswere working under cover of the United Nations and the European Union, and behind his back, to finance and negotiate with the Taliban, he expelled them from Afghanistan. One of them, a Briton, Michael Semple, was working as the acting head of the EU mission in

40 International EIR July 18, 2008

Afghanistan, and is widely known as a close confidant of Britain's ambassador, Sir Sherard Cowper-Coles. The second, an Irishman, Mervin Patterson, is the third-ranking UN official in Afghanistan.

These MI6 agents were entrusted by London with the task of using Britain's 7,700 troops in the opium-infested, Pushtun-dominated southern Afghanistan province of Helmand to train 2,000 Afghan militants, ostensibly to "infiltrate" the enemy and "seek intelligence" about the lethal arms of the real Taliban. Karzai rightly saw it as Britain's efforts to develop a lethal group within Afghanistan.

In addition, around the same time, Karzai was under pressure from Britain, the U.S., and the UN, to appoint Lord Paddy Ashdown, a British Liberal Democrat, as the UN Special Envoy to Afghanistan. Ashdown had left his "viceregal" mark while serving as the High Representative of the United Nations for Bosnia a few years ago.

Anticipating that Ashdown, true to his reputation in the Balkans, would function like a colonial viceroy under orders from London, Karzai summarily called off the appointment. This decision raised quite a few hackles in London, and elsewhere.

#### **MI6-ISI's Anti-Russia Ties**

During the Cold War, the Pakistani ISI was not only training and infiltrating armed militants inside the Indiaheld part of Jammu and Kashmir, but was utilized by the British to create security problems on Russia's southern flank. When the Soviets bumbled into Afghanistan with thousands of troops and tanks, ISI and MI6, along with the CIA, joined forces in the early 1980s to recruit mujahideen to fight the Red Army. MI6 turned over to the ISI some of their assests in the London-based organization known as al-Muhajiroun, or The Emigrants. This became the recruiting arm of al-Qaeda in London, and was used for terrorist work. The first groups were Pakistanis; they were followed by Somalis and Eritreans, among others. Al-Muhajiroun operated at the time under the armless Omar Bakri Muhammad, known as "Captain Hook," who was the Imam of Finsbury Mosque in London.

Coincidentally, in 1983, the British-based World Wide Fund for Nature (WWF), headed by Prince Philip, which often provides the staging grounds for operations of MI6 and other British intelligence outfits, suggested that two national parks be created in Pakistan's Northwest, and although rather thin in natural wildlife, the preserves have proved to be excellent for growing poppy, and for training and staging mujahideen incursions into Afghanistan.

But, in the post-Cold War days, and particularly after 9/11, Washington moved closer to India, which went from being a "Soviet puppet," as it was labeled by some American analysts, into becoming a U.S. ally. Following 9/11, Washington made it a point to seek India's help in fighting the war on terror. Although India never supplied Washing-

ton with troops, New Delhi strongly supported Washington's war on terror policy. At the same time, Pakistani President Pervez Musharraf embraced this Washington-led policy, putting the ISI in limbo. With the anti-India angle suddenly removed, the ISI became vulnerable to the British plan to create a separate Islamic state, carved out of Pakistan, located on the threshold of Central Asia. MI6 succeeded in reigniting the the ISI's aspiration to liberate the state of Jammu and Kashmir as its prime mission. The attack on the Indian Embassy on July 7 was a statement of that objective.

#### Musharraf on the MI6 Role

The interweaving of British MI6 and the Pakistani ISI is too elaborate to fully describe here. But, to get an idea of it, consider this example: Pakistani President Musharraf, in his book, *In the Line of Fire*, stated that Ahmed Omar Saeed Sheikh, a Britain-born Pakistani who has been accused of kidnapping and killing *Wall Street Journal* correspondent Daniel Pearl, in Karachi, in 2002, was originally recruited by MI6, while studying at the London School of Economics. He alleged that Omar Sheikh was sent to the Balkans by MI6 to engage in jihadi operations. Musharraf added that, "at some point, he [Omar Sheikh] probably became a rogue or double agent."

On Oct. 6, 2001, a senior U.S. government official told CNN that U.S. investigators had discovered that Ahmed Omar Saeed Sheikh, using the alias "Mustafa Muhammad Ahmad," had sent about \$100,000 from the United Arab Emirates to Mohammed Atta, one of the 9/11 hijackers. "Investigators said Atta then distributed the funds to conspirators in Florida in the weeks before the deadliest acts of terrorism on U.S. soil that destroyed the World Trade Center, heavily damaged the Pentagon and left thousands dead."

Beyond that, the Saeed Sheikh affair shines a bright light on the MI6-ISI links. More than a month after the money transfer was discovered, the head of the ISI, Gen. Mahmud Ahmed, resigned from his position. It was reported that the FBI was investigating the possibility that it had been General Ahmed who ordered Saeed Sheikh to send the \$100,000 to Atta. There were reports that Indian intelligence had already produced proof for the Pakistani administration that this was

Even more important are the joint operations between the MI6 and the ISI. The export of jihad to the Central Asian republics to pressure the countries of the former U.S.S.R. was a joint venture of the ISI, Pakistan's Jamaati Islam (JI), and Hezbe Islami Afghanistan. It is also documented that the MI6 directly deposited money into an account in the name of Amir Qazi Hussain Ahmed of Pakistan's JI, which Qazi used to pump Islamic literature and money into the Central Asian republics to incite the local Naqshbandi circles (a Sufi group) to rebel against the governments.

July 18, 2008 EIR International 41

#### Khalistan and the Assassination Of Indira Gandhi

Britain's other gross interference to undermine Indian sovereignty with the help of the ISI became evident during the Khalistani movement in India's Punjab in the 1980s. A number of militant Sikh-led organizations, such as the Dal Khalsa, Babbar Khalsa, Council of Khalistan, the Khalistan Government-in-Exile, and the Sikh Federation were headquartered in Britain. The Sikh Federation was formed after the 2001 proscription by the British government of the International Sikh Youth Federation (ISYF), while the Babbar Khalsa cadres started working under the aegis of the Akhand Kirtani Jatha (AKJ), another militant group, after the ban imposed by the British government. Moreover, the top leaders of the Khalistani movement, Jagjit Singh Chauhan and Gurmej Singh of the Khalistan Government-in-Exile, used Britain to call for an independent Punjab (Khalistan), yanked out of India.

Although the Khalistani movement, which helped in fomenting the plots to assassinate two Indian prime ministers—Indira Gandhi and her son, Rajiv Gandhi—in addition to the deaths of scores of innocent Indians, is no longer visible, London still carries the Khalistani flag. In a highly significant development for the internationalization of the Sikh freedom struggle, representatives from a range of leading Sikh organizations met with high-ranking officials of the British Foreign and Commonwealth Office (FCO) on Aug. 15, 2007, in London, in order to seek British support for the Sikh nation's right to self-determination.

Goaded and helped by MI6 and Britain's colonial geostrategists, the ISI did its best to create chaos within Punjab during that period. At the time that the Khalistani movement had grown dangerous following the Indian Army's raid of the Golden Temple, the holiest of holy Sikh shrine in Amritsar, and of the assassination of Indira Gandhi, the Pakistani ISI chief was Lt. Gen. Hamid Gul, who is now leading the charge on behalf of the Pakistani Taliban to undermine Pakistan's sovereignty.

According to an Indian intelligence analyst, in 1988, when Benazir Bhutto became prime minister, Gul justified backing the Khalistani terrorists as the only way to preempt a fresh Indian threat to Pakistan's territorial integrity. When Mrs. Bhutto asked Gul to stop playing that card, he reportedly told her: "Madam, keeping Punjab destabilized is equivalent to the Pakistan Army having an extra division at no cost to the taxpayers." Gul strongly advocated supporting indigenous Kashmiri groups, but was against infiltrating Pakistani and Afghan mercenaries into Jammu and Kashmir. He believed Pakistan would play into India's hands by doing so, the analyst pointed out.

#### The Kingpin

This brings us to the leading collaborator of the British MI6 within Pakistan, Lt. Gen. Hamid Gul. Driven by his anti-India zeal, and now, with an equally zealous Islamic fervor,

Gul is perhaps the most dangerous individual in Pakistan today. As his support for the Pakistani Taliban is expected to unleash more violence in the coming days, Gul will become even more powerful.

It is widely acknowledged, even by the CIA, that Gul played a key role in helping to train and arm the Afghan Taliban in the 1990s. He had extensive liaison with Osama bin Laden, now hated, but liked immensely earlier by the CIA-MI6-ISI trio, while that Yemeni-Saudi was in Afghanistan.

Since the Lal Masjid raid by the Pakistani Army at the behest of President Musharraf last July, to free the mosque of jihadis and Pakistani Taliban, Gul has become violently anti-Musharraf. The July 15, 2007 London *Times* reported comments by Gul following the Lal Masjid conflict: "The government is trying to hide the number of young girls killed. As the truth comes out that young girls were gassed and burnt, riddled with bullets and killed, it'll be bad for Musharraf."

BBC reported Gul's views on jihad, criticizing Musharraf for seeking to stop jihadists, and challenging: "Who is Pervez Musharraf to say we should stop Jihad, when the Koran says it and when the United Nations Charter backs it up? Musharraf says: 'Stop the jihad, do this, that and the other.' No, no, no. He cannot. There is a clear-cut Koranic injunction."

UPI and the *Washington Times* have quoted Gul's interview in Pakistan's Urdu newspaper *Nawa-e-Waqt* where he stated: "The leadership vacuum created by the sad demise of [Palestinian] President [Yasser] Arafat can only be filled by Osama bin Laden and [Taliban leader] Mullah [Mohammad] Omar, the real leaders that are the only dedicated individuals with the mass support of the Muslim world."

It is likely that Gul was directly involved in the assassination of Benazir Bhutto. Bhutto had contended that the rise of extremism in Pakistan could not have happened without support from government agencies, including the military and the powerful ISI. She added that, though Baitullah Mahsud, the frontman of the MI6 and the ISI in the TTP, had reportedly threatened to send suicide bombers against her if she returned to Pakistan, the real danger came from extremist elements within the government that were opposed to her return.

"I'm not worried about Mahsud, I'm worried about the threat within the government," she told the London *Guardian*. "People like Mahsud are just pawns. It is the forces behind them that have presided over the rise of extremism and militancy in my country."

Despite his inciting speeches and his role on behalf of the terrorists masquerading as jihadis, Gul remains virtually untouchable. Following the imposition of a state of emergency by President Musharraf on Nov. 3, 2007, Gul had demonstrated against the Presidential order. He was arrested, but Musharraf had to release him within two weeks. It is evident that Hamid Gul has become too powerful and that he enjoys high-level protection. *Cui bono?* 

42 International EIR July 18, 2008

# Blair, Bush Cover Up Iraq Invasion Crime By Sealing UN Files

by Nina Ogden

Diplomats at the United Nations are fuming over the shutdown of UNMOVIC, the UN Monitoring, Verification, and Inspection Commission in Iraq, and the decision to prevent UNMOVIC from filing its final report confirming that Iraq did not have weapons of mass destruction, and was not

working on developing any WMD when the U.S./British-led coalition invaded in 2003.

The invasion to overthrow Saddam Hussein and occupy Iraq took place while the UNMOVIC international inspectors were doing their job—and finding, on site, after site, after site, that there were no WMD programs under development in Iraq in 2003. UNMOVIC was told to withdraw from Iraq after the invasion.

There was no resolution finalizing the closing of UNMOVIC. Rather, there was only a letter from UN Secretary-General Ban Ki-moon, and a Security Council

"report" describing the implementation of a vaguely worded UN Security Council resolution of 2007.

Lyndon H. LaRouche, Jr., denounced this decision as a cover-up for Tony Blair and George W. Bush. "Blair is the author of the war," LaRouche said on July 10. "There never were any weapons of mass destruction and they are trying to bury the finding that there were none. The Administration is trying to cover up what has already been exposed. It is a retroactive cover-up of the fact that the genesis of the war was a fraud.

"All the people died for nothing. All the money spent could have gone into funding hospitals. This was all done for a war that never should have been fought. Despite the cover-up of the killing of Dr. David Kelly, Blair started the war with a lie. Now he is supposed to be a Christian, but he is more like one of the 'lions,' as in lying. All the lives lost and the destruction of the American people lie squarely on the shoulders of the Bush Administration, and above all, on the shoulders of Tony Blair, whose recent conversion to Christianity smacks of something not wholesome."

#### Records 'Sealed' for 30 to 60 Years

According to one high-level UN source, the Security Council took action in late June, to completely close down UNMOVIC, transfer all its funds to other UN-managed funds maintained for Iraq, and to seal all weapons inspection records for 60 years for "supersensitive" material, and for 30 years for "sensitive" material. This provides great cover for Tony Blair, George W. Bush, and Dick Cheney, all of whom were caught falsifying and exaggerating reports about Iraq's possession of WMD in order to start the

The reason that the closing was finalized without a Security Council resolution, said another UN official source, is that the whole issue of Iraq is so painful for the UN that a number of the Permanent 5 members wanted all issues connected to Iraq to "just go away."

The Perm-5 had been unable to agree on certain critical issues, the source said. For example, Russia wanted the resolution of 2007 to explicitly include the fact that there were

> no WMDs found in Iraq at the time ofand after-the invasion, but the United States and United Kingdom would not allow this.

> On why there was no final UN-Iraqi WMDs.

> MOVIC report, the official said that again, the British and the United States had blocked it. Russia was insisting that UNMOVIC's background material had to be available to UN members, while the U.K. and U.S. demanded that the "Duelfer Report," conducted by the CIA's "Iraq Survey Group," be accepted as the report of record on the question of

The official, an experienced Middle East analyst, said that the U.S. invasion of Iraq in 2003, in spite of the evidence that Iraq had no weapons of mass destruction, was such a contentious issue that members of the UN Security Council could not even discuss technical matters regarding present-day Iraq without arguments breaking out. "There was a real reluctance to have any substantial discussion regarding Iraq anymore," she said. "There were big scars from that period and that made it very difficult for the Perm-5 members to function."

UNMOVIC, which had replaced the UN Special Commission (UNSCOM) in December 1999, was removed from its job in May of 2003 after the United Kingdom and the United States wrote a letter to the Council saying that Coalition of the Willing Parties, through the newly formed Coalition Provisional Authority, would now assure Iraq's disarmament. Since the invasion, UNMOVIC had continued to exist with no substantial function because, as the analyst explained, "There was such divergence among the council members on how to terminate its activities."

The UN official also admitted that it is not clear if there is any precedent for the UNMOVIC records being sealed for 30 to 60 years.

July 18, 2008 EIR International 43

Tony Blair

# **PIRNational**

# Pelosi Is Covering Up for 'Money-Changers in the Temple'

by Nancy Spannaus

Upon taking office in 1933, President Franklin D. Roosevelt promised to use the Constitutional prerogatives of government to drive the "money-changers" out of the temple, those who had put the pursuit of profit and speculation before the welfare of the people of the United States. Roosevelt delivered on that promise during his three full terms in office, not only in saving people from eviction and destitution in the short term, but also establishing the institutions and laws which would keep the greedy profiteers under control. Having allowed the free-marketeers, starting in the early 1970s, to dismantle FDR's protections, and now faced with the hyperinflationary explosion of food and fuel prices, the Congress and the public have now finally woken up to the need to put protective regulations back into place.

During the week of July 7, Congress held no fewer than three hearings in a row, to delve into the role of speculation in the skyrocketing price of fuel. However, at the insistence of Speaker of the House Nancy Pelosi, responsibility for this issue was put under the House Agricultural Committee, which is chaired by Rep. Colin Peterson (D-Minn.). His mission? Suppress all legislative initiatives which would go against the interests of the speculators.

Briefed on this spectacle, Lyndon LaRouche reiterated his demand for Pelosi's immediate ouster as Speaker. "Pelosi has run a fraudulent side-show, to protect the speculators, and this is more than reason can tolerate," LaRouche charged. "She should be sent back to housekeeping, to defend the honor of all women."

#### **Roll Up the Speculators**

Over the month of June, a number of legislators, mostly Democratic Senators, put forward legislation which would force the Commodity Futures Trading Commission (CFTC) to regulate all trading by U.S. firms in the oil futures market, closing the "London loophole," and make the CFTC designate the banks and hedge funds as "speculators" in oil futures. The CFTC could then subject these purchasers to position limits, much greater margin requirements, and to strict regulation. In the House of Representatives, some Democrats, like Rep. Bart Stupak of Michigan, have also aggressively gone after the speculators, and solicited the advice of "experts" on how to bring down the price of oil—by as much as 50%—within 30 days.

On July 10, a coalition of airlines, acting under the auspices of a coalition called Stop Oil Speculation (SOS) Now, issued an extraordinary letter which blasted the excuses of the speculators, and their apologists in the banking community and Congress. The letter read, in part:

"Twenty years ago, 21 percent of oil contracts were purchased by speculators who trade oil on paper with no intention of ever taking delivery. Today, oil speculators purchase 66 percent of all oil future contracts, and that reflects just the transactions that are known. Speculators buy up large amounts of oil and then sell it to each other again and again. A barrel of oil may trade 20-plus times before it is delivered and used; the price goes up with each trade, and consumers pick up the final tab. Some market experts estimate that current prices reflect as much as \$30 to \$60 per barrel in unnecessary speculative costs."

The letter then explicitly referenced the measures taken by Franklin Roosevelt: "Over seventy years ago, Congress established regulations to control excessive, largely unchecked market speculation and manipulation. However, over the past two decades, these regulatory limits have been weakened or removed. We believe that restoring and enforcing these limits, along with several other modest measures, will



EIRNS/Stuart Lewis

The outrageous rise in the price of gasoline in the U.S. is directly attributable to control of the market by speculators—who are being protected by Nancy Pelosi.

provide more disclosure, transparency, and sound market oversight."

"The airline statement is correct," LaRouche said, noting that this just adds fuel to his demand for Pelosi's immediate ouster. Pelosi, LaRouche charged, has become a "tool of the very speculators" targeted by the airline executives. LaRouche cited the June 30 LaRouche PAC press release, exposing Pelosi's deep ties to mega-speculator George Soros, in addition to her well-documented, longstanding ties to Felix Rohatyn. Immediately following her election as Speaker of the House, in January 2007, Pelosi hired Soros operative Joseph Onek as her general counsel. Onek had been the chief policy advisor for Soros's Open Society Institute and its affiliated Open Society Policy Center, before being hired by Pelosi.

"With the entire financial system coming apart, rapidly," LaRouche concluded, "the kind of treachery that we have seen coming from Pelosi, on behalf of Rohatyn, Soros, and their ilk, has just reached the point where it is no longer tolerable. If this nation is to survive, Pelosi must be dumped now."

#### And on the European Front

A heated battle is being led on the other side of the Atlantic by Italian Treasury and Finance Minister Giulio Tremonti, to impose FDR-style restrictions on speculators in food and fuel. Tremonti is a leading proponent of a New Bretton Woods and a supporter of LaRouche's Eurasian Land-Bridge program,

At the July 7-8 Brussels meeting of the European economic and finance ministers (Ecofin), Tremonti presented a proposal to use Article 81 of the European Treaty against commodity speculators, a proposal that has given his monetarist opponents conniptions, in London and Switzerland, as well as Italy. For two hours, Tremonti discussed the issue.

Tremonti "will explain why, in his view, it is possible to

use European laws against those who buy and sell paper oil barrels, i.e., contracts and instruments decoupled from the real possession of commodities, but able to steer the price-amplifying tendencies dictated by 'demand and supply,'" reported the Rome daily *Il Messaggero* July 7.

The Italian initiative against speculation received prominent support July 6, when Pope Benedict XVI issued a call for emergency action in favor of the poor during his Sunday Angelus. "I address myself, then, to the participants in the meeting in Hokkaido Tokayo, Japan, that they may focus their deliberations on the needs of the weakest and poorest people, whose vulnerability is greater today because of speculation and financial turbulence and their perverse effects on the cost of food and energy," the Pope said. "Probably Giulio Tremonti did not expect to be able to present his plan against oil price increases in Brussels, the day after a papal statement that uses the same terminology," *Il Messaggero* reported.

More surprising was the fact that Italian Prime Minister Silvio Berlusconi also pushed Tremonti's proposals against financial and commodity speculation at the Group of Eight summit in Japan.

"I made some proposals," Berlusconi told Italian journalists July 7. "We should intervene on the exchange markets, where margin requirements on futures, currently at 5%, should increase—some countries propose up to 50%—and intervene through the European and the American antitrust authorities against speculation." Berlusconi stressed that the European Treaty provides the EU Commission with the authority to act through Article I, which says, "the market should determine the well being of the citizens, but this does not occur; articles 81 and 82 outlaw the abuse of dominant [market] position, and Article 208 establishes rules on violation procedures."

On the opposite side of the issue in Europe, are the Swiss and London banking establishments, which have made their displeasure known. The July 7 Neue Zürcher Zeitung, mouthpiece of the Swiss bankers, accused Tremonti of simply using his fight against speculation and globalization as a diversion; but, the paper was forced, for the first time, to give his campaign prominent, accurate coverage. The Swiss paper wrote,"The Italian economy minister, a legal expert by education, is already well known for his interventionist suggestions.... The self-declared admirer of French mercantilist Colbert has already called for a new Bretton Woods and protective tariffs to bring globalization under control, and accused the Financial Stability Forum, led by Italian Central Banker Mario Draghi, of proposing measures that are not effective enough, against the international financial crisis. The FSF has only prescribed an aspirin, Tremonti impertinently once said."

Not surprisingly, it is these very same London-based international financial circles who, through Soros and Rohatyn, control Pelosi, and others fighting to stop the restoration of FDR-style regulation in the United States. It is high time they were removed from positions of influence.

# The Swamp Whence Al Gore Came

by Dennis J. Mason, LaRouche Youth Movement

This article was posted on the LaRouche PAC website, www. larouchepac.com, on July 7, 2008, and is reprinted with permission.

What Al Gore represents, in particular, is a picaresque reflection of the essence of the oligarchical model traced in our national history from traitors such as Lord Shelburne-backed crony of the British Foreign Office's Jeremy Bentham, the traitor Aaron Burr who founded the Bank of Manhattan. This connection to Gore has been shown most clearly by that almost swamp-creature-like, self-disgraced Tennessean's "mint-julip" racist, and "environmentalist" (i.e., eugenics) orientation, in alliance with Britain's Fabian imperial Prime Minister Tony Blair, against the black-skinned population and nations of sub-Saharan Africa.

However, it is to be emphasized that, in Gore's case, the silliness comes less from the hooch, than the "branch water." Shades of the 1970s collusion among the clippings-service mentalities represented then by the fellow-Confederates Gore, neo-Jacobin Newt Gingrich, and the pathetic Tofflers! It might be said, that one could get Al Gore out of the swamp, but it would be much more difficult to get the swamp out of Al Gore.

If I seem to view Gore as so much rubbish, take note of the fact that everything I say on that account is true, but, also, that I am obliged to do so to put the emphasis truthfully where it belongs. Gore is essentially an intrinsically expendable, mere errand-boy, not the master. Expose Gore for the miserable creature which he is, but save your fire for the global financier circles which are the architects of the immediate fascist danger to the planet now, as financier interests of the same breed, such as Felix Rohatyn, which, like Hitler's British sponsor, the Bank of England's Montagu Norman, and the Bank for International Settlements' Hjalmar Schacht, led, among numerous other Anglo-American, Dutch, French, and other financier circles, in creating the Hitler regime. So, the hedge funds, an operation centered in the British Cayman Islands, were created today. We must take Gore fully into account for what he represents; but, we must not let him be treated as a scapegoat for the truly evil masters

which he, like programmed and scripted wind-up toy Gov. Arnold Schwarzenegger, merely serves. This time, the financier circles like those which created Hitler must not escape the accounting for their crimes.

—Lyndon H. LaRouche, Jr.<sup>1</sup>

To investigate the brackish roots of Albert Gore, Jr., requires going back no later than the end of the U.S. Civil War. It was Lincoln's success in defeating Palmerston's Britain, which set in motion the events which would come to shape the life of Albert Gore. It was the attack on the optimism spread in the wake of the 1876 Centennial Celebration, the successful completion of the Trans-Continental Railway, and the unfettered spread of the American System of political economy throughout the world, an attack which continues to this day; this is the driving factor, without which hollow Albert Gore, and others in his image, would collapse in on themselves like so much nothing, to be blown away like the sand at the feet of famed Ozymandius.

The thread of this present investigation rests upon the social heritage of the Gore family, as bequeathed by the Hammer family. As the Gores were merely lapdogs of the Hammers, so, too, were the Hammers to the Bolsheviks. And one of the key British operatives of the Bolshevik Revolution was one Alexander Helphand Parvus.<sup>2</sup> As Parvus's biographers summarized Parvus's outlook on the eve of the 1917 Russian Revolution:

Helphand showed that he believed that any political aim could be realized with sufficient money, that the elite of the socialist leaders could resist the lure of mammon no more than any other social group, that friendship, as much as political support, had to be bought. Such a view informed his political strategy; it was the essence of his political and human experience.<sup>3</sup>

<sup>1.</sup> Lyndon H. LaRouche, Jr.; "The Cult of the Oligarchy: The Gore of Babylon," *EIR*, March 30, 2007.

<sup>2.</sup> Jeffrey Steinberg, Allen Douglas, and Rachel Douglas, "Cheney Revives Parvus 'Permanent War' Madness," *EIR*, Sept. 23, 2005.

Z. Zeman and W.B. Sharlau, Merchant of Revolution (London: W. & J. Mackay & Co., Ltd, 1965).

Such a view would clearly inform the Hammer family, as well.

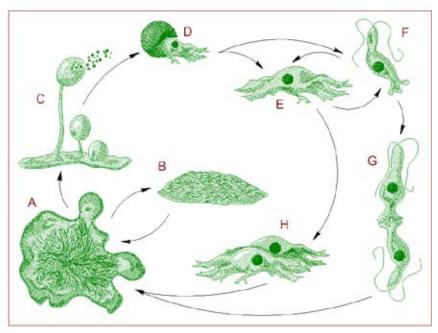
And, as the Gores were the errandboys for the Hammers, the question which follows is, whose interests were the Hammers' errands serving? Here is where we run into the slime mold in fact, the supranational banking apparatus which brought us, via the British Empire, two world wars, the current spot-market driven hyperinflationary U.S. dollar system, and, among other nasty elements, George Soros.

### 1. The Anglo-Dutch-Liberal Soviet Union

To begin to get a sense of the character of the Hammers' masters, requires looking into the real sponsors of the Bolshevik Revolution, in many cases, the same sponsors who brought us Hitler.

The idea behind the following overview is not so much the specifics, but to give an overview of the banking apparatus that was in play, at that time, to accomplish the goal of world fascism. You may notice the similarity in method, effect, and disposition to the financial-political apparatus of which George Soros is the current foreman. This is because they are different spore structures of the same slime mold.

To understand the social and political dispositions of the Gore family, we'll look at three aspects of the history which shaped them. First, a look at the international financial circles which were used by the British in defense of their sea-lanes, will give us the context in which the Hammer family's activities were situated, and the general mode of operations of this imperial slime mold.4 Next, we turn to the Hammer family's activities as such, as a more localized expression of this process of empire, or if you will, as the footmen, of sorts, on behalf of an imperial destabilization operation. Finally, we see the manner in which the torch was passed from the Hammers to the Gores. This illustration serves to shed some light on the peddlers of what President Franklin D. Roosevelt would term "Eighteenth-Century methods," in his fights with Winston Churchill over post-war policy, methods which continue to this day in the rotund form of Albert Gore, Jr.<sup>5</sup>



The slime mold, a one-celled plasmodium with many, many nuclei, produces distinct reproductive structures housing spores which, as different elements of the British Empire do, can remain dormant for more than 75 years, and then germinate.

#### Witte's American Optimism

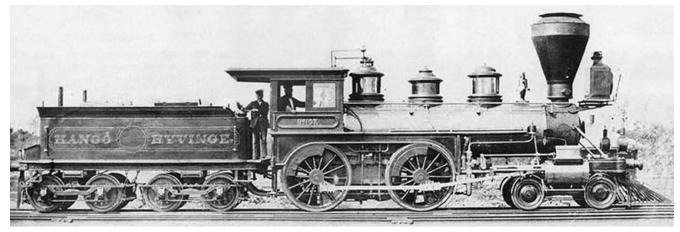
The welfare of Your Empire is based on national labor. The increase of its productivity and the discovery of new fields for Russian enterprise will always serve as the most reliable way for making the entire nation more prosperous. We have to develop mass-production industries, widely dispersed and variegated. We must give the country such industrial perfection as has been reached by the United States of America, which firmly bases its prosperity on two pillars—agriculture and industry.

—Russian Minister of Finance Sergei Witte to Tsar Nicholas II, 1899 memo

The Bolshevik Revolution, and World War I more broadly, was a direct attack on, among other things, the optimism embedded in Witte's referenced correspondence. This took the form of a response by a slime mold of bankers who, in some cases, have, reportedly, directly traceable lineage to 17th-Century Venice, the former seat of the power, such as it is, that the United Kingdom wields to the present moment. Place on the stage of your imagination, as subtext, the 1881 assassination of Alexander II, an Alexander who lent crucial naval support to Lincoln during the Civil War. Look at the installation of Sergei Witte as Finance Minister in 1892, a Witte whose active hand was shaping what would become the Trans-Siberian Railway; view this against the backdrop of the establishment of the British Round Table group in the 1880-90s.

<sup>4.</sup> LaRouche PAC documentary, "1932: Speak Not of Parties, But of Universal Principles," www.larouchepac.com.

<sup>5.</sup> Elliott Roosevelt, As He Saw It (New York: Duell, Sloan and Pearce, 1946).



The establishment of the U.S. at a relatively safe distance from the European oligarchy created the conditions which fostered the greatest density of scientific innovation in mankind's history. It is not simply train systems as such that threaten the British Empire, but the upshift in cultural productivity that blossoms in the nations which participate in the production, use, and propagation of these, and other scientific and technological achievements. Here, a U.S.-built Baldwin locomotive, 1872.

Cecil Rhodes, one of the Round Table's founders, was a hard-core racist and murderer.<sup>6</sup> Philip Kerr, who would lead the Round Table from 1925 to 1940, moved from "Germanophobia" to pro-Nazism. He would come to endorse Hitler's taking of Czechoslovakia: Since it was, in his words, "almost the only racially heterogeneous State left in Europe," it had no right to exist. Lord Alfred Milner, the previous head of the group, delivered a series of six lectures on socialism before his death in 1925, and considered Sidney and Beatrice Webb's A Constitution for the Socialist Commonwealth of Great Britain as a "very well-informed and thoughtful" approach to a "New Order."

Alfred Milner would become the business partner of one Max Warburg, of M.M. Warburg pedigree, a banking house and family that was very prominent in the anti-American-System Bolshevik operation. This family, dating back to Venice's 17th-Century financier Anselmo del Banco,7 would go on, during the post-war period, to defeat some of the Establishment houses of the City of London, a battle waged by Sir Sigmund Warburg. Witte had noted that Japan, with her limited personnel and financial resources, could not have sustained the Russo-Japanese War without political backing from Britain and without a general financial underwriting; it was Max Warburg who, in 1904, secured monies for Japan through German Undersecretary of State Arthur Zimmerman, with the help of Franz Urbig, director of Disconto-Gesellschaft. Disconto-Gessellschaft was one of the founders of the Venetian Count Volpi de Misurata's Banca Commerciale Italiano, and would later conduit funding into the Bolshevik movement. Max, a hard-core Bolshevik patron, joined with Sir Ernst Cassell, privy councilor and personal banker of Britain's King Edward VII, to form the Edward VII Foundation.

Another hard-working Warburg brother was Paul, and his mission was to impose British monetarism on the United States, in enmity to the system of credit, and thus economic development, embedded in the U.S. Constitution. After the assassination of President William McKinley in 1901, Theodore Roosevelt, a member of an Eastern Establishment family, was thrust upon the U.S.A. This Roosevelt has been quoted as saying, "Why not give Warburg the job? He would be the financial boss, and I would be political boss, and we could run the country together"—a statement uttered in the context of an international operation of securing the central banking system, as a system, globally. "The job," would come later under President Woodrow Wilson, who, in 1914, appointed Paul a member of the Federal Reserve Board, at the Equitable Life Assurance building at 120 Broadway in New York City. Paul helped pen the law creating the Federal Reserve system in 1913.

#### 120 Broadway

120 Broadway would become a staging ground in the United States for many of the Synarchist financial operations leading into both world wars, which, from a geopolitical standpoint, were one and the same operation. One tenant, John MacGregor Gant, was the U.S. subsidiary of the Russo-Asiatic Bank. Russo-Asiatic had been founded with elements of the French banking structure (e.g., Paribas), to drive a wedge between the Prussians and the Russians. The Russian

<sup>6.</sup> Rob Ainsworth, "The New Environmentalist Eugenics: Al Gore's Green Genocide," *EIR*, March 30, 2007.

<sup>7.</sup> Allen and Rachel Douglas, "The Roots of the Trust: From Volpe to Volpi, and Beyond—The Venetian Dragomans of the Russian Empire," *EIR* unpublished manuscript, 1987.

<sup>8.</sup> LaRouche PAC Documentary, "Firewall: In Defense of the Nation State," www.larouchepac.com.

<sup>9.</sup> The combination of Friedrich List's Germany in economic cooperation with a modernizing Russia was too dangerous a prospect for the oligarchy,

chair of the Russo-Asiatic bank from 1910-17 was A.I. Putilov, whose Putilov Works was instrumental in causing ferment leading into "Bloody Sunday" of 1905 Russia, the first insurrection against the State that would eventually lead to the consolidation of power under the Bolsheviks. Alexander Helphand Parvus would go on to use Russia-Asiatic as a money conduit for the Bolsheviks. Another tenant at 120 was Guggenheim Exploration, whose promoter, William Boyce Thompson, personally delivered \$1 million to the Bolsheviks, while leading the Red Cross mission to Russia.

Equitable Life Assurance, the namesake of the building at 120 Broadway, had on its payroll one William Schacht, a 30-year employee whose son was Hjalmar Horace Greeley Schacht. In 1918, Hjalmar worked on the board of the German National Bank, co-directing it with Emil Wittenburg. Wittenburg would go on to direct the first Soviet foreign trading bank, Ruskombank, in close contact

with another very active Bolshevik financier, Olof Ashberg. Schacht would become Hitler's economics minister, and his economic policies were implemented by the Nazi regime.

There's much more involved here, but this should suffice to illustrate the financial side of the strategic geometry in which Julius Hammer launched his career. A coordinated effort was under way by international bankers and financier families to halt the progress of humanity at all costs. If you are an imperialist, the upgrade in cultural productivity embedded in the two proposed rail systems of the time, the Berlin-Baghdad and the Trans-Siberian, simply had to be stopped.

and I think it is important here to keep in view the crucial role of the proposed Berlin-to-Baghdad railway, a threat every bit as dangerous to the British Empire as the Trans-Siberian. From the Russian perspective, Witte wanted to drive the Trans-Siberian through China, and out to Japan, as a way to incorporate these nations into the project, and thusly normalize relations with them; hence, the London-directed Russo-Japanese war. The Berlin-Baghdad run would open up new routes of trade, freeing all parties involved from reliance on British imperial sea-routes.



Hitler and his banker Hjalmar Schacht, who organized the financing to put the Nazis in power. Today's Anglo-Dutch financial circles, and their American collaborators, are orchestrating fascism again, using the likes of Al Gore.

These American Systemstyled projects, now as then, represent the absolute dissolution of British imperial sea power: absolute end-game for the British imperial oligarchy. This hereditarily Venetian oligarchy sent out its footmen in the form of this professionally (and, actually) intermarried group of financier slime mold, allies to neither nations nor political parties, who controlled the operatives to which errand-boy Hammers were to report. 10 These financial bosses, then as now, were interested in wrecking any standing threat to the British Empire, and would go on to create Benito Mussolini, Adolf Hitler, et al., to this end.

# 2. Gore's Sponsors

Julius Hammer, upon obtaining a two-year degree at the Columbia College of Physicians and Surgeons, opened up a chain of drug stores, the profits of which went directly

into the Socialist Labor Party; in this endeavor, he would, through his political contributions, drive his business into bankruptcy. His son, Armand, he would name after the "arm and hammer" of the socialist standard. His mentor, Boris Reinstein, brought Julius to the 7th Congress of the Socialist International, held in Stuttgart, Germany, in 1907. Here, he met with Vladimir Lenin, who tasked Hammer with creating a Bolshevik party in the United States.

The Communist Labor Party and Communist Party, U.S.A. were the fruits of this labor; as Hammer and Ben Gitlow were thrown out of the Socialist Party for agitating for Lenin, they found they had to form their own institutions. To run the money-operations into Soviet Russia, Hammer formed the Allied Drug and Chemical Company, later to become Allied American Corporation, maintaining its account

<sup>10.</sup> Lyndon H. LaRouche, Jr., *Project A* (Ch. XII: "A Self-Conscious Scientific Method"), reprinted in *The Science of Christian Economy* (Washington, D.C.: Schiller Institute, 1991), p. 162.

at Midland Bank in London.<sup>11</sup> Allied American would come to have branch offices in London, Berlin, Riga, Kiev, St. Petersburg, and Moscow.

The money-operations run by the Hammers included an underground abortion clinic for which the senior Hammer went to jail: Armand reportedly tried his hand at abortion, and killed Marie Oganesoff, the wife of a Russian diplomat, in the process. Julius took the fall for his son, and served in prison from June 1920 to April 1923 for this. The Hammers secured an exclusive deal with the Soviet government to offer money orders to Russians in the United States, to be purchased and sent off to Russia to be redeemed by family mem-



EIRNS/Stuart Lewis

Soviet Ambassador Yuri Dubinin (left) and Armand Hammer in Washington, January 1989. The Hammer family's cozy ties to the Soviet government date back to the Bolshevik Revolution of 1917.

bers there. As commercial attaché, Hammer would be utilized by Ludwig Christian Alexander Karlovich Martens, head of the Russian Soviet Government Bureau, as a fence for stolen diamonds and other booty. Later on, another ploy was forged Russian art: a few originals were paraded around to attract the attention of certain circles in the United States, to further the social network on behalf of the Bolsheviks, and then forgeries were sold to generate cash. A fabricated biography, *The Quest for the Romanov Treasures*, complete with an introduction from Walter Duranty of the *New York Times*, was circulated to give cover for this operation. Armand Hammer would go on to create the Armand Hammer Foundation, ostensibly a house of fine art; but Hammer cared for art only as long as it were politically useful.<sup>12</sup>

As Neil Lyndon, who travelled around the world with Armand Hammer and Albert Gore, Sr., and wrote Hammer's second biography, *Hammer*, while serving on Hammer's staff writes:

Hammer owned Al Gore, Sr. Hammer kept Gore, as he liked to say, "in my back pocket." When he said this, Hammer would touch his wallet and chuckle.

Throughout the whole of his life, Al Gore, Sr. and his family depended on pay-outs, kick-backs, and subventions from Hammer. Like his father before him, Albert Gore, Jr.'s political career was lavishly sponsored by Hammer from the moment it began until

Hammer died, only two years before Gore joined Clinton in the 1992 race for the White House....

The few people in the world who know about their close involvement have always been dryly amused by Gore's Mr. Clean reputation, a reputation only recently called into question over allegations of Gore's illicit fund-raising activities in the Presidential election of 1996....

Hammer enjoyed and exploited outright ownership of Al, Sr.'s political career—as Congressman and later Senator of Tennessee—and even insinuated himself ineradicably into the Gore's family life. He sent the Gores an expensive piece of antique silver every Christmas....

Along with the silver, Armand Hammer handed over controlling interest in Shadow Isle Farm to Gore, Sr., as a way to line Gore's pockets and fatten him up, so to speak. Gore would send reports to Hammer, with a check for his share in the company, and a thank you note for that year's gift of silver. In these letters, he marvels at how his prize Aberdeen Black Angus calves would receive double their value at auction: Purchase of these calves at over-inflated prices proved quite a stealthy method of bribery. Later, Albert, Sr. would become executive vice-president of Hammer's Occidental Petroleum Corporation, the wealth of which Gore was instrumental in bringing about. Hammer used this wealth to purchase Island Creek Coal Company, the company that owned the company store of the famous song, "Sixteen Tons," and the third-largest coal producer nationally through the 1970s, while seating Al Gore, Sr. as chairman of the board in 1972. Occidental yielded Gore \$750,000 a year as a board member from semi-retire-

<sup>11.</sup> These covert financial operations were run by Hammer in the decade or so before the United States officially recognized the Soviet government.

<sup>12.</sup> Steven P. Meyer and Jeffrey Steinberg, "The Congress for Cultural Freedom," *Children of Satan*, LaRouche PAC, August 2004, p. 203.

ment in 1983, until his death in 1998. "Oxy," and its subsidiary mining company, Occidental Minerals, provides Gore, Jr., with personal slush to this day.

In return for a life of comfort, Al Gore, Sr. was put to work on Hammer's behalf. From 1950 to 1968, while serving as a Congressman and, later, as U.S. Senator, Gore, Sr. did Hammer's bidding. When Hammer needed to have his FBI files expunged of decades of FBI surveillance reports, identifying him as a suspected high-ranking Soviet agent, Gore was there. When allegations of bribery in obtaining government contracts, which were later proven true, came up in the Senate, Gore defended Hammer on the Senate floor. When Hammer needed an introduction to a prominent Democratic politician, Gore was there. In 1961, Gore introduced Hammer to President Kennedy, who reluctantly granted permission for Hammer to say he represented the United States in meetings with the Soviet leadership. Afterward, Gore would

forward a memo written by Hammer, "A Memorandum on the Berlin Problem," to Assistant Secretary of State for European Affairs under Kennedy, Foy D. Kohler, with the advice that Hammer ought to be sent in to solve any further crises in the region.

It was during this trip to the Soviet Union that Hammer stopped off in Libya to prospect for oil concessions for Occidental Petroleum, concessions which would turn out to be pay-dirt for Hammer and Gore both. According to Hammer's biographer, Neil Lyndon, "Al Gore, Sr. was at Hammer's side on the day he paraded King Idris up a red carpet laid on the desert to open the new field."

To secure these deals, Hammer worked on King Idris and Omar Shelhi, Idris's adopted son, who was in charge of oil concessions, from several sides: Al Gore, Sr. operating from the Senate Foreign Relations Committee; circles around gangster Meyer Lansky (with whom Hammer had done business in the '40s and '50s); and a "Swiss businessman" named Hans-Albert Kunz, a bonafide member of Italian Freemasonic lodge P-2.<sup>13</sup>

It is also of note that Al Gore, Sr. had ties dating to 1954 with Sir Henry Kissinger, who has admitted publicly to keep-



U.S. Department of Transportation

The late Al Gore, Sr. (right) was a life-long property of Armand Hammer. Here he is shown with his son, who rakes in personal slush from Hammer's Occidental Petroleum (Dad was the executive vice president). The Hammer-Gore Island Creek Coal Co. inspired the popular song "Sixteen Tons" (see www.larouchepac.com/media/2008/04/04/al-gore-16-tons-and-company-store.html for an updated musical rendition).

ing the British Crown better informed of U.S. policy than the United States, when he was Secretary of State. They shared, among other things, a determination to prevent the development of ballistic missile defense systems, as any such defense would hamper their pursuit of world rule through threat to use the bomb: the doctrine of Mutual and Assured Destruction (MAD). Indeed, after witnessing a nuclear test in Nevada in 1954, Gore, Sr. would suggest a "de-humanized" or "sterilized" zone in Korea, created by a massive atomic bombing campaign.

The elder Gore also fought in the halls of Congress against Civil Rights legislation.<sup>14</sup>

# 3. Red-Coats vs. Red-Blooded American Patriots

With this kind of pedigree, it should come as no surprise that Albert Gore, Jr., would be found working closely with Soviet Prime Minister Victor Chernomyrdin, defending one

<sup>13.</sup> Claudio Celani, "Strategy of Tension: The Case of Italy," *The Synarchist Resurgence behind the Madrid Train Bombing of March 11, 2004*, LaRouche in 2004 Special Report, June 2004.

<sup>14.</sup> It is also of note that Armand Hammer would go on to create the "Armand Hammer Conference on Peace and Human Rights," as a replacement for the Pugwash conference, and spent the end of his life lobbying for the Nobel Peace Prize.

another as they fought, like a pair of rabid dogs, to take over the top of their respective governments. And that Gore would be found in the middle of the Golden ADA looting operations of post-Soviet Russia. Nor would one be astonished, upon surveying the VIP section at George H.W. Bush's inauguration, to find Armand Hammer there, as the personal guest of Albert Gore, Jr. With this sort of background, it were fitting for Gore to have worked in the U.S. Senate on behalf of Canadian oligarch Maurice Strong's associate Peter Munk, founder of Barrick Gold. Indeed, given the environment which shaped Gore's political and moral outlook, it would be astonishing were Gore not advocating the types of genocidal policy typified by carbon-caps and other varieties of "Bio-Foolery." But to leave it thus, to have fattened Al's family history as a sort of apology and excuse for his behavior, were a great fallacy.

With his Blood & Gore hedge fund (Generation Fund Management), his ties to Prince Charles, his post as an official climate advisor to British Prime Minister Gordon Brown, Gore continues as a British operative to this day. It is here that we see the nature of Synarchy, the left-right policy of Liberal Imperialism: the right as typified by Vice President Dick Cheney, and his connections to the Crown via Lynne Cheney; the left as typified by Gore, both of which coincide at 10 Downing Street. Remember that the infamous "16 words" in President Bush's 2003 State of the Union speech,

# America's Untold Story

How the trans-Atlantic republican movement waged a continuous fight for freedom, beginning with John Winthrop's Massachusetts Bay Colony in 1630.

H. Graham Lowry

\$19.95

ORDER FROM

EIR News Service, Inc. P.O. Box 17390 Washington, D.C. 20041-0390

Order by phone, **1-800-278-3135** 

OR order online at www.larouchepub.com

Shipping and handling: Add \$4 for the first book and \$1.00 for each additional book. Virginia residents add 4.5% sales tax. We accept MasterCard and Visa

justifying war against Iraq—words of Downing Street memorandum fame—were a stove-pipe operation to manufacture evidence to fit an intent: to draw the United States into another suicidal war, to crush her, as if of her own volition, on behalf of the British Empire.

We see, as our leaders bend over like so many reeds in the winds of popular opinion, where the so-called left and right coincide in the face of fascism. One could watch as our sophist leaders allow themselves to be carried away by the currents of this strategic geometry, a tragedy, which they, intentionally or not, fail to comprehend.

Lyndon LaRouche has not only identified this strategic geometry, but is constantly acting to alter it fundamentally, posing an existential threat to the British system, as in the tradition of Lincoln, Witte, Bismarck, and Franklin D. Roosevelt. Typical of this is LaRouche's call for an interconnected world rail system, on the basis of a Four Powers grouping of the sovereign nations of the United States, Russia, China, and India. This policy statement, which is already being heeded by wiser circles of influence world wide, is the only real option on the table for dealing with the profound physical economic and financial collapse overtaking us today. Mr. La-Rouche is working to provide us all with the opportunity to create new policies based upon reason, whereas most of our policy-makers, elected and institutional, are letting their strategic environment dictate their own, and thus civilization's, existence.

Mr. LaRouche's recent proposals on how to protect the population of this Earth from the hell-fire of a disintegrating international financial-monetary system, to defend and develop the generations of mankind yet to be, ought to be the benchmark by which any candidate, at any level of our republic, and elsewhere, should measure their worthiness and credibility.<sup>15</sup> To stand up and defend this republic from backwardness, enslavement, and the degradation of the sanctity of the individual human soul; to do God's good work, in the further elaboration of this universe of ours, is the most noble course of action one can take in this life. It's in your hands, on behalf of the future, to determine whether we will have tragedy, or success. Humanity requires you to act from this standpoint, on behalf of future generations of mankind, and on behalf of our hardworking predecessors, with the understanding that you are only allotted one death. What will it procure?

The real question thus posed, is, what are you doing to secure this precious republic?

This report is based on other published research by EIR staff.

<sup>15.</sup> Lyndon H. LaRouche, Jr., "Free Trade vs. National Interest: The Economics Debate about Russia," *EIR*, July 4, 2008; also, LaRouche, "From Shakespeare's Principle of Tragedy: Ambrose Evans-Pritchard," *EIR*, July 11, 2008.

### 'Revolution in Military Affairs'

# Behavior Modification Is No Strategy for War

by Carl Osgood

One of the Holy Grails of the Pentagon's Revolution in Military Affairs (RMA) is that Information Age technology and the thought-processes that go along with it would give the warfighter perfect knowledge of the battlefield. The technology would allow him to look through weather, walls, smoke, around corners, and into caves at what the enemy was doing. The conceptual process would allow him to anticipate what the enemy is thinking and doing, and allow him to act upon the enemy's "nodes," cut them, totally disrupt his ability to operate, and thereby change his behavior without having to resort to outmoded "Industrial Age" massed armies and logistics in order to destroy enemy forces. The initial U.S. entry in Afghanistan in 2001, and the invasion of Iraq in 2003, were supposed to have validated these concepts and laid the basis for the reorganization of the U.S. military along these RMA lines.

However, reality, as it always does, intervened. The wars in Iraq and Afghanistan degenerated into British-style counterinsurgency (COIN) campaigns, and, even more dramatically, Israel went to war in southern Lebanon in the Summer of 2006, and failed to accomplish its goals in a campaign that was supposed to have been a lightning defeat for Hezbollah. The Israeli Defense Forces (IDF) that went into Lebanon were, according to one study, beset by a doctrine that emphasized generating "effects" on Hezbollah's "systems" in order to create a "consciousness of victory" on the Israeli side, and a "cognitive perception of defeat" on the part of Hezbollah. The result was that Israeli brigade commanders went into combat with operational orders they could not understand, and ground forces that were woefully ill-prepared for the conventional defense that the Hezbollah militia expertly executed. That study was produced by the Combat Studies Institute of the U.S. Army Combined Arms Center at Fort Leavenworth, Kansas, earlier this year.

The study, by Matt Matthews, a historian and former National Guard armor officer, attributes the Israeli failure to two of the more important concepts of the Revolution in Military Affairs: Effects Based Operations (EBO) and Systemic Operational Design (SOD). *The Commander's Handbook for an Effects-Based Approach to Operations*, produced by U.S. Joint Forces Command in 2006, states that "an effects-based approach ... focuses on improving our ability to affect an

adversary's behavior and/or capabilities through the integrated application of select instruments of national power." Or, as Matthews puts it: "EBO is designed to affect the 'cognitive domain' of the enemy and his systems, rather than annihilating his forces."

EBO has been the subject of development and experimentation in the U.S. military since at least 2002, whereas SOD is newer. SOD is largely an Israeli invention, the brainchild of Brig. Gen. Shimon Naveh (ret.), the founder of Israel's Operational Theory Research Institute, in 1995. According to Matthews, who interviewed Naveh as part of his research, "SOD attempted to provide commanders with the aptitude necessary 'to think critically, systemically and methodologically about war fighting.' The design focused 'on the concept of the enemy' and provides operational commanders with tools to conceptualize both their enemies and themselves for the purpose of designing suitable campaigns."

#### **Doctrine Failed in Lebanon**

In April 2006, the IDF promulgated a new doctrine that was very much inspired by EBO and SOD. Ron Tira, an Israeli military analyst who was interviewed by Matthews, reported that the new doctrine replaced "the 'old' structure of Mission, Commander's Intent, Forces and tasks ... with a whole new world of Political Directive, Strategic Purpose, System Boundaries, Operational Boundaries, Campaign's Organizing Theme, Opposite System Rationale" and so on. According to Matthews, Naveh drew heavily on terminology from "post-modern French philosophy, literary theory, architecture and psychology" for this new way of thinking. The problem was that few Israeli officers were familiar with such language, nor could many understand why the old system of simple orders and terminology had to be replaced.

When the war came, in July 2006, Israeli operations were not designed to inflict actual military defeat on Hezbollah; rather they were supposed to produce "effects" that would force Hezbollah out of southern Lebanon and cause the militia to disarm. The IDF began with an air campaign that was supposed to produce those effects, and when that failed, the Israeli army launched a ground campaign that was supposed to do the same thing. Instead, they ran into an expertly prepared conventional, but decentralized defense that was totally unperturbed by Israeli efforts to generate "effects," and was able to inflict heavy casualties on poorly prepared Israeli ground forces, whose major experience over the previous several years had been in occupation duty in the Palestinian territories.

Matthews concludes, "The effects-based operations and Systemic Operational design-inspired doctrine that vigorously embraced airpower at the expense of a classic ground maneuver campaign was certainly a major factor in the IDF's disappointing performance." He adds that Naveh's SOD also proved highly disruptive. "The new language and methodol-

ogy severely handicapped many commanders in the field." Matthews also notes that years of counterinsurgency operations had seriously diminished the Israeli army's conventional combat capabilities.

#### 'An Unvalidated Concept'

Matthews notes that the Israeli experience has obvious lessons for the U.S. military, some elements of which are diving headlong into these concepts. U.S. Joint Forces Command has been experimenting with and promulgating what they call "an effects-based approach to operations" for several years, and the Air Force has been the primary proponent of the theory among the services, based on its experience in planning and executing the air campaign during the 1991 Gulf War. The Army has been working with elements of SOD since 2005, but the effort there has been somewhat restrained. In fact, the Army pulled back from incorporating EBO into its training curriculum in 2005, because Army officials concluded it was "an unvalidated concept." As explained by one official, the "fatal flaw" with EBO and its associated concept, "operational net assessment," is that they are based on a reductionist approach to understanding the enemy. This might work relatively well with something like an integrated air defense system or electrical power grids, but falls flat when the primary component of the "system" is human beings.

As for SOD, the Army has developed a tool called "Commander's Appreciation and Campaign Design," which is described as "a cognitive process intended for use by commanders charged with designing, planning and executing military campaigns." It uses elements of SOD, but at the operational and strategic level, not at the level of tactical operations, where it failed in Lebanon. The Army has not abandoned the more traditional analytic approach known as the "military decision making process (MDMP)," which "aims to produce the optimal solution to a problem from among the solutions identified." Army doctrine leaves it to the commander to use whatever approach, analytical or intuitive, best fits his needs.

#### Danger of a Counterinsurgency-Only Force

While the Army has been hesitant about diving headlong into some of the RMA concepts, it has had no similar hesitation about counterinsurgency warfare, in large part, because of the demands of the Iraq and Afghanistan wars. While there are obvious differences between the Israeli military occupation of the Palestinian territories and the U.S. military occupation of Iraq, the same problem nonetheless arises: erosion of conventional combat skills to fulfill the demands of a counterinsurgency campaign. A small number of prominent officers in the Army are warning of the dangers of "preparing to fight the last war," which means, in this case, the present war. The next war may not look like the present one, and yet the reorganization of the Army and rewriting of Army doc-

trine are being driven by the current wars in Iraq and Afghanistan.

Lt. Col. Gian Gentile, a veteran of two Iraq deployments who currently teaches history at the U.S. Military Academy, speaking at a March 26 event at the Heritage Foundation in Washington, D.C., warned that the Army is risking the same kind of failure that the Israeli army experienced in Lebanon. The Israeli army wasn't even able to handle basic tasks, such as command and control between battalions and brigades, or coordination between tanks and infantry.

Gentile argued that the supposed success of the surge in Iraq compounds the problem for the U.S. Army because that, and the high profile of the new counterinsurgency manual, are have a "Svengali-like effect on us, like we have some secret recipe for success." In response to a question from this reporter, Gentile expressed the thought that while the Army's new operational doctrine, with its commitment to stability operations, makes sense based on what the Army has been doing for the last five or six years, "I do worry about that, especially when that operational doctrine gets into the hands of a combat brigade commander who has to allocate time and resources in a constrained environment to training and what that kind of doctrine tells him what he must focus on." He added, "I don't believe that the Army has had the kind of debate about its doctrine, how it sees the future, what its role is in the same way that the American Army did in the early 1980s," following the Vietnam debacle.

While Gentile is treated as something of a heretic in the Army, what with counterinsurgency doctrine becoming the new orthodoxy, other officers have issued warnings similar to his. National Public Radio recently surfaced a memo to Army Chief of Staff Gen. George Casey by three former brigade commanders, all colonels with extensive experience in Iraq, warning that the Field Artillery branch is suffering an identity crisis "as a result of transformation, COIN-centric operations and the non-standard manpower demands" of the Iraq and Afghanistan wars. Most soldiers in field artillery are serving outside their military specialties and the average artillery unit will take 6 to 12 months to retrain, assuming it's actually given the time to do so. The colonels warn, "With each passing month that we continue to let these perishable skills atrophy, and lose our expert practitioners, we are mortgaging not only flexibility in today's fight, but our ability to fight the next war as well."

While Army doctrine calls for a "full spectrum force"—that is, a force able to operate at any point from benign peace-keeping operations and disaster relief, to counterinsurgency, to major combat—the practical effect of the wars in Iraq and Afghanistan, Gentile and others are warning, is that the Army is becoming a counterinsurgency-only force. This problem may be compounded to the degree that the U.S. military adopts concepts and doctrines based on behavior modification, as opposed to fighting to defeat an enemy with the intention of then creating the conditions for a durable peace.

### **National News**

### 'Infrastructure on Way To Third World Status'

In the face of massive infrastructure breakdown across the U.S.A., only Sen. John Kerry (D-Mass.) uttered a word of reality at a Senate Finance Committee hearing July 10. The hearing, called to discuss "Transportation Infrastructure: Issues and Options," turned into a forum for "anything but a Federal role," with witnesses and Senators alike bowing to privatization mantras.

Considering investment in our transport infrastructure a "critical issue," Kerry said "we are on our way to becoming a Third World country," as he described the collapse of the airline industry, bridges, and waterways. He ridiculed the fact that "we've had to fight to hold onto Amtrak," instead of building new high-speed rail networks. In this regard, he noted that you can go to Shanghai, China, "get on a Maglev train" and travel at 300 mph. "We are living off what our grandparents and parents built," and it is time we "offer some leadership." He ended by saying that there's no better way to put Americans back to work.

### Bush Signs Wiretap Bill; Backed by Obama

With the support of all Senate Republicans, and 21 Democrats, including Sen. Barack Obama, the Senate capitulated to the Bush-Cheney Administration again, by passing a bill on July 9 giving the government wider spying powers. A gleeful President Bush signed the bill, with Dick Cheney at his side, in a White House ceremony the next day.

The bill, which revises the post-Watergate Foreign Intelligence Surveillance Act (FISA), gives the government more powers to spy on Americans in the U.S. and abroad. It allows the government to bypass the Foreign Intelligence Surveillance Court, and collect large amounts of communications and data without having to obtain a specific warrant. And, the bill gives immunity to the

telecommunications companies that cooperated with the Cheney-directed illegal surveillance program starting in 2001.

Many members of Congress—including Obama before his conversion—opposed the latter provision on grounds that the 40 or so lawsuits now pending in federal courts were the only way to discover what the Administration actually did under its so-called "Terrorist Surveillance Program." Many observers and investigators believe that the program was much broader and deeper than has been admitted, collecting massive amounts of telecommunications data regarding innocent Americans, and then using "data-mining" techniques to attempt to find patterns of activity.

During the Presidential primary campaigns, Obama had vowed to oppose any bill giving immunity to the telecommunications companies, and had pledged to support a filibuster to block passage of any such bill. Obama has since abandoned that pledge, just as he has changed so many other positions in recent weeks

Sen. Hillary Clinton voted against the surveillance bill, as did 27 other Senators, including Judiciary Committee chairman Patrick Leahy.

# LaRouche: Bush Medical Cuts Mean U.S. Genocide

The ongoing cutbacks in health care on the state level, and, most importantly, in the crucial Federal Medicare and Medicaid programs, are tantamount to genocide, declared Lyndon LaRouche July 8. The responsibility for this crisis has to be laid directly at the feet of the Bush-Cheney Administration, as well as those leading Democrats who have done little to reverse it.

There must be immediate action, La-Rouche said, to prevent this dangerous, national crisis from escalating. Medicare and Medicaid are an essential part of our health care system; and it is an act of genocide to let them go. As these programs are allowed to deterioriate—for example, by cutting back payments to providers way

below cost—people are left to die.

LaRouche added, "The health care policies of the Bush Administration have killed more people than the war in Southwest Asia."

There is no excuse for what amounts to genocide, in the name of "fiscal responsibility."

### Possible War with Iran Dominates House Hearing

Whether a pending House resolution actually calls for war on Iran, was the topic of a contentious hearing in the House Foreign Affairs Committee July 9. House Concurrent Resolution 362, which calls for a petroleum embargo against Iran with interdiction and inspection of ships, was the real topic of the hearing. The tension displayed during the hearing clearly reflects the intense debate which has broken out in the past couple of weeks about a possible Israeli and/or U.S. attack on Iran.

In his opening statement, Rep. Gary Ackerman (D-N.Y.), who introduced the resolution along with Rep. Mike Pence (R-Ind.), spent his entire time denying that the resolution calls for war with Iran.

"Nothing could be further from the truth," Ackerman protested, launching into a sophistical explanation that the resolution doesn't actually require a naval blockade.

The first to attack the war plans was a Republican, Rep. Ron Paul of Texas (although Rep. Lyn Woolsey (D-Calif.) had previously raised Seymour Hersh's exposure of the Bush Administration's \$400 million fund for covert operations to destabilize Iran's leadership). Paul, noting that there is no evidence that Iran is developing a nuclear weapon, and that Iran has the legal right to enrich uranium, charged that "we're willing to risk World War III."

A parallel hearing in the Senate Foreign Relations Committee the same day was in total contrast to the House hearing, with all those Senators participating urging the Administration to engage in dialogue with Iran.

July 27, 2007 EIR National 55

### **Editorial**

## One Year Later—But Still Not Too Late

On July 22, almost exactly one year after his historic July 25, 2007 webcast, American statesman Lyndon LaRouche will take the stage in Washington, D.C. to give leadership to the American people, and world leaders, in the midst of the greatest financial breakdown crisis in centuries. In listening to LaRouche, as we hope you will, it were wise to recall, again, precisely what he said at that time.

First, with a stunning prescience, LaRouche declared that "the world monetary system is actually now currently in the process of disintegrating.... There *is* no possibility of a non-collapse of the present financial system—none! It's finished, *now!*... Only a fundamental and *sudden* change in the world monetary financial system will prevent a general, immediate chain-reaction type of collapse. At what speed we don't know, but it will go on, and it will be *unstoppable!*"

In fact, by the 3rd of August, the collapse of the world banking system, disguised as a crisis in the subprime housing market, broke onto the scene, with the collapse of two Bear Stearns hedge funds, and the IKB bank in Germany. And despite a public relations campaign which is desperately trying to convince the population to deny reality, that collapse has inexorably escalated to the present day. Fannie Mae and Freddie Mac are near bankruptcy, the auto industry is disappearing, the airline industry is disintegrating, home repossessions (and accompanying foreclosures) are proceeding at the same pace as in the worst days of the Great Depression.

Our national leaders should have listened to La-Rouche.

For in that same webcast, LaRouche laid out precisely what could be done to stem this tumble into disaster. Again, we quote:

"Now, therefore, we have to put the dollar under a fixed-exchange-rate system again. And we have to start to rebuild what we've destroyed. We have to take what was being shut down, the auto industry—put these hedge funds out of business, foreclose them; they're all swindles anyway. Start to rebuild the infrastructure capacity, the high-tech infrastructure capacity.... Restore the growth of our agriculture."

On top of that, LaRouche released, within days, his

Homeowners and Bank Protection Act, which calls for establishing a firewall of protection for homeowners and the banks, in order to stop millions from being put out on the street, and to save the banking system for legitimate operations. But, despite passage of memorials of support for the HBPA in more than 140 local jurisdictions since that time, Congress has still refused to act.

LaRouche did not only address the issue of the economy in that July 25, 2007 webcast. He also raised the alarm that Cheney might launch pre-emptive war against Iran—and called for the U.S. to immediately begin negotiations with Russia, India, and China for a new monetary system, as a pathway to recovery and peace. Over the course of the ensuing year, there has been significant motion by Russia, India, and China toward cooperation on pathways toward economic recovery, but the U.S. (Bush and Congress) has refused to move in this direction. And, outrageously, Vice President Cheney, freed by the Pelosi-run Congress of the danger of impeachment, remains in place, and is demonstrably committed to the British-spawned war plan against Iran.

Surely, these proposals will also resonate within the minds of U.S. and other policy-makers who are listening to LaRouche on July 22. But, will these policy-makers decide to act this time?

It is becoming increasingly difficult for anyone to deny that LaRouche has been uniquely correct in his forecast of financial and economic disintegration. His clear correctness on this point, also enhances his credibility when he points to the political source of the problem—the overwhelming influence of the Anglo-Dutch financial establishment and its operatives, like George Soros and Felix Rohatyn, on U.S. politics. How else, indeed, could the U.S. Presidential electoral process have ended up, for now, in pitting a vacuous Barack Obama, against the prowar, pro-free trade John McCain?

Time is short for people to follow LaRouche's lead. We have only one month to the Democratic Convention—and perhaps even less to prevent total devastation from the systemic collapse, or a new war-attack. To devise a plan of action, we urge you to listen to LaRouche at 1 pm Eastern time on July 22, live at www. larouchepub.com.

56 Editorial EIR July 18, 2008

# See LaRouche on Cable TV

#### INTERNET

- LAROUCHEPUB.COM Click LaRouche's Writings. (Avail. 24/7) MNN.ORG Click Watch Ch.57
- Fri: 2:30 a.m. RAVITELEVISION.COM Click Live
- Stream. Mon & Thu 11 am; Wed & Fri 10:30 pm
- SCAN-TV.ORG Click Scan on the Web. Sat 2 pm Pac
- 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: 2<sup>nd</sup> Tue 7 pm; AS Ch.31: Tue 7:30 pm
- CONTRA COSTA CC Ch.26: 2<sup>nd</sup> 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: 2<sup>nd</sup> 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
- JEFFERSON COUNTY IN Ch.98: Fri 2-2:30 pm

#### LOUISIANA

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

#### MAINE

**PORTLAND** TW Ch.2: Mon 1 & 11 am; 5 pm

#### MARYLAND

- ANN ARUNDEL Annapolis Ch.76 & Milleneum Ch.99: Sat/Sun 12:30 am; Tue 6:30 pm
- P.G. COUNTY CC Ch.76 & FIOS Ch.38: Tue/Thu 11:30 am
- 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: 3<sup>rd</sup> & 4<sup>th</sup> 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

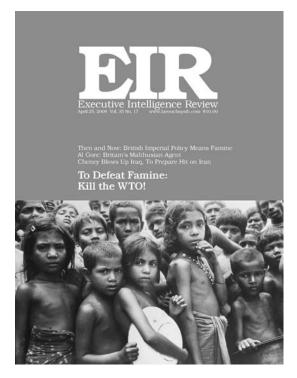
- MARATHON CH Ch.10: Thu 9:30 pm; Fri 12 Noon
- MUSKEGO TW Ch.14: Sat 4 pm; Sun 7 am

#### WYOMING

GILLETTE BR Ch.31: Tue 7

## **SUBSCRIBE TO**

# Executive Intelligence Review EIROnline



**EIR** Online gives subscribers one of the most valuable publications for policymakers—the weekly journal that has established Lyndon LaRouche as the most authoritative economic forecaster in the world today. Through this publication and the sharp interventions of the LaRouche Youth Movement, we are changing politics in Washington, day by day.

## **EIR** Online

Issued every Tuesday, EIR Online includes the entire magazine in PDF form, plus up-to-theminute world news.

I would like to subscribe to <b>EIROnline</b> (e-mail address must be provided.)  \$\\$\$ \$360\$ for one year  \$\$180\$ for six months  \$\$120\$ for four months  \$\$90\$ for three months  \$\$120\$ for three months	—EIR Online can be reached at:  www.larouchepub.com/eiw e-mail: fulfillment@larouchepub.com  Call 1-800-278-3135 (toll-free)
Name	Please charge my MasterCard Visa